

# TATE & LYLE

Global leader in sweetening, mouthfeel and fortification

Joint Venture in  
**Primient**

Leader in plant-based products for food and industrial markets

**Revenue**  
£1.4bn (~75% from ingredients produced at own facilities)

**People**  
>3,000

**Customers**  
>120 countries

**R&D and Innovation**  
1 Global Innovation Centre (US)  
16 Customer Innovation and Collaboration Centres Globally

**Revenue**  
£1.8bn

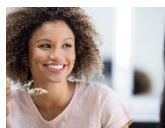
**Employees**  
1,400

**Customers**  
>500

## Investment case

### Our Purpose – Transforming Lives Through the Science of Food

We believe we can successfully **grow our business** and have a **positive impact on society**



### Clear Proposition for New Tate & Lyle

#### FOOD & BEVERAGE SOLUTIONS

HIGH-QUALITY BUSINESS, SIGNIFICANT GROWTH POTENTIAL

- Purpose-led, science driven, customer obsessed business
- Global leader in sweetening, mouthfeel and fortification
- Solutions meet consumer demand for healthier food and drink
- Established track record of innovation and scientific excellence
- Global reach with platform for accelerated growth
- Strong balance sheet providing flexibility to invest for growth

20-year agreements provide supply and economic security

#### SUCRALOSE MANAGING FOR CASH

- Driving high return on assets

#### Primient (JV) STRONG NEW PARTNERSHIP WITH KPS

- KPS with operational and Board control
- Ongoing cash dividend stream
- Potential future value creation from equity stake

### Ambition for 5 years to 31 March 2027

#### Organic revenue

**Mid-single digit**  
percent growth per annum

#### Operating margin

At least **50 to 100 bps**  
expansion p.a. on average

#### R&D spend

as % of FBS revenue  
**>4%** per annum

#### Organic return on capital employed

**50 bps**  
improvement p.a. on average

#### Further acceleration through M&A

New Products  
as % of FBS revenue  
**c.20%**

### Deliver Returns for Shareholders

**EARNINGS PER SHARE**  
Accelerate Growth

**RETURN ON CAPITAL EMPLOYED**  
Improve returns

**DIVIDEND**  
Maintain Progressive Dividend Policy

# Food & Beverage Solutions (FBS)

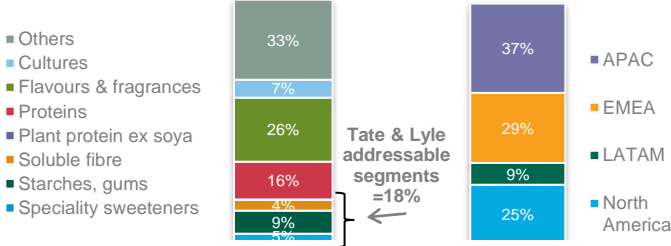
## What are Food & Beverage Solutions?

Ingredients and solutions which add specific functionality, nutrition and health benefits to our customers' products

### Global speciality food ingredients market c.US\$49bn<sup>1</sup> market growing at 4% p.a.

#### Segmental Split

#### Regional Split



<sup>1</sup> Sources: Euromonitor; HIS; Grandview; GMI; Bain analysis; Company analysis

### Fully aligned to growing global consumer trends for healthier food and drink

#### Growing population



- Convenience
- Healthy snacks
- Shelf-stability

#### Healthier living



- Lower sugar / calorie
- Gut health
- Clean-label

#### Sustainability



- Plant-based
- Natural / Non-GMO

### Leader in:

### Sweetening

### Mouthfeel

### Fortification

### Strategic Growth Framework

#### Key growth enablers:

Science and technical know-how

Talent and culture

Global supply chain

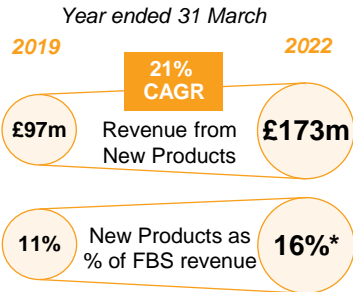


### Accelerating innovation

#### Step up in R&D

#### Proven record of innovation

#### Ambition for 5 years to 31 March 2027



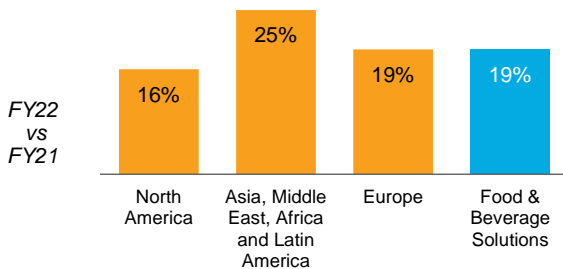
R&D spend as % of FBS revenue >4% p.a.

