

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): January 14, 2022

Lowell Farms Inc.

(Exact name of registrant as specified in its charter)

British Columbia, Canada
(State or other jurisdiction
of incorporation)

000-56254
(Commission
file number)

NA
(IRS Employer
Identification Number)

19 Quail Run Circle, Suite B
Salinas, California 93907
(Address of principal executive offices)

(831) 998-8214
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class

Trading Symbols

Name of exchange on which registered

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Resignation of Director

On January 11, 2022, Kevin McGrath resigned from the Board of Directors (the "Board") of Lowell Farms Inc. (the "Company") and as a member of the audit committee of the Board (the "Audit Committee"), in each case effective as of January 11, 2022. Mr. McGrath's decision to resign was not related to a disagreement with the Company over any of its operations, policies or practices.

Election of Director

On January 13, 2022, the Board elected Jeffrey Monat as a director of the Company and to serve as a member of the Audit Committee. [Mr. Monat is a designee of the Company's Convertible Debentureholders and will serve on the Board until the Company's 2022 Annual Meeting of Stockholders and until his successor is duly elected and qualified, or until his earlier resignation, incapacity or removal.

Mr. Monat was recommended for election to the Board by the Company's nominating and corporate governance committee, in accordance with the provisions of its charter.

There are currently no arrangements or understandings between Mr. Monat and any other person pursuant to which Mr. Monat was elected as a director. Mr. Monat is a partner of Merida Capital Partners, LLC, affiliates of which hold \$902,185 in principal amount of the Company's outstanding Convertible Debentures, warrants to purchase 4,512,414 Subordinate Voting Shares of the Company at an exercise price of \$0.28 per share, and 500,000 Subordinate Voting Shares. There are currently no other transactions in which Mr. Monat has an interest requiring disclosure under Item 404(a) of Regulation S-K.

On January 13, 2022, in connection with his election to the Board, the Board approved an award of options to Mr. Monat to purchase 75,000 Subordinate Voting Shares of the Company under the Company's 2019 Stock and Incentive Plan at an exercise price equal to the closing price of such shares as of the date of grant.

On January 14, 2022, the Company issued a press release announcing Mr. McGrath's resignation from the Board and Mr. Monat's election to the Board, a copy of which is filed as Exhibit 99.1 to this Current Report on Form 8-K.

Item 7.01 Regulation FD Disclosure

The slide presentations attached hereto as Exhibits 99.2 and 99.3, and incorporated herein by reference, will be displayed on the website of the Company beginning on January 14, 2022 and may be used by the Company in presentations to existing and prospective investors and to analysts on or after January 14, 2022.

The investor presentation has been updated for current financial and operational information. The harvest report reflects the monthly results of flower harvests at each of our greenhouses. The current month's results are preliminary pending actual results once the drying process has been completed. These preliminary results are adjusted to actual in the following month's report.

In accordance with General Instruction B.2 of Form 8-K, the information in this Item 7.01 of this Current Report on Form 8-K, including Exhibits 99.2 and 99.3 attached hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits

| <u>Number</u> | <u>Exhibit</u> |
|----------------------|--|
| 99.1 | Press Release as of January 14, 2022 |
| 99.2 | Investor Presentation as of January 14, 2022 |
| 99.3 | Harvest Report as of January 14, 2022 |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: January 14, 2022

Lowell Farms Inc.

By: /s/ Brian Shure
Name: Brian Shure
Title: Chief Financial Officer

LOWELL FARMS

LOWELL FARMS WELCOMES JEFF MONAT TO BOARD OF DIRECTORS

California-based cannabis leader adds veteran finance executive and investor to leadership team

SALINAS, CA (January 14, 2021) – Lowell Farms Inc. (CSE:LOWL; OTCQX:LOWLF), a California-born innovator in cannabis cultivation and maker of the legendary brand Lowell Smokes, has named veteran finance executive and cannabis investor **Jeff Monat** to its Board of Directors.

Mr. Monat is a Senior Partner at Merida Capital Holdings, a private equity firm targeting fundamental growth drivers underpinning the rapid development of the cannabis industry. He sits on Merida's Investment Committee, helping to steer the firm's investments that focus on products and services associated with the evolution of cannabis as an agricultural product, a natural plant-based medicine, a constituent in pharmaceutical formulations and a recreational consumer product.

