

WE Soda Ltd

Condensed Consolidated Interim Financial Statements

30 September 2024

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WE Soda Ltd

Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income
For the period ended 30 September 2024
(in thousands of US Dollars)

	Notes	Nine months ended 30 September	
		2024 (Unaudited)	2023 (Unaudited)
Revenue	7	910,787	1,197,884
Cost of sales	8	(575,648)	(621,269)
Gross profit		335,139	576,615
Administrative expenses	9	(88,788)	(68,026)
Marketing expenses	10	(5,792)	(3,918)
Other operating income	11	21,198	40,016
Other operating expenses	11	(12,895)	(12,590)
Profit from operations		248,862	532,097
Finance income	12	240,295	111,615
Finance expenses	12	(245,885)	(320,664)
Share of net (loss) / profit of associates accounted for using the equity method		(11,867)	2,246
Profit before tax		231,405	325,294
Taxation	13	(445)	(208,060)
Total profit for the period		230,960	117,234
Profit for the period attributable to:			
Owners of the Company		179,852	83,851
Non-controlling interest		51,108	33,383
Total profit for the period		230,960	117,234
Basic and diluted earnings per share	20	1.503	0.763
Other comprehensive income / (loss)			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
- Accumulated gain / (loss) on remeasurement of defined benefit plans		-	-
- Accumulated gain / (loss) on remeasurement of defined benefit plans of investments accounted for using the equity method		-	-
<i>Items that will be reclassified subsequently to profit or loss:</i>			
- Hedge accounting of investments accounted for using the equity method		608	(6,445)
- Foreign currency translation reserve		(53)	380
Other comprehensive income / (loss) for the period, net of income tax		555	(6,065)
Total comprehensive income for the period		231,515	111,169
Total comprehensive income for the period attributable to:			
Owners of the Company		180,407	77,786
Non-controlling interest		51,108	33,383
Total comprehensive income for the period		231,515	111,169

The notes on pages 7 to 33 form part of these condensed consolidated interim financial statements.

WE Soda Ltd

Condensed Consolidated Interim Statement of Financial Position

As at September 2024

(in thousands of US Dollars)

	Notes	30 September 2024 (Unaudited)	31 December 2023 (Audited)
Assets			
Non-current assets			
Property, plant, and equipment	14	549,731	527,312
Mining reserves	15	544,728	564,675
Intangible assets		63,270	67,981
Mining assets	16	140,584	112,759
Investment properties	23	66,438	-
Inventories		38,614	29,150
Prepaid expenses		225,608	3,286
Other receivables	23	640,440	837,925
Deferred tax assets	13	753,637	717,373
Goodwill		14,565	14,565
Right of use assets		27,557	27,903
Derivative financial instruments	26	92,207	54,857
Investments accounted for using the equity method	22	313,425	324,519
		3,470,804	3,282,305
Current assets			
Trade receivables	23	134,387	154,397
Other receivables	23	278,296	254,745
Cash and cash equivalents	17	143,539	169,621
Prepaid expenses		63,302	15,934
Inventories		41,322	27,721
Other current assets		29,752	43,616
		690,598	666,034
Total assets		4,161,402	3,948,339
Non-current Liabilities			
Borrowings	18	1,703,097	1,608,262
Lease liabilities		22,664	23,445
Other payables		7,766	13,917
Derivative financial instruments	26	12,073	-
Employee benefits		4,252	3,354
Mine closure provision		92,641	91,471
Deferred tax liability	13	147,118	163,301
Deferred income (contract liabilities)	19	17,546	22,130
		2,007,157	1,925,880
Current liabilities			
Borrowings	18	101,800	56,164
Derivative financial instruments	26	4,959	4,570
Lease liabilities		3,330	3,307
Trade payables	23	100,604	110,209
Other payables	23	46,686	49,809
Tax liability		14,471	18,196
Provisions		8	8
Employee benefits		6,418	4,598
Deferred income (contract liabilities)	19	92,130	140,688
Other current liabilities		21,960	39,176
		392,366	426,725
Total liabilities		2,399,523	2,352,605
Net assets		1,761,879	1,595,734

WE Soda Ltd

Condensed Consolidated Interim Statement of Financial Position (continued)

As at September 2024

(in thousands of US Dollars)

	Notes	30 September 2024 (Unaudited)	31 December 2023 (Audited)
Equity			
Share capital	20	153,636	153,636
Share premium	20	1,382,131	1,382,131
Capital contribution in kind		131,038	131,038
Restricted profit reserves	20	112,170	83,016
Acquisition of public shares of equity accounted investment's subsidiary		(15,594)	(15,594)
Accumulated other comprehensive income that will not be reclassified subsequently to profit or loss		4,620	4,620
- Actuarial gain on remeasurement of defined benefit plans		4,620	4,620
Accumulated other comprehensive loss that will be reclassified subsequently to profit or loss		(1,898,009)	(1,898,564)
- Foreign currency translation reserve		(1,898,935)	(1,898,882)
- Hedge accounting		926	318
Retained profits		1,695,560	1,544,862
Equity attributable to owners of the Company		1,565,552	1,385,145
Non-controlling interest	21	196,327	210,589
Total equity		1,761,879	1,595,734

The notes on pages 7 to 33 form part of these condensed consolidated interim financial statements.

The condensed consolidated interim financial statements on pages 2 to 34 were approved by the Board on 25 November 2024 and were signed on its behalf.

Alasdair J. Warren
Chief Executive Officer / Director
25 November 2024

Ahmet Tohma
Chief Financial Officer / Director
25 November 2024

WE Soda Ltd

Condensed Consolidated Interim Statement of Changes in Equity

For the period ended September 2024

(in thousands of US Dollars)

	Share capital	Share premium	Capital contribution in kind ³	Restricted profit reserves	Acquisition of public shares of equity accounted investment's subsidiary	Accumulated (loss) / gain on remeasurement of defined benefit plans ¹	Other ²	Foreign Currency Translation Reserve ²	Retained profits	Equity attributable to owners of the Company	Non-controlling interest ³	Total equity
At 1 January 2023 (audited)	153,636	1,382,131	131,038	53,302	-	3,941	6,185	(1,899,153)	1,206,116	1,037,196	184,312	1,221,508
Dividend distributions	-	-	-	-	-	-	-	-	(110,000)	(110,000)	(49,334)	(159,334)
Transfer	-	-	-	29,714	-	-	-	-	(29,714)	-	-	-
Acquisition of public shares of equity accounted investment's subsidiary	-	-	-	-	(15,594)	-	-	-	-	(15,594)	-	(15,594)
- Profit for the period	-	-	-	-	-	-	-	-	83,851	83,851	33,383	117,234
- Other comprehensive income / (loss) for the period	-	-	-	-	-	-	(6,445)	380	-	(6,065)	-	(6,065)
Total comprehensive income / (loss) for the period	-	-	-	-	-	-	(6,445)	380	83,851	77,786	33,383	111,169
Effect of purchase of subsidiary	-	-	-	-	-	-	-	-	-	-	11,098	11,098
At 30 September 2023 (unaudited)	153,636	1,382,131	131,038	83,016	(15,594)	3,941	(260)	(1,898,773)	1,150,253	989,388	179,459	1,168,847
At 1 January 2024 (audited)	153,636	1,382,131	131,038	83,016	(15,594)	4,620	318	(1,898,882)	1,544,862	1,385,145	210,589	1,595,734
Dividend distributions	-	-	-	-	-	-	-	-	-	-	(65,370)	(65,370)
Transfer	-	-	-	29,154	-	-	-	-	(29,154)	-	-	-
- Profit for the period	-	-	-	-	-	-	-	-	179,852	179,852	51,108	230,960
- Other comprehensive income / (loss) for the period	-	-	-	-	-	-	608	(53)	-	555	-	555
Total comprehensive income / (loss) for the period	-	-	-	-	-	-	608	(53)	179,852	180,407	51,108	231,515
At 30 September 2024 (unaudited)	153,636	1,382,131	131,038	112,170	(15,594)	4,620	926	(1,898,935)	1,695,560	1,565,552	196,327	1,761,879

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 – Since Kew Soda Ltd. acquired more than 90% of the shares in a company (TC Soda Holdings) by issuing its own shares in return, as required by the Companies Act, 2006, the difference between USD131.0 million the fair value of TC Soda Holdings 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 7 to 34 form part of these condensed consolidated interim financial statements.

