

1 Regulation of lactose and galactose growth: Insights from a unique
2 metabolic gene cluster in *Candida intermedia*

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13 **Keywords**

14 Cheese whey, metabolism, evolution, gene clusters, transcriptional regulation, galactose
15 regulatory system, non-conventional yeast

16 Abstract

17 Lactose assimilation is a relatively rare trait in yeasts, and *Kluyveromyces* yeast species have
18 long served as model organisms for studying lactose metabolism. Meanwhile, the metabolic
19 strategies of most other lactose-assimilating yeasts remain unknown. In this work, we have
20 elucidated the genetic determinants of the superior lactose-growing yeast *Candida intermedia*.
21 Through genomic and transcriptomic analyses and deletion mutant phenotyping, we identified
22 three interdependent gene clusters responsible for the metabolism of lactose and its hydrolysis
23 product galactose: the conserved *LAC* cluster (*LAC12*, *LAC4*) for lactose uptake and hydrolysis,
24 the conserved *GAL* cluster (*GAL1*, *GAL7*, *GAL10*) for galactose catabolism, and a unique
25 “*GALLAC*” cluster. This novel *GALLAC* cluster, which has evolved through gene duplication
26 and divergence, proved indispensable for *C. intermedia*'s growth on lactose and galactose. The
27 cluster contains the transcriptional activator gene *LAC9*, second copies of *GAL1* and *GAL10*
28 and the *XYL1* gene encoding an aldose reductase involved in carbon overflow metabolism.
29 Notably, the regulatory network in *C. intermedia*, governed by Lac9 and Gal1 from the
30 *GALLAC* cluster, differs significantly from the (ga)lactose regulons in *Saccharomyces*
31 *cerevisiae*, *Kluyveromyces lactis* and *Candida albicans*. Moreover, although lactose and
32 galactose metabolism are closely linked in *C. intermedia*, our results also point to important
33 regulatory differences. This study paves the way to a better understanding of lactose and
34 galactose metabolism in *C. intermedia* and provides new evolutionary insights into yeast
35 metabolic pathways and regulatory networks. In extension, the results will facilitate future
36 development and use of *C. intermedia* as a cell-factory for conversion of lactose-rich whey into
37 value-added products.

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45 Introduction

46 Assimilation of lactose is a rather uncommon characteristic among microorganisms, including
47 yeasts. Growth screening of 332 genome-sequenced yeasts from the Ascomycota phylum
48 showed that only 24 (<10%) could grow on lactose, and these lactose-utilizers are scattered
49 throughout the phylogenetic tree¹. While lactose increased in abundance on earth with the
50 domestication of lactating mammals about 10,000 years ago², ascomycetous yeast clades
51 formed already millions of years ago¹, suggesting that lactose metabolism may have evolved
52 several times throughout yeast evolution. Whereas ‘dairy yeast’ from the *Kluyveromyces* genus,
53 including *K. lactis* and *K. marxianus*, have been carefully characterized³⁻⁶, other lactose-
54 metabolizing yeast species remain largely understudied. Elucidating the mechanisms behind
55 their lactose metabolism can help to shed light on how eukaryotic metabolic pathways and the
56 associated regulatory networks have evolved. Moreover, it can enable the development of new
57 yeast species as cell factories for conversion of lactose in the abundant industrial side stream
58 cheese whey into a range of different products⁷.

59 Lactose is a disaccharide composed of D-glucose and D-galactose connected through a β -1,4-
60 glycosidic linkage. Its assimilation starts with the hydrolysis of lactose into its monosaccharides
61 through the action of a lactase – normally an enzyme with β -galactosidase activity. Several
62 different enzyme families encode lactases, which can be found intracellularly or extracellularly.
63 In *Kluyveromyces* yeasts, lactose is transported across the plasma membrane by a *LAC12*-
64 encoded lactose permease and is subsequently hydrolyzed intracellularly by a *LAC4*-encoded
65 β -galactosidase⁶. In contrast, the yeast *Moesziomyces aphidis* and *M. antarcticus* seem to show
66 β -galactosidase activity both intra and extracellularly, whereafter glucose and galactose are
67 imported into the cell⁸. For most other lactose-growing yeast, comparative genomics and
68 growth characterization are still needed to determine their lactose uptake and hydrolysis
69 mechanisms.

70 In *Kluyveromyces* (and likely most other lactose-assimilating yeasts), lactose-derived glucose
71 and galactose moieties are further catabolized through glycolysis and the Leloir pathway,
72 respectively. The Leloir pathway is carried out by Gal1, Gal7 and Gal10, and starts by
73 conversion of β -D-galactose into α -D-galactose by the mutarotase domain of Gal10 (aldose-1-
74 epimerase). Gal1 (galactokinase) then phosphorylates α -D-galactose into α -D-galactose-1-

75 phosphate, whereafter Gal7 (galactose-1-phosphate uridylyl transferase) transfers uridine
76 diphosphate (UDP) from UDP- α -D-glucose-1-phosphate to α -D-galactose-1-phosphate⁹. The
77 epimerase (UDP-galactose-4-epimerase) domain of Gal10 catalyzes the final step, where UDP-
78 α -D-galactose-1-phosphate is converted to UDP- α -D-glucose-1-phosphate¹⁰⁻¹². In parallel to the
79 Leloir pathway, some filamentous fungi such as *Trichoderma reesei* and *Aspergillus nidulans*
80 have an alternative galactose catabolic pathway called the oxidoreductive pathway, where
81 galactose is first converted into galactitol through the action of an aldose reductase^{11,12}. Also a
82 third galactose catabolic pathway, the DeLey-Doudoroff pathway, has been described to some
83 detail¹². To the best of our knowledge, (ga)lactose-growing yeasts described to date exclusively
84 use the Leloir pathway, although some reports on galactose-to-galactitol conversion in
85 *Rhodospiridium toruloides* and *Metschnikowia pulcherrima* exist¹³⁻¹⁵. Moreover, 12 out of 332
86 ascomycetous yeasts have been shown to grow on galactitol¹, indicating that they might possess
87 an oxidoreductive pathway to catabolize this carbon source.

88 Comparative genomic studies have revealed that the *GALI*, 7 and 10 genes are often found
89 located together in a “*GAL* cluster” in the genomes of yeast and filamentous fungi¹⁶, and also
90 the *LAC4* and *LAC12* genes form a “*LAC* cluster” in for example *K. marxianus* and *K. lactis*^{6,16}.
91 Such metabolic gene clusters, identified both in filamentous fungi and yeasts, are particularly
92 prevalent for pathways involved in sugar and nutrient acquisition, synthesis of vitamins and
93 secondary metabolites¹⁷. Some clusters, including the *GAL* cluster, are conserved over a wide
94 range of species whereas other clusters appear unique to one or a few species^{16,18,19}. Like
95 bacterial operons, the eukaryotic cluster genes are co-regulated in response to environmental
96 changes, and clusters sometimes even encode their own transcriptional activators¹⁷. Clustering
97 of genes under a common control mechanism allows the microorganism to rapidly adapt to
98 environmental cues, which can be advantageous to avoid deleterious recombination events and
99 high concentrations of local protein products. For example, co-regulation of the *GAL* genes is
100 necessary to avoid accumulation of the toxic intermediate galactose-1-phosphate in the Leloir
101 pathway^{16,20}. Gene clusters can also propagate together by horizontal transfers to other species,
102 which is less likely to occur for non-clustered genes²¹. In fact, selective pressures in lactose-
103 rich environments in dairy farms led to the formation of an efficient lactose utilization system
104 by rearrangement and horizontal gene transfer (HGT) of the *LAC* cluster genes in
105 *Kluyveromyces* dairy strains⁶.

106 Regulation of galactose metabolism (and lactose where applicable) has been carefully
107 characterized in yeasts such as *S. cerevisiae*, *K. lactis* and *Candida albicans*²²⁻²⁵, displaying
108 both similarities and differences among species. In *S. cerevisiae*, three regulatory proteins
109 (*ScGal4*, *ScGal80*, *ScGal3*) are responsible for galactose regulation. In the absence of galactose,
110 the transcriptional activation domain of *ScGal4* is bound to the inhibitor *ScGal80*. In the
111 presence of galactose, *ScGal3* relieves *ScGal4* from *ScGal80* in a galactose- and ATP-
112 dependent manner, resulting in the induction of the *GAL* structural genes. Like for *S. cerevisiae*,
113 *K. lactis* *GAL* regulatory system relies on relieving *KILac9* (ortholog of *ScGal4*) from *Gal80*
114 inhibition. However, *K. lactis* lacks *Gal3* and instead uses a bifunctional galactokinase *KIGal1*
115 to induce both galactose and lactose genes²⁶. There are four *KILac9* binding sites in the *LAC*
116 cluster gene promoters, which indicate the tight coregulation of lactose and galactose
117 metabolism in this yeast²⁷. Similar to *K. lactis*, *C. albicans* lacks *Gal3* but possesses a *Gal1* with
118 both enzymatic and regulatory functions, but in this yeast the *GAL* gene expression is controlled
119 by transcription factors *Rtg1/Rtg3*²⁸ and/or *CaRep1/CaCgal*²⁹ rather than *CaGal4*, which
120 instead is responsible for expression of genes involved in glucose metabolism²². Such
121 transcriptional rewiring is common among yeasts, which calls for coupling of comparative
122 genomics with detailed mutant phenotyping and transcriptional analysis to decipher how
123 regulation occurs in individual species.

124 While (ga)lactose metabolism in *S. cerevisiae* and *K. lactis* has long served as a model system
125 for understanding the function, evolution and regulation of eukaryotic metabolic pathways, the
126 corresponding knowledge regarding non-conventional yeasts is scarce. One such non-
127 conventional yeast is *Candida intermedia*, a haploid yeast belonging to the *Metschnikowia*
128 family in the CUG-Ser1 clade, which can grow on a wide range of different carbon sources¹.
129 *C. intermedia* has previously received attention as a fast-growing yeast on xylose. The xylose
130 transporters and xylose reductases responsible for *C. intermedia*'s xylose-fermentative capacity
131 have been characterized in several studies³⁰⁻³⁵. *C. intermedia* is one of very few yeasts in the
132 *Metschnikowia* family that can grow on lactose¹, and it has been used for cheese whey
133 bioremediation in the past³⁶. Our previous works on characterizing the in-house isolated *C.*
134 *intermedia* strain CBS 141442 in terms of genomics, transcriptomics and physiology^{33,37,38} and
135 the development of a genome editing toolbox for this species³⁹ provide a stable platform for
136 exploration of the genetic determinants of lactose metabolism in this yeast.

137 In this study, we show that *C. intermedia* possesses a unique ‘*GALLAC*’ cluster, in addition to
138 the conserved *GAL* and *LAC* clusters, that is essential for growth on lactose and highly
139 important for growth on galactose. Characterization of the individual genes within *GALLAC*
140 cluster revealed differentiation in their functionality, enabling the yeast to regulate the
141 expression of galactose and lactose genes differently. This cluster represents a new, interesting
142 example of metabolic network rewiring in yeast, and likely helps to explain how *C. intermedia*
143 has evolved into an efficient lactose-assimilating yeast.

144 Results

145 *C. intermedia* is among the top five lactose-growers out of 332 sequenced ascomycetous yeasts
146 As a start, we wanted to assess the capacity of *C. intermedia* to grow on lactose compared to
147 other yeasts. We cultured 24 of the 332 ascomycetous species that have scored positive for
148 lactose growth¹, as well as *C. intermedia* strains CBS 572 (type strain), CBS 141442 and PYCC
149 4715 (previously characterized for utilization of xylose)^{1,34}. The yeast species displayed
150 different growth patterns in lag phase, doubling time and final biomass (Figure 1, Figure S1).
151 When ranked based on lowest doubling time, *K. lactis* and *K. marxianus* were the fastest
152 growers on lactose, closely followed by *C. intermedia* strains PYCC 4715 and CBS 141442,
153 *Debaryomyces subglobulus* and *Blastobotrys muscicola* (Figure 1, Figure S1). Other species
154 such as *Kluyveromyces aestuarii*, *Millerozyma acaciae* and *Lipomyces mesembris* showed poor
155 or no growth under the conditions tested while others had very long lag phases. Thus, under the
156 assessed conditions, our results establish *Candida intermedia* as one of the top five fastest
157 lactose-growing species within this subset of ascomycetous yeasts¹.

158 *Genomic and transcriptomic analysis identify three gene clusters involved in lactose and*
159 *galactose assimilation.*

160 To identify the genetic determinants for lactose metabolism in *C. intermedia* CBS 141442, we
161 searched the genome for orthologs of known genes involved in the uptake and conversion of
162 lactose, and its tightly coupled hydrolysis-product, galactose. We found several genes encoding
163 expected transcription factor orthologs including *LAC9*, *GAL4*, *RTG1*, *RTG3*, *REP1* and *CGAI*
164 that have been associated with lactose and galactose metabolism in *K. lactis*⁴⁰, *S. cerevisiae*⁴¹
165 and *C. albicans*^{28,29}. In accordance with previous reports for yeasts belonging to the genus

166 *Candida*¹⁰, we did not find orthologous of *GAL80*, strongly suggesting that *C. intermedia* does
167 not possess the Gal3-Gal80-Gal4 regulon.

