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Management Report

Quarter Ended
December 31, 2025

5N+

This Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations is intended to assist readers in understanding 5N Plus Inc. (the "Company" or "5N+"), its business environment, strategies, performance and risk factors. This MD&A should be read in conjunction with the audited consolidated financial statements and the accompanying notes for the year ended December 31, 2025, based on International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards" or "IFRS"), unless otherwise stated. This MD&A has been prepared in accordance with the requirements of the Canadian Securities Administrators.

All amounts in this MD&A are expressed in U.S. dollars, and all amounts in the tables are in thousands of U.S. dollars, unless otherwise indicated.

Information contained herein includes any significant developments until February 24, 2026, the date on which the MD&A was approved by the Company's Board of Directors. Unless otherwise indicated, the terms "we", "us", "our" and "the group" as used herein refer to the Company together with its subsidiaries. "Q4 2025" and "Q4 2024" refer to the three-month periods ended December 31, 2025, and December 31, 2024, respectively; "FY 2025" and "FY 2024" refer to the years ended December 31, 2025, and December 31, 2024, respectively.

Non-IFRS Measures

This MD&A contains certain non-IFRS financial measures, non-IFRS ratios, capital management measures and supplementary financial measures, which do not have a standard meaning under IFRS Accounting Standards and, therefore, may not be comparable to similar measures presented by other issuers. Such non-IFRS measures and ratios include Backlog, Bookings, EBITDA, EBITDA margin, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted operating expenses, Adjusted net earnings (loss), Basic adjusted earnings (loss) per share, Adjusted gross margin, Adjusted gross margin percentage, Total debt, Net debt, Net debt to EBITDA ratio, Working capital and Working capital ratio.

For definitions, further information and reconciliation of these measures to the most directly comparable measures under IFRS Accounting Standards, see the "Non-IFRS Measures" section.

Notice Regarding Forward-Looking Statements

Certain statements in this MD&A 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 complete the realization of its backlog in a timely manner, 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. Factors of uncertainty and risk that might result in such differences include the risks associated with interest rate, foreign currency, credit, liquidity, global economic conditions, international operations including China and trade protectionist measures and any retaliatory action from affected countries, environmental regulations, crisis and climate change management, environmental social and governance (ESG) considerations, safety and hazards, geopolitical uncertainty, disease outbreaks, availability and retention of qualified employees, collective agreements, litigation, our growth strategy, competition, commodity price, sources of supply, protection of intellectual property, inventory price, business interruptions, loss of an important customer, changes to backlog, acquisitions, systems, network infrastructure and data failure, interruption and breach, privacy, market price of the common shares, as well as grants and other incentive programs. A description of the risks affecting the Company's business and activities appears under the heading "Risk and Uncertainties" of this MD&A dated February 24, 2026.

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 MD&A 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 MD&A 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 MD&A 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.

Overview

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.

Vision, Mission and Values

The Company's vision is to enable critical industries through essential products based on advanced material technology and 5N+'s aim is to propel the growth of these markets by developing and manufacturing advanced materials to enable product performance.

The Company's mission is to be critical to its customers, valued by its employees and trusted by its shareholders. The Company's core values are integrity, commitment and customer development, with an emphasis on sustainable development, continuous improvement, and health and safety.

Reporting Segments

The Company has the following two reportable segments: Specialty Semiconductors and Performance Materials. Corresponding operations and activities are managed accordingly by the Company's key decision makers. Segmented operating and financial information and labelled key performance indicators are available and used to manage these business segments, review performance and allocate resources. Financial performance of any given segment is evaluated primarily in terms of revenue and Adjusted EBITDA¹, which are reconciled to consolidated numbers considering corporate income and expenses.

Operating in North America and Europe, the Specialty Semiconductors segment manufactures and sells products used in several applications, such as renewable energy, space satellites and imaging. Typical end markets include photovoltaics (terrestrial and space-related solar energy), medical imaging, infrared imaging, optoelectronics and advanced electronics. These products are sold as semiconductor compounds, semiconductor wafers, ultra-high-purity metals, epitaxial semiconductor substrates, space solar cells and assemblies. Revenue and earnings associated with recycling services and activities provided to Specialty Semiconductors customers are captured in this segment.

The Performance Materials segment operates in North America, Europe and Asia and manufactures and sells products that are used in several applications in pharmaceutical and healthcare, and industrial. Main products are sold as active pharmaceutical ingredients, specialized chemicals, commercial grade metals, alloys and engineered powders. All commercial grade metal and engineered powder sales are under Performance Materials. Revenue and earnings associated with recycling services and activities provided to Performance Materials customers are captured in this segment.

Corporate expenses associated with the head office and unallocated selling, general and administrative expenses (SG&A), together with financial expenses (income), are grouped under "Corporate".

¹ 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.

FY 2025 and Q4 2025 Highlights

FY 2025 was a record-setting year for 5N+, one in which the Company reached new heights in financial and operational performance, delivering outstanding growth while navigating a complex environment. Its accelerated year-over-year revenue and Adjusted EBITDA generation, coupled with significant Adjusted gross margin¹ expansion, reflect the Company's disciplined execution of its strategy focused on value-added products in high-growth and critical end markets. This performance is further supported by the depth and flexibility of its global sourcing and manufacturing capabilities and the strength of its strategic, long-term customer relationships.

All amounts are expressed in U.S. dollars.

Contributions from both the Specialty Semiconductors and Performance Materials segments resulted in record consolidated Adjusted EBITDA generation of \$92.4 million for FY 2025, representing a 73% year-over-year increase, thereby exceeded its annual guidance.

The strong performance under Specialty Semiconductors in FY 2025 once again confirmed 5N+'s strategic positioning as the supplier of choice in the high-growth terrestrial renewable energy and space solar power sectors. In FY 2025, revenue was \$285.4 million, representing a 41% increase over FY 2024, while Adjusted gross margin as a percentage of sales¹ was 30.8%, compared to 30.1% in FY 2024. FY 2025 Adjusted EBITDA increased by 59% year-over-year to \$70.1 million, as a result of higher demand in strategic sectors, higher prices net of inflation and favourable unit costs from economies of scale. The Specialty Semiconductors backlog¹ also remained maxed out at year end, with contracted demand extending well beyond 2026 under terrestrial renewable energy and space solar power.

Throughout FY 2025, Specialty Semiconductors marked several milestones across its key end markets. This includes securing a new and expanded specialty semiconductor compound supply agreement with its strategic U.S.-based customer in terrestrial renewable energy under favourable terms. Under the new agreement, the supply of cadmium telluride volumes was increased by 33% for the 2025-2026 period and by 25% for the 2027-2028 period, compared to prior contract levels. Also in FY 2025, the Company successfully increased its solar cell production capacity by 30%. It subsequently confirmed its intention to increase this capacity by an additional 25% by the end of 2026, in line with increases in contracted demand. In early 2026, the Company announced that it has been awarded a US\$18.1 million grant by the U.S. Government to expand capabilities and increase its germanium recycling and refining capacity to feed optics and solar germanium crystal supply chains.

The Company's leadership in high-quality bismuth-based products for health and technical applications, combined with its sourcing and manufacturing flexibility, enabled Performance Materials to capitalize on favourable pricing conditions and generate strong results in FY 2025 despite lower volumes. Segment revenue increased 22% year-over-year to \$105.7 million in FY 2025. Adjusted gross margin as a percentage of sales reached 42.4% in FY 2025, compared to 35.9% in FY 2024, and Adjusted EBITDA increased by 59% year-over-year to \$35.1 million, both metrics positively impacted by a favourable inventory position and product mix, higher prices net of inflation and metal input costs. The backlog for Performance Materials at year end represented 175 days of annualized revenue, 71 days higher than at previous quarter end.

Throughout the year, the Company also further strengthened its financial position, bringing its net-debt-to-EBITDA ratio¹ to 0.54x at December 31, 2025, compared to a ratio of 2.02x at the end of FY 2024.

Financial Highlights

- Revenue in FY 2025 reached \$391.1 million, compared to \$289.3 million in FY 2024, with Q4 2025 increasing by 44% to \$102.0 million, compared to \$70.9 million in Q4 2024. The increase is primarily attributable to higher volumes under Specialty Semiconductors and higher bismuth-based product pricing under Performance Materials.

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- Adjusted EBITDA in FY 2025 reached \$92.4 million, representing a 73% increase compared to \$53.3 million in FY 2024, with Adjusted EBITDA in Q4 2025 increasing by 48% to \$18.5 million, compared to \$12.5 million in Q4 2024, driven by higher volumes in the terrestrial renewable energy and space solar power sectors, and better prices over inflation for space solar power and bismuth-based products.
- Adjusted gross margin in FY 2025 increased by 44% to \$131.8 million compared to FY 2024, favourably impacted by the same factors as above. Adjusted gross margin as a percentage of sales was 33.7% in FY 2025, compared to 31.6% in FY 2024, and 29.1% in Q4 2025, compared to 33.0% in Q4 2024.
- Net earnings were \$50.6 million in FY 2025, compared to \$14.7 million in FY 2024, while net earnings in Q4 2025 were \$7.6 million, compared to \$1.0 million in Q4 2024.
- Backlog stood at \$394.9 million, representing 353 days of annualized revenue as at December 31, 2025, 42 days higher than in the previous quarter.
- Net debt¹ was \$50.3 million as at December 31, 2025, compared to \$100.1 million as at December 31, 2024, reflecting an increase in operating cashflows. The Company's net-debt-to-EBITDA ratio stood at 0.54x as at December 31, 2025.

