Kew Soda Ltd

Annual Report and Consolidated Financial Statements

31 December 2021

Company Number: 10260126

Kew Soda Ltd

Contents

Strategic Report

This Strategic Report has been prepared to provide additional information to shareholders to assess the Group's strategy and the potential of the strategy to succeed.

The Strategic Report contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this report, and as such, statements should be treated with caution due to the inherent uncertainties, including economic and business risk factors, underlying any such forward-looking information.

The Directors, in preparing this Strategic Report, have complied with s414C of the Companies Act 2006.

This Strategic Report has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to Kew Soda Ltd and its subsidiary undertakings when viewed as a whole.

The Strategic Report discusses the following areas:

- A fair review of the Group's business, split into an Operational Review and Financial Review
- The principal risks and uncertainties associated with the Group's business

Operational Review

The Group's operations focus on the extraction and processing of trona ore in Turkey and the United States of America (the "US") to produce soda ash and sodium bicarbonate. In Turkey, the operations are represented by Eti Soda Üretim Pazarlama Nakliyat ve Elektrik Üretim Sanayi ve Ticaret A.Ş. ("Eti Soda") and Kazan Soda Elektrik Üretim A.Ş. ("Kazan Soda"), whilst in the US the operations are represented by Sisecam Wyoming LLC (formerly known as "Ciner Wyoming LLC").

WE Soda Ltd ("WE Soda"), the Company's wholly owned subsidiary, was incorporated on 6 July 2016 to become the holding company of the soda ash businesses within the Ciner Group.

On 24 November 2017, WE Soda acquired from its ultimate parent company, Akkan Enerji ve Madencilik A.Ş., Ciner Kimya Yatırımları Sanayi ve Ticaret A.Ş. ("Ciner Kimya") and its subsidiary undertaking, Eti Soda, in which Ciner Kimya owns a 74% shareholding. Turkish state-owned commercial enterprise Eti Maden owns the remaining 26% non-controlling interest in Eti Soda.

On 5 February 2018, WE Soda via its wholly owned subsidiary WE Soda Kimya Yatirimlari A.Ş., acquired 100% of the shares of Kazan Soda.

On 22 February 2018, WE Soda acquired from its ultimate parent company, Akkan Enerji ve Madencilik A.Ş., 100% of the shares of Ciner Enterprises Inc. ("CEI"), located in Atlanta, Georgia, US. Until the 2021 Strategic Transactions, CEI owned 100% of the shares of Sisecam Chemicals Resources LLC (renamed and converted from Ciner Resources Corporation on 21 December 2021), which in turn owned 100% of the shares of Sisecam Chemicals Wyoming LLC (renamed and converted from Ciner Wyoming Holding Corporation on 21 December 2021). Sisecam Chemicals Wyoming owns approximately 74% of Sisecam Resources LP (renamed from Ciner Resources LP on 18 February 2022), with the remaining approximately 26% listed on the New York Stock Exchange (NYSE: SIRE). Sisecam Resources has a controlling 51% interest in Sisecam Wyoming LLC (renamed from Ciner Wyoming LLC on 18 February 2022), the operating company located near Green River, Wyoming, US. The remaining non-controlling 49% interest in Sisecam Wyoming is owned by NRP Trona LLC, a wholly owned subsidiary of Natural Resource Partners LP.

Operational Review (continued)

On 19 November 2021, we announced a transaction with Sisecam, pursuant to which CEI sold its 60% interest in Sisecam Chemicals Resources to Sisecam, the Ciner Group sold a 10% interest in Pacific Soda LLC (“Pacific Soda”) and a 60% interest in Atlantic Soda LLC (“Atlantic Soda”) to Sisecam, and WE Soda acquired a 40% non-controlling interest in each of Pacific Soda and Atlantic Soda from the Ciner Group, through an in-kind contribution of TC Soda Holdings Inc. (“TC Soda”) to the Company’s capital by the Principal Shareholder on 21 December 2021 (the “2021 Strategic Transactions”).

The 2021 Strategic Transactions have resulted in our current holding of a non-controlling 40% indirect ownership interest in Sisecam Chemicals Resources (which translates into a non-controlling 15% effective interest in Sisecam Wyoming, the operating company), and a non-controlling 40% indirect interest in each of Pacific Soda and Atlantic Soda, with Sisecam owning a 60% controlling stake in each of the same entities.

The gross proceeds of USD300.0 million from the disposal of a 60% controlling interest in Sisecam Chemicals Resources and other available sources were used, together with other transactions made under or in connection with the 2021 Strategic Transactions, to (i) repay USD156.6 million in carrying amounts under the Group’s existing facility agreement dated on 1 August 2018, (ii) make catch-up repayments (including DSRA) of USD151.0 million under the Kazan Soda Facilities and (iii) pay fees and expenses in connection with the 2021 Strategic Transactions.

Our operations have grown significantly since the start of commercial production at Eti Soda in late 2009 and over this period, we have become the world’s largest producer of natural soda ash. The following is a summary of the history and development of Eti Soda and Kazan Soda, Pacific, a greenfield project comprising Atlantic Soda and Pacific Soda for the development of a new soda ash and sodium bicarbonate production facility in which we own a non-controlling 40% indirect interest and Sisecam owns a controlling 60% interest, and Sisecam Wyoming, in which we now own a non-controlling 15% effective interest.

Eti Soda

Eti Soda was founded in 1998 and started production in 2009. Eti Soda is located in the Beypazarı District of Ankara and uses solution-extraction to exploit sub-surface trona ore which is then processed into soda ash and sodium bicarbonate at its production facility.

The Beypazarı trona ore deposit was discovered in 1979 in the Beypazarı district of the Ankara province, Turkey. Eti Soda was established in 1998 by the Ciner Group to exploit the trona ore deposit at this location. In 2004, a pilot plant was established at the site and construction of the Eti Soda production facility commenced in 2007. In 2009, Eti Soda started commercial production operations utilising solution-extraction and processing with an initial production capacity of 1.1 million metric tonnes (“mt”) per annum (“mtpa”). Eti Maden owns the licences to extract trona in the Beypazarı District. The licences expire on 19 September 2045. The royalty agreement allows for Eti Soda to mine for trona until the end of operating life of the mine and has been extended to 19 September 2045. Management intends to renew the relevant agreements until the current known trona reserves are depleted. As of 31 December 2021, the soda ash equivalent proven and probable trona reserves are estimated at approximately 37.6 million mt. Eti Soda has a originally installed nameplate production capacity of 1.7 million mtpa, with 3 soda ash processing lines each with a capacity of 0.5 million mtpa and 2 sodium bicarbonate processing lines each with a capacity of 0.1 million mtpa. As of 31 March 2022, total production capacity of the facility was approximately 1.95 million mtpa, comprising 1.75 million mtpa of soda ash and 0.2 million mtpa of sodium bicarbonate. The remaining useful life of the mine is currently estimated to be more than 20 years.

Operational Review (continued)

Kazan Soda

Kazan Soda was founded in 2011 and started commercial production in 2017 and is located in the Kazan District of Ankara and also uses solution-extraction to exploit sub-surface trona ore which is then processed into soda ash and sodium bicarbonate at its production facility.

Trona ore deposits were discovered in Ankara's Kazan and Sincan provinces by Riotur Madencilik A.Ş. ("RioTur"), part of the Rio Tinto mining group, in 1998. In 2010, various studies were carried out to determine resources and reserves. The Ciner Group acquired RioTur Mining in December 2010 and, in February 2011, Kazan Soda was established. As a result of a reorganisation within the Ciner Group, in 2013 Kazan Soda became the entity holding the licence for the exploration, extraction and processing of trona at Kazan. In 2011, a pilot plant was established at the site and construction of the Kazan Soda production facility started in November 2014. In August 2017, Kazan Soda started commercial production operations utilising solution-extraction and processing.

Kazan Soda was granted a mining licence that expires in 2043. Management intends to renew the licence period until known trona reserves are fully depleted. As of 31 December 2021, the soda ash equivalent of proven and probable trona reserves are estimated at approximately 110.4 million mt.

Kazan Soda operations consist of 5 soda ash process lines together with the cogeneration facility in addition to 2 sodium bicarbonate process lines that are fully operational. As at 31 December 2021, Kazan Soda has a originally installed nameplate production capacity of 2.7 million mtpa from the 5 soda ash process lines each with a capacity of 0.5 million mtpa and 2 sodium bicarbonate lines each with a capacity of 0.1 million mtpa. As of 31 March 2022, total production capacity of the facility was approximately 2.9 million mtpa, comprising 2.7 million mtpa of soda ash and 0.2 million mtpa of sodium bicarbonate. The remaining useful life of the mine is currently estimated to be more than 40 years.

Pacific

In 2019, the Ciner Group through Pacific Soda and Atlantic Soda, acquired trona mining rights via federal and private land leases covering 17 sections (10,810 acres) within the southern central area of the KSLA near Green River, Wyoming, US with the objective of developing a new, greenfield soda ash and sodium bicarbonate production facility utilising trona solution-extraction and processing, now known as "Pacific" having previously been referred to as "Imperial". The acquired lease sections are divided such that the federal leases are owned by Atlantic Soda and the private leases are owned by Pacific Soda.

In June 2019, the Ciner Group sold a 50% interest in Pacific Soda to Sisecam and entered into a Joint Venture Operating Agreement for the development of Pacific Soda and, in July 2020, entered into a Joint Development Agreement to facilitate the development of Pacific Soda and Atlantic Soda as a production partnership with shared facilities and infrastructure. On 21 December 2021, as part of the 2021 Strategic Transactions, the Ciner Group sold a 10% interest in Pacific Soda and a 60% interest in Atlantic Soda to Sisecam and we acquired a 40% non-controlling interest in each of Pacific Soda and Atlantic Soda through the in-kind contribution of TC Soda to the Company's capital by the Principal Shareholder on the same date. The Group and Sisecam have also agreed to merge Atlantic and Pacific in due course, with Pacific being the surviving entity.

Operational Review (continued)

Sisecam Wyoming

The Sisecam Wyoming production facility started production in 1962, when Stauffer Chemical opened the Big Island Mine and Refinery in Green River, Wyoming, US and began producing soda ash from mined trona. In 1985, Cheseborough Ponds acquired Stauffer Chemical and in 1986 Imperial Chemical Industries ("ICI") acquired Stauffer Chemical from Cheseborough Ponds, which had been taken over by Unilever. In 1987, ICI sold Stauffer Chemical's industrial chemicals section (including the soda ash business) to Rhone-Poulenc and, in 1996, Rhone-Poulenc sold its interest in the soda ash business to OCI Company, LTD and the soda ash business was placed under its North American subsidiary, OCI Chemical Corporation. In 2013, NRP acquired a 49% equity interest in the soda ash business from Anadarko, which had originally obtained its interest through a merger with Union Pacific Resources Group Inc. in 2000.

The Sisecam Wyoming production facility has always used and continues to use conventional underground mining to exploit and extract trona ore. In 1984, the mine converted from "drill and blast" mining to continuous mining using the "room and pillar" mining technique and mechanical mining machines.

In 1998, the first autonomous unit at the facility, Unit 6, began producing approximately 1.0 million mtpa of soda ash. In 2009, the decahydrate plant at the facility began recovering soda ash from the tailings ponds, increasing overall plant efficiency and production volumes.

In 2014, OCI Chemical Corporation (the owner of 51% of the soda ash business) conducted an initial public offering of the soda ash business with a listing on the New York Stock Exchange. In 2015, CEI acquired OCI Chemical Corporation, and it later renamed it Ciner Resources, Inc. CEI was acquired by WE Soda in February 2018. On 21 December 2021, as part of the 2021 Strategic Transactions, we disposed of 60% of our interest in Sisecam Chemicals Resources and we now own a non-controlling 40% interest in Sisecam Chemicals Resources and a 15% effective interest in Sisecam Wyoming, the operating company. Following the 2021 Strategic Transactions, the Group no longer controls the Sisecam Wyoming facility and is no longer responsible for the sales and marketing of production volumes from Sisecam Wyoming.

On 21 December 2021 and as part of the 2021 Strategic Transactions, CEI, Sisecam and Sisecam Chemicals Resources, entered into a unitholders and operations agreement that governs the operation and management of Sisecam Chemicals Resources (the "Sisecam Chemicals Resources Unitholders Agreement"). The Sisecam Chemicals Resources Unitholders Agreement regulates corporate governance matters, provides for the funding of the project, and includes restrictions on transfers of the unitholders' interests to third parties.

The Sisecam Wyoming production facility is located in the KSLA approximately 36.5 km from Green River, Wyoming, US. The main operations of the Sisecam Wyoming production facility are located on a site of approximately 3.6 square km with a leased and licensed subsurface mining area of approximately 95 square km. Sisecam Wyoming uses conventional underground mining utilising the "room and pillar" method for extracting trona ore. Sisecam Wyoming has a nameplate production capacity of 2.5 million mtpa of soda ash. As of 31 December 2021, soda ash equivalent proven and probable trona reserves is 102.9 million mt. The remaining useful life of the mine is estimated to be more than 50 years. Sisecam Wyoming has an extensive US domestic and international export logistics network. Over 98% of the soda ash from Sisecam Wyoming is transported by rail from its facilities, with the remainder transported by truck.

Sisecam Wyoming has several mining leases which expire from 2027 to 2029 and one licence, which grants subsurface mining rights, and which expires in 2061. Sisecam Wyoming have a perpetual right under these leases and licence as long as it maintains continuous mining operations.

2021 Operations

During YE 2021, we produced 4.5 million mt of soda ash and 0.4 million mt of sodium bicarbonate from all our facilities, a total of 4.9 million mt, being 14% higher than 2020 volumes of 4.3 million mt.

Our average daily soda ash production increased by approximately 15.9% to 12,212 mt per day, from an average of 10,533 mt per day in YE 2020 reflecting full production levels at our facilities driven by a strong post COVID-19 recovery and rebound in demand in all of our end markets. Our average daily sodium bicarbonate production remained broadly flat at approximately 1,081 mt per day, reflecting the relatively stable global demand for sodium bicarbonate.

Group production in million mtpa:

	2021			2020		
Million mtpa	**Soda ash**	**Sodium bicarbonate**	**Total**	**Soda ash**	**Sodium bicarbonate**	**Total**
Eti Soda	1.8	0.2	2.0	1.6	0.2	1.8
Kazan Soda	2.7	0.2	2.9	2.3	0.2	2.5
Total	**4.5**	**0.4**	**4.9**	**3.9**	**0.4**	**4.3**

Group production in mt per day:

	2021			2020		
Mt per day (average)	**Soda ash**	**Sodium bicarbonate**	**Total**	**Soda ash**	**Sodium bicarbonate**	**Total**
Eti Soda	4,779	568	5,348	4,277	553	4,830
Kazan Soda	7,433	512	7,945	6,256	500	6,756
Total	**12,212**	**1,081**	**13,293**	**10,533**	**1,053**	**11,586**

Future Developments

Turkey

Management intends to maintain full production capacity at the Eti Soda and Kazan Soda facilities supported by an ongoing program of systematic preventative maintenance. Whilst there is no further capacity expansion planned for Eti Soda, at Kazan Soda, we are currently constructing additional caustic and decahydrate units which will add a further 0.3 million mtpa of soda ash production capacity. This investment is being fully funded by China Tianchen Engineering Corporation and China National Chemical Engineering Co., Ltd (each and collectively “TCC”) in accordance with the terms of a settlement agreement between Kazan Soda and TCC, with plant commissioning during the fourth quarter of 2022 to achieve full run-rate capacity during the first quarter of 2023 and resulting in Kazan Soda production capacity increasing to approximately 3.2 million mtpa. In addition, we have recently applied for the permits required, which are expected to be obtained during 2022, and agreed an engineering, procurement and construction (“EPC”) contract for USD161 million to construct an additional soda ash and sodium bicarbonate production unit, respectively, at Kazan Soda, and we are currently discussing financing arrangements. If developed, the new units would be constructed during 2023 and 2024, with plant commissioning in the fourth quarter of 2024 to achieve full run-rate production during the second quarter of 2025. At full planned capacity, the new units would produce an additional approximately 0.5 million mtpa of soda ash and an additional approximately 0.1 million mtpa of sodium bicarbonate. We have also recently applied for the permits required to construct a sodium chloride production unit at Kazan Soda, at an estimated cost of approximately USD20.0 million, which will allow us to process and sell the sodium chloride (industrial salt) by-product from the soda ash production process to customers in Turkey, and which is expected to be completed during 2025.

Future Developments (continued)

Pacific

Pacific is an early stage development project currently in the preliminary engineering design, research and development and permitting phase. Sisecam is responsible for the overall project execution and cost engineering, which are still ongoing, and as a result, any capital cost and development-timing estimates are necessarily preliminary in nature and subject to substantial revision and material change.

While Pacific is still subject to final approvals at the federal and state levels for environmental, construction and other permits, our initial discussions with the relevant competent state and local authorities as of the date of these financial statements have been reassuring as they have expressed their in-principle support for the project mainly due to the potential economic and employment contributions the project would create for the local economy, if developed.

We believe that, if developed as planned, at full planned capacity Pacific will represent the world's largest natural soda ash and sodium bicarbonate production facility, utilising solution-extraction and processing to produce 5.0 million mtpa soda ash and 0.4 million mtpa sodium bicarbonate at unit cash production costs comparable with those achieved at our Turkish facilities, facilitating competitive export sales globally. The permits and approvals required to proceed and start construction are not expected to be received until the second quarter of 2024, at the earliest, and could potentially take up to a further 18 months to obtain, following which construction of the facilities would start and is expected to be completed within approximately 24 to 30 months, enabling the facility to achieve planned run-rate capacity only approximately 42 months after receiving the required permits and approvals to proceed, in 2027 at the earliest. It is anticipated that the process configuration of the plant will be similar to Eti Soda and Kazan Soda, and involve 10 soda ash production units, each with a production capacity of 0.5 million mtpa and four sodium bicarbonate production units, each with a capacity of 0.1 million mtpa. It is anticipated that the power and steam requirements of the facility will be provided by a natural gas-fuelled cogeneration plant and that product will be transported by rail to export port facilities located on the Pacific West Coast or to domestic US customers, similar to all existing natural soda ash producers located in the Green River area.

Based on our current assessment of the limited budgeting information and cost engineering work available at the date of these financial statements, we estimate that, if developed, Pacific would have a total capital cost of approximately $4.0 billion. Under the terms of our agreement with Sisecam, if Pacific is developed, we will be required to contribute that portion of the equity funding for Pacific which is commensurate with our 40% ownership and we will be responsible for the sales and marketing of our proportionate share of Pacific production which, at full planned capacity, will be approximately 2.0 million mtpa of soda ash and approximately 0.2 million mtpa of sodium bicarbonate.

We expect that we will fund our 40% proportional share primarily with non-recourse project finance debt and, secondarily, with equity commitments funded from cash flow. It is currently anticipated that approximately USD800.0 million of the total capital cost will be funded with equity commitments, which will be divided between Sisecam and the Group in proportion to our ownership, and which are expected to be disbursed in approximately equal quarterly instalments over a four year period, commencing in the second half of 2023. A definitive investment plan between the Group and Sisecam will only be entered into on a committed basis during the second half of 2023, at the earliest, once the project is more advanced, a final development plan has been agreed with the relevant permitting and approval agencies, the project design has been finalised, EPC contracts for the construction of the project are in place and the requisite project financing commitments for the development of the project have been received.

Future Developments (continued)

Pacific (continued)

Our expectations regarding the capital cost and timing for the development of Pacific are based on preliminary estimates and a preliminary development plan. As such, they are subject to a variety of risks and uncertainties, as well as several other factors that could cause actual expenditures to differ materially from those estimated or prevent or delay the development of Pacific. There can also be no assurance that all the required permits and approvals will be obtained on a timely manner, if at all, which could result in Pacific not becoming operational according to our estimated timeline.

Gas supply and cost

Given Turkey's reliance on imported natural gas, our operations are exposed to disruptions and shortages in the supply of imported natural gas to Turkey that could impact our operations, prevent us from operating our production facilities at full capacity, if at all, or could impact the price and availability of electricity from the state grid, part of which is generated using natural gas fuelled plants.

On 20 January 2022, following Iran's announcement that natural gas flows to Turkey would be suspended for up to 10 days due to a technical failure in the Tabriz-Ankara pipeline, BOTAŞ ordered industrial natural gas consumers in Turkey to reduce their consumption of natural gas. We responded to this development by reducing our consumption of natural gas at the Kazan Soda facility, resulting in reduced levels of electricity generation from our cogeneration plant to be exported to the state grid. Such strategies result in lower electricity sales revenues but allow us to maintain full production capacity for soda ash and sodium bicarbonate at our Kazan Soda facility. Similarly, the ongoing military conflict between Russia and Ukraine, and any related developments affecting the Turkish economy, could, in particular, result in a material increase in the cost of natural gas, electricity and other sources of energy in Turkey and elsewhere, an interruption of natural gas supply in Turkey which could prevent us from running our facilities at full capacity, global supply chain issues affecting the timely delivery of our products and also decreased demand for the products of our customers, including glass manufacturers.

Electricity costs are also impacted indirectly by higher natural gas prices, as natural gas is one of the key inputs of electricity generation in Turkey. Although any increase in natural gas prices is partially offset by higher revenues from electricity sales at our Kazan Soda cogeneration plant, where electricity produced which is in excess of our own consumption needs is sold to the third parties, we do not otherwise currently hedge the price of our expected natural gas purchases at our Turkish facilities. With effect from the 2022 contract year, we have the ability to pass on increased energy costs to substantially all of our customers, in particular with respect to natural gas, because all of our contracted sales by volume for 2022 are indexed to the Turkish Natural Gas Price Index and, during the first five months of 2022, we have been able to pass natural gas price increases on to substantially all of our customers by increasing the sales prices for soda ash, albeit with certain time lags given the rapidly increasing natural gas prices. Whilst our production costs increase as natural gas prices increase, this increase will be less per mt of production than our competitors, particularly synthetic producers based in Europe, due to the lower energy intensity of our production process and, as a result, we expect to improve our competitive position and profitability, as the majority of any gas price increase is expected to be passed on to our customers by increasing the sales price of soda ash.

Future Developments (continued)

Gas supply and cost (continued)

To reduce our reliance on natural gas supplies in the short term, we are replacing the burner systems of our DFSB back-up steam boilers at Kazan Soda so that they can be dual-fuelled, with either natural gas or diesel. This is expected to be completed during the fourth quarter of 2022 at a total cost of approximately USD1.5 million. To further mitigate our reliance on natural gas at Kazan Soda in the medium term, we have also applied for the necessary permits and have signed an EPC contract with TCC for the construction of two backup coal-fired steam boilers at an estimated combined cost of approximately USD80.0 million, which will be able to provide all the steam required for the Kazan Soda facility, and which, if the permits are granted, are expected to be completed and commissioned during 2025. The investment in these two additional coal-powered steam boilers will allow us to mitigate potential negative effects of rising natural gas prices or disruptions in natural gas supply and, if required, could reduce, or even eliminate, our natural gas procurement needs, including with respect to all the new units currently being constructed or planned. Please refer to Note 2.2 Basis of preparation – Going concern for information for managements' sensitivity analysis on the effect of gas prices to the Group's operations.

Financial and Operational Highlights	Units	2021	2020
Income statement			
Sales volume:			
Soda ash	mt	4,439,237	3,920,131
Sodium bicarbonate	mt	395,611	396,918
Sales price:			
Soda ash	USD per mt	169.65	171.54
Sodium bicarbonate	USD per mt	187.02	194.00
Cost of sales:			
Soda ash	USD per mt	99.28	95.10
Sodium bicarbonate	USD per mt	115.03	107.29
Revenue	USD million	892.1	805.6
Profit/(loss) before taxation	USD million	214.8	(16.7)
Taxation (credit)	USD million	69.7	202.9
Balance sheet			
Total assets	USD million	2,729.2	4,909.3
Cash and cash equivalents	USD million	14.5	21.9
Short and long-term financial liabilities	USD million	1,827.3	2,520.3
Total non-current liabilities	USD million	1,584.9	1,195.5
Net debt (please refer to Note 4 (a) Capital Risk Management)	USD million	1,778.6	2,532.7
Cash flow statement			
Cash generated from operations	USD million	295.3	363.7

Income statement

The Group's revenue for the year amounted to a total of USD892.1 million (2020: USD805.6 million) with contributions from the two operating subsidiaries comprising of: Eti Soda (2021: USD347.0 million, 2020: USD325.1 million), Kazan Soda (2021: USD545.1 million, 2020: USD480.5 million). The increase was primarily due to a recovery in demand for our products following a COVID 19 driven production slowdown in YE 2020, partially offset by lower achieved netback prices, as YE 2020 price reductions impacted contract prices for delivery in YE 2021. Our total soda ash production volume in YE 2021 increased by 16% compared to YE2020, from 3.9 million mt per day to 4.4 million mt per day, equivalent to 10,533 mt per day to to 12,212 mt per day. Production volume of sodium bicarbonate remained broadly flat during YE 2021 at 0.4 million mt per annum, equivalent to 1,081 mt per day. Domestic sales increased to USD211.3 million in YE 2021 from USD189.0 million in YE 2020. Export sales increased to USD680.8 million in YE 2021 from USD616.5 million in YE 2020.

In YE 2021, Eti Soda produced and sold 1.9 million mt of soda ash and sodium bicarbonate, generating USD347.0 million in total revenues compared to 1.8 million mt of soda ash and sodium bicarbonate in YE 2020, generating USD325.1 million in total revenues. This increase was primarily due to an increase in production and sales volume, offset partially by a decrease in sales prices.

Income statement (continued)

In YE 2021, Kazan Soda produced and sold 2.9 million mt of soda ash and sodium bicarbonate, generating USD545.1 million in total revenues (including electricity sales) compared to 2.6 million mt of soda ash and sodium bicarbonate in YE 2020, generating USD480.5 million in total revenues (including electricity sales). This increase was primarily due to an increase in soda ash production and sales volumes, offset slightly by a decrease in sales prices. Revenue was further impacted by a 13.9% increase in electricity sales resulting from a 42.3% increase in average unit sales prices for electricity.

Average soda ash prices had decreased by 1% from USD171.54 per mt to average of USD169.65 per mt in 2021. Average price of sodium bicarbonate had decreased by 4% from USD194.00 per mt to USD187.02 per mt in 2021. The lower prices in 2021 against 2020 is mainly due lower spot prices and renegotiated contract prices for soda ash and sodium bicarbonate during YE 2020 which impacted the pricing of contracts for 2021 deliveries. The significant increase in total sales volume together with the marginal decrease in average price of soda price contributed to the increased of annual revenue by USD86.5 million (11%) 2020.

Profit before tax had increased by USD231.5 million from a loss before tax of USD16.7 to a profit position of USD214.8 million. This was mainly driven by increased in revenue mentioned above and increase in net other operating income by USSD118.9 million and a decrease in net finance expense of USD92.0 million. These were offset by the increase in cost of sales of USD61.4 million.

Balance sheet

The decrease in c*ash & cash equivalents* was a net result of current year operations and the extensive loan repayment made towards the year-end of 2021.

Net debt of the Group was mainly bank borrowings (99%) and leases (1%) contributing USD1,778.6 million (2020: USD2,532.7 million) of the Group's total liabilities. Decrease in net debt of USD754.1 million is mainly contributed by the settlement of outstanding bank borrowings in the course of the year. The Group had sold 60% of its investments in Sisecam Chemicals Resources, raising USD300.0 million, which proceeds were duly applied the WE Soda Facilities Agreement (USD157.0 million) and Project Finance Loan of Kazan Soda (USD151.0 million) in addition to regular quarterly scheduled repayments.

Cash flows

Net gain of funds for the Group is mainly contributed by sales of soda ash and sodium bicarbonate and by bank borrowings and finance leases recognised within *Short & long-term financial liabilities* mentioned above. During the year, the Group's available cash generated from operations has decreased by USD69.9 million from USD363.7 to USD293.8 million. Our cash generated from operating activities decreased from USD354.4 million in YE 2020 to USD231.6 million in YE 2021, primarily due to an increase in tax payments and due to negative movements in working capital, partially offset by an increase in our total profit for YE 2021 due to higher sales volumes compared to the prior period. Our cash used in investing activities changed from an outflow of USD249.9 million in YE 2020 to an inflow of USD149.6 million in YE 2021. This change was primarily due to the purchase of assets in the amount of USD87.3 million (YE 2020: USD39.9 million) and a net collection of borrowings from related parties of USD234.8 million (YE 2020: USD224.4 million net decrease) and cash inflows in connection with the disposal of our 60% interest in Sisecam Chemicals Resources to Sisecam (USD297.4 million net of cost).

Our cash used in financing activities during YE 2021 increased to an outflow of USD364.3 million, compared to an outflow of USD190.2 million during YE 2020. This change was primarily due to repayment of borrowings of USD459.9 million (YE 2020: USD57.4 million) and payment of interest of USD95.0 million (YE 2020: USD101.0 million).

Kew Soda Ltd

Strategic Report - Principal risk and uncertainties

Effective risk management is essential if the Group is to deliver upon its strategic and operational objectives. The following risks are managed by the Group's management team:

Risk	Description of Risk	Response to Risk
Funding	• Failure to forecast and work within the Group's financial structure could impact liquidity and lead to an inability to deliver the business plan. • Revenue, profitability and cash flows concentrated in a small number of production facilities • Inability to access external funding. • Failure to meet strict covenants on facilities.	• Regular review of cash flow, working capital and funding options, and prudent approach to budgeting and planning, to ensure sufficient capital to meet commitments. • Diversify the sources of funding and apply prudent levels of debt to development and production activities. • Proactively engaging with its lenders and potential investors in order to maintain balanced debt to equity ratio going forward.
Debt financing	• Non-compliance with conditions and covenant requirements of its debt agreements which could lead to events of default. In 2020, the Group did not comply with certain terms stipulated by the Facilities Agreement. See Note *2.2 Basis of preparation – Going concern* for information • Failure to obtain debt financing for operations and projects could delay and impede financial decision making.	• Contingency planning and preparedness to change the course of action as situations change. • Seek more favourable debt arrangements to allow the Group more financial flexibility, provide greater liquidity and reduce borrowing costs. In this respect, on 10 February 2022 the Group secured a new Term Facility (see Note 4 *Financial risk management*) replacing the Facilities Agreement and the net proceeds from the 2021 Strategic Transactions allowed the Group to reduce the outstanding principal borrowing amount of USD1,156 million (as of 31 December 2020).
Product price	• The Group is reliant on the sales revenue of its sodium-based products. A decrease in soda ash and sodium bicarbonate prices (>95% of group revenue) can lead to loss of value and have an adverse effect on revenue, margins, profitability, mining reserves and cash flow.	• The Group manages product price-related risk by maintaining stable multi-year customer relationships with prices generally fixed on a 1 year forward basis. • Low-cost operations from solution-extraction deliver substantial operating margins for the Group, reducing the impact of product price fluctuations.
Logistic costs	• Increase in transportation and sea freight costs can affect the results of the Group's operations.	• Costs and risk related with the transportation and delivery of products are monitored constantly to reduce risk and promote sustainability. • Migration of higher-risk contracts from CFA / CIF to FOB and use of time-chartered vessels, to mitigate sea freight risk
Compliance	Ethical wrongdoing and non-compliance or failure to accurately report data can lead to: • Litigation against the Group which could materially impact the Group's operations and strategy. • Reputational damage leading to withdrawal of support by governments, regulators or and lenders. • Litigation and/or regulatory action leading to penalties and disruption from investigation leading to unplanned business impact; and • Loss of assets, projects or access to markets.	• Top-down leadership and reinforcement of the Group's values. • Due diligence is carried out on all counterparties as part of contract management. • A strong Code of Conduct that all employees and contractors are expected to follow. • Compliance controls and actions implemented by management.
Brexit	• The United Kingdom ("UK") European Union ("EU") membership referendum took place on 23 June 2016 where it was decided that the UK would leave the EU in March 2019. • As of 1 January 2021, UK had officially exited the EU. • Although a deal has been struck between the UK and the EU, it is anticipated that various changes to legislation and trade treaties will take place between the parties for years to come which may result in a significant change in the relationship between the UK and the EU which may have adverse political and economic impact to the Group's operations in the UK.	• Although the Company is registered and headquartered in the UK, the Group's main production operations are located in Turkey and USA and the Group has only limited reliance on trade with the UK. • Since 1 January 2021, we are not aware of any significant changes that would affect the group materially both to our financial position nor to how we operate. As more details emerge on how business in the UK may need to change after Brexit, the assumptions underlying supply-demand forecasts and pricing could change, but over the medium-longer term, management believes that Brexit will not have a material impact on the business.

