ECN CAPITAL

Management Discussion & Analysis

SEPTEMBER 30, 2023

The following management discussion and analysis ("MD&A") provides information management believes is relevant to an assessment and understanding of the financial condition and results of operations of ECN Capital Corp. (the "Company" or "ECN Capital") as at and for the three and nine-month periods ended September 30, 2023, in comparison to the corresponding prior year periods. This MD&A, which has been prepared as of November 13, 2023, is intended to supplement and complement the interim unaudited condensed consolidated financial statements and notes thereto, prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"), as at and for the three and nine-month periods ended September 30, 2023 (the "interim consolidated financial statements"), which readers are encouraged to read in conjunction with their review of this MD&A. This MD&A should be read in conjunction with the Company's annual audited consolidated financial statements for the years ended December 31, 2022 (the "2022 Annual Consolidated Financial Statements") and December 31, 2021 (the "2021 Annual Consolidated Financial Statements"). Additional information relating to the Company, including the Company's Annual Information Form, is available on SEDAR at www.sedar.com and on the Company's website at www.ecncapitalcorp.com.

Certain comparative figures have been reclassified to conform to the current period's presentation. All amounts set forth in this MD&A are in U.S. dollars unless otherwise noted.

Cautionary Statement

This analysis has been prepared taking into consideration information available to November 13, 2023. Certain statements contained in this report constitute "forward looking statements". When used in this report, the words "may", "would", "could," "will," "intend," "plan," "anticipate," "believe," "estimate," "expect," and similar expressions, as they relate to the company, or its management, are intended to identify forward-looking statements. Such statements reflect our current views with respect to future events and are subject to inherent risks, uncertainties and numerous assumptions, including, without limitation, general economic and industry conditions, reliance on debt financing, dependence on borrowers, dependence on financing its business through funding commitments and the sale of loan portfolios to banks and other financial institutions, inability to recover receivables, competition, interest rates, regulation, demand for financing in the specialty finance sector, insurance, failure of key systems, debt service, future capital needs and such other risks or factors described from time to time in reports of ECN Capital.

By their nature, forward looking statements involve numerous assumptions, known and unknown, risks and uncertainties, both general and specific, which contribute to the possibility that predictions, forecasts, projections and other forms of forward looking information may not be achieved. Many factors could cause our actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward looking statements and readers are cautioned that the list of factors in the foregoing paragraph is not exhaustive. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Accordingly, readers are cautioned not to place undue reliance on forward looking statements or interpret or regard forward-looking statements as guarantees of future outcomes. Except as may be required by applicable Canadian securities laws, we do not intend, and disclaim any obligation to update or rewrite any forward-looking statements whether oral or written as a result of new information, future events or otherwise.

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Overview

ABOUT ECN

ECN Capital Corp. ("ECN Capital" or the "Company") is a leading provider of business services to North American based banks, credit unions, life insurance companies, pension funds and institutional investors (collectively our "Partners"). ECN Capital originates, manages and advises on credit assets on behalf of our Partners, specifically consumer (manufactured housing and recreational vehicle and marine) loans and commercial (inventory finance or floorplan) loans. Our Partners are seeking high quality assets to match with their deposits, term insurance or other liabilities. These services are offered through two operating segments: (i) Manufactured Housing Finance, and (ii) Recreational Vehicle and Marine ("RV and Marine") Finance. Headquartered in South Florida and Toronto, the registered office is located at 199 Bay Street, Suite 4000, Toronto, Ontario, Canada. ECN Capital has approximately 520 employees and operates principally in the United States. The Company is a public corporation and trades on the Toronto Stock Exchange ("TSX") under the symbol "ECN".

BUSINESS STRATEGY

ECN Business Model

The Company owns a portfolio of operating businesses that operate under a fee-based, asset-light model through which it leverages highly specialized expertise, industry knowledge, regulatory compliance and strategic relationships. This specialized business model provides significant barriers to entry. Our core investor companies are: Triad Financial Services, Inc. ("Triad Financial Services"), Source One Financial Services, LLC ("Source One") and Intercoastal Financial Group, LLC ("IFG"). ECN Capital has managed assets[1] of continuing operations of approximately $4.8 billion and our customers include more than 100 bank, credit union, insurance company, pension plan and institutional investor partners. ECN Capital partners with these financial institutions rather than competing with them. Specifically, our Partners are the decision makers inside each institution who are looking for appropriate portfolio solutions to match customer deposits, term insurance and other liabilities. We meet our customer needs by offering the following portfolio solutions:

- Manufactured Housing Finance
- RV and Marine Finance
- Inventory Finance

The Company's focus is to drive origination and asset management growth as well as broadening our Partner relationships through the marketing of our solutions across our network of 100+ Partners. In pursuit of these objectives: (i) The Company provides its portfolio companies with capital, extensive knowledge and scale to help grow their businesses within their large addressable markets; and (ii) The Company continuously brings new funding relationships and structures to our portfolio companies.

(1) This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

The Company’s operating businesses have demonstrated each of the following value propositions:

- Significant barriers to entry including long-term relationships with banks, credit unions, insurance companies and institutional investors that are its customers
- Business longevity resulting in favorable regulatory outcomes; No objection or negative comments from financial services regulators
- Exclusive/preferred manufacturer and dealer arrangements that drive origination services
- Established originator/manager/adviser of consumer credit assets with a history of strong performance across business cycles
- Superior credit quality across portfolios with a long-term track record of servicing/ management excellence
- Capital-light businesses with solid growth profiles
- Scalable platforms with established operations and proprietary intellectual capital

Our intention is to partner with banks, credit unions, insurance companies and other institutional investors, and not to compete with them. If and when our Partners or their competitors look to directly compete with ECN's investor companies, ECN will consider exiting the business on terms acceptable to shareholders.

A description of each of our core business segments is provided below.

Core Business Segments:

Manufactured Housing Finance

Triad Financial Services

Founded in 1959, Triad Financial Services is the oldest manufactured housing finance company in the U.S. Triad Financial Services is a premier portfolio solutions platform focused on originating and managing longer duration secured consumer loan portfolios for 50+ active Partners. These assets are primarily prime and super-prime loans to consumers for the purchase of manufactured homes throughout the U.S. Originations are sourced through a long-established national network of dealers and manufacturers. Triad’s Fitch-rated servicing department manages the growing portfolio of manufactured housing loans on behalf of their third party owners. In addition, Triad Financial Services provides floorplan financing for dealers and manufacturers in the industry. Triad Financial Services is headquartered in Jacksonville, Florida and is licensed in 47 States.

RV and Marine Finance

Source One

Founded in 1999, Source One is a premier provider of consumer lending programs and outsourced finance and insurance solutions to the recreational vehicle and marine industries. Through an established and growing network of dealers covering 40+ states, Source One originates prime and super-prime loans to consumers to facilitate the purchase of recreational and marine vehicles. Source One is headquartered in Lakeville, Minnesota.

Intercoastal Financial Group

Founded in 1987, Intercoastal Financial Group is a premier provider of consumer lending programs to the recreational vehicle and marine industries. Through an established network of sales representatives nationwide, Intercoastal Financial Group originates prime and super-prime loans to consumers to facilitate the purchase of recreational and marine vehicles. Intercoastal Financial Group is headquartered in Fort Pierce, FL.

Key Business Developments

Information related to the developments in support of the Company's business strategy for the three and nine-month periods ended September 30, 2023 are outlined below.

STRATEGIC PARTNERSHIP WITH SKYLINE CHAMPION

On September 26, 2023, the Company completed the previously announced transaction pursuant to which Champion Canada Holdings Inc., a wholly-owned subsidiary of Skyline Champion Corporation ("Skyline Champion"), has made an approximately C$185 million (US$138 million) equity investment in ECN Capital on a private placement basis (the "Private Placement") in exchange for 33,550,000 common shares of ECN Capital and 27,450,000 mandatory convertible Series E preferred shares of ECN Capital ("Series E Preferred Shares"). Following closing, Skyline Champion owns an approximately 19.9% indirect equity interest in ECN Capital (assuming the conversion of all Series E Preferred Shares).