Outlook

In 2026, 5N+ expects demand in Specialty Semiconductors to remain supported by persistent underlying long-term growth trends, including increased demand for solar energy in part driven by the acceleration of artificial intelligence adoption, and ongoing structural expansion in space-based observation, satellite communication and security applications. As the leading global supplier of ultra-high-purity specialty semiconductor compounds outside China for terrestrial renewable energy and space solar power applications, the Company is well positioned to continue capturing this growing demand.

In imaging and sensing, the Company anticipates medium-term growth opportunities in security and defence applications, while the gradual adoption of advanced detection technologies for medical applications is expected to generate longer term growth opportunities.

In Performance Materials, demand in health and pharmaceuticals, as well as for technical materials is expected to remain broadly in line with GDP growth, consistent with historical trends. After an exceptional year, the Company expects margin trends to normalize for bismuth-based products in 2026 due to anticipated cost pressures.

More broadly, as the geopolitical and economic backdrop continues to evolve, the Company expects its operating environment in 2026 to remain complex, in a rising input and operating cost environment. In this context, the Company will remain focused on the disciplined execution of its growth plans, including scaling production and increasing capacity in strategic sectors to meet customer demand, as well as driving productivity and operational efficiency across its footprint. The Company also intends to continue pursuing growth opportunities that will further strengthen its advanced materials value chain and leadership in growing end markets.

Supported by the Company's expansion in high-growth end markets primarily in Specialty Semiconductors and based on existing contracts and anticipated demand, 5N+ expects to generate Adjusted EBITDA of between \$100 and \$105 million in FY 2026, with a higher contribution in the second half of the year.

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Summary of Results

(in thousands of U.S. dollars, except per share amounts)	Q4 2025	Q4 2024	FY 2025	FY 2024
	\$	\$	\$	\$
Revenue	101,968	70,854	391,062	289,281
Adjusted operating expenses ¹	(83,518)	(58,370)	(298,619)	(235,949)
Adjusted EBITDA	18,450	12,484	92,443	53,332
Share-based compensation (expense) recovery	(497)	(309)	1,429	(906)
Gain on disposal of property, plant and equipment	-	-	-	2,089
(Impairment) reversal of impairment of non-current assets	(475)	120	(475)	(2,706)
ERP implementation costs	(586)	-	(1,245)	-
Loss on remeasurement of financial instrument	(313)	(1,000)	(1,313)	(1,000)
Litigation and restructuring income (costs)	969	(769)	969	(1,790)
Foreign exchange (loss) gain	(613)	(286)	720	549
EBITDA¹	16,935	10,240	92,528	49,568
Interest on long-term debt, imputed interest and other interest expense	2,091	2,446	9,454	9,169
Depreciation and amortization	4,422	4,373	17,369	16,791
Earnings before income taxes	10,422	3,421	65,705	23,608
Income tax expense (recovery)				
Current	2,783	907	16,386	6,945
Deferred	49	1,508	(1,247)	1,991
	2,832	2,415	15,139	8,936
Net earnings	7,590	1,006	50,566	14,672
Basic earnings per share	\$0.09	\$0.01	\$0.57	\$0.17
Diluted earnings per share	\$0.08	\$0.01	\$0.56	\$0.16

Revenue by Segment and Adjusted Gross Margin

(in thousands of U.S. dollars)	Q4 2025	Q4 2024	Change	FY 2025	FY 2024	Change
	\$	\$		\$	\$	
Specialty Semiconductors	76,179	51,866	47%	285,404	202,329	41%
Performance Materials	25,789	18,988	36%	105,658	86,952	22%
Total revenue	101,968	70,854	44%	391,062	289,281	35%
Cost of sales	(75,929)	(51,104)	49%	(273,566)	(211,413)	29%
Depreciation included in cost of sales	3,646	3,643	-	14,303	13,445	6%
Adjusted gross margin	29,685	23,393	27%	131,799	91,313	44%
Adjusted gross margin percentage	29.1%	33.0%		33.7%	31.6%	

Revenue in Q4 2025 increased by 44%, reaching \$102.0 million, compared to \$70.9 million for the same period last year. Revenue in FY 2025 reached \$391.1 million, compared to \$289.3 million in FY 2024. The increases are primarily attributable to higher volumes in the terrestrial renewable energy and space solar power sectors under Specialty Semiconductors and higher pricing from bismuth-based products under Performance Materials.

Adjusted gross margin increased by 27% to reach \$29.7 million in Q4 2025, compared to \$23.4 million in Q4 2024, and \$131.8 million in FY 2025, compared to \$91.3 million in FY 2024, favourably impacted by higher volumes in strategic sectors under Specialty Semiconductors and better prices over inflation. Adjusted gross margin as a percentage of sales was 29.1% in Q4 2025, compared to 33.0% in Q4 2024, impacted by a slightly less favourable product mix and higher preventive maintenance expenses under Specialty Semiconductors. Adjusted gross margin as a percentage of sales was 33.7% in FY 2025, compared to 31.6% in FY 2024, with a favourable year-over-year product mix and higher pricing over metal input costs under Performance Materials.

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Specialty Semiconductors

Revenue in Q4 2025 was \$76.2 million, compared to \$51.9 million in Q4 2024. In FY 2025, revenue was \$285.4 million, compared to \$202.3 million in FY 2024, supported by higher volumes in the terrestrial renewable energy and space solar power sectors. Adjusted gross margin as a percentage of sales was 25.5% in Q4 2025, compared to 33.3% in Q4 2024, impacted by a slightly less favourable product mix and higher preventive maintenance expenses. Adjusted gross margin as a percentage of sales was 30.8% in FY 2025, compared to 30.1% in FY 2024, favourably impacted by economies of scale from higher production and higher prices net of inflation.

Performance Materials

Revenue in Q4 2025 reached \$25.8 million, compared to \$19.0 million in Q4 2024. In FY 2025, revenue was \$105.7 million, compared to \$87.0 million in FY 2024. Adjusted gross margin as a percentage of sales was 40.9% in Q4 2025, compared to 33.5% in Q4 2024. Adjusted gross margin as a percentage of sales was 42.4% in FY 2025, compared to 35.9% in FY 2024, impacted by a favourable inventory position at the beginning of the period, product mix, higher prices net of inflation and higher metal input costs.

Operating Earnings, EBITDA and Adjusted EBITDA

(in thousands of U.S. dollars)	Q4 2025	Q4 2024	Change	FY 2025	FY 2024	Change
	\$	\$		\$	\$	
Specialty Semiconductors	14,215	12,647	12%	70,059	44,008	59%
Performance Materials	7,767	3,728	108%	35,139	22,072	59%
Corporate	(3,532)	(3,891)	(9%)	(12,755)	(12,748)	-
Adjusted EBITDA	18,450	12,484	48%	92,443	53,332	73%
EBITDA	16,935	10,240	65%	92,528	49,568	87%
Operating earnings	13,126	6,153	113%	74,439	32,228	131%

Adjusted EBITDA in Q4 2025 increased by 48% to \$18.5 million, representing an Adjusted EBITDA margin¹ of 18.1%, compared to \$12.5 million, or an Adjusted EBITDA margin of 17.6%, in Q4 2024. Adjusted EBITDA increased by 73% to \$92.4 million in FY 2025, compared to \$53.3 million in FY 2024.

In Q4 2025, EBITDA reached \$16.9 million, compared to \$10.2 million in Q4 2024. In FY 2025, EBITDA increased by 87% to \$92.5 million, compared to \$49.6 million in FY 2024. The increases of \$6.7 million and \$43.0 million, respectively, are mainly explained by an increase in Adjusted EBITDA. The items reconciling Adjusted EBITDA to EBITDA are share-based compensation expense (recovery), impairment of non-current assets, ERP implementation costs, loss on remeasurement of financial instrument, litigation and restructuring income and foreign exchange loss (gain). For more information, see the "Expenses" section.

In Q4 2025, operating earnings amounted to \$13.1 million, compared to operating earnings of \$6.2 million in Q4 2024, impacted by the same factors as mentioned above. In FY 2025, operating earnings amounted to \$74.4 million, compared to \$32.2 million in FY 2024.

Specialty Semiconductors

Adjusted EBITDA in Q4 2025 increased by \$1.6 million, or 12%, to reach \$14.2 million, representing an Adjusted EBITDA margin of 18.7%, compared to 24.4% in Q4 2024 impacted by a slightly less favourable product mix and higher preventive maintenance expenses. Adjusted EBITDA in FY 2025 increased by \$26.1 million to \$70.1 million, representing an Adjusted EBITDA margin of 24.5%, compared to 21.8% for the same period in 2024. The increase is primarily attributable to higher demand in the terrestrial renewable energy and space solar power sectors, higher prices net of inflation and favourable unit costs from economies of scale.

Performance Materials

Adjusted EBITDA in Q4 2025 increased by \$4.0 million, or 108%, and reached \$7.8 million, representing an Adjusted EBITDA margin of 30.1%, compared to 19.6% in Q4 2024. Adjusted EBITDA in FY 2025 increased by \$13.1 million to \$35.1 million, representing an Adjusted EBITDA margin of 33.3%, compared to 25.4% in the same period in 2024. The

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increase is primarily attributable to a favourable inventory position at the beginning of the period, product mix, higher prices net of inflation and higher metal input costs.

