

# 1

# Management Report

QUARTER ENDED  
MARCH 31, 2026



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 unaudited condensed interim consolidated financial statements of Q1 2026 and 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 May 6, 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. "Q1 2026" and "Q1 2025" refer to the three-month periods ended March 31, 2026, and March 31, 2025, 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. A description of the risks affecting the Company's business and activities appears under the heading "Risk and Uncertainties" of 5N+'s 2025 MD&A dated February 24, 2026 and note 10 of the unaudited condensed interim consolidated financial statements for the three-month periods ended March 31, 2026 and March 31, 2025 available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Forward-looking statements can generally be identified by the use of terms such as "may", "should", "would", "believe", "expect", the negative of these terms, variations of them or any similar terms. No assurance can be given that any events anticipated by the forward-looking statements in this 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 EBITDA<sup>1</sup>, 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".

---

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

## Q1 2026 Highlights – Strength Across Segments Drives Powerful Start to 2026

The first quarter marked a strong start to the year for 5N+, with the Company building on the momentum established in 2025 and continued strength across its core markets. The Company delivered elevated year-over-year growth in revenue, Adjusted EBITDA and Adjusted gross margin<sup>1</sup>, supported by sustained demand in Specialty Semiconductors and favourable pricing in Performance Materials. These results reflect the disciplined execution of its strategy focused on value-added products in high-growth and critical end markets, the strength of its customer relationships and the agility of its operational and sourcing platform.

### All amounts are expressed in U.S. dollars.

Revenue in Q1 2026 reached \$117.9 million, representing a 33% year-over-year increase, Adjusted gross margin increased to 35.1% as a percentage of sales<sup>1</sup>, and Adjusted EBITDA reached \$29.2 million in Q1 2026, representing a 41% year-over-year increase, driven by higher volumes in the terrestrial renewable energy and better prices over inflation for space solar power and bismuth-based products.

Under Specialty Semiconductors, revenue reached \$86.2 million in Q1 2026, representing a 37% increase over Q1 2025, primarily driven by higher volumes in terrestrial renewable energy. Adjusted gross margin as a percentage of sales was 34.4%, compared to 35.0% in Q1 2025, impacted by less favourable metal input costs, partly mitigated by economies of scale from higher production. Adjusted EBITDA increased by 42% year-over-year to \$25.1 million, supported by higher volumes, a favourable product mix and economies of scale. Segment backlog<sup>1</sup> remained maxed out at 365 days of annualized revenue, reflecting long-term demand and a strong pipeline of contracted volumes. During Q1 2026, the Company initiated work on its previously announced project to increase space solar cell production capacity by 30% in Heilbronn, Germany, expected to be completed by the end of 2026.

Performance Materials continued to benefit from favourable pricing conditions during Q1 2026. Segment revenue reached \$31.7 million, representing a 21% increase year-over-year, while adjusted gross margin as a percentage of sales rose to 37.8%, compared to 32.9% in Q1 2025. Adjusted EBITDA increased by 67% year-over-year to \$10.1 million. The year-over-year increases are primarily attributable to a more favourable product mix, higher prices net of inflation, partly offset by less favourable metal input costs. Segment backlog represented 130 days of annualized revenue, reflecting the timing of contract signing and renewals.

Net debt<sup>1</sup> stood at \$74.7 million as at March 31, 2026, compared to \$50.3 million at December 31, 2025, primarily reflecting a decrease in operating cashflows as a result of working capital requirements to support demand in strategic sectors. Despite this increase, the Company maintained a strong financial position with a net-debt-to-EBITDA ratio<sup>1</sup> of 0.71x.

### Financial Highlights

- Revenue in Q1 2026 increased by 33% to \$117.9 million, compared to \$88.9 million in Q1 2025. The increase is primarily attributable to higher volumes under Specialty Semiconductors and higher bismuth-based product pricing under Performance Materials.
- Adjusted EBITDA in Q1 2026 increased by 41% to \$29.2 million compared to \$20.8 million in Q1 2025 driven by higher volumes under Specialty Semiconductors, and better prices over inflation for space solar power and bismuth-based products.
- Adjusted gross margin in Q1 2026 increased by 36% to \$41.4 million compared to Q1 2025, favourably impacted by the same factors as above. Adjusted gross margin as a percentage of sales was 35.1% in Q1 2026, compared to 34.2% in Q1 2025.