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Condensed Consolidated Interim Statement of Cash Flows

For the period ended 30 September 2024

(in thousands of US Dollars)

		Nine months ended 30 September	
	Notes	2024 (Unaudited)	2023 (Unaudited)
Cash flow from operating activities:			
Total profit for the period		230,960	117,234
Adjustments for:			
Depreciation and amortisation expenses	8,9,10,11	58,631	47,309
Retirement benefits		3,237	1,943
Interest income		(204,188)	(117,181)
Interest expense		132,642	126,107
Discount expenses / (income) (net)	11	3,166	943
Bank charges	12	2,748	6,772
Net foreign exchange losses / (gains)		50,021	149,912
Income tax charges / (benefits)	13	445	208,060
Adjustments related to the share of net (profit) / loss of associates accounted for using the equity method	22	11,867	(2,246)
Fair value losses / (gains)		(8,476)	-
Increase in inventories		(13,424)	(16,179)
(Increase) / decrease in trade and other receivables		65,696	135,034
(Decrease) / Increase in trade and other payables		(115,443)	(135,756)
Losses on disposals of fixed assets		(91)	-
Other cash flows		(12)	17
Cash generated from operations		217,779	521,969
Tax return payments		(50,988)	(64,334)
Paid retirement benefit obligation		(720)	(1,071)
Total net cash generated from operating activities		166,071	456,564
Cash flow from investing activities:			
Payments made in conjunction with equity investment	22	-	(10,160)
Purchases of property, plant, and equipment		(91,824)	(78,844)
Cash outflow for acquisition of investment properties		(1,317)	-
Interest received		6,035	3,887
Cash inflow/outflow due to acquisition of subsidiary, net		44	(39,956)
Cash inflows from sale of purchase of property, plant and equipment		8	-
Cash inflows due to non-trading related party balances		-	26,335
Cash outflows due to non-trading related party balances		(34,498)	(415,210)
Net cash used in investing activities		(121,552)	(512,970)
Cash flow from financing activities:			
Proceeds from borrowings		629,294	50,855
Repayments of the borrowings		(528,240)	(165,378)
Repayment of lease liabilities		(5,392)	(3,200)
Interest paid		(93,874)	(89,716)
Borrowing costs incurred		(2,748)	(6,772)
Distributions to non-controlling interest shareholder of subsidiary		(66,794)	(30,342)
Other cash outflows		(2,127)	(1,159)
Net cash used in financing activities		(69,881)	(245,712)
Effects of exchange rate changes on cash and cash equivalents		(720)	2,750
Net used in cash and cash equivalents		(26,082)	(299,368)
Cash and cash equivalents at beginning of the period	17	169,621	308,733
Cash and cash equivalents at end of the period	17	143,539	9,365

The notes on pages 7 to 33 form part of these condensed consolidated interim financial statements.

WE Soda Ltd

Notes to Condensed Consolidated Interim Financial Statements for the period ended 30 September 2024

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

31 December 2023 figures are audited. All other amounts are unaudited.

1. General information

WE Soda Ltd (the “Company”, “WE Soda” or the “Parent Company”) is a private company limited by shares incorporated and domiciled in the United Kingdom on 6 July 2016 and registered in England and Wales under the Companies Act 2006. The address of the registered office is 23 College Hill, London, EC4R 2RP, United Kingdom. The copies of the most recent consolidated financial statements and annual report for the year ended 31 December 2023 of WE Soda Ltd. and its immediate parent Kew Soda Ltd. (“Kew Soda”), which are the smallest and largest groups to consolidate, can be obtained from the UK Companies House. The nature of the Company’s subsidiaries and associates’ 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. The Company and its subsidiaries (both direct and indirect) are referred to as the “Group”.

The immediate parent and ultimate holding company of WE Soda are Kew Soda and Akkan Enerji Madencilik, Denizcilik ve Gemi İşletme Hizmetleri A.Ş. (formerly Akkan Enerji ve Madencilik A.Ş. “Akkan Enerji”), respectively, which are incorporated in the UK and Türkiye, respectively, are part of the wider “Ciner Group”. Akkan Enerji and Kew Soda’s ultimate controlling party is Mr. Turgay Ciner. The Company and Kew Soda Ltd. are parent companies in the Akkan Group, both preparing publicly available financial statements.

The global soda ash business of the Company comprises two controlled businesses, Eti Soda and Kazan Soda in Türkiye, and one controlled investment, West Soda LLC in the USA, and two investments, namely an indirect investment in Şişecam Wyoming LLC, and indirect investment Pacific Soda LLC.

On 1 February 2023, Şişecam Resources LP (“Şişecam”) (NYSE: SIRE) and Şişecam Chemicals Resources LLC (“SCR”) announced that Şişecam has entered into a definitive Agreement and Plan of Merger (the “Agreement” or the “Merger”) pursuant to which Şişecam Chemicals Wyoming LLC, a wholly owned subsidiary of Şişecam Chemicals Resources LLC (“Parent”) will acquire all of the outstanding common units of Şişecam not already owned by Parent and its affiliates (the “Public Common Units”). The Agreement follows the offer made by Parent on 6 July 2022 to acquire the Public Common Units.

As a result of this Merger, the Group’s effective holding in Şişecam Wyoming LLC increased to approximately 20.4% from 15.1% and Şişecam Resources LP (“Şişecam”) (NYSE: SIRE) is delisted and merged under Şişecam Chemicals Wyoming LLC.

On 24 June 2023, the Group acquired a 60% controlling stake of Denmar Depoculuk Nakliyat ve Ticaret A.Ş. (“Denmar Türkiye”) from the Ciner Group for consideration of USD39.0 million.

Soda World, a direct subsidiary of the Company, acquired Imperial Mining, Minerals and Chemicals GmbH (“IMMC”) on 29 February 2024 for a consideration of EUR 20,000. Imperial Mining, Minerals and Chemicals GmbH is responsible for managing sales to the Group’s clientele in Europe through warehouses located in the Netherlands and is consolidated. IMMC’s title was changed to Soda World Europe GmbH (“Soda World Europe”) on 22 May 2024.

As part of a simplification of the corporate structure in Türkiye, Kazan Soda and Ciner Kimya were merged on 12 June 2024. This transaction was completed under common control and did not have any effect on the consolidation or previously reported results of the Group.

These condensed interim financial statements were approved for issue on 25 November 2024.

These condensed interim financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2023 were approved on 25 April 2024 by the Board of Directors. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

WE Soda Ltd

Notes to Condensed Consolidated Interim Financial Statements for the period ended 30 September 2024

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

31 December 2023 figures are audited. All other amounts are unaudited.

1. General information (continued)

Significant changes in the current reporting period

There are no events and transactions, except for the acquisition of the investment properties detailed in Note 23 and senior secured notes issuance on 14 February 2024 and 6-year Cancellable Interest Rate Swap transactions and Cross Currency Swap transactions detailed in Note 18, that are significant to an understanding of the changes in financial position and performance of the Group since the end of the last annual reporting period.

2. Material 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

This condensed consolidated interim financial statements for the Nine-month reporting period ended 30 September 2024 have been prepared in accordance with the UK-adopted International Accounting Standard 34, "Interim Financial Reporting".

The condensed consolidated interim financial statements do not include all of the notes of the type normally included in the annual financial statements. Accordingly, the condensed consolidated interim financial statements are to be read in conjunction with the financial statements included in the 2023 Annual Report that can be obtained from the Company's registered office of the UK Companies House websites. The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of the new and amended standards and interpretations, as applicable and discussed below.

Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation (including property under construction for such purposes), is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured with cost method, which is initial cost less any accumulated depreciation and accumulated impairment losses. An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Going concern

The financial statements as of and for period ended 30 September 2024 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 evaluated 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 uncertainties surrounding the general outlook in the global economy. Additionally, these forecasts show that the Group will have sufficient financial headroom to meet its financial covenants based on the Revolving Credit facility for a period of at least 12 months from the date of approval of the financial statements and the Directors have also considered the new bond issuance and royalty settlement on the liquidity of the Group. The key assumptions made included a sales volume sensitivity, a netback price sensitivity, a natural gas supply and price cost sensitivity.

