

NEWS RELEASE

SOLUTION FINANCIAL REPORTS Q3 2024 FINANCIAL RESULTS

Vancouver, B.C., September 13, 2024, – 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 third quarter ending July 31, 2024. The results highlight continued progress in the Company’s strategic initiatives, particularly the ongoing build-out of its local market leasing program, which contributed to incremental growth over the first and second quarters and marked a substantial improvement over 2023.

Earnings Highlights for the Quarter:

- Revenues were \$4.5 million compared to \$3.1 million in the comparative quarter.
- Net profit for the quarter was \$181,158 compared to net income of \$148,995 in the comparative quarter of 2023.
- Adjusted net income⁽¹⁾ increased to \$298,162 compared to \$136,707 during the comparative quarter.
- Total leasing portfolio increased 2% to \$27.4 million during the quarter.

Operational Highlights for the Quarter:

- The Company’s recently introduced local leasing program contributed to lease origination volumes growing 18% over the second quarter of the year (105% over the comparative quarter) to \$7.5 million.
- The Company repaid the convertible debentures in full on their maturity on July 28, 2024.

“We are please to report that our performance in the third quarter reflects the positive momentum from our expanded local leasing program. Lease originations have seen an 18% increase over the second quarter and an impressive 105% compared to the same period last year, reaching \$7.5 million,” stated Bryan Pang, CEO of Solution Financial Inc. “Our strategic focus on developing the local leasing program has yielded sustained growth and resilience, even amidst a challenging economic environment. The recent improvement in interest rates presents an exciting opportunity for us to further expand our market share.

We are very grateful for our banking partners who share our vision and approach and have been instrumental in supporting us to navigate the market and reinforce our profitability. We are optimistic about our potential to capitalize on these conditions and remain committed to our strategy of driving long-term growth and profitability,” Bryan concluded.

¹ See Note 1- Non-IFRS Financial Metrics note below.



Financial Results

Solution is reporting net income of \$181,158 or \$0.0003, per share for the quarter ending July 31, 2024. This compares to net income of \$148,995 or \$0.0002 per share for the quarter ending July 31, 2023.

Adjusted net income, which is more reflective of actual cash earnings, for the quarter ending July 31, 2024, was \$298,162⁽¹⁾ or \$0.0003 per share compared to \$136,707 or \$0.002 per share for the quarter ending July 31, 2023. Adjusted Net Income excludes the non-cash accretion expense related to the convertible debentures and right of use assets of \$34,760, income tax provision of \$56,000, and amortization of \$26,244.

Lease Portfolio

At July 31, 2024, Solution had 321 vehicles in its lease portfolio, a net increase of 19 vehicles over the quarter to bring the total lease portfolio to \$27.4 million.

At July 31, 2024 the average remaining lease term for the portfolio was 1.9 years, weighted by net book value for each vehicle. At July 31, 2024, Solutions' 321 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”

Brian Pang

President, CEO and Director

Neither TSX nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release.