Risk	Description of risk	Response to risk
Information technology	The Group is reliant on IT in its day-to-day operations and as such is faced with a number of IT-related risks including: ● General threats to IT systems and data include hardware and software failure, malwares and viruses, spam, scams and phishing and human error. ● Criminal IT threats including fraud, security breaches, data theft, denial-of-services and staff dishonestly.	● Business continuity planning by having multiple offsite backups of information data. ● Training of staff in proper usage and safeguarding of data. ● Enforcement of IT risk management policies and procedures. ● Putting in place safeguards to protect data, i.e., password policy, antivirus/malware applications, limiting access to servers, limiting access to hardware.
OHS and ESG compliance	● Mineral extraction and processing operations, decommissioning activities and everyday usage of equipment may cause loss of equipment integrity, fires, explosions and pollution. ● A major health, safety or environmental incident may lead to loss of life, loss of reputation, loss of production and revenue as well as additional costs and liabilities.	● Adherence to laws, policies and internal procedures ● Regular maintenance and prevention activities. ● Protocols in case of an incident to ensure the impact is minimised and investigation to understand their causes with lessons-learned shared and communicated throughout the Group. ● Monitoring of safety incidents to measure the Group's OHS and ESG performance and identify trends/issues to be addressed. ● Consult with our employees on matters affecting their health and safety. ● Ensure all employees are competent to do their tasks by providing training, information and supervision.
Foreign exchange fluctuation	● The Group operates in the USA and Turkey. Since 2018 the Turkish Lira has depreciated against most currencies ● A large portion of the Group's loan facility is in EUROs and may contribute to higher principal and interest repayment if the Euro moves unfavourably against the USD	● The majority of the Turkish sales and purchase contracts are in either the EURO or USD, significantly minimising the exposure to the Turkish Lira. The only significant costs in Turkish Lira are in relation to general overheads that that is relatively insignificant to the production cost of the Turkish operations. Management continues to ensure when possible that risk is minimised by contracting in either the EURO or the USD to mitigate against the volatility of the LIRA. ● A large percentage of our cash inflow from operations in Turkey is in the EURO, any fluctuation of the EURO in relation to the loan facility can be met by our EURO income generated in Turkey.
Local laws and regulations	The Group operates in the UK, Turkey and the USA, requiring compliance with local laws and regulations stipulated by the 3 jurisdictions. Non-compliance would impede the Group's ability to continue to operate or be subject to fines and penalties and damage to the Group's reputation or credit rating	Specific expertise is required to ensure compliance with local laws and regulations. The Group ensures this by: ● Employing employees with the requisite experience and expertise ● Consulting with external experts where there is ambiguity or new laws and regulations that need to be addressed. ● In June 2021, management initiated a global due diligence project to look at its tax compliance
Hyperinflation economy	● Turkey has historically experienced, and continues to experience, substantial inflationary pressures, which presents one of the most significant problems faced by the Turkish economy. ● Turkey's economy has been, and continues to be, subject to significant inflationary pressures in the past and may become subject to further significant pressures in the future, which could have a material adverse effect on our business, financial condition and results of operations.	● Our operations in Turkey contracts its sales revenue only in either EUR or USD, whilst our cost is split between Turkish Lira denominated costs and other currencies ● Financially, the devaluation of the Turkish Lira in the course of the 2021 had reduced our USD cost base in Kazan Soda and Eti Soda. ● However, Management is cautious of the effect of hyperinflation to the wider Turkish economy and its effect on the Turkish people and its socio-political implications. Management will continue to monitor how the economy progresses in 2022 ● Hyperinflation is indicated by factors such as prices, interest and wages linked to a price index, and cumulative inflation over three years of around 100 per cent or more.
Geopolitical / Political	● The Group's operations are located in USA, Turkey and United Kingdom, whilst its customer base is spread across the globe. ● Each of the countries that the Group operate in and supply to have their respective internal and external geopolitical tension that may affect the operations of	● Management consider USA, Turkey and United Kingdom as relatively stable countries for corporations to operate in with no major imminent political disruption/volatility, internally or with its neighbouring countries. ● As our customer base is spread across the globe, management is of the opinion that any disruption to political relations amongst

Kew Soda Ltd

Strategic Report - Strategic Objectives and key performance indicators (KPIs)

Risk	Description of risk	Response to risk
	the Group. Any other geopolitical tension across the globe, although not directly linked to our operations, may still have implications to how we operate. ● The risk of any disruption to political relations amongst nations may impact the Group's ability to operate in those countries or to trade with certain countries if the disruptions would result in unrest, embargos or/and sanctions. ● WE Soda sells its products to over 70 countries around the world in every region and, as a result, is exposed to a variety of geo-political and macro-economic uncertainties. ● The Group operates in Turkey with two entities which produce approximately 65% of its total production volume and bears the risk of operating in a country with higher levels of economic and political uncertainty.	nations that we supply to would have short-term impact as we adjust to the new customer base in reallocating sales volumes to current/new customers. In the middle and long term, there will be marginal impact to our operations. In this respect: ● The Group monitors and seeks to understand changes taking place in Turkey and its neighbourhood although it is often hard to forecast the timing and impact of such political events. ● The Group works to the highest industry standards with local regulators, closely monitoring compliance with the Group's license obligations. ● The Group maintains positive relationships with all key stakeholders in Turkey and the USA. ● Appropriate legal agreements are in place or altered, if necessary, to protect the Group's interests.

Additional detail on financial risks is set out in Note *4 Financial risk management* to the consolidated financial statements.

The Group's strategic objectives are:

Growth & Profitability	HSEC & ESG
●Increase profits by increasing production and reducing unit operating costs, emissions and waste. ●Pursue sales and marketing strategies to maximise multi-year netback pricing. ●Expand customer network in higher-value and high growth industries (e.g., lithium carbonate). ●Identify and access additional trona resources that can be developed at attractive returns. ●Pursue commercial opportunities including optimising risk management and cost of logistics, shipping and distribution, extracting value from ESG-led sales and evaluating alternative contractual structures with core customers.	Relentless focus on further improving: ●OHS performance. ●ESG performance, further improving emissions, water and waste performance, systematic documentation and certification. ●Supporting, investing in and developing our people. ●Supporting and investing in the communities in which we operate.

KPIs provide an illustration of management's ability to successfully deliver against our strategic objectives:

Objective	**Growth & Profitability**			
KPI	**Production Volume** (mt per day)	**Cost of Sales** (USD per mt)	**Logistics & Transport Expenses** (USD per mt)	**Operating cash flow** (USD millions)
2020	Soda ash 10,533 Sodium bicarb 1,053	Soda ash 95.10 Sodium bicarb 107.29	21.32	367.7
2021	Soda ash 12,212 Sodium bicarb 1,081	Soda ash 99.28 Sodium bicarb 115.03	27.39	295.3
Definition	The average daily production from the Group's producing assets.	The average cost to produce a tonne of soda ash/sodium bicarbonate, including amortisation and depreciation expenses.	The average logistics and transportation cost per mt of soda ash/sodium bicarbonate, including port expenses, to deliver product from our production plant to the delivery destination	The total operating free cash flow that is generated from our operations.
Relevance	Production volumes is a key driver of the Group's revenue and its performance.	The lower the production cost the greater the operating profit and cash flow per mt.	The lower the logistic cost the greater the operating profit and cash flow per tonne.	The greater the operating cash flow the more cash is available to fund operations.
Risk Management	Diversifying the production base; ensuring robust maintenance to ensure high levels of utilisation.	Continuous focus on plant optimisation, extensive planning and cost engineering with experienced resources.	The Group continues to monitor and optimise its delivery format to maximise profitability whilst appropriately managing risk.	The Group continues to monitor its cost structure and sales prices to maximise cash flow.

Kew Soda Ltd

Strategic Report - Strategic Objectives and key performance indicators (KPIs)

Objective	OHS & ESG			
KPI	**Lost Time Injuries** (Frequency per million-man hours)	**Carbon Emissions** (mt CO_2 per mt soda ash)	**Sustainability Certification** (Ecovadis)	**Ethical Trading Membership** (Sedex)
2020	59	Eti Soda 0.36 Kazan Soda 0.34 Ciner Wyoming 0.55	Kazan Soda Silver Ciner Wyoming Silver Eti Soda Silver	All sites were members
2021	40	Eti Soda[1] 0.35 Kazan Soda[1] 0.33	Eti Soda Gold Kazan Soda Silver	All sites were members
Definition	A work-related injury that results in the individual being unable to work.	The quantity of CO_2 that is produced per mt of soda ash production (Scope 1&2).	Independent certification to measure business sustainability	Independent certification to measure the ethical trading standards of our business.
Relevance	Metric used to provide guidance as to the Group's HSEC performance.	A key measure of environmental impact and for benchmarking vs. peers.	Increasingly important for our customers and other stakeholders.	Certification increasingly important for our customers and other stakeholders.
Risk Management	The Group targets zero Lost Time Injuries every year and has an active HSEC plan to help try to achieve this.	The Group aims to continually reduce its Scope 1, 2 & 3 Carbon emissions and has a plan to do this.	The Group will be certified each year and has a plan to continually improve its ranking.	The Group will be certified each year and has a plan to continually improve its compliance procedures.

Note1 - unverified by British Standards Institution as at date of the signing of the financial statement.

Under Section 172(1) of the Companies Act 2006, a director of a company must act in the way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard to the:

- Likely consequences of any decision in the long-term,
- Interests of the company's employees,
- Need to foster the company's business relationships with suppliers, customers and others,
- Impact of the company's operations on the community and the environment,
- Desirability of the company maintaining a reputation for high standards of business conduct, and
- Need to act fairly as between members of the company.

In this regard, the Directors identify:

Strategy and consideration of the likely consequences of decisions for the long-term

The Group's business strategy aims to grow the business organically, through investment in and expansion of our existing assets and through the acquisition of and development of further trona mining licences. As the Group executes its strategy, the number of stakeholders is increasing: The Group's shareholder, finance partners, employees, the communities in which we operate, our distributors, suppliers and customers. As a consequence, the Directors acknowledge that the broader strategy must include safeguarding the interests of all stakeholders. To that end, as the Board of Directors, it is our intention to ensure that management and employees operate the business in a responsible and sustainable manner, according to the highest standards of conduct and governance.

Key issues

The key issues for the Group are those factors which affect the prospects and risks to the business and, in turn, the stakeholders. Those areas of particular significance during 2021 have been a focus on the financing of the Group and the Group's commitments to operating responsibly with a particular focus on environment and social impact.

Methods of stakeholder engagement

Kew Soda builds positive relationships with all of its stakeholder groups, ensuring they are kept current with the Group's activities, enabling them to provide feedback to the management on a regular basis. The Group uses various channels and platforms such as electronic communication, its corporate website, social media, satisfaction surveys, visits to and audits of its facilities, engagement with employees, suppliers, distributors, customers, local government and the populations around its sites, public organisations and many others.

Shareholder: The management team communicate regularly with the shareholder in face-to-face meetings, phone calls, via telephone messaging services and through various forms of written communication.

Employees: The Board and management engage with employees through committee meetings, internal e-mails, notice board communication, Kaizen groups, staff training and social events. At the Group's Turkish subsidiaries, employee representatives are elected by the employees annually and the representatives are actively involved in committees established to deal with personnel-related matters, liaising with management on behalf of employees to communicate views and grievances and updating employees on the economic performance of the business. In the US, employee involvement in the subsidiaries' performance is encouraged through employee incentive plans and benefits. Talent retention and development is critical to the success of the business, and it will continue to be part of the Group's core philosophy.

Kew Soda Ltd

Strategic Report - Directors' duties – s172(1) Companies Act 2006 (continued)

Methods of stakeholder engagement (continued)

Suppliers: Annual supplier events are held at which suppliers are trained on topics such as mutual sustainable development goals and allows business partners to become involved in some of the key decision-making processes of the Group. The Group also visits suppliers, carries out audits and attends industry conferences.

Customers: The Group's customer relations teams carry out annual customer satisfaction surveys which are evaluated, and improvements are made where needed. Enquiries and complaints are handled promptly and effectively to ensure customer satisfaction. Personnel from a range of departments attend annual conferences where customers and manufacturers meet to discuss industry trends and give presentations on a range of topics.

Other Stakeholder Groups: Management hold group or one-to-one meetings with leaders from government, local communities and public organisations. Internships, career days and conferences enable us to build links and relationships with future talent, universities and invite expert input from industry professionals.

Examples of stakeholder considerations in certain key Board decisions during the year

In discharging its duties, the Board considers the views of its stakeholders alongside information pertaining to key areas such as strategy, risk and legal and regulatory compliance. The Board considers the following to be the key decisions and considerations it has made during the year to 31 December 2021:

Board Decision	Considerations
Finance & Treasury Transformation	• The business underwent a programme of finance transformation in 2021, with specific focus on implementing the recommended Treasury controls and management. • CIDT acts as an agent for all export sales for the Group's Turkish operations. In June 2021, CIDT and Soda World Ltd entered into a reseller agreement, appointing Soda World Ltd as exclusive reseller to CIDT for export distributors and export customers. In January 2022, Soda World Ltd was acquired by the Group, allow the Group greater oversight over its cash flow and debt collection.
Operating Responsibly/ESG	• Environmental, social and governance ("ESG") impact is a major area of focus impacting a wide range of stakeholders including employees, suppliers, customers, local communities and governments. • Increasingly, our customers and other stakeholders require us to provide third party verification of our ESG performance and credentials. • Commitments were made during 2020, which formally recognised the Group's sector leading environmental position and set new goals to further improve ESG performance. • EcoVadis, a leading global sustainability platform, assessed all three production sites and awarded each a silver medal, placing the Group in the top quartile of all companies in comparable sectors. • All of our production sites are now members of Sedex, an ethical trading platform to manage and improve working conditions in global supply chains. • The Group's production sites have been subject to various audits and inspections, gaining certification in environmental product declaration and carbon disclosure from EDP and CDP • Eti Soda published its 2019 & 2020 sustainability report in 2021

This Strategic Report was approved by the Board of Directors, and signed on its behalf by:

Ahmet Tohma
Director
30 May 2022

Mehmet Ali Erdoğan
Director
30 May 2022

Kew Soda Ltd

Directors' Report

The Directors present their report together with the audited Consolidated and Parent Company financial statements of Kew Soda Ltd (the Company or Parent Company / together with its subsidiaries referred to as the Group) for the year ended 31 December 2021.

Principal activities

The principal activities of the Group, which are intended to continue into the future, are mining for and processing of trona to produce sodium carbonate (soda ash) and sodium bicarbonate, which are essential raw materials used in the manufacture of glass, dry powder soaps and detergents, chemicals, EV batteries, paper and other consumer and industrial products. The Company is focused on building a portfolio of assets in the global soda ash business. The Group operates through a number of subsidiaries, which are set out in Note *31 Group companies* to the consolidated financial statements.

Future developments within the Group

The Strategic report commencing on page 2 contains details of likely future developments within the Group.

Directors

The Directors who served in office during the financial year and subsequently to the date of signing, except as noted, were as follows:

Mehmet Ali Erdoğan	
İkbal Didem Ciner	
Gürsel Usta	- appointed on 18 May 2022
Alasdair John Warren	- appointed on 18 May 2022
Ahmet Tohma	- appointed on 18 May 2022

Support for Directors

The Board has adopted a policy whereby Directors may in the furtherance of their duties; seek independent professional advice at the Company's expense. Each Director has the benefit of a deed of indemnity from the Company in respect of claims made and liabilities incurred, in either case arising out of the bona fide discharge by the Director of his or her duties. The Company has also arranged appropriate insurance cover in respect of legal action against the Directors of the Company and its subsidiaries. The Company has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Results and dividends

The consolidated financial statements for the year ended 31 December 2021 are as set out in the financial statements section of this report. The Group's profit after tax for the year was USD356.3 million out of which USD302.8 million attributable to owners of the company (2020: profit of USD164.8 million out of which USD132.3 million attributable to owners of the company).

During 2021, no ordinary dividends were declared and paid (2020: nil). The Directors do not recommend the payment of any further final dividend for the year (2020: nil).

Disabled employees

The Group gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by such persons. Should an existing employee become disabled, it is in the Group's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion. The Group also comply with local regulations where operational activities conducted with regards to hiring disabled persons. The Group employs 31 disabled persons as at 31 December 2021 (2020: 32 disabled persons).

Donations

During the year the Group contributed USD0.6 million (2020: USD0.7 million) to charitable causes and did not make any political donations.

Branch outside the UK

In 2018, the Group established a representative office in Beijing, China to develop relationships with the market and finance institutions in China.

Statement of corporate governance arrangement

The Board comprises the five directors that sits on the board of directors of its subsidiary, WE Soda Ltd. Leveraging on this relationship between Kew Soda Ltd and WE Soda Ltd, the Directors rely on the structure and expertise of the board of directors of WE Soda Ltd and oversee the decision making process of the subsidiaries of Kew Soda Ltd. For the year ended 31 December 2021, under The Companies (Miscellaneous Reporting) Regulations 2018, WE Soda Ltd has applied the Wates Corporate Governance Principles for Large Private Companies (the Wates Principles) (published by the Financial Reporting Council (FRC) in December 2018 and available on the FRC website). For further details on the corporate governance arrangement adopted by WE Soda Ltd, please refer to its Annual Report and Financial Statements available at 23 College Hill, London, EC4R 2RP, United Kingdom.

Auditors

Each person who is a Director at the date of approval of this Annual Report confirms that as far as each Director is aware, there is no relevant audit information of which the Group's and Company's Auditors are unaware. In addition, each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Group's and Company's Auditors are aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to accept reappointment. The directors shall propose a resolution to reappoint them subsequent to approval of the financial statements.

Financial instruments

Information on the use of financial instruments by the Group and its management of financial risk is disclosed in Note *4 Financial risk management* to the financial statements. In particular, the Group's exposures to price risk, credit risk and liquidity risk are separately disclosed in that note.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out above. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the consolidated financial statements. In addition, Note 2 *Significant accounting policies*, to the consolidated financial statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposure to foreign exchange, interest rate, credit and liquidity risks.

The Group is funded by bank borrowings as set out in Note 26 *Borrowings*.

Going concern (continued)

2021 was a challenging year for the Group, recovering from the initial onslaught of COVID-19 by Q3 2020, yet faced with depressed prices and volumes relative to pre-COVID-19 all thru 2021. To ensure that the Group would be able continue as a going concern, on 21 December 2021, the Company completed the sale of 60% of its controlling interest in wholly owned subsidiary Sisecam Chemicals Resources to Sisecam for the consideration of USD300 million. (See Note 2.2 *Basis of preparation – Going concern* for full disclosure). The proceeds from the sale were used to repay USD 157 million of the WE Soda Facilities Agreement and USD 151 million of Project Finance Loan of Kazan Soda.

As at 31 December 2021, the Group had cash of USD14.5 million (including restricted cash of USD64.8 million), net current liabilities of USD305.1 million and net assets of USD532.3 million and traded profitably as at 31 December 2021. As a consequence, the Directors believe that the Group, is well placed to manage its business risks successfully.

After making enquiries, the Directors have a reasonable expectation that the Company and the Group have adequate financial resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Consolidated Financial Statements.

Post balance sheet events

Original Facilities Agreement & New Senior Facilities Agreement

On 14 February 2022 (the "Closing Date"), the Original Facilities Agreement was rescinded and replaced by the Senior Facilities Agreement dated 10 February 2022. In particular, the Original Facilities were refinanced with a senior secured amortising term loan facility, split into a euro denominated tranche of an aggregate principal amount of €782.4 million and a US dollar-denominated tranche of an aggregate principal amount of USD270.3 million (together, the "Term Facilities").

Under the Senior Facilities Agreement, quarterly principal repayment amounts range from 1.25% – 2.5% as further detailed in the Senior Facilities Agreement, interest payments are due quarterly and any remaining aggregate outstanding principal amount will be repaid on termination or the maturity date, which is 54 months later than Closing Date.

With the refinancing, the outstanding principal borrowing amount of USD1,155 million as of 31 December 2021 under the Original Facilities was partially discharged and reduced to USD 1,113 million as of 31 March 2022.

New subsidiary - Soda World Ltd

The Ciner Group transferred Soda World Ltd ('Soda World") to the Group on 21 January 2022, and from such date Soda World is consolidated as a subsidiary to the Group's results. Soda World will be the direct contracting party with the Group's customers and the direct holder of certain export receivables from Eti Soda and Kazan Soda.

New foreign trade company ("FTC")

The Ciner Group has incorporated WE İç ve Dış Ticaret A.Ş. ("WIDT") in Turkey, which was transferred to the Group to become a wholly owned subsidiary on 24 March 2022, and will act as the Group's sole export intermediary and registered Foreign Trade Company ("FTC") for the export of products from Turkey, replicating the cash flow and VAT processing benefits of CIDT. It is intended that WIDT will gradually take over the role of the Group's FTC in Turkey by 2023 year end, replacing CIDT and exporting products on behalf of Kazan Soda and Eti Soda to Soda World pursuant to a resale agreement. Under Turkish regulations, WIDT's application to become an FTC can only be submitted when specific trading thresholds have been met (in excess of USD100 million of export sales in a calendar year). Once registered with the relevant Turkish authorities, the Group expects that WIDT will be granted FTC status during March 2023.

Change in corporate taxation

Standard corporation tax rate is 20% in Turkey. However, the Turkish corporation tax rate is currently set at 23% for income derived by corporations in the 2022 fiscal year.

On 22 January 2022, Law No. 7351 ("the Law") was published in the Official Gazette and entered into force on the date of publication. The Law sets forth a one point decrease in the corporation tax rate on the specified income of the following corporations:

- On the corporation income exclusively derived from export transactions by corporations that perform exportation,

- On the corporation income exclusively derived from manufacturing activities by corporations that have an industrial registry certificate and actually perform manufacturing activities.

Accordingly, the corporation tax rate will be applied as 22% for the above-mentioned corporations for FY 2022. Starting from 2023, unless any changes occur in the legislation, the Turkish corporation tax rate will be imposed at 19% for the above-mentioned corporations. Since Kazan Soda and Eti Soda fulfils both of the aforementioned requirements, the Turkish corporation tax rate will be used by them will decrease by 1% commencing from 1 January 2022.

Redenomination of new senior facilities agreement

On 5 May 2022 , in accordance with paragraph (a)(iv) of the definition of "Structural Adjustment" and paragraph (a) of Clause 41.4 (Other exceptions) of the Senior Facilities Agreement, EUR 180,301,402 portion of Senior Facilities Agreement redenominated from Euro into US Dollars in equivalent of USD 191,101,456.

Change in the functional currency of Turkish subsidiaries

As detailed in Note 4, the Group's Turkish operating entities, Eti Soda and Kazan Soda, considered the Turkish Lira as their functional currency for all years presented.

Towards the end of 2021, Turkey experienced unexpected fluctuations with respect to macro-economic indicators and the government took certain measures in order to control such fluctuations. However, after year-end 2021, despite the measures taken, there have been material changes affecting the economic environment in Turkey. As required under IAS 21, the Group has evaluated such changes as a triggering event for a reassessment of the functional currency of all subsidiaries which currently have Turkish Lira as their functional currency.

The determination of the functional currency requires management to make numerous judgments. As a result of management's review and analysis of Eti Soda and Kazan Soda, it has been concluded that the US dollar is the currency that most accurately represents the economic effects on both entities. Management's analysis was based on the following considerations:

- Factors that determined the functional currency were always mixed, with revenues predominantly influenced by mainly US dollar denominated international markets and costs by both international and local Turkish Lira denominated factors.

- In the last year, the exchange rate of the Turkish Lira has been severely affected by devaluation against hard currencies, and the US dollar in particular. This has had a very limited impact on the Group's sales prices but it has affected costs. The relative proportion (by value) of locally incurred input costs denominated in Turkish Lira, such as labour, compared to US dollar influenced input costs, such as natural gas, has decreased significantly mainly because the price of natural gas, which is imported and which price is ultimately set with reference to US dollars, has increased significantly during 2022 and in particular, following the notification of significant price increases on 31 March 2022.

- As part of the Group's corporate strategy, less functional and governance control is being led from Turkey and new internal reporting initiatives are in US dollars.

Kew Soda Ltd

While indicators are still mixed, it is the judgement of Management that the functional currency for Eti Soda and Kazan Soda has now shifted towards the US dollar, because the majority of our decisions and those of our largest suppliers are principally based on the US dollar as the underlying currency. This change will be applied prospectively from 1 April 2022 and will not affect the balances as of 31 December 2021, nor results or cash flows for the year then ended. The figures for Eti Soda and Kazan Soda as of 30 June 2022 will be restated to US dollars in accordance with IAS 21.

This Directors' Report was approved by the Board of Directors, and signed on behalf by:

Ahmet Tohma
Director
30 May 2022

Mehmet Ali Erdoğan
Director
30 May 2022

Kew Soda Ltd

Statement of directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and the parent company financial statements in accordance with UK-adopted international accounting standards. Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of the profit or loss of the group and parent company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and parent company will continue in business.

The Directors are responsible for safeguarding the assets of the group and parent company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent company and enable them to ensure that the financial statements comply with the Companies Act 2006.

On behalf of the Board

Ahmet Tohma
Director
30 May 2022

Mehmet Ali Erdoğan
Director
30 May 2022

Independent auditors' report to the members of Kew Soda Ltd

Report on the audit of the financial statements

Opinion

In our opinion, Kew Soda Ltd's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2021 and of the group's profit, the company's loss and the group's and company's cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Consolidated and Parent Company Statement of Profit or Loss and Other Comprehensive Income as at 31 December 2021; the Consolidated and Parent Company Statement of Financial Position, Changes in Equity, and Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Independent auditors' report to the members of Kew Soda Ltd (continued)

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to environmental laws and regulations in Turkey and the United States, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and UK tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias included within significant accounting judgements and estimates. Audit procedures performed by the engagement team included:

- Review of Board minutes and discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Evaluation of management's controls designed to prevent and detect fraudulent financial reporting;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- Assessing significant judgements and estimates, to ensure that there are no indications of management bias.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's directors as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Jason Burkitt (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
30 May 2022

Kew Soda Ltd

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended December 31, 2021
(in thousands of US dollars)

	Note	2021	2020
Continuing operations			
Revenue	9	892,113	805,582
Cost of sales	10	(550,359)	(488,943)
Gross profit		**341,754**	**316,639**
Administrative expenses	11	(40,966)	(37,959)
Marketing expenses	12	(5,624)	(4,112)
Other operating income	13	204,033	65,497
Other operating expenses	13	(79,890)	(60,274)
Profit from operations		**419,307**	**279,791**
Finance income	14	24,264	41,521
Finance expenses	14	(228,758)	(337,985)
Profit/(Loss) before tax		**214,813**	**(16,673)**
Taxation	15	69,710	202,891
Total profit for the financial year from continuing operations		**284,523**	**186,218**
Profit/(loss) from discontinued operations	5	71,810	(21,393)
Total profit for the financial year		**356,333**	**164,825**
Profit for the year attributable to:			
Owners of the company		302,841	132,233
Non-controlling interest		53,492	32,592
		356,333	**164,825**
Basic and diluted earnings per share – continuing operations	**32**	**1.851**	**1.212**
Basic and diluted earnings per share – discontinued operations	**32**	**0.467**	**(0.139)**
Total profit for the financial year		345,088	164,825
Other comprehensive expense			
Items that will not be reclassified subsequently to profit or loss:			
- Accumulated gain / (loss) on remeasurement of defined benefit plans		20,627	(3,137)
Items that will be reclassified subsequently to profit or loss:			
- Foreign currency translation reserve	32	(922,882)	(409,950)
- Hedge accounting		5,424	5,472
Total other comprehensive loss for the year, net of income tax		**(896,831)**	**(407,615)**
Total comprehensive loss for the year		**(540,498)**	**(242,790)**
Total comprehensive loss for the year attributable to:			
Owners of the company		(490,087)	(223,822)
Non-controlling interest		(50,411)	(18,968)
Total comprehensive loss for the year		**(540,498)**	**(242,790)**
Total comprehensive loss for the year attributable to:			
Continuing operations		(638,439)	(223,732)
Discontinued operations	5	97,941	(19,058)
Total comprehensive loss for the year		**(540,498)**	**(242,790)**

The Notes on pages 32 to 102 form part of these consolidated financial statements.