"With Jeff, we have immediately expanded the knowledge, expertise, and perspective of our board," says Chairman of the Board George Allen. "Not only does he bring unrivaled experience, but also a fundamental understanding of the economics of this massive, and still evolving industry."

Mr. Monat has been an investor in cannabis companies for nearly 10 years, funding both cultivation and ancillary businesses. He currently serves on the Board of Directors for Merida Merger Corporation I and as Chairman of the Board of Steep Hill, Incorporated. Mr. Monat has previously worked in analyst roles for Seven Locks Capital, Rockbay Capital, and Goldman Sachs, where he advised clients on M&A transactions, financial valuation, and corporate governance issues. In addition to his professional accomplishments, Mr. Monat serves as treasurer and trustee of the Friends Grow Friends Foundation, Inc., an after-school program that helps children with special needs improve their social skills.

"I'm incredibly optimistic about the future of Lowell Farms and I'm proud to offer my expertise as a member of the board," Mr. Monat says. "Lowell Farms has established itself as a leader in this industry, yet the ceiling is high and there is great opportunity for the company to grow its capabilities in emerging cannabis sectors, while maintaining its leading position in the adult-use market."

Mr. Monat's appointment comes as Kevin McGrath departs the Lowell Farms Board of Directors.

"Kevin's counsel and contributions to the board have brought great value to the organization and we would like to thank him for his support of Lowell Farms," Mr. Allen says.

Mr. Monat will begin his tenure with the Board of Directors effective immediately.

ABOUT LOWELL FARMS INC.

Lowell Farms Inc. (CSE:LOWL; OTCQX:LOWLF)(the "Company") is a California-based vertically-integrated cannabis company with advanced production capabilities supporting every step of the supply chain, including cultivation, extraction, manufacturing, brand sales, marketing, and distribution. Lowell Farms grows artisan craft cannabis with a deep love and respect for the plant, and prides itself on using sustainable materials – from seed to sale – to produce an extensive portfolio of award-winning originals, including Lowell Herb Co, Cypress Cannabis, MOON, and Kaizen Extracts, for licensed retailers statewide.

Lowell Farms Inc. Media Contact

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Lowell Farms Inc. Investor Relations Contact

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Lowell Farms Inc. Company Contact

Mark Ainsworth
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Forward-Looking Information and Statements

This news release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved." The forward-looking information and forward-looking statements contained herein may include, but are not limited to, the ability of the Company to successfully achieve its business objectives, including as a result of the described acquisition, and expectations for other economic, business, and/or competitive factors. There can be no assurance that such forward-looking information and statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such forward-looking information and statements. This forward-looking information and statements reflect the Company's current beliefs and are based on information currently available to the Company and on assumptions the Company believes are reasonable.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; operating and development costs; competition; changes in legislation or regulations affecting the Company; the timing and availability of external financing on acceptable terms; the available funds of the Company and the anticipated use of such funds; favorable production levels and outputs; the stability of pricing of cannabis products; the level of demand for cannabis product; the availability of third-party service providers and other inputs for the Company's operations; lack of qualified, skilled labor or loss of key individuals; and

risks and delays resulting from the COVID-19 pandemic. A description of additional assumptions used to develop such forward-looking information and a description of additional risk factors that may cause actual results to differ materially from forward-looking information can be found in the Company's disclosure documents, such as the Company's annual information form filed on the SEDAR website at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Forward-looking information contained in this news release is expressly qualified by this cautionary statement.

The forward-looking information contained in this news release represents the expectations of the Company as of the date of this news release and, accordingly, is subject to change after such date. However, the Company expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities law.

Neither the Canadian Securities Exchange nor its Regulation Service Provider has reviewed, or accepts responsibility for the adequacy or accuracy of, the content of this news release.



