3 Management Report

QUARTER ENDED SEPTEMBER 30, 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 Q3 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 November 2, 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. "Q3 2026" and "Q3 2025" refer to the three-month periods ended September 30, 2026, and September 30, 2025, respectively; "YTD 2026" and "YTD 2025" refer to the nine-month periods ended September 30, 2026, and September 30, 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 available on SEDAR+ at 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 are 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[1], which are reconciled to consolidated numbers considering corporate income and expenses.

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

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

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

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

Q3 2026 Highlights – Q3 Momentum Positions 5N+ To Deliver Strong Growth in 2026

5N+ delivered solid financial results in Q3 2026, with strong revenue and Adjusted EBITDA growth. These results were supported by higher volumes in both segments and the proactive management of higher input cost pressures. They also reflect the team's response to the unplanned maintenance and lower operating efficiency under Specialty Semiconductors primarily experienced in the previous quarter. Strong performance and anticipated demand through Q4 2026 support the Company's expectation of achieving the high end of its 2026 Adjusted EBITDA guidance. 5N+ remains on track to execute its long-term growth strategy across key markets, building on its differentiated market position and investing in capacity and productivity to meet growing customer demand.

All amounts are expressed in U.S. dollars.

Revenue in Q3 2026 reached $136.4 million, an increase of 30% compared with Q3 2025. Adjusted gross margin[1] increased 10% to $42.8 million, while Adjusted EBITDA rose 7% to $31.1 million. Revenue growth reflected higher volumes in both segments. Adjusted gross margin as a percentage[1] of revenue was 31.4%, compared with 36.9% in Q3 2025, primarily due to the anticipated normalization of margins in Performance Materials. For the nine months ended September 30, 2026, revenue reached $376.6 million, up 30% compared with the same period in 2025. Adjusted gross margin increased 19% to $121.2 million and Adjusted EBITDA rose 17% to $86.8 million. These results support the Company's full-year objectives.

Specialty Semiconductors revenue reached $100.7 million in Q3 2026, an increase of 34% compared with Q3 2025. Adjusted gross margin as a percentage of revenue rose to 31.7% from 30.8% in Q3 2025, despite input cost pressures and following the Company's successful response to prior-quarter operational inefficiencies. Revenue growth was driven primarily by higher volumes in terrestrial renewable energy and space solar power. The Company also began to see opportunities in recycling and refining complex germanium-bearing feeds. Adjusted EBITDA increased by 35% to $25.9 million, driven by higher volumes. Segment backlog[1] remained maxed-out at 365 days.

Performance Materials revenue reached $35.7 million in Q3 2026, up 20% compared with the same period in 2025, primarily driven by higher volumes of bismuth-based products. As anticipated, adjusted gross margin as a percentage of revenue decreased to 31.2% from 53.1% in Q3 2025 as segment margins continued to normalize. Adjusted EBITDA was $9.2 million, down 31% from the same period last year, reflecting a lower adjusted gross margin. Segment backlog was 108 days, reflecting the timing of contract executions and renewals.

During the quarter, 5N+ announced that it was selected to receive a $7.3-million U.S. government award to establish domestic production of gallium arsenide components for U.S. defence applications. The project is planned for the Company's St. George, Utah, facility and includes product qualification with an initial customer before controlled, low-rate production.

Also during the quarter, the Company announced plans to expand its St. George facility by approximately 50%, adding manufacturing and product-development space to support customer demand growth in defence, space solar, medical imaging and industrial sensing applications. Construction began in Q3 2026, with completion expected in the second half of 2027. The expansion project, including the gradual installation of new equipment, will be funded within the Company's existing capital expenditure plans and with customer support.

Financial Highlights

- Revenue in Q3 2026 increased by 30% to $136.4 million, compared to $104.9 million in Q3 2025, primarily reflecting higher volumes in Specialty Semiconductors and Performance Materials.

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- Adjusted EBITDA in Q3 2026 increased by 7% to $31.1 million, compared to $29.1 million in Q3 2025, driven by higher volumes in both segments.

- Adjusted gross margin in Q3 2026 increased by 10% to $42.8 million, compared to Q3 2025. Adjusted gross margin as a percentage of revenue was 31.4% in Q3 2026, compared to 36.9% in Q3 2025, primarily due to anticipated normalization of the margin under Performance Materials.

