SOLUTION FINANCIAL

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED JULY 31, 2018 AND 2017

(Expressed in Canadian Dollars)

MANAGEMENT’S DISCUSSION AND ANALYSIS

The Management’s Discussion and Analysis (“**MD&A**”) of Solution Financial Inc. (the “**Company**” or “**Solution**” or “we” or “our”) (formerly Shelby Ventures Inc.(“Shelby”)), should be read in conjunction with the Company’s condensed consolidated interim financial statements for the three and nine months ended July 31, 2018 (“reporting period”) and the accompanying notes to those financial statements.

The Company’s condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and are presented in accordance with the International Accounting Standards (“IAS”), as issued by the International Accounting Standards Board (“IASB”) and are reported in Canadian dollars.

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CAUTIONARY STATEMENT

This analysis has been prepared taking into consideration information available to September 27, 2018. 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 conditions, reliance on debt financing, dependence on non-prime borrowers, inability to sustain receivables, competition, interest rates, regulation, insurance, failure of key systems, debt service, future capital needs and such other risks or factors described from time to time in reports of Solution that are filed with securities regulatory authorities. 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.

OVERVIEW

Solution Financial Inc. was incorporated on February 27, 2007 under the Company Act of British Columbia and commenced trading on the TSX Venture Exchange (“TSX-V”) on December 6, 2007.

The Company’s registered and records office is Unit 137, 8680 Cambie Road, Richmond, British Columbia, Canada, V6X 4K1.

The Company’s wholly-owned operating subsidiary, Solution Financial (Canada) Inc. (“Solution Canada”) (formerly Solution Auto Lease and Sales Ltd.) was incorporated under the Company Act of British Columbia on August 8, 2003. Solution Canada specializes in sourcing and leasing luxury and exotic vehicles, yachts and other high value assets. Solution works with a select group of automotive and marine dealerships providing lending solutions to clients who cannot obtain leasing terms with traditional

Canadian financial institutions. Typical customers include new immigrants, business owners and international students. Solution provides a unique leasing experience whereby it partners with its clients to help them navigate the challenges of acquiring, insuring, maintaining and upgrading vehicles and luxury assets in Canada.

Solution derives its revenue from three inter-related business streams: brokerage leases; in house leases including financial leases and operating leases; and auto sales.

On June 22, 2018, Shelby completed a qualifying transaction by acquiring Solution Canada. The Qualifying Transaction was accomplished through an exchange of shares which resulted in the former shareholders of Solution Canada obtaining control of the Company. Accordingly, this transaction was recorded as a reverse acquisition for accounting purposes as Solution Canada was deemed to be the acquirer. These consolidated financial statements are a continuation of the financial statements of Solution Canada while the capital structure is that of the Company. The consolidated financial statements include the historical operations and assets and liabilities of Solution Canada from its inception and those of Shelby from June 22, 2018 to July 31, 2018.

Concurrent with this transaction, the Company changed its name from Shelby Ventures Inc. to Solution Financial Inc. and effected a change in directors, management and business. On June 27, 2018, its common shares resumed trading on the TSX Ventures Exchange (“TSX-V”) under the symbol “SFI”.

SIGNIFICANT EVENTS AND RECENT DEVELOPMENTS

Concurrent with the Qualifying Transaction on June 22, 2018, the Company raised gross proceeds of $3.4 million in a brokered private placement of 13,610,000 Units and $342,250 in a non-brokered private placement of 1,369,000 Units. Each Unit is comprised of one Share and one-half of one common share purchase warrant (each whole warrant, a “Warrant”). Each Warrant is exercisable by the holder to acquire one additional Share at a price of $0.40 until December 22, 2019. The Agent (and its selling group) were paid a cash commission of $101,775 and were issued an aggregate of 392,700 Broker Options. Each Broker Option is exercisable for one Unit at an exercise price of $0.25 per Unit until December 22, 2019. There were no commissions paid on the non-brokered placement.

With this additional financing and with continuing positive cash flows from operations, the Company added a record $3.5 million of new operating leases during the quarter ended July 31, 2018. As a result, the net book value of the Company’s operating lease portfolio increased to $9.2 million at the end of July 2018 and the Company’s total net book value increased to $8.9 million.

The Company finished the quarter ended July 31, 2018 with net earnings before listing expenses and stock-based compensation costs of $103,127 ($304,840 for the nine months ended July 31, 2018). The net loss for the quarter ended July 31, 2018 after these expenses was $2,026,444 and $1,824,731, respectively. With the Qualifying Transaction completed, the Company focused on expanding its in-house leasing business, increasing market awareness and optimizing its leasing and sales processes for future expansion.

With these goals in mind, the Company initiated a project during the quarter to enhance its online dealer leasing and customer support online platforms. The goal of these online systems is to make our dealer leasing program as efficient as possible and to ensure end customers have the best possible support for their ongoing leasing and car care needs.

Subsequent to the quarter end, on September 11, 2018 the Company announced that it retained Transcend Capital Inc. to assist with ongoing investor relations and communications services. In addition, the Company added a marketing manager, Cary Lau, who will also assist with investor relations and support the Company's growth initiatives. On September 14, 2018, the Company announced a $2 Million unsecured convertible debenture financing to support ongoing in-house leasing business opportunities. As of September 27, 2018, the Company received $1,380,000 of subscriptions for this financing. Please refer to Note 22 – "Subsequent events" in the Company's condensed interim financial statements for additional information.

