

## 5N Plus Inc. Reports Fourth Quarter and Fiscal Year 2024 Financial Results

- 19% growth in annual revenue to \$289.3 million
- 39% growth in annual Adjusted EBITDA<sup>1</sup> to a record \$53.3 million
- Annual Adjusted gross margin percentage<sup>1</sup> of 31.6%
- Backlog<sup>1</sup> of \$252.8 million, representing 326 days of annualized revenue, as at December 31, 2024
- Increases 2025 Adjusted EBITDA guidance to a range of \$55 to \$60 million

**Montreal, Québec, February 25, 2025** – 5N Plus Inc. (TSX:VNP) (“5N+” or “the Company”), a leading global producer of specialty semiconductors and performance materials, today announced its financial results for the fourth quarter of fiscal 2024 (“Q4 2024”) and fiscal year (“FY 2024”) ended December 31, 2024. All amounts in this press release are expressed in U.S. dollars unless otherwise stated.

“We had an outstanding year in FY 2024, generating stellar financial and operational results. We generated record annual Adjusted EBITDA representing 39% growth over the previous year, delivered on our margin expansion efforts, and sustained an elevated backlog and a solid balance sheet. We also successfully increased capacity at several sites to meet demand in strategic sectors, with work underway to increase solar cell capacity at AZUR by an additional 30% this year, on top of the 35% achieved last year. Looking at our segments, in Specialty Semiconductors, we continued to benefit from our unique position as the leading supplier outside China and trusted partner in the growing terrestrial renewable energy and space solar power sectors. In Performance Materials, our improved product mix and solid operational execution also contributed to strong profitability,” said Gervais Jacques, President and CEO of 5N+.

“Our strategic focus on higher margin, value-added advanced materials and on being a critical supplier without being a critical cost to customers operating in growing markets continues to pay off. This is further supported by our recognition as a reliable partner and market leader with unique expertise and manufacturing capabilities. With our resilient and agile business model as our foundation, we will continue to leverage our strategic positioning and competitive advantages to build on our FY 2024 momentum as we enter 2025 and forge ahead on our profitable growth path,” concluded Mr. Jacques.

### Financial Highlights

- Revenue in Q4 2024 increased by 9% to \$70.9 million, compared to \$65.1 million in Q4 2023, driven by strong growth under Specialty Semiconductors. Revenue in FY 2024 reached \$289.3 million, compared to \$242.4 million in FY 2023, supported by the terrestrial renewable energy and space solar power sectors under Specialty Semiconductors.
- Adjusted EBITDA in Q4 2024 increased by 38% to \$12.5 million, compared to \$9.0 million in Q4 2023, driven by higher volume from the terrestrial renewable energy and space solar power sectors, and better prices over inflation. Adjusted EBITDA was \$53.3 million in FY 2024, representing a 39% increase compared to \$38.3 million in FY 2023.
- Adjusted gross margin<sup>1</sup> increased by 26% to 23.4% in Q4 2024, favourably impacted by the same factors as above. Adjusted gross margin as a percentage of sales was 33.0% in Q4 2024, compared to 28.5% in Q4 2023. Adjusted gross margin reached \$91.3 million for FY 2024, or 31.6% of sales, compared to \$70.2 million in FY 2023, or 29.0% of sales.
- Net earnings in Q4 2024 were \$1.0 million, compared to \$2.3 million in Q4 2023. For FY 2024, net earnings were \$14.7 million, compared to \$15.4 million in FY 2023.

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<sup>1</sup> These measures are not recognized measures under IFRS and do not have standardized meanings prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies. See Non-IFRS Measures for more information.

- Backlog stood at \$252.8 million, representing 326 days of annualized revenue as at December 31, 2024, 37 days higher than the previous quarter and 34 days higher than at the end of last year, primarily due to the timing of contract signings and renewals.
- Net debt<sup>1</sup> was \$100.1 million as at December 31, 2024, compared to \$73.8 million as at December 31, 2023, reflecting an increase in working capital<sup>1</sup> and planned capital expenditures in 2024 under Specialty Semiconductors. The Company's net debt to EBITDA ratio<sup>1</sup> stood at 2.02x as at December 31, 2024.

### Market Outlook

In Specialty Semiconductors, 5N+ continues to benefit from its unique position as the leading global supplier of ultra-high purity semiconductor compounds outside China, with long-term partnerships with key customers. Growing demand remains the rule, particularly in terrestrial renewable energy and space solar power. 5N+ is well-positioned to capitalize on future opportunities in these high-growth sectors.

