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FOR IMMEDIATE RELEASE**

20 June 2024

Tate & Lyle PLC

(‘Tate & Lyle’)

**Proposed combination of Tate & Lyle and CP Kelco to create
a leading global speciality food and beverage solutions business**

Tate & Lyle announces that it has entered into an agreement to acquire the entire issued share capital of (i) CP Kelco U.S.; (ii) CP Kelco China; and (iii) CP Kelco ApS together with each of their respective subsidiaries (together ‘CP Kelco’), a leading provider of pectin, speciality gums and other nature-based ingredients, from J.M. Huber Corporation (‘Huber’) for a total implied consideration of US\$1.8 billion (approximately £1.4 billion)¹, on a cash-free, debt-free basis (the ‘Proposed Transaction’).

Over the last six years, Tate & Lyle has been executing a major strategic transformation to become a growth-focused speciality food and beverage solutions business aligned to attractive structural and growing consumer trends for healthier, tastier and more sustainable food and drink. This transformation has included a much sharper focus on customers and key categories, increased investment in innovation and solution selling capabilities, and the significant strengthening of its Sweetening, Mouthfeel and Fortification platforms through new product development and acquisitions. This transformation was completed with the announcement on 23 May 2024 of the proposed sale of Tate & Lyle’s remaining interest in Primary Products Investments LLC (‘Primient’).

The Proposed Transaction significantly accelerates Tate & Lyle’s strategy to be a leading and differentiated speciality food and beverage solutions business, and to become the solutions partner of choice for customers. It is expected to drive stronger revenue growth and significant adjusted EBITDA margin improvement over the next few years. It is also expected to be accretive to adjusted earnings per share, including cost synergies only, in the second full financial year following completion, and strongly accretive thereafter.

TRANSACTION HIGHLIGHTS

- Under the terms of the Proposed Transaction Tate & Lyle will acquire CP Kelco for total implied headline consideration at completion of US\$1.8 billion (c.£1.4 billion)¹, subject to customary adjustments, consisting of:
 - US\$1.15 billion (c.£905 million)¹ in cash from new and existing debt facilities and cash resources.
 - Issue of 75 million new Tate & Lyle ordinary shares² to Huber with an implied value of c.US\$645 million³ (c.£510 million).
 - Deferred consideration of up to 10 million additional Tate & Lyle ordinary shares² to be delivered to Huber approximately two years post-completion of the Proposed Transaction, subject to performance criteria⁴ based on Tate & Lyle’s share price.

- The total implied headline consideration represents⁵ 10x CP Kelco's adjusted EBITDA for the year ended 31 December 2023 including run-rate cost synergies.
- The Proposed Transaction is expected to deliver significant synergies:
 - Targeted run-rate cost synergies of at least US\$50 million (£40 million)¹ by the end of the second full financial year post-completion.
 - In addition, reflecting the strong complementarity of the two businesses, the combination is expected to generate revenue synergies of up to 10% of CP Kelco's revenue over the medium term, underpinning the acceleration in top-line growth of the enlarged Tate & Lyle.
- Huber will become a long-term shareholder (c.16%)⁶ in Tate & Lyle following completion. The potential for Huber to become a long-term shareholder and participate in the future value creation from the combination of the two businesses was central to unlocking a transaction. Huber will be entitled to appoint two non-executive directors to the Tate & Lyle Board subject to Huber maintaining certain minimum shareholding thresholds in Tate & Lyle.
- The Proposed Transaction is expected to complete in the fourth quarter of the 2024 calendar year.

STRATEGIC RATIONALE

- The Proposed Transaction combines two highly complementary businesses – Tate & Lyle, a leader in Sweetening, Mouthfeel and Fortification, and CP Kelco, a leader in pectin and speciality gums – to create a leading, global speciality food and beverage solutions business.
- Creates a leader in Mouthfeel, a critical driver of customer solutions, and strengthens Tate & Lyle's expertise across its three core platforms of Sweetening, Mouthfeel and Fortification.
- The combined product portfolio, technical expertise and complementary category offering delivers a compelling customer proposition, significantly enhancing Tate & Lyle's solutions capabilities and increasing the opportunity to benefit from growing global consumer demand for healthier, tastier and more sustainable food and drink.
- Expands Tate & Lyle's offering in its large (US\$19 billion⁷) and fast-growing (6% CAGR⁷) speciality food and beverage ingredients addressable market, and unlocks further growth opportunities in its core and adjacent markets.
- Accelerates R&D and innovation through the combination of world-class scientific, technical and applications expertise, driving the development of new plant-based ingredients and solutions.
- The combination is underpinned by a shared purpose, values and culture, and a mutual belief in Tate & Lyle's commitment to science, solutions and society.

FINANCIAL EFFECTS

- The Proposed Transaction accelerates the delivery of Tate & Lyle's strategy to create a higher growth business underpinned by an attractive financial algorithm, including:
 - Drive revenue growth towards higher-end of Tate & Lyle's 4%-6% per annum ambition⁸:
 - *Industry growth*: Increasing consumer demand for healthier, tastier and more sustainable food and drink.
 - *Broader offering*: Accelerate growth from complementary portfolios, platforms and categories.