Net Earnings and Adjusted Net Earnings

(in thousands of U.S. dollars, except per share amounts)	Q4 2025	Q4 2024	FY 2025	FY 2024
	\$	\$	\$	\$
Net earnings	7,590	1,006	50,566	14,672
Basic earnings per share	\$0.09	\$0.01	\$0.57	\$0.17
Reconciling items:				
Share-based compensation expense (recovery)	497	309	(1,429)	906
Gain on disposal on property, plant and equipment	-	-	-	(2,089)
Impairment (reversal of impairment) of non-current assets	475	(120)	475	2,706
ERP implementation costs	586	-	1,245	-
Loss on remeasurement of financial instrument	313	1,000	1,313	1,000
Litigation and restructuring (income) costs	(969)	769	(969)	1,790
Income tax (recovery) expense on taxable items above	(121)	(181)	216	(598)
Adjusted net earnings¹	8,371	2,783	51,417	18,387
Basic adjusted earnings per share¹	\$0.09	\$0.03	\$0.58	\$0.21

In Q4 2025, net earnings were \$7.6 million, or \$0.09 per share, compared to net earnings of \$1.0 million, or \$0.01 per share, in Q4 2024, positively impacted by higher year-over-year Adjusted EBITDA when compared to Q4 2024. Adjusted net earnings were \$8.4 million, or \$0.09 per share, in Q4 2025, compared to \$2.8 million, or \$0.03 per share, in Q4 2024.

In FY 2025, net earnings were \$50.6 million, or \$0.57 per share, compared to \$14.7 million, or \$0.17 per share, in FY 2024. Adjusted net earnings were \$51.4 million, or \$0.58 per share, in FY 2025, compared to \$18.4 million or \$0.21 per share in FY 2024.

Excluding income tax expense, the items reconciling Adjusted net earnings in Q4 2025 and FY 2025 are share-based compensation expense (recovery), impairment of non-current assets, ERP implementation costs, loss on remeasurement of financial instrument, and litigation and restructuring income. For more information, see the "Expenses" section.

Backlog and Bookings

(in thousands of U.S. dollars)	BACKLOG			BOOKINGS ¹		
	Q4 2025	Q3 2025	Q4 2024	Q4 2025	Q3 2025	Q4 2024
	\$	\$	\$	\$	\$	\$
Specialty Semiconductors	345,582	323,860	216,911	97,901	122,668	50,577
Performance Materials	49,329	33,678	35,920	41,440	29,736	23,415
Total	394,911	357,538	252,831	139,341	152,404	73,992

(number of days based on annualized revenue)*	BACKLOG			BOOKINGS		
	Q4 2025	Q3 2025	Q4 2024	Q4 2025	Q3 2025	Q4 2024
Specialty Semiconductors	365	365	365	117	149	89
Performance Materials	175	104	173	147	91	113
Weighted average	353	311	326	125	133	95

* Backlog and bookings are also presented in number of days to normalize the impact of commodity prices.

Q4 2025 vs. Q3 2025

Backlog on December 31, 2025, represented 353 days of annualized revenue, 42 days higher than the backlog on September 30, 2025.

The backlog for Specialty Semiconductors represented 365 days of annualized revenue which is the same level as at September 30, 2025. While the estimated number of days based on annualized revenue cannot exceed 365 days per the

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Company's definition of backlog, the effective backlog under Specialty Semiconductors for the terrestrial renewable energy and space solar power sectors specifically surpassed the next twelve months on December 31, 2025.

The backlog for Performance Materials represented 175 days of annualized revenue, 71 days higher than the backlog on September 30, 2025, mainly due to the timing of contract signing and/or renewals, net of the quarterly realization of long-term contracts.

Bookings for Specialty Semiconductors decreased by 32 days from 149 days in Q3 2025 to 117 days in Q4 2025. Bookings for Performance Materials in Q4 2025 increased by 56 days, from 91 days in Q3 2025 to 147 days in Q4 2025. Bookings are calculated by adding revenue to the increase or decrease in backlog for the period divided by annualized revenue. As such, the increase or decrease in bookings is attributable to the same factors as the increase or decrease in backlog.

Q4 2025 vs. Q4 2024

Backlog for Specialty Semiconductors on December 31, 2025, was at the same level as on December 31, 2024, at 365 days. Backlog for Performance Materials on December 31, 2025, represented 175 days, an increase of 2 days when compared to 173 days on December 31, 2024.

Bookings increased by 28 days for Specialty Semiconductors and by 34 days for Performance Materials when compared to Q4 2024.

Expenses

(in thousands of U.S. dollars)	Q4 2025	Q4 2024	FY 2025	FY 2024
	\$	\$	\$	\$
Depreciation and amortization	4,422	4,373	17,369	16,791
SG&A	9,846	9,857	35,049	34,026
Share-based compensation expense (recovery)	497	309	(1,429)	906
Gain on disposal of property, plant and equipment	-	-	-	(2,089)
Impairment (reversal of impairment) of non-current assets	475	(120)	475	2,706
ERP implementation costs	586	-	1,245	-
Loss on remeasurement of financial instrument	313	1,000	1,313	1,000
Litigation and restructuring (income) costs	(969)	769	(969)	1,790
Financial expense	2,704	2,732	8,734	8,620
Income tax expense	2,832	2,415	15,139	8,936
Total expenses	20,706	21,335	76,926	72,686

Depreciation and Amortization

Depreciation and amortization expenses in Q4 2025 and FY 2025 amounted to \$4.4 million and \$17.4 million, respectively, compared to \$4.4 million and \$16.8 million, respectively, for the same periods in 2024.

SG&A

Sales, General & Administrative ("SG&A") expenses in Q4 2025 and FY 2025 were \$9.8 million and \$35.0 million, respectively, compared to \$9.9 million and \$34.0 million, respectively, for the same periods in 2024.

Share-based Compensation Expense (Recovery)

Share-based compensation expense in Q4 2025 amounted to \$0.5 million compared to \$0.3 million in Q4 2024. In FY 2025, share-based compensation recovery amounted to \$1.4 million, compared to a share-based compensation expense of \$0.9 million in FY 2024. The Company holds a total return swap to reduce its exposure to its share price fluctuations relating to Deferred Share Units, Performance Share Units, Restricted Share Units and Stock Appreciate Rights for a volume slightly above the current outstanding granted volume.

Gain on Disposal of Property, Plant and Equipment ("PPE")

During Q3 2024, the Company recognized a gain of \$2.1 million in relation to the sale of unused production equipment under Performance Materials following the Company's decision to switch to higher capacity equipment.

Impairment of Non-Current Assets

During Q4 2025, the Company recorded an impairment of non-current assets of \$0.5 million in relation to PPE included within the Performance Materials segment, to reflect the assessment of the carrying value of production equipment following the Company's decision to discontinue production of a minor product.

During Q3 2024, the Company recorded an impairment of non-current assets of \$1.7 million in relation to intangible assets under Performance Materials, to reflect the assessment of the carrying value of technology and development costs following the Company's sale of unused production equipment.

During Q3 2024, the Company recorded an impairment of non-current assets of \$0.6 million in relation to PPE under Performance Materials, to reflect the assessment of the carrying value of production equipment following the Company's decision to prioritize certain production operations to support the Company's core business. The impairment was subsequently reversed in Q4 2024 by \$0.1 million after a revision in estimates of the cash inflows related to the asset's disposal, bringing the impairment to \$0.5 million for FY 2024.

During Q2 and Q3 2024, the Company recorded an impairment of non-current assets of \$0.3 million and \$0.3 million, respectively, in relation to PPE under Specialty Semiconductors, to reflect the assessment of the carrying value of production equipment following the Company's decision to discontinue construction of the asset.

ERP Implementation Costs

Enterprise Resource Planning ("ERP") implementation costs of \$0.6 million and \$1.2 million were incurred in Q4 2025 and FY 2025, respectively, in relation to project implementation at the Company's Montréal, Quebec site. The project is expected to extend into 2026.

Loss on Remeasurement of Financial Instrument

During Q4 2025, a remeasurement loss on financial assets of \$0.3 million was recorded based on revised estimates of the fair value of the Company's equity instrument in Microbion Corporation (Microbion). This is in addition to the remeasurement loss recorded during Q2 2025 of \$1.0 million, for a total remeasurement loss of \$1.3 million in FY 2025, compared to \$1.0 million in FY 2024. The revised estimates of the fair value of the Company's equity instrument in Microbion reflect the increased difficulties for pharmaceutical research companies to raise capital.

Litigation and Restructuring Costs

In Q4 2025, the Company recorded litigation and restructuring income of \$1.3 million related deposits which are no longer refundable to clients, and litigation and restructuring costs of \$0.4 million related to changes in management.

In Q4 2024, the Company recorded litigation and restructuring costs of \$0.4 million related to site closures in Asia, \$0.2 million related to changes in management and \$0.2 million in charges associated with outsourcing the accounting and controls department of a subsidiary.

In Q3 2024, the Company recorded litigation and restructuring costs comprised of a provision of \$0.4 million related to a deposit for which it is probable that it is refundable to a client, \$0.4 million related to site closures in Asia and \$0.2 million related to changes in management.

Financial Expense

Financial expense amounted to \$2.7 million in Q4 2025, compared to \$2.7 million in Q4 2024. In FY 2025, financial expense amounted to \$8.7 million, compared to \$8.6 million in FY 2024.

Income Taxes

The Company reported earnings before income taxes of \$10.4 million in Q4 2025 and of \$65.7 million in FY 2025. Income tax expense in Q4 2025 and FY 2025 was \$2.8 million and \$15.1 million, respectively, compared to \$2.4 million and \$8.9 million, respectively, in the same periods in 2024. Both years were impacted by deferred tax assets applicable only in certain jurisdictions.

