

**Entrex Carbon Market, Inc.**  
**Management's Discussion and Analysis**  
**Fourth Quarter and Year Ended December 31, 2025**

#### **Fourth Quarter and Full-Year Overview**

The fourth quarter largely mirrored the challenges of the full year—prolonged and, at times, difficult.

The first two quarters of 2025, in particular, can best be characterized as a period of regulatory gridlock. In total, the Company spent approximately 17 months navigating an extended review process with FINRA, working closely with counsel led by Jim Byrd, whose persistence and tenacity were instrumental throughout.

Ultimately, it was only after formal legal actions were initiated by ICAN, led by Nicolas Morgan and Tiffany Rowe, against both FINRA and the U.S. Securities and Exchange Commission that the process accelerated meaningfully. Within less than a week of those filings, all outstanding matters related to the Company's name and symbol change were approved without further inquiry.

While we are pleased with the resolution, we take some solace in the fact that our case is now being referenced in other proceedings, suggesting that our experience may contribute to broader clarity and efficiency within the capital markets.

#### **Impact of Regulatory Review**

Operating under the designation of "under review" placed the Company at a meaningful disadvantage with investors, institutions, and broker-dealers. The natural question from the market—"What do regulators know that we do not?"—created an overhang that impaired engagement.

During this period, forward progress in the capital markets was limited. Importantly, the full extent of the impact is often not immediately visible during the process itself. In hindsight, the constraints materially affected both operational momentum and shareholder value creation.

Practically speaking, while under review, regulated counterparties were unwilling to engage, and institutions—faced with numerous alternative opportunities—had little incentive to assume perceived regulatory risk, whether real or implied.

#### **Shareholder Perspective**

We recognize the frustration expressed by shareholders during this period. While some commentary was less constructive, the underlying concerns regarding delays are understandable.

That said, when a company is subject to regulatory review, there are limited actions available within the capital markets ecosystem. Progress in such circumstances depends less on activity and more on persistence, discipline, and the ability to withstand both the process and its associated financial burden until resolution.

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### **Strategic Refocus and Business Model**

Following the resolution of our regulatory constraints, Entrex sharpened its strategic focus around a singular model: acquiring revenue and EBITDA from operating Bitcoin mining assets.

This approach is intentionally straightforward:

- Capital is deployed into existing, cash-flowing operations
- Each dollar invested targets approximately \$0.25 of EBITDA
- The model eliminates development risk, avoiding speculative or unproven opportunities

In short, the Company is focused not on projections or hypothetical outcomes, but on acquiring established cash flow.

### **Capital Formation and Liquidity**

To support this strategy and expand our base of free-trading shareholders, the Company initiated—and received qualification from the U.S. Securities and Exchange Commission—a \$20 million offering bringing 20 million new free trading shares to market.

Key expected outcomes of this offering include:

- Issuance of approximately 20 million new free-trading shares
- Acquisition of approximately \$5 million in EBITDA, pursuant to the offering's use of proceeds

Looking ahead, the Company anticipates completing an audit to support a potential \$200 million S-1 registration in late 2026 or early 2027, which, if executed, is expected to add approximately \$50 million in EBITDA under a similar framework.

### **Capital Markets and Partnerships**

The Company is actively building a broker-dealer network to access institutional capital at scale.

In this regard, we are pleased to be working with Hanover International, whose support across broker relationships, legal coordination, public relations, and investor relations is expected to enhance both capital access and market visibility throughout the coming year.

### **Outlook**

While 2025 was undeniably challenging, those conditions are now behind us.

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We enter 2026 positioned as a foundational year—focused on executing our core strategy of acquiring revenue and EBITDA, expanding stock liquidity, and building long-term shareholder value.

The plan is clear. The model is disciplined. And the path forward is execution.