TATE & LYLE

Half year results for six months to 30 September 2021

Issued: Thursday 4 November 2021

Strategic transformation progressing well; strong growth in Food & Beverage Solutions

Headlines

- Group delivered strong H1 performance
- Double-digit revenue growth in Food & Beverage Solutions
- New Products revenue growth acceleration
- Effective management of cost inflation through productivity, cost discipline and pricing
- Delivered environmental commitment to eliminate use of coal in all operations four years ahead of target
- Transaction to create two focused businesses on track for completion in Q1 of 2022 calendar year
- Strong platform for growth as a focused Food & Beverage Solutions business

Financial highlights[1]

Continuing operations (new Tate & Lyle)

- Revenue +19%; profit before tax +20%
  - Food & Beverage Solutions revenue +19%
  - New Products revenue +48%
  - Sucralose revenue +17%
- Adjusted diluted EPS +25%

Discontinued operations[2] (NewCo)

- Adjusted profit after tax (12)% lower

Total operations (Tate & Lyle Group)

- Statutory profit after tax (23)% lower at £102m with exceptional costs of £67m partially offset by benefit of £25m held for sale accounting adjustments
- Adjusted diluted EPS +3% higher at 29.8p
- Free cash flow £67m lower at £127m, net debt £8m lower at £409m
- Interim dividend increased by 2.3% to 9.0p

Nick Hampton, Chief Executive said

"In a year of significant change as we re-position Tate & Lyle as a growth-focused speciality food and beverage solutions business, the Group delivered strong first half performance despite inflationary headwinds. Food & Beverage Solutions had an excellent half and we made good progress on the priorities we set out at the start of the year.

Consumer demand for healthier food and drink continues to strengthen across our markets and this was reflected in the performance of Food & Beverage Solutions which delivered strong volume and double-digit revenue growth across all regions. Our investment in innovation and focus on working more closely with customers continues to generate excellent results with revenue from New Products 48% higher.

The strategic transformation we announced in July is progressing well and we remain on course to complete the sale of a controlling stake in our Primary Products business in the Americas in the first quarter of 2022.

The strong performance of Food & Beverage Solutions underpins Tate & Lyle's future potential as a growth-focused speciality food and beverage solutions business. The new Tate & Lyle is very well-positioned to deliver on its five-year ambition for mid single-digit organic revenue growth and annual operating margin expansion of at least 50 to 100 basis points per year, supported by increased investment in innovation and a strong balance sheet to fund both organic growth and M&A.

We are entering a new, ambitious and exciting chapter for Tate & Lyle and I look forward to the future with great optimism."

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1 Adjusted metrics percentage changes are in constant currency

2 Defined as the "Disposed Primary Products business" in this statement. Adjusted to exclude impact of exceptional items and IFRS 5 held for sale accounting.

FINANCIAL SUMMARY

Proposed sale of a controlling stake in Primary Products and associated reporting changes
On 12 July 2021, we announced we had entered into an agreement to sell a controlling stake in a new company and its subsidiaries which will hold the 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 (together, 'NewCo') to KPS Capital Partners, LP (the 'Transaction'). From July, NewCo has been classified as held for sale and met the definition of a discontinued operation in accordance with IFRS 5. As a result, NewCo is required to be treated as a discontinued operation for all of the year ending 31 March 2022. This classification has been adopted in this half-year results statement. The continuing operations comprise: Food & Beverage Solutions (into which the European Primary Products business, which is not part of the Transaction, and some stranded costs have been combined); Sucralose; and Central costs. The results for comparative periods have been restated on a consistent basis.

Summary of results for six months ended 30 September 2021

	Adjusted results[1]			Statutory results		
	2021	2020	**vs 2020**	**2021**	2020	**vs 2020**
Continuing operations						
Revenue	**£656m**	£592m	**+19%**			**+11%**
Profit before tax	**£85m**	£78m	**+20%**	**£21m**	£58m	**(64%)**
Diluted earnings per share	**14.4p**	12.9p	**+25%**	**2.5p**	9.6p	**(74%)**
Discontinued operations						
Profit after tax	**£72m**	£90m	**(12%)**	**£90m**	£88m	**+3%**
Total operations						
Diluted earnings per share	**29.8p**	32.1p	**+3%**	**21.7p**	28.4p	**(24%)**
Free cash flow	**£127m**	£194m	**£(67)m**			
Net debt (vs. at 31 March 2021)	**£409m**	£417m				
Dividend per share				**9.0p**	8.8p	**+2.3%**

1 The adjusted results for the six months to 30 September 2021 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 2 and Note 6 to the Financial Information. Growth percentages are calculated on unrounded numbers. Changes in adjusted performance metrics are in constant currency throughout this statement.
2 Adjusted operating profit

Continuing operations (new Tate & Lyle)
- Food & Beverage Solutions:
  - Volume +9% with a particularly strong performance from Asia, Middle East, Africa and Latin America
  - Revenue +19% with double-digit organic growth across all regions; 3ppts from acquisitions
  - New Products revenue +48% reflecting strong customer demand for sugar reduction solutions
  - Profit[2] +9% higher with benefit of positive mix and some reinvestment in future growth
    - Profit[2] +2% higher at £83m when including lower performance from Primary Products Europe
- Sucralose:
  - Volume +23% led by strong demand in beverages and phasing of customer orders into the first half
  - Revenue +17% with higher volume partially offset by customer mix and modest pricing pressure
  - Profit[2] +34% at £31m
- Adjusted profit before tax +20%; Adjusted diluted EPS +25%

Discontinued operations (NewCo)
- Volume up +3% as out-of-home consumption continued to recover; strong industrial starch growth
- Profit[2] (10)% lower at £74m
  - Sweeteners & Starches profit[2] down (13)% due to cost inflation and operational and supply chain disruption
  - Commodities profit[2] 4% higher reflecting good market conditions at the start of the period

Total operations (Tate & Lyle Group)
- Adjusted diluted EPS +3%
- £26m cost inflation mitigated to £2m net of £10m of pricing and £14m of productivity benefits
- Adjusted free cash flow £(67)m lower due to £54m higher working capital from higher revenue and corn price
- Net debt £8m lower at £409m; Net Debt to EBITDA ratio 0.8x
- Interim dividend increased by 2.3% to 9.0p

OUTLOOK FOR YEAR ENDING 31 MARCH 2022

We continue to work on completing the sale of a controlling interest in the Primary Products business in the Americas and certain joint venture interests to KPS Capital Partners, LP in the first quarter of the 2022 calendar year. For the purposes of providing an outlook, we are assuming completion of the transaction on 31 March 2022.

On that basis, for the year ending 31 March 2022 we expect:

Continuing operations (new Tate & Lyle)

- Food & Beverage Solutions to deliver another year of progress
- Sucralose profit to be ahead of the prior year
- Growth in adjusted profit before tax in constant currency to be in the high single-digit percent range

Discontinued operations (NewCo)

- Sweeteners and Starches adjusted operating profit to be below the prior year and Commodities profit to be significantly lower

Total operations (Tate & Lyle Group)

- Change in adjusted diluted earnings per share in constant currency to be mid-single digits percent lower due to the performance of discontinued operations and expected cost inflation.

OVERVIEW OF THE HALF-YEAR

Business environment and trading

The Group benefitted from an improved trading environment while having to navigate changing demand patterns, disruption to international supply chains, evolving Covid-19 restrictions and cost inflation. Performance was in line with our expectations at the start of the 2022 financial year although the divisional mix was different than anticipated with stronger profit growth in Food & Beverage Solutions and Sucralose offsetting lower profits from Primary Products.

Food & Beverage Solutions saw strong demand as in-home consumption remained robust and out-of-home consumption continued to recover. Each region delivered strong volume and double-digit revenue growth. The business continues to benefit from increasing 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, supported strong top-line delivery in the half.

In Sucralose, recovering out-of-home consumption led to strong volume growth in beverages. The business benefitted from phasing of customer orders into the half which we expect will mostly unwind in the second half.

In discontinued operations, lower sweetener volume caused by short-term operational disruption from the installation of new gas turbines at our facility in Lafayette, Indiana to increase long-term efficiency and environmental performance, together with cost inflation, resulted in lower profits in Primary Products. Industrial starches performed very well with higher volume from continued growth in the sustainable plant-based packaging market.

Across the business we saw cost inflation totaling £26 million in the first half in areas such as energy, labour, consumables and transportation. This was mitigated by productivity benefits of £14 million, pricing of £10 million and cost discipline. We expect cost inflation to increase in the second half and to be partially mitigated through a combination of the same actions, with pricing playing a greater role, particularly in the fourth quarter reflecting the annual contracting cycle.

Delivering strategic progress in Food & Beverage Solutions

Food & Beverage Solutions made good progress delivering its strategy and working closely with customers on reformulating existing products and launching new products. During the half:

- Food & Beverage Solutions delivered double-digit revenue growth in each region
- New Product revenue increased by 48% in constant currency
- New Products represented 14% of Food & Beverage Solutions revenue
- The value of the new business pipeline increased by 4%
- The risk adjusted value of the innovation pipeline grew by 2%
- Integration of the acquisitions of stevia and tapioca businesses in H2 of fiscal 2021 progressed well.

Growth within Food & Beverage Solutions is being driven by delivery of its strategic growth framework which is centered on four pillars – market focus; portfolio expansion; accelerating innovation; and integrated solutions for customers. Progress in each pillar in the half is summarised below.

Market focus
Our aim is to maximise opportunities in developed markets and accelerate growth in the faster growing markets of Asia, Middle East, Africa and Latin America. We focus on three global categories – dairy, beverage, and soups, sauces and dressings – as well as two or three regional categories where we have local expertise such as bakery and snacks. This category focus, combined with expertise in sweetening, mouthfeel and fortification, provides a unique and attractive offering for customers. In North America, revenue from bakery and snacks grew by 32% and from beverages by 17% supported by strong demand for fibre and stevia solutions, respectively. In Asia, revenue from soups, sauces and dressings grew by 16%, while in Latin America we saw double-digit revenue growth in all three global categories.

We continue to invest in both infrastructure and capabilities to support our customers particularly in higher growth markets. In October, we opened a new Application Technical Centre in Dubai to serve customers in the Middle East, Turkey and Africa region, where consumer demand for healthier food and drink is increasing. The Centre's state-of-the-art technology will speed up the innovation process for customers and increase their speed to market. It will also support a new initiative we have launched – The Middle East Sugar and Calorie Reduction Knowledge Building Programme – together with the UAE Food & Beverage Manufacturers Group.

Portfolio expansion
The integration of the two acquisitions we made 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. Our expanded stevia business is performing very well with revenue more than doubling. To meet growing customer demand for stevia solutions, we are investing in our stevia facility in Anji, China to increase extraction capacity and to install new environmental equipment. We are also increasing the capacity of our stevia production line in the US. The capital investment programme to significantly increase capacity over the next three years for higher functionality tapioca starches at our facility in Thailand is progressing as planned.

We strengthened our sweetener platform with two New Product launches including PUREFRUIT™ Monkfruit Juice Concentrate. We also strengthened our health and wellness platform through a new distribution agreement for chickpea protein and flour with Nutriati, a US-based company.

Accelerate Innovation
We continue to increase our investment in R&D, both by building on our strong in-house scientific expertise and with external partners through open innovation. New Product revenue grew by 48% with the sweetener platform delivering exceptionally strong performance with revenue nearly three times higher driven mainly by demand for stevia solutions. Revenue in the health & wellness platform grew by 23% with good demand in the sports nutrition category while revenue from texturants grew by 9%.

Our increased focus on open innovation is unlocking exciting new ideas and opportunities. We are seeing good progress in our partnership with Zymtronix (US), an early-stage company developing enzyme immobilization technologies used to enhance the efficiency of production processes. We formed a new partnership with TNO in the Netherlands to explore the use of 3D food digital technology to deliver personalised food and nutrition choices for consumers. We also extended our existing work with APC Microbiome Ireland to undertake scientific research on the potential metabolic health benefits of combining dietary fibre with certain bacterial strains.

Integrated Solutions
We continue to focus on creating integrated solutions for customers to strengthen our position as their partner for growth. Our deep understanding of how ingredients interact across the food matrix in our core categories, together with our leading product portfolio and technical expertise, mean we can provide customers with a unique solutions' offering. To further strengthen our offering, we are increasing our investment in category and consumer insights, for example through the establishment of a new position of Global Head of Marketing and Insights, as well as strengthening our customer-facing applications teams across our regions.

In April, 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

We are successfully delivering on the four near-term priorities we set out as we entered the year.

Looking after our colleagues and communities

- Established new Employee Resource Group focused on providing support and information on mental health.
- Partnered with the China Foundation for Poverty Alleviation to provide children in nine schools with a nutritious daily meal, nutrition education and to install modern kitchen equipment in the school canteens.
- Created a new role of Chief Equity, Diversity & Inclusion Officer.
- Covid-19 safety protocols in place at all our sites to ensure the workplace is as safe as possible for our people.