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

- Net earnings were \$17.8 million in Q1 2026, compared to \$9.6 million in Q1 2025.
- Backlog stood at \$434.4 million, representing 336 days of annualized revenue as at March 31, 2026, 17 days lower than in the previous quarter and 68 days higher than as at March 31, 2025.
- Net debt was \$74.7 million as at March 31, 2026, compared to \$50.3 million as at December 31, 2025, reflecting a decrease in operating cashflows. The Company's net-debt-to-EBITDA ratio stood at 0.71x as at March 31, 2026.

## Outlook

In 2026, 5N+ continues to expect demand in Specialty Semiconductors to remain strong, supported by structural expansion across its core end markets, with particular strength in its strategic sectors of terrestrial renewable energy and space solar power. These trends, combined with the Company's position as the leading global supplier of ultra-high-purity specialty semiconductor compounds outside China, are expected to continue supporting long-term growth in this segment.

In Performance Materials, while pricing conditions remained favourable for longer than anticipated, extending into Q1 2026, the Company continues to expect a normalization in these trends during the course of 2026.

More broadly, as the geopolitical and economic backdrop continues to evolve, the Company continues to expect its operating environment to remain complex and for input and operating costs to increase. In this context, the Company remains focused on the disciplined execution of its productivity initiatives and capacity expansion plans to increase operational efficiency and gain economies of scale.

Based on its Q1 2026 performance and current visibility, 5N+ is maintaining its Adjusted EBITDA guidance range at between \$100 and \$105 million in 2026. The Company anticipates a more balanced contribution across the year, compared to prior expectations.

## Summary of Results

(in thousands of U.S. dollars, except per share amounts)	Q1 2026	Q1 2025
	\$	\$
Revenue	117,893	88,888
Adjusted operating expenses <sup>1</sup>	(88,674)	(68,096)
<b>Adjusted EBITDA</b>	<b>29,219</b>	20,792
Share-based compensation recovery (expense)	3,670	(1,393)
ERP implementation costs	(189)	(160)
Foreign exchange (loss) gain	(719)	714
<b>EBITDA<sup>1</sup></b>	<b>31,981</b>	19,953
Interest on long-term debt, imputed interest and other interest expense	2,114	2,717
Depreciation and amortization	4,408	4,128
<b>Earnings before income taxes</b>	<b>25,459</b>	13,108
Income tax expense		
Current	6,219	3,371
Deferred	1,478	164
	<b>7,697</b>	3,535
<b>Net earnings</b>	<b>17,762</b>	9,573
Basic earnings per share	<b>\$0.20</b>	\$0.11
Diluted earnings per share	<b>\$0.20</b>	\$0.11

## Revenue by Segment and Adjusted Gross Margin

(in thousands of U.S. dollars)	Q1 2026	Q1 2025	Change
	\$	\$	
Specialty Semiconductors	86,225	62,804	37%
Performance Materials	31,668	26,084	21%
<b>Total revenue</b>	<b>117,893</b>	88,888	33%
Cost of sales	(80,115)	(61,892)	29%
Depreciation included in cost of sales	3,623	3,403	6%
<b>Adjusted gross margin</b>	<b>41,401</b>	30,399	36%
<b>Adjusted gross margin percentage</b>	<b>35.1%</b>	34.2%	

Revenue in Q1 2026 increased by 33%, reaching \$117.9 million, compared to \$88.9 million for the same period last year. The increase is primarily attributable to higher volumes from terrestrial renewable energy and a more favourable product mix for space solar power under Specialty Semiconductors, as well as higher pricing from bismuth-based products under Performance Materials.

Adjusted gross margin increased by 36% to reach \$41.4 million in Q1 2026, compared to \$30.4 million in Q1 2025, favourably impacted by higher volumes under Specialty Semiconductors and better prices over inflation under Performance Materials. Adjusted gross margin as a percentage of sales was 35.1% in Q1 2026, compared to 34.2% in Q1 2025. The improvement primarily reflects a more favourable product mix and higher pricing over metal input costs under Performance Materials.

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

### Specialty Semiconductors

Revenue in Q1 2026 was \$86.2 million, compared to \$62.8 million in Q1 2025, supported by higher volumes in the terrestrial renewable energy sector. Adjusted gross margin as a percentage of sales was 34.4% in Q1 2026, compared to 35.0% in Q1 2025, impacted by less favourable metal input costs, partly mitigated by economies of scale from higher production.

