Full year results for the year ended 31 March 2022
Issued: Thursday 9 June 2022

TATE & LYLE

Strong top-line growth, accelerated innovation and major strategic milestone passed

HEADLINES

- Continuing operations (new Tate & Lyle) delivered +18% revenue and +14% profit[1] growth
- Significant acceleration in innovation with +35% New Product revenue growth
- Effective management of cost inflation through pricing, productivity and cost discipline
- Major strategic divestment re-positions Tate & Lyle as growth-focused food & beverage solutions business
- Acquisition of leading dietary fibre business in China significantly strengthens fortification platform
- Double-digit reduction in GHG emissions in last two years[2] and new carbon net zero commitment by 2050
- Strong balance sheet enables investment for growth and payment of £500m special dividend in May 2022

FINANCIAL SUMMARY[3]

	Adjusted results[4]			Statutory results		
	2022	2021	**vs 2021**	**2022**	2021	**vs 2021**
Continuing operations						
Revenue	**£1,375m**	£1,211m	**+18%**	**£1,375m**	£1,211m	**+14%**
Profit before tax	**£145m**	£134m	**+14%**	**£42m**	£90m	**(54%)**
Diluted earnings per share	**24.9p**	25.2p	**+4%**	**5.5p**	19.1p	**(71%)**
Free cash flow	**£72m**	£153m	**(£81)m**			
Discontinued operations						
Profit after tax	**£146m**	£169m	**(9%)**	**£210m**	£164m	**29%**
Total operations						
Diluted earnings per share	**56.0p**	61.2p	**(4%)**	**50.2p**	53.8p	**(7%)**
Net cash from operating activities				**£103m**	£369m	**(£266)m**
Net debt	**£626m**	£417m				
Dividend per share				**21.8p**	30.8p	**(29%)**

NICK HAMPTON, CHIEF EXECUTIVE SAID:

"This has been a landmark year for the company. New Tate & Lyle delivered double-digit organic revenue growth across all regions and double-digit profit[1] growth despite significant inflation across the supply chain. We also passed a major strategic milestone by refocusing the Group on our faster growing speciality food and beverage solutions business. To do this during a global pandemic, while serving our customers, accelerating innovation and living our purpose is a testament to the resilience, ambition and agility of all my colleagues.

Tate & Lyle is now a focused global leader in sweetening, mouthfeel and fortification, and very well-placed to benefit from growing consumer demand for healthier food and drink. Our strong balance sheet allows us to invest in organic and inorganic growth and the acquisition of Quantum Hi-Tech, a leading dietary fibre business in China, demonstrates our ability to further strengthen our portfolio and deliver on our growth agenda.

We entered the 2023 financial year with strong top-line momentum, innovation gathering pace and our productivity programme continuing to deliver benefits. Customer demand remains high and while the conflict in Ukraine has caused significant inflation in raw material, energy and logistics costs globally, we are taking actions to mitigate these pressures including supplementary pricing.

For the year ending 31 March 2023, we expect further progress with adjusted profit before tax in line with market expectations and revenue growth reflecting top-line momentum and the pricing through of higher input costs.

In the near term, our focus remains on continuity of supply, serving our customers and maintaining our financial strength and strategic progress. We have emerged from the pandemic a stronger, more ambitious business, and are excited about our future growth potential."

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1 Adjusted profit before tax for continuing operations
2 Scope 1 and 2 absolute greenhouse gas (GHG) emissions in total operations in two years from the baseline of year ended 31 December 2019
3 Continuing operations is Food & Beverage Solutions (including European Primary Products business and certain stranded costs); Sucralose; and Central costs. Discontinued operations is the disposed Primary Products business (now called Primient). Total operations are continuing and discontinued operations combined.
4 The adjusted results for the year ended 31 March 2022 exclude exceptional items, amortisation of acquired intangible assets, the tax on those adjustments and tax items that are themselves exceptional. The adjusted results of discontinued operations have also been adjusted to exclude the impact of IFRS 5 held for sale accounting. A reconciliation of statutory and adjusted information is included in Note 3 and Note 8 to the Financial Information. Growth percentages are calculated on unrounded numbers. Changes in adjusted performance metrics are in constant currency throughout this statement.

HIGHLIGHTS[1]

Continuing operations (new Tate & Lyle) delivers strong revenue and profit growth

- Revenue +18% and adjusted profit before tax +14%
- Food & Beverage Solutions maintains positive top-line momentum:
  - Volume +5% with particularly strong performance from Asia, Middle East, Africa and Latin America
  - Revenue +19% with double-digit organic growth across all regions; 2ppts growth from acquisitions
  - Profit[2] +12% benefitting from positive mix; profit[2] +7% including Primary Products Europe at £160m
- Robust performance from Sucralose:
  - Volume +15% led by strong demand in beverages and the benefit of production optimisation
  - Revenue +13% with higher volume partially offset by customer mix
  - Profit[2] +15% at £61m
- Adjusted diluted EPS +4% reflecting a significantly lower adjusted effective tax rate in the prior year
- Pro-forma adjusted diluted EPS[3] at 40.0p assumes full-year effect of share consolidation
- Free cash flow of £72m (2021 – £153m) despite higher working capital requirements of £41m due to business separation planning

Significant acceleration in innovation and New Product revenue growth

- New Product revenue +35% reflecting strong demand for sugar reduction and clean label solutions
- New Products represent 14% of Food & Beverage Solutions revenue (16% ex-Primary Products Europe)
- Integration of tapioca and stevia businesses acquired in the 2021 financial year progressing well

Major strategic milestone passed to re-position Tate & Lyle as a growth-focused business

- Completed sale of controlling stake in Primary Products in the Americas creating Primient joint venture
- Tate & Lyle re-positioned as a focused global leader in sweetening, mouthfeel and fortification

Acquisition of Quantum Hi-Tech, a leading dietary fibre business in China

- Significantly strengthens fortification platform and solutions offering for customers
- Further expands business and presence in higher growth markets of China and Asia

Effective management of cost inflation in year through pricing, productivity and cost discipline

- Continuing operations: £100m inflation mitigated by pricing, productivity, cost discipline and volume/mix
- Six-year productivity programme to deliver US$150m benefits achieved two years ahead of schedule

Profit[4] from total operations (Group) in-line with last year due to weaker discontinued operations

- Discontinued operations (Primient) volume in-line; adjusted profit after tax (9)% lower at £146m
  - Sweeteners & Starches profit[2] down (42)% as operational disruption outweighed firm demand
  - Commodities profit[2] 52% higher benefiting from exceptionally strong market conditions
- Statutory profit after tax (7)% lower at £236m
  - Exceptional costs of £96m partially offset by £83m benefit from held for sale accounting adjustments
- Adjusted diluted EPS (4)% lower at 56.0p; profit before tax in line with prior year and tax rate higher
- Net cash from operating activities of £103m, £(266)m lower mainly reflecting £(217)m higher working capital and £(60)m of exceptional cash costs (mainly Primient disposal related)
- Return on capital employed of 14.9%, down 240bps impacted by discontinued operations lower profits
- Net debt £209m higher at £626m at 31 March 2022; net debt to EBITDA ratio 1.3x pre-Primient closing

Strong balance sheet enables investment for growth and c.£500m special dividend paid in May

- Gross cash proceeds from sale of Primient business of approximately £1.1bn (including favourable working capital adjustment to recover working capital investment) subject to post-completion adjustments
- Returned c.£500m to shareholders in May 2022 by a special dividend and associated share consolidation
- Recommended final dividend of 12.8p reflects new earnings base and associated share consolidation

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

- Scope 1 and 2 absolute GHG emissions 12% lower[5]; new commitment to be carbon net zero by 2050
- Building agile, ambitious and diverse culture; 42% of top 500 managers in new Tate & Lyle are women
- New targets established to progress equity, diversity and inclusion over next 2, 5 and 10 years

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1 Adjusted metrics percentage changes are in constant currency
2 Adjusted operating profit
3 Pro-forma EPS calculation shown in Additional Information at the end of this statement
4 Adjusted profit before tax
5 Reduction against baseline of year ended 31 December 2019; total operations

MAJOR MILESTONE PASSED IN STRATEGIC TRANSFORMATION

Tate & Lyle re-positioned as a growth-focused speciality food and beverage solutions business

Following the sale of a controlling stake in Primary Products in the Americas, now called 'Primient' (this transaction is explained in more detail later in this statement), Tate & Lyle has been re-positioned as a leading global speciality food and beverage solutions business focused on faster growing markets. With our leading expertise in sweetening, mouthfeel and fortification, this provides the opportunity to further:

- Benefit from growing global consumer demand for healthier food and drink
- Accelerate growth through a step-up in R&D investment and innovation
- Increase the focus on solutions development to support and strengthen customer relationships.

During the year, we made good progress accelerating growth in Food & Beverage Solutions and positioning the business for future growth:

- Double-digit revenue growth in each region with New Product revenue up 35% in constant currency
- New Product revenue is 14% of Food & Beverage Solutions revenue (16% ex-Primary Products Europe)
- Value of wins from new business pipeline increased by 23%
- 10 New Products and more than 30 stevia-based sweetener solutions launched from innovation pipeline
- Agreement to acquire Quantum Hi-Tech (Guangdong) Biological Co., Ltd, a leading dietary fibre business in China
- Projects to build growth capacity in progress with total capital expenditure in 2023 financial year expected to be in the £90 million to £100 million range.

We plan to increase investment in R&D and innovation to more than 4% of Food & Beverage Solutions revenue each year (year ended 31 March 2022 – 3.4%), and expect to grow revenue from New Products to around 20% of Food & Beverage Solutions revenue by the financial year ending 31 March 2027.

With our new strategic focus, positive top-line momentum, and plans to increase investment in R&D and innovation, we are confident we have a strong platform to drive organic growth, supplemented by acquisitions. Our ambition for the five years ending 31 March 2027 is to deliver:

- Organic revenue growth of mid-single digit percent per annum
- Operating margin expansion of at least 50 to 100 basis points per annum on average
- Organic return on capital employed improvement of 50 basis points per annum on average.

The performance of Food & Beverage Solutions over the four years ended 31 March 2022 with a compound annual revenue growth of 8%[1] validates this ambition and demonstrates the potential of the new Tate & Lyle as a growth-focused business.

Primient well-positioned for the future

Primient is a leading producer of food and industrial ingredients made from plant-based, renewable sources. It has a strong future as a privately owned business, supported by Tate & Lyle as owners of a 49.9% interest, and controlled by our partner KPS Capital Partners, LP (KPS).

KPS has a proven track record of successfully creating value in manufacturing and industrial businesses. As partners, we have worked closely together since the transaction was announced to set up Primient for the future and the business is now well-positioned to pursue its strategic growth opportunities, with a strong and established management team.

The twenty-year supply agreements we have in place will ensure both parties continue to work together for the benefit of the two businesses. Tate & Lyle will also benefit from an ongoing cash dividend stream from Primient and potential future value creation from the retained equity stake.

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1 Excludes Sucralose and retained European Primary Products business

OVERVIEW OF THE YEAR

Business environment and trading

The year saw improved customer demand in many of our key markets although the trading environment remained challenging as we managed significant supply chain disruption, evolving Covid-19 restrictions, rapidly increasing cost inflation and, latterly, uncertainty related to the conflict in Ukraine.

In continuing operations (new Tate & Lyle), Food & Beverage Solutions saw strong demand as in-home consumption remained robust and out-of-home consumption continued to recover. The business continues to benefit from increasing global consumer awareness of the importance of a healthier diet. With its broad portfolio and technical capabilities in sweetening, mouthfeel and fortification, Food & Beverage Solutions provides customers with solutions to reduce sugar, calories and fat, and add fibre to their products. These capabilities, together with good commercial execution including a positive 2022 calendar year pricing round, and the impact of acquisitions, supported strong top-line delivery in the year. Operating profit benefited from strong mix management, cost discipline in the face of inflationary headwinds and productivity benefits mitigated by selective investments in future growth.

Sucralose benefited from a combination of recovering out-of-home consumption leading to strong volume growth in beverages, increased volume from the optimisation of production at our plant in McIntosh, Alabama, and being the only sucralose plant based outside China.

In the continuing business (new Tate & Lyle), we saw cost inflation totaling £100 million during the year in areas such as energy, labour, consumables and transportation. This was mitigated by a combination of pricing, productivity benefits, cost discipline, and volume growth and mix improvement.

In discontinued operations (Primient), sweetener volume was in line with the prior year with stronger demand offset by operational disruption including from the installation of new gas turbines at the facility in Lafayette, Indiana, to increase long-term efficiency and environmental performance. This, together with cost inflation particularly in the third quarter of the financial year (before calendar year contracts were renewed in the fourth quarter), resulted in lower profits. Commodities saw higher profits due to exceptionally strong market conditions.

We entered the 2022 calendar year with renewed customer contracts that offset expected inflation. Since then, the conflict in Ukraine has caused significant further inflation in raw material (including corn), energy and logistics costs globally, especially in Europe. A programme of supplementary price increases has been implemented across our main markets to recover incremental input costs together with a continued focus on productivity and cost control. To ensure supply continuity we have committed agreements in place for key production inputs such as corn and energy covering the majority of the first half of the 2023 financial year.

Delivering strategic progress

Growth within new Tate & Lyle is being driven by the delivery of our strategic growth framework. This framework is centered on four pillars – market focus; portfolio expansion; accelerate innovation; and creating integrated solutions for customers. Progress in each pillar during the year is summarised below.

Market focus

- We aim to maximise opportunities in all our markets, to grow above the market in developed markets and accelerate growth in the faster growing markets of Asia, Middle East, Africa and Latin America.
- We focus on four global categories – dairy, beverage, bakery and soups, sauces and dressings – as well as two or three regional categories where we have local expertise such as confectionery and snacks. This category focus, combined with our expertise in sweetening, mouthfeel and fortification, provides a bespoke and attractive offering for customers.
- During the year, in North America revenue from bakery and snacks grew by 19% and from beverages by 12% supported by demand for our fibre and stevia solutions. In Europe, dairy grew by 14% helped by demand for our clean label solutions. In Asia, Middle East, Africa and Latin America, revenue grew by 25% with good progress across our focus categories as customers continued to demand solutions that reduce sugar, calories and fat in their products.

