

1 Financial Statements

QUARTER ENDED
MARCH 31, 2026



5N+

5N PLUS INC.

INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(in thousands of United States dollars) (unaudited)

	Notes	March 31 2026	December 31 2025
		\$	\$
Assets			
Current			
Cash		45,713	59,573
Accounts receivable		65,518	50,470
Inventories	3	177,350	163,727
Income tax receivable		2,001	1,874
Derivative financial assets	10	45,016	19,593
Other current assets		6,953	6,938
Total current assets		342,551	302,175
Property, plant and equipment	6	106,943	99,634
Right-of-use assets	6	27,290	28,275
Intangible assets	6	22,258	23,117
Goodwill		11,804	12,062
Deferred tax assets		5,062	6,795
Other assets	10	2,998	3,072
Total non-current assets		176,355	172,955
Total assets		518,906	475,130
Liabilities			
Current			
Trade and accrued liabilities		98,054	79,096
Income tax payable		15,176	13,966
Current portion of deferred revenue	4	10,513	12,834
Current portion of lease liabilities		2,134	2,170
Current portion of long-term debt	5	1,282	1,233
Total current liabilities		127,159	109,299
Long-term debt	5	119,085	108,604
Deferred tax liabilities		4,910	5,173
Employee benefit plan obligations		12,200	12,745
Lease liabilities		27,015	27,983
Deferred revenue	4	10,944	11,545
Other liabilities		793	817
Total non-current liabilities		174,947	166,867
Total liabilities		302,106	276,166
Equity		216,800	198,964
Total liabilities and equity		518,906	475,130

Commitments and contingencies (Note 11)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

5N PLUS INC.

INTERIM CONSOLIDATED STATEMENTS OF EARNINGS

For the three-month periods ended March 31

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

	Notes	2026	2025
		\$	\$
Revenue		117,893	88,888
Cost of sales	3, 6	80,115	61,892
Selling, general and administrative expenses	6	11,321	8,560
Other (income) expenses, net	6	(1,835)	3,325
		89,601	73,777
Operating earnings		28,292	15,111
Financial expense			
Interest on long-term debt		1,636	2,004
Imputed interest and other interest expense		478	713
Foreign exchange loss (gain)		719	(714)
		2,833	2,003
Earnings before income taxes		25,459	13,108
Income tax expense			
Current		6,219	3,371
Deferred		1,478	164
		7,697	3,535
Net earnings		17,762	9,573
Basic earnings per share	7	0.20	0.11
Diluted earnings per share	7	0.20	0.11

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

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

5N PLUS INC.

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the three-month periods ended March 31

(in thousands of United States dollars) (unaudited)

	2026	2025
	\$	\$
Net earnings	17,762	9,573
Other comprehensive (loss) income		
Items that may be reclassified subsequently to net earnings		
Currency translation adjustment	(1,360)	2,387
	(1,360)	2,387
Items that will not be reclassified subsequently to net earnings		
Remeasurement of employee benefit plan obligations	191	631
Income taxes	(61)	(198)
	130	433
Other comprehensive (loss) income	(1,230)	2,820
Comprehensive income	16,532	12,393

Comprehensive income is completely attributable to equity holders of 5N Plus Inc.

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

5N PLUS INC.

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the three-month periods ended March 31

(in thousands of United States dollars, except number of shares) (unaudited)

2026	Number of shares	Share Capital	Contributed Surplus	Accumulated other comprehensive loss	Deficit	Total equity
		\$	\$	\$	\$	\$
Balances at beginning of period	89,074,051	22,885	343,119	(2,451)	(164,589)	198,964
Net earnings for the period	-	-	-	-	17,762	17,762
Other comprehensive loss	-	-	-	(1,230)	-	(1,230)
Comprehensive income	-	-	-	(1,230)	17,762	16,532
Exercise of stock options	861,272	1,751	(525)	-	-	1,226
Share-based compensation	-	-	78	-	-	78
Balances at end of period	89,935,323	24,636	342,672	(3,681)	(146,827)	216,800