Strengthen our relationships with customers

- Continued to stay very close to our customers by using technology and increasingly by meeting in person.
- All our manufacturing facilities remained operational and our customers served during the pandemic.
- Partnered with Nutrição em Pauta, a leading nutrition education platform in Brazil, the Brazilian Society for Food and Nutrition and Coca-Cola, 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

- Announced transaction to re-position Tate & Lyle as a growth-focused global food and beverage solutions business through the sale of a controlling stake in Primary Products in the Americas and certain joint ventures. This transaction is explained in more detail later in this statement.
- Further information on how we are progressing our strategy is set out in the "Delivering strategic progress in Food & Beverage Solutions" section in this statement.

Maintaining our financial strength

- Robust financial position and strong balance sheet. No employees furloughed or government aid sought.
- Continued to execute against productivity programme to deliver US$150 million benefits over a six-year period ending 31 March 2024 with US$20 million of benefits delivered in the half. Of this US$14 million was realised from projects in our operations and US$6 million from SG&A savings.
- Total benefits since start of programme are US$144 million, coming from areas including capital investments to reduce costs, supply chain efficiencies and SG&A savings.

Caring for our Planet – eliminating the use of coal from our operations

In May 2020 we announced a set of ambitious environmental targets for 2030 to significantly reduce our absolute greenhouse gas emissions, beneficially use all the waste we generate, reduce water consumption and to continue to support sustainable agriculture. We also committed to eliminate the use of coal in our operations by 2025.

During the half, we completed projects to replace coal boilers with natural gas fired heat and power systems at our plants in Lafayette, Indiana and Decatur, Illinois. Both projects were part of a multi-year US$150 million capital investment programme to reduce greenhouse gas emissions and increase operational efficiency in our plants. With the completion of these projects, we delivered on our commitment, four years ahead of schedule, to eliminate the use of coal in all our operations.

We also launched a new sustainability programme for stevia farmers in Eastern China, developed with the environmental charity Earthwatch and Nanjing Agricultural University, to help growers lower their environmental impact and improve their economic returns.

Changes to Executive Management

William 'Bill' Magee was appointed as President, North America, Food & Beverage Solutions, and as a member of Tate & Lyle's Executive Committee, with effect from 1 October 2021. Bill joined Tate & Lyle in 2018 and had previously served as Senior Vice President and General Manager, North America, Food & Beverage Solutions.

RE-POSITIONING TATE & LYLE AS A GROWTH-FOCUSED BUSINESS

On 12 July 2021, we announced we had entered into an agreement to sell a controlling stake in the Primary Products business in North America and Latin America and certain joint ventures interests ("NewCo" or the "NewCo Business") to KPS Capital Partners, LP (the "Transaction"). Full details of the Transaction are set out in the circular to shareholders posted on 13 September 2021 (the "Circular"), a copy of which is available on the company's website.

Growth-focused speciality food and beverage solutions business
The Transaction re-positions Tate & Lyle as a leading global food and beverage solutions business focused on faster growing speciality markets with the opportunity to, firstly, benefit from growing global consumer demand for healthier food and drink a trend which the global pandemic is accelerating; secondly, to accelerate growth through a step-up in R&D investment and innovation; and thirdly to increase the focus on solutions development to support and strengthen customer relationships. Tate & Lyle's ambition over the five years following completion of the Transaction is to increase R&D spend to more than 4% of Food & Beverage Solutions revenue per annum, and to grow revenue from New Products to around 20% of Food & Beverage Solutions revenue by the 2026 financial year.

With increased focus, positive top-line momentum, and our plans to increase investment in innovation, we are confident we have a strong platform in place from which to sustainably accelerate organic growth. Our ambition for the five years following completion 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
- Organic return on capital employed improvement of 50 basis points per annum on average.

The performance of Food & Beverage Solutions over the three years ended 31 March 2021 (compound annual revenue growth of 4%) and in the first half of the 2022 financial year (19% revenue growth), supports this ambition and demonstrates the potential of Food & Beverage Solutions as a growth-focused business.

Progress towards completion
Completion of the Transaction is subject to various conditions. Progress on key areas include:

i) Approval of shareholders was received at a General Meeting held on 30 September 2021. The ordinary resolution was passed with 99.9% of the votes cast in favour.
ii) Anti-trust clearance from five out of the six the relevant jurisdictions has been received to-date.
iii) The legal restructuring required to separate the NewCo Business from Tate & Lyle is proceeding as planned.
iv) The information technology separation to enable both Tate & Lyle and NewCo to report financially on a standalone basis from completion is also on track.

We remain on track to complete the Transaction in the first quarter of the 2022 calendar year.

DIVIDEND

The Board has approved an increase in the interim dividend for the six months to 30 September 2021 of 0.2p to 9.0p. This will be paid on 5 January 2022 to all shareholders on the Register of Members on 26 November 2021. As well as the cash dividend option, shareholders will be offered a Dividend Reinvestment Plan alternative.

As set out in the Circular, consistent with the sale of a controlling stake in NewCo, it is intended to reduce the dividend to reflect the earnings base of the re-focused Tate & Lyle. The pay-out ratio (excluding any NewCo earnings) is expected to be maintained and the dividend per share reduced by around 50%, before the impact of the share consolidation. Following payment of the intended special dividend of around £500 million and the associated share consolidation, it is intended that a progressive dividend policy will be maintained.

With completion of the Transaction expected on or before 31 March 2022, it is expected that the final dividend for the 2022 financial year will be re-based.

OPERATING PERFORMANCE – CONTINUING OPERATIONS (NEW TATE & LYLE)

Six months to 30 September 2021	Volume change	Revenue	Revenue growth	Adjusted operating profit	Adjusted operating profit change
North America	+4%	£260m	+19%	–	–
Asia, Middle East, Africa and Latin America	+19%	£151m	+20%	–	–
Europe[1]	+9%	£167m	+18%	–	–
Food & Beverage Solutions	**+9%**	**£578m**	**+19%**	**£83m**	**+2%**
Memo: Food & Beverage Solutions (before reporting changes)	*+10%*	*£528m*	*+19%*	*£98m*	*+9%*
Sucralose	**+23%**	**£78m**	**+17%**	**£31m**	**+34%**
Central costs				**£(17)m**	**+25%**
Total – Continuing operations		**£656m**	**+19%**	**£97m**	**+18%**

The adjusted results for the six months to 30 September 2021 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 2 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 Primary Products Europe business for the six months to 30 September 2021 £(11) million loss (2020 – loss of £(4) million) and cost re-allocations (stranded costs) of £(4) million (2020 – £(4) million).

FOOD & BEVERAGE SOLUTIONS

Excellent top-line growth

Volume increased by 9% with revenue 19% higher in constant currency at £578 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 the pass through of higher corn costs contributed 7ppts of price/mix leverage. Acquisitions contributed 3ppts to revenue growth.

Looking through the impact of the Covid-19 pandemic and before the impact of reporting changes, compared to the six months to 30 September 2019, volume was 11% higher and revenue 21% higher.

Adjusted operating profit was 2% higher in constant currency at £83 million with the benefit of strong mix management, strong cost discipline and productivity benefits mitigated by selected investments in future growth. As a result of the transaction to sell a controlling stake in the Primary Products business in the Americas, Primary Products Europe is now included in the Food & Beverage Solutions division. Operating losses in the European Primary Products business increased by £7 million to £11 million reflecting the impact of higher corn costs and low sugar pricing. Excluding this, adjusted operating profit for the division was 9% higher in constant currency. The effect of currency translation decreased revenue by £39 million and adjusted operating profit by £8 million.

North America

Top-line momentum continued with volume 4% 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 the North American market, driving volume growth well ahead of the overall food and beverage market which remained in line with the comparative period. Growth was driven by strong performance across categories such as beverage, confectionery and nutrition and bakery, especially for solutions using our fibre portfolio.

Revenue was 19% higher in constant currency at £260 million. Significant volume growth to revenue growth leverage reflects good mix with particularly strong growth from the fibre portfolio and New Products, the impact of acquisitions and the pass through of higher corn costs. Revenue for New Products increased by more than 50% in North America in the half, with high customer demand for stevia and allulose sweeteners.

Asia, Middle East, Africa and Latin America

Volume was 19% higher reflecting double-digit growth in each sub-region, the impact of acquisitions and a comparative period impacted by the pandemic. Revenue increased by 20% in constant currency to £151 million. Revenue growth was strong in each sub-region with especially strong growth in Latin America.

In Asia, revenue growth was strong in South East and North Asia. In China, we saw strong revenue growth in stevia while overall revenue was lower reflecting a strong comparative. In Latin America, sugar reduction solutions for customers addressing new front-of-pack labelling rules accelerated growth in the Mexico and Central American region, while growth was also strong in Southern Latin America driven by strong stevia performance. In Brazil, revenue was slightly lower. In Middle East and Africa, revenue grew strongly reflecting good performance in Turkey and North West Africa and strong demand for texturants.

Europe

Volume was 9% higher. Revenue for the region was £167 million including £50 million from the retained European Primary Products business. Revenue was 18% 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 confectionary categories and a comparative period impacted by pandemic lockdowns.

New Products

Revenue from New Products (products launched in the last seven years) increased by 48% in constant currency to £80 million, representing 14% of Food & Beverage Solutions revenue (after inclusion of Primary Products Europe), with revenue growth across the three platforms of sweeteners, texturants and health & wellness. 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 three times higher in the half 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. Excluding acquisitions, revenue from the sweetener platform doubled. Revenue in the health & wellness platform also grew strongly reflecting strong demand in the sports nutrition category.

SUCRALOSE

Robust demand

Sucralose volume increased by 23% with strong customer demand in the beverage category as out-of-home consumption recovered and customers phased orders into the first half.

Revenue increased by 17% in constant currency to £78 million reflecting strong volume growth partially offset by the impact of customer mix and modest pricing pressure. In the second half of the 2022 financial year, we expect the impact of customer order phasing to mostly unwind and further modest pricing pressure to continue.

Looking through the impact of the Covid-19 pandemic, compared to a comparative period for the six months to 30 September 2019, volume was 21% higher and revenue 14% higher.

Adjusted operating profit at £31 million was 34% higher in constant currency reflecting both operational leverage of higher revenue and one-off production costs incurred in the comparative period. Currency translation decreased revenue by £7 million and adjusted operating profit by £3 million.

OPERATING PERFORMANCE – DISCONTINUED OPERATIONS (NEWCO)

Six months to 30 September 2021	Volume change	Revenue	Revenue growth	Adjusted operating profit[1]	Adjusted operating profit change
Sweeteners and Starches[2]	–	–	–	£60m	(13%)
Commodities	–	–	–	£14m	+4%
Primary Products	**+3%**	**£891m**	**+22%**	**£74m**	**(10%)**
Memo: Primary Products (before reporting changes)	*+3%*	*£941m*	*+22%*	*£59m*	*(19%)*

The adjusted results for the six months to 30 September 2021 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 6 to the Financial Information. Growth percentages are calculated on unrounded numbers. Changes in revenue and adjusted operating profit are in constant currency.

1 Adjusted results for discontinued operations have also been adjusted to exclude the impact of IFRS 5 'held for sale' accounting.

2 Excludes Primary Products Europe, which has been retained. Reflects cost re-allocations (stranded costs) transferred to Food & Beverage Solutions reflecting separation of the businesses see Note 3.

Resilient performance

Volume was 3% higher with sweetener volume 1% lower and industrial starch volume 22% higher. Sweetener volume benefited from improved out-of-home demand for beverages but was impacted by operational and supply chain disruption. Industrial starch volume benefited from its strategy to focus on packaging markets as well as a weak comparative period impacted by Covid-19. Revenue at £891 million increased by 22% in constant currency reflecting higher volume, 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 six months to 30 September 2019, volume was 5% lower and revenue 15% higher.

Adjusted operating profit was 10% lower in constant currency at £74 million. Adjusted operating profit in Sweeteners and Starches was 13% lower in constant currency reflecting costs associated with productivity related operational disruption at our Lafayette, Indiana facility of £6 million and input cost inflation. Benefits from the productivity programme also supported financial performance. Profit for the period was also lower as the comparative period benefited from transactional foreign exchange in Latin America of £3 million. Commodities adjusted operating profit at £14 million was 4% higher in constant currency.

Currency translation decreased revenue by £84 million and adjusted operating profit by £8 million.

Sweeteners

Volume was 1% lower with out-of-home consumption continuing to recover after declining during Covid-19 lockdowns mitigated by the impact of operational disruption. While out-of-home consumption continues to recover, demand in that channel remains below pre-pandemic levels.

Industrial Starches

Volume was 22% higher as demand for paper and packaging recovered compared to weak demand in the comparative period. Our strategy to partner with customers focused on more sustainable, plant-based packaging delivered growth ahead of the market.

Commodities

Commodities delivered adjusted operating profit of £14 million, 4% higher in constant currency. As we entered the period, market conditions remained good and co-product recoveries high, with market conditions and co-product recoveries weakening as the half progressed.

