NEWS RELEASE

Cardiff Lexington Announces 2021 Year End Financial Results

10/24/2022

FT. LAUDERDALE, FL / ACCESSWIRE / October 24, 2022 / Cardiff Lexington Corporation (OTC PINK:CDIX) announced today financial results for its year ended December 31, 2021.

Total Stockholders' Equity	
As of December 31, 2020	($8,872,334)
As of December 31, 2021	$2,781,364
Net Increase in Stockholder's Equity	11,653,698
Total Assets End of Period	
For the Twelve Months Ended December 31, 2020	$4,930,147
For the Twelve Months Ended December 31, 2021	$11,159,915
126% Net Increase in Total Assets	$6,229,768
Total Liabilities End of Period	
For the Twelve Months Ended December 31, 2020	$13,802,481
For the Twelve Months Ended December 31, 2021	$ 8,378,551
39% Net Decrease in Total Liabilities	$5,423,930
Convertible Notes Payable	
For the Twelve Months Ended December 30, 2020	$2,476,647
For the Twelve Months Ended December 30, 2021	$2,077,753
16% Net Decrease in Convertible Debt	$398,894
Revenue	
For the Twelve Months Ended December 31, 2020	$3,453,058
For the Twelve Months Ended December 31, 2021	$10,008,860
190% Net Increase in Annual Revenue	$6,555,802
Gross Margin	
For the Twelve Months Ended December 31, 2020	$1,784,912
For the Twelve Months Ended December 31, 2021	$6,160,454
245% Net Increase in Annual Gross Margin	$4,375,542
Net Profit/Loss for the Year	
For the Twelve Months Ended December 31, 2020	($2,836,893)
For the Twelve Months Ended December 31, 2021	($409,707)
85% Net Decrease in Annual Loss	($2,427,186)

During the 1st Quarter of 2022 Cardiff Lexington management implemented two parallel paths, (1) to continue management focus to grow day-to-day operations of its subsidiary operations in a manner consistent to the Company's growth strategy and,(2) restating prior financial results working to accurately bring all financial reporting current.The first path, business operations, has continued unabated by the constraints of the second path. Though management is forbidden from making statements of unreported performance results, it can now acknowledge that the Company continues to grow throughout 2022 and implement sound business decisions to

best position the Company over the long-term.

In late February 2022, the Company's former auditor approved the filing of restated financial statements for the year ended December 31, 2020 included in our Annual Report on Form 10-K and the 2021 first quarter Q-1 Form 10-Q. The restatement primarily related to the accounting for (1) the valuation of embedded derivative liabilities in certain matured convertible notes and (2) the accounting treatment for changes in certain rights and privileges with respect to certain classes of preferred stock. Those restated filings cleared the way for the second path to allow the Company to begin, updated financial reporting efforts whereby in collaboration with the Company's new auditor the Company filed Q2 2021 quarterly financials in late May 2022, filed Q3 2021 quarterly financials the end of June 2022, and Friday, October 21, 2022 filed the Company's 2021-year-end Annual Report the Form 10-K.

After recognizing a one-time, non-recurring, acquisition expense of $2,777,778,for year-end 2021, the Company reported a Net Loss from Operations in 2021 of ($409,707). The Company increased Revenue 190%, a $6.555M increase; increased Gross Margin 245%, a $4.375M increase; decreased Total Liabilities 40%, a decrease of $5.423M; increased Total Assets 126%, an increase of $6.229M; and increased Stockholder's Equity in 2021 by $11.653M.

"We are relieved to finally be able to publicly share our 2021 year-end results which speak for themselves", stated Alex Cunningham, Cardiff CEO. "This has been an exhausting process, but rest assured the management team and the Company's Auditors efforts are ongoing to complete the remaining three quarters of the Company's 2022 Quarterly reporting to bring our financial reporting current." Cunningham further stated, "Meanwhile management continues to sustain growth while also improving the Company's Balance Sheet by retiring many existing notes to restructure the majority of its debt. Cardiff Lexington recently entered into a loan consolidation and restructure agreement which includes a new replacement note which consolidated several existing notes under new extended terms including a component which converted a substantive portion of debt to equity prior to the end of Q3 of 2022. Further, management continues efforts to divest of underperforming assets focusing on synergistic opportunities in the healthcare sector."