The Company also anticipates growth under imaging and sensing applications including in the security, defence and medical sectors. The anticipated transition to photon counting detector (PCD) technology for medical imaging is anticipated to provide a promising growth avenue in the medium term.

Management expects growth in the Performance Materials segment to be primarily driven by the health and pharmaceutical sector, which provides high profitability and predictable cashflows. We expect demand for bismuth chemicals to continue to grow in line with GDP in respective markets.

As a result of increased production capacity and operational flexibility, 5N+ is in a position to efficiently capture additional organic growth opportunities in the near term, while it also actively pursues external growth opportunities.

Based on under-contract and anticipated near-term demand primarily driven by the Specialty Semiconductors segment, management anticipates generating Adjusted EBITDA in a range of \$55 to \$60 million in 2025, representing an upward revision of its previously disclosed range of \$50 to \$55 million.

The recent change in administration in the U.S. creates uncertainty in the global economic outlook, particularly regarding potential trade protectionist measures that could trigger retaliatory actions from affected countries. Given the rapidly evolving landscape and the potential impact of these measures, the Company has elected to defer providing guidance for 2026 until it has had the opportunity to further assess the direct and indirect impacts on its business and operations. The Company remains committed to its long-term objectives and the execution of its strategic initiatives.

The Company intends to leverage its strategic positioning and competitive advantages to build on its FY 2024 momentum as it enters 2025 and to navigate any potential headwinds that result from the evolving macro-economic and geopolitical environment.

### Conference Call

5N+ will host a conference call on Wednesday, February 26, 2025, at 8:00 a.m. Eastern Time to discuss Q4 and FY 2024 financial results. All interested parties are invited to participate in the live broadcast on the Company's website at [www.5nplus.com](http://www.5nplus.com).

To participate in the conference call:

- Toronto area: 289-819-1299
- Toll-Free: 1-800-990-4777
- Enter access code: 71321

A replay of the conference call will be available two hours after the event and until March 5, 2025. To access the recording, please dial 1-888-660-6345 and enter access code 71321.

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### About 5N+

5N+ is a leading global producer of specialty semiconductors and performance materials. The Company's ultra-pure materials often form the core element of its customers' products. These customers rely on 5N+'s products to enable performance and sustainability in their own products. 5N+ deploys a range of proprietary and proven technologies to develop and manufacture its products. The Company's products enable various applications in several key industries, including renewable energy, security, space, pharmaceutical, medical imaging and industrial. Headquartered in Montréal, Quebec, 5N+ operates R&D, manufacturing and commercial centers in strategically located facilities around the world including Europe, North America and Asia.

### Forward-Looking Statements

Certain statements in this press release may be forward-looking within the meaning of applicable securities laws. Such forward-looking statements are based on a number of estimates and assumptions that the Company believes are reasonable when made, including that 5N+ will be able to retain and hire key personnel and maintain relationships with customers, suppliers and other business partners, that 5N+ will continue to operate its business in the normal course, that 5N+ will be able to implement its growth strategy, that 5N+ will be able to successfully and timely complete the realization of its backlog, that 5N+ will not suffer any supply chain challenges or any material disruption in the supply of raw materials on competitive terms, that 5N+ will be able to generate new sales, produce, deliver, and sell its expected product volumes at the expected prices and control its costs, as well as other factors believed to be appropriate and reasonable in the circumstances. However, there can be no assurance that such estimates and assumptions will prove to be correct. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict and may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. A description of the risks affecting the Company's business and activities appears under the heading "Risk and Uncertainties" of the Company's 2024 MD&A dated February 25, 2025, available on [www.sedarplus.ca](http://www.sedarplus.ca).

Forward-looking statements can generally be identified by the use of terms such as "may", "should", "would", "believe", "expect", the negative of these terms, variations of them or any similar terms. No assurance can be given that any events anticipated by the forward-looking statements in this press release will transpire or occur, or if any of them do so, what benefits that 5N+ will derive therefrom. In particular, no assurance can be given as to the future financial performance of 5N+. The forward-looking statements contained in this press release is made as of the date hereof and the Company has no obligation to publicly update such forward-looking information to reflect new information, subsequent or otherwise, unless required by applicable securities laws. The reader is warned against placing undue reliance on these forward-looking statements. Forward-looking statements are presented in this press release for the purpose of assisting investors and others in understanding certain key elements of the Company's expected financial results, as well as the Company's objectives, strategic priorities and outlook, and in obtaining a better understanding of the Company's anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes.