New Products as % of FBS revenue c.20%

\*14% inc. European PP

### Market Focus

#### Double-digit revenue growth across all regions



### Portfolio Expansion

#### Fibre

- Acquired Quantum Hi-Tech, leader in prebiotic fibres in China, Jun 2022

#### Tapioca

- Acquired speciality starch business in Thailand, Feb 2021

#### Stevia

- Acquired leading stevia business, Dec 2020

#### Open Innovation

- Acquired US-based Nutriati, chickpea protein and flour business, Apr 2022

TASTEVA<sup>™</sup>  
Stevia Sweetener

OMEGA<sup>™</sup>  
Stevia Sweetener

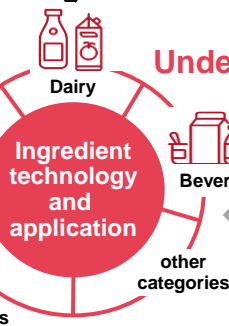
New Global Applications Team translating ingredient technology into category applications to provide customer solutions at a local level

R&D platforms  
**Create**

Soaps, sauces and dressings

Bakery and Snacks

### Integrated Solutions



#### Understand

Technical services for customers  
**Apply**

Solutions-based capabilities and new ways of working with customers (including)

Sensory

Consumer Insights

Nutrition

Formulation

# Key Financials – Year ended 31 March 2022

Adjusted performance metrics in constant currency

## Overview

- Continuing operations (new Tate & Lyle) delivered +18% revenue and +14% adj. PBT growth
- Significant acceleration in innovation with +35% New Product revenue growth
- Effective management of cost inflation through pricing, productivity and cost discipline
- Major strategic divestment re-positions Tate & Lyle as growth-focused food & beverage solutions business
- Acquisition of leading dietary fibre business in China significantly strengthens fortification platform
- Double-digit reduction in GHG emissions in last two years and new carbon net zero commitment by 2050
- Strong balance sheet enables investment for growth and payment of £500m special dividend in May 2022



## Highlights

Continuing operations	REVENUE	ADJUSTED PROFIT BEFORE TAX	ADJUSTED DILUTED EPS
	<b>+18%</b> £1,375m	<b>+14%</b> £145m	<b>+4%</b> 24.9p
Total operations	ADJUSTED PROFIT BEFORE TAX	ADJUSTED DILUTED EPS	NET DEBT
	<b>In-line</b>	<b>(4)%</b> 56.0p	<b>£209m higher</b> £626m

### Continuing operations

#### Food & Beverage Solutions

- Volume +5%
- Revenue +19% to £1,212m
- Adj. op. profit +7% to £160m

#### Sucralose

- Volume +15%
- Revenue +13% to £163m
- Adj. op. profit +15% to £61m

### Discontinued

#### Primary Products

- Volume in-line
- Adj. op. profit (16)% to £142m

### Inflation

#### Continuing Operations

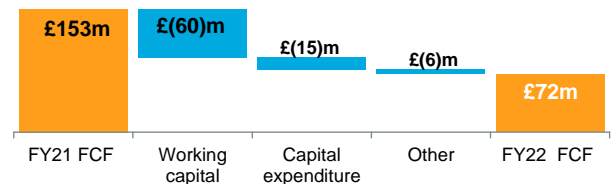
£100m inflation offset



- **Driving productivity benefits remains key focus in year ahead**

### Cash flow

#### Continuing Operations



#### Impact of Primient disposal timing – Total Ops

- £41m higher working capital from separation planning
- US\$120m (£92m) working capital recovery on 1 April 2022 at disposal completion

