

Growth Focused Speciality Food & Beverage Solutions Business

£1.8bn

Revenue

£320m

EBITDA

3,604

Employees

17
Innovation and Customer
Collaboration Centres
122
Countries where we
serve customers

Our Purpose

Transforming Lives Through the Science of Food

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

**Supporting
Healthy
Living**

**Building
Thriving
Communities**

**Caring for
our Planet**


At the Centre of the Future of Food

Structural mega-trends **Consumer food demands**

People living longer

Population growing

Climate change

On demand society

Healthy

Tasty

Convenient

Sustainable

Affordable

TATE & LYLE

Key Strengths

Leading market positions

Large and attractive markets

Portfolio aligned to structural consumer trends

Leading scientific solutions and capabilities

Strong customer relationships

Clear Strategic Focus

A leading and differentiated speciality food and beverage solutions business

Platform focus
Sweetening
Mouthfeel
Fortification
Category focus
Beverage
Dairy
**Soups, Sauces
and Dressings**
**Bakery
and Snacks**

Ambition for 5 years ending 31 March 2028

Attractive organic growth profile

Revenue
4%-6%

growth per annum

EBITDA
7%-9%

growth per annum

Return on capital employed
Up to 50 bps

increase per annum on average

Productivity
US\$100m

benefits

Potential for further growth acceleration through **M&A**

Re-positioned to deliver growth

Food & Beverage Solutions
(FY23: 82% of revenue; 85% of EBITDA)

Drive growth
Sucralose
(FY23: 11% of revenue; 18% of EBITDA)

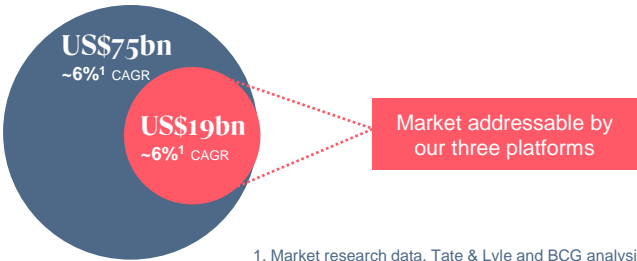
Attractive returns
Primary Products Europe
(FY23: 7% of revenue; -3% of EBITDA)

Optimise

Food & Beverage Solutions (FBS)

Large and attractive addressable market

Global speciality food ingredient market¹



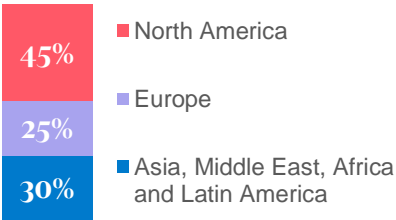
1. Market research data, Tate & Lyle and BCG analysis, est. value growth 2022-26

70% of US\$19bn addressable market in our core categories

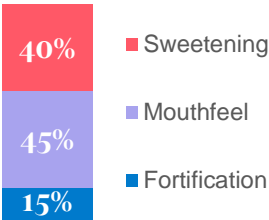
Tate & Lyle core category	Beverage	Dairy	Soups, Sauces, Dressings	Bakery and Snacks
Addressable speciality market ¹	US\$3.3bn	US\$4.6bn	US\$1.7bn	US\$3.5bn
Est. growth CAGR ¹	~7%	~6%	~6%	~6%

Well-balanced business²

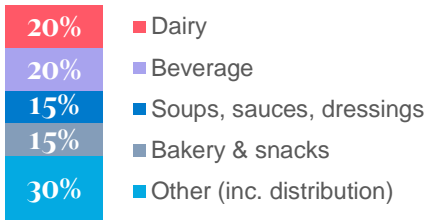
Region



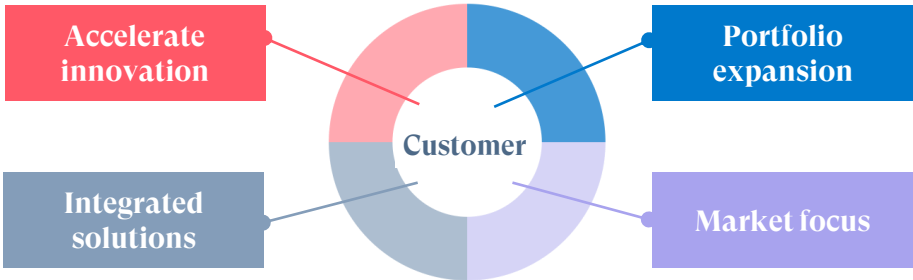
Platform



Category



Strategic growth framework



Key growth enablers:

Science and technical know-how

Solutions capability

Global supply chain

talent and culture

Advantaged customer proposition

Leading portfolios globally	Leading technical expertise	Leading category insight
<ul style="list-style-type: none">#1 Sweetening#1 Fibre fortification#2 Mouthfeel	Leading scientific and application expertise in intersection of platforms	Deep understanding and expertise in categories and sub-categories
Nutrition	Regulatory	Sensory
		Applications

Portfolio aligned to consumer trends

Consumer preference	Solutions Required	Delivered by our platforms
<ul style="list-style-type: none">HealthyTastyConvenientSustainableAffordable	<ul style="list-style-type: none">Sugar and calorie reductionEnhance texture and mouthfeelIncrease nutrition	<ul style="list-style-type: none">SweeteningMouthfeelFortification

Investing for growth in large and fast-growing regions

Expanding infrastructure

7 new or expanded Customer Innovation and collaboration centres in last 5 years



Strengthening portfolio

3 acquisitions in last 3 years

Stevia (China)

Tapioca (Thailand)

FOS/GOS Fibre (China)

Types of customer collaboration

Specification	Technical support	Solution
<ul style="list-style-type: none">Customer provides clear ingredient spec.No / minimal technical support provided	<ul style="list-style-type: none">Customer develops recipeProvide technical and process support on ingredient performance	<ul style="list-style-type: none">Work with customer's R&D / marketing teams from conceptTailor end-product to consumer preferences

Increase in customer collaboration

Platforms

Sweetening

Key attributes

Reduce sugar and calories
Taste experience
Nutrition improvement
Cost optimisation
Label improvement



Platform

Non-nutritive sweeteners
Stevia
Monk Fruit
Sucralose

Low-calorie rare sugar
Allulose

Low-calorie sugar alcohol
Erythritol

Functional sugar replacement
Maltodextrin

Nutritive sweetener
Fructose

Sweetening opportunity

- Position: **#1** globally
- Addressable market: **US\$5.2bn**
- Market growth: **~6%** CAGR

Sugar replacement opportunity

- Sugar **~80%** of global sweetener market
- US\$3bn** sugar replacement opportunity across our core categories

Mouthfeel

Key attributes

Enhance texture and mouthfeel experience
Clean label
Stability
Cost optimisation



Platform

Over **290** starches and gums

Gelling

Thickening

Emulsifying

Film forming

Bulking

Mouthfeel opportunity

- Position: **#2** texturants globally
- Addressable market: **US\$7bn**
- Market growth: **~6%** CAGR

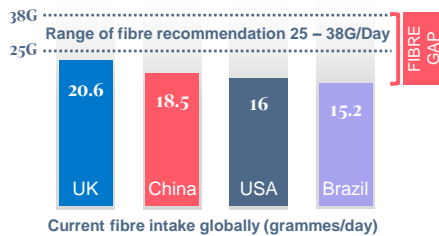
80%
Consumers make their choice based on **taste**

21%
Claims on new product launches in last 2 years are **clean label**

Fortification

Fibre Gap

Consumers globally are not getting the recommended amount of daily fibre



Platform

Increase nutrition from fibres and protein
Add health benefits
Sugar reduction

Polydextrose

Soluble corn fibre

FOS

GOS

Plant protein

Fortification opportunity

- Position: **#1** in soluble fibres globally
- Addressable market: **US\$6.5bn**
- Market growth: **~6%** CAGR

50%
Global consumers plan to eat or drink more fibre

65%
Global consumers associate fibre with **boosting immune health**

Science

Ambition for 5 years ending 31 March 2028

New products as % of FBS revenue

20% of revenue

Investment in innovation and solutions selling

5% growth per annum

Solutions revenue from new business wins increase to

32% of our new business pipeline

Proven track record of innovation

New Products as % of Food & Beverage Solutions revenue

11%

Year ended 31 March 2018

17%

Year ended 31 March 2023

Over the last five years

Investment in R&D
>US\$250m



Update for six months ending 30 September 2023

New products as % of FBS revenue

15% of revenue

Investment in innovation and solutions selling

11% growth

Solutions revenue from new business wins

22% of our new business pipeline

Launched new product

- Patented breakthrough in stevia technology
- Premium taste and clean label
- 200x solubility of Reb M and D
- Use at high levels of sugar replacement

TASTEVA® SOL
Stevia Sweetener

Investment in solutions capabilities

Solutions capabilities

Building customer-facing capabilities and resources including nutrition, sensory and regulatory

Solutions insights

Increasing investment in consumer and category insight in key regions and countries