- *Stronger capabilities*: Enhanced capabilities to increase innovation and solution selling to customers.
- Drive significant adjusted EBITDA margin improvement over the next few years:
 - *Cost synergies*: Targeted run-rate cost synergies of at least US\$50 million (£40 million) over the two full financial years following completion.
 - *Margin improvement*: Phased recovery in profitability of CP Kelco.
 - *Solution selling*: Margin accretive solution selling from two or more years.
- Target to consistently exceed 75% free cash flow conversion⁹.
- The Proposed Transaction is expected to be accretive to adjusted earnings per share, including cost synergies only, in the second full financial year following completion, and strongly accretive thereafter.
- Return on invested capital (ROIC) expected to exceed Tate & Lyle’s weighted average cost of capital (WACC) in the fifth full year following completion.
- Targeted run-rate cost synergies of at least US\$50 million (£40 million) by the end of the second full financial year following completion, with 50% – 60% (or c.US\$25 million) of cost synergies to be realised by the end of the first full financial year following completion. The cost to deliver these synergies is estimated to be around US\$75 million. There is also significant opportunity to accelerate revenue growth and, over the medium term, we are targeting revenue synergies of up to 10% of CP Kelco’s revenue.
- Net debt to EBITDA leverage anticipated to be approximately 2.3x¹⁰ at the financial year-end following completion, with strong cash generation thereafter. Tate & Lyle remains within its 1.0x to 2.5x long-term target net debt to EBITDA leverage range with the capacity and flexibility for further investment.
- No change to Tate & Lyle’s existing approach to capital allocation and dividend policy; Tate & Lyle remains committed to maintaining a strong and efficient balance sheet.
- The recently announced US\$270 million (c.£215 million) share buyback programme, previously to follow completion of the sale of the remaining interest in Primient, will start today.

COMMENTING ON THE COMBINATION:

Nick Hampton, Chief Executive, Tate & Lyle said:

“A combination with CP Kelco is the perfect fit with Tate & Lyle’s growth-focused strategy and purpose. It significantly strengthens our Sweetening, Mouthfeel and Fortification platforms, enhances our solutions capabilities across our four core categories, and unlocks new growth opportunities. Together, we will have a compelling customer proposition. With our leading portfolio of speciality ingredients and a world-class team of food science experts, we will be uniquely placed to provide our customers with the solutions they need to meet growing consumer demand for healthier, tastier and more sustainable food and drink.

We’ve been collaborating with CP Kelco on innovation projects for many years and are very aware of their excellent products and the outstanding capabilities of their people. We are excited about the opportunities the combination will create for customers across the world, and the opportunities for employees in both companies to develop their careers across a broader global business.

Following on from the announcement of the proposed sale of our remaining interest in Primient last month, the proposed combination with CP Kelco represents a significant acceleration of our growth-focused strategy. It creates a leading, global speciality food and beverage solutions business, ideally placed to benefit from the structural trends towards more plant-based, clean-label and sustainable ingredients and solutions. The growth potential of the proposed combined business is significant and we look forward to the future with confidence and excitement.”

David Hearn, Chair, Tate & Lyle said:

“Today’s announcement represents a major acceleration in the delivery of Tate & Lyle’s growth-focused strategy and the Board is very excited about the opportunities ahead. Our strong management team has all the right capabilities to drive significant value from this transaction for the benefit of our shareholders, customers and employees. We are delighted that, looking ahead, Huber will become a new long-term shareholder in Tate & Lyle. We look forward to welcoming their two new non-executive directors to our Board, and to working with them, and our other shareholders, to progress the enlarged company’s growth strategy.”

Didier Viala, President, CP Kelco said:

“We are delighted to be joining with Tate & Lyle to create a leading and differentiated speciality food and beverage solutions business. CP Kelco and Tate & Lyle are both highly customer-focused businesses with a shared passion for science and innovation. With our complementary portfolio and deep technical expertise, we will bring new value to our customers and new opportunities for our employees. This is an exciting time for our combined businesses.”

Gretchen W. McClain, President & CEO, J.M. Huber Corporation said:

“Together, Huber and Tate & Lyle are taking a bold and strategic move by creating a combined entity well-positioned with scale to be the driving force behind the future of food and wellness. Huber has been an excellent steward of CP Kelco for the past 20 years with a relentless pursuit to growing and creating value as a leading provider of nature-based, specialty ingredient solutions. This step unlocks the full value of CP Kelco and our long-term partnership as a shareholder in Tate & Lyle signifies Huber’s long-term desire to remain engaged in the attractive food and beverage market. Our collective rich histories and depth of experience combined with our shared purpose, values and commitment to our customers, employees, and communities will enhance future value for all stakeholders.”

STEPS TO COMPLETION

The Proposed Transaction constitutes a Class 1 transaction for Tate & Lyle under the UK Listing Rules and is, therefore, as at the date of this announcement, conditional on the approval of Tate & Lyle’s shareholders. As indicated by the Financial Conduct Authority (‘FCA’), the UK Listing Rules are expected to change in the coming weeks, such that the requirement for a shareholder vote for a Class 1 transaction would no longer apply. The Proposed Transaction is not conditional on the approval of Huber’s shareholders.

The Proposed Transaction is conditional on receipt of certain customary regulatory approvals. It is expected to complete in the fourth quarter of the 2024 calendar year.

SHARE BUYBACK PROGRAMME

On 23 May 2024, Tate & Lyle announced the intention to return the net cash proceeds of US\$270 million (c.£215 million) from the sale of its remaining interest in Primient to shareholders through an on-market share buyback programme. Previously, this programme was due to start following completion of the Primient sale, but it will now start today. We continue to expect completion of the Primient sale to occur before the end of July 2024.

