Tata Chemicals (Soda Ash) Partners and Subsidiary

Consolidated Financial Statements and Independent Auditors' Report
March 31, 2023 and 2022

Tata Chemicals (Soda Ash) Partners and Subsidiary
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March 31, 2023 and 2022

KPMG LLP
Suite 1500
15 W. South Temple
Salt Lake City, UT 84101

Independent Auditors' Report

The Partners
Tata Chemicals (Soda Ash) Partners:

Opinion

We have audited the consolidated financial statements of Tata Chemicals (Soda Ash) Partners and its subsidiary (the Partnership), which comprise the consolidated balance sheets as of March 31, 2023 and 2022, and the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Partnership as of March 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Partnership and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for one year after the date that the consolidated financial statements are issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

KPMG LLP

Salt Lake City, Utah
May 25, 2023

Tata Chemicals (Soda Ash) Partners and Subsidiary
Consolidated Statements of Income
For the Years Ended March 31, 2023 and 2022

(In thousands)	2023	2022
Net revenues	$ 651,419	$ 491,181
Cost of revenues - excluding depreciation and amortization	468,269	362,922
Cost of revenues - depreciation and amortization	31,029	29,163
Total cost of revenues	499,298	392,085
Selling, general and administrative expense	36,283	18,041
Loss on disposition of long lived assets	36	-
Operating income	115,802	81,055
Interest expense (income), net	(452)	411
Other expense, net	1,182	3,916
Net income	115,072	76,728
Net income attributable to noncontrolling interest	8,855	8,825
Net income attributable to Tata Chemicals (Soda Ash) Partners and subsidiary	$ 106,217	$ 67,903

See notes to consolidated financial statements.

Tata Chemicals (Soda Ash) Partners and Subsidiary
Consolidated Statements of Comprehensive Income
For the Years Ended March 31, 2023 and 2022

(In thousands)	2023	2022
Net income	$ 115,072	$ 76,728
Other comprehensive income:		
Defined benefit plan adjustments	7,073	13,643
Unrealized gain (loss) on natural gas hedge	(19,723)	3,901
Other comprehensive income (loss)	(12,650)	17,544
Net comprehensive income	102,422	94,272
Less: Comprehensive income attributable to the noncontrolling interest	8,855	8,825
Net comprehensive income attributable to Tata Chemicals (Soda Ash) Partners and Subsidiaries	$ 93,567	$ 85,447

See notes to consolidated financial statements.

Tata Chemicals (Soda Ash) Partners and Subsidiary
Consolidated Balance Sheets
As of March 31, 2023 and 2022

(In thousands)	2023	2022
Assets		
Current assets		
Cash and cash equivalents	$ 31,097	$ 46,878
Receivables, net of allowance for doubtful accounts of $485 and $190	162,303	101,634
Receivables due from related party	-	766
Inventories	21,066	24,791
Prepaid expenses and other current assets	10,093	15,285
Total current assets	224,559	189,354
Property, plant and equipment—net	244,288	234,017
Other assets	16,503	14,717
Total assets	$ 485,350	$ 438,088
Liabilities		
Current liabilities		
Accounts payable	$ 52,102	$ 37,337
Payables due to related parties	36,351	-
Current portion of finance lease obligation	4,672	5,948
Accrued liabilities	35,072	23,967
Total current liabilities	128,197	67,252
Finance lease obligation, net of current portion	3,890	3,333
Long-term liabilities	85,796	82,270
Total liabilities	217,883	152,855
Equity		
Accumulated other comprehensive loss	(23,539)	(10,889)
Accumulated earnings	291,006	296,122
Total equity	267,467	285,233
Total liabilities and equity	$ 485,350	$ 438,088

See notes to consolidated financial statements.

Tata Chemicals (Soda Ash) Partners and Subsidiary
Consolidated Statements of Cash Flows
For the Years Ended March 31, 2023 and 2022

(In thousands)	2023	2022
Cash flows from operating activities		
Net income	$ 115,072	$ 76,728
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	31,029	29,163
Bad debt expense	295	-
Loss on disposal of assets	36	-
Accretion of asset retirement obligation	1,221	1,203
Unrealized hedge loss (gain)	-	(3,901)
Changes in assets and liabilities:		
(Increase) in receivables	(60,964)	(30,109)
(Increase) in receivables from related parties	(23,901)	(766)
(Increase) decrease in inventories	3,725	(12,294)
(Increase) in prepaid expenses and other current assets	(1,311)	(4,500)
(Increase) in other assets	(1,786)	(799)
Increase in accounts payable	13,738	4,449
Increase (decrease) in payables to related parties	33,185	(2,005)
Increase (decrease) in accrued liabilities	(2,117)	3,364
Increase (decrease) in long-term liabilities	9,379	11,219
Net cash provided by operating activities	117,601	71,752
Cash flows used in investing activities		
Capital expenditures	(33,303)	(17,350)
Net cash used in investing activities	(33,303)	(17,350)
Cash flows used in financing activities		
Repayments of financial lease obligations	(7,724)	(7,792)
Distributions	(83,500)	(22,600)
Distributions to noncontrolling interest	(8,855)	(8,825)
Net cash used in financing activities	(100,079)	(39,217)
Net change in cash and cash equivalents	(15,781)	15,185
Cash and cash equivalents		
Beginning of year	46,878	31,693
End of year	$ 31,097	$ 46,878
Supplemental disclosure of cash flow information		
Interest paid during the year	$ 708	$ 456
Non-cash investing and financing activities		
Accounts payable and accrued liabilities incurred to acquire property and equipment	$ 10,864	$ 9,836
Assets obtained in exchange for lease obligation	$ 7,078	$ 2,711
Reductions to assets resulting from retirement of lease obligations	$ (69)	$ (53)
Distribution declared, not yet paid	$ (27,833)	$ -
Change in estimate of asset retirement obligation	$ 841	$ -