168 Moreover, genome of *C. intermedia* contains the conserved *GAL* cluster including *GAL1*, 7, 10
169 genes as well as an *ORF-X* gene encoding a putative glucose-4,6-dehydratase similar to *GAL*
170 clusters in *Candida/Schizosaccharomyces* strains^{10,16} (Figure 2). We also identified the
171 conserved *LAC* cluster containing the β -galactosidase gene *LAC4* and lactose permease gene
172 *LAC12*^{3,4}, which correlates well with *C. intermedia* predominantly displaying intracellular β -
173 galactosidase activity (data not shown)⁶. To our surprise, *C. intermedia* also possesses a third
174 cluster, hereafter referred to as the *GALLAC* cluster, containing a putative transcriptional
175 regulator gene *LAC9* (*LAC9_2*) next to a second copy of the *GAL1* gene (*GAL1_2*), followed
176 by one of the three xylose/aldose reductase genes (*XYLI_2*) previously characterized in *C.*
177 *intermedia*³⁷ and lastly, a second copy of *GAL10* (*GAL10_2*). Interestingly, the *GAL10_2* gene
178 is shorter than *GAL10* in the *GAL* cluster and seems to encode only the epimerase domain,
179 similar to *GAL10* orthologs in *Schizosaccharomyces* species and filamentous fungi¹⁰.

180 Next, we performed transcriptome analysis using RNA-sequencing (RNA-seq) technology on
181 the CBS 141442 strain cultivated in media containing 2% of either lactose, galactose, or glucose
182 (Figure 2). All genes in the *LAC* and *GAL* clusters were among the highest upregulated genes
183 in both galactose and lactose as compared to glucose conditions. Also, the genes in the *GALLAC*
184 cluster were highly upregulated on both of these carbon sources with respect to glucose, with
185 the exception of the constitutively expressed *LAC9_2* gene (Figure S2), indicating that the novel
186 cluster might play an important role in galactose and lactose metabolism in this non-
187 conventional yeast.

188 *The GALLAC cluster is essential for growth on lactose and unique to C. intermedia.*

189 To decipher the importance of the three clusters for (ga)lactose metabolism in *C. intermedia*,
190 we deleted the clusters one by one using the split-marker technique previously developed for
191 this yeast³⁹. The cluster deletion mutants (*lac* Δ , *gal* Δ and *gallac* Δ) grew almost as well as the
192 wild-type strain (WT) in minimal media containing glucose (Figure 3A). As expected, *gal* Δ
193 failed to grow on galactose, which can be attributed to the complete shut-down of the Leloir
194 pathway, whereas the *lac* Δ grew like WT. Interestingly, no growth was observed for the *gallac* Δ
195 in galactose during the first 90 h, whereafter it slowly started to grow (Figure 3B). With lactose

196 as carbon source, both *lacΔ* and *gallacΔ* completely failed to grow, whereas *galΔ* started to
197 grow slowly after approx. 100 h (Figure 3C). Thus, our results show that the *GALLAC* cluster
198 is essential for growth on lactose and highly important for growth on galactose.

199 To the best of our knowledge, the existence of a *GALLAC*-like cluster and its interdependence
200 with the *GAL* and *LAC* clusters has never previously been reported. This, along with the severe
201 growth defects of *gallacΔ*, encouraged us to determine the origin and prevalence of the cluster
202 in other yeasts. First, we performed a comparative genomic analysis among the dataset of 332
203 genome-sequenced ascomycetous yeasts¹. Although *GAL1* and *GAL10* were found clustered
204 together as parts of the conserved *GAL* clusters in 150/332 species¹⁶, *C. intermedia* was the
205 only species where these genes also clustered with *LAC9* and *XYL1* genes (Figure 3D). Next,
206 to decipher the evolutionary events that led to the formation of the *GALLAC* cluster, we
207 generated phylogenetic trees for each individual gene product of the cluster. Our analysis
208 revealed that although the amino acid identities between the paralogs in *C. intermedia* are
209 relatively low (56% for Gal1 and Gal1_2, 72% for Gal10 and Gal10_2, 49% for Lac9_2 and
210 Lac9 and 66% and 62% for Xyl1_2 compared to Xyl1 and Xyl1_3, respectively), the identities
211 between the paralogs are still higher than for most orthologs in other species (Figure 3B, Figure
212 S 3-6). Combined, these results strongly suggest that the unique *GALLAC* cluster has evolved
213 within *C. intermedia* through gene duplication and divergence.

214 *Deletion of individual genes in the GAL and GALLAC clusters reveals importance of Lac9_2* 215 *and Gal1_2 for (ga)lactose metabolism.*

216 To elucidate the physiological function of genes situated in the *GALLAC* cluster and to better
217 understand the interdependence between the clusters, we deleted individual genes in both the
218 *GALLAC* and *GAL* clusters. The mutant phenotypes were compared with WT and complete
219 cluster deletions regarding growth, consumption of sugars and production of metabolites in
220 defined media containing either 2% galactose or lactose.

221 With galactose as carbon source, deletion of *LAC9_2* located in the *GALLAC* cluster resulted
222 in an extended lag phase accompanied by galactitol production, indicating that this putative
223 transcription factor is involved in regulation of galactose metabolism. However, deletion of the
224 other genes in the *GALLAC* cluster did not result in severe growth defects (Figure S 7). For
225 mutants deleted of individual *GAL* cluster genes, we saw the expected severe growth defects

226 for *gal1Δ*, *gal7Δ* and *gal10Δ* (Figure 4A). However, *gal10Δ* repeatedly displayed some growth
227 after a very long lag phase of approx. 250h (Figure S 8), which could suggest that *Gal10_2*
228 from the *GALLAC* cluster can partly complement the deletion of *GAL10* from the *GAL* cluster.

229 With lactose as carbon source, *lac9_2* displayed a delay in the onset of growth as was observed
230 for galactose while *gal10_2Δ* and *xyll_2Δ* grew like WT. However, in contrast to the galactose
231 case, deletion of *GALI_2* abolished growth and resembled the deletion of the whole *GALLAC*
232 cluster, indicating an important function for this protein in lactose metabolism and a clear
233 phenotypic difference between the two carbon sources. On the contrary, deletion of *GALI* from
234 the *GAL* cluster did not fully abolish growth on lactose, but growth was slower and
235 accompanied with accumulation of galactitol (73% of theoretical yield), suggesting that most
236 of the lactose-derived galactose is catabolized through the action of an aldose reductase (such
237 as *Xyl1_2*), rather than through the putative galactokinase *Gal1_2* in this mutant. Also, *gal10Δ*
238 grew slowly but with no measurable accumulation of galactose or galactitol, again showing that
239 the *GAL10_2* in the *GALLAC* cluster can partly complement this deletion. Deletion of the only
240 copy of *GAL7* gene encoding for galactose-1-phosphate uridylyltransferase resulted in
241 complete growth inhibition on lactose (as for galactose), and we speculate that the severe
242 growth phenotype is due to the accumulation of toxic intermediate galactose-1-phosphate as
243 seen in *S. cerevisiae* in previous studies²⁰.

244 As no single deletion resembled the growth defect seen for *gallacΔ* on galactose, we
245 hypothesized that two or more genes must be deleted for the same phenotype to appear. We
246 therefore deleted both *LAC9_2* and *GALI_2*, which resulted in a growth defect strikingly
247 similar to that of the complete *GALLAC* cluster mutant (Figure S 9). Overall, we can conclude
248 that *Lac9_2* and *gali_2* have important functions during galactose and lactose growth, although
249 there seem to be significant differences between the two carbon sources.

250 *Lac9 binding motifs are found in promoters in the GALLAC cluster but not in the GAL and LAC*
251 *clusters.*

252 To better understand the putative role of *Lac9_2* as a transcriptional regulator, we performed
253 Multiple Em for Motif Elicitation⁴² (MEME; Version 5.5.43) analysis to identify conserved
254 transcription factor binding motifs in gene promoters in the three clusters. The analysis revealed
255 *Lac9* (*Gal4*) binding motifs (p-value = 8.66×10^{-3}) in the promoters of *GALI_2*, *XYLI_2* and

256 *GAL10_2* in the *GALLAC* cluster, but not in the promoters in the *GAL* and *LAC* clusters (Figure
257 5A, Figure S 10). These results confirm the bioinformatic analysis of the 332 ascomycetous
258 yeast recently published, showing that *C. intermedia* and many other CTG clade yeasts lack
259 Lac9/Gal4 binding sites in their *GAL* clusters¹⁶. Although additional analysis would be needed
260 to better understand the transcriptional regulation exerted by Lac9_2, it is likely that it directly
261 binds the promoters of genes within the *GALLAC* cluster.

262 Besides *LAC9_2* in the *GALLAC* cluster, our comparative genomics analysis also identified a
263 second, non-clustered *LAC9* gene (Figure 3) as well as *GAL4* gene. All three proteins have
264 predicted Gal4-like DNA-binding domains, but they differ substantially in protein sequence
265 identity (45% for Lac9_2 and Lac9, and 18% and 19% for Gal4 compared to Lac9 and Lac9_2,
266 respectively). As deletion mutants of *LAC9* and *GAL4* did not display growth defects on lactose
267 or galactose (Figure S 11), we conclude that they are not important transcriptional regulators
268 for (ga)lactose metabolism in *C. intermedia*.

269 *Gall_2 is required for the induction of LAC cluster genes in C. intermedia*

270 Our deletion mutant phenotyping results suggest that Gall and Gall_2 have at least partly
271 different physiological functions in *C. intermedia* (Figure 4). As both genes are highly
272 upregulated on both galactose and lactose in the WT strain (Figure 2), we speculated that they
273 must differ in their activities as galactokinases or regulators. To this end, we expressed both
274 proteins in *S. cerevisiae* BY4741 *gall1Δ*, which successfully rescued the mutant's growth defect
275 on galactose (Figure 6A). This experiment demonstrates that both proteins have galactokinase
276 activity, at least when expressed in *S. cerevisiae*. We also compared the predicted structures of
277 Gall and Gall_2 using Alphafold2^{43,44}, observing that even though the amino acid sequence
278 identity between the two proteins is as low as 56%, the protein structures are very similar to
279 each other (rmsd 0.490 Å; Figure 6B) as well as to the experimentally solved structure of
280 *ScGall*⁴² (rmsd 0.778 and 0.758 Å for Gall and Gall_2, respectively). Additionally, we
281 observed that the amino acids interacting with galactose in *ScGall* (PDB ID: 2aj4) are identical
282 to those in the *CiGall* proteins, apart from Asn213 in *ScGall* (Asn205 in *CiGall*), which
283 interacts with the O2 hydroxyl group, which in *CiGall_2* is instead a serine residue (Ser199).
284 The active site clefts of all enzymes are only big enough to accommodate monosaccharides like
285 galactose. Thus, it is highly unlikely that they bind to other, larger substrates such as lactose
286 (Figure 6B). In *S. cerevisiae*, the regulator *ScGal3* is similar in structure to the galactokinase

287 *ScGal1* but has lost its galactokinase activity due to an addition of two extra amino acids (Ser-
288 Ala dipeptide)⁴⁵. However, no such structural changes were seen for *CiGal1* or *CiGal1_2* that
289 could help us to predict regulatory functions.

290 Instead, we examined the role of *Gal1* and *Gal1_2* as regulators of lactose metabolism by
291 performing β -galactosidase assays with *C. intermedia gall1 Δ* , *gall_2 Δ* as well as WT (positive
292 control) and *lac Δ* (negative control). Our RNAseq data showed that in WT, *LAC4* is expressed
293 during growth on both galactose and lactose, respectively (Figure 2). Thus, we assessed the
294 lactase activity during growth on both these sugars to include at least one condition where all
295 strains could grow. For both galactose and lactose, lactase activity was readily detected in WT
296 and *gall1 Δ* cells but close to zero in the *lac Δ* and *gall_2 Δ* mutants (Figure 6C), showing that
297 *Gal1_2* is essential to induce lactase activity. Moreover, qPCR analysis of WT and *gall_2 Δ*
298 showed that *LAC4* expression was diminished in *gall_2 Δ* as compared to the WT, indicating
299 that regulation is exerted on the transcriptional level. In the same mutant we also observed that
300 *GALI* was still expressed (Figure 6D), fortifying the growth phenotyping results where we saw
301 a clear difference in growth on galactose (+) and lactose (-) for this single mutant. Overall, these
302 results firmly establish a difference in function between *Gal1* and *Gal1_2*, where lack of *Gal1_2*
303 diminishes lactase transcription and activity while *Gal1* does not, and further indicate important
304 differences in regulation of lactose and galactose metabolism and growth.

305 Discussion

306 In this work we have investigated how (ga)lactose is metabolized in the non-conventional yeast
307 *C. intermedia* and shed light on the genetic determinants behind this trait. Interestingly, we
308 found that the genome of *C. intermedia* contains not only the conserved *GAL* and *LAC* clusters,
309 but also a unique *GALLAC* cluster that has evolved through gene duplication and divergence.
310 By combining results from comparative genomics, transcriptomics analysis, deletion mutant
311 phenotyping and metabolite profiling, we have started to unravel parts of the regulatory
312 networks and interdependence of the three clusters and can show that the *GALLAC* cluster plays
313 a vital role in both galactose and lactose metabolism in this yeast. With the Leloir pathway of
314 budding yeasts acting like a model system for understanding the function, evolution and
315 regulation of eukaryotic metabolic pathways, this work adds interesting new pieces to the
316 puzzle.

317 Our results show that *C. intermedia* grows relatively fast on lactose, and strains of this species
318 have been isolated several times from lactose-rich niches including fermentation products like
319 white-brined cheese⁴⁶ and cheese whey⁴⁷. In these lactose-rich environments, survival likely
320 necessitates a genetic makeup that can help outcompete rivaling microorganisms. Is the
321 *GALLAC* cluster facilitating the fast lactose growth observed for *C. intermedia*, and if so, how?
322 This is currently unresolved, but the genes within the cluster and the mutant phenotyping results
323 provide some clues. First, the *GALLAC* cluster seems to have important regulatory functions,
324 which can help to finetune metabolic fluxes and growth. We demonstrate that the cluster-
325 encoded transcription factor Lac9_2 is important for onset of (ga)lactose growth, as deletion of
326 *LAC9_2* leads to increased lag phase on both carbon sources. However, as *lac9_2Δ* cells
327 eventually grow, Lac9_2 cannot be solely responsible for expression of the metabolic genes.
328 Moreover, Lac9 binding motifs were only found in the promoters of *GALLAC* genes, suggesting
329 that other transcriptional activators are responsible for induction of the *GAL* and *LAC* cluster
330 genes.