Kew Soda Ltd

Consolidated Statement of Financial Position

As at December 31, 2021
(in thousands of US dollars)

	Note	2021	2020
Assets			
Non-current assets			
Property, plant and equipment	16	392,765	1,051,082
Mining reserves	17	696,443	2,038,414
Intangible assets	18	159	5,799
Mining assets	19	82,066	143,998
Inventories	25	14,523	35,046
Prepaid expenses	20	27,541	10,492
Other receivables	21	494,240	526,308
Deferred tax assets	15	363,175	437,419
Goodwill	22	14,317	54,595
Right of use assets	39	10,397	26,162
Investments accounted for using the equity method	34	326,667	-
Other non-current assets	23	-	2,214
		2,422,293	**4,331,529**
Current assets			
Trade receivables	21	149,868	218,977
Other receivables	21	34,971	247,499
Cash and cash equivalents	24	14,494	21,854
Prepaid expenses	20	7,136	5,577
Inventories	25	23,791	52,355
Derivative financial instruments	28	-	1,360
Other current assets	23	76,642	30,179
		306,902	**577,801**
Total assets		**2,729,195**	**4,909,330**
Non-current Liabilities			
Borrowings	26	1,388,574	727,258
Lease liabilities	39	10,543	22,649
Trade payables	27	-	57,686
Other payables	27	3	304
Derivative financial instruments	28	-	1,268
Employee benefits	29	1,899	68,510
Tax liability		2,065	1,596
Mine closure provision	30	-	40,130
Deferred tax liability	15	178,914	276,064
Deferred income		1,742	-
Other non-current liabilities	23	1,158	-
		1,584,898	**1,195,465**
Current liabilities			
Borrowings	26	422,740	1,754,743
Lease liabilities	39	5,399	15,638
Trade payables	27	103,326	130,175
Other payables	27	26,880	52,240
Tax liability		19,359	33,170
Derivative financial instruments	28	-	895
Provisions		1,828	2,000
Employee benefits	29	2,252	13,542
Deferred income (contract liabilities)	31	8,675	44,875
Other current liabilities	23	10,300	11,386
		600,759	**2,058,664**
Total liabilities		**2,185,657**	**3,254,129**

Kew Soda Ltd

Consolidated Statement of Financial Position (continued)
As at December 31, 2021
(in thousands of US dollars)

	Note	2021	2020
Equity			
Share capital	32	153,702	153,702
Share premium	32	1,382,131	1,382,131
Capital contribution in kind	6	131,038	-
Restricted profit reserves	32	47,421	26,890
Accumulated other comprehensive loss that will not be reclassified subsequently to profit or loss		(119)	(6,365)
Accumulated other comprehensive loss that will be reclassified subsequently to profit or loss:		(1,771,565)	(954,047)
- Foreign currency translation reserve	32	*(1,771,565)*	*(956,238)*
- Hedge accounting		-	*2,191*
Retained profit		465,932	169,225
Equity attributable to owners of the Company		**408,540**	**771,536**
Non-controlling interest		134,998	883,665
Total equity		**543,538**	**1,655,201**

The Notes on pages 32 to 102 form part of these consolidated financial statements.

The consolidated financial statements on pages 27 to 102 were approved by the Board on 30 May 2022 and were signed on its behalf.

Ahmet Tohma
Director
30 May 2022

Mehmet Ali Erdoğan
Director
30 May 2022

Company Number 10260126

Kew Soda Ltd

Consolidated Statement of Changes in Equity

For the year ended December 31, 2021

(in thousands of US dollars)

	Share capital	Share premium	Capital Contribution in kind[5]	Restricted profit reserves	Accumulated loss on remeasurement of defined benefit plans[1]	Other Reserves[2,4]	Foreign Currency Translation Reserve	Retained earnings	Equity attributable to owners of the Company	Non-controlling interest[3]	Total equity
At 1 January 2020	**153,702**	**1,382,131**	**-**	**26,373**	**(3,228)**	**413**	**(601,542)**	**37,509**	**995,358**	**920,073**	**1,915,431**
Equity-based compensation plan activity	-	-	-	-	-	-	-	-	-	528	**528**
Dividend distribution	-	-	-	-	-	-	-	-	-	(17,968)	**(17,968)**
Transfer	-	-	-	517	-	-	-	(517)	-	-	**-**
- Profit for the year	-	-	-	-	-	-	-	132,233	132,233	32,592	**164,825**
- Total other comprehensive loss for the year	-	-	-	-	(3,137)	1,778	(354,696)	-	(356,055)	(51,560)[3]	**(407,615)**
Total comprehensive loss for the year	-	-	-	-	**(3,137)**	**1,778**	**(354,696)**	**132,233**	**(223,822)**	**(18,968)**	**(242,790)**
At 31 December 2020	**153,702**	**1,382,131**	**-**	**26,890**	**(6,365)**	**2,191**	**(956,238)**	**169,225**	**771,536**	**883,665**	**1,655,201**
Equity-based compensation plan activity	-	-	-	-	-	-	-	-	-	286	**286**
Dividend distribution	-	-	-	-	-	-	-	-	-	(78,130)	**(78,130)**
Transfer	-	-	-	20,531	-	-	-	(20,531)	-	-	**-**
- Profit for the year	-	-	-	-	-	-	-	302,841	302,841	53,492	**356,333**
- Total other comprehensive loss for the year	-	-	-	-	20,643	(2,191)	(815,327)	-	(796,875)	(103,903)	**(900,778)**
Total comprehensive loss for the year	**-**	**-**	**-**	**-**	**20,643**	**(2,191)**	**(815,327)**	**302,841**	**(494,034)**	**(50,411)**	**(544,445)**
- Disposal of the subsidiary	-	-	-	-	(14,397)	-	-	14,397	-	(620,412)	**(620,412)**
- Acquisition of the subsidiary**[5]** (Refer Note 6)	-	-	131,038	-	-	-	-	-	131,038	-	**131,038**
At 31 December 2021	**153,702**	**1,382,131**	**131,038**	**47,421**	**(119)**	**-**	**(1,771,565)**	**465,932**	**408,540**	**134,998**	**543,538**

Note 1 - Accumulated other comprehensive income that will not be reclassified subsequently to profit or loss.

Note 2 - Accumulated other comprehensive income that will be reclassified subsequently to profit or loss.

Note 3 - Includes USD107,555,667 (2020: USD55,254,104) of foreign currency translation loss allocated to non-controlling interest.

Note 4 - Other comprehensive (loss)/ income for 2021 is net of USD3,947,000 recycled to the income statement on disposal of the subsidiary.

Note 5 - Since KEW Soda Ltd. acquired more than 90% of the shares in a company (TC Soda) by issuing its own shares in return, as required by the Companies Act, 2006, the difference between the USD131.0 million fair value of TC Soda and the nominal value of the shares issued by KEW Soda Ltd. has been credited to equity under “Capital contribution in kind”.

The notes on pages 32 to 102 form part of these consolidated financial statements.

Kew Soda Ltd

Consolidated Statement of Cash Flows

For the year ended December 31, 2021
(in thousands of US dollars)

	Note	2021	Restated 2020
Cash flow from operating activities			
Total profit for the year from continuing operations		**284,523**	**186,218**
Adjustments for:			
Depreciation and amortisation expenses	16, 18	95,979	100,709
Retirement benefit		1,525	941
Provisions arising from penalties and legal claims		384	2,000
Interest income		(29,090)	(41,824)
Interest expense		69,158	118,041
Discount expense / (income) (net)		1,481	(387)
Bank charges		20,976	26,597
Net foreign exchange loss		46,717	178,373
Income tax credit	15	(72,981)	(203,198)
Increase in inventories		(17,768)	(2,329)
Increase in trade and other receivables		(37,285)	(10,289)
(Decrease) / increase in trade and other payables		(8,017)	11,771
Losses / (gains) on disposals of fixed assets		30	(138)
Compensation income		(60,065)	-
Other cash (outflows) / inflows		(222)	1,218
Cash generated from operations		**295,345**	**367,703**
Tax return payments		(62,139)	(14,642)
Paid retirement benefit obligation		(113)	(71)
Net cash generated from operating activities (continuing operations)		**233,093**	**352,990**
Net cash generated from operating activities (discontinued operations)		66,047	77,609
Total net cash generated from operating activities		**299,140**	**430,599**
Cash flow from investing activities:			
Purchase of property, plant and equipment	16	(87,311)	(39,890)
Cash received from acquisition of subsidiaries		596	-
Cash inflows from sale of purchase of property, plant and equipment		7	493
Interest received		524	1,165
Dividend received from discontinued operations		1,000	12,715
Cash inflow from related parties (*)		397,414	1,188
Cash outflow to related parties (*)		(162,600)	(225,563)
Net cash generated from / (used in) investing activities (continuing operations)		**149,630**	**(249,892)**
Net cash generated used in investing activities (discontinued operations)		272,478	(46,988)
Total net cash generated from / (used in) investing activities		**422,108**	**(296,880)**
Cash flow from financing activities:			
Cash obtained from borrowings		-	16,375
Cash used for repayment of the borrowings		(459,914)	(57,541)
Cash outflow from lease liabilities		(6,614)	(7,205)
Interest paid		(94,955)	(101,039)
Borrowing costs incurred		(15,263)	(26,597)
Transfer from discontinued operation into continuing operations		300,000	-
Distributions to non-controlling interest shareholder of subsidiary		(49,892)	(244)
Cash used to repay restricted bank balances		(39,295)	(13,984)
Other cash inflows		1,613	4
Net cash used in financing activities (continuing operations)		**(364,320)**	**(190,231)**
Net cash used in financing activities (discontinued operations)		(338,663)	(45,463)
Total net cash used in financing activities		**(702,983)**	**(235,694)**
Effects of exchange rate changes on cash and cash equivalents		(11,641)	2,104
Net generated / (used in) cash and cash equivalents		**6,624**	**(99,871)**
Cash and cash equivalents at beginning of the year	24	7,870	107,741
Cash and cash equivalents at end of the year	**24**	**14,494**	**7,870**

Cash and cash equivalents at the end of the year attributable to:	**2021**	**2020**
Continuing operations	14,494	7,732
Discontinued operations	-	138
Total cash and cash equivalents in the statement of cash flows	**14,494**	**7,870**

(*) The “cash inflow from related parties” and “cash outflow to related parties” amounts presented in the approved 2020 financial statements were overstated by USD512.0 million due to gross presentation of eliminated intra-group cash flows relating to transactions between entities of the Group. The overstatements offset each other and has no impact on the “Total net cash generated from / (used in) investing activities”.

The notes on pages 32 to 102 form part of these consolidated financial statements.

1. General information

Kew Soda Ltd (the Company or Parent Company) is a private company limited by shares incorporated and domiciled in the United Kingdom on 1 July 2016 and registered in England and Wales under the Companies Act 2006, which serves as an intermediate holding company for the Group. The address of the registered office is 23 College Hill, London, EC4R 2RP, United Kingdom. The nature of the Company's subsidiaries' and investments' operations and their principal activities are mining for trona and producing soda ash and sodium bicarbonate, which are essential raw materials in glass manufacturing, powder soaps and detergents, chemicals (including the production of lithium carbonate) and other consumer and industrial products.

Until 21 December 2021 and prior to the 2021 Strategic Transactions (as defined below), the Company's portfolio of assets in the global soda ash business comprised two controlled businesses in Turkey, namely, Eti Soda Üretim Pazarlama Nakliyat ve Elektrik Üretim Sanayi ve Ticaret A.Ş. ("Eti Soda") and Kazan Soda Elektrik Üretim A.Ş. ("Kazan Soda"), and one controlled business in the US, Sisecam Wyoming LLC ("Sisecam Wyoming", formerly named Ciner Wyoming LLC).

The Group has completed a series of transactions referred to as "2021 Strategic Transactions", which completed on 21 December 2021 and consist of:

(i) CEI's sale of its 60% interest in Sisecam Chemicals Resources on 21 December 2021, to Sisecam;

(ii) the Ciner Group's sale of its 10% interest in Pacific Soda LLC ("Pacific Soda") and 60% interest in Atlantic Soda to Sisecam; and

(iii) the acquisition by WE Soda of a 40% indirect interest in each of Pacific Soda and Atlantic Soda, through an in-kind contribution of TC Soda to the capital of Kew Soda Ltd

Subsequent to the 2021 Strategic Transactions, the global soda ash business of the Company comprises two controlled businesses in Turkey, Eti Soda and Kazan Soda, and three investments, namely an indirect investment in Sisecam Wyoming, and indirect investments in each of Pacific Soda and Atlantic Soda, which together form the Pacific development project. The Company and its subsidiaries (both direct and indirect) are referred to as the "Group".

The immediate parent and ultimate holding company of Kew Soda Ltd is Akkan Enerji ve Madencilik A.Ş. incorporated in Turkey and is part of the wider "Ciner Group". The Ciner Group's ultimate controlling party is Mr. Turgay Ciner. The largest parent company in the Akkan Group preparing publicly available consolidated financial statements is the Company. The smallest parent company in the Akkan Group preparing group financial statements is its directly held subsidiary, WE Soda Ltd, its registered office is 23 College Hill, London, EC4R 2RP, United Kingdom.

2. Significant accounting policies

2.1 Financial information

The financial information is presented in US Dollars ("USD"). Foreign operations are included in accordance with the policies set out in this note.

2.2 Basis of preparation

The Company has prepared consolidated financial statements which comply with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006.

The consolidated financial statements have been prepared under the historical cost convention as modified by the revaluation of certain financial instruments. The disclosed policies have been applied consistently by the Group for both the current and previous financial year with the exception of the new standards adopted.

Going concern

The financial statements as of and for the year ended 31 December 2021 have been prepared on the going concern basis, as the Directors have determined that the Group has sufficient resources and liquidity to continue in operational existence and to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements. In assessing the Group's ability to adopt the going concern basis, the Directors have tested the Group's ability to meet its liabilities as they fall due in a variety of cash flow scenarios, including a severe but plausible downside scenario, which still results in positive operational cash flows. This scenario applies severe but plausible economic downside assumptions to the Group's base case forecast resulting from the continued economic and social uncertainty surrounding the general outlook in the global economy. The key adjustments made included volume sensitivity, CPI sensitivity, foreign exchange rate sensitivity, natural gas price cost sensitivity and interest rate sensitivity.

On 21 December 2021 the Group completed the sale of a 60% controlling interest in its wholly owned subsidiary Sisecam Chemicals Resources to Sisecam. The proceeds from the sale and other available sources were used, together with other transactions made under or in connection with the 2021 Strategic Transactions, to repay USD 157 million of the WE Soda Facilities Agreement and USD 151 million of Project Finance Loan of Kazan Soda.

Post-balance sheet events impact

On 14 February 2022, the Original Facilities Agreement (as defined below) was rescinded and replaced by a new senior facilities agreement (the "Senior Facilities Agreement"). In addition to extending the maturity schedule under the Original Facilities Agreement, the financial covenants under the Senior Facilities Agreement have been amended compared to the Original Facilities Agreement. In particular, the financial covenants in the Senior Facilities Agreement comprise of (i) a "Leverage Financial Covenant" (as defined in the Senior Facilities Agreement) equal to 5.50 : 1 with a first test date being 31 March 2022, and such which will decrease gradually to 4.00:1 on 30 June 2023 and remain at this level thereafter and (ii) a "Debt Service Cover Ratio" (as defined in the Senior Facilities Agreement), on each test date starting from 31 March 2022 shall not be less than 1.20:1. In terms of the Group's capital expenditures, the Senior Facilities Agreement provides that the WE Soda Restricted Group shall ensure that the aggregate capital expenditure of the WE Soda Restricted Group in respect of any financial year shall not exceed 150% of the projected amount of capital expenditure for such financial year as set out in the Base Case Model or Budget for that financial year until Leverage Financial Covenant is equal to or lower than 4.50:1.00.

Prices are expected to significantly exceed 2019 netback price levels during 2022 and beyond. The Group has already experienced significant price recovery since Q4 2021, mainly driven by tightening supply-demand conditions and increasing energy prices, and during Q1 2022 netback prices were (on average) up approximately 60% versus 2021 and up 40% versus 2019 (pre-COVID) levels. The Group has continued to see this price recovery, with further price increases implemented in 2022 to date. This pricing trend, which has been reflected in the contracts agreed with customers, and the impact of inflation on key input costs, in particular natural gas prices, along with the offsetting impact of currency movements on the Turkish Lira cost base has been included in the assumptions underpinning the Group's base case going concern projections.

In addition, the Directors considered a severe but plausible downside scenario, where the Group's base case forecasts were challenged with an economic/operational downside scenario driven by the potential macro-economic and business impact of the ongoing conflict between Ukraine and Russia. This scenario considered both the potential impact of higher energy prices on customers in Europe, and the potential curtailment of gas supplies to Turkey. Management has assumed that the sustained higher natural gas prices in Europe would result in our customers reducing demand for the Group's products, with consequential sales volume losses in Europe, and leading to our products being redirected to different global markets, especially Asia, at lower net back prices. Curtailment of gas supplies to Turkey would impact Kazan's gas co-generation capacity in the short term. The Directors have assumed that the reduced gas supply would still be sufficient to heat water for trona extraction, but supplemental electricity for processing the brine solution would need to be purchased, at higher prices, and co-generation revenue would be lost.

While the severe but plausible downside scenario based on the aggregation of all of the above elements would impact on the Group's EBITDA, the Group would retain sufficient liquidity and remain in compliance with all covenants over the forecast period.

As a consequence of the transaction and new financing facility described above, coupled with improved trading conditions, the Directors have a reasonable expectation that the Group has adequate financial resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing these consolidated financial statements for the Group.

General

The consolidated financial statements have been prepared under the historical cost convention as modified by the revaluation of certain financial instruments.

The disclosed policies have been applied consistently by the Group for both the current and previous financial year with the exception of the new standards adopted.

2.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) as of each year end. Control is achieved when the Company:

- has the power over the investee.
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The results of subsidiaries acquired or disposed of during the year are included in the Consolidated Statement of Comprehensive Income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

See Note 2.8 *Subsidiaries* for further details.

Discontinued operations

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a major line of business or geographical area of operations. The results of discontinued operations are presented separately in the consolidated income statement.

2.4 New and revised IFRSs

New and amended IFRS Standards that are effective for the current year

(a) IFRS 16 - "Leases - Covid - 19 Related Rent Concessions (Amendments)"
(b) IFRS 7, IFRS 4, IFRS 9, IFRS 16 and IAS 39 - "Interest Rate Benchmark Reform Phase 2"

The application of (a) to (b) has had no impact on the disclosures or the amounts recognised in the Group's consolidated financial statements.

New and revised IFRSs in issue but not yet effective

Below is a list of new and revised IFRSs that are not yet mandatorily effective (but allow early application) for the accounting periods starting on or after 1 January 2022 that the Group has not yet adopted:

(a) IAS 1 - "Presentation of Financial Statements on Classification of Liabilities (Amendments)"

(b) IAS 1 "Practice statement 2" and narrow scope amendments on IAS 8

(c) IAS 12 "Deferred tax related to assets and liabilities arising from a single transaction (Amendments)"

The application of (a) to (c) are not expected to have a material impact on the Group in the future reporting periods and on foreseeable future transactions.

LIBOR rates are being replaced by alternative risk-free rates as part of the inter-bank offer rate ("IBOR") reform. The method of calculating EURIBOR was updated in 2019 and no further amendments are expected in the near term. GBP LIBOR is no longer published by the FCA with effect from 31 December 2021 but this has limited impact on the Group as most borrowings are in USD or EUR. USD LIBOR is also being reformed and will no longer be published after June 2023.

Phase 2 IBOR amendments to IFRS 9 Financial Instruments, IAS 39 Hedge Accounting, and IFRS 7 Financial Instruments: Disclosures, IFRS 4 Insurance Contracts and IFRS 16 Leases were published in August 2020 and are effective from 1 January 2021.

The Group is continuing preparation for transition to incorporate alternative risk-free rates where the current interest benchmarks used by the Group is USD LIBOR in relation to its floating rate debt facilities. The Group is monitoring the market and discussing the potential changes with its counterparties in order to effectively transition to alternative risk-free rates and does not expect any material impact on its financial position and performance.

2.5 Acquisitions

On an acquisition that qualifies as a business combination in accordance with IFRS 3 Business Combinations, the assets and liabilities of a subsidiary are measured at their fair value as at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill which is treated as an intangible asset. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to the Statement of Comprehensive Income in the year of acquisition.

If the Group acquires a group of assets of equity in a company it can apply a 'concentration test' that, if met, eliminates the need for further assessment. This test is optional, and where substantially all of the fair value of gross assets acquired is concentrated in a single identifiable asset (or a group of similar assets), the assets acquired would not represent a business. For a group of assets or equity in a company that does not constitute a business combination in accordance with IFRS 3 Business Combinations, the cost of the acquired group of assets or equity is allocated to the individual identifiable assets acquired based on their relative fair value.

The Company adopted IFRS 3 as their accounting policy regarding acquisitions under common control.

2.6 Business combinations

Business combinations are accounted for using the acquisition method.

The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed, are recognised at their fair value.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Non-controlling interests ("NCI") that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non- controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets.

The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value.

Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

2.7 Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for NCI over the fair value of the identifiable net assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units ("CGUs") that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Where goodwill forms part of a CGU and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill is tested for impairment annually (as at 31 December) and when circumstances indicate that the carrying value may be impaired.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

2.8 Subsidiaries

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Investments in subsidiaries represent equity holdings in subsidiaries and long-term amounts owed by subsidiaries. Such investments are valued at cost less any impairment provisions. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount of the investment is the higher of fair value less cost to disposal and value in use.

The financial statements of subsidiaries are prepared for the same reporting year as the Parent Company, using consistent accounting policies. All intercompany balances and transactions, including unrealised profits arising therefrom, are eliminated.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it (i) derecognises the assets (including goodwill) and liabilities of the subsidiary; (ii) derecognises the carrying amount of any non-controlling interest; (iii) derecognises the cumulative translation differences, recorded in equity; (iv) recognises the fair value of the consideration received; (v) recognises the fair value of any investment retained; and (vi) recognises any surplus or deficit in profit and loss; (vii) reclassifies the parent's share of components previously recognised in other comprehensive income to profit and loss or retained earnings, as appropriate.

2.9 Non-controlling interests ("NCI")

Non-controlling interests represent the equity in a subsidiary not attributable, directly and indirectly, to the parent company and are presented separately within the Consolidated Statement of Financial Position, separately from equity attributable to owners of the parent. Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

2.10 Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see Note 2.11 *Equity method* below), after initially being recognised at cost, if applicable at fair value. Details of the associates are set out in Note 34 - *Interests in equity accounted associates*.

2.11 Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows, which are largely independent of the cash inflows from other assets or groups of assets (CGUs). Non-financial assets suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting year.

2.12 Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Kew Soda Ltd.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.13 Revenue recognition

Revenue represents the sales value, net of value added tax (“VAT”) and equivalent taxes applied to the Group’s sales. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for customer returns, rebates, commissions and taxes related with sales.

The core principle of revenue recognition is that the Group should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, IFRS 15 introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Accordingly, revenue is recognised when (or as) a performance obligation is satisfied, i.e., when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer.

The Group recognises sales revenue related to the transfer of promised goods or services when control of the goods or services passes to the customer. The amount of revenue recognised reflects the consideration to which the Group is or expects to be entitled in exchange for those goods or services.

Sales revenue is recognised on individual sales when control transfers to the customer. In most instances, control passes, and sales revenue is recognised when the product is delivered to the vessel or vehicle on which it will be transported once loaded, the destination port or the customer’s premises. There may be circumstances when judgment is required based on the five indicators of control below.

- The customer has the significant risks and rewards of ownership and has the ability to direct the use of, and obtain substantially all of the remaining benefits from, the good or service.
- The customer has a present obligation to pay in accordance with the terms of the sales contract. For shipments under the Incoterms Cost, Insurance and Freight (“CIF”)/Carriage Paid to (“CPT”)/Cost and Freight (“CFR”) this is generally when the ship is loaded, at which time the obligation for payment is for both product and freight.

- The customer has accepted the asset. Sales revenue may be subject to adjustment if the product specification does not conform to the terms specified in the sales contract, but this does not impact the passing of control. Assay and specification adjustments have been immaterial historically.
- The customer has legal title to the asset. The Group usually retains legal title until payment is received for credit risk purposes only.
- The customer has physical possession of the asset. This indicator may be less important as the customer may obtain control of an asset prior to obtaining physical possession, which may be the case for goods in transit.

The Group sells some portion of its products on CFR or CIF Incoterms. This means that the Group is responsible (i.e., acts as principal) for providing shipping services and, in some instances, insurance after the date at which control of goods passes to the customer at the loading port. The Group therefore has separate performance obligations for freight and insurance services that are provided solely to facilitate sale of the commodities it produces. Other Incoterms commonly used by the Group are Free on Board ("FOB"), where the Group has no responsibility for freight or insurance once control of the goods has passed at the loading port, and Delivered at Place ("DAP"), where control of the goods passes when the product is delivered to the agreed destination. For these Incoterms there is only one performance obligation, being for provision of product at the point where control passes.

2.14 Leases

The date of initial application of IFRS 16 for the Group was 1 January 2019.

The Group has applied IFRS 16 using the cumulative catch-up approach which:

- Requires the Group to recognise the cumulative effect of initially applying IFRS 16 as an adjustment to the opening balance of retained earnings at the date of initial application.
- Does not permit restatement of comparatives, which continue to be presented under IAS 17 and IFRIC 4.

The Group has made use of the practical expedient available on transition to IFRS 16 not to reassess whether a contract is or contains a lease for lease contracts entered into prior to the adoption date. Accordingly, the definition of a lease in accordance with IAS 17 and IFRIC 4 will continue to be applied to those leases entered or changed before 1 January 2019.

The change in definition of a lease mainly relates to the concept of control. IFRS 16 determines whether a contract contains a lease on the basis of whether the customer has the right to control the use of an identified asset for a period of time in exchange for consideration. This is in contrast to the focus on 'risks and rewards' in IAS 17 and IFRIC 4.

The Group applies the definition of a lease and related guidance set out in IFRS 16 to all lease contracts entered into or changed on or after 1 January 2019 (whether it is a lessor or a lessee in the lease contract).

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives.
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
- the amount expected to be payable by the lessee under residual value guarantees.
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments for the years presented.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the year in which the event or condition that triggers those payments occurs and are included in 'Other expenses' in profit or loss (see Note 8 *Profit from operations*).

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component based on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group as lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting years so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

When a contract includes lease and non-lease components, the Group applies IFRS 15 to allocate the consideration under the contract to each component.

2.15 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

When the Group borrows funds specifically for the purpose of the qualifying assets, the amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings.

Financial investment revenues from the temporary investing of unused portion of investment loan are deducted against the borrowing costs eligible for capitalisation. All other borrowing costs are recorded in the income statement in the year in which they are incurred.

2.16 Foreign currencies

For the purpose of the consolidated financial statements, the results and financial position of each company in the group are expressed in US Dollars, which is the presentation currency for the consolidated financial statements.

The presentation currency of the Group is the US Dollar based on the assessment that the Group's revenue mix will be predominantly US Dollar denominated due to nature of the industry and US Dollar presentation will enhance comparability with the industry peer group.

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into USD using exchange rates prevailing at the end of each reporting date. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the year, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

Exchange differences on monetary items are recognised in profit or loss in the year in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets where they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see Note 4 *Financial risk management*); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

2.17 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting year, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.18 Property, plant and equipment

Property, plant, and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses. Land is not depreciated and carried at cost less accumulated impairment.

Properties during construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes costs related to the acquisition of the mentioned asset (employee benefits, site preparation, delivery cost, instalment, and montage costs etc.) These assets are classified to the related type of property asset when the construction is completed, and the asset is ready for use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is charged to write off the cost or valuation of assets, other than land and properties under construction, over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

An item of tangible assets is derecognised upon disposal or when future economic benefits are no longer expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an item of tangible assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The maintenance expenses arising from changing any part of the tangible assets can be capitalised if the economic benefit of the asset is increased. All other expenses are recorded in the expense accounts in the income statement when they are realised.

Depreciation for tangible assets are calculated based on the following:

Land improvements	Straight line	2 - 18 years
Buildings	Straight line	10 - 30 years
Plant, machinery and equipment	Straight line	1 - 38 years
Other fixed assets	Straight line	1 - 15 years
Leasehold improvements	Straight line	1 - 8 years

2.19 Mining reserves

Mining reserves includes trona reserves that can be economically and legally extracted and processed into soda ash or sodium bicarbonate at the time of their determination. Mining reserves are initially recognised at fair value when acquired.

Subsequently mining reserves are stated at initial value, less accumulated amortisation and accumulated impairment losses.

Amortisation of mining reserves

The Group uses a methodology based on information that is dependent on a management estimation of units of production and total reserve volume by independent experts. Mining reserves are amortised according to units of production of trona extracted during the respective periods.

2.20 Mining assets

The Group's Turkish operating subsidiaries produce soda ash/sodium bicarbonate after extracting trona using the solution mining method through usage of production wells. Mining assets comprise costs to construct production wells and other related costs incurred for wells to become operational.

Mining assets are stated at cost, less accumulated amortisation, and accumulated impairment losses.

Expenditure on the construction, installation or completion of infrastructure facilities is capitalised within mining properties, as long as the facts and circumstances indicate that the field has commercially viable reserves.

The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of the asset retirement obligation, and for qualifying assets, borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Amortisation of mining assets

To amortise mining assets, the Group uses a methodology based on information that is dependent on a management estimation of units of production. Mining assets are amortised according to units of production of trona extracted.

Mineral exploration and evaluation expenditures

Exploration for and evaluation of mineral resources means the search for mineral resources, including minerals after an entity has obtained legal rights to explore in a specific area, as well as the determination of the technical feasibility and commercial viability of extracting the mineral resource.

Exploration and evaluation expenditures are expenditures incurred in connection with the exploration and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource is demonstrable.

After the technical feasibility and commercial applicability of extracting ore from a mine resource is provable, the exploration and evaluation expenditures are capitalised as mine preparation and development expenses. Therefore costs incurred before legal rights to explore have been obtained are expensed to profit or loss, while once technical and commercial viability has been demonstrated, exploration and evaluation assets are recognized and classified as either tangible or intangible assets in accordance with IAS 16 or IAS 38 respectively. Exploration and evaluation assets are depreciated or amortized based on units of production to expected accessible mining reserves.

2.21 Intangible assets

Intangible assets acquired separately

Intangible assets acquired separately are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed annually at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis.

Internally generated intangible assets - software development costs

The Group capitalise certain software development costs associated with creating and enhancing internally developed software. Expenditure on research activities is recognised as an expense in the year in which it is incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following conditions have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale.
- the intention to complete the intangible asset and use or sell it.
- the ability to use or sell the intangible asset.
- how the intangible asset will generate probable future economic benefits.
- the availability of adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the year in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Useful lives of software development costs are between 5 to 10 years.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

2.22 Impairment of tangible and intangible assets other than goodwill

At the end of each year, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.23 Share issue expenses, share premium account and restricted profit reserves

Costs of share issues are written off against the premium arising on the issue of share capital.

2.24 Inventories

Inventories of finished goods and materials are stated at lower of cost or the net realisable values. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventories held by the method most appropriate to the particular class of inventory, with inventories being valued on the weighted average basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make a sale.

2.25 Employee benefits

a) Retirement pay obligation:

Termination benefits for Turkish operations

The Group's Turkish operations are required by Turkish law and union agreements, to ensure that lump sum payments are made to employees retiring or involuntarily leaving the Turkish subsidiaries. Such payments are considered as being part of employee benefits as per IAS 19 (Revised) - Employee Benefits.

The retirement pay provision recognised in the financial statements represents the present value of the retirement pay obligation. The actuarial gains and losses are recognised in other comprehensive income.

The cost of providing retirement pay is determined using the projected unit credit method, with actuarial valuations being carried out annually at the end of each reporting year.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the year in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Retirement pay obligations are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements).
- net interest expense or income; and
- remeasurement.

Curtailment gains and losses are accounted for as past service costs.

Post-retirement benefits for US operations

Most of the employees of Sisecam Chemicals Resources, including Sisecam Wyoming, are eligible for post-retirement benefits other than pensions if they reach retirement age while still employed by Sisecam Wyoming or Sisecam Chemicals Resources.

