FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: **Flower One Holdings, Inc.** (the “Issuer” or the “Company”).

Trading Symbol: **FONE**

This Quarterly Listing Statement must be posted on or before the day on which the Issuer’s unaudited interim financial statements are to be filed under the *Securities* Act, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer’s first, second and third fiscal quarters. This statement is not intended to replace the Issuer’s obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

**General Instructions**

1. Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
2. The term “Issuer” includes the Listed Issuer and any of its subsidiaries.
3. Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

# There are three schedules which must be attached to this report as follows:

# SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

***Financial statements for the interim period ended June 30, 2021 (“Financial Statements”), as filed with the securities regulatory authorities, filed herewith on the Issuer’s CSE Profile.***

# SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. **Related party transactions**

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.

(b) A description of the transaction(s), including those for which no amount has been recorded.

(c) The recorded amount of the transactions classified by financial statement category.

(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.

(e) Contractual obligations with Related Persons, separate from other contractual obligations.

(f) Contingencies involving Related Persons, separate from other contingencies.

***All information related to transactions with Related Persons is included on page 54 of the Financial Statements and on page 16 of the management’s discussion & analysis for the interim period ended June 30, 2021 (“MD&A”) filed herewith on the Issuer’s CSE Profile.***

1. **Summary of securities issued and options granted during the period.**

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

***During the three-month period ended June 30, 2021, the Company: issued 95,389,433 common shares; granted no options and issued 129,131,856 warrants to acquire common shares. All information related to these issuances included in the Financial Statements and the MD&A filed herewith on the Issuer’s CSE Profile.***

Summary of common shares issued during the period:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Date of Issue** | **Type of Security (common shares, convertible debentures, etc.)** | **Type of Issue (private placement, public offering, exercise of warrants, etc.)** | Number | **Price** | **Total Proceeds** | **Type of Consideration (cash, property, etc.)** | **Describe relationship of Person with Issuer (indicate if Related Person)** | **Commission Paid** |
| 4/06/2021 | Common Shares | Finder’s Fee | 1,175,736 | C$0.26 | n/a | Payment in Common Shares of US$240,717 of Finder’s Fee in connection with Convertible Note financing | Finder | This represents US$240,716 of US$323,154 of total Finder’s Fee paid to this recipient |
| 4/09/2021 | Common Shares | Loan Modification Fee | 1,996,742 | C$0.2065 | n/a | Payment in Common Shares of C$412,392 of Loan Modification Fee | Lender |  |
| 4/19/2021 | Common shares | Debt Conversion/Restructure | 74,901,652 | C$0.35 | n/a | Debt Conversion re March 2019 Convertible Debentures | Lender |  |
| 4/19/2021 | Common shares | Debt Conversion/Restructure | 16,359,109 | C$0.35 | n/a | Debt Conversion re November 2019 Convertible Debentures | Lender |  |
| 6/30/2021 | Common Shares | Interest Payment in Shares | 784,790 | C$0.2562 | n/a | Payment in Common Share of C$43,906.40 in interest due on March 2019 Debentures | Lender |  |
| 6/30/2021 | Common Shares | Interest Payment in Shares | 171,404 | C$0.2562 | n/a | Payment in Common Shares of C$43,906.40 in interest due on November 2019 Debentures | Lender |  |

Summary of options granted during the period:

**None issued during the quarter**

Summary of warrants issued during the period:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Date | **Number** | **Name of Warrant Grantee**  **if Related Person**  **and relationship** | **Generic description of other Warrant Grantee** | **Exercise Price** | **Expiry Date** | **Market Price on date of Grant** |
| 4/19/2021 | 62,418,044 | n/a | Issued in connection with restructure of March 2019 Convertible Debentures | C$0.70 | 4/19/2024 | C$0.27 |
| 4/19/2021 | 13,632,591 | n/a | Issued in connection with restructure of March 2019 Convertible Debentures | C$0.70 | 4/19/2024 | C$0.27 |
| 4/19/2021 | 300,000 | n/a | Issued in connection with 2nd Loan Modification | C$0.39 | 4/19/2024 | C$0.27 |
| 5/7/2021 | 397,873 | n/a | Issued in connection with Loan Modification with short-term lender | US$.315 | 5/7/2024 | C$0.28 |
| 3/17/2021 | 587,871 | n/a | Part of Finder’s Fee in connection with the Convertible Note Financing. | C$0.39 | 3/17/2024 | C$0.31 |
| 4/17/2021 | 195.231 | n/a | Part of Finder’s Fee in connection with Convertible Debenture Restructure | C$0.39 | 4/17/2024 | C$0.275 |

1. **Summary of securities as at the end of the reporting period.**

Provide the following information in tabular format as at the end of the reporting period:

1. description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,
2. number and recorded value for shares issued and outstanding,
3. description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and
4. number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

***Information is included in the Financial Statements filed herewith on the Issuer’s CSE Profile.***

***As of June 30, 2021 there were no common shares of the Company subject to escrow or pooling agreements.***

1. **List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.**

|  |  |
| --- | --- |
| **Name** | **Position Held as at June 30, 2021** |
| **Directors** |  |
| Salpy Boyajian | Chairman |
| Kellen O’ Keefe | Director |
| Eliza Gairard | Director |
| Mitch Kahn | Director |
| Nitin Kaushal | Director, Audit Committee Chairman |
|  |  |
| **Officers** |  |
| Kellen O’ Keefe | CEO and President |
| Salpy Boyajian | Executive Vice President |
| Richard Groberg | Acting CFO |
| Richard Ormond | Board Secretary |

**SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS**

Provide Interim MD&A if required by applicable securities legislation.

***The MD&A, as filed with securities regulatory authorities, has been filed herewith on Issuer’s CSE Profile.***

**Certificate Of Compliance**

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated **August 11, 2021**

**Richard Groberg**

Name of Director or Senior Officer

(signed**) “*R.S. Groberg”***

Signature

**Acting Chief Financial Officer**

Official Capacity

|  |  |  |
| --- | --- | --- |
| ***Issuer Details***  Name of Issuer  **Flower One Holdings Inc.** | For Quarter Ended  **June 30, 2021** | Date of Report  YY/MM/D  **21/8/xx** |
| Issuer Address  **Suite 600 – 20 Richmond St. East** | | |
| City/Province/Postal Code  **Toronto, ON, M5C 2R9** | Issuer Fax No.  **(416) 840-5528** | Issuer Telephone No.  (**416) 913-9642** |
| Contact Name  **(416) 913-9642** | Contact Position  **Acting CFO** | Contact Telephone No.  **(702) 827-6831** |
| Contact Email Address  **rgroberg@flowerone.com** | Web Site Address  **www.flowerone.com** | |