Portfolio expansion

- The integration of the two businesses acquired at the end of the 2021 financial year (Sweet Green Fields, a leading global stevia solutions business, and Chaodee Modified Starch Co., Ltd. a speciality tapioca food starch business in Thailand) is progressing well.
  - The expanded stevia business delivered revenue 92% higher. To meet growing customer demand, we are investing in our stevia facility in Anji, China and our production line in the US to increase capacity, and diversifying leaf sourcing beyond China.
  - The three-year capital investment programme at our facility in Thailand to significantly increase capacity of higher functionality tapioca starches is underway.
- In March 2022, we announced 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$237 million. Quantum has a high-quality portfolio of fructo-oligosaccharides (FOS) and galacto-oligosaccharides (GOS), and this acquisition strengthens our position as a leading global player in the fast-growing global dietary fibres market. It also strengthens our fortification platform, enhances our integrated solutions capabilities, and significantly extends our presence and customer offering in China and Asia.

Accelerate Innovation

- We continued to invest in R&D by building our strong in-house scientific expertise and with external partners through open innovation to create a leading portfolio of New Products and drive top-line growth.
- Investment in R&D increased to 3.4% of Food & Beverage Solutions revenue.
- New Product revenue grew by 35% with the sweetener platform up 97% driven by high demand for stevia solutions. Revenue from our mouthfeel platform was 19% higher reflecting consumer demand for cleaner labels.
- In April 2022, we acquired Nutriati, an ingredient technology business developing and producing chickpea protein and flour, expanding our capability to offer customers sustainable, plant-based solutions.

Integrated Solutions

- We continued to focus on creating integrated science-based solutions for our customers to strengthen our position as their growth partner. Our deep understanding of how ingredients interact across the food matrix in our core categories, together with our leading product portfolio and technical expertise, allows us to provide customers with a bespoke solutions offering.
- We continue to invest in accelerating our solutions offering by strengthening our customer-facing capabilities in areas such as sensory, prototyping and category and consumer insights. Pilot programmes are underway to further develop our ways of working with customers and build stronger solutions-based partnerships.
- In October 2021, we opened a new Customer Innovation and Collaboration Centre in Dubai to serve customers in the Middle East and Africa region, where consumer demand for healthier food and drink is increasing. The Centre's state-of-the-art technology is accelerating the innovation process for customers. In May 2022, we opened another Customer Innovation and Collaboration Centre in Santiago, Chile.
- In April 2021, to support our solutions offering, we launched the Stabiliser University™, an online modular course designed to help formulators and food scientists solve even the toughest stabiliser formulation challenges. This follows the success of three other curriculums – Texture University™, Sweetener University™ and Fibre University™ – which have attracted thousands of attendees worldwide.

Delivering on our near-term priorities as we entered the 2022 financial year

Looking after our colleagues and communities

- Appropriate Covid-19 safety protocols remain in place to ensure our workplaces are safe for our people.
- Established an Employee Resource Group to provide support and information on mental health.
- Created a new team dedicated to progressing equity, diversity and inclusion.
- Guided by our purpose, we are actively supporting humanitarian relief efforts for the Ukrainian people, in particular by supporting charities that are providing food, clothes and shelter to refugees arriving in the regions of Poland and Slovakia where we have operations.

Strengthen our relationships with customers

- Partnered with Coca-Cola, Nutrição em Pauta, a leading nutrition education platform in Brazil, and the Brazilian Society for Food and Nutrition, to offer health and food industry professionals a free-to-access digital course to explain the origins, safety and efficacy of low and no calorie sweeteners.
- Partnered with the Kellogg's Nutrition and Health Institute to launch an online course to share the latest science on dietary fibres with health clinicians, nutritionists, and industry professionals in Latin America.

Continue to progress our strategy

- On 12 July 2021, we entered into an agreement to sell a controlling stake in a new company and its subsidiaries (Primient), comprising our Primary Products business in North America and Latin America and our 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) (the Transaction). The Transaction was approved by Ordinary Shareholders at a general meeting on 30 September 2021 and completed on 1 April 2022. As a result, KPS holds a 50.1% interest in Primient and has Board and operational control. Tate & Lyle holds a 49.9% interest in Primient.
- Further details of how we are progressing our strategy is in the 'Delivering strategic progress' section.

Maintain our financial strength

- We continued to execute against our productivity programme to deliver US$150 million of benefits over a six-year period ending 31 March 2024. In total operations, US$34 million of benefits were delivered during the year of which US$26 million was realised from projects in our operations and US$8 million from SG&A savings. Total benefits since the programme started are now US$158 million, delivering the targeted benefits two years ahead of schedule.
- Productivity remains an important part of the culture of the new Tate & Lyle, helping to drive further efficiencies in our business. In continuing operations, we are targeting a further US$10 million of benefits in the 2023 financial year.
- Free cash flow from continuing operations was lower at £72 million, due in part to rising inflation later in the financial year and decisions we took to preserve service to customers ahead of closing the Primient transaction. Nonetheless, the Primient transaction has left Tate & Lyle with a strong balance sheet ready to support investment for growth with pro-forma[1] net leverage of less than 1.0x net debt to EBITDA.

DIVIDENDS

Proceeds from sale of controlling stake in Primient

On completion of the Transaction, Tate & Lyle received gross cash proceeds of approximately £1.1 billion (US$1.4 billion), taking into account estimates of cash, debt, debt-like items and working capital balances at completion. After one-off transaction and separation costs, as well as estimated tax liabilities associated with the Transaction, net proceeds were approximately £0.9 billion (US$1.2 billion) subject to customary post-completion adjustments in accordance with the Transaction documentation.

£500 million special dividend and associated share consolidation

Having taken into account all relevant considerations, the Board decided to return approximately £500 million to ordinary shareholders by way of a special dividend of £1.07 per existing ordinary share. To maintain comparability, so far as possible, of the Company's share price before and after the special dividend, it 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. Information about the special dividend and share consolidation was set out in the shareholder circular dated 7 April 2022. The special dividend and share consolidation were approved by shareholders at a General Meeting on 26 April 2022. The share consolidation applied to ordinary shareholders on the Register on 29 April 2022, while the special dividend was paid on 16 May 2022.

Final dividend for year ended 31 March 2022

As previously communicated, the sale of the controlling stake in Primient reduces the Group's earnings base by around 50%. As a result, the Board has decided to reduce the dividend to reflect this new base. The pay-out ratio (dividend cost compared to the Group's earnings base) has been maintained at the same level, and the Board intends to operate a progressive dividend policy from the new base. The share consolidation reduced the number of ordinary shares in issue, allowing dividends to be paid over a smaller number of shares, with the result that dividends per share reduce by less than the 50%. The Board is recommending a final dividend for the year ended 31 March 2022 of 12.8p (2021 – 22.0p) per share, bringing the full year dividend to 21.8p per share (2021 – 30.8p). This will be paid on 5 August 2022 to all shareholders on the Register on 1 July 2022. As well as the cash dividend option, shareholders will be offered a Dividend Reinvestment Plan alternative. The interim dividend for the year ending 31 March 2023 is expected to be similarly adjusted to reflect the new earnings base.

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1 Pro-forma leverage on 1 April 2022 calculated after: completion of Primient disposal; the £500 million (approx.) special dividend paid to shareholders and the acquisition of Quantum Hi-Tech (US$237 million).

PURPOSE

New purpose statement

With the challenges of Covid-19, the past year has made us even more determined to deliver on our purpose. As the new Tate & Lyle, we will be more ambitious with our purpose and positively impact the world through the science of food. So that is why, while our three purpose pillars remain unchanged, we have evolved our purpose statement from 'Improving Lives for Generations' to 'Transforming Lives through the Science of Food'.

We remain committed to delivering our existing 2025 purpose targets for our Supporting Healthy Living and Building Thriving Communities purpose pillars – information on progress against our targets for these two purpose pillars will be published in our Annual Report 2022. Progress on our targets for our Caring for our Planet purpose pillar are set out below.

Good progress against our 2030 sustainability targets and commitments

In May 2020, we announced a set of ambitious environmental targets for 2030 to reduce our greenhouse gas emissions (GHG), beneficially use all the waste we generate, reduce water use and continue to support sustainable agriculture. We also committed to eliminate the use of coal in all our operations by 2025. In September 2020, our Scope 1 and 2 and Scope 3 absolute GHG emissions reduction targets were validated as science-based by the Science Based Targets initiative, meaning they are in line with the goals of the Paris Agreement.

In light of the separation of the Tate & Lyle and Primient businesses, we have recalculated the 2019 baseline for our environmental targets (details will be in our Annual Report 2022). Despite the material change in Tate & Lyle's operational footprint, we remain committed to delivering our existing targets for GHG emissions, waste and water use by 2030.

In both total operations (Tate & Lyle Group) and continuing operations (new Tate & Lyle), we made good progress against our 2030 targets in the second year of measurement against our 2019 baseline, as shown in the table below.

Environmental area	2030 Target	Total operations[1]	Continuing operations[1]
Scope 1 and 2 GHG emissions	30% absolute reduction	-12%	-4%
Scope 3 GHG emissions	15% absolute reduction	-1%	-5%
Use less water	15% intensity reduction	+3%	-3%
Beneficial use of waste	100% beneficial use	83%	91%

1 In the two calendar years from the baseline of the year ended 31 December 2019

The 12% reduction in Scope 1 and 2 absolute GHG emissions in total operations was driven by the completion of projects to replace coal-fired boilers with natural gas-fired heat and power systems at the plants in Lafayette, Indiana and Decatur, Illinois (both now part of Primient). Both projects were the final stage of a multi-year US$150 million capital investment programme to reduce GHG emissions and increase operational efficiency in our plants. With the completion of these projects, we delivered on our commitment to eliminate the use of coal in all our operations four years ahead of schedule.

During the year, we continued to operate our sustainable corn programme in the US Midwest with Truterra LLC, the only one of its kind in our industry. In line with our commitment to maintain sustainable acreage equivalent to the volume of corn we buy annually, we supported 1.4 million acres of sustainable corn in the year. We also expanded our sustainability programme for stevia farmers in China, developed in partnership with Earthwatch Europe and the Nanjing Agricultural University, which helps growers lower their environmental impact and improve their economic returns. With the decreased concentration of corn-based products in the new Tate & Lyle, we are working on expanding our sustainable agriculture commitment to cover more crops than corn, such as stevia.

In addition to our existing targets, we are setting a new target that, by 2030, we will purchase renewable energy to supply 100% of the electricity we use, therefore eliminating our Scope 2 GHG emissions. We will report our progress on this new target next year.

Tate & Lyle commits to being carbon net zero by 2050

During the year, we carried out an analysis of what a net zero carbon emissions pathway would look like for Tate & Lyle, including comprehensive Scope 1 and 2 decarbonisation reviews at our four largest plants (after business separation) and an in-depth review of our Scope 3 emissions. On the basis of this work, Tate & Lyle is committing to being carbon net zero by 2050. More details will be provided in our Annual Report 2022.

New targets and commitments for equity, diversity and inclusion

We believe people are at their best when they feel they can be themselves, and businesses are at their best when everyone can be seen, heard and valued. This is why equity, diversity and inclusion is a key part of our purpose and a business-wide priority. During the year we launched a set of actionable targets and commitments for the next two, five and ten years to progress equity, diversity and inclusion inside our business and also working with our customers, suppliers and local communities. These targets, which are set out in full in our Purpose Report 2021 (on our website), include:

- By 2025, we will achieve gender parity in leadership and management roles
- By 2030, teams at all levels will be representative of their local communities
- By 2030, we will expand our spend with diverse suppliers globally, with interim goals for North America supplier diversity by 2027.

We are already making positive progress. On gender equality, for example, in April 2021 our UK gender pay gap was -1.7% in favour of women. Currently, 56% of our Executive Committee and 45% of our Board are women. In addition, of the top 500 managers in new Tate & Lyle, 42% are women.

BOARD AND MANAGEMENT

Changes to the Board of Directors

- Patrícia Corsi joined the Board as a non-executive director on 1 May 2021.
- Dawn Allen joined the Board on 16 May 2022 as Chief Financial Officer. She replaced Vivid Sehgal, who stepped down from the Board on 3 November 2021.
- Dr Isabelle Esser joined the Board as a non-executive director on 1 June 2022.

Changes to the Executive Committee

- William ‘Bill’ Magee was appointed as President, North America and as a member of Tate & Lyle’s Executive Committee, with effect from 1 October 2021.
- Jim Stutelberg, President, Primary Products stepped down from the Executive Committee to take up his new role as Chief Executive, Primient on 1 April 2022.
- Vivid Sehgal stepped down from the Executive Committee on 31 December 2021.

OPERATING PERFORMANCE – CONTINUING OPERATIONS (NEW TATE & LYLE)

Reporting changes

Following the Transaction to sell the controlling stake in Primient which was announced in July 2021, Primient was classified as held for sale and met the definition of a discontinued operation under IFRS 5. As a result, Primient is treated as a discontinued operation for all of the year ended 31 March 2022 and this classification has been adopted in this results statement. The continuing operations comprise: Food & Beverage Solutions (into which the European Primary Products business, which is not part of the Transaction, and certain stranded costs have been combined); Sucralose; and Central costs. The results for the comparative period have been restated on a consistent basis. From 1 April 2022 our interest in Primient will be reported as a joint venture.

Year ended 31 March 2022	Volume change	Revenue	Revenue growth	Adjusted operating profit	Adjusted operating profit change
North America	+2%	£542m	+16%	–	–
Asia, Middle East, Africa and Latin America	+15%	£325m	+25%	–	–
Europe[1]	+4%	£345m	+19%	–	–
Food & Beverage Solutions	**+5%**	**£1,212m**	**+19%**	**£160m**	**+7%**
Memo: Food & Beverage Solutions (before reporting changes)	*+6%*	*£1,111m*	*+19%*	*£190m*	*+12%*
Sucralose	**+15%**	**£163m**	**+13%**	**£61m**	**+15%**
Central costs				**(£51m)**	**in line**
Total – continuing operations		**£1,375m**	**+18%**	**£170m**	**+12%**

The adjusted results for the year ended 31 March 2022 have been adjusted to exclude exceptional items, amortisation of acquired intangible assets, the tax on those adjustments and tax items that are themselves exceptional. A reconciliation of statutory and adjusted information is included in Note 3 to the Financial Information. Growth percentages are calculated on unrounded numbers. Changes in revenue and adjusted operating profit are in constant currency.

1 Includes loss from the retained European Primary Products business for the year ended 31 March 2022 £(21) million loss (2021 – £(14) million loss) and cost reallocations (stranded costs) of £(9) million (2021 – £(7) million).

