



GrowGeneration

Pioneering the Future of Hydroponics | April 2025

POWER^{SI}

drip
HYDRO



ion
LIGHTING REIMAGINED

mmi
AGRICULTURE SOLUTIONS

Harvest
COMPANY

Trusted brands for cultivation.

NASDAQ: GRWG

Forward looking statement

Use of Non-GAAP Financial Information

This presentation may include predictions, estimates or other information that might be considered forward-looking within the meaning of applicable securities laws. While these forward-looking statements represent current judgments, they are subject to risks and uncertainties that could cause actual results to differ materially. You are cautioned not to place undue reliance on these forward-looking statements, which reflect opinions only as of the date of this release. Please keep in mind that the company does not have an obligation to revise or publicly release the results of any revision to these forward-looking statements in light of new information or future events. When used herein, words such as “look forward,” “expect,” “believe,” “continue,” “building,” or variations of such words and similar expressions are intended to identify forward-looking statements. Factors that could cause actual results to differ materially from those contemplated in any forward-looking statements made by us herein are often discussed in filings made with the United States Securities and Exchange Commission, available at: www.sec.gov, and on the company’s website, at: www.growgeneration.com.

EBITDA and Adjusted EBITDA are non-GAAP financial measures commonly used in our industry and should not be construed in isolation as substitutions to net income (loss) as indicators of operating performance or as alternatives to cash flow provided by operating activities as a measure of liquidity (each as determined in accordance with GAAP). GrowGeneration defines EBITDA as net income (loss) before interest income, interest expense, income tax expense, depreciation and amortization, and Adjusted EBITDA as further adjusted to exclude certain items such as stock-based compensation, impairment losses, restructuring and corporate rationalization costs, and other non-core or non-recurring expenses and to include income from our marketable securities as these investments are part of our operational business strategy and increase the cash available to us. We believe these non-GAAP measures, when used in conjunction with net income (loss), provide meaningful supplemental information to both management and investors, facilitating the evaluation of performance across reporting periods. Management uses these non-GAAP measures for internal planning and reporting purposes. These non-GAAP measures are not in accordance with, or an alternative for, generally accepted accounting principles and may be different from non-GAAP measures used by other companies. We believe that these non-GAAP financial measures may be useful to investors in their assessment of our operating performance and valuation. In addition, these non-GAAP financial measures address questions routinely received from analysts and investors and, in order to ensure that all investors have access to the same data, we have determined that it is appropriate to make this data available to all investors.



GrowGeneration: Who We Are

📍 **GrowGeneration is a leading developer, retailer and distributor of hydroponics and organic gardening products**

Network of “Gro Pro” specialists ready to support growers of all sizes with retail and distribution centers nationwide

📶 **Omni-channel** distribution approach through retail, e-commerce, and commercial distribution

Advantaged supply chain and network of distribution centers and capabilities enhance value proposition to commercial customers

★★★ **GrowGeneration is focused on high-quality proprietary and third-party branded offerings with a digital & B2B customer focus**

🔄 **Comprehensive suite** of high-quality durable and consumable product offerings with commercial turn-key solutions available

🌱 **Ability to service various sized grows** Everything from scaled, multi-state cannabis and leafy greens / vegetable operations to localized greenhouses and home-gardening enthusiasts



30% Proprietary Brand Mix

Key product offerings

73%
Consumables



Nutrients & supplements

- Liquid & Powder Nutrients
- Supplements and Additives
- Pest & Disease Control
- pH Up & Down
- Soil Amendments
- Rooting Solutions



Grow media

- Gardening & Potting Soil
- Coco Coir
- Rockwool
- Soiless Mixes
- Soil Additives
- Propagation Plugs

27%
Durables



Lighting & controls

- LED Lighting Fixtures
- Double Ended & CMH Fixtures
- Lamps
- Lighting Cords & Accessories
- Ballasts
- Lighting Controllers & Motors
- Environment & CO2 Controllers
- Fluorescents
- Hangers, Movers & Stands



Grow essentials

- Grow systems
- Harvest solutions
- Containers
- Garden accessories
- Propagation



Grow environment

- HVAC
- Dehumidification
- Air Movement
- Air filtration
- Water solutions including Filtration and Conditioning

