

The logo consists of the characters '5N+' in a bold, white, sans-serif font. The plus sign is stylized with a vertical line through its center.

**5N+**

Enabling  
Performance



**3**

**Condensed Interim  
Consolidated  
Financial Statements**

Quarter Ended  
September 30, 2023

**5N PLUS INC.**
**INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**
**(in thousands of United States dollars) (unaudited)**

	Notes	September 30 2023	December 31 2022
		\$	\$
<b>Assets</b>			
<b>Current</b>			
Cash and cash equivalents		29,875	42,691
Accounts receivable		38,686	32,872
Inventories	3	102,344	86,254
Income tax receivable		1,682	5,488
Derivative financial assets	10	45	-
Other current assets	10	8,147	19,857
<b>Total current assets</b>		<b>180,779</b>	<b>187,162</b>
Property, plant and equipment	6	78,604	77,951
Right-of-use assets		28,466	30,082
Intangible assets	6	29,598	31,563
Goodwill		11,825	11,825
Deferred tax assets		6,729	6,002
Other assets	10	3,218	3,400
<b>Total non-current assets</b>		<b>158,440</b>	<b>160,823</b>
<b>Total assets</b>		<b>339,219</b>	<b>347,985</b>
<b>Liabilities</b>			
<b>Current</b>			
Trade and accrued liabilities		31,281	40,200
Income tax payable		6,418	8,780
Current portion of deferred revenue	4	12,453	11,730
Current portion of lease liabilities		2,080	2,136
Current portion of long-term debt	5	25,000	-
<b>Total current liabilities</b>		<b>77,232</b>	<b>62,846</b>
Long-term debt	5	83,500	121,000
Deferred tax liabilities		5,749	6,959
Employee benefit plan obligations		11,188	11,643
Lease liabilities		26,977	28,266
Deferred revenue	4	5,198	2,354
Other liabilities		3,599	2,141
<b>Total non-current liabilities</b>		<b>136,211</b>	<b>172,363</b>
<b>Total liabilities</b>		<b>213,443</b>	<b>235,209</b>
<b>Equity</b>		<b>125,776</b>	<b>112,776</b>
<b>Total liabilities and equity</b>		<b>339,219</b>	<b>347,985</b>

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 (LOSS)

For the three and nine-month periods ended September 30

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

	Notes	Three months		Nine months	
		2023	2022	2023	2022
		\$	\$	\$	\$
<b>Revenue</b>		<b>62,946</b>	66,372	<b>177,308</b>	203,181
Cost of sales	3, 6	<b>50,389</b>	53,410	<b>135,156</b>	167,806
Selling, general and administrative expenses	6	<b>6,249</b>	6,468	<b>20,711</b>	21,382
Other expenses (income), net	6	<b>943</b>	8,935	<b>(1,891)</b>	18,828
		<b>57,581</b>	68,813	<b>153,976</b>	208,016
<b>Operating earnings (loss)</b>		<b>5,365</b>	(2,441)	<b>23,332</b>	(4,835)
<b>Financial expense</b>					
Interest on long-term debt		<b>2,081</b>	1,531	<b>6,254</b>	3,579
Imputed interest and other interest expense		<b>308</b>	290	<b>451</b>	897
Foreign exchange and derivative (gain) loss		<b>(238)</b>	(196)	<b>(497)</b>	539
		<b>2,151</b>	1,625	<b>6,208</b>	5,015
<b>Earnings (loss) before income taxes</b>		<b>3,214</b>	(4,066)	<b>17,124</b>	(9,850)
Income tax expense (recovery)					
Current		<b>2,293</b>	2,158	<b>6,062</b>	6,822
Deferred		<b>(597)</b>	744	<b>(2,053)</b>	(1,819)
		<b>1,696</b>	2,902	<b>4,009</b>	5,003
<b>Net earnings (loss)</b>		<b>1,518</b>	(6,968)	<b>13,115</b>	(14,853)
<b>Basic earnings (loss) per share</b>	7	<b>0.02</b>	(0.08)	<b>0.15</b>	(0.17)
<b>Diluted earnings (loss) per share</b>	7	<b>0.02</b>	(0.08)	<b>0.15</b>	(0.17)

Net earnings (loss) 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 (LOSS)