WE Soda Ltd

Notes to Condensed Consolidated Interim Financial Statements for the period ended 30 September 2024

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

31 December 2023 figures are audited. All other amounts are unaudited.

2. Material accounting policies (continued)

2.3 New and revised IFRSs

The accounting policies applied in the preparation of the condensed consolidated interim financial statements as of and for the period ended 30 September 2024 are consistent with those applied in the preparation of the consolidated financial statements as of and for the year ended 31 December 2023, except for the new and amended IFRS standards which are valid as of 1 January 2024 and International Financial Reporting Interpretations Committee's ("IFRIC") interpretations summarised below.

Standards, amendments, and interpretations that are applicable from 1 January 2024

- **Amendments to IAS 1 Classification of Liabilities as Current or Non-Current and Non-current liabilities with covenants;** Amendments made to IAS 1 Presentation of Financial Statements in 2020 and 2022 clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (for example, the receipt of a waiver or a breach of covenant).

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants with which the entity must comply within 12 months of the reporting date. The disclosures include:

- the carrying amount of the liability;
- information about the covenants; and
- facts and circumstances, if any, that indicate that the entity might have difficulty complying with the covenants.

The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note.

The amendments must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Special transitional rules apply if an entity had early adopted the 2020 amendments regarding the classification of liabilities as current or non-current.

- **Amendments to IFRS 16 Lease Liability in a Sale and Leaseback;** In September 2022, the IASB finalised narrow-scope amendments to the requirements for sale and leaseback transactions in IFRS 16 Leases which explain how an entity accounts for a sale and leaseback after the date of the transaction.

The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

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Notes to Condensed Consolidated Interim Financial Statements for the period ended 30 September 2024

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

31 December 2023 figures are audited. All other amounts are unaudited.

2. Material accounting policies (continued)

2.3 New and revised IFRSs (continued)

Standards, amendments, and interpretations that are applicable from 1 January 2024 (continued)

- **Amendments to IAS 7 and IFRS 7 Supplier Finance Agreements;** On 25 May 2023, the IASB issued amendments to IAS 7 and IFRS 7 to require specific disclosures about supplier finance arrangements (“SFAs”). The amendments respond to investors that said that they urgently needed more information about SFAs to be able to assess how these arrangements affect an entity’s liabilities, cash flows and liquidity risk. To meet investors’ needs, the new disclosures will provide information about:

- (1) The terms and conditions of SFAs.
- (2) The carrying amount of financial liabilities that are part of SFAs, and the line items in which those liabilities are presented. (3) The carrying amount of the financial liabilities in (2), for which the suppliers have already received payment from the finance providers.
- (3) The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements.
- (4) Non-cash changes in the carrying amounts of financial liabilities in (2).
- (5) Access to SFA facilities and concentration of liquidity risk with the finance providers.

Entities will be required to aggregate the information that they provide about SFAs. However, entities should disaggregate information about terms and conditions that are dissimilar, disclose explanatory information where the range of payment due dates is wide, and disclose the type and effect of non-cash changes that are needed for comparability between periods.

The impacts of these improvements and amendments on the financial position and performance of the Group is being assessed and the Management does not expect any significant effect on the existing disclosures.

Standards and amendments that are issued but not effective as of 1 January 2024

A number of new standards and amendments to existing standards are not effective at reporting date and earlier application is permitted; however, the Group has not early adopted are as follows.

- **Amendments to IAS 21 - Lack of Exchangeability with covenants – Amendments to IAS 1;** In August 2023, the IASB amended IAS 21 to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not. Prior to these amendments, IAS 21 set out the exchange rate to use when exchangeability is temporarily lacking, but not what to do when lack of exchangeability is not temporary.

The Group evaluates the effects of these standards, amendments, and improvements on the consolidated financial statements.

2.4 Critical accounting judgements and key source of estimation uncertainty

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2023.

WE Soda Ltd

Notes to Condensed Consolidated Interim Financial Statements for the period ended 30 September 2024

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

31 December 2023 figures are audited. All other amounts are unaudited.

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 WE Soda Ltd.’s Board of Directors is CODM, which is responsible for allocating resources and assessing performance of the operating segments. The Group considers a combination of factors to determine their reportable segments, such as products and services and geographic areas. The Group’s reportable segments are Eti Soda, Kazan Soda (including investment properties) and corporate and other (which includes the Group’s corporate headquarters in London, United Kingdom, Soda World Europe in Germany, Ciner Kimya (until the merger with Kazan Soda Q2 2024), Denmar and WIDT in Türkiye, CEI and its subsidiaries and associates in the United States (which consists of Şişecam Chemicals Resources and its subsidiaries)). Eti Soda and Kazan Soda are reported as Türkiye 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).

Nine months ended 30 September 2024	Türkiye			Total
	Eti Soda	Kazan Soda	Corporate and Other	
Domestic sales	94,880	89,618	-	184,498
Export sales	264,397	348,493	113,399	726,289
Segment revenue and other income	359,277	438,111	113,399	910,787
Finance income	9,447	168,841	62,007	240,295
Finance expense ¹	(45,429)	(41,306)	(159,150)	(245,885)
Profit / (loss) before taxation	154,185	152,881	(75,661)	231,405
Taxation	(31,771)	21,584	9,742	(445)
Net profit / (loss) for the period	122,414	174,465	(65,919)	230,960
Current assets	68,165	159,285	463,148	690,598
Non-current assets	472,108	2,221,894	776,802	3,470,804
Total liabilities	205,482	238,631	1,955,410	2,399,523
Capital expenditure	24,514	56,780	489	81,783
Taxes paid	37,367	12,801	820	50,988
Depreciation, depletion, and amortisation	22,485	27,690	8,456	58,631

Nine months ended 30 September 2023	Türkiye			Total
	Eti Soda	Kazan Soda	Corporate and Other	
Domestic sales	118,200	132,219	20	250,439
Export sales	328,040	619,405	-	947,445
Segment revenue and other income	446,240	751,624	20	1,197,884
Finance income	8,919	39,731	62,965	111,615
Finance expense ¹	(159,159)	(171,199)	9,694	(320,664)
Profit / (loss) before taxation	144,796	163,989	16,509	325,294
Taxation	(70,013)	(128,092)	(9,955)	(208,060)
Net profit / (loss) for the period	74,783	35,897	6,554	117,234
Current assets	66,871	121,316	289,129	477,316
Non-current assets	506,956	1,438,988	944,276	2,890,220
Total liabilities	321,603	708,884	1,168,202	2,198,689
Capital expenditure	15,903	53,900	4,113	73,916
Taxes paid	59,372	3,447	1,515	64,334
Depreciation, depletion, and amortisation	20,456	24,188	2,665	47,309

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 segments has not been presented in finance income for simplicity purposes.

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

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3. Segmental analysis (continued)

Segment revenues and results (continued)

The Group currently operates in Türkiye and the United States, in addition to its corporate activities in the United Kingdom and immediate parent in Türkiye. 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.

The segment revenue reported above represents revenue generated from external customers. There was USD37.6 million inter-segment sales elimination between Eti Soda and Kazan Soda (2023: USD15.7 million). Substantially all of the tax charge arises in United Kingdom and Türkiye.

4. Financial risk management

The primary financial instruments of the Group consist of bank loans, cash, short-term time deposits and other receivables and payables which arise from transaction. 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.

● Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing 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, cash and cash equivalents and working capital. The Group's capital management is subject to covenant requirements set out under the Revolving Credit Facility and bonds.

The Group controls 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 Condensed Consolidated Interim Statement of Financial Position) less cash and cash equivalents and restricted cash. Total capital is calculated as 'equity' as shown in the Condensed Consolidated Interim Statement of Financial Position plus net debt.

	30 September 2024	31 December 2023
Borrowings (including transaction costs) (see Note 18 – Borrowings)	1,804,897	1,664,426
Lease liabilities	25,994	26,752
Total financial liabilities	1,830,891	1,691,178
Less: Cash and cash equivalents	(143,539)	(169,621)
Less: Embedded derivatives in borrowings	(26,064)	(20,742)
Net debt	1,661,288	1,500,815
Total equity	1,761,879	1,595,734
Total capital	3,423,167	3,096,549
Net debt ratio	49%	48%
Net debt	1,661,288	1,500,815
Less: Net Debt of Unrestricted Subsidiaries ^{1,2}	(6,549)	(7,268)
Less: Working Capital Loans with a maturity of less than 1 year ¹	(49,413)	(33,196)
WE Soda Restricted Group Net Debt¹	1,605,326	1,460,351

Note 1 – In accordance with the terms of the bonds and RCF.