Tata Chemicals (Soda Ash) Partners and Subsidiary
Consolidated Statements of Changes in Equity
For the Years Ended March 31, 2023 and 2022

(In thousands)	**Accumulated Other Comprehensive Loss**	**Accumulated Earnings**	**Noncontrolling Interest**	**Total Equity**
Equity, March 31, 2021	(28,433)	250,819	-	222,386
Net income		67,903	8,825	76,728
Distributions		(22,600)	-	(22,600)
Distribution to noncontrolling interest		-	(8,825)	(8,825)
Other comprehensive income	17,544	-	-	17,544
Equity, March 31, 2022	(10,889)	296,122	-	285,233
Net income		106,217	8,855	115,072
Distributions		(111,333)	-	(111,333)
Distribution to noncontrolling interest		-	(8,855)	(8,855)
Other comprehensive income	(12,650)	-	-	(12,650)
Equity, March 31, 2023	$ (23,539)	$ 291,006	$ -	$ 267,467

1. Description of Business

Tata Chemicals (Soda Ash) Partners and its subsidiary (collectively, "TCSAP " or the "Partnership" or the "Company") operates a facility in Green River, Wyoming for the purpose of mining and processing trona ore and selling the resulting finished product, soda ash. TCSAP supplies soda ash to a broad range of industrial customers primarily in the following markets: glass production, sodium-based chemicals, detergents, pulp and paper, and water treatment. TCSAP is a subsidiary of TC (Soda Ash) Partners Holdings ("TCSAP Holdings"). TCSAP Holdings is a partnership of which 75% is owned by Tata Chemicals North America Inc. ("TCNA") and 25% is owned by Valley Holdings, Inc. ("VHI"), the parent of TCNA.

For the purposes of these consolidated financial statements, fiscal 2023 is defined as the twelve month year ended March 31, 2023 and fiscal 2022 is defined as the twelve month year ended March 31, 2022.

2. Summary of Significant Accounting Policies

Basis of Consolidation

The accompanying consolidated financial statements reflect the results of operations, financial position and cash flows of the Company, including one separate sub-partnership, ALCAD. The Partnership and Church & Dwight Co., Inc. ("C&D") each have a 50% interest in ALCAD. The Partnership consolidates this sub-partnership as it has the ability to exercise control over the most significant activities of ALCAD, and thus has concluded the Partnership is the primary beneficiary of this variable interest entity (see Note 13). The portion of ALCAD that is not owned is reflected as a noncontrolling interest in the accompanying consolidated financial statements. All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the useful lives of assets, assumptions related to pension and postretirement obligations, and the estimated asset retirement obligation. Actual results could differ from those estimates.

Receivables and Allowance for Doubtful Accounts

Accounts receivable are recorded at the invoiced amount and do not bear interest. Management periodically reviews customer's credit history and extends credit accordingly. The Company records a provision for estimated losses based upon historical experience. Additionally, the Company will establish a specific allowance for doubtful accounts when it becomes aware of a specific customer's inability or unwillingness to meet its financial obligations.

Income Taxes

The consolidated financial statements contain no provision or liability for income taxes because the results of the Partnership's operations are included in the taxable income of its partners.

U.S. GAAP requires management to evaluate tax positions taken by the Partnership and recognize a tax liability if the Partnership has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Partnership has analyzed the tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Partnership has determined that there is no tax liability resulting from unrecognized tax benefits related to uncertain income tax positions taken or expected to be taken on the tax return for the years ended March 31, 2023 and 2022. Tax years subject to examination include 2019 forward for all tax returns.

Derivative Financial Instruments

Derivative financial instruments are used to mitigate natural gas purchase—price exposure. Natural gas contracts are recorded on the balance sheet at fair value. These derivatives are accounted for by hedge accounting as a fair value hedge with unrealized gains and losses being held on the balance sheet in accumulated other comprehensive income and accrued liabilities. Realized gains and losses (if applicable) are recognized within cost of revenues in the period incurred. The Partnership does not hold or issue derivative instruments for trading purposes.

Royalties

Trona reserves are mined pursuant to lease arrangements with various landowners. Such arrangements generally provide for royalty or severance tax payments based on the selling price of soda ash. Royalties and severance taxes are included as a component of cost of revenues.

Cash and Cash Equivalents

The Partnership's cash and cash equivalents include cash and short-term highly liquid investments with an original maturity of three months or less. The Partnership maintains cash and cash equivalents in bank deposit and money market accounts that may exceed federally insured limits. The financial institutions where the Partnership's cash and cash equivalents are held are generally highly rated. The Company has not experienced any losses in such accounts and believes it is not exposed to significant credit risk.

Inventories

Inventories are stated at the lower of cost or net realizable value, with cost being determined using the average cost method. Product inventory costs include depreciation, maintenance, labor, energy, material and factory overhead.

Property, Plant and Equipment

Property, plant and equipment are carried at cost, less accumulated depreciation. Most property, plant and equipment are depreciated using the straight-line method, using estimated lives which range from 2 to 50 years. The mineral rights are depreciated using the units-of-production method. Leasehold improvements are amortized over the lesser of the useful life of the asset or term of the lease. Major additions and improvements are capitalized, while costs for minor replacements, maintenance and repairs that do not increase the functionality or useful life of an asset are expensed as incurred. Upon sale or retirement, the cost and related accumulated depreciation are eliminated from the respective accounts and any resulting gain or loss is recorded.