In connection with the Private Placement, ECN Capital and Skyline Champion have formed Champion Financing LLC, a captive finance company that is 51% owned by an affiliate of Skyline Champion and 49% owned by Triad Financial Services ("Champion Financing"). Champion Financing will provide a tailored retail finance loan program for customers and a new branded floorplan offering for Skyline Champion, its affiliates and their independent retailers in the manufactured home finance space and will operate with services by Triad Financial Services. The formation of Champion Financing will enable Skyline to capture a greater share of economics from financing its product suite, capture competitive market share by offering a comprehensive dealer/customer solution, increase control of and significantly improve the customer experience, and generate higher dealer loyalty and ensure deep access to financing through economic cycles.

As part of the Strategic Investment, the Company has committed to fully implementing its previously announced expense reduction plan as well as a Board approved corporate simplification plan ("Corporate Simplification Plan").

Pursuant to the Corporate Simplification Plan: (i) ECN will seek approval to change its name to Triad Financial Services Corp., and (ii) ECN corporate overhead will be eliminated or transitioned directly into Triad.

REVIEW OF STRATEGIC ALTERNATIVES

The RV and Marine Finance business remains under review with operational improvements, cost reductions, and strategic alternatives under consideration. The transition to institutional flow funding for the RV and Marine Finance business is also ongoing.

As part of this review and the previously announced Corporate Simplification Plan, the Company has classified its Red Oak RV and Marine Inventory Finance business as held-for-sale effective September 30, 2023. The Company expects to complete the disposition of this business in the first quarter of 2024. The sale of Red Oak will release debt and equity capital that the Company can redeploy into the Manufactured Housing Finance business to support the many growth opportunities arising from the Company's strategic partnership with Skyline Champion. The company recorded a provision of $4 million, which represents the best estimate of transaction costs, as a result of the classification of the Red Oak business as held-for-sale.

ACQUISITION OF WAKE LENDING, LLC

On January 31, 2023, the Company acquired all of the outstanding equity interests in Wake Lending, LLC (“Wake Lending”), a recreational vehicle and marine finance company, for cash consideration of $2.5 million. Founded in 2018, Wake Lending originates prime and super-prime loans on behalf of 10+ bank Partners through a network of dealers and premier sales representatives primarily on the western coast of the U.S. This acquisition expands the geographic presence of the Company's RV and Marine Finance segment.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") UPDATE

The company is dedicated to continuously improving its ESG impact, and the disclosure of these issues to our stakeholders. In 2021, the Company began to explore ways to reduce paper consumption and waste across all business units. We continued this effort in 2022 with a focus on our acquisitions in the RV & Marine segment. In the second quarter of 2023, we migrated file storage for Intercoastal Financial Group to the cloud as part of the transition to a completely paperless process. This will reduce paper consumption in the interim and serves as an important milestone in becoming completely paperless. We continue to make progress with our paperless initiative at Intercoastal Financial Group and expect to be completely paperless in 2024. In the third quarter of 2023, at Source One, we have also developed and implemented processes to reduce the paper consumption of our lender and dealer partners.

CORPORATE FINANCE DEVELOPMENTS

Normal Course Issuer Bids

On September 19, 2023, the TSX approved the renewal of the Company’s Normal Course Issuer Bid (the “Common Share Bid”) for common shares of the Company and the Company’s Normal Course Issuer Bid (the “Preferred Share Bid” and, together with the Common Share Bid, the “NCIBs”) for the Company’s Series C Preferred Shares for commencement on September 21, 2023. Pursuant to the NCIBs, the Company may repurchase up to an additional 6,329,034 common shares and 371,240 Series C Preferred Shares, representing approximately 5% and 10% of the public float of each of the common shares and Series C Preferred Shares, respectively. The NCIBs will end on the earlier of September 20, 2024 or the completion of purchases under the applicable NCIB.

During the three and nine-month periods ended September 30, 2023, the Company did not purchase any common shares or Series C Preferred Shares pursuant to the NCIBs. During the nine-month period ended September 30, 2022, the Company purchased 550,200 common shares for a total of $2.5 million (C$3.2 million) or C$5.04 per common share pursuant to the Common Share Bid.

CHANGE IN NON-IFRS MEASURE

Beginning in the second quarter of 2023, the Company began using adjusted revenue as a performance measure to assess the businesses' current revenue with historical and future periods. We believe adjusted revenue is a key measure of the Company's operating performance over the long term and provides greater comparability across reporting periods. We define adjusted revenue as revenue excluding the impact of fair value adjustments related to the impact of the change in interest rates and transition to selling loans primarily to institutional buyers from banks and credit unions. Non-IFRS measures are intended to provide additional information only and do not have any standardized meaning prescribed by IFRS, and therefore our definition of adjusted revenue may not be comparable to adjusted revenue presented by other issuers. Please see the Non-IFRS and Other Performance Measures section of this MD&A for further information.

Results of Operations

The following table sets forth a summary of the Company's consolidated results from continuing operations and is to be read in conjunction with the Company's consolidated financial statements for the same periods.

	For the three-month period ended			For the nine-month period ended	
	September 30, 2023	June 30, 2023	September 30, 2022	**September 30, 2023**	September 30, 2022
(in 000's for stated values, except per share amounts)	$	$	$	$	$
Select metrics:					
Originations	**571,537**	621,958	679,492	**1,658,551**	1,690,481
Average earning assets - Owned (1)	**560,276**	663,697	447,640	**630,626**	351,206
Average earning assets - Managed (1)	**4,758,760**	4,691,710	3,920,153	**4,635,431**	3,551,466
Period end earning assets - Owned (1)	**494,601**	625,952	514,763	**494,601**	514,763
Period end earning assets - Managed (1)	**4,804,083**	4,713,436	4,081,188	**4,804,083**	4,081,188
Operating results:					
Loan origination revenues	**18,258**	13,327	37,695	**54,259**	99,653
Servicing revenues	**8,461**	6,902	5,743	**21,721**	15,632
Interest income	**17,944**	18,987	11,284	**56,135**	25,260
Other revenue	**1,027**	(1,286)	3,288	**(652)**	6,006
Total revenue	**45,690**	37,930	58,010	**131,463**	146,551
Operating expenses	**26,323**	26,006	26,584	**76,770**	75,821
Interest expense	**19,727**	20,141	13,129	**58,089**	27,818
Depreciation & amortization	**2,005**	1,747	1,770	**5,455**	5,103
Other expenses:					
Share-based compensation	**4,825**	2,138	2,392	**11,623**	8,700
Amortization of intangible assets from acquisitions	**1,901**	1,897	1,880	**5,685**	4,043
Accretion of deferred purchase consideration	**128**	128	128	**384**	128
Asset disposal, litigation costs and corporate restructure costs	**975**	7,303	—	**19,639**	—
Provision for assets held-for-sale	**4,000**	—	—	**4,000**	—
Transaction and strategic review costs	**2,464**	2,150	—	**7,280**	5,632
Net (loss) income before income taxes from continuing operations	**(16,658)**	(23,580)	12,127	**(57,462)**	19,306
(Recovery of) provision for income taxes	**(12,084)**	5,050	4,406	**(4,736)**	6,990
Net (loss) income from continuing operations	**(4,574)**	(28,630)	7,721	**(52,726)**	12,316
Net (loss) income from discontinued operations	**—**	—	(1)	**—**	10,115
Net (loss) income for the period	**(4,574)**	(28,630)	7,720	**(52,726)**	22,431
Cumulative dividends on preferred shares	**1,378**	1,384	1,409	**4,126**	3,679
Net (loss) income for the period attributable to common shareholders	**(5,952)**	(30,014)	6,311	**(56,852)**	18,752
Weighted Average number of shares outstanding (basic)	**247,008**	245,727	246,766	**246,038**	246,872
(Loss) earnings per share (basic) - continuing operations attributable to common shareholders	**$(0.02)**	$(0.12)	$0.03	**$(0.23)**	$0.03
Earnings per share (basic) - discontinued operations attributable to common shareholders	**$—**	$—	$—	**$—**	$0.04
Adjusted operating results:					
Adjusted revenue (1):					
Loan originations revenue	**22,951**	25,857	37,695	**71,482**	99,653
Servicing revenue	**8,461**	6,902	5,743	**21,721**	15,632
Interest income	**17,944**	18,987	11,284	**56,135**	25,260
Other revenue	**1,027**	(1,286)	3,288	**(652)**	6,006
Total adjusted revenue (1)	**50,383**	50,460	58,010	**148,686**	146,551
Operating expenses	**26,323**	26,006	26,584	**76,770**	75,821
Adjusted EBITDA (1)	**24,060**	24,454	31,426	**71,916**	70,730
Interest expense	**19,727**	20,141	13,129	**58,089**	27,818
Depreciation & amortization	**2,005**	1,747	1,770	**5,455**	5,103
Adjusted operating income before tax (1)	**2,328**	2,566	16,527	**8,372**	37,809
Adjusted net income (1)	**1,862**	2,053	13,222	**6,698**	30,247
Adjusted net income applicable to common shareholders (1)	**484**	669	11,813	**2,572**	26,568
Adjusted net income per share (basic) (1)	**$0.01**	$0.01	$0.05	**$0.03**	$0.12
Adjusted net income applicable to common shareholders per share (basic) (1)	**$—**	$—	$0.05	**$0.01**	$0.11

(1) This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

The following discussion relates to the results of operations for the three and nine-month periods ended September 30, 2023 presented on a continuing operations basis.