**INVESTOR PRESENTATION
LOWELL FARMS INC.**

(CSE:LOWL; QTCQX: LOWLF)

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DISCLAIMER

USE OF NON-GAAP MEASURES

This document refers to EBITDA because certain investors may use this information to assess the Company's performance and also determine the Company's ability to generate cash flow. This data is furnished to provide additional information and is a non-GAAP measure and does not have any standardized meaning prescribed by GAAP and therefore may not be comparable to similar data presented by other issuers. It should not be considered in isolation as a substitute for measures of performance prepared in accordance with GAAP and is not necessarily indicative of operating costs presented under GAAP. EBITDA is net income (loss), excluding the effects of income taxes (recovery), net interest expense, depreciation and amortization; and Adjusted EBITDA also includes non-cash fair value adjustments on investments, unrealized foreign currency gains/losses, share-based compensation expense and other transactional and special expenses, such as acquisition costs and expenses related to the markup of acquired finished goods inventory, which are inconsistent in amount and frequency and are not what we consider as typical of our continuing operations. Management believes this measure provides useful information as it is a commonly used measure in the capital markets and as it is a close proxy for repeatable cash generated by operations. We use Adjusted EBITDA internally to understand, manage, make operating decisions related to cash flow generated from operations and evaluate our business. In addition, we use Adjusted EBITDA to help plan and forecast future periods.

ON FORWARD-LOOKING STATEMENTS

This document includes information, statements, beliefs and opinions which are forward-looking, and which reflect current estimates, expectations and projections about future events, referred to herein as "forward-looking statements" or "forward-looking information". Statements containing the words "believe", "expect", "intend", "should", "seek", "anticipate", "will", "positioned", "project", "risk", "plan", "may", "estimate" or, in each case, their negative and words of similar meaning are intended to identify forward-looking statements. By their nature, forward-looking statements involve a number of known and unknown risks, uncertainties and assumptions concerning, among other things, the Company's anticipated business strategies, anticipated trends in the Company's business and anticipated market share, that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. In addition, even if the outcome and financial effects of the plans and events described herein are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods. Although Lowell Farms has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors and risks that cause actions, events or results not to be as anticipated, estimated or intended. A description of assumptions used to develop such forward-looking information and a description of risk factors that may cause actual results to differ materially from forward-looking information can be found in the Company's disclosure documents, such as the Company's listing statement and management's discussion and analysis, filed on the SEDAR website at www.sedar.com. Forward-looking information contained in this presentation is based on the Company's current estimates, expectations and projections, which the Company believes are reasonable as of the current date, and the Company's registration statements on Forms 10-12g and S-1, filed on the EDGAR website at www.sec.gov. The Company can give no assurance that these estimates, expectations and projections will prove to have been correct. You should not place undue reliance on forward-looking statements, which are based on the information available as of the date of this document. Forward-looking statements contained in this document are made of the date of this presentation and, except as required by applicable law, the Company assumes no obligation to update or revise them to reflect new events or circumstances. Historical statements contained in this document regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. In this regard, certain financial information contained herein has been extracted from, or based upon, information available in the public domain and/or provided by the Company. In particular, historical results should not be taken as a representation that such trends will be replicated in the future. No statement in this document is intended to be nor may be construed as a forecast.

ON FUTURE-ORIENTED FINANCIAL INFORMATION

To the extent any forward-looking information in this Presentation constitutes "financial information" or "financial outlooks" within the meaning of applicable Canadian securities laws, such information is being provided to demonstrate the anticipated market penetration of the Company's products and the reader is cautioned that this information may not be appropriate for any other purpose and the reader should not place undue reliance on such future-oriented financial information and financial outlooks. Future-oriented financial information and financial outlooks, as with forward-looking information generally, are, without limitation, based on the assumptions and subject to the risks set out above under the heading "On Forward-Looking Statements". Indus' actual financial position and results of operations may differ materially from management's current expectations and, as a result, Indus' revenue and expenses may differ materially from the revenue and expenses profiles provided in this Presentation. Such information is presented for illustrative purposes only and may not be an indication of Indus' actual financial position or results of operations.