331 In addition to Lac9_2, Gal1_2 from the *GALLAC* cluster also seems to be an important regulator
332 of (ga)lactose growth. The bioinformatic analysis strongly suggests that *GALI_2* in *C.*
333 *intermedia* formed through gene duplication and divergence from the *GALI* gene in the *GAL*
334 cluster. Our results also show that Gal1_2 is essential for *LAC4* transcription and in extension,
335 lactase activity and lactose growth, whereas deletion of *GALI_2* alone did not abolish *GALI*
336 expression and galactose growth. Combined, these results indicate that the original Gal1 seems
337 to have maintained the function as main galactokinase while Gal1_2 has taken on the role as a
338 regulator. This evolutionary trajectory mirrors the path taken by Gal1 and Gal3 in *S.*
339 *cerevisiae*⁴⁵, but with a crucial distinction: the Gal1 proteins in *C. intermedia* have evolved in
340 response to both lactose and galactose. On galactose, an additional deletion of *LAC9_2* was
341 needed to impair growth, suggesting that the yeast senses and regulates expression of the
342 galactose and lactose genes somewhat differently. Since Gal1_2 does not have a DNA binding
343 capacity, we hypothesize that Gal1_2 binds galactose and thereafter activates unknown
344 transcription factor(s) that ultimately bind and induce expression from the *LAC* and *GAL*
345 clusters. Although many details are still to be elucidated, it is clear that *C. intermedia* has
346 developed a way of regulating its (ga)lactose metabolism that differs from other yeast species
347 studied to date, including the Gal3-Gal80-Gal4 regulon in *S. cerevisiae*⁴⁸, the Gal1-Gal80-Lac9

348 equivalent in *K. lactis*⁴⁰ and the Rep1-Cgal regulatory complex in *C. albicans*²⁹. Future research
349 will include identifying these unknown TFs and fully elucidating the roles of Lac9_2 and
350 Gal1_2 in sensing, signaling, and regulating the cellular response to changes in the nutritional
351 environment.

352 Another interesting feature of the *GALLAC* cluster is the *XYLI_2* gene encoding an aldose
353 reductase. Although no galactitol or other intermediates of an oxidoreductive pathway
354 accumulate in the WT under the growth conditions assessed, several of the constructed mutants
355 (in particular, *galΔ* and *gal1Δ*) accumulate galactitol upon growth on lactose. In *S. cerevisiae*,
356 galactitol functions as an overflow metabolite ensuring that cells avoid accumulation of
357 galactose-1-phosphate, a known toxic intermediate of the Leloir pathway in the cell^{15,20}, and it
358 is reasonable to assume that the same is true for *C. intermedia*. Moreover, it is interesting to
359 note that aldose reductases can directly convert β -D-galactose, the hydrolysis product of lactose,
360 whereas galactokinase requires β -D-galactose conversion into α -D-galactose before it can be
361 metabolized via the Leloir pathway. We speculate that induction of an aldose reductase gene in
362 tandem with the *LAC* and *GAL* genes in response to lactose (and galactose) can be an efficient
363 way to quickly metabolize these sugars, providing a growth advantage in competitive lactose-
364 rich environments.

365 In addition to the basic scientific questions that can be answered by studying evolution and
366 sugar metabolism in lactose-growing yeast species, these yeasts can also be used as cell
367 factories in industrial biotechnology processes. Here, a better understanding of the underlying
368 genetics for this trait enables metabolic engineering to optimize the conversion of lactose-rich
369 whey into value-added products. The dairy yeasts *K. lactis* and *K. marxianus* have been
370 developed and used for whey-based production of ethanol⁴⁹, recombinant proteins⁵⁰ as well as
371 bulk chemicals such as ethyl acetate⁵¹, while exploration of new lactose-metabolizing yeasts
372 allows for additional product diversification. With lactose as substrate, a carbon-partition
373 strategy can be used for bioproduction, where the glucose moiety is converted into energy and
374 yeast biomass and the galactose moiety is steered into production of the wanted metabolite, or
375 vice versa¹³. Through this strategy, the non-conventional yeast *C. intermedia* can also be
376 explored to produce various growth-coupled metabolites, including galactitol and derivatives
377 thereof.

378 In conclusion, our work on the non-conventional, lactose-metabolizing yeast *C. intermedia* has
379 paved the way towards a better understanding of the (ga)lactose metabolism in this relatively
380 under-studied species. To the best of our knowledge, we show for the first time that gene
381 duplication and divergence resulted in the formation of a unique *GALLAC* cluster and its
382 essential role in (ga)lactose metabolism in this yeast, providing new insights of how organisms
383 can evolve metabolic pathways and regulatory networks. In addition, the proven ability of *C.*
384 *intermedia* to grow relatively well on lactose establishes this yeast as an interesting lactose-
385 assimilating species also for future industrial applications.

386 Materials and Methods

387 *Culture conditions and molecular techniques*

388 For amplification of plasmids, *E. coli* was grown on LB medium (1 % tryptone, 1 % NaCl and
389 0.5 % yeast extract) containing ampicillin (100 µg/mL) for plasmid selection.

390 *C. intermedia* CBS 141442 was grown in YPD medium (1% yeast extract, 2% bactopectone
391 and 2% glucose) prior to yeast transformation using the split marker technique as described
392 previously³⁹. Using this technique, deletion cassettes were constructed as two partially
393 overlapping fragments, each containing half of the selection marker fused to either upstream or
394 downstream sequences of the target gene. Deletion fragments were transformed using
395 electroporation (BioRad Micropulse electroporator). After transformation, cells were plated on
396 YPD agar containing 200 µg/ml nourseothricin to select for integration and expression of the
397 *CaNATI* selection marker.

398 Colony PCR was used to identify transformants with correct gene deletions, where single
399 colonies were resuspended in 50 µL dH₂O using a sterile toothpick and then heated to 90 °C for
400 10 min. After cooling to 12 °C, 2 µL of each suspension was used as a template for PCR using
401 PHIRE II polymerase (Thermo-Fisher Scientific, USA). For each mutant, three PRC primers
402 were used, where the first primer was designed to hybridize to the genome outside the flanking
403 region, the second to the marker gene and the third to the targeted gene (negative control). For
404 each gene deletion, three correctly targeted transformants were selected for subsequent
405 phenotyping.

406 To construct the double gene deletion mutant (*lac9_2*, the split marker method was used twice
407 in the same strain background, first employing the split *CaNATI* selection marker as described
408 above, and then a split KanMX selection marker PCR amplified from the plasmid
409 pTO149_RFP_CauNEO developed for *Candida auris*⁵². Correctly assembled and genome
410 integrated KanMX markers gave rise to *C. intermedia* transformants resistant to the antibiotic
411 Geneticin (200 µg/mL).

412 For complementation tests in *S. cerevisiae*, *C. intermedia* *GALI* and *GALI_2* genes were
413 synthesized and cloned in a vector backbone (pESC-URA; GenScript Biotech, New Jersey,
414 USA). Codon CTG were adjusted to alternate codon prior to optimization of the complete gene
415 for expression in *S. cerevisiae* using the GenSmart™ Codon Optimization tool (GenScript
416 Biotech, New Jersey, USA). *S. cerevisiae* BY4741/2 *GALI* knockouts used for
417 complementation experiment were grown on YP media with 2% glucose and transformed with
418 above mentioned plasmids using LiAc/PEG heat-shock method⁵³. Transformants were selected
419 on agar plates with YNB -uracil and 2% glucose, restreaked and then tested for growth in liquid
420 YNB -URA media with 2% galactose in GrowthProfiler at 30 °C and 250 rpm. *S. cerevisiae*
421 BY4741/2 *gallA* transformed with p426 (empty vector with *URA3* as selection marker) was
422 used as negative control.

423 *Growth Experiments*

424 *Growth Profiler*

425 To follow growth over time for *C. intermedia* CBS 141442 and the other yeasts characterized
426 in this work, strains were precultured at 30 °C, 180 rpm overnight in synthetic defined minimal
427 Verduyn media⁵⁴ containing 2% glucose (w/v). Precultured cells were then inoculated in
428 250 µL minimal media supplemented with 20 g/L carbon source to a starting OD₆₀₀ = 0.1. All
429 yeast strains were grown in biological triplicates in a 96-well plate setup in a GrowthProfiler
430 960 (EnzyScreen, Netherlands). ‘Green Values’ (GV) measured by the GrowthProfiler
431 correspond to growth based on pixel counts, and GV changes were recorded every 30 min for
432 72 h at 30 °C and 150 rpm.

433 *Cell growth quantifier (CGQ)*

434 Growth characterization was also performed in shake flasks using Cell Growth Quantifier
435 (CGQ-Scientific Bioprocessing, Germany)⁵⁵. Wild type and mutant strains were precultured at

436 30 °C, 200 rpm overnight in synthetic defined minimal Verduyn media containing 2% glucose
437 (w/v), followed by inoculation of 25ml of minimal medium supplemented with 2% carbon
438 source (galactose or lactose) in 100mL shake flasks to a starting $OD_{600} = 0.1$. Growth was
439 quantified as “Scatter values” by the CGQ system⁵⁶. Scatter values were recorded for 10 days
440 at 30 °C and 200 rpm for each strain growth in biological triplicates and sampling was
441 performed for sugar and polyol analysis.

442 *Lactase activity assay*

443 β -galactosidase activity was determined using the Yeast β -Galactosidase Assay Kit (Thermo-
444 Fisher Scientific, USA) following the manufacturer’s instructions. Cells were harvested at
445 different timepoints during growth and tested for lactase activity. A Working solution was
446 prepared by mixing equal amounts of 2X β -galactosidase Assay Buffer (containing ortho-
447 nitrophenyl- β -galactoside (ONPG)) and Yeast Protein Extraction Reagent. The reaction was
448 initiated by mixing 100uL of working solution with 100uL cell culture and incubated for 30
449 min at 37 °C in a thermomixer. After 30 min, cell mix was centrifuged at 5000 rpm for 3 mins
450 and the supernatant was analyzed for lactase activity by measuring o-nitrophenol release from
451 ONPG at 420 nm in microplate reader (FLU-Ostar Omega-BMG LabTech, Ortenberg,
452 Germany).

453 *Determination of sugar and polyol concentrations*

454 Sugars and galactitol concentrations were measured using a Dionex high-performance liquid
455 chromatography (HPLC) system equipped with an RID-10A refractive index detector and an
456 Aminex HPX-87H carbohydrate analysis column (Bio-Rad Laboratories). Analysis was
457 performed with the column at 80 °C, and 5 mM H_2SO_4 as mobile phase at a constant flow rate
458 of 0.8 mL/min. Culture samples were pelleted prior to analysis, following which, the
459 supernatant was passed through a 0.22 μ m polyether sulfone syringe filter. Chromatogram
460 peaks were identified and integrated using the Chromeleon v6.8 (Dionex) software and
461 quantified against prepared analytical standards.

462 *Comparative genomics and evolutionary mapping*

463 We established the blast database for 332 yeast species based on the work of Shen et al., 2018¹.
464 Then we used tblastn to get gene hits for each specific gene in three clusters against 332 yeast
465 species. Based on the generated data, we further mapped gene hits from species to clade levels.

466 To investigate the evolution of genes in the *GALLAC* cluster, a comprehensive pipeline based
467 on the work of Goncalves and colleagues was developed⁵⁷. For each candidate gene in the
468 *GALLAC* cluster, BLASTP was run against the NCBI non-redundant (nr) protein sequence
469 database and homologs were selected according to the top 300 BLAST hits to each query
470 sequence. These homologs were aligned with MAFFT v7.310⁵⁸ using default settings for
471 multiple sequence alignment. Poorly aligned regions were removed with trimAl⁵⁹ using the
472 ‘-automated1’ option. Subsequently, phylogenetic trees were built using IQ-TREE v1.6.12
473 ⁶⁰ with 1000 ultrafast bootstrapping replicates⁶¹. Each tree was rooted at the midpoint using a
474 customized script combining R packages ape v5.4-1 and phangorn v2.5.5. Finally,
475 the resulting phylogenies were visualized using iTol v5⁶².

476 *Transcription factor binding motif analysis*

477 To determine the binding motifs of transcription factors in promoter regions of the *GAL*, *LAC*
478 and *GALLAC* cluster, MEME (Version 5.5.43) promoter binding motif analysis was used.
479 Promoter regions of all genes from the three clusters were added as query sequences with the
480 following constraints: maximum number of motifs = 5, maximum length of motif = 25 bases,
481 any number of motif repetitions (-anr), background model = 0-order model of sequences.
482 Motif(s) derived from this analysis were then fed as input to Tomtom⁶³ (version 5.5.4) to
483 compare against Yeabstract⁶⁴ database.

484 *RNA sequencing*

485 Transcriptomics using RNA sequencing was performed as previously described³⁷. In brief, *C.*
486 *intermedia* CBS 141442 was grown in controlled stirred 1-L bioreactor vessels (DASGIP,
487 Eppendorf, Hamburg, Germany) containing 500 mL synthetic defined minimal Verduyn media
488 with 2% Glucose, Galactose or Lactose. Reactor conditions were maintained as: Temp = 30 °C;
489 pH = 5.5 (maintained with 2M Potassium Hydroxide); Aeration = 1 Vessel Volume per Minute;
490 stirring = 300 rpm.

