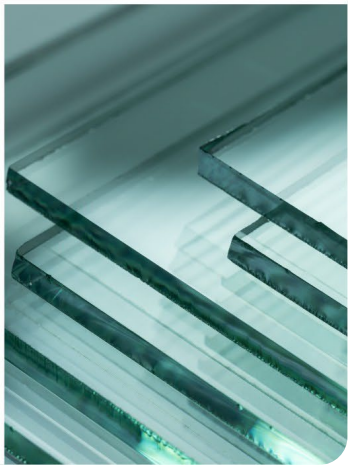
WE Soda Ltd

Results for the Third Quarter 2026

25 November 2026





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WE Soda Ltd (the "Company" and, together with its subsidiaries, "WE Soda"), a leader in industrial minerals and one of the largest producers of soda ash globally, announces its results for the third quarter and first nine months of 2026, new financing facilities from its existing lenders to support the refinancing of its 2028 Notes and a new $250 million financing agreement with the EBRD to support further development at Kazan.

Alasdair Warren, Chief Executive Officer commented:

"Trading conditions remained challenging, with record Chinese exports and weaker demand in some regions impacting prices, particularly in Asia. During the third quarter, consolidated Adjusted EBITDA of $140 million was up 6% on the second quarter but down 24% on last year. We have maintained our focus on costs and capital spending discipline, while recovering higher energy and transportation costs in our product pricing where contracts allow.

"Earlier this month, we announced the transition of our Wyoming operations to solution mining. Whilst this is the right decision to ensure the long-term future of our business in Wyoming, we recognise how hard this is for our people, their families and the local communities. We are working with the United Steelworkers union, the State of Wyoming and local community groups to support those affected.

"During the third quarter, sales from Türkiye were below our expectations as demand weakened and some customers reduced their expected volumes for the fourth quarter. Together with lower US production as the Wyoming transition gets under way, we now expect full-year 2026 sales volumes of approximately 9.1 million mt, consolidated Adjusted EBITDA of approximately $540 million and Free Cash Flow of approximately $380 million.

"As a first step to support the refinancing of our 2028 Notes, we have signed a new two-year bridge facility of approximately $210 million with our existing lenders and we are also working with our existing lenders towards a new term loan. Both can be used to support the refinancing of our 2028 Notes, if required, and, if drawn, the net effect will be a reduction of leverage within the Restricted Group.

"We are pleased to announce today a new $250 million financing agreement with the European Bank for Reconstruction and Development (EBRD) to support further development at Kazan. This agreement marks the start of a long-term partnership between Kazan and EBRD and their support will help us invest in water efficiency, decarbonisation and rail transportation from Kazan, strengthening Kazan's position as one of the lowest-cost and lowest-carbon soda ash operations in the world. The first drawing of approximately $60 million will reimburse expenditure already incurred and the remaining $50 million will finance the rest of the programme at Kazan, strengthening the Group's overall liquidity by $110 million.

"As we look out to 2027, we expect market conditions to remain challenging. We are not relying on a market recovery; instead, our focus will remain on what we can control: reducing costs and improving efficiency where possible, strict capital discipline to preserve cash, serving our customers well and growing our higher-margin specialty products. During FY 2027, we expect consolidated EBITDA and free cash flow to improve by approximately 10 to 15% by comparison with FY 2026. Our US operations will remain outside the Restricted Group during the transition of our Wyoming operations which will be funded from US cash flow. We have a clear path to complete the refinancing of our 2028 Notes; the Restricted Group has no debt maturities in 2027 and, together with the bridge and EBRD facilities, we now have liquidity of more than $700 million."

First Nine Months 2026 Summary

	Restricted Group[1]			Proforma Consolidated[2]		
	9M 2025	**9M 2026**	YoY[11]	9M 2025	**9M 2026**	YoY
Sales volume (million mt[3])	3.68	3.60	(2.2)%	6.89	6.71	(2.6)%
Adjusted EBITDA ($ million)	386	292	(24)%	546	384	(30)%
Free Cash Flow ($ million)	298	210	(30)%	421	274	(35)%
FCF Conversion[6]	77%	72%	(5)ppt	77%	71%	(6)ppt
Capital Expenditure ($ million)	94	65	(31)%	138	97	(30)%
QE Net Leverage Ratio[9](x)	3.2x	4.2x	+1.0x	3.1x	4.4x	+1.3x

Our results for the nine months ended 30 September 2026 delivered Adjusted EBITDA of approximately $81 per mt for the Restricted Group and $57 per mt for the Proforma Consolidated Group. Margins were down from $105 and $79 per mt, respectively, in 9M 2025, mainly reflecting lower realised prices, which were around 12% below the same period last year, and lower sales volumes.

