

5N Plus Inc. Reports 2025 Second Quarter Financial Results and Increases Annual Guidance

- 32% year-over-year revenue growth to a ten year-high of \$184.2 million for the first half of 2025
- Record Q2 2025 Adjusted gross margin¹ of \$33.0 million and of 34.6% as a percentage of sales¹
- Record Q2 2025 Adjusted EBITDA¹ of \$24.1 million, representing 79% year-over-year growth
- Net-debt-to-EBITDA ratio¹ of 1.09x as at June 30, 2025
- 2025 Adjusted EBITDA guidance increased to a range of \$65-\$70 million, up from \$55-\$60 million

Montreal, Québec, August 4, 2025 – 5N Plus Inc. (TSX:VNP) (“5N+” or “the Company”), a leading global producer of specialty semiconductors and performance materials, today announced its financial results for the three-month period ended June 30, 2025 (“Q2 2025”). All amounts in this press release are expressed in U.S. dollars unless otherwise stated.

“Our performance this quarter and year to date marks several new all-time highs for 5N+, including record quarterly Adjusted gross margin, and record quarterly and first-half Adjusted EBITDA. In addition, we generated our strongest first-half revenues in a decade. In a volatile business environment where customers are seeking dependable partners, 5N+ stands out for reliability, technical expertise and product quality, further supported by our diversified global sourcing and manufacturing capabilities which are of strategic importance to our customers,” said Gervais Jacques, President and CEO, 5N+.

“Building on our record results to date and amid accelerating demand in our strategic sectors, 2025 is shaping up to be a landmark year for 5N+. Within Specialty Semiconductors, we continue to capitalize on, and to anticipate, further demand momentum from the renewable energy and space power markets, while in Performance Materials our bismuth-based products are delivering exceptional margins,” added Mr. Jacques.

“As we head into the second half of the year, we are not only well-positioned to deliver on our now increased Adjusted EBITDA guidance ambitions for 2025, but to build on this momentum going into 2026. Thanks to our competitive advantages and expanded capacity, we will continue to solidify our status as the strategic partner of choice outside of China, able to capture growing demand for our high-purity advanced materials in an evolving geopolitical landscape,” concluded Mr. Jacques.

Financial Highlights

- Revenue in Q2 2025 increased by 28% to \$95.3 million, compared to \$74.6 million in Q2 2024. The increase is primarily attributable to higher sales in the terrestrial renewable energy and space solar power sectors under Specialty Semiconductors, and higher bismuth-based product pricing under Performance Materials.
- Adjusted EBITDA in Q2 2025 increased by 79% to \$24.1 million, compared to \$13.5 million in Q2 2024, driven by higher volumes in the terrestrial renewable energy and space solar power sectors, and better prices over inflation for both solar power and bismuth-based products.

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.

- Adjusted gross margin increased by 41% to \$33.0 million in Q2 2025, favourably impacted by the same factors as above. Adjusted gross margin as a percentage of sales was 34.6% in Q2 2025, compared to 31.3% in Q2 2024.
- Net earnings in Q2 2025 were \$15.2 million, compared to \$4.8 million in Q2 2024.
- Backlog¹ stood at \$310.0 million, representing 297 days of annualized revenue as at June 30, 2025, 29 days higher than in the previous quarter.
- Net debt¹ was \$74.3 million as at June 30, 2025, compared to \$100.1 million as at December 31, 2024, reflecting an increase in cash. The Company's net-debt-to-EBITDA ratio stood at 1.09x as at June 30, 2025.

Outlook

Through the second half of 2025, 5N+ anticipates demand under Specialty Semiconductors from the terrestrial renewable energy and space solar power markets to accelerate, as customers look to secure advanced materials from trusted and reliable partners. Under Performance Materials, consistent with historical trends, volumes through the second half of 2025 are expected to be slightly lower than compared to the first half of 2025, with margins continuing to benefit from the Company's strategic global footprint and sourcing capabilities in the current volatile business environment.

Based on its financial performance year to date, coupled with anticipated demand under Specialty Semiconductors and better than anticipated performance under Performance Materials, Adjusted EBITDA guidance for 2025 has been revised upwards from a range of \$55 to \$60 million, last updated on February 25, 2025, to a range of \$65 to \$70 million.

Looking ahead, the Company will continue to remain prudent in an evolving geopolitical environment, including with regards to its impact on operating costs. As a preferred supplier of ultra-high-purity, high-quality products with a strong supply chain providing customers with a key strategic advantage, 5N+ is well-positioned to continue solidifying its leadership in key end markets through the end of 2025 and going into 2026.

Conference Call

5N+ will host a conference call on Tuesday, August 5, 2025, at 8:00 a.m. Eastern Daylight Time to discuss its 2025 second quarter financial results. All interested parties are invited to participate in the live broadcast on the Company's website at www.5nplus.com.

To participate in the conference call:

- Toronto area: 1-289-819-1299
- Montreal area: 1-514-400-3794
- Toll-Free: 1-800-990-4777
- Enter access code: 94154

A replay of the conference call will be available two hours after the event and until August 12, 2025. To access the recording, please dial 1-888-660-6345 and enter access code 94154.

