Half year results for the six months to 30 September 2022
Issued: Thursday 10 November 2022

TATE & LYLE

Strong first half performance with good progress delivering growth-focused strategy

HEADLINES

- Strong first half performance with Group revenue +20% and adjusted operating profit +29%
- Good progress delivering growth strategy as newly focused speciality food and beverage solutions business:
  - Food & Beverage Solutions revenue +21% including inflation price-through and mix management
  - New Products revenue +19% benefiting from focus on innovation and customer collaboration
  - Integration of Quantum Hi-Tech acquisition, a leading dietary fibre business in China, progressing well
- Managing impact of cost inflation through strategic mix management, pricing, productivity and cost discipline
- Adjusted profit before tax[1] +10% with strong Tate & Lyle and significantly lower Primient joint venture profits
- Strong balance sheet and cash delivery underpins investment for growth and progressive dividend policy
- Outlook for year to 31 March 2023 – adjusted profit before tax to be in-line with current market expectations

FINANCIAL SUMMARY

	Adjusted results[1, 2, 3]			Statutory results[4]		
	2022	2021	**vs 2021**	**2022**	2021	**vs 2021**
Revenue	**£849m**	£656m	**+20%**	**£849m**	£656m	**+29%**
Operating profit	**£137m**	£94m	**+29%**	**£114m**	£33m	**>99%**
Profit before tax	**£139m**	£112m	**+10%**	**£68m**	£21m	**>99%**
Diluted earnings per share	**26.6p**	21.4p	**+9%**	**13.3p**	2.5p	**>99%**
Free cash flow	**£62m**	£20m	**£42m**			
Net debt (comparative 31 March)	**£281m**	£626m				
Dividend per share				**5.4p**	9.0p	**(40%)**

NICK HAMPTON, CHIEF EXECUTIVE SAID

"Our strong first-half represents an excellent start to Tate & Lyle's first full year as a growth-focused, science-driven, speciality food and beverage solutions business. Food & Beverage Solutions delivered another half of strong revenue and profit performance with broad-based growth across all regions. We continued to see robust customer demand for solutions which make healthier food and drink, and to benefit from our increasing focus on innovation and close customer collaboration.

We have seen significant inflation and supply chain volatility in raw materials, energy and logistics costs, especially in Europe. We have worked closely with our customers to provide visibility of increasing input costs and continue to follow this approach as we enter discussions for 2023 calendar year contract renewals.

The separation of the Primient joint venture was executed successfully in April to the great credit of both the Tate & Lyle and Primient teams. While Primient had a difficult first half due to inflation and operational challenges, underlying demand remains robust and with a focus on cash generation we have received US$76m in cash dividends this year.

The strategic re-positioning of Tate & Lyle to focus on speciality food and beverage solutions has significantly enhanced the quality and resilience of our business. Despite the uncertain economic outlook, we remain confident that the strength of our ingredient portfolio across attractive categories and regions, our focus on serving our customers, and the expertise and commitment of our people will enable us to successfully deliver our growth-focused strategy."

1 Comparatives for adjusted results for the six months to 30 September 2021 are pro-forma financial information published on pages 44 and 45 of the half year results statement for that period issued on 4 November 2021. Free cash flow comparative is continuing operations only.
2 The adjusted results for the six months to 30 September 2022 exclude exceptional items, amortisation of acquired intangible assets and other fair value adjustments, the tax on those adjustments and tax items that are themselves exceptional. A reconciliation of statutory and adjusted information is included in Note 2 to the Financial Information. Growth percentages are calculated on unrounded numbers. Changes in adjusted performance metrics are in constant currency throughout this statement.
3 Pro-forma adjusted diluted EPS has been calculated based on the earnings for the period and the shares in issue adjusted for impact of the 6 for 7 share consolidation as if it occurred on 1 April 2021.
4 Statutory results are continuing operations only

KEY HIGHLIGHTS[1]

Food & Beverage Solutions: continued strong revenue momentum

- Underlying volume +2% from robust customer demand; reported volume (8%) lower reflecting the planned transition of Primary Products Europe capacity, supply chain challenges and one-off factors
- Revenue +21% with double-digit organic growth across all regions
  - Volume excluding Primary Products Europe (5%) lower delivering +21% revenue growth from 13ppts inflation price-through, 12ppts strategic mix management and 1ppt acquisitions
- Adjusted operating profit +26% at £113m

Continued focus on innovation and customer collaboration driving New Products revenue growth

- New Products revenue +19%[2] reflecting good demand for fortification and mouthfeel solutions
- New Products represent 15% of Food & Beverage Solutions revenue

Sucralose delivers steady earnings

- Volume +9% due to strong customer demand, a phasing benefit and modest optimisation of production
- Revenue +12% with higher volume and benefits from customer mix
- Adjusted operating profit 8% higher at £39m

Group results reflect strong Tate & Lyle profits and significantly lower profits in Primient joint venture

- Revenue +20%; adjusted operating margin +110bps in constant currency; adjusted profit before tax +10%
- Share of adjusted profit of Primient joint venture 62% lower[1] due to inflation and operational challenges
  - Primient executed in-year supplementary pricing where possible with the ability to further price-through inflation during the 2023 calendar year bulk sweetener contracting round
- Received US$76m in cash dividends from Primient, the full amount expected for the 2023 financial year
- Proforma adjusted diluted EPS +9% after adjusted effective tax rate at 21.9%
- Statutory profit after tax on total operations up £19m at £121m from the profit on disposal of Primient offset by the inclusion in the current year of only 49.7% of profits from the retained interest in the joint venture
- Free cash flow of £62m (2021 – £20m) benefiting from higher profits and working capital in-line with the comparative period despite the impact from inflation
- Net debt £345m lower at £281m at 30 September 2022
  - Primient net receipts of £1.0bn; acquisition of Quantum £(184)m; special dividend £(497)m
  - Net debt to EBITDA ratio 1.0x
- Interim dividend of 5.4p reflects new earnings base, share consolidation and special dividend in May 2022

Continuing to invest in delivering growth-focused strategy

- Strengthened customer-facing solutions capability in areas such as nutrition, sensory and regulatory
- Acquired Nutriati, an ingredient technology business producing chickpea protein and flour
- Opened new Innovation and Customer Collaboration Centre in Santiago, Chile
- Capital projects to deliver growth expansion and ease capacity constraints progressing well

Effective management of significant cost inflation

- £85m of gross cost inflation mitigated by strategic mix management, pricing, productivity and cost discipline
- Quarterly supplemental pricing programme in place since May 2022
- For key production inputs such as corn and energy, forward purchase agreements and hedging are used to help manage input cost volatility and to build supply continuity

Integration of Quantum, a leading dietary fibre business in China, acquired in June progressing well

- Quantum significantly strengthens fortification solutions offering for customers in China and Asia
- Integration on track supported by strong customer relationships and good operating discipline

Good progress on purpose programme and building a more agile and inclusive culture

- Expanded sustainable agriculture programme for stevia
- Food bank partnership programme increased to support local communities
- 42% of top 500 managers are women

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1. Adjusted metrics percentage changes are in constant currency, Comparatives for adjusted results for the six months to 30 September 2021 are pro-forma financial information published on pages 44 and 45 of the half year results statement for that period. Pro-forma adjusted diluted EPS has been calculated based on the earnings for the period and the shares in issue adjusted for impact of the 6 for 7 share consolidation completed on 3 May 2022.
2. Definition of New Products updated to reflect nature of innovation launches see page 47. On previous definition revenue was 16% higher in period.

OUTLOOK

For the year ending 31 March 2023, we continue to expect:

- Revenue growth reflecting current top-line momentum
- To offset input cost inflation through strategic mix management, pricing, productivity and cost discipline
- Adjusted profit before tax to be in line with current market expectations with stronger profits in Food & Beverage Solutions offsetting lower profits from the minority holding in Primient.

OVERVIEW OF THE HALF-YEAR

Business environment and trading

The Group has made an excellent start to the year. Revenue in the first half was 20% higher reflecting the pricing-through of inflation and strong strategic mix management to deliver higher margin business in a period of capacity constraint. Adjusted operating profit was 29% higher. Adjusted profit before tax was 10% higher reflecting strong performance from the core business and weaker performance from our minority holding in the Primient joint venture.

Tate & Lyle is a global leader in sweetening, mouthfeel and fortification and we saw revenue growth across each of these platforms in the half. Our broad portfolio and technical capabilities provide customers with solutions that reduce sugar, calories and fat, and add fibre to their products, and consumer demand for healthier food and drink remained robust across the period. Underlying volume was slightly ahead of the comparative period at 2% higher. However, reported volume was 8% lower due to three factors each with around equal impact. Firstly, the planned transition of Primary Products capacity in Europe. Secondly, challenges in the operating environment from Covid-19 lockdowns in China and supply chain disruption. Thirdly, one-off factors including our decision to exit certain low margin business and the impact of industrial action at our corn wet mill in The Netherlands over a two-week period, which is now concluded.

We are mindful of the uncertain economic outlook and are closely monitoring consumer and customer demand as we move forward. Our experience during the pandemic, when demand for our speciality ingredients and solutions remained robust with some fluctuations across categories and regions, gives us confidence we can adapt to changing demand patterns.

Input inflation and supply volatility

Our teams have demonstrated agility in successfully navigating significant inflation and supply chain disruption. In the first half, we saw gross cost inflation totaling £85 million in areas such as corn, energy, consumables and transportation. This was mitigated by a combination of strategic mix management, pricing, productivity and cost discipline.

We entered the 2022 calendar year with renewed customer contracts that offset expected inflation. However, the conflict in Ukraine has caused significant further inflation in raw materials (including corn), energy and logistics costs, especially in Europe. It has also created supply chain volatility across a range of inputs (including packaging and chemicals) consumed in our production facilities across the world.

In May 2022, we implemented a programme of supplementary price increases across our main markets to recover incremental input costs. Under this programme, we have worked closely with customers to provide visibility of increasing input costs and are adjusting customer prices on a rolling quarterly basis. Together with a continued focus on delivering productivity and strong cost discipline, this has allowed us to offset input cost inflation. Normal industry practice sees customer contracts in North America and Europe renewed annually from 1 January each year. We will continue to adopt our approach of working closely with customers as we go through the 2023 calendar year contracting round in these regions.

We use forward purchase commitments globally and hedging for corn and energy in the US to help manage inflation and to build supply continuity. Such arrangements delay the impact of incremental cost increases. In addition, business continuity plans are in place should energy supplies to our two European corn wet mills in the Netherlands and Slovakia be limited or interrupted, which include optimising production to prioritise speciality ingredients.

Delivering progress on our growth-focused strategy

On 1 April 2022, following the sale of a controlling stake in Primary Products in the Americas ('Primient'), Tate & Lyle was re-positioned as a leading global speciality food and beverage solutions business focused on faster growing markets. During the half, we made good progress delivering our growth strategy and increasing our focus on innovation:

- Double-digit organic revenue growth in each region
- New Products revenue up 19% in constant currency (23% on a like-for-like basis)
- New Products revenue 15% of Food & Beverage Solutions revenue
- Risk adjusted revenue of innovation pipeline up 29% since 31 March 2022.

Growth is being driven by the delivery of our strategic growth framework which is centered on four pillars. Progress across these four pillars during the half include:

Integrated solutions for customers

- We continued to invest in strengthening our customer-facing solutions capabilities in areas like sensory, nutrition, regulatory and category and consumer insights. Targeted programmes to develop new ways of working with customers are progressing well and helping to build stronger solutions-based partnerships.

Market focus

- In May, we opened a new Customer Innovation and Collaboration Centre in Santiago, Chile to accelerate the innovation process for customers in southern Latin America.
- In our sweetener platform, to meet growing customer demand across our key markets, we are investing in our stevia facility in China and have just increased capacity in our stevia production line in the US.

Portfolio expansion

- In April, we acquired Nutriati, an ingredient technology business developing and producing chickpea protein and flour, expanding our capability to offer customers sustainable, plant-based solutions. We have seen strong revenue growth and customer interest for both product lines.
- In June, we completed the acquisition of Quantum Hi-Tech (Guangdong) Biological Co., Ltd (Quantum), a leading prebiotic dietary fibre business in China for a total consideration of US$238 million. Quantum has a high-quality portfolio of fructo-oligosaccharides (FOS) and galacto-oligosaccharides (GOS), and the acquisition strengthens our fortification platform and our position as a leading global player in the fast-growing dietary fibres market. The integration of Quantum is on track and, despite some challenges with Covid-19 related lockdowns in China, the business is performing well.

Accelerate innovation

- New Product revenue grew by 19% with the fortification platform up 79% driven by high demand for fibre solutions and the Quantum acquisition. Revenue from our mouthfeel platform was 10% higher reflecting customer demand for innovation, cleaner labels and cost optimsation. Revenue from the sweetener platform was 1% higher reflecting capacity constraints, especially in stevia.
- We extended our scientific partnership with APC Microbiome Ireland through a new two-year research project to increase understanding of how dietary fibres can impact the functioning of the gut microbiome. In August, we announced a jointly filed international patent application for a synbiotic fibre technology that has shown positive preliminary results in improving metabolic health.

Maintaining our financial strength

- Free cash flow generation at £62 million was £42 million higher than the comparative period (continuing operations) benefiting from a strong focus on working capital management, especially important given the headwinds from input cost inflation.
- Our minority holding in Primient offers an attractive cash dividend stream. We have received US$76 million in cash dividends from Primient representing the full amount expected for the 2023 financial year.
- Productivity remains a key focus, driving further efficiencies in our business. We have made good progress delivering against our target for productivity benefits of US$10 million for the 2023 financial year. We now expect productivity benefits of around US$15 million in the year.
- Proceeds from the Primient transaction further strengthened the balance sheet supporting the acquisition of Quantum (£184 million) and the payment of the special dividend (£497 million). At the end of the half, net debt had decreased by £345 million to £281 million and net leverage was 1.0x net debt to EBITDA. Our strong balance sheet is ready to support further investment for organic and inorganic growth.

Living our Purpose

With continued challenges across the world including Covid-19, climate change, the cost-of-living crisis and the conflict in Ukraine, we remain as determined as ever to deliver on our purpose. Our new more ambitious purpose of 'Transforming Lives through the Science of Food', introduced in April, is gaining strong traction with employees, customers and community partners. We continue to make good progress in each of our three purpose pillars.

Supporting healthy living

- In June, in partnership with the UAE's F&B Manufacturers Business Group, we completed the Middle East's first Sugar and Calorie Reduction Knowledge Building Programme, held at our Customer Innovation and Collaboration Centre in Dubai. The programme focused on supporting food and beverage manufacturers in the region to reduce sugar and calories in their products, with around 400 delegates participating including many customers and officials from regional government food authorities.
- In September, working with the British Nutrition Foundation, we launched a new online fibre calculator. This tool asks people eight questions to assess their current eating habits before giving an overall fibre score and offering simple tips and personalised advice on how to increase their fibre intake.
- In October, we announced support for a three-year research programme by The University of Aberdeen's Rowett Institute to investigate how issues around poverty, food insecurity and obesity may affect shopping habits in the UK. As the only food and drink ingredient solutions supplier on the research panel, our support will include sharing industry insight on reformulation and expertise on nutrition.

Building thriving communities

- Demand for food banks is increasing significantly and so our partnerships with many food banks and other charitable partners across the world have never been more important. Since 2020, we have donated around 3 million meals to people in need in our local communities.
- We continue to make good progress against our target of achieving gender parity in leadership and management roles by 2025. At 30 September 2022, 42% of the top 500 managers in Tate & Lyle are women. Our UK median gender pay gap (at 1 April 2022) also increased to 9.6% in favour of women, up from 1.7% in favour of women in 2021.

