

08 April 2022

## **Roots broadens European footprint with binding dealership agreement for the UK, Ireland and Austria**

### **Highlights:**

- **Marketing, sales, logistics, installation and post-sale service dealership agreement secured with TK Solutions AG Ltd (TK Solutions) for Roots' innovative RZTO technology**
- **TK Solutions is a leading agricultural project and technology provider offering complete growing solutions to customers in large European markets**
- **Initial exclusivity period of 12 months agreed for the UK, Irish and Austrian markets – evaluation to be made by both parties at the conclusion of the initial term**
- **Formal agreement to be negotiated and completed no later than twelve months from signing of the binding dealership agreement**
- **Agreement significantly expands Roots' European footprint and continues the Company's international expansion initiatives**

**Roots Sustainable Agricultural Technologies Limited (ASX: ROO, "Roots" or "the Company")** is pleased to advise that it has signed an exclusive binding dealership agreement with leading UK agricultural project and technology provider TK Solutions AG Ltd ('TK Solutions') for the sales, marketing, logistics, installation and post-sale service of Roots' Root Zone Temperature Optimisation ("RZTO") technology.

TK Solutions is a well-established UK based provider who represents a number of leading Israeli agricultural technologies across Europe. The company offers complete agricultural growing solutions under the brand name Sustainable Agriculture Provider Ltd including project design, supply of components for irrigation systems, assembly for commissioned pump houses, advanced automation systems and aftersales technical and IT support.

Under the agreement, TK Solutions will provide the sales and marketing of the Company's RZTO technology. In addition, it will deliver the logistics and installation of system components when required including storage, assembling, packaging, shipment to site and supervising local installers. In addition, customer payment collection and post-sale services will also be undertaken by TK Solutions. The cost of the system will be payable by TK Solutions to Roots, based on agreed prices of the RZTO technology systems. TK Solutions will then sell the systems to customers on their standard commercial terms.

An initial exclusivity period of 12-months has been agreed for the large agricultural markets of the UK, Ireland and Austria. After the initial 12-month term an evaluation will be made by both parties to extend.



The evaluation will consider, amongst other things, whether TK Solution's sales target of USD\$60,000 has been achieved over the initial 12 month period.

The agreement continues the international expansion initiatives undertaken by Roots highlighted by recent activity in the US with patent approval and the establishment of its Central UK logistics hub (*refer ASX announcements: 15 & 24 March 2022*), as well as achieving sales across numerous international markets. Roots is confident that the agreement with TK Solutions will further progress its activities in the UK, Ireland and Austria markets and will leave Roots well placed to expedite sales in the regions.

**Management commentary:**

**Roots Executive Chairman and CEO, Boaz Wachtel said:** *"Our continued international expansion efforts provides us with significant opportunity to increase the interest and uptake of our technologies in new international markets. The agreement with TK Solutions further expands our network and we now have a foothold into the large agricultural markets of the UK, Ireland and Austria.*

*"We anticipate the agreement will lead to an even greater level of interest in our sustainable agricultural solutions. We are continuing to host discussions with a number of potential collaborators, and we remain in a great position to leverage the superior technology of our solutions in order to expedite sales."*

**-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](http://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.

*This announcement was authorised to be given to the ASX by the Roots Executive Directors, Mr Boaz Wachtel and Mr Sharon Devir.*



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**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.