



ScottsMiracle-Gro Acquires Rhizoflora Assets to Further Bolster Hawthorne Gardening Portfolio; Announces Investment by The Hawthorne Collective

August 16, 2021

MARYSVILLE, Ohio, Aug. 16, 2021 (GLOBE NEWSWIRE) -- The Scotts Miracle-Gro Company (NYSE: SMG), the world's leading marketer of branded consumer lawn and garden as well as indoor and hydroponic growing products, today announced that it has acquired Rhizoflora's leading nutrients business including its Terpinator and Purpinator brands, further bolstering The Hawthorne Gardening Company product portfolio.

Separately, the Company announced that its subsidiary, The Hawthorne Collective, has purchased a warrant to buy equity in Dewey Scientific for \$3.2 million, which will help advance Dewey's industry-leading cannabis genomics and cultivation. The investment from the Hawthorne Collective will be used only for purposes permitted by applicable laws of the United States.

Hawthorne becomes primary provider of Rhizoflora's Terpinator and Purpinator brands

Rhizoflora has been the producer of the industry-leading Terpinator and Purpinator brands. Prior to this acquisition, Hawthorne has been a distributor of the Rhizoflora brands. Now, Hawthorne is the primary provider of the Terpinator and Purpinator product lines in the United States.

"This acquisition reflects our broader strategy to build the most comprehensive portfolio of products and solutions to serve growers at an unparalleled scale," said Chris Hagedorn, Hawthorne Gardening division president. "We appreciate our long-standing partnership with Rhizoflora and look forward to elevating the brands, including bringing Terpinator and Purpinator to expanded markets."

The Rhizoflora acquisition follows the recent announcement of plans to acquire Hydro-Logic Purification Systems, Inc., a leading provider of products, accessories and systems for water filtration and purification, with a targeted closing of August 27.

Under the terms of the Rhizoflora deal, the Company will acquire substantially all the assets of Rhizoflora for \$33.5 million, adding approximately \$8 million in annualized sales. Acquiring the Terpinator and Purpinator brands will extend the Hawthorne Signature Nutrients portfolio into supplements that are being rapidly adopted as the industry standard to fully express plant characteristics. Hawthorne will increase marketing and sales efforts around the brands to support the Hawthorne 360 Total Solution for growers.

Hawthorne Collective investment expands R&D relationship with Dewey

Dewey Scientific leverages genomics, data science and classical breeding methods to improve the quality and genetic diversity of cannabis crops in the Pacific Northwest.

"Dewey Scientific is continuously evolving our mission to apply pristine breeding principles and the latest genomics technology to develop genetically stable hybrid seed for healthier and more consistent cannabis crops," said CEO and Co-Founder Jordan Zager, PhD.

Through the Hawthorne Collective funding, Dewey will expand that reach, further refine its cultivation practices and work with a wider net of cultivators and partners to deliver higher-yielding crops.

"We have had the opportunity to collaborate with the talented and dedicated team at Dewey Scientific over the past two years, refining the breeding of hemp crops to advance crop yields and quality. We've experienced firsthand the impact of their genomic breeding technologies," said Dave Swihart, senior vice president of global technology and operations for ScottsMiracle-Gro. "Innovation is the backbone of this industry. On behalf of The Hawthorne Collective, we look forward to seeing the next stage of Dewey Scientific's evolution."

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.

About Dewey Scientific

Dewey Scientific, founded in 2018 by PhD molecular plant scientists, employs nearly a dozen scientists and staff at its Pullman, Wash., agricultural research facility. In addition to providing scientific services to cannabis cultivators, Dewey Scientific produces proprietary cannabis genetics with evolutionary leaps in standardization, quality and resiliency for cultivators. Dewey Scientific does not sell plant varieties with foreign DNA.

Contact:

Jim King

Executive Vice President

Investor Relations & Corporate Affairs

(937) 578-5622