Liquidity and Capital Resources

(in thousands of U.S. dollars)	Q4 2025	Q4 2024	FY 2025	FY 2024
	\$	\$	\$	\$
Cash from operations before the following:	13,355	6,958	69,847	35,480
Net changes in non-cash working capital items	7,642	(10,011)	(2,457)	(42,366)
Cash from (used in) operating activities	20,997	(3,053)	67,390	(6,886)
Cash used in investing activities	(6,796)	(2,459)	(13,899)	(17,980)
Cash (used in) from financing activities	(6,787)	3,233	(16,452)	12,388
Effect of foreign exchange rate changes on cash	(33)	(144)	392	(86)
Net increase (decrease) in cash	7,381	(2,423)	37,431	(12,564)

In Q4 2025, cash from operating activities amounted to \$21.0 million, compared to cash used in operating activities of \$3.1 million for the same period in 2024. In FY 2025, cash from operating activities amounted to \$67.4 million, compared to cash used in operating activities of \$6.9 million in FY 2024. The positive variance of \$74.3 million is due to a higher contribution in cash from operations of \$34.4 million from higher EBITDA and a favourable variance in working capital requirements of \$39.9 million.

In Q4 2025, cash used in investing activities amounted to \$6.8 million, compared to \$2.5 million in Q4 2024. In FY 2025, cash used in investing activities amounted to \$13.9 million, compared to \$18.0 million in FY 2024. The positive variance of \$4.1 million is mainly explained by the proceeds on settlement of the Company's total return swap renewed in Q1 2025, resulting in a receipt of cash of \$6.9 million, partially offset by a decrease in proceeds of disposition on property, plant and equipment of \$4.2 million. The residual variance is primarily explained by an outflow of \$1.0 million in FY 2024 to increase the Company's minority equity stake in Microbion Corporation.

In Q4 2025, cash used in financing activities amounted to \$6.8 million, compared to cash from financing activities of \$3.2 million in Q4 2024. In FY 2025, cash used in financing activities amounted to \$16.5 million, compared to cash generated in financing activities of \$12.4 million in FY 2024, creating a negative variance of \$28.8 million. In FY 2024, the Company needed to draw down funds from its credit facility to repay a portion of its subordinated loan as well as for investment purposes. In FY 2025, the Company had the capacity to reimburse a portion of its credit facility given its strong operating cashflows.

Working Capital

(in thousands of U.S. dollars)	As at December 31, 2025	As at December 31, 2024
	\$	\$
Inventories	163,727	137,823
Other current assets	138,448	79,572
Current liabilities	(109,299)	(60,481)
Working capital¹	192,876	156,914
Working capital ratio¹	2.76	3.59

Working capital increased by \$36.0 million as at December 31, 2025, to \$192.9 million, compared to \$156.9 million as at December 31, 2024, due to an increase in other current assets of \$58.9 million from higher revenue and an increase in inventory of \$25.9 million to support demand, partially offset by higher current liabilities of \$48.8 million.

¹ 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.

Net Debt

(in thousands of U.S. dollars)	As at December 31, 2025	As at December 31, 2024
	\$	\$
Bank indebtedness	-	-
Long-term debt including current portion	109,837	122,203
Total debt¹	109,837	122,203
Cash	(59,573)	(22,142)
Net debt	50,264	100,061

Total debt stood at \$109.8 million as at December 31, 2025, compared to \$122.2 million as at December 31, 2024.

Net debt, after considering cash, decreased by \$49.8 million, to \$50.3 million as at December 31, 2025, from \$100.1 million as at December 31, 2024.

Available Short-term Capital Resources

(in thousands of U.S. dollars)	As at December 31, 2025	As at December 31, 2024
	\$	\$
Cash	59,573	22,142
Available revolving credit facility	63,500	18,500
Available short-term capital resources	123,073	40,642

In March 2025, the Company signed a senior secured multi-currency revolving credit facility of \$154.0 million maturing in March 2029 to replace its \$124.0 million senior secured revolving facility maturing in April 2026. At any time, the Company has the option to request that the credit facility be expanded through the exercise of an additional \$50.0 million accordion feature, subject to review and approval by the lenders. This revolving credit facility can be drawn in U.S. dollars, Canadian dollars or Hong Kong dollars (up to \$4.0 million). Drawings bear interest at either the Canadian prime rate, U.S. base rate, Hong Kong base rate, SOFR or CORRA, plus a margin based on the Company's senior net-debt-to-consolidated-EBITDA ratio. Under the terms of its credit facility, the Company is required to satisfy certain restrictive covenants as to financial ratios. As at December 31, 2025, and December 31, 2024, the Company had met all covenants.

In addition, in March 2025, the Company received CA\$1.3 million from Canada Economic Development for Quebec Regions with respect to an interest-free term loan with a maximum drawdown of CA\$3.0 million dependent upon eligible capital expenditures, bringing the Company's total drawdown to CA\$2.5 million. The Company will benefit from a two-year repayment moratorium period on the interest-free loan ending on December 31, 2027. Subsequently, the loan is reimbursable in monthly instalments over a period of five years.

In October 2025, the Company received CA\$2.6 million from Investissement Québec with respect to a term loan with a maximum drawdown of CA\$8.0 million dependent upon eligible capital expenditures related to investments in its Montréal production facility. The new term loan bears interest equivalent to the seven-year Québec government bonds which amount to 4.01%. Subject to the satisfaction of certain criteria, an amount up to CA\$2.0 million of the loan may be forgiven. The loan is reimbursable in monthly instalments of CA\$0.1 million over a period of five years, with any remaining amount of the loan which is not forgiven, payable at the end of the five-year period.

Share Information

	As at February 24, 2026	As at December 31, 2025
Issued and outstanding shares	89,074,051	89,074,051
Stock options potentially issuable	1,184,924	1,184,924

¹ 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.

Restricted Share Unit ("RSU") and Performance Share Unit ("PSU") Plan

The RSU & PSU Plan enables the Company to award eligible participants: (i) phantom RSUs that vest no later than three years following the grant date; and (ii) phantom PSUs that vest after certain periods of time, not exceeding three years, and subject to the achievement of certain performance criteria as determined by the Board of Directors. Such RSU & PSU Plan provides for the settlement of RSUs and PSUs through either cash or the issuance of common shares of the Company from treasury, for an amount equivalent to the volume weighted average of the trading price of the common shares of the Company on the Toronto Stock Exchange for the five trading days immediately preceding the applicable RSU vesting determination date or PSU vesting determination date.

For FY 2025, the Company granted 81,238 RSUs (2024 – 121,870), 92,496 RSUs were paid (FY 2024 – 75,542) and 4,152 RSUs were forfeited (FY 2024 – 4,500). As at December 31, 2025, 346,314 RSUs were outstanding (2024 – 361,724).

As at December 31, 2025, nil PSUs were outstanding (2024 – nil).

Stock Option Plan

In 2011, the Company adopted a stock option plan (the "Stock Option Plan") under which a maximum number of options granted cannot exceed 5 million. Options granted under the Stock Option Plan may be exercised during a period not exceeding ten years from the date of grant. The stock options outstanding on December 31, 2025, may be exercised during a period not exceeding six years from their date of grant. Unless the Board of Directors decides otherwise at its sole discretion, options vest at a rate of 25% (100% for directors) per year, beginning one year following the grant date of the options. Any unexercised options will expire one month after the date beneficiary ceases to be an employee, director or officer (collectively the "optionee") and one year after the optionee's death, retirement or permanent disability, as the case may be, or prior to the expiration of the term of the option, whichever occurs earlier.

The following table presents information concerning all outstanding stock options:

	2025		2024	
	Number of options	Weighted average exercise price CA\$	Number of options	Weighted average exercise price CA\$
Outstanding, beginning of year	1,166,705	1.99	1,365,162	1.90
Granted	68,219	6.85	139,620	4.47
Exercised	(31,250)	2.81	(338,077)	2.63
Forfeited	(18,750)	4.38	-	-
Outstanding, end of year	1,184,924	2.21	1,166,705	1.99
Exercisable, end of year	767,142	1.72	523,013	1.64

Off-balance Sheet Arrangements

The Company has limited off-balance sheet arrangements since most of its leases are recognized on the consolidated statement of financial position. Any off-balance sheet arrangements consist of contractual obligations in the normal course of business.

The Company is exposed to currency risk on sales in euros and other currencies, as well as interest rate fluctuations on its credit facility, and, therefore, may periodically enter into foreign currency forward contracts and interest rate or foreign currency swap contracts to protect itself against interest rate and currency fluctuations. The reader will find more details related to these contracts in Notes 18 and 26 of the audited consolidated financial statements for the year ended December 31, 2025.

The following table reflects the contractual cash flows of the Company's financial liabilities as at December 31, 2025:

(in thousands of U.S. dollars)	Carrying amount	1 year	2 years	3 years	4 years	Over 5 years	Total
	\$	\$	\$	\$	\$	\$	\$
Trade and accrued liabilities	79,096	79,096	-	-	-	-	79,096
Long-term debt	109,837	7,561	7,597	20,985	92,494	1,155	129,792
Lease liabilities	30,153	3,176	3,050	3,058	3,214	23,859	36,357
Total	219,086	89,833	10,647	24,043	95,708	25,014	245,245

Contractual cash flows subject to floating interest rates or denominated in foreign currencies are based on the spot rate in effect on December 31, 2025.

Commitments

In the normal course of business, the Company contracted letters of credit for an amount of \$0.3 million as at December 31, 2025, and of \$0.2 million as at December 31, 2024.