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**“AMERICA’S FIRST
GREAT WEED BRAND”**
- Robb Report

COMPANY SNAPSHOT

- CSE Listed: Lowell Farms Inc. (CSE: LOWL; OTCQX: LOWLF)
- Formed by combination of Indus Holdings, Inc. and Lowell Herb Co. in February 2021
- Mission Highlights
 - Focus on California only
 - Leadership through scale and brands
 - Consolidate supply-side capacity
 - Build large-scale cultivation facilities
 - Brand differentiation
 - Preparing for federal legalization

| | 12/31/2021 (\$USD) |
|----------------------------------|-----------------------|
| Stock Price | \$0.3184 |
| Market Cap ¹ | \$71,274,119 |
| Net Working Capital ² | \$31,007,502 |
| Enterprise Value ³ | \$40,266,617 |

¹Based on Fully Diluted Shares of 223.9m as of 12/31/2021 using treasury method on in-the-money options and warrants. Convertible Debentures are treated as equity given in-the-money status.

²As of 9/30/2021

³Defined here as Market Cap minus net working capital.



STRATEGIC DIFFERENTIATORS: WHAT MAKES US DIFFERENT

- Completely unique approach to sourcing virtually unlimited raw cannabis flower at the lowest-cost anywhere in America
- “Captive” distribution: unique capabilities in upstream logistics makes us a partner of choice for California retailers
- Scale and automation driving cost-leadership: we use forklifts to move our weed
- Lowell Smokes: a viral brand that is proving its ability to successfully enter and dominate new markets with success in Illinois and Massachusetts and plans to enter more
- A plan to win, not participate

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BRINGING SCALE TO AN EXTREMELY FRAGMENTED MARKET

CULTIVATION



Outdoor
~950 operators
16m sq. ft. canopy



Greenhouse
~1200 operators
17m sq. ft. canopy



Indoor
~500 operators
4m sq. ft. canopy

PROCESSING & MANUFACTURING

**950 Licensed
Operators:**

214 Flower brands

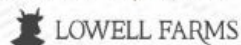
145 Vape brands

142 Concentrate
brands

39 Gummy brands

32 Beverage brands

30 Chocolate brands



DISTRIBUTION

**Sales, Distribution and
Collection**

5+ independent
distributors (Lowell)

Many brands doing
self-distribution

RETAIL

661

Licensed retail dispensaries

301

Licensed non-storefront
dispensaries

6



*

CULTIVATION

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CULTIVATION STRATEGY

- * Sourcing via Lowell Farm Services *and* our own captive cultivation (which generates nearly 10k lbs of high-quality finished flower every quarter)
- * Strain diversification and leadership
- * Cost through economies of scale
- * Quality leadership under a team of award-winning growers
- * Develop portfolio of facilities that each have sufficient scale

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LOWELL FARM SERVICES (LFS)

- Commissioned in July of 2021, LFS is a “midstream processing” service for local growers in the most fertile environment in America
- Facility is initially commissioned to process approximately 250,000 pounds of finished flower annually from diverse growers in the fertile Salinas Valley and surrounding areas
- Processing is a massive pain-point in California cannabis with complicated building-codes and facility requirements that are expensive to accommodate and difficult to staff
- Centralized services allows large-scale automation to give growers the best results for their harvests
- LFS is a unique service without any peers in Northern California

"We are commissioning LFS to answer a pressing need in the market for which we see no other solution in sight. We seek to service the massive and fast-growing cannabis cultivation industry in California, not to compete with it" said Chairman George Allen, "large-scale processing and automation are the missing pieces that will make California cannabis dominant in this exciting new frontier of agriculture."

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SEVERAL DEMAND-DRIVERS POWER OUR FUTURE

- California: Grows an estimated 17 million pounds of cannabis annually, nearly 60% of total American supply
- Monterey County: With 4.1 million square feet, it is the third largest county in the state poised for explosive growth with recent expansion ordinances that are welcoming to large-scale cannabis
- Adjacent San Benito County: Previously closed to cannabis cultivation, opening with multiple operations pending approval
- Santa Cruz County: Dozens of outdoor operations and greenhouses



Monterey is the third highest county in California for agricultural output and adjacent to the other four counties that make up the top-five

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LOWELL FARMS: WHERE GREAT WEED GROWS

- * 225,000 sq. ft. retrofitted greenhouse in Monterey County, CA
- * Unique state of the art facility generates industry-leading yields at sun-grown costs
- * Nearly 10,000+ lbs of flowers every quarter



— * —

MANUFACTURING & PRODUCTS

DIVERSE MANUFACTURING CAPABILITIES

We produce nearly all types of products with highly acclaimed:

- * Jarred flower
- * Pre-rolls
- * Edibles
- * Vape products
- * Concentrates

CHULA



KAIZEN
EXTRACTS



FLOWER



CLASSIC 3.5G PACK



3.5G JAR FLOWER



1G SMOKE

CONCENTRATES



RECHARGEABLE VAPE



510 CART



NEWINFUSED SMOKES



LOWELL DART



BUBBLE HASH
FULL-MELT HASH
AGE CURED ROSIN
LIVE ROSIN

EDIBLES



CHOCOLATES



MINTS



GUMMIES



BAKED GOODS

STATEWIDE CALIFORNIA DISTRIBUTION

LOWELL DISTRIBUTION

Facility: 18,000 sq. ft.—all distribution-related inventory activity in the same building under one roof to include post-compliance labeling, retail flower packing, finished goods inventory, order pick/pack and delivery loading

Fleet: 22 delivery vans allowing for regular maintenance rotation and upkeep, in addition to flexibility on delivery routes, bulk deliveries, inventory pick-ups and transfers, etc.

Delivery Routes: 19 optimized delivery routes across California (10 in NorCal, 9 in SoCal) for maximum efficiency with 10 daily routes that are eligible for next day delivery —capacity for 152 B2B deliveries per day

KEY PERFORMANCE METRICS*

| | |
|---|--|
| Deliveries per day = 42 (largest single day = 86) | \$ value per van per route = \$12,700 |
| Total stops per day = 50 (including collection-only stops) | Unique delivery locations last 90 days = 452 (average customer orders 2x per month) |
| Vans on the road per day = 10.5 | |

**all metrics are pre-acquisition of Lowell which occurred on 2/25/21*



✧

THE BEST BRAND IN CANNABIS HITS THE ROAD

THE LOWELL BRAND



Lowell is a premium California cannabis brand with extremely rare levels of reach and audience



A reputation of authenticity and heritage that has become synonymous with quality and refinement

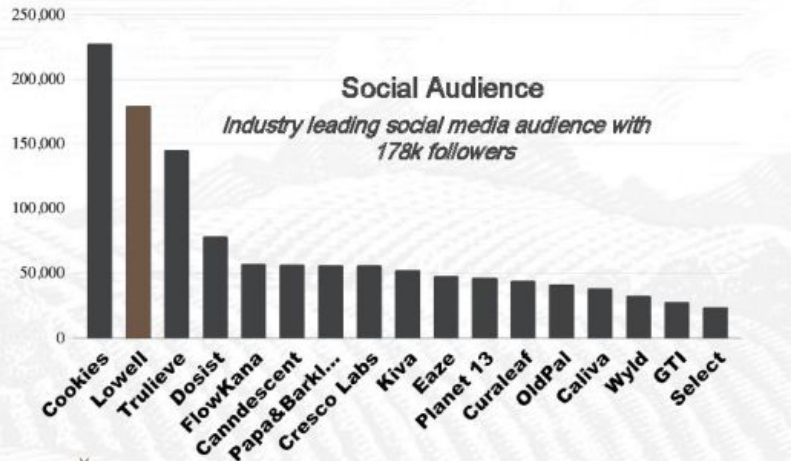


Lowell is best known for its distinctive pre-rolls and unique logo

INDUSTRY LEADING SOCIAL ENGAGEMENT



lowellfarms ✓
 438 posts 178k followers 210 following
 Lowell Farms



- ✧ Over 1 million in weekly impressions across all social outlets
 - ✧ 3 million impressions on YouTube
 - ✧ Remains strong and relevant: 2020 and Q4 activity was extremely healthy and remains best -in-class among peers
- Total Audience: up 68% y/y
 Engagement: up 132% y/y

NATIONWIDE LICENSING

- Illinois: Launched August 5th
- Massachusetts: Launched September 13th
- More states to come
- Licensing Royalty Terms: 15% of wholesale pricing

The walking billboard



Coming to a store near you

FINANCIAL HIGHLIGHTS

FARM TO TABLE ECONOMICS



(A) Estimated annual production capacity upon completion of current expansion, estimated to occur in Q42021
 (B) Represents a potential revenue figure based on current market prices and full realization of sale potential at these market prices. These estimates do not constitute financial guidance.

