

Earnings Conference Call

Q4 2024

Key Financial Figures



Forward Looking Statement

Certain statements in this presentation 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 and timely complete the realization of its backlog, 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 2024 MD&A dated February 25, 2025, 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 presentation 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 presentation is made as of the date hereof and the Company has no obligation to publicly update such forward-looking information to reflect new information, subsequent or otherwise, unless required by applicable securities laws. The reader is warned against placing undue reliance on these forward-looking statements. Forward-looking statements are presented 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.

Financial Highlights

- > Revenue in Q4 2024 increased by 9% to \$70.9 million, compared to \$65.1 million in Q4 2023, driven by strong growth under Specialty Semiconductors. Revenue in FY 2024 reached \$289.3 million, compared to \$242.4 million in FY 2023, supported by the terrestrial renewable energy and space solar power sectors under Specialty Semiconductors.
- > Adjusted EBITDA¹ in Q4 2024 increased by 38% to \$12.5 million, compared to \$9.0 million in Q4 2023, driven by higher volume from the terrestrial renewable energy and space solar power sectors, and better prices over inflation. Adjusted EBITDA was \$53.3 million in FY 2024, representing a 39% increase compared to \$38.3 million in FY 2023.
- > Adjusted gross margin¹ increased by 26% to \$23.4 million in Q4 2024, favourably impacted by the same factors as above. Adjusted gross margin as a percentage of sales was 33.0% in Q4 2024, compared to 28.5% in Q4 2023. Adjusted gross margin reached \$91.3 million for FY 2024, or 31.6% of sales, compared to \$70.2 million in FY 2023, or 29.0% of sales.
- > Net earnings in Q4 2024 were \$1.0 million, compared to \$2.3 million in Q4 2023. For FY 2024, net earnings were \$14.7 million, compared to \$15.4 million in FY 2023.
- > Backlog¹ stood at \$252.8 million, representing 326 days of annualized revenue as at December 31, 2024, 37 days higher than the previous quarter and 34 days higher than at the end of last year, primarily due to the timing of contract signings and renewals.
- > Net debt¹ was \$100.1 million as at December 31, 2024, compared to \$73.8 million as at December 31, 2023, reflecting an increase in working capital¹ and planned capital expenditures in 2024 under Specialty Semiconductors. The Company's net debt to EBITDA ratio¹ stood at 2.02x as at December 31, 2024.

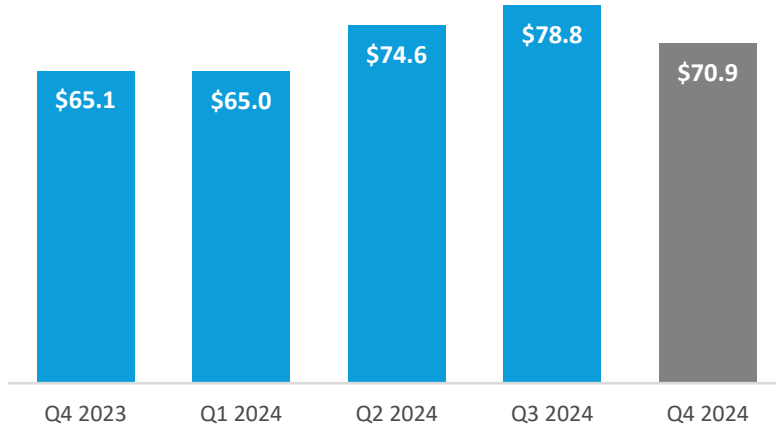
¹ These measures are not recognized measures under IFRS and do not have standardized meanings prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies. See Non-IFRS Measures for more information.

Revenue

Quarter ended December 31, 2024

Revenue

(IN MILLIONS OF USD)



Revenue – Quarterly Comparison

(IN MILLIONS OF USD)



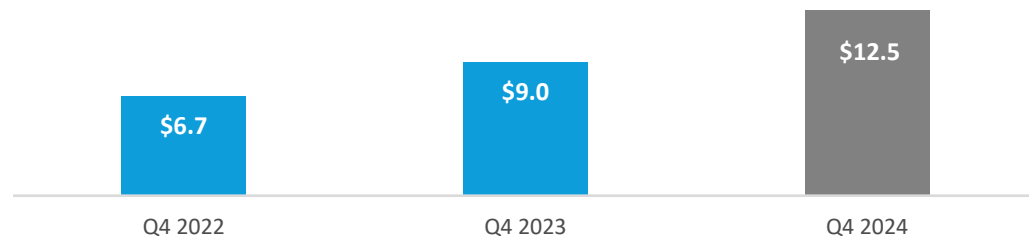
Revenue in Q4 2024 increased by 9%, reaching \$70.9 million, compared to \$65.1 million for the same period last year. The increase is primarily attributable to strong growth from the terrestrial renewable energy and space solar power sectors under Specialty Semiconductors, offsetting the minor decrease under Performance Materials.

Adjusted EBITDA & EBITDA

Quarter ended December 31, 2024

Adjusted EBITDA

(IN MILLIONS OF USD)



Adjusted EBITDA in Q4 2024 was \$12.5 million, an increase of 38% over the same period last year.

In Q4 2024, EBITDA reached \$10.2 million, compared to \$7.7 million in Q4 2023. The increase of \$2.5 million is mainly explained by an increase in Adjusted EBITDA, partially mitigated by a loss on remeasurement of financial instrument.