Property, Plant, and Equipment useful lives

Land and improvements	5 to 30 years
Buildings and leasehold improvements	3 to 30 years
Machinery & Equipment	2 to 20 years
Mines & quarries	10 to 50 years
Machinery & Equipment - Leased	Set by lease agreement
Buildings - Leased	Set by lease agreement

Impairment of Long-Lived Assets

Long-lived assets are evaluated for recoverability whenever events or changes in circumstances indicate that an asset may have been impaired. In evaluating an asset for recoverability, the Partnership estimates the future undiscounted cash flows expected to result from the use of the asset and eventual disposition. If the sum of the expected future cash flows is less than the carrying amount of the asset, management would write the asset down to fair value and record impairment charges, accordingly. No such events or changes in circumstances were noted for the years ended March 31, 2023, or 2022.

The estimation of fair value is measured by discounting expected future cash flows. The recoverability assessment related to long-lived assets requires judgments and estimates of future revenues, gross margin rates and operating expenses. The Partnership bases these estimates upon its past and expected future performance. The Partnership believes its estimates are appropriate in light of current market conditions. However, future impairment charges could be required for certain long-lived assets if the Partnership does not achieve its current revenue or cash flow projections. There were no impairment charges as of March 31, 2023, or 2022.

Asset Retirement Obligations

The Partnership provides for the expected costs to be incurred for the eventual reclamation of properties pursuant to local laws. The Partnership accounts for its land reclamation liability as an asset retirement obligation, which requires that obligations associated with the retirement of a tangible long-lived asset be recorded as a liability when those obligations are incurred, with the amount of the liability initially measured at fair value. Upon recognizing a liability for an asset retirement obligation, an entity also capitalizes the cost of the reclamation by recognizing an increase in the carrying amount of the related long-lived asset. Over time, the liability is accreted to its future value each period, and the capitalized costs of the related long-lived assets are depreciated over their estimated useful lives. An entity ultimately either settles the obligation for its recorded amount or incurs a gain or loss upon settlement.

Revenue Recognition

Our Soda Ash sales division consists of the mining, processing, and sale of soda ash products. Revenues are recognized when the Partnership satisfies the performance obligation to transfer products to customers, which typically occurs at a point in time upon shipment of the products, and for an amount that reflects the transaction price that is allocated to the performance obligation.

The Partnership has applied the shipping and handling practical expedient to treat all shipping and handling activities as fulfillment activities as the Partnership views these costs as costs to fulfill the customers' orders. Fees for shipping and handling charged to customers for sales transactions are including in Net revenues on the consolidated statements of income. When control over products has transferred to the customer, the Partnership has elected to recognize costs related to shipping and handling as an expense.

The Partnership's payment terms vary by the type of customer and the products offered. The term between invoicing and due date is not significant.

Unit price is determined at the time of the purchase order and is generally established on a customer-by-customer basis annually.

Employee Medical Benefits

The Partnership is self-insured for expenses relating to employee medical benefits. All employees have an option to participate in the Partnership's self-funded comprehensive medical care benefits program. The cost of medical care is paid out of employee and employer contributions. The Partnership has purchased stop-loss coverage in order to limit its exposure to significant individual medical claims. Self-insured medical costs are accrued based upon actuarial assumptions and the Partnership's historical experience.

Environmental Matters

The Partnership is subject to extensive federal, state, and local environmental laws and regulations. These laws, which change frequently, regulate or propose to regulate the discharge of materials into the environment and may require the Partnership to remove or mitigate the environmental effects of the disposal or release of such substances. Environmental expenditures, which can include fines, penalties and certain corrective actions, are expensed or capitalized depending on their future economic benefit. Expenditures that relate to an existing condition caused by past operations and that have no future economic benefits are expensed. Liabilities for expenditures are recorded when remediation is probable, and the costs can be reasonably estimated.

Noncontrolling Interest

The Partnership accounts for the noncontrolling interest in ALCAD as a component of equity in the consolidated financial statements.

Leases

The Partnership determines if an arrangement is, or contains, a lease at contract inception based on whether there is an identified asset and whether the Partnership has the right to control the use of the identified asset throughout the period of use. The Partnership recognizes a right-of-use (ROU) asset and a lease liability at the lease commencement date. For operating leases, the lease liability is initially and subsequently measured at the present value of the unpaid lease payments at the lease commencement date. For finance leases, the lease liability is initially measured in the same manner and date as for operating leases and is subsequently measured at amortized cost using the effective-interest method.

Key estimates and judgments include how the Partnership determines (1) the discount rate it uses to discount the unpaid lease payments to present value, (2) lease term, and (3) lease payments.
The Partnership discounts its unpaid lease payments using the interest rate implicit in the lease or, if that rate cannot be readily determined, its incremental borrowing rate. Generally, The Partnership cannot determine the interest rate implicit in the lease because it does not have access to the lessor's estimated residual value or the amount of the lessor's deferred initial direct costs. Therefore, the Partnership generally uses its parent company's incremental borrowing rate as the discount rate for

the lease. The Partnership's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms. Because the Partnership does not generally borrow on a collateralized basis, it uses the interest rate the Partnership's parent pays on its noncollateralized borrowings as an input to deriving an appropriate incremental borrowing rate, the lease term and the effect on that rate of designating specific collateral with a value equal to the unpaid lease payments for that lease.