- Net earnings were $12.3 million in Q3 2026, compared to $18.2 million in Q3 2025.

- Backlog stood at $447.3 million, representing 299 days of annualized revenue as at September 30, 2026, 14 days lower than in the previous quarter and 12 days lower than as at September 30, 2025.

- Net debt[1] was $32.4 million as at September 30, 2026, compared to $50.3 million as at December 31, 2025, while the Company's net-debt-to-EBITDA ratio[1] stood at 0.31x as at September 30, 2026.

Outlook

The Company continues to benefit from favourable long-term fundamentals and structural expansion across its key end markets in Specialty Semiconductors and from the resilience of its Performance Materials segment.

As the geopolitical and economic backdrop continues to evolve, the Company expects to continue operating in a complex environment with rising cost pressures across its businesses, and normalizing margin conditions in Performance Materials. To help mitigate cost pressures and improve operational efficiency, the Company remains focused on disciplined execution of its productivity initiatives and capacity expansion plans to achieve economies of scale.

Based on its strong nine-month performance and anticipated and contracted demand through the end of year, the Company is reaffirming its full-year 2026 Adjusted EBITDA guidance of between $100 million and $105 million, and expects to achieve the high end of its guidance.

Supported by its competitive market positioning and expertise, including its Western manufacturing base and focus on value-added products, strong customer relationships and commercial discipline, 5N+ is well positioned to continue executing its long-term growth strategy as a critical supplier to critical industries.

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Summary of Results

(in thousands of U.S. dollars, except per share amounts)	**Q3 2026**	Q3 2025	**YTD 2026**	YTD 2025
	$	$	**$**	$
Revenue	**136,387**	104,895	**376,638**	289,094
Adjusted operating expenses[1]	**(105,327)**	(75,840)	**(289,792)**	(215,101)
Adjusted EBITDA	**31,060**	29,055	**86,846**	73,993
Share-based compensation (expense) recovery	**(7,587)**	2,512	**2,117**	1,926
ERP implementation costs	**(283)**	(343)	**(689)**	(659)
Litigation and restructuring costs	**(159)**	-	**(159)**	-
Loss on remeasurement of financial instrument	**-**	-	**-**	(1,000)
Foreign exchange (loss) gain	**(340)**	522	**(587)**	1,333
EBITDA[1]	**22,691**	31,746	**87,528**	75,593
Interest on long-term debt, imputed interest and other interest expense	**1,688**	2,293	**6,010**	7,363
Depreciation and amortization	**4,608**	4,495	**13,512**	12,947
Earnings before income taxes	**16,395**	24,958	**68,006**	55,283
Income tax expense (recovery)				
Current	**6,099**	5,526	**24,416**	13,603
Deferred	**(2,053)**	1,256	**(6,192)**	(1,296)
	4,046	6,782	**18,224**	12,307
Net earnings	**12,349**	18,176	**49,782**	42,976
Basic earnings per share	**$0.14**	$0.20	**$0.55**	$0.48
Diluted earnings per share	**$0.14**	$0.20	**$0.55**	$0.48

Revenue by Segment and Adjusted Gross Margin

(in thousands of U.S. dollars)	**Q3 2026**	Q3 2025	Change	**YTD 2026**	YTD 2025	Change
	$	$		**$**	$	
Specialty Semiconductors	**100,668**	75,208	34%	**276,085**	209,225	32%
Performance Materials	**35,719**	29,687	20%	**100,553**	79,869	26%
Total revenue	**136,387**	104,895	30%	**376,638**	289,094	30%
Cost of sales	**(97,420)**	(69,857)	39%	**(266,567)**	(197,637)	35%
Depreciation included in cost of sales	**3,829**	3,703	3%	**11,163**	10,657	5%
Adjusted gross margin	**42,796**	38,741	10%	**121,234**	102,114	19%
Adjusted gross margin percentage	**31.4%**	36.9%		**32.2%**	35.3%	

Revenue in Q3 2026 increased by 30%, reaching $136.4 million, compared to $104.9 million for the same period last year. Revenue in YTD 2026 was $376.6 million, compared to $289.1 million in YTD 2025. The increases primarily reflect higher terrestrial renewable energy sector volumes and a more favourable space solar power sector product mix in Specialty Semiconductors, in addition to higher volumes for Performance Materials bismuth-based products.