Caring for our Planet

- We have expanded our stevia sustainable agriculture programme in China working with Earthwatch and Nanjing Agricultural University. This programme focuses on improving the environmental and social impacts of stevia production such as reducing fertiliser use and improving soil health through regular testing. Stevia growers are also being supported to pursue sustainability-related verification.
- We continue to make excellent progress on waste management. Over 90% of the waste we generate is beneficially used, for example as nutrients for local farms.

Later this year we will be publishing our third annual Purpose Report describing how our purpose is being lived across Tate & Lyle and progress against our purpose targets and commitments.

PRIMIENT

On 1 April 2022, we completed the sale of a controlling stake in Primient comprising the Primary Products business in North America and Latin America and interests in the Almidones Mexicanos S.A de C.V and DuPont Tate & Lyle Bio-Products Company, LLC joint ventures, to KPS Capital Partners, LP (KPS). Following the transaction KPS held a 50.1% interest in Primient and has Board and operational control, while Tate & Lyle held a 49.9% interest. An exceptional profit on disposal of £98 million has been recorded in the period. Subsequently, upon the issue of share incentives to Primient management, Tate & Lyle's interest in Primient was diluted to 49.7%. Our relationship with KPS has started positively, and the 20-year agreements put in place to provide supply and economic security for both businesses are operating effectively.

During the first half, Primient saw sweetener volume marginally higher with industrial starch volume materially lower as robust demand was more than offset by operational challenges. Revenue was moderately higher reflecting both the pass-through of higher corn costs and in-year supplementary pricing which was executed where possible. Operational challenges in its network of corn wet mills reduced both throughput and efficiency and this, combined with the impact of cost inflation, resulted in significantly lower profits. The 2023 calendar year bulk sweetener contracting round provides the ability to further price-through inflation.

Tate & Lyle has received US$76 million in cash dividends from Primient representing the full amount expected for the 2023 financial year. Of this amount, US$31 million relates to distributions from profits earned by a former joint venture prior to disposal, and US$15 million to settle tax obligations on Primient profits. A dividend of US$15m was received in first half and the remaining US$61m in early November.

DIVIDENDS

£497 million special dividend and associated share consolidation

Following the sale of a controlling stake in Primient, £497 million was returned to ordinary shareholders by way of a special dividend of £1.07 per existing ordinary share on 16 May 2022. To maintain comparability, so far as possible, of the Company's share price before and after the special dividend, this was accompanied by a consolidation and division of the Company's ordinary share capital resulting in ordinary shareholders receiving six new ordinary shares for every seven existing ordinary shares they held. The share consolidation applied to ordinary shareholders on the Register on 29 April 2022.

Interim dividend for six months to 30 September 2022

The Board has approved an interim dividend for the six months to 30 September 2022 of 5.4p (2021 – 9.0p). The interim dividend represents a 40% per share reduction from the prior year's interim dividend. After the effect of the share consolidation implemented in May 2022, this reduction is in-line with the previously communicated approach and reflects the smaller consolidated earnings base following the sale of the controlling stake in Primient, and is consistent with the step down in the final dividend for the year ended 31 March 2022. An underlying growth of 2.5% has been applied to the interim dividend. This dividend will be paid on 4 January 2023 to all shareholders on the Register of Members on 25 November 2022. As well as the cash dividend option, shareholders will be offered a Dividend Reinvestment Plan alternative.

BOARD AND MANAGEMENT

Board of Directors

- Dawn Allen joined the Board on 16 May 2022 as Chief Financial Officer.
- Dr Isabelle Esser joined the Board as a non-executive director on 1 June 2022.

Executive Committee

- Jim Stutelberg, President, Primary Products stepped down from the Executive Committee to take up the role as Chief Executive, Primient on 1 April 2022.

OTHER MATTERS

We will be holding a Capital Markets event on 8 February 2023.

OPERATING PERFORMANCE

Six months to 30 September 2022	Volume change	Revenue	Revenue growth	Adjusted operating profit[1]	Adjusted operating profit change
North America	(2%)	£340m	+14%	–	–
Asia, Middle East, Africa and Latin America	(3%)	£208m	+29%	–	–
Europe	(14%)	£204m	+23%	–	–
Food & Beverage Solutions	**(8%)**	**£752m**	**+21%**	**£113m**	**+26%**
Sucralose	**+9%**	**£97m**	**+12%**	**£39m**	**+8%**
Central costs				**(£15m)**	**+23%**
Total	**(8%)**	**£849m**	**+20%**	**£137m**	**+29%**

The adjusted results for the six months to 30 September 2022 have been adjusted to exclude exceptional items, amortisation of acquired intangible assets and other fair value adjustments, the tax on those adjustments and tax items that are themselves exceptional. A reconciliation of statutory and adjusted information is included in Note 2 to the Financial Information. Growth percentages are calculated on unrounded numbers. Changes in revenue and adjusted operating profit are in constant currency.

1 Comparatives for adjusted results for the six months to 30 September 2021 are pro-forma financial information published on pages 44 and 45 of the half year results statement for that period.

FOOD & BEVERAGE SOLUTIONS

Strong revenue and profit growth

Underlying volume was 2% ahead of the comparative period. Reported volume was 8% lower due to three factors each with around equal impact. Firstly, the planned transition of Primary Products capacity in Europe (this transition is expected to continue into future financial years). Secondly, challenges in the operating environment from Covid-19 lockdowns in China and supply chain disruption. Thirdly, one-off factors including our decision to exit low margin business and the impact of industrial action at our corn wet mill in the Netherlands, which is now concluded.

Revenue was 21% higher in constant currency at £752 million with double-digit growth across all regions. Strong price/mix leverage in Food & Beverage Solutions of 26ppts starting from volume of 5% lower (this excludes a decline of 3ppts from Primary Products Europe) delivered revenue growth of 21%. This was delivered through 12ppts of leverage from strategic mix management to deliver higher margin business in a period of capacity constraint, 13ppts of leverage from the pricing through of input cost inflation and higher corn costs, and 1ppt of leverage from acquisitions.

Adjusted operating profit was 26% higher in constant currency at £113 million benefiting from strong strategic mix management, a transparent approach with customers to the pricing-through of input cost inflation and good cost discipline. We entered the 2022 calendar year with renewed customer contracts that offset expected inflation. This, together with supplementary pricing from May to recover incremental inflation across our main markets, and the benefit from productivity, saw operating margins in the period expand by 60bps in constant currency. Operating losses in the European Primary Products business reduced by £6 million to £4 million reflecting the pass-through of higher corn cost and improved pricing. Hedging and forward purchase commitments are used to mitigate input cost inflation and to build supply continuity. These arrangements have delayed the impact of incremental cost increases for inputs, with further increases to be priced-through in the second half.

The effect of currency translation increased revenue by £55 million and adjusted operating profit by £12 million.

North America

In North America volume was 2% lower while revenue was 14% higher in constant currency at £340 million. Demand was robust across our focus categories with revenue higher in beverage and soups, sauces and dressings as we targeted higher margin fortification and mouthfeel solutions. Significant volume to revenue growth reflected strategic mix management and the passing through of input cost inflation. Growth was partly held back by supply chain disruption, including the impact of reduced availability of key inputs.

Asia, Middle East, Africa and Latin America

Volume was 3% lower reflecting the exit of low margin business and Covid-19 lockdowns in China. Revenue at £208 million increased by 29% in constant currency with double-digit growth in each region. Revenue growth reflected the benefit of mix management, pricing through of input cost inflation and acquisitions.

In Asia, revenue growth was strong across all sub-regions. Good mix management, especially through the exit of low margin business, contributed to strong price/mix leverage, particularly in south east Asia and China. In June, we acquired Quantum, a leading prebiotic dietary fibre business in China, which strengthens our fortification platform, enhances our solutions capabilities and extends our customer offering in China and Asia. Quantum contributed 11ppts in revenue growth in Asia.

In Latin America, revenue was double-digit higher reflecting strong mix management and pricing which more than offset the impact of capacity constraints. Revenue benefited from good progress in fibre and sweetener solutions into bakery and soups, sauces and dressings categories in Mexico, and good growth in southern Latin America. Solutions for customers addressing front-of-pack labelling regulations continue to be a driver of growth in the region.

In the Middle East and Africa, volume and revenue were ahead reflecting good performance in mouthfeel and fibre solutions.

Europe

Volume was 14% lower and revenue was 23% higher in constant currency at £204 million. Revenue includes £61 million from the European Primary Products business. Robust demand, the exit from low-margin sweetener business and pricing through of inflation more than offset the impact of supply chain challenges especially from industrial action at our corn wet mill in the Netherlands. We saw good revenue growth across the bakery and soups, sauces and dressings categories. Volume to revenue growth reflected mix management and the pricing through of inflation. Revenue for New Products in Europe increased strongly across all platforms. European Primary Products revenue was strongly higher reflecting improved pricing and the pass-through of higher corn costs.

New Products

Revenue from New Products increased by 19% in constant currency to £114 million, representing 15% of Food & Beverage Solutions revenue. On a like-for-like basis, which assumes the same ingredients are included in New Products revenues in both the current and comparative periods (i.e. no products are removed from New Product disclosure due to age), New Product revenues were 23% higher. We saw revenue growth across all three platforms of sweeteners, mouthfeel and fortification. Revenue from Quantum helped to accelerate growth in the fortification platform and overall New Product revenue. Revenue in the mouthfeel platform also grew strongly reflecting good demand for innovation, clean label starches and cost optimisation.

To reflect the differentiated profiles of ingredients launched from the innovation pipeline we have adapted the periods from launch for which we consider ingredients to be New Products. We have extended the life cycle for launches which are transformational entrants into the market and take longer to commercialise to 15 years and reduced the life cycle of ingredients which are extensions of products already in our portfolio to five years. Further information is the Additional Information section at the back of this document. Previously, all launches were considered New Products for the first seven years from their launch. On the previous methodology, New Products revenue for the six months to 30 September 2022 was 16% higher than the comparative period.

SUCRALOSE

Strong performance

Sucralose volume increased by 9% driven by strong customer demand, some phasing of orders into the half and the benefit of modest production optimisation at our facility in Alabama. Industry demand for sucralose continues to grow in support of sugar reduction initiatives, while the strong demand for our sucralose also reflected high customer service levels in a challenged global supply chain environment. Revenue increased by 12% in constant currency to £97 million reflecting strong volume growth and a benefit from customer mix.

Adjusted operating profit at £39 million was 8% higher in constant currency reflecting the operational leverage of higher volume which was mitigated by input cost inflation. Currency translation increased revenue by £9 million and adjusted operating profit by £6 million.

ADDITIONAL COMMENTARY IN FINANCIAL STATEMENTS

Six months to 30 September[1] **Continuing operations**	**2022** **£m**	Pro-Forma 2021 £m	Change %	Constant currency change %
Revenue	**849**	656	29%	20%
Adjusted operating profit				
- Food & Beverage Solutions	**113**	80	41%	26%
- Sucralose	**39**	31	25%	8%
- Central	**(15)**	(17)	20%	23%
Adjusted operating profit	**137**	94	47%	29%
Adjusted share of profit of joint venture	**13**	30	(58%)	(62%)
Net finance expense	**(11)**	(12)	10%	19%
Adjusted profit before tax[2]	**139**	112	24%	10%

Six months to 30 September **Continuing operations**	**2022** **£m**	Reported 2021 £m	Change %	Constant currency change %
Adjusted profit before tax	**139**	85	64%	45%
Exceptional items	**(11)**	(59)	82%	83%
Amortisation of acquired intangible assets and other fair value adjustments	**(12)**	(5)	(>99%)	(>99%)
Adjusting items excluded from share of profit of joint venture	**(48)**	–	n/a	n/a
Profit before tax	**68**	21	>99%	>99%
Income tax expense[3]	**(12)**	(9)	(33%)	–
Profit for the period – continuing operations	**56**	12	>99%	>99%
Profit for the period – discontinued operations	**65**	90	(28%)	(26%)
Profit for the period – total operations	**121**	102	18%	17%
Earnings per share (pence) – continuing operations				
Adjusted diluted (pro-forma basis)[4]	**26.6p**	21.4p	24%	9%
Diluted	**13.3p**	2.5p	>99%	>99%
Earnings per share (pence) – total operations				
Diluted	**29.0p**	21.7p	34%	32%
Cash flow and net debt – total operations				
Adjusted free cash flow	**62**	127		
Net debt – At 30 September (comparative 31 March 2022)	**281**	626		

1. Adjusted results and certain other terms and performance measures used in this document are not directly defined within IFRS. We have provided descriptions of such metrics and their reconciliations to the most directly comparable measures reported in accordance with IFRS and the calculation (where relevant) of any ratios in Note 2. Comparatives for adjusted results for the six months to 30 September 2021 are pro-forma financial information published on pages 44 and 45 of the half year results statement for that period issued on 4 November 2021.
2. For the six months to 30 September 2021 pro-forma adjusted profit before tax of £112 million includes the impact of long-term agreements (cost of £3 million) and the pro-forma share of Primient joint venture profit (income of £30 million). Adjusted profit before tax for continuing operations for this period of £85 million excludes these pro-forma adjustments.
3. Statutory income tax expense on continuing operations of £12 million (2021 – £9 million) includes an adjusted income tax charge of £30 million (2021 – £17 million) and a tax credit on adjusting items of £18 million (2021 – £14 million). Additionally, the comparative period included an exceptional tax charge of £6 million. Refer to Note 5. The proforma adjusted tax charge for the six months to 30 September 2021 was £24 million (year to 31 March 2022 – £37 million).
4. For better comparability, adjusted diluted EPS has been adusted in both the current and comparative period to use the weighted average number of shares as if the share consolidation were effected on 1 April 2021, before including the dilutive impact for the respective periods. Additionally, the adjusted diluted EPS in the comparative period has been re-calculated based on the earnings for the period, adjusted for the pro-forma impact of the Primient disposal as if it had taken place on 1 April 2021.

Central costs

Central costs, which include head office costs and certain treasury and legal activities, were 23% lower than the comparative period in constant currency at £15 million reflecting further investment in customer-facing solutions capabilities which was more than offset by strong cost discipline and one-off income of £2 million from an investment in a former joint venture.

Net finance expense and liquidity

Net finance expense at £11 million was 19% lower in constant currency than the comparative period, mainly reflecting higher net income on the Group's cash balances. Because approximately 90% of the Group's borrowings are at fixed rates of interest, the Group is not exposed to significant changes in interest rates.

Exceptional items

The Group recorded net exceptional expense of £11 million in profit before tax from continuing operations. Such items principally included the following:

- £13 million of cash costs associated with the transaction to dispose of Primient, mainly related to continuing IT separation costs to ensure Primient is fully independent by end of the current financial year;
- £3 million exceptional credit relating to historical legal matters following the release of provision for a favourable ruling; and
- £1 million of cash costs relating to productivity and simplification projects in our operations.

The operating exceptional cash outflows for the period totalled £37 million, comprising £8 million of cash outflows related to charges recorded in the current period and £29 million of cash outflows resulting from exceptional costs recorded in prior years.

In total operations, the Group recorded net exceptional income of £87 million. This included the gain on disposal of Primient of £98 million. Refer to the discontinued operations below.

In the comparative period, the Group recorded a net exceptional charge of £65 million in continuing operations (including £6 million relating to an exceptional tax charge).

Adjusted share of profit of Primient joint venture

The Group's share of the Primient joint venture profit is set out in the table below:

Six months to 30 September	**2022 £m**	Pro-forma 2021 £m	Change %	Constant currency change %
Adjusted operating profit	**43**	70	(38%)	(45%)
Net finance expense	**(35)**	(24)	(47%)	(26%)
Adjusted share of profit from its own joint ventures	**23**	15	54%	31%
Adjusted profit before tax[1]	**31**	61	(49%)	(55%)
Adjusted share of profit of Primient joint venture at 49.7% equity interest	**13**	30	(58%)	(62%)
Statutory share of loss of Primient joint venture at 49.7% equity interest	**(35)**	n/a	n/a	n/a

1. For the six months to 30 September 2021 pro-forma adjusted profit before tax of £61 million includes the pro-forma impact of long-term agreements (income of £3 million), additional standalone costs in Primient (cost of £7 million) and the pro-forma effect of Primient's financing liabilities (finance expense of £22 million). Adjusted profit before tax for discontinued operations for this period of £87 million excludes these pro-forma adjustments.