The lease term for all of the Partnership's leases includes the noncancelable period of the lease plus any additional periods covered by either a Company option to extend (or not to terminate) the lease that the Partnership is reasonably certain to exercise, or an option to extend (or not to terminate) the lease controlled by the lessor.

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

– Fixed payments, including in-substance fixed payments, owed over the lease term (which includes termination penalties the Partnership would owe if the lease term assumes Company exercise of a termination option);
– Variable lease payments that depend on an index or rate, initially measured using the index or rate at the lease commencement date;
– Amounts expected to be payable under a Company-provided residual value guarantee; and
– The exercise price of a Company option to purchase the underlying asset if the Partnership is reasonably certain to exercise the option.

The right of use (ROU) asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus any initial direct costs incurred less any lease incentives received.

For operating leases, the ROU asset is subsequently measured throughout the lease term at the carrying amount of the lease liability, plus initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received. Lease expense is recognized on a straight-line basis over the lease term.

For finance leases, the ROU asset is subsequently amortized using the straight-line method from the lease commencement date to the earlier of the end of its useful life or the end of the lease term unless the lease transfers ownership of the underlying asset to the Partnership or the Partnership is reasonably certain to exercise an option to purchase the underlying asset. In those cases, the ROU asset is amortized over the useful life of the underlying asset. Amortization of the ROU asset is recognized and presented separately from interest expense on the lease liability.

Variable lease payments associated with the Partnership's leases are recognized when the event, activity, or circumstance in the lease agreement on which those payments are assessed occurs. Variable lease payments are presented as operating expense in the Partnership's consolidated statements of income in the same line item as expense arising from fixed lease payments (operating leases) or amortization of the ROU asset (finance leases).

ROU assets for operating and finance leases are periodically reduced by impairment losses and the Partnership evaluates the ROU asset for impairment loss using the same methodology as for long-lived assets.

The Partnership monitors for events or changes in circumstances that require a reassessment of one of its leases. When a reassessment results in the remeasurement of a lease liability, a corresponding adjustment is made to the carrying amount of the corresponding ROU asset unless doing so would reduce the carrying amount of the ROU asset to an amount less than zero. In that case, the amount of the adjustment that would result in a negative ROU asset balance is recorded in profit or loss.

Finance lease ROU assets are included in property, plant, and equipment. During the years ended March 31, 2023 and March 31, 2022, the current portion of finance lease liabilities is included in current portion of finance lease obligations and the long-term portion is included in long term portion of finance lease obligation.

The Partnership has elected not to recognize ROU assets and lease liabilities for short-term leases of equipment that have a lease term of 12 months or less. The Partnership recognizes the lease payments associated with its short-term equipment leases as an expense on the consolidated statements of income. Variable lease payments associated with these leases are recognized and presented in the same manner as for all other Partnership leases.

The Partnership has lease agreements with lease and non-lease components and has elected a practical expedient not to separate the lease and non-lease components for its leases for physical space and equipment and accounts for them as a single lease component.

3. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in a principal or most advantageous market. The Partnership makes certain assumptions it believes that market participants would use in pricing assets or liabilities, including assumptions about risk, and the risks inherent in the inputs to valuation techniques. The credit risk of the Partnership and its counterparties is incorporated in the valuation of certain assets and liabilities through the use of credit reserves, the impact of which is immaterial for the years ended March 31, 2023 and 2022. The Partnership believes it uses valuation techniques that maximize the use of observable market-based inputs and minimize the use of unobservable inputs.

The Partnership uses a three-tier fair value hierarchy to classify and disclose all assets and liabilities measured at fair value on a recurring basis, as well as assets and liabilities measured at fair value on a non-recurring basis, in periods subsequent to their initial measurement. These tiers include: Level 1, defined as quoted market prices in active markets for identical assets or liabilities; Level 2, defined as inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, model-based valuation techniques for which all significant assumptions are observable in the market, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and Level 3, defined as unobservable inputs that are not corroborated by market data.

The following table presents the fair values for those assets and liabilities measured on a recurring basis as of March 31, 2023:

	Fair Value Measurements		
	Level 1	**Level 2**	**Total**
Assets—cash equivalents	$ 32,132	$ -	$ 32,132
Liabilities—natural gas forwards	$ -	$ (13,220)	$ (13,220)

The following table presents the fair values for those assets and liabilities measured on a recurring basis as of March 31, 2022:

	Fair Value Measurements		
	Level 1	Level 2	Total
Assets—cash equivalents	$ 47,724	$ -	$ 47,724
Assets—natural gas futures	$ -	$ 6,503	$ 6,503
Total	$ 47,724	$ 6,503	$ 54,227

Cash Equivalents

Cash equivalents include investments with original maturities of three months or less when purchased. Cash equivalents shown in the fair value table are comprised of investments in money market funds. The fair values of the shares of these funds are based on observable market prices and, therefore, have been categorized as Level 1 in the fair value hierarchy.

Natural Gas Forwards

The inputs used in valuing natural gas forwards are a regional basis forward price quoted by a third-party service and accordingly, the Partnership classifies these as Level 2.

