

# Flower One Issues Common Shares in Satisfaction of Interest Payment Under Its Convertible Debentures

LAS VEGAS--([BUSINESS WIRE](https://www.businesswire.com/))—December 9, 2021 -- Flower One Holdings Inc. (“Flower One” or the “Company”) (CSE: FONE) (OTCQX: FLOOF) (FSE: F11), the leading cannabis cultivator and producer in Nevada announces that in accordance with the terms of the indentures entered into in March 2019 and November 2019 between the Company and Odyssey Trust Company (the “Trustee”), as amended, in respect of its unsecured convertible debentures due January 31, 2024 (collectively, the “Debentures”), it has elected to issue common shares in the capital of the Company (“Common Shares”) to debenture holders in satisfaction of interest in the amount of CAD$509,652, and CAD$111,312 due and payable on December 31, 2021 on the March 2019 and the November 2019 Debentures, respectively (the “Interest Payment”).

In accordance with the terms of the indentures, the issue price of the Common Shares will be based on the volume-weighted average trading price per Common Share for the twenty (20) consecutive trading days on the Canadian Securities Exchange (the “CSE”) ending on December 8, 2021. The Common Shares shall be issued to the registered holders of the Debentures appearing on the registers of the Trustee at the close of business on November 30, 2021, being the last business day of the month preceding the applicable interest payment date. No fractional Common Shares will be issued in satisfaction of the Interest Payment. The Common Shares issuable in satisfaction of interest payable under the Debentures will not be subject to any hold period resale restrictions under Canadian securities laws. Any Common Shares issued to a holder of the debentures in the United States will be restricted securities under the U.S. Securities Act of 1933, as amended.

The issuance of the Common Shares in lieu of cash is subject to the terms and conditions of the indentures as well as the receipt of all requisite approvals, including, without limitation, the approval of the CSE.

**About Flower One Holdings Inc.**

Flower One is the largest cannabis cultivator, producer, and full-service brand fulfillment partner in the state of Nevada. By combining more than 20 years of greenhouse operational excellence with best-in-class cannabis operators, Flower One offers consistent, reliable, and scalable fulfillment to a growing number of industry-leading cannabis brands (Cookies, Kiva, Old Pal, Heavy Hitters, Lift Ticket’s, The Clear, HUXTON, and Flower One’s leading in-house brand, NLVO, and more). Flower One currently produces a wide range of products from flower, full-spectrum oils, and distillates to finished consumer packaged goods, including a variety of: pre-rolls, concentrates, edibles, topicals, and more for top-performing brands in cannabis. Flower One’s Nevada footprint includes the Company’s flagship facility, a 400,000 square-foot high-tech greenhouse and 55,000 square-foot production facility, as well as a second site with a 25,000 square-foot indoor cultivation facility and commercial kitchen. Flower One has built an industry-leading team focused on becoming the first high-quality, low-cost brand fulfillment partner.

The Company’s common shares are traded on the Canadian Securities Exchange under the Company’s symbol “FONE”, in the United States on the OTCQX Best Market under the symbol “FLOOF” and on the Frankfurt Stock Exchange under the symbol “F11”. For more information, visit: [https://flowerone.com](https://cts.businesswire.com/ct/CT?id=smartlink&url=https%3A%2F%2Fflowerone.com&esheet=52548613&newsitemid=20211209006173&lan=en-US&anchor=https%3A%2F%2Fflowerone.com&index=1&md5=c1f9ff2d425a350a92fb8763762f9df1).

**Cautionary Note Regarding Forward-Looking Information**

Statements in this press release that are not statements of historical or current fact constitute “forward-looking information” within the meaning of Canadian securities laws and “forward-looking statements” within the meaning of United States securities laws (collectively, “forward-looking statements”). Such forward-looking statements involve known and unknown risks, uncertainties, and other unknown factors that could cause the actual results of the Company to be materially different from historical results or from any future actual results expressed or implied by such forward-looking statements. In addition to statements which explicitly describe such risks and uncertainties, readers are urged to consider statements labeled with the terms “believes,” “belief,” “expects,” “intends,” “anticipates,” “potential,” “should,” “may,” “will,” “plans,” “continue” or other similar expressions to be uncertain and forward-looking.

Forward-looking statements may include, without limitation, statements relating to the payment of interest on December 31, 2021, the Company’s position as a leader in the Nevada cannabis market, the Company’s leadership as a cannabis cultivator, producer, innovator and full-service brand fulfillment partner, and the production of a wide range of products for the nation’s industry leading brands.

The forward-looking statements contained in this press release are expressly qualified in their entirety by this cautionary statement, the “Cautionary Statement regarding Forward-Looking Information” section contained the Company’s management’s discussion and analysis for the three and nine months ended September 30, 2021 (the “MD&A”). All forward-looking statements in this press release are made as of the date of this press release. The forward-looking statements contained herein are also subject generally to assumptions and risks and uncertainties that are described from time to time in the Company’s public securities filings with the Canadian securities commissions, including the Company’s MD&A. Although Flower One has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those contained in the forward-looking statements, there can be other factors that cause results, performance or achievements not to be as anticipated, estimated or intended.

Although the Company believes that any forward-looking information and statements herein are reasonable, in light of the use of assumptions and the significant risks and uncertainties inherent in such information and statements, there can be no assurance that any such forward-looking information and statements will prove to be accurate, and accordingly readers are advised to rely on their own evaluation of such risks and uncertainties and should not place undue reliance upon such forward-looking information and statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this press release are made as of the date of this release. Flower One disclaims and does not undertake any intention or obligation to update or revise any such forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

NEITHER THE CANADIAN SECURITIES EXCHANGE NOR THEIR REGULATIONS SERVICES PROVIDER HAVE REVIEWED OR ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

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