FOOD & BEVERAGE SOLUTIONS

Excellent top-line growth

Volume increased by 5% with revenue 19% higher in constant currency at £1,212 million. Customer demand for ingredients used for in-home consumption, such as packaged and shelf-stable foods, remained strong, supplemented by increasing demand for ingredients used in food and drink consumed out-of-home. Consumer demand for healthier food and beverages that are lower in sugar and calories, with cleaner labels and added fibre, also continued to grow. Strong mix management, together with pricing through of input cost inflation and higher corn costs contributed 12ppts of price/mix leverage. Acquisitions contributed 2ppts to revenue growth. European Primary Products is now included in the Food & Beverage Solutions division.

Looking through the impact of the Covid-19 pandemic and before the impact of reporting changes, compared to the year ended 31 March 2020, volume was 10% higher and revenue 28% higher.

Adjusted operating profit was 7% higher in constant currency at £160 million with the benefit of strong mix management, cost discipline in the face of inflationary headwinds and productivity benefits mitigated by selected investments in future growth. Input cost inflation impacted profit, especially in the final quarter of the 2021 calendar year, before customer contracts for the 2022 calendar year were renewed that offset expected inflation while seeking to at least maintain absolute unit margins. Operating losses in the European Primary Products business increased by £7 million to £21 million reflecting the impact of higher corn and other input costs. Excluding this, adjusted operating profit for the division was 12% higher in constant currency. The effect of currency translation decreased revenue by £50 million and adjusted operating profit by £7 million.

North America

Top-line momentum continued with volume 2% higher as strong demand for in-home consumption continued supported by improving out-of-home demand, especially for customers in the food service channel. Demand for solutions which make food and beverage healthier remained strong in our focus categories in North America, driving volume growth ahead of the overall food and beverage market (which remained in line with the prior year). Growth was driven by good performance across categories such as beverage, confectionery, dairy, bakery and nutrition especially for solutions using our fibre, no- or low-calorie sweetener and clean label texturant portfolios.

Revenue was 16% higher in constant currency at £542 million. Significant volume to revenue growth leverage reflects good mix with particularly strong growth from the fibre portfolio and New Products, the impact of acquisitions and the pricing through of input cost inflation. Revenue for New Products increased by 43% in North America, with high customer demand for stevia and allulose sweeteners and fibre solutions.

Asia, Middle East, Africa and Latin America

Volume was 15% higher reflecting double-digit growth in each region, the impact of acquisitions and a comparative period impacted by the pandemic. Revenue increased by 25% in constant currency to £325 million. Revenue growth was strong in each region benefiting from good mix and pricing, higher volume and the impact of acquisitions.

In Asia, revenue growth was strong in the South East and North Asia, with both benefiting from customers rebuilding inventory after the pandemic, together with good revenue growth in both tapioca and stevia. In China, revenue was slightly higher as good demand in some dairy sub-categories and stevia demand was partially offset by the exit from some lower margin business.

In March 2022, we agreed to acquire Quantum Hi-Tech (Guangdong) Biological Co., Ltd (Quantum), a leading prebiotic dietary fibre business in China. Quantum will strengthen our fortification platform, enhance our integrated solutions capabilities, and extend our presence and customer offering in China and Asia.

In Latin America, sugar reduction solutions for customers addressing new front-of-pack labelling regulations accelerated growth in the Mexico and Central American region, while growth was also robust in southern Latin America driven by stevia performance. In Brazil, revenue was lower reflecting a sustained impact from the pandemic. In Middle East and Africa, revenue grew strongly reflecting good performance in the United Arab Emirates, following the opening of our new Customer Innovation and Collaboration Centre in Dubai in the year, and also in Turkey and South Africa.

Europe

Volume was 4% higher. Revenue for the region was £345 million including £101 million from the retained European Primary Products business. Revenue was 19% higher in constant currency both before and after the inclusion of the European Primary Products business. Revenue growth benefited from strong performance in the beverage, bakery and confectionery categories, good mix management, the pricing through of input cost inflation and the impact of the pandemic in the prior year. European Primary Products revenue growth reflected higher pricing.

New Products

Revenue from New Products (products launched in the last seven years) increased by 35% in constant currency to £173 million, representing 14% of Food & Beverage Solutions revenue (16% excluding European Primary Products), with revenue growth across the three platforms of sweeteners, mouthfeel and fortification. Acquisitions, particularly the Sweet Green Fields stevia business, helped to accelerate New Product revenue growth.

The sweeteners platform delivered exceptionally strong performance with revenue nearly doubling in the year driven mainly by demand for stevia solutions. Stevia is an important natural sweetening ingredient for customers and consumers and our stevia solutions are used to reduce sugar and calories in products across a range of categories such as beverage, dairy, confectionery and bakery. Revenue in the mouthfeel platform also grew strongly reflecting good demand for clean label and higher functionality tapioca starches.

SUCRALOSE

Robust demand

Sucralose volume increased by 15% driven by strong customer demand in the beverage category as out-of-home consumption recovered and the benefit of optimisation of production 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 13% in constant currency to £163 million reflecting strong volume growth partially offset by the modest impact of customer mix.

Looking through the impact of the Covid-19 pandemic, compared to the year ended 31 March 2020, volume was 16% higher and revenue 12% higher.

Adjusted operating profit at £61 million was 15% higher in constant currency reflecting both operational leverage of higher volume and input cost inflation. Currency translation decreased revenue by £8 million and adjusted operating profit by £3 million.

The optimisation of production is expected to continue in the 2023 financial year generating small volume growth opportunities and creating mitigation for modest pricing headwinds and ongoing input cost inflation.

OPERATING PERFORMANCE – DISCONTINUED OPERATIONS (PRIMIENT)

Year ended 31 March 2022	Volume change	Revenue	Revenue growth	Adjusted operating profit	Adjusted operating profit change
Sweeteners and Starches[1]	–	–	–	£68m	(42%)
Commodities	–	–	–	£74m	+52%
Primary Products in the Americas	**in line**	**£1,757m**	**+15%**	**£142m**	**(16%)**
Memo: Primary Products[2] (before reporting changes)	*in line*	*£1,858m*	*+15%*	*£112m*	*(25%)*

The adjusted results for the year ended 31 March 2022 have been adjusted to exclude exceptional items, amortisation of acquired intangible assets, the tax on those adjustments and tax items that are themselves exceptional. Adjusted results for discontinued operations have also been adjusted to exclude the impact of IFRS 5 'held for sale' accounting. A reconciliation of statutory and adjusted information is included in Note 8 to the Financial Information. Growth percentages are calculated on unrounded numbers. Changes in revenue and adjusted operating profit are in constant currency.

1 Excludes European Primary Products, which has been retained. Reflects cost reallocations (stranded costs) transferred to Food & Beverage Solutions reflecting separation of the businesses (see Note 3).

2 Adjusted results for the former Primary Products operating segment which included European Primary Products, consistent with how the Group disclosed the results of the Primary Products operating segment in prior years.

A challenging year

Volume was in line with the prior year with sweetener volume also in line and industrial starch volume 8% higher. Sweetener volume benefited from improved out-of-home demand for beverages but was impacted by operational and wider supply chain disruption. Industrial starch volume benefited from its strategy to focus on packaging markets as well as a weak prior year impacted by Covid-19. Revenue at £1,757 million increased by 15% in constant currency reflecting the pass through of higher corn costs and significantly higher revenue from Commodities due to higher co-product prices.

Looking through the impact of the Covid-19 pandemic and before reporting changes, compared to the year ended 31 March 2020, volume was 5% lower and revenue was 16% higher.

Adjusted operating profit was 16% lower in constant currency at £142 million. Adjusted operating profit in Sweeteners and Starches at £68 million was 42% lower in constant currency reflecting increased costs in our operations including productivity-related operational disruption at the Lafayette, Indiana facility of £6 million, and other costs from global supply chain pressures, partially mitigated by benefits from the productivity programme. Input cost inflation impacted adjusted operating profit, especially in the final quarter of the 2021 calendar year, before customer contracts for the 2022 calendar year were renewed that offset expected inflation. Commodities adjusted operating profit at £74 million was 52% higher in constant currency reflecting exceptionally strong pricing in North American commodities markets.

Currency translation decreased revenue by £81 million and adjusted operating profit by £8 million.

Sweeteners

Volume was in line with the prior year as out-of-home consumption continued to recover after declining during Covid-19 lockdowns. The benefit of recovering demand was offset by the impact of operational disruption. Volume for customers in the domestic US market increased slightly, while exports to Mexico declined.

Industrial Starches

Volume was 8% higher as demand for paper and packaging recovered compared to weaker demand in the prior year. We continued to pursue our strategy to partner with customers focused on higher growth segments of the packaging market and more sustainable, plant-based packaging.

Commodities

Commodities delivered adjusted operating profit of £74 million, 52% higher in constant currency. Supply chain capacity concerns positively impacted North American commodities pricing driving co-product recoveries higher, especially in corn oil and corn gluten feed. Dynamics in the US ethanol market also improved, with pricing stronger on increased industry demand.

ADDITIONAL COMMENTARY IN FINANCIAL STATEMENTS

Year ended 31 March[1] **Continuing operations**	**2022** **£m**	Restated* 2021 £m	Change %	Constant currency change %
Revenue	**1 375**	1 211	14%	18%
Adjusted operating profit[2]				
- Food & Beverage Solutions	**160**	156	3%	7%
- Sucralose	**61**	55	9%	15%
- Central	**(51)**	(51)	1%	–
Adjusted operating profit	**170**	160	6%	12%
Net finance expense	**(25)**	(26)	4%	–
Adjusted profit before tax	**145**	134	8%	14%
Exceptional items	**(93)**	(34)	(>99%)	(>99%)
Amortisation of acquired intangible assets	**(10)**	(10)	(4%)	(9%)
Profit before tax	**42**	90	(54%)	(37%)
Income tax expense[3]	**(16)**	(1)	(>99%)	(>99%)
Profit for the year – continuing operations	**26**	89	(71%)	(46%)
Profit for the year – discontinued operations	**210**	164	29%	34%
Profit for the year – total operations	**236**	253	(7%)	6%

Earnings per share (pence) – continuing operations				
Adjusted diluted	**24.9p**	25.2p	(1%)	4%
Diluted	**5.5p**	19.1p	(71%)	(46%)
Earnings per share (pence) – total operations				
Adjusted diluted	**56.0p**	61.2p	(8%)	(4%)
Diluted	**50.2p**	53.8p	(7%)	6%
Cash flow and net debt – total operations				
Adjusted free cash flow	**16**	250		
Net debt	**626**	417		

* Restated to reflect discontinued operations (see Notes 2 and 8)

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 3.
2. For a reconciliation to the IFRS 8 segmental results refer to Note 4.
3. Statutory income tax expense on continuing operations of £16 million (2021 – £1 million) includes an adjusted income tax charge of £28 million (2021 – £16 million), exceptional tax charge of £12 million (2021 – exceptional tax credit of £7 million) and a tax credit on adjusting items of £24 million (2021 – £8 million). Refer to Note 7.

Continuing operations – adjusted operating profit

Year ended 31 March **Adjusted operating profit**	**2022** **£m**	2021 £m	Constant currency change %
Food & Beverage Solutions			
As previously reported	**190**	177	12%
Costs reallocation[1]	**(9)**	(7)	(21%)
Retained European Primary Products business[2]	**(21)**	(14)	(63%)
Food & Beverage Solutions	**160**	156	7%
Sucralose	**61**	55	15%
Central costs	**(51)**	(51)	–
Adjusted operating profit – continuing operations	**170**	160	12%

1. Inclusion of certain operating costs which are reallocated from Primary Products to Food & Beverage Solutions because they will remain with the Group post disposal.
2. Adjustment to include the European Primary Products business in Food & Beverage Solutions, which is not subject to the Primient disposal transaction.

Continuing operations

Continuing operations comprise: Food & Beverage Solutions (into which the European Primary Products business, which is not part of the Transaction, and certain stranded costs have been combined); Sucralose; and Central costs.

Central costs

Central costs, which include head office costs and certain treasury and legal activities, were in line with the prior year in constant currency at £51 million benefiting from strong discipline on overhead costs which offset higher costs from continued investment in the business.

Net finance expense and liquidity

Net finance expense from continuing operations at £25 million was 4% lower (in line with the prior year in constant currency), mainly reflecting lower net interest on the Group's net retirement benefit liabilities being offset by a full year of interest on the US$200 million US Private Placement Notes issued in the first half of the prior year.

Exceptional items

The Group recorded a net exceptional charge of £105 million in continuing operations, comprising £93 million of exceptional items included in profit before tax and a £12 million charge included as exceptional items within tax. Such items principally included the following:

- £79 million of cash costs associated with the transaction to dispose of the Primary Products business in the Americas ("Primient" or the "Primient business");
- £13 million non-cash impairment charge related to the write-off of dedicated assets in the European Primary Products business and certain other assets which are obsolete as a result of the Primient business disposal;
- £9 million net exceptional gain resulting from a variation of certain benefits within one of the US pension plans. This consists of a non-cash past service credit of £13 million which has been partially offset by a cash charge of £4 million;
- £9 million charge related to stabiliser product contamination, an issue affecting not only the Group but the wider industry, consisting of a £6 million write-off of impacted inventories and receivables and a further £3 million impairment of certain fixed assets;
- £1 million of cash costs relating to productivity and simplification projects in our operations; and
- £12 million tax charge due to a reduction in the amount of brought forward UK tax losses and the amount of US State tax credits that the Group expects to be able to utilise as a result of the agreement to sell a controlling interest in Primient.

Exceptional cash outflows for the year totalled £60 million (for total operations), comprising £48 million of cash outflows related to charges recorded in the current year and £12 million of cash outflows resulting from exceptional costs recorded in the prior year.

The Group is in the fourth year of its programme to generate productivity benefits of US$150 million by 31 March 2024 and has already exceeded this target, delivering US$158 million of total benefits to date. During the year ended 31 March 2022, exceptional cash costs in respect of this programme of US$4 million (£3 million, total operations) were recognised (either paid or provided), bringing the total to date to US$52 million.

In the prior year, the Group recorded a net exceptional charge of £34 million in continuing operations included in profit before tax and a £7 million credit included as an exceptional item within tax.

Taxation

The adjusted effective tax rate on continuing operations was 19.3% (31 March 2021 – 12.1%). The rate reflects the prevailing rates of corporation tax in the US and UK, the jurisdictions most applicable to the Group’s activities. The prior year rate benefited from the release of certain tax provisions following expiry of statute of limitations as well as recognition of certain tax credits in the US. We expect the adjusted effective tax rate for the year ending 31 March 2023 to be slightly higher than the current year.