Adjusted gross margin increased by 10% to reach $42.8 million in Q3 2026, compared to $38.7 million in Q3 2025, with higher Specialty Semiconductors and Performance Materials volumes, helping to offset anticipated margin normalization under Performance Materials due to higher metal input and chemical costs. Adjusted gross margin as a percentage of revenue was 31.4% in Q3 2026, compared to 36.9% in Q3 2025, primarily due to the anticipated normalization of the margin under Performance Materials, while Specialized Semiconductors' adjusted gross margin remained robust despite input cost pressures increasing to 31.7%, from 30.8% in Q3 2025. Adjusted gross margin as a percentage of revenue was 32.2% in YTD 2026, compared to 35.3% in YTD 2025.

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Specialty Semiconductors

Revenue in Q3 2026 was $100.7 million, compared to $75.2 million in Q3 2025. In YTD 2026, revenue was $276.1 million, compared to $209.2 million in YTD 2025, supported by higher volumes in terrestrial renewable energy and space solar power. Adjusted gross margin as a percentage of revenue was 31.7% in Q3 2026, compared to 30.8% in Q3 2025, as economies of scale offset cost pressures. Adjusted gross margin as a percentage of revenue was 32.1% in YTD 2026, compared to 32.7% in YTD 2025.

Performance Materials

Revenue in Q3 2026 reached $35.7 million, compared to $29.7 million in Q3 2025. In YTD 2026, revenue was $100.6 million, compared to $79.9 million in YTD 2025. Adjusted gross margin as a percentage of revenue was 31.2% in Q3 2026, compared to 53.1% in Q3 2025, reflecting anticipated margin normalization in Performance Materials due to higher metal input and chemical costs. Adjusted gross margin as a percentage of revenue was 33.2% in YTD 2026, compared to 42.9% in YTD 2025.

Operating Earnings, EBITDA and Adjusted EBITDA

(in thousands of U.S. dollars)	**Q3 2026**	Q3 2025	Change	**YTD 2026**	YTD 2025	Change
	$	$		**$**	$	
Specialty Semiconductors	**25,887**	19,169	35%	**72,992**	55,844	31%
Performance Materials	**9,191**	13,267	(31%)	**27,882**	27,372	2%
Corporate	**(4,018)**	(3,381)	19%	**(14,028)**	(9,223)	52%
Adjusted EBITDA	**31,060**	29,055	7%	**86,846**	73,993	17%
EBITDA	**22,691**	31,746	(29%)	**87,528**	75,593	16%
Operating earnings	**18,423**	26,729	(31%)	**74,603**	61,313	22%

Adjusted EBITDA in Q3 2026 increased by 7% to $31.1 million, representing an Adjusted EBITDA margin[1] of 22.8%, compared to $29.1 million, or an Adjusted EBITDA margin of 27.7%, in Q3 2025. Adjusted EBITDA was $86.8 million in YTD 2026, a 17% increase, compared to $74.0 million in YTD 2025.

In Q3 2026, EBITDA reached $22.7 million, compared to $31.7 million in Q3 2025. The decrease of $9.1 million is mainly explained by an increase in share-based compensation expense and Adjusted EBITDA. The items reconciling Adjusted EBITDA to EBITDA are share-based compensation expense (recovery), ERP implementation costs, litigation and restructuring costs and foreign exchange loss (gain). For more information, see the "Expenses" section.

In Q3 2026, operating earnings amounted to $18.4 million, compared to operating earnings of $26.7 million in Q3 2025, impacted by the same factors as mentioned above. In YTD 2026, operating earnings amounted to $74.6 million, compared to $61.3 million in YTD 2025.

Specialty Semiconductors

Adjusted EBITDA in Q3 2026 increased by $6.7 million, or 35%, to reach $25.9 million, representing an Adjusted EBITDA margin of 25.7%, compared to 25.5% in Q3 2025, with higher volumes mitigating the impact of cost pressures. Adjusted EBITDA in YTD 2026 increased by $17.1 million to $73.0 million, representing an Adjusted EBITDA margin of 26.4%, compared to 26.7% for the same period in 2025. The increase in Adjusted EBITDA is primarily attributable to higher volumes in terrestrial renewable energy and space solar power, partially offset by higher input and chemical costs.