REPORTED FINANCIALS

Summary Income Statement

(USD in thousands)

| | Q4 | Q1 | Q2 | Q3 |
|--------------------------|----------------|-----------------|-----------------|-----------------|
| Owned Products | \$7,607 | \$9,667 | \$14,539 | \$12,057 |
| Agency Revs | \$1,355 | \$1,230 | \$535 | \$352 |
| Distribution Revs | \$190 | \$130 | \$83 | \$58 |
| Total Net Revs | \$9,151 | \$11,026 | \$15,157 | \$12,467 |
| Gross Profit | \$218 | (\$1,477) | \$5,744 | \$64 |
| Gross Margin | 2.4% | (13.4)% | 37.9% | 0.5% |
| Adj. EBITDA ¹ | (\$4,227) | (\$4,569) | \$740 | (\$5,187) |

| | 9/30/2021 |
|---------------------|-----------|
| Cash | \$16,995 |
| Current Assets | \$42,908 |
| Current Liabilities | \$11,900 |
| Net Working Cap | \$31,008 |

¹ Adjusted EBITDA defined as earnings before interest, taxes, depreciation, amortization, and transaction and other special charges as described in our Form 10Q and 10K

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CAP TABLE & BALANCE SHEET HIGHLIGHTS

CAPITALIZATION TABLE

12/31/2021

BALANCE SHEET HIGHLIGHTS (e)

| Share Class | Shares ('000) | | ('000) |
|---|---------------|-------------------------------|--------|
| Super Voting Shares | 203 | Cash | 16,995 |
| Class A Subordinated Voting Shares | 99,988 | Current Assets | 42,908 |
| Class B Subordinated Voting Shares | 11,818 | Current Liabilities | 11,900 |
| Basic Shares Outstanding | 111,806 | Debt (Convertible Debentures) | 22,962 |
| Issuable upon conversion/exchange of Convertible Debt | 77,443 (a) | Shareholder's Equity | 79,966 |
| Pro Forma Shares Outstanding | 189,248 | | |
| Warrants | 101,907 (b) | | |
| Options | 7,376 (c) | | |
| Stock Units | 737 (d) | | |
| Pro Forma Fully Diluted Shares | 299,267 | | |

Notes:

- (a) Convertible exchange share price of \$0.20
- (b) Warrant exercise price range from \$0.28 to \$11.75
- (c) Option exercise price range from \$0.35 to \$6.07
- (d) Share amounts will reduce if respective holders use shares in lieu of paying payroll taxes
- (e) As of 9/30/2021, unaudited