The reported effective tax rate (on statutory earnings) for continuing operations was 38.4% (31 March 2021 – 1.2%). The higher effective tax rate is due to the factors highlighted above and the impact of the £12 million exceptional tax charge on the de-recognition of deferred tax assets in the US and UK as a result of the agreement to sell a controlling interest in Primient. The prior year also benefited from an £7 million exceptional tax credit.

Earnings per share

For continuing operations, adjusted basic earnings per share decreased by 1% (increase of 4% in constant currency) to 25.2p and adjusted diluted earnings per share at 24.9p were also 1% lower (4% higher in constant currency). The increase in constant currency reflects strong business performance mitigated by a higher adjusted effective tax rate. Statutory diluted earnings per share decreased by 13.6p to 5.5p, reflecting lower statutory profit for the year mainly due to higher exceptional charges in the year.

Discontinued operations

Discontinued operations comprises the Primient business which represents a disposal group.

Year ended 31 March	**2022 £m**	2021 £m	Change %	Constant currency change %
Revenue	**1 757**	1 596	10%	15%
Primary Products as previously reported – adjusted operating profit	**112**	158	(29%)	(25%)
Costs reallocation to continuing operations[1]	**9**	7	20%	21%
Transfer of European Primary Products business to continuing operations[2]	**21**	14	56%	63%
Adjusted operating profit	**142**	179	(21%)	(16%)
Net finance expense	**(3)**	(4)	30%	25%
Adjusted share of profit after tax of joint ventures	**35**	26	38%	37%
Adjusted profit before tax	**174**	201	(13%)	(9%)
Exceptional items	**(3)**	(8)	66%	64%
IFRS 5 held for sale adjustments	**83**	–	–	–
Profit before tax	**254**	193	32%	37%
Income tax expense	**(44)**	(29)	(50%)	(51%)
Profit for the year – discontinued operations	**210**	164	29%	34%

1. Exclusion of certain operating costs which are reallocated from Primary Products to Food & Beverage Solutions because they will remain with the Group post disposal.
2. Adjustment to include the European Primary Products business in Food & Beverage Solutions, which is not subject to the Primient disposal transaction.

Adjusted profit after tax for discontinued operations (which excludes the impact of exceptional items and IFRS 5 held for sale adjustments) of £146 million was 13% lower (9% lower in constant currency) than the prior year, mainly reflecting weaker operating performance.

IFRS 5 Held for Sale adjustments of £83 million

IFRS 5 requires certain adjustments to assets held for sale, for which the relevant items to the Group from the Primient disposal transaction were as follows:

- Cessation of depreciation of assets of the Primient business, this reduced operating costs by £68 million; and
- Cessation of equity accounting of the share of profits from the Group's existing joint venture interests in Almex and Bio-PDO. The impact of this resulted in a reduction in share of profit after tax of joint ventures of £27 million, however dividends recognised in the period were recorded as income within discontinued operations of £42 million.

Such adjustments applied prospectively from 1 July 2021 (being the date at which the Primient disposal transaction became highly probable) and comparatives are not restated. The impact of these adjustments is reflected in discontinued operations only.

Adjusted share of profit after tax of joint ventures

The Group's adjusted share of profit after tax of joint ventures of £35 million was 38% higher (37% higher in constant currency) principally due to higher profits in both joint ventures reflecting good demand for textiles and cosmetics at Bio-PDO and good demand for sweeteners at Almex. The statutory share of profit after tax of joint ventures of £8 million reflects the impact of stopping equity accounting on 1 July 2021 (reduction of £27 million).

Net finance expense

Relates to the interest charge on certain leases, principally railcars.

Exceptional items

Relates to the exceptional charge recognised within the Primient business. This cash charge of £3 million relates principally to productivity and simplification projects in its operations.

Total Operations

Total operations of the Group, comprise both the continuing operations and the discontinued operations.

Cash flow, net debt and liquidity

Year ended 31 March **Adjusted free cash flow[1]**	**2022** **£m**	2021 basis of£m	Change £m
Continuing operations			
Adjusted operating profit	**170**	160	10
Adjusted depreciation and adjusted amortisation	**70**	87	(17)
Share-based payments charge	**10**	5	5
Changes in working capital	**(68)**	(8)	(60)
Capital expenditure	**(75)**	(60)	(15)
Pensions, tax and interest	**(39)**	(31)	(8)
Other non-cash movements	**4**	–	4
Adjusted free cash flow – continuing operations	**72**	153	(81)
Adjusted free cash flow – discontinued operations	**(56)**	97	(153)
Adjusted free cash flow – total operations	**16**	250	(234)

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 3.

Adjusted free cash flow for total operations was £16 million (2021 – £250 million) reflecting investments in working capital following actions to separate the Primient business and the adverse impact of input cost inflation. Adjusted free cash flow for total operations excludes cash outflows from exceptional items in the year of £60 million (2021 – £32 million).

In continuing operations free cash flow was £72 million, £81 million lower than the prior year. Of this year-on-year reduction, £41 million related to increased working capital driven by the completion of the sale of Primient where, to help mitigate the risks of separating our IT systems, we took decisions to build inventory to ensure good service was maintained to customers. Higher capital expenditure and the broader impact of inflation also contributed to the overall reduction.

In discontinued operations, free cash flow was a £(56) million outflow, £153 million lower than the prior year mainly due to the Primient disposal. As part of the closing of the transaction, US$120 million (£92 million) of higher working capital was recovered through increased disposal proceeds. Lower profits and the impact of inflation were further drivers of the year-on-year decline.

We expect capital expenditure for the 2023 financial year to be in the £90 million to £100 million range, an increase compared to investment in the 2022 financial year of £75 million. The increase reflects increased investment in growth capacity and investment related to acquired businesses.

Net debt at 31 March 2022 of £626 million was £209 million higher than in the prior year. The increase primarily reflects dividend payments of £144 million, cash exceptional costs of £60 million and an increase in value of debt denominated in foreign currencies of £24 million, which more than offset the free cash flow generated in the period.

Leverage at 31 March 2022 was 1.3x net debt to EBITDA on a total operations reported basis (2021 – 0.8x) and 1.1x on a covenant basis (2021 – 0.6x). Following receipt of cash proceeds from the sale of a controlling stake in the Primient business on 1 April 2022, the £497 million special dividend paid to shareholders and the acquisition of Quantum, the continuing Group has pro-forma net leverage of less than 1.0x net debt to EBITDA.

Retirement benefits

The Group maintains pension plans for its current employees 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 US, the Group also continues to provide an unfunded post-retirement medical benefit scheme. Consistent with the prior year, the largest component of the net deficit relates to schemes in the US that are by their nature unfunded schemes (e.g. US post-retirement medical benefit scheme).

On disposal of the Primient business, the Group retains all US defined benefit pension schemes but certain funded non-qualified deferred compensation arrangements as well as the unfunded post-retirement medical plans relating to employees who transitioned to the Primient business (together representing a net deficit of £28 million) were disposed of and were therefore classified as held for sale.

At 31 March 2022, the Group's retirement benefit obligations are in a net deficit of £107 million (31 March 2021 – net deficit of £140 million). This decrease of £33 million is principally due to classification of certain plans as held for sale as mentioned above. Excluding the impact of the held for sale classification, the net deficit decreased by £5 million mainly driven by a £13 million decrease as a result of a plan amendment to vary benefits to the US pension plans for which the past service credit was recognised within exceptional items. The net deficit decreased further as a result of employer contributions of £10 million. These decreases were partially offset by a currency translation charge of £8 million and other movements of £10 million.

During the year ended 31 March 2022, the asset performance closely matched and offset the actuarial gain in the funded plans. The actuarial gain was principally due to higher corporate bond yields in both the US and UK leading to higher discount rates.

The main UK plan was subject to a 'buy-in' in the 2020 financial year and therefore the significant decrease in obligations due to a higher discount rate was largely off-set by a decrease in the value of the 'buy-in' insurance policy. As a result, the balance sheet for the UK plans remained consistent with the prior year.

In the year ended 31 March 2022, pension contributions of £10 million were marginally lower than the prior year. In the first half of the next financial year, the Group expects to make a one-off contribution of approximately £11 million to settle a post-transaction price adjustment in respect of the bulk annuity policy 'buy in' of the main UK plan.

CAUTIONARY STATEMENT AND CONFERENCE CALL DETAILS

This statement of Full 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 Full Year Results for the year ended 31 March 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 (BST) on Thursday 9 June 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 (BST), 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/3794942/654DD352955B166EBE71F4955BA3C172. 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.

For more information contact Tate & Lyle PLC:
Christopher Marsh, VP Investor Relations
Tel: Mobile: +44 (0) 7796 192 688

Nick Hasell, FTI Consulting (Media)
Tel: Mobile: +44 (0) 7825 523 383

CONSOLIDATED INCOME STATEMENT

	Notes	Year ended 31 March 2022 £m	Restated* 2021 £m
Continuing operations			
Revenue	4	**1 375**	1 211
Operating profit		**67**	116
Finance income	6	**1**	1
Finance expense	6	**(26)**	(27)
Profit before tax		**42**	90
Income tax expense	7	**(16)**	(1)
Profit for the year – continuing operations		**26**	89
Profit for the year – discontinued operations		**210**	164
Profit for the year – total operations		**236**	253

Attributable to:			
Owners of the Company		**236**	253
Non-controlling interests		**–**	–
Profit for the year – total operations		**236**	253

Earnings per share		**Pence**	Pence
Continuing operations:			
– basic	9	**5.5p**	19.3p
– diluted	9	**5.5p**	19.1p
Total operations:			
– basic	9	**50.7p**	54.4p
– diluted	9	**50.2p**	53.8p

Analysis of adjusted profit for the year – continuing operations		**£m**	£m
Profit before tax – continuing operations		**42**	90
Adjusted for:			
Net charge for exceptional items	5	**93**	34
Amortisation of acquired intangible assets	3	**10**	10
Adjusted profit before tax – continuing operations	3	**145**	134
Adjusted income tax expense – continuing operations	3, 7	**(28)**	(16)
Adjusted profit for the year – continuing operations	3	**117**	118

* Restated to reflect discontinued operations (see Notes 2 and 8)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended 31 March **2022** **£m**	 2021 £m
Profit for the year – total operations		**236**	253
Other comprehensive income /(expense)			
Items that have been/may be reclassified to profit or loss:			
Gain/(loss) on currency translation of foreign operations		**86**	(141)
Fair value (loss)/gain on net investment hedges		**(52)**	39
Net gain on cash flow hedges		**82**	1
Net change in cost of hedging		**(5)**	–
Share of other comprehensive income/(expense) of joint ventures		**10**	(6)
Tax effect of the above items		**(20)**	–
		101	(107)
Items that will not be reclassified to profit or loss:			
Re-measurement of retirement benefit plans			
– actual return (lower)/higher on plan assets	12	**(70)**	129
– net actuarial gain/(loss) on retirement benefit obligations	12	**67**	(80)
Changes in the fair value of equity investments at fair value through OCI		**(4)**	3
Tax effect of the above items		**–**	(13)
		(7)	39
Total other comprehensive income/(expense)		**94**	(68)
Total comprehensive income		**330**	185

Analysed by:		
– Continuing operations	**9**	129
– Discontinued operations	**321**	56
Total comprehensive income – total operations	**330**	185
Attributable to:		
– Owners of the Company	**330**	185
– Non-controlling interests	–	–
Total comprehensive income – total operations	**330**	185

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	2022 £m	At 31 March Restated* 2021 £m
ASSETS			
Non-current assets			
Goodwill and other intangible assets		**283**	345
Property, plant and equipment (including right-of-use assets of £40 million (2021 – £121 million))		**497**	1 105
Investments in joint ventures		**–**	104
Investments in equities		**46**	59
Retirement benefit surplus	12	**23**	18
Deferred tax assets		**9**	32
Trade and other receivables		**1**	1
Derivative financial instruments		**3**	1
		862	1 665
Current assets			
Inventories		**317**	532
Trade and other receivables		**270**	333
Current tax assets		**11**	11
Derivative financial instruments		**13**	23
Other current financial assets		**2**	32
Cash and cash equivalents	11	**110**	371
		723	1 302
Assets classified as held for sale	8	**1 666**	–
		2 389	1 302
TOTAL ASSETS		**3 251**	2 967
EQUITY			
Capital and reserves			
Share capital		**117**	117
Share premium		**407**	407
Capital redemption reserve		**8**	8
Other reserves		**222**	144
Retained earnings		**865**	777
Equity attributable to owners of the Company		**1 619**	1 453
Non-controlling interests		**1**	1
TOTAL EQUITY		**1 620**	1 454
LIABILITIES			
Non-current liabilities			
Borrowings (including lease liabilities of £49 million (2021 – £116 million))	11	**658**	746
Retirement benefit deficit	12	**130**	158
Deferred tax liabilities		**51**	41
Provisions		**12**	11
		851	956
Current liabilities			
Borrowings (including lease liabilities of £10 million (2021 – £27 million))	11	**21**	42
Trade and other payables		**294**	431
Provisions		**11**	24
Current tax liabilities		**23**	25
Derivative financial instruments		**31**	9
Other current financial liabilities		**–**	26
		380	557
Liabilities directly associated with the assets held for sale	8	**400**	–
		780	557
TOTAL LIABILITIES		**1 631**	1 513
TOTAL EQUITY AND LIABILITIES		**3 251**	2 967

* Prior year restated for change in accounting policy (to adopt the requirements of Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2). See Notes 2 and 17.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	Year ended 31 March 2022 £m	2021 £m
Cash flows from operating activities – total operations			
Profit before tax from total operations		**296**	283
Adjustments for:			
Depreciation of property, plant and equipment (including right-of-use assets and excluding exceptional items)		**74**	142
Amortisation of intangible assets		**26**	33
Share-based payments		**12**	8
Net impact of exceptional income statement items	5	**36**	10
Net finance expense	6, 8	**28**	30
Share of profit after tax of joint ventures		**(8)**	(26)
Net retirement benefit obligations		**(7)**	(8)
Other non-cash movements		**(38)**	9
Changes in working capital		**(250)**	(33)
Cash generated from total operations		**169**	448
Net income tax paid		**(45)**	(57)
Interest paid		**(21)**	(22)
Net cash generated from operating activities		**103**	369
Cash flows from investing activities			
Purchase of property, plant and equipment		**(132)**	(134)
Disposal of property, plant and equipment		**–**	5
Acquisition of businesses, net of cash acquired		**1**	(62)
Investments in intangible assets		**(16)**	(18)
Purchase of equity investments		**(4)**	(4)
Disposal of equity investments		**4**	3
Interest received		**1**	1
Dividends received from joint ventures		**33**	4
Net cash used in investing activities		**(113)**	(205)
Cash flows from financing activities			
Purchase of own shares including net settlement		**(13)**	(5)
Cash inflow from additional borrowings		**2**	154
Cash outflow from repayment of borrowings		**(60)**	(5)
Repayment of leases		**(32)**	(36)
Dividends paid to the owners of the Company	10	**(144)**	(137)
Net cash used in financing activities		**(247)**	(29)
Net (decrease)/increase in cash and cash equivalents	11	**(257)**	135
Cash and cash equivalents			
Balance at beginning of year		**371**	271
Net (decrease)/increase in cash and cash equivalents		**(257)**	135
Currency translation differences		**13**	(35)
Balance at end of year	11	**127**	371

A reconciliation of the movement in cash and cash equivalents to the movement in net debt is presented in Note 11.