While the upcoming quarterly auditing and reporting process is not as comprehensive as the annual, as each segment spans only a 90-day timeframe, each remaining quarter will take a few weeks for the auditor to audit for approval for the Company to file. Management expects further filings in the near term.

In September 2022, under the terms of its Stock Purchase Agreement dated May 31, 2021 the Company issued the final payment of 818,750 additional shares of Preferred Series J Stock, to the Sellers of the Company's Nova Ortho and Spine Subsidiary with an aggregate stated value equal to Three Million Two Hundred Seventy-Five Thousand Dollars ($3,275,000.00) which will be reflected in the company's 2022 Q3 10-Q reporting. This wholly owned subsidiary continues to expand its footprint throughout the State of Florida with nine current locations and plans to open a tenth location in Q4 of 2022. This subsidiary provides a full range of diagnostic and surgical services for

injuries and disorders of the skeletal system and associated bones, joints, tendons, muscles, ligaments, nerves to sprains, strains, fractures to hip, knee replacement, shoulder reconstruction, fracture care, hand surgery, and spinal surgery.

In summary, as each financial report is filed those results will reflect progress in the Company's Day to day operations. Since February 2022, the Company has refiled or filed, its past 11 quarters of financial results and will shortly file its remaining 3 quarters of 2022 performance. Management looks forward to putting this amended, restated, and delinquent financial reporting chapter behind us to be able to prioritize concentration towards profitability, cash flow management, revenue growth, future acquisitions, and further increasing stockholders' equity.

About Cardiff Lexington Corporation: Cardiff Lexington Corporation, together with its subsidiaries, provides healthcare and financial services in the United States. The Company provides a full range of diagnostic and surgical services for injuries and disorders throughout the State of Florida with nine current locations. The company provides national tax resolution bookkeeping, and tax preparation service to individuals and companies that have federal and state tax liabilities. It also engages in the commercial real estate property business currently developing 27 medium and high-density acres of dedicated riverfront property on the Salmon River, in Salmon Idaho adjacent to the Frank Church Wilderness Park, the largest wilderness park in the lower 48 states. The Company acquires private middle-market healthcare companies providing the ability to have an infusion of equity into that subsidiary or providing them the ability to exit equity. The Company's "Buy and Build" acquisition and value creation strategy targets acquisition of middle market private niche healthcare companies synergistically leveraging data and resources across similar target markets as wholly owned subsidiaries. Fundamental to the Cardiff Lexington strategy is the service-based partnership culture which emphasizes core values, teamwork, accountability, and performance. Owners monetize opportunity gaining liquidity, diversification, pooled resources, leverage value, and mitigated risk. The Cardiff Lexington umbrella provides its subsidiary companies a proven, experienced management team led by strong and talented executives and advisors providing, added management value operationally to facilitate and lead growth and expansion, the enhanced ability to raise money for operations or expansion, and expert add on acquisition and market guidance. The Cardiff Lexington model enables business owners to exit personal equity, take advantage of the capitalization power of a public company, and to exploit synergies with other subsidiary companies. Cardiff Lexington looks to partner with successful entrepreneurs to assist building successful niche companies. For investors, Cardiff Lexington provides a diversified lower risk portfolio to protect and safely enhance their investment by continually adding assets and holdings. The Company's focus is not geographic-specific, but rather proven management, market, and margin - we are opportunity oriented. Cardiff Lexington Corporation was incorporated in 2001 and is headquartered in Fort Lauderdale, Florida.

FORWARD LOOKING STATEMENT: This news release contains forward looking statements within the meaning of the

Securities Litigation Reform Act. The statements reflect the Company's current views with respect to future events that involve risks and uncertainties. These risks include the failure to meet schedule or performance requirements of the Company's business, the Company's liquidity position, the Company's ability to obtain new business, the emergence of competitors with greater financial resources, and the impact of competitive pricing. In the light of these uncertainties the forward-looking events referred to in this release might not occur.

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