For the three and nine-month periods ended September 30

**(in thousands of United States dollars) (unaudited)**

	Three months		Nine months	
	2023	2022	2023	2022
	\$	\$	\$	\$
<b>Net earnings (loss)</b>	<b>1,518</b>	<b>(6,968)</b>	<b>13,115</b>	<b>(14,853)</b>
<b>Other comprehensive loss</b>				
<b>Items that may be reclassified subsequently to net earnings (loss)</b>				
Currency translation adjustment	<b>(783)</b>	<b>(3,097)</b>	<b>(1,166)</b>	<b>(6,679)</b>
	<b>(783)</b>	<b>(3,097)</b>	<b>(1,166)</b>	<b>(6,679)</b>
<b>Items that will not be reclassified subsequently to net earnings (loss)</b>				
Remeasurement of employee benefit plan obligations	<b>695</b>	<b>1,385</b>	<b>301</b>	<b>6,469</b>
Income taxes	<b>(219)</b>	<b>(415)</b>	<b>(96)</b>	<b>(2,023)</b>
	<b>476</b>	<b>970</b>	<b>205</b>	<b>4,446</b>
<b>Other comprehensive loss</b>	<b>(307)</b>	<b>(2,127)</b>	<b>(961)</b>	<b>(2,233)</b>
<b>Comprehensive income (loss)</b>	<b>1,211</b>	<b>(9,095)</b>	<b>12,154</b>	<b>(17,086)</b>

Comprehensive income (loss) 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 nine-month periods ended September 30

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

<b>2023</b>	<b>Number of shares</b>	<b>Share Capital</b>	<b>Contributed Surplus</b>	<b>Accumulated other comprehensive loss</b>	<b>Deficit</b>	<b>Total equity</b>
<b>Balances at beginning of period</b>	<b>88,330,236</b>	<b>\$ 21,004</b>	<b>\$ 342,985</b>	<b>\$ (5,987)</b>	<b>\$ (245,226)</b>	<b>\$ 112,776</b>
Net earnings for the period	-	-	-	-	13,115	13,115
Other comprehensive loss	-	-	-	(961)	-	(961)
Comprehensive (loss) income	-	-	-	(961)	13,115	12,154
Exercise of stock options	374,488	880	(247)	-	-	633
Share-based compensation	-	-	213	-	-	213
<b>Balances at end of period</b>	<b>88,704,724</b>	<b>21,884</b>	<b>342,951</b>	<b>(6,948)</b>	<b>(232,111)</b>	<b>125,776</b>

<b>2022</b>	<b>Number of shares</b>	<b>Share Capital</b>	<b>Contributed Surplus</b>	<b>Accumulated other comprehensive loss</b>	<b>Deficit</b>	<b>Total equity</b>
<b>Balances at beginning of period</b>	<b>88,330,236</b>	<b>\$ 21,004</b>	<b>\$ 342,659</b>	<b>\$ (5,189)</b>	<b>\$ (222,227)</b>	<b>\$ 136,247</b>
Net loss for the period	-	-	-	-	(14,853)	(14,853)
Other comprehensive loss	-	-	-	(2,233)	-	(2,233)
Comprehensive loss	-	-	-	(2,233)	(14,853)	(17,086)
Share-based compensation	-	-	240	-	-	240
<b>Balances at end of period</b>	<b>88,330,236</b>	<b>21,004</b>	<b>342,899</b>	<b>(7,422)</b>	<b>(237,080)</b>	<b>119,401</b>

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 nine-month periods ended September 30