### Performance Materials

Revenue in Q1 2026 reached \$31.7 million, compared to \$26.1 million in Q1 2025. Adjusted gross margin as a percentage of sales was 37.8% in Q1 2026, compared to 32.9% in Q1 2025. The improvement primarily reflects a more favourable product mix and higher prices net of inflation, partly offset by less favourable metal input costs.

### Operating Earnings, EBITDA and Adjusted EBITDA

(in thousands of U.S. dollars)	Q1 2026	Q1 2025	Change
	\$	\$	
Specialty Semiconductors	25,051	17,690	42%
Performance Materials	10,142	6,078	67%
Corporate	(5,974)	(2,976)	101%
<b>Adjusted EBITDA</b>	<b>29,219</b>	<b>20,792</b>	<b>41%</b>
<b>EBITDA</b>	<b>31,981</b>	<b>19,953</b>	<b>60%</b>
<b>Operating earnings</b>	<b>28,292</b>	<b>15,111</b>	<b>87%</b>

Adjusted EBITDA in Q1 2026 increased by 41% to \$29.2 million, representing an Adjusted EBITDA margin<sup>1</sup> of 24.8%, compared to \$20.8 million, or an Adjusted EBITDA margin of 23.4%, in Q1 2025.

In Q1 2026, EBITDA reached \$32.0 million, compared to \$20.0 million in Q1 2025. The increase of \$12.0 million is mainly explained by an increase in Adjusted EBITDA. The items reconciling Adjusted EBITDA to EBITDA are share-based compensation (recovery) expense, ERP implementation costs, and foreign exchange loss (gain). For more information, see the "Expenses" section.

In Q1 2026, operating earnings amounted to \$28.3 million, compared to operating earnings of \$15.1 million in Q1 2025, impacted by the same factors as mentioned above.

### Specialty Semiconductors

Adjusted EBITDA in Q1 2026 increased by \$7.4 million, or 42%, to reach \$25.1 million, representing an Adjusted EBITDA margin of 29.1%, compared to 28.2% in Q1 2025, reflecting a more favourable product mix. The increase in Adjusted EBITDA is primarily attributable to higher demand in terrestrial renewable energy and improved unit costs from economies of scale from higher production.

### Performance Materials

Adjusted EBITDA in Q1 2026 increased by \$4.1 million, or 67%, and reached \$10.1 million, representing an Adjusted EBITDA margin of 32.0%, compared to 23.3% in Q1 2025. The increase in Adjusted EBITDA is primarily attributable to a more favourable product mix, higher prices net of inflation, partly offset by less favourable metal input costs.

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

### Net Earnings and Adjusted Net Earnings

(in thousands of U.S. dollars, except per share amounts)	Q1 2026	Q1 2025
	\$	\$
Net earnings	17,762	9,573
Basic earnings per share	\$0.20	\$0.11
Reconciling items:		
Share-based compensation (recovery) expense	(3,670)	1,393
ERP implementation costs	189	160
Income tax expense (recovery) on taxable items above	923	(411)
<b>Adjusted net earnings<sup>1</sup></b>	<b>15,204</b>	<b>10,715</b>
<b>Basic adjusted earnings per share<sup>1</sup></b>	<b>\$0.17</b>	<b>\$0.12</b>

In Q1 2026, net earnings were \$17.8 million, or \$0.20 per share, compared to \$9.6 million, or \$0.11 per share, in Q1 2025, positively impacted by higher year-over-year Adjusted EBITDA when compared to Q1 2025. Adjusted net earnings were \$15.2 million, or \$0.17 per share, in Q1 2026, compared to \$10.7 million, or \$0.12 per share, in Q1 2025.

Excluding income tax expense, the items reconciling Adjusted net earnings in Q1 2026 are share-based compensation recovery and ERP implementation costs. For more information, see the "Expenses" section.

### Backlog and Bookings

(in thousands of U.S. dollars)	BACKLOG			BOOKINGS <sup>1</sup>		
	Q1 2026	Q4 2025	Q1 2025	Q1 2026	Q4 2025	Q1 2025
	\$	\$	\$	\$	\$	\$
Specialty Semiconductors	389,278	345,582	231,632	129,921	97,901	77,525
Performance Materials	45,149	49,329	29,299	27,488	41,440	19,463
<b>Total</b>	<b>434,427</b>	<b>394,911</b>	<b>260,931</b>	<b>157,409</b>	<b>139,341</b>	<b>96,988</b>

(number of days based on annualized revenue)*	BACKLOG			BOOKINGS		
	Q1 2026	Q4 2025	Q1 2025	Q1 2026	Q4 2025	Q1 2025
Specialty Semiconductors	365	365	337	137	117	113
Performance Materials	130	175	102	79	147	68
Weighted average	336	353	268	122	125	100

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

### Q1 2026 vs. Q4 2025

Backlog represented 336 days of annualized revenue on March 31, 2026, 17 days lower than the backlog on December 31, 2025.