GrowGen's multi-channel sales platform broadening our reach

Providing a curated channel assortment that enhances the customer experience








PRODUCT SOLUTIONS



SERVICES



PROMOTIONAL SUPPORT

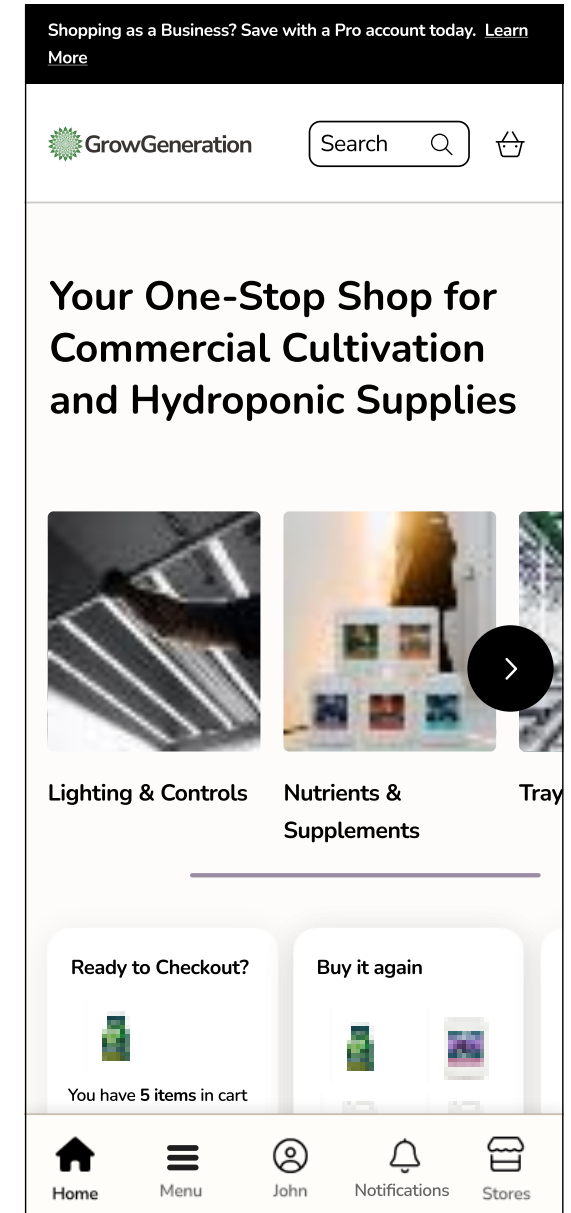
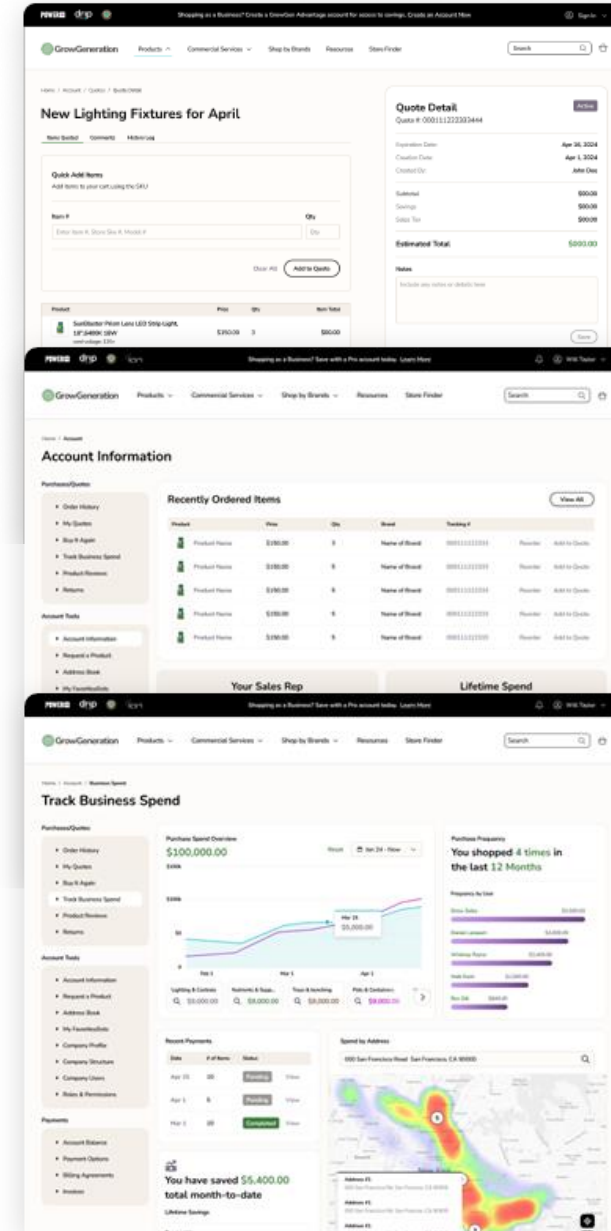
	 RETAIL	 COMMERCIAL	 ECOMMERCE	 WHOLESALE	 IGC
Objectives	Personal customer interaction Immediate product availability In store experience	Tailored B2B solutions Direct sales engagement High-value contracts	24/7 global reach Digital marketing Customer data analytics B2B portal	Bulk sales Supply chain efficiency Retailer partnerships	Home grow participation Education & solutions
Target consumer	Hobby and Commercial	MSO & SSO	Hobby and Commercial	Hydro and IGC retailers	Edible Home Gardner
Customers	50,000 walk-ins per moth	4,300+	250,000 unique visits /month	300+	8,000 prospects nationwide
# of SKU's	~3,000+	~300+	~1,000	~1,000	~200+
Geography	USA	USA	USA	USA, Europe, Latin America	USA
CHANNEL MATURITY	ESTABLISHED			ENTRY	



B2B Portal



- Submit and receive quotes instantly with the new “add to quote” functionality.
- Unlock commercial and wholesale customized pricing when signing up for a Pro account.
- Centralized platform for streamlined order management.
- Monitor expenditure by user, shipping destination, and other relevant parameters.
- Track spending trends and optimize budgets with the Track Business Spend feature.
- Expanded catalog assortment with strategic promotion and placement of private label offering.