### Productivity Programme

#### Total Operations

**Target exceeded two years ahead of schedule**

- **Six-year programme to deliver \$150m of benefits by March 2024**
- **US\$34m (£25m) benefits in the 2022 financial year**
  - US\$26m from projects in operations
  - US\$8m from SG&A
- **US\$158m total benefits from programme to-date**
- **Productivity in operations includes:**
  - Capital investments to increase efficiency
  - Supply chain efficiencies
  - Continuous improvement
  - Procurement activities

### Year ended 31 March 2023

- **Entered year with:**
  - Strong top-line momentum
  - Innovation gathering pace
  - Productivity programme
  - Strong customer demand
- **Conflict in Ukraine causing significant inflation**
  - Supplementary pricing
- **Near term focus on:**
  - Continuity of supply
  - Serving our customers
  - Maintaining our financial strength and strategic progress

#### Outlook

*We expect further progress with adjusted profit before tax in line with market expectations and revenue growth reflecting top-line momentum and the pricing through of higher input costs.*

# Divisional Performance – Year Ended 31 March 2022

## Food & Beverage Solutions

### Strong top-line growth

Continuing operations	2022 £m	cc % change
<b>Revenue</b>		
North America	542	+16%
Asia, Middle East, Africa and LATAM	325	+25%
Europe	345	+19%
<b>Total</b>	<b>1,212</b>	<b>+19%</b>
<b>Adjusted operating profit</b>	<b>160</b>	<b>+7%</b>

- **Volume +5%**
  - ❖ North America +2%
  - ❖ Asia, Middle East, Africa and LATAM +15%
  - ❖ Europe +4%
- **Revenue +19%**
  - ❖ Benefiting from volume growth, strong mix and pricing through of inflation
- **Adj. op. profit +7%**
  - ❖ +12% before impact of reporting changes
- **New Products revenue +35% to £173m**
  - ❖ Represent 14% of FBS revenue

New Tate & Lyle  
(Continuing Operations)

## Sucralose

### Higher demand in beverages

- **Volume +15%**
  - ❖ Recovery in out-of-home consumption, esp. in beverages
  - ❖ Benefit of production optimisation
- **Revenue +13%**
  - ❖ Impacted by customer mix
- **Adj. op. profit +15%**
  - ❖ Operational leverage and production optimisation

Continuing operations	2022 £m	cc % change
<b>Revenue</b>	<b>163</b>	<b>+13%</b>
<b>Adjusted operating profit</b>	<b>61</b>	<b>+15%</b>

*Sucralose: A high-intensity sweetener offering sugar-like sweetness, stability and versatility*

## Primient

### Challenging year

Discontinued operations	2022 £m	cc % change
<b>Revenue</b>		
Primary Products in Americas	1,757	+15%
<b>Adjusted operating profit</b>		
Sweeteners and Starches	68	(42%)
Commodities	74	+52%
<b>Total Primary Products</b>	<b>142</b>	<b>(16%)</b>

- **Total volume in-line**
  - ❖ Sweetener volume in-line
  - ❖ Industrial starch volume +8%
- **Sweeteners and Starches adj. op. profit (42%)**
  - ❖ Productivity-related operational disruption costs of £(6)m and wider supply chain disruption
  - ❖ Cost inflation
  - ❖ Strong performance in industrial starch
- **Commodities adj op. profit +52% at £74m**
- **JVs adj. profit +37% at £35m**

Primient  
(Discontinued Operations)

## Sustainability targets to 2025 and 2030

 **Supporting healthy living**  
2025 targets

**Improving nutrition** Remove 9m tonnes sugar

**Balanced lifestyles** Help 250,000 people

**Promote personal well-being** Support 90% of employees

 **Building thriving communities**  
2025 targets

**Equity, diversity, inclusion** 50% leadership roles held by women

**Preventing hunger** Donate 3m meals globally

**Supporting education** Support 100,000 students

 **Caring for our planet**  
2030 targets

**Air** 30% GHG reduction

**Waste** 100% beneficially used

**Water** 15% use reduction

**Agriculture** Sustainable farming for all corn used

June 2022  
New Targets



- Carbon net zero by 2050
- Eliminate Scope 2 GHG emissions by 2030
- New equity, diversity and inclusion targets