The backlog for Specialty Semiconductors represented 365 days of annualized revenue on March 31, 2026, which is the same level as at December 31, 2025. While the estimated number of days based on annualized revenue cannot exceed 365 days per the Company's definition of backlog, the effective backlog under Specialty Semiconductors for the terrestrial renewable energy and space solar power sectors surpassed the next twelve months on March 31, 2026.

The backlog for Performance Materials represented 130 days of annualized revenue on March 31, 2026, 45 days lower than the backlog on December 31, 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 increased by 20 days, from 117 days in Q4 2025 to 137 days in Q1 2026. Bookings for Performance Materials in Q1 2026 decreased by 68 days, from 147 days in Q4 2025 to 79 days in Q1 2026. Bookings are calculated by adding revenue to the increase or decrease in backlog for the period, divided by annualized revenue. The increase or decrease in bookings is attributable to the same factors as the increase or decrease in backlog.

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

**Q1 2026 vs. Q1 2025**

Backlog for Specialty Semiconductors represented 365 days on March 31, 2026, 28 days higher than the backlog at March 31, 2025. Backlog for Performance Materials represented 130 days on March 31, 2026, 28 days higher than the backlog on March 31, 2025.

Bookings in Q1 2026 increased by 24 days for Specialty Semiconductors and by 11 days for Performance Materials compared to Q1 2025.

**Expenses**

(in thousands of U.S. dollars)	Q1 2026	Q1 2025
	\$	\$
Depreciation and amortization	4,408	4,128
SG&A	11,321	8,560
Share-based compensation (recovery) expense	(3,670)	1,393
ERP implementation costs	189	160
Financial expense	2,833	2,003
Income tax expense	7,697	3,535
<b>Total expenses</b>	<b>22,778</b>	<b>19,779</b>

**Depreciation and Amortization**

Depreciation and amortization expenses in Q1 2026 amounted to \$4.4 million, compared to \$4.1 million in Q1 2025.

**SG&A**

Sales, General & Administrative expenses ("SG&A") in Q1 2026 were \$11.3 million, compared to \$8.6 million in Q1 2025. The increase was primarily driven by statutory employee benefits expense from the vesting of restricted share units by management and key employees, as well as the exercise of stock options and Stock Appreciation Rights by management.

**Share-based Compensation (Recovery) Expense**

Share-based compensation recovery in Q1 2026 amounted to \$3.7 million compared to a share-based compensation expense of \$1.4 million in Q1 2025. The Company holds a total return swap to reduce its exposure to its share price fluctuations related to Deferred Share Units, Performance Share Units, Restricted Share Units and Stock Appreciation Rights for a volume slightly above the current outstanding granted volume.

**ERP Implementation Costs**

Enterprise Resource Planning ("ERP") implementation costs related to project implementation at the Company's Montréal, Quebec site amounted to \$0.2 million in Q1 2026, compared to \$0.2 million in Q1 2025. The project is expected to be completed during the second half of 2026.

**Financial Expense**

Financial expense amounted to \$2.8 million in Q1 2026, compared to \$2.0 million in Q1 2025.

**Income Taxes**

Earnings before income taxes amounted to \$25.5 million in Q1 2026. Income tax expense in Q1 2026 was \$7.7 million, compared to \$3.5 million in Q1 2025. Both years were impacted by deferred tax assets applicable only in certain jurisdictions.

## Liquidity and Capital Resources

(in thousands of U.S. dollars)	Q1 2026	Q1 2025
	\$	\$
Cash from operations before the following:	20,915	16,124
Net changes in non-cash working capital items	(34,410)	(9,808)
Cash (used in) from operating activities	(13,495)	6,316
Cash (used in) from investing activities	(11,139)	2,464
Cash from (used in) financing activities	11,047	(456)
Effect of foreign exchange rate changes on cash	(273)	58
<b>Net (decrease) increase in cash</b>	<b>(13,860)</b>	<b>8,382</b>

In Q1 2026, cash used in operating activities amounted to \$13.5 million, compared to cash from operating activities of \$6.3 million in Q1 2025. The negative variance of \$19.8 million is due to an unfavourable variance in working capital requirements of \$24.6 million, partly mitigated by an increase in cash from operations of \$4.8 million from higher EBITDA.