491 *RNA extraction*

492 For RNA extraction, samples (10 mL) were collected when the dissolved oxygen of the culture
493 was 35–40% (v/v). After washing the cells, the pellets were immediately frozen using liquid
494 nitrogen. Frozen pellets were stored at -80 °C until extraction. The frozen pellets were thawed
495 in 500 µL of TRIzol (Ambion—Foster City, CA, USA) and thoroughly resuspended. Then,

496 cells were lysed in 2 mL tubes with Lysing Matrix C (MP Biomedical, Santa Ana, CA, USA)
497 in a FastPrep FP120 (Savant, Carlsbad, CA, USA) for five cycles, at intensity 5.5 for 30 s.
498 Tubes were cooled on ice for a minute between cycles and resuspended once again in 500 μ L
499 of TRIzol and vortexed thoroughly. After incubation at room temperature for 5 min, tubes were
500 centrifuged for 10 min at 12,000 rpm and 4 °C. Chloroform was added to the collected
501 supernatants (200 μ L of chloroform per mL of supernatant) and vortexed vigorously for 30 s.
502 After centrifugation for 15 min at 12,000 rpm, 4 °C, the top clear aqueous phase was collected
503 and transferred to a new RNase-free tube, to which, equal amount of absolute ethanol was
504 slowly added while mixing. Each sample was loaded into a RNeasy column (RNeasy Mini Kit,
505 Qiagen—Hilden, Germany) and further steps followed the protocol of the manufacturer. The
506 RNA was eluted with RNase-free water and samples were stored at -80 °C until use.

507 Data analysis

508 RNA samples were analyzed in a TapeStation (Agilent, Santa Clara, CA, USA), and only
509 samples with RNA integrity number above 8 were used for library preparation. Sequencing
510 using the HiSeq 2500 system (Illumina Inc.—San Diego, CA, USA), with paired-end 125 bp
511 read length, and v4 sequencing chemistry, was followed by quality control of read data using
512 the software FastQC version 0.11.5⁶⁵. Software Star version 2.5.2b⁶⁶ was used to map reads to
513 the reference genome. Gene counts were normalized with weighted trimmed mean of M-values
514 using the calcNormFactor function from the package edgeR⁶⁷ and Limma package⁶⁸ were used
515 to transform and make data suitable for linear modelling. The estimated p-values were corrected
516 for multiple testing with the Benjamini-Hochberg procedure, and genes were considered
517 significant if the adjusted p-values were lower than 0.05. The raw counts were filtered such that
518 genes with CPM > 3.84 in at least 12% (5/43) of the samples were retained. The R function
519 ‘varianceStabilizingTransformation()’ from R package ‘DESeq2’⁶⁹ was used to convert raw
520 counts to variance-stabilized-counts (VST). Expression data for *C. intermedia* on galactose and
521 lactose was normalized using glucose as control condition. The RNA seq datasets are available
522 in the European Nucleotide Archive (ENA) with the accession number E-MTAB-6670.

523

524 *Gene expression analysis using qPCR*

525 Primers used for mRNA quantification using qPCR are listed in Table S1. Primers were
526 designed using Primer3 (<https://primer3.ut.ee/>) and were checked for efficiency. Only primers
527 having efficiency between 90-110% were used for qPCR. Cultures were grown at 30 °C and
528 200 rpm in 100 ml shake flasks containing 25 ml synthetic defined minimal Verduyn media
529 containing either 2% glucose (control), galactose or lactose as carbon source. Cells were
530 harvested for each strain at lag, early log and late log phases, taking three biological replicates.
531 Harvested cells were pelleted by centrifugation at 4 °C for 5 mins at 5000 rpm and washed
532 twice by resuspending in ice-cold sterile dH₂O water and centrifugation. Cell pellet was snap-
533 frozen using liquid nitrogen and stored at -80 °C for cDNA synthesis. RNA extraction was
534 performed as described for RNA sequencing above. cDNA synthesis and RT qPCR analysis
535 was performed using Maxima H Minus First Strand cDNA Synthesis Kit (Thermo Fisher) and
536 Maxima SYBR Green/Fluorescein qPCR Master Mix (2X) (Thermo Fisher), according to the
537 manufacturer's instruction. Fold change was calculated using the delta-delta Ct method ($2^{-\Delta\Delta C_t}$)
538 with expression values in glucose as control condition and *CiACT1* as the reference gene for
539 normalization.

540 *Acknowledgments*

541 Authors would like to thank Peter Dahl from Department of Chemistry & Molecular Biology,
542 Gothenburg University for providing *S. cerevisiae* BY4741 and BY4742 knockout strains and
543 Dr. Xiang Jiao from Department of Life Sciences, Chalmers University of Technology for
544 providing the plasmid *p426*. Authors would also like to thank ARS culture collection (NRRL)
545 for providing us with different lactose metabolizing strains upon request.

546 *Funding*

547 This research was funded by Formas, grant number 2017-01417. The AlphaFold2 structure
548 predictions were enabled by resources provided by the National Academic Infrastructure for
549 Supercomputing in Sweden (NAISS), partially funded by the Swedish Research Council
550 through grant agreement no. 2022-06725.

551 Author contributions

552 Conceptualization: K.V.R.P. and C.G.; methodology: K.V.R.P., L.Y., K.P., F.F.O., and C.G.;

553 investigation: K.V.R.P., L.Y., K.P., F.F.O., J.L. and C.G.; original manuscript draft preparation:

554 K.V.R.P. and C.G.; and manuscript review and editing: all.

555 Availability of data

556 The RNA-Seq datasets are available in the in the European Nucleotide Archive (ENA) with the

557 accession number E-MTAB-6670.

558

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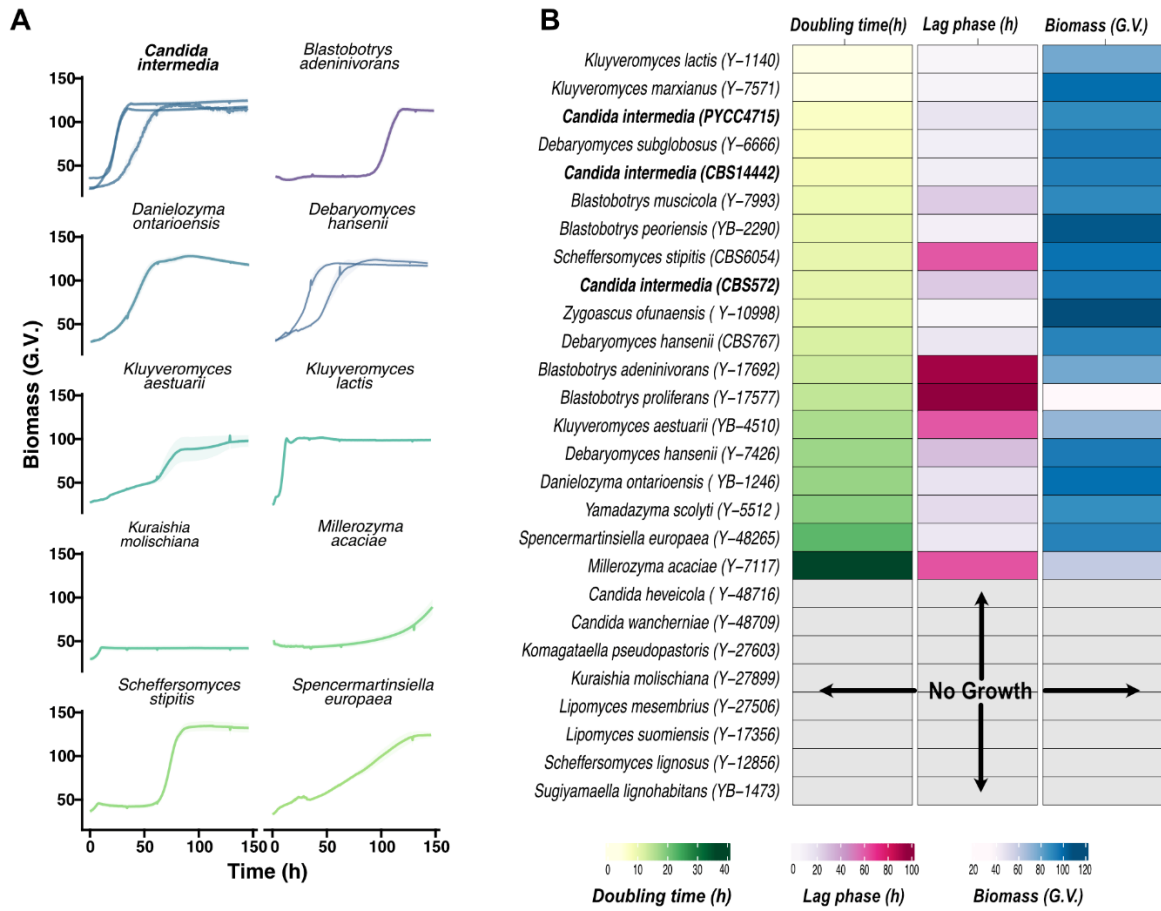
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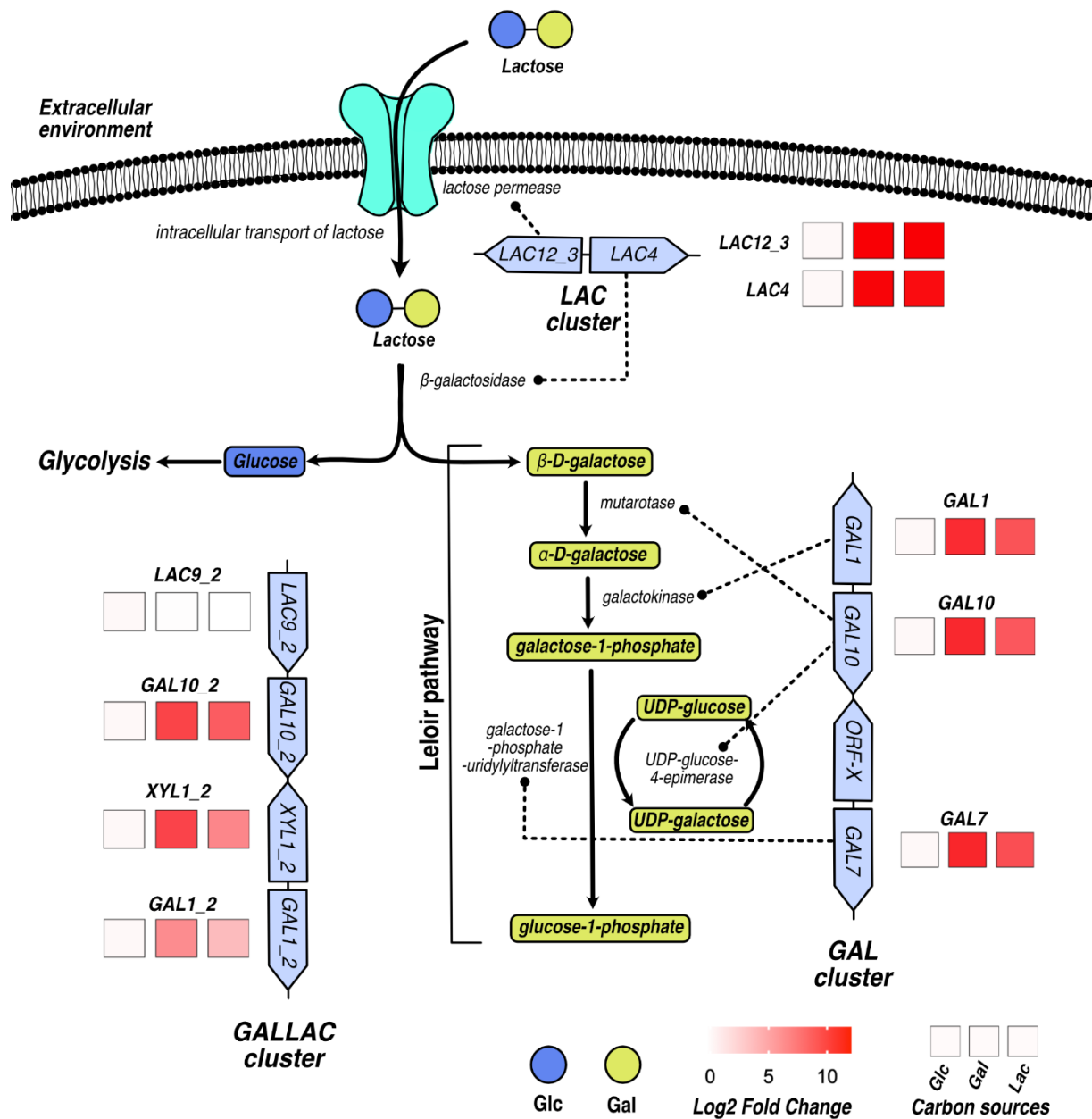
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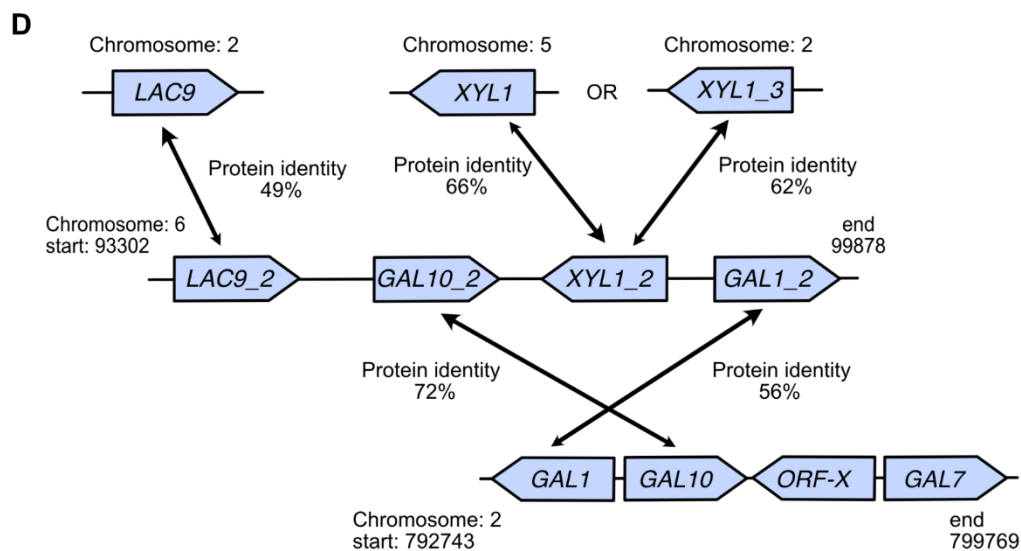
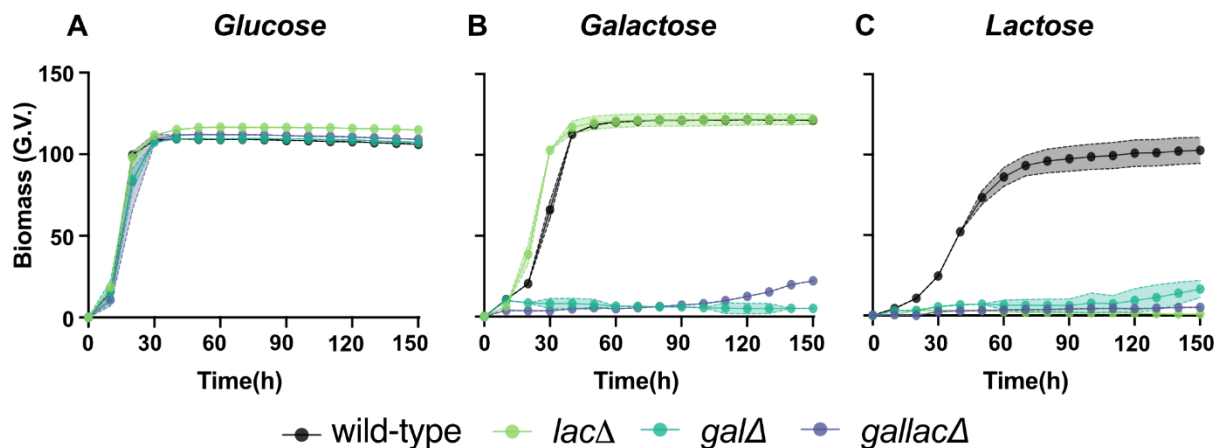
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794 Figure 1: *Candida intermedia* is one of the top five fastest lactose-growing yeast species. A)
 795 Representative growth profiles of 10/24 lactose-yeast species including three different *C. intermedia*
 796 strains. The graphs depict data procured from GrowthProfiler in 96-well format, represented as mean \pm
 797 standard deviation (shaded region) for biological triplicates. On y-axis final biomass is depicted in green
 798 values (G.V. - corresponding to growth based on pixel counts, as determined by a GrowthProfiler
 799 instrument) and is plotted against time (h) on x-axis. B) Heat map showing doubling time (h), lag phase
 800 duration (h) and final biomass (green values – G.V.) measured for all the tested strains in minimal media
 801 containing lactose as the sole carbon source and plotted as an average of three biological replicates.
 802 Strains are ranked based on their doubling time, from low to high.



