Solution Financial Reports Q3 2022 Financial Results

Calgary, Alberta--(Newsfile Corp. - September 13, 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 third quarter ending July 31, 2022.

Earnings Highlights for the Quarter:

- Margins were up to 36% compared to 26% for the prior year quarter as revenues were primarily from high margin leasing compared to lower margin vehicle sales.
- Net income was $376,928 compared to $406,455 during the prior year quarter
- Adjusted net income(1) was $526,797, down marginally from $557,545 during the comparative quarter.
- Total lease portfolio increased to $27,317,077 compared to $26,025,286 during the prior quarter.

"This quarter really showed the resiliency of our business model as we stayed focused on our core leasing services despite continued economic challenges," began Bryan Pang, Solution's CEO. "During 2021, we capitalized on vehicle resale opportunities caused by the supply chain impact on the luxury auto sector whereas this last quarter we focused more on helping our luxury dealership network finance vehicle sales despite generally slower sales volumes. Our recently announced $15 million financing facility with ATB Financial is a great milestone, giving us access to more resources to support more dealerships in our existing and expansion markets. Our goals remain focused on growth within the luxury market using a disciplined approach that has proven successful for the last 18 years- providing competitive market rates to good clients, focusing on leasing good vehicles, backed by good collateral, and proactively supporting customers and dealerships well beyond the initial financing event. Revenues may remain lower through these economic slowdowns, but we remain committed to focusing on operating profitably and building long term shareholder value," concluded Bryan.

Solution is reporting net income of $376,928 or $0.004, per share for the quarter ending July 31, 2022. This compares to net income of $406,455 or $0.005 per share for the quarter ending July 31, 2021.

Adjusted net income, which is more reflective of actual cash earnings, for the quarter ending July 31, 2022, was $526,797(1) or $0.006 per share compared to $531,092 or $0.006 per share for the quarter ending July 31, 2021. Adjusted Net Income excludes the non-cash accretion expense related to the convertible debentures and right-of-use assets of $55,807, income tax provision of $80,000 and amortization expense of $14,062.

Solution's operating cash flow for the nine months ending July 31, 2022 decreased to $126,863 (net of the operating lease asset disposals) compared to $3,109,803 during the comparative quarter of 2021. With increasing prime interest rates occurring over the last several months, the Company utilized surplus cash to pay down the operating financing line to minimize interest expenses.

Lease Portfolio

At July 31, 2022, Solution had 323 vehicles in its lease portfolio, a net decrease of 3 vehicles to bring the total lease portfolio to $27 million.

At July 31, 2022, the average remaining lease term for the portfolio was 1.9 years, weighted by net book value for each vehicle. At July 31, 2022, Solutions' 323 leases were generating annualized gross rental and lease revenue of approximately $7.5 million.

About Solution

Solution Financial Inc. was founded in 2004 and is headquartered in Richmond, British Columbia, and Calgary, Alberta. 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 streamlined finance leasing model specializing in assets with limited supply and high resale value. 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

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