QUARTERLY RESULT HIGHLIGHTS (in $ except ratios)

Quarter ended	Jul 31, 2018	Apr 30, 2018	Jan 31, 2018	Oct 31, 2017	Jul 31, 2017	Apr 30, 2017	Jan 31, 2017	Oct 31, 2016
Total revenue	1,279,154	1,263,752	1,052,967	1,908,372	1,208,957	1,177,121	1,285,091	1,569,821
Net Income for the period before Income Taxes	(2,024,340)	110,042	120,939	315,053	255,331	278,201	244,022	377,662
Net Income and comprehensive income for the period	(2,026,444)	95,952	105,761	236,856	224,962	210,311	194,893	314,407
Net Income and comprehensive income per share	(0.032)	0.002	0.002	0.005	0.004	0.004	0.004	0.006
Carrying value of assets under operating lease	9,236,806	6,856,765	5,971,603	6,037,477	5,048,060	4,887,943	4,379,524	4,199,936
Lease receivables balance	312,456	357,790	501,901	650,064	611,266	680,540	653,171	591,399

SELECTED FINANCIAL INFORMATION

The following table summarizes key financial data to be read in conjunction with the unaudited consolidated financial statements of the Company for the three and nine months ended July 31, 2018 and 2017.

	For 3 months ended July 31, 2018	For 3 months ended July 31, 2017	For 9 months ended July 31, 2018	For 9 months ended July 31, 2017
Sales and lease income	**$ 794,804**	$ 506,936	**$ 2,044,984**	$ 1,776,804
Brokerage commissions	**484,350**	702,021	**1,550,889**	1,894,365
Total Revenue	**1,279,154**	1,208,957	**3,595,873**	3,671,169
Income before income taxes	**(2,024,340)**	**255,331**	**(1,793,360)**	**777,554**
Net income and comprehensive income	**(2,026,444)**	224,962	**(1,824,731)**	630,166
Net income and comprehensive income per share				
Basic and diluted earnings per common share	**$ (0.032)**	$ 0.004	**$ (0.033)**	$ 0.012
Weighted average number of common shares outstanding	**63,463,763**	52,000,000	**55,854,147**	52,000,000

Financial Highlights

One of the Company's primary growth strategies is expanding its in-house operating lease assets. During the current quarter the Company grew its operating lease portfolio by $2,380,041 to $9,236,806 as at July 31, 2018, an increase of 35% compared to the prior quarter ending April 30, 2018. During the nine-month period ended July 31, 2018, the Company grew its operating lease portfolio by $3,199,329 or 53%. The Company generally foregoes 6-8% of interest income when it brokers lease contracts, so the Company intends to finance lease opportunities itself unless the brokered financing alternatives are competitively priced.

Total revenues were $1,279,154 for the three months ended July 31, 2018 compared to $1,208,957 for the three months ended July 31, 2017, an increase of $70,197 (or 6%). Total revenues were $3,595,873 for the nine months ended July 31, 2018 compared to $3,671,169 for the nine months ended July 31, 2017, a decrease of $75,296 (or 2%). The quarterly increase in revenue was attributable to a comparatively busier summer resulting from a catch up for slower vehicle sales earlier in the fiscal year impacted by some slower new model releases due to additional emissions testing from some European luxury vehicle brands and the BC government's increase in luxury sales taxes in April 2018.

For the three months ended July 31, 2018, the Company reported a net loss of $2,026,444 compared to net income of $224,962 for the comparative three-month period ending July 31, 2017. For the nine-month period ending July 31, 2018, the Company reported a net loss of $1,824,731 compared to net income of $630,166 for the nine months ended July 31, 2017. The three month and nine-month losses in 2018 were attributable primarily to non-recurring listing costs of $1,603,258 and share based compensation expenses of $526,313 associated with the Company's qualify transaction and stock option grants to existing employees. Without these expenses, the Company's earnings would have been $103,127 for the three-month period and $304,840 for the nine-month period ending July 31, 2018, respectively.

DESCRIPTION OF NON-IFRS FINANCIAL METRICS **(in $ except ratios)**

Throughout this MD&A, management uses the following terms and ratios not found in IFRS and which do not have a standardized meaning under IFRS and are unlikely to be comparable to similar measures presented by other issuers, and therefore require definition. These non-IFRS measures and additional information should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS. Management reviews non-IFRS measures on an ongoing basis and expects to introduce additional NON-IFRS measures in the near future.

Revenue run-rate

Revenue run rate is the financial revenue in a particular period, annualized. It provides an indication of annual revenue that would be generated based on the revenue in the particular reported period. As the Company expands its in-house leasing portfolio it will recognize revenue as interest income which gets recognized over the lease term rather than brokered lease transactions that get recognized immediately. As a result, the annualized run-rate provides a useful longer-term perspective on the Company's expected revenue performance.

Financial leverage ratio and total capitalization

The financial leverage ratio is defined as the total of credit facilities and loans divided by total equity. The financial leverage ratio provides an indication and extent to which the Company can access additional debt financing with which to expand its operating lease portfolio. This is one of the primary growth drivers for the business and is helpful for evaluating the Company's ability to leverage additional debt.

Quarter ended	Jul 31, 2018	Apr 30, 2018	Jan 31, 2018	Oct 31, 2017	Jul 31, 2017	Apr 30, 2017	Jan 31, 2017	Oct 31, 2016
Revenue run-rate (annualized)	5,116,616	5,055,008	4,211,868	7,633,488	4,835,828	4,708,484	5,140,364	6,279,284
Financial Leverage ratio	0.36: 1	1.12:1	0.91:1	1.00:1	0.96:1	0.91:1	1.09:1	0.72:1

The Company's annualized revenue run rate was $5,116,616 compared to $4,835,828 for the comparative quarter in 2017. This increase is a result of the expanded in-house lease portfolio compared to the prior year.