Q3 AND Q3 YTD 2023 vs Q3 AND Q3 YTD 2022

The Company reported total revenue of $45.7 million and $131.5 million for the third quarter and nine-month periods ended September 30, 2023, compared to $58.0 million and $146.6 million, respectively, for the prior year periods. Excluding the impact of an approximately $4.7 million revenue adjustment recorded in the current quarter and $17.2 million recorded in the nine-month period ended September 30, 2023 due to the rapid increase in benchmark interest rates, the prolonged industry backlog, and the shift in the funding mix from traditional banks and credit unions to institutional asset managers, which resulted in a significant lag between the approval of retail manufactured housing loans, and in particular Land Home retail manufactured housing loans, and the sale of the loans, total adjusted revenue[1] was $50.4 million and $148.7 million for the third quarter and nine-month periods ended September 30, 2023, respectively, compared to $58.0 million and $146.6 million, respectively, for the prior year periods. The quarter-to-date decrease in adjusted revenue[1] primarily reflects lower loan origination revenues at our business segments and lower corporate revenues, partially offset by the growth in servicing revenues and interest income at our Manufactured Housing Finance segment. The year-to-date increase in adjusted revenue[1] primarily reflects the growth in servicing revenues and interest income at our Manufactured Housing Finance segment, partially offset by lower loan origination revenues at each of our business segments and lower corporate revenues.

Total originations for the third quarter and nine-month periods ended September 30, 2023 were $571.5 million and $1.7 billion, respectively, compared to $679.5 million and $1.7 billion, respectively, for the prior year periods. Manufactured Housing Finance managed assets increased 17.7% to $4.8 billion compared to $4.1 billion in the prior year quarter, which drove the increase in servicing revenues. Higher interest income in the current year quarter was primarily driven by higher average finance assets balances in 2023 and higher interest rates.

The table below illustrates the Company’s operating expenses for the three and nine-month periods ended September 30, 2023 and September 30, 2022:

	For the three-month period ended		For the nine-month period ended	
	September 30, 2023	September 30, 2022	**September 30, 2023**	September 30, 2022
(in 000’s for stated values)	**$**	$	**$**	$
Manufactured Housing Finance	**20,291**	19,446	**58,377**	55,942
RV and Marine Finance	**2,932**	2,796	**8,946**	6,404
Business segment operating expenses	**23,223**	22,242	**67,323**	62,346
Corporate operating expenses	**3,100**	4,342	**9,447**	13,475
Total operating expenses	**26,323**	26,584	**76,770**	75,821

Operating expenses were $26.3 million and $76.8 million for the third quarter and nine-month periods ended September 30, 2023, respectively, compared to $26.6 million and $75.8 million for the prior year periods. The quarter-to-date and year-to-date increases in business segment operating expenses primarily reflect the continued investment in growth and operational improvement initiatives across our businesses and the growth in managed assets at our Manufactured Housing Finance segment. The quarter-to-date and year-to-date decreases in corporate operating expenses are primarily attributable to cost reduction initiatives.

Interest expense was $19.7 million and $58.1 million for the third quarter and nine-month periods ended September 30, 2023, respectively, compared to $13.1 million and $27.8 million in the prior year periods. The quarter-to-date and year-to-date increases in interest expense reflect higher average borrowings, primarily due to higher average floorplan and held-for-trading financial assets balances in 2023, and a higher average borrowing rate.

Depreciation and amortization expense was $2.0 million and $5.5 million for the third quarter and nine-month periods ended September 30, 2023, respectively, compared to $1.8 million and $5.1 million in the prior year periods.

Other expenses, which include share-based compensation, amortization of intangible assets and other items, were $14.3 million and $48.6 million for the third quarter and nine-month periods ended September 30, 2023, respectively, compared to $4.4 million and $18.5 million in the prior year periods. Share-based compensation expense was $4.8 million and $11.6 million for the third quarter and nine-month periods ended September 30, 2023, respectively, compared to $2.4 million and $8.7 million for the prior year periods, primarily due to an approximately $1.5 million impact of the closeout of a related hedge contract in the current year quarter. Other expenses for the third quarter and nine-month periods ended September 30, 2023 include asset disposal, litigation, and corporate restructure costs of $1.0 million and $19.6 million, respectively, related to the termination of office leases, disposition of corporate assets and executive head count reductions. These initiatives will result in operating cost, depreciation expense and interest expense reductions of approximately $10 million to $13 million on an annualized basis. Other expenses for the third quarter and nine-month periods ended September 30, 2023 also include transaction and strategic review costs of $2.5 million and $7.3 million, respectively, related to the Company's review of strategic alternatives, and a $4.0 million provision which represents expected selling costs associated with assets-held-for-sale as a result of the Company's plan to sell its RV & Marine Inventory Finance platform.

Adjusted EBITDA[1] was $24.1 million and $71.9 million for the third quarter and nine-month periods ended September 30, 2023, respectively, compared to $31.4 million and $70.7 million for the prior year periods. The decrease in adjusted EBITDA[1] in the current quarter primarily reflects lower origination revenues at our business segments and lower corporate revenues. Adjusted net income applicable to common shareholders[1] was $0.5 million or $0.00 per share and $2.6 million or $0.01 per share for the third quarter and nine-month periods ended September 30, 2023, respectively, compared to adjusted net income of $11.8 million or $0.05 per share and $26.6 million or $0.11 per share for the prior year periods. The decrease in adjusted net income applicable to common shareholders[1] in the current quarter primarily reflects lower adjusted EBITDA[1] and higher interest expense.

The Company reported a net loss from continuing operations of $4.6 million and $52.7 million for the third quarter and nine-month periods ended September 30, 2023, respectively, compared to net income of $7.7 million and $12.3 million for the prior year periods, primarily due to lower loan originations revenue and higher other expenses in 2023.

1. This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

ECN CAPITAL

Business Segment Results

RESULTS OF MANUFACTURED HOUSING FINANCE SEGMENT

The following table sets forth a summary of the Company's select metrics and results from the Manufactured Housing Finance segment for the three-month periods ended September 30, 2023, June 30, 2023, and September 30, 2022 and the nine-month periods ended September 30, 2023 and September 30, 2022.

	For the three-month period ended			For the nine-month period ended	
	September 30, 2023	June 30, 2023	September 30, 2022	**September 30, 2023**	September 30, 2022
(in 000's for stated values)	**$**	$	$	**$**	$
Select metrics:					
Originations	**360,609**	348,051	381,049	**994,877**	1,048,373
Managed assets, period end (1) (2)	**4,804,083**	4,713,436	4,081,188	**4,804,083**	4,081,188
Managed assets, period average (1) (2)	**4,758,760**	4,691,710	3,920,153	**4,635,431**	3,551,466
Manufactured housing loans	**141,894**	320,465	355,133	**141,894**	355,133
Held-for-trading financial assets	**290,385**	252,610	157,760	**290,385**	157,760
Loan originations revenue	**13,383**	7,107	29,883	**38,494**	80,739
Servicing revenue	**8,461**	6,902	5,743	**21,721**	15,632
Interest income & other revenue	**16,200**	17,513	11,317	**52,036**	24,804
Total revenue	**38,044**	31,522	46,943	**112,251**	121,175
Adjusted operating results:					
Adjusted revenue(1):					
Loan originations revenue(1)	**18,076**	19,637	29,883	**55,717**	80,739
Servicing revenue	**8,461**	6,902	5,743	**21,721**	15,632
Interest income & other revenue	**16,200**	17,513	11,317	**52,036**	24,804
Total adjusted revenue (1)	**42,737**	44,052	46,943	**129,474**	121,175
Operating expenses	**20,291**	19,928	19,446	**58,377**	55,942
Adjusted EBITDA (1)	**22,446**	24,124	27,497	**71,097**	65,233
Interest and depreciation expense	**14,554**	14,383	6,472	**42,296**	12,610
Adjusted operating income before tax (1)	**7,892**	9,741	21,025	**28,801**	52,623

(1) This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.
(2) Managed assets, period end and managed assets, period average for prior periods were originally reported based on estimates. Changes to prior period reported numbers reflect final managed assets balances.

