

**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): July 7, 2021**

**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:

<u>Title of each class</u>	<u>Trading Symbols</u>	<u>Name of exchange on which registered</u>
N/A	N/A	N/A

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 7.01 Regulation FD Disclosure**

The slide presentations attached hereto as Exhibits 99.1 and 99.2, and incorporated herein by reference, will be displayed on the website of Lowell Farms Inc. (the "Company") starting on July 7, 2021 and may be used by the Company in presentations to existing and prospective investors and to analysts on or after July 7, 2021.

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 99.1, 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>
<a href="#">99.1</a>	<a href="#">Investor Presentation as of July 7, 2021</a>
<a href="#">99.2</a>	<a href="#">Harvest Report as of July 7, 2021</a>
<a href="#">99.3</a>	<a href="#">Press Release dated July 7, 2021</a>

---

**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: July 7, 2021

Lowell Farms Inc.

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



**INVESTOR PRESENTATION  
LOWELL FARMS INC.**

(CSE:LOWL; QTCQX: LOWLF)

1

## 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](http://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](http://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.

2

**“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

	6/30/2021 (\$USD)
Stock Price	\$1.21
Market Cap <sup>1</sup>	\$281,775,590
Net Working Capital <sup>2</sup>	\$22,366,177
Enterprise Value <sup>3</sup>	\$259,409,413

<sup>1</sup>Based on Fully Diluted Shares of 232.9m as of 6/30/2021, using treasury method on in-the-money options and warrants. Convertible Debentures are treated as equity given in-the-money status.

<sup>2</sup> As of 3/31/2021.

<sup>3</sup> Defined here as Market Cap minus net working capital.



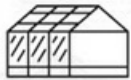
+



=



# THE NEW LOWELL FARMS



## Cultivation at massive scale growing high quality flower

- 225k sq ft greenhouse in operation
- In planning phase for additional greenhouse
- Further expansion plans in development



## Diversified manufacturing capabilities and infrastructure spanning across all product categories



## Lowell, a rich brand with unparalleled reach, awareness and accessibility, anchoring a portfolio of diversified products



## Distribution, a hub&spoke delivery infrastructure that services 85%+ of the dispensaries in the state

5

# BRINGING SCALE TO AN EXTREMELY FRAGMENTED MARKET

## CULTIVATION

## PROCESSING & MANUFACTURING

## DISTRIBUTION

## RETAIL



**Outdoor**  
~950 operators  
16m sq. ft. canopy



**Greenhouse**  
~1200 operators  
17m sq. ft. canopy



**Indoor**  
~500 operators  
4m sq. ft. canopy

### 950 Licensed Operators:

**214** Flower brands  
**145** Vape brands  
**142** Concentrate brands  
**39** Gummy brands  
**32** Beverage brands  
**30** Chocolate brands

### Sales, Distribution and Collection

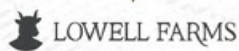
**5+** independent distributors (Lowell)  
**Many brands doing self-distribution**

**661**

Licensed retail dispensaries

**301**

Licensed non-storefront dispensaries



6



---

**CULTIVATION**

---

7

---



---

**LOWELL FARM  
SERVICES**

---

8

# TRANSACTION OVERVIEW

- In June of 2021, Lowell acquired a unique 10 acre newly-licensed processing facility in Salinas design-built for downstream processing in the cannabis sector
- Property will house our newest business unit: *Lowell Farm Services*



Watch Video: <https://vimeo.com/568620561>

5

---

## LAUNCHING OUR NEW BUSINESS UNIT: LOWELL FARM SERVICES

- 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."*

10

---

# 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*

## BETTER FOR OUR BRANDS AND CONSUMERS



*The transaction allows us to use the diversity, skill and creativity of thousands of California growers to make Lowell more affordable with a broader consumer assortment*