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1. Based on GBP:USD foreign exchange rate of £1:\$1.2723, as at 5pm BST on 19 June 2024.
 2. Tate & Lyle shares are ordinary shares with a nominal value of 29 1/6 pence each.
 3. Value of shares based on Tate & Lyle share price of 677.0p per share as at close of trading on 19 June 2024.
 4. Deferred share consideration contingent on Tate & Lyle's volume-weighted average price for the 30 trading days ending on and including the date that is two years following completion of the Proposed Transaction, with the full 10 million shares to be issued if Tate & Lyle's share price over such period is at least £10, and no deferred share consideration will be payable if Tate & Lyle's share price over such period is £8.50 or below.
 5. Acquisition multiple calculated based on purchase price of US\$1.8 billion, divided by adjusted EBITDA of US\$131 million for the financial year ending 31 December 2023 (in accordance with US GAAP) and US\$50 million of run-rate cost synergies.
 6. Based on 401,694,461 shares in issue on 31 March 2024 and including the 75 million Tate & Lyle shares to be issued to Huber at completion of the Proposed Transaction.
 7. Speciality ingredient market, market research data, Tate & Lyle and BCG analysis; estimate value growth 2022-26; CAGR is compound annual growth rate.
 8. Multi-year ambition to 31 March 2028.
 9. Free cash conversion calculated as: free cash flow before capital expenditure divided by adjusted EBITDA.
 10. Leverage of 2.3x excludes the impact of any liability required to be recognised in relation to deferred share consideration.

PRESENTATION TO ANALYSTS AND INVESTORS TODAY

Presentation only

A presentation by Nick Hampton, Chief Executive, Tate & Lyle, and Dawn Allen, Chief Financial Officer, Tate & Lyle, will be available to view on our website from 07.00 (BST) today. To access the presentation, click [here](#). Please note that the Q&A will not be accessible via this link.

Presentation and Q&A

The presentation will be live streamed at 08.30 (BST) and will then be followed by a live Q&A session with Nick Hampton, Chief Executive and Dawn Allen, Chief Financial Officer. To view and listen to this video webcast and Q&A, click [here](#).

Please note that only sell-side analysts and any pre-registered buy-side investors will be able to ask questions during the Q&A session. Sell-side analysts will be automatically pre-registered. To pre-register, please contact lucy.huang@tateandlyle.com.

The archive version of the presentation with Q&A will be available within two hours of the end of the live broadcast. To access this version, click [here](#).

The preceding summary should be read in conjunction with the full text of the announcement.

The person responsible for arranging the release of this announcement on behalf of Tate & Lyle is Claire-Marie O'Grady, Company Secretary.

FOR FURTHER INFORMATION PLEASE CONTACT:

For Tate & Lyle PLC:

Investors and Analysts

Christopher Marsh, VP Investor Relations
Tel: Mobile: +44 (0) 7796 192 688

Media

Nick Hasell, FTI Consulting
Tel: Mobile: +44 (0) 7825 523 383
Tel: Office: +44 (0) 203 727 1340
tate@fticonsulting.com

Greenhill & Co. International LLP

+44 207 198 7400

(Sponsor and Joint Lead Financial Adviser to Tate & Lyle)
Seamus Moorhead
David Wyles
Charlie Stripp

Citigroup Global Markets Limited

+44 207 986 0000

(Joint Lead Financial Adviser and Corporate Broker to Tate & Lyle)
Andrew Seaton
Robert Way
Christopher Wren

Goldman Sachs International

+44 207 774 1000

(Financial Adviser to Tate & Lyle)
Anthony Gutman
Nick Harper
Christian Bauer

For J.M. Huber:

Lea Volpe
Vice President, Communications & Community Relations
Tel: Mobile: +1 404 956 4470

ADVISERS

For Tate & Lyle:

In the context of the Proposed Transaction, Greenhill & Co. International LLP ('Greenhill') is acting as sponsor and joint lead financial adviser, Citigroup Global Markets Limited ('Citigroup') is acting as joint lead financial adviser and Corporate Broker, Goldman Sachs International is acting as financial adviser and Linklaters LLP is acting as legal adviser.

For Huber:

In the context of the Proposed Transaction, BofA Securities is acting as financial adviser and Kirkland & Ellis International LLP is serving as legal counsel to Huber, with White & Case LLP handling FDI and antitrust filings.

FURTHER INFORMATION

PROPOSED COMBINATION OF TATE & LYLE AND CP KELCO TO CREATE A LEADING GLOBAL SPECIALITY FOOD AND BEVERAGE SOLUTIONS BUSINESS

Introduction and background to the Proposed Transaction

Over the last six years, Tate & Lyle has been executing a major strategic transformation to become a growth-focused speciality food and beverage solutions business, aligned with attractive structural and growing consumer trends for healthier, tastier and more sustainable food and drink. This has included a much sharper focus on a number of key categories, increased investment in innovation and solution-selling capabilities, and the significant strengthening of its Sweetening, Mouthfeel and Fortification platforms through new product development and acquisitions.

A critical step in this journey was the sale, in April 2022, of a controlling interest in Primient to KPS Capital Partners, LP ('KPS'). On 23 May 2024, Tate & Lyle announced an agreement to sell its remaining 49.7% interest in Primient to KPS, thereby completing this strategic transformation.

