2 Financial Statements

QUARTER ENDED
JUNE 30, 2026

5N+

(in thousands of United States dollars) (unaudited)

	Notes	**June 30 2026**	December 31 2025
		$	$
Assets			
Current			
Cash		**55,388**	59,573
Accounts receivable		**61,501**	50,470
Inventories	3	**196,276**	163,727
Income tax receivable		**3,523**	1,874
Derivative financial assets	10	**5,954**	19,593
Other current assets		**9,087**	6,938
Total current assets		**331,729**	302,175
Property, plant and equipment	6	**108,336**	99,634
Right-of-use assets	6	**26,580**	28,275
Intangible assets	6	**21,612**	23,117
Goodwill		**11,697**	12,062
Deferred tax assets		**10,571**	6,795
Other assets	10	**3,237**	3,072
Total non-current assets		**182,033**	172,955
Total assets		**513,762**	475,130
Liabilities			
Current			
Trade and accrued liabilities		**95,973**	79,096
Income tax payable		**26,828**	13,966
Current portion of deferred revenue	4	**19,219**	12,834
Current portion of lease liabilities		**2,121**	2,170
Current portion of long-term debt	5	**1,258**	1,233
Total current liabilities		**145,399**	109,299
Long-term debt	5	**77,785**	108,604
Deferred tax liabilities		**4,743**	5,173
Employee benefit plan obligations		**12,096**	12,745
Lease liabilities		**26,288**	27,983
Deferred revenue	4	**10,349**	11,545
Other liabilities		**786**	817
Total non-current liabilities		**132,047**	166,867
Total liabilities		**277,446**	276,166
Equity		**236,316**	198,964
Total liabilities and equity		**513,762**	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 and six-month periods ended June 30

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

		Three months		Six months	
	Notes	**2026**	2025	**2026**	2025
		$	$	**$**	$
Revenue		**122,358**	95,311	**240,251**	184,199
Cost of sales	3, 6	**89,032**	65,888	**169,147**	127,780
Selling, general and administrative expenses	6	**9,356**	7,699	**20,677**	16,259
Other (income) expenses, net	6	**(3,918)**	2,251	**(5,753)**	5,576
		94,470	75,838	**184,071**	149,615
Operating earnings		**27,888**	19,473	**56,180**	34,584
Financial expense					
Interest on long-term debt		**1,747**	2,002	**3,383**	4,006
Imputed interest and other interest expense		**461**	351	**939**	1,064
Foreign exchange (gain) loss		**(472)**	(97)	**247**	(811)
		1,736	2,256	**4,569**	4,259
Earnings before income taxes		**26,152**	17,217	**51,611**	30,325
Income tax expense (recovery)					
Current		**12,098**	4,706	**18,317**	8,077
Deferred		**(5,617)**	(2,716)	**(4,139)**	(2,552)
		6,481	1,990	**14,178**	5,525
Net earnings		**19,671**	15,227	**37,433**	24,800
Basic earnings per share	7	**0.22**	0.17	**0.42**	0.28
Diluted earnings per share	7	**0.22**	0.17	**0.41**	0.28

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 and six-month periods ended June 30

(in thousands of United States dollars) (unaudited)

	Three months		Six months	
	2026	2025	**2026**	2025
	$	$	**$**	$
Net earnings	**19,671**	15,227	**37,433**	24,800
Other comprehensive (loss) income				
Items that may be reclassified subsequently to net earnings				
Currency translation adjustment	**(324)**	5,287	**(1,684)**	7,674
	(324)	5,287	**(1,684)**	7,674
Items that will not be reclassified subsequently to net earnings				
Remeasurement of employee benefit plan obligations	**(118)**	102	**73**	733
Income taxes	**39**	(32)	**(22)**	(230)
	(79)	70	**51**	503
Other comprehensive (loss) income	**(403)**	5,357	**(1,633)**	8,177
Comprehensive income	**19,268**	20,584	**35,800**	32,977