Contingencies

In the normal course of business, the Company is exposed to events that could give rise to contingent liabilities or assets. As at the date of issue of the consolidated financial statements, the Company was not aware of any significant events that would have a material effect on its consolidated financial statements.

Governance

As required by Multilateral Instrument 52-109 of the Canadian Securities Administrators ("MI 52-109"), 5N+ has filed certificates signed by the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") that, among other things, attest to the design of the disclosure controls and procedures and the design and effectiveness of internal controls over financial reporting.

Disclosure Controls and Procedures

The CEO and the CFO have designed disclosure controls and procedures ("DC&P"), or have caused them to be designed under their supervision, to provide reasonable assurance that:

- Material information relating to the Company has been made known to them; and
- Information required to be disclosed in the Company's filings is recorded, processed, summarized and reported within the time periods specified in securities legislation.

An evaluation of the effectiveness of the Company's disclosure controls and procedures was carried out under the supervision of the CEO and CFO. Based on this evaluation, the CEO and the CFO concluded that the disclosure controls and procedures are effective.

Internal Control over Financial Reporting

The CEO and the CFO have also designed internal controls over financial reporting (ICFR) or have caused them to be designed under their supervision, using the Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 COSO Framework), to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards.

Due to their intrinsic limitations, DC&P and ICFR only provide reasonable assurance and may not prevent or detect all misstatement or errors.

Changes in Internal Control over Financial Reporting

No changes were made to the ICFR during the fiscal year ended December 31, 2025, that have materially affected, or are reasonably likely to materially affect, the ICFR.

Adoption of New Accounting Standards and Future Changes in Accounting Policies

Adoption of New Accounting Standards

For the year ended December 31, 2025, the Company evaluated the new accounting standards issued and effective under IFRS Accounting Standards and determined that they have no significant impact on its consolidated financial statements.

Future Changes in Accounting Policies

The following standards have been issued but are not yet effective:

IFRS 9 and IFRS 7 – Financial Instruments

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 pertaining to the Classification and Measurement of Financial Instruments. Notably, the amendments include guidance relating to the recognition and derecognition date of certain financial assets and liabilities. The amendments are effective for annual reporting periods beginning on or after January 1, 2026. The implementation of this standard is not expected to have a material impact on the Company's consolidated financial statements.

IFRS 18 – Presentation and Disclosure in the Financial Statements

In April 2024, the IASB issued IFRS 18 as a replacement to IAS 1 Presentation of Financial Statements. The new standard includes a prescribed structure for the Statement of Earnings, disclosure requirements for management-defined performance measures and guidance on the aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027. The Company is currently evaluating the impact of this standard on its consolidated financial statements.

Significant Management Estimation and Judgment in Applying Accounting Policies

The following are significant management judgments used in applying the accounting policies of the Company that have the most significant effect on the consolidated financial statements.

Estimation uncertainty

When preparing the consolidated financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, revenues and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about the significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, revenues and expenses are discussed below.

Impairment of non-financial assets

Non-financial assets are reviewed for an indication of impairment at each consolidated statement of financial position date upon the occurrence of events or changes in circumstances indicating that the carrying value of the assets may not be recoverable, which requires significant judgement.

An impairment loss is recognized for the amount by which an asset's or cash-generating unit's ("CGU") carrying amount exceeds its recoverable amount, which is the higher of fair value less cost of disposal and value in use.

To determine the recoverable amount, significant judgement is required as management must estimate expected future cash flows from the asset or CGU and it must determine a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results using the estimated forecasted prices obtained from various market sources. These key assumptions relate to future events and circumstances. The actual results will vary and may cause adjustments to the Company's assets in future periods. In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and to asset-specific risk factors.

Inventories

Inventories are carried at the lower of cost and net realizable value, with cost determined using the average cost method. In estimating net realizable values, management takes into account the most reliable evidence available at the time the estimates are made. The Company's core business is subject to changes in foreign policies and internationally accepted metal prices which may cause future selling prices to change rapidly. The Company evaluates its inventories using a group of similar items basis and considers expected future prices as well as events that have occurred between the consolidated statement of financial position date and the date of the completion of the consolidated financial statements. Net realizable value for inventory to satisfy a specific sales contract is measured at the contract price.

Income taxes

The Company is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

The Company has deferred income tax assets that are subject to periodic recoverability assessments. Realization of the Company's deferred income tax assets is largely dependent on its achievement of projected future taxable income and the continued applicability of ongoing tax planning strategies. The Company's judgments regarding future profitability may change due to future market conditions, changes in tax legislation and other factors that could adversely affect the ongoing value of the deferred income tax assets. These changes, if any, may require a material adjustment of these deferred income tax asset balances through an adjustment to the carrying value thereon in the future. This adjustment would reduce the deferred income tax asset to the amount that is considered to be more likely than not to be realized and would be recorded in the period such a determination was to be made. Refer to note 17 of the audited consolidated financial statements for the year ended December 31, 2025.

Related Party Transactions

The Company's related parties are its directors and executive members. Transactions with these related parties are described in Note 25 in the 2025 audited consolidated financial statements of the Company.

Financial Instruments and Risk Management**Fair Value of Financial Instruments**

A detailed description of the methods and assumptions used to measure the fair value of the Company's financial instruments and their fair value is discussed in Note 18 – Fair Value of Financial Instruments of the audited consolidated financial statements for the year ended December 31, 2025.

The fair value of the financial instruments was as follows:

(in thousands of U.S. dollars)	As at December 31, 2025	As at December 31, 2024
	\$	\$
Total return swap	19,593	6,978
Investment in equity instruments	1,687	3,000
Restricted investment	515	507

Financial Risk Management

For a detailed description of the nature and extent of risks arising from financial instruments, and their related risk management, refer to Note 26 of the audited consolidated financial statements for the year ended December 31, 2025.

Interest Rate

Interest rate risk refers to the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company's policy is to limit its exposure to interest rate risk fluctuation by ensuring that a reasonable portion of its long-term debt is made of subordinated debts at fixed rate. The Company is exposed to interest rate fluctuations on its

revolving credit facility, which bears a floating interest rate. A 1% increase/decrease in interest rates would have an impact of approximately \$0.9 million on the Company's earnings before income tax on a twelve-month horizon based on the balance outstanding on December 31, 2025.

Foreign Currency

Foreign currency risk is defined as the Company's exposure to a gain or a loss in the value of its financial instruments as a result of fluctuations in foreign exchange rates. The Company is exposed to foreign exchange rate variability primarily in relation to certain sales commitments, expected purchase transactions, certain local operating expenses and debt denominated in a foreign currency. In addition, these operations have exposure to foreign exchange rates primarily through cash and other working capital accounts denominated in currencies other than their functional currencies.

In addition, the Company will occasionally enter into foreign exchange forward contracts to sell U.S. dollars in exchange for Canadian dollars and euros. These contracts would hedge a portion of ongoing foreign exchange risk on the Company's cash flows since much of its non-US dollar expenses are incurred in Canadian dollars and Euros. The Company may also enter into foreign exchange contracts to sell Euros for U.S. dollars. As at December 31, 2025, the Company had no foreign exchange contracts outstanding.

The following table summarizes in U.S. dollar equivalents the Company's major currency exposures of the Company's US dollar functional currency operations as at December 31, 2025:

(in thousands of U.S. dollars)	CAD	EUR	GBP	HKD	MYR	Other
	\$	\$	\$	\$	\$	\$
Cash	1,012	4,719	77	26	55	10
Accounts receivable	1,408	6,687	-	-	1	-
Derivative financial assets	19,593	-	-	-	-	-
Other current assets	-	2,200	-	-	-	-
Other non-current assets	-	515	-	-	-	-
Trade and accrued liabilities	(34,762)	(10,195)	(322)	(195)	(175)	(92)
Long-term debt	(4,337)	-	-	-	-	-
Lease liabilities	(7,893)	(474)	-	(69)	-	-
Net financial assets (liabilities)	(24,979)	3,452	(245)	(238)	(119)	(82)

The following table shows the impact on earnings before income tax of a five-percentage point strengthening or weakening of foreign currencies against the U.S. dollar as at December 31, 2025 for the Company's financial instruments denominated in non-functional currencies:

(in thousands of U.S. dollars)	CAD	EUR	GBP	HKD	MYR	Other
	\$	\$	\$	\$	\$	\$
5% Strengthening	(1,249)	173	(12)	(12)	(6)	(4)
5% Weakening	1,249	(173)	12	12	6	4

For the Company's subsidiaries with a functional currency other than the U.S. dollar, their exposures of financial assets and financial liabilities denominated in U.S. dollars are \$6.5 million and \$0.3 million, respectively, with a net position of \$6.2 million. A strengthening or weakening in the exchange rate between the functional currencies of these subsidiaries and the U.S. dollar of five-percentage points results in a decrease or increase of \$0.3 million to earnings before income tax.

Credit

Credit risk refers to the possibility that a customer or counterparty will fail to fulfill its obligations under a contract and, as a result, create a financial loss for the Company. The Company has a credit policy that defines standard credit practice. This policy dictates that all new customer accounts be reviewed prior to approval and establishes the maximum amount of credit exposure per customer. The creditworthiness and financial well-being of the customer are monitored on an ongoing basis.

The Company applies the simplified approach to measuring expected credit losses using a lifetime expected credit loss allowance for trade receivables. The expected loss rates are based on the Company's historical credit losses experienced over the three-year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Company's customers. Historically, the Company has not incurred any significant losses in respect of its trade receivables. Therefore, the loss allowance at the end of each period and the change recorded for each period is insignificant.

