solar alliance

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Solar Alliance announces major stride towards profitability and files audited financial results

Toronto, Canada and Knoxville, Tennessee, May 21, 2025 – Solar Alliance Energy Inc. ('Solar Alliance' or the 'Company') (TSX-V: SOLR, OTC: SAENF), a leading solar energy solutions provider focused on the commercial and utility solar sectors, has filed its audited financial results for the quarter and year ended December 31, 2024 (the "**Financial Statements**") and related Management's Discussion and Analysis ("**MD&A**").. The Financial Statements and related MD&A are available under the Company's profile.at www.sedarplus.ca

While Revenues in 2024 fell, from the record level of 2023, gross profits improved, and losses fell substantially as the Company approached breakeven.

"Solar Alliance continues to see strong interest in renewable energy and strong demand for commercial solar projects. In recent years, the Company has honed its skill and laid down a track record in delivering C&I (commercial and industrial) and smaller utility projects. In the course of 2024, Solar Alliance completed 3MW from multiple smaller 100kW to 500kW projects. The Company has now moved toward a business development strategy targeting larger commercial projects in the 1MW to 5MW range, which the board believes we can deliver profitably, to support robust future growth. In recent years, overhead was decreased as we pursued a more focussed strategy. We now have the platform in place to target larger projects and we will selectively add resources to build on that and exploit the opportunities we have identified," said Solar Alliance CEO, Brian Timmons.

We are well down the path to build a stable, growing company that is well positioned to take advantage of the broader shift to renewable energy. In this context, we closely monitor developments as they relate to the energy industry. We are encouraged to see an appreciation that the availability of competitively priced energy is a key factor underpinning future US economic growth. In the face of burgeoning energy demand over the next two decades the key market drivers that affect our business remain in place.

Key financial highlights for 2024

- Revenue decreased year-over-year to $5,446,757 (2023, $7,473,937) for the year ended December 31, 2024, as the Company focused on completion of a number of projects begun in 2023.

- Cost of sales of $3,873,917 (2023, $6,399,169) resulting in a gross profit of $1,572,840 (2023, $1,074,768).

- Net cash used in operating activities $1,830,685 (2023 – Net cash used by operating activities, $51,500)

- Net Cash provided (absorbed) by financing activities $845,000 (2023 – ($127,500))

- Net loss of $684,134 (2023 loss $1,811,861).

- Total expenses of $2,869,308 (2023 – $3,037,881), reduction of 5.5%.

- Salaries and benefits of $1,367,439 (2023 – $1,343,363), a 2% increase.
- Short-term loans and notes payable of $227,621 in 2024 (2023 – $137,500).

Key business highlights and outlook

Large project focus momentum. The Company continues to benefit from repeat customers while focusing on new customers' opportunities for solar system sales and installations. Recent policy developments in our area of operations, and growing interest in community solar is increasing the number of opportunities in our target market.

Small and medium-sized project growth continues. This remains a target niche as a base flow of business. An important component for small and rural businesses wanting to reduce utility costs are the Rural Energy for America Program ("REAP") grants and loans disbursed by the United States Department of Agriculture ("USDA"). This market segment would be impinged upon by changes in the USDA REAP scheme, although recently the administration did provide guidance enabling our customers' grant applications to move forward. These projects are in addition to the sales funnel of larger projects the Company continues to pursue.

Regional focus and Building on our expertise. Solar Alliance's strategy is to design, engineer and install, operate and manage, and in due course, participate in ownership of commercial solar systems ranging in size from one to five megawatts. Demonstrated success in the region and improved processes create opportunities for further sales and development opportunities.

Restatement of Comparative Period as at December 31, 2023

The Company announces that certain items in the financial statements for the year ended December 31, 2023 have been restated to correct certain classification errors in such financial statements. Please refer to Note 22 of the audited financial statements for the year ended December 31, 2024 for a fulsome description of adjustments and restatements for the year ended December 31, 2023.

Brian Timmons, CEO

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About Solar Alliance Energy Inc. (www.solaralliance.com)

Solar Alliance is an energy solutions provider focused on the commercial, utility and community solar sectors. Our experienced team of solar professionals reduces or eliminates customers' vulnerability to rising energy costs, offers an environmentally friendly source of electricity generation, and provides affordable, turnkey clean energy solutions. Solar Alliance's strategy is to ultimately build, own and operate our own solar assets while also generating stable revenue through the sale and installation of solar projects to commercial and utility community customers.

Statements in this news release, other than purely historical information, including statements relating to the Company's future plans and objectives or expected results, constitute Forward-looking statements.

The words "would", "will", "expected" and "estimated" or other similar words and phrases are intended to identify forward-looking information. Forward-looking information in this news release includes, but is not limited to, statements with respect to the Company's business development strategy, that the Company will be targeting larger commercial projects and the belief that the Company may deliver larger commercial projects profitably. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different than those expressed or implied by such forward-looking information. Such factors include but are not limited to: the ability to complete the Company's projects on schedule or at all, uncertainties related to the ability to raise sufficient capital; changes in economic conditions or financial markets; litigation, legislative or other judicial, regulatory, legislative and political competitive developments; technological or operational difficulties; the ability to maintain revenue growth; the ability to execute on the Company's strategies; the ability to complete the Company's current and backlog of solar projects; the ability to grow the Company's market share; the high growth rate of the US solar industry; the ability to convert the backlog of projects into revenue; the expected timing of the construction and completion of the 1500 kW Kentucky solar projects; the targeting of larger customers; the ability to predict and counteract the effects, should they re-emerge, of COVID-19 on the business of the Company, including but not limited to the effects of COVID-19, on the construction sector, capital market conditions, restriction on labour and international travel and supply chains; potential corporate growth opportunities and the ability to execute on the key objectives in 2025. Consequently, actual results may vary materially from those described in the forward-looking statements.