



Naturally Splendid Reports Third Quarter Results for 2021

Vancouver, British Columbia, November 29, 2021 - Naturally Splendid Enterprises Ltd. ("Naturally Splendid", "NSE" or "the Company") (FRANKFURT:50N) (TSX-V:NSP) (OTC:NSPDF) announces its unaudited financial results for the nine months ended September 30, 2021. All amounts are in Canadian dollars and are prepared in accordance with International Financial Reporting Standards.

Naturally Splendid chief executive officer Craig Goodwin reported: "The company continues to execute on our strategic plan, developing, manufacturing and distributing plant-based, meat alternative entrees. Having identified plant-based entrees as our priority, work has already begun retrofitting our existing food manufacturing facility located in British Columbia. This includes installation of a state-of-the-art packaging line, which has already been initiated. This line is expected to be operational in the next 30 to 45 days. Once fully operational, this new packaging line creates significant opportunities in the retail market by providing a wide range of packaging formats that can then be placed in both chiller and freezer sections of grocery stores. The versatility of this packaging line creates opportunities for sales in multiple formats for different placement in stores across a wide range of potential clients, ultimately resulting in increased sales."

Mr. Goodwin added: "The company has announced a private placement, of which funding will be directed towards the purchase and installation of a high-output manufacturing line that will be capable of initially producing a ton-an-hour output of a wide variety of plant-based entrees. This capacity is expected to increase up to 1,000 kilograms to 1,500 kilograms per hour within the same manufacturing footprint as efficiencies are achieved.

"This line has been selected for the ability to manufacture our plant-based foods to the exacting standards of our Australian partners, Flexitarian Foods. Selection and installation of this manufacturing line is being assisted directly by key members of the Flexitarian Foods team, who have travelled from Australia and are currently in the process of their on-site evaluations in order to optimize efficiencies of manufacturing line. Key members of Flexitarian Foods will then also be instrumental in the training of the Naturally Splendid production team to assure our clients that they will be receiving the same high-quality products that are currently produced in Australia.

"Natera Plant Based Food entrees were listed at the British Columbia Institute of Technology (BCIT), the first of what we anticipate to be multiple listings at postsecondary institutions across Canada.

"Working with our existing distribution network, including Sysco, Gordon Food Service (GFS) and Canex Foods, the company has representation in major centres across Canada and expects to increase our food service clientele through this network, as well as from our own sales initiatives."

The company has recently announced a direct-to-consumer, distribution arrangement with Sealand Quality Foods and looks to add additional direct-to-consumer partners to service specific regions and demographics. As consumer shopping habits have changed, driven in large part by the continued challenges posed by the continuing pandemic, additional direct-to-consumer distribution arrangements

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will be added to meet the expectations of this growing segment, which is adapting to new ways to shop for groceries.

Naturally Splendid chief financial officer Bryan Carson stated: "As reported in previous news releases, establishing the new manufacturing and packaging lines in our existing facility requires significantly less capital than would be required to build out an entirely new manufacturing facility. It must also be noted that the learning curve that is associated with the implementation of a new production line is minimized with the assistance of the Flexitarian Foods team. Manufacturing Natera Plant Based Foods in Canada rather than importing from Australia will have many advantages, including access to ingredients and supplies more readily available in Canada, improved inventory controls, and significantly reduced logistic challenges, thus resulting not only in increased margins, but will also bring forth additional opportunities to the company expanding our current client list, ultimately resulting in improved top- and bottom-line sales."

Mr. Carson further stated: "The company continues to evaluate ongoing projects, including the Health Canada-approved phase 2 clinical trial for a potential COVID treatment, as well as our bar manufacturing business. In regard to the Health Canada-approved clinical trial, we have all been optimistic that the pandemic was on the decline, which affected our decisions in how to proceed to trial. However, with the most recent developments surrounding the announcements by the World Health Organization as it relates to the latest mutation of the COVID virus, renewed efforts will be forthcoming looking to partner with experienced pharma companies to get Cavaltinib to trial.

"Manufacturing of bars and bites had been a priority up until the pandemic. The bars and bite business has been negatively affected due in part to ingredient supply chain challenges. Challenges related to supply chain logistics needed to be reviewed, which required an in-depth evaluation of this division. The company is developing strategic plans around this opportunity that will allow the company to begin the recovery of this division. The company will provide further updates to both the Health Canada trial and the bars and bites manufacturing in the near future."

