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4 October 2019

TREATT PLC **("Treatt" or "the Group")**

Trading update for year ended 30 September 2019

Treatt, the manufacturer and supplier of innovative ingredient solutions for the flavour, fragrance, beverage and consumer product industries today publishes a trading update for the year ended 30 September 2019.

The Board is pleased to confirm that, notwithstanding a very significant fall in certain key citrus raw material prices, and some foreign exchange headwinds, the Group has performed well in the second half of the financial year. Consequently, the Board expects to report profit before tax and exceptional items for the year ended 30 September 2019 in line with its expectations.

Revenue for the year is expected to be approximately £112.7m, an increase of 1% (or decrease of 2% in constant currency) compared with the prior year. As reported in May 2019, revenue for the year has been impacted by a substantial fall in citrus raw material input prices, with orange oil (which represents approximately 33% of Group revenue) prices falling by more than 50% over the year and lemon oil prices also seeing substantial price weakness.

Although reported revenue from our citrus category (representing 54% of Group revenue) fell by 10%, our strategy to diversify our portfolio of natural ingredient solutions delivered a very encouraging 16% growth in non-citrus revenues: tea was up 42%, health & wellness (including sugar reduction) grew by 23% and fruit & vegetables grew by 35% as the Group's clean label innovations continue to perform well in the market place. Whilst 'natural' now represents approximately 81% of the Group's portfolio, we also saw healthy growth of 16% in the synthetic flavour and fragrance market.

During the 2019 financial year the Group made significant progress with its two principal strategic investment projects being the expansion of our US facility and the relocation of our UK facility. We successfully completed the further development of our US facility, doubling the capacity in our non-citrus natural tea, health & wellness and fruit & vegetable categories as well as quadrupling the size of our US technical and innovation centre as we invest more in R&D to drive further product innovation. In addition, and as we reported last month, the main contractors have begun work on our new UK facility which we expect to transition across to in the latter half of 2020.

There was a net improvement in working capital with lower inventories and a reduction in trade debtors contributing to a strong cash performance during the financial year. The Group ended the year with a net cash balance of £15.8m, being a net inflow for the year of £5.8m.

As we begin our new financial year, the impact of lower citrus raw material prices is likely to continue to affect our citrus business, whilst we expect the momentum in our non-citrus categories to continue and innovations in cold brew coffee, a new market for Treatt, to gain traction. As new capacity at our US facility comes on stream the business will begin to see the benefits from this investment and, as we look forward to moving into our new UK facility later next year, the Board enters the year ahead with confidence.

Treatt's results for the year ended 30 September 2019 will be announced on 26 November 2019.

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About the Group

Treatt is a global, independent supplier of innovative ingredient solutions for the flavour, fragrance and multinational consumer product industries, particularly in the beverage sector. Renowned for its technical expertise and knowledge of ingredients, their origins and market conditions, Treatt is recognised as a leader in its field.

The Group employs over 300 staff in Europe, North America, Africa and Asia and has manufacturing facilities in the UK, USA and Kenya. Its international footprint enables the Group to deliver powerful and integrated solutions for the food, beverage and fragrance industries across the globe.

For further information about the Group, visit www.treatt.com.

CAUTIONARY STATEMENT ABOUT FORWARD-LOOKING STATEMENTS

This announcement contains forward-looking statements that are subject to risk factors associated with, among other things, the economic and business circumstances occurring from time to time in the countries, sectors and markets in which the Group operates. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a wide range of variables which could cause actual results to differ materially from those currently anticipated. No assurances can be given that the forward-looking statements in this announcement will be realised. The forward-looking statements reflect the knowledge and information available at the date of preparation of this announcement and the Group undertakes no obligation to update these forward-looking statements. Nothing in this announcement should be construed as a profit forecast.