



ScottsMiracle-Gro Continues to Advance Consumer and Cannabis Strategies

April 10, 2025

Transfer of Hawthorne Collective reflects focus on separating cannabis holdings and driving greater growth in core lawn and garden business

MARYSVILLE, Ohio, April 10, 2025 (GLOBE NEWSWIRE) -- The Scotts Miracle-Gro Company (NYSE: SMG), the world's leading marketer of branded consumer lawn and garden products as well as a leader in indoor and hydroponic growing products, today announced the transfer of its wholly-owned subsidiary, The Hawthorne Collective, Inc., to an independent strategic partner.

The Company created The Hawthorne Collective in 2021 as a vehicle to invest in areas of the cannabis industry that are not pursued by its Hawthorne Gardening Company subsidiary, a leader in cultivation supplies such as lighting, nutrients and other materials for cannabis growers and hydroponic cultivators. Included within The Hawthorne Collective's holdings are investments in Fluent, previously Cansorium, a vertically integrated cannabis company with licenses and operations in Florida, Pennsylvania, Texas and New York.

"The Hawthorne Collective transaction is the initial step in our plan to move our cannabis-adjacent subsidiaries into a separate and independent company as we further our strategic focus on our core lawn and garden business," said Jim Hagedorn, chairman and CEO of ScottsMiracle-Gro. "For our shareholders, this will reduce the impact of the cannabis sector's volatility on our Company's stock and provide opportunities to drive meaningful and immediate value creation through increased investments in our consumer business. As we further advance this plan, we next will look to separate The Hawthorne Gardening Company from ScottsMiracle-Gro by the close of fiscal 2025.

"The Hawthorne companies were intended to capitalize on the legal cannabis sector, but the ability to achieve sustained growth within this industry has been challenged by four years of unkept promises resulting in total inaction at the federal level on cannabis-related issues. President Trump has supported a range of much-needed reforms, from rescheduling cannabis to adoption of the SAFER Banking Act. The actions he has endorsed would accelerate industry growth and increase the value of these investments. Until they become a reality, we believe the Hawthorne companies can be a greater asset within an independent cannabis-dedicated entity, specifically one in which our cultivation supply business can partner with a multi-state operator or leading cannabis brands."

Under terms of the deal, ScottsMiracle-Gro transferred The Hawthorne Collective to the strategic partner in exchange for an interest-bearing promissory note. The Company retains an option to reacquire The Hawthorne Collective or its assets should cannabis legalization and other measures to positively impact the industry be approved at the federal level.

About ScottsMiracle-Gro

With approximately \$3.6 billion in sales, the Company is the world's largest marketer 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.

For investor inquiries:

Brad Chelton
Vice President
Treasury, Tax and Investor Relations
brad.chelton@scotts.com
(937) 309-2503

For media inquiries:

Tom Matthews
Chief Communications Officer
tom.matthews@scotts.com
(937) 844-3864