Adjusted operating profit was 45% lower in constant currency at £43 million reflecting operational disruption in its plants and inflationary cost pressures.

The Group's share of statutory profit of the Primient joint venture, at a loss of £35m, reflects certain exceptional items linked to the separation from the Tate & Lyle PLC Group.

The Primient joint venture was set up under a US partnership arrangement. Under this arrangement, the partnerhip does not pay tax on its US income as the partners are responsible for this tax. Primient however, pays tax on income earned by its Brazilian subsidiary.

Taxation

The adjusted effective tax rate on continuing operations was 21.9% (30 September 2021 – 21.8% on a pro-forma basis). The rates in both the current and the comparative periods reflect the prevailing rates of corporation tax in the US and UK, the jurisdictions most applicable to the Group's newly speciality focused activities. We expect the adjusted effective tax rate for the year ending 31 March 2023 to be similar to that of the first half of the year.

The reported effective tax rate (on statutory earnings) was 18.4% (30 September 2021 continuing operations – 44.7%). The higher effective tax rate in the comparative period reflected a £6 million exceptional tax charge recorded in that period as well as higher tax deductions on exceptional items recorded by Primient in the current period.

Earnings per share

For continuing operations, on a proforma basis, adjusted basic earnings per share increased by 24% (9% in constant currency) to 26.9p and proforma adjusted diluted earnings per share at 26.6p were also 24% higher (9% in constant currency). The increase in constant currency reflects strong business operating performance partially offset by lower share of profits from the Primient joint venture and a higher adjusted effective tax rate. Statutory diluted earnings per share on total operations increased by 7.3p to 29.0p, principally reflecting the gain on disposal of Primient.

Discontinued operations

Statutory profit after tax for discontinued operations was £65 million. This only reflects the £98 million provisional gain on the disposal of Primient partially offset by tax of £33 million. Confirmation of the gain remains subject to the finalisation of the completion accounts process expected in the second half of the financial year. It is considered very unlikely that this process will result in any reduction in disposal proceeds.

Cash flow, net debt and liquidity

Six months to 30 September **Adjusted free cash flow**[1]	**2022** **£m**	2021[2] £m	Change £m
Continuing operations			
Adjusted operating profit	**137**	97	40
Adjusted depreciation and adjusted amortisation	**35**	41	(6)
Share-based payments charge	**7**	4	3
Changes in working capital	**(75)**	(75)	–
Net retirement benefit obligations	**(3)**	(2)	(1)
Net capital expenditure	**(26)**	(25)	(1)
Net interest and tax paid	**(13)**	(20)	7
Adjusted free cash flow – continuing operations	**62**	20	42

1. Adjusted results and a number of other terms and performance measures used in this document are not directly defined within IFRS. We have provided descriptions of the various metrics and their reconciliation to the most directly comparable measures reported in accordance with IFRS and the calculation (where relevant) of any ratios in Note 2.
2. Comparative year is not on a pro-forma basis.

Adjusted free cash flow from continuing operations was £62 million (2021 – £20 million), an increase of £42 million mainly reflecting higher profits. We saw a £75 million working capital outflow in the period. Overall, this was in line with the comparative period. This is despite significantly higher inflation in the period and reflects the focus on working capital optimisation.

Excluding the impact of the disposal of certain small equity investments, capital expenditure of £33 million was £8 million higher than the comparative period reflecting investment in capacity for growth and investment in recently-acquired businesses. We expect full year capital expenditure for the 2023 financial year to be in the £90 million to £100 million range (year ended 31 March 2022 – £75 million).

Net debt at 30 September 2022 of £281 million decreased by £345 million since 31 March 2022. The Group received gross cash proceeds of £1.1 billion from the disposal of its controlling stake in Primient and subsequently returned £497 million to shareholders by way of a special dividend. In June 2022, the Group paid net £184 million to acquire Quantum Hi-Tech, a prebiotic dietary fibre business in China, and paid a final dividend for the 2022 financial year of £51 million. Net debt has been further reduced since 30 September 2022 following receipt of US$61 million (£54 million) of dividends from Primient.

At 30 September 2022 the Group had access to £1.2 billion of available liquidity through readily available cash and cash equivalents and access to a committed, undrawn revolving credit facility of US$800 million (£719 million). Reported leverage at 30 September 2022 was 1.0 times net debt to (LTM) EBITDA. On a covenant-testing basis the net debt to EBITDA ratio was 0.7 times, which was materially lower than the covenant threshold of 3.5 times.

Retirement benefits

The Group maintains pension plans for certain of its current and former employees in a number of countries. Certain of these arrangements are defined benefit pension schemes. All funded schemes in the UK and US are closed for further accrual. In the UK, the Group's main pension scheme was subject to a bulk annuity insurance policy 'buy-in' whereby the scheme's assets were replaced with an insurance asset matching UK scheme liabilities. In the US, the Group also continues to provide an unfunded post-retirement medical benefit scheme. The largest component of the net deficit continues to relate to schemes in the US that are by their nature unfunded schemes (e.g. US post-retirement medical benefit scheme).

On disposal of Primient, the Group has retained all US defined benefit pension schemes. However, certain funded non-qualified deferred compensation arrangements as well as the unfunded post-retirement medical plans relating to employees who transitioned to Primient have been disposed (£28 million liability).

At 30 September 2022, the Group's retirement benefit obligations were in a net deficit of £112 million, increasing by £5 million (31 March 2022, excluding liabilities held for sale – net deficit of £107 million). The principal driver for this increase was unfavourable foreign currency translations differences leading to a £17 million increase in the net deficit. This was only partially offset by a net £6 million actuarial gain. Whilst there was a reduction in the valuation of plan liabilities as a result of the impact of the significant increase in corporate bond yields on the discount rate, this was mostly offset by worse than expected returns on plan assets in the US (and matched by the UK Group scheme 'buy-in' policy). Other notable movements included employer's contributions of £5 million, which were in line with the comparative period. The remaining movements led to a net £1 million decrease in the net deficit.

Basis of preparation

The Group's principal accounting policies are unchanged compared with the year ended 31 March 2022. This condensed set of consolidated financial information for the six months to 30 September 2022 has been prepared on a going concern basis, on the basis of the accounting policies set out in the Group's 2022 Annual Report, in accordance with UK adopted IAS 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Details of the basis of preparation, including information in respect of the Group's alternative performance measures, can be found in Note 1 to the attached financial information.

Going Concern

The Directors are satisfied that the Group has adequate resources to continue to operate as a going concern for the foreseeable future and that no material uncertainties exist with respect to this assessment. In making the assessment, the Directors have considered the Group's balance sheet position and forecast earnings and cash flows for the period from the date of approval of this condensed set of consolidated financial information to 31 March 2024. The business plan used to support the going concern assessment (the "Base case") is derived from Board-approved forecasts together with certain downside sensitivities.

Further details of the Directors' assessment are set out below:

At 30 September 2022, the Group has significant available liquidity, including £516 million of cash and US$800 million (£719 million) from a committed and undrawn revolving credit facility, of which US$100 million matures in 2025 and US$700 million matures in 2026. The earliest maturity date for any of the Group's US Private Placement notes is October 2023, when US$120 million will mature. For the purpose of the going concern assessment it is anticipated that this debt will be repaid from existing cash.

The Group has only one debt covenant requirement which is to maintain a net debt to EBITDA ratio of not more than 3.5 times. On the covenant-testing basis this was 0.7 times at 30 September 2022 (refer to Note 2). For a covenant breach to occur it would require a significant reduction in Group profit. Such reduction is considered to be extremely unlikely.

As set out in our 31 March 2022 Annual Report, during May 2022, the Directors modelled the impact of a 'worst case scenario' to the Base case by including the same three plausible but severe downside risks also used for the Group's viability statement, being: an extended shutdown of one of our large corn wet mill manufacturing facilities following operational failure or energy shortage; the loss of our two largest Food & Beverage Solutions customers; and significant energy, raw material and commodity inflation due to the consequences of conflict in Ukraine. In aggregate, such 'worst case scenario' did not result in any material uncertainty to the Group's going concern assessment and the resultant position still had significant headroom above the Group's debt covenant requirement. The Directors also calculated a 'reverse stress test', which represents the changes that would be required to the Base case in order to breach the Group's debt covenant. Such 'reverse stress test' showed that the forecast Group profit would have to reduce significantly in order to cause a breach.

Since the assessment in May, the Directors updated the model such that it considered similar downside cases and reflected the most recent Board approved forecasts reflecting the current inflationary outlook. Based on this assessment, the Directors concluded that in both the Base case and worst case scenario, the Group has significant liquidity and covenant headroom throughout the period to 31 March 2024. Accordingly, the Directors have concluded that there are no material uncertainties with respect to going concern and have adopted the going concern basis in preparing the condensed consolidated financial information of the Group as at 30 September 2022.

Risks and uncertainties

The principal risks and uncertainties affecting the business activities of the Group are detailed on pages 71 to 75 of the Tate & Lyle Annual Report 2022, a copy of which is available on the Company's website at www.tateandlyle.com. The Board considers that the principal risks set out in the Annual Report 2022 remain unchanged and that actions continue to be taken to substantially mitigate the impact of such risks, should they materialise.

CAUTIONARY STATEMENT AND CONFERENCE CALL DETAILS

Cautionary statement

This statement of Half Year Results contains certain forward-looking statements with respect to the financial condition, results, operations and businesses of Tate & Lyle PLC. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts.

A copy of this statement of Half Year Results for the six months to 30 September 2022 can be found on our website at www.tateandlyle.com. A hard copy of this statement is also available from the Company Secretary, Tate & Lyle PLC, 5 Marble Arch, London W1H 7EJ.

Webcast and Q&A Details

Presentation Only
A presentation of the results by Chief Executive, Nick Hampton, and Chief Financial Officer, Dawn Allen, will be available to view on our website from 07.00 (GMT) on Thursday 10 November 2022. To access the presentation, visit http://tateandlyle-events.com/. Please note that the Q&A will not be accessible via this link.

Presentation with Q&A
This presentation will be live streamed at 10.00 (GMT), and will then be followed by a live Q&A session. Please register to view this webcast with Q&A by visiting https://event.on24.com/wcc/r/3995521/2E9FB3F410E882D8F5FC0F29A887DE35. Please note that only sell-side analysts and any pre-registered buy-side investors will be able to ask questions during the Q&A session. Sell-side analysts will be automatically pre-registered. To pre-register, please contact Lucy Huang at lucy.huang@tateandlyle.com.

The archive version of the webcast with Q&A will be available on the link http://tateandlyle-events.com/ within two hours of the end of the live broadcast.

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CONDENSED (INTERIM) CONSOLIDATED INCOME STATEMENT (UNAUDITED)

Continuing operations	Notes	**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Revenue	3	**849**	656	1 375
Operating profit	2	**114**	33	67
Finance income		**4**	–	1
Finance expense		**(15)**	(12)	(26)
Share of loss of joint venture	14	**(35)**	–	–
Profit before tax		**68**	21	42
Income tax expense	5	**(12)**	(9)	(16)
Profit for the period – continuing operations		**56**	12	26
Profit for the period – discontinued operations	6	**65**	90	210
Profit for the period – total operations		**121**	102	236

Profit for the period attributable to:				
- Owners of the Company		**121**	102	236
- Non-controlling interests		**–**	–	–
Profit for the period – total operations		**121**	102	236

Earnings per share		**Pence**	Pence	Pence
Continuing operations				
– basic	7	**13.5p**	2.5p	5.5p
– diluted	7	**13.3p**	2.5p	5.5p
Total operations				
– basic	7	**29.4p**	21.9p	50.7p
– diluted	7	**29.0p**	21.7p	50.2p

Analysis of adjusted profit for the period – continuing operations		**£m**	£m	£m
Profit before tax		**68**	21	42
Adjusted for:				
Net charge for exceptional items	4	**11**	59	93
Amortisation of acquired intangible assets and other fair value adjustments	2	**12**	5	10
Adjusting items excluded from share of profit of joint venture	2	**48**	–	–
Adjusted profit before tax	2	**139**	85	145
Adjusted income tax expense	2	**(30)**	(17)	(28)
Adjusted profit for the period – continuing operations	2	**109**	68	117

CONDENSED (INTERIM) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	Notes	**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Profit for the period – total operations		**121**	102	236
Other comprehensive income/(expense):				
Items that have been/may be reclassified to profit or loss:				
Gain on currency translation of foreign operations		**137**	41	86
Fair value loss on net investment hedges		**(71)**	(28)	(52)
Fair value loss on net investment hedges transferred to the income statement		**28**	–	–
Gain on currency translation of foreign operations transferred to the income statement on sale of a subsidiary		**(81)**	–	–
Fair value gain on cash flow hedges transferred to the income statement on sale of a subsidiary		**(48)**	–	–
Net gain on cash flow hedges		**3**	40	82
Recycling of cost/(cost) of hedging		**5**	(2)	(5)
Share of other comprehensive income of joint ventures	14	**43**	5	10
Tax effect of the above items		**(1)**	(10)	(20)
		15	46	101
Items that will not be reclassified to profit or loss:				
Re-measurement of retirement benefit plans:				
– return on plan assets	11	**(329)**	35	(70)
– net actuarial gain/(loss) on retirement benefit obligations	11	**335**	(35)	67
Change in the fair value of FVOCI investments	10	**10**	(1)	(4)
Tax effect of the above items		**1**	–	–
		17	(1)	(7)
Total other comprehensive income		**32**	45	94
Total comprehensive income – total operations		**153**	147	330
Analysed by:				
- Continuing operations		**88**	2	9
- Discontinued operations		**65**	145	321
Total comprehensive income – total operations		**153**	147	330
Attributable to:				
- Owners of the Company		**153**	147	330
- Non-controlling interests		–	–	–
Total comprehensive income – total operations		**153**	147	330

CONDENSED (INTERIM) CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

	Notes	**At 30 September 2022 £m**	Restated* At 30 September 2021 £m	Restated* At 31 March 2022 £m
ASSETS				
Non-current assets				
Goodwill and other intangible assets		**498**	290	278
Property, plant and equipment (including right-of-use assets of £44 million (30 September 2021 – £46 million, 31 March 2022 – £40 million))		**502**	426	431
Investments in joint venture	14	**247**	–	–
Investments in equities	10	**49**	50	46
Retirement benefit surplus	11	**13**	22	23
Deferred tax assets		**11**	44	9
Trade and other receivables		**1**	1	1
Derivative financial instruments	10	**4**	–	3
		1 325	833	791
Current assets				
Inventories		**446**	263	317
Trade and other receivables		**410**	251	270
Current tax assets		**3**	11	11
Derivative financial instruments	10	**13**	3	13
Other current financial assets	10	**–**	–	2
Cash and cash equivalents	9	**516**	385	110
		1 388	913	723
Assets classified as held for sale	6	**–**	1 372	1 737
		1 388	2 285	2 460
TOTAL ASSETS		**2 713**	3 118	3 251
EQUITY				
Capital and reserves				
Share capital		**117**	117	117
Share premium		**407**	407	407
Capital redemption reserve		**8**	8	8
Other reserves		**240**	196	222
Retained earnings		**449**	779	865
Equity attributable to owners of the Company		**1 221**	1 507	1 619
Non-controlling interests		**1**	1	1
TOTAL EQUITY		**1 222**	1 508	1 620
LIABILITIES				
Non-current liabilities				
Borrowings (including lease liabilities of £52 million (30 September 2021 – £53 million, 31 March 2022 – £49 million))	9	**770**	699	658
Retirement benefit deficit	11	**125**	136	130
Deferred tax liabilities		**62**	74	51
Provisions		**8**	13	12
		965	922	851
Current liabilities				
Borrowings (including lease liabilities of £11 million (30 September 2021 – £9 million, 31 March 2022 – £10 million))	9	**27**	25	21
Trade and other payables		**416**	211	294
Provisions		**13**	16	11
Current tax liabilities		**66**	15	23
Derivative financial instruments	10	**4**	17	31
		526	284	380
Liabilities directly associated with the assets held for sale	6	**–**	404	400
		526	688	780
TOTAL LIABILITIES		**1 491**	1 610	1 631
TOTAL EQUITY AND LIABILITIES		**2 713**	3 118	3 251

* For the reclassification of certain items between net assets classified as held for sale and the continuing Tate & Lyle Group refer to Note 1.