2025	Number of shares	Share Capital	Contributed Surplus	Accumulated other comprehensive loss	Deficit	Total equity
		\$	\$	\$	\$	\$
Balances at beginning of period	89,042,801	22,795	342,982	(11,604)	(215,155)	139,018
Net earnings for the period	-	-	-	-	9,573	9,573
Other comprehensive income	-	-	-	2,820	-	2,820
Comprehensive income	-	-	-	2,820	9,573	12,393
Exercise of stock options	-	-	-	-	-	-
Share-based compensation	-	-	47	-	-	47
Balances at end of period	89,042,801	22,795	343,029	(8,784)	(205,582)	151,458

Equity is completely attributable to equity holders of 5N Plus Inc.

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

5N PLUS INC.

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three-month periods ended March 31

(in thousands of United States dollars) (unaudited)

	Notes	2026	2025
		\$	\$
Operating activities			
Net earnings		17,762	9,573
Adjustments to reconcile net earnings to cash flows			
Depreciation of property, plant and equipment		3,000	2,807
Depreciation of right-of-use assets		682	647
Amortization of intangible assets		726	674
Amortization of other assets		64	324
Share-based compensation expense (recovery)		22,504	(2,437)
Deferred income taxes		1,478	164
Imputed interest		363	307
Employee benefit plan obligations		(72)	(42)
Loss on disposal of property, plant and equipment		32	7
Unrealized (gain) loss on non-hedge financial instruments		(26,307)	3,724
Unrealized foreign exchange loss on assets and liabilities		683	376
Cash from operations before the following:		20,915	16,124
Net change in non-cash working capital balances	9	(34,410)	(9,808)
Cash (used in) from operating activities		(13,495)	6,316
Investing activities			
Additions to property, plant and equipment	9	(10,862)	(4,395)
Additions to intangible assets		(278)	(39)
Proceeds on settlement of total return swap	10	-	6,898
Proceeds on disposal of property, plant and equipment		1	-
Cash (used in) from investing activities		(11,139)	2,464
Financing activities			
Repayment of long-term debt		(2,754)	-
Proceeds from issuance of long-term debt		13,384	876
Deferred costs related to long-term debt		-	(577)
Issuance of common shares		1,226	-
Principal elements of lease payments		(809)	(755)
Cash flows from (used in) financing activities		11,047	(456)
Effect of foreign exchange rate changes on cash		(273)	58
Net (decrease) increase in cash		(13,860)	8,382
Cash at beginning of period		59,573	22,142
Cash at end of period		45,713	30,524
Supplemental information⁽¹⁾			
Income tax paid		4,759	1,781
Interest paid		1,541	1,930

⁽¹⁾ Amounts paid for income tax and interest were reflected as cash flows from operating activities in the interim consolidated statements of cash flows.

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

1. Nature of Activities

5N Plus Inc. (“5N+” or the “Company”) is a Canadian-based international company. 5N+ is a global producer of specialty semiconductors and performance materials. The Company’s ultra-pure materials often form the core element of its customer 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 a number of key industries including renewable energy, security, space, pharmaceutical, medical imaging and industrial. The Company is headquartered at 4385 Garand Street, Montreal, Quebec (Canada) H4R 2B4. The Company operates R&D, manufacturing and commercial centers in strategically located facilities around the world including Europe, North America and Asia. The Company’s shares are listed on the Toronto Stock Exchange (“TSX”). 5N+ and its subsidiaries represent the “Company” mentioned throughout these consolidated financial statements. The Company has two reportable business segments, namely Specialty Semiconductors and Performance Materials.

These condensed interim consolidated financial statements were approved by the Board of Directors on May 6, 2026.

2. Basis of Presentation

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and as applicable to the preparation of interim financial statements, including IAS 34, “Interim Financial Reporting”. These condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2025, which have been prepared in accordance with IFRS Accounting Standards.

The preparation of consolidated financial statements in accordance with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company’s accounting policies. The accounting policies followed in these unaudited condensed interim financial statements are consistent with those of the previous financial year, with the additional policy described below.