Performance Materials

Adjusted EBITDA in Q3 2026 decreased by $4.1 million, or 31%, and reached $9.2 million, representing an Adjusted EBITDA margin of 25.7%, compared to 44.7% in Q3 2025. Adjusted EBITDA in YTD 2026 increased by $0.5 million to $27.9 million, representing an Adjusted EBITDA margin of 27.7%, compared to 34.3% in the same period in 2025. The increase in Adjusted EBITDA is primarily attributable to increased volumes of bismuth-based products, offset by higher costs compared to last year.

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Net Earnings and Adjusted Net Earnings

(in thousands of U.S. dollars, except per share amounts)	**Q3 2026**	Q3 2025	**YTD 2026**	YTD 2025
	$	$	**$**	$
Net earnings	**12,349**	18,176	**49,782**	42,976
Basic earnings per share	**$0.14**	$0.20	**$0.55**	$0.48
Reconciling items:				
Share-based compensation expense (recovery)	**7,587**	(2,512)	**(2,117)**	(1,926)
ERP implementation costs	**283**	343	**689**	659
Litigation and restructuring costs	**159**	-	**159**	-
Loss on remeasurement of financial instrument	**-**	-	**-**	1,000
Income tax (recovery) expense on taxable items above	**(2,086)**	575	**378**	337
Adjusted net earnings[1]	**18,292**	16,582	**48,891**	43,046
Basic adjusted earnings per share[1]	**$0.20**	$0.19	**$0.54**	$0.48

In Q3 2026, net earnings were $12.3 million, or $0.14 per share, compared to $18.2 million, or $0.20 per share, in Q3 2025, negatively impacted by higher year-over-year share-based compensation expense when compared to Q3 2025. Adjusted net earnings were $18.3 million, or $0.20 per share, in Q3 2026, compared to $16.6 million, or $0.19 per share, in Q3 2025.

In YTD 2026, net earnings were $49.8 million or $0.55 per share, compared to $43.0 million or $0.48 per share, in YTD 2025. Adjusted net earnings were $48.9 million, or $0.54 per share, in YTD 2026, compared to $43.0 million or $0.48 per share in YTD 2025.

Excluding income tax expense, the items reconciling Adjusted net earnings in Q3 2026 and YTD 2026 are share-based compensation expense (recovery), ERP implementation costs and litigation and restructuring costs. For more information, see the "Expenses" section.

Backlog and Bookings

	BACKLOG			**BOOKINGS[1]**		
(in thousands of U.S. dollars)	**Q3 2026**	Q2 2026	Q3 2025	**Q3 2026**	Q2 2026	Q3 2025
	$	$	$	**$**	$	$
Specialty Semiconductors	**404,956**	384,104	323,860	**121,520**	84,018	122,668
Performance Materials	**42,333**	35,846	33,678	**42,206**	23,863	29,736
Total	**447,289**	419,950	357,538	**163,726**	107,881	152,404

	BACKLOG			**BOOKINGS**		
(number of days based on annualized revenue)*	**Q3 2026**	Q2 2026	Q3 2025	**Q3 2026**	Q2 2026	Q3 2025
Specialty Semiconductors	**365**	365	365	**110**	86	149
Performance Materials	**108**	99	104	**108**	66	91
Weighted average	**299**	313	311	**110**	80	133

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

Q3 2026 vs. Q2 2026

Backlog represented 299 days of annualized revenue on September 30, 2026, 14 days lower than on June 30, 2026.

Backlog for Specialty Semiconductors represented 365 days of annualized revenue on September 30, 2026, which is the same level as at June 30, 2026. 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 September 30, 2026.

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Backlog for Performance Materials represented 108 days of annualized revenue on September 30, 2026, 9 days higher than on June 30, 2026, 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 24 days, from 86 days in Q2 2026 to 110 days in Q3 2026. Bookings for Performance Materials in Q3 2026 increased by 42 days, from 66 days in Q2 2026 to 108 days in Q3 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.

Q3 2026 vs. Q3 2025

Backlog for Specialty Semiconductors represented 365 days of annualized revenue on September 30, 2026, which is the same level as at September 30, 2025. Backlog for Performance Materials represented 108 days on September 30, 2026, 4 days higher than on September 30, 2025.

Bookings in Q3 2026 decreased by 39 days for Specialty Semiconductors and increased by 17 days for Performance Materials compared to Q3 2025.

