

# Solution Financial Reports Q1 2025 Financial Results

Vancouver, British Columbia--(Newsfile Corp. - March 14, 2025) - **Solution Financial Inc. (TSX: SFI)** (the "**Company**") a leading provider of luxury and ultra luxury asset leasing in Canada, today announced its financial results for the first quarter ending January 31, 2025.

## Earnings Highlights for the Quarter:

- Net loss for the quarter was \$63,595 compared to net income of \$21,171 in the comparative quarter in 2024.
- Adjusted net (loss) income<sup>(1)</sup> decreased to (\$8,197) compared to \$112,604 in the comparative quarter.
- Revenue decreased to \$2,474,474 compared to \$2,658,360 in the comparative quarter.
- Total leasing portfolio increased 8% to \$30,196,926 during the quarter.

## Operational Highlights for the Quarter:

- The Company reached the \$30M milestone on its growing lease portfolio, having started with just \$6M when the Company began as a public Company.

"The first quarter of 2025 presented a challenging economic environment as Canadian consumers and businesses exercised caution in response to growing macroeconomic pressures," stated Bryan Pang, CEO of Solution Financial Inc. "Uncertainty surrounding potential U.S. tariff escalations and shifting policy dynamics under Trump's administration have contributed to a slowdown in discretionary spending, particularly in the luxury sector. Meanwhile, stock market volatility, ongoing global trade tensions, and rising concerns over job security have prompted a more measured approach among high-net-worth consumers and small business owners when it comes to major financial commitments.

Despite these headwinds, we remain focused on executing our strategy and identifying new opportunities within our niche markets. Our ability to navigate shifting economic conditions, while maintaining disciplined cost management and a strong financial position, continues to differentiate us from competitors. The resilience of our local leasing program, combined with our proactive approach to managing credit and asset remarketing, puts us in a solid position to weather near-term challenges and capitalize on growth opportunities as market conditions stabilize.

Looking ahead, we are optimistic that as economic uncertainty eases, pent-up demand in the luxury and ultra-luxury markets will drive renewed momentum. With a disciplined approach and strong partnerships, we remain confident in our ability to adapt, grow, and deliver value to both our shareholders and clients," concluded Pang.

## **Financial Results**

Solution is reporting a net loss of \$63,595 or \$0.001, per share for the quarter ending January 31, 2025. This compares to net income of \$21,171 or \$0.001 per share for the quarter ending January 31, 2024.

Adjusted net income, which is more reflective of actual cash earnings, for the quarter ending January 31, 2025, was (\$8,197)<sup>(1)</sup> or \$0.000 per share compared to \$112,604 or \$0.001 per share for the quarter ending January 31, 2024. Adjusted net income excludes the non-cash accretion expense related to right of use assets of \$16,533, income tax recovery of \$13,000, amortization of \$25,839, and provision for credit losses of \$26,026.

## **Lease Portfolio**

At January 31, 2025, Solution had 352 vehicles in its lease portfolio, a net increase of 10 vehicles over the quarter to bring the total lease portfolio to \$30.2 million.

At January 31, 2025 the average remaining lease term for the portfolio was 1.9 years, weighted by net book value for each vehicle. At January 31, 2025, Solutions' 352 leases were generating annualized gross rental and lease cash flows of approximately \$7.7 million.

### **About Solution**

Solution Financial commenced operations in 2004 and specializes in sourcing and leasing luxury and exotic vehicles, yachts and other high value assets. Solution works with a select group of luxury automotive and marine dealerships providing lending solutions to clients who prefer more flexible leasing options than those traditionally offered by banks and other lease providers. Typical customers include new immigrants, business owners and international students who tend to upgrade their vehicles more frequently than traditional lease agreements allow. Solution Financial provides a unique leasing experience whereby it partners with its clients to help source limited edition and difficult to acquire vehicles as well as providing white glove services to clients for insuring, maintaining, upgrading, and reselling their vehicles.

### **Note 1- Non-IFRS Financial Metrics**

Solution provides all financial information in accordance with International Financial Reporting Standards ("IFRS"). To supplement our consolidated financial statements presented in accordance with IFRS, we are also providing with this press release, certain non-IFRS financial measures, including Adjusted Net Income. In calculating these non-IFRS financial measures, we have excluded certain transactions that are not necessarily indicative of our ongoing operations or do not impact cash flows. These measures are not recognized measures under IFRS and do not have a 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 nor as a substitute for analysis of our financial information reported under IFRS.

### **Cautionary Statement Regarding Forward- Looking Statements**

This press release contains "forward-looking information" as defined under applicable Canadian securities laws. This information includes, but is not limited to, statements concerning our objectives, our strategies to achieve those objectives, as well as statements made with respect to management's beliefs, plans, estimates, projections and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking information generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "should", "plans" or "continue", or similar expressions suggesting future outcomes or events. Such forward-looking information reflects management's current beliefs and is based on information currently available to management. Although forward-looking information contained in this press release is based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with this forward-looking information. Certain statements included in this press release may be considered a "financial outlook" for purposes of applicable Canadian securities laws, and as such the financial outlook may not be appropriate for purposes other than this press release.

The forward-looking information contained in this press release is made as of the date of this press release and should not be relied upon as representing Solution's views as of any date subsequent to the date of this press release. Except as required by applicable law, management and Solution's Board of Directors undertake no obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

For further information please contact Sean Hodgins at (778) 318-1514.

**ON BEHALF OF THE BOARD**

(signed) "Bryan Pang"

Bryan Pang

President, CEO and Director

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