CONDENSED (INTERIM) CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

	Notes	**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Cash flows from operating activities – total operations				
Profit before tax from total operations		**166**	131	296
Adjustments for:				
Depreciation of property, plant and equipment (including right-of-use assets and excluding exceptional items)		**29**	47	74
Amortisation of intangible assets		**18**	14	26
Share-based payments		**8**	6	12
Net impact of exceptional income statement items	4	**(124)**	46	36
Net finance expense		**11**	14	28
Share of loss/(profit) of joint ventures		**35**	(8)	(8)
Net retirement benefit obligations		**(3)**	(2)	(7)
Other non-cash movements		**–**	(9)	(38)
Changes in working capital		**(68)**	(19)	(250)
Cash generated from total operations		**72**	220	169
Net income tax paid		**(23)**	(31)	(45)
Interest paid		**(11)**	(10)	(21)
Net cash generated from operating activities		**38**	179	103
Cash flows from investing activities				
Purchase of property, plant and equipment		**(28)**	(62)	(132)
Acquisition of businesses, net of cash acquired		**(192)**	1	1
Disposal of subsidiary (net of cash)	6	**1 021**	–	–
Investments in intangible assets		**(5)**	(5)	(16)
Purchase of equity investments	10	**(2)**	(2)	(4)
Disposal of equity investments	10	**9**	2	4
Interest received		**2**	–	1
Dividends received from joint venture	14	**13**	25	33
Redemption of shares held in joint venture	14	**1**	–	–
Net cash generated/(used) in investing activities		**819**	(41)	(113)
Cash flows from financing activities				
Purchase of own shares including net settlement		**(4)**	(4)	(13)
Preference share buy-back advance payment		**(2)**	–	–
Cash inflow from additional borrowings		**2**	1	2
Cash outflow from repayment of borrowings		**(2)**	–	(60)
Repayment of leases		**(6)**	(16)	(32)
Dividends paid to the owners of the Company	8	**(548)**	(102)	(144)
Net cash used in financing activities		**(560)**	(121)	(247)
Net increase/(decrease) in cash and cash equivalents	9	**297**	17	(257)
Cash and cash equivalents				
Balance at beginning of period		**127**	371	371
Net increase/(decrease) in cash and cash equivalents		**297**	17	(257)
Currency translation differences		**92**	8	13
Balance at end of period	9	**516**	396	127

A reconciliation of the movement in cash and cash equivalents to the movement in net debt is presented in Note 9.

Included in the total cash and cash equivalents of £396 million held at 30 September 2021 (31 March 2022 – £127 million), is £11 million (31 March 2022 – £17 million) classified as held for sale. See Note 6.

The cash flows from discontinued operations included above are presented in Note 6.

CONDENSED (INTERIM) CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Share capital and share premium	Capital redemption reserve	Other reserves	Retained earnings	Attributable to owners of the Company	Non-controlling interests	Total equity
	£m	£m	£m	£m	£m	£m	£m
At 1 April 2022	**524**	**8**	**222**	**865**	**1 619**	**1**	**1 620**
Profit for the period – total operations	**–**	**–**	**–**	**121**	**121**	**–**	**121**
Other comprehensive income	**–**	**–**	**25**	**7**	**32**	**–**	**32**
Total comprehensive income	**–**	**–**	**25**	**128**	**153**	**–**	**153**
Hedging gains transferred to inventory	**–**	**–**	**(11)**	**–**	**(11)**	**–**	**(11)**
Tax effect of the above item	**–**	**–**	**4**	**–**	**4**	**–**	**4**
Transactions with owners:							
Share-based payments, net of tax	**–**	**–**	**–**	**8**	**8**	**–**	**8**
Purchase of own shares including net settlement	**–**	**–**	**–**	**(4)**	**(4)**	**–**	**(4)**
Dividends paid (Note 8)	**–**	**–**	**–**	**(548)**	**(548)**	**–**	**(548)**
At 30 September 2022	**524**	**8**	**240**	**449**	**1 221**	**1**	**1 222**
At 1 April 2021	524	8	144	777	1 453	1	1 454
Profit for the period – total operations	–	–	–	102	102	–	102
Other comprehensive income	–	–	45	–	45	–	45
Total comprehensive income	–	–	45	102	147	–	147
Hedging losses transferred to inventory	–	–	9	–	9	–	9
Tax effect of the above item	–	–	(2)	–	(2)	–	(2)
Transactions with owners:							
Share-based payments, net of tax	–	–	–	6	6	–	6
Purchase of own shares including net settlement	–	–	–	(4)	(4)	–	(4)
Dividends paid	–	–	–	(102)	(102)	–	(102)
At 30 September 2021	524	8	196	779	1 507	1	1 508
At 1 April 2021	524	8	144	777	1 453	1	1 454
Profit for the year – total operations	–	–	–	236	236	–	236
Other comprehensive income/(expense)	–	–	97	(3)	94	–	94
Total comprehensive income	–	–	97	233	330	–	330
Hedging gains transferred to inventory	–	–	(26)	–	(26)	–	(26)
Tax effect of the above item	–	–	7	–	7	–	7
Transactions with owners:							
Share-based payments, net of tax	–	–	–	12	12	–	12
Purchase of own shares including net settlement	–	–	–	(13)	(13)	–	(13)
Dividends paid	–	–	–	(144)	(144)	–	(144)
At 31 March 2022	524	8	222	865	1 619	1	1 620

NOTES TO THE FINANCIAL INFORMATION

For the six months to 30 September 2022

1. Presentation of half year financial information

The principal activity of Tate & Lyle PLC and its subsidiaries, together with its joint venture, is the global provision of ingredients and solutions to the food, beverage and other industries.

The Company is a public limited company incorporated and domiciled in the United Kingdom and registered in England. The address of its registered office is 5 Marble Arch, London W1H 7EJ. The Company has its primary listing on the London Stock Exchange.

Basis of preparation

The Group's principal accounting policies are unchanged compared with the year ended 31 March 2022. This condensed set of consolidated financial information for the six months to 30 September 2022 has been prepared on the basis of the accounting policies set out in the Group's 2022 Annual Report, as well as being on a going concern basis, in accordance with UK adopted IAS 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

The Directors are satisfied that the Group has adequate resources to continue to operate as a going concern for the foreseeable future and that no material uncertainties exist with respect to this assessment. In making the assessment, the Directors have considered the Group's balance sheet position and forecast earnings and cash flows for the period from the date of approval of this condensed set of consolidated financial information to 31 March 2024. The business plan used to support the going concern assessment (the "Base case") is derived from Board-approved forecasts together with certain downside sensitivities.

Further details of the Directors' assessment are set out below:

At 30 September 2022, the Group has significant available liquidity, including £516 million of cash and US$800 million (£719 million) from a committed and undrawn revolving credit facility, of which US$100 million matures in 2025 and US$700 million matures in 2026. The earliest maturity date for any of the Group's US Private Placement notes is October 2023, when US$120 million will mature. For the purpose of the going concern assessment it is anticipated that this debt will be repaid from existing cash.

The Group has only one debt covenant requirement which is to maintain a net debt to EBITDA ratio of not more than 3.5 times. On the covenant-testing basis this was 0.7 times at 30 September 2022 (Refer to Note 2). For a covenant breach to occur it would require a significant reduction in Group profit. Such reduction is considered to be extremely unlikely.

As set out in our 31 March 2022 Annual Report, during May 2022, the Directors modelled the impact of a 'worst case scenario' to the Base case by including the same three plausible but severe downside risks also used for the Group's viability statement, being: an extended shutdown of one of our large corn wet mill manufacturing facilities following operational failure or energy shortage; the loss of our two largest Food & Beverage Solutions customers; and significant energy, raw material and commodity inflation due to the consequences of conflict in Ukraine. In aggregate, such 'worst case scenario' did not result in any material uncertainty to the Group's going concern assessment and the resultant position still had significant headroom above the Group's debt covenant requirement. The Directors also calculated a 'reverse stress test', which represents the changes that would be required to the Base case in order to breach the Group's debt covenant. Such 'reverse stress test' showed that the forecast Group profit would have to reduce significantly in order to cause a breach.

Since the assessment in May, the Directors updated the model such that it considered similar downside cases and reflected the most recent Board approved forecasts reflecting the current inflationary outlook. Based on this assessment, the Directors concluded that in both the Base case and worst case scenario, the Group has significant liquidity and covenant headroom throughout the period to 31 March 2024. Accordingly, the Directors have concluded that there are no material uncertainties with respect to going concern and have adopted the going concern basis in preparing the condensed consolidated financial information of the Group as at 30 September 2022.

The condensed set of consolidated financial information is unaudited but has been reviewed by the external auditor and its report to the Company is set out on page 49. The information shown for the year ended 31 March 2022 does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006 and has been extracted from the Group's 2022 Annual Report which has been approved by the Board of Directors on 8 June 2022 and filed with the Registrar of Companies.

The report of the auditor on the financial statements contained within the Group's 2022 Annual Report was unqualified and did not contain a statement under either Section 498(2) or Section 498(3) of the Companies Act 2006. The interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 March 2022, which were prepared in accordance with UK adopted International Accounting Standards.

1. Presentation of half year financial information (continued)

Basis of preparation (continued)

The condensed set of consolidated financial information for the six months to 30 September 2022 on pages 15 to 45 was approved by the Board of Directors on 9 November 2022.

Discontinued operations and application of Held for Sale

On 12 July 2021 the Group announced that it had entered into an agreement to sell a controlling stake in a new company and its subsidiaries ('Primient' or the 'Primient Business'), comprising its Primary Products business in North America and Latin America and its interests in the Almidones Mexicanos S.A de C.V ('Almex') and DuPont Tate & Lyle Bio-Products Company, LLC ('Bio-PDO') joint ventures, to KPS Capital Partners, LP ('KPS') (the 'Transaction'). The Transaction completed on 1 April 2022 and Tate & Lyle now holds a 49.7% interest in Primient (decreased from the 49.9% interest held immediately on completion of the Transaction due to the redemption of a number of shares held by the Group for the return of £1 million to the Group).

In accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, from 1 July 2021 the Group has classified the business that became Primient as a disposal group held for sale and a discontinued operation in the comparative periods presented. 1 July 2021 reflects the date that negotiations on substantive matters with KPS were completed. An operation is classified as discontinued if it is a component of the Group that: (i) has been disposed of, or meets the criteria to be classified as held for sale; and (ii) represents a separate major line of business or geographic area of operations or will be disposed of as part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations. The results of discontinued operations are presented separately from those of continuing operations. Refer to Note 6 for further details on discontinued operations.

Prior period restatements

The tax structure relating to the Transaction continued to evolve subsequent to the prior year interim announcement. In finalising the structure it was identified that certain North American deferred tax balances would be retained by the continuing business and were therefore incorrectly excluded at 30 September 2021. This was correctly treated at 31 March 2022. As a result, the balance sheet at 30 September 2021 has been restated to include such deferred tax balances within the continuing Tate & Lyle Group (impact increasing Deferred tax liabilities and decreasing Liabilities held for sale by £66 million). In addition, following the completion accounts exercise which has taken place after the Transaction date, the balance sheet at 31 March 2022 has been restated to correctly reflect certain additional non-current assets being assigned to the Primient disposal group held for sale (impact on non-current assets: reducing Property, Plant and equipment by £66 million, reducing Goodwill and other intangible assets by £5 million and increasing Assets held for sale by £71 million).

Both restatements impacted the respective balance sheets only; the income statement, cash flow statement and statement of changes in equity are unaffected.

Changes in accounting policy and disclosures

The accounting policies adopted in the preparation of the condensed set of consolidated financial information are consistent with those of the Group's Annual Report and Accounts for the year to 31 March 2022 but also reflect the adoption, with effect from 1 April 2022, of new or revised accounting standards, as set out below.

On completion of the Primient disposal transaction on 1 April 2022, the Group has continued to apply cash flow hedge accounting to manage its economic price exposure on the purchase of chemicals used in the production process. All corn procurement transferred to Primient on completion of the disposal and the Group procures corn from Primient (both for the manufacturing of corn-based finished goods in the Group's US manufacturing sites and for corn embedded in the finished goods manufactured by Primient and sold to the Group under long-term agreements). The Group has ceased to apply fair value hedge accounting to manage the net corn risk and now manages the corn price risk by using economic hedging principles such as entering into offsetting positions with its supplier (Primient) and customers. As a result of this change the fair value of purchases, sales and inventory of corn-based products is no longer a source of estimation uncertainty.

Several amendments apply for the first time from 1 April 2022 but do not have a material impact on the Group's financial statement.

No other new standards, new interpretations or amendments to standards or interpretations have been published which are expected to have a significant impact on the Group's financial statements, and none have been early adopted.

Seasonality

In previous financial years the Group's principal exposure to seasonality was in relation to working capital as the level of inventories and payables held reflected the timing of crop harvests in North America and purchases. As a result of the disposal of Primient, the Group is no longer subjected to the same degree of seasonality.

1. Presentation of half year financial information (continued)

Changes in constant currency

Where year-on-year changes in constant currency are presented in this statement, they are calculated by retranslating current year results at prior year exchange rates. Reconciliations of the movement in constant currency have been included in 'Additional information' within this document.

Use of alternative performance measures

The Group also presents alternative performance measures, including adjusted operating profit, adjusted profit before tax, adjusted earnings per share and adjusted free cash flow, which are used for internal performance analysis and incentive compensation arrangements for employees. They are presented because they provide investors with additional information about the performance of the business which the Directors consider to be valuable. For the periods presented, alternative performance measures exclude, where relevant:

- **Exceptional items** (excluded as they are material in amount; and are outside the normal course of business or relate to events which do not frequently recur, and therefore merit separate disclosure in order to provide a better understanding of the Group's underlying financial performance);
- **Amortisation of acquired intangible assets** (costs associated with amounts recognised through acquisition accounting that impact earnings compared to organic investments);
- **Amoritisation of other fair value adjustments on acquisition** (costs associated with amounts recognised through acquisition accounting that impact earnings compared to organic investments);
- **Tax on the above items and tax items that themselves meet these definitions.** For tax items to be treated as exceptional, amounts must be material and their treatment as exceptional enable a better understanding of the Group's underlying financial performance; and
- **IFRS 5 held for sale adjustment** consisting of 1) cessation of depreciation and amortisation of assets of the Primient Business; and, 2) cessation of equity accounting of the share of profits and dividends received from the Group's existing joint venture interests. These adjustments relate to the six-month period to 30 September 2021 and year to 31 March 2022 only. Within adjusted discontinued operations these adjustments are excluded in order to provide a better understanding of the Group's underlying financial performance on a like-for-like basis with the comparative periods.

The change for the exclusion of 'amortisation of other fair value adjustments on acquisition' reflects the relative size of the Quantum acquisition compared to previous recent Group acquisions and was made to treat the amortisation of all fair value adjustments consistently with the amortisation of acquired intangibles. This change does not impact any of the comparative periods presented.

Note also that given the size of the Group's retained share in the Primient joint venture, the Group's adjusted profit before tax will exclude its share of any of the above items relating to the Primient joint venture. This change does not impact any of the comparative periods presented.

