

PRESS RELEASE

Etrion Announces Potential Sale of Japanese Solar Assets

October 21, 2020, Geneva, Switzerland – Etrion Corporation (“Etrion” or the “Company”) (TSX: ETX / OMX: ETX), a solar independent power producer, announces that it is exploring strategic alternatives to maximize the value of its solar portfolio in Japan.

Etrion has engaged Mitsubishi UFJ Morgan Stanley Securities Co., Ltd (“MUMSS”) as financial advisor to assist with the potential sale of the Company’s 57-megawatt operating solar portfolio and its 45-megawatt solar park under construction in Japan.

The Company has received several non-binding proposals from strategic and financial investors regarding the potential purchase of its Japanese assets. A short-listed group of interested parties is now engaged in detailed due diligence of the assets. Management anticipates receiving one or more binding offers by end of the year and expects to close a sale by the end of the first quarter in 2021, subject to the negotiation of final agreements and the receipt of any required shareholder and regulatory approvals.

Management Comments

Marco Antonio Northland, Etrion’s Chief Executive Officer, commented: “We have built a world-class solar portfolio in Japan that has attracted a large number of interested investors in the current environment. As a result, we are conducting a formal sale process for these assets to maximize shareholder value. We look forward to receiving final offers by the end of the year. If we conclude a sale of the Japanese portfolio next year, we would look to distribute a portion of the proceeds to shareholders in the most efficient way possible.”

About Etrion

Etrion Corporation is an independent power producer that develops, builds, owns and operates utility-scale solar power generation plants. The Company owns and operates 57 MW of solar capacity and owns the 45 MW Niigata project under construction, all in Japan. The Company is listed on the Toronto Stock Exchange in Canada and the NASDAQ OMX Stockholm exchange in Sweden under ticker symbol “ETX”. Etrion’s largest shareholder is the Lundin family, which owns approximately 36% of the Company’s shares directly and through various trusts.

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Note: The capacity of power plants in this release is described in approximate megawatts on a direct current (“DC”) basis, also referred to as megawatt-peak (“MWp”).

This information is information that Etrion Corporation is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 11:05 p.m. CET on October 21, 2020.

Forward-Looking Information:

This press release contains certain “forward-looking information”. All statements, other than statements of historical fact, that address activities, events or developments that Etrion believes, expects or anticipates will or may occur in the future (including, without limitation, statements relating to the proposed sale of the Company’s Japanese assets). This forward-looking information reflects the current expectations or beliefs of Etrion based on information currently available to it as well as certain assumptions (including, in addition to those stated elsewhere in this press release, that the Company will receive an acceptable offer for the assets as well as all necessary regulatory approvals). Forward-looking information is subject to a number of significant risks and uncertainties and other factors that may cause actual results to differ materially from those discussed in the forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, Etrion. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to, the risk that the Company will not receive an acceptable offer for the Japanese assets and that even if such an offer is received, that the Company will be unable to negotiate appropriate definitive agreements and/or will not receive the required shareholder and regulatory approvals .

Any forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, Etrion disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise. Although Etrion believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty thereof.

The outcome of the sale process is subject to receiving binding offers that are deemed to be economically acceptable and to negotiating definitive agreements. Any sale of the Company’s Japanese project portfolio would also be subject to approval by the Company’s shareholders as well as all necessary regulatory approvals. Shareholders are advised that there can be no certainty that any acceptable offers will be received as a result of the sale process, that any sale or other transaction will be concluded, nor as to the terms on which any offer or other transaction may be made.