Manufactured Housing Finance originations for the third quarter and nine-month periods ended September 30, 2023 were $360.6 million and $994.9 million respectively, down 5.4% and 5.1% from the comparable prior year periods. Managed assets[1] were $4.8 billion as at September 30, 2023, an increase of 17.7% compared to managed assets[1] of $4.1 billion as at September 30, 2022.

Traditionally, this segment is impacted by seasonality, with the second and third quarters of the year being the strongest performing quarters, which is illustrated in the table below. In 2023, the manufactured housing market has returned to its customary seasonal trends, which have been muted the past couple of years due to the industry shipment backlog.

Originations (US$ millions)								
Q3, 2021	Q4,2021	Q1, 2022	Q2, 2022	Q3, 2022	Q4, 2022	Q1, 2023	Q2, 2023	Q3, 2023
299	300	287	381	381	323	286	348	361

Loan originations revenue for the third quarter and nine-month periods ended September 30, 2023 was $13.4 million and $38.5 million, respectively. Excluding the impact of an approximately $4.7 million provision recorded in the current quarter and $17.2 million recorded in the nine-month period ended September 30, 2023, adjusted loan originations revenue[1] for the third quarter and nine-month periods ended September 30, 2023 of $18.1 million and $55.7 million, respectively, was down 39.5% and 31.0% from the prior year periods. The decrease in adjusted revenues was primarily driven by lower premiums earned on portfolio sales to institutional asset managers, primarily due to the impact of bulk portfolio sales. The Company made the decision to sell a portfolio of loans on a non-flow basis in the third quarter in order to reduce the held-for-trading finance assets on the balance sheet at reduced margins. The Company expects to complete another such transaction in the fourth quarter. The impact of this was approximately $10.3 million for the current quarter. Based on the higher rates and improved terms of loans currently being originated by Triad, reduced industry backlogs resulting in a faster close time between loan approval and funding and the strength of core chattel loan originations, Triad anticipates loan origination revenue margins will improve in the fourth quarter and into 2024.

Servicing revenues of $8.5 million and $21.7 million for the third quarter and nine-month periods ended September 30, 2023 were up 47.3% and 39.0%, respectively, from the prior year periods, reflecting growth in managed assets and an increase in full serviced accounts.

Interest income and other revenue for the third quarter and nine-month periods ended September 30, 2023 was $16.2 million and $52.0 million, respectively up 43.1% and 109.8% from the prior year periods, primarily driven by higher average floorplan loan balances and higher interest rates in 2023.

Adjusted EBITDA[1] and adjusted operating income before tax[1] were $22.4 million and $7.9 million, respectively, for the current quarter compared to $27.5 million and $21.0 million, respectively, for the prior year quarter. For the nine-month period ended September 30, 2023, adjusted EBITDA[1] and adjusted operating income before tax[1] were $71.1 million and $28.8 million, respectively, compared to $65.2 million and $52.6 million for the prior year period.

Manufactured Housing Finance floorplan loans were $141.9 million as at September 30, 2023, compared to $320.5 million as at June 30, 2023 and $355.1 million as at September 30, 2022. Floorplan loans enable dealers to finance their inventory and support the growth of their businesses. These loans strengthen the relationship with our dealers and manufacturers. The decrease in floorplan loans from the immediately preceding quarter is primarily attributable to the reclassification of approximately $140.3 million of floorplan loans to assets held-for-sale as a result of the Company's plan to sell its RV & Marine Inventory Finance platform, which operates through Triad Financial Services, as well as the impact of floorplan loans that were flowed to an institution partner starting in the second quarter of 2023.

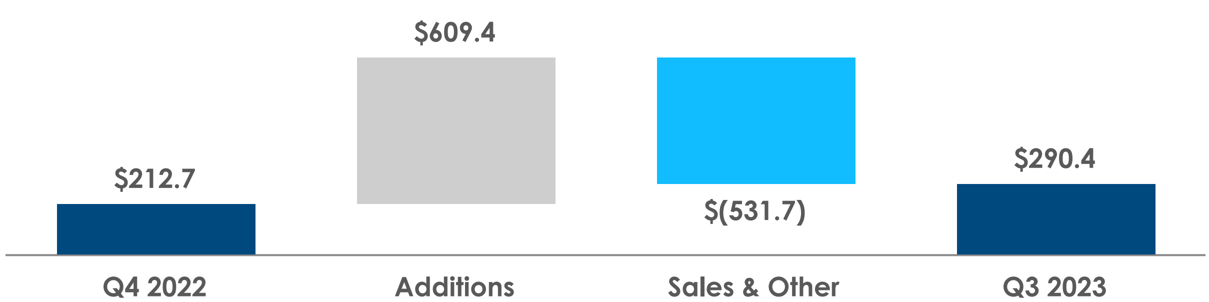
During 2023, Triad entered into an agreement with an existing institutional partner to flow and manage up to $300 million in floorplan loans. Triad sold approximately $70 million and $200 million of floorplan loans to this partner for the third quarter and nine-month periods ended September 30, 2023, respectively, and will execute monthly transactions going forward. With this program in place and subsequent programs currently being negotiated, Triad will have significant opportunity to continue to grow its inventory finance business through expanded dealer utilization and added community business through its ongoing rollout. These programs leverage Triad's successful history and track record in the floorplan business over the last 5 years and provide another example of Triad's ability to launch, prove and convert a balance sheet program to an asset light flow program.

This transaction is also consistent with ECN's strategy to actively diversify funding from deposit-taking institutions to large institutional asset managers. These arrangements result in a deeper pool of funding with longer term commitments that support the growth of ECN's businesses, at the expense of lower origination fee margins.

Held-for-trading financial assets were $290.4 million as at September 30, 2023, compared to $252.6 million as at June 30, 2023 and $157.8 million as at September 30, 2022. Held-for-trading financial assets consist of loans that are originated on behalf of our Partners with the intention of selling through under bulk loan portfolio sales agreements. The increase during the current quarter was primarily driven by a significant reduction in the Land Home construction in process pipeline as the industry backlogs that impacted the time frame between loan approvals and funding returns to historical levels. We estimate the held-for-trading balance at the end of 2023 to be below $275 million as the shift to more strategic investor partners purchasing pooled loan portfolios will result in a higher average balance than prior years.

Held-for-Trading Financial Assets

(US$ millions)



Manufactured Housing Finance Segment 2023 Outlook

Based on the performance to date and the originations pipeline for the remainder of 2023, the Company is further updating its 2023 outlook for Manufactured Housing Finance. Please see the table below for the Company's updated 2023 outlook for the Manufactured Housing Finance Segment, as compared to its original 2023 forecast range.

	Updated 2023 Forecast Range		Original 2023 Forecast Range	
Select Metrics (US$ millions)				
Total originations	**1,300**	**1,400**	**1,500**	**1,600**
Floorplan line utilized	**150**	**200**	**400**	**500**
Managed & advised portfolio (period end)	**5,000**	**5,200**	**5,500**	**5,900**
Income Statement (US$ millions)				
Adjusted loan origination revenues(1)	**72**	**76**	**115**	**127**
Servicing revenues	**28**	**30**	**28**	**30**
Interest income & other revenue	**67**	**71**	**71**	**75**
Total revenues	**167**	**177**	**214**	**232**
Adjusted EBITDA (1)	**90**	**96**	**126**	**140**
Adjusted operating income before tax (1)	**35**	**39**	**77**	**87**

The material factors and assumptions used to develop the forward-looking information related to the 2023 outlook for the Manufactured Housing Finance segment include expected originations volumes, including the ability to grow such originations; expectations regarding our ability to attract new Partners, vendor relationships and new customers and develop and maintain relationships with existing Partners, vendors and customers; the continued availability of funding Partner capacity at expected and contracted levels and the growth and/or renewals of existing funding pipeline commitments from Partners required to meet our anticipated originations levels; continued competitive intensity in the segment in the manufactured housing segment; no significant legal or regulatory developments, no significant deterioration in economic conditions, or macro changes in the competitive environment affecting our business activities; and key interest rates remaining in line with current market expectations throughout the remainder 2023.