4. Additional Financial Information

The summaries of selected balance sheet items as of March 31, 2023 and 2022 are as follows:

	2023	2022
Receivables		
Trade	$ 156,685	$ 95,135
Other	6,103	6,689
Allowance for doubtful accounts	(485)	(190)
	$ 162,303	$ 101,634
Inventories		
Raw material - Trona	$ 18,145	$ 17,822
Work in process	100	100
Finished products	2,821	6,869
	$ 21,066	$ 24,791
Other Assets		
Spare parts	$ 16,093	$ 14,243
Long-term deposits	410	474
	$ 16,503	$ 14,717

5. Property, Plant and Equipment, net

Property, plant and equipment, net as of March 31, 2023 and 2022 are comprised of the following:

	2023	2022
Land and improvements	$ 68,828	$ 67,465
Machinery and equipment	396,022	405,950
Buildings and leasehold improvements	61,713	61,419
Mines and quarries	28,676	28,890
Construction in progress	42,079	24,796
Total gross owned assets	597,318	588,520
Less: accumulated depreciation	361,531	363,717
Total net owned assets	$ 235,787	$ 224,803
Leased equipment	$ 30,488	$ 24,627
Less: accumulated depreciation	21,987	15,413
Total net leased assets	8,501	9,214
Total net assets	$ 244,288	$ 234,017

For the years ended March 31, 2023 and 2022, the Partnership recognized $23,307 and $21,867 of depreciation expense relating to owned assets, respectively. For the years ended March 31, 2023 and 2022, the Partnership recognized $7,722 and $7,296 of depreciation expense relating to leased assets, respectively.

6. Accrued Liabilities

Accrued liabilities as of March 31, 2023 and 2022 are comprised of the following:

	2023	2022
Wages, salaries and benefits	$ 8,811	$ 8,976
Property, production and other taxes	5,913	11,513
Natural gas futures	13,220	-
Other	7,128	3,478
	$ 35,072	$ 23,967

7. Commodity Forward Contracts

The Partnership enters into commodity forward contracts related to forecasted natural gas requirements that are used in the manufacturing process of its products, the objectives of which are to secure supply and limit the effects of fluctuations in the future market price paid for natural gas and in the related volatility in cash flows. The maturities of the contracts are timed to coincide with the expected usage of the gas.

The Partnership meets the requirements to account for its natural gas hedges under hedge accounting. For the years ending March 31, 2023 and March 31, 2022, the Partnership recorded an unrealized loss of $19,723 and an unrealized gain of $3,901, respectively, in the consolidated statements of comprehensive income. The 2023 balance associated with the commodity forward contracts of ($13,220) is included in accrued liabilities in the consolidated balance sheets as of March 31, 2023. The 2022 balance associated with the commodity forward contracts of $6,503 is included within prepaid expenses and other current assets in the consolidated balance sheets as of March 31, 2022. As of March 31, 2023, the notional amounts of the natural gas forward are $55,888 expiring in March 2027.

8. Long-Term Liabilities

Long-term liabilities as of March 31, 2023 and 2022 are comprised of the following:

	2023	2022
Accrued other postretirement benefits	$ 10,051	$ 11,033
Accrued pension obligations	38,635	40,565
Asset retirement obligation	27,634	25,572
Accrued other	9,476	5,100
	$ 85,796	$ 82,270

9. Pension Plans and Other Postretirement Benefits

The Partnership maintains two defined benefit pension plans covering substantially all employees hired prior to February 1, 2017. Salaried defined benefit plans were frozen to new entrants effective September 6, 2016 and hourly defined benefit plans were frozen to new entrants effective July 1, 2017. All participating employees' annual postretirement pension benefits are determined by the employee's credited service and final average annual earnings with the Partnership. The Partnership's funding policy for both plans is to annually contribute the statutorily required minimum amount actuarially determined. The vesting requirement is five years. The Partnership also maintains several plans providing other postretirement benefits covering substantially all hourly and certain salaried employees hired prior to July 1, 2017 and February 1, 2017, respectively, these plans also not being available to new entrants after these dates. The Partnership recognizes actuarially determined liabilities for these benefits but funds these benefits on a pay-as-you-go basis. The accumulated benefit obligation for all defined benefit plans was $136,769 and $157,938 as of March 31, 2023 and 2022, respectively.

The Partnership recorded adjustments to other comprehensive income of $7,073 and $13,643 for the years ended March 31, 2023 and 2022, respectively. As noted in the table below, operating pension expenses for the years ended March 31, 2023, and 2022 were $4,552 and $5,469, respectively; and other postretirement benefit expenses were $157 and $157, respectively. Also as noted in the table below, non-operating pension expenses for the years ended March 31, 2023, and 2022 were $1,530 and $4,459, respectively; and other postretirement benefit expenses were $(601) and $(446), respectively. The Partnership's operating pension expenses are included in cost of revenues and the non-operating pension expenses are included in other expense, net.

	Pension Benefits		Other Postretirement Benefits	
	2023	2022	2023	2022
Components of net periodic benefit cost				
Service cost	$ 4,552	$ 5,469	$ 157	$ 157
Operating expense	4,552	5,469	157	157
Interest cost	6,457	6,367	430	351
Expected return on plan assets	(6,631)	(7,275)	-	-
Prior service (credit) cost	88	109	(1,054)	(889)
Amortization of losses	1,616	3,035	23	92
Settlement/Curtailment Expense	-	2,223	-	-
Non-operating expense	1,530	4,459	(601)	(446)
Net periodic benefit cost	$ 6,082	$ 9,928	$ (444)	$ (289)
Change in benefit obligation				
Benefit obligation—beginning of year	$ 169,159	$ 189,691	$ 11,654	$ 11,463
Service cost	4,552	5,469	157	157
Interest cost	6,457	6,367	430	351
Plan amendments	-	-	918	1,520
Actuarial loss (gain)	(26,881)	(12,100)	(1,929)	(1,256)
Benefits paid	(8,266)	(20,268)	(510)	(581)
Projected Benefit obligation—end of year	$ 145,021	$ 169,159	$ 10,720	$ 11,654
Change in plan assets				
Fair value of assets—beginning of year	$ 128,594	$ 143,723	$ -	$ -
Actual return on plan assets	(14,534)	4,511	-	-
Employer contributions	592	629	510	581
Benefits paid	(8,266)	(20,269)	(510)	(581)
Fair value of assets—end of year	$ 106,386	$ 128,594	$ -	$ -
Reconciliation of funded status				
Funded status	$ (38,635)	$ (40,565)	$ (10,720)	$ (11,654)
Net liability amount recognized	$ (38,635)	$ (40,565)	$ (10,720)	$ (11,654)
Net Liability amount recognized in current liabilities	$ -	$ -	$ (669)	$ (621)
Net Liability amount recognized in non-current liabilitie	(38,635)	(40,565)	(10,051)	(11,033)