Solutions infrastructure

Expanding global network of Customer Innovation and Collaboration Centres

Financial Framework

Ambition for 5 years ending 31 March 2028

Attractive organic growth profile

Revenue

4%-6%

growth per annum

EBITDA

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growth per annum

Return on capital employed

Up to **50 bps**

increase per annum on average

Productivity

US\$100m

benefits

Potential for further growth acceleration through **M&A**

Revenue ambition

Food & Beverage Solutions
(82% of FY23 revenue)

Drive growth
Growing high-single-digit % pa

Sucralose
(11% of FY23 revenue)

Attractive returns
Broadly flat over time

Primary Products Europe
(7% of FY23 revenue)

Optimise
Declining low-double-digit % pa

Group

4%-6% growth per annum

Drivers of Food & Beverage Solutions

EBITDA growth

(FBS 85% of FY23 Group EBITDA)

Grow volume

- Demand for healthier food and drink
- Stronger customer relationships driving new business
- Expanding geographic presence
- R&D-led innovation and portfolio expansion

Price/mix

- Strategic mix management
- Margin accretive New Products
- Increasing solution selling

Manage costs

- Productivity
- Operational leverage

Productivity

US\$100m productivity target cumulative over 5 years

- Delivery expected to be:
 - ↳ 50% from operational efficiencies
 - ↳ 50% from supply chain improvements
- From improving end-to-end customer experience + cost efficiencies

Primient

Strategic rationale

- Created two standalone businesses, each positioned to focus on respective strategies
- Reduces exposure to Commodities and bulk ingredients in North America
- Strengthens balance sheet to accelerate organic growth and M&A
- Partnership with KPS provides opportunity to unlock potential future value in Primient

Outcome

- Positive relationship with KPS
- Strong cash generative business
- 20-year supply agreements operating effectively
- Primient's corn procurement services provides supply security and price stability
- ~20% of Tate & Lyle's revenue from products made at Primient facilities

Capital allocation

Capital allocation to prioritise growth opportunities and drive shareholder value

Invest in organic growth

Acquisitions, joint ventures partnerships

Progressive dividend policy

Return surplus capital to shareholders

Maintain strong and efficient balance sheet;
Target long-term leverage between 1.0x and 2.5x net debt to EBITDA

Progressive dividend policy

Grow dividends when earnings allow, hold dividend in other periods

Improving cash cover over time

Interim dividend to be one third of previous year's full dividend

Disciplined use of cash

Rigorous focus on cash

~75%

Free cash flow conversion target by 31 March 2028

Investing to grow

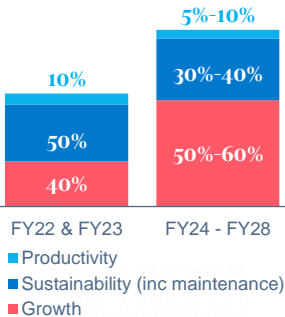
Capital expenditure outlook

5 year guidance

£120m -£150m

Growth projects:
typically IRR of 20%

Growth capital expenditure increasing



Key Financials¹ – Six months to 30 September 2023

Adjusted performance metrics in constant currency

Overview

Robust revenue, profit and cash performance

- Revenue growth +4%: Food & Beverage Solutions (FBS) +5%
- Adjusted EBITDA +7% driven by mix management, pricing, productivity and cost discipline
- Adjusted profit before tax +16%: strong FBS growth, increased Primient share of profit, lower finance charges
- Free cash flow £77m, £15m higher reflecting strong cash conversion of 69%, 14ppts higher
- Investment in innovation and solution selling 11% higher
- Solutions new business wins by value up 4ppts to 22% of pipeline
- Major investment underway in new capacity for dietary fibres at manufacturing facility in Slovakia



Highlights

Delivering on our key measures

Revenue

4% £857m

Adjusted EBITDA

7% £178m

EBITDA margin

+70bps 20.8%

Profit before tax

16% £156m

Earnings per share

19% 30.1p

Free cash flow

+£15m £77m

Delivering on our strategy

Managing the short-term

- Macro economic environment
- Consumer demand softness
- Customer de-stocking

Investing for the long-term

- Portfolio expansion
- Solutions capabilities
- Growth capacity

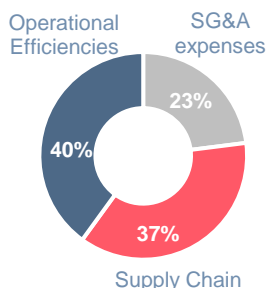
Productivity journey continues

Strong performance in first half

Key areas of savings

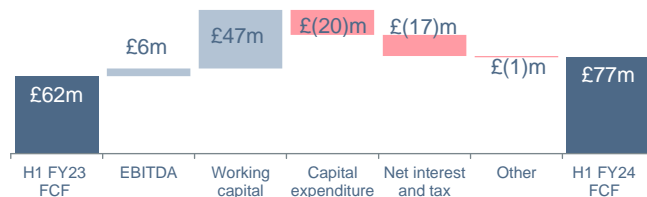
Six months to 30 September 2023

- Delivered US\$17m of productivity savings
- Expect productivity savings in FY2024 of >US\$25m
- On track to deliver US\$100m savings in five years to 31 March 2028



Strong cash generation

Free Cash Flow £77m



- Working capital £47m lower
- Strong cash conversion optimisation activities
- Capital expenditure £20m higher at £46m
- Expected to be £90m to £100m in FY2024
- FCF conversion of 69%, +14ppts

Investing in...