1. This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

RESULTS OF RV AND MARINE FINANCE SEGMENT

The following table sets forth a summary of the Company's select metrics and results from the RV and Marine Finance segment for the three-month periods ended September 30, 2023, June 30, 2023, and September 30, 2022 and the nine-month periods ended September 30, 2023 and September 30, 2022. Operating results from IFG and Wake Lending are included from their respective dates of acquisition. IFG was acquired on July 1, 2022 and Wake Lending was acquired on January 31, 2023.

	For the three-month period ended			For the nine-month period ended	
	September 30, 2023	**June 30, 2023**	**September 30, 2022**	**September 30, 2023**	**September 30, 2022**
(in 000's for stated values)	**$**	$	$	**$**	$
Select Metrics					
Originations	**210,928**	273,907	298,443	**663,674**	642,108
RV and Marine loans	**9,523**	11,972	1,870	**9,523**	1,870
Held-for-trading financial assets	**52,799**	40,904	—	**52,799**	—
Operating results					
Originations revenue	**4,875**	6,220	7,812	**15,765**	18,914
Interest income & other revenue	**1,516**	1,007	86	**3,048**	90
Total revenue	**6,391**	7,227	7,898	**18,813**	19,004
Operating expenses	**2,932**	3,049	2,796	**8,946**	6,404
Adjusted EBITDA (1)	**3,459**	4,178	5,102	**9,867**	12,600
Interest and depreciation expense	**1,148**	866	139	**2,501**	239
Adjusted operating income before tax (1)	**2,311**	3,312	4,963	**7,366**	12,361

(1) This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

RV and Marine Finance originations for the three and nine-month periods ended September 30, 2023 were $210.9 million and $663.7 million, respectively, compared to $298.4 million and $642.1 million in the prior year periods, primarily reflecting the acquisitions of IFG and Wake Lending.

Traditionally, this segment is impacted by seasonality, with the second and third quarters of the year being the strongest performing quarters, which is illustrated in the table below. In 2023, the RV and marine market has returned to its customary seasonal trends, which became distorted in the years during and immediately following the COVID-19 pandemic.

Originations (US$ millions) (1)								
Q3, 2021	Q4,2021	Q1, 2022	Q2, 2022	Q3, 2022	Q4, 2022	Q1, 2023	Q2, 2023	Q3, 2023
252	209	247	416	306	186	179	274	211

(1) Includes results from periods prior to the Company's acquisition of Source One on December 21, 2021, IFG on July 1, 2022, and Wake Lending on January 31, 2023.

Loan originations revenue for the three and nine-month periods ended September 30, 2023 were $4.9 million and $15.8 million, down 37.6% and 16.6%, respectively, from prior year periods. Origination activity in 2023 has slowed relative to comparable periods in 2022 and 2021 as consumers adjust shopping behaviors to the higher rate environment and economic uncertainty, normalizing inventory levels, a higher percentage of cash buyers, and a return to historical buying patterns.

Operating expenses for the three and nine-month periods ended September 30, 2023 were $2.9 million and $8.9 million, up 4.9% and 39.7% from the prior year periods, reflecting the acquisitions of IFG and Wake Lending and the continued investment in growth initiatives across the RV and Marine Finance segment.

Adjusted EBITDA[1] and adjusted operating income before tax[1] were $3.5 million and $2.3 million, respectively, for the current quarter and $9.9 million and $7.4 million, respectively, for the year-to-date period.

RV and Marine Finance Segment 2023 Outlook

The Company maintains its previously updated 2023 outlook for RV and Marine Finance. Please see the table below for the Company's updated 2023 outlook for the RV and Marine Finance Segment, as compared to its original 2023 forecast range.

	Updated 2023 Forecast Range		Original 2023 Forecast Range	
Select Metrics (US$ millions)				
Total originations	800	1,000	1,250	1,350
Income Statement (US$ millions)				
Total revenues	22	26	42	46
Adjusted EBITDA (1)	10	14	28	32
Adjusted operating income before tax (1)	8	10	24	28

The material factors and assumptions used to develop the forward-looking information related to the 2023 outlook for the RV and Marine Finance segment include expected originations volumes, including the ability to grow such originations; expectations regarding our ability to attract new Partners, vendor relationships and new customers and develop and maintain relationships with existing Partners, vendors and customers; the continued availability of funding Partner capacity at expected and contracted levels and the growth and/or renewals of existing funding pipeline commitments from Partners required to meet our anticipated originations levels; continued competitive intensity in the segment in the RV and marine segment; no significant legal or regulatory developments, no significant deterioration in economic conditions, or macro changes in the competitive environment affecting our business activities; key interest rates remaining in line with current market expectations throughout the remainder of 2023; and that the roll-out of anticipated floorplan and other products across the RV and Marine Finance business continues on its expected timing and progress.

1. This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

RESULTS OF CORPORATE SEGMENT

The following table sets forth a summary of the Company's select metrics and results from the Corporate segment for the three-month periods ended September 30, 2023, June 30, 2023, and September 30, 2022 and the nine-month periods ended September 30, 2023 and September 30, 2022.

	For the three-month period ended			For the nine-month period ended	
	September 30, 2023	June 30, 2023	September 30, 2022	**September 30, 2023**	September 30, 2022
(in 000's for stated values)	**$**	**$**	**$**		
Operating results					
Revenues	**1,255**	(819)	3,169	**399**	6,372
Operating expenses	**3,100**	3,029	4,342	**9,447**	13,475
Adjusted EBITDA (1)	**(1,845)**	(3,848)	(1,173)	**(9,048)**	(7,103)
Interest expense	**5,382**	6,100	7,312	**16,991**	17,115
Depreciation & amortization	**648**	539	976	**1,756**	2,957
Adjusted operating (loss) income before tax (1)	**(7,875)**	(10,487)	(9,461)	**(27,795)**	(27,175)

(1) This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

Corporate revenue was $1.3 million and $0.4 million for the three and nine-month periods ended September 30, 2023, respectively, compared to $3.2 million and $6.4 million for the comparable prior year periods. Revenue primarily consists of gains/losses from legacy corporate investments and gains/losses from foreign currency transactions and related hedge contracts.

Corporate operating expenses were $3.1 million and $9.4 million for the three and nine-month periods ended September 30, 2023, respectively, compared to $4.3 million and $13.5 million for the comparable prior year periods.

Corporate interest expense was $5.4 million for the current quarter, compared to $7.3 million for the prior year quarter.

Total average borrowings on the term senior facility credit during the third quarter of 2023 were $806.3 million compared to $849.1 million in the preceding quarter.

Financial Position

The following tables set forth a summary of the Company's balance sheet, including a breakdown by core business segment, as at September 30, 2023, June 30, 2023 and September 30, 2022.

	September 30, 2023			
(in 000's for stated values, except percentage amounts)	**Manufactured Housing Finance** $	**RV & Marine Finance** $	**Corporate** $	**Total** $
Assets				
Cash	10,588	11,588	1,574	**23,750**
Restricted funds	—	2,576	—	**2,576**
Accounts Receivable	136,719	3,671	1,969	**142,359**
Finance assets				
Loans receivable	141,894	9,523	—	**151,417**
Held-for-trading financial assets	290,385	52,799	—	**343,184**
Total finance assets	432,279	62,322	—	**494,601**
Retained reserve interest	37,756	—	—	**37,756**
Continuing involvement asset	55,743	—	—	**55,743**
Goodwill and intangible assets	75,296	157,545	711	**233,552**
Deferred tax assets	5,229	—	18,149	**23,378**
Other assets and investments	21,184	2,892	55,430	**79,506**
Assets held-for-sale	140,254	—	—	**140,254**
Total Assets	**915,048**	**240,594**	**77,833**	**1,233,475**
Liabilities				
Borrowings	624,831	52,402	123,453	**800,686**
Continuing involvement liability	55,743	—	—	**55,743**
Other liabilities	19,621	16,510	77,292	**113,423**
Total Liabilities	700,195	68,912	200,745	**969,852**
Earning Assets - Owned and Managed				
Earning assets - owned (1)	432,279	62,322	—	**494,601**
Earning assets - managed (1)	4,804,083	—	—	**4,804,083**
Total Earning Assets - Owned and Managed (1)	**5,236,362**	**62,322**	**—**	**5,298,684**

Total finance assets from continuing operations were $494.6 million as at September 30, 2023 compared to $626.0 million as at June 30, 2023 and $514.8 million as at September 30, 2022. The decrease compared to the second quarter of 2023 primarily reflects a reclassification of approximately $140.3 million of RV and Marine Finance floorplan loans to assets held-for-sale as part of a committed plan to sell its RV & Marine Inventory Finance platform, which operates through Triad Financial Services, partially offset by higher held-for-trading financial assets.

