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**Canadian Securities Exchange: Symbol J**

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## **Lotus Announces Third Quarter Financial Results**

**Vancouver, British Columbia – July 31, 2023 – Lotus Ventures Inc. (CSE:J) (OTC:LTTSF) (“Lotus” or the “Company”)** a B.C. based award-winning licensed cannabis producer and owner of the Lotus Cannabis Co.™ brand, announced the financial and operating results for the nine month period ended May 31, 2023.

Over the last six months, Lotus has continued its Keylime Kush campaign, resulting in the launch of three Keylime Kush SKUs in British Columbia and one in Ontario. The success of these launches has allowed the Keylime Kush to make an impactful entry into over 300 retail stores between the two provinces. With the product now thriving in the market for half a year, the Company has achieved several milestones:

### **SALES AND MARKETING MILESTONES**

- On January 23, 2023, the Company announced the launch of its first official Lotus branded Keylime Kush 3.5 gram flower, which is now available in British Columbia and Ontario.
- On February 10, 2023, Lotus launched the Keylime Kush in a 3 x 0.5 gram pre-roll format in British Columbia. As at the date of this news release, the pre-rolls have sold out several times in B.C. and continue to have strong sell through when in stock.
- On March 10, 2023, Lotus announced the approval of the 14 gram Keylime Kush flower SKU in British Columbia. The 14 gram offering was subsequently launched on April 20, 2023 and has continued to experience strong sell through.
- On March 15, 2023, Lotus announced a private company in Canada sold a portion of its Tranquil Elephantizer flower in an export shipment made to a company in Jamaica.
- On April 11, 2023, the Company announced the launch of its 3.5 gram Lotus branded flower offering in the province of Ontario. The Keylime Kush has received a strong response from retailers and consumers in the province.
- On April 20, 2023, Lotus placed in third in the ARCannabis Cup out of 128 participating licensed producers and brands in Canada.

### **Q3 OPERATING OVERVIEW**

- Production continued steady with the Company producing approximately 500,000 grams during the quarter. Production has consisted of primarily the Keylime Kush as the Company continued the ramp-up of selling in B.C. and Ontario.

- During Q3, the cost of sales recognized was representative of approximately 333,000 grams of cannabis. Over the nine-month period ended May 31, 2023, cost of sales recognized was representative of approximately 1,354,000 grams.
- Lotus completed its 125<sup>th</sup> production harvest since commencing operations. As part of the Company's ongoing efforts to innovate and introduce new, high-quality cultivars, Lotus recently completed a phenohunt strain selection process in search of its next cultivars.
- The Company has continued the IQC certification process which would enable the Company to sell its flower into the Israeli market.

## **SUMMARY OF QUARTERLY RESULTS**

During the three months ended May 31, 2023, the Company had a net loss of \$340,735 (2022 - \$103,573 net loss). The financial results of the Company for the eight most recent quarters are summarized below:

| <b>Description</b>                         | <b>Three months ended May 31, 2023</b> | <b>Three months ended Feb 28, 2023</b> | <b>Three months ended Nov 30, 2022</b> | <b>Three months ended Aug 31, 2022</b> |
|--|--|--|--|--|
| Revenues                                   | \$512,726                              | \$589,172                              | \$144,603                              | \$449,574                              |
| Net income (loss)                          | (\$340,735)                            | (\$131,035)                            | (\$765,102)                            | (\$4,930,606)                          |
| Income (loss) per share, basic and diluted | \$0.00                                 | \$0.00                                 | \$0.00                                 | (\$0.05)                               |
| EBITDA                                     | (\$82,635)                             | \$129,041                              | (\$570,107)                            | (\$4,633,554)                          |
| Total assets                               | \$13,828,742                           | \$13,959,942                           | \$13,564,565                           | \$13,471,193                           |
| Total long-term liabilities                | \$Nil                                  | \$Nil                                  | \$Nil                                  | \$Nil                                  |
| Cash dividends / share                     | \$Nil                                  | \$Nil                                  | \$Nil                                  | \$Nil                                  |

| <b>Description</b>                         | <b>Three months ended May 31, 2022</b> | <b>Three months ended Feb 28, 2022</b> | <b>Three months ended Nov 30, 2021</b> | <b>Three months ended Aug 31, 2021</b> |
|--|--|--|--|--|
| 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                                  |

For further information regarding the financial statements for the nine months ended May 31, 2023, please refer to [sedarplus.ca](https://sedarplus.ca).

### **ON BEHALF OF LOTUS VENTURES INC:**

Lotus Ventures Inc.

*"Dale McClanaghan"*

Dale McClanaghan, President and CEO

**About Lotus Ventures Inc.**

Lotus Ventures Inc. is a B.C. based, award-winning licensed cannabis producer and owner of the Lotus Cannabis Co.™ brand. Lotus is a highly experienced cultivator with its flagship product, the Keylime Kush reaching over 300 retail stores in its first six months in the market. Lotus' talented team has grown several unique and exclusive cultivars, including the Keylime Kush, Black Blossom, Tranquil Elephantizer, and Kalifornia. Lotus' cannabis flower is currently available in British Columbia and Ontario.

Lotus Ventures Inc. is listed on the Canadian Securities Exchange (CSE:J), on the OTC Markets (OTC:LTTSF) and on the Frankfurt Stock Exchange (FRA:LV9).

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To learn more, visit [lotuscannabis.ca](http://lotuscannabis.ca) and follow the Lotus Cannabis Co.™ brand on social media.

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**Forward-Looking Information:**

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 a number of 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.*