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 six-month periods ended June 30
(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	**-**	**-**	**-**	**-**	**37,433**	**37,433**
Other comprehensive loss	**-**	**-**	**-**	**(1,633)**	**-**	**(1,633)**
Comprehensive income	**-**	**-**	**-**	**(1,633)**	**37,433**	**35,800**
Exercise of stock options	**861,272**	**1,751**	**(525)**	**-**	**-**	**1,226**
Share-based compensation	**-**	**-**	**326**	**-**	**-**	**326**
Balances at end of period	**89,935,323**	**24,636**	**342,920**	**(4,084)**	**(127,156)**	**236,316**

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	-	-	-	-	24,800	24,800
Other comprehensive income	-	-	-	8,177	-	8,177
Comprehensive income	-	-	-	8,177	24,800	32,977
Exercise of stock options	25,000	60	(17)	-	-	43
Share-based compensation	-	-	95	-	-	95
Balances at end of period	89,067,801	22,855	343,060	(3,427)	(190,355)	172,133

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 six-month periods ended June 30

(in thousands of United States dollars) (unaudited)

	Notes	2026	2025
		$	$
Operating activities			
Net earnings		**37,433**	24,800
Adjustments to reconcile net earnings to cash flows			
Depreciation of property, plant and equipment		**6,089**	5,742
Depreciation of right-of-use assets		**1,364**	1,317
Amortization of intangible assets		**1,451**	1,393
Amortization of other assets		**128**	361
Loss on remeasurement of financial instrument		**-**	1,000
Share-based compensation expense		**36,399**	3,376
Deferred income taxes		**(4,139)**	(2,552)
Imputed interest		**692**	636
Employee benefit plan obligations		**(205)**	(209)
Loss on disposal of property, plant and equipment		**79**	16
Fair value adjustment of non-hedge financial instruments		**(46,522)**	(3,053)
Unrealized foreign exchange loss on assets and liabilities		**(75)**	1,817
Cash from operations before the following:		**32,694**	34,644
Net change in non-cash working capital balances	9	**(48,117)**	(5,990)
Cash (used in) from operating activities		**(15,423)**	28,654
Investing activities			
Additions to property, plant and equipment	9	**(16,564)**	(8,098)
Additions to intangible assets		**(513)**	(344)
Proceeds on settlement of total return swap	10	**59,757**	6,898
Proceeds on disposal of property, plant and equipment		**11**	-
Cash from (used in) investing activities		**42,691**	(1,544)
Financing activities			
Repayment of long-term debt		**(44,075)**	-
Proceeds from issuance of long-term debt		**13,384**	876
Deferred costs related to long-term debt		**-**	(737)
Issuance of common shares		**1,226**	43
Principal elements of lease payments		**(1,637)**	(1,552)
Cash flows used in financing activities		**(31,102)**	(1,370)
Effect of foreign exchange rate changes on cash		**(351)**	742
Net (decrease) increase in cash		**(4,185)**	26,482
Cash at beginning of period		**59,573**	22,142
Cash at end of period		**55,388**	48,624
Supplemental information(1)			
Income tax paid		**6,565**	1,677
Interest paid		**3,201**	3,371

(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 August 3, 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.

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

3. Inventories

	June 30 2026	December 31 2025
	$	$
Raw materials	**75,838**	67,310
Finished goods	**120,438**	96,417
Total inventories	**196,276**	163,727

For the three and six-month periods ended June 30, 2026, a total of $64,104 and $120,084 of inventories were included as an expense in cost of sales ($43,854 and $80,417 for the three and six-month periods ended June 30, 2025).

4. Deferred revenue

	June 30 2026	December 31 2025
	$	$
Prepayments from clients	**17,395**	11,078
Current portion of deferred revenue related to long-term contracts	**1,824**	1,756
Current portion of deferred revenue	**19,219**	12,834
Non-current portion of deferred revenue related to long-term contracts	**10,349**	11,545
Non-current portion of deferred revenue	**10,349**	11,545
Total deferred revenue	**29,568**	24,379

For the six-month period ended June 30, 2026, $2,483 (2025 - $5,375) of revenue was realized in relation to the deferred revenue balance outstanding at the beginning of the period.