Note 2 – Ciner Enterprises Inc. and its subsidiaries.

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4. Financial risk management (continued)

• Financial risk factors

The risks to the Group resulting from operations include market risk and liquidity risk. The Group's risk management program generally seeks to minimize the effects of uncertainty in financial markets on the financial performance of the Group.

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, who have built an appropriate liquidity risk management framework or 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 30 September 2024	Carrying value	Contractual cash flows	Less than 1 year	1-5 years	5+ Years
Borrowings	1,804,897	2,509,582	198,354	1,740,916	570,312
Lease liabilities	25,994	34,565	5,719	17,480	11,366
Trade payables	81,788	81,788	81,788	-	-
Trade payables to related parties	18,816	18,816	18,816	-	-
Other payables	12,207	12,207	4,441	7,766	-
Other payables to related parties	42,245	42,245	42,245	-	-
Derivative financial instruments	17,032	17,032	4,959	12,073	-
Total liabilities	2,002,979	2,716,235	356,322	1,778,235	581,678

As at 31 December 2023	Carrying value	Contractual cash flows	Less than 1 year	1-5 years	5+ Years
Borrowings	1,664,426	2,204,869	162,292	2,042,577	-
Lease liabilities	26,752	30,324	3,390	18,965	7,969
Trade payables	82,113	82,113	82,113	-	-
Trade payables to related parties	28,096	28,096	28,096	-	-
Other payables	18,959	18,959	5,042	13,917	-
Other payables to related parties	44,767	44,767	44,767	-	-
Derivative financial instruments	4,570	4,570	4,570	-	-
Total liabilities	1,869,683	2,413,698	330,270	2,075,459	7,969

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4. Financial risk management (continued)

• Financial risk factors (continued)

Foreign exchange risk

The Group consists of two principal operating entities: Eti Soda and Kazan Soda. As such, the Group is principally exposed to risks resulting from fluctuations in foreign currency exchange rates to US dollars (the Group's presentational currency, due to US dollars denominated borrowings and revenue until 31 March 2022), Euro (due to Euro denominated borrowings, revenue, and procurements) and Turkish Lira (due to Turkish Lira denominated revenue and procurement).

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 30 September 2024	Total	EUR	GBP	TRY	CNY
Trade receivables	31,390	25,121	368	5,901	-
Cash and cash equivalents	104,437	39,567	201	64,621	48
Other receivables and assets	685,502	243,483	6,210	435,809	-
Trade payables	(88,686)	(4,227)	(186)	(84,273)	-
Borrowings	(90,306)	(90,306)	-	-	-
Lease liabilities	(4,036)	(475)	(1,955)	(1,606)	-
Other payables and liabilities	(126,447)	(53,320)	(1,584)	(71,543)	-
Derivative financial instruments (off-balance sheet) (*)	(500,846)	(500,846)	-	-	-
Net exposure	11,008	(341,003)	3,054	348,909	48

(*) Due to conversion of 500 million US dollar denominated bond principal to Euro under Cross Currency Swap contracts. Please refer to Note 18 for further details.

In USD equivalent as at 31 December 2023	Total	EUR	GBP	TRY	CNY
Trade receivables	33,326	31,538	362	1,426	-
Cash and cash equivalents	57,974	56,834	544	536	60
Other receivables and assets	885,335	220,974	6,231	658,130	-
Trade payables	(89,666)	(3,380)	(1,013)	(85,273)	-
Borrowings	(407,320)	(407,320)	-	-	-
Lease liabilities	(4,836)	(473)	(3,388)	(975)	-
Other payables and liabilities	(162,143)	(61,319)	(11,638)	(89,186)	-
Net exposure	312,670	(163,146)	(8,902)	484,658	60

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31 December 2023 figures are audited. All other amounts are unaudited.

4. Financial risk management (continued)

• Financial risk factors (continued)

Foreign exchange risk (continued)

Foreign exchange sensitivity:

The following table details the Group's sensitivity to a 10% movement against the respective foreign currencies, which represents management's assessment of a likely reasonable 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.

	30 September 2024	31 December 2023
Effect to profit or (loss) before tax		
EUR	(34,100)	(16,315)
GBP	305	(890)
TRY	34,891	48,466
CNY	5	6
Total	1,101	31,267

	30 September 2024	31 December 2023
Effect to equity due to currency translation reserve		
TRY	26	(45)
EUR	109	-
Total	135	(45)

A 10% strengthening of the currencies above at 30 September 2024 would have had an equal but opposite effect on the amounts shown above, assuming all other variables remained constant.

• Fair value categories

Fair values and categories of financial instruments:

As at 30 September 2024	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	-	143,539	-	-	143,539
Trade receivables	-	103,614	-	-	103,614
Trade receivables from related parties	-	30,773	-	-	30,773
Other receivables	-	2,193	-	-	2,193
Other receivables from related parties	-	916,543	-	-	916,543
Derivative financial instruments	-	-	92,207	-	92,207
	-	1,196,662	92,207	-	1,288,869
Financial liabilities					
Borrowings	1,814,319	-	-	-	1,804,897
- Bonds (Level 1)	1,543,033	-	-	-	1,533,611
- RCF and working capital loans	271,286	-	-	-	271,286
Lease liabilities	25,994	-	-	-	25,994
Trade payables	81,788	-	-	-	81,788
Trade payables to related parties	18,816	-	-	-	18,816
Other payables to related parties	42,245	-	-	-	42,245
Other payables	12,207	-	-	-	12,207
Derivative financial instruments	-	-	-	17,032	17,032
	1,995,369	-	-	17,032	2,002,979

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31 December 2023 figures are audited. All other amounts are unaudited.

4. Financial risk management (continued)

• Fair value categories (continued)

Fair values and categories of financial instruments (continued):

As at 31 December 2023	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	-	169,621	-	-	169,621
Trade receivables	-	131,445	-	-	131,445
Trade receivables from related parties	-	22,952	-	-	22,952
Other receivables	-	14,480	-	-	14,480
Other receivables from related parties	-	1,078,190	-	-	1,078,190
Derivative financial instruments	-	-	54,857	-	54,857
	-	1,416,688	54,857	-	1,471,545
Financial liabilities					
Borrowings	1,664,426	-	-	-	1,664,426
Lease liabilities	26,752	-	-	-	26,752
Trade payables	82,113	-	-	-	82,113
Trade payables to related parties	28,096	-	-	-	28,096
Other payables to related parties	45,611	-	-	-	45,611
Other payables	18,115	-	-	-	18,115
Derivative financial instruments	-	-	-	4,570	4,570
	1,865,113	-	-	4,570	1,869,683

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.

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4. Financial risk management (continued)

• Fair value categories (continued)

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 (ie, as prices) or indirectly (ie, 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 except for the bonds issued (Level 1). There were no transfers between different levels during the period.

5. Business combination, acquisition of controlling interest

Acquisition of controlling interests in Imperial Mining, Minerals and Chemicals GmbH

Soda World acquired Imperial Mining, Minerals and Chemicals GmbH ("IMMC") on 29 February 2024 for a consideration of EUR 20,000. Imperial Mining, Minerals and Chemicals GmbH is responsible for managing sales to the Group's clientele in Europe through warehouses located in the Netherlands.

6. Employee numbers

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

	30 September 2024 Number	31 December 2023 Number
Professional	1,095	1,137
Administration/operational	448	434
Total average number of employees	1,543	1,571

7. Revenue

Revenue, excluding interest revenue, comprises:

	Nine months ended 30 September	
	2024	2023
Domestic sales	184,498	250,439
Export sales	726,289	947,445
Total revenue (*)	910,787	1,197,884

(*) The classification between domestic and export sales refers to the final clientele.

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7. Revenue (continued)

The Group recognised sales amounting to USD910.8 million (30 September 2023: USD1,197.9 million) with respect to the performance obligations satisfied at a point in time for the period ended 30 September 2024. Segment information is disclosed in Note 3 - Segmental analysis.