The benefits are accounted for on an accrual basis over an employee's period of service. The retiree benefit plan is not funded, and CEI has the right to modify or terminate the plan until 21 December 2021 which was the disposal date of its subsidiaries. CEI uses 31 December to determine post-retirement benefit measurements and future costs are present valued the respective reporting date.

b) Defined benefit plans:

Retirement and savings for US operations

Up until the Strategic transactions on 21 December 2021, CEI sponsored various defined benefit plans, being:

Retirement plans

Benefits provided under the Ciner Pension Plan for Salaried Employees and Ciner Pension Plan for Hourly Employees are based upon years of service and average compensation for the highest 60 consecutive months of the employee's last 120 months of service, as defined. Each plan covers substantially all full-time employees working at Sisecam Wyoming and Sisecam Chemicals Resources hired before 1 May 2001. CEI's funding policy is to contribute an amount within the range of the minimum required and the maximum tax-deductible contribution.

Savings plan

The Ciner 401(k) Retirement Plan covers all eligible salaried and hourly employees of Sisecam Chemical Resources, including those in Sisecam Wyoming. Eligibility is limited to all domestic residents and any foreign expatriates who are in the United States indefinitely. The plan permits employees to contribute specified percentages of their compensation, while CEI makes contributions based upon the specified percentages of employee contributions.

The Plan was amended such that participants hired on or subsequent to 1 May 2001, will receive an additional contribution from CEI based on a percentage of the participant's base pay until 21 December 2021 which was the disposal date of its subsidiaries.

c) Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. See Note 29 *Employee benefits* for further details.

2.26 Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date a derivative contract was entered into and are subsequently re-measured at their fair value at the end of each reporting year, with changes in the fair value immediately recognised in the income or loss, unless the derivative is designed and effective as a hedging instrument.

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contract. Contracts are assessed for embedded derivatives when the Group becomes a party to them, including at the date of a business combination.

The Group may enter into derivative contracts from time to time to manage exposure to the risk of exchange rate changes on its foreign currency transactions, the risk of changes in natural gas prices, and the risk of the variability in interest rates on borrowings. Gains and losses on derivative contracts qualifying for hedge accounting are reported as a component of the underlying transactions. The Group follows hedge accounting for its hedging activities. All derivative instruments are recorded on the balance sheet at their fair values. The accounting for changes in the fair value of a derivative depends on the intended use of the derivative and the resulting designation. For a derivative designated as a fair value hedge, the gain or loss is recognised in profit or loss in the period of change together with the offsetting gain or loss on the hedged item attributed to the risk being hedged. For a derivative designated as a cash flow hedge, the effective portion of the derivative's gain or loss is initially reported as a component of other comprehensive income / (loss) and subsequently reclassified into profit or loss when the hedged exposure affects profit or loss. Any significant ineffective portion of the gain or loss is reported in statements of profit or loss immediately. For derivatives not designated as hedges, the gain or loss is reported in profit or loss in the period of change. When the Group has natural gas physical forward contracts, they are accounted for under the normal purchases and normal sales scope exception.

2.27 Financial Instruments

Financial Assets

At initial recognition, the Group measures a financial asset at its fair value, except for trade receivables that do not contain significant financing component. The Group measure trade receivables at their transaction price if the trade receivables do not contain a significant financing component in accordance with IFRS 15 (or when the entity applies the practical expedient) at initial recognition.

At initial recognition, Group measures a financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through profit or loss (“FVTPL”), transaction costs that are directly attributable to the acquisition or issue of the financial asset.

The Group reclassifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or FVTPL on the basis of both:

- the Group’s business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

When, and only when, the Group changes its business model for managing financial assets, it reclassifies all affected financial assets. The Group applies the reclassification prospectively from the reclassification date. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Financial assets measured at amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest revenue of financial assets measured at amortised cost is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the Group recalculates the gross carrying amount of the financial asset and recognises a modification gain or loss in profit or loss.

The Group directly reduces the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Financial assets measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A gain or loss on a financial asset measured at fair value through other comprehensive income is recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognised or reclassified. When the financial asset is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. If the financial asset is reclassified out of the fair value through other comprehensive income measurement category, the Group accounts for the cumulative gain or loss that was previously recognised in other comprehensive income in financial statements. Interest calculated using the effective interest method is recognised in profit or loss.

At initial recognition, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that is not held for trading.

Financial assets measured at FVTPL

A financial asset shall be measured at FVTPL unless it is measured at amortised cost or at fair value through other comprehensive income.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Impairment

The Group recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or fair value through other comprehensive income.

The Group applies the impairment requirements for the recognition and measurement of a loss allowance for financial assets that are measured at fair value through other comprehensive income. However, the loss allowance is recognised in other comprehensive income and does not reduce the carrying amount of the financial asset in the statement of financial position.

At each reporting date, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses except for purchased or originated credit impaired financial assets.

The Group measures the loss allowance at an amount equal to lifetime expected credit losses for trade receivables and other receivables that do not contain a significant financing component, which is referred as simplified approach.

The allowance for expected credit loss provision is immaterial.

Financial liabilities

At initial recognition, the Group measures a financial liability at its fair value plus or minus, in the case of a financial liability not at FVTPL, transaction costs that are directly attributable to the issue of the financial liability.

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for:

- financial liabilities at FVTPL: Such liabilities, including derivatives that are liabilities, are subsequently measured at fair value.

- financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies. If a transfer does not result in derecognition because the Group has retained substantially all the risks and rewards of ownership of the transferred asset, the Group continues to recognise the transferred asset in its entirety and recognises a financial liability for the consideration received. In subsequent periods, the Group recognises any income on the transferred asset and any expense incurred on the financial liability.
- contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies. Such contingent consideration is subsequently being measured at fair value with changes recognised in profit or loss.

The Group does not reclassify any financial liability.

Recognition and derecognition of financial assets and liabilities

The Group recognises a financial asset or a financial liability in the statement of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument.

The Group derecognises a financial asset when, and only when:

- the contractual rights to the cash flows from the financial asset expire, or
- it transfers the financial asset, and the transfer qualifies for derecognition.

If a transfer of financial asset does not result in derecognition because the Group has retained substantially all the risks and rewards of ownership of the transferred asset, the Group will continue to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, the Group recognises any income on the transferred asset and any expense incurred on the financial liability.

The Group derecognizes a financial liability (or a part of a financial liability) from its statement of financial position when, and only when, it is extinguished — i.e., when the obligation specified in the contract is discharged or cancelled or expires.

2.28 Government grants and incentives

Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all the required conditions. Government grants related to costs are accounted as income on a consistent basis over the related periods with the matching costs.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the statement of profit or loss on a straight-line basis over the expected lives of the related assets.

2.29 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments which their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. The carrying amount of these assets approximates their fair value.

2.30 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, being the geographical locations where the Group operates. The chief operating decision-makers have been identified as the Board of Directors.

2.31 Provisions, contingent liabilities, contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting year, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Contingent liabilities acquired in a business combination

Contingent liabilities acquired in a business combination are initially measured at fair value at the acquisition date. At the end of subsequent reporting years, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with IAS 37 and the amount initially recognised less cumulative amortisation recognised.

Environmental liabilities - mine closure provision

The Group is subject to environmental controls and regulations in Turkey and in the USA. The Group's operations may lead as a result of the discharge of materials and contaminants into the environment, to a disturbance of land and thereby create a negative impact on the flora and fauna.

However, environmental laws and regulations continue to evolve. The Group is unable to predict the timing or extent to which those environmental laws and regulations may change. Such change, if it occurs, may require that the Group modernize technology to meet standards that are more stringent. Within the scope of various laws, mining licences and use of mineral rights agreements, the Group decommissions mine facilities on cessation of its mining operations and restores the environment.

The Group's Management believes that its environmental obligations mainly include the following:

- rehabilitation of land and other types of on-going rehabilitation,

- decommissioning of mining assets and bringing mine sites into a condition that ensures the safety of population, protection of environment, building and facilities.

The Group's obligations associated with the retirement of a tangible long-lived asset are recorded as a liability when those obligations are incurred, with the amount of the liability initially measured at fair value. Upon initially recognizing a liability for its land reclamation obligations, the Group increases the carrying amount of the related long-lived asset by the same amount. Over time, the liability is accreted to its present value each year, and the capitalised cost is depreciated over the estimated useful life of the related asset. Upon settlement of the liability, an entity either settles the obligation for its recorded amount or incurs a gain or loss upon settlement.

2.32 Critical accounting judgements and key source of estimation uncertainty

In the process of applying the Group's accounting policies described in the consolidated financial statements, management has made judgements and estimates that may have a significant effect on the amounts recognised in the financial statements.

Critical judgements in applying accounting policies

COVID-19

The COVID-19 pandemic brought unexpected challenges to the Group during 2020. The well-being of the Group's employees and contractors was prioritised, and the measures were rapidly and successfully implemented across the Group to mitigate the threat to employees and contractors. Operations in Turkey, USA and the UK were granted autonomy to take the appropriate actions to satisfy local regulations and government-recommended guidelines. The Group continues to monitor and update all COVID-19 related health and safety measures in order to adhere to all applicable local, state, federal, and international regulations and guidelines and to ensure the safety of the Group's employees.

The COVID-19 pandemic adversely impacted the Group's results from April 2020, with adverse impacts on soda ash demand, production volumes, price per tonne, global logistics costs and supply chain being most significant during Q2 and Q3. During Q3, global supply demand balances for soda ash improved, allowing an increase in production volume, though there was still a decline during Q3 2020 relative to Q3 2019. By Q4, all production plants were operating at full capacity with strong demand and improved soda ash pricing returning to the market, albeit still below pre-COVID-19 levels. The cost advantages, which natural soda ash production and solution mining enjoy over synthetically produced soda ash, have been critical to the Group's relative financial performance during 2020.

The residual impacts of COVID-19 from 2020 that will continue to impact the Group's business in the future include: (i) extended credit terms for its customers, impacting its working capital; and (ii) depressed prices, which continued into 2021 but recovered during 2022. Management remains confident that in the medium and long term, global demand for soda ash will continue to grow, prices will strengthen, and Kew Soda Ltd will be able to profitably deliver its produced volumes into its targeted markets. As such, Management's judgement is that soda ash demand, production volumes, price per tonne and global logistical costs will not be significantly affected by COVID-19 in the medium and long term.

Identification of functional currencies

The functional currency for each subsidiary is the currency of the primary economic environment in which it operates. Determination of functional currency involves significant judgement and other companies may make different judgements based on similar facts. For many of the Group's businesses, their functional currency is the currency of the country in which they operate. The Group reconsiders the functional currency of its businesses if there is a change in the underlying transactions, events or conditions, which determine their primary economic environment. The determination of functional currency is a key judgement, which affects the measurement of non-current assets included in the statement of financial position, and, as a consequence, the depreciation and amortisation of those assets included in the statement of profit or loss. It also impacts exchange gains and losses included in the statement of profit or loss and in equity. The functional currency of the Group's Turkish subsidiaries was determined to be Turkish Lira during the years presented in the consolidated financial statements.

License – judgement in continuation of operations beyond licence and lease terms

Eti Soda has been granted the right to mine for trona in the Beypazarı District by way of an agreement between Eti Soda and its minority shareholder Eti Maden, who owns the licence to extract trona mine in the Beypazarı District. The existing agreement between Eti Soda and Eti Maden allows Eti Soda to mine for trona for 24 years, between the years 2001 to 2025. On 19 November 2021, the agreement was extended to 2045. It is Management's judgement that the licence will be renewed until current known reserves are depleted and hence depreciation is being charged over the expected life of the mine rather than the term of the licence.

Kazan Soda has a mining licence for the Kazan District, which allows for mining activities in the region. The licence period expires in 2043 and it is Management's judgement that the licence will be renewed until current known trona reserves are depleted.

Sisecam Wyoming holds several mining leases and one licence. Mining leases expire in the range of 2021 – 2029 and the licence expires in 2061. Management's judgement is that the leases will renew so long as the subsidiary files an application for renewal with the Department of the Interior, Bureau of Land Management, within 90 days of expiration of the leases and that the license will also be renew beyond 2061 so long as the subsidiary continuously conducts mining operations and removes commercial quantities of sodium minerals from the licensed premises.

Close-down, restoration and environmental obligations

Provision is made for close-down, restoration and environmental costs when the obligation occurs, based on the net present value of estimated future costs required to satisfy the obligation. Management uses its judgement and experience to determine the potential scope of closure rehabilitation work required to meet the Group's legal, statutory and constructive obligations, and any other commitments made to stakeholders, and the options and techniques available to meet those obligations and estimate the associated costs and the likely timing of those costs. Significant judgement is also required to determine both the costs associated with that work and the other assumptions (i.e., long-term discount rates) used to calculate the provision. External experts support the cost estimation process where appropriate but there remains significant estimation uncertainty. The key judgement in applying this accounting policy is determining when an estimate is sufficiently reliable to make or adjust a closure provision.

Key sources of estimation uncertainty

Mining reserves – estimation of mining reserves

Mining reserves are estimates of the amount of trona that can be economically and legally extracted from the Group's mining properties. Such reserves estimates and changes to these may affect the Group's reported financial position and results, in the following way:

- The carrying value of property, plant and equipment, mining reserves, mining assets and goodwill may be affected due to changes in estimated future cash flows.
- Depreciation and amortisation charges in the statement of profit or loss and other comprehensive income may change where such charges are determined using the unit of production method, or where the useful life of the related assets change.
- The recognition and carrying value of deferred income tax assets may change due to changes in the judgements regarding the existence of such assets and in estimates of the likely recovery of such assets.
- The timing of the closure of the mines and calculation and discounting of asset retirement obligations.

The Group estimates its mining reserves based on information compiled by external appropriately qualified persons relating to the geological and technical data on the size, depth, shape and grade of the trona and suitable production techniques and recovery rates. Such an analysis requires complex geological judgements to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements and production costs, along with geological assumptions and judgements made in estimating the size and grade of the trona.

As the economic assumptions used may change and as additional geological information is produced during the operation of a mine, estimates of mining reserves may change. The carrying amount of mining reserves as at 31 December 2021 was USD696.4 million (2020: USD2,038.4 million).

Recoverability of deferred tax assets

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available in the foreseeable future. The recoverable amount of deferred tax assets, partially or fully, is estimated under the current conditions. During the assessment of the recoverability of deferred tax assets, future taxable profit forecasts and expiration dates of government grants, carry forward tax losses and other tax advantages were considered (Note 15).

Annual impairment review

The Group's non-current assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. In making assessments for impairment, assets that do not generate independent cash flows are allocated to an appropriate CGU. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Goodwill is subject to impairment test every year. The recoverable amount of those assets, or CGU, is measured at the higher of their fair value less costs of disposal and value in use. Our assessment is that no reasonably possible change in assumptions would result in the carrying amount exceeding the recoverable amount, for either the Group's non-current assets or goodwill.

Indicative impairment models are prepared based on life-of-mine models, for which the most significant is the estimate of mining reserves. This has been included in the section above within note 2.19.

Estimation of obligations for post-employment costs

The value of the Group's obligations for post-employment benefits is dependent on the amount of benefits that are expected to be paid out, discounted to the reporting date. The discount rate is a key assumption and is based upon the yields on high quality corporate bonds in the relevant currency, which have durations consistent with the term of the obligations. The discount rate will vary from one period to another in line with movements in corporate bond yields, but at any given measurement date there is relatively little estimation uncertainty. This rate is also used to calculate the interest cost on obligations and interest income on plan assets.

The following key assumptions are used to calculate the estimated benefit: future pay increases to be received by members of final pay plans, the level of inflation (for those benefits that are subject to some form of inflation protection), current mortality rates and future improvements in mortality rates. The assumption regarding future inflation is based on market yields on inflation-linked instruments, where possible, combined with consensus views. The Group reviews the actual mortality rates of retirees in its major pension plans on a regular basis and uses these rates to set its current mortality assumptions. It also uses its judgment with respect to allowances for future improvements in longevity having regard to standard improvement scales in each relevant country and after taking external actuarial advice. Details of the key assumptions, how they have moved since the previous balance sheet date and the sensitivity of the carrying value to changes in the assumptions are set out in Note 29.

Amortisation of mining assets – estimate on basis for amortisation

As discussed in Note *2.20 Mining assets,* management is required to use a methodology based on information that is dependent on management's estimation i.e. estimation of mining reserves where the mining assets are deployed. See Note 2.20 *Mining assets* for further details and below for estimation of mining reserves. The carrying amount of mining assets as at 31 December 2021 is USD82.1 million (2020: USD144.0 million).

2.33 Non-current assets held for sale and discontinued operations

Non-current assets held for sale (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. These assets may be a component of an entity, a disposal group or an individual non-current asset. The sale of assets held for sale is expected to occur within the following 12 months from the reporting date. Events or circumstances may extend the period to complete the sale beyond one year. An extension of the period required to complete a sale does not preclude an asset (or disposal group) from being classified as held for sale if the delay is caused by events or circumstances beyond the Group's control and there is sufficient evidence that the Group remains committed to its plan to sell the asset (or disposal group). A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held for sale, and that:

(a) represents a separate major line of business or geographical area of operations;

(b) is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations; or

(tabular amounts in thousands of US dollars, except where noted)

(c) is a subsidiary acquired exclusively with a view to resale.

Non-current assets (or disposal groups) are classified as assets held for sale and stated at the lower of carrying amount or fair value. If fair value is below the carrying value of asset, the related impairment is accounted for expense in the consolidated statement of profit or loss.

2.34 Capital management

The Group determine the appropriate capital structure of the Group specifically, how much is raised from shareholders (equity) and how much is borrowed from financial institutions (debt) in order to finance the Group's business strategy. See Note 4 *Financial risk management*, section Capital risk management for further details on how the Group manages its capital related risks.

3. Segmental analysis

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers ("CODM"). The Group considers that Kew Soda Ltd.'s Board of Director is the CODM, which is responsible for allocating resources and assessing performance of the operating segments.

The Group's reportable segments were Eti Soda, Kazan Soda, USA and Corporate both for entities in the UK and Turkey for financial year 2020. The Group considers a combination of factors to determine their reportable segments, such as products and services and geographical areas. Subsequent to 2021 Strategic Transactions, the Group's reportable segments are Eti Soda, Kazan Soda and Corporate and other (which includes the Group's corporate headquarters in London, UK, WE Soda Kimya, Ciner Kimya, TC Soda and its subsidiaries, CEI and discontinued operations in the USA (which consists of Sisecam Chemicals Resources and its subsidiaries). Eti Soda and Kazan Soda are reported as Turkey for geographical reporting. Information regarding the Group's operating segments is reported below.

Segment revenues and results

The following is an analysis of the Group's revenue, results, assets and liabilities by reportable segment (as reviewed by the Board of Directors):

	Turkey			
2021	**Eti Soda**	**Kazan Soda**	**Corporate and other**	**Total**
Domestic sales	100,715	110,585	-	**211,300**
Export sales	246,257	434,556	-	**680,813**
Segment revenue and other income	**346,972**	**545,141**	**-**	**892,113**
Finance income	19,634	1,775	2,855	**24,264**
Finance expense[1]	(51,645)	(432,685)	255,572[1]	**(228,758)**
Profit/(loss) before taxation	112,174	(133,233)	235,872	**214,813**
Taxation	(24,979)	113,212	(18,523)	**69,710**
(Loss)/profit for the year from continuing operations	**87,195**	**(20,021)**	**217,349**	**284,523**
(Loss)/profit for the year from discontinued operations	-	-	71,810	**71,810**
Net (Loss)/profit for the year	**87,195**	**(20,021)**	**289,159**	**356,333**
Current assets	42,867	201,633	62,402	**306,902**
Non-current assets	565,670	1,086,916	769,707	**2,422,293**
Total liabilities	254,025	712,521	1,219,111	**2,185,657**
Capital expenditure	14,661	64,222	28,787	**107,670**
Taxes paid	51,134	-	11,005	**62,139**
Depreciation, depletion and amortisation	53,379	42,054	68,094	**163,527**

Note 1 - By considering offsetting guidance IAS 1, foreign exchange gains and losses are presented on a net basis in finance expense. The foreign exchange gain in corporate and other segment has not been presented in finance income for simplicity purposes.

(tabular amounts in thousands of US dollars, except where noted)

	Turkey			
2020	**Eti Soda**	**Kazan Soda**	**Corporate and other**	**Total**
Domestic sales	87,056	101,989	-	**189,045**
Export sales	237,999	378,538	-	**616,537**
Segment revenue and other income	**325,055**	**480,527**	**-**	**805,582**
Finance income	25,826	820	14,875	**41,521**
Finance expense	(16,665)	(212,384)	(108,936)	**(337,985)**
Profit/(loss) before taxation	165,265	(64,369)	(117,569)	**(16,673)**
Taxation	(22,907)	224,532	1,266	**202,891**
(Loss)/profit for the year	**142,358**	**160,163**	**(116,303)**	**186,218**
(Loss)/profit for the year from discontinued operations	-	-	(21,393)	**(21,393)**
Net (Loss)/profit for the year	**142,358**	**160,163**	**(137,696)**	**164,825**
Current assets	68,603	115,626	393,572	**577,801**
Non-current assets	1,015,170	1,637,630	1,678,729	**4,331,529**
Total liabilities	440,651	933,287	1,880,191	**3,254,129**
Capital expenditure	10,507	21,108	38,074	**69,689**
Taxes paid	9,220	-	5,422	**14,642**
Depreciation, depletion and amortisation	53,784	46,539	78,859	**179,182**

The accounting policies used for the reportable segments are the same as the Group's accounting policies.

The Group currently operates in Turkey and the US in addition to its corporate activities in the UK and immediate parent in Turkey. The operations of the Group comprise one class of business, being the extraction of trona and production of soda ash and sodium bicarbonate.

For the purposes of monitoring segment performance and allocating resources between segments, the Group's Directors monitor the tangible, intangible and financial assets attributable to each segment. Segment revenue reported above represents revenue generated from external customers. There were no inter- segment sales in the current year (2020: USD nil). Substantially all of the tax charge in 2020 arises in United Kingdom and Turkey.

Information about major customers

There were only two customers, Ciner İç ve Dış Ticaret A.Ş. and American Natural Soda Ash Corp., that contributed to 10% or more of the Group total sales revenue for 2021, being USD779.8 million (2020: USD685.9 million) and USD nil[1] million (2020: USD177.9 million) to total sales for the year respectively. See Note 35 *Related party transactions*.

Note 1 - ANSAC and the members thereof entered into an agreement, effective as of 24 July 2020 that, among other things, terminated Ciner Corp's membership in ANSAC effective 31 December 2020. As of 1 January 2021, Ciner Corporation began managing its own export sales and marketing, leveraging the regional distributor network established by Kew Soda Ltd Group also while independently reviewing current and potential distribution partners to optimise the Group's access into and returns from each market.

4. Financial risk management

The primary financial instruments of the Group consist of bank loans, cash and short-term time deposits. The main objective of the mentioned financial instruments is to finance the Group's operational activities. The Group has other financial instruments such as trade receivables and trade payables arising from direct business operations.

a) Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity structure.

The capital structure of the Group consists of equity, debt, which includes the borrowings and leases disclosed in

(tabular amounts in thousands of US dollars, except where noted)

Note 26 – *Borrowings* and Note 39 – *Lease liabilities and right of use of assets*, cash and cash equivalents and working capital.

The Group's capital management is subject to covenant requirements set out by the new Senior Facilities Agreement entered into on 10 February 2022; see Note 26 – *Borrowings and* Note 40 – *Post-balance sheet events* for further details.

The Group monitors its capital using net debt/total capital ratio. Net debt is calculated as total borrowings (including current and non-current borrowings and lease liabilities as shown in the Consolidated Statement of Financial Position) less cash and cash equivalents and restricted cash. Total capital is calculated as 'equity' as shown in the Consolidated Statement of Financial Position plus net debt.

The Group's capital management is subject to covenant requirements set out by the loan facilities as detailed below for further details and Note 37 for changes in the Group's borrowing structure and covenant requirements subsequent to period end.

The Group monitors its capital using net debt/total capital ratio. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the Consolidated Statement of Financial Position) less cash and cash equivalents and restricted cash. Total capital is calculated as 'equity' as shown in the Consolidated Statement of Financial Position plus net debt.

	2021	**2020**
Borrowings (see Note26)	1,841,952	2,531,874
Lease Liabilities (see Note 39)	15,942	38,287
Total financial liabilities	1,857,894	2,570,161
Less: Cash and cash equivalents (see Note24)	(14,494)	(21,854)
Less: Restricted cash (see Note23)	(64,799)	(15,565)
Net debt	**1,778,601**	**2,532,742**
Total equity	543,538	1,655,201
Total capital	**2,322,139**	**4,187,943**
Net debt ratio	**77%**	**60%**

b) Financial risk factors

The risks of the Group, resulted from operations, include market risk, credit risk and liquidity risk. The Group's risk management program generally seeks to minimise the effects of uncertainty in financial market on financial performance of the Group.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to financial instruments fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents and deposits with banks, as well as credit exposures to customers, including outstanding receivables and committed transactions. Sales to related parties was 90% of total sales (2020: 74%) due to using an export intermediary company, which is a related party. Trade receivables from related parties constitute 93% (2020: 69%) of total trade receivables.

The Group assesses the credit quality of the customers, including related parties, by assessing the financial position of the customers, past experiences and other factors as a part of its credit risk management program. Historically, the Group has not been faced with any significant problem related to collections of third party receivables. However, due to lack of collateral for its receivables the Group is exposed to credit risk.

The Group appropriately classifies its financial instruments considering common risk factors (such as the type of the instrument, credit risk rating, guarantees, time to maturity and sector) to determine whether the credit risk on a financial instrument has increased significantly and to account appropriate amount of credit losses in the consolidated financial statements. The Group does not have any overdue trade receivables at the reporting date.

(tabular amounts in thousands of US dollars, except where noted)

The maximum exposure to credit risk as at the reporting date is:

As at 31 December 2021	Trade receivables Related party[1]	Trade receivables Third party[1]	Other receivables Related party[1]	Other receivables Third party[1]	Bank deposit
Maximum net credit risk as of balance sheet date (A+B+C+D+E)	**139,396**	**10,472**	**527,643**	**1,568**	**13,888**
The part of maximum risk under guarantee with collateral etc.	-	*29*	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	**139,396**	**10,472**	**527,643**	**1,568**	**13,888**
The part of maximum risk under guarantee with collateral etc.	-	29	-	-	-
B. Net book value of financial assets whose terms are renegotiated, otherwise overdue or impaired	-	-	-	-	-
The part of maximum risk under guarantee with collateral etc.	-	-	-	-	-
C. Net book value of assets that are due but not impaired	**-**	**-**	**-**	**-**	**-**
The part of maximum risk under guarantee with collateral etc.	-	-	-	-	-
D. Net book value of impaired asset	**-**	**-**	**-**	**-**	**-**
Overdue (gross book value)	-	**925**	-	-	-
Impairment (-)	-	**(925)**	-	-	-
The part of maximum risk under guarantee with collateral etc.	-	-	-	-	-
Not due (gross book value)	-	-	-	-	-
Impairment (-)	-	-	-	-	-
The part of maximum risk under guarantee with collateral etc.	-	-	-	-	-
E. Off-balance sheet items bearing credit risk	**-**	**-**	**-**	**-**	**-**

Note 1 - The Management considers that the carrying amount of financial assets and financial liabilities approximates their fair value.

As at 31 December 2020	Trade receivables Related party[1]	Trade receivables Third party[1]	Other receivables Related party[1]	Other receivables Third party[1]	Bank deposit
Maximum net credit risk as of balance sheet date (A+B+C+D+E)	**151,332**	**67,645**	**768,979**	**4,828**	**21,839**
The part of maximum risk under guarantee with collateral etc.	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	**151,332**	**63,295**	**768,979**	**4,828**	**21,839**
The part of maximum risk under guarantee with collateral etc.	-	-	-	-	-
B. Net book value of financial assets whose terms are renegotiated, otherwise overdue or impaired	-	-	-	-	-
The part of maximum risk under guarantee with collateral etc.	-	-	-	-	-
C. Net book value of assets that are due but not impaired	**-**	**4,350**	**-**	**-**	**-**
The part of maximum risk under guarantee with collateral etc.	-	-	-	-	-
D. Net book value of impaired asset	**-**	**-**	**-**	**-**	**-**
Overdue (gross book value)	-	965	-	-	-
Impairment (-)	-	(965)	-	-	-
The part of maximum risk under guarantee with collateral etc.	-	-	-	-	-
Not due (gross book value)	-	-	-	-	-
Impairment (-)	-	-	-	-	-
The part of maximum risk under guarantee with collateral etc.	-	-	-	-	-
E. Off-balance sheet items bearing credit risk	**-**	**-**	**-**	**-**	**-**

Note 1 - Management considers that the carrying amount of financial assets and financial liabilities approximates their fair value.

The Group has not secured (2020: USD nil million) its exposure to credit risk with the guarantee letters received from its customers. The Directors believe that the total trade receivable and other receivables are recoverable.

The Group is exposed to credit risk in relation to its loan receivables from related parties of USD527.6 million (2020: USD768.7 million) (see Note 35 *Related party transactions*) to the extent that the related parties fail to meet their contractual obligations.

(tabular amounts in thousands of US dollars, except where noted)

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. This risk relates to the Group's ability to generate or obtain sufficient cash or cash equivalents to satisfy these financial obligations as they become due. Ultimate responsibility for liquidity risk management rests with the Directors, which has built an appropriate liquidity risk management framework or the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following tables present the contractual maturities of financial liabilities, including estimated interest payments. The tables have been drawn up based on the undiscounted cash flows of derivative and non-derivative financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

As at 31 December 2021	Carrying value	Contractual cash flows	Less than 1 year	1-5 years	5+ Years
Borrowings	1,811,314	2,024,495	476,372	1,493,873	54,250
Lease liabilities	15,942	16,928	5,607	8,321	3,000
Trade payables	79,224	79,224	79,224	-	-
Trade payables to related parties	24,102	24,102	24,102	-	-
Other payables	781	781	781	-	-
Other payables to related parties	26,102	26,102	26,099	3	-
Total liabilities	**1,957,465**	**2,171,632**	**612,185**	**1,502,197**	**57,250**

As at 31 December 2020	Carrying value	Contractual cash flows	Less than 1 year	1-5 years	5+ Years
Borrowings	2,482,001	2,827,902	449,487	2,200,102	178,313
Lease liabilities	38,287	41,146	16,822	23,846	478
Trade payables	123,466	123,466	90,709	32,757	-
Trade payables to related parties	64,395	64,395	39,466	24,929	-
Other payables	5,853	5,853	5,853	-	-
Other payables to related parties	46,691	46,770	46,466	304	-
Derivative financial instrument	2,163	2,163	2,163	-	-
Total liabilities	**2,762,856**	**3,111,695**	**650,966**	**2,281,938**	**178,791**

As at 31 December 2020 there was a default relating to the USD380 million and a EUR1,100 million loan facility (the "Original Facilities"), provided under a facilities agreement between, among others, WE Soda and certain lenders (the "Original Facilities Agreement"), which has since been resolved. The maturity schedule above presents cash outflows based on the latest amendments to contractual cash flows and waiver letters obtained with respect to the Original Facilities. In this respect, it is not expected that the cash flows included in the maturity schedule could occur significantly earlier or at significantly different amounts.