The functional and presentation currency of the Company is the United States dollar.

Income taxes

Taxes on income in interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

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 standard has 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.

5N PLUS INC.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three-month periods ended March 31

(in thousands of United States dollars, unless otherwise indicated) (unaudited)

3. Inventories

	March 31 2026	December 31 2025
Raw materials	\$ 68,423	\$ 67,310
Finished goods	108,927	96,417
Total inventories	177,350	163,727

For the three-month period ended March 31, 2026, a total of \$55,980 of inventories were included as an expense in cost of sales (\$36,563 for the three-month period ended March 31, 2025).

4. Deferred revenue

	March 31 2026	December 31 2025
Prepayments from clients	\$ 8,792	\$ 11,078
Current portion of deferred revenue related to long-term contracts	1,721	1,756
Current portion of deferred revenue	10,513	12,834
Non-current portion of deferred revenue related to long-term contracts	10,944	11,545
Non-current portion of deferred revenue	10,944	11,545
Total deferred revenue	21,457	24,379

For the three-month period ended March 31, 2026, \$1,751 (2025 - \$2,824) of revenue was realized in relation to the deferred revenue balance outstanding at the beginning of the period.

5. Long-Term Debt

	March 31 2026	December 31 2025
Senior secured revolving facility of \$154,000 with a syndicate of banks, maturing in March 2029	\$ 101,000	\$ 90,500
Subordinated term loan with Investissement Québec, maturing in March 2028	15,000	15,000
Interest-free loan from Investissement Québec, maturing in February 2030	1,371	1,398
Interest-bearing loan from Investissement Québec, maturing in September 2030	1,520	1,765
Interest-free loan from Canada Economic Development for Quebec Regions, maturing in September 2032	1,476	1,174
	120,367	109,837
Less current portion of long-term debt	(1,282)	(1,233)
	119,085	108,604

Senior secured revolving facility

In March 2025, the Company signed a senior secured multi-currency revolving credit facility of \$154,000 maturing in March 2029. At any time, the Company has the option to request that the credit facility be expanded through the exercise of an additional \$50,000 accordion feature, subject to review and approval by the lenders. This revolving credit facility can be drawn in US dollars, Canadian dollars or Hong Kong dollars (up to \$4,000). Drawings bear interest at either the Canadian prime rate, US 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 March 31, 2026, the Company had met all covenants.

Subordinated term loan from Investissement Québec

In March 2024, the Company entered into a subordinated term loan agreement with Investissement Québec of \$15,000. The term loan bears interest equivalent to the four-year US Treasury Bonds plus a margin of 5.38%, which equals to 9.71%. Under the terms of the loan, the Company is required to satisfy certain restrictive covenants as to financial ratios. As at March 31, 2026, the Company has met all covenants.

Interest-free loan from Investissement Québec

In February 2024, the Company received CA\$ 2,700 from Investissement Québec with respect to an interest-free term loan with a maximum drawdown of CA\$ 2,850 dependent upon eligible capital expenditures related to investments in its Montréal production facility. Subject to the satisfaction of certain criteria, the Company expects CA\$ 500 of the loan to be forgiven. The loan has a two-year repayment moratorium period and is subsequently reimbursable in monthly instalments over a period of four years. Under the terms of the loan, the Company is required to satisfy certain restrictive covenants as to financial ratios. As at March 31, 2026, the Company has met all covenants.

Interest-bearing loan from Investissement Québec

In October 2025, the Company received CA\$ 2,619 from Investissement Québec with respect to a term loan with a maximum drawdown of CA\$ 8,000 dependent upon eligible capital expenditures related to investments in its Montréal production facility. The 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\$ 2,000 of the loan may be forgiven. The loan is reimbursable in monthly instalments of CA\$ 100 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.

Interest-free loan from Canada Economic Development for Quebec Regions

In March 2026, the Company received CA\$ 524 from Canada Economic Development for Quebec Regions with respect to an interest-free term loan with a maximum drawdown of CA\$ 3,000 dependent upon eligible capital expenditures, bringing the Company's total drawdown to CA\$ 3,000. 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.