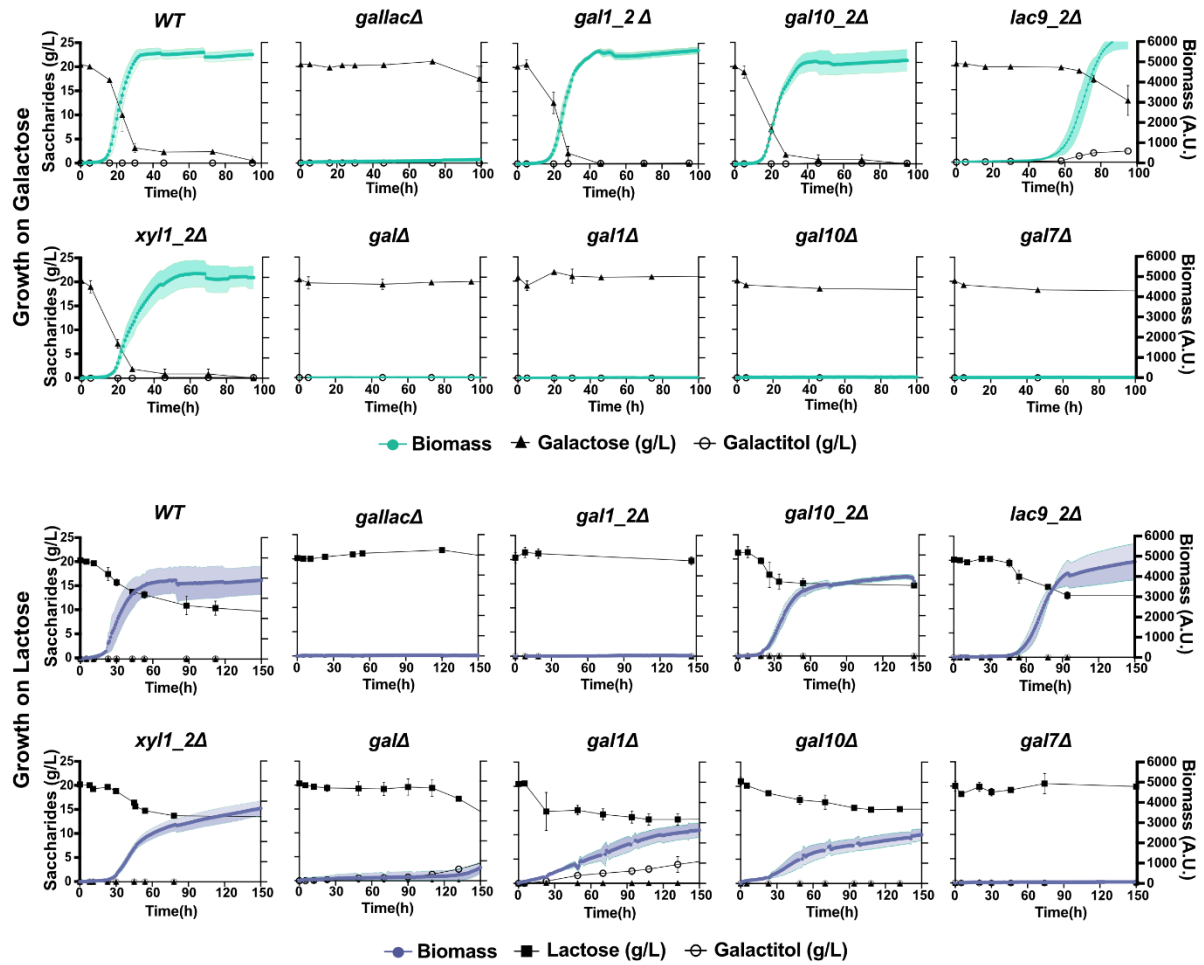
803

804 **Figure 2: Genomic and transcriptomic analyses identified three gene clusters involved in lactose**
 805 **and galactose assimilation:** A schematic representation of lactose and galactose metabolic pathways
 806 and results of RNAseq data analysis showing expression of different genes (as present in clusters)
 807 upregulated in galactose or lactose compared to glucose. Lactose uptake and transport into the cell is
 808 enabled by *LAC12_3* encoded lactose permease followed by hydrolysis to glucose (blue circle: Glc) and
 809 galactose (yellow circle: Gal) enabled by *LAC4* encoded β -galactosidase enzyme. Glucose is further
 810 metabolized via glycolysis. Galactose is metabolized via the Leloir pathway, encoded by three clustered
 811 genes, *GAL1* (galactokinase), *GAL7* (galactose-1-phosphate-uridylyltransferase) and *GAL10*
 812 (mutarotase and UDP-glucose-4-epimerase). The enzymatic functions for the genes are depicted by
 813 dotted lines based on genome sequence data for *C. intermedia* CBS141442. Legend shows Log2 fold
 814 change with carbon sources tested represented as Glc for 2% glucose, Gal for 2% galactose and Lac for
 815 2% lactose containing media. Gene expression log fold change is normalized with glucose as control.



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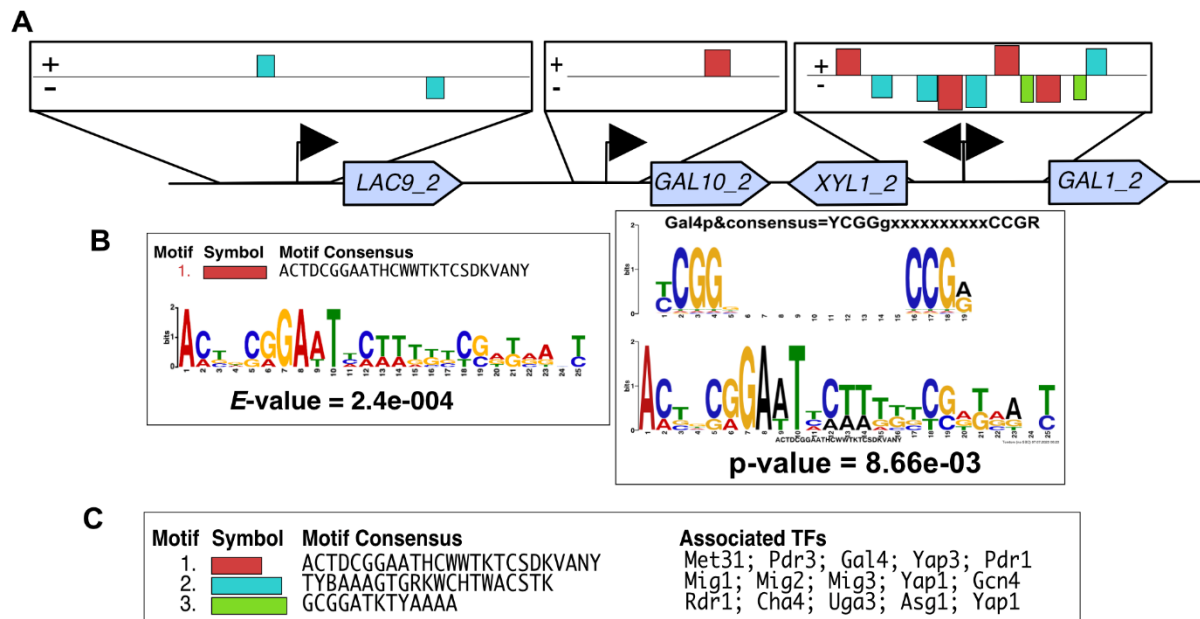
817 **Figure 3: The *GALLAC* cluster is essential for growth on lactose and galactose and is unique to *C.***
 818 ***intermedia*:** Cluster deletion mutants of *C. intermedia* were characterized by growth on glucose (A),
 819 galactose (B) lactose (C) in growth profiler. Legend shows the wild-type strain (black), *LAC* cluster
 820 mutant (light green), *GAL* cluster deletion mutant (dark green) and *GALLAC* cluster deletion mutant
 821 (purple), depicted in the graph with biomass as green values (G.V. - corresponding to growth based on
 822 pixel counts, as determined by a GrowthProfiler instrument) on the y-axis against time(h) on the x-axis.
 823 Data are represented as mean \pm standard deviation (shaded region) for biological triplicates indicated by
 824 colors: wild type – black, lac cluster mutant – light green, gal cluster mutant – dark green and gallac
 825 cluster mutant – purple. D) Graphical representation of genomic location of cluster and individual genes
 826 which are paralogs to *GALLAC* gene cluster and their protein identity as per comparative genomics
 827 analysis. Arrows depict assumed duplication events which are still unclear.



828

829 **Figure 4: Deletion of individual genes in the *GAL* and *GALLAC* clusters reveals importance of Lac9**
 830 **and Gal1_2 for (ga)lactose metabolism:** Growth and metabolite profiles for deletion mutants of
 831 individual genes in the *GAL* and *GALLAC* cluster of *C. intermedia*, in both galactose (top two rows) and
 832 lactose (bottom two rows) containing media. Graphs represent biomass (filled circle; gal – dark green;
 833 lac- purple) on the right y-axis, consumption of respective sugars (filled triangle for galactose in g/L or
 834 filled square for lactose in g/L) and metabolite production (open circle for galactitol in g/L) on the left
 835 y-axis (depicted by saccharides (g/L), plotted against time (h) on x-axis. Data are represented as mean
 836 \pm standard deviation (shaded region for biomass and bars for sugars and metabolites) for biological
 837 triplicates.

838



839

840 Figure 5: **Lac9 binding motifs are found in promoters in the *GALLAC* cluster:** A) Graphical
 841 representation of results of transcription binding motif analysis for promoters of individual genes of the
 842 *GALLAC* cluster, using MEME (version 5.5.43). *GALLAC* gene cluster with the location of three
 843 statistically significant promoter binding motifs found in the promoters of the cluster genes. B) Motif
 844 consensus of the binding motif with the lowest E-value score of the overall match of the motif in the
 845 input sequence. Depiction of the Gal4p consensus sequence and its associated p-value. C) List of three
 846 (statistically significant) motifs found in the promoters of *GALLAC* cluster genes and the transcription
 847 factors associated to these motifs derived from Yeasttract database using TomTom.