The Group was subject to cash flow cover and leverage financial covenants under the Original Facilities Agreement. Following amendments agreed during July 2020, the Group complied with its financial covenant requirements until the Original Facilities were repaid in February 2022.

LIBOR rates are being replaced by alternative risk-free rates as part of the inter-bank offer rate ("IBOR") reform. The method of calculating EURIBOR was updated in 2019 and no further amendments are expected in the near term. GBP LIBOR is no longer published by the FCA with effect from 31 December 2021 but this has limited impact on the Group, as most borrowings are in USD or EUR. USD LIBOR is also being reformed and will no longer be published after June 2023.

Phase 2 IBOR amendments to IFRS 9 Financial Instruments, IAS 39 Hedge Accounting, and IFRS 7 Financial Instruments: Disclosures, IFRS 4 Insurance Contracts and IFRS 16 Leases were published in August 2020 and are effective from 1 January 2021.

The Group is continuing preparation for transition to incorporate alternative risk-free rates where the current interest benchmarks used by the Group is USD LIBOR in relation to its floating rate debt facilities. The Group is monitoring the market and discussing the potential changes with its counterparties in order to effectively transition to alternative risk-free rates and does not expect any material impact on its financial position and performance.

As at the date of this consolidated financial statement, none of the US Dollar denominated borrowings have been amended as a result of IBOR reform. However, as detailed in Note 40 - *Post-balance sheet events,* with New Senior Facilities Agreement dated 10 February 2022, benchmark reference rate for US Dollar denominated portion of the facility has been replaced with Secured Overnight Funding Rate ("SOFR")."

Significant restrictions

As detailed in Note 26 *Borrowing*s and Note 40 *Post balance sheet events*, the Group completed the refinancing of its Original Facilities with the Term Facilities on 14 February 2022. References to "WE Soda Restricted Group" are to WE Soda and its Restricted Subsidiaries (as defined in the Senior Facilities Agreement).

The new Senior Facilities Agreement entered into by the WE Soda Restricted Group mentioned above stipulates various covenants and restrictive provisions that limit (subject to certain exceptions) the Group's ability to:

- Make distributions on or redeem or repurchase units;
- Incur or guarantee additional debt;
- Make certain investments and acquisitions;
- Incur certain liens or permit them to exist;
- Enter into certain types of transactions with affiliates of Group;
- Merge or consolidate with another company; and
- Transfer, sell or otherwise dispose of assets.

In terms of financial covenants under the Senior Facilities Agreement, these comprise (i) the Leverage Financial Covenant equal to 5.50:1, with a first test date being 31 March 2022, and which will decrease gradually to 4.00:1 on 30 June 2023 and remain at this level thereafter and (ii) "Debt Service Cover Ratio" (as defined in the Senior Facilities Agreement), which, on each test date starting from 31 March 2022, shall not be less than 1.20:1. In terms of the Group's capital expenditures, the Senior Facilities Agreement provides that the WE Soda Restricted Group shall ensure that the aggregate capital expenditure of the WE Soda Restricted Group in respect of any financial year shall not exceed 150% of the projected amount of capital expenditure for such financial year as set out in the Base Case Model or Budget for that financial year until Leverage Financial Covenant is equal to or lower than 4.50:1.00.

CEI, TC Soda and Imperial Natural Resources Trona Mining Inc. have been designated as Unrestricted Subsidiaries under the Senior Facilities Agreement and, therefore, do not form part of the WE Soda Restricted Group (as defined in the new Senior Facilities Agreement).

Market risk

The Group's activities expose it primarily to the financial risks of changes in commodity prices, interest rates and foreign currency exchange rates.

(i) Commodity price risk

Soda ash is a globally traded commodity with many manufacturers and consumers worldwide. It is an essential raw material in many industries, especially in the glass industry. Soda ash can be produced by natural or synthetic methods (Solvay and Hou methods). Around the world soda ash market prices are determined by reference to the production costs of synthetic producers.

(tabular amounts in thousands of US dollars, except where noted)

Commodity price risk arises from the effect of fluctuations in future commodity prices on the price received for the sale of soda ash. The marketability and price of soda ash produced by the Group will be affected by many factors that are beyond the control of the Group.

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will be affected by changes in market interest rates.

The Group borrows fund at both fixed and variable interest rates, so the Group is exposed to interest rate risk. The Group manages this risk by balancing the repricing terms of interest-bearing assets and liabilities with fixed/floating interest and short-long term nature of borrowings as well as using derivative instruments where necessary for hedging purposes.

Interest rates of financial assets and liabilities are indicated in related notes.

Interest rate sensitivity:

If interest rates had been 5 basis points higher/lower and all other variables were held constant, the Group's profit before taxes and equity of the Group would increase/decrease by USD916,000 (2020: USD1,255,000). 5 basis points represents management's assessment of the possible change in interest rates that could apply to the Group.

(iii) Foreign exchange risk

The Group consists of three principle operating entities: Ciner Wyoming LLC (USD functional currency), Eti Soda Üretim Pazarlama Nakliyat ve Elektrik Üretim Sanayi ve Ticaret A.Ş. (Turkish Lira functional currency) and Kazan Soda Elektrik Üretim A.Ş. (Turkish Lira functional currency). As such, the Group is principally exposed to risks resulting from fluctuations in foreign currency exchange rate to USD (the Group's presentational currency) and EUR (due to EUR denominated borrowings).

With respect to the information presented herein and prior to the 2021 Strategic Transactions, the Group consisted of three principal operating entities: Sisecam Wyoming (USD functional currency), Eti Soda (Turkish Lira functional currency) and Kazan Soda (Turkish Lira functional currency). As of the date of this consolidated financial statements, the Group consists of two principal operating entities: Eti Soda (Turkish Lira functional currency) and Kazan Soda (Turkish Lira functional currency). As such, the Group is principally exposed to risks resulting from fluctuations in foreign currency exchange rate to USD (the Group's presentational currency) and EUR (due to EUR denominated borrowings).

The carrying amounts of the Group's significant foreign currency denominated monetary assets and liabilities at the reporting dates are as follows:

In USD equivalent as at 31 December 2021	**Total**	**USD**	**EUR**	**GBP**	**CNY**	**TRY**
Trade receivables	124,663	52,692	71,971	-	-	-
Cash and cash equivalents	8,630	3,674	4,411	529	16	-
Other receivables and assets	365,137	96,917	267,796	424	-	-
Trade payables	(42,093)	(13,230)	(21,592)	(7,246)	-	(25)
Borrowings	(1,545,756)	(575,014)	(970,742)	-	-	-
Lease liabilities	(5,364)	-	(5,364)	-	-	-
Other payables and liabilities	(14,581)	(4,247)	(8,711)	(1,623)	-	-
Net exposure	**(1,109,364)**	**(439,208)**	**(662,231)**	**(7,916)**	**16**	**(25)**

(tabular amounts in thousands of US dollars, except where noted)

In USD equivalent as at 31 December 2020	Total	USD	EUR	GBP	CNY
Trade receivables	100,151	72,194	27,954	3	-
Cash and cash equivalents	15,223	14,310	863	36	14
Other receivables and assets	675,972	167,853	506,638	1,481	-
Trade payables	(55,588)	(47,263)	(8,325)	-	-
Borrowings	(2,015,312)	(715,442)	(1,299,870)	-	-
Lease liabilities	(12,093)	(2,323)	(9,042)	(728)	-
Other payables and liabilities	(51,143)	(8,555)	(42,251)	(337)	-
Net exposure	**(1,342,790)**	**(519,226)**	**(824,033)**	**455**	**14**

Foreign exchange sensitivity:

The following table details the Group's sensitivity to a 10% movement against the respective foreign currencies, which represents the Management's assessment of a reasonably likely change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 10% change in foreign currency rates.

USD'000	2021	2020
Effect to profit or (loss) before tax		
USD	(43,921)	(51,923)
EUR	(66,223)	(82,403)
GBP	(792)	46
TRY	(3)	-
CNY	2	1
Total	**(110,937)**	**(134,279)**
Effect to equity due to currency translation reserve		
TRY	(134,453)	(206,221)

A 10% strengthening of the currencies above at 31 December 2021 would have had an equal but opposite effect on the amounts shown above, assuming all other variables remained constant.

c) Fair value categories

Fair values and categories of financial instruments:

As at 31 December 2021	Financial liabilities at amortised cost	Financial assets at amortised cost	Financial assets that are measured at FVTPL	Financial liabilities that are measured at FVTPL	Carrying value
Financial assets					
Cash and cash equivalents	-	14,494	-	-	14,494
Other current assets	-	64,799	-	-	64,799
Trade receivables	-	10,472	-	-	10,472
Trade receivables from related parties	-	139,396	-	-	139,396
Other receivables	-	1,568	-	-	1,568
Other receivables from related parties	-	527,643	-	-	527,643
	-	**758,372**	-	**-**	**758,372**
Financial liabilities					
Borrowings	1,811,314	-	-	-	1,811,314
Lease Liabilities	15,942	-	-	-	15,942
Trade payables	79,224	-	-	-	79,224
Trade payables to related parties	24,102	-	-	-	24,102
Other payables to related parties	26,102	-	-	-	26,102
Other payables	781	-	-	-	781
	1,957,465	**-**	**-**	-	**1,957,465**

(tabular amounts in thousands of US dollars, except where noted)

As at 31 December 2020	Financial liabilities at amortised cost	Financial assets at amortised cost	Financial assets that are measured at FVTPL	Financial liabilities that are measured at FVTPL	Carrying value
Financial assets					
Cash and cash equivalents	-	21,854	-	-	21,854
Other current assets	-	15,565	-	-	15,565
Trade receivables	-	67,645	-	-	67,645
Trade receivables from related parties	-	151,332	-	-	151,332
Other receivables	-	4,828	-	-	4,828
Other receivables from related parties	-	768,979	-	-	768,979
Derivative financial instruments	-	-	1,360	-	1,360
	-	**1,030,203**	**1,360**	**-**	**1,031,563**
Financial liabilities					
Borrowings	2,482,001	-	-	-	2,482,001
Lease Liabilities	38,287	-	-	-	38,287
Trade payables	123,466	-	-	-	123,466
Trade payables to related parties	64,395	-	-	-	64,395
Other payables to related parties	46,691	-	-	-	46,691
Other payables	5,853	-	-	-	5,853
Derivative financial instruments	-	-	-	2,163	2,163
	2,760,693	**-**	**-**	**2,163**	**2,762,856**

Fair value of financial instruments

Fair value of financial instruments carried at amortised cost

The Management consider that the carrying amounts of financial assets and liabilities recorded at amortised cost in the financial statements approximate to their fair values.

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of financial assets and liabilities are determined as follows:

- the fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- the fair values of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

Fair value by hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All of the Group's fair value financial assets and liabilities are deemed to be Level 2. There were no transfers between Level 1 and 2 during the year.

(tabular amounts in thousands of US dollars, except where noted)

5. Discontinued operations - assets disposal - transaction with Sisecam

On 21 December 2021, the Company's completed the sale of 60% of its controlling interest in wholly owned subsidiary, Sisecam Chemicals Resources to Sisecam for consideration of USD300 million. Prior to the transaction, Sisecam Chemicals Resources was a wholly owned subsidiary of the Group and owned 100% of the shares of Sisecam Chemicals Wyoming LLC ("Sisecam Chemicals Wyoming") (renamed and converted from Ciner Wyoming Holding Corporation on 21 December 2021). Sisecam Chemicals Wyoming in turn owned an approximately 72% limited partner interest in Sisecam Resources LP (NYSE: SIRE) ("Sisecam Resources"), as well as a 2% general partner interest and related incentive distribution rights. Sisecam Resources has a controlling 51% interest in Sisecam Wyoming, the operating company located near Green River, Wyoming, US. The remaining non-controlling 49% interest in Sisecam Wyoming is owned by NRP Trona LLC, a wholly owned subsidiary of Natural Resource Partners LP.

As the decision to dispose part of Sisecam Chemicals Resources was made in late 2021, Sisecam Chemicals Resources was not classified as held for sale as of 31 December 2020. However, the financial information has been prepared on the basis that Sisecam Chemicals Resources is a discontinued operation.

Following the sale, the Group no longer controls Sisecam Chemicals Resources and the Group's 40% interest in Sisecam Chemicals Resources has been accounted for as an equity accounted investment with effect from 21 December 2021. Financial information relating to the disposal for the period to the date of the disposal is set out below.

5a. Financial performance and cash flow information

The financial performance and cash flow information of Sisecam Chemicals Resources presented are for the 12 months ended 31 December 2021 and the year ended 31 December 2020:

	2021	2020
Discontinued operations		
Revenue	540,039	392,231
Cost of sales	(490,136)	(375,613)
Gross profit	**49,903**	**16,618**
Administrative expenses	(22,048)	(20,043)
Marketing expenses	(2,395)	(816)
Other operating income	1,273	57
Other operating expenses	(1,931)	(3,360)
Profit from operations	**24,802**	**(7,544)**
Finance income	4	110
Finance expenses	(4,803)	(8,074)
(Loss)/profit before tax	**20,003**	**(15,508)**
Taxation	(3,271)	(5,885)
Profit / (loss) for the financial year from discontinued operations	**16,732**	**(21,393)**
Gain on disposal of discontinued operations (5.b)	55,078	-
Tax on gain on disposal of discontinued operations (*)	-	-
Total profit for the financial year from discontinued operations	**71,810**	**(21,393)**
Profit for the year attributable to:		
Owners of the company	59,280	(12,539)
Non-controlling interest	12,530	(8,854)
	71,810	**(21,393)**

(*) As detailed in IFRS 10.25 Consolidated Financial Statements/ Loss of Control, the Group lost control of Sisecam Chemicals Resources as a result of "2021 Strategic Transactions". Consequently, the Group derecognised the assets and liabilities of the former subsidiary and recognised retained investment in the former subsidiary and remeasured retained investment at its fair value. Since the majority of gain on disposal of discontinued operations is related to portion of gain (fair value difference) or fair value of retained investment, which forms a part of continuing operations, taxation of USD10.4 million related to disposal is presented within taxation of continuing operations.

(tabular amounts in thousands of US dollars, except where noted)

	2021	2020
Other comprehensive (expense)/income		
Items that will not be reclassified subsequently to profit or loss:		
- Accumulated gain / (loss) on remeasurement of defined benefit plans	20,707	(3,137)
Items that will be reclassified subsequently to profit or loss:		
- Foreign currency translation reserve	-	-
- Hedge accounting	5,424	5,472
Other comprehensive loss for the year, net of income tax	**26,131**	**2,335**
	2021	**2020**
Total comprehensive loss for the year	**97,941**	**(19,058)**
Total comprehensive loss for the year attributable to:		
Owners of the company	81,743	(13,898)
Non-controlling interest	16,198	(5,160)
Total comprehensive loss for the year	**97,941**	**(19,058)**

Summarised statement of cash flow	**2021**	**2020**
Cash flow from operating activities		
Total (loss)/profit for the year from discontinued operations	**71,810**	**(21,393)**
Adjustments for:		
Depreciation and amortisation expenses	67,597	78,473
Interest income	(4)	(111)
Interest expense	3,941	15,862
Discount income and expenses	855	2,129
Net foreign exchange loss	-	27
Income tax credit	3,271	6,192
Gain from sale of subsidiaries	(55,078)	-
Increase in inventories	302	(9,757)
Decrease/(increase) in trade and other receivables	(33,826)	10,913
Increase/(decrease) in trade and other payables	5,165	(5,684)
Losses on disposals of fixed assets	966	885
Equity-based compensation expense	451	738
Other cash inflows/ (outflows)	597	(665)
Cash generated from operations	**66,047**	**77,609**
Net cash generated from operating activities	**66,047**	**77,609**
Cash flow from investing activities:		
Cash inflow from sale of subsidiary	297,364	-
Purchase of property, plant and equipment	(25,695)	(42,272)
Movement in borrowings in related parties	-	(4,716)
Other cash inflows	809	-
Net cash used in investing activities	**272,478**	**(46,988)**
Cash flow from financing activities:		
Cash obtained from borrowings	113,500	242,500
Cash used for repayment of the borrowings	(121,013)	(240,716)
Cash outflow from lease liabilities	(10,312)	(10,515)
Interest paid	(5,256)	(6,224)
Bank charges	(1,394)	(559)
Transfer from discontinued operation into continuing operations	(300,000)	-
Distributions to non-controlling interest shareholder of subsidiary	(14,044)	(30,439)
Other cash inflows/(outflows)	(144)	490
Net cash used in financing activities	**(338,663)**	**(45,463)**
Net used in cash and cash equivalents	**(138)**	**(14,842)**
Cash and cash equivalents at beginning of the year	138	14,980
Cash and cash equivalents at end of the year	**-**	**138**

(tabular amounts in thousands of US dollars, except where noted)

5b. Details of the sales of the subsidiary

Consideration received or receivable:	**2021**
Cash	300,000
Fair value of retained non-controlling interest	200,000
Costs associated with the sales	(994)
Reclassification of other reserve (hedge accounting)	3,947
Carrying amount of net assets sold (excluding NCI)	(447,875)
Gain on sales before income tax	**55,078**
Income tax expense on gain	(10,434)
Gain on sales after income tax	**44,644**

Cash flows of the transaction	**2021**
Cash consideration received	300,000
Cash on hand of the subsidiary sold	(2,636)
Net cash flows from the transaction	**(297,364)**

The carrying amounts of assets and liabilities as at the date of disposal (21 December 2021) were:

Description	**31 December 2021**
Property, plant and equipment	381,391
Mining reserves	741,912
Intangible assets	5,691
Right of use assets	20,346
Goodwill	29,284
Other non-current assets	28,547
Prepaid expenses	3,072
Trade and other receivables	120,216
Cash	2,636
Inventories	27,589
Other assets	8,380
Total assets	**1,369,064**
Borrowings	(122,403)
Lease liabilities	(21,165)
Provision	(41,280)
Derivatives	(2,441)
Trade and other payables	(49,148)
Employee benefit obligations	(55,691)
Other liabilities	(8,649)
Total liabilities	**(300,777)**
Non-controlling interest	**(620,412)**
Net assets disposed	**447,875**

6. Business combination and acquisition of controlling interest –TC Soda.

On 21 December 2021, the Group acquired 100% of the shares of TC Soda. TC Soda is registered and operates in the USA as a holding company and it owns 40% interest in Pacific Soda LLC and Atlantic Soda LLC. The Company's interest in TC Soda was obtained through an in-kind contribution from Mr. Turgay Ciner.

The Group consolidated TC Soda and, since it does not have control or joint control of the investments in Pacific Soda and Atlantic Soda, has accounted for the interest in Pacific and Atlantic as equity accounted investees from 21 December 2021.

The acquired business did not contribute any revenue and or losses to profit after tax of the Group. Consideration of the acquisition was in the form of the issuance of ordinary shares to the Company, in exchange for shares in TC Soda. The net cash effect from the acquisition was an increase to cash and cash equivalents of USD595,943 on the acquisition date, being the total cash and cash equivalents held by TC Soda.

(tabular amounts in thousands of US dollars, except where noted)

Details of net assets acquired and goodwill are as follows:

	Acquisition
Purchase consideration – capital contribution in kind	131,038*
Fair value of net assets at acquisition	131, 038
Goodwill	-

(*) This is net of $10 of shares issued.

The allocation of purchase consideration to assets acquired and liabilities assumed as of 21 December 2021 arising from the acquisition of TC Soda is set forth in the table below:

Description	**Fair value at acquisition**
Right of use assets	3,210
Other receivables	32,500
Investments	126,667
Prepaid expenses	145
Cash	596
Total assets	**163,118**
Lease liabilities	(3,210)
Deferred and current taxes	(27,694)
Trade and other payables	(1,176)
Total liabilities	**(32,080)**
Net assets acquired	**131,038**
Goodwill arising from acquisition	-
Total consideration	**131,038**

TC Soda holds investments in associates which are currently in the exploration stage. The comparable transaction method was used for determination of mineral interests of these associates and the resultant fair value of the investments.

Deferred tax liabilities mainly comprises the tax effect of fair value allocation on investment through determining fair values of relevant asset groups based on the tax structure of the Group.

7. Employee number and costs

The average monthly number of employees including the Directors employed was as follows:

	2021 Number	**2020 Number**
Professional	735	961
Administration/operational	552	253
Total average number of employees of continuing operations	**1,287**	**1,214**
Total average number of employees of discontinued operations	497	489
Total average number of employees	**1,784**	**1,703**

The aggregate remuneration was as follows:

	2021	**2020**
Wages and salaries	26,669	24,704
Social security costs	3,513	2,587
Other pension costs	1,845	997
Total aggregate remuneration from continuing operations	**32,027**	**28,288**
Total aggregate remuneration from discontinued operations	86,525	79,934
Total aggregate remuneration	**118,552**	**108,222**

(tabular amounts in thousands of US dollars, except where noted)

8. Profit from operations

Profit from operations is stated after charging:

	2021	2020
Depreciation and amortization	163,527	100,709
Losses on disposals of fixed assets	996	-
Movement in finished goods inventories	9,842	5,250
Lease payments	13,658	1,999
Exchange difference	(71,840)	(11,355)

Auditors' remuneration

In respect of the Group's audit, the following costs of the Company's Auditors, PricewaterhouseCoopers LLP and Deloitte LLP, have been allocated to the Group:

	2021		2020	
	(Pricewaterhouse Coopers LLP)	(Deloitte LLP)	(Pricewaterhouse Coopers LLP)	(Deloitte LLP)[2]
Fees payable to the Company's Auditors for the audit of the Company's annual report and consolidated financial statements[1]	343	-	54	-
Fees payable to the Company's Auditors for the for other services:				
- The audit of the Company's subsidiaries pursuant to legislation	171	1,264	391	1,276
Total audit fees	**514**	**1,264**	**445**	**1,276**
- Audit related assurance services: Interim reviews	398	-	-	321
- Tax advisory and compliance services	-	395	-	758
Total non-audit fees	**398**	**395**	**-**	**1,079**

Note 1 – Fees payable to the Company's auditors in 2020 and 2021 for the audit of the parent company were borne by subsidiary company WE Soda Ltd.
Note 2 – Fees payable to Deloitte LLP in 2021 relates to the audit of the discontinued operations.

9. Revenue

Revenue, excluding interest revenue, comprises:

	2021	2020
Domestic sales	211,300	189,045
Export sales	680,813	616,537
Segment revenue	**892,113**	**805,582**

The Group recognised net sales amounting to USD892.1 million (2020: USD805.6 million) with respect to the performance obligations satisfied at a point in time for the year ended 31 December 2021. Segment information is disclosed in Note 3 *Segmental analysis.* Revenue and other income for 2021 consists of USD827.1 million (2020: USD749.5 million) soda ash/sodium bicarbonate sales, USD63.5 million (2020: USD55.7 million) electricity sales and USD1.5 million (2020: USD0.4 million) other income.

10. Cost of sales

Cost of sales comprises:

	2021	2020
Raw material costs	200,501	186,165
Personnel expenses	16,040	16,082
Production overheads	111,100	90,083
Transportation expenses	89,930	55,877
Export expenses	42,521	36,180
Depreciation and amortisation expenses	93,781	99,306
Change in finished goods inventories	(3,514)	5,250
	550,359	**488,943**

(tabular amounts in thousands of US dollars, except where noted)

11. Administrative expenses

Administrative expenses comprise:

	2021	**2020**
Consultancy expenses	17,949	13,074
Personnel expenses	14,487	11,071
Transportation expenses	323	255
Outsourced benefits and services	711	6,087
Donations	396	638
Travel expenses	130	497
Rent expenses	496	567
Depreciation and amortisation expenses	1,960	1,326
Office expenses	839	2,567
Other expenses	3,675	1,877
	40,966	**37,959**

12. Marketing expenses

Marketing expenses comprise:

	2021	**2020**
Personnel expenses	1,500	1,135
Transportation expenses	87	45
Amortisation and depreciation expenses	238	77
Outsourced services and benefits	357	148
Rent expenses	225	395
Other sales and marketing expenses	3,217	2,312
	5,624	**4,112**

13. Other operating income and expenses

Other income from operating activities comprises:

Other income from operating activities	**2021**	**2020**
Foreign exchange gain	139,640	62,612
Interest income	2,040	819
Discount interest income	200	466
Compensation income[1]	60,065	-
Other income	2,088	1,600
	204,033	**65,497**

Note 1 – The compensation income represents settlement compensation attributable to the current year after deducting previously recognised compensation income. Kazan Soda and its EPC Contractor signed a settlement agreement on 22 March 2021 with respect to the final acceptance of the fixed price – turnkey execution works of its dense soda ash and sodium bicarbonate process plant, trona field solution mining project and cogeneration power plant in Kazan, Turkey. Both parties agreed on settlement amounts of USD60,362,120 and USD8,500,000 for the process plant and power plant, respectively. Additionally, the EPC Contractor has accepted and undertaken construction of extension project units for decahydrate and caustic soda in lieu of consideration of USD42,000,000. This non-cash consideration is deducted from the settlement amount and recognised as order advances given for fixed assets and presented in non-current prepaid expenses. The parties agreed on payment method for the settlement amounts by netting off total settlement amount receivable of Kazan Soda (by USD68,862,120) against total outstanding payables of Eti Soda and Kazan Soda (by USD34,223,060) to EPC Contractor and payables (USD42,000,000) to be incurred as result of construction of the extension project units. The difference of USD7,360,940 shall be satisfied by Kazan Soda supplying the EPC Contractor with dense soda ash against the fulfilment of EPC Contractor's contractual obligations for extension project units.

Please refer below for the reconciliation of the settlement amount to compensation income recognised:

Compensation income	68,862
Less: Previously recognised income	(6,500)
Transaction related and other miscellaneous expenses including foreign exchange translations	(2,297)
Income recognised during the year	60,065

(tabular amounts in thousands of US dollars, except where noted)

Other expenses from operating activities comprises:

Other expense from operating activities	**2021**	**2020**
Foreign exchange losses	67,800	51,257
Interest expense	4,959	5,175
Discount interest expense	1,681	216
Provision for legal claims	384	2,000
Other expenses	5,066	1,626
	79,890	**60,274**

14. Finance income and finance expense

Finance income comprises:

	2021	**2020**
Interest income	24,162	40,942
Other financial income	102	579
	24,264	**41,521**

Finance expense comprises:

	2021	**2020**
Interest expense related to financial activities	(94,412)	(106,484)
Foreign exchange losses, net	(102,655)	(192,022)
Interest expenses related to the lease obligations	(698)	(907)
Bank charges related to financial activities[1]	(20,976)	(26,597)
Interest expense related to funding activities with related parties, net	(927)	(5,460)
Other financial expenses	(9,090)	(6,515)
	(228,758)	**(337,985)**

Note 1 - Bank charges related to financial activities consist of various commissions by banks or financial institutions within the context of term loan agreement and certain transaction costs

15. Taxation

Current and deferred tax

Taxation credit comprises:

	2021	**2020**
Tax (charge)/credit:		
Income tax credit/(charge) – UK entities	(2,839)	1,210
Income tax charge – foreign entities	(48,686)	(34,821)
Deferred tax credit	121,236	236,502
Tax credit from continuing operations	**69,710**	**202,891**
Tax charge from discontinued operations	(3,271)	(5,885)
Total tax credit	**66,439**	**197,006**

The Group’s operations in Turkey are subject to Turkish corporate taxes. Provision is made in the accompanying financial statements for the estimated charge based on the Group’s results for the year.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and deducting exempt income, non-taxable income and other incentives.

(tabular amounts in thousands of US dollars, except where noted)

Reconciliation of total tax credit to (loss)/profit before taxation

The Group is domiciled in the United Kingdom, but its operations are primarily in Turkey and US.

Effective corporate tax rate in 2021 is 25% (2020: 22%) for Turkey, 21% (2020: 21%) for US and 19% (2020: 19%) for United Kingdom respectively. The provision for income taxes is different from the expected provision for income taxes for the following reasons:

	2021	2020
Profit/(loss) before tax	**289,894**	**(32,181)**
Profit/(loss) before the tax from continuing operations	214,813	(16,673)
Profit/(loss) before the tax from discontinued operations	75,081	(15,508)
Applicable rate of tax	19%	19%
Tax at applicable rate	**(55,080)**	**6,114**
Tax effect of:		
Disallowable expenses	(18,474)	(2,655)
Other tax incentives (patent[1] and capital increases)	16,700	13,610
Investment incentives	143,931	213,800
Effect of tax rates in different jurisdictions	(5,816)	(4,353)
Non-controlling interest	2,631	(1,859)
Carry forward tax losses (recognised) or written off as deferred tax asset	2,737	(19,707)
Previous year losses	4,224	-
Corporate interest restriction in UK	(10,406)	(10,270)
Disregarded foreign exchange gains	33,439	-
Loss on translation	(40,027)	1,350
Other	(7,420)	976
Total tax credit	**66,439**	**197,006**
– Tax charge from discontinued operations	(3,271)	(5,885)
– Tax credit from continuing operations	69,710	202,891

Note 1 - The Company has obtained a patent document, which has been examined by the Turkish Patent Institute for the invention entitled “Production of heavy soda from bicarbonate containing solutions, sodium bicarbonate, light soda and sodium silicate” as of 11 November 2004, and the 20 years protection period for the patent is granted by TPI. Within the scope of the patent document examined during the protection period and in the scope of the “Exception in Industrial Property Rights” provisions of article 5/B of the Taxation Law No.5520, the exemption income amount for the year 2019 has been determined. For the 2021 accounting period the amount of corporation tax exemption that is benefited is USD53.3 million (2020: USD61.9 million).

Investment incentives -investment discount application

Under Turkish local legislation, Eti Soda and Kazan Soda come under the ruling of the Council of Ministers on Government Grants with respect of their status in obtaining central Turkish government investment incentive grants.

The decision of the Council of Ministers on Government Grants and Incentives no. 2012/3305 regulating investment incentives became effective after being published in the Official Gazette on 19 June 2012. Within the scope of that decision, Eti Soda has received an Investment Incentive Certificate numbered A129108, which is located in Region 1 and has a contribution rate of 40% for their investments. As of the reporting date, within the scope of this certificate, Eti Soda recognised a USD1.4 million (2020: USD3.8 million) deferred tax asset to reduce corporate tax. In the same manner, Kazan Soda has received an Investment Incentive Certificate numbered E109393 and I109393, which is located in Region 1 and has a contribution rate of 50% for Kazan Soda’s investments. As of the reporting date, within the scope of the certificate, Kazan Soda recognised USD369.5 million (2020: USD479.7 million only for certificate numbered E109393) deferred tax asset to reduce corporate tax.

(tabular amounts in thousands of US dollars, except where noted)

Deferred tax

The Group recognises deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported for IFRS purposes and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for IFRSs and tax purposes and they are given below.