For the Restricted Group, 9M 2026 sales volumes were down 2% year-on-year at 3.60 million mt, with Adjusted EBITDA of $292 million, down 24% year-on-year, and Free Cash Flow of $210 million, down 30% year-on-year. This reflects lower prices in our export markets and particularly in Asia, where record Chinese exports continue to weigh on pricing, together with higher transportation costs.

For the Consolidated Group, which includes our operations in Türkiye and the US, 9M 2026 sales volumes were down 2.6% year-on-year at 6.71 million mt, mainly reflecting the Westvaco production disruptions in the first quarter. Adjusted EBITDA for the period was down 30% year-on-year at $384 million, and Free Cash Flow was $274 million, down 35% year-on-year, reflecting the same pricing pressures, which were most pronounced in the export markets served from Wyoming.

Q3 2026 Summary

	Restricted Group[1]			Consolidated Group		
	Q3 2025	**Q3 2026**	YoY[11]	Q3 2025	**Q3 2026**	YoY
Sales volume (million mt[3])	1.21	1.19	(1.7)%	2.31	2.28	(1.3)%
Adjusted EBITDA ($ million)	128	99	(23)%	184	140	(24)%
Free Cash Flow ($ million)	98	73	(25)%	138	106	(23)%
FCF Conversion[6]	76%	74%	(2)ppt	75%	76%	+1ppt
Capital Expenditure ($ million)	34	17	(50)%	53	25	(53)%
QE Net Leverage Ratio[9](x)	3.2x	4.2x	+1.0x	3.1x	4.4x	+1.3x

Our results for the quarter ended 30 September 2026 delivered Adjusted EBITDA margins of approximately $83 per mt for the Restricted Group and $61 per mt for the Consolidated Group, down from $105 per mt and $80 per mt, respectively, in Q3 2025. Consolidated Adjusted EBITDA of $140 million was up 6% on the second quarter, making Q3 our strongest quarter of the year, with the margin improving from $56 per mt.

For the Restricted Group, Q3 2026 sales volumes were down 1.7% year-on-year at 1.19 million mt, with Adjusted EBITDA of $99 million, down 23% year-on-year, and Free Cash Flow of $73 million, down 25% year-on-year. Lower prices again drove the year-on-year decline. Compared with the second quarter, Adjusted EBITDA was 5% lower, as sales volumes in August and September were below our expectations as demand weakened. Competitive pricing pressure led to lower volumes and lower-margin sales in some regions.

For the Consolidated Group, Q3 2026 sales volumes were down 1.3% year-on-year at 2.28 million mt. Adjusted EBITDA for the quarter was down 24% year-on-year at $140 million, and Free Cash Flow was $106 million, down 23% year-on-year, reflecting the same pricing pressures affecting the Restricted Group.

Capital discipline remained a priority, with capital expenditure of $97 million in the first nine months, 30% lower than the same period last year. We also continued to act on costs and pricing, including optimising freight operations and passing through higher energy and transportation costs where our contracts allow.

At Kazan, our grey water project, the first of its kind in Türkiye, reached its target in November, supplying around 9,000 m^3 a day of treated municipal grey water, around 60% of the site's total water needs. We plan to replicate it at Eti.

US Operations

On 4 November 2026, we announced plans to transition our Westvaco facility in Wyoming from dry ore underground mining to solution mining, progressively over approximately the next two years. This change is necessary to secure the long-term future of our Wyoming operations in response to the significant impact which low-cost Chinese exports have had on soda ash pricing in export markets. Our total Wyoming production is expected to reduce by over 1.5 million mt per year, with a corresponding reduction in export sales that are no longer commercially viable. We will focus our sales from Wyoming on the United States, Canada and Mexico for soda ash and on our specialty products customers globally. The transition is progressing as planned.

Regrettably, the transition will also require us to reduce our Wyoming workforce, in stages, from over 850 roles to approximately 500, beginning in Q1 2027. We are in discussions with the United Steelworkers union on how the transition will be managed, and we will support our employees and their families throughout the transition.