Revenue and other income consist of:

	Nine months ended 30 September	
	2024	2023
Soda ash / sodium bicarbonate sales	871,513	1,126,509
Electricity sales	36,325	70,324
Other income	2,949	1,051
Total revenue	910,787	1,197,884

8. Cost of sales

Cost of sales comprises:

	Nine months ended 30 September	
	2024	2023
Raw material costs (*)	226,761	282,191
Personnel expenses	32,208	19,678
Production overheads	97,889	141,388
Transportation expenses (**)	147,822	122,130
Export expenses	26,765	30,055
Depreciation and amortisation expenses	52,099	44,235
Change in finished goods inventories	(7,896)	(18,408)
	575,648	621,269

(*) The decrease in raw material costs is directly attributable to general price decreases in natural gas procurement.

(**) The increase in transportation expenses is directly attributable to volume increase in deliveries to the customers by not using FOB type Incoterm.

9. Administrative expenses

Administrative expenses comprise:

	Nine months ended 30 September	
	2024	2023
Consultancy expenses	34,890	30,305
Personnel expenses (*)	32,718	20,719
Transportation expenses	745	570
Outsourced benefits and services	2,523	1,513
Donations (**)	789	3,917
Travel expenses	1,293	1,352
Rent expenses	1,915	1,253
Depreciation and amortisation expenses	4,327	2,724
Office expenses	2,100	1,522
Other expenses	7,488	4,151
	88,788	68,026

(*) The increase is mostly attributable to the macro-economic conditions in Türkiye, where USD/TL rate devaluation is substantially lower than CPI increase, which is used as reference for wage and salary increases.

(**) The decrease in donations is attributable to nonrecurrence of one-off donations made as a result of the earthquake in Türkiye in February 2023.

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10. Marketing expenses

Marketing expenses comprise:

	Nine months ended 30 September	
	2024	2023
Personnel expenses	2,335	1,704
Transportation expenses	252	197
Amortisation and depreciation expenses	1,479	350
Outsourced services and benefits	262	324
Rent expenses	1,109	596
Other sales and marketing expenses	355	747
	5,792	3,918

11. Other operating income and expenses

Other income from operating activities comprises:

Other income from operating activities	Nine months ended 30 September	
	2024	2023
Foreign exchange gains	15,778	32,914
Interest income	1,808	5,541
Discount interest income	316	73
Rent income	512	-
Other income	2,784	1,488
	21,198	40,016

Other expenses from operating activities comprises:

Other expense from operating activities	Nine months ended 30 September	
	2024	2023
Foreign exchange losses	4,974	3,779
Interest expense	2,203	6,362
Discount interest expense	3,482	1,015
Depreciation expenses of investment properties	726	-
Other expenses	1,510	1,434
	12,895	12,590

12. Finance income and finance expense

Finance income comprises of:

	Nine months ended 30 September	
	2024	2023
Interest income	200,790	111,615
Fair value changes of derivative instruments	39,505	-
	240,295	111,615

Finance expense comprises of:

	Nine months ended 30 September	
	2024	2023
Interest expense related to financial activities	124,300	110,851
Foreign exchange losses, net	64,852	189,006
Interest expenses related to the lease obligations	1,270	1,333
Bank charges related to financial activities	2,751	6,772
Fair value changes of derivative instruments	31,029	-
Interest expense related to funding activities with related parties, net	3,337	1,342
Other financial expenses	18,346	11,360
	245,885	320,664

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13. Taxation

Current and deferred tax

Taxation (charge) / credit comprises of:

	Nine months ended 30 September	
	2024	2023
Tax charge:		
Income tax charge – UK entities	(445)	(14,373)
Income tax charge – foreign entities	(47,662)	(68,257)
Deferred tax (charge) / credit	47,662	(125,430)
Total tax (charge) / credit	(445)	(208,060)

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

The Group is domiciled in the United Kingdom, but its operations are in Türkiye, and it is also active in the US.

The effective corporate tax rate in 2024 is 25% (2023: 25%) for Türkiye, 21% (2023: 21%) for the US and 25% (2023: 23.5%) for the United Kingdom, respectively. The provision for income taxes is different from the expected provision for income taxes for the following reasons:

	Nine months ended 30 September	
	2024	2023
Profit before tax	231,405	325,294
Applicable rate of tax	25.0%	25.0%
Tax at applicable rate	(57,851)	(81,324)
Tax effect of:		
Disallowable expenses	(4,052)	(9,841)
Other tax incentives (patent) ¹	18,116	25,358
Net effect of indexation and translation on investment incentives	59,947	(69,071)
Effect of tax rates in different jurisdictions	10,185	5,349
Carry forward tax losses recognised / (not recognised) as deferred tax asset	(2,567)	(12,635)
Corporate interest restriction in UK	(22,573)	(18,565)
Disregarded foreign exchange and fair value gains	3,605	19,442
Loss on translation	(30,101)	(35,186)
Dividend withholding tax	-	(14,373)
Statutory inflation accounting effect on tax bases	28,765	-
One-off taxes ²	(2,721)	(17,549)
Other	(1,198)	335
Total tax (charge) / credit	(445)	(208,060)

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 2021 has been determined. For the Nine months ended 30 September 2024, the amount of corporation tax exemption that is benefited is USD62.8 million (30 September 2023: USD101.3 million).

Note 2 – Subsequent to 31 December 2022, a Tax Amnesty Law, named as “the Law on the Restructuring of Certain Receivables and Amendments to Certain Laws”, which introduced provisions regarding restructuring of tax receivables and tax base increase for all taxpayers was published on Official Gazette on 13 March 2023. This law introduced a one-time additional corporate tax for certain corporate taxpayers that benefit from certain exemptions and deductions in the calculation of their corporate income tax base. This one-time additional tax, also named as the “earthquake tax” aimed at creating more public funds to meet the urgent needs of the victims affected by the devastating earthquake that stroke the South-eastern provinces of Türkiye. USD17.5 million presents this additional tax amount accrued up until 30 June 2023.

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31 December 2023 figures are audited. All other amounts are unaudited.

13. Taxation (continued)

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 31 December 2020, within the scope of this certificate, Eti Soda recognised a USD1.4 million deferred tax asset to reduce corporate tax and utilised all of them until 31 December 2022. In the same manner, Kazan Soda has received an Investment Incentive Certificate numbered E109393 and I109393 (together renumbered as J109393 in 2022), 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's investment incentive balance is equal USD635.3 million (31 December 2023: USD548.5 million) deferred tax asset to reduce corporate tax.

Deferred tax

The Group recognises deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported for IFRSs 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 / (liabilities) comprises of:

	30 September 2024	31 December 2023
Deferred tax assets	753,637	717,373
Deferred tax liabilities	(147,118)	(163,301)
Net deferred tax asset	606,519	554,072

This may be analysed as follows:

	30 September 2024	31 December 2023
Differences on carrying values of PP&E, mining assets and reserves	(48,081)	1,677
Retirement pay provision	924	384
Unused annual leave	466	647
Previous year losses to be deducted from tax	7,564	7,564
Discount on trade receivables	379	344
Discount on trade payables	(231)	(928)
Investment incentives	662,515	571,424
Revenue recognition according to IFRS 15	1,533	1,174
Equity accounted investments	(40,813)	(40,813)
Asset retirement obligation assets	(18,160)	(18,357)
Asset retirement obligation liabilities	19,505	19,258
Interest expense accruals	6,633	3,636
Right of use assets	(3,783)	(5,088)
Lease liabilities	4,167	5,726
Statutory inflation accounting effect on inventories	6,434	6,020
Other	7,467	1,404
Closing balance at 30 September / 31 December	606,519	554,072

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31 December 2023 figures are audited. All other amounts are unaudited.

13. Taxation (continued)

Deferred tax (continued)

Movements of deferred tax (liabilities) / assets for the period ended 30 September 2024 and 31 December 2023 are as follows:

	30 September 2024	31 December 2023
At 1 January	554,072	404,711
Credited to statement of profit or loss for the financial period	47,662	148,042
Credited to other comprehensive income or loss	(164)	(1,511)
Effect of subsidiary acquisition	-	(10,747)
Tax effect of acquisition of public shares of equity accounted investment's subsidiary	-	4,237
Presentation currency translation effect	4,949	9,340
Closing balance at 30 September / 31 December	606,519	554,072

At 30 September 2024, the Group has unused tax losses USD36.0 million (31 December 2023: USD36.0 million) available for offset against future profits and USD7.6 million (31 December 2023: USD7.6 million) of deferred tax assets have been recognised in respect of these losses.