Included in the total cash and cash equivalents of £127 million at 31 March 2022, is £17 million classified as held for sale.

The cash flows from discontinued operations included above are presented in Note 8.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital and share premium £m	Capital redemption reserve £m	Other reserves £m	Retained earnings £m	Attributable to the owners of the Company £m	Non-controlling interests £m	Total equity £m
At 1 April 2020	523	8	239	629	1 399	–	1 399
Software-as-a-Service restatement	–	–	–	(6)	(6)	–	(6)
At 1 April 2020 – restated*	523	8	239	623	1 393	–	1 393
Profit for the year – total operations	–	–	–	253	253	–	253
Other comprehensive (expense)/income	–	–	(104)	36	(68)	–	(68)
Total comprehensive (expense)/income	–	–	(104)	289	185	–	185
Hedging losses transferred to inventory	–	–	12	–	12	–	12
Tax effect of the above item	–	–	(3)	–	(3)	–	(3)
Transactions with owners:							
Share-based payments, net of tax	–	–	–	10	10	–	10
Issue of share capital	1	–	–	–	1	–	1
Purchase of own shares including net settlement	–	–	–	(5)	(5)	–	(5)
Non-controlling interests in subsidiaries acquired	–	–	–	–	–	1	1
Dividends paid (Note 10)	–	–	–	(137)	(137)	–	(137)
Other movements	–	–	–	(3)	(3)	–	(3)
At 31 March 2021 – restated*	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)**
Non-controlling interests in subsidiaries acquired	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Dividends paid (Note 10)	**–**	**–**	**–**	**(144)**	**(144)**	**–**	**(144)**
At 31 March 2022	**524**	**8**	**222**	**865**	**1 619**	**1**	**1 620**

* Prior year restated for change in accounting policy (to adopt the requirements of Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2). See Notes 2 and 17.

NOTES TO THE FINANCIAL INFORMATION

FOR THE YEAR ENDED 31 MARCH 2022

1. Background

The financial information on pages 20 to 45 is extracted from the Group's consolidated financial statements for the year ended 31 March 2022, which were approved by the Board of Directors on 8 June 2022.

The financial information does not constitute statutory accounts within the meaning of sections 434(3) and 435(3) of the Companies Act 2006 or contain sufficient information to comply with the disclosure requirements of UK-adopted international accounting standards.

The Company's auditor, Ernst & Young LLP, has given an unqualified report on the consolidated financial statements for the year ended 31 March 2022. The auditor's report did not include reference to any matters to which the auditor drew attention without qualifying its report and did not contain any statement under section 498 of the Companies Act 2006. The consolidated financial statements will be filed with the Registrar of Companies, subject to their approval by the Company's shareholders on 28 July 2022 at the Company's Annual General Meeting.

2. Basis of preparation

Basis of accounting

The Group's consolidated financial statements for the year ended 31 March 2022 have been prepared in accordance with UK-adopted international accounting standards.

Notwithstanding the application of IFRS 5 – 'Non-current Assets Held for Sale and Discontinued Operations' to the Primient business, the Group's principal accounting policies are unchanged compared with the year ended 31 March 2021 with one exception being the treatment of Software-as-a-Service arrangements as described below. The Group's principal accounting policies have been consistently applied throughout the year. Descriptions and specific accounting policy information on how the Group has applied the requirements of UK-adopted international accounting standards will be included throughout the notes to the Group's 2022 Annual Report.

All amounts are rounded to the nearest million, unless otherwise indicated.

Accounting standards adopted during the year

In the current year, the Group has adopted, with effect from 1 April 2021, the following new accounting standards:

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, and IFRS 16 Interest Rate Benchmark Reform – Phase 2

The adoption of these amendments from 1 April 2021 has had no material effect on the Group's financial statements.

Accounting standards issued but not yet adopted

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.

Future accounting of the Group's investment in Primient

The Directors have determined that there is a significant accounting judgement with respect to the Group's future accounting for its 49.9% interest in the Primient business following the completion of the disposal. The Group will equity account for this interest as a joint venture.

Such accounting is appropriate because the Group will no longer have unilateral control over Primient. Instead, important operational decisions will be decided by a majority vote by the Primient Board (KPS have the right to appoint four directors and the Group has the right to appoint two) with more significant strategic matters requiring unanimous agreement of each of the two shareholders. In addition, from completion, the Group and Primient entered into certain long-term agreements, principally relating to the supply of product between one another; such agreements do not afford either party rights that are indicative of unilateral control.

As a result, decisions about relevant activities are principally reserved for the two shareholders and cannot be decided upon unilaterally by either shareholder. Therefore, the Group's interest in Primient will meet the definition of a joint venture.

Changes in accounting policy and disclosures

Prior year restatements

Restatement of comparative financial information – 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 49.9% interest in Primient.

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 on 1 April 2022 as a disposal group held for sale and a discontinued operation.

2. Basis of preparation (continued)

Changes in accounting policy and disclosures (continued)

Prior year restatements (continued)

Restatement of comparative financial information – discontinued operations and application of Held for Sale (continued)

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. Accordingly, the results for the year ended 31 March 2021 have been restated impacting the consolidated income statement. Refer to Note 8 for further details on discontinued operations.

Restatement of comparative financial information – upfront configuration or customisation costs incurred in implementing Software-as-a-Service arrangements

In April 2021 the IFRS Interpretations Committee published an agenda decision regarding the treatment of Configuration or Customisation Costs in a Cloud Computing Arrangement under IAS 38 - Intangible Assets. During the year ended 31 March 2022, the Group has revised its accounting policy in relation to upfront configuration or customisation costs incurred in implementing Software-as-a-Service (SaaS) arrangements in response to this IFRS Interpretations Committee decision. In addition, the Group has assessed the impact of this change in accounting policy on any cloud computing arrangements entered into during the prior periods and restated the comparative figures. This has impacted the balance sheet and retained earnings only as the income statement impact on earlier periods was not material. A balance sheet as at the beginning of the preceding period (i.e. at 1 April 2020) has not been presented on the grounds of materiality, however the impact of the change is shown in Note 17.

SaaS arrangements are service contracts providing the Group with the right to access the cloud provider's application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider's application software, are recognised as operating expenses when the services are received. In a contract where the cloud provider provides both the SaaS configuration and customisation as well as the SaaS access over the contract term, then the configuration and customisation costs are expensed over the contract term only if the services provided are not distinct and are otherwise expensed upfront as the software is configured or customised. Some of the costs incurred relate to the development of software code that enhances or modifies, or creates additional capability to, existing on-premise systems and meets the definition of, and the recognition criteria for, an intangible asset. These costs are recognised as intangible software assets and amortised over the useful life of the software on a straight line basis. The useful lives of these assets are reviewed at least at the end of each financial year, and any change accounted for prospectively as a change in accounting estimate.

Neither prior period restatement represents the correction of an error.

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 this 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 these financial statements to 31 March 2024. The sale of a controlling stake in Primient is included in this assessment. 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 31 March 2022, the Group has significant available liquidity, including £127 million of cash and US$800 million (£608 million) of committed and undrawn revolving credit facility, which does not mature before March 2025. The earliest maturity date for any of the Group's loans is October 2023, when US$120 million will mature. During the prior year, the Group demonstrated its ability to raise new finance despite the uncertainties of the Covid-19 pandemic, raising US$200 million of new private placement debt in August 2020, with ten-year and twelve-year tenors at 2.91% and 3.01%, respectively. The Group has also considered the impact of net proceeds of the sale of a controlling stake in Primient of £0.9 billion after one-off transaction and separation costs and estimated tax liabilities, the return of capital to shareholders via a special dividend of approximately £500 million on 16 May 2022 and the associated share consolidation (refer to Note 16) and the commitment to acquire Quantum (refer to Note 15).

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 1.1 times at 31 March 2022. As set out below, for a covenant breach to occur it would require a significant reduction in Group profit. Such reduction is considered to be unlikely.

In concluding that the going concern basis is appropriate, the Directors have 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: a major operational failure causing an extended shutdown of our largest manufacturing facility retained in the US following the Primient transaction; the loss of two of our 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' does not result in any material uncertainty to the Group's going concern assessment and the resultant position still has significant headroom above the Group's debt covenant requirement. The Directors have also calculated a 'reverse stress test' which represents the changes that would be

2. Basis of preparation (continued)

Going concern (continued)

required to the 'Base case' in order to breach the Group's debt covenant. Such 'reverse stress test' shows that the forecast Group profit would have to reduce significantly in order to cause a breach.

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 consolidated financial information of the Group as at 31 March 2022.

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.

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 years 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);

- **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 year ended 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 prior year.

Alternative performance measures reported by the Group are not defined terms under UK-adopted international accounting standards 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 3 and Note 8.

This document also contains pro-forma financial information for Tate & Lyle for the year ended 31 March 2022 together with comparative information, which shows the impact of further adjustments reflecting additional factors that came into effect at or following completion of the Transaction. Refer to 'Additional Information' on pages 48 and 49.

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.

3. Reconciliation of alternative performance measures

Income statement measures
For the reasons set out in Note 2, the Group presents alternative performance measures including adjusted operating profit, adjusted profit before tax and adjusted earnings per share.

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

	Year ended 31 March 2022			Restated* Year ended 31 March 2021		
Continuing operations £m unless otherwise stated	**IFRS reported**	**Adjusting items**	**Adjusted reported**	IFRS reported	Adjusting items	Adjusted reported
Revenue	**1 375**	**–**	**1 375**	1 211	–	1 211
Operating profit	**67**	**103**	**170**	116	44	160
Profit before tax	**42**	**103**	**145**	90	44	134
Income tax expense	**(16)**	**(12)**	**(28)**	(1)	(15)	(16)
Profit for the year	**26**	**91**	**117**	89	29	118
Effective tax rate expense %	**38.4%**		**19.3%**	1.2%		12.1%
Earnings per share:						
Number of ordinary shares[1] - basic	**465.1**		**465.1**	464.2		464.2
Basic earnings per share (pence)	**5.5p**	**19.7p**	**25.2p**	19.3p	6.1p	25.4p
Number of ordinary shares[1] - diluted	**470.4**		**470.4**	469.4		469.4
Diluted earnings per share (pence)	**5.5p**	**19.4p**	**24.9p**	19.1p	6.1p	25.2p

1. Weighted average (millions).
* Restated to reflect discontinued operations (see Notes 2 and 8).

The following table shows the reconciliation of the adjusting items impacting adjusted profit for the year:

		Year ended 31 March	
Continuing operations	Notes	**2022 £m**	Restated* 2021 £m
Exceptional costs included in operating profit	5	**93**	34
Amortisation of acquired intangible assets		**10**	10
Total excluded from adjusted profit before tax		**103**	44
Tax credit on adjusting items	7	**(24)**	(8)
Exceptional tax charge/(credit)	5, 7	**12**	(7)
Total excluded from adjusted profit for the year		**91**	29

* Restated to reflect discontinued operations (see Notes 2 and 8).

3. 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, after capital expenditure and excluding the impact of exceptional items.

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

	Year ended 31 March	
	2022	2021
	£m	£m
Adjusted operating profit from total operations	**312**	339
Adjusted for:		
Adjusted depreciation and adjusted amortisation[1]	**90**	165
Share-based payments charge	**12**	8
Other non-cash movements	**4**	9
Changes in working capital	**(250)**	(33)
Net retirement benefit obligations	**(7)**	(8)
Capital expenditure	**(148)**	(152)
Net interest and tax paid	**(65)**	(78)
Held for sale adjustment[2]	**68**	–
Adjusted free cash flow from total operations	**16**	250

1. Total depreciation of £74 million (2021 – £148 million) and amortisation of £26 million (2021 – £33 million) less £nil (2021 – £6 million) of accelerated depreciation recognised in exceptional items and £10 million (2021 – £10 million) of amortisation of acquired intangible assets.
2. Total held for sale adjustment of £110 million, comprises £68 million of adjusted depreciation and amortisation included in adjusted operating profit of £312 million. The remaining £42 million is dividend income from Almex and Bio-PDO recognised after these investments were recorded as held for sale, which is not included in either adjusted operating profit or adjusted free cash flow.

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

	Year ended 31 March	
	2022	2021
	£m	£m
Adjusted operating profit from continuing operations	**170**	160
Adjusted for:		
Adjusted depreciation and adjusted amortisation[1]	**70**	87
Share-based payments charge	**10**	5
Other non-cash movements	**4**	–
Changes in working capital	**(68)**	(8)
Net retirement benefit obligations	**(7)**	(8)
Capital expenditure	**(75)**	(60)
Net interest and tax paid	**(32)**	(23)
Adjusted free cash flow from continuing operations	**72**	153

1. Total depreciation of £56 million (2021 – £71 million) and amortisation of £24 million (2021 – £26 million) less £10 million (2021 – £10 million) of amortisation of acquired intangible assets.

Financial strength measures

The Group uses two financial metrics as key performance measures to assess its financial strength. These are the net debt to EBITDA ratio and the return on capital employed ratio. For the purposes of KPI reporting, the Group uses a simplified calculation of these KPIs to make them more directly related to information in the Group’s financial statements.

All ratios are calculated based on unrounded figures in £ million.