BUSINESS OPERATIONS



Supply chain efficiency

Streamlined distribution to better serve our stores and customers

EAST & WEST **Centralized Distribution Centers**

Replenishment for retail stores

Direct shipment to MSO & SSO

ECOMM fulfilment

Wholesale fulfilment

SACRAMENTO

COLUMBUS

REGIONAL **Hubs**

Handling of freight intensive products & growing mediums

Better serviceability for commercial clients



LOS ANGELES

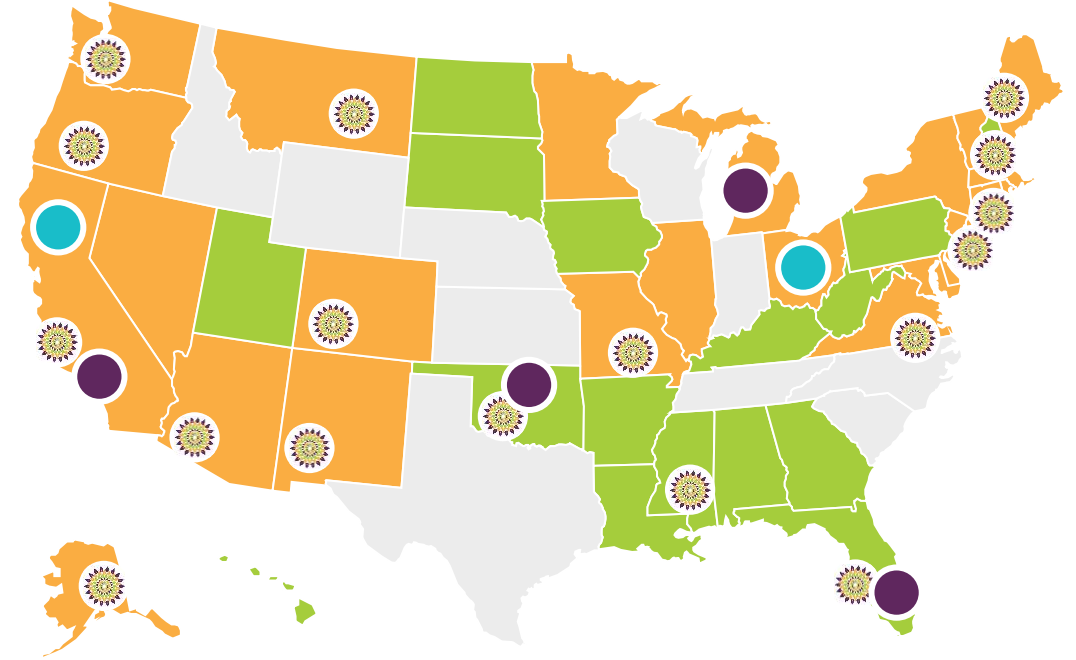
TULSA

GRAND RAPIDS

MIAMI

CORE MARKETS

RECREATIONAL
MEDICAL
NONE



GrowGeneration

Our national retail chain, the core of our business,
Retail excels in customer service & customer in-store experience.

31

Stores

850k+

Sq ft

50k

Walk-ins /month

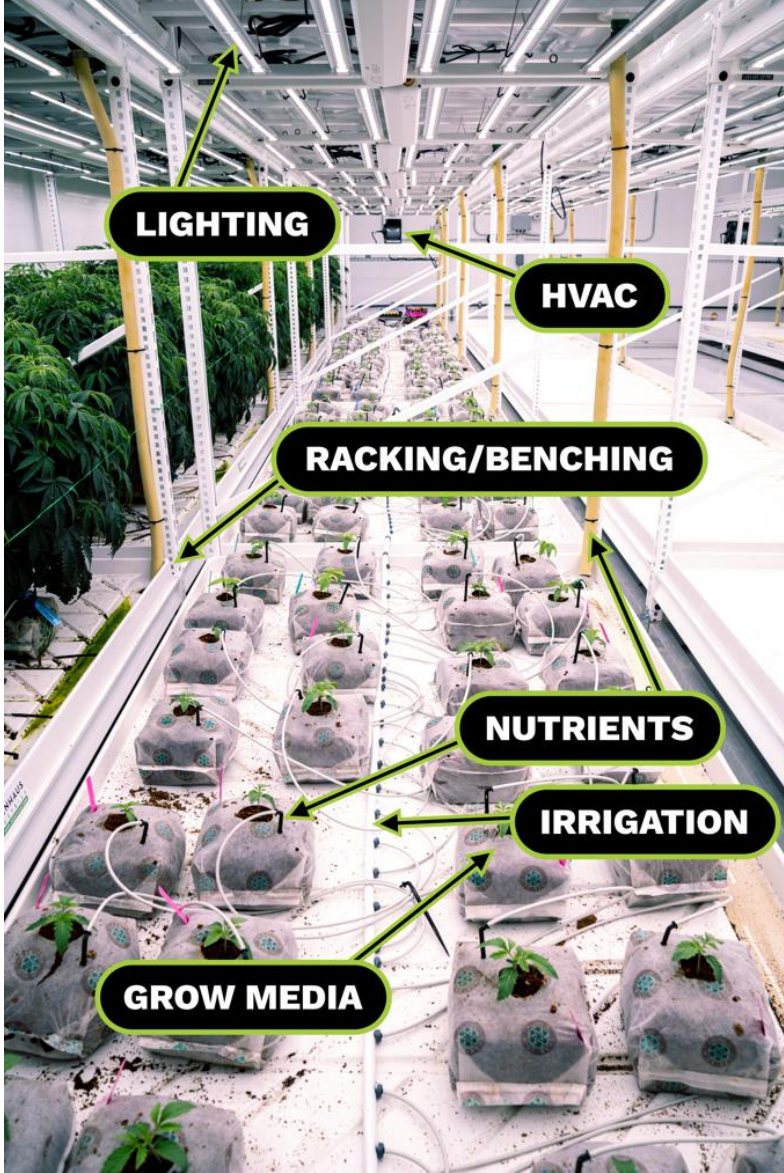
Cost efficient & just in time
supply chain model