Due to the significance of the Primient disposal, where relevant, the Group has also provided pro-forma information in order to provide investors with better comparability of the performance of the continuing operations. Certain comparative information for adjusted results is pro-forma information as published on pages 44 and 45 of the half year results statement for that period issued on 4 November and as published on pages 48 and 49 of the full year results statement for that year issued on 9 June 2022. Pro-forma adjusted diluted earnings per share, for the six months to 30 September 2022 as well as for the comparative periods, has been calculated based on the earnings for the period and the shares in issue adjusted for impact of the 6 for 7 share consolidation as if it occurred on 1 April 2021.

Alternative performance measures reported by the Group are not defined terms under IFRS and may therefore not be comparable with similarly-titled measures reported by other companies. Reconciliations of the alternative performance measures to the most directly comparable IFRS measures are presented in Note 2 and Note 6.

1. Presentation of half year financial information (continued)

Exceptional items

Exceptional items comprise items of income, expense and cash flow, including tax items that: are material in amount; and are outside the normal course of business or relate to events which do not frequently recur, and therefore merit separate disclosure in order to provide a better understanding of the Group's underlying financial performance. Examples of events that give rise to the disclosure of material items of income, expense and cash flow as exceptional items include, but are not limited to:

- significant impairment events;
- significant business transformation activities;
- disposals of operations or significant individual assets;
- litigation claims by or against the Group; and
- restructuring of components of the Group’s operations.

For tax items to be treated as exceptional, amounts must be material and their treatment as exceptional enable a better understanding of the Group’s underlying financial performance.

Exceptional items in the Group’s financial statements are classified on a consistent basis across accounting periods.

2. Reconciliation of alternative performance measures

Income statement measures

For the reasons set out in Note 1, the Group presents alternative performance measures including adjusted operating profit, adjusted profit before tax and adjusted earnings per share. Comparatives below are not presented on a pro-forma basis. The impact of pro-forma adjustments to adjusted operating profit (of £3 million in the six months to 30 September 2021 and of £7 million in the year to 31 March 2022) is shown within the segment results set out in Note 3.

The following table shows the reconciliation of the key alternative performance measures to the most directly comparable measures reported in accordance with IFRS:

	Six months to 30 September 2022			Six months to 30 September 2021		
£ million unless otherwise stated **Continuing operations**	**IFRS reported**	**Adjusting items**	**Adjusted reported**	IFRS reported	Adjusting items	Adjusted reported
Revenue	**849**	**–**	**849**	656	–	656
Operating profit	**114**	**23**	**137**	33	64	97
Share of (loss)/profit of joint venture	**(35)**	**48**	**13**	–	–	–
Profit before tax	**68**	**71**	**139**	21	64	85
Income tax expense	**(12)**	**(18)**	**(30)**	(9)	(8)	(17)
Profit for the period	**56**	**53**	**109**	12	56	68
Effective tax rate %	**18.4%**		**21.9%**	44.7%		20.2%
Earnings per share:						
Number of ordinary shares[1] - basic	**410.5**		**410.5**	465.2		465.2
Basic earnings per share (pence)	**13.5p**	**13.0p**	**26.5p**	2.5p	12.0p	14.5p
Number of ordinary shares[1] - diluted	**415.8**		**415.8**	469.6		469.6
Diluted earnings per share (pence)	**13.3p**	**12.8p**	**26.1p**	2.5p	11.9p	14.4p

1. Weighted average (millions)

	Year to 31 March 2022		
£ million unless otherwise stated **Continuing operations**	IFRS reported	Adjusting items	Adjusted reported
Revenue	1 375	–	1 375
Operating profit	67	103	170
Profit before tax	42	103	145
Income tax expense	(16)	(12)	(28)
Profit for the year	26	91	117
Effective tax rate %	38.4%		19.3%
Earnings per share:			
Number of ordinary shares[1] - basic	465.1		465.1
Basic earnings per share (pence)	5.5p	19.7p	25.2p
Number of ordinary shares[1] - diluted	470.4		470.4
Diluted earnings per share (pence)	5.5p	19.4p	24.9p

1. Weighted average (millions)

The following table shows the reconciliation of the adjusting items in the current and comparative periods:

Continuing operations	Note	**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Exceptional costs in operating profit	4	**11**	59	93
Amortisation of acquired intangible assets and other fair value adjustments		**12**	5	10
Adjusting items excluded from share of profit of joint venture	14	**48**	–	–
Total excluded from adjusted profit before tax		**71**	64	103
Tax credit on adjusting items		**(18)**	(14)	(24)
Exceptional tax charge	4	**–**	6	12
Total excluded from adjusted profit for the period		**53**	56	91

2. Reconciliation of alternative performance measures (continued)

Cash flow measure

The Group also presents an alternative cash flow measure, 'Adjusted free cash flow', which is defined as cash generated from total operations after net interest and tax paid, and net capital expenditure, and excluding the impact of exceptional items.

Net Capital expenditure is the net impact of the purchase and sale of property, plant and equipment, intangible assets and certain equity investments. The definition of adjusted free cash flow has been amended to make clear that capital expenditure is measured on a net basis i.e. net cash received/paid for property, plant and equipment, intangible assets and certain equity investments. This change has been made to bring the definition more in line with other similar companies. This change does not impact any of the comparative periods presented.

Tax paid refers to tax paid for the Group's operations excluding any tax paid for its share of the Primient joint venture's results.The Group receives specific dividends from Primient in order to settle such tax liabilities. As all dividends received are excluded from free cash flow it is appropriate to exclude tax paid out of the receipt of these dividends. This change does not impact any of the comparative periods presented.

The following table shows the reconciliation of adjusted free cash flow relating to continuing operations:

Continuing operations	**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Adjusted operating profit	**137**	97	170
Adjusted for:			
Depreciation and adjusted amortisation[1]	**35**	41	70
Share-based payments charge	**7**	4	10
Other non-cash movements	–	–	4
Changes in working capital[2]	**(75)**	(75)	(68)
Net retirement benefit obligations	**(3)**	(2)	(7)
Net Capital expenditure	**(26)**	(25)	(75)
Net interest and tax paid[3]	**(13)**	(20)	(32)
Adjusted free cash flow	**62**	20	72

1. Total depreciation of £29 million (30 September 2021 – £33 million; 31 March 2022 – £56 million) and amortisation of £18 million (30 September 2021 – £13 million; 31 March 2022 – £24 million) less £12 million (30 September 2021 – £5 million; 31 March 2022 – £10 million) of amortisation of acquired intangibles and other fair value adjustments.
2. Changes in working capital exclude a cash inflow of £14 million (30 September 2021 – £nil ; 31 March 2022 – £nil) collected on behalf of Quantum's previous owners which will be returned to the previous owners. It also excludes the 2022 financial year bonus payment of £7 milllion to employees who have transitioned to Primient. The latter is classified as a discontinued cash outflow. Refer to Note 6.
3. Net interest and tax paid excludes tax payments of £19 million relating to the Group's share of Primient's tax including the exceptional tax on the gain on disposal of Primient.

The following table shows the reconciliation of adjusted free cash flow to net cash generated from operating cash flows:

Total operations	Note	**Six months to 30 September 2022 £m**
Adjusted free cash flow		**62**
Adjusted for:		
Add: Adjusted free cash flow relating to discontinued operations	6	**(7)**
Less: exceptional cash flow		**(37)**
Less: tax payments relating to Primient and gain on disposal		**(19)**
Less: interest received		**(2)**
Add: share-based payment charge included in exceptional		**1**
Add: cash flow collected on behalf of previous owners of Quantum		**14**
Add: net capital expenditure		**26**
Net cash generated from operating activities		**38**

2. Reconciliation of alternative performance measures (continued)

Financial strength measure

The Group uses the net debt to EBITDA ratio to assess its financial strength. Performance is based on the previous 12 months' results. For the purposes of KPI reporting, the Group uses a simplified calculation of this KPI to make it more directly related to information in the Group's half year results. The ratio is calculated based on unrounded figures in £ million.

Calculation of net debt to EBITDA ratio[1]	**30 September 2022 £m**	31 March 2022 £m
	Continuing Operations	Total Operations
Net debt (Note 9)	**281**	626
Adjusted operating profit	**210**	312
Add back depreciation, adjusted amortisation and amortisation of other fair value adjustments	**64**	158
EBITDA[1]	**274**	470
Net debt to EBITDA ratio (times)	**1.0**	1.3

1. The net debt to EBITDA ratio for the previous 12 months' results to 30 September 2022 has been based on continuing operations as the lower net debt reflects the disposal of Primient. The net debt to EBITDA ratio for the 12 months to 31 March 2022 is based on total operations as the level of net debt held was to support the larger Group before the Primient disposal.

The reconciliation of adjusted depreciation and adjusted amortisation included in the calculation of EBITDA is shown in the table below:

Reconciliation of adjusted depreciation, adjusted amortisation	**30 September 2022 £m**	31 March 2022 £m
Depreciation[1]	**52**	74
Amortisation[1]	**29**	26
Depreciation and amortisation	**81**	100
Add held for sale adjustment (cessation of depreciation and amortisation)	–	68
Less amortisaton of acquired intangibles	**(17)**	(10)
Adjusted depreciation and adjusted amortisation	**64**	158

1. Values for 30 September 2022 are based on the previous 12 months' results.

The Group has a core committed revolving credit facility of US$800 million (£719 million) which is unsecured and contains one financial covenant, that the multiple of net debt to EBITDA, as defined in the facility agreement, should not be greater than 3.5 times. The net debt to EBITDA ratio for the purpose of the financial covenant is 0.7 times with the difference being driven by specific covenant definitions or requirements (e.g. exclusion of leases).

3. Segment information

Segment information is presented on a basis consistent with the information presented to the Board (the designated Chief Operating Decision Maker (CODM)) for the purposes of allocating resources within the Group and assessing the performance of the Group's businesses Following the completion of the Transaction on 1 April 2022, the Group has changed its operating segments to reflect the Group's structure. The Group has three operating segments as follows: The Food & Beverage Solutions, Sucralose and Primient.

The Food & Beverage Solutions and Sucralose operating segments remain unchanged from the prior year. The former now includes the European Primary Products business and certain operating costs associated with the Group's former Primary Products operating segment that have remained with the Group. Food & Beverage Solutions operates in the key categories of beverages, dairy, soups, sauces and dressings. Sucralose, a high-intensity sweetener, is used in various food categories and beverages. The Primient operating segment consists of the Group's share of profit in the Primient joint venture. These operating segments are also the Group's three reportable segments; the Group does not aggregate operating segments to form reportable segments.

Central, which comprises central costs including head office, treasury and insurance activities, does not meet the definition of an operating segment under IFRS 8 Operating Segments but is included below in order to be consistent with the presentation of segment information presented to the Board.

3. Segment information (continued)

For the Food & Beverage Solutions and Sucralose operating segments, the Board continues to use adjusted operating profit as the meansure of profitability of the businesses. For the Primient operating segment, the Board uses the Group's share of adjusted profit of the Primient joint venture as the measure of profitability of this business. Adjusted operating profit and the Group's share of adjusted profit of the joint venture are therefore the measures of segment profit presented in the Group's segmental disclosures for the relevant operating segments. In the years presented, the items excluded from the statutory profit measure in arriving at the relevant adjusted profit measure were the amortisation of acquired intangible assets and exceptional items.

As a result of the change in the Group's operating segments, where relevant the Group has restated the comparative periods segmental disclosure which is consistent with the disclosure provided in the prior periods segment information note (reconciliation of segmental disclosures to the additional commentary in financial statements).

All revenue is from external customers.

Segment results

	Six months to 30 September 2022				
Continuing operations	**Food & Beverage Solutions £m**	**Sucralose £m**	**Primient £m**	**Central £m**	**Total £m**
Revenue	**752**	**97**	**–**		**849**
Adjusted operating profit[1]	**113**	**39**	**–**	**(15)**	**137**
Adjusted operating margin	**15.0%**	**39.7%**	**n/a**	**n/a**	**16.2%**
Adjusted share of profit of joint venture[1]	**–**	**–**	**13**	**–**	**13**

1. Reconciled to statutory profit for the period for continuing operations in Note 2.

	Restated* Six months to 30 September 2021				
Continuing operations	**Food & Beverage Solutions £m**	**Sucralose £m**	**Primient £m**	**Central £m**	**Total £m**
Revenue	578	78	–	–	656
Adjusted operating profit[1]	83	31	–	(17)	97
Adjusted operating margin	14.5%	39.3%	n/a	n/a	14.8%
Pro-forma impact of long-term agreements	(3)	–	–	–	(3)
Pro-forma operating margin[2,3]	13.9%	39.3%	n/a	n/a	14.3%
Pro-forma adjusted share of profit of joint venture			30		30

* Restated to reflect change in operating segments (see page 26).
1. Reconciled to statutory profit for the period for continuing operations in Note 2.
2. Comparative information for the adjusted operating margin for the six months to 30 September 2021 is pro-forma information as published on pages 44 and 45 of the half year results statement for that period issued on 4 November.
3. Adjusted operating margin for the six months to 30 September 2022 has increased by 190 bps compared to the comparative period measured on a pro-forma basis. In constant currency, this growth rate is 110 bps.

	Restated* Year to 31 March 2022				
Continuing operations	**Food & Beverage Solutions £m**	**Sucralose £m**	**Primient £m**	**Central £m**	**Total £m**
Revenue	1 212	163	–	–	1 375
Adjusted operating profit[1]	160	61	–	(51)	170
Adjusted operating margin	13.2%	37.1%	n/a	n/a	12.4%
Pro-forma impact of long-term agreements	(7)	–	–	–	(7)
Pro-forma operating margin[2]	12.6%	37.1%	n/a	n/a	11.9%
Pro-forma adjusted share of profit of joint venture			61		61

* Restated to reflect change in operating segments (see page 26).
1. Reconciled to statutory profit for the year for continuing operations in Note 2.
2. Comparative information for the adjusted operating margin for the year to 31 March 2022 is pro-forma information as published on pages 48 and 49 of the full year results statement for that year issued on 9 June 2022.

3. Segment information (continued)

Geographic disclosures: revenue – total operations

	Six months to 30 September 2022 £m	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Food & Beverage Solutions			
North America	**340**	260	542
Asia, Middle East, Africa and Latin America	**208**	151	325
Europe	**204**	167	345
Food & Beverage Solutions – total	**752**	578	1 212
Sucralose – total	**97**	78	163
Primary Products			
Americas	–	891	1 757
Primary Products – total	–	891	1 757
Total	**849**	1 547	3 132

Revenue - reconciliation to the income statement

	Six months to 30 September 2022 £m	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Revenue – geographic disclosure – total operations	**849**	1 547	3 132
Reclassified to discontinued operations	–	(891)	(1 757)
Revenue – continuing operations	**849**	656	1 375

4. Exceptional items

Exceptional items recognised in the income statement are as follows:

Income statement – continuing operations	Footnotes	**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Costs associated with the separation and disposal of Primient	(a)	**(13)**	(41)	(79)
Impairment related to the disposal of Primient		**–**	(13)	(13)
US pension plan past service credit		**–**	–	9
Stabiliser product contamination		**–**	–	(9)
Restructuring costs		**(1)**	(2)	(1)
Historical legal matters	(b)	**3**	(3)	–
Exceptional items included in profit before tax		**(11)**	(59)	(93)
US tax charge		**–**	–	(6)
UK tax charge		**–**	(6)	(6)
Exceptional items included in income tax		**–**	(6)	(12)
Exceptional items – continuing operations		**(11)**	(65)	(105)
Discontinued operations				
Gain on disposal of Primient		**98**	–	–
Restructuring costs		–	(2)	(3)
Exceptional items – discontinued operations		**98**	(2)	(3)
Exceptional items – total operations		**87**	(67)	(108)

Continuing operations in the six months to 30 September 2022

a) The Group incurred certain transaction and separation costs related to the Primient disposal which totalled £13 million. The majority of these costs are separation in nature and consist principally of information technology (IT) costs to ensure the Group's and Primient's IT systems are fully independent by the end of this financial year, being the date that the transition services arrangement for IT support ends.

b) The Group recognised a credit of £3 million in relation to a release of an existing provision reflecting a favourable ruling in the relevant legal case.