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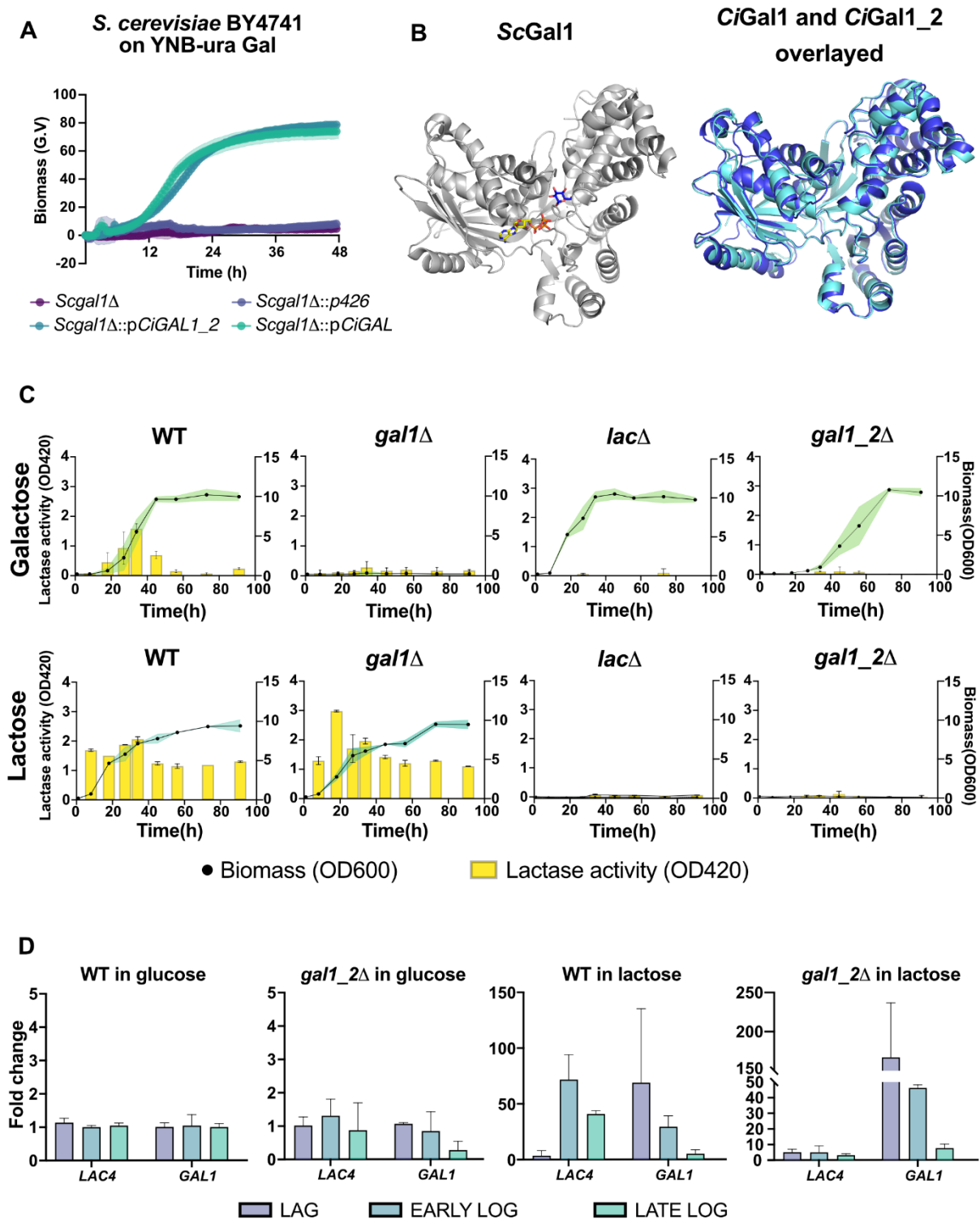
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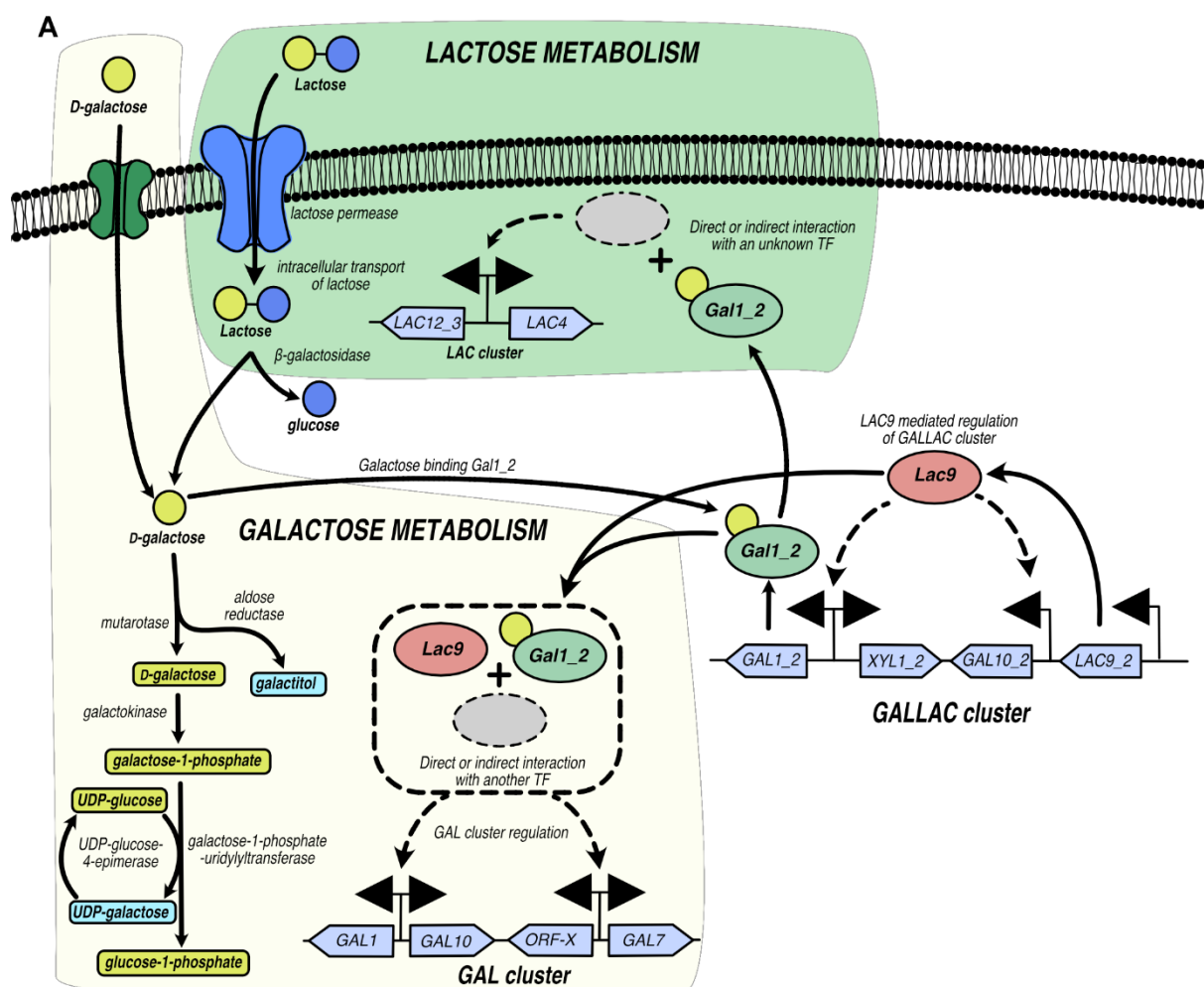


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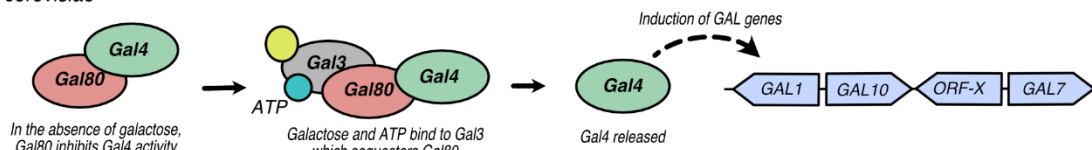
855 **Figure 6: Characterization of *C. intermedia*'s Gal1 and Gal1_2 proteins reveals important**
 856 **functional differences:** A) Results of complementation of codon optimized *CiGAL1* and *CiGAL1_2* by
 857 heterologous expression in *S. cerevisiae* (BY4741) *gal1Δ* mutant. Growth profiles are depicted for
 858 *Scgal1Δ* (dark purple), *Scgal1Δ* with plasmid p426 containing URA marker (light purple), *Scgal1Δ* with

859 *pCiGAL1_2* containing *URA3* marker with codon-optimized *CiGAL1_2* (dark green) and *Scgal1Δ* with
860 *pCiGAL1* containing *URA3* marker with codon-optimized *CiGAL1*). Time (in hours) on x-axis is plotted
861 against biomass (green values – G.V.) on y-axis. Data are represented as mean ± standard deviation
862 (shaded region for biomass) for biological triplicates. B) Structure of ScGal1 (grey) in complex with
863 AMPPNP and α-galactose next to the superimposed Alphafold2-predicted structures of Gal1 (cyan) and
864 Gal1_2 (blue) in the same orientation, showing their high structural similarity C) β-galactosidase assay
865 on galactose- and lactose- grown cultures of wild type, *lacΔ*, *gal1Δ* and *gal1_2Δ* strains of *C. intermedia*.
866 Graphs show lactase activity (OD420) plotted on left y-axis against time (in hours) on x-axis and
867 biomass (OD₆₀₀) plotted on right y-axis. D) Quantitative PCR results for *LAC4* and *GAL1* gene
868 expression in *C. intermedia* wild-type and *gal1_2Δ* grown in glucose or lactose. Samples were taken
869 during different growth phases (On glucose, Lag = 5h, Early log = 10h and late log = 20h and on lactose,
870 Lag = 5h, early log = 24h, late log = 44h). Data are represented as mean ± standard deviation (error bars)
871 for biological and technical triplicates.

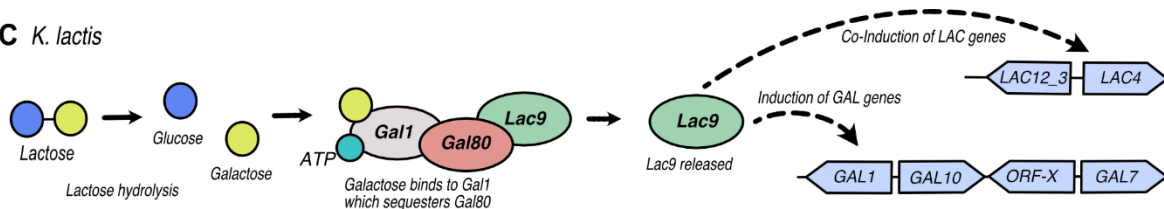
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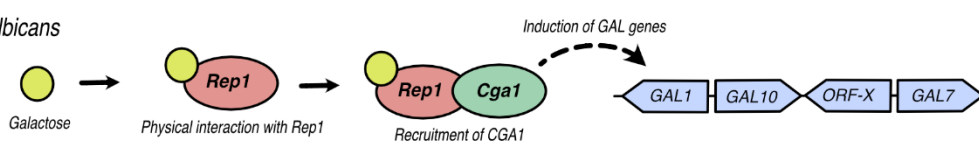
B S. cerevisiae