3. Reconciliation of alternative performance measures (continued)

Financial strength measures (continued)

The net debt to EBITDA ratio is as follows:

	At 31 March	
	2022 £m	2021 £m
Calculation of net debt to EBITDA ratio – total operations		
Net debt (Note 11)	**626**	417
Adjusted operating profit – total operations	**312**	339
Add back adjusted depreciation and adjusted amortisation	**158**	165
EBITDA – total operations	**470**	504
Net debt to EBITDA ratio (times)	**1.3**	0.8

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

	At 31 March	
Reconciliation of adjusted depreciation and adjusted amortisation	**2022 £m**	2021 £m
Depreciation – total operations	**74**	148
Amortisation – total operations	**26**	33
Depreciation and amortisation – total operations	**100**	181
Add held for sale adjustment (cessation of depreciation and amortisation)	**68**	–
Less accelerated depreciation recognised in exceptional items	**–**	(6)
Less amortisation of acquired intangibles	**(10)**	(10)
Adjusted depreciation and adjusted amortisation	**158**	165

The Group has a core committed revolving credit facility of US$800 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 1.1 times with the difference being driven by specific covenant definitions or requirements (e.g. exclusion of leases).

The return on capital employed (ROCE) calculation is as follows:

	At 31 March		
	2022 £m	Restated* 2021 £m	Restated* 2020 £m
Calculation of ROCE – total operations			
Adjusted operating profit	**312**	339	
Deduct: amortisation of acquired intangible assets	**(10)**	(10)	
Profit before interest, tax and exceptional items from total operations for ROCE	**302**	329	
Goodwill and other intangible assets*[1]	**335**	345	331
Property, plant and equipment[1]	**1 141**	1 105	1 190
Working capital, provisions and non-debt-related derivatives[2,3]	**701**	421	409
Invested operating capital – total operations	**2 177**	1 871	1 930
Average invested operating capital[4]	**2 024**	1 901	
ROCE % – total operations	**14.9%**	17.3%	

* Prior years restated for change in accounting policy (to adopt the requirements of Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2). See Notes 2 and 17.
1. Excludes the impact of IFRS 5 held for sale adjustments on intangible assets and property plant and equipment of £4 million and £64 million respectively
2. All derivatives held were non-debt-related. For the purpose of this calculation other current financial assets and liabilities are also included.
3. Excludes the dividend receivable from Joint ventures of £26 million.
4. Average invested operating capital represents the average of (1) the beginning and (2) end of the year for goodwill and other intangible assets, property, plant and equipment, working capital, provisions and non-debt-related derivatives.

4. Segment information

Despite the classification of Primient as a disposal group held for sale and discontinued operation, there was no change to the Group's existing operating segments for the purposes of IFRS 8, because the segment information presented to the Board (Chief Operating Decision Maker) during the year ended 31 March 2022 for the purpose of allocating resources and assessing business performance remained unchanged. As a result, further information is provided to reconcile the IFRS 8 segmental results to the presentation in the additional commentary in Financial Statements. All revenue is from external customers. Such reconciliation is set out below:

Segmental results for the year ended 31 March 2022

a) IFRS 8 Segment results

	Year ended 31 March 2022				
Total operations	**Food & Beverage Solutions £m**	**Sucralose £m**	**Primary Products £m**	**Central £m**	**Total £m**
Revenue*	**1 111**	**163**	**1 858**	**–**	**3 132**
Adjusted operating profit[1]	**190**	**61**	**112**	**(51)**	**312**
Adjusted operating margin	**17.2%**	**37.1%**	**6.0%**	**n/a**	**10.0%**

* Includes £1,757 million of revenue recognised in discontinued operations.

1. Reconciled to statutory profit for the year for continuing operations in Note 3 and for discontinued operations in Note 8.

Reconciliation of IFRS 8 segmental disclosures to the consolidated income statement and to Additional Commentary in financial statements:

(i) Revenue

	Year ended 31 March 2022				
Continuing operations	**Food & Beverage Solutions £m**	**Sucralose £m**	**Primary Products £m**	**Central £m**	**Total £m**
Segmental revenue – as above	**1 111**	**163**	**1 858**	**–**	**3 132**
Reclassification to discontinued operations	**–**	**–**	**(1 757)**	**–**	**(1 757)**
Transfer of European PP business to F&BS	**101**	**–**	**(101)**	**–**	**–**
As presented in Additional Commentary in financial statements (page 13)	**1 212**	**163**	**–**	**–**	**1 375**

(ii) Adjusted operating profit

	Year ended 31 March 2022				
Continuing operations	**Food & Beverage Solutions £m**	**Sucralose £m**	**Primary Products £m**	**Central £m**	**Total £m**
Segmental adjusted operating profits – as above	**190**	**61**	**112**	**(51)**	**312**
Transfer of European PP business to F&BS[1]	**(21)**	**–**	**21**	**–**	**–**
Reclassification to discontinued operations[1]	**(9)**	**–**	**(133)**	**–**	**(142)**
As presented in Additional Commentary in financial statements (page 13)[2]	**160**	**61**	**–**	**(51)**	**170**
Adjusted operating margin	**13.2%**	**37.1%**	**n/a**	**n/a**	**12.4%**

1. Food & Beverage Solutions adjustment relates to the inclusion of the European Primary Products business which is not subject to the disposal of the Primient business and the inclusion of certain operating costs which will remain with the Group post disposal. Primary Products adjustment relates to its results (excluding the European Primary Products business results) being classified as a discontinued operation.
2. Total adjusted operating profit for continuing operations is reconciled to the statutory profit in Note 3.

4. Segment information (continued)

Segmental results for the year ended 31 March 2021

a) IFRS 8 Segment results

	Year ended 31 March 2021				
Total operations	Food & Beverage Solutions £m	Sucralose £m	Primary Products £m	Central £m	Total £m
Revenue*	970	151	1 686	–	2 807
Adjusted operating profit[1]	177	55	158	(51)	339
Adjusted operating margin	18.3%	36.8%	9.4%	n/a	12.1%

* Includes £1,596 million of revenue recognised in discontinued operations.
1. Reconciled to statutory profit for the year for continuing operations in Note 3 and for discontinued operations in Note 8.

Reconciliation of IFRS 8 segmental disclosures to the consolidated income statement and to Additional Commentary in financial statements:

(i) Revenue

	Restated* Year ended 31 March 2021				
Continuing operations	Food & Beverage Solutions £m	Sucralose £m	Primary Products £m	Central £m	Total £m
Segmental revenue – as above	970	151	1 686	–	2 807
Reclassification to discontinued operations	–	–	(1 596)	–	(1 596)
Transfer of European PP business to F&BS	90	–	(90)	–	–
As presented in Additional Commentary in financial statements (page 13)	1 060	151	–	–	1 211

* Restated to reflect discontinued operations (see Notes 2 and 8)

(ii) Adjusted operating profit

	Restated* Year ended 31 March 2021				
Continuing operations	Food & Beverage Solutions £m	Sucralose £m	Primary Products £m	Central £m	Total £m
Segmental adjusted operating profits – as above	177	55	158	(51)	339
Transfer of European PP business to F&BS[1]	(14)	–	14	–	–
Reclassification to discontinued operations[1]	(7)	–	(172)	–	(179)
As presented in Additional Commentary in financial statements (page 13)[2]	156	55	–	(51)	160
Adjusted operating margin	14.7%	36.8%	n/a	n/a	13.3%

* Restated to reflect discontinued operations (see Notes 2 and 8)
1. Food & Beverage Solutions adjustment relates to the inclusion of the European Primary Products business which is not subject to the disposal of the Primient business and the inclusion of certain operating costs which will remain with the Group post disposal. Primary Products adjustment relates to its results (excluding the European Primary Products business results) being classified as a discontinued operation.
2. Total adjusted operating profit for continuing operations is reconciled to the statutory profit in Note 3.

4. Segment information (continued)

Geographic disclosures: revenue – total operations

	Year ended 31 March	
	2022	2021
	£m	£m
Food & Beverage Solutions		
North America	**542**	485
Asia, Middle East, Africa and Latin America	**325**	269
Europe	**244**	216
Food & Beverage Solutions – total	**1 111**	970
Sucralose – total	**163**	151
Primary Products		
Americas	**1 757**	1 596
Rest of the World	**101**	90
Primary Products – total	**1 858**	1 686
Total	**3 132**	2 807

Revenue – reconciliation to the consolidated income statement

	Year ended 31 March	
	2022	2021
	£m	£m
Revenue – geographic disclosure – total operations	**3 132**	2 807
Reclassified to discontinued operations	**(1 757)**	(1 596)
Revenue – continuing operations	**1 375**	1 211

5. Exceptional items

Exceptional (costs)/income recognised in the income statement are as follows:

		Year ended 31 March	
			Restated*
		2022	2021
Income statement – continuing operations	Footnotes	**£m**	£m
Costs associated with the separation and disposal of Primient	(a)	**(79)**	(19)
Impairment related to the disposal of Primient	(b)	**(13)**	–
US pension plan past service credit	(c)	**9**	–
Stabiliser product contamination	(d)	**(9)**	–
Restructuring costs	(e)	**(1)**	(12)
Historical legal matters	(f)	**–**	(3)
Exceptional items included in profit before tax		**(93)**	(34)
UK tax (charge)	(g)	**(6)**	–
US tax (charge)/credit	(g)	**(6)**	7
Exceptional items included in income tax		**(12)**	7
Exceptional items – continuing operations		**(105)**	(27)
Discontinued operations			
Restructuring costs		**(3)**	(8)
Exceptional items – discontinued operations		**(3)**	(8)
Exceptional items – total operations		**(108)**	(35)

* Restated to reflect discontinued operations (see Notes 2 and 8)

Continuing operations

(a) In the year ended 31 March 2022, the Group announced it had entered into an agreement to sell a controlling interest in Primient. The associated transaction and separation costs during this year totalled £79 million which consisted principally of external advisor fees, which were recognised within Central.

(b) Following this agreement to sell a controlling interest in Primient, the Group assessed all assets for impairment. This resulted in no impairment of the assets held for sale. However, for the assets remaining with the Group, an impairment charge of £13 million was recognised. This charge consisted principally of the write-off of certain items of plant and equipment in the Group's loss-making European Primary Products business. In addition, certain IT and other assets which are expected to have no future benefit to the Group following completion of the Transaction have been fully impaired.

(c) Following a plan amendment made to its US pension plans, the Group has recognised net exceptional income of £9 million within Food & Beverage Solutions. The plan amendment resulted in a past service credit of £13 million which has been partially offset by a cash charge of £4 million associated with an incremental contribution made, of which £1 million was paid in the year. The Group expects to make two further payments in the 2023 and 2024 financial years, which are included in the total expected cash charge of £4 million.

(d) During the year, the Group's stabilisers business was impacted by contaminated products manufactured by certain third-party suppliers in China. The contamination impacted not only the Group, but also the wider industry. As a result, the Group recorded £6 million of costs for write-off of impacted inventories and receivables and a further £3 million of impairment charges for certain fixed assets. The £9 million charge was recognised within Food & Beverage Solutions

(e) The Group recorded £1 million of restructuring costs relating to productivity and simplification projects, principally in relation to Global Operations cost-saving initiatives. The £1 million charge was recognised within Food & Beverage Solutions.

(f) During the year, the income statement impact of historical legal matters in the US was a net nil, as exceptional income and costs offset one another.

(g) As a result of the agreement to sell a controlling interest in Primient, the amount of brought forward UK tax losses that the Group expects to be able to utilise in the future has reduced resulting in an exceptional tax charge of £6 million. In addition, the amount of US state tax credits the Group expects to be able to utilise in the future has reduced as the Group will no longer have a presence in certain states also giving rise to an exceptional tax charge of £6 million.

Of the net £93 million exceptional charge recorded in operating profit in continuing operations during the year, £46 million was reflected in exceptional cash flow. In addition, £12 million of exceptional costs recorded in prior year resulted in cash outflows in the year ended 31 March 2022, such that cash outflow from exceptional items in continuing operations was £58 million. There was a further net cash outflow of £2 million recognised in discontinued operations.

5. Exceptional items (continued)

The most significant exceptional costs in the comparative year were costs incurred in relation to the Primient disposal as well as restructuring costs related to the Group's previously-announced programme to simplify the business and drive productivity. Other exceptional costs and income in the comparative year related to historical legal matters offset by a one-off tax credit due to release of an uncertain tax position in the US.

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 £21 million.

Discontinued operations

The exceptional costs in the current year were restructuring costs relating to productivity and simplification projects totaling £3 million which were mainly related to Global Operations cost saving initiatives.

Cash flows from total operations

Further details in respect of cash flows from exceptional items are set out below.

		Year ended 31 March	
			Restated*
		2022	2021
Net operating cash outflows on exceptional items	Footnotes	**£m**	£m
Costs associated with the separation and disposal of Primient	(a)	**(48)**	(15)
US pension plan past service credit	(c)	**(1)**	–
Restructuring costs	(e)	**(5)**	(9)
Historical legal matters	(f)	**(4)**	1
Asset remediation		**–**	(1)
Net cash outflows – continuing operations		**(58)**	(24)
Net cash outflows – discontinued operations		**(2)**	(8)
Net cash outflows – total operations		**(60)**	(32)

* Restated to reflect discontinued operations (see Notes 2 and 8)

Exceptional cash flows

The total cash adjustment relating to exceptional items presented in the cash flow statement of £36 million (inflow) (2021 – £10 million (inflow)) reflects the exceptional costs in profit before tax of £96 million in total operations (2021 – £42 million) which were £36 million higher (2021 – £10 million higher) than net cash outflows of £60 million (2021 – £32 million) set out in the table above.

6. Finance income and finance expense

		Year ended 31 March	
			Restated*
	Note	**2022**	2021
Continuing operations		**£m**	£m
Interest payable on bank and other borrowings		**(21)**	(20)
Lease interest		**(2)**	(2)
Net retirement benefit interest	12	**(3)**	(5)
Finance expense		**(26)**	(27)
Finance income – income on cash balances		**1**	1
Net finance expense		**(25)**	(26)

* Restated to reflect discontinued operations (see Notes 2 and 8)

7. Income tax expense

Income tax for the year is presented as follows:

- Statutory current and deferred taxes from continuing operations of £16 million, which when divided by statutory profit before tax from continuing operations of £42 million gives a statutory effective tax rate of 38.4%;
- The impact on this income tax charge of the tax effect of adjusting and exceptional items and a tax item that is itself an exceptional item, such that adjusted income tax expense from continuing operations is £28 million, which when divided by adjusted profit before tax from continuing operations of £145 million gives an adjusted effective tax rate of 19.3%; and
- Income tax on discontinued operations is shown in Note 8.