The net £11 million exceptional costs recorded in operating profit in continuing operations during the period resulted in £8 million (outflow) disclosed in exceptional operating cash flow. In addition, £29 million of exceptional costs recorded in prior periods resulted in cash outflows, such that operating cash outflow from exceptional items in continuing operations was £37 million.

The most significant exceptional costs in the comparative periods were costs incurred in relation to the Primient disposal including the impairment of certain assets remaining with the Group which will no longer be used following the disposal. Other exceptional costs and income in the comparative periods related to a past service credit linked to a plan amendment made to the Group's US pension plans, costs associated with a stabiliser product contamination, historical legal matters and one-off tax charges as a result of the Primient transaction due to a reduction of brought forward UK tax losses and US state tax credits that are expected to be able to be utilised in the future.

Tax credits/charges on exceptional items are only recognised to the extent that gains/losses incurred are expected to result in tax recoverable/payable in the future. The total tax impact of these exceptional items was a tax credit of £2 million. Refer to Note 5.

4. Exceptional items (continued)

Discontinued operations in the six months to 30 September 2022

The Group recorded a gain of £98 million relating to the disposal on 1 April 2022 of a 50.1% controlling interest in Primient in exchange for gross cash proceeds of US$1.4 billion (£1.1 billion). Further details of the gain on disposal are set out in Note 6.

The exceptional costs in the prior periods were restructuring costs relating to productivity and simplification projects which were mainly related to Global Operations cost saving initiatives.

Cash flows from total operations

Cash flows from exceptional items are set out below:

Net operating cash outflows on exceptional items	Footnotes	**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Costs associated with the separation and disposal of Primient	(a)	**(35)**	(10)	(48)
US pension plan past service credit		**–**	–	(1)
Restructuring costs		**–**	(4)	(5)
Historical legal matters	(b)	**(2)**	–	(4)
Net operating cash outflows – continuing operations		**(37)**	(14)	(58)
Net operating cash outflows – discontinued operations		**–**	(1)	(2)
Net operating cash outflows – total operations		**(37)**	(15)	(60)

Exceptional cash flows

The total cash adjustment relating to exceptional items presented in the operating section of the cash flow statement of £124 million (outflow) reflects the net exceptional gain in profit before tax for total operations of £87 million which were £124 million higher than net cash outflows of £37 million set out in the table above.

5. Income tax expense

Income tax for the six months is presented as follows:

- Statutory current and deferred taxes from continuing operations of £12 million, which when divided by statutory profit before tax from continuing operations of £68 million gives a statutory effective tax rate of 18.4%;
- The impact on this income tax charge of the tax effect of adjusting and exceptional items, such that adjusted income tax expense from continuing operations is £30 million, which when divided by adjusted profit before tax from continuing operations of £139 million gives an adjusted effective tax rate of 21.9%; and
- Income tax on discontinued operations recognised in the period is shown in Note 6.

5. Income tax expense (continued)

Continuing operations	**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Current tax:			
– United Kingdom	**(2)**	5	**–**
– Overseas	**(16)**	(20)	(40)
– Tax credit on exceptional items	**2**	10	5
– Expense in respect of previous financial years	**–**	–	(1)
	(16)	(5)	(36)
Deferred tax:			
(Charge)/credit for the period	**(3)**	(3)	12
(Charge)/credit in respect of previous financial years	**(5)**	–	4
Changes in tax rate	**–**	3	–
Tax credit on exceptional items	**–**	2	16
Tax credit in Primient exceptional items	**12**	–	–
UK exceptional tax charge	**–**	(6)	(6)
US exceptional tax charge	**–**	–	(6)
Income tax expense – continuing operations	**(12)**	(9)	(16)
Statutory effective tax rate % – continuing operations	**18.4%**	44.7%	38.4%

Reconciliation to adjusted income tax expense

Continuing operations	**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Income tax expense:	**(12)**	(9)	(16)
Add back the impact of:			
Tax credit on exceptional items	**(2)**	(12)	(21)
Tax credit on Primient exceptional items	**(12)**	–	–
Tax credit on amortisation of acquired intangibles	**(3)**	(2)	(3)
Tax credit on amortisation of Primient acquired intangibles	**(1)**	–	–
Exceptional UK tax charge	**–**	6	6
Exceptional US tax charge	**–**	–	6
Adjusted income tax expense	**(30)**	(17)	(28)
Adjusted effective tax rate %	**21.9%**	20.2%	19.3%

6. Discontinued operations

As described in Note 1, the Group sold a controlling stake in Primient to KPS on 1 April 2022.

Primient consists of the following operations:

- Corn wet mills in the US in Decatur, Illinois; Lafayette, Indiana; and Loudon, Tennessee;
- Acidulants plants in Dayton, Ohio; Duluth, Minnesota; and Santa Rosa, Brazil;
- Shareholdings in two joint ventures - Almex in Guadalajara, Mexico and Bio-PDO, in Loudon, Tennessee; and
- Grain elevator network and bulk transfer stations in North America.

Primary Products' European operations were not included in this transaction and are therefore not part of the discontinued operations.

The statutory results of the discontinued operations which have been included in the consolidated income statement for the six months to 30 September 2022 and comparative periods were as follows:

6. Discontinued operations (continued)

Discontinued operations	**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Revenue	**–**	891	1 757
Operating income/(expenses)	**98**	(787)	(1 508)
Operating profit	**98**	104	249
Finance expense	**–**	(2)	(3)
Share of profit after tax of joint ventures	**–**	8	8
Profit before tax	**98**	110	254
Income tax charge	**(33)**	(20)	(44)
Profit for the period from discontinued operations[1]	**65**	90	210
Basic earnings per share from discontinued operations (pence)	**15.9p**	19.4p	45.2p
Diluted earnings per share from discontinued operations (pence)	**15.7p**	19.2p	44.7p

1. Attributable to owners of the Company

These earnings per share figures were calculated by dividing the net gain attributable to equity holders of the Company from discontinued operations by the weighted average number of ordinary shares, for basic and diluted amounts, as shown in Note 7.

On classification as held for sale on 1 July 2021, the net assets of the Primient disposal group were measured at the lower of their carrying amount and their fair value less costs to sell. This did not result in any impairment.

The results of the discontinued operations which have been included in the Consolidated Statement of Cash Flows were as follows:

Discontinued operations	**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Operating[1]	**(7)**	148	15
Investing[2]	**1 021**	(17)	(40)
Financing	**–**	(10)	(21)
Net cash inflow/(outflow)	**1 014**	121	(46)

1. Operating cash outflow of £7 million is in relation to the 2022 financial year bonus payment to employees who have transitioned to Primient.
2. Investing cash inflow of £1 021 million relates to the disposal of Primient.

The following table shows for discontinued operations the reconciliation of the key alternative performance measures to the most directly comparable measures reported in accordance with IFRS:

	Six months to 30 September 2022			Six months to 30 September 2021		
£ million unless otherwise stated **Discontinued operations**	IFRS reported	Adjusting items	Adjusted reported	IFRS reported	Adjusting items	Adjusted reported
Revenue	**–**	**–**	**–**	891	–	891
Operating profit	**98**	**(98)**	**–**	104	(30)	74
Finance expense	**–**	**–**	**–**	(2)	–	(2)
Profit after tax of joint ventures	**–**	**–**	**–**	8	7	15
Profit before tax	**98**	**(98)**	**–**	110	(23)	87
Income tax expense	**(33)**	**33**	**–**	(20)	5	(15)
Profit for the period	**65**	**(65)**	**–**	90	(18)	72
Effective tax rate %				18.3%		17.3%
Earnings per share:						
Number of ordinary shares[1] - basic	**410.5**		**410.5**	465.2		465.2
Basic earnings per share (pence)	**15.9p**	**(15.9p)**	**–**	19.4p	(3.8p)	15.6p
Number of ordinary shares[1] - diluted	**415.8**		**415.8**	469.6		469.6
Diluted earnings per share (pence)	**15.7p**	**(15.7p)**	**–**	19.2p	(3.8p)	15.4p

1. Weighted average (millions)

6. Discontinued operations (continued)

£ million unless otherwise stated	Year to 31 March 2022		
Discontinued operations	IFRS reported	Adjusting items	Adjusted reported
Revenue	1 757	–	1 757
Operating profit	249	(107)	142
Finance expense	(3)	–	(3)
Profit after tax of joint ventures	8	27	35
Profit before tax	254	(80)	174
Income tax expense	(44)	16	(28)
Profit for the period	210	(64)	146
Effective tax rate %	17.5%		16.1%
Earnings per share:			
Number of ordinary shares[1] - basic	465.1		465.1
Basic earnings per share (pence)	45.2p	(13.7p)	31.5p
Number of ordinary shares[1] - diluted	470.4		470.4
Diluted earnings per share (pence)	44.7p	(13.6p)	31.1p

1. Weighted average (millions)

The following table shows the reconciliation of the adjusting items:

Discontinued operations	Note	**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Exceptional (income)/costs in operating profit	4	**(98)**	2	3
Held for sale adjustment[1]		**–**	(32)	(110)
Total excluded from adjusted operating profit		**(98)**	(30)	(107)
Held for sale adjustment[2] - profit after tax of joint ventures		**–**	7	27
Total excluded from adjusted profit before tax		**(98)**	(23)	(80)
Tax effect of adjusting items		**33**	5	16
Total excluded from adjusted profit for the period		**(65)**	(18)	(64)

1. Held for sale adjustments include: cessation of depreciation and amortisation (reduction in operating costs, six months to 30 September 2021 – £23 million; year to 31 March 2022 – £68 million), reclassification of dividends from joint ventures (income; six months to 30 September 2021 – £9 million; year to 31 March 2022 – £42 million).
2. Held for sale adjustment relates to cessation of equity accounting (reduction in share of profit after tax of joint ventures; six months to 30 September 2021 – £7 million; year to 31 March 2022 – £27 million).

The following table shows the reconciliation of adjusted free cash flow:

Discontinued operations	**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Adjusted operating profit	**–**	74	142
Adjusted for:			
Adjusted depreciation and adjusted amortization	**–**	15	20
Share-based payments charge	**–**	2	2
Changes in working capital and other non-cash movements	**(7)**	56	(182)
Capital expenditure	**–**	(42)	(73)
Net interest and tax paid	**–**	(21)	(33)
Held for sale adjustment	**–**	23	68
Adjusted free cash flow (used in)/from discontinued operations	**(7)**	107	(56)

The adjusted free cash flow from discontinued operations for the six months to 30 September 2022 is a cash outflow of £7 million related to the 2022 financial year bonus payment to employees who have transitioned to Primient.

6. Discontinued operations (continued)

Held for sale

The major classes of assets and liabilities of Primient classified as held for sale are as follows:

	Restated* At 30 September 2021 £m	Restated* At 31 March 2022 £m
Assets		
Goodwill and other intangible assets	49	61
Property, plant and equipment	714	774
Investments in joint ventures	101	105
Investments in equities	11	12
Inventories	252	398
Trade and other receivables	141	246
Current tax assets	–	1
Derivative financial instruments	55	65
Other current financial assets	38	58
Cash and cash equivalents	11	17
Assets classified as held for sale	1 372	1 737

* Refer to Note 1 for details for the reclassification between net assets classified as held for sale and the continuing Tate & Lyle Group.

	Restated* At 30 September 2021 £m	Restated* At 31 March 2022 £m
Liabilities		
Retirement benefit deficit	28	28
Trade and other payables	267	253
Lease liabilities	81	74
Derivative financial instruments	3	5
Other current financial liabilities	25	40
Liabilities directly associated with the assets held for sale	404	400
Net assets	968	1 337

* Refer to Note 1 for details for the reclassification between net assets classified as held for sale and the continuing Tate & Lyle Group.

Cumulative income and expense recognised in other comprehensive income are shown below:

	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Currency translation reserve	38	81
Actuarial gain (net of deferred tax)	7	7
Net gain on cash flow hedges (net of deferred tax)	28	49
Reserves of disposal group classified as held for sale	73	137

6. Discontinued operations (continued)

Primient disposal

On 1 April 2022 the Group completed the disposal of a 50.1% controlling interest in Primient in exchange for gross cash proceeds of $1.4 billion (£1.1 billion), resulting in an exceptional gain on disposal of £98 million (see Note 4). The completion accounts process is ongoing and is expected to be finalised in the second half of the financial year. A reconciliation of gross cash proceeds received is shown in the table below:

Gross cash received (in US dollars and Pounds sterling)	Six months to 30 September 2022 US$m	Six months to 30 September 2022 £m
Cash consideration – as shown in gain on disposal table below	**330**	**253**
Less: completion accounts adjustments in favour of Tate & Lyle not yet received	**(15)**	**(12)**
Add: cash received for intercompany loan notes and payables and transaction costs	**1 089**	**830**
Disposal of business, gross proceeds	**1 404**	**1 071**

The provisional gain on disposal is shown in the table below:

Gain on disposal (provisional)	Note	Six months to 30 September 2022 £m
Cash consideration – as shown above[1]		**253**
Contingent consideration[2]		**24**
Fair value of investment in Primient joint venture on initial recognition	14	**253**
Total consideration for equity		**530**
Primient net assets derecognised on disposal on 1 April[3]		**(539)**
Recycling of accumulated foreign exchange from other comprehensive income to the income statement		**81**
Recycling of cash flow hedges from other comprehensive income to the income statement		**48**
Impact of deal contingent forward[4]		**(33)**
Other amounts		**11**
Gain on disposal before tax	4	**98**

1. Includes deferred consideration relating to the completion accounts adjustment not yet received of £12 million
2. Contingent consideration is based on the dividend payable by Almex relating to the period under the Group's ownership.
3. Net assets held for sale at 31 March 2022 were £1 337 million. This amount excluded intercompany payable and loan balances which eliminated on consolidation prior to completion of the transaction. Net assets derecognised on disposal included such amounts.
4. The Group entered into a deal contingent forward to hedge the currency risk associated with the consideration received from the Transaction which was partly used for the shareholder distribution on 16 May 2022. The fair value loss on this forward and the impact of the cost of hedging have been recycled from other comprehensive income to the income statement on completion of the Transaction.

The tax charge arising on the gain on disposal of Primient was £54 million. Of this amount, circa 50% has been paid already with the remaining balance expected to be paid in the second half of the financial year. This tax charge has been partially offset by a deferred tax credit of £21 million reflecting the change in measurement of the difference between the tax basis and carrying value of the investment. This results in a net tax charge on the gain on disposal of £33 million.

A reconciliation to the consolidated statement of cash flows is shown in the table below:

Cash flows	Provisional Six months to 30 September 2022 £m
Total cash consideration of £253 million less completion accounts adjustments not yet received of £12 million – as shown above	**241**
Repayment of intercompany loan notes and payables and transaction costs	**830**
Less: cash outflow relating to deal contingent forward	**(33)**
Less: net cash derecognised on disposal	**(17)**
Disposal of business, net of cash derecognised on disposal	**1 021**

7. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year (excluding shares held by the Company and the Employee Benefit Trust to satisfy awards made under the Group's share-based incentive plans). Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue assuming conversion of potentially dilutive ordinary shares, reflecting vesting assumptions on employee share plans, as well as the deemed profit attributable to owners of the Company for any proceeds on such conversions.

The average market price of the Company's ordinary shares during the six months to 30 September 2022 was 762p (six months to 30 September 2021 – 752p; year to 31 March 2022 – 721p). The dilutive effect of share-based incentives was 5.3 million shares (six months to 30 September 2021 – 4.4 million shares; year to 31 March 2022 – 5.3 million shares).