Tate & Lyle and CP Kelco have collaborated on innovation projects for many years, and see themselves as ideal strategic partners with a shared purpose, values and culture. Bi-lateral discussions with Huber over the last few months have confirmed the strong strategic fit and the value creation opportunity presented by the Proposed Transaction. Both businesses are excited by, and see the significant benefits of, a shared future.

Strategic acceleration: Creating a leading speciality food and beverage solutions business

The Board of Tate & Lyle believes the Proposed Transaction will accelerate delivery of its growth strategy by creating a leading, global speciality food and beverage solutions business with an expanded offering, deeper technical capabilities and an enhanced customer proposition.

The Board of Tate & Lyle believes that the Proposed Transaction will:

- Create a leader in Mouthfeel, a critical driver of customer solutions, and strengthen Tate & Lyle's expertise across its three platforms of Sweetening, Mouthfeel and Fortification, benefiting from:
 - Deep recipe application expertise and superior solution flexibility.
 - Broader ingredient portfolio supporting cost-in-use benefits.
 - The combination of Tate & Lyle's superior sensory and CP Kelco's technical capabilities.
 - Expanded portfolio including seven of nine main texturants used in food applications.
- Expand Tate & Lyle's offering in its large (US\$19 billion⁷) and fast-growing (6% CAGR⁷) speciality food and beverage ingredients addressable market, and unlock further growth opportunities in its core and adjacent markets:
 - Further extends opportunity to benefit from growing global consumer demand for healthier, tastier and more sustainable food and drink.
 - Complementary offering significantly strengthens category expertise and opens new growth opportunities in core categories and selected sub-categories.
 - Increases presence in large, fast-growing markets of Asia, Middle East, Africa and Latin America.
 - Unlocks further growth opportunities such as potentially extending core categories (for example into confectionery), and geographic expansion across growth markets.
 - Longer-term potential to expand in non-food markets (eg. personal care, household goods).

- Accelerate R&D and innovation through highly complementary scientific, technical and applications expertise, supporting the development of the next generation of plant-based ingredients and solutions:
 - Enhanced R&D and innovation expertise.
 - Deep knowledge of plant-based ingredients and value stream valorisation.
 - Integrated innovation pipelines.
 - Complementary open innovation and external partnership opportunities.
- Drive a stronger financial performance:
 - Revenue growth towards the higher-end of 4%-6% per annum ambition.
 - Significant adjusted EBITDA margin improvement over the next few years.
 - Target consistently to exceed 75% free cash flow conversion⁸.
- Be underpinned by a shared purpose, values and culture, and a mutual belief in Tate & Lyle's commitment to science, solutions and society, with both businesses committed to leading in sustainability and delivering positive social impact.

About CP Kelco

General

CP Kelco is a company within the J.M. Huber Corporation portfolio of businesses. It is a nature-based ingredient solutions company with approximately 90 years of experience working with food, beverage, consumer and industrial products manufacturers worldwide. It produces an extensive range of high-quality, plant-based and fermentation-derived ingredients to provide tailored solutions for its customers.

It is committed to providing responsibly sourced and produced ingredients for its customers with whom it collaborates closely through a global team of scientists and applications experts. Key products include pectin, carrageenan, gellan gum, xanthan gum, diutan gum, fermentation-derived cellulose, refined locust bean gum, microparticulated whey protein concentrate and citrus fibre.

CP Kelco has a strong global talent base of around 1,700 employees working out of seven manufacturing facilities, two global innovation centres and nine regional application centres. The business is headquartered in Atlanta, Georgia, US. CP Kelco is committed to safety, quality and sustainability, and to deliver a positive social impact.

Recent financial performance

CP Kelco has an established track record of growth having delivered mid-single digit EBITDA growth in the three years ended 31 December 2021 (compound annual growth rate). It also delivered EBITDA margin consistently above 20% in each of these years.

Like many companies in our industry, in the two years ended 31 December 2023 (see appendix), CP Kelco experienced temporary EBITDA margin compression due to two main factors each of which had broadly equal EBITDA margin impact. Firstly, the adverse impact of macro-economic headwinds and industry-wide challenges including inflationary pressures, customer de-stocking and consumer softness. Secondly, supply chain disruption during a major capital expenditure programme of more than US\$400m to increase capacity and productivity for speciality gums and to drive innovation and sustainability for pectin. This programme was initiated before the global pandemic and represented a major step up from the historic (pre-2020) run-rate for capital

expenditure of around 8% of revenue. This one-time programme, in addition to a temporary working capital build reflecting the inflationary cycle and softer demand, also impacted free cash flow over this period.

The deep access and engagement Tate & Lyle has had over the last few months underpins the Board's confidence that a phased recovery in CP Kelco's profitability can be delivered over the next 3 to 4 years. The current financial year ending 31 December 2024 is already seeing a stabilisation in performance with volume recovery in key product lines and regions, and actions are underway on cost control and to reduce working capital. Supply disruption from the capital investment programme is gradually improving although not yet fully resolved.

Looking further ahead to 2025 and beyond, we expect that a combination of an improvement in the macro-economic environment and industry normalisation, the realisation of benefits from major capital investments and an increase in margin accretive solution selling will drive both topline acceleration and margin recovery. Lower capital expenditure (6% to 7% of revenue), as well as working capital recovery and optimisation, are also expected to drive stronger free cash flow with cash conversion of more than 75%.

