etrion

Management's Discussion and Analysis
Three and Nine Months Ended September 30, 2026

At a Glance

Etrion Corporation

Etrion Corporation was created as a renewable energy development company. From our inception we have been committed to contributing to the diversification of the energy mix by leveraging the abundance of renewable resources to generate clean, reliable and cost-effective solar energy.

In 2021, Etrion sold all its operating and under construction solar parks in Japan to two different Japanese consortiums. The Company no longer owns or controls any energy assets or projects and has the intention to wind up in due course. Any cash remaining at the completion of the windup activities and settlement of all liabilities of the Company will be distributed to shareholders.

For more information about our Company, take a look on our website at: www.etrion.com

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Management's discussion and analysis

Management's discussion and analysis

This management's discussion and analysis ("MD&A") for Etrion Corporation ("Etrion" or the "Company" or, together with its subsidiaries, the "Group") is intended to provide an overview of the Group's operations, financial performance and a description of current and future business opportunities. This MD&A, prepared as of November 4, 2026, should be read in conjunction with the Company's condensed consolidated interim financial statements and accompanying notes for the three and nine months ended September 30, 2026. Financial information is reported in United States dollars ("$" or "USD"). Exchange rates for the relevant currencies of the Group with respect to the $ are as follows:

	€/$
Closing rate at September 30, 2026	1.14
Closing rate at September 30, 2025	1.17
Nine months average rate 2026	1.16
Nine months average rate 2025	1.12

Non-IFRS financial measures and forward-looking statements

The terms "adjusted net income (loss)", "earnings before interest, tax, depreciation and amortization" ("EBITDA") and "Adjusted EBITDA", used throughout this MD&A, are non-IFRS measures and therefore do not have standardized meanings prescribed by IFRS and may not be comparable to similar measures disclosed by other companies. The basis for calculation has not changed and has been applied consistently by the Company over all periods presented. Adjusted net income (loss) is a useful metric to quantify the Company's ability to generate cash before extraordinary and non-cash accounting transactions recognized in the financial statements (the most comparable IFRS measure is net income (loss) as reconciled on page 11). EBITDA is useful to analyze and compare profitability between companies and industries because it eliminates the effects of financing and certain accounting policy decisions, while Adjusted EBITDA is also useful because it excludes expenses that are expected to be non-recurring (the most comparable IFRS measure for both EBITDA and Adjusted EBITDA is net income (loss) as reconciled on page 11). In addition, adjusted operating cash flow is used by investors to compare cash flows from operating activities without the effects of certain volatile items that can positively or negatively affect changes in working capital and are viewed as not directly related to a company's operating performance (the most comparable IFRS measure is cash flow used in operations as reconciled on page 11). This MD&A contains forward-looking information based on the Company's current expectations, estimates, projections and assumptions. This information is subject to a number of risks and uncertainties, many of which are beyond the Company's control. Users of this information are cautioned that actual results may differ materially from the information contained herein. For information on material risk factors and assumptions underlying the forward-looking information, refer to the "Cautionary statement regarding forward-looking information" on page 16.

THIRD QUARTER 2026 HIGHLIGHTS

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Third quarter 2026 highlights

	Three months ended		Nine months ended	
USD thousands (unless otherwise stated)	Q3-26	Q3-25	Q3-26	Q3-25
Financial results from continuing operations				
EBITDA	(139)	(196)	(287)	(548)
Net income (loss)	212	(262)	287	(1,165)

	Sep 30 2026	Dec 31 2025
Balance sheet		
Total assets	1,105	1,616
Cash and cash equivalents	1,060	1,533
Working capital	1,050	1,379

Operational highlights

- The Company sold all the solar assets in 2021 and did not develop any new project during the three and nine months ended September 30, 2026.

Financial highlights

- Etrion closed the third quarter of 2026 with an unrestricted cash balance of $1.1 million and positive working capital of $1.1 million.

BUSINESS REVIEW

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Business review

Business overview

Etrion Corporation was created as an independent renewable energy developer. Etrion's largest shareholder is the Lundin family, which owns approximately 36% of the Company's shares directly and through various trusts. Etrion is based in Geneva, Switzerland. As of the date of this MD&A, the Company has no employees.

In 2021, Etrion sold all its operating and under construction solar parks in Japan to two different Japanese consortiums and therefore it has disposed of all of its solar assets. On August 24, 2021, the Company distributed $109.2 million to the shareholders as a return of capital, and the share capital was reduced accordingly. On May 27th, 2025, the Company distributed $0.0117 per share to the shareholders as a return of capital for a total amount of $3.9 million, and the share capital was reduced accordingly.