Expiration schedule of carry forward tax losses is as follows:

	30 September 2024	31 December 2023
Will be expired in 2024	-	-
Will be expired in 2025	-	-
Will be expired in 2026	-	-
Will be expired in 2027 and beyond	36,020	36,020
Total	36,020	36,020

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 Türkiye and relate to tax losses during the investment period in 2018 and net operating losses in subsequent periods. In this respect, the Group has not utilised any previous year losses in 2024 (31 December 2023: USD72.7 million).

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.

These rates have been reflected in the calculation of deferred tax at the reporting date.

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14. Property, plant, and equipment

2023	Land	Land improvements	Buildings	Plant, machinery, and equipment	Leasehold improvements	Construction in progress	Other fixed assets ¹	Total
As of 31 December 2023								
Cost	8,486	134,833	14,208	404,766	978	51,681	15,267	630,219
Accumulated depreciation	(127)	(15,794)	(2,327)	(80,552)	(343)	-	(3,764)	(102,907)
Net book value	8,359	119,039	11,881	324,214	635	51,681	11,503	527,312
Cost								
As of 1 January 2024	8,486	134,833	14,208	404,766	978	51,681	15,267	630,219
Additions	2,710	274	179	5,421	247	71,295	996	81,122
Transfers to mine development	-	-	-	-	-	(36,003)	-	(36,003)
Transfers from CIP	-	175	1	5,221	-	(5,397)	-	-
Closing balance as of 30 September 2024	11,196	135,282	14,388	415,408	1,225	81,576	16,263	675,338
Accumulated depreciation								
As of 1 January 2024	(127)	(15,794)	(2,327)	(80,552)	(343)	-	(3,764)	(102,907)
Charge for the period	(204)	(5,068)	(420)	(14,368)	(112)	-	(2,528)	(22,700)
Closing balance as of 30 September 2024	(331)	(20,862)	(2,747)	(94,920)	(455)	-	(6,292)	(125,607)
Net book value as of 30 September 2024	10,865	114,420	11,641	320,488	770	81,576	9,971	549,731

Note 1 – Includes vehicles and furniture and fixtures.

As of 30 September 2024, the net carrying amounts of vehicles and plant, machinery, and equipment acquired through leasing agreements are USD13.7 million (31 December 2023: USD14.5 million) in total and amortisation charges for the period are USD0.8 million (2023: USD0.4 million).

15. Mining reserves

	Cost	Accumulated amortisation	Total
At 1 January 2024	717,319	(152,644)	564,675
Charge for the period	-	(19,947)	(19,947)
At 30 September 2024	717,319	(172,591)	544,728

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.

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16. Mining assets

	Cost	Accumulated amortisation	Total
At 1 January 2024	173,992	(61,233)	112,759
Transfers from construction in progress	36,003	-	36,003
Charge for the period	-	(8,178)	(8,178)
At 30 September 2024	209,995	(69,411)	140,584

17. Cash and cash equivalents

Cash and cash equivalents comprise of:

	30 September 2024	31 December 2023
Cash	15	13
Cash in bank comprises of:	143,524	169,608
– Demand deposits	70,055	6,678
– Time deposits with maturities less than three months	73,469	162,930
	143,539	169,621

There is no restricted cash in cash and cash equivalents as at 30 September 2024 and 31 December 2023.

18. Borrowings

	30 September 2024	31 December 2023
Non-current:		
Bank borrowings and bonds – long-term portion of the long-term borrowings	1,735,732	1,630,091
Less: Transaction costs	(32,635)	(21,829)
	1,703,097	1,608,262
Current:		
Bank borrowings due within one year	49,413	33,196
Bank borrowings and bonds – short-term portion of the long-term borrowings	52,631	23,212
Less: Transaction costs	(244)	(244)
	101,800	56,164
	1,804,897	1,664,426

Notes Issued and interest rate swaps

WE Soda Investments Holding Plc has successfully completed the pricing of USD500 million aggregate principal amount of 9.375% senior secured notes due February 2031 at an issue price of par (the “Notes”) and closed the Notes offering on 14 February 2024.

Additionally, the Group has executed US dollar denominated 6-year Cancellable Interest Rate Swap transactions, in order to economically hedge the fixed coupon payments of the Bond to floating. The Group has also executed USD 500 million Cross Currency Swap contracts with a maturity of February 2029, in order to convert USD 500 million floating interest exposure associated with its bonds including interest rate swap transactions to floating EUR interest exposure with two different financial institutions. The Group aims to reduce its interest rate exposure by benefiting from the spread between SOFR and 6M EURIBOR rates.

As a result of this issuance, all outstanding balances of the Senior Facilities Agreements have been fully repaid and closed.

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18. Borrowings (continued)

Bank borrowings and notes issued comprise of:

Currency	30 September 2024			31 December 2023		
	WAEIR ¹	Short-term	Long-term	WAEIR ¹	Short-term	Long-term
USD	9.41%	52,436	1,679,970	9.25%	22,543	1,256,602
EUR	8.38%	34,544	55,762	6.16%	33,865	373,489
TRY	42.00%	15,064	-	n/a	-	-
Total USD equivalent		102,044	1,735,732		56,408	1,630,091
Less: Transaction costs ²						
USD		(244)	(32,635)		(244)	(21,829)
Net USD equivalent		101,800	1,703,097		56,164	1,608,262

Note 1 – Weighted average effective interest rate.

Note 2 – USD33.0 million (31 December 2023: USD22.9 million) are related to transaction costs of borrowings and they are capitalised and amortised as finance costs using effective interest rate basis in the profit or loss.

The Group has not capitalised any borrowing costs during the period (2023: USD nil).

The carrying value of the bank borrowings excluding notes issued is USD271.3 million and their fair value of bank borrowings held at amortised cost approximates the carrying value.

The fair value of bonds held at amortised cost, considered as Level 1 of the fair value hierarchy, and calculated by applying the market traded price to the bonds outstanding, is USD1,543.0 million and their carrying value is USD1,533.6 million.

Pledged assets

Due to repayment of Kazan Soda Project Finance Loan, there is not any pledge on property, plant, and equipment assets as of 31 December 2023 and onwards. Prior to this date there was pledge on property, plant and equipment using Commercial Enterprise Pledges (“CEP”) in accordance with local Turkish regulation. CEP is a 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.

19. Deferred income (contract liabilities)

USD109.7 million (31 December 2023: USD162.8 million) of the deferred income consists of short-term and long-term advances received from customers mostly for soda ash and sodium bicarbonate sales of Turkish operating entities. Deferred income represents undelivered goods, which will be recognised as revenue upon delivery of such goods, which is consistent with the prior period. Movement in contract liabilities relates to timing differences.

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20. Share capital and other reserves

Issued and fully paid ordinary share capital as at 30 September 2024 amounted to USD153.6 million (31 December 2023: USD153.6 million).

Share capital Authorised, allotted, and fully paid	Number	Share Capital	Share Premium
At 1 January 2023	153,620,151	153,636	1,382,131
At 30 September 2023	153,620,151	153,636	1,382,131
At 31 December 2023	153,620,151	153,636	1,382,131
At 30 September 2024	153,620,151	153,636	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.

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 30 September 2024, Turkish operations' restricted profit reserves consist of legal reserves. The Group's legal reserve is USD112.2 million (31 December 2023: USD83.0 million).

Foreign currency translation reserve

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 its industry peer group. Until 31 March 2022, which is the transition date of US dollars functional currency for Turkish subsidiaries, for the purposes of presenting these consolidated financial statements, the assets, and liabilities of the Group's foreign operations (mainly reportable segments in Türkiye) were translated into US dollars using exchange rates prevailing at the end of each reporting date. Income and expense items were translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions were used. Exchange differences arising, if any, were recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests) until 31 March 2022. From 1 April 2022, all transactions are recorded in US dollars at the rates as on the dates of the transactions. Transactions which were originally not in US dollars are converted using exchange rates prevailing at the end of each reporting date.