The Company's financial leverage ratio at July 31, 2018 was 0.36 :1 as compared to that of 1.00:1 at the end of the fiscal year ended October 31, 2017. This improvement is the result of converting $1 Million of debt into equity in conjunction with the Qualifying Transaction in June 2018 as well as raising a further $3.4 Million in financing during the quarter ended July 31, 2018. The Company plans on leveraging this equity to access additional debt facilities or issue interest bearing securities to expand the Company's in-house leasing portfolio.

RESULTS OF OPERATIONS

The following table summarizes financial results for each of the reported periods:

	For 3 months ended July 31, 2018	For 3 months ended July 31, 2017	For 9 months ended July 31, 2018	For 9 months ended July 31, 2017
Revenue	**$ 1,279,154**	$ 1,208,957	**$ 3,595,873**	$ 3,671,169
Cost of sales	**636,880**	367,440	**1,429,072**	1,332,025
Gross profit	**642,274**	841,517	**2,166,801**	2,339,144
Interest expenses	**10,204**	11,044	**44,967**	33,232
Operating expenses	**1,053,774**	575,802	**2,315,258**	1,531,077
Other income	**622**	660	**3,322**	2,719
Net (loss) income	**(2,026,444)**	224,962	**(1,824,731)**	630,166

Revenue

		For 3 months ended July 31, 2018		For 3 months ended July 31, 2017		For 9 months ended July 31, 2018		For 9 months ended July 31, 2017
Finance lease vehicle sales	$	**79,940**	$	20,409	$	**109,228**	$	375,253
Interest and administrative income		**172,415**		144,012		**514,673**		407,472
Rental and registration revenue		**542,449**		342,515		**1,421,083**		994,079
Brokerage Commissions		**484,350**		702,021		**1,550,889**		1,894,365
Total		**1,279,154**		1,208,957		**3,595,873**		3,671,169

Revenue from direct leases and loans

The Company provides direct leases and loans ("in-house leasing") to consumers that are typically unable to obtain financing from traditional sources. The Company generates interest and fee income from these leases. For the three months ended July 31, 2018, the revenues derived from direct leases increased to $794,804 compared to $506,936 for the three months ended July 31, 2017, an increase of $287,868 (or 57%). For the nine months ended July 31, 2018, the revenues derived from direct leasing increased to $2,044,984 compared to $1,776,804 for the nine months ended July 31, 2017, an increase of $268,181 (or 15%).

The mix of in-house leasing versus brokerage leasing directly impacts these comparative figures. During 2018, the Company increased its ratio of in-house leasing as a result of surplus working capital which was the primary reason for these increases.

Brokerage commissions

In addition to providing direct leases and loans, the Company facilitates lease brokering vehicle sales and end of lease sales through third-party dealerships. The Company bears limited inventory risks in these transactions and does not have latitude in setting vehicle prices and therefore the Company only recognizes the net fees or brokerage commissions.

The following table summarizes the brokerage leases and sales for each of the reported periods:

		for 3 months ended July 31, 2018		for 3 months ended July 31, 2017		for 9 months ended July 31, 2018		for 9 months ended July 31, 2017
Brokerage lease	$	**3,975,438**	$	5,939,098	$	**12,901,508**	$	15,217,861
Cost of brokerage lease		**(3,688,847)**		(5,477,787)		**(11,909,343)**		(14,070,707)
		286,591		461,311		**992,165**		1,147,154
Brokerage sale		**3,205,658**		3,373,784		**10,533,694**		13,124,239
Cost of brokerage sale		**(3,007,899)**		(3,133,074)		**(9,974,970)**		(12,377,028)
		197,759		240,710		**558,724**		747,211
Total brokerage commissions	$	**484,350**	$	702,021	$	**1,550,889**	$	1,894,365

For the three months ended July 31, 2018, the Company brokered $3,975,438 of lease sales compared to $5,939,098 during the three months ended July 31, 2017, a decrease of $1,963,660 or 33%. The net lease brokerage revenue, likewise, decreased to $286,591 for the three months ended July 31, 2018 compared to $461,311 for the three months ended July 31, 2017. For the nine-months ended July 31, 2018, the Company brokered $12,901,508 of leases compared to $15,217,861 during the comparative nine-month period in 2017 a decrease of 15%. The net lease brokerage revenue decreased to $992,165 for the nine-month period ended July 31, 2018 from $1,147,154 during the nine-month period ended July 31, 2017, a decrease 16%. Both of these decreases were primarily a result of changing to more in-house leasing from brokering as a result of more available working capital.

For the three months ended July 31, 2018, the Company brokered $3,205,658 of sales transactions compared to $3,373,784 during the three months ended July 31, 2017, a decrease of $168,126 (5%). For the three months ended July 31, 2018, the Company net brokerage sales revenue was $197,759 compared to $240,710 for the three months ended July 31, 2017, a decrease of $42,951 (18%). These decreases were a result of higher lease renewals as opposed to end of lease sales as well as marginally lower margins on brokered sales transactions during the quarter.

For the nine months ended July 31, 2018, the Company brokered $10,533,694 of sales transactions compared to $13,124,239 for the comparative nine-months ended July 31, 2017, a decrease of $2,590,545 or 20%. The net brokerage sales revenues were $558,724 for the nine-month period ended July 31, 2018 compared to $747,211 for the nine months ended July 31, 2017 a decrease of $188,487 or 25%. These decreases were also a result of higher lease renewals during the nine-month period and marginally lower margins on the brokered sales transactions.