ADDITIONAL COMMENTARY IN FINANCIAL STATEMENTS

Six months to 30 September[1] Continuing operations	2021 £m	Restated* 2020 £m	Change %	Constant currency change %
Revenue	**656**	592	11%	19%
Adjusted operating profit[2]				
- Food & Beverage Solutions	**83**	90	(7%)	2%
- Sucralose	**31**	25	22%	34%
- Central	**(17)**	(24)	27%	25%
Adjusted operating profit	**97**	91	6%	18%
Net finance expense	**(12)**	(13)	5%	(3%)
Adjusted profit before tax	**85**	78	8%	20%
Exceptional items	**(59)**	(15)	(>99%)	(>99%)
Amortisation of acquired intangible assets	**(5)**	(5)	(5%)	(11%)
Profit before tax	**21**	58	(64%)	(41%)
Income tax expense[3]	**(9)**	(13)	26%	23%
Profit for the period – continuing operations	**12**	45	(74%)	(46%)
Profit for the period – discontinued operations	**90**	88	3%	12%
Profit for the period – total operations	**102**	133	(23%)	(8%)
Earnings per share (pence) – continuing operations				
Adjusted diluted	**14.4p**	12.9p	11%	25%
Diluted	**2.5p**	9.6p	(74%)	(46%)
Earnings per share (pence) – total operations				
Adjusted diluted	**29.8p**	32.1p	(7%)	3%
Diluted	**21.7p**	28.4p	(24%)	(8%)
Cash flow and net debt – total operations				
Adjusted free cash flow	**127**	194		
Net debt – At 30 September (comparative 31 March 2021)	**409**	417		

* Prior period restated to reflect discontinued operations (see Notes 1 and 6)
1. Adjusted results and certain other terms and performance measures used in this document are not directly defined within IFRS. We have provided descriptions of such metrics and their reconciliations to the most directly comparable measures reported in accordance with IFRS and the calculation (where relevant) of any ratios in Note 2.
2. For a reconciliation to the IFRS 8 segmental results refer to Note 3.
3. Statutory income tax expense on continuing operations of £9 million comprises adjusted income tax charge of £17 million (Difference of £8 million comprises exceptional tax charge of £6 million and tax credit on adjusting items of £14 million). Refer to Note 5.

Continuing operations – adjusted operating profit

Six months to 30 September 2021 Adjusted operating profit	2021 £m	2020 £m	Constant currency change %
Food & Beverage Solutions			
As previously reported	**98**	98	9%
Cost re-allocations[1]	**(4)**	(4)	(4%)
Retained European Primary Products business[2]	**(11)**	(4)	(>99%)
Food & Beverage Solutions	**83**	90	2%
Sucralose	**31**	25	34%
Central costs	**(17)**	(24)	25%
Adjusted operating profit – continuing operations	**97**	91	18%

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 NewCo disposal transaction.

Central costs

Central costs, which include head office costs and certain treasury and legal activities, were 27% lower (25% lower in constant currency) at £17 million benefitting from strong discipline on overhead costs. Higher costs in the comparative period also reflected higher self-insurance costs.

Net finance expense and liquidity

Net finance expense from continuing operations at £12 million was 5% lower (3% higher in constant currency), mainly reflecting lower finance costs in the comparative period due to the US$200 million Private Placement issued in August 2020.

Exceptional items

The Group recorded a net exceptional charge of £65 million in continuing operations, comprising £59 million of exceptional items included in profit before tax and a £6 million charge included as an exceptional item within tax. Such items principally included the following:

- £41 million of cash costs associated with the transaction to dispose of the Americas Primary Products business (“NewCo” or the “NewCo 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 NewCo Business disposal;
- £2 million of cash costs relating to productivity and simplification projects in our operations; and
- £3 million net charge related to historical legal matters in the US.

The exceptional cash outflows for the period totalled £15 million (for total operations), comprising £8 million of cash outflows related to charges recorded in the current period and £7 million of cash outflows resulting from exceptional costs recorded in 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 delivered US$144 million of total benefits to date. During the six months to 30 September 2021, exceptional cash costs in respect of this programme of US$3 million (£2 million, total operations) were recognised (either paid or provided), bringing the total to date to US$51 million.

In the comparative period, the Group recorded a net exceptional charge of £15 million in continuing operations.

Taxation

The adjusted effective tax rate on continuing operations was 20.2% (30 September 2020 (restated) – 22.5%). The rate reflects the prevailing rates of corporation tax in the US and UK, the jurisdictions most applicable to the Group’s activities, as well as the benefit from the recognition of additional deferred tax assets following the announced future increase in the UK corporation tax rate. We expect the adjusted effective tax rate for the year ending 31 March 2022 to be at a similar level to this rate.

The reported effective tax rate (on statutory earnings) for continuing operations was 44.7% (30 September 2020 – 21.9%). The higher effective tax rate on statutory earnings reflects the £6 million exceptional tax charge recorded in the period.

Earnings per share

For continuing operations, adjusted earnings per share increased by 11% (25% in constant currency) to 14.5p and adjusted diluted earnings per share at 14.4p were also 11% higher (25% in constant currency). This increase reflects both stronger business performance as well as a slightly lower tax rate. Statutory diluted earnings per share decreased by 7.1p to 2.5p, principally reflecting the higher exceptional costs in the period.

Discontinued operations

Discontinued operations comprises the NewCo Business which represents a disposal group.

Six months to 30 September 2021	2021 £m	2020 £m	Change %	Constant currency change %
Revenue	**891**	797	12%	22%
Primary Products as previously reported – adjusted operating profit	**59**	83	(28%)	(19%)
Costs re-allocations to continuing operations[1]	**4**	4	5%	4%
Transfer of European Primary Products to continuing operations[2]	**11**	4	>99%	>99%
Adjusted operating profit	**74**	91	(19%)	(10%)
Net finance expense	**(2)**	(2)	21%	13%
Adjusted share of profit after tax from joint ventures	**15**	13	13%	12%
Adjusted profit before tax	**87**	102	(14%)	(7%)
Exceptional items	**(2)**	(3)	30%	24%
IFRS 5 held for sale adjustments	**25**	–	–%	–%
Profit before tax	**110**	99	11%	20%
Income tax expense	**(20)**	(11)	(74%)	(88%)
Profit for the period – discontinued operations	**90**	88	3%	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 NewCo disposal transaction.

Adjusted profit after tax for discontinued operations (which excludes the impact of exceptional items and IFRS 5 held for sale adjustments) of £72 million was 12% lower than the comparative period, mainly reflecting weaker operating performance.

IFRS 5 Held for Sale adjustments of £25 million

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

- Cessation of depreciation of assets of the NewCo Business, this reduced operating costs by £23 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 joint venture income of £7 million, however dividends received in the period were recorded as income within discontinued operations, an income of £9 million.

Such adjustments applied prospectively from 1 July 2021 (being the date at which the 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 £15 million was 13% higher (12% higher in constant currency) principally due to higher profits in DuPont Tate & Lyle Bio-Products (Bio-PDO), as demand recovered from the pandemic period. Almex saw stronger sweetener demand in the half as consumption recovered compared to a Covid-19 pandemic impacted comparative period. Almex profit was in line with the comparative period, as the impact of higher volume was offset by the benefit in the comparative period of transactional foreign exchange of £4 million. 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 in joint venture income of £7 million).

Net finance expense

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

Exceptional items

Relates to the exceptional charge recognised within the NewCo Business. This cash charge of £2 million relates principally to productivity and simplification projects in our operations.

Cash flow, net debt and liquidity – total operations

Adjusted free cash flow for the total Group was £127 million (2020 – £194 million). The decrease of £67 million reflects the weaker performance in Primary Products, as well as an increase in working capital of £54 million. The increase in working capital was due to higher receivables as a result of increased revenue and an increase in inventory as a result of higher corn prices.

We continue to expect capital expenditure for the 2022 financial year to be between £160 million and £180 million Such forecast capital expenditure assumes completion of the Transaction to sell the NewCo Business on 31 March 2022.

Net debt at 30 September 2021 of £409 million was £8 million lower than at 31 March 2021. Net cash flow generated from operating activities was largely offset by dividend payments of £102 million and capital expenditure of £67 million leading to this modest reduction in the period.

At 30 September 2021 the Group held cash and cash equivalents of £396 million (including £11 million classified as held for sale) and had access to a committed, undrawn revolving credit facility of US$800 million until 2025. Net debt to EBITDA ratio was 0.8 times (31 March 2021 – 0.8 times). On a covenant-testing basis, net debt to EBITDA ratio was 0.6 times, which was materially lower than the required covenant ratio of not greater than 3.5 times, demonstrating significant headroom above this covenant requirement.

Retirement benefits

The Group maintains pension plans for certain of its current and former employees in a number of countries. Certain of these arrangements are defined benefit pension schemes. All funded schemes in the UK and US are closed for further accrual. In the US, the Group also continues to provide an unfunded post-retirement medical benefit scheme.

On disposal of the NewCo Business, the Group will retain all US defined benefit pension schemes. However, certain funded non-qualified deferred compensation arrangements as well as the unfunded post-retirement medical plans relating to employees transitioning as part of the Transaction (together representing a net deficit of £28 million) will be disposed of and are therefore classified as held for sale.

At 30 September 2021, the Group's retirement benefit obligations were in a net deficit of £114 million (31 March 2021 – net deficit of £140 million). 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).

During the period to 30 September 2021, the asset performance closely matched and offset the actuarial losses in the funded plans. As a result, the net deficit position increased marginally to £142 million before the impact of reclassification to held for sale.

The main UK plan was subject to a 'buy-in' in the 2020 financial year whereby any increases in pension obligations are offset by equal and opposite movements in the 'buy-in' insurance policy. As a result, the balance sheet for the UK plans has remained consistent with the 31 March 2021 position.

In the six months to 30 September 2021, pension contributions of £5 million were in line with the comparative period.

Basis of preparation

Notwithstanding the application of IFRS 5 'Non-current assets Held for Sale and Discontinued Operations' to the NewCo Business, the Group's principal accounting policies are unchanged compared with the year ended 31 March 2021 with one exception. During the six months to 30 September 2021, the Group has revised its accounting policy in relation to upfront configuration and customisation costs incurred in implementing Software-as-a-Service arrangements in response to an IFRS Interpretations Committee decision (*Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets)—Agenda Paper 2*).

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

Going Concern

The Directors are satisfied that the Group has adequate resources to continue to operate as a going concern for the foreseeable future and that no material uncertainties exist with respect to this assessment. In making the assessment, the Directors have considered the Group's balance sheet position and forecast earnings and cash flows for the period from the date of approval of this condensed set of consolidated financial information to 31 March 2023. The Directors have also considered the impact of the Transaction on 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 30 September 2021, the Group has significant available liquidity, including £396 million of cash and US$800 million of committed and undrawn revolving credit facility, of which US$100 million matures in 2025 and US$700 million matures in 2026. In addition, none of the Group's existing financing matures during the going concern assessment period and the Transaction does not require any of it to be repaid or refinanced. The earliest maturity date is October 2023, when US$120 million of private placement debt 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 only one debt covenant requirement which is to maintain a net debt to EBITDA ratio of not more than 3.5 times. On the covenant-testing basis this was 0.6 times at 30 September 2021 (Refer to Note 2). For a covenant breach to occur it would require a profound reduction in Group profit. Such reduction is considered to be extremely unlikely.

As set out in our 31 March 2021 Annual Report, during May 2021, the Directors modelled the impact of a 'worst case scenario' to the Base case by including the same three plausible but severe downside risks also used for the Group's viability statement, being: a major shutdown of our largest manufacturing facility; the loss of two of our largest Food & Beverage Solutions customers; and a slower recovery from the impact of the Covid-19 pandemic. In aggregate, such 'worst case scenario' did not result in any material uncertainty to the Group's going concern assessment and did not erode the significant headroom above the Group's debt covenant requirement. The Directors also calculated a 'reverse stress test', which represents the changes that would be required to the Base case in order to breach the Group's debt covenant. Such 'reverse stress test' showed that the forecast Group profit would have to be reduced to almost zero in order to cause a breach.

Since the assessment in May, the Directors updated the model such that it considered similar downside cases (being a major plant shutdown, loss of our two largest Food & Beverage Solutions customers and a slower recovery from the Covid-19 pandemic). This assessment also considered a scenario where the Transaction did not complete. Based on this assessment, the Directors concluded that in both the Base Case and worst case scenario, the Group has significant liquidity and covenant headroom throughout the period to 31 March 2023. Accordingly, the Directors have concluded that there are no material uncertainties with respect to going concern and have adopted the going concern basis in preparing the condensed consolidated financial information of the Group as at 30 September 2021.

Risks and uncertainties

The principal risks and uncertainties affecting the business activities of the Group are detailed on pages 71 to 76 of the Tate & Lyle Annual Report 2021, a copy of which is available on the Company's website at www.tateandlyle.com. Given the work currently being undertaken to complete the transaction announced on 12 July 2021 to sell a controlling stake in the Primary Products business in the Americas ("NewCo") to KPS Capital Partners, LP, the Board has decided to add a further principal risk to those outlined in the Annual Report 2021 which is 'Failure to successfully manage the transition to two standalone businesses following the sale of the controlling stake in Primary Products'. The Board considers that actions are also being taken to substantially mitigate the impact of this risk. Except as described above, the Board considers that the principal risks set out in the Annual Report 2021 remain unchanged and that actions continue to be taken to substantially mitigate the impact of such risks, should they materialise.

