

13 October 2021

Roots launches new mid-size Root Zone Temperature Optimisation (RZTO) system offering

Highlights:

- **Roots strengthens product portfolio following launch of new ‘Super Mini’ RZTO system**
- **The ‘Super Mini’ system is a mid-size offering that can be utilised across ~200 separate pots or plants**
- **Follows the introduction of small scale RZTO system designed for use across ~30 pots or plants**
- **Recently launched RZTO systems allow Roots to offer its proprietary technology in three sizes – providing greater access to all market segments and strengthening commercial horizons**
- **First sales secured from Singapore-based company with significant interest building – additional orders expected to materialise shortly**
- **New offerings provide Roots with greater access to the world’s gardening market, valued at US\$104Bnⁱ and global pots and planters market, which will exceed US\$1.4Bn in value by 2025ⁱⁱ**

Roots Sustainable Agricultural Technologies Limited (ASX: ROO, “Roots” or “the Company”) is pleased to advise that it significantly strengthened its product portfolio, following the launch of new, a mid-size Root Zone Temperature Optimisation (RZTO) system, called the ‘Super Mini’. The new product will allow the Company to offer its innovative technology in three sizes and let Roots target a larger segment of its addressable market, strengthening the commercial potential for its RZTO technology.

The ‘Super Mini’ format has been designed to service up to 200 pots of plants. The solution is aimed at nurseries and small commercial grow operations, as well as to provide proof of concept in advance of other large orders. It follows the launch of the Company’s small-scale system, designed to cater for home growers and community gardeners (refer ASX announcement: 26 August 2021).

The system utilises the Company’s proprietary RTZO technology, which optimises plant physiology for increased growth, productivity and quality by stabilising a plant’s root zone temperature year around. Optimal root zone temperature is the most influential parameter in plant's physiology besides water.

Roots will offer the new system to purchase outright or on a lease basis. The system is designed to be installed by the end customer, without the need for a technician and highlights the Company’s adaptive marketing approach towards COVID-19 restrictions. Roots is confident that the ‘plug and play’ system will reduce barriers to entry and enhance uptake, as well as allow potential distributors and dealer’s with the ability to test the systems advantages over the short term.



The Company has witnessed significant interest from a number of parties in Israel and internationally for the solution and commenced first sales into Singapore. Additional orders are expected to materialise shortly.

The launch of the new product and other offerings in various sizes will provide Roots with access to a larger cross section of the global gardening and nursery planters and pot market. This presents a major opportunity for Roots, with the value of the world's gardening market reaching approximately US\$104Bn in 2020ⁱⁱⁱ and the global nursery pots and planters market expected to reach over US\$1.4Bn by 2025^{iv}.



Image: Roots' new 'Super Mini' RZTO being utilised across multiple pots

Roots CEO, Boaz Wachtel said: *"The launch of the new 'Super Mini' system is a significant commercial milestone for Roots. The 'Super Mini' and other smaller scale systems which we have brought to market recently will allow consumers to utilise our innovative and leading technology to maintain production and increase plant yield across a range of settings.*

"We expect that our new products will significantly decrease the barriers of uptake and unlock a number of new markets for the Company. Roots is already witnessing significant interest in our offering, with first sales secured in Singapore. The Company has built a strong business development pipeline and expects additional orders, across a number of countries to materialise in the coming months."

-ENDS-



About Roots Sustainable Agricultural Technologies Ltd:

Israeli-based, Roots Sustainable Agricultural Technologies Ltd. is developing and commercialising disruptive, modular, cutting-edge technologies to address critical problems faced by agriculture today, including management of plant's root zone temperatures and the shortage of water for irrigation.

Roots has developed proprietary know-how and patents to optimise performance, lower installation costs, and reduce energy consumption to bring maximum benefit to farmers through their two-in-one root zone heating and cooling technology and off the grid irrigation by condensation technology.

Roots is a graduate company of the Office of the Israeli Chief Scientist Technological Incubator program.

More information www.Rootssat.com

About Root Zone Temperature Optimization (RZTO)

Root Zone Temperature Optimization (RZTO) optimises plant physiology for increased growth, productivity and quality by stabilising the plant's root zone temperature. Using Ground source heat exchange (GSHE) installations either alone, or in combination with heat pumps, or with heat pumps alone, ROOTS is able to provide accurate range of root zone temperatures for farmer and the plants to obtain the multiple benefits.

This significantly increases yields, increases growing cycle planting options, improves quality, mitigates extreme heat and cold stress while significantly reducing energy consumption by stabilising and optimising the ROOTS zone temperature.

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This announcement was authorised by the Board of Directors of Roots Sustainable Agricultural Technologies Limited.

Forward looking statements

This announcement contains forward-looking statements with respect to ROOTS and its respective operations, strategy, investments, financial performance and condition. These statements generally can be identified by use of forward-looking words such as "may", "will", "expect", "estimate", "anticipate", "intends", "believe" or "continue" or the negative thereof or similar variations.

The actual results and performance of ROOTS could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Some important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition and government regulation.

The cautionary statements qualify all forward-looking statements attributable to ROOTS and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this announcement and ROOTS has no obligation to up-date such statements, except to the extent required by applicable laws.

ⁱ <https://www.statista.com/statistics/1220222/global-gardening-sales-value/>

ⁱⁱ <https://www.wboc.com/story/43596869/nursery-planters-and-pots-market-size-2021-with-a-cagr-of-25-research-by-business-opportunities-top-companies-data-report-covers-market-specific>

ⁱⁱⁱ <https://www.statista.com/statistics/1220222/global-gardening-sales-value/>



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