5. Long-Term Debt

	June 30 2026	December 31 2025
	$	$
Senior secured revolving facility of $154,000 with a syndicate of banks, maturing in March 2029	**60,000**	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	**1,276**	1,398
Interest-bearing loan from Investissement Québec, maturing in September 2030	**1,280**	1,765
Interest-free loan from Canada Economic Development for Quebec Regions, maturing in September 2032	**1,487**	1,174
	79,043	109,837
Less current portion of long-term debt	**(1,258)**	(1,233)
	77,785	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 June 30, 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 June 30, 2026, the Company has met all covenants.

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

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 June 30, 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		Six months	
	2026	2025	**2026**	2025
	$	$	**$**	$
Wages and salaries	**19,175**	15,955	**39,550**	31,444
Depreciation of property, plant and equipment	**3,089**	2,935	**6,089**	5,742
Depreciation of right-of-use assets	**682**	670	**1,364**	1,317
Amortization of other assets	**64**	37	**128**	361
Other (income) expenses, net				
Amortization of intangible assets	**725**	719	**1,451**	1,393
Share-based compensation (recovery) expense	**(6,034)**	(807)	**(9,704)**	586
Loss on disposal of property, plant and equipment	**47**	9	**79**	16
Loss on remeasurement of financial instrument (Note 10)	**-**	1,000	**-**	1,000
Research and development, net of tax credit[(1)]	**1,181**	1,191	**2,663**	2,300
ERP Implementation costs[(2)]	**217**	156	**406**	316
Other income[(3)]	**(54)**	(17)	**(648)**	(35)

(1) Research and development, net of tax credit was reduced by an amount of $585 and $1,231 for the three and six-month periods ended June 30, 2026 resulting from research and development subsidies. There is an outstanding receivable related to this grant as at June 30, 2026 for an amount of $1,561 included within Accounts receivable.

Research and development, net of tax credit was reduced by an amount of $385 and $778 for the three and six-month periods ended June 30, 2025 resulting from research and development subsidies.

(2) ERP implementation costs of $217 and $406 were incurred in relation to its Montreal site for the three and six-month periods ended June 30, 2026 ($156 and $316 for the three and six-months period ended June 30, 2025).

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

(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		Six months	
Numerators	**2026**	2025	**2026**	2025
	$	$	**$**	$
Net earnings for the period	**19,671**	15,227	**37,433**	24,800

	Three months		Six months	
Denominators	**2026**	2025	**2026**	2025
Basic weighted average number of shares	**89,935,323**	89,056,263	**89,649,002**	89,049,569
Dilutive effect:				
Stock options	**558,170**	822,119	**558,170**	810,211
Diluted weighted average number of shares	**90,493,493**	89,878,382	**90,207,172**	89,859,780

For the three and six-month periods ended June 30, 2026, 225,058 stock options were excluded from the diluted weighted average number of shares due to their anti-dilutive effect.

For the three and six-month periods ended June 30, 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		Six months	
	2026	2025	**2026**	2025
	$	$	**$**	$
Specialty Semiconductors	**89,192**	71,213	**175,417**	134,017
Performance Materials	**33,166**	24,098	**64,834**	50,182
Total revenue	**122,358**	95,311	**240,251**	184,199
Specialty Semiconductors	**22,054**	18,985	**47,105**	36,675
Performance Materials	**8,549**	8,027	**18,691**	14,105
Corporate and unallocated	**(4,036)**	(2,866)	**(10,010)**	(5,842)
Adjusted EBITDA [(1)]	**26,567**	24,146	**55,786**	44,938
Interest on long-term debt, imputed interest and other interest expense	**2,208**	2,353	**4,322**	5,070
Depreciation and amortization	**4,496**	4,324	**8,904**	8,452
Share-based compensation (recovery) expense	**(6,034)**	(807)	**(9,704)**	586
Foreign exchange (gain) loss	**(472)**	(97)	**247**	(811)
Loss on remeasurement of financial instrument	**-**	1,000	**-**	1,000
ERP implementation costs (Note 6)	**217**	156	**406**	316
Earnings before income tax	**26,152**	17,217	**51,611**	30,325