CAUTIONARY STATEMENT AND CONFERENCE CALL DETAILS

Cautionary statement

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

A copy of this statement of Half Year Results for the six months to 30 September 2021 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, 1 Kingsway, London WC2B 6AT.

Webcast and Q&A Details

An audio presentation of the results by Chief Executive, Nick Hampton, and Chief Financial Officer, Vivid Sehgal, will be available to view on our website from 07.00 (GMT) on Thursday 4 November 2021. To access the presentation, visit https://www.investis-live.com/tate-and-lyle/61718bc1835ae21200bc2f0b/dfgh.

This presentation will be live streamed at 10.00 (GMT), and will then be followed by a live Q&A session. To view and listen to this audio webcast and Q&A, visit https://www.investis-live.com/tate-and-lyle/61718e74b3a1780c00c8bf58/hunbPlease 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 audio webcast with Q&A will be available on the same link at https://www.investis-live.com/tate-and-lyle/61718e74b3a1780c00c8bf58/hunb within two hours of the end of the live broadcast.

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CONDENSED (INTERIM) CONSOLIDATED INCOME STATEMENT (UNAUDITED)

Continuing operations	Notes	Six months to 30 September 2021 £m	Restated* Six months to 30 September 2020 £m	Restated* Year to 31 March 2021 £m
Revenue	2	**656**	592	1 211
Operating profit	2	**33**	71	116
Finance income		**–**	1	1
Finance expense		**(12)**	(14)	(27)
Profit before tax		**21**	58	90
Income tax expense	5	**(9)**	(13)	(1)
Profit for the period – continuing operations		**12**	45	89
Profit for the period – discontinued operations	6	**90**	88	164
Profit for the period – total operations		**102**	133	253
Profit for the period attributable to:				
- Owners of the Company		**102**	133	253
- Non-controlling interests		**–**	–	–
Profit for the period – total operations		**102**	133	253
Earnings per share		**Pence**	Pence	Pence
Continuing operations				
– basic	7	**2.5p**	9.7p	19.3p
– diluted	7	**2.5p**	9.6p	19.1p
Total operations				
– basic	7	**21.9p**	28.6p	54.4p
– diluted	7	**21.7p**	28.4p	53.8p

Analysis of adjusted profit for the period – continuing operations		£m	£m	£m
Profit before tax – continuing operations		**21**	58	90
Adjusted for:				
Net charge for exceptional items	4	**59**	15	34
Amortisation of acquired intangible assets		**5**	5	10
Adjusted profit before tax – continuing operations	2	**85**	78	134
Adjusted income tax expense – continuing operations	2	**(17)**	(17)	(16)
Adjusted profit for the period – continuing operations	2	**68**	61	118

* Prior periods restated to reflect discontinued operations (see Notes 1 and 6)

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

	Notes	**Six months to 30 September 2021 £m**	Six months to 30 September 2020 £m	Year to 31 March 2021 £m
Profit for the period – total operations		**102**	133	253
Other comprehensive income/(expense):				
Items that have been/may be reclassified to profit or loss:				
Gain/(loss) on currency translation of foreign operations		**41**	(35)	(141)
Fair value (loss)/gain on net investment hedges		**(28)**	13	39
Net gain on cash flow hedges		**40**	1	1
Net change in cost of hedging		**(2)**	–	–
Share of other comprehensive income/(expense) of joint ventures		**5**	(3)	(6)
Tax effect of the above items		**(10)**	–	–
		46	(24)	(107)
Items that will not be reclassified to profit or loss:				
Re-measurement of retirement benefit plans:				
– return on plan assets	11	**35**	186	129
– net actuarial loss on retirement benefit obligations	11	**(35)**	(177)	(80)
Change in the fair value of FVOCI investments	10	**(1)**	(1)	3
Tax effect of the above items		**–**	(3)	(13)
		(1)	5	39
Total other comprehensive income/(expense)		**45**	(19)	(68)
Total comprehensive income		**147**	114	185
Analysed by:				
- Continuing operations		**2**	58	129
- Discontinued operations		**145**	56	56
Total comprehensive income – total operations		**147**	114	185
Attributable to:				
- Owners of the Company		**147**	114	185
- Non-controlling interests		**–**	–	–
Total comprehensive income – total operations		**147**	114	185

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

	Notes	At 30 September 2021 £m	Restated* At 30 September 2020 £m	Restated* At 31 March 2021 £m
ASSETS				
Non-current assets				
Goodwill and other intangible assets		**290**	319	345
Property, plant and equipment (including right-of-use assets of £46 million (30 September 2020 – £133 million, 31 March 2021 – £121 million))		**426**	1 152	1 105
Investments in joint ventures		**–**	98	104
Investments in equities	10	**50**	65	59
Retirement benefit surplus	11	**22**	9	18
Deferred tax assets		**44**	30	32
Trade and other receivables		**1**	1	1
Derivative financial instruments	10	**–**	3	1
		833	1 677	1 665
Current assets				
Inventories		**263**	391	532
Trade and other receivables		**251**	314	333
Current tax assets		**11**	5	11
Derivative financial instruments	10	**3**	9	23
Other current financial assets	10	**–**	38	32
Cash and cash equivalents	9	**385**	484	371
		913	1 241	1 302
Assets classified as held for sale	6	**1 372**	–	–
		2 285	1 241	1 302
TOTAL ASSETS		**3 118**	2 918	2 967
EQUITY				
Capital and reserves				
Share capital		**117**	117	117
Share premium		**407**	407	407
Capital redemption reserve		**8**	8	8
Other reserves		**196**	223	144
Retained earnings		**779**	668	777
Equity attributable to owners of the Company		**1 507**	1 423	1 453
Non-controlling interests		**1**	–	1
TOTAL EQUITY		**1 508**	1 423	1 454
LIABILITIES				
Non-current liabilities				
Borrowing (including lease liabilities of £52 million (30 September 2020 – £116 million, 31 March 2021 – £116 million))	9	**699**	800	746
Retirement benefit deficit	11	**136**	200	158
Deferred tax liabilities		**8**	26	41
Provisions		**13**	12	11
		856	1 038	956
Current liabilities				
Borrowings (including lease liabilities of £9 million (30 September 2020 – £27 million, 31 March 2021 – £27 million))	9	**25**	42	42
Trade and other payables		**211**	333	431
Provisions		**16**	20	24
Current tax liabilities		**15**	51	25
Derivative financial instruments	10	**17**	1	9
Other current financial liabilities	10	**–**	10	26
		284	457	557
Liabilities directly associated with the assets held for sale	6	**470**	–	–
		754	457	557
TOTAL LIABILITIES		**1 610**	1 495	1 513
TOTAL EQUITY AND LIABILITIES		**3 118**	2 918	2 967

* Prior periods restated for change in accounting policy (Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2, see Notes 1 and 15)

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

	Notes	**Six months to 30 September 2021 £m**	Six months to 30 September 2020 £m	Year to 31 March 2021 £m
Cash flows from operating activities – total operations				
Profit before tax from total operations		**131**	157	283
Adjustments for:				
Depreciation of property, plant and equipment (excluding exceptional items)		**47**	72	142
Amortisation of intangible assets		**14**	16	33
Share-based payments		**6**	7	8
Net impact of exceptional income statement items	4	**46**	1	10
Net finance expense		**14**	15	30
Share of profit after tax of joint ventures		**(8)**	(13)	(26)
Net retirement benefit obligations		**(2)**	(2)	(8)
Changes in working capital and other non-cash movements		**(28)**	26	(24)
Cash generated from total operations		**220**	279	448
Net income tax paid		**(31)**	(24)	(57)
Interest paid		**(10)**	(10)	(22)
Net cash generated from operating activities		**179**	245	369
Cash flows from investing activities				
Purchase of property, plant and equipment		**(62)**	(62)	(134)
Disposal of property, plant and equipment		**–**	5	5
Acquisition of businesses, net of cash acquired		**1**	–	(62)
Investments in intangible assets		**(5)**	(7)	(18)
Purchase of equity investments	10	**(2)**	(3)	(4)
Disposal of equity investments	10	**2**	2	3
Interest received		**–**	1	1
Dividends received from joint ventures		**25**	4	4
Net cash used in investing activities		**(41)**	(60)	(205)
Cash flows from financing activities				
Purchase of own shares including net settlement		**(4)**	(4)	(5)
Cash inflow from additional borrowings		**1**	153	154
Cash outflow from repayment of borrowings		**–**	–	(5)
Repayment of leases		**(16)**	(18)	(36)
Dividends paid to the owners of the Company	8	**(102)**	(97)	(137)
Net cash (used in)/ generated from financing activities		**(121)**	34	(29)
Net increase in cash and cash equivalents	9	**17**	219	135
Cash and cash equivalents				
Balance at beginning of period		**371**	271	271
Net increase in cash and cash equivalents		**17**	219	135
Currency translation differences		**8**	(6)	(35)
Balance at end of period	9	**396**	484	371

A reconciliation of the movement in cash and cash equivalents to the movement in net debt is presented in Note 9. Included in the total cash and cash equivalents of £396 million held at 30 September 2021, is £11 million classified as held for sale.

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

	Share capital and share premium	Capital redemption reserve	Other reserves	Retained earnings	Attributable to owners of the Company	Non-controlling interests	Total equity
	£m	£m	£m	£m	£m	£m	£m
At 1 April 2021 (restated)*	**524**	**8**	**144**	**777**	**1 453**	**1**	**1 454**
Profit for the period	**–**	**–**	**–**	**102**	**102**	**–**	**102**
Other comprehensive income	**–**	**–**	**45**	**–**	**45**	**–**	**45**
Total comprehensive income	**–**	**–**	**45**	**102**	**147**	**–**	**147**
Hedging losses transferred to inventory	**–**	**–**	**9**	**–**	**9**	**–**	**9**
Tax effect of the above item	**–**	**–**	**(2)**	**–**	**(2)**	**–**	**(2)**
Transactions with owners:							
Share-based payments, net of tax	**–**	**–**	**–**	**6**	**6**	**–**	**6**
Purchase of own shares including net settlement	**–**	**–**	**–**	**(4)**	**(4)**	**–**	**(4)**
Dividends paid (Note 8)	**–**	**–**	**–**	**(102)**	**(102)**	**–**	**(102)**
At 30 September 2021	**524**	**8**	**196**	**779**	**1 507**	**1**	**1 508**
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 period	–	–	–	133	133	–	133
Other comprehensive (expense)/ income	–	–	(25)	6	(19)	–	(19)
Total comprehensive (expense)/ income	–	–	(25)	139	114	–	114
Hedging losses transferred to inventory	–	–	13	–	13	–	13
Tax effect of the above item	–	–	(4)	–	(4)	–	(4)
Transactions with owners:							
Share-based payments, net of tax	–	–	–	7	7	–	7
Issue of share capital	1	–	–	–	1	–	1
Purchase of own shares including net settlement	–	–	–	(4)	(4)	–	(4)
Dividends paid	–	–	–	(97)	(97)	–	(97)
At 30 September 2020 (Restated)*	524	8	223	668	1 423	–	1 423

* Prior period restated for change in accounting policy (Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2, see Notes 1 and 15)

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

	Share capital and share premium £m	Capital redemption reserve £m	Other reserves £m	Retained earnings £m	Attributable to 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 1April 2020 – restated*	523	8	239	623	1 393	–	1 393
Profit for the year	–	–	–	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	–	–	–	(137)	(137)	–	(137)
Other movement	–	–	–	(3)	(3)	–	(3)
At 31 March 2021 (Restated)	524	8	144	777	1 453	1	1 454

* Prior period restated for change in accounting policy (Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2, see Notes 1 and 15)

TATE & LYLE PLC

NOTES TO THE FINANCIAL INFORMATION

For the six months to 30 September 2021

1. Presentation of half year financial information

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

The Company is a public limited company incorporated and domiciled in the United Kingdom and registered in England. The address of its registered office is 1 Kingsway, London WC2B 6AT. The Company has its primary listing on the London Stock Exchange.

Basis of preparation

Notwithstanding the application of IFRS 5 – 'Non-current assets Held for Sale and Discontinued Operations' to the NewCo Business, the Group's principal accounting policies are unchanged compared with the year ended 31 March 2021 with one exception. During the period to 30 September 2021, the Group has revised its accounting policy in relation to upfront configuration and customisation costs incurred in implementing Software-as-a-Service arrangements in response to an IFRS Interpretations Committee decision (*Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2).* Other than for this change, this condensed set of consolidated financial information for the six months to 30 September 2021 has been prepared on the basis of the accounting policies set out in the Group's 2021 Annual Report and in accordance with UK adopted IAS 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority. In the year to 31 March 2022 and beyond, financial statements will be prepared in accordance with UK adopted international accounting standards. This change in the basis of preparation is required by UK company law for the purposes of financial reporting as a result of the UK's exit from the European Union on 31 January 2020 and the cessation of the transition period on 31 December 2020. This does not constitute a change in accounting policy but rather a change in framework, which is required to ground the use of IFRS in company law. There is no impact on recognition, measurement or disclosure between the two frameworks in the period reported.