**5N PLUS INC.**

## CONSOLIDATED STATEMENTS OF EARNINGS

Years ended December 31

(in thousands of United States dollars, except per share information)

	2024	2023
	\$	\$
<b>Revenue</b>	<b>289,281</b>	242,371
Cost of sales	211,413	184,833
Selling, general and administrative expenses	34,026	29,410
Other expenses (income), net	11,614	756
	<b>257,053</b>	214,999
<b>Operating earnings</b>	<b>32,228</b>	27,372
<b>Financial expenses</b>		
Interest on long-term debt	8,210	8,262
Imputed interest and other interest expense	959	572
Foreign exchange gain	(549)	(136)
	<b>8,620</b>	8,698
<b>Earnings before income taxes</b>	<b>23,608</b>	18,674
Income tax expense (recovery)		
Current	6,945	6,674
Deferred	1,991	(3,399)
	<b>8,936</b>	3,275
<b>Net earnings</b>	<b>14,672</b>	15,399
<b>Basic earnings per share</b>	<b>0.17</b>	0.17
<b>Diluted earnings per share</b>	<b>0.16</b>	0.17

Net earnings are completely attributable to equity holders of 5N+.

**5N PLUS INC.**

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(in thousands of United States dollars)

	December 31 2024	December 31 2023
	\$	\$
<b>Assets</b>		
<b>Current</b>		
Cash	22,142	34,706
Accounts receivable	42,172	33,437
Inventories	137,823	105,850
Income tax receivable	1,811	1,672
Derivative financial assets	6,978	591
Other current assets	6,469	5,707
<b>Total current assets</b>	<b>217,395</b>	<b>181,963</b>
Property, plant and equipment	85,995	84,600
Right-of-use assets	28,583	29,290
Intangible assets	22,929	29,304
Goodwill	10,665	11,825
Deferred tax assets	7,358	8,261
Other assets	3,982	4,959
<b>Total non-current assets</b>	<b>159,512</b>	<b>168,239</b>
<b>Total assets</b>	<b>376,907</b>	<b>350,202</b>
<b>Liabilities</b>		
<b>Current</b>		
Trade and accrued liabilities	42,116	37,024
Income tax payable	5,207	4,535
Current portion of deferred revenue	11,206	13,437
Current portion of lease liabilities	1,952	1,811
Current portion of long-term debt	-	25,000
<b>Total current liabilities</b>	<b>60,481</b>	<b>81,807</b>
Long-term debt	122,203	83,500
Deferred tax liabilities	5,737	5,284
Employee benefit plan obligations	12,624	13,393
Lease liabilities	27,450	28,328
Deferred revenue	8,688	5,629
Other liabilities	706	3,669
<b>Total non-current liabilities</b>	<b>177,408</b>	<b>139,803</b>
<b>Total liabilities</b>	<b>237,889</b>	<b>221,610</b>
<b>Equity</b>	<b>139,018</b>	<b>128,592</b>
<b>Total liabilities and equity</b>	<b>376,907</b>	<b>350,202</b>

### Non-IFRS Measures

EBITDA means net earnings (loss) before interest expenses, income tax expense (recovery), depreciation and amortization. 5N+ uses EBITDA because it believes it is a meaningful measure of the operating performance of its ongoing business, without the effects of certain expenses. The definition of this non-IFRS measure used by the Company may differ from that used by other companies.

EBITDA is reconciled to the most comparable IFRS measure:

(in thousands of U.S. dollars)	Q4 2024	Q4 2023	FY 2024	FY 2023
	\$	\$	\$	\$
Net earnings	1,006	2,284	14,672	15,399
Interest on long-term debt, imputed interest and other interest expense	2,446	2,129	9,169	8,834
Income tax expense (recovery)	2,415	(734)	8,936	3,275
Depreciation and amortization	4,373	4,057	16,791	16,110
<b>EBITDA</b>	<b>10,240</b>	<b>7,736</b>	<b>49,568</b>	<b>43,618</b>

EBITDA margin is defined as EBITDA divided by revenues.

Adjusted EBITDA means operating earnings (loss) as defined before the effect of impairment of inventories, share-based compensation expense (recovery), loss (gain) on disposal of property, plant and equipment, loss (gain) on remeasurement of financial instrument, impairment (reversal of impairment) of non-current assets, litigation and restructuring costs (income), and depreciation and amortization. 5N+ uses Adjusted EBITDA because it believes it is a meaningful measure of the operating performance of its ongoing business without the effects of certain expenses. The definition of this non-IFRS measure used by the Company may differ from that used by other companies.