Deferred tax assets comprises:

	2021	2020
Deferred tax assets	363,175	437,419
Deferred tax liabilities	(178,914)	(276,064)
Net deferred tax asset	**184,261**	**161,355**

This may be analysed as follows:

	2021	2020
Differences on carrying values of PP&E, mining assets and reserves	(161,507)	(348,894)
Retirement pay provision	380	403
Unused annual leave	173	180
Previous year losses to be deducted from tax	54,065	101,541
Discount on trade receivables	292	84
Discount on trade payables	(159)	(384)
Investment incentives	322,703	388,281
Revenue recognition according to IFRS 15	1,911	1,735
Effect of purchase of subsidiary	(18,429)	-
Pension and post-retirement benefits	-	11,497
Tax on goodwill	-	2,995
Effect of disposal of subsidiary	(19,769)	-
Other	4,601	3,917
Closing balance at 31 December	**184,261**	**161,355**

Movement of deferred tax (liabilities)/assets for the year ended 31 December 2021 and 2020 are as follows:

	2021	2020
At 1 January	**161,355**	**(82,286)**
Credited to statement of profit or loss for the financial year	126,011	230,296
Effect of purchase of subsidiary	(18,429)	-
Credited to other comprehensive income or loss	-	434
Presentation currency translation effect	(84,676)	12,911
Closing balance at 31 December	**184,261**	**161,355**

At 31 December 2021, the Group has unused tax losses of USD250.6 million (2020: USD500.4 million) available for offset against future profits and USD50.1 million (2020: USD101.5 million,) deferred tax asset has been recognised in respect of these losses.

(tabular amounts in thousands of US dollars, except where noted)

Expiration schedule of carry forward tax losses is as follows:

	2021	2020
Will be expired in 2022	-	56,928
Will be expired in 2023	84,237	148,925
Will be expired in 2024	45,123	79,702
Will be expired in 2025	38,772	68,546
Will be expired in 2026	82,492	-
Will be expired after 2026[1]	-	146,292
Total	**250,624**	**500,393**

Note 1 – At 31 December 2021, the Group does not have unused tax losses (2020: USD146.3 million) with no expiry date

Deferred tax assets are recognised for tax losses carried forward only to the extent that realisation of the related tax benefit is probable.

Deferred tax assets, which are recognised for tax losses carried forward, arise in entities, primarily domiciled in Turkey and related to tax losses during the investment period in 2018 and net operating losses in subsequent periods. In this respect, the Group expects to utilize USD82 million in 2022 and USD169 million in 2023.

In evaluating whether it is probable that taxable profits will be earned in future accounting periods prior to any tax loss expiry as may be the case, all available evidence was considered, including approved budgets, forecasts and business plans and, in certain cases, analysis of historical operating results. These forecasts are consistent with those prepared and used internally for business planning and impairment testing purposes. Following this evaluation, it was determined there would be sufficient taxable income generated to realise the benefit of the deferred tax assets and that no reasonably possible change in any of the key assumptions would result in a material reduction in forecast headroom of tax profits so that the recognised deferred tax asset would not be realised.

(tabular amounts in thousands of US dollars, except where noted)

16. Property, plant and equipment

2021	Land	Land improvements	Buildings	Plant, machinery and equipment	Leasehold improvements	Construction in progress	Other fixed assets[1]	Total
Cost:								
As at 1 January 2021	**6,037**	**131,300**	**142,239**	**921,009**	**456**	**61,710**	**5,149**	**1,267,900**
Additions	928	387	62	13,532	443	90,667	617	**106,636**
Disposal of Sisecam Chemicals Resources on 21 December 2021 – see Note 5	(440)	(65,513)	(119,814)	(320,884)	-	(59,667)	(2,546)	**(568,864)**
Remeasurement of asset retirement obligations – see Note 30	-	(52)	-	-	-	-	-	**(52)**
Disposals	-	-	(25)	(1,257)	-	-	(53)	**(1,335)**
Transfers to mine development costs	-	-	-	-	-	(26,106)	-	**(26,106)**
Transfers from construction in progress	-	905	278	7,357	-	(8,914)	374	**-**
Presentation currency translation effect	(2,799)	(29,259)	(9,870)	(261,905)	(162)	(16,647)	(1,360)	**(322,002)**
At 31 December 2021	**3,726**	**37,768**	**12,870**	**357,852**	**737**	**41,043**	**2,181**	**456,177**
Accumulated depreciation:								
As at 1 January 2021	**-**	**(21,951)**	**(18,448)**	**(173,819)**	**(169)**	**-**	**(2,431)**	**(216,818)**
Disposal of Sisecam Chemicals Resources on 21 December 2021 – see Note 5	-	(6,760)	(7,399)	(53,113)	(94)	-	(1,033)	**(68,399)**
Charge for the year	-	14,404	23,335	148,133	-	-	1,601	**187,473**
Disposals	-	-	25	255	-	-	43	**323**
Presentation currency translation effect	-	5,961	1,007	26,223	82	-	736	**34,009**
At 31 December 2021	**-**	**(8,346)**	**(1,480)**	**(52,321)**	**(181)**	**-**	**(1,084)**	**(63,412)**
Net book value as of 31 December 2021	**3,726**	**29,422**	**11,390**	**305,531**	**556**	**41,043**	**1,097**	**392,765**

Note 1 -Includes vehicles and furniture and fixtures

(tabular amounts in thousands of US dollars, except where noted)

2020	Land	Land improvements	Buildings	Plant, machinery and equipment	Leasehold improvements	Construction in progress	Other fixed assets[1]	Total
Cost:								
As at 1 January 2020	**5,412**	**192,121**	**119,290**	**1,003,171**	**481**	**102,985**	**4,433**	**1,427,893**
Additions	1,604	328	98	4,081	63	62,288	808	**69,270**
Remeasurement of asset retirement obligations (Note 28)	-	(48,228)	-	-	-	-	-	**(48,228)**
Disposals	(45)	-	(153)	(4,145)	-	-	(180)	**(4,523)**
Transfers to mine development costs	-	-	-	-	-	(8,268)	-	**(8,268)**
Transfers from construction in progress	-	2,738	27,576	61,902	-	(92,863)	647	**-**
Presentation currency translation effect	(934)	(15,659)	(4,572)	(144,000)	(88)	(2,432)	(559)	**(168,244)**
Closing balance as of 31 December 2020	**6,037**	**131,300**	**142,239**	**921,009**	**456**	**61,710**	**5,149**	**1,267,900**
Accumulated depreciation:								
As at 1 January 2020	**-**	**(14,329)**	**(11,833)**	**(120,113)**	**(137)**	**-**	**(1,845)**	**(148,257)**
Charge for the year	-	(9,313)	(6,921)	(68,677)	(60)	-	(1,008)	**(85,979)**
Disposals	-	-	53	3,022	-	-	178	**3,253**
Presentation currency translation effect	-	1,691	253	11,949	28	-	244	**14,165**
Closing balance as of 31 December 2020	**-**	**(21,951)**	**(18,448)**	**(173,819)**	**(169)**	**-**	**(2,431)**	**(216,818)**
Net book value as of 31 December 2020	**6,037**	**109,349**	**123,791**	**747,190**	**287**	**61,710**	**2,718**	**1,051,082**

Note 1 -Includes vehicles and furniture and fixtures

Property, plant and equipment with a carrying amount of USD586.7 million (2020: USD736.8 million) have been pledged under a commercial enterprise pledge, to secure borrowings of the Group (see Note 26 *Borrowings*). The said pledged assets cannot be re-pledged as security for other new borrowings or to be divested to another party.

As of 31 December 2021, the net carrying amounts of vehicles and plant, machinery, and equipment acquired through financial leasing agreement (see Note 39 *Lease liabilities*) are USD8.2 million (2020: USD15.5 million) in total.

(tabular amounts in thousands of US dollars, except where noted)

17. Mining reserves

	Cost	Accumulated amortisation	Total
At 1 January 2020	**2,561,808**	**(153,074)**	**2,408,734**
Charge for the year	-	(60,421)	**(60,421)**
Presentation currency translation effect	(337,454)	27,555	**(309,899)**
At 31 December 2020	**2,224,354**	**(185,940)**	**2,038,414**
Charge for the year	-	(57,432)	**(57,432)**
Disposal of Sisecam Chemicals Resources on 21 December 2021 – see Note 5	(793,000)	51,088	**(741,912)**
Presentation currency translation effect	(621,801)	79,174	**(542,627)**
At 31 December 2021	**809,553**	**(113,110)**	**696,443**

Mining reserves include trona reserves that can be economically and legally extracted and processed into soda ash or sodium bicarbonate by the Group's operating companies.

The acquisition of Kazan Soda and CEI in February 2018 included the allocation of purchase price to mining reserves based on its fair value as at the date of the respective acquisitions which was approximately USD1,105 million and USD793 million respectively. Similarly mining reserves of Eti Soda was USD1,619 million based on its fair value as at the acquisition date in November 2017.

18. Intangible assets

Movement of intangibles assets:

	Cost	Accumulated amortisation	Total
At 1 January 2020	**6,743**	**(559)**	**6,184**
Additions	419	-	419
Charge for the year	-	(786)	(786)
Transfers from property, plant and equipment	832	(832)	-
Disposal	(8)	8	-
Presentation currency translation effect	(26)	8	(18)
At 31 December 2020	**7,960**	**(2,161)**	**5,799**
Additions	1,034	-	1,034
Charge for the year	-	(914)	(914)
Disposal of Sisecam Chemicals Resources on 21 December 2021 – see Note 5	(8,610)	2,919	(5,691)
Presentation currency translation effect	(116)	47	(69)
At 31 December 2021	**268**	**(109)**	**159**

The Group capitalises certain internal use software development costs associated with internally developed software primarily related to enterprise resource planning system that was implemented in 2018 and went live in 2019 for its US operations. Costs incurred in the application and infrastructure development stage, including significant enhancements and upgrades, are capitalised. These software development costs are recognised on a straight-line basis over the estimated useful life of five to ten years and presented under depreciation and amortization expense which is included in the cost of products sold financial statement line item of the consolidated statements of operations. During the year ended December 31, 2021, the Company amortised internal use software development costs of USD0.9 million (2020: USD0.8 million).

(tabular amounts in thousands of US dollars, except where noted)

19. Mining assets

	Cost	Accumulated amortisation	Total
At 1 January 2020	**233,959**	**(41,252)**	**192,707**
Transfers to construction in progress	8,268	-	**8,268**
Charge for the year	-	(20,902)	**(20,902)**
Presentation currency translation effect	(45,868)	9,793	**(36,075)**
At 31 December 2020	**196,359**	**(52,361)**	**143,998**
Transfers from construction in progress	26,106	-	**26,106**
Charge for the year	-	(25,569)	**(25,569)**
Presentation currency translation effect	(95,525)	33,056	**(62,469)**
At 31 December 2021	**126,940**	**(44,874)**	**82,066**

20. Prepaid expenses

Prepaid expenses comprise of:

	2021	2020
Non-current assets		
Prepaid expenses	866	892
Order advances given for plant, property and equipment	26,675	9,600
	27,541	**10,492**
Current assets		
Prepaid expenses	2,022	4,509
Order advances given for inventory purchases	5,114	1,068
	7,136	**5,577**
	34,677	**16,069**

21. Trade and other receivables

	2021	2020
Trade receivables		
Current:		
Trade receivables	10,510	69,051
Discount on trade receivable	(38)	(441)
Trade receivables from related parties (Note 35)	139,396	151,332
Notes receivables[1]	-	-
Provision for doubtful receivables	-	(965)
Total trade receivables	**149,868**	**218,977**
Other receivables		
Current:		
Other sundry receivables	35	581
Deposits given	1,381	4,082
Other receivables from related parties (Note 35)	33,555	242,836
	34,971	**247,499**
Non-current:		
Deposits given	152	165
Other receivables from related parties (Note 35)	494,088	526,143
	494,240	**526,308**
Total other receivables	**529,211**	**773,807**
Total trade and other receivables	**679,079**	**992,784**

Note 1 – Note receivables represent promissory notes received in Turkey with respect to trading activities.

The Group's credit terms for its trade receivables vary from 30 to 120 days and trade receivables are amounts due from customers for goods sold performed in the ordinary course of business. As of the reporting date, trade receivables are generally due for settlement within 75 days (2020: 73 days) and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

(tabular amounts in thousands of US dollars, except where noted)

22. Goodwill

	2021	2020
As of 1 January	**54,595**	**60,561**
Disposal of Sisecam Chemicals Resources on 21 December 2021 – see Note 5	(29,284)	-
Presentation currency translation effect	(10,994)	(5,966)
As of 31 December	**14,317**	**54,595**

The goodwill recognised by the Group is a result of:

- acquisition of Eti Soda on 24 November 2017 originally amounting to USD31.4 million (USD16.8 million and USD9.5 million net of presentation currency translation effect as of 31 December 2020 and 2021 respectively) and allocated to the Turkish soda ash business;
- acquisition of Kazan Soda on 5 February 2018 originally amounting to USD16.6 million (USD8.5 million and USD4.8 million net of presentation currency translation effect as of 31 December 2020 and 2021 respectively) and allocated to the Turkish soda ash business; and
- acquisition of Sisecam Resources with its parent CEI on 22 February 2018 amounting to USD29.3 million and allocated to the United States soda ash business. As of 31 December 2021, the Group has no goodwill amount from Sisecam Resources due to the disposal of the subsidiaries on 21 December 2021 (see Note *5 Discontinued operations - assets disposal - transaction with Sisecam*).

Goodwill is subject to impairment test every year, where no impairment was recognised in 2021 (2020: USD nil). In making assessments for impairment, assets that do not generate independent cash flows are allocated to an appropriate CGU. The recoverable amount of those assets, or CGU, is measured at the higher of their fair value less costs of disposal and value in use.

Management applies its judgement in allocating assets to CGUs, in estimating the probability, timing and value of underlying cash flows and in selecting appropriate discount rates to be applied within the recoverable value calculation. Subsequent changes to CGU allocation or estimates and assumptions in the recoverable value calculation could impact the carrying value of the respective assets. The key assumptions set out below were used in the calculation of the recoverable value as of 31 December 2021.

The projection period for the purposes of goodwill impairment testing is 5 years for US operations and the estimated useful lives of mining reserves for Turkish subsidiaries, which is 43 years for Kazan Soda, and 21 years for Eti Soda. For its Turkish subsidiaries, the Group expects to use available reserves of trona until the depletion of such reserves with the existing capacity of the facilities. Considering the unique solution mining method used by Turkish subsidiaries and limited estimated useful lives of mining reserves the management team decided to use useful lives of mining reserves for impairment testing. Until 31 December 2020, cash flows for further periods (the remaining mine life) for US operations were extrapolated using a constant growth rate of 2%, which does not exceed the estimated average growth rate of economy of the country. The average growth rate of cash flows for further periods (after 5 years) for Turkish operations is 2%.

Management has performed a sensitivity analysis in relation to budgeted / projected EBITDAs (5% decrease) and discount rate (200 bps increase), which are considered to be reasonable changes in assumptions based on COVID-19 and market related risks. Based on these sensitivities, their assessment is that no reasonably possible change in key assumptions would result in the recoverable amount being determined as lower than the carrying amount.

(tabular amounts in thousands of US dollars, except where noted)

A range of weighted average cost of capital rates between 14.3% - 15.0% (2020: 9% - 10.5%) were used as post-tax discount rates in order to calculate the recoverable amount for each of the CGUs individually. The post-tax rate was adjusted by considering tax effects of the tax cash outflows and other future tax cash flows and differences between the cost of the assets and their tax bases.

23. Other assets and liabilities

Other assets and liabilities comprise:

Other Assets	**2021**	**2020**
Current:		
VAT carried forward	8,057	5,103
VAT other	1,883	5,049
Restricted cash	64,799	15,565
Other	1,903	4,462
	76,642	**30,179**
Non-current:		
Other sundry receivables	-	2,214
	-	**2,214**
Total other assets	**76,642**	**32,393**

Other Liabilities	**2021**	**2020**
Current:		
Taxes and funds payable	9,619	8,379
Other sundry payables	681	3,007
	10,300	**11,386**
Non-current:		
Taxes and funds payables	1,158	-
	1,158	**-**
Total other liabilities	**11,458**	**11,386**

Restricted cash comprises deposits held in United Kingdom, Turkey and USA that have been placed to satisfy covenant requirements in respect of bank borrowings, see Note 26 *Borrowings*. The restricted cash is not under the exclusive control of the Group and therefore is disclosed separately from the Group's cash and cash equivalents.

24. Cash and cash equivalents

Cash and cash equivalents comprises of:

	2021	**2020**
Cash	606	14
Cash in bank comprises:	13,888	21,840
- Demand deposits	13,886	7,856
- Time deposits with maturities less than three months	2	13,984
	14,494	**21,854**

The details of the cash and cash equivalents of the Group are as follows:

	2021	**2020**
Cash and cash equivalents	14,494	21,854
Less: Restricted cash (time deposit)	-	(13,984)
Cash and cash equivalents provided in statement of cash flows	**14,494**	**7,870**

As at 31 December 2021, cash and cash equivalents did not include any restricted cash (31 December 2020: USD13,984).

(tabular amounts in thousands of US dollars, except where noted)

25. Inventories

Inventories comprise:

	2021	2020
Raw materials and supplies	9,534	19,737
Work in progress	-	8,519
Finished goods	14,257	24,099
	23,791	**52,355**

No inventories written off nor written down to profit and loss in 2021 and 2020.

Raw materials and supplies comprise:

	2021	2020
Packaging	2,397	1,465
Raw materials	2,835	11,616
Spare parts	4,302	6,656
	9,534	**19,737**

Non-current inventories are comprised of long-term store inventories by USD14,523 (31 December 2020: USD35,046).

26. Borrowings

	2021	2020
Non-current:		
Bank borrowings – long term portion of the long-term borrowings	1,411,442	745,253
(Less): Transaction costs	(22,868)	(17,995)
	1,388,574	**727,258**
Current:		
Bank borrowings due within one year	101,322	109,598
Bank borrowings – short term portion of the long-term borrowings	329,188	1,677,023
(Less): Transaction costs	(7,770)	(31,878)
	422,740	**1,754,743**
	1,811,314	**2,482,001**

In 2020, USD1,370.3 million was classified from non-current to current in relation to bank borrowings as a result of a change to terms and conditions in relation to the previous loan facility.

For further details, please see Note 40 *Post balance sheet events*.

Bank borrowings comprise:

	2021			2020		
Currency	**WAEIR[1]**	**Short-term**	**Long-term**	**WAEIR[1]**	**Short-term**	**Long-term**
USD	3.86%	171,878	683,614	5.00%	573,935	745,253
EUR	3.99%	258,632	727,828	3.75%	1,212,686	-
Total USD equivalent		**430,510**	**1,411,442**		**1,786,621**	**745,253**
(Less): Transaction costs[2]						
USD		(3,297)	(11,686)		(9,394)	(17,995)
EUR		(4,473)	(11,182)		(22,484)	-
Total Transaction costs (-)		**(7,770)**	**(22,868)**		**(31,878)**	**(17,995)**
Net USD equivalent		**422,740**	**1,388,574**		**1,754,743**	**727,258**

Note 1 – Weighted average effective interest rate

Note 2 – USD30.6 million (2020: USD49.9 million) are related to transaction costs of borrowings and they are capitalised and amortised as finances costs on a straight-line basis in the profit or loss.

(tabular amounts in thousands of US dollars, except where noted)

Eti Soda entered into eight separate unsecured Export Oriented Loan Agreements with Denizbank A.Ş. as lender ("Denizbank") relating to working capital facilities of up to $80 million for 5 different agreements and €18 million for two different agreements (the "Export Oriented Loan Facilities"), respectively. All amounts drawn under the Eti Soda Working Capital Facilities are for working capital purposes. As of 31 December 2021, the amounts outstanding under the Eti Soda Working Capital Facilities amounted to USD101.3 million.

The Eti Soda Working Capital Facilities are revolving loan facility arrangements between Denizbank and Eti Soda with each individual loan having a term of six months. In practice, Eti Soda generally rolls over accrued interest and principal on each loan to the next six month period. The Export Oriented Loan Facilities granted pursuant to the Export Oriented Loan Agreements each accrue interest at a fixed rate per year.

On 1 August 2018, the Group secured a USD380 million and a EUR1,100 million loan facility (which are referred to as Original Facilities) under the Original Facilities Agreement. The maturity date of the Original Facilities Agreement was 1 August 2025. Interest payments were due on a quarterly basis. WE Soda and CEI were borrowers of the loan, with the Company, WE Soda Kimya, Ciner Kimya, Sisecam Resources Corporation and Sisecam Chemical Holdings acting as guarantors to the loan. The Original Facilities were secured, with share pledges of CEI, Sisecam Chemicals Resources, Sisecam Chemical Holdings, Sisecam Resources, Ciner Kimya, WE Soda Kimya and Eti Soda. The Interest rate of the loan was 3-month LIBOR rate plus a fixed margin of 4.25% for USD and 3-month LIBOR rate plus a fixed margin of 3.75% for EUR denominated portions. As at 31 December 2021, the Group was in full compliance with the requirements stipulated by the Original Facilities Agreement.

On 22 December 2021, CEI settled in full its drawings under the Original Facilities with its lenders for a value equal to USD142.7 million comprising of USD111.2 million and EUR16.9 million and, on the same date, WE Soda entered into an amendment to the Original Facilities Agreement, increasing its portion of the Original Facilities with its lenders for an additional USD142.7 million comprising of USD111.2 million and EUR16.9 million.

On 14 February 2022, the Original Facilities Agreement was rescinded and replaced by the Senior Facilities Agreement. See Note 40. Post-Balance Sheet Events.

Kazan Soda and certain lenders, including Industrial and Commercial Bank of China ("ICBC"), by way of acting also as agent for other lenders, entered into a facilities agreement dated 25 March 2014 in relation to a soda ash project located in Kazan, providing for certain loan facilities (the "Kazan Soda Facilities" and the relevant agreement, the "Kazan Soda Facilities Agreement"). As at 31 December 2021, the Kazan Soda Facilities amounted to USD586.7 million (2020: USD736.8 million). Repayment of the loan commenced on 20 December 2018 and will continue until 20 June 2027. The Interest rate of the loan is 6-month LIBOR rate plus a fixed margin of 3.45%. Park Holding A.Ş. ("Park Holding"), WE Soda Kimya Yatırımları A.Ş. ("WE Soda Kimya") and Ciner Kimya Yatırımları A.Ş. ("Ciner Kimya") are parties to the Kazan Soda Facilities Agreement as guarantors.

See Note 4(b). Significant Restrictions with respect to the various covenants and restrictive provisions applicable to (subject to certain exceptions) the WE Soda Restricted Group under the Senior Facilities Agreement.

The Group has not capitalised any borrowing cost during the year (2020: USD nil).

The carrying value of bank borrowings held at amortised cost approximates the fair value.

The bank borrowings repayment schedule is as follows:

	2021	**2020**
Within 1 year	430,510	394,420
1 - 2 years	326,330	539,713
2 - 3 years	320,731	442,380
3 - 4 years	622,961	491,713
4 - 5 years	87,416	555,534
5 + years	54,004	108,114
	1,841,952	**2,531,874**

(tabular amounts in thousands of US dollars, except where noted)

27. Trade and other payables

Trade and other payables comprises of:

	2021	2020
Trade payables		
Current:		
Trade payables	79,224	90,709
Trade payables to related parties (Note 35)	24,102	39,466
	103,326	**130,175**
Non-current:		
Trade payables	-	32,757
Trade payables to related parties (Note 35)	-	24,929
	-	**57,686**
Total trade payables	**103,326**	**187,861**
Other payables		
Current:		
Other payables to related parties (Note 35)	26,099	46,387
Deposits received	102	117
Other sundry payables	679	5,736
	26,880	**52,240**
Non-current:		
Other payables to related parties (Note 35)	3	304
	3	**304**
Total other payables	**26,883**	**52,544**
Total trade and other payables	**130,209**	**240,405**

The average credit period for trade purchases is 53 days (2020: 61 days). The Directors consider the carrying value of trade and other payables (on which no interest is incurred) approximates to their fair value.

28. Derivative financial instruments

The Group may enter into derivative contracts from time to time to manage exposure to the risk of exchange rate changes on its foreign currency transactions, the risk of changes in natural gas prices, and the risk of the variability in interest rates on borrowings. Gains and losses on derivative contracts are recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. The Group follows hedge accounting for its hedging activities. All derivative instruments are recorded on the balance sheet at their fair values. The accounting for changes in the fair value of a derivative depends on the intended use of the derivative and the resulting designation. The Group designates its derivatives based upon criteria established for hedge accounting under IFRS. For a derivative designated as a fair value hedge, the gain or loss is recognised in earnings in the year of change together with the offsetting gain or loss on the hedged item attributed to the risk being hedged.

For a derivative designated as a cash flow hedge, the effective portion of the derivative’s gain or loss is initially reported as a component of accumulated other comprehensive income (loss) and subsequently reclassified into earnings when the hedged exposure affects earnings. Any significant ineffective portion of the gain or loss is reported in earnings immediately. For derivatives not designated as hedges, the gain or loss is reported in earnings in the year of change. Until 21 December 2021, the Group had the following 2 derivative financial instruments, interest rate swap contracts and gas forward contracts.

(tabular amounts in thousands of US dollars, except where noted)

a) *Interest rate swap contracts*

The Group does not have any swap contract as of 31 December 2021. In prior years, Sisecam Wyoming had interest rate swap contracts, designated as cash flow hedges, to mitigate its exposure to possible increases in interest rates. For the year ended 31 December 2020, the swap contracts consisted of three individual USD12.5 million, four individual USD12.5 million swaps with an aggregate notional value of USD37.5 million and USD50.0 million and had various maturities through 2023.

b) *Gas forward contracts*

The Group does not have any gas forward contracts as of 31 December 2021. In prior years, Sisecam Wyoming entered into natural gas financial forward contracts, designated as cash flow hedges, to mitigate volatility in the price of natural gas related to a portion of the natural gas it consumes. These contracts generally had various maturities through 2024. The aggregate notional value of financial gas forward purchase contracts as of 31 December 2020 was USD25.9 million and net fair value asset of USD0.4 million.

29. Employee benefits

Employee benefits comprises:

	2021	2020
Current:		
Due to personnel	874	9,647
Social security premiums payable	616	421
Provision for annual leave[(a)]	762	1,644
Provision for post-employment benefit[(c)]	-	1,789
Other payables	-	41
	2,252	**13,542**
Non-current:		
Provision for retirement pay obligation – Turkish operations[(b)]	1,899	2,013
Provision for retirement pay obligation – US operations [(b)]	-	55,157
Provision for post-employment benefit[(c)]	-	11,340
	1,899	**68,510**
Total	**4,151**	**82,052**

Retirement pay obligations for US operations comprise total benefit obligations net off fair value of plan assets as shown below:

	2021	2020
Benefit obligation	205,806	215,048
Fair value of plan assets	(172,963)	(159,891)
Disposal of Sisecam Chemicals Resources on 21 December 2021 – see Note 5	(32,843)	-
At 31 December	**-**	**55,157**

The above balances form part of the discontinued operations and hence nil balance as at 31 December 2021 (see Note 5).

a) *Provision for unused annual leave*

Movement of provision for unused annual leave is as follows:

	2021	2020
At 1 January	**1,644**	**1,405**
Additions	444	561
Payment/reversal of provision	(66)	(127)
Disposal of Sisecam Chemicals Resources on 21 December 2021 – see Note 5	(736)	-
Exchange loss on translation to presentation currency	(524)	(195)
At 31 December	**762**	**1,644**

(tabular amounts in thousands of US dollars, except where noted)

Unused annual leave is recognised for the monetary value of the unused annual leave remuneration to be paid to employees upon the termination of their employment contract for any reason, at the wage rate prevailing on the date of termination. The liability represents the undiscounted amount of remuneration to be paid assuming the termination occurs at the reporting date.

b) *Provision for retirement pay obligation*

Movement of provision for defined retirement benefit liability for the Turkish operations is as follows:

	2021	2020
At 1 January	**2,013**	**1,709**
Actuarial loss	26	-
Service cost	1,052	660
Interest cost	68	59
Termination benefits paid	(113)	(71)
Exchange gain on translation to presentation currency	(1,147)	(344)
At 31 December	**1,899**	**2,013**

Movement of provision for defined retirement benefit liability for the US operations is as follows:

	2021	2020
At 1 January	**55,157**	**54,800**
Disposal of Sisecam Chemicals Resources on 21 December 2021 – see Note 5	(32,843)	-
Actuarial loss	(6,674)	22,705
Service cost	2,522	2,113
Interest cost	1,276	1,723
Return on plan assets, excluding amounts included in interest income	(18,181)	(19,435)
Contribution by employer	(1,257)	(6,749)
At 31 December	**-**	**55,157**

The above balances form part of the discontinued operations and hence nil balance as at 31 December 2021 (see Note 5).

Sensitivity

Significant actuarial assumptions for the determination of the defined retirement benefit for the US operations are discount rate and the rate of compensation increase. Based on the gross obligation of USD200.8 million, a 1% change, in isolation, the plans obligation would have the effect shown in the table below:

Change		**+1%**	**-1%**
Discount rate	(Decrease)/increase in obligation	(21,815)	26,397
Rate of compensation increase	Increase/(decrease) in obligation	1,910	(1,547)

c) *Provision for other post-employment*

Movement for provision for other post-employment benefit is as follows:

	2021	2020
At 1 January	**13,129**	**13,757**
Disposal of Sisecam Chemicals Resources on 21 December 2021 – see Note 5	(10,579)	-
Actuarial loss	(1,242)	864
Service cost	242	200
Interest cost	207	346
Contribution by employer	(1,757)	(2,038)
At 31 December	**-**	**13,129**

The above balances form part of the discontinued operations and hence nil balance as at 31 December 2021 (see Note 5).

(tabular amounts in thousands of US dollars, except where noted)

Sensitivity

Significant actuarial assumptions for the determination of the other post-employment benefit are health cost trend rate and discount rate. A 1% change, in isolation, the obligation would have the effect shown in the table below:

Change		**+1%**	**-1%**
Health cost trend rate	Increase/(decrease) in obligation	166	(155)
Discount rate	(Decrease)/increase in obligation	(752)	878

In relation to the above sensitives, a change in a single assumption while all other assumption remain constant is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied as when calculating the defined benefit liability recognised in the statement of financial position.

Turkey

The Group's Turkish operations maintains a retirement pay obligation provision as required by Turkish law and union agreements, to ensure that lump sum payments are made to employees retiring or involuntarily leaving the Turkish subsidiaries. Such payments are considered as being part of employee benefit plan as per IAS 19 (Revised) - Employee Benefits.

The retirement pay provision recognised in the financial statements represents the present value of the retirement pay obligation. The actuarial gains and losses are recognised in other comprehensive income. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

Ceiling amount of USD836, which is declared by government and in effect since 1 January 2021, is used in the calculation of Group's provision for retirement pay liability. Ceiling amount determines the upper limit for the retirement pay provision liability for a 1 month of service length.