# CULTIVATION IN CALIFORNIA: OVERLOOKED & FULL OF POTENTIAL

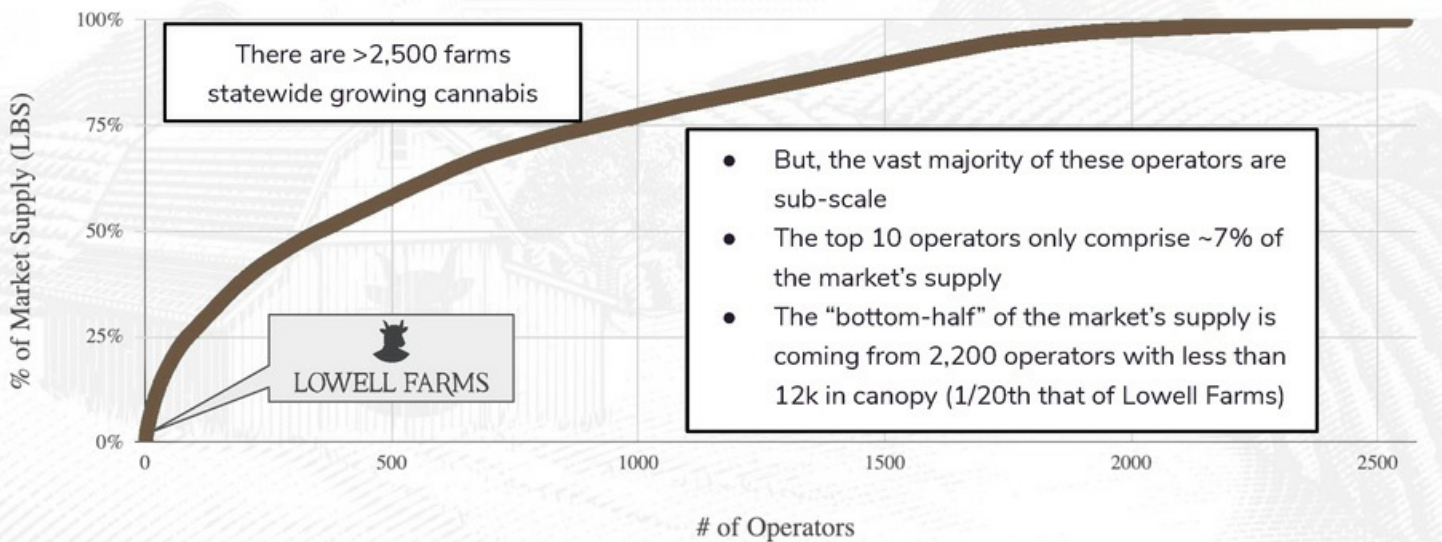
- ✦ America's home of cannabis, perfect opportunity to build brand and loyalty
- ✦ Supply is very fragmented: average players are very small with much higher cost structures
  - Over 2,500 growers with average canopy of 19k sq. ft.
- ✦ The black market, while still a factor, is ineffective at competing for the Californian consumer
- ✦ Increasing regulatory burden is adding pressure to sub-scale operators
  - 85% of licensed canopy is provisional, at real risk with CEQA licensing requirements
  - METRC implementation adding burdens for smaller operators
- ✦ California: it's the long-term home of cannabis cultivation in America, perhaps the world

As legalization comes more into focus in the US, investors and consumers are increasingly expected to accept the pivotal role that California cultivation will play over the long-term

13

## CALIFORNIA: A HIGHLY FRAGMENTED SUPPLY STACK

California Supply Stack



14

# CULTIVATION STRATEGY

- ✧ Sourcing via LFS and our own cultivation
- ✧ 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

15

---

## LOWELL FARMS: OUR EXISTING GREENHOUSE

- ✧ 225,000 sq. ft. retrofitted greenhouse in Monterey County, CA
- ✧ Facilities upgrades allow us to improve output
- ✧ Targeted levels of 10,000+ lbs of flowers every quarter



16

---

---

✧

# MANUFACTURING & PRODUCTS

---

---

## DIVERSE MANUFACTURING CAPABILITIES

We produce nearly all types of products with highly acclaimed:

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

**CHULA**



改善  
**KAIZEN**  
EXTRACTS



# FLOWER



CLASSIC 3.5G PACK



3.5G JAR FLOWER



1G SMOKE

# CONCENTRATES



RECHARGEABLE VAPE



510 CART



NEW INFUSED SMOKES



LOWELL DART



BUBBLE HASH  
FULL-MELT HASH  
AGE CURED ROSIN  
LIVE ROSIN

# EDIBLES



CHOCOLATES



MINTS



GUMMIES



BAKED GOODS

— \* —  
**A LEADING  
BRAND**  
—

# 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

24

## NATIONWIDE LICENSING

- Partnership with Ascend Wellness (AWH) to launch Lowell Smokes in Massachusetts and Illinois
- Industry leading economics: 15% of wholesale royalty arrangement, demonstrates the power of the brand
- More states to come

The walking billboard



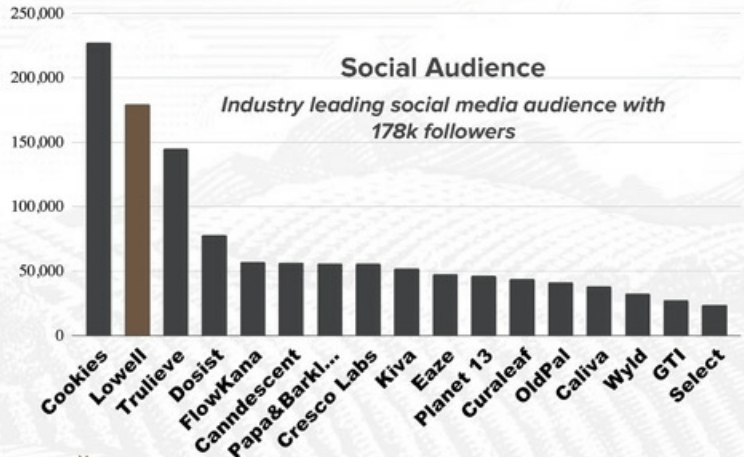
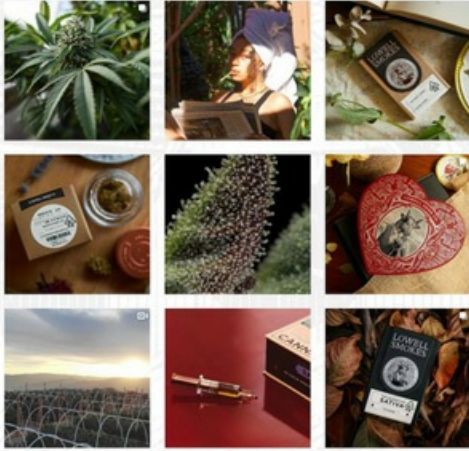
Coming to a store near you

25

# 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

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

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



---

## 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.

30

# REPORTED FINANCIALS

## Summary Income Statement

(USD in thousands)

	Q2	Q3	Q4	Q1
Owned Products <sup>1</sup>	\$7,231	\$11,910	\$7,607	\$9,667
Agency Revs	\$1,981	\$1,733	\$1,355	\$1,230
Distribution Revs	\$682	\$487	\$190	\$130
<b>Total Net Revs<sup>1</sup></b>	<b>\$9,894</b>	<b>\$14,131</b>	<b>\$9,151</b>	<b>\$11,026</b>
Gross Profit	(\$1,263)	\$4,979	\$218	(\$1,477)
Gross Margin	(12.8)%	35.2%	2.4%	(13.4)%
Adj. EBITDA <sup>2</sup>	(\$4,300)	\$1,402	(\$4,227)	(\$4,569)

	3/31/2021
Cash	\$13,573
Current Assets	\$37,112
Current Liabilities	\$14,746
Net Working Cap	\$22,366

<sup>1</sup> Q2 Revenues included approximately \$789k in revenue related to Nevada operations which have subsequently been discontinued due to termination of merger agreement  
<sup>2</sup> Adjusted EBITDA defined as earnings before interest, taxes, depreciation, amortization, and transaction and other special charges as described in our Form 10-Q and 10-K