Volumes and margins on brokered transactions can vary from quarter to quarter and year to year depending on the timing of new luxury model release dates, weather conditions, and interest rates. The Company tries to finance leases itself (In-house) rather than broker lease transactions depending on its working capital position which can also impact the volumes of brokerage transactions. When interest rates rise, the volumes and margins are often impacted as well depending on customers willingness to absorb the higher interest rates. When the Company brokers leases, it recognizes brokerage revenue immediately but when it leases directly, the Company recognizes higher long-term earnings but over the term of the lease. This will impact short-term earnings while the Company expands its in-house lease portfolio but is expected to increase the aggregate long-term earnings potential of the Company.

General and administrative

General and administrative expenses include the following major expenses by nature:

	For 3 months ended July 31, 2018	For 3 months ended July 31, 2017	For 9 months ended July 31, 2018	For 9 months ended July 31, 2017
Accounting and legal	**$ 67,140**	$ 46,026	**$ 130,691**	$ 94,752
Automobile	**1,588**	474	**5,668**	1,409
Bank charges	**2,179**	5,489	**5,759**	10,046
Consulting fees	**4,590**	6,500	**13,928**	16,804
Regulatory and transfer agent	**10,856**	-	**10,856**	-
Insurance, license and permit	**13,431**	2,448	**28,884**	2,584
Office and miscellaneous	**19,807**	17,364	**48,965**	39,513
Repairs and maintenance	**877**	400	**3,016**	4,879
Salaries and wages	**116,289**	67,148	**370,772**	178,385
Total	**236,757**	145,849	**618,539**	348,372

Significant components of the Company's general and administrative expenses include salaries and benefits, lease administration costs that are not directly attributable to the acquisition of a direct lease or loan, and office and general expenses. For the three and nine months ended July 31, 2018, general and administrative expenses increased by $90,908 (or 62%) and $270,167 (or 78%), respectively, as compared the corresponding periods of the prior fiscal year.

The increase in general and administrative expenses and professional fees are attributable to adding additional staff to ensure the Company was properly resourced to support its public company reporting requirements which included adding a CFO and an additional accounting clerk. In addition, the Company's CEO changed from dividend compensation to salaries and commissions which also contributed to comparatively higher Salaries and Wages in 2018. Transfer agent and other public company regulatory and filing costs were also new expenses in 2018. Legal and accounting costs also increased as a result of the Qualifying transaction and the preparation of additional legal and accounting filings.

Sales and marketing

Sales and marketing expenses include the following major expenses by nature:

		For 3 months ended July 31, 2018		For 3 months ended July 31, 2017		For 9 months ended July 31, 2018		For 9 months ended July 31, 2017
Advertising and promotion	$	**27,464**	$	47,990	$	**128,303**	$	205,430
Commissions		**179,564**		311,088		**771,207**		839,987
Donations		**4,957**		4,657		**11,371**		9,691
Marketing		**19,154**		12,300		**94,827**		39,600
Meals and entertainment		**14,759**		9,720		**42,340**		32,577
Vehicle rental		**40,065**		39,890		**108,895**		45,193
Total		**285,963**	**$**	425,645	**$**	**1,156,943**	**$**	1,172,478

Significant components of the Company's sales and marketing expenses include commissions and benefits paid to sales personnel. For the three and nine months ended July 31, 2018, sales and marketing expenses decreased by $139,683 (or 33%) and $15,535 (or 1%) as compared to that in the corresponding period of the prior fiscal year. When commissions are paid to acquire and lease a vehicle, the costs are capitalized and amortized over the lease term, whereas, when they are paid for facilitating a brokerage lease or sale, they are expensed immediately. Since the Company increased its ratio of in-house leasing in 2018 compared to the equivalent periods in 2017, the commission expenses were resultingly lower. The other sales and marketing costs were relatively consistent. The Company anticipates some increases to its marketing costs going forward with the goal of increasing dealer, lease customer and investor awareness of its services.

Operating and other expenses

The following table summarizes the operating and other expenses:

	For 3 months ended July 31, 2018	For 3 months ended July 31, 2017	For 9 months ended July 31, 2018	For 9 months ended July 31, 2017
Interest expenses	**$ 10,204**	$ 11,044	**$ 44,967**	$ 33,232
General and administration	**236,757**	145,849	**618,539**	348,372
Sales and marketing	**285,963**	425,645	**1,156,943**	1,172,478
Amortization	**4,741**	4,308	**13,463**	10,227
Stock based compensation	**526,313**	-	**526,313**	-
Listing expenses	**1,603,258**	-	**1,603,258**	-
Total	**2,667,236**	586,846	**3,963,483**	1,564,309

Interest on loans

Interest expense for the three and nine months ended July 31, 2018 decreased by $840 (or 8%) and increased $11,735 (or 35%), respectively, as compared to that in the corresponding periods of the prior fiscal year. The increase for the nine-months ended July 31, 2018 was due to higher credit loans and credit facility utilization to underwrite leases.

Stock based compensation

Stock based compensation expense was a new expense for the three and nine months ended July 31, 2018 was $526,313. With the Company completing the going public transaction, stock options were granted to employees, directors and officers. The options granted to the directors were exercisable upon grant and the vesting of many of the long-standing employees were significantly or completely vested resulting in a large one-time expense. Stock based compensation is expected to be an ongoing expense to recruit and compensate employees and advisors, but the amount is expected to be considerably lower.

Listing expense

The completion of the going public transaction resulted in a one-time listing expense of $1,603,258 made up of the deemed share issuance value to Shelby's existing shareholders of $1,281,765 and a finder share issuance cost of $427,252, less the net assets acquired of Shelby of $285,048, plus the legal and transaction costs of $178,289. This is a one-time expense.