Borrowings from continuing operations were $800.7 million as at September 30, 2023 compared to $956.7 million as at June 30, 2023 and $993.6 million as at September 30, 2022. The decrease compared to June 30, 2023 primarily reflects net repayment activity during the quarter driven by proceeds from the Private Placement.

Earning assets - managed[1] of $4.8 billion as at September 30, 2023 reflects managed loans at our Manufactured Housing Finance segment.

	June 30, 2023			
(in 000's for stated values, except percentage amounts)	Manufactured Housing Finance $	RV & Marine Finance $	Corporate $	Total $
Assets				
Cash	35,537	10,387	932	**46,856**
Restricted funds	—	2,597	—	**2,597**
Accounts Receivable	172,399	4,459	3,198	**180,056**
Finance assets				
Loans receivable	320,465	11,972	—	**332,437**
Held-for-trading financial assets	252,610	40,904	—	**293,514**
Total finance assets	573,075	52,876	—	**625,951**
Retained reserve interest asset	36,812	—	—	**36,812**
Continuing involvement asset	59,982	—	—	**59,982**
Goodwill and intangible assets	73,006	159,419	765	**233,190**
Deferred tax assets	6,405	—	4,508	**10,913**
Other assets and investments	18,668	2,597	73,432	**94,697**
Total Assets	**975,884**	**232,335**	**82,835**	**1,291,054**
Liabilities				
Borrowings	674,831	42,753	239,110	**956,694**
Continuing involvement liability	59,982	—	—	**59,982**
Other liabilities	29,206	26,087	77,952	**133,245**
Total Liabilities	764,019	68,840	317,062	**1,149,921**
Earning Assets - Owned and Managed				
Earning assets - owned (1)	573,075	52,876	—	**625,951**
Earning assets - managed (1)	4,713,436	—	—	**4,713,436**
Total Earning Assets - Owned and Managed (1)	**5,286,511**	**52,876**	**—**	**5,339,387**

(1) This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

(in 000's for stated values, except percentage amounts)	Manufactured Housing Finance $	RV & Marine Finance $	Corporate $	Continuing Operations $	Discontinued Operations	Total
	September 30, 2022					
Assets						
Cash	1,788	14,563	2,713	**19,064**	—	**19,064**
Restricted funds	—	2,621	—	**2,621**	—	**2,621**
Accounts Receivable	168,631	6,944	6,658	**182,233**	—	**182,233**
Loans receivable	355,133	—	—	**355,133**	—	**355,133**
Held-for-trading financial assets	157,760	1,870	—	**159,630**	—	**159,630**
Total finance assets	512,893	1,870	—	**514,763**	—	**514,763**
Retained reserve interest	36,269	—	—	**36,269**	—	**36,269**
Continuing involvement asset	77,556	—	—	**77,556**	—	**77,556**
Goodwill and intangible assets	70,383	159,075	751	**230,209**	—	**230,209**
Deferred tax assets	—	—	30,318	**30,318**	—	**30,318**
Other assets and investments	15,705	1,547	133,894	**151,146**	—	**151,146**
Assets held-for-sale	—	—	—	**—**	270,218	**270,218**
Total Assets	**883,225**	**186,620**	**174,334**	**1,244,179**	**270,218**	**1,514,397**
Liabilities						
Borrowings	496,140	2,000	495,455	**993,595**	—	**993,595**
Continuing involvement liability	77,556	—	—	**77,556**	—	**77,556**
Other liabilities	35,789	27,551	76,024	**139,364**	—	**139,364**
Taxes Payable	3,641	—	8,095	**11,736**	—	**11,736**
Liabilities held for sale	—	—	—	**—**	85,608	**85,608**
Total Liabilities	613,126	29,551	579,574	**1,222,251**	85,608	**1,307,859**
Earning Assets - Owned and Managed						
Earning assets - owned (1)	512,893	1,870	—	**514,763**	—	**514,763**
Earning assets - managed (1)	4,081,188	—	—	**4,081,188**	—	**4,081,188**
Total Earning Assets - Owned and Managed (1)	**4,594,081**	**1,870**	**—**	**4,595,951**	**—**	**4,595,951**

(1) This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

Delinquencies

The contractual delinquency of finance receivables at each reporting period is as follows:

	September 30, 2023		June 30, 2023		September 30, 2022	
	$	%	$	%	$	%
Current	**151,479**	**99.16**	332,615	99.62	356,044	100
31-60 days past due	**—**	**—**	—	—	—	—
61-90 days past due	**—**	**—**	1,279	0.38	—	—
Greater than 90 days past due	**1,279**	**0.84**	10	—	—	—
Total continuing operations	**152,758**	**100**	333,904	100	356,044	100

Allowance for Credit Losses

Credit losses and provisions as at and for each of the respective periods are as follows:

	Three-month period ended September 30, 2023	Year ended December 31, 2022	Three-month period ended September 30, 2022
(in 000's except percentage amounts)		$	$
Allowance for credit losses, beginning of period	**1,467**	527	722
Provision for credit losses	**281**	539	189
Transfer to assets held-for-sale	**(407)**	—	—
Allowance for credit losses, end of period	**1,341**	1,066	911

The Company's allowance for credit losses was $1.3 million as at September 30, 2023, compared to $1.1 million as at December 31, 2022. The allowance for credit losses of $1.3 million as at September 30, 2023 is in line with management's expectation of losses from the business segments and the current mix of assets.

Liquidity & Capital Resources

An important liquidity measure for the Company is its ability to maintain diversified funding sources to support its operations. The Company's primary sources of liquidity are: (i) cash flows from operating activities; (ii) borrowings on our term senior credit facility and proceeds from the issuance of our senior unsecured debentures; (iii) funding commitments from our Partners; and (iv) equity. The Company's primary use of cash is the funding of its capital allocation priorities, including funding organic growth initiatives for our new businesses, acquisition opportunities and returning capital to shareholders. The Company manages its capital resources by utilizing the financial leverage available under its senior credit facilities, selling loans that we originate to our Partners and, when additional capital is required, the Company has access to capital through the issuance of convertible debt, preferred or common shares.

The Company's capitalization and key leverage ratios are as follows:

		As at		
(in 000's for stated values, except for percentage amounts)		**September 30, 2023** **$**	June 30, 2023 $	September 30, 2022 $
Total debt, including borrowings on term senior credit facility and senior unsecured debentures	**(a)**	**800,686**	956,694	993,595
Shareholders' equity	**(b)**	**263,623**	141,133	206,538
Debt to equity ratio	**(a)/(b)**	**3.04**	6.78	4.81

As at September 30, 2023, the Company's debt to equity ratio was 3.04:1.

Finance receivables are securitized or sold to third party funding counterparties on a regular basis to ensure cash is available to fund new transactions. Cash levels are also monitored by management. In addition, the Company adheres to a strict policy of matching the maturities of owned finance assets and the related debt as closely as possible in order to manage its liquidity position.

The Company's available sources of financing are as follows:

	As at		
(in 000's)	**September 30, 2023** **$**	June 30, 2023 $	September 30, 2022 $
Cash and cash equivalents	**23,750**	46,856	19,064
Senior Facilities			
Facilities	**900,000**	900,000	900,000
Utilized against Facility	**653,000**	805,652	819,487
Unutilized Borrowing Facilities (i.e., excl. Cash & Equiv.)	**247,000**	94,348	80,513
Total available sources of capital, end of period	**270,750**	141,204	99,577

As at September 30, 2023, the unutilized balance of the borrowing facility was approximately $247.0 million compared to $94.3 million at June 30, 2023 and $80.5 million at September 30, 2022. This $247.0 million in unutilized borrowings is in addition to the commitments in place to fund loan originations from our business segments for 2023. Management believes the available liquidity from its cash and equivalents, unutilized borrowing capacity and the funding commitments in place at its business segments is sufficient to fund operations and internal growth initiatives.

![ECN Capital]

Summary of Quarterly Information

The following table sets out selected financial information for each of the eight most recent quarters, the latest of which ended as at September 30, 2023. The information should be read in conjunction with ECN Capital's audited and interim unaudited consolidated financial statements, the notes thereto and the related management discussion and analysis for the relevant periods.