Expenses

(in thousands of U.S. dollars)	**Q3 2026**	Q3 2025	**YTD 2026**	YTD 2025
	$	$	**$**	$
Depreciation and amortization	**4,608**	4,495	**13,512**	12,947
SG&A	**10,285**	8,944	**30,962**	25,203
Share-based compensation expense (recovery)	**7,587**	(2,512)	**(2,117)**	(1,926)
ERP implementation costs	**283**	343	**689**	659
Litigation and restructuring costs	**159**	-	**159**	-
Loss on remeasurement of financial instrument	**-**	-	**-**	1,000
Financial expense	**2,028**	1,771	**6,597**	6,030
Income tax expense	**4,046**	6,782	**18,224**	12,307
Total expenses	**28,996**	19,823	**68,026**	56,220

Depreciation and Amortization

Depreciation and amortization expenses in Q3 2026 and YTD 2026 amounted to $4.6 million and $13.5 million, respectively, compared to $4.5 million and $12.9 million, respectively, for the same periods in 2025.

SG&A

Sales, General & Administrative expenses ("SG&A") in Q3 2026 and YTD 2026 were $10.3 and $31.0 million, respectively, compared to $8.9 million and $25.2 million, respectively, for the same periods in 2025. The increase over both periods 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, Stock Appreciation Rights by management and Deferred Share Units by a director. The increase in Q3 2026 was also driven by higher insurance premiums and professional fees related to initiatives aimed at improving operational efficiency.

Share-based Compensation Expense (Recovery)

Share-based compensation expense in Q3 2026 amounted to $7.6 million, compared to a share-based compensation recovery of $2.5 million in Q3 2025. In YTD 2026, share-based compensation recovery amounted to $2.1 million, compared to $1.9 million in YTD 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. For more information, see the "Liquidity and Capital Resources" section.

ERP Implementation Costs

Enterprise Resource Planning ("ERP") implementation costs related to project implementation at the Company's Montréal, Quebec site in Q3 2026 and YTD 2026 amounted to $0.3 million and $0.7 million, respectively, compared to $0.3 million and $0.7 million, respectively, for the same periods in 2025. The project is expected to be completed during the fourth quarter of 2026.

Litigation and Restructuring Costs

Litigation and restructuring costs of $0.2 million were recorded in Q3 2026 in relation to a withholding tax receivable, recognized as part of a fiscal year 2020 transaction, that is no longer considered collectible.

Financial Expense

Financial expense amounted to $2.0 million in Q3 2026, compared to $1.8 million in Q3 2025. In YTD 2026, financial expense amounted to $6.6 million, compared to $6.0 million in YTD 2025.

Income Taxes

Earnings before income taxes amounted to $16.4 million in Q3 2026 and $68.0 million in YTD 2026. Income tax expense in Q3 2026 and YTD 2026 was $4.0 million and $18.2 million, respectively, compared to $6.8 million and $12.3 million, respectively, in the same periods in 2025. Both years were impacted by deferred tax assets applicable only in certain jurisdictions.

Liquidity and Capital Resources

(in thousands of U.S. dollars)	**Q3 2026**	Q3 2025	**YTD 2026**	YTD 2025
	$	$	**$**	$
Cash from operations before the following:	**21,831**	21,848	**54,525**	56,492
Net changes in non-cash working capital items	**(24,099)**	(4,109)	**(72,216)**	(10,099)
Cash (used in) from operating activities	**(2,268)**	17,739	**(17,691)**	46,393
Cash (used in) from investing activities	**(5,240)**	(5,559)	**37,451**	(7,103)
Cash used in financing activities	**(1,351)**	(8,295)	**(32,453)**	(9,665)
Effect of foreign exchange rate changes on cash	**14**	(317)	**(337)**	425
Net (decrease) increase in cash	**(8,845)**	3,568	**(13,030)**	30,050

In Q3 2026, cash used in operating activities amounted to $2.3 million, compared to cash from operating activities of $17.7 million in Q3 2025. In YTD 2026, cash used in operating activities amounted to $17.7 million compared to cash from operating activities of $46.4 million in YTD 2025. The negative variance of $64.1 million is due to an unfavourable variance in working capital requirements of $62.1 million to support growth, combined with a decrease in cash from operations of $2.0 million.