FINANCIAL POSITION

The following table summarizes the Company's financial position:

As at		July 31, 2018		October 31, 2017
Receivable under car loans	$	**119,188**	$	163,460
Receivable under finance leases		**312,456**		650,064
Property under operating leases		**9,236,806**		6,037,477
Cash and cash equivalents		**888,271**		12,242
Inventory		**582,545**		463,055
Other assets		**983,328**		917,364
Total assets		**12,122,594**		8,243,662
Credit facilities and loans		**442,838**		2,242,935
Customers' deposits and advances		**1,171,150**		789,068
Deferred revenue		**1,143,771**		604,583
Other liabilities		**471,435**		485,175
Total liabilities		**3,229,194**		4,121,761
Net assets	**$**	**8,893,400**	$	4,121,901

Assets

Total assets increased by $3,878,932 (or 47%) to $12,122,594 as at July 31, 2018 from $8,243,662 as at October 31, 2017. The Company's revenue generating assets consist of car loans (Loan agreements that repay 100% of the principal), finance lease receivable and operating leases. These asset groups make up the Company's portfolio assets. The Company's non-portfolio assets represented 20% (October 31, 2017- 17%) of the total assets, and consist primarily cash and cash equivalents, inventory, prepaids, other receivables, property and equipment.

Car loan receivables

Car loan receivables decreased by $44,272 (or 27%) to $119,188 as at July 31, 2018 from $163,460 as at October 31, 2017. Management anticipates that car loan receivables will continue to decrease in the future as the Company is focusing on providing operating leases.

Lease receivables

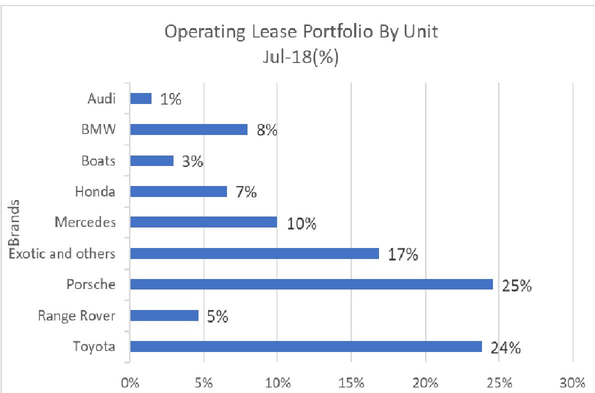
Lease receivables contain leases that are classified as finance leases. Under a finance lease substantially all the risks and rewards incidental to legal ownership are transferred by the lessor to the lessee at the inception of the lease transaction. Lease receivables decreased by $337,608 (or 52%) at July 31, 2018 to $312,456 from $650,064 as at October 31, 2017. Management anticipates that lease receivables will continue to decrease in the future as the Company is focusing on providing operating leases.

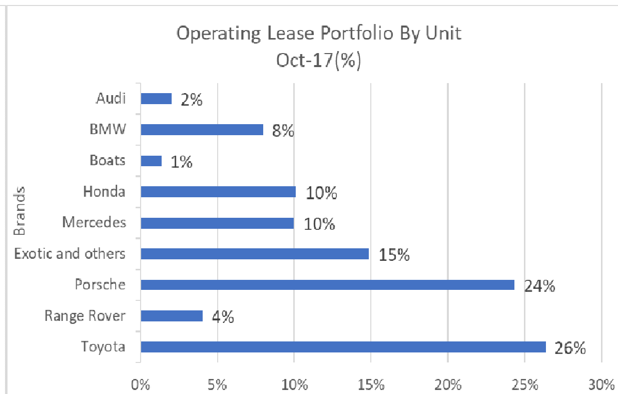
Properties under operating lease

An operating lease is one that does not transfer substantially all the risks and rewards of ownership to the lessee. The carrying value of properties under operating lease increased by $3,199,329 (or 53%) to $9,236,806 as at July 31, 2018 from $6,037,477 as at October 31, 2017. The increase in the properties under operating lease is reflective management's decision to invest capital from its private placements to underwrite more operating leases directly. Management anticipates properties under operating lease will continue to grow as the Company focuses on expanding its lease portfolio.

The following tables sets forth the composition of our properties under operating leases as of July 31, 2018 and October 31, 2017:

Operating Lease Portfolio By Unit			Operating Lease Portfolio By Unit		
Jul-18			Oct-17		
Brand	Unit	%	Brand	Unit	%
Audi	3	1%	Audi	3	2%
BMW	6	8%	BMW	11	8%
Boats	5	3%	Boats	2	1%
Honda	12	7%	Honda	15	10%
Mercedes	25	10%	Mercedes	14	10%
Exotic and others	29	17%	Exotic and others	22	15%
Porsche	43	25%	Porsche	36	24%
Range Rover	8	5%	Range Rover	6	4%
Toyota	41	24%	Toyota	39	26%
Total	172	100%	Total	148	100%





Operating Lease Portfolio By Book Value			Operating Lease Portfolio By Book Value		
Jul-18			Oct-17		
Brand	Amount	%	Brand	Amount	%
Audi	$140,687	2%	Audi	$164,320	3%
BMW	$162,743	2%	BMW	$342,911	6%
Boats	$646,141	7%	Boats	$156,945	3%
Honda	$247,521	3%	Honda	$323,427	5%
Mercedes	$1,911,654	21%	Mercedes	$415,964	7%
Exotic and others	$2,085,332	23%	Exotic and others	$928,720	15%
Porsche	$2,675,159	29%	Porsche	$2,373,822	39%
Range Rover	$336,000	4%	Range Rover	$282,251	5%
Toyota	$1,031,569	11%	Toyota	$1,049,117	17%
Total	$9,236,806	100%	Total	$6,037,477	100%

LIQUIDITY AND CAPITAL RESOURCES

The Company's approach to managing capital is to ensure that it will have sufficient liquidity to meet liabilities as they come due. The Company currently settles all of its financial obligations out of cash generated from operations. The ability to do so relies on the Company maintaining sufficient cash in excess of anticipated needs. To help manage its liquidity the Company has obtained an operating loan agreement through the Bank of Montreal. The Company will raise additional amounts as needed. To fund the acquisition of vehicles for leasing purposes, the Company utilizes its credit facilities and when additional capital is required, it will be raised through debt and share issuances.

