

**Flower One Announces Anticipated Delay in Annual Filings**

Las Vegas, Nevada and Toronto, Ontario - April 16, 2021 - Flower One Holdings Inc. ("Flower One" or the "Company") (CSE: FONE) (OTCQX: FLOOF) (FSE: F11), a leading cannabis cultivator and producer in Nevada, announces today that it anticipates a possible delay in the filing of its financial statements for the financial year ended December 31, 2020, the accompanying management’s discussion and analysis, and certificates of its CEO and CFO (collectively, the “Annual Filings”) until after the April 30, 2021 deadline.

“Our financial team is working closely with our auditors, and we look forward to completing the audit and related filings,” said Richard Groberg, Flower One's Interim CFO. "Following the completion of our 2020 filing, we will then shift our focus to reporting our Q1 2021 results as quickly as possible. Our team has made tremendous progress over a very short period of time making it possible for Flower One to ramp up to meet rapidly-accelerating demand in Nevada, as the state has already reported all-time record highs for January 2021.”

The additional time is required to permit the Company’s auditors, MNP LLP, to complete its review and enquiries in connection with the audit of the Company’s annual financial statements. The delay is also in part attributable to (i) logistical challenges related to the COVID-19 pandemic in the 2020 calendar year, which prevented the Company’s former CEO and CFO from working at the Company’s Las Vegas office for most of 2020, (ii) recent changes to the Company’s executive management group and board of directors, and (iii) significant subsequent event reporting related to Company’s recent financing and debt restructuring initiatives. The Company and its auditors are working diligently, and the Company intends to make the Annual Filings as soon as possible and it expects to make these filings by no later than May 28, 2021.

In connection with this anticipated delay, the Company has applied for a customary management cease trade order (the “MCTO”) relating to the trading by the Company’s CEO and CFO in securities of the Company from the Ontario Securities Commission, the Company’s principal regulator in Canada. If granted, the MCTO should not affect the ability of other shareholders to trade in the securities of the Company.

If the MCTO is granted, the Company intends to comply with the provisions of the alternative information guidelines set out in National Policy 12-203 – Management Cease Trade Orders by providing bi-weekly updates by way of press release until the Annual Filings have been made.

In the interim, until Annual Filings are submitted, management and other insiders of the Company are subject to a trading black-out policy that reflects the principles in section 9 of National Policy 11-207 – Failure to-File Cease Trade Orders and Revocations in Multiple Jurisdictions.

**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, 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%2525252525253A%2525252525252F%2525252525252Fflowerone.com&esheet=52370977&newsitemid=20210201005299&lan=en-US&anchor=https%2525252525253A%2525252525252F%2525252525252Fflowerone.com&index=2&md5=cb01c0d77340eb766af0d4d3b4a26cb8).

**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," "should," "may," "will," "plans," or other similar expressions to be uncertain and forward-looking.

Forward-looking statements may include, without limitation, the Company’s anticipated delay in making the Annual Filings, the date by which the Company intends to make the Annual Filings, the Company’s application for a customary MCTO, the expected absence of an impact on the ability of other securityholders to trade in the Company’s securities and the Company’s intention to comply with the provisions of the alternative information guidelines.

The forward-looking statements contained in this press release are expressly qualified in their entirety by this cautionary statement and the "Forward-Looking Statements" section contained in the Company’s management’s discussion and analysis for the nine and three months ended September 30, 2020 (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. 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. Additional information regarding this and other risks and uncertainties relating to the Company’s business are contained under the heading "Risk Factors" in the MD&A.

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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