In 2027, the transition is expected to increase Adjusted EBITDA from our US operations by approximately $80 million compared with continuing dry ore underground mining, with further improvement as the transition completes. Annual maintenance capital expenditure in the US is expected to fall from a historic average of approximately $75 million to approximately $30 million. The total cost of the transition is expected to be approximately $100 million over the next two years, comprising approximately $60 million of transition capital expenditure and approximately $40 million of one-off restructuring costs, which will all be funded from US operating cash flow.

Taken together, higher Adjusted EBITDA, lower maintenance capital expenditure and scheduled repayments under the US term loan are expected to reduce US net leverage materially as the transition completes. 2027 will be a year of transition, with lower volumes and the one-off costs described above. The figures above measure the expected effect of the transition against the alternative of continuing dry ore underground mining, assume no material change in market conditions, costs or prices from current levels, and are not a forecast of our results for 2027.

Balance Sheet and Financing

At 30 September 2026, the Restricted Group had Net Debt of $1.7 billion and the Consolidated Group had Net Debt of $2.3 billion, both broadly unchanged from 30 June 2026. Net Leverage Ratios increased to 4.2x and 4.4x, respectively, from 3.9x and 4.0x at 30 June 2026, reflecting lower Adjusted EBITDA over the last twelve months rather than higher debt.

During the first nine months, Free Cash Flow of $274 million was used to meet interest payments and other finance expenses of $183 million, lease payments of $23 million and changes in working capital of $67 million, with the remaining balance held as cash.

The Consolidated Group ended Q3 2026 with liquidity of more than $400 million. Including the new EBRD facility and the bridge facility described below, liquidity is now more than $700 million. We remained in compliance with all our financing arrangements during the period, and the maintenance covenant under our Super Senior RCF, which is tested only if utilisation exceeds 40%, was not tested.

Our capital allocation policy remains unchanged, and we remain firmly focused on returning to our target Net Leverage Ratio of less than 2.5x over time, albeit given the challenging trading conditions this is unlikely to occur in the short term. There will be no distributions to our shareholder until we are within our target range of 1.5x to 2.5x.

EBRD financing agreement

On 20 November 2026, WE Soda Ltd and the European Bank for Reconstruction and Development (EBRD) signed a $250 million financing agreement to fund the investment programme at Kazan, marking the start of a long-term partnership. The agreement comprises a $110 million committed facility and a further $140 million uncommitted facility.

The $110 million committed facility will fund the first set of approved investments at Kazan covering projects such as wastewater reuse, closed-loop cooling, recovery of process materials, a rail connection and sodium bicarbonate pilot plants. These investments are already part of our capital expenditure plans, so the facility does not add to the Group's planned net debt or leverage. It has an eight-year term, including a two-year grace period. Unlike our bonds and Super Senior RCF, the facility is not senior secured.

The first drawing of approximately $60 million will reimburse expenditure already incurred. The remaining $50 million will finance the rest of the programme, strengthening the Group's overall liquidity by $110 million. The $140 million uncommitted facility will support further investments at Kazan.

Refinancing of the 2028 Notes

Following the issue of $250 million of notes due 2031 in February 2026 and our new $385 million Super Senior RCF maturing in March 2031, the Restricted Group has no debt maturities or scheduled amortisation in 2027, and our next maturity is the 2028 Notes. We do not believe a new bond issue is currently the right option given prevailing market conditions, and we do not intend to add to the quantum of our bonds outstanding.

Our US operations will remain outside the Restricted Group during the transition of our Wyoming operations. We had previously intended to bring them in as part of refinancing the 2028 Notes but we have now decided on a different approach. With the Wyoming transition under way and funded by US cashflows, we will now keep the US business, its term loan and the new bridge facility outside the Restricted Group. The US term loan matures in 2029 and has no cross-default to the Restricted Group.

On 24 November 2026, we signed a new two-year bridge facility of approximately $210 million with our existing lenders. The bridge facility is provided to our US business, outside the Restricted Group, with no WE Soda guarantee. If drawn, it will be fully applied towards repaying the 2028 Notes through future tender offers, the timing of which will depend on market conditions. If drawn in full and applied to the repurchase of existing 2028 Notes, this would reduce Restricted Group Net Leverage by around 0.5x, by comparison with our FY 2026 guidance.

