Solution Financial Reports Q1 2022 Financial Results

Vancouver, British Columbia--(Newsfile Corp. - March 16, 2022) - **Solution Financial Inc. (TSX: SFI) (OTCQX: SLNFF)** (the "**Company**") a leading provider of luxury automotive and yacht leasing in Canada, today announced its financial results for the first quarter ending January 31, 2022.

Earnings Highlights for the Quarter:

- Net income for the quarter increased to $226,724 from $94,133, an increase of 140% over the prior comparative quarter.
- Adjusted net income(1) increased to $308,751 from $267,451, an increase of 15% over the prior comparative quarter.
- Net revenue increased 36% over the prior comparative quarter to $5,287,514.
- Total operating and finance lease portfolio decreased moderately to $27,663,008.

"Business remained very consistent through our first quarter of 2022," began Bryan Pang, Solution's CEO. "Our dealership partners saw the arrival of some new vehicles that have been backlogged for some time due to the COVID microprocessor supply challenges. These arrivals supported new lease originations which were relatively consistent during the quarter. In addition, high demand for quality end-of-lease vehicles lead to higher vehicle sales. Although we are happy with our continued results, we are concerned about continued challenges with new vehicle releases out of Germany where the war in Ukraine is causing further supply chain issues. The timing of these issues remains unclear, but we are all certainly hoping for a speedy resolution to this conflict. To support the courageous people of Ukraine, we donated to the Canadian Red Cross on behalf of our employees, customers and shareholders," concluded Bryan.

Financial Results

Solution is reporting net income of $226,724, or $0.003, per share for the quarter ending January 31, 2022. This compares to net income of $94,133 or $0.001 per share for the quarter ending January 31, 2021.

Adjusted net income, which is more reflective of actual cash earnings, for the quarter ending January 31, 2022, was $308,751(1) or $0.004 per share compared to $267,451 or $0.003 per share for the quarter ending January 31, 2021. Adjusted Net Income excludes the non-cash accretion expense related to the convertible debentures and right of use assets of $25,811, income tax provision of $45,000 and amortization expense of $11,216.

Solution's operating cash flow for the quarter ending January 31, 2022 increased moderately to $1,420,812 compared to $1,403,042 during the first quarter of 2021.

Lease Portfolio

At January 31, 2022, Solution had 326 vehicles in its lease portfolio, a net increase of 39 vehicles amounting to $4.7 million of value during the quarter offset by the sale of 55 existing vehicles in the Company's lease portfolio to bring the total lease portfolio to $27.7 million.

At January 31, 2022, the average remaining lease term for the portfolio was 1.8 years, weighted by net book value for each vehicle. At January 31, 2022, Solutions' 326 leases were generating annualized gross rental and lease revenue of approximately $8.2 million.

About Solution

Solution Financial Inc. was founded in 2004 and is headquartered in Richmond, British Columbia, Canada. Solution specializes in sourcing and leasing luxury and ultra luxury vehicles, yachts, and other limited-edition assets that tend to hold their value over time. The company pioneered an innovative leasing program that has helped make Metro Vancouver the luxury car capital of North America. Solution utilizes a unique leasing model that contains elements of both a rental and loan agreement that gives consumers more flexibility to upgrade or downgrade their vehicles more quickly than traditional automobile leases. This leasing alternative has proven extremely popular with affluent immigrants, international students, and business owners who may have limited credit histories in Canada or prefer more flexible vehicle ownership options.

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.

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