After the sale of all of the Company's assets and partial return of capital to shareholders, the Company applied to voluntarily delist the common shares. Such delisting from the TSX became effective after the close of trading on September 17, 2021 and from the Nasdaq after the close of trading on January 4, 2022.

The Company is pursuing reimbursement of certain tax payments (Tremonti Ambiente) in Italy for the 2010–2013 tax years. On July 27, 2022, the Regional Tax Court in Rome ruled partially in favor of the Company and recognized a right to a refund of EUR 6 million, excluding accrued interest and before legal fees and other costs. The Italian tax authority has appealed the ruling to the Supreme Court, where the case remains pending. The timing of the decision is uncertain; management's best estimate is that it will be issued by the end of 2027. The refund has not been recognized as an asset because its receipt depends on the outcome of the appeal.

Any cash remaining at the completion of the windup activities, collection of contingent assets and settlement of all liabilities of the Company will be distributed to shareholders.

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Financial review

Financial results

Selected financial information

During the three and nine months ended September 30, 2026, the Group's performance and results were primarily influenced by the absence of business activities and the associated expenses related to operating Etrion as a public company. Selected IFRS consolidated financial information, is as follows:

	Three months ended		Nine months ended	
USD thousands (except per share data)	**Q3-26**	**Q3-25**	**Q3-26**	**Q3-25**
Revenue	-	-	-	-
Gross profit	-	-	-	-
Net income (loss) for the period	**212**	**(262)**	**287**	**(1,165)**
Net income (loss) attributable to owners of Etrion	212	(262)	287	(1,165)
Basic and diluted income (loss) per share for the period:	**$0.00**	**$(0.00)**	**$0.00**	**$(0.00)**

Net income (loss) for the period	**212**	**(262)**	**287**	**(1,165)**
Adjustments to net loss for:				
Net income tax expense	-	14	-	19
Net finance costs	(362)	58	(581)	630
Changes in working capital	(69)	(17)	(144)	(180)
Income tax paid	-	-	-	(1)
Operating cash outflow	**(219)**	**(207)**	**(438)**	**(697)**

Summarized consolidated balance sheet information, prepared in accordance with IFRS, is as follows:

USD thousands	**September 30 2026**	**December 31 2025**
Non-current assets	-	-
Current assets	1,105	1,616
Total assets	**1,105**	**1,616**
Non-current liabilities	-	-
Current liabilities	55	237
Total liabilities	**55**	**237**
Net assets	**1,050**	**1,379**

Financial review

Continued

Non-GAAP performance measures

Reconciliation of adjusted net loss to net loss	Three months ended		Nine months ended	
USD thousands	Q3-26	Q3-25	Q3-26	Q3-25
Net income (loss) from operations	**212**	**(262)**	**287**	**(1,165)**
Write-off of VAT receivables (non-recurring)	26	-	26	-
Adjusted net income (loss)	**238**	**(262)**	**313**	**(1,165)**

Reconciliation of adjusted operating cash flows to operating cash flows	Three months ended		Nine months ended	
USD thousands	Q3-26	Q3-25	Q3-26	Q3-25
Operating cash outflow operations	**(219)**	**(207)**	**(438)**	**(697)**
- Changes in working capital	69	17	144	180
- Income tax paid	-	-	-	1
Adjusted operating cash outflow operations	**(150)**	**(190)**	**(294)**	**(516)**

Reconciliation of Adjusted EBITDA to EBITDA	Three months ended		Nine months ended	
USD thousands	Q3-26	Q3-25	Q3-26	Q3-25
Net income (loss) from operations	**212**	**(262)**	**287**	**(1,165)**
Adjustments for:				
Net income tax expense	-	14	-	19
Net finance (income) costs	(351)	52	(574)	598
EBITDA	**(139)**	**(196)**	**(287)**	**(548)**
Adjustment for non-recurring items:				
Write-off of VAT receivables	**26**	**-**	**26**	**-**
Adjusted EBITDA	**(113)**	**(196)**	**(261)**	**(548)**

Financial review

Continued

Quarterly selected financial information

Selected consolidated financial information, prepared in accordance with IFRS, is as follows:

USD thousands (except per share data)	Q3-26	Q2-26	Q1-26	Q4-25	Q3-25	Q2-25	Q1-25	Q4-24
Revenue	-	-	-	-	-	-	-	-
Net income (loss)	**212**	**69**	**6**	**(297)**	**(262)**	**(585)**	**(318)**	**53**
Net income (loss) from operations attributable to owners of Etrion	212	69	6	(297)	(262)	(585)	(318)	53
Net income (loss) attributable to owners of Etrion	212	69	6	(297)	(262)	(585)	(318)	53
Basic and diluted (loss) earnings per share:								
From operations attributable to owners of Etrion	$0.00	$0.00	$0.00	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$0.00

The Company is no longer producing electricity and generating revenue, following the sale of all solar assets in 2021. The Group's condensed consolidated financial statements are presented in $, which is the Group's presentation currency. The Company's functional currency is the $. The condensed consolidated interim financial statements have been prepared in accordance with IFRS.

Financial review

Continued

General and administrative expenses

	Three months ended		Nine months ended	
USD thousands	**Q3-26**	**Q3-25**	**Q3-26**	**Q3-25**
Directors' fees and expenses	14	18	45	51
Professional fees	92	100	115	299
Listing and marketing	10	18	87	106
Office lease	-	6	-	11
Office, travel and other	3	50	10	73
Taxes other than income	(6)	4	4	8
Total G&A	**113**	**196**	**261**	**548**

During the three and nine months ended September 30, 2026, general and administrative expenses decreased by 42% and 52%, compared with the same periods in 2025 due to the reduced activity of the corporation.

In addition, during the three and nine months ended September 30, 2026, the Group recognized other expenses of $26 thousand (2025: $nil) relating to the non-recurring write-off of VAT receivables, which had no cash impact.

Net finance (income) costs

	Three months ended		Nine months ended	
USD thousands	**Q3-26**	**Q3-25**	**Q3-26**	**Q3-25**
Foreign exchange (gain) loss	(362)	58	(581)	630
Other finance (income) costs, net	11	(6)	7	(32)
Net finance (income) costs	**(351)**	**52**	**(574)**	**598**

During the three and nine months ended September 30, 2026, the Group recognized an unrealized foreign exchange gain of $0.4 million and $0.6 million (2025: foreign exchange loss of $58 thousand and $0.6 million). The foreign exchange gain for the nine months comprises $0.4 million arising on the intercompany loan payable by the Company to its wholly-owned Luxembourg subsidiary, Solar Resources Holding S.à r.l., following the appreciation of the USD against the EUR, and $0.2 million arising in the Group's subsidiary whose functional currency is the Swiss franc, on its EUR- and USD-denominated intercompany balances, following the depreciation of the CHF against both currencies.

Income tax expense

	Three months ended		Nine months ended	
USD thousands	**Q3-26**	**Q3-25**	**Q3-26**	**Q3-25**
Income tax expense	-	14	-	19
Total income tax	**-**	**14**	**-**	**19**

During the three and nine months ended September 30, 2026, the Group recognized an income tax expense of $nil (2025: $14 thousand and $19 thousand) associated with its management services subsidiaries.

Financial review

Continued

Financial position

Liquidity and financing

Cash position

USD thousands	September 30 2026	December 31 2025
Cash and cash equivalents	1,060	1,533
Total cash and cash equivalents	**1,060**	**1,533**

Unrestricted cash analysis

The Group's cash and cash equivalents at September 30, 2026, included unrestricted cash of $1.1 million. The Company's management is confident that the Group will be able to fund its working capital requirements for at least 12 months from the date of these consolidated financial statements.

Working capital

At the date of this MD&A, the Group had no more contractual obligations in regards of project loans and O&M contracts. The only obligations pertain to the trade and other payables amounting to $55 thousand as of September 30, 2026. All of the contractual obligations will be funded from existing cash available, with no additional capital investments to be made by the Group.

Net equity

During the nine months ended September 30, 2026, total equity attributable to owners of the Company decreased by $0.3 million from a net asset position of $1.4 million at December 31, 2025, to a net asset position of $1.1 million at September 30, 2026. During the period the Company recognized a net comprehensive loss of $0.3 million.

On April 15, 2025, the Company's Board of Directors declared an additional distribution of US$0.011735 (CAD$0.016) per common share to shareholders and holders of restricted stock units. The distribution was made as a return of capital to shareholders, and the capital of the common shares was reduced accordingly.

Outstanding share data

At the date of this MD&A, the Company had 334,094,324 common shares (November 11, 2025: 334,094,324).