Key factors that account for the fluctuation in the Company's quarterly results include the year-over-year growth in originations at Triad Financial Services and the seasonality of our businesses from period to period. ECN acquired Triad Financial Services on December 29, 2017, Source One on December 21, 2021, Intercoastal Financial Group on July 1, 2022 and Wake Lending on January 31, 2023.

(in $ 000's for stated values, except ratio and per share amounts)	**Q3, 2023**	Q2, 2023	Q1, 2023	Q4, 2022	Q3, 2022	Q2, 2022	Q1, 2022	Q4, 2021
Adjusted operating income before tax [1]	**2,328**	2,566	3,478	6,804	16,527	15,556	5,726	2,274
Amortization of intangibles	**1,901**	1,897	1,887	1,870	1,880	1,100	1,063	310
Accretion of deferred purchase consideration	**128**	128	128	128	128	—	—	(1)
Share based compensation	**4,825**	2,138	4,660	3,489	2,392	1,592	4,716	13,299
Asset disposal, litigation and corporate restructure costs	**975**	7,303	11,361	3,044	—	—	—	6,054
Transaction and strategic review costs	**2,464**	2,150	2,666	321	—	5,632	—	3,074
Fair value adjustment	**4,693**	12,530	—	—	—	—	—	—
Provision for assets held-for-sale	**4,000**	—	—	—	—	—	—	—
Net (loss) income before income taxes	**(16,658)**	(23,580)	(17,224)	(2,048)	12,127	7,232	(53)	(20,462)
Net (loss) income from continuing operations	**(4,574)**	(28,630)	(19,522)	(5,596)	7,721	4,631	(36)	(14,047)
Net income (loss) from discontinued operations	**—**	—	—	(944)	(1)	4,610	5,506	934,971
Net (loss) income - total	**(4,574)**	(28,630)	(19,522)	(6,540)	7,720	9,241	5,470	920,924
(Loss) earnings per share (basic) - continuing operations attributable to common shareholders	**($0.02)**	($0.12)	($0.09)	($0.03)	$0.03	$0.01	$0.00	($0.09)
Adjusted net income [1]	**1,862**	2,053	2,782	5,443	13,222	12,445	4,581	1,887
Adjusted net income per share (basic) [1]	**$0.01**	$0.01	$0.01	$0.02	$0.05	$0.05	$0.02	$0.01
Adjusted net income applicable to common shareholders per share (basic) [1]	**$0.00**	$0.00	$0.01	$0.02	$0.05	$0.05	$0.01	$0.00
Originations	**571,537**	621,958	465,056	506,844	679,492	613,020	397,970	299,611
Period end earning assets - owned	**494,601**	625,952	701,442	700,509	514,763	380,516	282,829	226,715
Period end earning assets - managed	**4,804,083**	4,713,436	4,669,984	4,354,221	4,081,188	3,759,117	3,247,854	3,117,704
Period end earning assets - total	**5,298,684**	5,339,388	5,371,426	5,054,730	4,595,951	4,139,633	3,530,683	3,344,419
Allowance for credit losses	**1,341**	1,467	1,064	1,066	911	722	595	527
Allowance % of finance receivables [1]	**0.27 %**	0.23 %	0.15 %	0.15 %	0.18 %	0.19 %	0.21 %	0.23 %
Term senior credit facility & other	**642,932**	795,254	873,427	851,235	840,479	653,880	196,245	107,664
Senior unsecured debentures	**157,754**	161,440	157,627	156,763	153,116	164,458	168,997	166,933
Total debt	**800,686**	956,694	1,031,054	1,007,998	993,595	818,338	365,242	274,597
Shareholders' equity	**263,623**	141,133	172,050	193,675	206,538	228,855	230,308	218,627

(1) For additional information, see "Non-IFRS and Other Performance Measures" section.

Non-IFRS and Other Performance Measures

DESCRIPTION OF NON-IFRS MEASURES

The Company uses certain measures to assess our financial performance that are not generally accepted accounting principles measures under IFRS ("Non-IFRS measures"). The Company believes the non-IFRS measures described below are more reflective of our ongoing operating results and provide readers with a better understanding of the Company's operating performance through the eyes of management. Non-IFRS measures are intended to provide additional information only and do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. These measures should not be considered in isolation or as a substitute for measures of performance determined under IFRS.

The following discussion describes the non-IFRS measures we use in evaluating our operating results.

Adjusted Revenue

We define adjusted revenue as revenue excluding the impact of fair value adjustments related to the impact of the change in interest rates and transition to selling loans primarily to institutional buyers from banks and credit unions. Management believes it is appropriate to adjust for these items because they are not considered reflective of recurring business operating results, and the exclusion of these items provides greater comparability across reporting periods. We believe adjusted revenue is a key measure of the Company's operating performance over the long term and provides greater comparability across reporting periods. For a reconciliation of adjusted revenue to revenue, being the most directly comparable IFRS measure, please see "Reconciliation of non-IFRS to IFRS measures" below.

Adjusted Earnings before interest expense, taxes, depreciation and amortization ("adjusted EBITDA")

We define adjusted EBITDA as net income before interest expense, income tax expense, depreciation and amortization, adjusted to exclude the impact of share-based compensation, amortization of intangible assets acquired in business combinations, accretion of deferred purchase consideration, corporate restructuring costs, transaction costs, asset disposal and litigation costs, cumulative dividends on preferred shares, income tax, and certain non-recurring items. Management believes it is appropriate to adjust for these items because share-based compensation and amortization of intangible assets are primarily non-cash in nature, accretion of deferred purchase consideration is considered part of the purchase price consideration for business acquisitions notwithstanding the accounting treatment which views all or a portion of the related payments to be an operating expense, corporate restructuring, transaction costs, and asset disposal and litigation costs do not relate to continuing operating activities, dividends on preferred shares are a financing cost not related to operating activities, and income tax is managed at a corporate level and is a function of the jurisdictions in which the Company operates and not the underlying performance of our business segments. We believe adjusted EBITDA is a key measure of the Company's operating performance over the long term and is a useful measure of the Company's ability to generate cash from operations to maintain and grow its core business. Investors and analysts also use adjusted EBITDA as a measure to compare the operating performance of different businesses in the business services sector and to assess the enterprise value of a business as adjusted EBITDA eliminates the impact of financing decisions. For a reconciliation of adjusted EBITDA to net income (loss) from continuing operations, being the most directly comparable IFRS measure, please see "Reconciliation of non-IFRS to IFRS measures" below.

Adjusted operating income before tax

Adjusted operating income before tax is net income excluding the impact of share-based compensation, amortization of intangible assets acquired in business combinations, accretion of deferred purchase consideration, corporate restructuring costs, transaction costs, asset disposal and litigation costs, cumulative dividends on preferred shares, income tax, and certain non-recurring items. Management believes it is appropriate to adjust for these items because share-based compensation and amortization of intangible assets are primarily non-cash in nature, accretion of deferred purchase consideration is considered part of the purchase price consideration for business acquisitions notwithstanding the accounting treatment which views all or a portion of the related payments to be an operating expense, corporate restructuring, transaction costs, and asset disposal and litigation costs do not relate to continuing operating activities, dividends on preferred shares are a financing cost not related to operating activities, and income tax is managed at a corporate level and is a function of the jurisdictions in which the Company operates and not the underlying performance of our business segments. Adjusted operating income before tax is a key operating measure used by management to assess the underlying operating performance of the Company's business segments, including the determination of amounts to be paid out pursuant to deferred purchase consideration plans and Performance Share Unit (PSU) plans. Management also uses this measure to prepare the internal budgets and forecasts that support the Company's public guidance. The presentation of this measure enables investors and analysts to better understand the underlying performance of our business segments. For a reconciliation of adjusted operating income before tax to net income (loss) from continuing operations, being the most directly comparable IFRS measure, please see "Reconciliation of non-IFRS to IFRS measures" below.