As at December 31, 2025 and 2024, the Company had a loss allowance of \$nil and \$nil, respectively. The loss allowance is included in selling, general and administrative expenses in the consolidated statement of earnings (loss) and is net of any recoveries that were provided for in prior periods.

Liquidity

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages liquidity risk through the management of its capital structure. It also manages liquidity risk by continually monitoring actual and projected cash flows, taking into account the Company's sales and receipts and matching the maturity profile of financial assets and financial liabilities. The Board of Directors reviews and approves the Company's annual operating and capital budgets as well as any material transactions out of the ordinary course of business, including proposals on acquisitions and other major investments. Under the terms of its credit facility, the Company is required to satisfy certain restrictive covenants. To comply with these covenants, the Company will need to execute on its EBITDA and cash flow estimates. Management believes that the assumptions used by the Company in preparing its estimates are reasonable. However, risk remains. Successful achievement of these estimates results is dependent on stability in the price of metals and other raw materials, the reduction of debt due to the optimization of the Company's working capital and the continued viability and support of the Company's banks.

Risk and Uncertainties

In the normal course of business, the Company is subject to a number of risk factors which may limit its ability to execute on its strategy and achieve its long-term growth objectives. Management identifies these risks and implement strategies to minimize their impact on the Company's performance. The Audit Committee together with the Corporate Internal Audit and site leadership teams have the mandate to review all business risks semi-annually. The risks and risk reduction measures are presented to the Audit Committee and the Board of Directors on an ongoing basis. The realization of the risks described in any of the following risk factors could have a material adverse effect on the Company's business, results of operations and financial condition.

Risks and uncertainties not presently known to the Company or that the Company currently considers as not material could become material in the future or impair its business operations or cause a decline in the price of shares.

Global Economic Conditions

The Company operates in a volatile economic environment. Current global economic conditions, which have been subject to increased volatility and contraction in credit markets, may impact the Company's access to public financing, its ability to obtain equity or debt financing on favourable terms and the valuation of the Company's securities. As a result, if unemployment, interest or inflation rates fluctuate substantially or increase to significant levels, they could have an impact on the Company's operating activities, financial position and profitability. In addition, the Company is exposed to market risk related to the global inflationary situation, as well as the various environmental, social, political, economic, and health factors which have had significant consequences on the world economy. The decisions by central banks to tighten their monetary policies may have an impact on interest rates, foreign currency exchange rates and economic development. The risks of depressed economic conditions, a recession, interest rate changes, inflation, tariffs, sanctions, trade restrictions, political instability, armed conflicts, war and terrorism, in one or several of the countries where the Company operates could have an adverse impact on the Company's net earnings, financial position or cash flows.

International Operations

The Company operates in several countries, including China, and as such, faces risks associated with international business activities. The Company could be significantly affected by such risks, which include, but are not limited to, the integration of international operations, challenges associated with dealing with numerous legal and tax systems, changes

in policy that alter regulations impacting the Company's operations, the potential for volatile economic and labor conditions, political instability, foreign exchange, expropriation, changes in taxes, and other regulatory costs. Although the Company operates primarily in countries with relatively stable economic and political climates, there can be no assurance that its business will not be adversely affected by the risks inherent in international operations. The continued changes to, deferral of, and announcement of the imposition of new tariffs by the U.S. administration and other foreign governments create uncertainty in the global economic outlook, including with respect to potential protectionist trade measures that could trigger retaliatory actions from affected countries. These measures, and the resulting geopolitical tension, could have a material negative impact on our business, customers and suppliers.

The following conditions or events could disrupt its supply chain, interrupt production at its facilities or those of its suppliers or customers, increase its cost of sales and other operating expenses, result in material asset losses, or require additional capital expenditures to be incurred:

- fires, pandemics (including regional and global infectious diseases), extraordinary weather conditions, or natural disasters, such as hurricanes, tornadoes, floods, tsunamis, typhoons and earthquakes;
- political instability, social and labor unrest, war or terrorism;
- disruptions in port activities, shipping and freight forwarding services;
- interruptions in the availability of basic services and infrastructure, including power and water shortages;
- changes in a specific country's or region's economic conditions, such as a recession;
- new certification requirements;
- significant fluctuations in currency exchange rates;
- the ongoing invasion of Ukraine by Russia;
- the conflict in Israel and Gaza Strip;
- new trade barriers, including import and export imposed restrictions;
- the imposition of tariffs on its products or input; and
- change to legal, political, social, cultural, tax or other regulatory requirements.

The Company's insurance programs do not cover every potential loss associated with its operations, including potential damage to assets, lost profits and liability that could result from the aforementioned conditions or events. In addition, its insurance may not fully cover the consequences resulting from a loss event, due to insurance limits, sub-limits, or policy exclusions. Any occurrence not fully covered by insurance could have a negative effect on its business.

Risks Related to China

The legal system in mainland China is a civil law system based on written statutes. Unlike common law systems, it is a system in which decided legal cases have little precedential value. The legal system in mainland China evolves rapidly, and the interpretations of many laws, regulations and rules may contain inconsistencies and their interpretation and enforcement involve uncertainties. These uncertainties could limit the legal protections available to the Company. In addition, the Company cannot predict the effect of future developments in the mainland Chinese legal system, including the promulgation of new laws, changes to existing laws or the interpretation or enforcement thereof, or the pre-emption of local regulations by national laws. Such unpredictability towards the Company's contractual, property (including intellectual property) and procedural rights could adversely affect the Company's business and impede its ability to continue operations. Furthermore, any litigation in mainland China may be protracted and result in substantial costs and diversion of resources and management attention.

The mainland Chinese government exercises significant control over mainland China's economic growth through strategically allocating resources, imposing import and export restrictions, controlling the payment of foreign currency-denominated obligations, setting monetary policy and providing preferential treatment to particular industries or companies. Any growth in the Chinese economy may not continue and any slowdown may have a negative effect on the Company's business. Any adverse changes in economic conditions in mainland China, in the policies of the mainland Chinese government or in the laws and regulations in mainland China, could have a material adverse effect on the overall economic growth of mainland China. Such developments could adversely affect the Company's business, lead to reduction in demand for its products, impact sourcing of materials and products out of China, and adversely affect the Company's competitive position.

Environmental Regulations

The Company's operations involve the use, handling, generation, processing, storage, transportation, recycling and disposal of hazardous materials and are subject to extensive environmental laws and regulations at the local, provincial, national, and international level. These environmental laws and regulations include those governing the discharge of pollutants into the air and water, the use, management and disposal of hazardous materials and wastes, the clean-up of contaminated sites, and public and occupational health and safety. Failure to comply with such laws, regulations and permits can have serious consequences, including damage to its reputation; stopping it from pursuing operations at one of its facilities; being subject to substantial fines, penalties, criminal proceedings, third party property damage or personal injury claims, clean-up costs, capital expenditures or other costs; increasing the costs of development or production and litigation or regulatory action against it, and materially adversely affecting its business, results of operations or financial condition. Environmental legislation is evolving in a manner that will require stricter standards and enforcement, and a heightened degree of responsibility for the Company and its officers, directors and employees. Future changes in applicable environmental and health and safety laws and regulations could substantially increase costs and burdens to achieve or maintain compliance or otherwise have an adverse impact on its business, results of operations or financial condition.

The Company has incurred and will continue to incur capital expenditures to comply with environmental laws and regulations. Exceedances in wastewater discharges and air emissions generated by some Company facilities over the limits prescribed in applicable laws and permits have been registered in the past. At such facilities, the Company is collaborating with governmental authorities and implementing various measures including upgrading equipment to ensure compliance. Management believes that dealing with these environmental compliance issues will not have a material effect on the Company's earnings or competitive position during fiscal 2026. Future developments, such as more aggressive enforcement policies, the implementation of new, more stringent laws and regulations, or the discovery of currently unknown environmental conditions, may require expenditures that could have a material adverse effect on its business, results of operations and financial condition.

Crisis and Climate Change Management

Unexpected events including geopolitical crises, pandemic and epidemic outbreaks, catastrophes and natural disasters, such as extreme and increasingly frequent weather-related disasters linked to climate change, could have a negative impact on the continuation and results of the Company's operations as well as its suppliers'.

Environmental, Social and Governance (ESG) Considerations

The Company could be subject to growing stakeholder expectations as it relates to ESG factors, including from investors, who are increasingly placing a greater emphasis on ESG factors when assessing investment options. Future investments made in the Company, or future partnerships or business relations made with the Company may depend on various ESG standards and failure to meet evolving standards may impact the Company's reputation and ability to access capital.

Safety Risks and Hazards

The Company's health, safety and wellbeing systems, processes and policies are aimed at reducing risks to employees, subconsultants and others; however, work sites can put employees and others in proximity with large equipment, moving vehicles, dangerous processes or highly regulated materials in challenging or remote locations which may increase the risk to health and safety. Failure to implement or follow appropriate safety procedures by the Company or others could result in personal injury, illness or loss of life to people, or environmental and other damage to the Company's property or the property of others, or in regulatory fines or civil suits.

Geopolitical Uncertainty

The war in Ukraine has deeply disturbed the global economy and the outcome of the ongoing conflict remains uncertain at this time. Although its wholly-owned subsidiary, AZUR SPACE Solar Power GmbH had sales in Russia in the past, the amount of such sales was not material to the Company as a whole. The continued armed conflict in Ukraine or an expansion of the armed conflict to other European countries could have a negative effect on the European and global economies. As well, Russia is a major exporter of oil and natural gas. Any disruption of supplies of oil and natural gas from Russia could have a significant adverse effect on the European and world economies. Geopolitical tensions in the Middle East and other regions could also add to economic and market uncertainties. All the foregoing factors could potentially have a negative impact on the Company's sales and results of operations.