Local fleets for quick & efficient
service to commercial facilities

Largest & only national
hydroponics retailer & distributor



Typical commercial growing operation setups



Meet our leadership team



DARREN LAMPERT
CEO/CO-FOUNDER

- Decades of experience in fields of finance and law, particularly across acquisitions and capital markets.
- Has led the Company for 10 years as its CEO and Chairperson of the Board.



MICHAEL SALAMAN
PRESIDENT/CO-FOUNDER

- Significant leadership experience across diverse sectors, including CEO and President of Skinny Nutritional Corp, as well as Principal Officer of American Interactive Media.
- Deep knowledge of areas of sales, marketing and innovations.



GREGORY SANDERS
CFO

- Extensive prior public company experience, having served in various accounting positions for Enterprise Holdings and Arrow Electronics.
- Led the Finance and Accounting Department, as well as Administrative and Human Resources functions, for Machol & Johannes LLC.





GROWTH STRATEGY – NEXT PHASE



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LIGHTING SYSTEMS

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Harvest
TECHNOLOGY

...

Next Phase – Comprehensive Restructuring for Sustainable Growth



**Expected to
generate margin
gains and significant
cost savings on an
annualized basis**

1

Focus on Proprietary Brands

Targeting higher-margin, proprietary brands to account for 35% of total sales by end of 2025

2

Digital & B2B Customer Focus

Transforming sales functions with B2B focus, e-commerce platform and commercial customer centric fulfilment strategy

3

Further Streamline Operations

Right-size national retail footprint and SKU count to drive higher sales and margins while being more cost effective



Focus on Proprietary Brands

- Target for our proprietary brands to account for 35% of total sales by the end of 2025.
- Currently 223 proprietary SKUs (24% of net sales) - goal to increase over time and improve gross margin mix.
- Intend to add approximately 50 new products to the proprietary brands lineup over the next 12 months.
- Continue to launch e-commerce enabled, brand-specific websites, The Harvest Company launched
- Innovating further and launching new brands to broaden our presence across categories:
 - Current categories: Nutrients & Supplements, Media, Lighting & Cooling.
 - Emerging categories: Grow Essentials, Grow. Environments, Benching & Racking.
- High-quality product offerings with strong value proposition to customers and play well within one-stop-shop strategy.

Strategic Partnerships



anden.