In Q1 2026, cash used in investing activities amounted to \$11.1 million, compared to cash from investing activities of \$2.5 million in Q1 2025. The negative variance of \$13.6 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 and increased additions to property, plant and equipment of \$6.7 million in Q1 2026.

In Q1 2026, cash from financing activities amounted to \$11.0 million, compared to cash used in financing activities of \$0.5 million in Q1 2025. In Q1 2026, the Company had a net drawdown from its credit facilities to support working capital requirements.

## Working Capital

(in thousands of U.S. dollars)	As at March 31, 2026	As at December 31, 2025
	\$	\$
Inventories	177,350	163,727
Other current assets	165,201	138,448
Current liabilities	(127,159)	(109,299)
<b>Working capital<sup>1</sup></b>	<b>215,392</b>	<b>192,876</b>
<b>Working capital ratio<sup>1</sup></b>	<b>2.69</b>	<b>2.76</b>

Working capital increased by \$22.5 million as at March 31, 2026, to \$215.4 million, compared to \$192.9 million as at December 31, 2025, due to an increase in other current assets of \$26.8 million from the appreciation of the total return swap and an increase in inventory of \$13.6 million to support demand, partly mitigated by higher current liabilities of \$17.9 million.

## Net Debt

(in thousands of U.S. dollars)	As at March 31, 2026	As at December 31, 2025
	\$	\$
Bank indebtedness	-	-
Long-term debt including current portion	120,367	109,837
<b>Total debt<sup>1</sup></b>	<b>120,367</b>	<b>109,837</b>
Cash	(45,713)	(59,573)
<b>Net debt</b>	<b>74,654</b>	<b>50,264</b>

Total debt stood at \$120.4 million as at March 31, 2026, compared to \$109.8 million as at December 31, 2025.

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

Net debt, after considering cash, increased by \$24.4 million, to \$74.7 million as at March 31, 2026, from \$50.3 million as at December 31, 2025.

In addition, in March 2026, the Company received CA\$0.5 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\$3.0 million. The Company will benefit from a repayment moratorium period on the interest-free loan ending on September 30, 2027. Subsequently, the loan is reimbursable in monthly instalments over a period of five years.

### Share Information

	As at May 6, 2026	As at March 31, 2026
Issued and outstanding shares	89,935,323	89,935,323
Stock options potentially issuable	423,710	423,710

### Off-balance Sheet Arrangements

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.

### Commitments

In the normal course of business, the Company contracted letters of credit of \$0.2 million as at March 31, 2026, and of \$0.3 million as at December 31, 2025.

### 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 three-month ended March 31, 2026, 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**

##### ***IFRS 9 and IFRS 7 – Financial Instruments***

Effective January 1, 2026, the Company adopted amendments to IFRS 7 and IFRS 9, retrospectively. In applying these amendments, the Company has determined it is eligible for, and has taken, the optional exception to account for Electronic Fund Transfer payments on the date of initiation, rather than the date of settlement. As a result, the adoption of these amendments did not have an impact on the interim condensed consolidated financial statements.

#### **Future Changes in accounting policies**

The following standards have been issued but not yet effective:

##### ***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 the amendments on its consolidated financial statements.

### **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.

#### **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.

#### **Risk and Uncertainties**

For a detailed description of risk factors associated with 5N+ and its business, refer to "Risk and Uncertainties" of 5N+' 2025 MD&A dated February 24, 2026. 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.