Financial reporting standards

Naturally Splendid recorded a net loss and comprehensive loss of \$2,486,566 for the nine months ended Sept. 30, 2021, compared with a net loss of \$3,340,159 during the nine months ended Sept. 30, 2020. The decrease in net loss and comprehensive loss was attributed to the decrease in selling and distribution expenses. Gross profit margins increased by 2.4 per cent of sales in the nine months ended Sept. 30, 2021, compared with the nine months ended Sept. 30, 2020. This is predominantly due to the increased profit margins in the new plant-based sales. The company's sales decreased by approximately \$729,000 from the comparative period. During the nine-month period ended Sept. 30, 2021, selling and distribution expense decreased by approximately \$512,600 largely due to a decrease in production (facility costs, quality assurance and lab testing) and production wages, which were offset by the government wage subsidy received during the quarter. Administrative expenses decreased by approximately \$431,000 predominantly from office, rent and salaries, and corporate promotions. The decrease was attributed to a reduction in investor relations activity due to the pandemic and the reduction of corporate salaries from the government wage subsidy.

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Naturally Splendid recorded sales of \$619,653 during the nine months ended Sept. 30, 2021, compared with \$1,348,831 for the nine months ended Sept. 30, 2020. The company's sales decreased by approximately \$729,000 from the comparative period. The company had decreased sales in its private label bars and bites business by approximately \$694,000, and other branded products decreased by approximately \$6,000. Branded hemp products decreased by approximately \$83,000, and its Natera Sport products decreased by approximately \$130,000. The company's new plant-based products had sales of approximately \$79,000 during the quarter ended Sept. 30, 2021. During the nine-month period ended Sept. 30, 2021, the new plant-based product sales were approximately \$184,000.

Cost of sales during the nine months ended Sept. 30, 2021, and 2020, was \$539,187 and \$1,205,901, respectively. The company gross margin percentage was 13 per cent of sales during the nine months ended Sept. 30, 2021

The company continued its sales mix with exports of bulk seed and launching its new plant-based products. The bulk hemp seeds sold at a lower gross margin percentage then compared with the plant-based products and private label sales. The company is now focused on its higher-margin products and new commercial opportunities. Gross profits for the nine months ended Sept. 30, 2021, were \$80,466 (13 per cent of sales) compared with \$142,930 (11 per cent of sales) for the nine months ended Sept. 30, 2020. The best market opportunities for Naturally Splendid have been both domestic and new international destinations along with Prosnack Natural Foods Inc. private label products.

	For the Three Months Ended September 30, 2021 \$	For the Three Months Ended September 30, 2020 \$	For the Nine Months Ended September 30, 2021 \$	For the Nine Months Ended September 30, 2020 \$
Statements of Loss Data				
Revenue	149,614	323,195	619,653	1,348,831
Cost of sales	(144,375)	(292,827)	(539,187)	(1,205,901)
Gross Profit	5,239	30,368	80,466	142,930
Selling and distribution expenses	(160,991)	(246,776)	(589,659)	(1,102,254)
Administrative expenses	(576,803)	(714,191)	(1,980,488)	(2,411,898)
Other income(loss) and taxes	(735,578)	(911,215)	(2,486,566)	(3,340,159)
Net income (loss)	(735,578)	(911,215)	(2,486,566)	(3,340,159)
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Basic and Diluted Earnings (Loss) Per Share	(0.00)	(0.00)	(0.01)	(0.02)

About Naturally Splendid Enterprises Ltd.

Founded in 2010, NSE operates a food manufacturing facility just outside Vancouver, BC in Canada. The Company has established numerous healthy, functional foods under recognized brands such as Natera Sport™, Natera Hemp Foods, CHII, Elevate Me™ and Woods Wild Bar™, and most recently Natera

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Plant Based Foods, a line of delicious plant-based meat alternatives for the rapidly growing plant-based market segment. The Company has a myriad of new products and line extensions under development that are approaching launch. NSE, through its joint venture Plasm Pharmaceutical, has been approved for conducting a phase 2 clinical trial approved by Health Canada for treatment of COVID-19. NSE has also developed proprietary technologies for the extraction of high-demand, healthy omega 3 and 6 oils from hemp.

NSE contract manufacturers for healthy, functional food products and ingredients focusing on plant-based ingredients. The Company provides contract manufacturing services for many healthy food companies, private labeling a wide variety of nutritional food products destined for global healthy food markets. For more information e-mail info@naturallysplendid.com or call Investor Relations at 604-465-0548 (ext. 105)

On Behalf of the Board of Directors

Mr. J. Craig Goodwin CEO, Director

Contact Information

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Forward-Looking Statements

Information set forth in this news release contains forward-looking statements that are based on assumptions as of the date of this news release. These statements reflect management's current estimates, beliefs, intentions and expectations. They are not guarantees of future performance. Naturally Splendid cautions that all forward looking statements are inherently uncertain and that actual performance may be affected by a number of material factors, many of which are beyond Naturally Splendid's control including, Naturally Splendid's ability to compete with large food and beverage companies; sales of any potential products developed will be profitable; sales of shelled hemp seed will continue at existing rates or increase; the ability to complete the sales of all bulk hemp seed purchase orders; and the risk that any of the potential applications may not receive all required regulatory or legal approval. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-looking information. Except as required under applicable securities legislation, Naturally Splendid undertakes no obligation to publicly update or revise forward-looking information.

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