The significant decrease in weighted average number of shares compared to the comparative periods is due to share consolidation in May 2022 which resulted in ordinary shareholders receiving six new ordinary shares with a nominal value of 29 1/6 pence each for every seven existing ordinary shares that they held. This share consolidation was completed at the same time as the Group returned £497 million to ordinary shareholders by way of a special dividend in order to maintain the comparability, so far as possible, of Tate & Lyle PLC's share price before and after the special dividend.

	Six months to 30 September 2022			Six months to 30 September 2021		
	Continuing operations	**Discontinued operations**	**Total**	Continuing operations	Discontinued operations	Total
Profit attributable to owners of the Company (£ million)	**56**	**65**	**121**	12	90	102
Weighted average number of ordinary shares (million) – basic	**410.5**	**410.5**	**410.5**	465.2	465.2	465.2
Basic earnings per share (pence)	**13.5p**	**15.9p**	**29.4p**	2.5p	19.4p	21.9p
Weighted average number of ordinary shares (million) – diluted	**415.8**	**415.8**	**415.8**	469.6	469.6	469.6
Diluted earnings per share (pence)	**13.3p**	**15.7p**	**29.0p**	2.5p	19.2p	21.7p

	Year to 31 March 2022		
	Continuing operations	Discontinued operations	Total
Profit attributable to owners of the Company (£ million)	26	210	236
Weighted average number of ordinary shares (million) – basic	465.1	465.1	465.1
Basic earnings per share (pence)	5.5p	45.2p	50.7p
Weighted average number of ordinary shares (million) – diluted	470.4	470.4	470.4
Diluted earnings per share (pence)	5.5p	44.7p	50.2p

7. Earnings per share (continued)

Adjusted earnings per share

A reconciliation between profit attributable to owners of the Company from continuing operations, total operations and the equivalent adjusted metrics, together with the resulting adjusted earnings per share metrics is set out below:

Continuing operations	**Notes**	**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Profit attributable to owners of the Company		**56**	12	26
Adjusting items:				
– exceptional costs in operating profit	4	**11**	59	93
– amortisation of acquired intangible assets and other fair value adjustments	2	**12**	5	10
– adjusting items excluded from share of profit of joint venture	14	**48**	–	–
– tax credit on adjusting items	5	**(18)**	(14)	(24)
– exceptional tax charge	5	**–**	6	12
Adjusted profit attributable to owners of the Company	2	**109**	68	117
Adjusted basic earnings per share (pence) – Continuing operations		**26.5p**	14.5p	25.2p
Adjusted diluted earnings per share (pence) – Continuing operations		**26.1p**	14.4p	24.9p

Total operations	**Notes**	**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Adjusted profit attributable to owners of the Company – Continuing operations	2	**109**	68	117
Adjusted profit attributable to owners of the Company – Discontinued operations	6	**–**	72	146
Adjusted profit attributable to owners of the Company – Total operations		**109**	140	263
Adjusted basic earnings per share (pence) **–** Total operations		**26.5p**	30.1p	56.7p
Adjusted diluted earnings per share (pence) **–** Total operations		**26.1p**	29.8p	56.0p

Pro-forma earnings per share

Pro-forma adjusted diluted earnings per share, for the six months to 30 September 2022 as well as for the comparative periods, has been calculated based on the pro-forma earnings for the period and the shares in issue adjusted for impact of the 6 for 7 share consolidation as if it occurred on 1 April of the respective year. Pro-forma information for the comparative periods is as published on pages 44 and 45 of the 30 September 2021 half year results statement issued on 4 November and as published on pages 48 and 49 of the 31 March 2022 full year results statement issued on 9 June 2022.

Pro-forma earnings per share is set out in the tables below:

7. Earnings per share (continued)

Pro-forma earnings per share (continued)

Continuing operations – pro-forma earnings per share	**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Adjusted pro-forma profit attributable to owners of the Company (£ million)	**109**	88	162
Pro-forma weighted average number of ordinary shares (million) – basic	**403.5**	403.5	403.5
Basic pro-forma earnings per share (pence)	**26.9p**	21.7p	40.0p
Weighted average number of ordinary shares (million) – diluted	**408.8**	407.9	408.8
Diluted pro-forma earnings per share (pence)	**26.6p**	21.4p	39.5p

8. Dividends on ordinary shares

The Directors have declared an interim dividend of 5.4p per share for the six months to 30 September 2022 (six months to 30 September 2021 – 9.0p per share), payable on 4 January 2023.

The final dividend for the year to 31 March 2022 of £51 million, representing 12.8p per share, was paid during the six months to 30 September 2022.

In addition, on 16 May 2022, the Group returned £497 million to ordinary shareholders by way of a special dividend of £1.07 per existing ordinary share in the capital of Tate & Lyle PLC. In order to maintain the comparability, so far as possible, of Tate & Lyle PLC's share price before and after the special dividend, the Group also completed a share consolidation resulting in ordinary shareholders receiving six new ordinary shares with a nominal value of 29 1/6 pence each for every seven existing ordinary shares that they held.

9. Net debt – total operations

The components of the Group's net debt are as follows:

	At 30 September 2022 £m	At 30 September 2021 £m	At 31 March 2022 £m
Borrowings	**(734)**	(662)	(620)
Lease liabilities[1]	**(63)**	(143)	(133)
Cash and cash equivalents[2]	**516**	396	127
Net debt	**(281)**	(409)	(626)

1. Includes £81 million of leases included in liabilities held for sale as at 30 September 2021 (31 March 2022 – £74 million). Refer to Note 6.
2. Includes £11 million of cash and cash equivalents included in assets held for sale as at 30 September 2021 (31 March 2022 – £17 million) Refer to Note 6.

A reconciliation of the movement in cash and cash equivalents to the movement in net debt is as follows:

	Six months to 30 September 2022 £m	Six months to 30 September 2021 £m	Year to 31 March 2022 £m
Net debt at beginning of the period	**(626)**	(417)	(417)
Net increase/(decrease) in cash and cash equivalents	**297**	17	(257)
Net decrease in borrowings and leases	**6**	15	90
Decrease/(increase) in net debt resulting from cash flows	**303**	32	(167)
Currency translation differences	**(26)**	(10)	(24)
Leases liabilities[1]	**69**	(14)	(18)
Other non-cash movements	**(1)**	–	–
Decrease/(increase) in net debt in the period	**345**	8	(209)
Net debt at end of the period	**(281)**	(409)	(626)

1. Lease liabilities movement in the six months to 30 September 2022 is principally due to the disposal of Primient.

9. Net debt – total operations (continued)

Movements in the Group's net debt were as follows:

	Cash and cash equivalents £m	Borrowings and lease liabilities £m	Total £m
At 31 March 2022[1,2]	**127**	**(753)**	**(626)**
Movements from cash flows	**297**	**6**	**303**
Currency translation differences	**92**	**(118)**	**(26)**
Lease liabilities	–	**69**	**69**
Other non-cash movements	–	**(1)**	**(1)**
At 30 September 2022	**516**	**(797)**	**(281)**

1. Borrowings and lease liabilities include £74 million of leases included in liabilities directly associated with assets held for sale as at 31 March 2022. Refer to Note 6.
2. Cash and cash equivalents include £17 million of cash and cash equivalents included in assets held for sale at 31 March 2022. Refer to Note 6.

10. Investments in equities and financial instruments

Carrying amount versus fair value

The fair value of borrowings, excluding lease liabilities, is estimated to be £656 million (30 September 2021 – £691 million; 31 March 2022 – £602 million) and has been determined by discounted estimated cash flows with an applicable market quoted yield, using quoted market prices, discounted estimated cash flows based on broker dealer quotations or quoted market prices. The carrying value of other assets and liabilities held at amortised cost is not materially different from their fair value.

Fair value measurements recognised in the balance sheet

The table below shows the Group's financial assets and liabilities measured at fair value at 30 September 2022. The fair value hierarchy categorisation, valuation techniques and inputs, are consistent with those used in the year to 31 March 2022. However, the Group has ceased to apply fair value hedge accounting to manage the net corn risk and now manages the corn price risk by using economic hedging principles such as entering into offsetting positions with its supplier (Primient) and customers. As a result of this change, the fair value of purchases and sales of corn-based products (commodity pricing contracts in the table below) is no longer recognised (see Note 1).

	At 30 September 2022				At 31 March 2022			
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Assets at fair value								
Investments in equities[1]	**–**	**–**	**49**	**49**	–	–	58	58
Derivative financial instruments:								
– forward foreign exchange contracts	**–**	**–**	**–**	**–**	–	–	–	–
– energy/commodity derivatives[2]	**17**	**–**	**–**	**17**	81	–	–	81
Other financial assets (commodity pricing contracts) [3]	**–**	**–**	**–**	**–**	–	36	24	60
Assets at fair value	**17**	**–**	**49**	**66**	81	36	82	199
Liabilities at fair value								
Derivative financial instruments:								
– forward foreign exchange contracts	**–**	**–**	**–**	**–**	–	(31)	–	(31)
– energy/commodity derivatives	**(4)**	**–**	**–**	**(4)**	(5)	–	–	(5)
Other financial liabilities (commodity pricing contracts)[3]	**–**	**–**	**–**	**–**	–	(2)	(38)	(40)
Liabilities at fair value	**(4)**	**–**	**–**	**(4)**	(5)	(33)	(38)	(76)

1. Includes FVPL assets of £20 million (31 March 2022 – £32 million) and FVOCI assets of £29 million (31 March 2021 – £26 million).
2. £17 million (31 March 2022 – £60 million) relates to derivatives to hedge cash flow risk associated with forecast purchases of energy and chemicals used in the manufacturing process which are designated as cash flow hedges. The comparative number also includes derivatives to hedge cash flow risk associated with forecasted purchases and sales of commodities.
3. Fair value adjustments due to risks hedged.

Investments in equities are presented in the consolidated statement of financial position as follows:

	At 30 September 2022 Assets £m	At 31 March 2022 Assets £m
Investments in equities	**49**	46
Classified as assets held for sale	**–**	12

10. Investments in equities and financial instruments (continued)

Fair value measurements recognised in the balance sheet (continued)

Derivative financial assets/(liabilities) and other financial assets/(liabilities) are presented in the consoilidated statement of financial position as follows:

	At 30 September 2022		At 31 March 2022	
	Assets £m	Liabilities £m	Assets £m	Liabilities £m
Non-current derivative financial instruments	**4**	**–**	13	–
Current derivative financial instruments	**13**	**(4)**	68	(36)
Reclassified as (assets)/liabilities held for sale (Note 6)	**–**	**–**	(65)	5
Total derivative financial instruments[1]	**17**	**(4)**	16	(31)
Other non-current financial assets/(liabilities)	**–**	**–**	–	–
Other current financial assets/(liabilities)	**–**	**–**	60	(40)
Reclassified as (assets)/liabilities held for sale (Note 6)	**–**	**–**	(58)	40
Total other financial assets/(liabilities)	**–**	**–**	2	–

1. Total derivative financial instruments at 31 March 2022 are presented as £3 million in non-current derivative assets and £13 million in current derivative assets, and £nil in non-current derivative liabilities and £31 million in current derivative liabilities.

Included in assets held for sale at 31 March 2022 were cash flow hedges totalling £44 million that relate to discontinued operations, of which the most significant related to cash flow hedging using natural gas futures. The Group did not cease cash flow hedging such items upon classification of Primient as held for sale but did so upon completion of the Transaction.

Included in investments in equities are assets classified as FVOCI. These relate principally to long-term strategic investments that the Group does not control, nor has significant influence over. The investments are non-listed and are mainly start-ups or in the earlier stages of their lifecycle. Therefore, fair value has been determined based on the most recent funding rounds adjusted for indicators of impairment. The fair values assigned to each of the investments have different significant unobservable inputs.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level of input that is significant to the fair value measurement as a whole) at the end of the reporting period. There were no transfers between Level 1 and Level 2 fair value measurements during the period, and no transfers into or out of Level 3 fair value measurements during the six months to 30 September 2022.

The following table reconciles the movement in the Group's net financial instruments and fair value adjustments due to risks hedged classified in 'Level 3' of the fair value hierarchy:

	Commodity pricing contracts – assets £m	Commodity pricing contracts – liabilities £m	Financial assets at FVPL £m	Financial assets at FVOCI £m	Total £m
At 1 April 2022	**2**	**–**	**20**	**26**	**48**
Income statement:					
– prior year amounts derecognised	**(2)**	**–**	**–**	**–**	**(2)**
Other comprehensive income	**–**	**–**	**–**	**10**	**10**
Non-qualified deferred compensation arrangements	**–**	**–**	**(4)**	**–**	**(4)**
Purchases	**–**	**–**	**2**	**–**	**2**
Disposals	**–**	**–**	**(2)**	**(7)**	**(9)**
Currency translation differences	**–**	**–**	**4**	**–**	**4**
At 30 September 2022	**–**	**–**	**20**	**29**	**49**

11. Retirement benefit obligations

At 30 September 2022, the Group's retirement benefit obligations are in a net deficit position of £112 million (31 March 2022 – deficit of £107 million). On disposal of the Primient business, the Group retained all US defined benefit pension schemes but certain obligations were disposed of including funded non-qualified deferred compensation arrangements as well as the unfunded post-retirement medical plan relating to employees who transitioned to the Primient business (a net deficit of £28 million).

The closing total net deficit substantially comprises the unfunded schemes in the US. The UK plans primarily comprise funded retirement benefit plans where plan assets were previously held separately from those of the Group in funds that were under the control of trustees.

11. Retirement benefit obligations (continued)

In the six months to 30 September 2022, the significant movements in the net deficit in the year are as follows:

- A reduction of £339 million due to the significant increase in corporate bond yields in both the US and UK leading to higher discount rates and decreasing the value of plan liabilities;
- An increase of £329 million due to the worse than expected returns on assets in the US plans and matched by the UK Group Scheme 'buy-in' policy; and
- An increase of £4 million as a result of the experience loss against previously set assumptions. This was principally related to the main UK plan and was due to inflation being significantly higher in the six months to 30 September 2022, partially offset by a gain recognised on the post transaction price adjustment in respect of the bulk annuity policy 'buy in' of the main UK plan.

Other movements in retirement benefit obligations comprise a net income statement charge of £3 million, employer contributions of £5 million and an increase in the net deficit for currency translation of £17 million.

These movements are set out in the following table:

	Six months to 30 September 2022			
	UK plans £m	US plans (funded) £m	US plans (unfunded) £m	Total £m
Net deficit at 31 March 2022	**(18)**	**–**	**(89)**	**(107)**
Income statement:				
– current service costs	**–**	**–**	**–**	**–**
– administration costs	**(1)**	**(1)**	**–**	**(2)**
– net interest expense	**–**	**1**	**(2)**	**(1)**
Other comprehensive income:				
– actual return lower than interest on plan assets	**(243)**	**(86)**	**–**	**(329)**
– actuarial gain/(loss):				
– changes in financial assumptions	**256**	**71**	**12**	**339**
– experience against assumptions	**(5)**	**–**	**1**	**(4)**
Other movements:				
– employer's contributions	**1**	**–**	**4**	**5**
– non-qualified deferred compensation arrangements	**–**	**4**	**–**	**4**
– currency translation differences	**(1)**	**(2)**	**(14)**	**(17)**
Net deficit at 30 September 2022	**(11)**	**(13)**	**(88)**	**(112)**

Following the UK plan 'buy-in' in the 2020 financial year, actuarial movements recorded in other comprehensive income in relation to the main UK plan's liabilities are matched by an equal and opposite movement recorded in other comprehensive income on its assets. The net £8 million gain recorded in other comprehensive income is in relation to UK obligations not subject to this 'buy-in' and due to the favourable post transaction price adjustment in respect of the bulk annuity policy 'buy in' of the main UK plan.