Gross assets and other financial information

The gross assets of CP Kelco as at 31 December 2023 amounted to US\$1,886 million. For the year ended 31 December 2023, revenue was US\$772 million, adjusted EBITDA was US\$131 million, and adjusted profit before tax before exceptional items and recharges and other intra-group costs from Huber was US\$36 million. Reported profit before tax amounted to US\$6 million (profit before tax is after charging depreciation and amortisation of US\$69 million and interest expense of US\$27 million). This information is extracted from unaudited management information prepared in accordance with US GAAP. The financial information on CP Kelco for the three years ended 31 December 2023 prepared under IFRS and in accordance with Tate & Lyle's accounting policies and including any relevant carve out adjustments will be published in line with the UK Listing Rules prior to completion of the Proposed Transaction. The Directors expect that the adjustments to the US GAAP gross assets and profit before tax will mainly arise in respect of the treatment of research and development expenditure, operating leases and SaaS (software as a service) contracts.

Key terms of the Proposed Acquisition

Sale and purchase agreement ('SPA')

Tate & Lyle and Huber have entered into an SPA related to the Proposed Transaction and the key terms are summarised below:

Financial

Under the SPA, Tate & Lyle will acquire the entire issued share capital of CP Kelco for total implied headline consideration of US\$1.8 billion (subject to customary adjustments, including CP Kelco's cash, debt and debt-like items and working capital at completion).

- Of such total consideration, US\$1.15 billion will be payable in cash, and the remaining consideration being payable through the issuance of 75 million new Tate & Lyle ordinary shares at completion of the Proposed Transaction. Following completion, Huber will become a long-term shareholder (c.16%) of Tate & Lyle.

- Further, Tate & Lyle will be required to issue up to 10 million additional Tate & Lyle ordinary shares as further consideration (calculated on a sliding scale) to be delivered to Huber two years post-completion of the Proposed Transaction, subject to performance criteria based on the increase in Tate & Lyle's share price.¹¹
- The cash consideration payable by Tate & Lyle as part of the Proposed Transaction will be funded through a combination of new and existing debt financing facilities and existing cash resources. Certain key details relating to the new debt financing are set out below.

Timing and conditions

The Proposed Transaction constitutes a Class 1 transaction for Tate & Lyle under the UK Listing Rules and is, therefore, as at the date of this announcement, conditional on the approval of Tate & Lyle's shareholders (the 'Shareholder Approval Condition'). As indicated by the FCA, the UK Listing Rules are expected to change in the coming weeks, such that the requirement for a shareholder vote for a Class 1 transaction would no longer apply. Huber and Tate & Lyle have agreed that should the amended UK Listing Rules come in force on or before 31 August 2024 (or such other later date as agreed between the parties), and such amended UK Listing Rules remove the requirement for a shareholder vote for Class 1 transactions, then the Shareholder Approval Condition will no longer apply.

The Proposed Transaction is also conditional on receipt of certain customary regulatory approvals.

Other terms of the SPA

If the Board of Tate & Lyle fails to include or changes a unanimous recommendation in the circular to the Tate & Lyle shareholders to vote in favour of the Proposed Transaction (assuming the new UK Listing Rules do not come into force and remove the requirement for a Shareholder Approval Condition), and the shareholders do not approve the Proposed Transaction at the General Meeting, Tate & Lyle and Huber are, in their sole discretion, entitled to terminate the SPA. If such termination right is exercised, Tate & Lyle will be required to reimburse Huber for any documented costs and expenses in connection with the Proposed Transaction up to a maximum of c.£27.2 million.

If the SPA is terminated due to the Proposed Transaction not being approved by the shareholders of Tate & Lyle by the long stop date¹², which arises directly as a result of Huber not providing certain key information which it is required in connection with the preparation of the circular for Tate & Lyle's shareholders under the UK Listing Rules, Huber will be required to reimburse Tate & Lyle for any documented costs and expenses incurred by Tate & Lyle in connection with the Proposed Transaction up to a maximum of c.£27.2 million.

Huber will give a customary set of warranties to Tate & Lyle in relation to CP Kelco. Tate & Lyle will obtain a warranty and indemnity insurance policy to cover any losses that may arise from breach of the warranties to be provided by Huber. The SPA also contains warranties given by Tate & Lyle that are customary for a transaction of this nature.

In connection with the Proposed Transaction, Huber has also agreed to provide Tate & Lyle certain business-related indemnities. Each of Huber and Tate & Lyle have also agreed to undertake certain actions between the date of the SPA and completion of the Proposed Transaction.

CP Kelco and Tate & Lyle are subject to certain customary restrictions in the period between the date of the SPA and completion.

Huber is subject to customary non-solicitation and non-compete provisions which apply for a period of two years following completion.

Financing the Proposed Transaction

In connection with the Proposed Transaction, Tate & Lyle has entered into a new committed US\$600 million bridge-financing facility, provided by Citibank N.A., London Branch. The bridge-financing facility is available for an initial term of 12 months from the date of the bridge facility agreement, with up to two six-month extensions available at the discretion of Tate & Lyle. The initial bridge financing facility is intended to cover the financing of part of the cash portion of the acquisition consideration. In due course, Tate & Lyle intends to refinance the initial bridge-financing facility through a combination of any one or more of new medium-term and long-term debt instruments.