We are also working with our existing lending banks towards a new five-year term loan for the Restricted Group, which would rank alongside our existing bonds.

Overall, we plan to refinance the 2028 Notes, which mature in October 2028, through a combination of bank funding, including the new bridge facility, the proposed new term loan, cash and liquidity strengthened by the EBRD facility, our Super Senior RCF and, if market conditions allow, the bond markets.

Related Party Transactions

Related party balances mainly reflect funding to our parent, Kew Soda Ltd, and other companies within the wider Ciner Group, ultimately controlled by Mr Turgay Ciner. These balances are unsecured, interest-bearing at arm's length rates and repayable on demand. As at 30 September 2026, net related party non-trading receivables stood at $960 million, compared with $940 million at 31 December 2025. The increase mainly reflects interest accrued over the period, partly offset by net collections. Our objective remains to reduce these balances over time.

2026 Outlook and Guidance

We expect market conditions to remain difficult, with weak global growth and high energy prices holding back demand. Production capacity is leaving the market, including our own volumes in Wyoming, but the market remains oversupplied and we are not relying on a recovery in demand or pricing. Our focus is on self-help: reducing costs and improving efficiency where possible, strict capital discipline to preserve cash, serving our customers well and growing our higher-margin specialty products.

We now expect the Consolidated Group to deliver Adjusted EBITDA of approximately $540 million for FY 2026, below our previous guidance of approximately $570 million, and Free Cash Flow of approximately $380 million (previously approximately $400 million).

The reduction reflects lower sales volumes from Türkiye (the Restricted Group), where we now expect Adjusted EBITDA of approximately $410 million (previously approximately $430 million), as some customers have reduced their expected volumes for the fourth quarter, citing weaker demand. In the fourth quarter, a weaker euro is also reducing the dollar value of our sales to Europe, and US production will be lower in December as the first stage of the transition in Wyoming begins. These effects are partly offset by lower operating costs.

We now expect to sell approximately 9.1 million mt for the full year (previously approximately 9.3 million mt), of which approximately 5.0 million mt from the Restricted Group (previously approximately 5.1 million mt).

We continue to expect total capital expenditure, including maintenance, growth and other capital expenditure, of approximately $130 million for the year, with non-essential growth projects deferred while trading conditions remain challenging. Maintenance spending is focused on safety, asset integrity and reliable production.

We now expect Net Leverage at year-end 2026 to be approximately 4.2x (previously approximately 3.7x) for the Restricted Group, which would reduce to approximately 3.7x if the new bridge facility were drawn in full and applied to the repurchase of the 2028 Notes.

For the Consolidated Group, we now expect Net Leverage at year-end 2026 to be approximately 4.4x (previously approximately 3.8x).

During FY 2027, we expect consolidated EBITDA and free cash flow to improve by approximately 10 to 15% by comparison with FY 2026. The improved performance is driven mainly by the transition of our US operations together with other actions within our global business. The reduction in Türkiye's corporate income tax rate to 12.5% for certified industrial producers, effective from FY 2027, is expected to reduce our annual cash tax outflow by approximately $15 million from 2027. We will provide more complete guidance for FY 2027 with our full-year results.

Our updated FY 2026 guidance for both the Restricted Group and the Consolidated Group is presented below.

	Restricted Group	Consolidated Group
Sales Volume (million mt)	~5.0	~9.1
Adjusted EBITDA ($ million)	~410	~540
Adjusted EBITDA ($ per mt)	~82	~60
YE Net Leverage (x)	~4.2x	~4.4x

Key Dates

FY 2026 Results	**Thursday 29 April 2027**

Notes:

1. **Restricted Group** consists of WE Soda Ltd and its Restricted Subsidiaries under the WE Soda Bonds and the WE Soda RCF Facility, and excludes Kew Soda Ltd, as well as WE Soda Enterprises Inc. and its subsidiaries, which are designated as Unrestricted Subsidiaries under such financing arrangements. The US business is excluded from the Restricted Group.
2. **Proforma Consolidated** financials are presented to reflect the performance of the combined business following the acquisition of the US business on 28 February 2025. Because the acquisition completed part-way through 2025, the contribution of the acquired business to the Group's revenue and profit under IFRS in that year was limited to the period 1 March to 31 December 2025. Proforma data for 2025 is presented to enable the relative performance of the business to be measured on a consistent basis.
3. **mt** = metric tonne.
4. **Adjusted EBITDA** is calculated as EBITDA adjusted for certain items, either positive or negative, which we consider to be non-recurring in nature and further items that we do not consider to be representative of the underlying performance of the business. **EBITDA** represents profit / (loss) for the period from continuing operations before interest in equity accounted associates, depreciation and amortisation expenses, finance expenses, net of finance income and taxation. A reconciliation of EBITDA and Adjusted EBITDA to profit/(loss) for the period is set out in the Appendix to this announcement.
5. **Free Cash Flow (FCF)** is calculated as Adjusted EBITDA minus Maintenance Capital Expenditures minus tax payments.
6. **Free Cash Flow (FCF) Conversion** is calculated as Free Cash Flow divided by Adjusted EBITDA.
7. **Adjusted EBITDA per mt** is calculated as the Adjusted EBITDA divided by the sales volume (in mt) of soda ash and sodium bicarbonate combined for the period.
8. **Net Debt** is calculated as the sum of current borrowings and non-current borrowings (including in each case transaction costs capitalised on initial recognition of the borrowing liability) and lease liabilities, net of cash and cash equivalents (including cash held in debt service reserve accounts).

9. **Net Leverage Ratio** is calculated as Net Debt divided by Adjusted EBITDA. The Consolidated Group Net Leverage Ratio at 30 June 2026 has been restated to 4.0x (previously reported as 4.1x) following a correction to the calculation.
10. **PPT** = percentage point.
11. **YoY =** year-on-year percentage change. Where ranges are shown, the percentage represents the middle of the range.
12. **Netback Revenue** is calculated as revenue from sales of soda ash, sodium bicarbonate and speciality products less transportation and export expenses.

Appendix: Reconciliation of Alternative Performance Measures

This announcement includes a number of alternative performance measures ("APMs"), including EBITDA, Adjusted EBITDA and Netback Revenue, which are not defined under IFRS. Definitions of these measures are set out in the Notes above. Further information, including why we present these measures, is set out in our 2025 Annual Report. The tables below reconcile each of these measures for the Consolidated Group to the Group's condensed consolidated interim financial statements for the nine months ended 30 September 2026 (the "Interim Financial Statements"). References are to the primary statements and notes in the Interim Financial Statements, with "SPL" referring to the consolidated statement of profit or loss.

Reconciliation of profit/(loss) for the period to EBITDA and Adjusted EBITDA ($ million)

	Reference	9M 2026
Profit/(loss) for the period	SPL	(165.2)
add/(less):		
Finance income	SPL	(64.2)
Finance expenses	SPL	249.0
Taxation	SPL	93.0
Depreciation and amortisation expenses	Notes 8, 9, 10 and 11	193.7
Gain/(loss) on disposal of fixed assets		4.2
EBITDA		**310.5**
add/(less):		
Foreign exchange (gains)/losses and discount interest (income)/expense included in other operating income and expenses	Note 11	14.3
Employee benefits		8.9
Mineral exploration and evaluation expenditures (including idle capacity costs)		11.5
Excess caustic soda and lime costs		0.5
Non-cash royalty adjustment for Kazan Soda	Note 22	23.0
Other one-off items		15.5
Adjusted EBITDA		**384.2**

Reconciliation of revenue to Netback Revenue ($ million)

	Reference	9M 2026
Soda ash/sodium bicarbonate sales and speciality products	Note 7	1,576.2
less:		

Transportation expenses	Note 8	(458.6)
Export expenses*	Note 8	(33.5)
Netback Revenue		**1,084.1**

* Export expenses include personnel and other cost of services sold of Denmar Türkiye of $4.7 million, categorised as export expenses due to the nature of these costs.

Audiocast details:

The management team will host a conference call and audiocast presentation at 14.00 GMT, on Wednesday 25 November 2026.

Presentation materials will be made available at: https://www.wesoda.com/investors/reports-results-presentations shortly before the start of the event.

Audiocast and conference call registration:

If you would like to view the presentation via live audiocast, please click through the link below:

https://edge.media-server.com/mmc/p/tk3f85go

If you would like to join via live conference call, please register using the link below:

https://register-conf.media-server.com/register/Blc219be48ac934ceca58b1875e810bca2

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