In Q3 2026, cash used in investing activities amounted to $5.2 million, compared to $5.6 million in Q3 2025. In YTD 2026, cash from investing amounted to $37.5 million, compared to cash used in investing activities of $7.1 million in YTD 2025. The positive variance of $44.6 million is mainly explained by the proceeds on settlement of the Company's total return swap renewed in Q2 2026, resulting in a receipt of cash of $59.8 million which represents a $52.9 million increase compared to the funds received upon renewal of the total return swap in Q1 2025. The increased funds from the total return swap are partially mitigated by increased additions to property, plant and equipment of $8.0 million in YTD 2026 compared to YTD 2025.

In Q3 2026, cash used in financing activities amounted to $1.4 million, compared to $8.3 million in Q3 2025. In YTD 2026, cash used in financing activities amounted to $32.5 million compared to $9.7 million in YTD 2025. In YTD 2026, the Company used its increased proceeds from the renewal of its total return swap to reduce its total debt.

Working Capital

(in thousands of U.S. dollars)	**As at September 30, 2026**	As at December 31, 2025
	$	$
Inventories	**212,572**	163,727
Other current assets	**128,987**	138,448
Current liabilities	**(149,146)**	(109,299)
Working capital[1]	**192,413**	192,876
Working capital ratio[1]	**2.29**	2.76

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

Working capital decreased by $0.5 million as at September 30, 2026, to $192.4 million, compared to $192.9 million as at December 31, 2025, due to an increase in inventories of $48.8 million to meet higher customer demand, mitigated by a decrease in other current assets of $9.5 million combined with an increase in current liabilities of $39.8 million. The increase in current liabilities is driven by an increase in income tax payable of $12.6 million, an increase in trade payables of $10.3 million and by the payable position of the total return swap of $11.8 million.

Net Debt

(in thousands of U.S. dollars)	**As at September 30, 2026**	As at December 31, 2025
	$	$
Bank indebtedness	**-**	-
Long-term debt including current portion	**78,907**	109,837
Total debt[1]	**78,907**	109,837
Cash	**(46,543)**	(59,573)
Net debt	**32,364**	50,264

Total debt stood at $78.9 million as at September 30, 2026, compared to $109.8 million as at December 31, 2025. The decrease of $30.9 million is primarily explained by the use of a portion of the proceeds on settlement of the total return swap to repay the credit facility. For more information, see the "Liquidity and Capital Resources" section.

Net debt, after considering cash, decreased by $17.9 million, to $32.4 million as at September 30, 2026, from $50.3 million as at December 31, 2025.

Share Information

	As at November 2, 2026	As at September 30, 2026
Issued and outstanding shares	**89,935,323**	89,935,323
Stock options potentially issuable	**548,710**	548,710

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 September 30, 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.

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

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 nine-month period ended September 30, 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 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.

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 and note 10 of the unaudited condensed interim consolidated financial statements for the three and nine-month periods ended September 30, 2026 and September 30, 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)	**Q3 2026**	Q3 2025	**YTD 2026**	YTD 2025
	$	$	**$**	$
Net earnings	**12,349**	18,176	**49,782**	42,976
Interest on long-term debt, imputed interest and other interest expense	**1,688**	2,293	**6,010**	7,363
Income tax expense	**4,046**	6,782	**18,224**	12,307
Depreciation and amortization	**4,608**	4,495	**13,512**	12,947
EBITDA	**22,691**	31,746	**87,528**	75,593

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)	**Q3 2026**	Q3 2025	**YTD 2026**	YTD 2025
	$	$	**$**	$
Revenue	**136,387**	104,895	**376,638**	289,094
Operating expenses	**(117,964)**	(78,166)	**(302,035)**	(227,781)
Operating earnings	**18,423**	26,729	**74,603**	61,313
Share-based compensation expense (recovery)	**7,587**	(2,512)	**(2,117)**	(1,926)
ERP implementation costs	**283**	343	**689**	659
Litigation and restructuring costs	**159**	-	**159**	-
Loss on remeasurement of financial instrument	**-**	-	**-**	1,000
Depreciation and amortization	**4,608**	4,495	**13,512**	12,947
Adjusted EBITDA	**31,060**	29,055	**86,846**	73,993
Adjusted EBITDA margin	**22.8%**	27.7%	**23.1%**	25.6%