31

# CAP TABLE & BALANCE SHEET HIGHLIGHTS

CAPITALIZATION TABLE		6/30/2021	BALANCE SHEET HIGHLIGHTS (e)	
Share Class	Shares ('000)			('000)
Super Voting Shares	203		Cash	13,573
Class A Subordinated Voting Shares	78,620		Current Assets	37,112
Class B Subordinated Voting Shares	13,803		Current Liabilities	14,746
Basic Shares Outstanding	92,423		Debt (Convertible Debentures)	13,629
Issuable upon conversion/exchange of Convertible Debt	77,629 (a)		Shareholder's Equity	59,903
Pro Forma Shares Outstanding	170,052			
Warrants	93,093 (b)			
Options	7,567 (c)			
Stock Units	1,835 (d)			
Pro Forma Fully Diluted Shares	272,546			

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) Unaudited

32



**\$LOWL.CN & \$LOWLF**

33

# \* JUNE HARVEST REPORT

## Lowell Farms Harvest Report

Flower Production Summary

Status	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Preliminary
<b>House 1 – 10 Rooms</b>	Jun '20	Jul '20	Aug '20	Sep '20	Oct '20	Nov '20	Dec '20	Jan '21	Feb '21	Mar '21	Apr '21	May '21	Jun '21
Dry LBS	945	1,068	619	1,305	311	468	613	357	678	741	587	1,363	1,056
Average LBS per Harvest	236.1	213.6	154.9	217.4	103.7	117.0	122.6	118.9	135.7	148.2	195.6	227.1	211.2
# of Harvests	4	5	4	6	3	4	5	3	5	5	3	6	5
LBS per SF	0.07	0.06	0.04	0.06	0.03	0.03	0.04	0.03	0.04	0.04	0.06	0.06	0.06
<b>House 2 – 10 Rooms</b>	Jun '20	Jul '20	Aug '20	Sep '20	Oct '20	Nov '20	Dec '20	Jan '21	Feb '21	Mar '21	Apr '21	May '21	Jun '21
Dry LBS	949	716	669	697	622	386	385	354	291	497	895	1,244	1,326
Average LBS per Harvest	237.2	178.9	167.3	232.3	124.4	128.8	128.3	59.0	97.0	124.2	223.7	248.7	265.3
# of Harvests	4	4	4	3	5	3	3	6	3	4	4	5	5
LBS per SF	0.05	0.04	0.03	0.05	0.02	0.03	0.03	0.01	0.02	0.02	0.04	0.05	0.05
<b>House 3 – 8 Rooms</b>	Jun '20	Jul '20	Aug '20	Sep '20	Oct '20	Nov '20	Dec '20	Jan '21	Feb '21	Mar '21	Apr '21	May '21	Jun '21
Dry LBS	612	-	458	762	871	579	747	467	701	637	1,309	497	1,291
Average LBS per Harvest	153.0	nml	229.0	254.0	217.8	192.9	248.9	155.8	175.3	212.3	261.8	248.3	258.2
# of Harvests	4	-	2	3	4	3	3	3	4	3	5	2	5
LBS per SF	0.03	nml	0.05	0.05	0.04	0.04	0.05	0.03	0.04	0.04	0.05	0.05	0.05
<b>House 4 – 1 Room</b>	Jun '20	Jul '20	Aug '20	Sep '20	Oct '20	Nov '20	Dec '20	Jan '21	Feb '21	Mar '21	Apr '21	May '21	Jun '21
Dry LBS	-	-	-	-	-	-	-	-	-	-	146	-	-
Average LBS per Harvest	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	146.3	nml	nml
# of Harvests	-	-	-	-	-	-	-	-	-	-	1	-	-
LBS per SF	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	0.03	nml	nml
<b>Total – 29 Rooms</b>	Jun '20	Jul '20	Aug '20	Sep '20	Oct '20	Nov '20	Dec '20	Jan '21	Feb '21	Mar '21	Apr '21	May '21	Jun '21
Dry LBS	2,506	1,784	1,747	2,764	1,604	1,433	1,745	1,178	1,671	1,875	2,937	3,103	3,674
Average LBS per Harvest	208.8	198.2	174.7	230.3	150.4	143.3	158.6	98.2	139.2	156.3	225.9	238.7	244.9
# of Harvests	12	9	10	12	12	10	11	12	12	12	13	13	15
LBS per SF	0.05	0.05	0.04	0.06	0.03	0.03	0.04	0.03	0.03	0.04	0.05	0.06	0.05