Analysis of charge for the year

	Year ended 31 March	
		Restated*
	2022	2021
Continuing operations	**£m**	£m
Current tax		
United Kingdom	**–**	3
Overseas	**(40)**	(26)
Tax credit on exceptional items	**5**	5
US exceptional tax credit	**–**	7
Expense in respect of previous financial years	**(1)**	–
	(36)	(11)
Deferred tax		
Credit for the year	**12**	8
Credit in respect of previous financial years	**4**	2
Tax credit on exceptional items	**16**	–
UK exceptional tax charge	**(6)**	–
US exceptional tax charge	**(6)**	–
Income tax expense – continuing operations	**(16)**	(1)
Statutory effective tax rate % – continuing operations	**38.4%**	1.2%

* Restated to reflect discontinued operations (see Notes 2 and 8)

Reconciliation to adjusted income tax expense

		Year ended 31 March	
			Restated*
		2022	2021
Continuing operations	Notes	**£m**	£m
Income tax expense		**(16)**	(1)
Add back the impact of:			
Tax credit on exceptional items		**(21)**	(5)
Tax credit on amortisation of acquired intangibles		**(3)**	(3)
UK exceptional tax charge	5	**6**	–
US exceptional tax charge/(credit)	5	**6**	(7)
Adjusted income tax expense – continuing operations	3	**(28)**	(16)
Adjusted effective tax rate %		**19.3%**	12.1%

* Restated to reflect discontinued operations (see Notes 2 and 8)

8. Discontinued operations

As described in Note 2, on 12 July 2021 the Group announced that it had entered into an agreement to sell to KPS a controlling stake in Primient (refer to Note 16 for further details). This transaction completed on 1 April 2022.

The Primient business 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.
- The Group's existing shareholdings in two joint ventures - Almex in Guadalajara, Mexico and Bio-PDO, in Loudon, Tennessee.
- Grain elevator network and bulk transfer stations in North America.

Primary Products' European operations are 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 year ended 31 March 2022 and the prior year were as follows:

	Year ended 31 March	
Discontinued operations £m unless otherwise stated	**2022** **£m**	2021 £m
Revenue	**1 757**	1 596
Operating expenses	**(1 508)**	(1 425)
Operating profit	**249**	171
Finance expense	**(3)**	(4)
Share of profit after tax of joint ventures	**8**	26
Profit before tax	**254**	193
Income tax charge	**(44)**	(29)
Profit for the year from discontinued operations[1]	**210**	164
Basic earnings per share from discontinued operations (pence)	**45.2p**	35.1p
Diluted earnings per share from discontinued operations (pence)	**44.7p**	34.7p

1. Attributable to owners of the Company.

These profit 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, both for basic and diluted amounts, shown in Note 9.

Adjusted discontinued operations measures are set out on the next page.

On classification as held for sale, 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:

	Year ended 31 March	
Discontinued operations	**2022** **£m**	2021 £m
Operating	**15**	181
Investing	**(40)**	(88)
Financing	**(21)**	(24)
Net cash (outflow)/inflow	**(46)**	69

8. Discontinued operations (continued)

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

	Year ended 31 March 2022			Year ended 31 March 2021		
Discontinued operations £million unless otherwise stated	**IFRS reported**	**Adjusting items**	**Adjusted reported**	IFRS reported	Adjusting items	Adjusted reported
Revenue	**1 757**	**–**	**1 757**	1 596	–	1 596
Operating profit	**249**	**(107)**	**142**	171	8	179
Finance expense	**(3)**	**–**	**(3)**	(4)	–	(4)
Share of profit after tax of joint ventures	**8**	**27**	**35**	26	–	26
Profit before tax	**254**	**(80)**	**174**	193	8	201
Income tax expense	**(44)**	**16**	**(28)**	(29)	(3)	(32)
Profit for the year	**210**	**(64)**	**146**	164	5	169
Effective tax rate %	**17.5%**		**16.1%**	15.4%		15.8%
Earnings per share:						
Number of ordinary shares[1] – basic	**465.1**		**465.1**	464.2		464.2
Basic earnings per share (pence)	**45.2p**	**(13.7p)**	**31.5p**	35.1p	1.4p	36.5p
Number of ordinary shares[1] - diluted	**470.4**		**470.4**	469.4		469.4
Diluted earnings per share (pence)	**44.7p**	**(13.6p)**	**31.1p**	34.7p	1.3p	36.0p

1. Weighted average (millions)

The following table shows the reconciliation of the adjusting items:

		Year ended 31 March	
Discontinued operations	Note	**2022 £m**	2021 £m
Exceptional costs in operating profit	5	**3**	8
Held for sale adjustment[1]		**(110)**	–
Total excluded from adjusted operating profit		**(107)**	8
Held for sale adjustment[2] – share of profit after tax of joint ventures		**27**	–
Total excluded from adjusted profit before tax		**(80)**	8
Tax effect of adjusting items		**16**	(3)
Total excluded from adjusted profit for the year		**(64)**	5

1. Held for sale adjustments include: cessation of depreciation and amortisation (reduction in operating costs of £68 million) and reclassification of dividends from joint ventures (income of £42 million).
2. Held for sale adjustment relates to cessation of equity accounting (reduction in share of profit after tax of joint ventures of £27 million).

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

	Year ended 31 March	
	2022 £m	2021 £m
Adjusted operating profit from discontinued operations	**142**	179
Adjusted for:		
Adjusted depreciation and adjusted amortisation[1]	**20**	78
Share-based payments charge	**2**	3
Changes in working capital and other non-cash movements	**(182)**	(16)
Capital expenditure	**(73)**	(92)
Net interest and tax paid	**(33)**	(55)
Held for sale adjustment[2]	**68**	–
Adjusted free cash flow from discontinued operations	**(56)**	97

1. Total depreciation of £18 million (2021 – £77 million) and amortisation of £2 million (2021 – £7 million) less £nil (2021 – £6 million) of accelerated depreciation recognised in exceptional items.
2. Total held for sale adjustment of £110 million, comprises £68 million of depreciation and amortisation included in adjusted operating profit of £142 million. The remaining £42 million relates to dividend income from Almex and Bio-PDO, which is not included in either adjusted operating profit or adjusted free cash flow.

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8. Discontinued operations (continued)

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

	At 31 March 2022
	£m
Assets	
Goodwill and other intangible assets	**56**
Property, plant and equipment (including right-of-use assets)	**708**
Investments in joint ventures	**105**
Investments in equities	**12**
Inventories	**398**
Trade and other receivables	**246**
Current tax assets	**1**
Derivative financial instruments	**65**
Other current financial assets	**58**
Cash and cash equivalents	**17**
Assets classified as held for sale	**1 666**

	At 31 March 2022
	£m
Liabilities	
Retirement benefit deficit	**28**
Trade and other payables	**253**
Lease liabilities	**74**
Derivative financial instruments	**5**
Other current financial liabilities	**40**
Liabilities directly associated with assets held for sale	**400**
Net assets	**1 266**

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

	At 31 March 2022
	£m
Currency translation reserve	**81**
Actuarial gain (net of deferred tax)	**7**
Net gain on cash flow hedges (net of deferred tax)	**49**
Reserves of disposal group classified as held for sale	**137**

9. 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 year was 721p (2021 – 679p). The dilutive effect of share-based incentives was 5.3 million shares (2021 – 5.2 million shares).

	Year ended 31 March 2022			Restated* Year ended 31 March 2021		
	Continuing operations	**Discontinued operations**	**Total**	Continuing operations	Discontinued operations	Total
Profit attributable to owners of the Company (£ million)	**26**	**210**	**236**	89	164	253
Weighted average number of ordinary shares (million) – basic	**465.1**	**465.1**	**465.1**	464.2	464.2	464.2
Basic earnings per share (pence)	**5.5p**	**45.2p**	**50.7p**	19.3p	35.1p	54.4p
Weighted average number of ordinary shares (million) – diluted	**470.4**	**470.4**	**470.4**	469.4	469.4	469.4
Diluted earnings per share (pence)	**5.5p**	**44.7p**	**50.2p**	19.1p	34.7p	53.8p

* Restated to reflect discontinued operations (see Notes 2 and 8)

Adjusted earnings per share

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

		Year ended 31 March	
Continuing operations	Notes	**2022 £m**	Restated* 2021 £m
Profit attributable to owners of the Company		**26**	89
Adjusting items:			
– exceptional costs in operating profit	5	**93**	34
– amortisation of acquired intangible assets	3	**10**	10
– tax credit on adjusting items	7	**(24)**	(8)
– exceptional tax charge/(credit)	5, 7	**12**	(7)
Adjusted profit attributable to owners of the Company	3	**117**	118
Adjusted basic earnings per share (pence) – continuing operations		**25.2p**	25.4p
Adjusted diluted earnings per share (pence) – continuing operations		**24.9p**	25.2p

* Restated to reflect discontinued operations (see Notes 2 and 8)

		Year ended 31 March	
Total operations	Notes	**2022 £m**	Restated* 2021 £m
Adjusted profit attributable to owners of the Company – continuing operations	3	**117**	118
Adjusted profit attributable to owners of the Company – discontinued operations	8	**146**	169
Adjusted profit attributable to owners of the Company – total operations		**263**	287
Adjusted basic earnings per share (pence) – total operations		**56.7p**	61.9p
Adjusted diluted earnings per share (pence) – total operations		**56.0p**	61.2p

* Restated to reflect discontinued operations (see Notes 2 and 8)

10. Dividends on ordinary shares

Dividends on ordinary shares in respect of the financial year:

	Year ended 31 March	
	2022 Pence	2021 Pence
Per ordinary share:		
Interim dividend paid	**9.0**	8.8
Final dividend proposed	**12.8**	22.0
Total dividend	**21.8**	30.8

The Directors propose a final dividend for the financial year of 12.8p per ordinary share that, subject to approval by shareholders, will be paid on 5 August 2022 to shareholders who are on the Register of Members on 1 July 2022.

Dividends on ordinary shares paid in the financial year:

	Year ended 31 March	
	2022 £m	2021 £m
Final dividend paid relating to the prior financial year	**102**	97
Interim dividend paid relating to the financial year	**42**	40
Total dividend paid	**144**	137

Based on the number of ordinary shares outstanding at 31 March 2022, adjusted to reflect the impact of the share consolidation on 16 May 2022, and the proposed dividend per share, the final dividend for the financial year is expected to amount to £51 million.

For details of the special dividend paid after the year end refer to Note 16.

11. Net debt – total operations

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

	At 31 March	
	2022 £m	2021 £m
Borrowings	**(620)**	(645)
Lease liabilities[1]	**(133)**	(143)
Cash and cash equivalents[2]	**127**	371
Net debt	**(626)**	(417)

1. Includes £74 million of leases included in liabilities directly associated with assets held for sale as at 31 March 2022 (2021 – £nil). Refer to Note 8.
2. Includes £17 million of cash and cash equivalents included in assets held for sale as at 31 March 2022 (2021 – £nil). Refer to Note 8.

On 15 and 22 December 2021, the Industrial Revenue Bonds were repaid in full totalling US$70 million (£53 million).

In the prior year, the Group issued a US$200 million (£152 million) debt private placement comprising US$100 million 2.91% notes maturing in 2030 and US$100 million 3.01% notes maturing in 2032.

Reconciliation of the movement in cash and cash equivalents to the movement in net debt:

	Year ended 31 March	
	2022 £m	2021 £m
Net debt at beginning of the year	**(417)**	(451)
Net (decrease)/ increase in cash and cash equivalents	**(257)**	135
Net decrease/(increase) in borrowings and lease liabilities	**90**	(113)
(Increase)/decrease in net debt resulting from cash flows	**(167)**	22
Currency translation differences	**(24)**	39
Subsidiaries acquired	**–**	(7)
Leases non-cash movements	**(18)**	(20)
(Increase)/decrease in net debt in the year	**(209)**	34
Net debt at end of the year	**(626)**	(417)

11. 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 1 April 2021	**371**	**(788)**	**(417)**
Movements from cash flows	**(257)**	**90**	**(167)**
Currency translation differences	**13**	**(37)**	**(24)**
Lease and non-cash movements	**–**	**(18)**	**(18)**
At 31 March 2022 [1,2]	**127**	**(753)**	**(626)**

1. Borrowings and lease liabilities includes £74 million of leases included in liabilities directly associated with the assets held for sale as at 31 March 2022 (see Note 8).
2. Cash and cash equivalents includes £17 million of cash and cash equivalents included in assets held for sale as at 31 March 2022 (see Note 8).

12. Retirement benefit obligations

At 31 March 2022, the Group's retirement benefit obligations are in a net deficit of £107 million (31 March 2021 – net deficit of £140 million). On disposal of the Primient business, the Group retains all US defined benefit pension schemes but certain funded non-qualified deferred compensation arrangements as well as the unfunded post-retirement medical plan relating to employees who transitioned to the Primient business (together a net deficit of £28 million) were disposed of and were therefore classified as held for sale.

The decrease of £33 million is principally due to classification of certain plans as held for sale as mentioned above. Excluding the impact of the held for sale classification, the net deficit decreased by £5 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.

The significant movements in the net deficit in the year are as follows (only the second adjustment had an income statement impact, recorded in exceptional items):

- Reclassification of £28 million of defined benefit obligation to liabilities directly associated with assets held for sale in the balance sheet;
- A reduction of the plans' liability value by £13 million as a result of a plan amendment made to the US pension plans. The past service credit of £13 million was recognised in exceptional items (see Note 5);
- A lower value being placed on plan liabilities as a result of financial assumptions which included an increase in corporate bond yields in both the US and UK leading to higher discounts rates. However this was partially offset by worse than expected returns on assets in the US plans and matched by the UK Group Scheme 'buy-in' policy.

Other movements in retirement benefit obligations comprise a net income statement charge of £6 million (excluding the exceptional past service credit mentioned above), employer contributions of £10 million and an increase in the net deficit for currency translation of £8 million.

12. Retirement benefit obligations (continued)

These movements are set out in the table below.