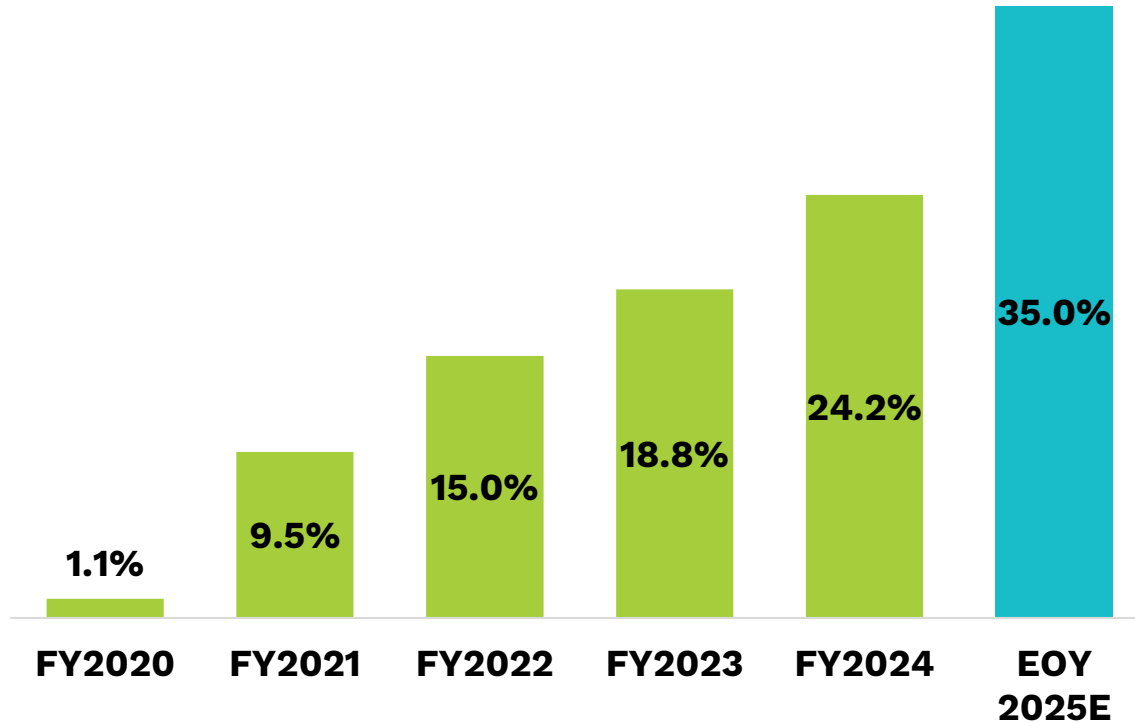
HAWTHORNE™

CANNA
The solution for growth and bloom

HYDROFARM

Higher Margin Proprietary Brands Growing as % of Sales

Private Label % of Sales



Proprietary Brands

Drip Hydro

- **High-Quality Results**
 - All products are formulated with high-quality inputs to provide you with clean & stable nutrients. Drip has left out unnecessary inputs that result in poor flavor and excess salt buildup.
- **Higher Yields**
 - The FLUID and POWDER nutrient lines will provide your plants with the exact nutrients they need at the moments they need them; resulting in maximum genetic potential and a higher gram-per-square-foot-ratio.
- **Low Overhead**
 - Input costs matter whether your grow is small or large. The FLUID and POWDER cost-per-mixed-gallon are some of the most competitive in the industry. Clean, simple, & cost-effective.
- **Irrigation Friendly**
 - Clean nutrients that will never leave buildup in your reservoir or irrigation. Suitable for all growing mediums and hydroponic systems.

Char Coir

- **Clean, high-quality medium for optimal growth**
 - Char Coir is the highest-grade coco available and is sourced from a single farm to ensure consistency and quality. Each batch comes with a chemical analysis available to the client and serves as a testament to our quality and standards.



Proprietary Brands

Power Si

- **Premium additives to improve quality and yield**
 - Specialize in making high quality, concentrated additives that improve the health of your plants, your yields, and your crop quality.
- **Fast acting proprietary silica formulas**
- **Superior Bioavailability of Silica and other nutrients**
- **Patented Matrix (liquid + granules)**
- **Cost-effective & highly-concentrated**
- **Impressive results confirmed**



MMI

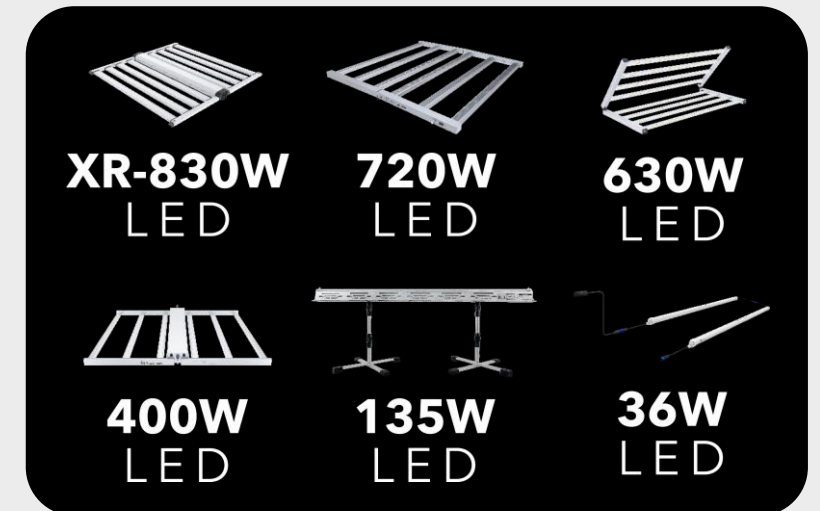
- MMI Agriculture Solutions is the trusted partner for commercial indoor cultivators dedicated to their craft. Leveraging our long-standing history in the retail sector we offer quality, innovative solutions at an affordable price. As a Company and a Brand, we embody practicality and affordability, providing cultivators with purpose-built solutions that drive maximum efficiency and maximum yield. Using MMI Mobile growing racks will increase canopy square footage, without increasing your overall footprint of your cultivation space. Vertical growing optimizes production, reduces operating cost and increases overall revenue per square foot.



- The Harvest Co. offers a diverse range of essential products designed specifically for all your home gardening and commercial growing needs. Our carefully developed products are crafted to help you get the most out of each growing season. From Seed to Harvest, we're here to deliver the perfect solutions for your gardening journey.