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\$LOWL.CN & \$LOWLF



DECEMBER HARVEST DATA



Lowell Farms Harvest Report

Flower Production Summary

| Status | | Preliminary | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | |
|-------------------------|--------|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| House 1 - 10 Rooms | LTM | Dec '21 | Nov '21 | Oct '21 | Sep '21 | Aug '21 | Jul '21 | Jun '21 | May '21 | Apr '21 | Mar '21 | Feb '21 | Jan '21 | Dec '20 |
| Dry Flower LBS | 10,869 | 720 | 1,146 | 881 | 920 | 1,409 | 1,087 | 990 | 1,383 | 587 | 741 | 678 | 357 | 613 |
| Average LBS per Harvest | 195.8 | 205.8 | 201.8 | 203.8 | 230.1 | 234.9 | 191.4 | 226.8 | 227.1 | 195.6 | 148.2 | 135.7 | 118.9 | 122.6 |
| # of Harvests | 55.5 | 3.5 | 5.7 | 4.3 | 4.0 | 6.0 | 5.7 | 4.3 | 6.0 | 3.0 | 5.0 | 5.0 | 3.0 | 5.0 |
| LBS per SF per Harvest | 0.06 | 0.06 | 0.06 | 0.06 | 0.07 | 0.07 | 0.05 | 0.06 | 0.06 | 0.06 | 0.04 | 0.04 | 0.03 | 0.04 |
| House 2 - 10 Rooms | LTM | Dec '21 | Nov '21 | Oct '21 | Sep '21 | Aug '21 | Jul '21 | Jun '21 | May '21 | Apr '21 | Mar '21 | Feb '21 | Jan '21 | Dec '20 |
| Dry Flower LBS | 10,540 | 627 | 938 | 789 | 1,132 | 1,409 | 1,038 | 1,326 | 1,244 | 895 | 497 | 291 | 354 | 385 |
| Average LBS per Harvest | 181.7 | 156.8 | 156.3 | 226.3 | 205.2 | 234.8 | 207.7 | 265.3 | 248.7 | 223.7 | 99.4 | 97.0 | 59.0 | 128.3 |
| # of Harvests | 58.0 | 4.0 | 6.0 | 3.5 | 5.5 | 6.0 | 5.0 | 5.0 | 5.0 | 4.0 | 5.0 | 3.0 | 6.0 | 3.0 |
| LBS per SF per Harvest | 0.05 | 0.04 | 0.04 | 0.06 | 0.06 | 0.07 | 0.06 | 0.08 | 0.07 | 0.06 | 0.03 | 0.03 | 0.02 | 0.04 |
| House 3 - 8 Rooms | LTM | Dec '21 | Nov '21 | Oct '21 | Sep '21 | Aug '21 | Jul '21 | Jun '21 | May '21 | Apr '21 | Mar '21 | Feb '21 | Jan '21 | Dec '20 |
| Dry Flower LBS | 10,711 | 1,010 | 860 | 1,221 | 942 | 1,195 | 664 | 1,207 | 497 | 1,309 | 637 | 701 | 467 | 747 |
| Average LBS per Harvest | 232.8 | 252.4 | 232.5 | 283.9 | 235.6 | 239.1 | 221.4 | 241.3 | 248.3 | 261.8 | 212.3 | 175.3 | 155.8 | 248.9 |
| # of Harvests | 46.0 | 4.0 | 3.7 | 4.3 | 4.0 | 5.0 | 3.0 | 5.0 | 2.0 | 5.0 | 3.0 | 4.0 | 3.0 | 3.0 |
| LBS per SF per Harvest | 0.07 | 0.07 | 0.07 | 0.08 | 0.07 | 0.07 | 0.06 | 0.07 | 0.07 | 0.07 | 0.06 | 0.05 | 0.04 | 0.07 |
| House 4 - 1 Room | LTM | Dec '21 | Nov '21 | Oct '21 | Sep '21 | Aug '21 | Jul '21 | Jun '21 | May '21 | Apr '21 | Mar '21 | Feb '21 | Jan '21 | Dec '20 |
| Dry Flower LBS | 146 | - | - | - | - | - | - | - | - | 146 | - | - | - | - |
| Average LBS per Harvest | 146.3 | nmf | nmf | nmf | nmf | nmf | nmf | nmf | nmf | 146.3 | nmf | nmf | nmf | nmf |
| # of Harvests | 1.0 | - | - | - | - | - | - | - | - | 1.0 | - | - | - | - |
| LBS per SF per Harvest | 0.04 | nmf | nmf | nmf | nmf | nmf | nmf | nmf | nmf | 0.04 | nmf | nmf | nmf | nmf |
| Total - 29 Rooms | LTM | Dec '21 | Nov '21 | Oct '21 | Sep '21 | Aug '21 | Jul '21 | Jun '21 | May '21 | Apr '21 | Mar '21 | Feb '21 | Jan '21 | Dec '20 |
| Dry Flower LBS | 32,266 | 2,357 | 2,943 | 2,891 | 2,994 | 4,014 | 2,790 | 3,513 | 3,103 | 2,937 | 1,875 | 1,671 | 1,178 | 1,745 |
| Average LBS per Harvest | 201.0 | 205.0 | 191.4 | 238.7 | 221.6 | 236.1 | 204.0 | 245.3 | 238.7 | 225.9 | 144.2 | 139.2 | 98.2 | 158.6 |
| # of Harvests | 160.5 | 11.5 | 15.4 | 12.1 | 13.5 | 17.0 | 13.7 | 14.3 | 13.0 | 13.0 | 13.0 | 12.0 | 12.0 | 11.0 |
| LBS per SF per Harvest | 0.06 | 0.06 | 0.06 | 0.07 | 0.06 | 0.07 | 0.06 | 0.07 | 0.07 | 0.07 | 0.04 | 0.04 | 0.03 | 0.05 |