



FOR IMMEDIATE RELEASE

RLJ Equity Partners Leads Acquisition of Growers House Holdings LLC

RLJ partners with management and existing investors to accelerate the next chapter of Growers House's growth.

BETHESDA, MD – (April 9, 2021) RLJ Equity Partners (“RLJ”), an affiliate of The RLJ Companies, and Cave Creek Capital management, LLC (“Cave Creek Capital”), is pleased to announce the acquisition of Growers House Holdings LLC (“Growers House” or the “Company”). Financial terms of the transaction were not disclosed.

Founded in 2011 by Nate Lipton and Paul Lipton, Growers House is based in Tucson, Arizona and has rapidly grown to become a leading digitally native, omni-channel hydroponic equipment and supplies retailer servicing the specialty agriculture industry. Nate and Angela Kapp serve as Co-CEOs.

Growers House and its subsidiaries combine the creation of proprietary, industry leading video content with one of the largest assortments and seasoned cultivation experts to provide full-service retail and consulting to commercial and hobbyist growers alike.

The recapitalization retains founder Nate Lipton and the company’s management team and will provide the necessary capital to accelerate its omni-channel growth, develop more world class content for its rapidly expanding base, expand into new markets and offer best-in-class services and products to B2B and B2C customers.

Managing Partner of RLJ Equity Partners Rufus Rivers said, “Nate has been at the forefront of this exciting industry for years. We look forward to using all of our resources at RLJ to help the company grow.”

In addition to the continued development of the hydro industry’s leading e-commerce platform, GH will solidify its market leading business in Arizona with the addition of a second retail store, this one in Phoenix and begin serving international customers on its site.

“We are excited to partner with RLJ Equity and Cave Creek Capital. They are seasoned investors who understand our digitally led omni-channel strategy but also the compelling nature of the content brands we’ve created, such as Canna Cribs, which highlight and define the future of cultivation products and methodologies,” said Co-Founder & Co-Chief Executive Officer at Growers House, Nate Lipton.

Lipton also shared that the company plans to use many of the deep connections it has made in the industry with pre-eminent growers and cultivation facilities to R&D innovative products and bring them to market. “Helping supply the best and largest growers in the world along with our hands-on knowledge of visiting these facilities gives our team unique experiential knowledge that has taken us a decade to build,” says Lipton.

RLJ provided the controlling equity for the transaction. DLA Piper LLP and Thompson Coburn LLP served as legal advisors. The Westbury Group acted as the financial advisor to Growers House.

About RLJ Equity Partners (“RLJ”): Headquartered in Bethesda, MD, RLJ Equity Partners is a middle-market private equity firm with approximately \$440 million in capital under management focused on generating long-term capital appreciation by investing in profitable and growing businesses led by strong management teams. Founded in 2006 by Robert L. Johnson, RLJ originates and invests in traditional buyouts and leveraged recapitalizations. RLJ Equity Partners is a portfolio company of The RLJ Companies. For more information, please visit www.rljequitypartners.com.

About The RLJ Companies: Founded by Robert L. Johnson and headquartered in Bethesda, MD, The RLJ Companies is an innovative business network that provides strategic investments to a diverse portfolio of companies in the media and entertainment, financial services, real estate, hospitality, and gaming industries. Prior to founding The RLJ Companies, Johnson founded Black Entertainment Television (BET). For more information visit: www.rljcompanies.com.

About Cave Creek Capital Management (“Cave Creek Capital”): Cave Creek Capital Management is a lower middle-market private equity firm that partners with management teams to focus on generating long-term value for portfolio companies by enhancing growth and competitive position. Cave Creek seeks to invest in targeted industries with asset-light business models, bringing over 20 years of transaction experience while completing over 30 investments in the form of equity or mezzanine debt. Cave Creek is based in Phoenix, Arizona. For more information, please visit <https://www.cavecreekcapital.com>.

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FOR MORE INFORMATION:

RLJ EQUITY PARTNERS

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