- **FULL SPECTRUM COMMERCIAL LED FIXTURES**

- Introducing the next generation of commercial light fixtures from ION, designed to revolutionize the way we approach indoor growing. These lights offer unparalleled efficiency and sustainability without compromising on quality or yield. Whether you are a seasoned professional or a novice grower, ION's products are the ideal solution for your needs.



Digital & B2B Customer Focus

1

Launched B2B E-Commerce Portal

- Digital transformation of sales throughout entire organization with a B2B customer focus.
- Migrate transactional activity from brick-and-mortar stores to new digital platform.
- Official launch first quarter of this year.

2

Fulfillment Strategy

- Complementing digital strategy, GrowGen intends to implement a new fulfillment strategy.
- Commercial customers will shop online and have access to products at existing warehouse-style stores for convenient pickup.



Streamlining operational infrastructure

- Right size GrowGen's national retail footprint to align with current industrywide conditions by closing redundant or underperforming stores; substantially completed in Q4 '24.
- Following previously announced closures, the Company will have 31 operational stores going forward.
- Intend to retain majority of commercial customers and direct walk-in customers through adjacent locations, commercial sales force, and our new B2B portal.
- Reorganize sales, marketing, and administrative activities, rationalize inventory, revisit and enhance strategic vendor relationships, and improve recovery of freight expense.
- These actions are expected to reduce expenses by approximately \$12 million on an annualized basis, drive higher margins, and improve profitability.



Cannabis market update

Domestic

- 39 states across the U.S. , D.C., Guam, and Puerto Rico have already legalized cannabis for medical use.
- 24 states and D.C. have also legalized cannabis for recreational use.
- Over 50% of the U.S. population now lives in states that have legalized the use of cannabis.

International

- Outside of the United States, there has been positive movements on the international front for cannabis legalization, most notably in Germany.
- International opportunities remain a future avenue for growth beyond the current domestic opportunities that we are pursuing.

39

STATES

Legal **medical**
cannabis use

24

STATES

Legal recreational
cannabis use

Potential Growth Catalysts

- Prospective rescheduling of cannabis from Schedule I to Schedule III has many benefits for growers, including the ability to ship across state lines or even internationally, and elimination of Internal Revenue Code Section 280E tax burdens.
- The SAFER Banking Act is also gaining bipartisan support, which would provide safe harbors for financial institutions, lenders, insurers and others serving state licensed cannabis businesses.



280E and SAFER Banking - Unlocking Value

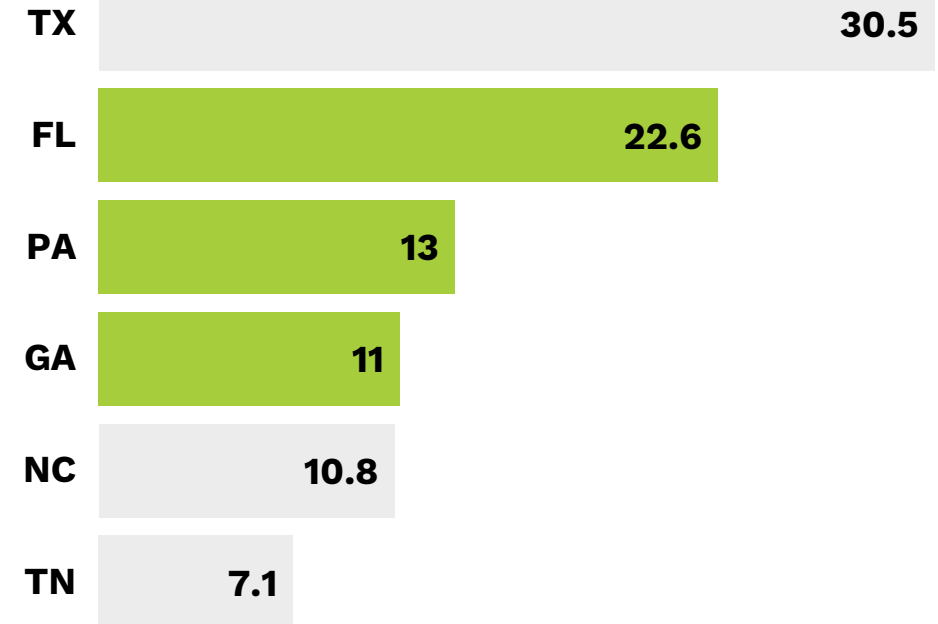
Several opportunities for GrowGen to capitalize on these potential catalysts:

- With rescheduling on the table, MSOs and Craft Growers' equipment requirements proportionately increase to service market demand.
- Removal of 280E can provide important tax deductions for cannabis companies.
 - Significantly improve growers' profitability.
 - Dramatically improve net income and cash flow.
 - Unlock cultivators to invest incremental capital into projects.
- Open up interstate commerce.
- SAFER Banking Act – benefits for cannabis operators.
 - Greater access to institutional banking and lending.
 - Lower cost of capital.