The Directors have determined that there is a significant accounting judgment with respect to the Group's future accounting for its 49.9% interest in the NewCo Business following the completion of the Transaction. 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 NewCo. Instead, important operational decisions will be decided by a majority vote by the NewCo Board (KPS will have the right to appoint four directors and the Group will have the right to appoint two) and more significant strategic matters will require unanimous agreement of each of the two shareholders. In addition, from completion, the Group and NewCo will enter into certain long-term agreements, principally relating to the supply of product between one another; such agreements will 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 NewCo will meet the definition of a joint venture.

The Directors are satisfied that the Group has adequate resources to continue to operate as a going concern for the foreseeable future and that no material uncertainties exist with respect to this assessment. In making the assessment, the Directors have considered the Group's balance sheet position and forecast earnings and cash flows for the period from the date of approval of this condensed set of consolidated financial information to 31 March 2023. The Directors have also considered the impact of the Transaction on 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 30 September 2021, the Group has significant available liquidity, including £396 million of cash and US$800 million of committed and undrawn revolving credit facility, of which US$100 million matures in 2025 and US$700 million matures in 2026. In addition, none of the Group's existing financing matures during the going concern assessment period and the Transaction does not require any of it to be repaid or refinanced. The earliest maturity date 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 only one debt covenant requirement which is to maintain a net debt to EBITDA ratio of not more than 3.5 times. On the covenant-testing basis this was 0.6 times at 30 September 2021 (refer to Note 2). For a covenant breach to occur it would require a profound reduction in Group profit. Such reduction is considered to be extremely unlikely.

1. Presentation of half year financial information (continued)

Basis of preparation (continued)

As set out in our 31 March 2021 Annual Report, during May 2021, the Directors modelled the impact of a 'worst case scenario' to the Base case by including the same three plausible but severe downside risks also used for the Group's viability statement, being: a major shutdown of our largest manufacturing facility; the loss of two of our largest Food & Beverage Solutions customers; and a slower recovery from the impact of the Covid-19 pandemic. In aggregate, such 'worst case scenario' did not result in any material uncertainty to the Group's going concern assessment and did not erode the significant headroom above the Group's debt covenant requirement. The Directors also calculated a 'reverse stress test', which represents the changes that would be required to the Base case in order to breach the Group's debt covenant. Such 'reverse stress test' showed that the forecast Group profit would have to be reduced to almost zero in order to cause a breach.

Since the assessment in May, the Directors updated the model such that it considered similar downside cases (being a major plant shutdown, loss of our two largest Food & Beverage Solutions customers and a slower recovery from the Covid-19 pandemic). This assessment also considered a scenario where the Transaction did not complete. Based on this assessment, the Directors concluded that in both the Base Case and Worst Case scenario, the Group has significant liquidity and covenant headroom throughout the period to 31 March 2023. Accordingly, the Directors have concluded that there are no material uncertainties with respect to going concern and have adopted the going concern basis in preparing the condensed consolidated financial information of the Group as at 30 September 2021.

The condensed set of consolidated financial information is unaudited but has been reviewed by the external auditor and its report to the Company is set out on page 47. The information shown for the year ended 31 March 2021 does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006 and has been extracted from the Group's 2021 Annual Report which has been approved by the Board of Directors on 26 May 2021 and filed with the Registrar of Companies.

The report of the auditor on the financial statements contained within the Group's 2021 Annual Report was unqualified and did not contain a statement under either Section 498(2) or Section 498(3) of the Companies Act 2006. The interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 March 2021, which were prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards ("IFRS") adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

The condensed set of consolidated financial information for the six months to 30 September 2021 on pages 16 to 42 was approved by the Board of Directors on 3 November 2021.

The presentation of the income statements for the six months to 30 September 2020 and the year to 31 March 2021 has been amended to align with the presentation of the income statement for the six months to 30 September 2021 including discontinued operations.

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

On 12 July 2021 the Group announced that it has entered into an agreement to sell a controlling stake in a new company and its subsidiaries ("NewCo" or the "NewCo 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"). Tate & Lyle will own 49.9% of NewCo.

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 will become NewCo as a disposal group held for sale and a discontinued operation. 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, assets and liabilities and cash flows of discontinued operations are presented separately from those of continuing operations. Accordingly, the results for the six month period to 30 September 2020 and year to 31 March 2021 have been restated impacting the consolidated income statement. Refer to Note 6 for further details on discontinued operations.

Changes in accounting policy and disclosures

The accounting policies adopted in the preparation of the condensed set of consolidated financial information are consistent with those of the Group's Annual Report and Accounts for the year to 31 March 2021, but also reflect the adoption, with effect from 1 April 2021, of new or revised accounting standards, as set out below.

1. Presentation of half year financial information (continued)

Changes in accounting policy and disclosures (continued)

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 period to 30 September 2021, the Group has revised its accounting policy in relation to upfront configuration and 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 15. The revised accounting policy is shown below.

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

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.

Seasonality

The Group's principal exposure to seasonality is in relation to working capital. The Group's inventories are subject to seasonal fluctuations reflecting the timing of crop harvests in North America and purchases. Inventory levels typically increase from September to November and gradually reduce in the first six months of the calendar year.

Changes in constant currency

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

Use of alternative performance measures

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

- **Exceptional items** (excluded as they are material in amount; and are outside the normal course of business or relate to events which do not frequently recur, and therefore merit separate disclosure in order to provide a better understanding of the Group's underlying financial performance);
- **Amortisation of acquired intangible assets** (costs associated with amounts recognised through acquisition accounting that impact earnings compared to organic investments);
- **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 NewCo Business; and, 2) Cessation of equity accounting of the share of profits and dividends received from the Group's existing joint venture interests. These adjustments relate to the six-month period to 30 September 2021 only. Within adjusted discontinued operations these adjustments are excluded in order to provide a better understanding of the Group's underlying financial performance on a like-for-like basis with the comparative periods.

1. Presentation of half year financial information (continued)

Use of alternative performance measures (continued)

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

This document also contains pro-forma financial information for Tate & Lyle for the six months ended 30 September 2021 together with comparative information, which shows the impact of further adjustments reflecting additional factors that will come into effect at or following completion of the Transaction. Refer to 'Additional Information' on pages 44 and 45.

Exceptional items

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

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

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

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

2. Reconciliation of alternative performance measures

Income statement measures

For the reasons set out in Note 1, the Group presents alternative performance measures including adjusted operating profit, adjusted profit before tax and adjusted earnings per share.

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

£ million unless otherwise stated **Continuing operations**	**Six months to 30 September 2021** **IFRS reported**	**Adjusting items**	**Adjusted reported**	Restated* Six months to 30 September 2020 IFRS reported	Adjusting items	Adjusted reported
Revenue	**656**	**–**	**656**	592	–	592
Operating profit	**33**	**64**	**97**	71	20	91
Profit before tax	**21**	**64**	**85**	58	20	78
Income tax expense	**(9)**	**(8)**	**(17)**	(13)	(4)	(17)
Profit for the period	**12**	**56**	**68**	45	16	61
Effective tax rate %	**44.7%**		**20.2%**	21.9%		22.5%
Earnings per share:						
Number of ordinary shares[1] - basic	**465.2**		**465.2**	464.0		464.0
Basic earnings per share (pence)	**2.5p**	**12.0p**	**14.5p**	9.7p	3.4p	13.1p
Number of ordinary shares[1] - diluted	**469.6**		**469.6**	468.8		468.8
Diluted earnings per share (pence)	**2.5p**	**11.9p**	**14.4p**	9.6p	3.3p	12.9p

1. Weighted average (millions)
* Restated (see Notes 1 and 6)

£ million unless otherwise stated **Continuing operations**	Restated* Year to 31 March 2021 IFRS reported	Adjusting items	Adjusted reported
Revenue	1 211	–	1 211
Operating profit	116	44	160
Profit before tax	90	44	134
Income tax expense	(1)	(15)	(16)
Profit for the year	89	29	118
Effective tax rate %	1.2%		12.1%
Earnings per share:			
Number of ordinary shares[1] - basic	464.2		464.2
Basic earnings per share (pence)	19.3p	6.1p	25.4p
Number of ordinary shares[1] - diluted	469.4		469.4
Diluted earnings per share (pence)	19.1p	6.1p	25.2p

1. Weighted average (millions)
* Restated (see Notes 1 and 6)

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

Continuing operations	Note	**Six months to 30 September 2021 £m**	Restated* Six months to 30 September 2020 £m	Restated* Year to 31 March 2021 £m
Exceptional costs in operating profit	4	**59**	15	34
Amortisation of acquired intangible assets		**5**	5	10
Total excluded from adjusted profit before tax		**64**	20	44
Tax credit on adjusting items		**(14)**	(4)	(8)
Exceptional tax charge/(credit)	4	**6**	–	(7)
Total excluded from adjusted profit for the period		**56**	16	29

* Prior periods restated to reflect discontinued operations (see Notes 1 and 6)

2. Reconciliation of alternative performance measures (continued)

Cash flow measure

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

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

Total operations	**Six months to 30 September 2021 £m**	Six months to 30 September 2020 £m	Year to 31 March 2021 £m
Adjusted operating profit	**171**	182	339
Adjusted for:			
Depreciation and adjusted amortisation[1]	**56**	83	165
Share-based payments charge	**6**	7	8
Changes in working capital and other non-cash movements	**(28)**	26	(24)
Net retirement benefit obligations	**(2)**	(2)	(8)
Capital expenditure	**(67)**	(69)	(152)
Net interest and tax paid	**(41)**	(33)	(78)
Held for sale adjustment[2]	**32**	–	–
Adjusted free cash flow	**127**	194	250

1. Total depreciation of £47 million (30 September 2020 – £75 million; 31 March 2021 – £148 million) and amortisation of £14 million (30 September 2020 – £16 million; 31 March 2021 – £33 million) less £nil (30 September 2020 – £3 million; 31 March 2021 – £6 million) of accelerated depreciation recognised in exceptional items and £5 million (30 September 2020 – £5 million; 31 March 2021 – £10 million) of amortisation of acquired intangibles.
2. The IFRS 5 adjustments relating to the cessation of depreciation of assets and equity accounting are excluded from adjusted operating profit for total operations.

Financial strength measure

At the interim period the Group uses the net debt to EBITDA ratio to assess its financial strength. Performance is based on the previous 12 months' results. The ratio is calculated based on unrounded figures in £ million.

Calculation of net debt to EBITDA ratio – total operations	**30 September 2021 £m**	31 March 2021 £m
Net debt (Note 9)	**409**	417
Adjusted operating profit	**328**	339
Add back depreciation and adjusted amortization	**160**	165
EBITDA[1] – total operations	**488**	504
Net debt to EBITDA ratio (times)	**0.8**	0.8

1. EBITDA is calculated as adjusted operating profit of £328 million for the last 12 months (31 March 2021 – £339 million) adding back depreciation (excluding the impact of the IFRS 5 held for sale adjustments) of £138 million for the past 12 months (total depreciation of £142 million less £4 million of accelerated depreciation recognised in exceptional items) (31 March 2021 – depreciation of £142 million (total depreciation of £148 million less £6 million of accelerated depreciation recognised in exceptional items) and amortisation of £22 million for the past 12 months (total amortisation of £32 million less £10 million of amortisation of acquired intangible assets) (31 March 2021 – amortisation of £23 million (total amortisation of £33 million less £10 million of amortisation of acquired intangible assets).

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 0.6 times with the difference being driven by specific covenant definitions or requirements (e.g. exclusion of leases).

3. Segment information

Despite the classification of NewCo as a disposal group held for sale and discontinued operation, there is 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 six months to 30 September 2021 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:

3. Segment information (continued)

Segmental results for the six months to 30 September 2021

a) IFRS 8 Segment results

Total operations	Food & Beverage Solutions £m	Sucralose £m	Primary Products £m	Central £m	Total £m
	Six months to 30 September 2021				
Revenue*	**528**	**78**	**941**	**–**	**1 547**
Adjusted operating profit	**98**	**31**	**59**	**(17)**	**171**
Adjusted operating margin	**18.6%**	**39.3%**	**6.3%**	**n/a**	**11.1%**

* Includes £891 million of revenue recognised in discontinued operations

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

(i) Revenue

Continuing operations	Food & Beverage Solutions £m	Sucralose £m	Primary Products £m	Central £m	Total £m
	Six months to 30 September 2021				
Segmental revenue – as above	**528**	**78**	**941**	**–**	**1 547**
Reclassification to discontinued operations	**–**	**–**	**(891)**	**–**	**(891)**
Reclassification of European PP business to F&BS	**50**	**–**	**(50)**	**–**	**–**
As presented in Additional Commentary in financial statements (page 10)	**578**	**78**	**–**	**–**	**656**

(ii) Adjusted operating profit

Continuing operations	Food & Beverage Solutions £m	Sucralose £m	Primary Products £m	Central £m	Total £m
	Six months to 30 September 2021				
Segmental adjusted operating profits – as above	**98**	**31**	**59**	**(17)**	**171**
Transfer of European PP business to F&BS[1]	**(11)**	**–**	**11**	**–**	**–**
Reclassification to discontinued operations[1]	**(4)**	**–**	**(70)**	**–**	**(74)**
As presented in Additional Commentary in financial statements (page 10)[2]	**83**	**31**	**–**	**(17)**	**97**
Adjusted operating margin	**14.5%**	**39.3%**	**n/a**	**n/a**	**14.8%**

1. Food & Beverage Solutions adjustment relates to the inclusion of the European Primary Products business which is not subject to the disposal of the NewCo 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 for the period in Note 2.