Turkish companies are not required by local law to set up a fund to meet their retirement pay obligations. Provision for retirement pay obligation is calculated by estimating the present value of probable liability amount arising due to retirement of employees IAS 19 (Revised) - Employee Benefits stipulates the development of a company's liabilities by using actuarial valuation methods. In this direction, actuarial assumptions used in calculation of total liabilities are described as follows:

- Liability for each year of service will move in correlation with Turkish national inflation rate. To reflect this correlation, the discount rate applied takes into account the anticipated effects of future inflation;

- Provision for retirement pay obligation is calculated as the present value of the future probable obligation of the company arising from the retirement of the employees by applying 3.96% real discount rate;

- Management assumes that due to voluntarily leave, 3.35% of liability for Eti Soda and 10.8% of liability for Kazan Soda will not be paid out to employees with 0 - 15 years of service. It is assumed that full payment will be made for those with 16 or more years of service and

- Ceiling amount of USD836 which is in effect since 1 January 2022 is used in the calculation of Groups' provision for retirement pay liability (1 January 2021: USD1,041, 1 January 2020: USD1,133).

(tabular amounts in thousands of US dollars, except where noted)

30. Mine closure provision

Mine closure provision amount (2021: USD nil, 2020: USD40.1 million) primarily represents the discounted future cash flow expenditure required for the closure of mines of Ciner Wyoming. The amount is based on the estimated remaining useful life of the mine and on external and internal estimates as to the cost to restore the land in the future and state regulatory requirements. During 2021, the remaining life was 61 years (2020: 62 years). The liability was discounted using a risk-free rate of approximately 2% (2020: 2%) per annum.

Movement of the provision may be analysed as follows:

	2021	2020
At 1 January	**40,130**	**86,229**
Accretion/Interest expense	855	2,129
Additions	(349)	-
Disposal of Sisecam Chemicals Resources on 21 December 2021 – see Note 5	(41,280)	-
Remeasurement[1] (Note 14)	644	(48,228)
At 31 December	**-**	**40,130**

Note 1 - While the discount rates as at 31 December 2021 and 31 December 2020 had decreased due to current market conditions (when compared to 31 December 2019), the forecast US inflation rate used in the calculation of the provision valuation had increased resulting in an overall increase in the free risk rate applied. The net effect of the changes in the current financial year was a downward adjustment of USD644.000 (2020: USD48,228,000) to the carrying value of provision for closure of the property.

The above balances form part of the discontinued operations and hence nil balance as at 31 December 2021 (see Note 5).

The Group is subject to environmental controls and regulations in Turkey which are closely monitored by Management. Within the scope of various laws, mining licences and 'use of mineral rights' agreements, the Group decommissions mine facilities on cessation of its mineral extraction operations and restores the surrounding environment. The Group's Management believes that its environmental obligations mainly include the following:

- rehabilitation of land and other types of on-going rehabilitation;
- decommissioning of mining assets and bringing mine sites into a condition that ensures the safety of the population and the protection of the environment, building and facilities.

As aforementioned environmental laws and regulations continue to evolve, Management continuously monitors and measures potential net cash outflows and inflows to be incurred due to decommissioning activities and currently does not expect any significant cash outflow. In this respect, the Group has not recognised any mine closure provision with respect to its investments in Turkey.

31. Deferred income (contract liabilities)

USD7.8 million (2020: USD43.0 million) of the deferred income consists of short-term advances received from customers through Ciner İç ve Dış Ticaret A.Ş., while the remaining USD0.9 million (2020: USD1.9 million) consists of advances received from other customers for soda ash and sodium bicarbonate sales of Turkish operating entities. Deferred income represents undelivered goods, which will be recognized as revenue upon delivery of such goods, which is consistent with the prior year. Movement in contract liabilities relates to timing differences.

(tabular amounts in thousands of US dollars, except where noted)

32. Share capital and other reserves

Issued and fully paid ordinary share capital as at 31 December 2021 amounted to USD153.7 million (2020: USD153.7 million).

Ordinary equity share capital

Authorised, allotted and fully paid	**Number**	**Share Capital $'000**	**Share Premium $'000**
At 1 January 2020	153,702,471	153,702	1,382,131
At 31 December 2020	153,702,471	153,702	1,382,131
At 31 December 2021	153,702,481	153,702	1,382,131

50,000 shares were issued at GBP1.00 per share at incorporation and were denominated to USD1.32 per share in 2017. All other ordinary shares were issued at USD1.00.

Class of shares	**Class A[1]**	**Class B[2]**	**Total**
At 1 January 2020	n/a	n/a	153,702,471
At 31 December 2020	153,692,471	10,000	153,702,471
At 31 December 2021	153,692,471	10,010	153,702,481

Notes:
1 – Ordinary shares with regular voting rights
2 – Ordinary shares with conferring enhanced voting rights pursuant to Article 13 set out in the Article of Association.

Restricted profit reserve for Turkish operations

The Turkish Commercial Code stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. As of 31 December 2021, Turkish operations' restricted profit reserves consist of legal reserves. The Group's legal reserve is USD47.4 million (2020: USD26.9 million).

Foreign Currency Translation Reserve

As detailed in Note 2.13 Foreign currencies and 2.29 Identification of functional currencies, the functional currency for each subsidiary is the currency of the primary economic environment in which it operates. The presentation currency of the Group is the US Dollar based on the assessment that the Group's revenue mix will be predominantly US Dollar denominated due to nature of the industry and US Dollar presentation will enhance comparability with industry peer group.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations (mainly reportable segments in Turkey) are translated into USD using exchange rates prevailing at the end of each reporting date. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during that year, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

(tabular amounts in thousands of US dollars, except where noted)

Please refer below for "Foreign Currency Translation Reserve" movements in respective years.

	Equity attributable to owners of the Company	Non-controlling interest	Total
Opening balance as of 1 January 2020	**(601,542)**	**(143,524)**	**(745,066)**
Other comprehensive (loss) / income for the year	(354,696)	(55,254)	(409,950)
Closing balance as of 31 December 2020	**(956,238)**	**(198,778)**	**(1,155,016)**
Other comprehensive (loss) / income for the year	(815,327)	(107,555)	(922,882)
Closing balance as of 31 December 2021	**(1,771,565)**	**(306,333)**	**(2,077,898)**

Earnings per ordinary share

	Weighted average number of shares	Earnings	Per share amount
Continuing operations:			
At 31 December 2020	153,702,471	186,218	1.212
At 31 December 2021	153,702,481	284,523	1.851
Discontinued operations:			
At 31 December 2020	153,702,471	(21,393)	(0.139)
At 31 December 2021	153,702,481	71,810	0.467

33. Group companies

The subsidiaries of the Group, the activity of which relates to the extraction and production of soda ash, at the reporting date were as follows:

Nature of relationship	Company	Country of Incorporation[4]	Principal activity	Registered address	Effective percentage holding
Subsidiary	Ciner Enterprises Inc.	USA	Holding company	5 Concourse Parkway, Suite 2500, Atlanta GA 30328	100%[1, 6]
Associate	Sisecam Chemicals Resources	USA	Holding company	As above	40%[1,6]
Subsidiary	Eti Soda Üretim Pazarlama Nakliyat ve Elektrik Üretim Sanayi ve Ticaret A.Ş.	Turkey	Mining for natural resources	Yeşilağaç Mahallesi Gürağaç Kümeevler No: 47/A 06730 Beypazarı, Ankara, Turkey	74%[2,6]
Subsidiary	Kazan Soda Elektrik Üretim A.Ş.	Turkey	Mining for natural resources	Söğütözü Caddesi Sim Söğütözü İş Merkezi No:14/D Beştepeler, Yenimahalle, Ankara, Turkey	100%[1, 6]
Subsidiary	Ciner Kimya Yatirimlari A.Ş.	Turkey	Holding company	Sultantepe Mahallesi Paşalimanı Caddesi No:41, Üsküdar, İstanbul, Turkey	100%[1, 6]
Subsidiary	WE Soda Ltd[1]	United Kingdom	Holding company	23 College Hill, London, EC4R 2RP, United Kingdom	100%[1,5]
Subsidiary	We Soda Kimya Yatirimlari A.Ş.	Turkey	Holding company	As above	100%[1, 6]
Subsidiary	TC Soda Holdings Inc.	USA	Holding company	5 Concourse Parkway, Suite 2500, Atlanta GA 30328	100%[1, 5]
Subsidiary	Imperial Natural Resources Trona Mining Inc.	USA	Holding company	As above	100%[1, 5]
	WE Soda Investments Holding Plc	United Kingdom	Holding company	23 College Hill, London, EC4R 2RP, United Kingdom	100%[1, 5]
Associate	Pacific Soda LLC	USA	Development project for natural resources	20 Shoshone Ave., Green River, WY 82935	40%[1,5]
Associate	Atlantic Soda LLC	USA	Development project for natural resources	5 Concourse Parkway, Suite 2500, Atlanta GA 30328	40%[1,5]

Note 1 - Ordinary shares
Note 2 - Preference shares (the right to appoint 6 members of Board of Directors out of 8)
Note 3 - General partner units which has incentive distribution rights and control rights over Ciner Resources LP
Note 4 - Principal place of business for all subsidiaries is same with the country of incorporation
Note 5 - Held directly by Kew Soda Ltd.
Note 6 - Held indirectly through subsidiary undertakings.

(tabular amounts in thousands of US dollars, except where noted)

Subsidiaries before 21 December 2021, prior to the completion of the 2021 Strategic Transactions:

Company	Country of Incorporation[4]	Principal activity	Registered address	Effective percentage holding
Ciner Enterprises Inc.	USA	Holding company	5 Concourse Parkway, Suite 2500, Atlanta GA 30328	100%[1,5]
Ciner Resource Partners LLC (GP) (renamed to Sisecam Resource Partners LLC)	USA	Holding company	As above	100%[3,6]
Ciner Resources Corporation (renamed to Sisecam Chemicals Resources LLC)	USA	Holding company	As above	100%[1,6]
Ciner Resources LP (renamed to Sisecam Resources LP)	USA	Holding company	As above	74%[1,6]
Ciner Wyoming Holding Co. (Sisecam Chemicals Wyoming LLC)	USA	Holding company	As above	100%[1,6]
Ciner Resource Partners LLC (GP) (renamed to Sisecam Resource Partners LLC)	USA	Mining for natural resources	254 County Road 4-6, Green River, WY 82935	38%[1,6]
Eti Soda Üretim Pazarlama Nakliyat ve Elektrik Üretim Sanayi ve Ticaret A.Ş.	Turkey	Mining for natural resources	Yeşilağaç Mahallesi Gürağaç Kümeevler No: 47/A 06730 Beypazarı, Ankara, Turkey	74%[2,5]
Kazan Soda Elektrik Üretim A.Ş.	Turkey	Mining for natural resources	Söğütözü Caddesi Sim Söğütözü İş Merkezi No:14/D Beştepeler, Yenimahalle, Ankara, Turkey	100%[1,5]
Ciner Kimya Yatirimlari A.Ş.	Turkey	Holding company	Sultantepe Mahallesi Paşalimanı Caddesi No:41, Üsküdar, İstanbul, Turkey	100%[1,5]
WE Soda Kimya Yatirimlari A.Ş.	Turkey	Holding company	As above	100%[1,5]

Note 1 - Ordinary shares
Note 2 - Preference shares (the right to appoint 6 members of Board of Directors out of 8)
Note 3 - General partner units, which has incentive distribution rights and control rights over Ciner Resources LP
Note 4 - Principal place of business for all subsidiaries is same with the country of incorporation
Note 5 - Held directly by WE Soda Ltd.
Note 6 - Held indirectly through subsidiary undertakings.

Non-controlling interest

NRP Trona LLC

Prior to the 2021 Strategic Transactions, NRP Trona LLC, a wholly owned subsidiary of Natural Resource Partners L.P., was deemed a non-controlling interest of the Group as it owned a 49% membership interest in Sisecam Wyoming. However, following the 2021 Strategic Transactions, which completed on 21 December 2021, NRP Trona LLC is no longer deemed a non-controlling interest given that the Group no longer controls Sisecam Wyoming as the Group sold 60% of its interest in Sisecam Chemicals Resources.

Eti Maden

Eti Maden currently owns a 26% membership interest in Eti Soda. This non-controlling interest of Eti Maden has protective rights as follows;

- Eti Maden has certain blocking rights over change in ownership of existing shares and capital increases,
- Eti Maden has certain approval rights for budget, additional borrowings, capital expenditure and merger transactions.

With respect to the former US subsidiaries of the Group prior to the 2021 Strategic Transactions, non-controlling interests existed for Sisecam Wyoming and Sisecam Resources.

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. For the avoidance of doubt, as of the reporting date of this consolidated financial statements, NRP Trona LLC is no longer deemed to have non-controlling interests in Sisecam Wyoming and Sisecam Resources, as the Group sold 60% of its interest in Sisecam Chemicals Resources following the 2021 Strategic transactions, and therefore the presentation below with respect to CEI is not relevant for any year following the 2021 Strategic Transactions.

The amounts disclosed for each subsidiary are before inter-company eliminations:

(tabular amounts in thousands of US dollars, except where noted)

Amongst the US subsidiaries of the Group, non-controlling interests exist for Ciner Wyoming LLC and Ciner Resources LP.

2021	**Eti Soda**	**Ciner Enterprises Inc.**
Summarised balance sheet		
Current assets	274,643	n/a
Non-current assets	565,662	n/a
Current liabilities	237,659	n/a
Non-current liabilities	83,406	n/a
Equity attributable to owners of the Company	384,242	n/a
Non-controlling interest	134,998	n/a
Summarised statement of comprehensive income		
Revenue	350,382	-
Expenses	(192,835)	(30,928)
Gain from sale of subsidiary	-	55,078
Discontinued operations	-	16,732
Total profit for the year	**157,547**	**40,882**
Profit for the year attributable to:		
Shareholders	116,585	28,352
Non-controlling interest	40,962	12,530
Total profit for the year	**157,547**	**40,882**
Summarised statement of cash flow		
Cash and cash equivalents at beginning of the year	380	1,230
Net cash generated from operating activities	120,765	64,626
Net cash used from investing activities	(16,145)	272,478
Net cash used from financing activities	(109,283)	(334,429)
Effects of exchange rate changes on cash and cash equivalents	5,008	-
Cash and cash equivalents at end of the year	**725**	**3,905**

(tabular amounts in thousands of US dollars, except where noted)

2020	Eti Soda	Ciner Enterprises Inc.
Summarised balance sheet		
Current assets	451,249	130,477
Non-current assets	1,015,170	1,264,422
Current liabilities	262,730	231,554
Non-current liabilities	177,921	422,142
Equity attributable to owners of the Company	759,068	124,230
Non-controlling interest	266,700	616,973
Summarised statement of comprehensive income		
Revenue	325,269	419,799
Expenses	(165,860)	(455,560)
Total profit for the year	**159,409**	**(35,761)**
Profit for the year attributable to:		
Shareholders	117,963	(26,907)
Non-controlling interest	41,446	(8,854)
Total profit for the year	**159,409**	**(35,761)**
Summarised statement of cash flow		
Cash and cash equivalents at beginning of the year	87,054	15,364
Net cash generated from operating activities	282,412	67,559
Net cash used from investing activities	(11,288)	(42,272)
Net cash used from financing activities	(353,315)	(39,421)
Effects of exchange rate changes on cash and cash equivalents	(4,483)	-
Cash and cash equivalents at end of the year	**380**	**1,230**

34. Interest in equity accounted associates

The Group has completed a series of transactions referred to as “2021 Strategic Transactions”, which completed on 21 December 2021 and consist of:

(i) CEI sale of its 60% interest in Sisecam Chemicals Resources on 21 December 2021, to Sisecam;

(ii) the Ciner Group’s sale of its 10% interest in Pacific Soda and 60% interest in Atlantic Soda to Sisecam; and

(iii) the acquisition by WE Soda of a 40% indirect interest in each of Pacific Soda and Atlantic Soda, through an in-kind contribution of TC Soda to the capital of Kew Soda Ltd.

Following the 2021 Strategic Transactions, the Group owns a 40% interests in each of Sisecam Chemicals Resources, Pacific Soda and Atlantic Soda, which the Group have recognised as equity accounted associates as at 31 December 2021 and with effect from 21 December 2021.

(tabular amounts in thousands of US dollars, except where noted)

Set out below are the associates of the Group as at 31 December 2021 which, in the opinion of the directors, are material to the Group. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Company	**Country of Incorporation**	**Principal activity**	**Measurement method**	**Effective percentage holding**	**2021**
Sisecam Chemicals Resources LLC (formerly Ciner Resources Corporation)	USA	Holding company	Equity method	40%	200,000
Pacific Soda LLC	USA	Mining for natural resources	Equity method	40%	92,000
Atlantic Soda LLC	USA	Mining for natural resources	Equity method	40%	34,667
Total equity accounted investments					**326,667**

Summarised financial information for associates

The tables below provide summarised financial information for those joint ventures and associates that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and not the Group's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

	Sisecam Chemicals Resources	**Pacific Soda**	**Atlantic Soda**
Summarised balance sheet			
Current assets	170,573	36,600	-
Non-current assets	1,335,705	247,229	120,627
Current liabilities	(89,720)	(14,351)	(33,960)
Non-current liabilities	(179,275)	(39,478)	-
Minority interests	(737,283)	-	-
Net assets	**500,000**	**230,000**	**86,667**
Reconciliation to carrying amounts:			
Opening net assets at 21 December	500,000	230,000	86,667
Profit for the period	-	-	-
Other comprehensive income	-	-	-
Dividend paid	-	-	-
Net assets	**500,000**	**230,000**	**86,667**
Group's share in %	40%	40%	40%
Group's share in USD'000	200,000	92,000	34,667
Goodwill	-	-	-
Carrying amount	**200,000**	**92,000**	**34,667**

(tabular amounts in thousands of US dollars, except where noted)

35. Related party transactions

The immediate parent undertaking is Akkan Enerji ve Madencilik A.Ş. The ultimate controlling party is Mr. Turgay Ciner. The Group entered into transactions with related parties for the rendering of services, which amounts, depending on their nature, have either been charged to the income statement or capitalised as non-current assets as follows:

2021	Sales	Purchase	Financial income	Financial expense	Other income	Other expense
Parent company:						
Akkan Enerji Madencilik A.Ş.	-	-	17,973	-	-	-
Other related parties:						
Ciner İç ve Dış Ticaret A.Ş.[1]	779,819	4,866	88,865	7,704	-	-
Denmar Depoculuk Nakliyat A.Ş.	33	20,526	549	105	-	-
Eti Maden İşletmeleri Genel Müdürlüğü	1,596	15,260	-	709	-	-
Mineral Minings Commodity Trading LLC	-	27,848	-	-	1,265	-
Park Cam Sanayi ve Ticaret A.Ş.	18,701	1	1,486	-	-	-
Park Holding A.Ş.	-	27,527	44,195	3,832	-	2,209
Park Toptan Elektrik Enerjisi Satış Sanayi ve Ticaret A.Ş.	-	41,577	1,589	2,809	-	-
Ciner Tanker Işletmeleri San. ve Ticaret A.Ş.	-	13,857	398	-	-	139
Konya - Ilgın Elektrik Üretim ve Ticaret A.Ş.	-	4,641	-	54	-	-
Other	356	1,056	272	19	18	-
Total	**800,505**	**157,159**	**155,327**	**15,232**	**1,283**	**2,348**

Note 1 - The Group performs majority of its export and domestic sales through Ciner İç ve Dış Ticaret A.S. which is an export intermediary company established for this purpose in Turkey.

(tabular amounts in thousands of US dollars, except where noted)

2020	Sales	Purchase	Financial income	Financial expense	Other income	Other expense
Other related parties:						
Akkan Enerji ve Madencilik A.Ş.	-	-	14,834	-	-	-
American Natural Soda Ash Corporation	177,891	1,362	-	-	-	-
Ciner İç ve Dış Ticaret A.Ş. [1]	685,909	2,972	35,117	26,001	-	-
Ciner Tanker Işletmeleri San. ve Ticaret A.Ş.	-	2,903	-	14	-	-
Denmar Depoculuk Nakliyat A.Ş.	2	18,263	-	76	-	-
Eti Maden İşletmeleri Genel Müdürlüğü	1,436	16,276	-	1,296	-	-
Konya - Ilgın Elektrik Üretim ve Ticaret A.Ş.	2	3,295	-	20	-	-
Mineral Minings Commodity Trading LLC	-	24,841	-	-	1,235	-
Park Cam Sanayi ve Ticaret A.Ş.	22,516	5	198	-	-	-
Park Holding A.Ş.	-	24,874	12,954	311	-	2,025
Park Toptan Elektrik Enerjisi Satış Sanayi ve Ticaret A.Ş.	-	22,426	-	384	-	-
Regnum Solicitors	-	559	-	-	-	-
Other	146	1,142	28	143	-	-
Total	**887,902**	**118,918**	**63,131**	**28,245**	**1,235**	**2,025**

Note 1 - The Group performs majority of its export and domestic sales through Ciner İç ve Dış Ticaret A.S. which is an export intermediary company established for this purpose in Turkey.

Goods are sold based on price lists in force and terms that would be available to third parties. Goods and services are bought from associates on normal commercial terms and conditions.

(tabular amounts in thousands of US dollars, except where noted)

Year-end balances arising from sales/purchases of goods/services:

	Receivables				**Payables**				
	Current		**Non-current**		**Current**		**Non-current**		**Order Advances Received**
As at 31 December 2021	**Trade**	**Non trade**	**Trade**	**Non trade**	**Trade**	**Non trade**	**Trade**	**Non trade**	**Short term**
Parent company:									
Akkan Enerji Madencilik A.Ş.	-	-	-	254,858	-	-	-	-	-
Other related parties:									
Ciner İç ve Dış Ticaret A.Ş.	134,983	-	-	-	806	-	-	-	7,778
Eti Maden İşletmeleri Genel Müdürlüğü	-	-	-	-	15,138	23,555	-	-	-
Park Cam Sanayi ve Ticaret A.Ş.	4,374	-	-	-	-	-	-	-	-
Park Holding A.Ş.	-	856	-	76,627	291	2,088	-	-	-
Park Toptan Elektrik Enerjisi Satış Sanayi ve Ticaret A.Ş.	-	-	-	-	6,455	-	-	-	-
Turgay Ciner	-	32,602	-	162,600	-	-	-	-	-
Other	39	97	-	3	1,412	456	-	3	-
Total	**139,396**	**33,555**	**-**	**494,088**	**24,102**	**26,099**	**-**	**3**	**7,778**

Note 1 - The Group's Turkish subsidiaries performs majority of their export and domestic sales through Ciner İç ve Dış Ticaret A.S. which is an export intermediary company established for this purpose. For US operations, ANSAC performs the same function for export sales.
Note 2 - Agreement between Eti Soda and Eti Maden İşletmeleri Genel Müdürlüğü stipulates that Eti Soda is to pay royalty fee of USD6.1 million or the amount greater than 6% of freight expenses deducted from revenue amount on an annual basis.
Note 3 - Long-term non-trade receivables amounting USD76.6 million is due to the financing purposes transactions made with Park Holding. It is the Management's intention that this receivable will not be collected in less than one year.
Note 4 - Interest bearing
Note 5 - The existing non-trade receivable of the Company from Park Holding as of 31 December 2018, is novated to Kew Soda Ltd and Akkan Enerji respectively with the same terms for the simplification purpose of intergroup transactions between Akkan Group and rest of the Ciner Group companies.

Receivables and payables from/to related parties are unsecured and are repayable on demand.

(tabular amounts in thousands of US dollars, except where noted)

Year-end balances arising from sales/purchases of goods/services:

	Receivables				Payables				
	Current		Non-current		Current		Non-current		Order Advances Received
As at 31 December 2020	**Trade**	**Non trade**	**Trade**	**Non trade**	**Trade**	**Non trade**	**Trade**	**Non trade**	**Short term**
Parent company:									
Akkan Enerji Madenscilik A.Ş.	-	-	-	415,965	-	-	-	-	-
Other related parties:									
American Natural Soda Ash Corporation[1]	41,948	-	-	-	183	-	-	-	-
Ciner İç ve Dış Ticaret A.Ş.[1]	99,970	16,365	-	-	77	7,089	-	-	42,971
Denmar Depoculuk Nakliyat A.Ş.	-	-	-	-	2,091	-	-	-	-
Eti Maden İşletmeleri Genel Müdürlüğü[2]	-	-	-	-	34,202	26,163	-	-	-
Mineral Minings Commodity Trading LLC	-	1,244	-	-	-	8,264	-	-	-
Park Cam Sanayi ve Ticaret A.Ş.	9,016	-	-	-	-	-	-	-	-
Park Holding A.Ş. [3,4,5]	-	224,856	-	110,174	1,064	4,559	24,929	-	-
Park Teknik Elektrik Madencilik Turizm Sanayi ve Ticaret A.Ş.	-	-	-	-	770	312	-	304	-
Other	398	371	-	4	1,079	-	-	-	-
Total	**151,332**	**242,836**	**-**	**526,143**	**39,466**	**46,387**	**24,929**	**304**	**42,971**

Note 1 - The Group's Turkish subsidiaries performs majority of their export and domestic sales through Ciner İç ve Dış Ticaret A.S. which is an export intermediary company established for this purpose. For US operations, ANSAC performs the same function for export sales.
Note 2 - Agreement between Eti Soda and Eti Maden İşletmeleri Genel Müdürlüğü stipulates that Eti Soda is to pay royalty fee of USD6.1 million or the amount greater than 6% of freight expenses deducted from revenue amount on an annual basis.
Note 3 - Long-term non-trade receivables amounting USD110.2 million is due to the financing purposes transactions made with Park Holding. It is the Management's intention that this receivable will not be collected in less than one year.
Note 4 - Interest bearing
Note 5 - As of 31 December 2020, the Group was not in compliance with certain clauses of loan agreement related with transactions with its affiliates due to certain transfers and loans from the Group to its affiliates. Short-term non-trade receivables amounting USD224.9 million represents such transfers and fully collected until 8 June 2021 and a waiver granted on 18 June 2021 to waive of all defaults, breaches, and events of default, which occurred or may have occurred due to this affiliate transaction.

Receivables and payables from/to related parties are unsecured and are repayable on demand.

As at 31 December 2021, the Group has no payable (2020: USD0.6 million) for services provided, to a company that a director has interest in.

(tabular amounts in thousands of US dollars, except where noted)

Compensation and transactions with key management personnel

Key management personnel are considered to comprise only the Directors. The compensation of Directors of the Group may be analysed as such:

	2021		2020	
	Directors	**Highest paid director**	**Directors**	**Highest paid director**
Short term employee benefits - Salary	4,815	1,654	3,554	1,666
Short term employee benefits - Health insurance	14	2	6	2
	4,829	1,656	3,560	1,668
Post employment benefits - Benefits under money purchase schemes	178	-	71	2
Aggregate emoluments	**5,007**	**1,656**	**3,631**	**1,670**
Sums paid to third parties for directors' services	32	-	559	-

The Directors are not entitled to participate in any defined benefit pension schemes or granted any long-term benefits.

36. Commitments

Guarantee letters given

As at 31 December 2021, subsidiaries of the Group had provided bank guarantee letters to the value of USD12.5 million (2020: USD16.3 million) mainly in respect of its financial borrowings from Export Credit Bank of Turkey and purchases from vendors.

Pledged assets

Property, plant and equipment assets with a net book value amounting USD586.7 million (2020: USD736.8 million) was pledged using Commercial Enterprise Pledges ("CEP") in accordance with local Turkish regulation.

CEP is form of security that allows banks and financial institutions to create a pledge on all movable assets and certain intangible rights of a borrower without receiving the possession of the pledged asset, and with the possibility of the borrower continuing its business operations by using the pledged assets.

Guarantee letters received

As at 31 December 2021, subsidiaries of the Group, Eti Soda and Kazan Soda, had received bank guarantee letters to the value of USD4.4 million (2020: USD2.8 million) as a guarantee from third parties.

Firm commitments

The Group's operating subsidiaries leases trona mining rights from either local state or private entities. All of said lease agreements stipulates for a royalty to be paid by the lessees to the lessors based upon production volume generated from the trona mines. For Eti Soda, this royalty clause also includes a minimum threshold of USD6.180 million per year of royalty, regardless of production volume generated.

Ciner Wyoming LLC, entered into 10 years rail yard switching and maintenance agreement with a third party, Watco Companies, LLC ("Watco"), on 1 December 2011. Under the agreement, Watco provides rail-switching services at Ciner Wyoming LLC's rail yard. Ciner Wyoming LLC's rail yard is constructed on land leased by Watco from Rock Springs Grazing Association and Anadarko Land Corp; the Rock Springs Grazing Association land lease is renewable every 5 years for a total period of 30 years, while the Anadarko Land Corp. lease is perpetual. Ciner Wyoming LLC has an option agreement with Watco to assign these leases to Ciner Wyoming LLC at any time during the land lease term.

(tabular amounts in thousands of US dollars, except where noted)

Ciner Wyoming LLC entered into two track lease agreements, collectively, not to exceed 10 years with Union Pacific Company for certain rail track used in connection with the rail yard.

Ciner Resources Corporation, another US subsidiary of the Group, has lease contracts with various lessors for rail cars to transport product to customer locations and warehouses. Rail car leases under these contractual commitments range for periods from 1 to 10 years.

Ciner Wyoming LLC has a self-bond agreement with the Wyoming Department of Environmental Quality ("WEDQ") under which the subsidiary commits to pay directly for reclamation costs at our Green River, Wyoming plant site. The amount of the bond was USD36.2 million as of 31 December 2020. In May 2019, the State of Wyoming enacted legislation that limits our and other mine operators' ability to self-bond, which would require the subsidiary to seek other acceptable financial instruments to provide additional assurances for our reclamation obligations by November 2020. After the subsidiary secured the Surety Bond, the previous Self-Bond Agreement was terminated. As of the date of this report, the impact on our net income and liquidity due to securing the Surety Bond has been immaterial and we anticipate that to continue to be the case. The amount of such assurances that we are required to provide is subject to change upon periodic re-evaluation by the WDEQ's Land Quality Division. As a result of the most recent such periodic re-evaluation, the Surety Bond amount was increased to USD41.8million effective March 1, 2021.

Yet as of the date of this Report, the subsidiary anticipates that any such impact on our net income and liquidity will be limited. The amount of such surety guarantee is subject to change upon periodic re-evaluation by the WDEQ's Land Quality Division.

37. Dividends

During 2021 no ordinary dividends were declared and paid (2020: USD nil). The Directors do not recommend the payment of any further final dividend for the year (2020: USD nil).

Ciner Enterprises and subsidiaries, collectively subsidiaries of the Group, has paid a total of USD29.8 million (2020: USD42.7 million) of which USD13.0 million (2020: USD17.7 million) of dividends for the year to be paid to its non-controlling interest. The remainder of USD16.8 million (2020: USD25.0 million) was paid to other Group companies and therefore eliminated on consolidation.

38. Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non- cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Note	As at 1 January 2021	Financing cash flows[1]	Foreign Currency Differences	Other changes[2]	As at 31 December 2021
Borrowings	26	2,482,001	(584,295)	367,652	(454,044)	1,811,314
Lease liabilities	39	38,287	(16,926)	3,388	(8,807)	15,942
Other payables	27	52,544	(100,762)	(19)	75,120	26,883
Derivative financial instruments	28	2,163	-	-	(2,163)	-
Total liabilities		**2,574,995**	**(701,983)**	**371,021**	**(389,894)**	**1,854,139**

Note 1- The cash flows from bank loans, loans from related parties and other borrowings make up the net amount of proceeds from borrowings and repayments of borrowings in the statement of cash flows.

Note 2- Other changes include provisions, accruals and payments.

(tabular amounts in thousands of US dollars, except where noted)

	Notes	As at 1 January 2020	Financing cash flows[1]	Foreign Currency Differences	Other changes[2]	As at 31 December 2020
Borrowings	24	2,444,951	(173,801)	292,355	(81,504)	2,482,001
Lease liabilities	36	46,460	(17,720)	3,975	5,572	38,287
Other payables	25	46,901	(31,458)	(45)	37,146	52,544
Derivative financial instruments	28	6,171	-	-	(4,008)	2,163
Total liabilities		**2,544,483**	**(222,979)**	**296,285**	**(42,794)**	**2,574,995**

Note 1- The cash flows from bank loans, loans from related parties and other borrowings make up the net amount of proceeds from borrowings and repayments of borrowings in the statement of cash flows.

Note 2- Other changes include provisions, accruals and payments.

39. Lease liabilities and right of use of assets

In the previous year, the Group has applied IFRS 16 Leases that is effective for annual periods that begin on or after 1 January 2019. The date of initial application of IFRS 16 for the Group is 1 January 2019, by using the cumulative catch-up approach.

a) Right of use of assets

2021 - Right of use assets	**Buildings**	**Vehicles**	**Rail Car**	**Total**
Cost:				
At 1 January 2021	**3,029**	**961**	**41,240**	**45,230**
Additions	6,418	1,276	5,139	12,833
Expiration	-	-	(4,867)	(4,867)
Acquisition of the subsidiary	3,210	-	-	3,210
Disposal of Sisecam Chemicals Resources on 21 December 2021 – see Note 5	(1,786)	(339)	(41,512)	(43,637)
Presentation currency translation effect	(7)	(693)	-	(700)
At 31 December 2021	**10,864**	**1,205**	**-**	**12,069**
Amortisation:				
At 1 January 2021	**(925)**	**(672)**	**(17,471)**	**(19,068)**
Charge for the year	(795)	(579)	(9,839)	(11,213)
Expiration	-	-	4,867	4,867
Disposal of Sisecam Chemicals Resources on 21 December 2021 – see Note 5	798	46	22,443	23,287
Presentation currency translation effect	2	453	-	455
At 31 December 2021	**(920)**	**(752)**	**-**	**(1,672)**
Carrying Amount as of 31 December 2021	**9,944**	**453**	**-**	**10,397**

(tabular amounts in thousands of US dollars, except where noted)

2020 - Right of use assets	Buildings	Vehicles	Rail Car	Total
Cost:				
At 1 January 2020	**1,210**	**900**	**39,200**	**41,310**
Additions	1,823	252	6,626	8,701
Expiration	-	-	(4,586)	(4,586)
Presentation currency translation effect	(4)	(191)	-	(195)
At 31 December 2020	**3,029**	**961**	**41,240**	**45,230**
Accumulated depreciation:				
At 1 January 2020	**(292)**	**(414)**	**(11,950)**	**(12,656)**
Expiration	-	-	4,586	4,586
Charge for the year	(634)	(353)	(10,107)	(11,094)
Presentation currency translation effect	1	95	-	96
At 31 December 2020	**(925)**	**(672)**	**(17,471)**	**(19,068)**
Carrying Amount as of 31 December 2020	**2,104**	**289**	**23,769**	**26,162**

b) Lease liabilities

Lease liabilities may be analysed as such:

	2021	2020
Analysed as:		
Non-current[1]	10,543	22,649
Current[2]	5,399	15,638
Total	**15,942**	**38,287**

Note 1- Includes: USD7.5 million (2020: USD5.5 million) of finance lease arrangements related to property, plant and equipment and USD3.0 million (2020: USD17.1 million) of other lease arrangements related to buildings, vehicles and rail car leases.

Note 2- Includes: USD4.3 million (2020: USD5.7 million) of finance lease arrangements related to property, plant and equipment and USD1.0 million (2020: USD9.9 million) of other lease arrangements related to buildings, vehicles and rail car leases.

Interest rates are fixed at the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's finance and treasury functions.

40. Post balance sheet events

Original Facilities Agreement & New Senior Facilities Agreement

On 14 February 2022 (the "Closing Date"), the Original Facilities Agreement was rescinded and replaced by the Senior Facilities Agreement dated 10 February 2022. In particular, the Original Facilities were refinanced with a senior secured amortising term loan facility, split into a euro denominated tranche of an aggregate principal amount of €782.4 million and a US dollar-denominated tranche of an aggregate principal amount of USD270.3 million (together, the "Term Facilities").

Under the Senior Facilities Agreement, quarterly principal repayment amounts range from 1.25% – 2.5% as further detailed in the Senior Facilities Agreement, interest payments are due quarterly and any remaining aggregate outstanding principal amount will be repaid on termination or the maturity date, which is 54 months later than Closing Date.

With the refinancing, the outstanding principal borrowing amount of USD1,155 million as of 31 December 2021 under the Original Facilities was partially discharged and reduced to USD 1,113 million as of 31 March 2022.

New subsidiary - Soda World Ltd

The Ciner Group transferred Soda World Ltd ('Soda World") to the Group on 21 January 2022, and from such date Soda World is consolidated as a subsidiary to the Group's results. Soda World will be the direct contracting party with the Group's customers and the direct holder of certain export receivables from Eti Soda and Kazan Soda.

New foreign trade company ("FTC")

The Ciner Group has incorporated WE İç ve Dış Ticaret A.Ş. ("WIDT") in Turkey, which was transferred to the Group to become a wholly owned subsidiary on 24 March 2022, and will act as the Group's sole export intermediary and registered Foreign Trade Company ("FTC") for the export of products from Turkey, replicating the cash flow and VAT processing benefits of CIDT. It is intended that WIDT will gradually take over the role of the Group's FTC in Turkey by 2023 year end, replacing CIDT and exporting products on behalf of Kazan Soda and Eti Soda to Soda World pursuant to a resale agreement. Under Turkish regulations, WIDT's application to become an FTC can only be submitted when specific trading thresholds have been met (in excess of USD100 million of export sales in a calendar year). Once registered with the relevant Turkish authorities, the Group expects that WIDT will be granted FTC status during March 2023.

Change in corporate taxation

Standard corporation tax rate is 20% in Turkey. However, the Turkish corporation tax rate is currently set at 23% for income derived by corporations in the 2022 fiscal year.

On 22 January 2022, Law No. 7351 ("the Law") was published in the Official Gazette and entered into force on the date of publication. The Law sets forth a one point decrease in the corporation tax rate on the specified income of the following corporations:

- On the corporation income exclusively derived from export transactions by corporations that perform exportation,
- On the corporation income exclusively derived from manufacturing activities by corporations that have an industrial registry certificate and actually perform manufacturing activities.

Accordingly, the corporation tax rate will be applied as 22% for the above-mentioned corporations for FY 2022. Starting from 2023, unless any changes occur in the legislation, the Turkish corporation tax rate will be imposed at 19% for the above-mentioned corporations. Since Kazan Soda and Eti Soda fulfils both of the aforementioned requirements, the Turkish corporation tax rate will be used by them will decrease by 1% commencing from 1 January 2022.

Redenomination of new senior facilities agreement

On 5 May 2022 , in accordance with paragraph (a)(iv) of the definition of "Structural Adjustment" and paragraph (a) of Clause 41.4 (Other exceptions) of the Senior Facilities Agreement, EUR 180,301,402 portion of Senior Facilities Agreement redenominated from Euro into US Dollars in equivalent of USD 191,101,456.

Change in the functional currency of Turkish subsidiaries

As detailed in Note 4, the Group's Turkish operating entities, Eti Soda and Kazan Soda, considered the Turkish Lira as their functional currency for all years presented.

Towards the end of 2021, Turkey experienced unexpected fluctuations with respect to macro-economic indicators and the government took certain measures in order to control such fluctuations. However, after year-end 2021, despite the measures taken, there have been material changes affecting the economic environment in Turkey. As required under IAS 21, the Group has evaluated such changes as a triggering event for a reassessment of the functional currency of all subsidiaries which currently have Turkish Lira as their functional currency.

The determination of the functional currency requires management to make numerous judgments. As a result of management's review and analysis of Eti Soda and Kazan Soda, it has been concluded that the US dollar is the currency that most accurately represents the economic effects of both entities. Management's analysis was based on the following considerations:

- Factors that determined the functional currency were always mixed, with revenues predominantly influenced by mainly US dollar denominated international markets and costs by both international and local Turkish Lira denominated factors.

- In the last year, the exchange rate of the Turkish Lira has been severely affected by devaluation against hard currencies, and the US dollar in particular. This has had a very limited impact on the Group's sales prices but it has affected costs. The relative proportion (by value) of locally incurred input costs denominated in Turkish Lira, such as labour, compared to US dollar influenced input costs, such as natural gas, has decreased significantly mainly because the price of natural gas, which is imported and which price is ultimately set with reference to US dollars, has increased significantly during 2022 and in particular, following the notification of significant price increases on 31 March 2022.

- As part of the Group's corporate strategy, less functional and governance control is being led from Turkey and new internal reporting initiatives are in US dollars.

While indicators are still mixed, it is the judgement of Management that the functional currency for Eti Soda and Kazan Soda has now shifted towards the US dollar, because the majority of our decisions and those of our largest suppliers are principally based on the US dollar as the underlying currency. This change will be applied prospectively from 1 April 2022 and will not affect the balances as of 31 December 2021, nor results or cash flows for the year then ended. The figures for Eti Soda and Kazan Soda as of 30 June 2022 will be restated to US dollars in accordance with IAS 21.

Kew Soda Ltd

Parent Company Statement of Profit or Loss and Other Comprehensive Income

For the year ended December 31, 2021

(in thousands of US dollars)

	Note	2021	2020
Continuing operations			
Administrative expenses	E	(66)	(24)
Other operating income		82	-
(Loss)/ profit from operations before financial expense		**16**	**(24)**
Financial income	G	48,334	50,882
Financial expense	G	(48,617)	(50,678)
(Loss)/ profit before tax		**(267)**	**180**
Tax	F	-	-
Profit/(loss) for the financial year and total comprehensive (expense)/ income		**(267)**	**180**

The notes on pages 107 to 114 form part of these parent company financial statements.

Kew Soda Ltd

Parent Company Statement of Financial Position
As at December 31, 2021
(in thousands of US dollars)

	Note	2021	2020
Assets			
Current assets			
Cash and cash equivalents	J	3	3
Total current assets		**3**	**3**
Non-current assets			
Investments	H	1,666,806	1,535,768
Other receivables	I	254,858	415,965
Total non-current assets		**1,921,664**	**1,951,733**
Total assets		**1,921,667**	**1,951,736**
Current liabilities			
Trade payables	K	3,114	-
Total current liabilities		**3,114**	**-**
Non-current liabilities			
Other payables	K	251,810	415,764
Total non-current liabilities		**251,810**	**415,764**
Total liabilities		**254,924**	**415,764**
Net assets		**1,666,743**	**1,535,972**
Equity			
Paid in capital	L	153,702	153,702
Share premium	L	1,382,131	1,382,131
Contribution in kind		131,038	-
Retained earnings / (accumulated losses)		139	(41)
Net profit for the year		(267)	180
Total equity		**1,666,743**	**1,535,972**

The notes on pages 107 to 114 form part of these parent company financial statements.

The financial statements on pages 103 to 114 were approved by the Board of Directors on 30 May 2022 and signed on its behalf by

Ahmet Tohma
Director
30 May 2022

Mehmet Ali Erdoğan
Director
30 May 2022

Company Number 10260126

Kew Soda Ltd

Parent Company Statement of Changes in Equity

For the year ended December 31, 2021
(in thousands of US dollars)

	Notes	Share capital	Share premium	Capital contribution in kind[1]	(Accumulated losses) / retained earnings	Total equity
At 1 January 2020		**153,702**	**1,382,131**	**-**	**(41)**	**1,535,792**
Profit for the year		-	-	-	180	**180**
Total comprehensive income for the year		-	-	-	180	**180**
At 31 December 2020		**153,702**	**1,382,131**	**-**	**139**	**1,535,972**
Acquisition of the subsidiary	L	-	-	131,038	-	**131,038**
Loss for the year		-	-	-	**(267)**	**(267)**
Total comprehensive expense for the year		-	-	-	**(267)**	**(267)**
At 31 December 2021		**153,702**	**1,382,131**	**131,038**	**(128)**	**1,666,743**

Note 1 - Since KEW Soda Ltd. acquired more than 90% of the shares in a company (TC Soda) by issuing its own shares in return, as required by the Companies Act, 2006, the difference between the USD131.0 million fair value of TC Soda and the nominal value of the shares issued by KEW Soda Ltd. has been credited to equity under "Capital contribution in kind".

The notes on pages 107 to 114 part of these parent company financial statements.

Kew Soda Ltd

Parent Company Statement of Cash Flows

For the year ended December 31, 2021

(In thousands of US dollars)

	Note	2021	2020
Cash flow from operating activities			
(Loss) / profit after tax		**(267)**	180
Operating cash flow prior to movement in working capital		**(267)**	**180**
Adjustments for:			
Interest income		(15,255)	(14,834)
Interest expense		15,388	14,641
Movement in trade payables		3,194	-
Net foreign exchange gain / (loss)		68	(11)
Net cash generated from / (used in) operating activities		**3,128**	**(24)**
Investing activities			
Cash inflow from loans to group companies		143,134	2,304
Cash outflow from loans to group companies		(146,262)	(2,280)
Net cash (used in) / generated from investing activities		**(3,128)**	**24**
Financing activities			
Cash flows in respect of borrowings from group companies		-	-
Net cash used in financing activities		**-**	**-**
Net decrease in cash and cash equivalents		-	-
Cash and cash equivalents at the beginning of the year		3	3
Effect of foreign exchange rate change		-	-
Cash and cash equivalents at the end of the year		**3**	**3**

The notes on pages 107 to 114 form part of these parent company financial statements.

A. General information

The separate financial statements of the Parent Company are presented as required by the Companies Act 2006 (the Act). As permitted by the Act, the separate financial statements of the Parent Company have been prepared in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006.

The Company's financial statements are included in the Kew Soda Ltd Group consolidated financial statements for the year ended 31 December 2021.

Please refer to Directors' report in the Group consolidated financial statements for information on Company's domicile, legal form, country of incorporation, description of the nature of the entity's operations and business activities.

The functional and presentation currency of the Company is the US Dollar. See Note 2.16 *Foreign currencies* in the Group consolidated financial statements for further explanation on the Company's treatment of foreign currencies.

The financial statements of the Company as of and for the year ended 31 December 2021 have been prepared on the going concern basis, as the Directors have determined that the Company has sufficient resources and liquidity to continue in operational existence and to meet its liabilities as they fall due at least 12 months from the date of approval of the financial statements. The Company's going concern assumptions and evaluations could be found in Note 2.2*Basis of preparation / Going Concern.*

B. Significant accounting policies

The financial statements have been prepared on the historical cost basis. Details of significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which the income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in the Group consolidated financial statements, Note *2 Significant accounting policies*.

See Note 2.32 *Critical accounting judgements and key source of estimation uncertainty* in the Group consolidated financial statements for the critical judgements in applying accounting policies and key source of estimation uncertainty applied by the Company in preparation of the financial statements. In addition to the disclosures in Note 2.32 *Critical accounting judgements and key source of estimation uncertainty,* the Company is required to apply certain judgements and utilised estimates in relation to the valuation of its investments discussed below.

Investments

Investments in subsidiaries are reviewed for impairment where events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. The unit of account being the equity of the subsidiary taken as a whole, which may comprise interests in multiple cash-generating units. If any such indication exists, the Company makes an assessment of the recoverable amount. If the asset is determined to be impaired, an impairment loss will be recorded, and the asset written down based on the amount by which the asset carrying amount exceeds the higher of fair value less cost of disposal and value in use. Any impairment loss is recognised immediately in the income statement.

Financial instruments

See Note 2.27 *Financial instruments* in the Group consolidated financial statements for the initial application of Financial Instruments (as revised in 2017) and Leases.

C. Employee numbers and directors' remuneration

The Company had no employees during the year (2020: none). The Director did not receive any remuneration in the year for qualifying services to the Company.

(tabular amounts in thousands of US dollars, except where noted)

D. Financial risk management

Full details of the Company's risk management are shown in Note *4 Financial risk management* to the Group consolidated financial statements.

a) Capital risk management

See Note 4 *Financial risk management* to the Group consolidated financial statements for how the Company manages its capital.

b) Fair value categories

As at 31 December 2021	Financial liabilities at amortised cost	Financial assets at amortised cost	Financial assets that are measured at FVTPL	Financial liabilities that are measured at FVTPL	Carrying value
Financial assets					
Financial investments	-	1,666,806	-	-	1,666,806
Other receivables from related parties	-	254,858	-	-	254,858
Cash and bank balances	-	3	-	-	3
	-	**1,921,667**	**-**	**-**	**1,921,667**
Financial liabilities					
Other payables to related parties	251,810	-	-	-	251,810
Trade payables	3,114	-	-	-	3,114
	254,924	**-**	**-**	**-**	**254,924**

As at 31 December 2020	Financial liabilities at amortised cost	Financial assets at amortised cost	Financial assets that are measured at FVTPL	Financial liabilities that are measured at FVTPL	Carrying value
Financial assets					
Financial investments	-	1,535,768	-	-	1,535,768
Other receivables from related parties	-	415,965	-	-	415,965
Cash and bank balances	-	3	-	-	3
	-	**1,951,736**	**-**	**-**	**1,951,736**
Financial liabilities					
Other payables to related parties	415,789	-	-	-	415,764
	415,789	**-**	**-**	**-**	**415,764**

Financial assets and liabilities exclude tax receivables and payables as they do not constitute a contractual right or obligation to receive or pay cash or another financial asset.

There were no reclassifications of financial assets during the year.

- Financial risk management

The primary financial instruments of the Company consist of bank loans, cash and short-term time deposits. The main objective of the mentioned financial instruments is to finance the Company's operational activities. The Company, as part of the Akkan Enerji ve Madencilik A.Ş. Group, monitors and manages its financial risks relating to operations through an internal Group risk register. In respect of the Company, these are foreign exchange, interest rate, credit and liquidity risks.

Foreign exchange risk

The Company operates in the United Kingdom, with the US Dollar as its functional currency. The Company undertakes certain transactions denominated in foreign currencies, hence, exposures to exchange rate fluctuations arise. The Company maintains cash balances in UK Pounds Sterling which are used to fund the corporate London office and Euro which are used to repay the loan facility.

As at the reporting date, the Company has monetary assets and monetary liabilities denominated in US Dollar, British Sterling and Euro.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will be affected by changes in market interest rates.

The Company borrows fund at both fixed and variable interest rates, so the Company is exposed to interest rate risk. The Company manages this risk by balancing the repricing terms of interest-bearing assets and liabilities with fixed/floating interest and short-long term nature of borrowings as well as using derivative instruments where necessary for hedging purposes.

Interest rates of financial assets and liabilities are indicated in related notes.

Interest rate sensitivity:

If interest rates had been 5 basis points higher/lower and all other variables were held constant, the Company's profit before taxes and equity of the Company would increase/decrease by USD6,600 (2020: (USD101). 5 basis points represents management's assessment of the possible change in interest rates that could apply to the Company.

Credit risk

Credit risk refers to the risk that a counterparty will fail to fulfil its obligations to pay, resulting in a financial loss to the Company. At the reporting date, this included amount owed by the immediate parent company of USD251.8 million (2020: USD416.0 million), which is repayable on demand. The directors expects that the carrying value of the amounts owed by the immediate parent to be fully recoverable based on analysis of the expected future cash flows to be generated and resultant dividends. This analysis takes account of relevant and reliable internal and external forward-looking information, incorporating economic forecasts in relation to the soda ash business.

The carrying value of financial assets recorded in the financial statements represented the Company's maximum exposure to credit risk at the year-end without taking into account any collateral received.

(tabular amounts in thousands of US dollars, except where noted)

Liquidity risk

The Company, as part of the Akkan Enerji ve Madencilik A.Ş. Group, manages its liquidity risk in line with Kew Soda Ltd Group strategy to ensure that the Company is adequately funded by means of intra-group funding to meet its forecast short, medium and long-term commitments.

The following tables detail the Company's remaining contractual maturities for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date the Company was required to pay at the reporting date.

As at 31 December 2021	Carrying value	Total cash outflow according to contract	Less than 1 year	1-5 years	5+ Years
Other payables to related parties	3,114	3,114	3,114	-	-
Other payables to related parties	251,810	251,810	-	251,810	-
Total liabilities	**254,924**	**254,924**	**3,114**	**251,810**	**-**

As at 31 December 2020	Carrying value	Total cash outflow according to contract	Less than 1 year	1-5 years	5+ Years
Other payables to related parties	415,764	415,764	-	415,764	-
Total liabilities	**415,764**	**415,764**	**-**	**415,764**	**-**

c) Fair value of financial instruments

Fair value of financial instruments carried at amortised cost

The Management consider that the carrying amounts of financial assets and liabilities recorded at amortised cost in the financial statements approximate to their fair values.

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of financial assets and liabilities are determined as follows:

- the fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- the fair values of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

Fair value by hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All of the Group's fair value financial assets and liabilities are deemed to be Level 2. There were no transfers between Level 1 and 2 during the year.

(tabular amounts in thousands of US dollars, except where noted)

E. Administrative expenses

Administrative expenses comprise of USD66,000 (2020: USD24,000) of consultancy expenses.

F. Tax

There was no current or deferred tax charge for the year (2020: USD nil). The tax charge for the year can be reconciled to loss before tax per the statement of comprehensive income as follows:

	2021	2020
Profit before tax	(267)	180
Applicable rate of tax	19.00%	19.00%
Tax at applicable rate	**(51)**	**34**
Tax effect of:		
- Previous year losses	(8)	(8)
- Group relief	51	(34)
- Current year losses	8	8
Total income tax expense	-	-

At 31 December 2021, the Company has unused tax losses of USD9,000 (2020: USD8,000). Deferred tax assets have not been recognised as there is no certainty that we can recover against future taxable profits.

A group relief of USD51,000 was surrendered to subsidiary WE Soda Ltd in 2021, whilst in 2020, a group relief of USD34,000 was claimed from subsidiary WE Soda Ltd.

The Finance (No 2) Act 2015, which provides the main rate of corporation tax of 19% effective from 1 April 2017 and to 18% effective from 1 April 2020, was substantively enacted on 26 October 2015. Subsequently, the Finance Act receiving the Royal Assent on 28 July 2020 stipulates in section 5(1) that the Corporation Tax main rate for the financial year 2020 and 2021 to be 19%. These rates have been reflected in the calculation of deferred tax at the reporting date. In May 2021, as a result of the 2021 Budget, it was enacted that corporation tax rate on company profits above £250,000 to rise from 19% to 25% in April 2023.

G. Financial income / (expense)

Finance income comprises:

	2021	2020
Income:		
Interest income related to funding activities with related parties	15,255	14,834
Foreign exchange gains	33,079	36,048
	48,334	**50,882**
Expenses:		
Interest expense related to funding activities with related parties	(15,388)	(14,641)
Foreign exchange losses	(33,229)	(36,037)
	(48,617)	**(50,678)**
	(283)	**204**

(tabular amounts in thousands of US dollars, except where noted)

H. Investments

	2021	2020
At 1 January	**1,535,768**	**1,535,768**
Investment acquired during the year in WE Soda Ltd.	131,038	-
At 31 December	**1,666,806**	**1,535,768**

On 21 December 2021, the Company acquired 100% of the shares of TC Soda. The Company's interest in TC Soda was obtained through an in-kind contribution from Mr. Turgay Ciner and issuance of 10 ordinary shares to Mr. Turgay Ciner in exchange of the 10 shares of TC Soda. On the same day, the Company transferred the 10 shares of TC Soda to WE Soda Ltd in exchange of WE Soda Ltd.'s 10 shares.

The Company's subsidiaries at the reporting date are disclosed in Note *33 Group companies* to the Group consolidated financial statements. Fair value information regarding investments in subsidiaries has not been disclosed as their fair value cannot be measured reliably, as they are investments in unquoted group companies.

All subsidiaries were consolidated from the date of their acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases.

I. Other receivables

Other receivables comprise of receivables from parent company, Akkan Enerji Madencilik A.Ş. The Directors consider the carrying amount of receivables approximates to their fair value. Receivables from Akkan Enerji Madencilik A.Ş are unsecured and are repayable on demand. It is management's intention that the Other receivables from related parties will not be demanded in less than one year.

J. Cash and cash equivalents

Cash and cash equivalents comprise of cash in bank only of USD3,000 (2020: USD3,000) that can be reconciled to the statement of cash flows.

K. Trade and other payables

Other payables mainly comprise of payable to subsidiary company, WE Soda Ltd.

Payables comprise of:

	2021	2020
Current:		
Trade payables	3,114	-
Total current trade payables	**3,114**	**-**
Non-current		
Other payables to related parties	251,810	415,764
Total trade and other payables	**251,810**	**415,764**

The Directors consider the carrying value of payables approximates to their fair value. Payables to WE Soda Ltd are unsecured.

(tabular amounts in thousands of US dollars, except where noted)

L. Share capital and share premiums

Issued and fully paid ordinary share capital as at 31 December 2021 amounted to USD153,702,481 (2020: USD153,702,471).

Ordinary equity share capital

Allotted and fully paid	**Number**	**Share Capital $'000**	**Share Premium $'000**
At 1 January 2020	**153,702,471**	**153,702**	**1,382,131**
At 31 December 2020	**153,702,471**	**153,702**	**1,382,131**
10 shares issued at $1.00 nominal value per share on 21 December 2021	10	-	-
At 31 December 2021	**153,702,481**	**153,702**	**1,382,131**

On 21 December 2021, the Company acquired 100% of the shares of TC Soda. The Company's interest in TC Soda was obtained through an in-kind contribution from Mr. Turgay Ciner and issuance of 10 ordinary shares to Mr. Turgay Ciner in exchange of the 10 shares of TC Soda.

Details of net assets acquired and goodwill are as follows:

	Acquisition
Purchase consideration – capital contribution in kind	131,038*
Fair value of net assets at acquisition	131, 038
Goodwill	**-**

(*) This is net of $10 of shares issued.

M. Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's consolidated statement of cash flows as cash flows from financing activities.

	Note	**As at 1 January 2021**	**Other changes[1]**	**As at 31 December 2021**
Other payables	K	415,764	(163,954)	251,810
Trade payables	K	-	3,114	3,114
Total liability		**415,764**	**(160,840)**	**254,924**

Note 1 - Other changes include interest accruals and payments.

	Note	**As at 1 January 2020**	**Other changes[1]**	**As at 31 December 2020**
Other payables	L	368,041	47,723	415,764
Total liability		**368,041**	**47,723**	**415,764**

Note 1 - Other changes include interest accruals and payments.

N. Dividends

The Company has not declared any dividend for the year.

(tabular amounts in thousands of US dollars, except where noted)

O. Related party transactions

2021	Description	Non-current assets	Non-current liabilities
Akkan Enerji ve Madencilik A.Ş.	Parent company	254,858	-
WE Soda Ltd	Subsidiary	-	251,810
Total		**254,858**	**251,810**

2020	Description	Non-current assets	Non-current liabilities
Akkan Enerji ve Madencilik A.Ş.	Parent company	415,965	-
WE Soda Ltd	Subsidiary	-	415,764
Total		**415,965**	**415,764**

P. Controlling parties

The immediate parent company is Kew Soda Ltd and ultimate parent undertaking is Akkan Enerji ve Madencilik A.Ş. The ultimate controlling party is Mr. Turgay Ciner.

Q. Auditors' remuneration

Fees payable to the Company's auditors for the audit of the parent company was borne by subsidiary company WE Soda Ltd (2020: USD nil).

Glossary

Akkan Enerji ve Madencilik A.Ş.	Akkan Energy Mining Inc.
Ciner Hava Taşımacılığı A.Ş.	Ciner Air Transportation Inc.
Ciner İç ve Dış Ticaret A.Ş.	Ciner Domestic and Foreign Trade Inc.
Ciner Kimya	Ciner Kimya Yatirimlari A.Ş.
Ciner Maden Proje ve Teknik Danışmanlık A.Ş.	Ciner Mining Project and Technical Consultancy Inc.
Ciner Turizm Ticaret İnşaat Servis Hizmetleri A.Ş.	Ciner Tourism Trade Construction Transportation Services Inc.
Cogeneration	The combined generation of electricity and heat (in the form of steam), allowing the utilisation of the steam left over from electricity generation.
Denmar Depoculuk Nakliyat A.Ş.	Denmar Warehousing Transport Inc.
Eti Maden	Eti Maden İşletmeleri Genel Müdürlüğü/Eti Mining Enterprises General Directorate
Eti Soda	Eti Soda Üretim Pazarlama Nakliyat ve Elektrik Üretim Sanayi ve Ticaret A.Ş./Eti Soda Production Marketing Transportation and Electricity Generation Industry and Trade Inc.
Havaş Turizm Seyahat ve Kargo Taşımacılığı A.Ş.	Havaş Tourism Travel and Cargo Transportation Inc.
Kazan Soda	Kazan Soda Elektrik Üretim A.Ş/Kazan Soda Electricity Production Inc.
Park Cam Sanayi ve Ticaret A.Ş.	Park Cam Industry and Trade Inc.
Park Elektrik Üretim Madencilik San. ve Tic. A.Ş.	Park Electricity Production Mining Industry and Trade Inc.
Park Holding A.Ş.	Park Holding Inc.
Park Sigorta Aracılık Hizmetleri Ltd. Şti.	Park Insurance Intermediary Services Ltd. Co.
Park Teknik Elektrik Madencilik Turizm San. ve Tic. A.Ş.	Park Technical Electricity Mining Tourism Industry and Trade Inc.
Ciner Enerji Madencilik Sanayi ve Ticaret A.Ş. (formerly Park Termik Elektrik Sanayi ve Ticaret A.Ş.)	Park Thermal Electricity Industry and Trade Inc.
Nameplate production capacity	Maximum output stipulated by manufacturer
Silopi Elektrik Üretim A.Ş.	Silopi Electricity Production Inc.
Sisecam Chemicals Resources	Sisecam Chemicals Resources LLC
Soda ash	Sodium carbonate
The Group	Kew Soda Ltd and its subsidiaries
Trona	A naturally occurring ore which is extracted and processed into soda ash. Soda ash, in turn, is used in the manufacturing of glass, dry powder detergents, and many other products including lithium carbonate used in EV car batteries. It also is used to produce other chemicals, such as sodium bicarbonate.