Earnings per ordinary share

	Weighted average number of shares	Earnings	Per share amount
At 30 September 2024	153,620,151	230,960	1.503
At 30 September 2023	153,620,151	117,234	0.763

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21. Group companies

Non-controlling interest

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 over budgets, additional borrowings, capital expenditure and merger transactions.

İMİSK İthalat İhracat A.Ş.

İMİSK currently owns a 40% membership interest in Denmar Türkiye. This non-controlling interest has no specific or protective rights on Denmar Türkiye.

22. Interest in equity accounted associates

Set out below are the associates of the Group as at 30 September 2024 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	30 September 2024	31 December 2023
Şişecam Chemicals Resources LLC (formerly Ciner Resources Corporation)	USA	Holding company	Equity method	40%	194,087	194,093
Pacific Soda LLC	USA	Exploration project for natural resources	Equity method	40%	119,338	130,426
Total equity accounted investments					313,425	324,519

Movement of equity accounted investees

The table below provides the details of changes in the carrying amount of equity accounted investees.

	Sisecam Chemicals		Total
	Resources	Pacific Soda	
Opening balance at 1 January 2024	194,093	130,426	324,519
Profit / (loss) for the period	(779)	(11,088)	(11,867)
Other comprehensive income	773	-	773
Closing balance at 30 September 2024	194,087	119,338	313,425

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23. Related party transactions

The immediate and ultimate parent undertaking is Akkan Enerji. 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:

Nine months ended 30 September 2024	Sales	Purchases	Financial income	Financial expense
Parent company:				
Akkan Enerji ve Madencilik A.Ş.	6	-	136,489	51,596
Kew Soda Ltd.	-	1,273	14,265	-
Other related parties:				
AG Ciner İthalat İhracat Ve Ticaret A.Ş.	19,078	7	737	-
Ciner Glass Ltd	1,671	-	2	-
Ciner Glass Property Ltd	504	-	1	2
Eti Maden İşletmeleri Genel Müdürlüğü	2,433	18,634	1,583	1,910
Konya - Ilgın Elektrik Üretim ve Ticaret A.Ş.	-	6,330	-	-
Park Cam Sanayi ve Ticaret A.Ş.	19,421	2	958	-
Park Holding A.Ş.	14	23,773	39,634	27,242
Paşalimanı İthalat İhracat ve Ticaret A.Ş.	18	964	-	-
Sisecam SCR	-	-	231	-
Turgay Ciner	-	-	7,695	-
Directors	-	-	74	228
Other	9	26	4	18
Total	43,154	51,009	201,673	80,996

Nine months ended 30 September 2023	Sales	Purchases	Financial income	Financial expense
Parent company:				
Akkan Enerji ve Agencylike A.Ş.	-	-	86,726	133,598
Kew Soda Ltd.	-	-	28,788	22,525
Other related parties:				
AG Ciner İthalat İhracat ve Ticaret A.Ş.	14,396	-	1,799	-
Ciner İç ve Dış Ticaret A.Ş. ¹	169,041	3,526	33,424	9,163
Ciner Glass Property Ltd	516	-	11	8
Denmar Depoculuk Nakliyat A.Ş.	-	11,566	-	26
Eti Maden İşletmeleri Genel Müdürlüğü	2,676	18,596	-	-
Konya - Ilgın Elektrik Üretim ve Ticaret A.Ş.	-	6,298	-	13
Pacific Soda LLC	-	-	1	1,004
Park Cam Sanayi ve Ticaret A.Ş.	25,401	-	-	754
Park Holding A.Ş.	4	36,020	12,400	25,523
Park Toptan Elektrik Enerjisi Satış A.Ş.	-	1,109	-	25
Silopi Elektrik Üretim A.Ş.	-	20,551	-	-
Turgay Ciner	-	492	8,433	-
Other	147	58	261	44
Total	212,181	98,216	171,843	192,683

Note 1 – The Group performs the majority of its export and domestic sales through Ciner İç ve Dış Ticaret A.Ş. which is an export intermediary company established for this purpose in Türkiye. The turnover generated through CIDT is USD500,620 thousand during the period, out of which USD331,579 thousand were repurchased by Soda World and sold to the end customers.

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.

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31 December 2023 figures are audited. All other amounts are unaudited.

23. Related party transactions (continued)

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

As at 30 September 2024	Receivables				Payables	
	Current		Non-current		Current	
	Trade	Nontrade	Trade	Nontrade	Trade	Nontrade
Parent company:						
Akkan Enerji ve Madencilik A.Ş.	-	-	-	426,525	-	-
Kew Soda Ltd.	-	241,410	-	-	40	-
Other related parties:						
AG Ciner İthalat İhracat Ve Ticaret A.Ş.	9,048	-	-	-	-	-
Ciner Bulklers Limited	-	-	-	10,154	-	-
Ciner Glass Ltd	2,042	-	-	-	-	1,022
Eti Maden İşletmeleri Genel Müdürlüğü ¹	507	-	-	-	17,682	39,647
Konya - Iğın Elektrik Üretim ve Ticaret A.Ş.	-	-	-	-	774	-
Mineral Minings Commodity Trading LLC	11,848	-	-	-	-	-
Pacific Soda LLC	-	-	-	-	-	1,000
Park Cam Sanayi ve Ticaret A.Ş.	6,990	-	-	-	-	-
Park Holding A.Ş.	-	1,114	-	-	100	484
Sisecam SCR	-	-	-	3,608	-	35
Stockton Soda Ash	-	5,233	-	-	-	-
Director ²	-	-	-	4,779	-	-
Turgay Ciner	-	28,281	-	195,100	-	-
Other	338	339	-	-	220	57
Total	30,773	276,377	-	640,166	18,816	42,245

Note 1 – The agreement between Eti Soda and Eti Maden İşletmeleri Genel Müdürlüğü stipulates that Eti Soda is to pay a royalty fee of USD6.1 million or the amount greater than 6% of freight expenses deducted from revenue amount on an annual basis.

Note 2 – The balance presents a loan granted to a director secured with a pledge provided on property and with the maturity being July 2028 or if earlier the Director's Service Agreement ceased. This balance is interest bearing at HMRC's official interest rates for respective periods.

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

As at 31 December 2023	Receivables				Payables	
	Current		Non-current		Current	
	Trade	Nontrade	Trade	Nontrade	Trade	Nontrade
Parent company:						
Akkan Enerji ve Madencilik A.Ş.	-	-	-	557,614	4	-
Kew Soda Ltd	-	217,009	-	-	-	-
Other related parties:						
Eti Maden İşletmeleri Genel Müdürlüğü ¹	-	-	-	-	26,950	42,655
Park Cam Sanayi ve Ticaret A.Ş.	6,553	56	-	-	-	-
Park Holding A.Ş. ^{2,3}	-	1,153	-	71,144	53	23
Denmar Holdings LLC	-	1,249	-	-	-	-
AG Ciner İthalat İhracat ve Ticaret A.Ş.	6,871	-	-	-	-	-
Ciner Bulklers Limited	-	-	-	6,000	-	-
Mining Mineral Commodity Trading LLC	9,163	126	-	-	-	1,000
Director ⁴	-	-	-	4,477	-	-
Şişecam Chemicals Resources LLC	-	-	-	3,377	-	47
Turgay Ciner	-	20,586	-	195,100	-	-
Other	365	296	-	3	1,089	1,042
Total	22,952	240,475	-	837,715	28,096	44,767

Note 1 – The agreement between Eti Soda and Eti Maden İşletmeleri Genel Müdürlüğü stipulates that Eti Soda is to pay a royalty fee of USD6.1 million or the amount greater than 6% of freight expenses deducted from revenue amount on an annual basis.

Note 2 – Long-term non-trade receivables amounting to USD71.1 million is due to intercompany non-trade finance arrangements made with Park Holding. It is management's intention that this receivable will not be collected in less than one year.

Note 3 – Interest bearing.

Note 4 – The balance presents a loan granted to a director secured with a pledge provided on property and with the maturity being July 2028 or if earlier the Director's Service Agreement ceased. This balance is interest bearing at HMRC's official interest rates for respective periods.

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

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23. Related party transactions (continued)

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

During 2023 WE Soda distributed dividends to Kew Soda by USD110.0 million, which is set off against current non-trade receivables from Kew Soda (non-cash settlement).