EBITDA¹

(IN MILLIONS OF USD)



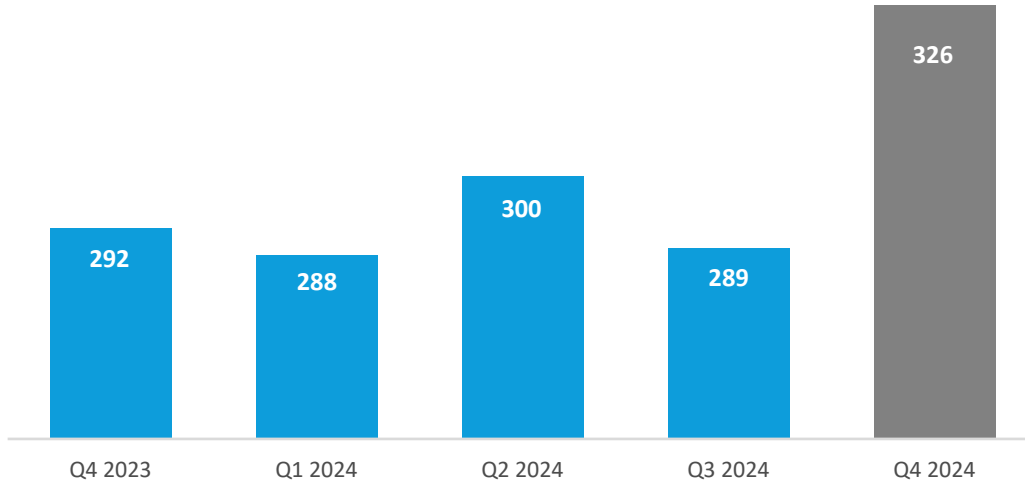
¹ These measures are not recognized measures under IFRS and do not have standardized meanings prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies. See Non-IFRS Measures for more information.

Backlog

Quarter ended December 31, 2024

Backlog

(IN NUMBER OF DAYS)



Backlog on December 31, 2024, represented 326 days of annualized revenue, 37 days higher than the backlog on September 30, 2024.

Bookings¹ for Specialty Semiconductors decreased by 7 days, from 96 days in Q3 2024 to 89 days in Q4 2024. Bookings for Performance Materials in Q4 2024 increased by 15 days, from 98 days in Q3 2024 to 113 days in Q4 2024.

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.

Non-IFRS Measures

Quarter ended December 31, 2024

Adjusted EBITDA

Adjusted EBITDA means operating earnings (loss) as defined before the effect of impairment of inventories, share-based compensation expense (recovery), 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.

(in thousands of U.S. dollars)	Q4 2024 \$	Q4 2023 \$	FY 2024 \$	FY 2023 \$
Revenues	70,854	65,063	289,281	242,371
Operating expenses	(64,701)	(61,023)	(257,053)	(214,999)
Operating earnings	6,153	4,040	32,228	27,372
Share-based compensation expense	309	414	906	1,432
(Gain) loss on disposal of property, plant and equipment	-	-	(2,089)	1,051
Loss on remeasurement of financial instrument	1,000	-	1,000	-
(Reversal of impairment) impairment of non-current assets	(120)	64	2,706	672
Litigation and restructuring costs (income)	769	458	1,790	(8,314)
Depreciation and amortization	4,373	4,057	16,791	16,110
Adjusted EBITDA	12,484	9,033	53,332	38,323

Non-IFRS Measures

Quarter ended December 31, 2024

EBITDA

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.

(in thousands of U.S. dollars)	Q4 2024 \$	Q4 2023 \$	FY 2024 \$	FY 2023 \$
Net earnings	1,006	2,284	14,672	15,399
Interest on long-term debt, imputed interest and other interest expense	2,446	2,129	9,169	8,834
Income tax expense (recovery)	2,415	(734)	8,936	3,275
Depreciation and amortization	4,373	4,057	16,791	16,110
EBITDA	10,240	7,736	49,568	43,618

Non-IFRS Measures

Quarter ended December 31, 2024

Adjusted gross margin

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 revenues by dividing the adjusted gross margin value by the total revenue.

(in thousands of U.S. dollars)	Q4 2024 \$	Q4 2023 \$	FY 2024 \$	FY 2023 \$
Total revenue	70,854	65,063	289,281	242,371
Cost of sales	(51,104)	(49,677)	(211,413)	(184,833)
Gross margin	19,750	15,386	77,868	57,538
Depreciation included in cost of sales	3,643	3,189	13,445	12,656
Adjusted gross margin	23,393	18,575	91,313	70,194
Adjusted gross margin percentage	33.0%	28.5%	31.6%	29.0%

Backlog

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 revenues to the increase or decrease in backlog for the period considered, divided by annualized year revenues. 5N+ uses backlog to provide an indication of expected future revenues in days, and bookings to determine its ability to sustain and increase its revenues.

Non-IFRS Measures

Quarter ended December 31, 2024

Net debt

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.

Net debt to EBITDA ratio

The net debt to EBITDA ratio is defined as net debt divided by the trailing 12 months EBITDA.

Working capital

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.

(in thousands of U.S. dollars)	As at December 31, 2024 \$	As at December 31, 2023 \$
Bank indebtedness	-	-
Long-term debt including current portion	122,203	108,500
Lease liabilities including current portion	29,402	30,139
Subtotal debt	151,605	138,639
Lease liabilities including current portion	(29,402)	(30,139)
Total debt	122,203	108,500
Cash and cash equivalents	(22,142)	(34,706)
Net debt	100,061	73,794

(in thousands of U.S. dollars)	As at December 31, 2024 \$	As at December 31, 2023 \$
Inventories	137,823	105,850
Other current assets excluding inventories	79,572	76,113
Current assets	217,395	181,963
Current liabilities	(60,481)	(81,807)
Working capital	156,914	100,156
Working capital current ratio	3.59	2.22

5N+

Enabling
Performance