#### **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)	Q1 2026	Q1 2025
	\$	\$
Net earnings	17,762	9,573
Interest on long-term debt, imputed interest and other interest expense	2,114	2,717
Income tax expense	7,697	3,535
Depreciation and amortization	4,408	4,128
<b>EBITDA</b>	<b>31,981</b>	<b>19,953</b>

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)	Q1 2026	Q1 2025
	\$	\$
Revenue	117,893	88,888
Operating expenses	(89,601)	(73,777)
Operating earnings	28,292	15,111
Share-based compensation (recovery) expense	(3,670)	1,393
ERP implementation costs	189	160
Depreciation and amortization	4,408	4,128
<b>Adjusted EBITDA</b>	<b>29,219</b>	<b>20,792</b>
<b>Adjusted EBITDA margin</b>	<b>24.8%</b>	<b>23.4%</b>

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)	Q1 2026	Q1 2025
	\$	\$
Operating expenses	89,601	73,777
Share-based compensation recovery (expense)	3,670	(1,393)
ERP implementation costs	(189)	(160)
Depreciation and amortization	(4,408)	(4,128)
<b>Adjusted operating expenses</b>	<b>88,674</b>	<b>68,096</b>

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)	Q1 2026	Q1 2025
	\$	\$
Net earnings	17,762	9,573
Basic earnings per share	\$0.20	\$0.11
Reconciling items:		
Share-based compensation (recovery) expense	(3,670)	1,393
ERP implementation costs	189	160
Income tax expense (recovery) on taxable items above	923	(411)
<b>Adjusted net earnings</b>	<b>15,204</b>	<b>10,715</b>
Basic weighted average number of shares	89,359,501	89,042,801
<b>Basic adjusted earnings per share</b>	<b>\$0.17</b>	<b>\$0.12</b>

Adjusted gross margin is a measure used to monitor the sales contribution after paying cost of sales, excluding depreciation and inventory impairment charges. 5N+ also expressed this measure in percentage of 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)	Q1 2026	Q1 2025
	\$	\$
<b>Total revenue</b>	<b>117,893</b>	<b>88,888</b>
Cost of sales	(80,115)	(61,892)
<b>Gross margin</b>	<b>37,778</b>	<b>26,996</b>
Depreciation included in cost of sales	3,623	3,403
<b>Adjusted gross margin</b>	<b>41,401</b>	<b>30,399</b>
<b>Adjusted gross margin percentage</b>	<b>35.1%</b>	<b>34.2%</b>

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 March 31, 2026	As at December 31, 2025
	\$	\$
Bank indebtedness	-	-
Long-term debt including current portion	120,367	109,837
Lease liabilities including current portion	29,149	30,153
<b>Subtotal Debt</b>	<b>149,516</b>	<b>139,990</b>
Lease liabilities including current portion	(29,149)	(30,153)
<b>Total Debt</b>	<b>120,367</b>	<b>109,837</b>
Cash	(45,713)	(59,573)
<b>Net Debt</b>	<b>74,654</b>	<b>50,264</b>

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

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

Working capital is reconciled to the most comparable IFRS measure:

(in thousands of U.S. dollars)	As at March 31, 2026	As at December 31, 2025
	\$	\$
Inventories	177,350	163,727
Other current assets excluding inventories	165,201	138,448
Current assets	342,551	302,175
Current liabilities	(127,159)	(109,299)
<b>Working capital</b>	<b>215,392</b>	<b>192,876</b>
<b>Working capital ratio</b>	<b>2.69</b>	<b>2.76</b>

### 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](http://www.sedarplus.ca).

### Selected Quarterly Financial Information

(in thousands of U.S. dollars, except per share amounts)	March 31, 2026	Dec 31, 2025	Sept 30, 2025	June 30, 2025	March 31, 2025	Dec 31, 2024	Sept 30, 2024	June 30, 2024
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue	117,893	101,968	104,895	95,311	88,888	70,854	78,828	74,580
EBITDA	31,981	16,935	31,746	23,894	19,953	10,240	14,368	13,196
Adjusted EBITDA	29,219	18,450	29,055	24,146	20,792	12,484	15,621	13,490
Net earnings	17,762	7,590	18,176	15,227	9,573	1,006	6,370	4,789
Basic earnings per share	\$0.20	\$0.09	\$0.20	\$0.17	\$0.11	\$0.01	\$0.07	\$0.05
Diluted earnings per share	\$0.20	\$0.08	\$0.20	\$0.17	\$0.11	\$0.01	\$0.07	\$0.05
Adjusted net earnings	15,204	8,371	16,582	15,749	10,715	2,783	7,841	4,991
Basic adjusted earnings per share	\$0.17	\$0.09	\$0.19	\$0.18	\$0.12	\$0.03	\$0.09	\$0.06
Cash from operations before net change in non-cash working capital items	20,915	13,355	21,848	18,520	16,124	6,958	11,875	9,503
Backlog	336 days	353 days	311 days	297 days	268 days	326 days	289 days	300 days

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