The Company is subject to externally imposed capital requirements pursuant to the covenants of the secured credit facility. Management reviews its capital management approach on an ongoing basis.

The table below represents the financial leverage ratio and equity capitalization for the periods ended July 31, 2018 and October 31, 2017:

As at		July 31, 2018		October 31, 2017
Credit facilities and loans	$	**442,838**	$	2,242,935
Other liabilities		**2,786,356**		1,878,826
Total liabilities		**3,229,194**		4,121,761
Total Equity		**8,893,400**		4,121,901
Financial leverage ratio		**0.36: 1**		1.00:1

Cash flows and liquidity

Cash flows provided from operating activities for the nine months ended July 31, 2018 were $2,677,420 compared to $880,057 for the comparative period ended July 31, 2017, an increase of $1,797,363. The increase was primarily attributable to the Unit financing and cash flows from operations.

Cash flows used in investing activities for the nine months ended July 31, 2018 were $4,303,765 as compared to $1,746,070 for the nine months ended July 31, 2017. The increase of $2,557,695 was due to increased capital invested into automotive for operating leases.

Cash flows provided in financing activities for the nine months ended July 31, 2018 were $2,502,374 as compared to $865,780 for the comparative period ended July 31, 2017. The increase of $1,636,594 was primarily attributable to the cash provided from both brokered and non-brokered private placements during the period ended July 31, 2018.

OUTSTANDING SHARE DATA

The Company had 78,979,031 common shares issued and outstanding at July 31, 2018 and 79,091,831 at September 27, 2018. Please refer to Note 16 – "Share Capital" in the Company's condensed interim financial statements for additional information.

The Company had 9,685,850 share purchase warrants issued and outstanding at July 31, 2018 and at September 27, 2018. Please refer to Note 16 – "Share Capital" in the Company's condensed interim financial statements for additional information.

The Company had 4,882,700 share purchase options issued and outstanding at July 31, 2018 and 4,769,900 at September 27, 2018. Please refer to Note 16 – "Share Capital" in the Company's condensed interim financial statements for additional information.

The Company had 51,740,638 shares deposited into escrow pursuant to the policies of the TSX-V at July 31, 2018 and at September 27, 2018. Please refer to Note 16 – "Share Capital" in the Company's condensed interim financial statements for additional information.

On September 14, 2018, the Company announced a $2 Million unsecured convertible debenture financing to support ongoing in-house leasing business opportunities. As of September 27, 2018, the Company received $1,380,000 of subscriptions for this financing. Please refer to Note 22 – "Subsequent events" in the Company's condensed interim financial statements for additional information.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Management's discussion and analysis of financial condition and results of operations are made with reference to the Company's audited financial statements for the year ended October 31, 2017. A summary of the Company's significant accounting policies is presented in the notes to those financial statements. Some of the Company's accounting policies, as required by International Financial Reporting Standards, require management to make subjective, complex judgments and estimates to matters that are inherently uncertain. The Company believes the policies below are the most critical accounting estimates that affect its operating results, and that would have the most material effect on the financial statements should these policies change or be applied in a different manner.

Revenue recognition

Brokerage Commissions

The Company facilitates vehicle sales through third-party dealerships where customers have low or limited credit history. The Company bears limited inventory risk in the transaction and does not have latitude in setting vehicle prices and therefore the Company only recognizes the net fees. In these situations, the fees are recorded as revenue at the time the customer enters into the contract and the Company is entitled to the fee. The Company is not the obligor under any of these contracts.

Automobile sales

Revenue is recognized when the risks and rewards of ownership have been transferred to the customer and the revenue and costs can be reliably measured and it is probable that economic benefits will flow to the Company. In practice, this means that revenue is recognized when vehicles are invoiced and physically delivered to the customer and payment has been received or credit approval has been obtained by the customer.

Lease interest and rental income

Finance lease interest income is included in the statement of comprehensive income for all financial assets measured at amortized cost using the effective interest method. The effective interest rate is the rate that discounts estimated future cash flows through the expected life of the financial instrument back to the net carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instrument including prepayment options, fee income charged to the customer on the origination of all financial assets, and all purchase premiums or discounts, net of any transaction costs that are directly attributable to the financial instrument, but not future credit losses. The application of the method has the effect of recognizing revenue on the financial instrument evenly in proportion of the amount outstanding over the period to maturity or repayment. Once the recorded value of a financial asset has been reduced due to an impairment loss, interest revenue continues to be recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. This is offset by a corresponding adjustment to the loan loss provision charge to reflect the fact that this additional revenue may not be collectible.

Rental income on operating leases is recognized on a straight-line basis over the lease term.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets carried at amortized cost are assessed at each reporting date for any potential impairment. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the carrying amount and the present value of estimated future cash flows discounted using the original effective interest rate. The carrying amount of the asset is then reduced by the amount of the impairment and is recognized in the consolidated statements of comprehensive income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the reversal of the previously recognized impairment loss is recognized in the consolidated statements of comprehensive income.
Purchases or sales of financial assets that require delivery of assets in a timeframe established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, which is the date that the Company commits to purchase or sell the asset.