The amounts recognized in accumulated other comprehensive loss accounts as of March 31, 2023 and 2022 are summarized below:

	Pension Benefits		Other Postretirement Benefits	
	2023	2022	2023	2022
Prior service cost (credit)	$ 553	$ 641	$ (8,615)	$ (10,587)
Net actuarial loss	18,419	25,751	(364)	1,588
Total	$ 18,972	$ 26,392	$ (8,979)	$ (8,999)

The amounts recognized in other comprehensive income during the years ended March 31, 2023 and 2022 are summarized below:

	Pension Benefits		Other Postretirement Benefits	
	2023	2022	2023	2022
Net actuarial loss (gain)	$ (5,716)	$ (9,336)	$ (1,929)	$ (1,256)
Prior service cost (credit)	-	-	918	1,520
Amortization of:				
Net actuarial gain (loss)	(1,616)	(5,258)	(23)	(92)
Prior service credit (cost)	(88)	(109)	1,054	888
Total recognized in other comprehensive income (loss)	$ (7,420)	$ (14,703)	$ 20	$ 1,060

Assumptions

The weighted-average assumptions used to determine the benefit obligation for the years ended March 31, 2023 and 2022 were as follows:

	Pension Benefits		Other Postretirement Benefits	
	2023	2022	2023	2022
Discount rate	5.13 %	3.89 %	5.09 %	3.82 %
Rate of compensation increase	5.30%–8.40%	5.30%–8.40%	N/A	N/A

The weighted-average assumptions used to determine net periodic benefit cost for the years ended March 31, 2023 and 2022 were as follows:

	Pension Benefits		Other Postretirement Benefits	
	2023	2022	2023	2022
Discount rate	3.89 %	3.47 %	3.82 %	3.28 %
Expected long-term return on plan assets	5.75 %	5.75 %	N/A	N/A
Rate of compensation increase	5.30%–8.40%	5.30%–8.40%	N/A	N/A

The discount rate for each plan is determined by discounting the plan’s expected future benefit payments using a yield curve developed from high quality bonds as of the measurement date. The yield curve calculation matches the notional cash inflows or hypothetical bond portfolio with the expected benefit payments to arrive at an effective rate.

To determine the expected long-term rate of return on plan assets, the Partnership considers the current and expected asset allocation, as well as historical and expected returns on each plan asset class.

The dates used to measure plan assets and liabilities were March 31, 2023 and 2022, for all plans.

For healthy lives, the Partnership measured benefit obligation using the amounts-weighted rates from the Pri-2012 mortality study with blue- and white-collar adjustments by individual, projected generationally from 2012 with Scale MP-2022 as of March 31, 2023.

For surviving beneficiaries, the Partnership measured benefit obligations using the amounts-weighted contingent survivor rates from the Pri-2012 mortality study with blue- and white-collar adjustments by individual, projected generationally from 2012 with Scale MP-2022 as of March 31, 2023.

For disabled lives, the Partnership measured benefit obligation using the amounts-weighted disabled retiree rates from the Pri-2012 mortality study, projected generationally from 2012 with Scale MP-2022 as of March 31, 2023.

Plan Assets

Pension plan assets are invested primarily in stocks, bonds, short-term securities, and cash equivalents. The assets of the Partnership's defined benefit pension plans are managed on a commingled basis in a master trust. The investment policy and allocation of the assets in the master trust were approved by the Partnership's investment committee, which has oversight responsibility for the Partnership's retirement plans.

The following details the asset categories including allocations for the pension plan as of March 31, 2023 and 2022:

	2023		2022	
	Actual Allocation	Target Allocation	Actual Allocation	Target Allocation
Asset Category				
Equity securities	51 %	51 %	51 %	51 %
Debt securities	45 %	45 %	44 %	45 %
Other	4 %	4 %	5 %	4 %

The pension fund assets are invested in accordance with the statement of investment policies and procedures adopted by the Partnership, which are reviewed annually. Pension fund assets are invested on a going-concern basis with the primary objective of providing reasonable rates of return consistent with available market opportunities, a quality standard of investment, and moderate levels of risk. The expected rate of return is expected to be 5.75% over rolling ten-year period. This expected rate of return is estimated upon an analysis of historical returns with consideration for the current economic environment.

Contributions

The Company expects to contribute $1,456 to its pension plan and $669 to its other postretirement benefit plans for the year ending March 31, 2024.

Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

	Pension Benefits	Other Benefits
Years ending March 31		
2024	$ 7,157	$ 669
2025	7,528	685
2026	7,887	693
2027	8,196	705
2028	8,461	715
2029-2033	45,700	3,620

Fair Values

The fair values of the Partnership's plan assets as of March 31, 2023, by asset category are as follows:

	Level 1	Level 2	Total
Asset category:			
Cash and cash equivalents	$ 30	$ 283	$ 313
Fixed income securities	12,410	34,787	47,197
Preferred securities	-	17	17
Equity securities	4,232	50,300	54,532
Futures contracts	11	-	11
Real estate investment trusts	-	4,316	4,316
Total	$ 16,683	$ 89,703	$ 106,386

The fair values of the Partnership's plan assets as of March 31, 2022, by asset category are as follows:

	Level 1	Level 2	Total
Asset category:			
Cash and cash equivalents	$ 39	$ 865	$ 904
Fixed income securities	14,729	42,334	57,063
Preferred securities	-	20	20
Equity securities	5,193	60,171	65,364
Futures contracts	29	-	29
Real estate investment trusts	-	5,214	5,214
Total	$ 19,990	$ 108,604	$ 128,594

Valuation

Cash and cash equivalents are held in a commingled fund utilizing various underlying pricing sources.

Level one securities are valued using quoted prices in active markets for identical assets accessible to the company at the measurement date.

Level two fixed income securities are primarily valued using a market approach utilizing various underlying pricing sources and methodologies.

Level two equity securities and real estate investment trusts are valued using a market approach based on quoted market prices for similar instruments.

Private equity investments for which readily determinable prices do not exist are valued using either the market or income approach by the general partner. In establishing the estimated fair value, the following are taken into consideration: a reasonable time for liquidation of the investment, the financial condition and operating results of the underlying portfolio company, the nature of the investment, restriction on marketability, market conditions and other factors the general partner deems appropriate.

Other Defined Contribution Plans

The Partnership also sponsors defined contribution retirement savings plans. Participation in one of these plans is available to substantially all represented and non-represented employees. The Partnership matches employee contributions up to certain predefined limits for non-represented employees based upon eligible compensation and the employee's contribution rate. The Partnership's contribution to these plans was $1,219 and $1,039 for the years ended March 31, 2023 and 2022, respectively.

10. Asset Retirement Obligation

The Company provides for the expected costs to be incurred for the eventual reclamation of mining properties pursuant to local law. All estimates are determined by a third-party contractor who specializes in mine closure evaluations. Included in long-term liabilities as of March 31, 2023 and

2022 were $27,634 and $25,572, respectively, related to these asset retirement obligations. Changes in the carrying amounts of the asset retirement obligation were as follows:

	2023	2022
Balance—beginning of year	$ 25,572	$ 24,371
Change in estimates	841	111
Accretion expense	1,221	1,090
Balance—end of year	$ 27,634	$ 25,572

11. Leases

The Company is obligated under finance leases that expire at various dates in the future.

The following table provides the lease costs for the year ended March 31, 2023:

Finance lease cost	
Amortization of leased assets	$ 7,722
Interest on lease liabilities	406
Total finance lease cost	$ 8,128
Expensed lease cost	$ 2,659
Total Lease Cost	$ 10,787

Short-term lease cost and variable lease cost is not material to the financial statements as of March 31, 2023, and 2022. Amounts reported in the consolidated balance sheet as of March 31, 2023 were as follows:

Finance leases	
Leased assets	$ 30,488
Accumulated amortization	(21,987)
Property, plant and equipment, net	$ 8,501
Current portion of lease liabilities	$ 4,672
Long-term portion of lease liabilities	3,890
Total finance lease liabilities	$ 8,562

Other information related to leases as of March 31, 2023 was as follows:

Weighted average incremental borrowing rates for the finance leases was 3.92%. Weighted average remaining lease term for the finance leases is approximately 24 months.

Future minimum rental payments for leases (primarily for transportation equipment, mining equipment, and warehouses) as of March 31, 2023 are as follows:

Years ending March 31,	Finance Leases
2024	$ 4,705
2025	3,474
2026	452
2027	194
2028	139
Total minimum payments	$ 8,964
Less imputed interest	$ (402)
Total	$ 8,562

The following table provides the lease costs for the year ended March 31, 2022:

Finance lease cost	
Amortization of leased assets	$ 7,296
Interest on lease liabilities	424
Total finance lease cost	$ 7,720
Expensed lease cost	$ 1,050
Total Lease Cost	$ 8,770

Amounts reported in the consolidated balance sheet as of March 31, 2022 were as follows:

Finance leases	
Leased assets	$ 24,627
Accumulated amortization	(15,413)
Property, plant and equipment, net	$ 9,214
Current portion of lease liabilities	$ 5,948
Long-term portion of lease liabilities	3,333
Total finance lease liabilities	$ 9,281

Other information related to leases as of March 31, 2022 was as follows:

Weighted average incremental borrowing rates for the finance leases was 3.80%. Weighted average remaining lease term for the finance leases is approximately 22 months.

12. Commitments and Contingencies

The Partnership is involved in certain claims, litigation, administrative proceedings and investigations relative to environmental and other matters. Although the amount of any ultimate liability which could arise with respect to these matters cannot be accurately predicted, it is the opinion of management, based upon currently available information and the accruals established that any such liability will not have a material adverse effect on the Partnership's financial condition, results of operations or cash flows.

13. Variable Interest Entity (VIE)

The consolidated financial statements include a variable interest entity ("VIE"), ALCAD, for which the Partnership is the primary beneficiary.

ALCAD is an equally-owned joint venture between the Partnership and C&D (collectively, the "Partners"). The significant activities of ALCAD include (a) managing trona reserves dedicated to it by the Partners, (b) extraction of trona for conversion into soda ash (which ALCAD has outsourced to the Partnership) and (c) distribution of soda ash exclusively to C&D. The Partnership was determined to be the primary beneficiary of ALCAD as it has control over all significant activities of ALCAD. The Partnership has the obligation to absorb losses and the right to receive benefits from ALCAD that could be significant to ALCAD.