**(in thousands of United States dollars) (unaudited)**

	Notes	2023	2022
		\$	\$
<b>Operating activities</b>			
Net earnings (loss)		13,115	(14,853)
Adjustments to reconcile net earnings (loss) to cash flows			
Depreciation of property, plant and equipment		7,668	9,221
Depreciation of right-of-use assets		1,931	1,991
Amortization of intangible assets		2,454	2,469
Amortization of other assets		193	184
Impairment of non-current assets	6	608	12,478
Share-based compensation expense (recovery)		1,914	(279)
Deferred income taxes		(2,053)	(1,819)
Imputed interest		500	439
Employee benefit plan obligations		(55)	(289)
Loss on disposal of assets held for sale		-	216
Loss (gain) on disposal of property, plant and equipment		1,025	(10)
Unrealized (gain) loss on non-hedge financial instruments		(896)	1,340
Unrealized foreign exchange gain on assets and liabilities		(236)	(2,037)
<b>Funds from operations before the following:</b>		26,168	9,051
Net change in non-cash working capital balances	9	(20,691)	1,285
<b>Cash from operating activities</b>		5,477	10,336
<b>Investing activities</b>			
Additions to property, plant and equipment	9	(10,590)	(12,761)
Additions to intangible assets		(501)	(170)
Proceeds on settlement of indexed deposit agreement	10	6,506	-
Proceeds on disposal of assets held for sale		-	2,816
Proceeds on disposal of property, plant and equipment		320	16
<b>Cash used in investing activities</b>		(4,265)	(10,099)
<b>Financing activities</b>			
Repayment of long-term debt		(12,500)	(2,500)
Proceeds from issuance of long-term debt		-	10,000
Deferred costs related to long-term debt		-	(567)
Issuance of common shares		633	-
Principal elements of lease payments		(2,164)	(2,216)
<b>Cash flows (used in) from financing activities</b>		(14,031)	4,717
<b>Effect of foreign exchange rate changes on cash and cash equivalents</b>		3	(722)
<b>Net (decrease) increase in cash and cash equivalents</b>		(12,816)	4,232
Cash and cash equivalents, beginning of period		42,691	35,940
<b>Cash and cash equivalents, end of period</b>		29,875	40,172
<b>Supplemental information<sup>(1)</sup></b>			
Income tax paid		4,460	3,319
Interest paid		5,869	3,539

<sup>(1)</sup> 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 Plus” or the “Company”) is a Canadian-based international company. 5N Plus is a leading 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 Plus’s products to enable performance and sustainability in their own products. 5N Plus 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 mission is to be critical to its customers, valued by its employees and trusted by its shareholders. The Company’s core values focus on integrity, commitment and customer development along with emphasis on sustainable development, continuous improvement, health and safety. The Company’s shares are listed on the Toronto Stock Exchange (“TSX”). 5N Plus 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 November 7, 2023.

## 2. Basis of Presentation

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by IASB (IFRS) 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, 2022, which have been prepared in accordance with IFRS.

The preparation of financial statements in accordance with IAS 34 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.

## 3. Inventories

	September 30 2023	December 31 2022
	\$	\$
Raw materials	33,677	28,436
Finished goods	68,667	57,818
<b>Total inventories</b>	<b>102,344</b>	<b>86,254</b>

For the three and nine-month periods ended September 30, 2023, a total of \$27,516 and \$73,487 of inventories was included as an expense in cost of sales (\$27,777 and \$92,720 for the three and nine-month periods ended September 30, 2022).

## 5N PLUS INC.

### NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine-month periods ended September 30

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

For the three and nine-month periods ended September 30, 2023, a total of \$30 and \$38 previously written down was recognized as a reduction of expenses in costs of sales concurrently with the related inventories being sold (\$15 and \$15 for the Specialty Semiconductors segment and \$15 and \$23 for the Performance Materials segment). For the three and nine-month periods ended September 30, 2022, a total of \$354 and \$581 previously written down was recognized as a reduction of expenses in costs of sales concurrently with the related inventories being sold (\$1 and \$22 for the Specialty Semiconductors segment and \$353 and \$559 for the Performance Materials segment).

#### 4. Deferred revenue

	September 30 2023	December 31 2022
	\$	\$
Prepayments from clients	10,566	9,409
Current portion of deferred revenue related to long-term contracts	1,887	2,321
<b>Current portion of deferred revenue</b>	<b>12,453</b>	<b>11,730</b>
Non-current portion of deferred revenue related to long-term contracts	5,198	2,354
<b>Non-current portion of deferred revenue</b>	<b>5,198</b>	<b>2,354</b>
<b>Total deferred revenue</b>	<b>17,651</b>	<b>14,084</b>

For the nine-month period ended September 30, 2023, \$7,411 (2022 - \$5,376) of revenue was realized in relation to the deferred revenue balance outstanding at the beginning of the period.

#### 5. Long-Term Debt

	September 30 2023	December 31 2022
	\$	\$
Senior secured revolving facility of \$124,000 with a syndicate of banks, maturing in April 2026	83,500	96,000
Subordinated term loan, maturing in March 2024	25,000	25,000
	108,500	121,000
Less current portion of long-term debt	25,000	-
	83,500	121,000

##### Senior secured revolving facility

In June 2022, the Company signed a senior secured multi-currency revolving credit facility of \$124,000 maturing in April 2026 to replace its existing \$124,000 senior secured revolving facility maturing in April 2023. At any time, the Company has the option to request that the credit facility be expanded through the exercise of an additional \$30,000 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 or SOFR, 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 September 30, 2023 and December 31, 2022, the Company had met all covenants.

