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Canadian Securities Exchange: Symbol J

Lotus Reports Third Quarter Financial Results

Vancouver, British Columbia – August 2, 2022 - **Lotus Ventures Inc.** (CSE: J) (OTC: LTTSF) (“**Lotus**” or the “**Company**”), a licensed cannabis producer and wholesaler of premium cannabis announced today financial results for the nine months ended May 31, 2022.

Financial Results for the Nine Months Ended:

- The Company recorded revenue of \$1.2 million compared to \$4.2 million in the same period in the prior year. The Company addressed the slowdown in its B2B wholesale business as well as its updated sales and marketing strategy moving into the next quarters in its press release dated July 27, 2022.
- The Company’s gross margin (before fair value adjustments) remained strong at 33% with its gross margin (after fair value adjustments) at 71%.
- The Company recorded a positive net income of \$137 thousand for the nine-month period compared to \$198 thousand in the same period in the prior year. The positive net income was assisted by the government grant the Company received during the nine months.
- The Company has not completed any equity private placements in the past nine months and has kept its outstanding shares at 89.9 million.

SUMMARY OF QUARTERLY RESULTS

During the nine months ended May 31, 2022, the Company had net income of \$137,848 (2021 - \$198,472). The financial results of the Company for the four most recent quarters are summarized below:

| Description | Three months ended May 31, 2022 | Three months ended Feb 28, 2022 | Three months ended Nov 30, 2021 | Three months ended Aug 31, 2021 |
|---|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Revenues | \$459,090 | \$370,551 | \$410,568 | \$1,235,937 |
| Net income (loss) | (\$103,573) | \$176,127 | \$65,293 | \$42,625 |
| Income (loss) per share, basic and diluted | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| EBITDA | \$122,671 | \$399,757 | \$279,830 | \$264,876 |
| Total assets | \$17,640,121 | \$17,678,148 | \$17,172,703 | \$16,907,742 |
| Total long-term liabilities | \$Nil | \$Nil | \$Nil | \$Nil |
| Cash dividends / share | \$Nil | \$Nil | \$Nil | \$Nil |

The Financial Statements and accompanying Management Discussion and Analysis for the nine months ended May 31, 2022 are available on [sedar.com](https://www.sedar.com)

ON BEHALF OF THE BOARD:

Lotus Ventures Inc.
"Dale McClanaghan"
Dale McClanaghan, President and CEO

About Lotus Ventures Inc.

Lotus Ventures Inc. ([CSE: J](#)) is a BC-based licensed producer and wholesaler of premium cannabis. Lotus owns and operates the consumer brand Lotus Cannabis Co.™, which has had its flower sold by wholesale partners in nine Canadian provinces to date, not including Quebec. Lotus is an experienced cultivator in the North Okanagan and the Lotus flower is currently sold in BC and Ontario by Kolab Project.

To invest in the Company, Lotus Ventures Inc. is listed on the Canadian Securities Exchange under the symbol J and on the OTC Markets under the symbol LTTSF.

For Further Information:

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Learn more by visiting our website at lotuscannabis.ca and by following our brand on social media.

Instagram: [@lotuscannabisco](#)

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Forward-Looking Information:

The information contained within this news release has been prepared by Lotus Ventures Inc. This document includes certain statements that are not descriptions of historical facts but are forward-looking statements. Such statements include, among others, those concerning our expected financial performance and strategic and operational plans, our future operating results, our expectations regarding the market for medical and recreational cannabis products, our expectations regarding the continued growth of the medical and recreational cannabis market, as well as all assumptions, expectations, predictions, intentions, or beliefs about future events. Users are cautioned that any such forward-looking statements are not guarantees of future performance and that several risks and uncertainties could cause our actual results to differ materially from those anticipated, expressed or implied in the forward-looking statements. These risks and uncertainties

have not been documented or mentioned in this document nor other communications made by the company. The words “believe,” “expect,” “anticipate,” “project,” “targets,” “optimistic,” “intend,” “aim,” “will” or similar expressions are intended to identify forward-looking statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. The Company assumes no obligation and does not intend to update any forward-looking statements, except as required by law.

The Canadian Securities Exchange does not accept responsibility for the adequacy or accuracy of this release.