Disease Outbreaks

The local or worldwide outbreak of a disease, a virus, including, but not limited to, the COVID-19 pandemic or any other contagious disease and government actions to address them, could have an adverse impact on the Company's operations, operating results and financial position. While it is sudden, its impact on economic cycles can give rise to unfavourable temporary disruptions in the market where the Company operates as well as on its internal structure, such as plant closures, shortages of raw materials and labour, and in supply chains and distribution channels.

Availability and Retention of Qualified Employees

The Company relies on the expertise and know-how of its personnel to conduct its operations. The loss of any member of its team could have a material adverse effect on it. Its future success also depends on its ability to execute succession plans, attract and retain key employees, train, retain and successfully integrate new talent into its management and technical teams. Recruiting and retaining talented personnel, particularly those with expertise in the specialty metals industry and refining technology is vital to its success and may prove difficult. The Company cannot provide assurance that it will be able to attract and retain qualified personnel when needed, especially in light of the current labour shortage affecting several markets in which it operates. If the Company is unable to recruit and retain additional qualified personnel in the future, its business, financial condition and operating results could be adversely affected.

Collective Agreements

A portion of the Company's workforce is unionized, and it is party to collective agreements that are due to expire at various times in the future. If it is unable to renew these collective agreements on acceptable terms as they become subject to renegotiation from time to time, this could result in work stoppages or other labour disturbances, such as strikes, walkouts or lockouts, potentially affecting its performance.

Litigation Risks

The Company may be subject to a variety of civil or other legal proceedings, with or without merit. Although the Company establishes provisions for such litigation, there can be no assurance that the provisions for all claims correspond to the settlement amount. A significant judgment against the Company or the imposition of a significant fine or penalty could have a material adverse effect on its business, financial condition and results of operations.

Risks Associated with our Growth Strategy

The Company's strategic plan is designed to enhance profitability while reducing earnings volatility, delivering quality growth from existing growth initiatives, new products introduction, and future M&A opportunities. There can be no assurance that the expected benefits will materialize or occur within the time periods anticipated by management. The realization of such benefits may be affected by a number of factors, many of which are beyond its control. The Company will incur costs in pursuing any particular opportunity, which may be significant.

Competition

The Company is a leading producer of specialty semiconductors and performance materials with a limited number of competitors, few of which are as fully integrated as it is or have a similar range of products. Accordingly, they have limitations to provide the same comprehensive set of services and products as 5N+ does. However, there can be no guarantee that this situation will continue in the future and competition could arise from new low-cost metal refiners or from certain of its customers who could decide to backward integrate. Greater competition could have an adverse effect on the Company's revenues and operating margins if its competitors gain market share and it is unable to compensate for the volume lost to competition.

Commodity Price

Commodity prices affect the costs and the price the Company pays for, and availability of, various inputs fluctuate due to numerous factors beyond its control, including political and economic conditions, currency exchange rates, inflation or deflation, global supply and demand for metal products, fluctuations in the value of the U.S. dollar and foreign currencies, speculative trading, trade sanctions, tariffs, labour costs, competition, over capacity of producers and price surcharges. Fluctuations in availability and cost of inputs may materially affect its business, financial condition, results of operations and cash flows. These fluctuations can be unpredictable and can occur over short periods of time. To the extent that the Company is not able to pass on any increases, its business, financial condition, results of operations and cash flows may be materially adversely affected.

Sources of Supply

The Company may not be able to secure the critical raw material feedstock on which it depends for its operations and there can be no assurance that the prices of such critical feedstock will not rise dramatically. It currently procures raw materials from a number of suppliers with which it has had long-term commercial relationships. The loss of any one of these suppliers or a reduction in the level of deliveries to it may reduce production capacity and impact deliveries to customers. This would, in turn, negatively impact its sales, net margins and may lead to liabilities with respect to some of its supply contracts.

In addition, supplemental supply-chain challenges created by the economic conjecture following recent geo-political instability and conflicts, could negatively affect the Company's general procurement through longer delays of transportation or through an increase in prices to obtain supplies. This may adversely affect the business, financial condition and operating results of the Company.

Canada has enacted the *Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff* ("Act"), which came into effect on January 1, 2024. The Act requires the Company to examine its supply chains and produce annual reports, to be published on the Company's website and submitted to the Minister of Public Safety and Emergency Preparedness, disclosing measures and steps it has taken to prevent and reduce the risk that forced labour or child labour is being used in its supply chains. Compliance with the Act may result into increased costs and failure to comply with the Act could have a material adverse effect on the Company's reputation, business, results of operations and financial condition. Despite our effort to take increased actions to ensure our entire supply chain is free of any forced labour, there is nonetheless a risk of forced labour on products we source from third parties where we may not have complete visibility into their supply chain. As a result, the Company may face regulatory challenges in complying with applicable sanctions and trade regulations and reputational challenges with various stakeholders if we are unable to sufficiently verify the origins for the material sourced.

Protection of Intellectual Property

Protection of the Company's proprietary processes, methods and other technologies is important to its business. The Company relies on international patents as well as trade secrets and employee confidentiality agreements to safeguard its intellectual property. The Company has deliberately chosen to limit its patent position for certain intellectual properties to avoid disclosing valuable information. Failure to protect and monitor the use of its existing intellectual property rights could result in the loss of valuable technologies and processes. There can be no assurance that its confidentiality agreements will provide meaningful protection for its intellectual property rights or other proprietary information in the event of any unauthorized use or disclosure or that it will be able to meaningfully protect our trade secrets.

Inventory Price

The Company may be subject to risk associated with the value of our inventories in relation to the market price of such inventories. The highly illiquid nature of many of its inventories may increase such risk. The Company relies on a combination of standard risk measurement techniques, such as value at risk as well as a more empirical assessment of the market conditions to manage inventory levels. Decisions on appropriate physical stock levels are taken by considering both the value at risk calculations and the market conditions.

Business Interruptions

The Company may incur losses resulting from business interruptions due to equipment failure, power loss, fire or water damage, and similar events beyond its control. In many instances, especially those related to its long-term contracts, it has contractual obligations to deliver product in a timely manner. Any disruption in its activities which leads to a business interruption could harm its customers' confidence level and lead to the cancellation of contracts and legal recourse against it. Although the Company believes that it has taken the necessary precautions to avoid business interruptions and carry all-risk business interruption insurance to protect its assets and business, it could still experience interruptions which would adversely impact production activities and financial results.

Loss of an Important Customer

The loss of any large customers, unanticipated demand fluctuations from these customers, or the inability of these customers to perform under their contracts, could significantly reduce the Company's revenue and negatively impact its results of operations.

Changes to Backlog

The Company cannot guarantee that the revenues projected in its backlog at any given time will be realized or that they will perform as expected with respect to margin. In addition, contract delays, suspensions, terminations, cancellations, reductions in scope or other adjustments may occur from time to time due to considerations beyond the Company's control and may have an impact on the value of reported backlog with a corresponding adverse impact on future revenues and profitability.

Acquisition Risk

The Company may, from time to time, acquire or propose to acquire other companies. The Company's inability to properly integrate acquired companies, unanticipated acquisition costs, unforeseen delays and unknown liabilities associated with acquisitions, the potential loss of key employees following acquisitions, challenges with the integration of new operations and new personnel, the diversion of management's time and focus from other business concerns, opportunities and operational matters to work on acquisitions or integrate acquisitions, the loss of momentum in ongoing operations and disruptions to operations, possible inconsistencies in procedures and policies among the combined companies, and the need to implement new accounting, information technology, human resources or other administrative systems, may each materially and adversely affect the Company's business, results of operations or financial condition.

Systems, Network Infrastructure and Data Failure, Interruption and Breach

The Company's operations rely on information systems, communications technology, business and other technology applications, including global and regional networks, complex server infrastructure and operating systems, to operate properly. If it is unable to continually maintain software and hardware, effectively upgrade its systems and network infrastructure, and take other steps to improve the efficiency and protect its systems, the Company's operation systems could be interrupted or delayed. The same applies if its network, communication and operations systems are damaged or interrupted by natural disasters, telecommunications failures, acts of war or terrorism, computer viruses, sabotage, human errors, physical or electronic security breaches, or similar events or disruptions. Unauthorized use of artificial intelligence tools by employees may also result in inappropriate disclosure of confidential information. The Company also faces the threat of unauthorized system access, computer hackers, malicious code and organized cyber-attacks. The Company has, and may continue to have, a significant number of employees who continue to work remotely, which could contribute to an increase in cyber-attack attempts.

Executive management consultations are held regularly to monitor the progress of various cybersecurity projects, review significant incidents and review various security-related performance indicators. Executive management reports on its work to the members of the Board of Directors on a biannual basis. The Corporate IT function sets up and coordinates prevention, detection, and remediation measures in the area of cybersecurity. Cybersecurity measures include, among others, setting up strong controls with respect to systems access, implementing information security awareness programs, and hiring specialized firms to carry out occasional intrusion tests.

Although the Company has not experienced any material losses relating to cyberattacks or other information security breaches in the past, there can be no assurance that the Company will not experience such losses in the future due to the evolving nature of these threats.

Privacy

Data privacy breaches could adversely affect the Company's results of operations and profitability. Personal privacy and data security have become significant issues in North America and Europe, and in many other jurisdictions in which it operates. The regulatory framework for privacy and security issues worldwide is rapidly evolving and it may prove to be difficult to comply with all applicable laws and regulations in Canada and other jurisdictions regarding privacy.