Adjusted EBITDA margin is defined as Adjusted EBITDA divided by revenues.

Adjusted EBITDA and Adjusted EBITDA margin are reconciled to the most comparable IFRS measure:

(in thousands of U.S. dollars)	Q4 2024	Q4 2023	FY 2024	FY 2023
	\$	\$	\$	\$
Revenues	70,854	65,063	289,281	242,371
Operating expenses	(64,701)	(61,023)	(257,053)	(214,999)
Operating earnings	6,153	4,040	32,228	27,372
Share-based compensation expense	309	414	906	1,432
(Gain) loss on disposal of property, plant and equipment	-	-	(2,089)	1,051
Loss on remeasurement of financial instrument	1,000	-	1,000	-
(Reversal of impairment) impairment of non-current assets	(120)	64	2,706	672
Litigation and restructuring costs (income)	769	458	1,790	(8,314)
Depreciation and amortization	4,373	4,057	16,791	16,110
<b>Adjusted EBITDA</b>	<b>12,484</b>	<b>9,033</b>	<b>53,332</b>	<b>38,323</b>
<b>Adjusted EBITDA margin</b>	<b>17.6%</b>	<b>13.9%</b>	<b>18.4%</b>	<b>15.8%</b>

Adjusted gross margin is a measure used to monitor the sales contribution after paying cost of sales, excluding depreciation and inventory impairment charges. 5N+ also expressed this measure in percentage of revenues by dividing the adjusted gross margin value by the total revenue.

Adjusted gross margin is reconciled to the most comparable IFRS measure:

(in thousands of U.S. dollars)	Q4 2024	Q4 2023	FY 2024	FY 2023
	\$	\$	\$	\$
<b>Total revenue</b>	<b>70,854</b>	<b>65,063</b>	<b>289,281</b>	<b>242,371</b>
Cost of sales	(51,104)	(49,677)	(211,413)	(184,833)
<b>Gross margin</b>	<b>19,750</b>	<b>15,386</b>	<b>77,868</b>	<b>57,538</b>
Depreciation included in cost of sales	3,643	3,189	13,445	12,656
<b>Adjusted gross margin</b>	<b>23,393</b>	<b>18,575</b>	<b>91,313</b>	<b>70,194</b>
<b>Adjusted gross margin percentage</b>	<b>33.0%</b>	<b>28.5%</b>	<b>31.6%</b>	<b>29.0%</b>

Backlog represents the expected orders the Company has received, but has not yet executed, and that are expected to translate into sales within the next twelve months, expressed in dollars and estimated in number of days not to exceed 365 days. Bookings represent orders received during the period considered, expressed in number of days, and calculated by adding revenues to the increase or decrease in backlog for the period considered, divided by annualized year revenues. 5N+ uses backlog to provide an indication of expected future revenues in days, and bookings to determine its ability to sustain and increase its revenues.

Net debt is calculated as total debt less cash. Any introduced IFRS 16 reporting measures in reference to lease liabilities are excluded from the calculation. 5N+ uses this measure as an indicator of its overall financial position.

The net debt to EBITDA ratio is defined as net debt divided by the trailing 12 months EBITDA.

Total debt and Net debt are reconciled to the most comparable IFRS measure:

(in thousands of U.S. dollars)	As at December 31, 2024	As at December 31, 2023
	\$	\$
Bank indebtedness	-	-
Long-term debt including current portion	122,203	108,500
Lease liabilities including current portion	29,402	30,139
<b>Subtotal Debt</b>	<b>151,605</b>	<b>138,639</b>
Lease liabilities including current portion	(29,402)	(30,139)
<b>Total Debt</b>	<b>122,203</b>	<b>108,500</b>
Cash	(22,142)	(34,706)
<b>Net Debt</b>	<b>100,061</b>	<b>73,794</b>

Working capital is a measure of liquid assets that is calculated by taking current assets and subtracting current liabilities. Given that the Company is currently indebted, it uses it as an indicator of its financial efficiency and aims to maintain it at the lowest possible level.

Working capital ratio is calculated by dividing current assets by current liabilities.

Working capital is reconciled to the most comparable IFRS measure:

(in thousands of U.S. dollars)	As at December 31, 2024	As at December 31, 2023
	\$	\$
Inventories	137,823	105,850
Other current assets excluding inventories	79,572	76,113
Current assets	217,395	181,963
Current liabilities	(60,481)	(81,807)
<b>Working capital</b>	<b>156,914</b>	<b>100,156</b>
<b>Working capital ratio</b>	<b>3.59</b>	<b>2.22</b>

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