**Note:** For all harvests (or portions thereof) that are allocated to fresh frozen biomass for concentrates and vapes, we have assumed a dry-weight equivalent equal to 25% of the wet post-processed weight (4 LBS of wet post-processed weight equates to 1 LB of dry weight); Greenhouse 4 has one flowering room but serves primarily as the farm's nursery.

## Lowell Farms Celebrates Its Highest Ever Quarterly Harvest Yields With the Release of Preliminary Harvest Report

### Cultivation operations exceed expectations following completion of electrical, mechanical, and environmental upgrades

SALINAS, Calif., July 07, 2021 (GLOBE NEWSWIRE) -- **Lowell Farms Inc.** (CSE:LOWL; OTCQX:LOWLF), a vertically-integrated cannabis company with advanced production capabilities supporting every step of the supply chain, including cultivation, extraction, manufacturing, brand sales, marketing, and distribution, celebrated record harvest yields in the second quarter upon the release of its preliminary June harvest report.

The preliminary report, which you can find on the [Investor Relations](#) section of our website, estimates over 9,700 pounds of dry cannabis flower was harvested during the second quarter, an increase of more than 105 percent from Q1 2021. June alone netted 3,673 pounds of dry cannabis across three cultivation greenhouses, an increase of more than 18 percent from May. The second quarter saw 40 full turns, compared to 36 in the first quarter, and the average pounds-per-turn surged more than 80 percent quarter-over-quarter. The preliminary report includes estimates for several harvests that are still in the drying and curing phases, thus finished weights for those harvests have been estimated.

The performance can be attributed to upgrades made throughout Lowell Farms' facilities, including those to the electrical, mechanical, and environmental systems, as well as a "clone dome" for the nursery that was brought online in Q1 2021, which allowed the cultivation team to propagate clones to scale with consistent quality and potencies. Additionally, the company employed an Argus Specialist to oversee the process of implementing the control system within its operation.

The portfolio of strains coming from the newly-improved cultivation facilities have consistently tested in the mid-to-high 20s for THC potency.

"With the upgrades and key additions we've made to our operation, we look forward to many more quarters of equal or greater success," says Lowell Farms Inc. Co-Founder and Chief Executive Officer Mark Ainsworth. "This successful harvest is further proof that we have put the right team in place to oversee and manage our cultivation efforts, and our achievements at this level will be evident to both our retail partners and the customers that have made Lowell Farms' brands top sellers in California."

Moving forward, the company projects two to three new strains to come online every quarter, as new cultivars ensure an ever-evolving and diverse selection of products for consumers. Lowell Farms Inc. will expand its presence in Q3 2021 and beyond, as the company recently commissioned a first-of-its-kind cannabis processing facility in the Salinas Valley.

The 40,000-square-foot facility is capable of processing up to 800 pounds of cannabis flower daily. The new business unit called Lowell Farm Services ("LFS") will also house one of the country's first end-to-end, fully-automated pre-roll manufacturing lines.

#### 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. Founded in 2014 as Indus Holdings, Inc, 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 original and licensed brands, including Lowell Herb Co, Cypress Cannabis, MOON, and Kaizen Extracts, for licensed retailers statewide.

#### Lowell Farms Inc. Media Contact

Renata Follmann  
pr@lowellfarms.com

#### Lowell Farms Inc. Investor Relations Contact

Bill Mitoulas  
416.479.9547  
ir@lowellfarms.com

#### Lowell Farms Inc. Company Contact

Mark Ainsworth  
ir@lowellfarms.com

#### 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, including the ability of the Company to complete the commissioning of the acquired facility and achieve the operating and financial performance from such facility as described herein, the extent of the market opportunity available to the facility for the services it is anticipated to make available to third party growers, 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](http://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.