...solutions

- Building solutions-based partnerships with customers

...technology

- Leveraging AI and digital to accelerate innovation

...innovation

- Launched new soluble stevia

...sustainability

- Expanding use of renewable energy
- Promoting sustainable agriculture

...growth capacity

- Investing in fibre solutions

Year ending 31 March 2024

Current Outlook

For the year ending 31 March 2024, in constant currency, we expect to deliver:

- Revenue slightly lower than the prior year
- EBITDA growth of 7% to 9%

We continue to expect stronger profits from our minority holding in Primient.

¹ See explanation of adjusted results in the Statement of Results for six months to 30 September 2023 on the Company's website

Divisional Performance¹ – Six months to 30 September 2023

Food & Beverage Solutions (FBS)

Drive growth

Revenue +5%

By driver		By region	
Volume	(8)%	North America	2%
Price/mix	6%	Asia, Middle East, Africa and LATAM	1%
Inflation	7%	Europe	19%

- Revenue 5% higher at £707m
- ↳ (2)% revenue from volume and price mix
 - 6% mix management and solution selling
 - (8)% volume impact of consumer demand softness and customer de-stocking
- 7% recovery of input cost inflation
- Adj. EBITDA 10% higher at £153m
- ↳ Solution selling and mix management
- ↳ Productivity and cost discipline

Impact of inflation and deflation on revenue

- High input cost inflation accelerated revenue growth over last two years
 - ↳ 19% revenue growth in FBS in both FY2023 and FY2022
- Input cost deflation in progress
 - ↳ Revenue growth in H2 FY2024 expected to reflect pass through of lower input costs

Sucralose

Attractive returns

Revenue	£89m
Volume	(8)%
Price/mix	3%
Revenue chg	(5)%

- Underlying performance steady
 - ↳ Comparative period benefited from orders phased into the half
- Lower volume from more normal phasing in H1 FY24
- Inflation recovery
- Adj. EBITDA £28m, 14% lower
 - ↳ Multi-year customer contracts limit recovery of cost increases

Primary Products Europe

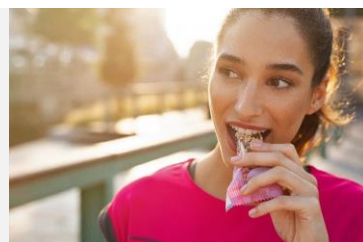
Optimise

Revenue	£61m
Volume	(25)%
Price/mix	23%
Revenue chg	(2)%

- Improved pricing from favourable market conditions
- Recovery of input cost inflation
- Lower volume and price/mix
 - ↳ Ongoing transition to speciality ingredients
 - ↳ Lower co-product volume
- Adj. EBITDA loss improved significantly to £(3)m

Minority holding in Primient JV

- Share of adj. profit 32% higher at £17m
 - ↳ Strong commercial performance and sweetener demand
 - ↳ Improving operational performance
 - ↳ Higher finance charges
 - ↳ Lower share of profits from joint ventures
- Received US\$17m cash dividend from Primient in H1
 - ↳ Further US\$37m cash dividend received in November



Society: Progressing our targets (Annual Report 2023)



6.0m

Tonnes of sugar removed by low/no-calorie sweeteners and fibres
(2025 target: 9.0m)



3.6m

Meals donated to food banks in local communities
(2025 target: 3.0m)



44%

Leadership and management roles held by women
(2025 target: 50%)



6% 13%

Scope 1 & 2 Scope 3
Reduction in absolute GHG emissions
(2030 target: S1 & 2: 30%; S3: 15%)



92%

Waste beneficially used
(2030 target: 100%)



439,000

Acres of sustainable corn supported, equal to volume of corn used each year
(Commitment: all corn used each year)

Culture transformation

We are building a more ambitious, courageous and inclusive culture to unlock our growth potential.

8

Targets to measure progress on equity, diversity and inclusion

4

New behaviours to drive ambition of new Tate & Lyle

We are committed to reaching net zero by 2050

¹ See explanation of adjusted results in the Statement of Results for six months to 30 September 2023 on the Company's website