Furthermore, local or foreign government bodies or agencies have in the past adopted, and may in the future adopt, laws and regulations affecting data privacy, all of which may be subject to invalidation by relevant foreign judicial bodies. Industry organizations also regularly adopt and advocate for new standards in this area.

Market Price of Common Shares

The common shares of the Company are traded on the Toronto Stock Exchange under the symbol "VNP". The market price of securities of many companies experiences wide fluctuations from time to time that are not necessarily related to the operating performance, underlying asset values or future growth prospects of such companies. There can be no assurance that fluctuations in the price of the common shares of the Company, which may result in losses for investors, will not occur.

Grants and other incentive programs

The reduction, elimination, or expiration of government subsidies, economic incentives, tax incentives, R&D and business development incentives, or other public policies could negatively impact the Company's financial performance.

Non-IFRS Measures

In this MD&A, certain non-IFRS measures are used. The Company's management believes that these non-IFRS measures provide useful information to investors regarding the Company's financial condition and results of operations as they provide additional key metrics of its performance. These non-IFRS measures are not recognized under IFRS Accounting Standards, do not have any standardized meaning prescribed under IFRS Accounting Standards and may differ from similarly named measures as reported by other issuers, and accordingly may not be comparable. These measures should not be viewed as a substitute for the related financial information prepared in accordance with IFRS Accounting Standards.

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 revenue to the increase or decrease in backlog for the period considered, divided by annualized year revenue. 5N+ uses backlog to provide an indication of expected future revenue in days, and bookings to determine its ability to sustain and increase its revenue.

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 2025	Q4 2024	FY 2025	FY 2024
	\$	\$	\$	\$
Net earnings	7,590	1,006	50,566	14,672
Interest on long-term debt, imputed interest and other interest expense	2,091	2,446	9,454	9,169
Income tax expense	2,832	2,415	15,139	8,936
Depreciation and amortization	4,422	4,373	17,369	16,791
EBITDA	16,935	10,240	92,528	49,568

EBITDA margin is defined as EBITDA divided by revenue.

Adjusted EBITDA means operating earnings (loss) as defined before the effect of impairment of inventories, share-based compensation expense (recovery), ERP implementation costs, 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 revenue.

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

(in thousands of U.S. dollars)	Q4 2025	Q4 2024	FY 2025	FY 2024
	\$	\$	\$	\$
Revenue	101,968	70,854	391,062	289,281
Operating expenses	(88,842)	(64,701)	(316,623)	(257,053)
Operating earnings	13,126	6,153	74,439	32,228
Share-based compensation expense (recovery)	497	309	(1,429)	906
Gain on disposal of property, plant and equipment	-	-	-	(2,089)
Impairment (reversal of impairment) of non-current assets	475	(120)	475	2,706
ERP implementation costs	586	-	1,245	-
Loss on remeasurement of financial instrument	313	1,000	1,313	1,000
Litigation and restructuring (income) costs	(969)	769	(969)	1,790
Depreciation and amortization	4,422	4,373	17,369	16,791
Adjusted EBITDA	18,450	12,484	92,443	53,332
Adjusted EBITDA margin	18.1%	17.6%	23.6%	18.4%

Adjusted operating expenses means operating expenses before impairment of inventories, share-based compensation expense (recovery), ERP implementation costs, 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 operating expenses to calculate Adjusted EBITDA. 5N+ believes it is a meaningful measure of the operating performance of its ongoing business. The definition of this non-IFRS measure used by the Company may differ from that used by other companies.

Adjusted operating expenses are reconciled to the most comparable IFRS measure:

(in thousands of U.S. dollars)	Q4 2025	Q4 2024	FY 2025	FY 2024
	\$	\$	\$	\$
Operating expenses	88,842	64,701	316,623	257,053
Share-based compensation recovery (expense)	(497)	(309)	1,429	(906)
Gain on disposal of property, plant and equipment	-	-	-	2,089
(Impairment of non-current assets) Reversal of impairment	(475)	120	(475)	(2,706)
ERP implementation costs	(586)	-	(1,245)	-
Loss on remeasurement of financial instrument	(313)	(1,000)	(1,313)	(1,000)
Litigation and restructuring income (costs)	969	(769)	969	(1,790)
Depreciation and amortization	(4,422)	(4,373)	(17,369)	(16,791)
Adjusted operating expenses	83,518	58,370	298,619	235,949

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

Basic adjusted earnings (loss) per share means adjusted net earnings (loss) divided by the basic weighted average number of outstanding shares. 5N+ uses basic adjusted earnings (loss) per share because it believes it is a meaningful measure of the operating performance of its ongoing business without the effects of unusual expenses or income. The definition of this non-IFRS measure used by the Company may differ from that used by other companies.

Adjusted net earnings (loss) and Basic adjusted earnings (loss) per share are reconciled to the most comparable IFRS measures:

(in thousands of U.S. dollars, except per share amounts and number of shares)	Q4 2025	Q4 2024	FY 2025	FY 2024
	\$	\$	\$	\$
Net earnings	7,590	1,006	50,566	14,672
Basic earnings per share	\$0.09	\$0.01	\$0.57	\$0.17
Reconciling items:				
Share-based compensation expense (recovery)	497	309	(1,429)	906
Gain on disposal of property, plant and equipment	-	-	-	(2,089)
Impairment (reversal of impairment) of non-current assets	475	(120)	475	2,706
ERP implementation costs	586	-	1,245	-
Loss on remeasurement of financial instrument	313	1,000	1,313	1,000
Litigation and restructuring (income) costs	(969)	769	(969)	1,790
Income tax expense (recovery) on taxable items above	(121)	(181)	216	(598)
Adjusted net earnings	8,371	2,783	51,417	18,387
Basic weighted average number of shares	89,074,051	89,042,801	89,061,859	88,886,157
Basic adjusted earnings per share	\$0.09	\$0.03	\$0.58	\$0.21

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 revenue 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 2025	Q4 2024	FY 2025	FY 2024
	\$	\$	\$	\$
Total revenue	101,968	70,854	391,062	289,281
Cost of sales	(75,929)	(51,104)	(273,566)	(211,413)
Gross margin	26,039	19,750	117,496	77,868
Depreciation included in cost of sales	3,646	3,643	14,303	13,445
Adjusted gross margin	29,685	23,393	131,799	91,313
Adjusted gross margin percentage	29.1%	33.0%	33.7%	31.6%

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, 2025	As at December 31, 2024
	\$	\$
Bank indebtedness	-	-
Long-term debt including current portion	109,837	122,203
Lease liabilities including current portion	30,153	29,402
Subtotal Debt	139,990	151,605
Lease liabilities including current portion	(30,153)	(29,402)
Total Debt	109,837	122,203
Cash	(59,573)	(22,142)
Net Debt	50,264	100,061

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, 2025	As at December 31, 2024
	\$	\$
Inventories	163,727	137,823
Other current assets excluding inventories	138,448	79,572
Current assets	302,175	217,395
Current liabilities	(109,299)	(60,481)
Working capital	192,876	156,914
Working capital ratio	2.76	3.59

Additional Information

5N+'s common shares trade on the Toronto Stock Exchange (TSX) under the ticker symbol VNP. Additional information relating to the Company, including the Company's annual information form, is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

Selected Quarterly Financial Information

(in thousands of U.S. dollars, except per share amounts)	Dec 31, 2025	Sept 30, 2025	June 30, 2025	March 31, 2025	Dec 31, 2024	Sept 30, 2024	June 30, 2024	March 31, 2024
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue	101,968	104,895	95,311	88,888	70,854	78,828	74,580	65,019
EBITDA	16,935	31,746	23,894	19,953	10,240	14,368	13,196	11,764
Adjusted EBITDA	18,450	29,055	24,146	20,792	12,484	15,621	13,490	11,737
Net earnings	7,590	18,176	15,227	9,573	1,006	6,370	4,789	2,507
Basic earnings per share	\$0.09	\$0.20	\$0.17	\$0.11	\$0.01	\$0.07	\$0.05	\$0.03
Diluted earnings per share	\$0.08	\$0.20	\$0.17	\$0.11	\$0.01	\$0.07	\$0.05	\$0.03
Adjusted net earnings	8,371	16,582	15,749	10,715	2,783	7,841	4,991	2,772
Basic adjusted earnings per share	\$0.09	\$0.19	\$0.18	\$0.12	\$0.03	\$0.09	\$0.06	\$0.03
Cash from operations before net change in non-cash working capital items	13,355	21,848	18,520	16,124	6,958	11,875	9,503	7,144
Backlog	353 days	311 days	297 days	268 days	326 days	289 days	300 days	288 days

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

Selected Yearly Financial Information

As at and for the years ended December 31 (in thousands of U.S. dollars except per share amounts)	2025	2024	2023
	\$	\$	\$
Revenue	391,062	289,281	242,371
EBITDA	92,528	49,568	43,618
Adjusted EBITDA	92,443	53,332	38,323
Net earnings	50,566	14,672	15,399
Basic earnings per share	\$0.57	\$0.17	\$0.17
Diluted earnings per share	\$0.56	\$0.16	\$0.17
Adjusted net earnings	51,417	18,387	9,386
Basic adjusted net earnings per share	\$0.58	\$0.21	\$0.11
Cash from operations before net change in non-cash working capital items	69,847	35,480	32,051
Backlog	353 days	326 days	292 days
Balance Sheet			
Total assets	475,130	376,907	350,202
Total non-current liabilities	166,867	177,408	139,803
Net debt	50,264	100,061	73,794
Shareholders' equity	198,964	139,018	128,592

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