Off-balance sheet arrangements

The Group had no off-balance sheet arrangements at September 30, 2026, and December 31, 2025.

Capital investments

Following the completion of the sale of its Japanese solar assets, the Group has no required capital investments.

Critical accounting policies and estimates

In connection with the preparation of the Company's condensed interim consolidated financial statements, the Company's management has made assumptions and estimates about future events and applied judgments that affect the reported values of assets, liabilities, revenues, expenses and related disclosures. These assumptions, estimates and judgments are based on historical experience, current trends and other factors that the Company's management believes to be relevant at the time the consolidated financial statements are prepared. On a regular basis, the Company's management reviews the accounting policies, assumptions, estimates and judgments to ensure that the consolidated financial statements are presented fairly in accordance with IFRS. However, because future events and their effects cannot be determined with certainty, actual results could differ from these assumptions and estimates, and such differences could be material.

There has been no change to the critical accounting estimates and assumptions used in the preparation of the Company's condensed consolidated interim financial statements for the three and nine months ended September 30, 2026, from those disclosed in the notes to the Company's consolidated financial statements for the year ended December 31, 2025.

Related parties

For the purposes of preparing the Company's condensed interim consolidated financial statements, parties are considered to be related if one party has the ability to control the other party, or if one party can exercise significant influence over the other party in making financial and operational decisions. The Company's major shareholder is the Lundin family, which collectively owns directly and through various investment trusts approximately 36% of the Company's common shares. All related party transactions are made on terms equivalent to those made on an arm's length basis. The related party transactions disclosed in the notes to the Company's condensed consolidated interim financial statements for the three and nine months ended September 30, 2026, are summarized below.

Related party transactions

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. The key management of the Group include members of the Board of Directors and the Chief Executive Officer, Marco A. Northland.

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Other disclosures

Risks and uncertainties

Following the completion of the sale of its solar projects, there are no material risks to which the Group is exposed. The Company plans to maintain a cash reserve for corporate level liabilities and anticipated expenses to cover continuing operations and windup costs.

Disclosure controls and internal control over financial reporting

In accordance with National Instrument 52-109 Certification of Disclosures in Issuers' Annual and Interim Filings, the Company's Chief Executive Officer and Chief Financial Officer are required to:

- design or supervise the design and evaluate the effectiveness of the Group's disclosure controls and procedures ("DC&P"); and
- design or supervise the design and evaluate the effectiveness of the Group's internal controls over financial reporting ("ICFR").

The Company's Chief Executive Officer and Chief Financial Officer have not identified any material weakness in the Group's DC&P and ICFR.

Cautionary statement regarding forward-looking information

Forward-looking information and statements are included throughout this MD&A and include, but are not limited to, statements with respect to the possibility that the Company may pursue an alternative business venture or proceed to wind up its activities and dissolve following the completion of the sale of its solar assets and the anticipated distribution of remaining available funds to shareholders in connection with the dissolution of the Company. The above constitute forward-looking information, within the meaning of applicable Canadian securities legislation, which involves risks, uncertainties and factors that could cause actual results or events to differ materially from current expectations, including, without limitation: uncertainties with respect to the Company's ongoing activities following the completion of such sale; the risk that the Company may have insufficient funds to satisfy its future obligations, including without limitation uncertainties with respect to the outcome of its current litigation; uncertainties with respect to the determination of whether the Company will pursue an alternative business venture or proceed with dissolution and winding-up; uncertainties with respect to the timing of any such determination; in the case of a determination to proceed with an alternative business, the nature of such business; and, in the case of a the dissolution and winding-up of the Company, the amount of funds that will be available for distribution at the time of dissolution. All such forward-looking information is based on certain assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors the Company believes are appropriate in the circumstances. In addition to the assumptions set out elsewhere in this MD&A, such assumptions include, but are not limited to assumptions as to the amount of funds that will be required to satisfy potential warranty claims under the sale agreements, other corporate level liabilities and anticipated expenses to cover continuing operations and windup costs. Actual results, performance or achievements could differ materially from those expressed in, or implied by, such forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or, if any of them do so, what benefits will be derived therefrom. Investors should not place undue reliance on forward-looking information. Except as required by law, Etrion does not intend to update or revise any forward-looking information, whether as a result of new information, future events or otherwise. The information contained in this MD&A is expressly qualified by this cautionary statement.

Additional information

Additional information regarding the Company, including its Annual Information Form, may be found on the SEDAR website at www.sedar.com or by visiting the Company's website at www.etrion.com