About 5N+

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.

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Forward-Looking Statements

Certain statements in this press release 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 and note 10 of the unaudited condensed interim consolidated financial statements for the three and six-month periods ended June 30, 2025 and June 30, 2024 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 press release 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 press release 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 in this press release 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.

5N PLUS INC.

INTERIM CONSOLIDATED STATEMENTS OF EARNINGS

For the three and six-month periods ended June 30

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

	Three months		Six months	
	2025	2024	2025	2024
	\$	\$	\$	\$
Revenue	95,311	74,580	184,199	139,599
Cost of sales	65,888	54,385	127,780	102,405
Selling, general and administrative expenses	7,699	8,717	16,259	16,034
Other expenses (income), net	2,251	2,329	5,576	4,579
	75,838	65,431	149,615	123,018
Operating earnings	19,473	9,149	34,584	16,581
Financial expense				
Interest on long-term debt	2,002	2,146	4,006	3,941
Imputed interest and other interest expense	351	(272)	1,064	139
Foreign exchange (gain) loss	(97)	2	(811)	(385)
	2,256	1,876	4,259	3,695
Earnings before income taxes	17,217	7,273	30,325	12,886
Income tax expense (recovery)				
Current	4,706	2,177	8,077	4,691
Deferred	(2,716)	307	(2,552)	899
	1,990	2,484	5,525	5,590
Net earnings	15,227	4,789	24,800	7,296
Basic earnings per share	0.17	0.05	0.28	0.08
Diluted earnings per share	0.17	0.05	0.28	0.08

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

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

	June 30 2025	December 31 2024
	\$	\$
Assets		
Current		
Cash	48,624	22,142
Accounts receivable	58,485	42,172
Inventories	142,960	137,823
Income tax receivable	850	1,811
Derivative financial assets	3,131	6,978
Other current assets	5,895	6,469
Total current assets	259,945	217,395
Property, plant and equipment	93,584	85,995
Right-of-use assets	29,373	28,583
Intangible assets	24,213	22,929
Goodwill	12,032	10,665
Deferred tax assets	9,439	7,358
Other assets	3,350	3,982
Total non-current assets	171,991	159,512
Total assets	431,936	376,907
Liabilities		
Current		
Trade and accrued liabilities	50,916	42,116
Income tax payable	10,733	5,207
Current portion of deferred revenue	13,834	11,206
Current portion of lease liabilities	2,115	1,952
Total current liabilities	77,598	60,481
Long-term debt	122,961	122,203
Deferred tax liabilities	6,216	5,737
Employee benefit plan obligations	13,272	12,624
Lease liabilities	28,856	27,450
Deferred revenue	10,103	8,688
Other liabilities	797	706
Total non-current liabilities	182,205	177,408
Total liabilities	259,803	237,889
Equity	172,133	139,018
Total liabilities and equity	431,936	376,907

Non-IFRS Measures

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)	Q2 2025	Q2 2024	YTD 2025	YTD 2024
	\$	\$	\$	\$
Net earnings	15,227	4,789	24,800	7,296
Interest on long-term debt, imputed interest and other interest expense	2,353	1,874	5,070	4,080
Income tax expense	1,990	2,484	5,525	5,590
Depreciation and amortization	4,324	4,049	8,452	7,994
EBITDA	23,894	13,196	43,847	24,960

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)	Q2 2025	Q2 2024	YTD 2025	YTD 2024
	\$	\$	\$	\$
Revenue	95,311	74,580	184,199	139,599
Operating expenses	(75,838)	(65,431)	(149,615)	(123,018)
Operating earnings	19,473	9,149	34,584	16,581
Share-based compensation (recovery) expense	(807)	(15)	586	345
Impairment of non-current assets	-	307	-	307
ERP implementation costs	156	-	316	-
Loss on remeasurement of financial instrument	1,000	-	1,000	-
Depreciation and amortization	4,324	4,049	8,452	7,994
Adjusted EBITDA	24,146	13,490	44,938	25,227
Adjusted EBITDA margin	25.3%	18.1%	24.4%	18.1%

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)	Q2 2025	Q2 2024	YTD 2025	YTD 2024
	\$	\$	\$	\$
Total revenue	95,311	74,580	184,199	139,599
Cost of sales	(65,888)	(54,385)	(127,780)	(102,405)
Gross margin	29,423	20,195	56,419	37,194
Depreciation included in cost of sales	3,551	3,173	6,954	6,249
Adjusted gross margin	32,974	23,368	63,373	43,443
Adjusted gross margin percentage	34.6%	31.3%	34.4%	31.1%

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 June 30, 2025	As at December 31, 2024
	\$	\$
Bank indebtedness	-	-
Long-term debt including current portion	122,961	122,203
Lease liabilities including current portion	30,971	29,402
Subtotal Debt	153,932	151,605
Lease liabilities including current portion	(30,971)	(29,402)
Total Debt	122,961	122,203
Cash	(48,624)	(22,142)
Net Debt	74,337	100,061

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