Management and employees

CP Kelco has its own management team led by Didier Viala, President. Given the importance of the management team in representing CP Kelco's operations and prospects it is intended that, following integration, the CP Kelco management team will be represented in both the Executive and broader Tate & Lyle leadership teams.

Under the terms of the SPA, Tate & Lyle has agreed that, for a period of 12 months following completion, it will provide employees of CP Kelco with base salary, hourly wage rate and certain employee benefits that are no less favourable in the aggregate than those provided before completion.

Relationship Agreement

Huber will become a long-term shareholder (c.16%)⁶ in Tate & Lyle following completion. This long-term equity stake was key to creating the opportunity to unlock the combination and reflects Huber's strong conviction in the future value creation of the combined business.

At completion of the Proposed Transaction, Tate & Lyle will enter into a relationship agreement with Huber to regulate the relationship between Tate & Lyle and Huber (in its capacity as a shareholder of Tate & Lyle) (the 'Relationship Agreement').

Pursuant to the Relationship Agreement, Huber will be entitled to nominate two non-executive directors of Tate & Lyle for as long as it holds at least 15% of Tate & Lyle's ordinary shares and one non-executive director of Tate & Lyle for as long as it holds at least 10% of Tate & Lyle's ordinary shares, subject in each case to adjustment for the dilutive impact of certain equity issuances by Tate & Lyle. At completion of the Proposed Transaction, the non-executive directors nominated by Huber will enter into appointment letters in respect of their appointments to the Board on substantially the same terms, where applicable, as Tate & Lyle's existing non-executive directors.

Subject to certain limited exceptions, Huber will be restricted from dealing in Tate & Lyle's shares for a two-year period following completion of the Proposed Transaction. Following the expiry of this two-year period, Huber will be permitted to dispose of its Tate & Lyle shares in line with customary orderly market provisions.

Other aspects of the Proposed Transaction

Tate & Lyle and Huber have agreed a transitional services agreement, which will govern the provision of certain services between CP Kelco and Huber for a limited period following completion.

Board's views on the Proposed Transaction

The Board of Tate & Lyle believes that the Proposed Transaction is in the best interests of Tate & Lyle's shareholders. Accordingly, if approval from Tate & Lyle's shareholders is required prior to completion of the Proposed Transaction in accordance with the then prevailing terms of the UK Listing Rules, the Directors intend unanimously to recommend that shareholders vote in favour of the resolution at a General Meeting to be convened to consider the Proposed Transaction.

Additional resolution for Annual General Meeting 2024

In connection with the combination of the Tate & Lyle and CP Kelco businesses, the Board considers that it might be appropriate to change the name of the combined entity from Tate & Lyle to a new name. At the present time, any such change of name would require the approval of shareholders at a General Meeting. In contemplation of the changes to the Listing Rules as set out above, the Board proposes to amend the Company's Articles of Association to permit the directors to change the name. Accordingly, the Directors will reissue the proxy card for the Annual General Meeting on 25 July 2024 with an additional resolution seeking shareholder approval for this proposed amendment to the Articles.

Information on Tate & Lyle

Supported by our 160-year history of ingredient innovation, we partner with customers to provide consumers with healthier and tastier choices when they eat and drink. We are proud that millions of people around the world consume products containing our ingredients every day. Through our expertise in sweetening, fortification, and texture, we develop ingredient solutions which reduce sugar, calories, and fat, add fibre and protein, and provide texture and stability in categories including beverages, dairy, bakery, snacks, soups, sauces, and dressings.

We have more than 3,300 employees working in around 58 locations serving customers across 121 countries. Science, Solutions, Society is our brand promise and how we will achieve our purpose of Transforming Lives Through the Science of Food. By living our purpose we believe we can successfully grow our business and have a positive impact on society. We live our purpose in three ways, by supporting healthy living, building thriving communities and caring for our planet.

Tate & Lyle is listed on the London Stock Exchange under the symbol TATE.L. American Depositary Receipts trade under TATYY. In the year to 31 March 2024, Tate & Lyle revenue from continuing operations totalled £1.65 billion.

Tate & Lyle PLC's LEI number is: 2138008K14474WPKZ244.

Information on CP Kelco

CP Kelco is a nature-based ingredient solutions company with approximately 90 years of experience working with food, beverage, consumer and industrial products manufacturers worldwide. What sets it apart are:

- *Unlocking Nature-Powered Success®*. Applying ingredient innovation and problem-solving to develop customised solutions that leverage its regional insights and meet manufacturers' goals to address consumer needs and preferences.
- *Unique* Producing an extensive range of high-quality, plant-based and fermentation-derived ingredients to formulate tailored solutions.
- *Technical Excellence*. Offering strong collaboration with a global team of scientists and applications experts, leveraging its regional state-of-the art R&D facilities.
- Commitment to provide responsibly sourced and produced ingredients.
- *Market*: Understanding market and consumer trends to help customers create relevant and innovative products.

Its key product lines include gellan gum, pectin, carrageenan, xanthan gum, diutan gum, fermentation-derived cellulose, refined locust bean gum, microparticulated whey protein concentrate and our latest innovation, NUTRAVA® Citrus Fiber. Learn more at www.cpkelco.com.