During the year ending 31 March 2023 the Group expects to contribute approximately £5 million to its defined benefit pension plans and to pay approximately £4 million in relation to retirement medical benefits, principally in the US.

12. Contingent liabilities

The Group is subject to claims and litigation generally arising in the ordinary course of its business. Provision is made when liabilities are considered likely to arise and the expected quantum of the exposure can be estimated reliably. The risk in relation to claims and litigation is monitored on an ongoing basis and provisions amended accordingly. It is not expected that claims and litigation existing at 30 September 2022 will have a material adverse effect on the Group's financial position.

13. Acquisitions

In the 2023 fiancial year:

Nutriati acquisition

On 29 April 2022 the Group completed the acquisition of Nutriati, an ingredient technology business developing and producing chickpea protein and flour, expanding its capability to offer customers sustainable, plant-based solutions. This transaction was structured as an asset purchase and is being accounted for as a business combination. Total consideration was £10 million, including £1 million of deferred consideration and £1 million of non-cash consideration. Included within the identifiable assets acquired are inventories of £3 million and intangible assets of £6 million. Goodwill of £1 million, which is not deductible for tax purposes, has been recorded on the acquisition.

Quantum acquisition

On 9 June 2022 the Group completed the acquisition for 100% of the equity of Quantum Hi-Tech (Guangdong) Biological Co., Ltd (Quantum), a leading prebiotic dietary fibre business in China from ChemPartner Pharmatech Co., Ltd (ChemPartner) for a total consideration of US$238 million (£188 milion).

The acquisition of Quantum, which engages in the research, development, production and sale of fructo-oligosaccharides and galacto-oligosaccharides, significantly strengthens Tate & Lyle's position as a leading global player in dietary fibres, bringing a high-quality portfolio of speciality fibres, strong research and development capabilities and proprietary manufacturing processes and technologies. The acquisition also expands Tate & Lyle's ability to provide added-fibre solutions for its customers across a range of categories including dairy, beverages, bakery and nutrition (including infant nutrition), and to meet growing consumer interest in gut health. It also significantly expands Tate & Lyle's presence in China and Asia, and extends its capabilities to create solutions across food and drink utilising its leading speciality ingredient portfolio.

Details of the acquisition are provided in the tables below:

Goodwill	**At 30 September 2022 £m**
Total consideration – including purchase price adjustments and amounts paid to escrow	**188**
Less: fair value of net assets acquired	**(102)**
(Provisional) goodwill	**86**

Cash flows	**Six months to 30 September 2022 £m**
Total consideration – including purchase price adjustments and amounts paid to escrow	**188**
Less: net cash acquired	**(4)**
Acquisition of business, net of cash acquired	**184**

Fair value of net assets acquired	Book value on acquisition £m	Fair value adjustment £m	Total fair value £m
Intangible assets (customer relationships, technology/know-how)	**–**	**100**	**100**
Property, plant and equipment	**12**	**6**	**18**
Inventories	**4**	**1**	**5**
Trade and other receivables	**5**	**–**	**5**
Cash and cash equivalents	**4**	**–**	**4**
Trade and other payables	**(3)**	**–**	**(3)**
Deferred tax liabilities	**–**	**(27)**	**(27)**
(Provisional) net assets on acquisition	**22**	**80**	**102**

13. Acquisitions (continued)

Quantum acquisition (continued)

The provisional goodwill, which is not deductible for tax purposes, primarily represents the premium paid to acquire an established business with a leading and sustainable market position in China with the potential to expand beyond. It also represents the future value to the Group of being able to leverage its technology and products, which are highly complementary to the Group's existing fibres portfolio, to offer an enhanced range of fibre solutions to existing customers.

The acquired business contributed revenue of £13 million and an operating profit of £4 million for the period from acquisition on 9 June 2022 until 30 September 2022 (excluding the amortisation of acquired intangibles recognised from the acquisition). Had the business been acquired at the beginning of the 2023 financial year, it would have contributed revenue of £20 million and an operating profit of £10 million in the six months to 30 September 2022.

Reconciliation of total Group goodwill

A reconciliation of the carrying amount of goodwill on the Group's consolidated statement of financial position at the beginning and end of the reporting period is presented below:

Goodwill	Provisional At 30 September 2022 £m
Gross carrying amount	
At 1 April 2022	**213**
Acquisitions of subsidiaries/businesses	**87**
Currency translation differences	**25**
At 30 September 2022	**325**
Accumulated impairment	
At 1 April 2022	**10**
Currency translation differences	**–**
At 30 September 2022	**10**
Net book value at 30 September 2022	**315**

14. Investment in Joint venture

The Group acquired a 49.7% interest in Primient, a joint venture which is a leading producer of food and industrial ingredients, principally bulk sweetners and industrial starches. Key products include nutritive sweetners (such as high fructose corn syrup and dextrose), industrial starches, acidulants (such as citric acid) and commodities (such as corn gluten feed and meal and corn oil). Primient comprises the Group's former Primary Products business in North America and Latin America and its former interests in the Almidones Mexicanos S.A de C.V ('Almex') and DuPont Tate & Lyle Bio-Products Company, LLC ('Bio-PDO') joint ventures.

The Group's interest in the Primient joint venture decreased from the 49.9% interest held immediately on completion of the Transaction to a 49.7% interest following a redemption of shares held by the Group for the return of £1 million. Primient subsequently re-issued the same number of shares in order to award these to Primient management as performance incentives.

The Group's interest in Primient is accounted for using the equity method. Primient has share capital consisting of ordinary shares, which is held directly by the Group (and its joint venture partner) and is a private company. No quoted market price is available for its shares. There are no contingent liabilities relating to the Group's interest in the joint venture.

The movements in the carrying value of the Group's investment in Primient is summarised as follows:

	Primient £m
At 1 April 2022	**–**
Fair value of investment in Primient joint venture on initial recognition	**253**
Share of loss of joint venture	**(35)**
Other comprehensive income	**43**
Share redemption	**(1)**
Dividends paid by joint venture	**(13)**
At 30 September 2022	**247**

14. Investment in Joint venture (continued)

The following tables summarise the financial information of Primient as included in its own financial statements, adjusted for fair value adjustments at the Transaction date (disposal of 100% of Primient and acquisition of the Group's share) and differences in accounting policies.

Statement of total comprehensive income

Primient	Six months to 30 September 2022 £m
At 100%	
Revenue	**1 309**
Depreciation and amortisation	**(44)**
Other expenses	**(1 202)**
Exceptional items	**(102)**
Net finance expense	**(35)**
Loss before tax	**(74)**
Income tax expense[1]	**(5)**
Loss after tax at 100%	**(79)**
Other comprehensive income at 100%	**9**
Total comprehensive expense at 100%	**(70)**
At 49.7%	
Group's share of loss for the period	**(39)**
Amortisation of fair value adjustments on initial recognition of Primient	**3**
Other adjustments	**1**
Group's share of loss of joint venture	**(35)**
Group's share of other comprehensive income	**4**
Group adjustments to other comprehensive income	**39**
Group's share of other comprehensive income	**43**
Group's share of total comprehensive income	**8**

1. Tax expense relates principally to tax on Primient's Brazilian subsidiary.

Statement of financial position

Primient	At 30 September 2022 £m
Assets	
Non-current assets	**1 040**
Cash and cash equivalents	**47**
Other current assets	**717**
Liabilities	
Non-current liabilities	**(1 017)**
Current borrowings	**(10)**
Other current liabilities	**(377)**
Net assets at 100%	**400**
Group's share of net assets	**199**
(Provisional) goodwill and fair value adjustments (net of amortisation)	**48**
Carrying amount of investment in Primient	**247**

14. Investment in Joint venture (continued)

As discussed in Note 1, the Group's adjusted profit before tax excludes certain items relating to the Primient joint venture. The following table shows the reconciliation of such adjusting items in the current period:

Continuing operations	Note	**Six months to 30 September 2022 £m**
Primient exceptional costs		**(102)**
Group's share of Primient exceptional costs		**(51)**
Amortisation of fair value adjustments and other adjustments on initial recognition of Primient		**3**
Total excluded from the Group's adjusted profit before tax	2	**(48)**

The Group's share of exceptional costs of Primient comprise certain non-recurring costs incurred by Primient as part of the Transaction and separation including the re-charge of shareholder costs. In addition this included the unwind of fair value adjustments determined by the purchase price allocation which included certain net corn position fair value adjustments no longer recorded by Primient.

15. Related party disclosure

The Group has related party relationships with its Primient joint venture, the Group's pension schemes and with key management, being its Directors and executive officers. Remuneration was paid to key management, there were no other related party transactions with key management.

As a result of the sale of the controlling stake in the Primient Business, Tate & Lyle now holds a 49.7% interest in Primient, effective from 1 April 2022. Primient comprises of the Group's former Primary Products business in North America and Latin America and its former interests in the Almidones Mexicanos S.A de C.V ('Almex') and DuPont Tate & Lyle Bio-Products Company, LLC ('Bio-PDO') joint ventures.

There were no other material changes in the nature of related party transactions and no material related party transactions containing unusual commercial terms in the six months to 30 September 2022 or comparative periods.

As a result of the one new material related party, Primient, further disclosure is provided below:

Related party transactions and outstanding balances	**30 September 2022 £m**
Sales of goods and services to the joint venture	**25**
Purchases of goods and services from the joint venture	**(132)**
Receivables due from the joint venture	**15**
Payables due to the joint venture	**(19)**

Sales of goods and services to the joint venture are considered in scope of IFRS 15 and relate to the Group's commitment under the long term agreements in operation following the completion of the Transaction to produce industrial starches for Primient under a tolling arrangement whereby Primient retains control of the net raw material at all times. The Group earns a manufacturing margin for this production when the service is provided. All associated income is earned in North America. The Group considers it appropriate to exclude this amount from revenue and record the income in operating profit on the basis that this income is generated with a related party, is not part of the Group's normal revenue generating activities (where revenue is recognised when control of the goods is transferred), only arises because of the relationship that exists in which Primient is a supplier of the Group, and is outside the Group's core focus on speciality food and beverage solutions.

16. Events after the reporting period

On 4 October 2022, a reduction of the Company's capital was completed, through the cancellation and repayment of all of its 2,394,000 6½ per cent cumulative preference shares of £1 each.

On 3 November 2022, the Group received dividend payments of $61 million (£54 million) from Primient.

There are no other material post balance sheet events requiring disclosure in respect of the six months to 30 September 2022.

TATE & LYLE PLC

ADDITIONAL INFORMATION

For the six months to 30 September 2022

Calculation of changes in constant currency – Pro-forma

Where changes in constant currency are presented in this statement, they are calculated by retranslating current period results at prior period exchange rates. The following table provides a reconciliation between the current period and the six months to September 2021 performance on a pro-forma basis at actual exchange rates and at constant currency exchange rates. Absolute numbers presented in the table are rounded for presentational purposes, whereas the growth percentages are calculated on unrounded numbers.

Six months to 30 September Adjusted performance Continuing operations	**2022 £m**	FX £m	2022 at constant currency £m	Underlying growth £m	Pro-forma[1] 2021 £m	Change %	Change in constant currency %
Revenue	**849**	(64)	785	129	656	29%	20%
Food & Beverage Solutions	**113**	(12)	101	21	80	41%	26%
Sucralose	**39**	(6)	33	2	31	25%	8%
Central	**(15)**	2	(13)	4	(17)	20%	23%
Adjusted operating profit	**137**	(16)	121	27	94	47%	29%
Net finance expense	**(11)**	1	(10)	2	(12)	10%	19%
Share of profit of joint venture	**13**	(1)	12	(18)	30	(58%)	(62%)
Adjusted profit before tax	**139**	(16)	123	11	112	24%	10%
Adjusted income tax expense	**(30)**	3	(27)	(3)	(24)	(25%)	(10%)
Adjusted profit after tax	**109**	(13)	96	8	88	24%	9%
Adjusted diluted EPS (pence) Pro-forma[2]	**26.6p**	(3.2p)	23.4p	2.0p	21.4p	24%	9%

1. Comparative information for the adjusted operating margin for the six months to 30 September 2021 is pro-forma information as published on pages 44 and 45 of the half year results statement for that period issued on 4 November.
2. Pro-forma adjusted diluted earnings per share, for the six months to 30 September 2022 as well as for the comparative periods, has been calculated based on the earnings for the period and the shares in issue adjusted for impact of the 6 for 7 share consolidation as if it occurred on 1 April.

Impact of changes in exchange rates

The Group's reported financial performance at average rates of exchange for the six months to 30 September 2022 was favourably impacted by currency translation. The average and closing US dollar and Euro exchange rates used to translate reported results were as follows:

	Average rates		**Closing rates**	
Six months to 30 September	**2022**	2021	**2022**	2021
US dollar : sterling	**1.21**	1.39	**1.11**	**1.35**
Euro : sterling	**1.17**	1.16	**1.14**	**1.16**

For the six months to 30 September 2022, net foreign exchange increased Food & Beverage Solutions adjusted operating profit by £12 million and increased Sucralose adjusted operating profit by £6 million, with adjusted profit before tax for the continuing operations of the Group increasing by £16 million.

TATE & LYLE PLC

ADDITIONAL INFORMATION
For the six months to 30 September 2022

Change in definition of New Products

To reflect the differentiated profiles of ingredients launched from the innovation pipeline we have adapted the periods from launch for which we consider ingredients to be New Products as follows:

Innovation type	Description	Examples	New Product life cycle
Breakthrough	'New to the world' products or processes that create a new market entrant	Allulose, Reb M stevia	15 years
Next generation	Breakthrough process technology to make an existing product or a new addition to our portfolio but not to market	Claria clean label starches, Non-GMO fibres	7 years
Line extensions	New product that extends already existing functionality or range	Organic or non-GMO versions of existing products, new stabiliser blends	5 years

Launches from our innovation pipeline will be considered New Products for the years of their life cycle from the year of first launch.

TATE & LYLE PLC

ADDITIONAL INFORMATION

For the six months to 30 September 2022

Statement of Directors' responsibilities

The Directors confirm: that this condensed consolidated set of financial information has been prepared on the basis of the accounting policies set out in the Group's 2022 Annual Report, and in accordance with UK adopted International Accounting Standard 34 "Interim Financial Reporting"; that the condensed consolidated set of financial statements gives a true and fair view of the assets, liabilities, financial position and profit or loss as required by the Disclosure Guidance and Transparency Rules (DTRs) sourcebook of the United Kingdom's Financial Conduct Authority, paragraph DTR 4.2.4; and that the interim management report herein includes a fair review of the information required by paragraphs DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed set of consolidated financial information;
- a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related party transactions in the first six months and any material changes in the related party transactions described in the last Annual Report.

The Directors are responsible for the maintenance and integrity of the Company's website. UK legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors of Tate & Lyle PLC are listed in the Tate & Lyle Annual Report for the year ended 31 March 2022. The following changes have been made to the Board in the six months to 30 September 2022.

- On 16 May 2022, Dawn Allen joined the Board as Chief Financial Officer.
- On 1 June 2022, Dr Isabelle Esser joined the Board as a non-executive director.

For and on behalf of the Board of Directors:

Nick Hampton	Dawn Allen
Chief Executive	Chief Financial Officer

9 November 2022

INDEPENDENT REVIEW REPORT TO TATE & LYLE PLC

Conclusion

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2022 which comprises the condensed (interim) consolidated income statement, condensed (interim) consolidated statement of comprehensive income, condensed (interim) consolidated statement of financial position, condensed (interim) consolidated statement of cash flows, condensed (interim) consolidated statement of changes in equity and the related explanatory notes 1 – 16. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2022 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE) issued by the Financial Reporting Council. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with UK adopted international accounting standards. The condensed (interim) set of financial statements included in this half-yearly financial report has been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusions relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis of Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of (interim) financial statements in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the conclusions we have formed.

Ernst & Young LLP

London

9 November 2022