STATE LEGALIZATION UNLOCK OPPORTUNITY

Population in Millions





FINANCIALS



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Key Financial Highlights

**FY '24 Net Revenue
\$188.9M**

**23.1% Gross Profit
Margin FY '24**

**FY '24 Store Operating
Expenses Decreased
16.4%**

**Proprietary Brand Sales
as a percentage of FY
'24 Cultivation and
Gardening Net Sales
Increased to 24.2%**

**Zero Debt on the
Balance Sheet**

**Cash, Cash Equivalents,
and Marketable
Securities of \$56.5M**



Q4 2024 Income statement

Net sales of \$37.4 million.

Proprietary brand sales rose to 30.4% of Cultivation and Gardening net sales, compared to 21.2% in Q4 2023.

Gross profit margin was 16.4%.

We remain focused on sustainable revenue growth and long-term profitability.

	Three Months Ended December 31,		Year ended December 31,	
	2024	2023	2024	2023
	(Unaudited)	(Unaudited)		
Net sales	\$ 37,436	\$ 49,452	\$ 188,866	\$ 225,882
Cost of sales (exclusive of depreciation and amortization shown below)	31,309	37,808	145,144	164,624
Gross profit	6,127	11,644	43,722	61,258
Operating expenses:				
Store operations and other operational expenses	9,322	11,794	40,198	48,082
Selling, general, and administrative	6,826	7,876	29,243	29,799
Estimated credit losses (recoveries)	152	274	(58)	955
Depreciation and amortization	7,107	4,130	19,436	16,607
Impairment loss	6,655	15,659	6,875	15,659
Total operating expenses	30,062	39,733	95,694	111,102
Loss from operations	(23,935)	(28,089)	(51,972)	(49,844)
Other income (expense):				
Other (expense) income	—	(5)	(13)	781
Interest income	701	810	2,703	2,696
Interest expense	—	(91)	(70)	(97)
Total other income	701	714	2,620	3,380
Net loss before taxes	(23,234)	(27,375)	(49,352)	(46,464)
(Provision) benefit for income taxes	(108)	61	(158)	(32)
Net loss	\$ (23,342)	\$ (27,314)	\$ (49,510)	\$ (46,496)
Net loss per share, basic	\$ (0.39)	\$ (0.44)	\$ (0.82)	\$ (0.76)
Net loss per share, diluted	\$ (0.39)	\$ (0.44)	\$ (0.82)	\$ (0.76)
Weighted average shares outstanding, basic	59,274	61,386	60,176	61,181
Weighted average shares outstanding, diluted	59,274	61,386	60,176	61,181



Q4 2024 Balance Sheet

Total current assets of \$113.2 million as of December 31, 2024.

\$56.5 million in cash, cash equivalents, and marketable securities and \$40.3 million of inventory.

Cash position remains a core strength of the business.

No debt provides ample balance sheet flexibility and high-floor to business model.

	December 31, 2024	December 31, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 27,471	\$ 29,757
Marketable securities	28,984	35,212
Accounts receivable, net of allowance for credit losses of \$2,177 and \$1,363 at December 31, 2024 and 2023	7,361	8,895
Notes receivable, current, net of allowance for credit losses of \$— and \$1,732 at December 31, 2024 and 2023	1,056	193
Inventory	40,295	64,905
Prepaid income taxes	145	516
Prepaid and other current assets	7,896	7,973
Total current assets	113,208	147,451
Property and equipment, net	15,493	27,052
Operating leases right-of-use assets, net	34,453	39,933
Notes receivable, long term	—	106
Intangible assets, net	8,779	16,180
Goodwill	1,605	7,525
Other assets	814	843
TOTAL ASSETS	\$ 174,352	\$ 239,090
LIABILITIES & STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 8,146	\$ 11,666
Accrued liabilities	2,358	2,530
Payroll and payroll tax liabilities	2,655	2,169
Customer deposits	2,404	5,359
Sales tax payable	1,313	1,185
Current maturities of lease liability	7,398	8,021
Total current liabilities	24,274	30,930
Operating lease liability, net of current maturities	29,633	34,448
Other long-term liabilities	352	317
Total liabilities	54,259	65,695
Commitments and contingencies		
Stockholders' Equity:		
Common stock; \$.001 par value; 100,000,000 shares authorized; 59,402,628 and 61,483,762 shares issued and outstanding as of December 31, 2024 and 2023, respectively	59	61
Additional paid-in capital	375,677	373,433
Accumulated deficit	(255,643)	(200,099)
Total stockholders' equity	120,093	173,395
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 174,352	\$ 239,090



Q4 2024 Adjusted EBITDA Reconciliation

Reconciliation of EBITDA
and Adjusted EBITDA to net
income (loss) (in
thousands):

	Three months ended December 31,		Year ended December 31,	
	2024	2023	2024	2023
Net loss	\$ (23,342)	\$ (27,314)	\$ (49,510)	\$ (46,496)
(Provision) benefit for income taxes	108	(61)	158	32
Interest income	(701)	(810)	(2,703)	(2,696)
Interest expense	—	91	70	97
Depreciation and amortization	7,107	4,130	19,436	16,607
EBITDA	\$ (16,828)	\$ (23,964)	\$ (32,549)	\$ (32,456)
Share-based compensation	318	719	2,422	3,171
Investment income	661	810	2,582	2,696
Impairment loss ⁽¹⁾	6,655	15,659	6,875	15,659
Restructuring plan ⁽²⁾	310	—	3,009	—
Consolidation and other charges ⁽³⁾	785	3,076	3,160	5,376
Adjusted EBITDA	<u>\$ (8,099)</u>	<u>\$ (3,700)</u>	<u>\$ (14,501)</u>	<u>\$ (5,554)</u>