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

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

	Three months		Six months	
Capital expenditures	**2026**	2025	**2026**	2025
	$	$	**$**	$
Specialty Semiconductors	**4,607**	1,271	**15,198**	2,880
Performance Materials	**870**	499	**1,009**	3,285
Corporate and unallocated	**225**	1,933	**357**	1,933
Total	**5,702**	3,703	**16,564**	8,098

Assets excluding deferred tax assets	**June 30 2026**	December 31 2025
	$	$
Specialty Semiconductors	**311,135**	260,576
Performance Materials	**169,487**	165,787
Corporate and unallocated	**22,569**	41,972
Total	**503,191**	468,335

The geographic distribution of the Company's revenue based on the location of the customers for the three and six-month periods ended June 30, 2026 and 2025, and the identifiable non-current assets as at June 30, 2026 and December 31, 2025 are summarized as follows:

	Three months		Six months	
Revenues	**2026**	2025	**2026**	2025
	$	$	**$**	$
Asia				
China	**4,858**	3,802	**8,428**	6,829
Japan	**2,905**	1,859	**5,470**	3,837
Other	**10,656**	13,368	**28,565**	18,478
Americas				
United States	**65,205**	40,988	**118,611**	88,144
Other	**3,721**	3,608	**8,469**	6,797
Europe				
Germany	**16,045**	16,638	**32,279**	32,008
Belgium	**798**	1,301	**3,520**	3,468
Other	**17,772**	12,797	**33,996**	22,567
Other	**398**	950	**913**	2,071
Total	**122,358**	95,311	**240,251**	184,199

Non-current assets (other than deferred tax assets and financial instruments)	**June 30 2026**	December 31 2025
	$	$
Asia	**2,782**	2,767
United States	**9,965**	10,162
Canada	**35,267**	33,662
Germany	**121,264**	117,367
Total	**169,278**	163,958

For the three and six-month periods ended June 30, 2026, one customer represented approximately 36% (33% and 32%, respectively, in 2025) of revenues, all of which is within the Specialty Semiconductors segment.

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

9. Supplemental Cash Flow Information

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

	Six months	
	2026	2025
	$	$
(Increase) decrease in assets:		
Accounts receivable	**(11,523)**	(14,072)
Inventories	**(34,227)**	(71)
Income tax receivable	**(1,649)**	961
Other current assets	**(2,557)**	725
(Decrease) increase in liabilities:		
Trade and accrued liabilities (1)	**(17,063)**	46
Income tax payable	**13,102**	5,262
Deferred revenue	**5,800**	1,159
Net change	**(48,117)**	(5,990)

(1) The variation in trade and accrued liabilities for the periods presented excludes the expense related to DSU, PSU, RSU and SAR share-based compensation Programs.

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

	Six months	
	2026	2025
	$	$
Excluded additions unpaid at end of the period:		
Additions to property, plant and equipment	**779**	539
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:

	Six months	
	2026	2025
	$	$
Additions to property, plant and equipment before prepayments	**15,984**	8,098
Prepayments for construction in progress	**580**	-
Additions to property, plant and equipment	**16,564**	8,098

As at June 30, 2026, property, plant and equipment includes $218 of prepayments for construction in progress ($1,217 as at December 31, 2025).

For the six-month period ended June 30, 2026, additions to property, plant and equipment included government assistance of $120 ($345 for the six-month period ended June 30, 2025) recognized in relation to interest-free loans (Note 5).

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

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 June 30, 2026	**Level 1**	**Level 2**	**Level 3**
	$	**$**	**$**
Financial assets			
At fair value through profit or loss			
Total return swap[1]	**-**	**5,954**	**-**
Investment in equity instruments[2]	**-**	**-**	**1,687**
Restricted investment[3]	**-**	**-**	**497**
Total	**-**	**5,954**	**2,184**

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) 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 June 30, 2026, the total return swap covered 1,871,859 (2,571,569 as at December 2025) common shares of the Company.

In May 2026, the Company received $59,757 upon settlement of its Total return swap, and for which its coverage was reduced by 699,710 common shares upon renewal.

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

(2) As at June 30, 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 $214 as at June 30, 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.