C K. lactis



D C. albicans

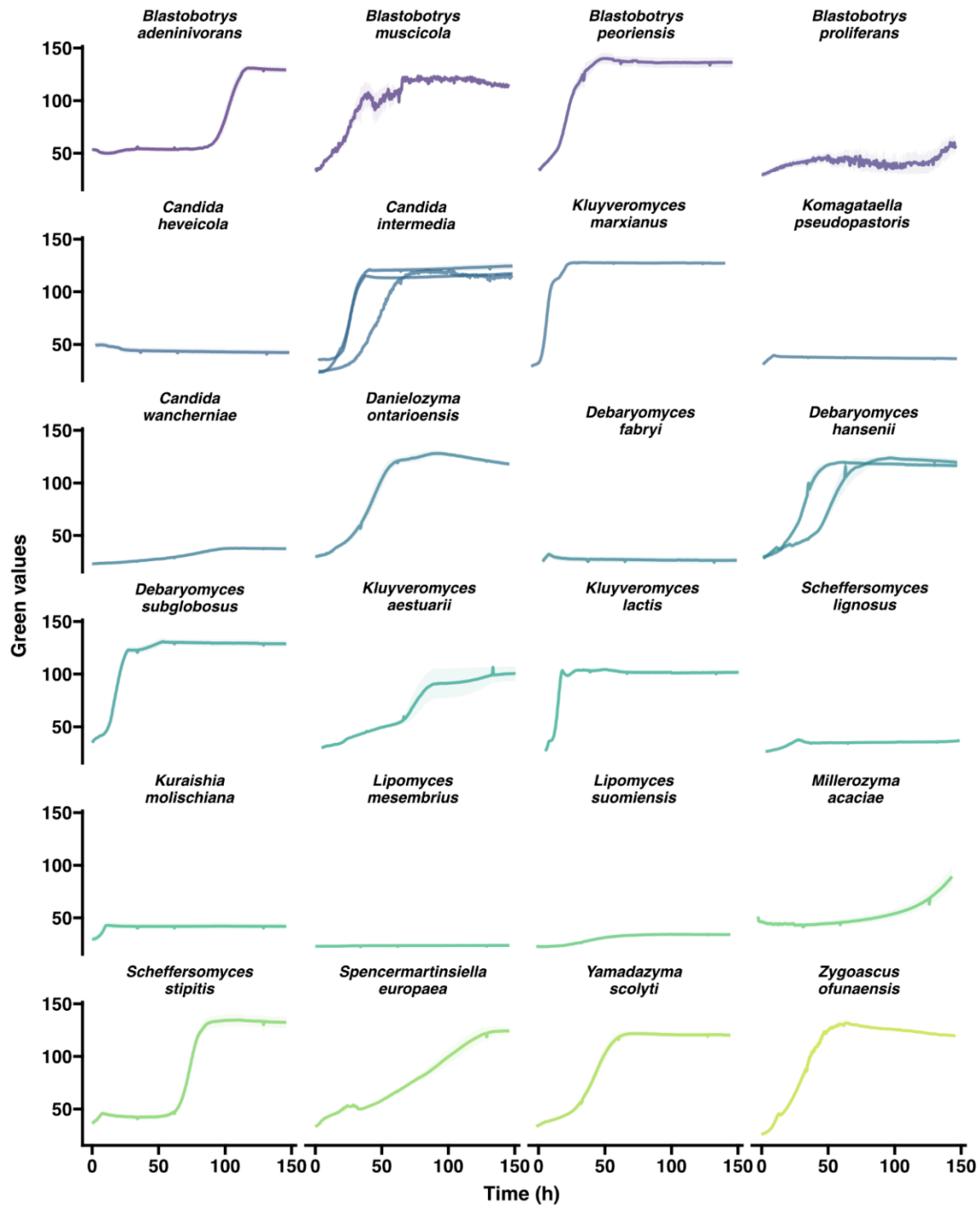


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874 **Figure 7: Graphic representation of regulatory mechanisms in *C. intermedia* and other yeast**
875 **species:** A) Depiction of lactose (green box) and galactose (light yellow box) metabolism in *C.*
876 *intermedia* with the regulation of *GALLAC* cluster by the transcription factor CiLac9. On galactose,
877 Lac9 and Gal1_2 interact directly or indirectly resulting in the regulation of *GAL* cluster gene(s), thus,
878 affecting *C. intermedia*'s growth. On lactose, our results show that Gal1_2 from the *GALLAC* cluster
879 regulates the *LAC* cluster at a transcriptional level. This effect of Gal1_2 can be speculated to be indirect
880 due to the inability of Gal1_2 to bind DNA or protein based on predicted structure. Graphical
881 representation also illustrates the overflow metabolism in *C. intermedia* because of aldose reductase
882 mediated conversion of galactose to galactitol. B) Regulation of galactose metabolism in *S. cerevisiae*
883 by the Gal3-Gal80-Gal4 system where galactose and ATP induce Gal3 to bind Gal80 resulting in the
884 activation of Gal4. Thus, Gal4 induces structural *GAL* genes. C) Regulation of (ga)lactose genes in *K.*
885 *lactis* is mediated by the bi-functional KIGal1. The ScGal4 homolog in *K. lactis* (KIGal1) is induced by
886 galactose (or galactose derived from lactose) resulting in sequestering Gal80 and relieving Gal4
887 homolog, Lac9, which in turn activates the interconnected galactose and lactose metabolic genes in this
888 yeast. C) Graphic representation of the Rep1 and Cgal mediated galactose regulatory system in *C.*
889 *albicans*. Galactose physically binds to Rep1 resulting in recruitment of Cgal and the complex
890 ultimately induces the structural genes responsible for galactose metabolism in this yeast.

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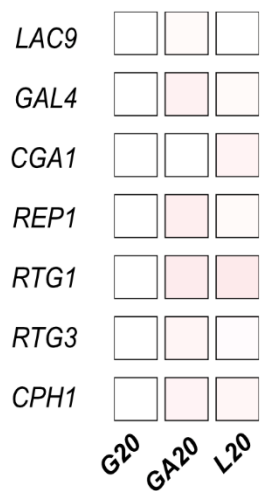
892 Supplementary figures and figure legends



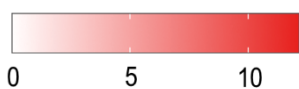
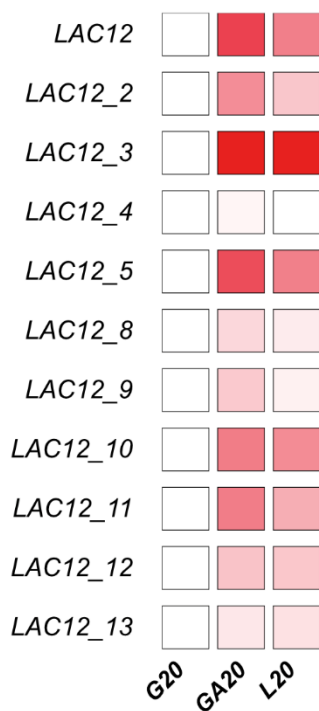
893

894 Figure S 1: Growth curves for 24 lactose growing species from the work of Shen et al ¹. The graphs
895 depict data procured from GrowthProfiler in 96-well format, plotted as mean \pm standard deviation
896 (shaded region) for biological triplicates per strain. On y-axis final biomass yield is depicted in green
897 values (G.V. - corresponding to growth based on pixel counts, as determined by a GrowthProfiler
898 instrument) and is plotted against time (h) on x-axis.

A Transcription factors



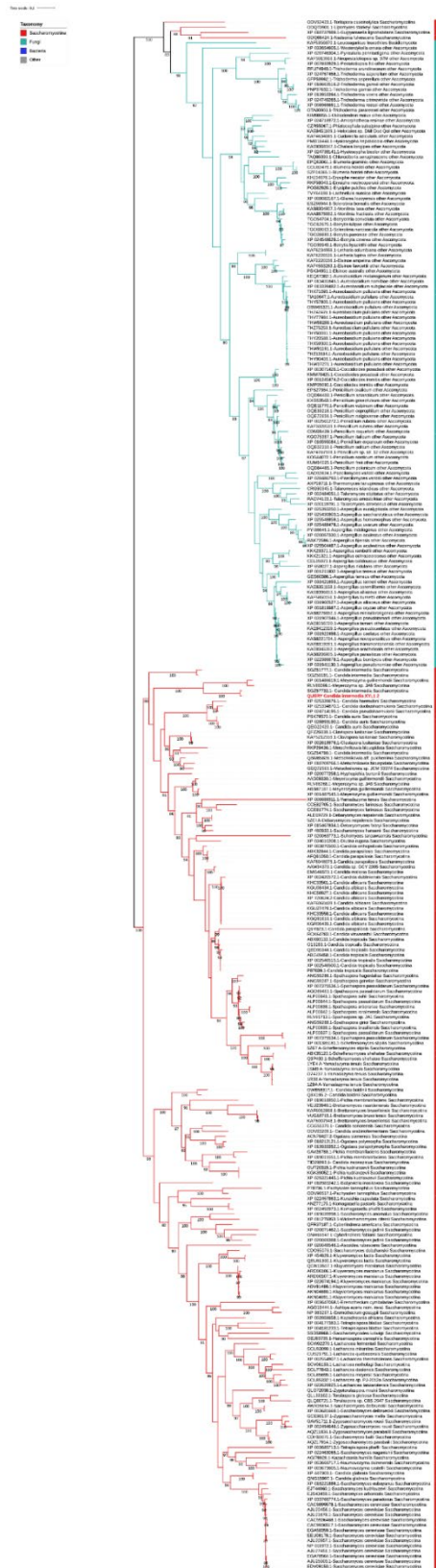
B LAC12 like genes



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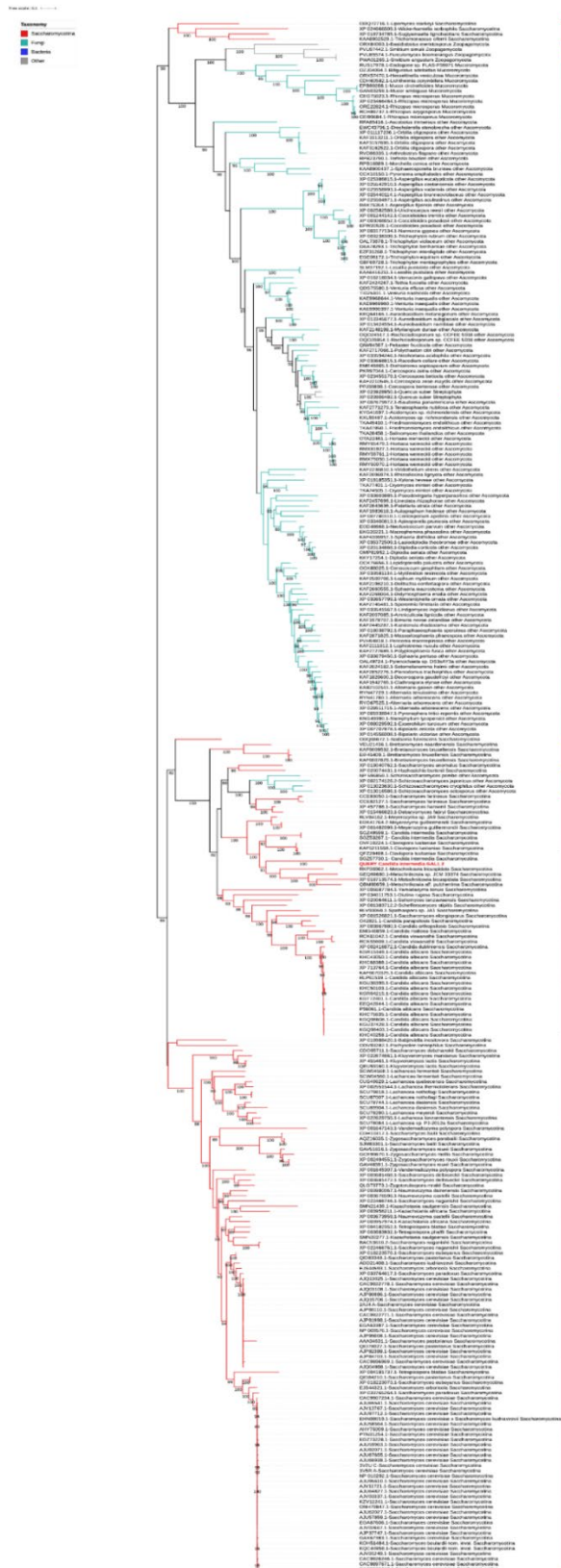
900 Figure S 2: Gene expression pattern for different transcription factor orthologues and Lac12 like genes
901 in *C. intermedia*. Gene expression in Galactose (GA20) and Lactose (L20) have been normalized for
902 values on Glucose (G20). Legend shows expression (in fold change) from 0 to 10 in increasing gradient
903 of red.

904



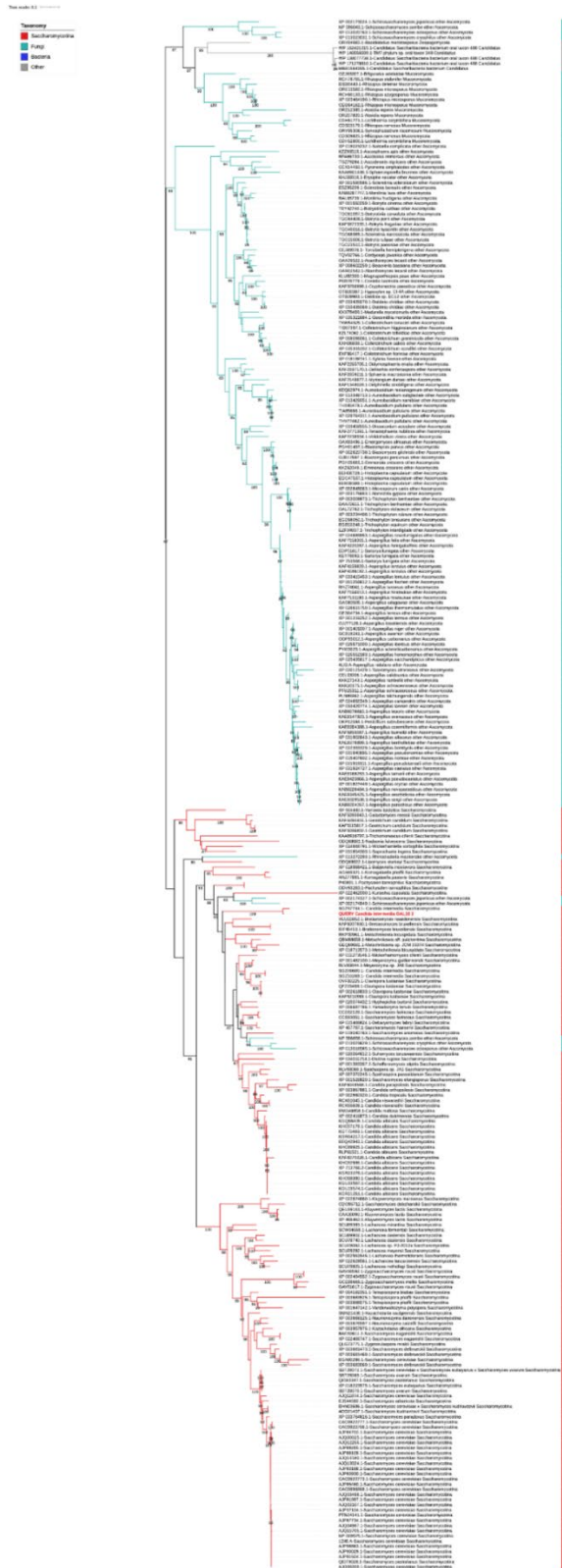
905

906 Figure S 3: Maximum likelihood phylogenetic tree depicting the origin and evolution of the *XYLI_2*
907 gene in *C. intermedia*.