Information on Huber

Huber, one of the largest family-owned companies in the US, produces a variety of consumer and industrial products. With nearly 5,000 employees in approximately 20 countries and US\$3 billion in annual revenue, Huber has remained family-owned since its founding by Joseph Maria Huber in 1883. Headquartered in Atlanta, Georgia, Huber operates as a Portfolio Management Company, giving each Huber company the autonomy to manage their business to serve their customers. Huber's four business, CP Kelco, Huber Engineered Materials, Huber Engineered Woods and Huber Resources Corp., hold leadership positions in rapidly growing markets such as hydrocolloids, personal care, food and beverage, agricultural nutrients and adjuvants, building materials, flame retardants and smoke suppressants, as well as sustainable forestry services.

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11. Deferred share consideration contingent on Tate & Lyle's volume-weighted average price for the 30 trading days ending on and including the date that is two years following completion of the Proposed Transaction, with the full 10 million shares to be issued if Tate & Lyle's share price over such period is at least £10.00, and no deferred share consideration will be payable if Tate & Lyle's share price over such period is £8.50 or below. Tate & Lyle also has the option to pay part of the deferred consideration in cash.
 12. Long stop date for the SPA is 6 months following the date of the SPA (or, if any of the regulatory approvals have not been received by such date, 9 months following date of the SPA).

Important Notices

Greenhill & Co. International LLP ('Greenhill'), an affiliate of Mizuho Financial Group, Inc., which is authorised and regulated in the UK by the Financial Conduct Authority, is acting as financial adviser and sponsor for Tate & Lyle and for no one else in connection with the Proposed Transaction and other matters described in this announcement, and will not be responsible to anyone other than Tate & Lyle for providing the protections afforded to clients of Greenhill nor for providing advice in connection with the Proposed Transaction or any other matters referred to in this announcement. Neither Greenhill nor any of its affiliates, directors or employees owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Greenhill in connection with this announcement, any statement contained herein, the Proposed Transaction or otherwise.

Citigroup Global Markets Limited ('Citigroup'), which is authorised by the Prudential Regulation Authority and regulated in the UK by the Financial Conduct Authority and the Prudential Regulation Authority, is acting as financial adviser for Tate & Lyle and for no one else in connection with the Proposed Transaction and other matters described in this announcement, and will not be responsible to anyone other than Tate & Lyle for providing the protections afforded to clients of Citigroup nor for providing advice in connection with the Proposed Transaction or any other matters referred to in this announcement. Neither Citigroup nor any of its affiliates, directors or employees owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Citigroup in connection with this announcement, any statement contained herein, the Proposed Transaction or otherwise.

Goldman Sachs International ('Goldman Sachs'), which is authorised and regulated in the UK by the Financial Conduct Authority, is acting as financial adviser for Tate & Lyle and for no one else in connection with the Proposed Transaction and other matters described in this announcement, and will not be responsible to anyone other than Tate & Lyle for providing the protections afforded to clients of Goldman Sachs nor for providing advice in connection with the Proposed Transaction or any other matters referred to in this announcement. Neither Goldman Sachs nor any of its affiliates, nor their respective partners, directors, officers, agents or employees owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Goldman Sachs in connection with this announcement, any statement contained herein, the Proposed Transaction or otherwise.

Linklaters LLP is acting as legal adviser to Tate & Lyle on the Proposed Transaction.

This announcement is not intended to, and does not constitute or form part of, and should not be construed as, any offer, invitation, solicitation or recommendation of an offer to purchase, sell, subscribe for or otherwise dispose of or acquire any securities or the solicitation of any vote or approval in any jurisdiction and neither the issue of the information nor anything contained herein shall form the basis of or be relied upon in connection with, or act as an inducement to enter into, any investment activity. No shares are being offered to the public by means of this announcement. This announcement does not constitute either advice or a recommendation regarding any securities, or purport to contain all of the information that may be required to evaluate any investment in Tate & Lyle or any of its securities and should not be relied upon to form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever. Past performance is not an indication of future results and past performance should not be taken as a representation that trends or activities underlying past performance will continue in the future.

The distribution of this announcement in jurisdictions in or from certain jurisdictions may be restricted or prohibited by the laws of any jurisdiction other than the United Kingdom. Recipients are required to inform themselves of, and comply with, all restrictions or prohibitions in such other jurisdictions. Any failure to comply with applicable requirements may constitute a violation of the laws and/or regulations of other such jurisdiction.

This announcement has been prepared for the purposes of complying with the applicable law and regulation of the United Kingdom (including the Listing Rules and the Disclosure Guidance and Transparency Rules) and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and regulations of any jurisdiction outside of the United Kingdom.

This announcement is being distributed to all owners of Ordinary shares and American Depository Receipts. A copy of this announcement can be found on our website at www.tateandlyle.com. A hard copy of this statement is also available from the Company Secretary, Tate & Lyle PLC, 5 Marble Arch, London WC2B 6AT.