Segmental results for the six months to 30 September 2020

a) IFRS 8 Segment results

Total operations	Food & Beverage Solutions £m	Sucralose £m	Primary Products £m	Central £m	Total £m
	Six months to 30 September 2020				
Revenue*	475	72	842	–	1 389
Adjusted operating profit	98	25	83	(24)	182
Adjusted operating margin	20.5%	34.9%	9.9%	n/a	13.1%

* Includes £797 million of revenue recognised in discontinued operations

3. Segment information (continued)

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

(i) Revenue

	Restated* Six months to 30 September 2020				
Continuing operations	Food & Beverage Solutions £m	Sucralose £m	Primary Products £m	Central £m	Total £m
Segmental revenue – as above	475	72	842	–	1 389
Reclassification to discontinued operations	–	–	(797)	–	(797)
Reclassification of European PP business to F&BS	45	–	(45)	–	–
As presented in Additional Commentary in financial statements (page 10)	520	72	–	–	592

* Prior periods restated to reflect discontinued operations (see Notes 1 and 6)

(ii) Adjusted operating profit

	Restated* Six months to 30 September 2020				
Continuing operations	Food & Beverage Solutions £m	Sucralose £m	Primary Products £m	Central £m	Total £m
Segmental adjusted operating profits – as above	98	25	83	(24)	182
Transfer of European PP business to F&BS[1]	(4)	–	4	–	–
Reclassification to discontinued operations[1]	(4)	–	(87)	–	(91)
As presented in Additional Commentary in financial statements (page 10)	90	25	–	(24)	91
Adjusted operating margin	17.2%	34.9%	n/a	n/a	15.4%

* Prior periods restated to reflect discontinued operations (see Notes 1 and 6)

1. Food & Beverage Solutions adjustment relates to the inclusion of the European Primary Products business which is not subject to the disposal of the NewCo Group 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.

Segmental results for the year to 31 March 2021

a) IFRS 8 Segment results

	Year to 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	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

Reconciliation of IFRS 8 segmental disclosures to the income statement:

(i) Revenue

	Restated* Year to 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)
Reclassification of European PP business to F&BS	90	–	(90)	–	–
Revenue restated	1 060	151	–	–	1 211

* Prior periods restated to reflect discontinued operations (see Notes 1 and 6)

3. Segment information (continued)

(ii) Adjusted operating profit

	Restated* Year to 31 March 2021				
Continuing operations	Food & Beverage Solutions £m	Sucralose £m	Primary Products £m	Central £m	Total £m
Adjusted operating profit – segments	177	55	158	(51)	339
Transfer of European PP business to F&BS[1]	(14)	–	14	–	–
Reclassification to discontinued operations[1]	(7)	–	(172)	–	(179)
Adjusted operating profit restated	156	55	–	(51)	160
Adjusted operating margin	14.7%	36.8%	n/a	n/a	13.3%

* Prior periods restated to reflect discontinued operations (see Notes 1 and 6)

1. Food & Beverage Solutions adjustment relates to the inclusion of the European Primary Products business which is not subject to the disposal of the NewCo Group 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.

b) Geographic disclosure: revenue – total operations	**Six months to 30 September 2021 £m**	Six months to 30 September 2020 £m	Year to 31 March 2021 £m
Food & Beverage Solutions			
North America	**260**	240	485
Asia, Middle East, Africa and Latin America	**151**	131	269
Europe	**117**	104	216
Food & Beverage Solutions – total	**528**	475	970
Sucralose – total	**78**	72	151
Primary Products			
Americas	**891**	797	1 596
Rest of the world	**50**	45	90
Primary Products – total	**941**	842	1 686
Total	**1 547**	1 389	2 807

Revenue - reconciliation to the income statement

	Six months to 30 September 2021 £m	Six months to 30 September 2020 £m	Year to 31 March 2021 £m
Revenue – geographic disclosure – total operations	**1 547**	1 389	2 807
Transfer of European PP business to F&BS	**50**	45	90
Reclassified to discontinued operations	**(941)**	(842)	(1 686)
Revenue – continuing operations	**656**	592	1 211

4. Exceptional items

Exceptional items recognised in the income statement are as follows:

Income statement – continuing operations	Footnotes	**Six months to 30 September 2021 £m**	Restated* Six months to 30 September 2020 £m	Restated* Year to 31 March 2021 £m
Costs associated with the separation and disposal of NewCo	(a)	**(41)**	(5)	(19)
Impairment related to the disposal of NewCo	(b)	**(13)**	–	–
Restructuring costs	(c)	**(2)**	(12)	(12)
Historical legal matters	(d)	**(3)**	2	(3)
Exceptional items included in profit before tax		**(59)**	(15)	(34)
US tax credit		**–**	–	7
UK tax charge	(e)	**(6)**	–	–
Exceptional items included in income tax		**(6)**	–	7
Exceptional items – continuing operations		**(65)**	(15)	(27)
Discontinued operations				
Restructuring costs		**(2)**	(3)	(8)
Exceptional items – discontinued operations		**(2)**	(3)	(8)
Exceptional items – total operations		**(67)**	(18)	(35)

* Prior periods restated to reflect discontinued operations (see Notes 1 and 6)

Continuing operations

a) In the six months to 30 September 2021 the Group announced it had entered into an agreement to sell a controlling interest in NewCo. The associated transaction and separation costs during this period totalled £41 million which consisted principally of external advisor fees, which were recognised within Central.

b) Following this agreement to sell a controlling interest in NewCo, the Group has assessed all assets for impairment. This resulted in no impairment of 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) The Group recorded £2 million of restructuring costs relating to productivity and simplification projects, principally in relation to Global Operations cost-saving initiatives. Of the £2 million charge, £1 million was recorded in Food & Beverage Solutions whilst £1 million was recognised within Central.

d) The Group recorded a net £3 million charge related to historical legal matters in the US, including a credit of £2 million in relation to a partial release of a provision following the favourable settlement of a legal claim.

e) As a result of the agreement to sell a controlling interest in NewCo, 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.

Of the net £59 million exceptional charge recorded in operating profit in continuing operations during the period, £7 million was reflected in exceptional cash flow. In addition, £7 million of exceptional costs recorded in prior year resulted in cash outflows in the six months to 30 September 2021, such that cash outflow from exceptional items in continuing operations was £14 million. There was a further net cash outflow of £1 million recognised in discontinued operations.

The most significant exceptional costs in the comparative periods were costs incurred in relation to the NewCo 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 periods 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 £12 million.

4. Exceptional items (continued)

Discontinued operations

The exceptional costs in the current period were restructuring costs relating to productivity and simplification projects totalling £2 million which were mainly related to Global Operations cost saving initiatives.

Cash flows from total operations

Cash flows from exceptional items are set out below:

Net cash outflows on exceptional items	Footnotes	Six months to 30 September 2021 £m	Restated* Six months to 30 September 2020 £m	Restated* Year to 31 March 2021 £m
Costs associated with the separation and disposal of NewCo	(a)	**(10)**	–	(15)
Restructuring costs	(c)	**(4)**	(13)	(9)
Historical legal matters	(d)	**–**	–	1
Asset remediation		**–**	–	(1)
Net cash outflows – continued operations		**(14)**	(13)	(24)
Net cash outflows – discontinued operations		**(1)**	(4)	(8)
Net cash outflows – total operations		**(15)**	(17)	(32)

* Prior periods restated to reflect discontinued operations (see Notes 1 and 6)

Exceptional cash flows

The total cash adjustment relating to exceptional items presented in the cash flow statement of £46 million (inflow) reflects the exceptional costs in profit before tax of £61 million (total operations) which were £46 million higher than net cash outflows of £15 million set out in the table above.

5. Income tax expense

Income tax for the six months is presented as follows:

- Statutory current and deferred taxes from continuing operations of £9 million, which when divided by statutory profit before tax from continuing operations of £21 million gives a statutory effective tax rate of 44.7%;
- 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 £17 million, which when divided by adjusted profit before tax from continuing operations of £85 million gives an adjusted effective tax rate of 20.2%; and
- Income tax on discontinued operations is shown in Note 6 – Discontinued Operations.

Continuing operations	Six months to 30 September 2021 £m	Restated* Six months to 30 September 2020 £m	Restated* Year to 31 March 2021 £m
Current tax:			
– United Kingdom	**5**	(1)	3
– Overseas	**(20)**	(31)	(26)
– Tax credit on exceptional items	**10**	3	5
– US exceptional tax credit	**–**	–	7
– Credit in respect of previous financial years	**–**	2	–
	(5)	(27)	(11)
Deferred tax:			
(Expense)/credit for the period	**(3)**	14	8
Credit in respect of previous financial years	**–**	–	2
Changes in tax rate	**3**	–	–
Tax credit on exceptional items	**2**	–	–
UK exceptional tax charge	**(6)**	–	–
Income tax expense – continuing operations	**(9)**	(13)	(1)
Statutory effective tax rate %	**44.7%**	21.9%	1.2%

* Prior periods restated to reflect discontinued operations (see Notes 1 and 6)

5. Income tax expense (continued)

Reconciliation to adjusted income tax expense

Continuing operations	**Six months to 30 September 2021 £m**	Restated* Six months to 30 September 2020 £m	Restated* Year to 31 March 2021 £m
Income tax expense:	**(9)**	(13)	(1)
Add back the impact of:			
Taxation credit on exceptional items	**(12)**	(3)	(5)
Taxation credit on amortisation of acquired intangibles	**(2)**	(1)	(3)
Exceptional UK tax charge	**6**	–	–
Exceptional US tax credit	**–**	–	(7)
Adjusted income tax expense	**(17)**	(17)	(16)
Adjusted effective tax rate %	**20.2%**	22.5%	12.1%

6. Discontinued operations

On 12 July 2021 the Group announced that it has entered into an agreement to sell to KPS a controlling stake in NewCo.

The NewCo 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 six months to 30 September 2021 and the comparative periods were as follows:

Discontinued operations	**Six months to 30 September 2021 £m**	Six months to 30 September 2020 £m	Year to 31 March 2021 £m
Revenue	**891**	797	1 596
Operating profit	**104**	88	171
Finance expense	**(2)**	(2)	(4)
Share of profit after tax of joint ventures	**8**	13	26
Profit before tax	**110**	99	193
Income tax charge	**(20)**	(11)	(29)
Profit for the period from discontinued operations	**90**	88	164
Basic earnings per share from discontinued operations	**19.4p**	18.9p	35.1p
Diluted earnings per share from discontinued operations	**19.2p**	18.8p	34.7p

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

On classification as held for sale, the net assets of the NewCo 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.

6. Discontinued operations (continued)

The results of the discontinued operations which have been included in the consolidated cash flow statement for the six months to 30 September 2021 and the comparative periods were as follows:

Discontinued operations	**Six months to 30 September 2021 £m**	Six months to 30 September 2020 £m	Year to 31 March 2021 £m
Operating	**148**	183	181
Investing	**(17)**	(41)	(88)
Financing	**(10)**	(13)	(24)
Net cash inflow	**121**	129	69

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

£ million unless otherwise stated	**Six months to 30 September 2021**			Restated Six months to 30 September 2020		
Discontinued operations	**IFRS reported**	**Adjusting items**	**Adjusted reported**	IFRS reported	Adjusting items	Adjusted reported
Revenue	**891**	**–**	**891**	797	–	797
Operating profit	**104**	**(30)**	**74**	88	3	91
Finance expense	**(2)**	**–**	**(2)**	(2)	–	(2)
Profit after tax of joint ventures	**8**	**7**	**15**	13	–	13
Profit before tax	**110**	**(23)**	**87**	99	3	102
Income tax expense	**(20)**	**5**	**(15)**	(11)	(1)	(12)
Profit for the period	**90**	**(18)**	**72**	88	2	90
Effective tax rate %	**18.3%**		**17.3%**	11.7%		12.1%
Earnings per share:						
Number of ordinary shares[1] - basic	**465.2**		**465.2**	464.0		464.0
Basic earnings per share (pence)	**19.4p**	**(3.8p)**	**15.6p**	18.9p	0.5p	19.4p
Number of ordinary shares[1] - diluted	**469.6**		**469.6**	468.8		468.8
Diluted earnings per share (pence)	**19.2p**	**(3.8p)**	**15.4p**	18.8p	0.4p	19.2p

1. Weighted average (millions)

£ million unless otherwise stated	Restated Year to 31 March 2021		
Discontinued operations	IFRS reported	Adjusting items	Adjusted reported
Revenue	1 596	–	1 596
Operating profit	171	8	179
Finance expense	(4)	–	(4)
Profit after tax of joint ventures	26	–	26
Profit before tax	193	8	201
Income tax expense	(29)	(3)	(32)
Profit for the year	164	5	169
Effective tax rate %	15.4%		15.8%
Earnings per share:			
Number of ordinary shares[1] - basic	464.2		464.2
Basic earnings per share (pence)	35.1p	1.4p	36.5p
Number of ordinary shares[1] - diluted	469.4		469.4
Diluted earnings per share (pence)	34.7p	1.3p	36.0p

1. Weighted average (millions)

6. Discontinued operations (continued)

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

Discontinued operations	Note	**Six months to 30 September 2021 £m**	Restated* Six months to 30 September 2020 £m	Restated* Year to 31 March 2021 £m
Exceptional costs in operating profit	4	**2**	3	8
Held for sale adjustment[1]		**(32)**	–	–
Total excluded from adjusted operating profit		**(30)**	3	8
Held for sale adjustment[1] - profit after tax of joint ventures		**7**	–	–
Total excluded from adjusted profit before tax		**(23)**	3	8
Tax effect of adjusting items		**5**	(1)	(3)
Total excluded from adjusted profit for the period		**(18)**	2	5

1. Held for sale adjustments include: cessation of depreciation and amortisation (reduction in operating costs of £23 million), reclassification of dividends from joint ventures (income of £9 million) and cessation of equity accounting (reduction in joint venture income of £7 million).