Adjusted net income and Adjusted net income applicable to common shareholders

Adjusted net income is net income excluding the impact of share-based compensation, amortization of intangible assets acquired in business combinations, accretion of deferred purchase consideration, corporate restructuring costs, transaction costs, asset disposal and litigation costs, and certain non-recurring items, less the applicable provision for income taxes excluding the tax impact of these adjustments. Management believes it is appropriate to adjust for these items because share-based compensation and amortization of intangible assets are primarily non-cash in nature, accretion of deferred purchase consideration is considered part of the purchase price consideration for business acquisitions notwithstanding the accounting treatment which views all or a portion of the related payments to be an operating expense, and corporate restructuring, transaction costs, and asset disposal and litigation costs do not relate to continuing operating activities. Adjusted net income applicable to common shareholders is computed as adjusted net income less cumulative preferred share dividends. Adjusted net income provides a consolidated view of the Company's underlying financial performance attributable to the common shareholders. The presentation of this measure enables investors and analysts to better understand the underlying performance of our business segments. For a reconciliation of adjusted net income to net income (loss) from continuing operations, being the most directly comparable IFRS measure, please see "Reconciliation of non-IFRS to IFRS measure" below.

Adjusted net income per share and Adjusted net income per share applicable to common shareholders

Adjusted net income per share is a non-IFRS ratio and is computed as adjusted net income divided by the basic weighted average number of common shares outstanding during the period. Adjusted net income per share applicable to common shareholders is a non-IFRS ratio and is computed as adjusted net income applicable to common shareholders divided by the basic weighted average number of common shares outstanding during the period.

Earning assets - owned

Earning assets - owned are the finance receivables from continuing operations held on our balance sheet.

Managed assets

Managed assets are the asset portfolios from continuing operations that the Company manages or services on behalf of its Partners.

In addition, the Company utilizes the following performance measures, which are derived from amounts calculated in accordance with IFRS to assess performance:

Allowance for credit losses as a percentage of finance receivables

Allowance for credit losses as a percentage of finance receivables is the allowance for credit losses at the end of the period divided by the finance receivables (gross of the allowance for credit losses) at the end of the period.

Finance assets or total finance assets

Finance assets are the sum of the total finance receivables.

Debt to equity ratio

Debt to equity ratio is calculated as total debt (borrowings) outstanding at the end of the period, divided by total shareholders' equity outstanding at the end of the period. Debt to equity refers to the use of debt to acquire/finance additional finance receivables and other assets and provides an indication of future potential ability to increase the level of debt when compared to specific industry-standard and/or existing debt covenants.

RECONCILIATION OF NON-IFRS TO IFRS MEASURES

The following table provides a reconciliation of non-IFRS to IFRS measures related to the Company's consolidated continuing results of operations for the three-month periods ended September 30, 2023, June 30, 2023, and September 30, 2022 and the nine-month periods ended September 30, 2023 and September 30, 2022.

	For the three-month period ended			For the nine-month period ended	
	September 30, 2023	June 30, 2023	September 30, 2022	**September 30, 2023**	September 30, 2022
(in 000's for stated values, except percent amounts)	**$**	$	$	**$**	$
Reconciliation of adjusted operating income before tax:					
Net (loss) income from continuing operations	**(4,574)**	(28,630)	7,721	**(52,726)**	12,316
Adjustments:					
Share-based compensation	**4,825**	2,138	2,392	**11,623**	8,700
Amortization of intangible assets	**1,901**	1,897	1,880	**5,685**	4,043
Accretion of deferred purchase consideration	**128**	128	128	**384**	128
Asset disposal, litigation and corporate restructure costs	**975**	7,303	—	**19,639**	—
Provision for assets held-for-sale	**4,000**	—	—	**4,000**	—
Transaction and strategic review costs	**2,464**	2,150	—	**7,280**	5,632
Fair value adjustment	**4,693**	12,530	—	**17,223**	—
Provision for income taxes	**(12,084)**	5,050	4,406	**(4,736)**	6,990
Adjusted operating income before tax	**2,328**	2,566	16,527	**8,372**	37,809
Adjusted operating income before tax comprised of:					
Manufactured Housing Finance Segment	**7,892**	9,741	21,025	**28,801**	52,623
Recreational Vehicles and Marine Finance Segment	**2,311**	3,312	4,963	**7,366**	12,361
Corporate	**(7,875)**	(10,487)	(9,461)	**(27,795)**	(27,175)
	2,328	2,566	16,527	**8,372**	37,809
Reconciliation of adjusted EBITDA:					
Adjusted operating income before tax	**2,328**	2,566	16,527	**8,372**	37,809
Interest expense	**19,727**	20,141	13,129	**58,089**	27,818
Depreciation & amortization	**2,005**	1,747	1,770	**5,455**	5,103
Adjusted EBITDA	**24,060**	24,454	31,426	**71,916**	70,730
Reconciliation of adjusted revenue:					
Total revenue	**45,690**	37,930	58,010	**131,463**	146,551
Fair value adjustment	**4,693**	12,530	—	**17,223**	—
Adjusted revenue	**50,383**	50,460	58,010	**148,686**	146,551
Reconciliation of adjusted net income and adjusted net income attributable to common shareholders:					
Adjusted operating income before tax	**2,328**	2,566	16,527	**8,372**	37,809
Provision for taxes applicable to adjusted operating income (1)	**466**	513	3,305	**1,674**	7,562
Adjusted net income	**1,862**	2,053	13,222	**6,698**	30,247
Cumulative preferred share dividends during the period	**1,378**	1,384	1,409	**4,126**	3,679
Adjusted net income attributable to common shareholders	**484**	669	11,813	**2,572**	26,568
Per share information					
Weighted average number of shares outstanding (basic)	**247,008**	245,727	246,766	**246,038**	246,872
Adjusted net income per share (basic)	**$0.01**	$0.01	$0.05	**$0.03**	$0.12
Adjusted net income applicable to common shareholders per share (basic)	**$0.00**	$0.00	$0.05	**$0.01**	$0.11

(1) Provision for taxes applicable to adjusted operating income reflects an effective tax rate of 20.0% for all periods presented.

ECN CAPITAL

Accounting and Internal Control Matters

Critical Accounting Policies and Estimates and Use of Judgments

The Company's significant accounting policies are described in note 2 of our 2022 Annual Consolidated Financial Statements. Certain of these policies, and related estimates and judgments have been identified as "critical" to the presentation of our financial condition and results of operations because they require us to make subjective and/or complex judgments about matters that are inherently uncertain; or there is a reasonable likelihood that materially different amounts could be reported under different conditions or using different assumptions and estimates. Our significant accounting judgments, estimates and assumptions relate to inventory, allowances for credit losses, income taxes, useful lives and residual values of equipment under operating leases, goodwill and intangible assets, derecognition of financial assets, and the outcome of contingencies such as lawsuits, claims or proceedings incident to the operation of our businesses. Our critical accounting policies and estimates have been reviewed and approved by our Audit Committee, in consultation with management, as part of their review and approval of our significant accounting policies, judgments, estimates and assumptions. Please refer to note 2 of our 2022 Annual Consolidated Financial Statements for a description of each of our significant accounting judgments, estimates and assumptions.

The preparation of financial statements in accordance with IFRS requires management to make estimates and exercise judgments that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. The estimates and judgments are made based on information available as at the date the consolidated financial statements are issued.

The Company is involved in various lawsuits, claims and proceedings incident to the operation of its businesses. Although the outcome of litigation cannot be predicted with certainty and some lawsuits, claims or proceedings may be disposed of unfavorably to us, it is management's opinion that none of these will have a material adverse effect on the Company's financial position, results of operations or cash flows. Costs related to such matters were not material to the periods presented.

Internal Control over Financial Reporting

The Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") are responsible for designing disclosure controls and procedures to ensure that material information is being recorded, processed, summarized, and reported to senior management, including the certifying officers and other members of the Board of Directors, on a timely basis, so that appropriate decisions can be made regarding public disclosure. In addition, the CEO and CFO are responsible to design, or cause to be designed under their supervision, internal controls over financial reporting to a standard that provides reasonable assurance of the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

It should be noted that while the Company's CEO and CFO believe that the Company's internal control system and disclosure controls and procedures provide a reasonable level of assurance that the objectives of the control systems are met, they do not expect that the Company's control systems will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurances that any designs will succeed in achieving its stated goals under all potential conditions.

The Company has an established process in place to ensure the effectiveness of the disclosure controls and internal controls over financial reporting.

Updated Share Information

The Company is currently authorized to issue (i) an unlimited number of common shares without nominal or par value and (ii) an unlimited number of preferred shares, issuable in series.

As at November 13, 2023, the Company had 279,946,742 common shares, 9,198,155 options, 3,712,400 Series C preferred shares, and 27,450,000 Series E preferred shares issued and outstanding.

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