6. Expenses by Nature

	Three months	
	2026	2025
	\$	\$
Wages and salaries	20,375	15,489
Depreciation of property, plant and equipment	3,000	2,807
Depreciation of right-of-use assets	682	647
Amortization of other assets	64	324
Other (income) expenses, net		
Amortization of intangible assets	726	674
Share-based compensation (recovery) expense	(3,670)	1,393
Loss on disposal of property, plant and equipment	32	7
Research and development, net of tax credit ⁽¹⁾	1,482	1,109
ERP Implementation costs ⁽²⁾	189	160
Other income ⁽³⁾	(594)	(18)

⁽¹⁾ Research and development, net of tax credit was reduced by an amount of \$646 for the three-month periods ended March 31, 2026 resulting from research and development subsidies. There is an outstanding receivable related to this grant as at March 31, 2026 for an amount of \$1,366 included within Accounts receivable.

Research and development, net of tax credit was reduced by an amount of \$393 for the three-month period ended March 31, 2025 resulting from research and development subsidies.

⁽²⁾ ERP implementation costs of \$189 and \$160 were incurred in relation to its Montreal site for the three-month periods ended March 31, 2026, and March 31, 2025 respectively.

⁽³⁾ Includes insurance proceeds received in relation to lost inventory.

5N PLUS INC.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three-month periods ended March 31

(in thousands of United States dollars, unless otherwise indicated) (unaudited)**7. Earnings per Share**

The following table reconciles the numerators and denominators used for the computation of basic and diluted net earnings per share:

	Three months	
	2026	2025
Numerators		
	\$	\$
Net earnings for the period	17,762	9,573
Denominators		
Basic weighted average number of shares	89,359,501	89,042,801
Dilutive effect:		
Stock options	813,054	797,861
Diluted weighted average number of shares	90,172,555	89,840,662

For the three-month period ended March 31, 2026, 100,058 stock options were excluded from the diluted weighted average number of shares due to their anti-dilutive effect.

For the three-month period ended March 31, 2025, 68,219 stock options were excluded from the diluted weighted average number of shares due to their anti-dilutive effect.

8. Operating Segments

The following tables summarize the information reviewed by the entity's chief operating decision maker when measuring performance:

	Three months	
	2026	2025
	\$	\$
Specialty Semiconductors	86,225	62,804
Performance Materials	31,668	26,084
Total revenue	117,893	88,888
Specialty Semiconductors	25,051	17,690
Performance Materials	10,142	6,078
Corporate and unallocated	(5,974)	(2,976)
Adjusted EBITDA ⁽¹⁾	29,219	20,792
Interest on long-term debt, imputed interest and other interest expense	2,114	2,717
Depreciation and amortization	4,408	4,128
Share-based compensation (recovery) expense	(3,670)	1,393
Foreign exchange expense (gain)	719	(714)
ERP implementation costs (Note 6)	189	160
Earnings before income tax	25,459	13,108

⁽¹⁾ Earnings before income tax, depreciation and amortization, share-based compensation expense (recovery), ERP implementation costs, and financial expense (income).

	Three months	
	2026	2025
Capital expenditures		
	\$	\$
Specialty Semiconductors	10,591	1,609
Performance Materials	139	2,786
Corporate and unallocated	132	-
Total	10,862	4,395

5N PLUS INC.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three-month periods ended March 31

(in thousands of United States dollars, unless otherwise indicated) (unaudited)

	March 31 2026	December 31 2025
Assets excluding deferred tax assets		
	\$	\$
Specialty Semiconductors	290,675	260,576
Performance Materials	161,153	165,787
Corporate and unallocated	62,016	41,972
Total	513,844	468,335

The geographic distribution of the Company's revenue based on the location of the customers for the three-month periods ended March 31, 2026 and 2025, and the identifiable non-current assets as at March 31, 2026 and December 31, 2025 are summarized as follows:

	Three months	
Revenues	2026	2025
	\$	\$
Asia		
China	3,570	3,027
Japan	2,565	1,978
Other	17,909	5,110
Americas		
United States	53,406	47,156
Other	4,748	3,189
Europe		
Germany	16,234	15,370
Belgium	2,722	2,167
Other	16,224	9,770
Other	515	1,121
Total	117,893	88,888

	March 31 2026	December 31 2025
Non-current assets (other than deferred tax assets and financial instruments)		
	\$	\$
Asia	2,705	2,767
United States	10,108	10,162
Canada	34,426	33,662
Germany	121,860	117,367
Total	169,099	163,958

For the three-month period ended March 31, 2026, one customer represented approximately 36% (2025 - 31%) of revenues, all of which is within the Specialty Semiconductors segment.

9. Supplemental Cash Flow Information

Net change in non-cash working capital balances related to operations consists of the following:

	Three months	
	2026	2025
	\$	\$
(Increase) decrease in assets:		
Accounts receivable	(15,475)	(15,842)
Inventories	(14,730)	3,881
Income tax receivable	(127)	(89)
Other current assets	(95)	502
(Decrease) increase in liabilities:		
Trade and accrued liabilities	(2,715)	(2,199)
Income tax payable	1,365	1,597
Deferred revenue	(2,633)	2,342
Net change	(34,410)	(9,808)

The interim consolidated statements of cash flows exclude or include the following transactions:

	Three months	
	2026	2025
	\$	\$
Excluded additions unpaid at end of the period:		
Additions to property, plant and equipment	1,511	781
Included additions unpaid at beginning of the period:		
Additions to property, plant and equipment	792	344

Additions to property, plant and equipment consist of the following:

	Three months	
	2026	2025
	\$	\$
Additions to property, plant and equipment before prepayments	10,282	4,395
Prepayments for construction in progress	580	-
Additions to property, plant and equipment	10,862	4,395

As at March 31, 2026, property, plant and equipment includes \$715 of prepayments for construction in progress (\$1,217 as at December 31, 2025).

For the three-month period ended March 31, 2026, additions to property, plant and equipment included government assistance of \$120 (\$345 for the three-month period ended March 31, 2025) recognized in relation to interest-free loans (Note 5).

10. Fair Value of Financial Instruments

Fair value hierarchy

The following table presents the financial instruments, by level, which are recognized at fair value in the interim consolidated statements of financial position:

As at March 31, 2026	Level 1	Level 2	Level 3
	\$	\$	\$
Financial assets			
At fair value through profit or loss			
Total return swap ⁽¹⁾	-	45,016	-
Investment in equity instruments ⁽²⁾	-	-	1,687
Restricted investment ⁽³⁾	-	-	507
Total	-	45,016	2,194
As at December 31, 2025	Level 1	Level 2	Level 3
	\$	\$	\$
Financial assets			
At fair value through profit or loss			
Total return swap ⁽¹⁾	-	19,593	-
Investment in equity instruments ⁽²⁾	-	-	1,687
Restricted investment ⁽³⁾	-	-	515
Total	-	19,593	2,202

⁽¹⁾ In February 2025, the Company received \$6,898 upon the settlement and renewal of its Total return swap.

The Company utilizes the total return swap to reduce its income exposure to fluctuations in its share price relating to the DSU, PSU, RSU and SAR programs. Pursuant to the agreement, the Company receives the economic benefit of the share price appreciation while providing payments to the financial institution for the institution's cost of funds and any share price depreciation. The net effect of the total return swap partly offset movements in the Company's share price impacting the cost of the DSU, PSU, RSU and SAR programs. As at March 31, 2026, the total return swap covered 2,571,569 common shares of the Company.

⁽²⁾ As at March 31, 2026, the Company's stake in Microbion Corporation (Microbion), recorded in Other assets, was valued at \$1,687 (\$1,687 as at December 31, 2025).

⁽³⁾ The fair value of the restricted investment is recorded in Other assets.

11. Commitments and Contingencies

Commitments

In the normal course of business, the Company contracted letters of credit for an amount of up to \$216 as at March 31, 2026 (\$279 as at December 31, 2025).

Contingencies

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