Held for sale

The major classes of assets and liabilities of NewCo classified as held for sale as at 30 September 2021 are, as follows:

	At 30 September 2021 £m
Assets	
Goodwill and other intangible assets	**49**
Property, plant and equipment	**714**
Investments in joint ventures	**101**
Investments in equity	**11**
Inventories	**252**
Trade and other receivables	**141**
Derivative financial instruments	**55**
Other current financial assets	**38**
Cash and cash equivalents	**11**
Assets classified as held for sale	**1 372**

	At 30 September 2021 £m
Liabilities	
Retirement benefit deficit	**28**
Deferred tax liabilities	**66**
Trade and other payables	**267**
Lease liabilities	**81**
Derivative financial instruments	**3**
Other current financial liabilities	**25**
Liabilities directly associated with the assets held for sale	**470**

Amounts included in accumulated OCI are shown below:

Accumulated OCI	**At 30 September 2021 £m**
Currency translation reserve	**38**
Actuarial gain (net of deferred tax)	**7**
Net gain on cash flow hedges (net of deferred tax)	**28**
Reserve of disposal group classified as held for sale	**73**

7. Earnings per share

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

The average market price of the Company's ordinary shares during the six months to 30 September 2021 was 752p (six months to 30 September 2020 – 670p; year to 31 March 2021 – 679p). The dilutive effect of share-based incentives was 4.4 million shares (six months to 30 September 2020 – 4.8 million shares; year to 31 March 2021 – 5.2 million shares).

	Six months to 30 September 2021			Restated* Six months to 30 September 2020		
	Continuing operations	**Discontinued operations**	**Total**	Continuing operations	Discontinued operations	Total
Profit attributable to owners of the Company (£ million)	**12**	**90**	**102**	45	88	133
Weighted average number of ordinary shares (million) – basic	**465.2**	**465.2**	**465.2**	464.0	464.0	464.0
Basic earnings per share (pence)	**2.5p**	**19.4p**	**21.9p**	9.7p	18.9p	28.6p
Weighted average number of ordinary shares (million) – diluted	**469.6**	**469.6**	**469.6**	468.8	468.8	468.8
Diluted earnings per share (pence)	**2.5p**	**19.2p**	**21.7p**	9.6p	18.8p	28.4p

* Prior periods restated to reflect discontinued operations (see Notes 1 and 6)

	Restated* Year to 31 March 2021		
	Continuing operations	Discontinued operations	Total
Profit attributable to owners of the Company (£ million)	89	164	253
Weighted average number of ordinary shares (million) – basic	464.2	464.2	464.2
Basic earnings per share (pence)	19.3p	35.1p	54.4p
Weighted average number of ordinary shares (million) – diluted	469.4	469.4	469.4
Diluted earnings per share (pence)	19.1p	34.7p	53.8p

* Prior periods restated to reflect discontinued operations (see Notes 1 and 6)

7. Earnings per share (continued)

Adjusted earnings per share

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

Continuing operations	Note	**Six months to 30 September 2021 £m**	Restated* Six months to 30 September 2020 £m	Restated* Year to 31 March 2021 £m
Profit attributable to owners of the Company		**12**	45	89
Adjusting items:				
– exceptional costs in operating profit	4	**59**	15	34
– amortisation of acquired intangible assets		**5**	5	10
– tax credit on adjusting items		**(14)**	(4)	(8)
– exceptional tax charge/(credit)		**6**	–	(7)
Adjusted profit attributable to owners of the Company		**68**	61	118
Adjusted basic earnings per share (pence) – **Continuing operations**		**14.5p**	13.1p	25.4p
Adjusted diluted earnings per share (pence) – **Continuing operations**		**14.4p**	12.9p	25.2p

* Prior periods restated to reflect discontinued operations (see Notes 1 and 6)

Total operations	Notes	**Six months to 30 September 2021 £m**	Restated* Six months to 30 September 2020 £m	Restated* Year to 31 March 2021 £m
Adjusted profit attributable to owners of the Company – **Continuing operations**	2	**68**	61	118
Adjusted profit attributable to owners of the Company – **Discontinued operations**	6	**72**	90	169
Adjusted profit attributable to owners of the Company – **Total operations**		**140**	151	287
Adjusted basic earnings per share (pence) – **Total operations**		**30.1p**	32.5p	61.9p
Adjusted diluted earnings per share (pence) – **Total operations**		**29.8p**	32.1p	61.2p

* Prior periods restated to reflect discontinued operations (see Notes 1 and 6)

8. Dividends on ordinary shares

The Directors have declared an interim dividend of 9.0p per share for the six months to 30 September 2021 (six months to 30 September 2020 – 8.8p per share), payable on 5 January 2022.

The final dividend for the year to 31 March 2021 of £102 million, representing 22.0p per share, was paid during the six months to 30 September 2021.

9. Net debt – total operations

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

	At 30 September 2021 £m	At 30 September 2020 £m	At 31 March 2021 £m
Borrowings	**(662)**	(688)	(645)
Lease liabilities[1]	**(143)**	(154)	(143)
Cash and cash equivalents[2]	**396**	484	371
Net debt	**(409)**	(358)	(417)

1.Includes £81 million of leases included in liabilities held for sale as at 30 September 2021 (see Note 6)
2.Includes £11 million of cash and cash equivalents included in assets held for sale as at 30 September 2021 (see Note 6)

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

	Six months to 30 September 2021 £m	Six months to 30 September 2020 £m	Year to 31 March 2021 £m
Net debt at beginning of the period	**(417)**	(451)	(451)
Net increase in cash and cash equivalents	**17**	219	135
Net decrease/(increase) in borrowings and leases	**15**	(135)	(113)
Decrease in net debt resulting from cash flows	**32**	84	22
Currency translation differences[1]	**(10)**	15	39
Subsidiaries acquired	**–**	–	(7)
Leases and non-cash movements	**(14)**	(6)	(20)
Decrease in net debt in the period	**8**	93	34
Net debt at end of the period	**(409)**	(358)	(417)

1. Includes the foreign currency element of the translation of foreign denominated borrowings

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

	Cash and cash equivalents £m	**Borrowings and lease liabilities £m**	**Total £m**
At 31 March 2021	**371**	**(788)**	**(417)**
Movements from cash flows	**17**	**15**	**32**
Currency translation differences	**8**	**(18)**	**(10)**
Leases and non-cash movements	**–**	**(14)**	**(14)**
At 30 September 2021	**396**	**(805)**	**(409)**

10. Investments in equities and financial instruments

Carrying amount versus fair value

The fair value of borrowings, excluding lease liabilities, is estimated to be £691 million (30 September 2020 – £735 million; 31 March 2021 – £672 million) and has been determined by discounted estimated cash flows with an applicable market quoted yield, using quoted market prices, discounted estimated cash flows based on broker dealer quotations or quoted market prices. The carrying value of other assets and liabilities held at amortised cost is not materially different from their fair value.

10. Investments in equities and financial instruments (continued)

Fair value measurements recognised in the balance sheet

The table below shows the Group's financial assets and liabilities measured at fair value at 30 September 2021. The fair value hierarchy categorisation, valuation techniques and inputs, are consistent with those used in the year to 31 March 2021.

	At 30 September 2021				At 31 March 2021			
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Assets at fair value								
Investments in equities[1]	**–**	**–**	**61**	**61**	–	–	59	59
Derivative financial instruments:								
– forward foreign exchange contracts	**–**	**–**	**–**	**–**	–	–	–	–
– commodity derivatives[2]	**58**	**–**	**–**	**58**	24	–	–	24
Other financial assets (commodity pricing contracts)[3]	**–**	**8**	**30**	**38**	–	21	11	32
Assets at fair value	**58**	**8**	**91**	**157**	24	21	70	115
Liabilities at fair value								
Derivative financial instruments:								
– forward foreign exchange contracts	**–**	**(17)**	**–**	**(17)**	–	–	–	–
– commodity derivatives	**(3)**	**–**	**–**	**(3)**	(9)	–	–	(9)
Other financial liabilities (commodity pricing contracts)[2]	**–**	**(4)**	**(21)**	**(25)**	–	–	(26)	(26)
Liabilities at fair value	**(3)**	**(21)**	**(21)**	**(45)**	(9)	–	(26)	(35)

1. Includes FVPL assets of £32 million (31 March 2021 – £29 million) and FVOCI assets of £29 million (31 March 2021 – £30 million)
2. £47 million (31 March 2021 – £5 million) relates to derivatives to hedge cash flow risk associated with forecast purchases and sales of commodities or purchases of chemicals used in the manufacturing process which are designated as cash flow hedges
3. Fair value adjustments due to risks hedged

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

	At 30 September 2021 Assets £m	At 31 March 2021 Assets £m
Investments in equities	**50**	59
Classified as assets held for sale	**11**	–

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

	At 30 September 2021		At 31 March 2021	
	Assets £m	Liabilities £m	Assets £m	Liabilities £m
Non-current derivative financial instruments:	**–**	**–**	1	–
Current derivative financial instruments	**–**	**(17)**	–	–
Commodity derivatives	**3**	**–**	23	(9)
Total current derivative financial instruments	**3**	**(17)**	23	(9)
Other current financial assets/(liabilities) (commodity pricing contracts)	**–**	**–**	32	(26)
Classified as assets/(liabilities) held for sale	**93**	**(28)**	–	–

Included in commodity derivatives set out above are cash flow hedges that relate to discontinued operations, of which the most significant relate to cash flow hedging using natural gas futures. The Group did not cease cash flow hedging such items upon classification of NewCo as held for sale but will do so upon completion of the Transaction.

The Group manages its US net corn position, comprising the purchase, sale and inventory of corn and corn-based goods, including co-products, on a net basis. The Group has designated the components of its US net corn position in effective fair value hedge accounting relationships whereby the hedged item is a group of items with offsetting risk positions. This results in each element of the net corn position being marked to market. The Group uses financial instruments (mainly corn futures contracts) as hedging instruments to manage this net position. Recording all components of the US net corn position at fair value also aligns with the underlying economics and risk management of the business. All changes in fair value of hedged items and hedging instruments are recorded in operating costs.

10. Investments in equities and financial instruments (continued)

Fair value measurements recognised in the balance sheet (continued)

The most significant unobservable inputs in the valuation of US commodity contracts remain the future price of co-product positions and basis and so are included as Level 3 financial instruments. Basis represents the difference in price between the corn pricing on the Chicago Mercantile Exchange and localised pricing that can be achieved for physical delivery. It is typically driven by local supply, demand and logistics factors. Both co-product positions and basis are valued based on the Group's own assessment of the particular commodity, its supply and demand and expected pricing. A 25% movement in the price of co-products and 50% movement in the price of basis would result in a net fair value movement of £16 million and £13 million respectively.

The derivative and other financial instruments included within the Group's Level 2 financial instruments are valued based on observable inputs. The commodity pricing contracts are valued by reference to the Chicago Mercantile Exchange.

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

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level of input that is significant to the fair value measurement as a whole) at the end of the reporting period. There were no transfers between Level 1 and Level 2 fair value measurements during the period, and no transfers into or out of Level 3 fair value measurements during the six months to 30 September 2021.