The Company's financial assets include cash, term deposits, accounts receivable, due from related company, car loans receivable and receivable under finance lease.

Fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments, as defined by IAS 39. The Company's cash and term deposit are classified as fair value through profit or loss.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

The Company's loans and receivables are comprised of accounts receivable, due from related company, car loans receivable, and receivable under finance lease.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and are not classified in any of the previous categories of financial assets. Available-for-sale financial assets are recognized initially at fair value plus any directly attributable transaction costs.

Subsequent to initial recognition, these assets are measured at fair value and changes therein, other than impairment losses, are recognized in other comprehensive income and presented within equity. When an investment is derecognized through sale or has an impairment that is other than temporary, the cumulative gain or loss in other comprehensive income is transferred to profit or loss.

The Company does not have any financial assets that are classified as available-for-sale.

Held-to-maturity financial assets

If the Company has the positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held-to-maturity. Held-to-maturity financial assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

The Company does not have any financial assets that are classified as held-to-maturity.

Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as fair value through profit or loss or other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. The effective interest rate method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company’s bank indebtedness, accounts payable and accrued liabilities, customers’ advances, customers’ deposits, due to shareholder, and short-term loans are classified as other financial liabilities.

Financial liabilities classified as fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Derivatives, including separated embedded derivatives are also classified as held for trading and recognized at fair value with changes in fair value recognized in profit or loss unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as fair value through profit or loss are recognized in profit or loss.

Property under operating leases

The Company determines the classification of a lease at its lease inception date. An operating lease is one that does not transfer substantially all of the risks and rewards of ownership to the lessee.

Property classified as operating leases are carried at cost less accumulated depreciation and are being depreciated to their estimated residual values using the straight-line method over the lease term. Property under operating leases are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of those assets may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds the higher of the asset's fair value less costs to sell and its value in use.

The Company has not been required to record an impairment loss to date.

Impairment of non-current assets

The carrying amounts of the Company's non-current assets are reviewed at each reporting date for indicators of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the amount of the impairment, if any. The recoverable amount of an asset is evaluated at the Cash Generating Unit ("CGU") level, which is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

The recoverable amount of a CGU is the greater of its fair value less costs to sell and its value in use. Fair value less cost to sell is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties, less the costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

FUTURE ACCOUNTING CHANGES NOT YET ADOPTED

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods beginning January 1, 2018 or later. Many are not applicable or do not have a significant impact to the Company and have been excluded from the table below. The following have not yet been adopted and are being evaluated to determine the impact on the Company:

(i) IFRS 9, Financial Instruments was issued by the IASB in October 2010 and will replace IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. This standard is effective for annual periods beginning on or after January 1, 2018, and permits early adoption.

(ii) IFRS 15 – Revenue from Contracts with Customers – The Standard replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC customer Loyalty Programs, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers and SIC 31 Revenue – Barter Transactions Involving Advertising Services. IFRIC 15 establishes principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contract with customers. This standard is effective for annual periods beginning on or after January 1, 2018, and permits early adoption.

(iii) IFRS 16- Leases – In January 2016 the International Accounting Standards Board issued IFRS 16, which specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Consistent with its predecessor, IAS 17 the new lease standard continues to require lessors to classify leases as operating or finance. IFRS 16 is to be applied retrospectively for annual periods beginning on or after January 1, 2019.

RELATED PARTY TRANSACTIONS

The Company's related party transactions are set out in Note 12 to the condensed interim financial statements for the three and nine months ended July 31, 2018 and 2017. The transactions with related parties occurred in the normal course of operations.

The Company uses an office leased by Solution Lease Club, a Company controlled by the Company's CEO for administration and promotional purposes. Solution Lease Club's office is at Unit 6, 11220 Voyager Way, Richmond. The Company pays Solution Lease Club a $100 fee for each sales and lease transaction for property usage. During the three and nine months ended July 31, 2018, the Company paid $13,200 and $37,500 to Solution Lease Club (2017- $12,300 and $39,600).

At July 31, 2018, the Company had loaned Solution Lease Club $42,559 (October 31, 2017- $40,311) and the Company recognized an amount owing its shareholder of $ nil (2017 - $ nil).

During the three months ended July 31, 2018, remuneration of directors and other members of key management personnel are $226,040 (2017 – $91,308). During the nine months ended July 31, 2018, remuneration of directors and other members of key management personnel are $575,089 (2017 – $280,818).

During the three months ended July 31, 2018, the Company declared a dividend of $nil (2017 - $80,000). During the nine months ended July 31, 2018, the Company declared a dividend of $nil (2017 - $130,000).

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to an entity, derivative instrument obligations or any other obligations which will have or are reasonably likely to have a current or future effect on the financial condition, changes in financial conditions, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors, other than operating leases.

RISK MANAGEMENT

Several trends and factors that the Company could be out of control can affect the operation of Company, and have the potential of affecting its financial condition, profitability, and cash flows. These trends and factors may be changes in the vehicle market sector, the state of the domestic and global economic conditions. Management has difficulty in accurately predicting the impact of changes in these risk factors and forecasting their effects on the Company's results of operations and the financial conditions.

The Company is exposed to a few financial risks in the normal course of its business operations, including market risks resulting from policies, fluctuations in interest rates, as well as credit and liquidity risks. The following summarizes the types of market risks that the Company is exposed, and the policies and procedures for measuring and managing risk.