**Subordinated term loan**

In February 2019, the Company signed a five-year subordinated term loan with Investissement Québec. The loan was disbursed in two tranches: the first tranche of \$5,000 on February 6, 2019 and the second tranche of \$20,000 on March 22, 2019. The two tranches of the term loan bear interest equivalent to the 5-year US dollar swap rate plus a margin of 4.19%, which equals to 6.82% and 6.64% respectively. Under the terms of the loan, the Company is required to satisfy certain restrictive covenants as to financial ratios. As at September 30, 2023 and December 31, 2022, the Company has met all covenants.

**6. Expenses by Nature**

	Three months		Nine months	
	2023	2022	2023	2022
	\$	\$	\$	\$
Wages and salaries	12,443	12,749	39,931	41,440
Depreciation of property, plant and equipment	2,541	2,591	7,668	9,221
Depreciation of right-of-use assets	619	653	1,931	1,991
Amortization of other assets	64	56	193	184
Other expenses (income), net				
Amortization of intangible assets	819	752	2,454	2,469
Share-based compensation expense	305	10	1,018	1,170
(Gain) loss on disposal of property, plant and equipment <sup>(1)</sup>	-	(13)	1,025	(10)
Loss on disposal of assets held for sale <sup>(2)</sup>	-	216	-	216
Impairment of non-current assets <sup>(3)</sup>	-	7,092	608	12,478
Research and development, net of tax credit <sup>(4)</sup>	(157)	678	1,859	2,125
Litigation and restructuring costs (income), net <sup>(5)</sup>	-	241	(8,772)	613
Other income	(24)	(41)	(83)	(233)

<sup>(1)</sup> Includes a loss on disposal of \$1,051 on production equipment following a change of technical requirements and functionalities by the Company. The Company disposed this production equipment in a non-monetary transaction with the supplier in exchange for a credit to be applied against future purchases of production equipment (Note 9).

<sup>(2)</sup> During the third quarter of 2022, the Company recorded a loss of \$216 on the disposal of assets held for sale. The asset, which was previously presented as held for sale within the Specialty Semiconductors segment, pertains to a reclass from buildings for an amount of \$3,032 in the second quarter of 2022. The reclassification relates to the planned relocation of operations from Canada of one of the Company's subsidiaries situated in Asia, announced in the third quarter of 2020.

<sup>(3)</sup> During the second quarter of 2023, the Company recorded an impairment of non-current assets of \$608 in relation to Property, plant and equipment included within the Performance Materials segment, to reflect the assessment of the carrying value of production equipment following the Company's decision to switch to higher capacity equipment.

During the third quarter of 2022, the Company recorded an impairment charge on non-current assets of \$7,092 (\$2,374 for buildings, \$4,599 for machinery and \$119 for furniture and fixtures), included in the Performance Materials segment, to reflect the assessment of the carrying value of property, plant and equipment following the intention to halt production at its manufacturing facility in Tilly, Belgium. Consequently, the Company's projections regarding the future cashflows from the property, plant and equipment of Tilly are minimal.

During the first quarter of 2022, the Company recorded an impairment of non-current assets of \$5,386 (\$5,123 for customer relationships and \$263 for other intangibles), included in the Specialty Semiconductors segment, to reflect the assessment of the carrying value of intangible assets impacted by the invasion of Ukraine by Russia, more precisely in reference to Russia based customers. The Company's initial assumptions regarding the timing of future cashflows from these customers could no longer be supported given the uncertainty associated with international sanctions against Russia, and the unknown duration of the conflict.

<sup>(4)</sup> Reduced research and development, net of tax credit by an amount of \$1,700 and \$3,075 for the three and nine-month periods ended September 30, 2023 resulting from research and development subsidies. There is an outstanding receivable related to this grant as at September 30, 2023 for an amount of \$1,738 included within Accounts receivable.

Reduced research and development, net of tax credit by an amount of \$1,106 and \$2,625 for the three and nine-month periods ended September 30, 2022 resulting from research and development subsidies.

<sup>(5)</sup> Litigation and restructuring income includes \$8,974 received from the previous shareholder of AZUR. The income was received as per stipulations in the share purchase agreement and is not related to AZUR's performance post-acquisition.