	Year ended 31 March 2022			
	UK plans £m	US plans (funded) £m	US plans (unfunded) £m	Total £m
Net deficit at 1 April 2021	**(18)**	**(14)**	**(108)**	**(140)**
Income statement:				
– current service costs	**–**	**–**	**(1)**	**(1)**
– administration costs	**(1)**	**(1)**	**–**	**(2)**
– net interest expense US plans	**–**	**1**	**(4)**	**(3)**
– US pension past service credit	**–**	**13**	**–**	**13**
Other comprehensive income:				
– actual return lower than interest on plan assets	**(42)**	**(28)**	**–**	**(70)**
– actuarial gain/(loss):				
– changes in financial assumptions	**60**	**24**	**1**	**85**
– changes in demographic assumptions	**2**	**(2)**	**2**	**2**
– experience against assumptions	**(19)**	**(2)**	**1**	**(20)**
Other movements:				
– employer's contribution	**2**	**–**	**8**	**10**
– non-qualified deferred compensation arrangements	**–**	**(1)**	**–**	**(1)**
– currency translation differences	**(2)**	**(2)**	**(4)**	**(8)**
Reclassification to liabilities directly associated with assets held for sale	**–**	**12**	**16**	**28**
Net deficit at 31 March 2022	**(18)**	**–**	**(89)**	**(107)**

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 £1 million gain recorded in other comprehensive income is in relation to UK obligations not yet subject to the 'buy-in'.

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. The Group also expects to make in the first half of the year a one-off contribution of approximately £11 million to settle a post transaction price adjustment in respect of the bulk annuity policy 'buy in' of the main UK plan.

13. 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 31 March 2022 will have a material adverse effect on the Group's financial position.

14. Capital expenditure and commitments

In the year ended 31 March 2022, there were additions to intangible assets (excluding goodwill and acquired intangible assets) of £16 million (2021 – £19 million) and additions to property, plant and equipment of £143 million (2021 – £155 million). Total commitments for the purchase of tangible and intangible non-current assets are £51 million (2021 – £33 million).

Commitments in respect of retirement benefit obligations are detailed in Note 12.

15. Acquisitions and disposals

In the 2022 financial year:

No acquisitions or disposals were completed.

Quantum

On 31 March 2022, the Group announced it has signed an agreement to acquire 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$237 million. Closing of the transaction is expected to occur in the second quarter of the 2022 calendar year.

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 R&D capabilities and proprietary manufacturing processes and technologies. The acquisition 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.

In the 2021 financial year:

Sweet Green Fields ("SGF")

On 30 November 2020, the Group acquired the remaining 85% of the equity of SGF which it did not already own. In the year ended 31 March 2022, following the finalisation of the completion accounts and working capital adjustment, the final all cash consideration in respect of the acquisition is £60 million (including the fair value of the 15% that the Group already owned) and the final fair value for identifiable net assets is £26 million, including £1 million cash and cash equivalents. This has resulted in a final goodwill balance at the date of acquisition of £34 million. This is not deductible for tax purposes.

The acquired business contributed revenue of £7 million and an operating loss of £2 million for the period from acquisition on 30 November 2020 until the end of the 2021 financial year (including the amortisation of acquired intangibles recognised from the acquisition). Had the business been acquired at the beginning of the 2021 financial year, it would have contributed revenue of £41 million and an operating profit of £nil in the 2021 financial year.

Chaodee Modified Starch Co., Ltd ("CMS")

On 10 February 2021, the Group acquired 85% of the shares of CMS (increased to 93% at March 2022 following the funding of capacity expansion in which the minority shareholder did not participate), a well-established tapioca modified food starch manufacturer located in Thailand. In the year ended 31 March 2022, there have been no changes to the provisional consideration, provisional fair value for identifiable net assets and resultant goodwill disclosed in the prior year Annual Report.

The Group has elected to measure the non-controlling interests in the acquiree at fair value.

16. Events after the balance sheet date

Sale of controlling stake in Primient

Further to the announcement of 12 July 2021, the Group announced that on 1 April 2022 it completed the sale of a controlling stake in Primient, comprising its Primary Products business in North America and Latin America and its 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"). KPS now holds a 50.1% interest in Primient. The Group holds a 49.9% interest in Primient. The provisional cash consideration is US$1.4 billion and US$30 million of contingent consideration. The exercise to finalise the completion accounts is in progress and will be disclosed in the Group's Interim Results that will be published in November 2022. Details of assets held for sale are provided in Note 8.

Special Dividend

Following the announcement on 1 April 2022 of the completion of the sale of a controlling stake in Primient, and following shareholder approval at the General Meeting held on 26 April 2022, the Group returned £497 million on 16 May 2022 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. The new ordinary shares are traded on the London Stock Exchange in the same way as the previously existing ordinary shares and have the same rights under the Articles to the previously existing ordinary shares. The total number of ordinary shares after the share consolidation was 401.6 million shares.

A return of funds was also completed for ADR holders on the ADR register on 19 May 2022. As a result of the share consolidation, existing ADRs were cancelled and new ADRs issued in the ratio of six new ADRs to replace every seven existing ADRs.

17. Change in accounting policy

As explained in Note 2, the Group has revised its accounting policy in relation to upfront configuration or customisation costs incurred in implementing Software-as-a-Service (SaaS) arrangements. The impact of the adoption of this revised accounting policy is set out below. Comparatives have been restated accordingly.

	Impact of change in accounting policy		
At 1 April 2020	**As reported £m**	**Adjustment £m**	**As restated £m**
Goodwill and other intangible assets	340	(9)	331
Total assets	2 851	(9)	2 842
Deferred tax liabilities	(42)	3	(39)
Total liabilities	(1 452)	3	(1 449)
Retained earnings	629	(6)	623
Total equity	1 399	(6)	1 393

	Impact of change in accounting policy		
At 31 March 2021	**As reported £m**	**Adjustment £m**	**As restated £m**
Goodwill and other intangible assets	354	(9)	345
Total assets	2 976	(9)	2 967
Deferred tax liabilities	(44)	3	(41)
Total liabilities	(1 516)	3	(1 513)
Retained earnings	783	(6)	777
Total equity	1 460	(6)	1 454
Operating profit*	287	–	287
Profit for the year ended 31 March 2021*	253	–	253

* Before restatement for discontinued operations.

There is no impact on the Group's basic or diluted earnings per share and no impact on the total operating, investing or financing cash flows for the year ended 31 March 2021.

TATE & LYLE PLC

ADDITIONAL INFORMATION

FOR THE YEAR ENDED 31 MARCH 2022

Calculation of changes in constant currency

Where changes in constant currency are presented in this statement, they are calculated by retranslating current year results at prior year exchange rates. The following table provides a reconciliation between the 2022 performance at actual exchange rates and at constant currency exchange rates. Absolute numbers presented in the tables are rounded for presentational purposes, whereas the growth percentages are calculated on unrounded numbers.

Adjusted performance Continuing operations	**2022 £m**	FX £m	2022 at constant currency £m	Underlying growth £m	Restated* 2021 £m	Change %	Change in constant currency %
Revenue	**1 375**	**58**	**1 433**	**222**	1 211	**14%**	**18%**
Food & Beverage Solutions	**160**	**7**	**167**	**11**	156	**3%**	**7%**
Sucralose	**61**	**3**	**64**	**9**	55	**9%**	**15%**
Central	**(51)**	**–**	**(51)**	**–**	(51)	**1%**	**–**
Adjusted operating profit	**170**	**10**	**180**	**20**	160	**6%**	**12%**
Net finance expense	**(25)**	**(1)**	**(26)**	**–**	(26)	**4%**	**–**
Adjusted profit before tax	**145**	**9**	**154**	**20**	134	**8%**	**14%**
Adjusted income tax expense	**(28)**	**(3)**	**(31)**	**(15)**	(16)	**(72%)**	**(91%)**
Adjusted profit after tax	**117**	**6**	**123**	**5**	118	**(1%)**	**4%**
Adjusted diluted EPS (pence)	**24.9p**	**1.2p**	**26.1p**	**0.9p**	25.2p	**(1%)**	**4%**

Impact of changes in exchange rates

The Group's reported financial performance at average rates of exchange for the year ended 31 March 2022 was unfavourably 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**	
Year ended 31 March	**2022**	2021	**2022**	2021
US dollar : sterling	**1.37**	1.31	**1.32**	1.38
Euro : sterling	**1.18**	1.12	**1.19**	1.17

For the year ended 31 March 2022, net foreign exchange translation decreased Food & Beverage Solutions adjusted operating profit by £7 million and decreased Sucralose adjusted operating profit by £3 million, with adjusted operating profit for the Group decreasing by £10 million.

ADDITIONAL INFORMATION
FOR THE YEAR ENDED 31 MARCH 2022

RATIO ANALYSIS

		31 March 2022	31 March 2021
Net debt to EBITDA			
=	Net debt	**626**	417
	EBITDA	**470**	504
		=1.3 times	= 0.8 times
Earnings dividend cover			
=	Adjusted basic earnings per share from total operations	**56.7**	61.9
	Dividend per share	**31.0**	29.6
		=1.8 times	= 2.1 times
Cash dividend cover			
=	Adjusted free cash flow from total operations	**16**	250
	Cash dividends	**144**	137
		=0.1 times	= 1.8 times
Return on capital employed			
=	Profit before interest, tax and exceptional items from total operations	**302**	329
	Average invested operating capital from total operations	**2 024**	1 901
		=14.9%	= 17.3%
Gearing			
=	Net debt	**626**	417
	Total equity	**1 620**	1 454
		=39%	= 29%

All ratios are calculated based on unrounded figures in £ million. Net debt to EBITDA, Adjusted free cash flow, Average invested operating capital and Return on capital employed are defined and reconciled in Note 3 of the attached financial information.

ADDITIONAL INFORMATION

FOR THE YEAR ENDED 31 MARCH 2022

Summary of pro-forma financial results for the year ended 31 March 2022

On 21 October 2021, the Group published a document to show the impact of restatement of prior year financial information for the shareholder-approved sale of a controlling interest in the Primary Products business ("Primient") – within Section II of that document was included certain pro-forma financial information, which took the restated continuing operations financial information and showed the pro-forma effect of further adjustments reflecting additional factors that came into effect at completion of the Transaction. These adjustments were for:

- The financial impact of certain long-term agreements that will exist between the Group and Primient; and
- The Group's equity-accounted share of profits of the Primient business from completion of the Transaction.

Because the adjustments are also not included in the continuing operations information contained within the results for the year ended 31 March 2022 disclosed herein, pro-forma adjustment is given to them as set out below.

While IFRS 5 provides the basis on which to determine the composition of continuing and discontinued operations, pro-forma financial information is a non-IFRS measure. In addition, because such pro-forma financial information contains estimates with respect to each of the items set out above, it should not be used to replace the restated statutory financial information but is an illustration of how the Group will present its financial results.

Pro-forma – year ended 31 March	**Food & Beverage Solutions £m**	**Sucralose £m**	**Joint Venture £m**	**Central £m**	**2022 Total £m**	**2021 Total £m**	**Change in constant currency %**
Adjusted operating profit – continuing operations	**160**	**61**	**–**	**(51)**	**170**	160	12%
Impact of long-term agreements	**(7)**	**–**	**–**	**–**	**(7)**	(7)	–
Pro-forma adjusted operating profit	**153**	**61**	**–**	**(51)**	**163**	153	13%
Pro-forma share of Primient Joint Venture profit	**–**	**–**	**61**	**–**	**61**	74	(13%)
Net finance expense	**–**	**–**	**–**	**(25)**	**(25)**	(26)	–
Pro-forma adjusted profit before tax	**153**	**61**	**61**	**(76)**	**199**	201	5%
Pro-forma adjusted tax charge					**(37)**	(34)	(13%)
Pro-forma adjusted profit for the year					**162**	167	3%

The table above starts with the adjusted operating profit set out in Note 4 (year ended 31 March 2022, section (ii) Adjusted operating profit) and then gives pro-forma effect to the financial impact of certain long-term agreements between the Group and Primient, and the Group's equity accounted share of profits of Primient from completion.

The resultant pro-forma adjusted operating margins are as follows:

	Food & Beverage Solutions	**Sucralose**	**Central**	**Total**
Pro-forma adjusted operating margin	12.6%	37.1%	n/a	11.9%

Pro-forma comparative for the year ended 31 March 2021 – Food & Beverage Solutions: 14.1%, Sucralose: 36.8%, Total: 12.7%

Year ended 31 March 2022	**As reported total operations**	**Pro-forma**
Earnings Per Share		
Diluted weighted average number of ordinary shares (millions)	470.4	403.5
Adjusted diluted EPS (pence)	56.0p	40.0p

Following the completion of the special dividend and share consolidation in May 2022, pro-forma EPS has been updated to give effect to all components of the Transaction and the share consolidation. For better comparability in future, the share consolidation is included as if it were effected on 1 April 2021. On a pro-forma basis, adjusted diluted EPS of 40.0p represents dilution of 29% compared to adjusted diluted EPS from total operations as reported.

ADDITIONAL INFORMATION
FOR THE YEAR ENDED 31 MARCH 2022

Summary of pro-forma financial results for the year ended 31 March 2022 (continued)

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

	Year ended 31 March	
Share of Primient joint venture profit:	**2022 £m**	2021 £m
Adjusted profit before tax from discontinued operations[1]	**174**	201
Pro-forma effect of Primient's financing facilities[2]	**(45)**	(45)
Impact of long-term agreements	**7**	7
Additional standalone costs in Primient[3]	**(14)**	(14)
Adjusted pro-forma profit before tax of Primient	**122**	149
Share of Primient joint venture profit at 49.9% pro-forma equity interest	**61**	74

1. Primient joint venture's adjusted profit before tax of £174 million (2021 – £201 million) is before charging exceptional items of £3 million (2021 – £8 million) and the impact of held for sale adjustments of £83 million.
2. Updated to reflect final borrowings in Primient of $1.1 billion.
3. Represents additional costs required in Primient in order to replicate back-office activities previously shared across Tate & Lyle PLC.

Summary of pro-forma Return on Capital employed for the year ended 31 March 2022 for continuing operations

As set out in Note 3, Return on Capital Employed (ROCE) % for total operations was 14.9% (2021 – 17.3%). Set out below is the pro-forma return on capital employed calculation:

	Year ended 31 March	
	2022 £m	2021 £m
Calculation of ROCE – pro-forma		
Adjusted operating profit – continuing operations	**170**	
Impact of long-term agreements	**(7)**	
Deduct: amortisation of acquired intangible assets	**(10)**	
Profit before interest, tax and exceptional items for ROCE – pro-forma[1]	**153**	
Invested operating capital – total operations	**2 177**	1 871
Less: impact of Primient invested operating capital and Add: impact of LTAs	**(1 258)**	(942)
Invested operating capital of continuing operations – pro-forma	**919**	929
Average invested operating capital of continuing operations – pro-forma[2]	**924**	
ROCE % – pro-forma	**16.5%**	

1. Excludes pro-forma share of profits of Primient.
2. Excludes pro-forma impact of investment in Primient joint venture.