Credit Risk

Credit risk is the risk that the Company will incur a loss a counter party will fail to perform its obligations. The Company's financial instruments that are exposed to concentrations of credit risk consist of cash, term deposits, accounts receivable, due from related company, car loans receivable, and lease receivables. The Company attempts to mitigate the risks associated with cash and term deposits by dealing only with major Canadian financial institutions with good credit ratings and performs credit assessments of all customers making material orders. The Company attempts to mitigate the risks associated with car loans receivable and lease receivables through its credit check process performed before entering into any sales arrangement.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet a demand for cash or fund its obligations as they come due. Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they come due. The Company currently settles all of its financial obligations out of cash generated from operations. The ability to do so relies on the Company maintaining sufficient cash in excess of anticipated needs. To help manage its liquidity the Company has obtained an operating loan agreement through the Bank of Montreal.

Interest rate risk

Interest rate risk is the risk that the fair values and future cash flows of the Company will fluctuate because of changes in market interest rates. The Company's financial instruments that are exposed to concentrations of interest rate risk consist of bank indebtedness and short-term loans. A change in the prime rate of interest of 1% would result in additional interest expense for the Company of $4,428 per year.

In order to mitigate this risk, the Company carefully monitors its borrowing costs to ensure its rates reflect appropriate spreads to insulate against sudden unexpected interest rate movements.

Competitive environment

There can be no assurance that the Company will be able to compete successfully against its current or future competitors, or that such competition will not have a material adverse effect on the financial condition and results of operations of the Company. Overall, the market for the financial services offered by the Company is highly competitive and some of the companies operating in this sector have greater financial resources than the Company.

Potential acquisitions and investments

The Company seeks to acquire or invest in businesses that expand or complement its current business. Such acquisitions or investments may involve significant commitments of financial or other resources of the Company. There can be no assurance that any such acquisitions or investments will generate additional earnings or other returns for the Company, or that financial or other resources committed to such activities will not be lost. Such activities could also place additional strains on the Company's administrative and operational resources and its ability to manage growth.

Profitability

There is no assurance that the Company will earn profits in the future, or that profitability will be sustained. There is no assurance that future revenues will be sufficient to generate the funds required to continue the Company's business development and marketing activities. If the Company does not have sufficient capital to fund its operations, it may be required to reduce its sales and marketing efforts or forego certain business opportunities.

Debt Levels

Solution currently has, and will continue to have a significant amount of indebtedness. Its ability to make payments of principal and interest on the debt or to refinance its indebtedness will depend on Solution's future operating performance and its ability to enter into additional debt and equity financings, which to a certain extent is subject to economic, financial, competitive and other factors beyond its control.

If Solution is unable to generate sufficient cash flow in the future to service its debt, it may be required to refinance all or a portion of its existing debt or obtain additional financing. There can be no assurance that any such refinancing would be possible or that any additional financing could be obtained on terms acceptable to Solution.

General Economic Conditions

The automobile finance business has historically been subject to cyclical variations in the general economy and to uncertainty regarding future economic prospects. Delinquencies, defaults, repossessions and losses increase during periods of economic recession. These periods also are accompanied by decreased consumer demand for automobiles and declining values of automobiles securing outstanding loans, which weakens collateral coverage and increases the amount of a loss in the event of default. Significant increases in the inventory of used automobiles during periods of economic recession will depress the prices at which repossessed automobiles may be sold or delay the time of these sales.
Solution's financial results are sensitive to immigration policies, number of international students in Canada, fluctuations in general interest rates, gross domestic product growth, and the level of consumer confidence, among other factors. Although Solution's actual rates of delinquencies, defaults, repossessions and losses on these loans are very low comparing to our competitors in the general automobile finance industry, some government policies and general economic conditions would adversely affect its business, financial condition, liquidity and results of operations or future prospects.

Dependence on Management Information Systems

Solution depends on its management information systems in each stage of its operations. These management information systems also form the basis of its financial reporting. Irreparable damage to its information systems and databases, or loss of the information contained therein, could have a material adverse effect on Solution's business, financial condition, liquidity and results of operations or future prospects.

More Stringent Government Regulations

Solution is subject to various federal, provincial and municipal laws and regulations. Such laws, regulations and related rules and policies are administered by various federal, provincial and municipal agencies and other governmental authorities. New laws governing Solution's business could be enacted and changes to any existing laws could have a significant impact on the business of Solution. Failure by Solution to comply with applicable laws and regulations may subject it to civil or regulatory proceedings which may have a material adverse effect on Solution's business, financial condition, liquidity and results of operations or future prospects.

INTERNAL CONTROLS OVER DISCLOSURE AND 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 members of the Company's Audit Committee 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 ("ICFR"), 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.

Disclosure controls and procedures

Disclosure controls and procedures, as defined in National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings, means controls and other procedures of an issuer that are designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by an issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the issuer's management, including its certifying officers, as appropriate to allow timely decisions regarding required disclosure.

An evaluation of the effectiveness of the Company's disclosure controls and procedures were conducted as of July 31, 2018, by and under the supervision of the Company's management, including the CEO and CFO. Based on this evaluation, the CEO and CFO have concluded that the disclosure controls and procedures were effective.

Internal controls over financial reporting

The Company's management, including the CEO, and CFO, has evaluated the design of the Company's Internal Controls over Financial Reporting using the control framework and criteria established by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on this evaluation, management has concluded that the Company's ICFR as at July 31, 2018 were designed and operating effectively, and provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Limitations on the effectiveness of disclosure controls and internal controls over financial reporting

It should be noted that while the Company's Chief Executive Officer, and Chief Financial Officer believe that the Company's internal controls system and disclosure controls and procedures provides a reasonable level of assurance that the objectives of the control systems are met, they do not expect that the Company's control system 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 design will succeed in achieving its stated goals under all potential conditions.

The Company will continue to periodically review our disclosure controls and procedures and internal control over financial reporting and may make modifications from time to time as considered necessary or desirable.