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

	Commodity pricing contracts – assets £m	Commodity pricing contracts – liabilities £m	Financial assets at FVPL £m	Financial assets at FVOCI £m	Total £m
At 1 April 2021	**11**	**(26)**	**29**	**30**	**44**
Income statement:					
– prior year amounts settled	**(6)**	**22**	**–**	**–**	**16**
– current year unrealised net gain/(loss) in operating profit	**25**	**(17)**	**–**	**–**	**8**
Other comprehensive income	**–**	**–**	**–**	**(1)**	**(1)**
Non-qualified deferred compensation arrangements	**–**	**–**	**1**	**–**	**1**
Purchases	**–**	**–**	**2**	**–**	**2**
Disposals	**–**	**–**	**(2)**	**–**	**(2)**
Currency translation differences	**–**	**–**	**2**	**–**	**2**
Reclassification to assets held for sale	**(30)**	**21**	**(11)**	**–**	**(20)**
At 30 September 2021	**–**	**–**	**21**	**29**	**50**

11. Retirement benefit obligations

At 30 September 2021, the Group's retirement benefit obligations are in a net deficit of £114 million (31 March 2021 – deficit of £140 million). On disposal of the NewCo Business, the Group will retain 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 transitioning to the NewCo Business (together a net deficit of £28 million) will be disposed of and are therefore classified as held for sale.

The primary driver for the £26 million reduction was from the re-classification to held for sale in the balance sheet. On a like-for-like basis the retirement benefit obligation increased marginally by £2 million. The closing total net deficit substantially comprises the unfunded schemes in the US.

In the six months to 30 September 2021, the main movements in retirement benefit obligations were as follows, each of which had no impact on profit and loss (second adjustment recorded in other comprehensive income):

- Re-classification of £28 million of defined benefit obligation to held for sale in the balance sheet.
- Financial assumptions from a lower discount rate and higher inflation resulted in a larger value being placed on the liabilities. However this was mitigated by better 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 £4 million, employer contributions of £5 million and an increase in the net deficit for currency translation of £2 million.

11. Retirement benefit obligations (continued)

These movements are set out in the following table:

	Six months to 30 September 2021			
	UK plans £m	US plans (funded) £m	US plans (unfunded) £m	Total £m
Net deficit at 31 March 2021	**(18)**	**(14)**	**(108)**	**(140)**
Income statement:				
– current service costs	**–**	**–**	**(1)**	**(1)**
– administration costs	**(1)**	**(1)**	**–**	**(2)**
– net interest expense	**–**	**1**	**(2)**	**(1)**
Other comprehensive income:				
– actual return higher than interest on plan assets	**16**	**19**	**–**	**35**
– actuarial (loss)/gain:				
– changes in financial assumptions	**(11)**	**(16)**	**(3)**	**(30)**
– experience against assumptions	**(5)**	**–**	**–**	**(5)**
Other movements:				
– employer's contributions	**1**	**–**	**4**	**5**
– non-qualified deferred compensation arrangements	**–**	**(1)**	**–**	**(1)**
– currency translation differences	**–**	**–**	**(2)**	**(2)**
Re-classification to liability held for sale	**–**	**11**	**17**	**28**
Net deficit at 30 September 2021	**(18)**	**(1)**	**(95)**	**(114)**

During the year ending 31 March 2022 the Group expects to contribute approximately £8 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 a one-off contribution to settle a post transaction price adjustment in respect of the bulk annuity policy 'buy in' of the main UK plan.

12. Contingent liabilities

The Group is subject to claims and litigation generally arising in the ordinary course of its business. Provision is made when liabilities are considered likely to arise and the expected quantum of the exposure can be estimated reliably. The risk in relation to claims and litigation is monitored on an ongoing basis and provisions amended accordingly. It is not expected that claims and litigation existing at 30 September 2021 will have a material adverse effect on the Group's financial position.

13. Acquisitions

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 period to 30 September 2021, following the finalisation of the completion accounts and working capital adjustment, the final consideration in respect of the acquisition is £60 million (including the fair value of the 15% that the Group already owned) (a decrease of £1 million from the £61 million provisional consideration disclosed in the 31 March 2021 Annual Report) and the final fair value for identifiable net assets is £26 million (an increase of £1 million compared to the provisional fair value for identifiable net assets of £25 million disclosed in the 31 March 2021 Annual Report) . This has resulted in a final goodwill balance at the date of acquisition of £34 million (a decrease of £2 million compared to the provisional goodwill of £36 million disclosed in the 31 March 2021 Annual Report).

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

On 10 February 2021, the Group acquired 85% of the shares of CMS (increased to 90% by October 2021 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 six months to 30 September 2021, there have been no changes to the provisional consideration, provisional fair value for identifiable net assets and resultant goodwill disclosed in the 31 March 2021 Annual Report. All amounts remain provisional until the finalisation of the completion accounts and working capital adjustments which is expected in the second half of the financial year.

14. Events after the reporting period

There are no material post balance sheet events requiring disclosure in respect of the six months to 30 September 2021.

15.Change in accounting policy

As explained in Note 1, the Group has revised its accounting policy in relation to upfront configuration and customisation costs incurred in implementing 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 intangibles	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 30 September 2020	**As reported £m**	**Adjustment £m**	**As restated £m**
Goodwill and other intangibles	328	(9)	319
Total assets	2 927	(9)	2 918
Deferred tax liabilities	(29)	3	(26)
Total liabilities	(1 498)	3	(1 495)
Retained Earnings	674	(6)	668
Total equity	1 429	(6)	1 423
Operating profit*	159	–	159
Profit for the six-month period to 30 September 2020*	133	–	133

	Impact of change in accounting policy		
At 31 March 2021	**As reported £m**	**Adjustment £m**	**As restated £m**
Goodwill and other intangibles	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 to 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 period to 30 September 2020 or year to 31 March 2021.

ADDITIONAL INFORMATION

For the six months to 30 September 2021

Calculation of changes in constant currency

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

Six months to 30 September Adjusted performance Continuing operations	**2021 £m**	FX £m	2021 at constant currency £m	Underlying growth £m	2020* £m	Change %	Change in constant currency %
Revenue	**656**	46	702	110	592	11%	19%
Food & Beverage Solutions	**83**	8	91	1	90	(7%)	2%
Sucralose	**31**	3	34	9	25	22%	34%
Central	**(17)**	(1)	(18)	6	(24)	27%	25%
Adjusted operating profit	**97**	10	107	16	91	6%	18%
Net finance expense	**(12)**	(1)	(13)	–	(13)	5%	(3%)
Adjusted profit before tax	**85**	9	94	16	78	8%	20%
Adjusted income tax expense	**(17)**	(1)	(18)	(1)	(17)	2%	(2%)
Adjusted profit after tax	**68**	8	76	15	61	11%	25%
Adjusted diluted EPS (pence)	**14.4p**	1.8p	16.2p	3.3p	12.9p	11%	25%

* Prior period restated to reflect discontinued operations (see Notes 1 and 6). For a reconciliation to segmental results refer to Note 3.

Impact of changes in exchange rates

The Group's reported financial performance at average rates of exchange for the six months to 30 September 2021 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**	
Six months to 30 September	**2021**	2020	**2021**	2020
US dollar : sterling	**1.39**	1.27	**1.35**	1.29
Euro : sterling	**1.16**	1.12	**1.16**	1.10

For the six months to 30 September 2021, net foreign exchange decreased Food & Beverage Solutions adjusted operating profit by £8 million and decreased Sucralose adjusted operating profit by £3 million, with adjusted profit before tax for the continuing operations of the Group decreasing by £9 million.

ADDITIONAL INFORMATION

For the six months to 30 September 2021

Summary of pro-forma financial results for the six months to 30 September 2021

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 (NewCo) – 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 will come into effect at or following completion of the Transaction. These adjustments were for:

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

Because the adjustments are also not included in the continuing operations information contained within the half year results for the six months ended 30 September 2021 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 following completion of the Transaction.

This section contains pro-forma financial information for Tate & Lyle for the six months ended 30 September 2021, which shows the impact of further adjustments reflecting additional factors that will come into effect at or following completion of the Transaction. Pro-forma financial information is a non-IFRS measure. Because such pro-forma financial information contains estimates with respect to each of the items set out below, 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 following completion of the Transaction.

Pro-forma – six months to 30 September	Food & Beverage Solutions £m	Sucralose £m	Joint Ventures £m	Central £m	2021 Total £m	2020 Total £m	Change in constant currency %
Adjusted operating profit – Continuing operations	83	31	–	(17)	**97**	91	18%
Impact of long-term agreements	(3)	–	–	–	**(3)**	(3)	–
Pro-forma adjusted operating profit	80	31	–	(17)	**94**	88	18%
Pro-forma share of NewCo joint venture profit	–	–	30	–	**30**	38	(9%)
Net finance expense	–	–	–	(12)	**(12)**	(13)	(3%)
Pro-forma adjusted profit before tax	80	31	30	(29)	**112**	113	11%
Pro-forma adjusted tax charge					**(24)**	(27)	2%
Pro-forma adjusted profit for the period					**88**	86	15%

The table above starts with the adjusted operating profit set out in Note 3 (six months to 30 September 2021, section (ii) Adjusted operating profit) and then gives pro-forma effect to each of the following:

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

Pro-forma	Food & Beverage Solutions	Sucralose	Central	Total
Pro-forma adjusted operating margin	13.9%	39.3%	n/a	14.3%

Comparative for the six months to 30 September 2020 – Food & Beverage Solutions: 16.6%, Sucralose: 34.9%, Total: 14.8%.

This pro-forma adjusted operating margin is stated before actions the Group expects to take as part of its stated ambition of adjusted operating margin expansion of at least 50 to 100 bps per annum for the five years following completion.

Six months to 30 September 2021	As reported	Pro-forma
Earnings Per Share		
Diluted weighted average number of shares	469.6m	469.6m
Adjusted diluted EPS (pence)	29.8p	18.6p

EPS dilution of 38% (30 September 2020 – 43%) being from 29.8p as reported to a pro-forma of 18.6p (30 September 2020 – reported 32.1p, pro-forma 18.4p), represents the de-consolidation of discontinued operations offset by the inclusion of the Group's share of NewCo joint venture profit.

Summary of pro-forma financial results for the six months to 30 September 2021 (continued)

Such dilution is higher than the expected forward-looking post-completion EPS dilution of the transaction as the reduction in the diluted number of ordinary shares following the proposed special dividend and share consolidation after completion is not reflected.

The pro-forma effect on EPS of the impact on the number of ordinary shares following the planned share consolidation has not been disclosed as it is unknown at this time as it will be impacted by the market capitalisation of the Tate & Lyle at time it is completed. Illustratively, at the closing share price on 2 November 2021 of £6.46 a £500 million special dividend would result in a reduction of approximately 77 million shares, representing approximately 16% of the Group's share capital used for the purpose of calculating EPS.

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

Share of NewCo joint venture profit:	**Six months to 30 September 2021 £m**	Six months to 30 September 2020 £m
Adjusted profit before tax from discontinued operations[1]	**87**	102
Pro-forma effect of NewCo's financing facilities	**(22)**	(22)
Income from long-term agreements	**3**	3
Additional standalone costs in NewCo[2]	**(7)**	(7)
Adjusted pro-forma profit before tax for NewCo	**61**	76
Share of NewCo joint venture profit at 49.9% pro-forma equity interest	**30**	38

1. NewCo joint venture's adjusted profit before tax is before charging exceptional items of £2 million (30 September 2020 – £3 million) and the impact of held for sale adjustments of £25 million.
2. Represents additional staff costs required in Newco in order to replicate back-office activities currently shared across Tate & Lyle PLC

ADDITIONAL INFORMATION

For the six months to 30 September 2021

Statement of Directors' responsibilities

The Directors confirm: that this condensed consolidated set of financial information has been prepared on the basis of the accounting policies set out in the Group's 2021 Annual Report, and in accordance with UK adopted International Accounting Standard 34 "Interim Financial Reporting"; that the condensed consolidated set of financial statements gives a true and fair view of the assets, liabilities, financial position and profit or loss as required by the Disclosure Guidance and Transparency Rules (DTRs) sourcebook of the United Kingdom's Financial Conduct Authority, paragraph DTR 4.2.4; and that the interim management report herein includes a fair review of the information required by paragraphs DTR 4.2.7 and DTR 4.2.8, namely:

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

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

The Directors of Tate & Lyle PLC are listed in the Tate & Lyle Annual Report for the year ended 31 March 2021; the following changes have been made to the Board in the six months to 30 September 2021. On 1 May 2021, Patrícia Corsi joined the Board as a non-executive director and as a member of the Remuneration and Nominations Committees. In addition, non-executive director and Chair of the Remuneration Committee, Anne Minto retired from the Board at the AGM on 29 July 2021 and non-executive director, Sybella Stanley, succeeded Anne as Chair of the Remuneration Committee from the conclusion of the AGM.

For and on behalf of the Board of Directors:

Nick Hampton Chief Executive	Vivid Sehgal Chief Financial Officer

3 November 2021

INDEPENDENT REVIEW REPORT TO TATE & LYLE PLC

Conclusion

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2021 which comprises the condensed (interim) consolidated income statement, condensed (interim) consolidated statement of comprehensive income, condensed (interim) consolidated statement of financial position, condensed (interim) consolidated statement of cash flows, condensed (interim) consolidated statement of changes in equity and the related explanatory notes 1 – 15. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2021 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting" and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

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

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

Responsibilities of the directors

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

Auditor's responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion is based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

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

Ernst & Young LLP
London
3 November 2021