On 24 June 2024, Ordinary General Assembly of Eti Soda has declared a dividend amounting to TRY8,148.6 million (approximately USD248.6 million), which includes advance dividends distributed on 8 March 2024 and remaining TRY5,198.4 million (approximately USD158.6 million) will be distributed to Kazan Soda and Eti Maden İşletmeleri Genel Müdürlüğü proportionate to their shares up until 31 December 2024.

Royalty set-off for Kazan Soda

The Group has agreed on set-off of non-trade payables of Park Holding A.Ş. ("Park Holding") against future nine years' royalty payments to be made by Kazan Soda.

For the computation of the present value of the future royalty payments, the annual 9.50% interest rate of the bond issued by the Group has been applied to respective year's royalty computed based on the budget or forecasts financial model of WE Soda. This present value denominated in US dollars (USD276.3 million) is converted to Turkish Lira by using indicative US dollars/Turkish Lira exchange rate announced by The Central Bank of the Republic of Türkiye on 11 March 2024.

The parties have also agreed to mutually compensate each other in the event that the royalty, calculated based on projected ex-works sales, differs from the actual results of respective years. In order to avoid any confusion; if the actuals are lower than the projected future royalties, then Park Holding will pay the difference amount to Kazan Soda or vice versa, as applicable. The difference in payment amount will be limited to the difference between actual royalty and gross projected royalty of respective years.

As a result of this set-off, the Group's non-current and current prepaid expenses have been increased by USD222.5 million and USD30.7 million, respectively. USD23.1 million has been accounted for in cost of sales as quarterly royalty expense of USD7.7 million.

Investment property acquisition

On 29 May 2024 Kazan Soda has acquired two investment properties from Park Holding A.Ş. ("Park Holding") for a consideration of TL 2,115 million (USD65.8 million) which excludes value added tax of USD13.2 million, and transfer taxes which is directly attributable expenditure included in cost of acquisition by USD1.3 million. Acquisition value excluding VAT and transfer taxes (registration costs) by USD67.2 million are capitalized and presented in investment properties in the statement of financial position subsequent to deducting amortization expense of USD0.3 million. Total of acquisition consideration and its VAT amounting to USD79.0 million has been set-off from non-trade payables of Park Holding A.Ş..

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24. Commitments

Guarantee given on behalf of subsidiaries

Under committed and uncommitted receivable financing agreements, WE Soda has provided a parent guarantee; guaranteeing the performance obligations of Soda World as agent, not guaranteeing the performance of underlying customers/purchased receivables.

Under US Revolving Credit Facility, WE Soda has provided its guarantee as a primary obligor and not merely as a surety, to the relevant financial institution, due and punctual payment, and performance by the Borrowers obligations under the loan agreements.

Guarantee letters given

As at 30 September 2024, subsidiaries of the Company had provided bank guarantee letters to the value of USD12.6 million (31 December 2023: USD11.4 million), mainly in respect of future minimum royalty payment commitment to Eti Maden İşletmeleri Genel Müdürlüğü and purchases from various vendors.

Pledged assets

For the effectiveness of CEI RCF contract, WE Soda has entered into an agreement with the financial institution to (i) guarantee all of its subsidiaries under the respective loan agreement and (ii) grant to the financial institution a first priority security interest in all the ownership interests of its subsidiaries.

Guarantee letters received

As at 30 September 2024, subsidiaries of the Group, Eti Soda, Kazan Soda and Denmar had received bank guarantee letters to the value of USD10.9 million (31 December 2023: USD8.6 million) as a guarantee from third parties.

Firm commitments

The Group's operating subsidiaries lease trona mining rights from either local state or private entities. All of said lease agreements stipulate 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 USD6.2 million per year of royalty, regardless of production volume generated.

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31 December 2023 figures are audited. All other amounts are unaudited.

25. Post balance sheet events

Changes in Corporate Structure and Akkan Enerji Name Change

On 15 October 2024, as part of a corporate reorganization Akkan Enerji sold a 51% controlling stake in Kew Soda to Ciner Soda Holdings (UK) Ltd, a company wholly owned by Turgay Ciner. The sale was on an arm's length basis, confirmed by a letter from a major accounting firm as Independent Financial Advisor to the transaction.

On 28 October 2024, the name of Akkan Enerji was changed to Akkan Holding A.Ş..

26. 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 the 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. The Group had the following two derivative financial instruments: interest rate swap contracts and gas forward contracts.

(a) Interest rate swap contracts

In 2023, the Group has executed US dollars denominated 4-year Cancellable Interest Rate Swap transactions, in order to economically hedge the fixed coupon payments of the Bond to floating.

Additionally, the Group has executed US dollars denominated 6-year Cancellable Interest Rate Swap transactions, in order to economically hedge the fixed coupon payments of the Bond issued in February 2024 to floating.

(b) Gas forward contracts

The Group does not have any gas forward contracts as of 31 December 2023 or 2022. However, the Group has executed two TTF Heren Day Ahead Index Asian Swaps in 2023, which were two separate swap transactions for November and December 2023 covering 50% of the natural gas consumption of the period with full production capacity of its subsidiaries. These contracts were settled in December 2023 and January 2024.

WE Soda Ltd

Notes to Condensed Consolidated Interim Financial Statements for the period ended 30 September 2024

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

31 December 2023 figures are audited. All other amounts are unaudited.

26. Derivative financial instruments (continued)

(c) Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

Derivatives embedded in hybrid contracts with hosts that are not financial assets within the scope of IFRS 9 'Financial Instruments' are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL. As the Group has not designated the whole hybrid contract at FVTPL, the separated embedded derivatives are classified and measured at FVTPL.

An embedded derivative is presented as a non-current asset or non-current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than 12 months and is not expected to be realised or settled within 12 months.

Since the Group elected to recognise the bonds issued at amortised cost, the early payment options associated with the bonds issued are considered as embedded derivatives, excluded from the host, and treated as separate derivative instrument in the financial statements.

(d) Cross-currency swap contracts

The Group entered into a cross-currency swap contracts with an amount of USD 500.0 million due in February 2029 on 22 August 2024 to convert the USD 500 million variable interest rate risk associated with its bonds, including interest rate swaps, into variable EUR interest rate risk with two different financial institutions. The Group aims to mitigate its interest rate risk by utilizing the difference between SOFR and 6M EURIBOR rates.

	30 September 2024	31 December 2023
Non-current assets:		
Interest rate swap contracts	38,024	19,850
Cross-currency swap contracts	5,634	-
Bond early payment option	48,549	35,007
	92,207	54,857
Current liability:		
Interest rate swap contracts	(4,959)	(2,443)
Natural gas contracts	-	(2,127)
	(4,959)	(4,570)
Non-current liability:		
Cross-currency swap contracts	(12,073)	-
	(12,073)	-
Total	75,175	50,287

As at 31 December 2023, the Group's gas forward contract for December 2024 has been closed but settlement payment of €1,922,382 has been made in January 2024 and presented as derivative financial instrument liability.

Glossary

Akkan Enerji ve Madencilik A.Ş.	Akkan Energy Mining Inc.
Ciner İç ve Dış Ticaret A.Ş.	Ciner Domestic and Foreign Trade Inc.
Ciner Kimya	Ciner Kimya Yatırımları A.Ş.
Ciner Turizm Ticaret İnşaat Servis Hizmetleri A.Ş.	Ciner Tourism Trade Construction Transportation Services Inc.
Cogeneration	The generation of electricity and useful heat jointly, especially the utilisation of the steam left over from electricity generation for heating.
Denmar Depoculuk Nakliyat ve Ticaret A.Ş.	Denmar Warehousing, Transportation and Trading 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.
HSE	Health Safety and Environment
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 Thermal Electricity Industry and Trade Inc.
Park Termik Elektrik Sanayi ve Ticaret A.Ş.)	
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. Mainly used as a flux in the production of glass, lowering the melting point of silica
The Group	We Soda Ltd and its subsidiaries
Trona	The raw material which is refined into soda ash. Soda ash, in turn, is used to make glass, paper products, laundry detergents, and many other products. It also is used in the manufacturing of other chemicals, such as sodium bicarbonate (baking soda) and sodium phosphates (detergents).