⁽¹⁾ Impairment loss related to impairments of goodwill and intangible assets and the restructuring plan for operating lease right-of-use assets impairments

⁽²⁾ Includes the \$2.1 million incurred in the Consolidated Statements of Operations related to the restructuring plan as well as an estimated additional \$0.9 million loss in gross profit due to inventory discounts offered in conjunction with the restructuring plan

⁽³⁾ Consists primarily of expenditures related to the activity of store and distribution consolidation, one-time severances outside of the restructuring plan announced July 2024, and other non-core or non-recurring expenses



Investment Highlights

Largest independent hydroponics retailer in the U.S. - 31 locations

Significant growth potential in rapidly growing, underserved markets

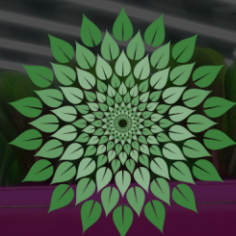
Extensive portfolio of proprietary and third-party branded products for commercial and consumer customers

Supply chain and store numbers streamlined for efficient use of capital

Strong financial position with \$56.5M in cash, cash equivalents, and marketable securities and no debt

Multiple growth catalysts including cannabis rescheduling and e-commerce initiatives





GrowGeneration

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Trusted brands for cultivation.

Investor Relations Contact

Phil Carlson

KCSA Strategic Communications

GrowGen@kcsa.com



APPENDIX/ HISTORICAL FINANCIAL DATA



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Historical Income Statement

	2019	2020	2021	2022	2023	2024
Sales	79,734	193,365	422,489	278,166	225,882	188,866
Cost of sales	57,729	142,317	304,248	207,903	164,624	145,144
Gross profit	22,005	51,048	118,241	70,263	61,258	43,722
GP%	27.60%	26.40%	27.99%	25.26%	27.12%	23.15%
Store operations & other opex	10,095	18,724	49,742	54,680	48,082	40,198
Bad debt expense	172	580	1,428	1,737	955	(58)
Depreciation & amortization	1,045	2,436	12,600	17,132	16,607	19,436
Impairment loss			-	127,831	15,659	6,875
Total operating expenses	20,422	42,611	103,239	238,138	111,102	95,694
Income (loss) from operations	1,583	8,437	15,002	(167,875)	(49,844)	(51,972)
Total non-operating income (expense)	(261)	142	227	1,243	3,380	2,620
Benefit (provision) for income taxes	-	(3,251)	(2,443)	2,885	(32)	(158)
Net income (loss)	1,322	5,328	12,786	(163,747)	(46,496)	(49,510)
Adjusted EBITDA	5,259	18,841	34,168	(16,693)	(5,554)	(14,501)



Historical Balance Sheet

	2019	2020	2021	2022	2023	2024
Cash and investments	12,979	177,912	81,165	71,906	64,969	56,455
AR	2,954	3,901	5,741	8,336	8,895	7,361
Inventory	21,577	54,025	105,571	77,091	64,905	40,295
Prepays & other current	2,550	11,125	16,116	6,455	7,973	7,896
Notes receivable S/T	1,038	2,612	2,440	1,214	193	1,056
Total current	41,097	250,229	216,889	170,681	147,451	113,208
PP&E, net	3,341	7,416	24,116	28,669	27,052	15,493
Goodwill	17,799	62,951	125,401	15,978	7,525	1,605
Right to use asset	7,629	12,088	43,730	46,433	39,933	34,453
Notes receivable L/T	464	1,200	-	-	106	-
Intangibles, net	233	20,549	48,402	30,878	16,180	8,779
Other assets	377	301	800	803	843	814
Total assets	70,940	354,734	459,338	293,442	239,090	174,352
Accounts payable	6,025	14,623	17,033	15,728	11,666	8,146
Account liabilities	-	672	2,044	1,535	2,530	2,358
Payroll and payroll taxes	1,072	2,655	7,440	4,671	2,169	2,404
Customer deposits	2,504	5,155	11,686	4,338	5,359	2,631
Income taxes payable	-	-	-	-	-	-
Sales tax	534	1,161	1,923	1,341	1,185	1,313
Right to use liability-current	1,837	3,001	6,858	8,131	8,021	7,398
Current portion LTD	110	83	92	50	-	-
Total current	12,081	27,350	47,076	35,794	30,930	24,274
LT debt	242	158	66	-	-	-
Right to use liability	5,807	9,479	38,546	39,313	34,448	29,633
Deferred taxes	-	750	2,359	-	-	-
Accrued liabilities	-	-	-	593	317	352
Total liabilities	18,131	37,737	88,047	77,046	65,695	54,259
Stockholders' equity	52,809	316,997	371,291	216,396	173,395	120,093
Total liabilities and equity	70,940	354,734	459,338	293,442	239,090	174,352