During the years ended March 31, 2023 and 2022, this VIE earned income of $17,710 and $17,650, respectively, under the contractual arrangements between the Partners, 50% of which was recorded as net income attributable to noncontrolling interests in the consolidated statements of income.

The liabilities recognized as a result of consolidating the VIE do not necessarily represent additional claims on the general assets of the Partnership outside of the VIE; rather, they represent claims against the specific assets of the consolidated VIE. Conversely, assets recognized as a result of consolidating the VIE do not necessarily represent additional assets that could be used to satisfy claims against the Partnership's general assets. There are no restrictions on the VIE assets that are reported in the Partnership's general assets. The total consolidated VIE assets and liabilities reflected in the Partnership's consolidated balance sheets are as follows:

	2023	2022
Accounts receivable	$ 6,649	$ 5,789
Total assets	$ 6,649	$ 5,789
Accrued expenses	$ 716	$ 626
Intercompany payable	$ 5,933	$ 5,163
Total liabilities	$ 6,649	$ 5,789
Payables eliminated through consolidation	$ (5,933)	$ (5,163)
Total consolidated liabitilies	$ 716	$ 626

The accounts receivable of $6,649 and $5,789 are recorded in receivables as of March 31, 2023 and 2022, respectively. The liabilities not eliminated in consolidation of $716 and $626 are recorded in accrued liabilities as of March 31, 2023 and 2022, respectively.

14. Related-Party Transactions

Service Agreement

The Partnership has a service agreement under which TCNA provides certain management and administrative services to the Partnership. The cost of such services allocated to the Partnership for the years ended March 31, 2023 and 2022 was $24,577 and $6,889, respectively.

Soda Ash Supply Agreement

Beginning April 2015, Tata Chemicals International Pte Limited ("TCIPL") provides financing for the sale of soda ash by TCSAP to Owens Illinois subsidiary companies in Latin America and Asia Pacific ("O-I LATAM"). TCSAP remains responsible for servicing the O-I LATAM accounts including negotiating pricing, logistical support and quality. TCIPL directly incorporates a finance charge into the final invoice to O-I LATAM. For the year ended March 31, 2022, sales under these agreements amounted to $7,175. As of March 31, 2022, amounts due under these agreements totaled $29.

On January 1, 2022, the agreement with TCIPL was terminated. For the year ended March 31, 2023, there were no sales under this agreement. As of March 31, 2023, amounts due under this agreement were $0.

Other

TCNA pays for various expenses on behalf of the Partnership, including administration and management expenses, which are billed to the Partnership and creates a payable of $34,032 and $848 for the years ended March 31, 2023 and 2022. TSAP declared dividends in 2023 which resulted in a payable balance of $27,833 to VHI for the year ended March 31, 2023. The Partnership also pays for various expenses on behalf of TCNA and VHI and is then reimbursed, which creates an additional receivable of $25,514 and $1,614 for the years ended March 31, 2023 and 2022. Consequently, for the years ended March 31, 2023 and 2022, there is a net amount payable to related parties of $36,351 and due from related parties of $766, respectively that is recorded in payables due to / from related party on the consolidated balance sheet. As the related parties are all within the VHI consolidated group, management has the intent and ability to offset the receivables and payables. Consequently, the Partnership has presented these balances on a net basis on the consolidated balance sheet. These payable and receivable balances are summarized in the table below.

Year Ended March 31, 2023	**TCNA**	**VHI**	**Total**
Accounts payable	(34,032)	(27,833)	(61,865)
Accounts receivable	24,041	1,473	25,514
Total net payable	$ (9,991)	$ (26,360)	$ (36,351)

Year Ended March 31, 2022	**TCNA**	**VHI**	**Total**
Accounts payable	(848)	-	(848)
Accounts receivable	141	1,473	1,614
Total net receivable	$ (707)	$ 1,473	$ 766

In the ordinary course of business, the Partnership sells soda ash to Tata Chemicals Limited (“TCL”), TCNA’s ultimate parent, and its subsidiaries. During the years ended March 31, 2023 and 2022, the sales to TCL and its subsidiaries, excluding sales to TCIPL amounted to $0 and $11, respectively and accounts receivable at March 31, 2023 and 2022 amounted to $0. Additionally, during the years ended March 31, 2023 and 2022 there were no reimbursements of costs from TCL and subsidiaries or accounts payable.

15. Insurance Proceeds

The partnership experienced a breakdown of turbine generator 2 in January 2021, resulting in the need to purchase incremental electricity from the public utility, rather than producing electricity on site. After a 30-day waiting period deductible, insurance proceeds totaled $1,280, which were received by the Partnership in the period ended March 31, 2022. The total proceeds were determined to be a recovery of electricity purchase costs and are included in Cost of revenues – excluding depreciation and amortization on the consolidated statements of income.

16. Subsequent Events

Effective April 1, 2023, Tata Chemicals (Soda Ash) Partners, a wholly-owned subsidiary, converted from a Partnership to an LLC, with the company name also changing to Tata Chemicals Soda Ash Partners LLC (“TCSAP”). The new LLC has elected to be taxed as a C corporation for income tax purposes for the year ending March 31, 2024.

The Partnership has evaluated subsequent events, and the impact on the reported results and disclosures, through May 25, 2023 which is the date these consolidated financial statements were available to be issued and determined no other items to disclose.

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