



ScottsMiracle-Gro Announces its Support Regarding Bayer's Announcement on Potential Changes for Roundup™ in the Consumer Market

May 27, 2021

MARYSVILLE, Ohio, May 27, 2021 (GLOBE NEWSWIRE) -- The Scotts Miracle-Gro Company (NYSE: SMG) said today it welcomes the opportunity to work with Bayer regarding the future of glyphosate-containing Roundup™ products in order to ensure the brand's future in the consumer marketplace.

"We are glad to hear Bayer's strong public commitment to the consumer market and Roundup's continued place in it," said Jim Hagedorn, chairman and chief executive officer of ScottsMiracle-Gro. "Roundup is an iconic brand in the lawn and garden industry and has been trusted by consumers for decades. We are confident there are several options, including the use of effective alternative active ingredients, to ensure that remains the case while continuing to meet the needs of homeowners and retailers."

Hagedorn emphasized that ScottsMiracle-Gro remains committed as the marketing agent for Roundup. ScottsMiracle-Gro is not a party in the legal issues related to Roundup™ and through its Roundup™ agency agreement with Bayer has indemnity against such legal actions and related costs.

In 2018, ScottsMiracle-Gro decided to provide consumers with a wider array of product options when it moved to create a full line of non-glyphosate products under the Ortho® GroundClear® brand. The GroundClear® line has grown significantly in recent years and has emerged as an important choice for consumers who participate in the non-selective weed control category.

"We know many consumers have questions and concerns about many of the products they use around their home and our launch of the GroundClear line was designed to provide them more options," Hagedorn said. "GroundClear not only has proven to be an important consumer option but has enabled our retail partners to better meet the evolving needs of the marketplace and to position ScottsMiracle-Gro for continued success as the leader in the U.S. consumer lawn and garden market. In our role as leader in this industry, we look forward to working with our partners at Bayer on a solution that continues to enhance the position of Roundup in the marketplace as well."

About ScottsMiracle-Gro

With approximately \$4.1 billion in sales, the Company is one of the world's largest marketers of branded consumer products for lawn and garden care. The Company's brands are among the most recognized in the industry. The Company's Scotts®, Miracle-Gro® and Ortho® brands are market-leading in their categories. The Company's wholly-owned subsidiary, The Hawthorne Gardening Company, is a leading provider of nutrients, lighting and other materials used in the indoor and hydroponic growing segment. For additional information, visit us at www.scottsmiraclegro.com.

Cautionary Note Regarding Forward-Looking Statements

Statements contained in this press release, other than statements of historical fact, which address activities, events and developments that the Company expects or anticipates will or may occur in the future, including, but not limited to, information regarding the future economic performance and financial condition of the Company, the plans and objectives of the Company's management, and the Company's assumptions regarding such performance and plans are "forward-looking statements" within the meaning of the U.S. federal securities laws that are subject to risks and uncertainties. These forward-looking statements generally can be identified as statements that include phrases such as "guidance," "outlook," "projected," "believe," "target," "predict," "estimate," "forecast," "strategy," "may," "goal," "expect," "anticipate," "intend," "plan," "foresee," "likely," "will," "should" or other similar words or phrases. Actual results could differ materially from the forward-looking information in this release due to a variety of factors, including, but not limited to:

- The ongoing COVID-19 pandemic could have a material adverse effect on the Company's business, results of operation, financial condition and/or cash flows;
- Compliance with environmental and other public health regulations or changes in such regulations or regulatory enforcement priorities could increase the Company's costs of doing business or limit the Company's ability to market all of its products;
- Damage to the Company's reputation or the reputation of its products or products it markets on behalf of third parties could have an adverse effect on its business;
- If the Company underestimates or overestimates demand for its products and does not maintain appropriate inventory levels, its net sales and/or working capital could be negatively impacted;
- If the Company is unable to effectively execute its e-commerce business, its reputation and operating results may be harmed;
- Because of the concentration of the Company's sales to a small number of retail customers, the loss of one or more of, or significant reduction in orders from, its top customers could adversely affect the Company's financial results;
- Climate change and unfavorable weather conditions could adversely impact financial results;
- Certain of the Company's products may be purchased for use in new or emerging industries or segments and/or be subject to varying, inconsistent, and rapidly changing laws, regulations, administrative practices, enforcement approaches, judicial interpretations and consumer perceptions;
- The Company's operations may be impaired if its information technology systems fail to perform adequately or if it is the subject of a data breach or cyber-attack;
- The Company may not be able to adequately protect its intellectual property and other proprietary rights that are material to the Company's business;

- In the event the Third Restated Marketing Agreement for consumer Roundup products terminates, or Monsanto's consumer Roundup business materially declines the Company would lose a substantial source of future earnings and overhead expense absorption;
- Hagedorn Partnership, L.P. beneficially owns approximately 25% of the Company's common shares and can significantly influence decisions that require the approval of shareholders;
- Acquisitions, other strategic alliances and investments could result in operating difficulties, dilution and other harmful consequences that may adversely impact the Company's business and results of operations.

Additional detailed information concerning a number of the important factors that could cause actual results to differ materially from the forward-looking information contained in this release is readily available in the Company's publicly filed quarterly, annual and other reports. The Company disclaims any obligation to update developments of these risk factors or to announce publicly any revision to any of the forward-looking statements contained in this release, or to make corrections to reflect future events or developments.

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