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GrowGeneration Purchases All the Assets of Central Coast Garden and Farm Supply

California market to grow at a compounded annual rate of 18.5%, to \$6.5 Billion by 2020

DENVER, CO, June 12, 2018 /PRNewswire/ - GrowGeneration Corp. (OTCQX: GRWG), GrowGeneration ("GrowGen" or the "Company"), one of the largest specialty retail hydroponic and organic gardening stores, currently with 18 locations serving both commercial and home growers, today announced that it has purchased all of the assets of Central Coast Garden and Farm Supply (CCG) located in Salinas, CA. CCG generated approximately \$1.7 Million in revenue in 2017 and will serve as a retail and warehouse location servicing the growing number of commercial cultivators in the Central Coast California market. Central Coast Garden and Farm Supply adds the 5th store to the GrowGen portfolio of stores in California.



GrowGeneration Focused On Aggressive California Expansion

The Central Coast of California, from Santa Cruz to Santa Barbara, has 1,065 cultivation licenses compared to 1,159 in the Emerald Triangle, which is made up of Humboldt, Mendocino and Trinity counties and is about the same size as the Central Coast. The two regions account for more than two-thirds of all the cultivation licenses in the state, with Los

Angeles, Sacramento and other urban counties taking up most of the other licenses for indoor growers.

Hezekiah Allen, a former Humboldt County cannabis farmer who heads [the California Growers Association](#) industry group, says Monterey County is attracting growers of "commercial grade marijuana" in a business model akin to major breweries of beer. Under Monterey County rules, marijuana cultivators only can grow in greenhouses in certain areas by converting existing structures or building new ones where old ones used to stand. They can't plant outdoor farms or otherwise upset the county's signature \$5 billion agriculture economy for leaf lettuce, strawberries, broccoli, cauliflower, celery, artichokes and wine grapes.

GrowGen continues the execution of its acquisition plans to acquire the leading hydroponic stores, throughout the United States. California continues to present significant growth opportunities for GrowGen, particularly with the adult-use laws going into effect on Jan. 1, 2018. According to New Frontier Data, the California market projects to grow at a compounded annual rate of 18.5%, from \$2.76 billion in 2015 to \$6.5 billion by 2020.

GrowGen CEO Comments

Commenting on GrowGen's purchase of Central Coast Garden and Farm Supply, Darren Lampert, Co-Founder and CEO, said, "Central Coast Garden and Farm Supply strongly positions GrowGen in the Central Coast region of CA., which is abundant with cultivators. Increasing our warehouse and retail showroom space, will allow us to stock at inventory levels and sizes to attract the large commercial growers. With over 1,000 cultivation licenses already issued, GrowGen is well positioned to service the Central Coast region. California is a major marketplace that the Company is developing and plans to add several locations in the coming months." "Further, the company reiterates its revenue forecast for 2018 to \$37M. We have a strong acquisition pipeline in development for 2018."

About GrowGeneration Corp.:

GrowGeneration Corp. ("GrowGen") owns and operates specialty retail hydroponic and organic gardening stores. Currently, GrowGen has 18 stores, which includes 6 locations in Colorado, 5 locations in California, 3 locations in Michigan, 2 locations in Las Vegas, 1 location in Rhode Island and 1 location in Washington. GrowGen carries and sells thousands of products, including organic nutrients and soils, advanced lighting technology and state of the art hydroponic equipment to be used indoors and outdoors by commercial and home growers. Our mission is to own and operate GrowGeneration branded stores in all the major legalized cannabis states. Management estimates that roughly 1,000 hydroponic stores are in operation in the U.S. By 2020 the market is estimated to reach over \$23 billion with a compound annual growth rate of 32%.

Forward Looking Statements:

This press release 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 our 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 our opinions only as

of the date of this release. Please keep in mind that we are not obligating ourselves 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," "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 we make with the United States Securities and Exchange Commission, available at: www.sec.gov, and on our website, at: www.growgeneration.com.

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