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)	**Q3 2026**	Q3 2025	**YTD 2026**	YTD 2025
	$	$	**$**	$
Operating expenses	**117,964**	78,166	**302,035**	227,781
Share-based compensation (expense) recovery	**(7,587)**	2,512	**2,117**	1,926
ERP implementation costs	**(283)**	(343)	**(689)**	(659)
Litigation and restructuring costs	**(159)**	-	**(159)**	-
Loss on remeasurement of financial instrument	**-**	-	**-**	(1,000)
Depreciation and amortization	**(4,608)**	(4,495)	**(13,512)**	(12,947)
Adjusted operating expenses	**105,327**	75,840	**289,792**	215,101

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)	**Q3 2026**	Q3 2025	**YTD 2026**	YTD 2025
	$	$	**$**	$
Net earnings	**12,349**	18,176	**49,782**	42,976
Basic earnings per share	**$0.14**	$0.20	**$0.55**	$0.48
Reconciling items:				
Share-based compensation expense (recovery)	**7,587**	(2,512)	**(2,117)**	(1,926)
ERP implementation costs	**283**	343	**689**	659
Litigation and restructuring costs	**159**	-	**159**	-
Loss on remeasurement of financial instrument	**-**	-	**-**	1,000
Income tax (recovery) expense on taxable items above	**(2,086)**	575	**378**	337
Adjusted net earnings	**18,292**	16,582	**48,891**	43,046
Basic weighted average number of shares	**89,935,323**	89,073,847	**89,745,491**	89,057,751
Basic adjusted earnings per share	**$0.20**	$0.19	**$0.54**	$0.48

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)	**Q3 2026**	Q3 2025	**YTD 2026**	YTD 2025
	$	$	**$**	$
Total revenue	**136,387**	104,895	**376,638**	289,094
Cost of sales	**(97,420)**	(69,857)	**(266,567)**	(197,637)
Gross margin	**38,967**	35,038	**110,071**	91,457
Depreciation included in cost of sales	**3,829**	3,703	**11,163**	10,657
Adjusted gross margin	**42,796**	38,741	**121,234**	102,114
Adjusted gross margin percentage	**31.4%**	36.9%	**32.2%**	35.3%

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 September 30, 2026**	As at December 31, 2025
	$	$
Bank indebtedness	**-**	-
Long-term debt including current portion	**78,907**	109,837
Lease liabilities including current portion	**28,252**	30,153
Subtotal Debt	**107,159**	139,990
Lease liabilities including current portion	**(28,252)**	(30,153)
Total Debt	**78,907**	109,837
Cash	**(46,543)**	(59,573)
Net Debt	**32,364**	50,264

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 September 30, 2026**	As at December 31, 2025
	$	$
Inventories	**212,572**	163,727
Other current assets excluding inventories	**128,987**	138,448
Current assets	**341,559**	302,175
Current liabilities	**(149,146)**	(109,299)
Working capital	**192,413**	192,876
Working capital ratio	**2.29**	2.76

Additional Information

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

Selected Quarterly Financial Information

(in thousands of U.S. dollars, except per share amounts)	**Sept 30, 2026**	June 30, 2026	March 31, 2026	Dec 31, 2025	Sept 30, 2025	June 30, 2025	March 31, 2025	Dec 31, 2024
	$	$	$	$	$	$	$	$
Revenue	**136,387**	122,358	117,893	101,968	104,895	95,311	88,888	70,854
EBITDA	**22,691**	32,856	31,981	16,935	31,746	23,894	19,953	10,240
Adjusted EBITDA	**31,060**	26,567	29,219	18,450	29,055	24,146	20,792	12,484
Net earnings	**12,349**	19,671	17,762	7,590	18,176	15,227	9,573	1,006
Basic earnings per share	**$0.14**	$0.22	$0.20	$0.09	$0.20	$0.17	$0.11	$0.01
Diluted earnings per share	**$0.14**	$0.22	$0.20	$0.08	$0.20	$0.17	$0.11	$0.01
Adjusted net earnings	**18,292**	15,395	15,204	8,371	16,582	15,749	10,715	2,783
Basic adjusted earnings per share	**$0.20**	$0.17	$0.17	$0.09	$0.19	$0.18	$0.12	$0.03
Cash from operations before net change in non-cash working capital items	**21,831**	11,779	20,915	13,355	21,848	18,520	16,124	6,958
Backlog	**299 days**	313 days	336 days	353 days	311 days	297 days	268 days	326 days

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