Cautionary Note regarding Forward-Looking Information

This announcement may contain certain forward-looking statements, beliefs or opinions, including statements with respect to Tate & Lyle's business, financial condition and results of operations. These forward-looking statements can be identified by the use of words such as “anticipate”, “expect”, “estimate”, “intend”, “will”, “may”, “project”, “plan”, “target” and “believe” and other words of similar meaning in connection with any discussion of future events. These statements, by their nature, involve risk, uncertainty and qualifications because they relate to events and depend upon circumstances that may or may not occur in the future. A number of factors could cause actual results and developments to differ materially from those expressed or implied by the forward-looking statements in this announcement and accordingly all such statements should be treated with caution. There can be no assurance that any particular forward-looking information will be realised, and the performance of Tate & Lyle may be materially and adversely different from the forward-looking statements. Except where otherwise stated, this announcement speaks as of the date hereof. Other than in accordance with its legal or regulatory obligations (including under the Listing Rules, the Disclosure Guidance and Transparency Rules and the Prospectus Regulation Rules), Tate & Lyle is not under any obligation and Tate & Lyle expressly disclaims any intention or obligation (to the maximum extent permitted by law) to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

No statement in this announcement (including any statement of estimated synergies) is intended as a profit forecast or estimate for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share or income, cash flow from operations or free cash flow for Tate & Lyle for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share or income, cash flow from operations or free cash flow for Tate & Lyle.

Certain figures contained in this announcement, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this announcement may not conform exactly to the total figure given.

Except as explicitly stated, neither the content of Tate & Lyle's website (or any other website) nor any website accessible by hyperlinks on Tate & Lyle's website (or any other website) is incorporated in, or forms part of, this announcement.

APPENDIX
FINANCIAL INFORMATION

Historical Financial Information on CP Kelco

CP Kelco¹, \$m unless otherwise stated	Year ended 31 December 2021	Year ended 31 December 2022	Year ended 31 December 2023
<i>Volume change (%)</i>	8%	(2)%	(13)%
Revenue	749	796	772
– Change %	9%	6%	(3)%
Adjusted EBITDA ²	170	151	131
<i>Adjusted EBITDA margin²</i>	22.6%	19.0%	17.0%
<i>Depreciation and amortisation</i>	68	67	69
Adjusted operating profit ²	102	84	62
Capital expenditure	(129)	(141)	(85)
Change in working capital	(5)	(76)	(38)
Exceptional restructuring cash flow	–	–	(14)
Free cash flow before tax ³	47	(66)	(6)
Tax cash ⁴	(26)	(20)	(15)
Free cash flow including tax	21	(86)	(21)

Notes

1. This information is extracted from unaudited CP Kelco management information prepared in accordance with US GAAP and has not been aligned to Tate & Lyle’s accounting policies.
2. CP Kelco’s reported EBITDA and operating profit have been adjusted to be both consistent with Tate & Lyle adjusted results definition (for descriptions of the various metrics and their reconciliation to the most directly comparable reported measures see Tate & Lyle 2024 Annual Report on pages 146 to 148). Additionally, EBITDA and operating profit have been adjusted for Huber service costs that will not be incurred under Tate & Lyle ownership.
3. Free cash flow is shown as reported; only selected material cash flows are shown.
4. CP Kelco is part of the Huber tax group; tax cash assumes a 24% effective tax rate paid in the year incurred.

Illustrative pro-forma financial information for the proposed combination of Tate & Lyle and CP Kelco

To assist with understanding the impact of the Proposed Transaction, set out below is illustrative pro-forma financial information for the combination of Tate & Lyle and CP Kelco for their most recent completed accounting years.

Tate & Lyle prepares financial information under IFRS and for accounting periods ending on 31 March, CP Kelco prepares financial information under US GAAP for accounting periods ending 31 December. The illustrative pro-forma financial information is neither aligned for accounting periods, GAAP differences, accounting policies nor reflects the necessary standalone carve out adjustments.

£m unless otherwise stated	Tate & Lyle Year ended 31 March 2024	CP Kelco^{2,3} Year ended 31 December 2023	Benefit of cost synergies⁴	Illustrative pro-forma, adjusted for benefit of cost synergies
Revenue	1 647	621	–	2,268
Adjusted operating profit ¹	258	50	40	348
Depreciation and amortisation ¹	70	56	–	126
Adjusted EBITDA ^{1,4}	328	106	40	474
<i>Adjusted EBITDA margin¹</i>	<i>19.9%</i>	<i>17.0%</i>		<i>20.9%</i>

The above information is not intended to constitute pro-forma financial information for the purposes of the UK Listing Rules or PR Regulation (the UK version of Regulation number 2019/980 of the European Commission). If Tate & Lyle is required to publish a Class 1 circular in connection with the Proposed Transaction in accordance with the prevailing UK Listing Rules and PR Regulation prior to completion, the pro forma information in such circular would differ from the illustrative pro forma information set out in the table above.

Notes

- Adjusted results and a number of other terms and performance measures used in this document are not directly defined within IFRS. We have provided descriptions of the various metrics and their reconciliation to the most directly comparable measures reported in accordance with IFRS and the calculation (where relevant) of any ratios in the 2024 Annual Report on pages 146 to 148.
- CP Kelco financial information is presented in US Dollars, such information has been translated into GB Pounds at the average rate for the year to 31 December 2023 of USD:GBP 1.243:1.
- CP Kelco's reported EBITDA for the year ended 31 December 2023 was £82 million. This has been adjusted to be both consistent with Tate & Lyle adjusted results definition and to adjust for Huber service costs that will not be incurred under Tate & Lyle ownership. Accordingly, the following adjustments have been made; 1) exceptional costs of £11 million were removed (as they are material in amount; and are outside the normal course of business or relate to events which do not frequently recur); and, 2) recharges and other intra-group costs from Huber of £13 million were removed.
- Cost synergies of US\$50 million (£40 million) are expected to be delivered in the first two full years from completion of the Proposed Transaction. For the purposes of this illustrative information the full synergies are considered to be in place for the year presented.

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