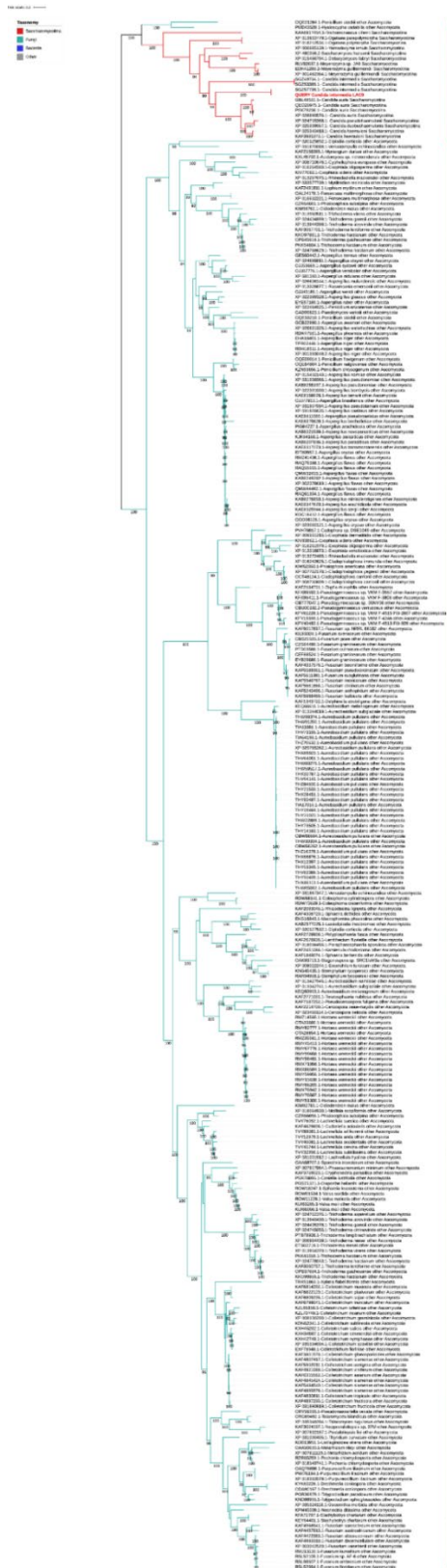
908

909 Figure S 4: Maximum Likelihood phylogenetic tree depicting origin and evolution of the *GAL1_2* gene
910 in *C. intermedia*.



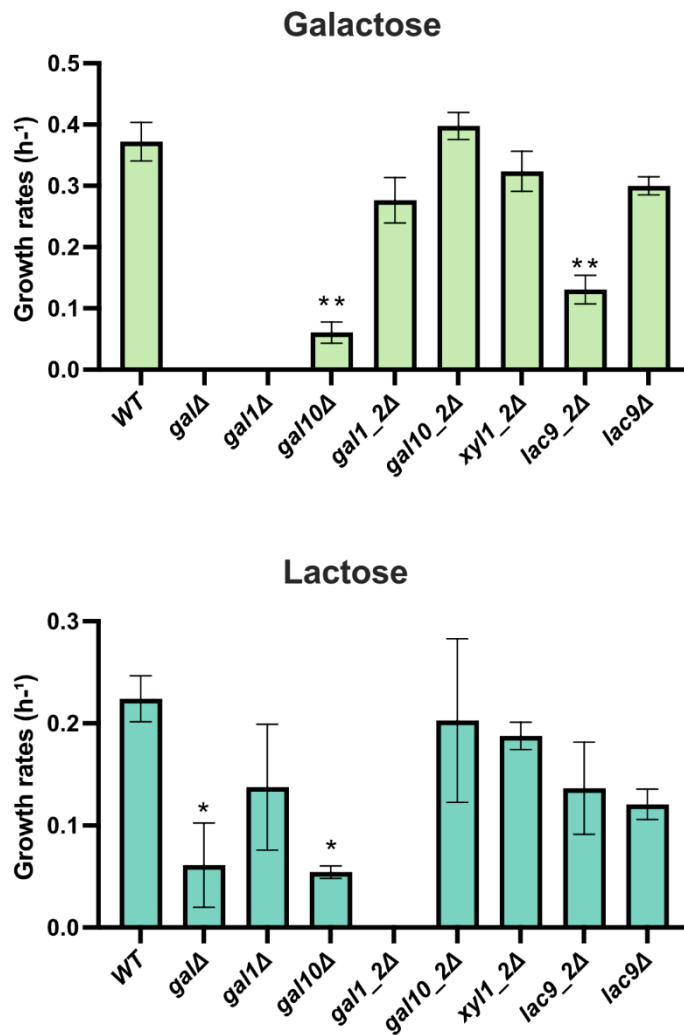
911

912 Figure S 5: Maximum likelihood phylogenetic tree for the origin and evolution of the *GAL10_2* gene in
913 *C. intermedia*.



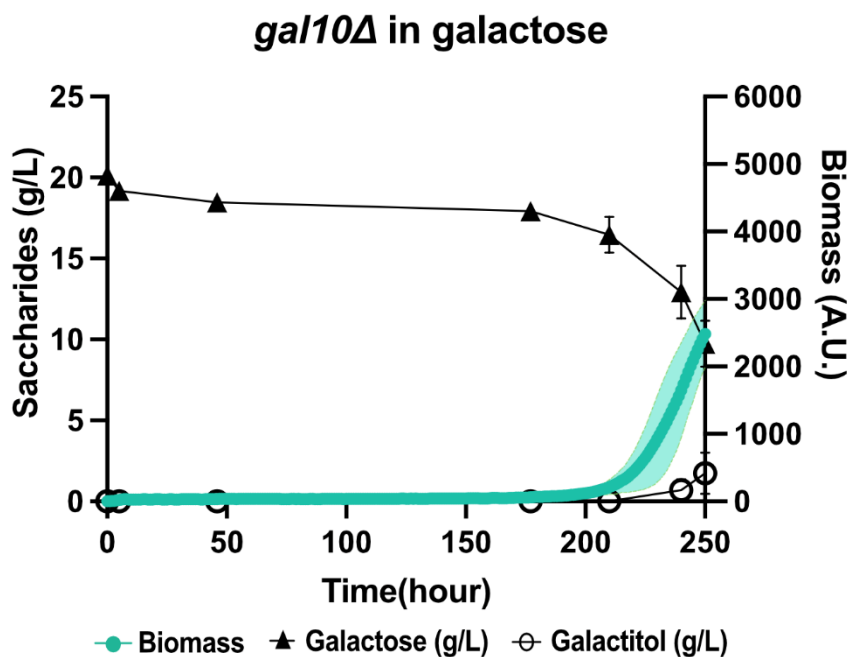
914

915 Figure S 6: Maximum likelihood phylogenetic tree for the origin and evolution of the *LAC9* gene in *C.*
916 *intermedia*.



917

918 Figure S 7: Bar plot with growth rates of different mutants in comparison to the wild-type strain (WT)
919 on galactose as well as lactose. Significance difference in growth rates compared to the WT strain have
920 been estimated using students t-test and values with $p > 0.01$ are considered significantly different. Data
921 are represented as mean \pm standard deviation for biological triplicates.



922

923 Figure S 8: Growth and metabolite profile for gal10Δ in galactose containing minimal media. Graph
924 represents biomass (filled green circle) on the right y-axis, consumption of respective sugars (filled
925 triangle for galactose in g/L) and metabolite production (open circle for galactitol in g/L) on the left y-
926 axis, plotted against time (in hours) on x axis. Data are represented as mean ± standard deviation for
927 biological triplicates.

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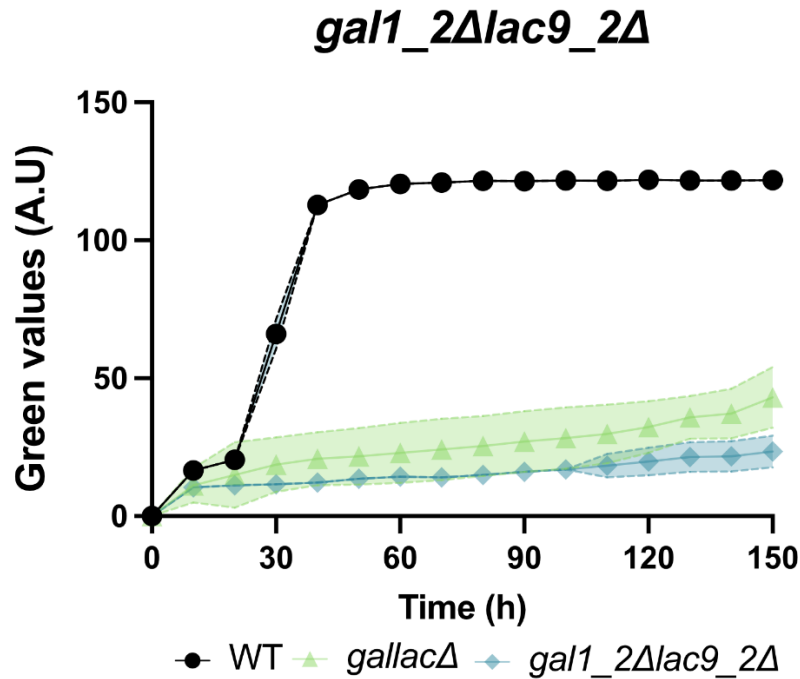
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937 Figure S 9: Growth profile for the double deletion mutant *gal1_2Δlac9Δ* in comparison with WT and
938 *gallacΔ* in galactose. Legend shows the wild-type strain (black circle), *GALLAC* cluster deletion mutant
939 *gal1_2Δlac9Δ* depicted in the graph with growth as green values (A.U.) on the y-
940 axis against time(hours) on the x-axis. Data are represented as mean ± standard deviation for biological
941 triplicates indicated by colors: wild type – yellow, lac cluster mutant – purple, gallac cluster deletion –
942 dark green and gal cluster mutant – light green.

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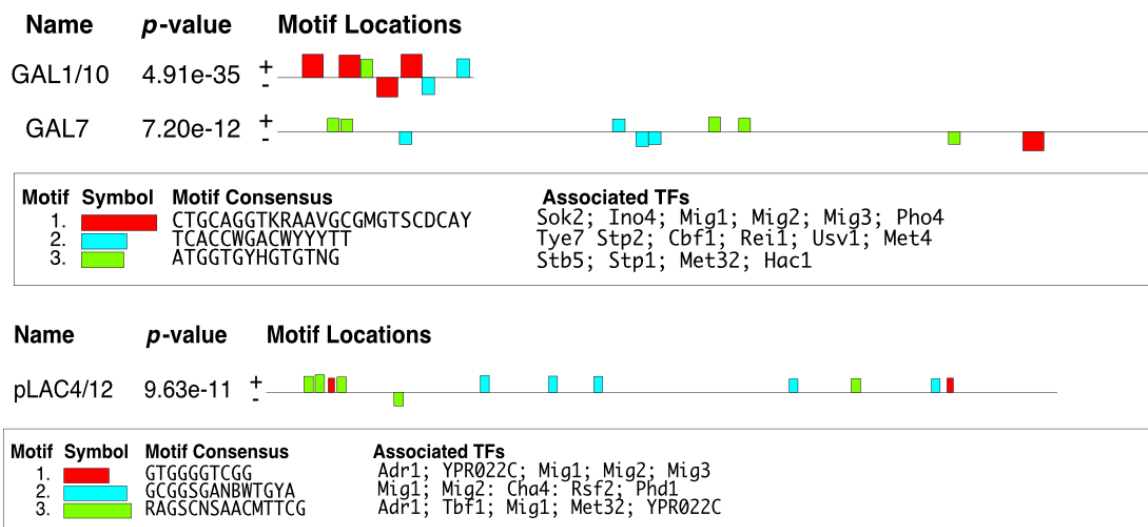
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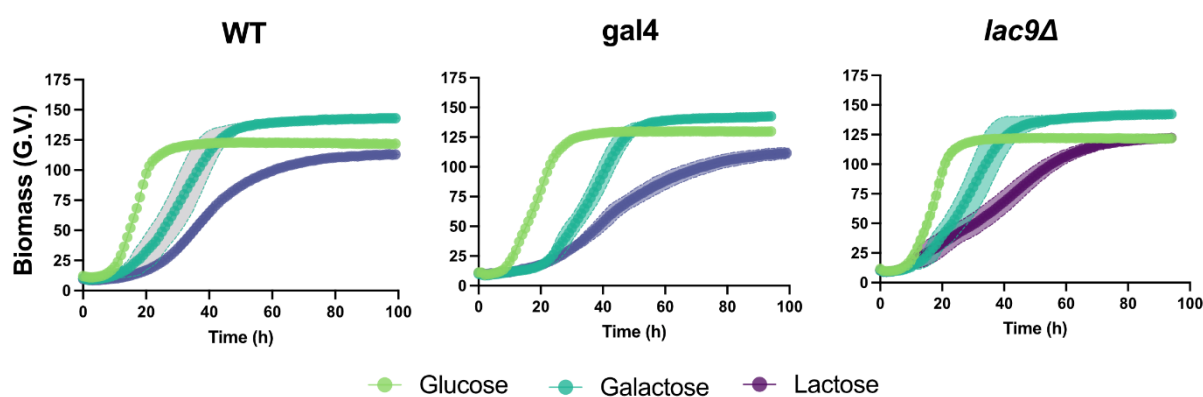
953 Figure S 10: Results of transcription factor binding analysis performed using MEME (version 5.5.2) on
 954 promoter regions of genes in the *GAL* and *LAC* clusters. Results show the predicted binding motifs of
 955 TFs in the promoter regions ranked based on p-value for the motif. Also mentioned are the predicted
 956 transcription factors that are associated to the binding motifs.

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962 Figure S 11: Growth profiles for WT, *gal4* and *lac9* mutants in glucose (light green), galactose (dark
 963 green) and lactose (purple) containing media. Time (in hours) on x-axis is plotted against biomass yield
 964 (green values – G.V.) on y-axis. Data are represented as mean \pm standard deviation for biological
 965 triplicates.

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primer name	sequence	gene target	orientation
GTB396	ATCCTGGTCCTCAATGCACA	lac4	fwd
GTB397	CTGGAATCTCGAGGTCTCCC	lac4	rev
GTB351	ACCTCCAAGCACTCGGAAAG	GAL1	fwd
GTB352	ACGATAGACCCGCCAAATCC	GAL1	rev
GTB357	TGACCGAGGCTCCAATGAAC	ACT1	fwd
GTB358	CACCGTCACCAGAGTCCAAA	ACT1	rev

968 Table S 1: Primers used for mRNA quantification using qPCR in *C. intermedia*. Primers were designed
969 using Primer3 (<https://primer3.ut.ee/>) and primer pairs were checked for efficiency prior to use.