



## Hydrofarm and AG Gas Announce Exclusive Distribution Agreement

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### AG Gas Yield-enhancing CO<sub>2</sub> Enrichment Solution to be Sold Through Hydrofarm Commercial Services Channel

SHOEMAKERSVILLE, Pa., Aug. 24, 2022 (GLOBE NEWSWIRE) -- Hydrofarm Holdings Group, Inc. ("Hydrofarm") (Nasdaq: HYFM), a leading manufacturer and distributor of equipment and supplies for controlled environment agriculture ("CEA"), today announced that it has entered an exclusive distribution agreement with The Agricultural Gas Company ("AG Gas"), supplier of the world's most advanced CO<sub>2</sub> enrichment solution for commercial cultivators. The solution is built on AG Gas' proprietary CO<sub>2</sub> generation, delivery and control system that are proven to increase crop yield and quality by researchers and commercial growers.

Under the agreement, Hydrofarm will offer AG Gas technology and its Carbogation services to its current and future customers throughout North America. The AG Gas systems are designed to safely and cost-effectively boost crop yields by enriching the plant canopy with carbon dioxide (CO<sub>2</sub>), one of three key components of photosynthesis along with water and light. The patented system responds in real-time to environmental factors including light, temperature, and ventilation, and is fully compliant with safety standards and code associated with human exposure to CO<sub>2</sub>. The AG Gas solution has been proven effective even in open-air agriculture.

"We are excited to bring the unique AG Gas solution to Hydrofarm's commercial portfolio," said Bill Toler, Hydrofarm Chairman and CEO. "Hydrofarm has been empowering growers of all kinds since 1977. We are continuously seeking new technologies that can help farmers enhance operations with partners like AG Gas. We were impressed by the efficiency and efficacy of the AG Gas system from the moment we first saw it in action."

According to AG Gas President and CEO Barry Nadler, "After demonstrating commercial success in the California market, we look forward to teaming with Hydrofarm to bring our turnkey CO<sub>2</sub> enrichment solution to the wider North American market. With its efficient distribution network and integrated commercial solution team, Hydrofarm is an ideal partner to help drive further adoption of our yield-enhancing technology."

According to AG Gas, its systems have generated yield improvements ranging from 20% to over 50% on cannabis crops grown in warehouses, greenhouses, hoop houses and in the open-air. During early trials on an outdoor tomato crop on the Fresno State University campus, the AG Gas approach more than doubled marketable yield. In addition, the CO<sub>2</sub> enrichment process significantly improves a crop's water-use efficiency and results in healthier, more disease-resistant plants.

#### About Hydrofarm Holdings Group, Inc.

Hydrofarm is a leading independent manufacturer and distributor of branded hydroponics equipment and supplies for controlled environment agriculture, including grow lights, climate control solutions, growing media and nutrients, as well as a broad portfolio of innovative and proprietary branded products. For over 40 years, Hydrofarm has helped growers make growing easier and more productive. The Company's mission is to empower growers, farmers and cultivators with products that enable greater quality, efficiency, consistency and speed in their grow projects. For additional information, please visit: [www.hydrofarm.com](http://www.hydrofarm.com)

#### About AG Gas

AG Gas ([www.aggas.com](http://www.aggas.com)) supplies the world's most technologically-advanced CO<sub>2</sub> enrichment solution, delivering significant yield improvements and water-use benefits to growers, even those who operate in open-air environments. Offered as a turnkey solution, AG Gas installs, maintains and monitors its systems to ensure safe and cost-effective application of CO<sub>2</sub>.

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AG Gas

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