**5N PLUS INC.**

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine-month periods ended September 30

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

During the third quarter of 2022, following a change to its senior executive management during the third quarter, the Company recorded litigation and restructuring costs of \$241. These costs, in combination with a cost of \$372 recorded in the second quarter relating to the settlement of a contract by mutual agreement brought the total litigation and restructuring costs to \$613 for 2022.

**7. Earnings per Share**

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

Numerators	Three months		Nine months	
	2023	2022	2023	2022
	\$	\$	\$	\$
<b>Net earnings (loss) for the period</b>	<b>1,518</b>	<b>(6,968)</b>	<b>13,115</b>	<b>(14,853)</b>

  

Denominators	Three months		Nine months	
	2023	2022	2023	2022
<b>Basic weighted average number of shares</b>	<b>88,601,463</b>	88,330,236	<b>88,475,482</b>	88,330,236
Dilutive effect:				
Stock options	<b>568,341</b>	-	<b>521,319</b>	-
<b>Diluted weighted average number of shares</b>	<b>89,169,804</b>	88,330,236	<b>88,996,801</b>	88,330,236

For the three and nine-month periods ended September 30, 2023, 188,924 and 219,864 stock options were excluded from the diluted weighted average number of shares due to their anti-dilutive effect.

For the three and nine-month periods ended September 30, 2022, 1,598,938 stock options were excluded from the diluted weighted average number of shares due to their anti-dilutive effect due to the net loss for each respective period.

**8. Operating Segments**

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

	Three months		Nine months	
	2023	2022	2023	2022
	\$	\$	\$	\$
Specialty Semiconductors	<b>41,766</b>	32,022	<b>110,818</b>	89,967
Performance Materials	<b>21,180</b>	34,350	<b>66,490</b>	113,214
<b>Total revenue</b>	<b>62,946</b>	66,372	<b>177,308</b>	203,181
Specialty Semiconductors	<b>4,714</b>	6,547	<b>20,064</b>	18,628
Performance Materials	<b>6,637</b>	5,090	<b>17,333</b>	13,280
Corporate and unallocated	<b>(1,702)</b>	(2,523)	<b>(8,107)</b>	(8,585)
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>9,649</b>	9,114	<b>29,290</b>	23,323
Interest on long-term debt, imputed interest and other interest expense	<b>2,389</b>	1,821	<b>6,705</b>	4,476
Share-based compensation expense	<b>305</b>	10	<b>1,018</b>	1,170
Foreign exchange and derivative (gain) loss	<b>(238)</b>	(196)	<b>(497)</b>	539
Depreciation and amortization	<b>3,979</b>	3,996	<b>12,053</b>	13,681
Impairment of non-current assets (Note 6)	-	7,092	<b>608</b>	12,478
Loss on disposal of property, plant and equipment (Note 6)	-	-	<b>1,051</b>	-
Loss on disposal of assets held for sale (Note 6)	-	216	-	216
Litigation and restructuring costs (income), net (Note 6)	-	241	<b>(8,772)</b>	613
<b>Earnings (loss) before income tax</b>	<b>3,214</b>	(4,066)	<b>17,124</b>	(9,850)

<sup>(1)</sup> Earnings (loss) before income tax, depreciation and amortization, impairment of non-current assets, share-based compensation expense, loss on disposal of property, plant and equipment, loss on disposal of assets held for sale, litigation and restructuring costs (income), and financial expense (income).

**5N PLUS INC.**

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine-month periods ended September 30

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

Capital expenditures	Three months		Nine months	
	2023	2022	2023	2022
	\$	\$	\$	\$
Specialty Semiconductors	929	4,647	6,431	8,680
Performance Materials	1,612	1,427	4,159	4,049
Corporate and unallocated	-	-	-	32
<b>Total</b>	<b>2,541</b>	<b>6,074</b>	<b>10,590</b>	<b>12,761</b>

Assets excluding deferred tax assets	September 30 2023	December 31 2022
	\$	\$
Specialty Semiconductors	188,461	180,473
Performance Materials	127,306	129,901
Corporate and unallocated	16,723	31,609
<b>Total</b>	<b>332,490</b>	<b>341,983</b>

The geographic distribution of the Company's revenue based on the location of the customers for the three and nine-month periods ended September 30, 2023 and 2022, and the identifiable non-current assets as at September 30, 2023 and December 31, 2022 are summarized as follows:

Revenues	Three months		Nine months	
	2023	2022	2023	2022
	\$	\$	\$	\$
Asia				
China	3,302	2,648	9,469	7,695
Japan	868	868	3,729	3,714
Other <sup>(1)</sup>	3,881	3,722	12,390	24,008
Americas				
United States	28,796	27,202	77,307	62,420
Other	2,028	3,939	7,350	16,487
Europe				
Germany	14,670	10,671	34,123	35,570
Belgium	1,987	1,055	2,506	5,664
Netherlands	630	3,806	2,645	10,643
France	1,559	3,020	8,578	11,141
Other <sup>(1)</sup>	4,590	8,060	18,061	21,923
Other	635	1,381	1,150	3,916
<b>Total</b>	<b>62,946</b>	<b>66,372</b>	<b>177,308</b>	<b>203,181</b>

<sup>(1)</sup> None exceeding 10%

Non-current assets (other than deferred tax assets)	September 30 2023	December 31 2022
	\$	\$
Asia	3,012	3,411
United States	12,596	13,590
Canada	29,841	29,156
Germany	106,262	108,664
<b>Total</b>	<b>151,711</b>	<b>154,821</b>

For the three and nine-month periods ended September 30, 2023, one customer represented approximately 26% and 23% of the revenues (26% and 23% within the Specialty Semiconductors segment and nil within the Performance Materials segment). For the three and nine-month periods ended September 30, 2022, one customer represented approximately 17% and 16% of the revenues (14% and 13% within the Specialty Semiconductors segment and 3% within the Performance Materials segment).

## 9. Supplemental Cash Flow Information

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

	Nine months	
	2023	2022
	\$	\$
(Increase) decrease in assets:		
Accounts receivable	(6,041)	(167)
Inventories	(16,538)	2,352
Income tax receivable	3,801	(526)
Other current assets	6,141	(313)
(Decrease) increase in liabilities:		
Trade and accrued liabilities	(9,358)	(4,559)
Income tax payable	(2,362)	3,699
Deferred revenue	3,666	799
<b>Net change</b>	<b>(20,691)</b>	<b>1,285</b>

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

	Nine months	
	2023	2022
	\$	\$
Excluded additions unpaid at end of the period:		
Additions to property, plant and equipment	2,370	2,191
Included additions unpaid at beginning of the period:		
Additions to property, plant and equipment	2,329	3,095
Excluded non-cash proceeds on the disposal of Property, plant and equipment	2,515	-

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

	Nine months	
	2023	2022
	\$	\$
Additions to property, plant and equipment before prepayments	9,607	8,981
Prepayments for construction in progress	3,498	3,780
Less: Non-cash deposits for construction in progress	(2,515)	-
Additions to property, plant and equipment	10,590	12,761

As at September 30, 2023, property, plant and equipment includes \$7,396 of prepayments for construction in progress (\$4,001 as at December 31, 2022).

## 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 September 30, 2023	Level 1	Level 2	Level 3
	\$	\$	\$
Financial assets (liabilities)			
At fair value through profit or loss			
Total return swap <sup>(1)</sup>	-	45	-
Investment in equity instruments <sup>(2)</sup>	-	-	2,000
Restricted investment <sup>(3)</sup>	-	-	632
<b>Total</b>	-	45	2,632
As at December 31, 2022	Level 1	Level 2	Level 3
	\$	\$	\$
Financial assets			
At fair value through profit or loss			
Indexed deposit agreement <sup>(1)</sup>	-	5,517	-
Investment in equity instruments <sup>(2)</sup>	-	-	2,000
Restricted investment <sup>(3)</sup>	-	-	620
<b>Total</b>	-	5,517	2,620

<sup>(1)</sup> In March 2023, the indexed deposit agreement entered with a major Canadian financial institution in June 2017, was amended to a total return swap wherein share price fluctuations are settled via cash annually. As part of this amendment, the Company received, \$6,506 which represents the fair value of the indexed deposit agreement as at the amendment date.

The Company entered into the total return swap, previously the indexed deposit agreement, 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 September 30, 2023, the total return swap covered 2,571,569 common shares of the Company.

<sup>(2)</sup> In January 2021, the Company acquired a minority equity stake in Microbion Corporation for an amount of \$2,000 recorded in Other assets.

<sup>(3)</sup> 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 \$540 as at September 30, 2023 (\$883 as at December 31, 2022).

### 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.