



ASX and MEDIA RELEASE
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ROOTS signs exclusive dealership agreement with leading French distributor ES France

Highlights:

- **Binding distribution agreement with ES France marks an important entry point for Roots' leading agri-tech products into the French market**
- **ES France is an established distribution platform for industrial applications in the environment and food sectors, with annual revenues of over €70m**
- **Existing customer suite includes major brands such as Suez, Veolia, Danone, Nestle with a strong domestic sales team comprising over 60 staff**
- **ES France will initiate sales and marketing of ROOTS technologies in the French market, with dedicated teams for pre and post-sales support**

Roots Sustainable Agricultural Technologies Limited (ASX: ROO, "Roots" or "the Company") is pleased to announce that it has signed a strategic dealership agreement ("**Agreement**") with ES France (the "**Dealer**"), a leading distribution group in the French market.

The terms of the Agreement are binding and exclusive, providing Roots with direct access to key industries in environmental and food production agriculture across France.

It also marks another important validation of Roots' technology, as it continues to both consolidate its position and execute on new business development initiatives across global markets.

Deal terms

Under the specific terms outlined in the Agreement, the Dealer's responsibilities will comprise the following:

1. Sales and marketing of Roots Zone Temperature optimization (the cooling and heating) systems;
2. Logistics support, comprising wholesale purchasing of system components from ROOTS, with direct distribution assistance when required for storage, assembling, packaging, and customer shipping;
3. Full responsibility for installation of the ROOTS proprietary cooling systems at customer sites, and/or coordinating and supervising local installers;
4. Collection of customer payments and transfer of funds to ROOTS Israel;
5. Post-sale services, which include but are not limited to the provision of spare parts, service level agreement and maintenance.

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The Agreement is for an exclusive representation period of 12 months. While the exclusivity period is legally binding on both parties, the parties also intend to enter into a formal agreement within six months of the date of the Agreement to document the terms of their collaboration more fully.

Amounts payable by the Dealer to Roots will be made in accordance with agreed transfer prices between the parties.

As part of the Agreement, one designated priority for the Dealer is to submit ROOTS' agricultural technology systems for recognition by French and EU regulators in order to receive formal qualification as "Energy Saving Agricultural Technologies". The relevant regulatory approvals will allow ROOTS to qualify for energy saving subsidies in the EU market.

The term of the initial exclusivity period is dependent on the achievement by the Dealer of specific milestones, with a minimum sales quota of €30,000 in the first year.

If the Agreement is extended, subsequent exclusivity periods will be dependent on the achievement by the Dealer of sales milestones of €80,000 (minimum) in Year 2 and €150,000 (minimum) in Year 3. The exclusivity period can be extended for an additional 12 months each year, at the sole discretion of ROOTS.

Management commentary:

Boaz Wachtel, ROOTS' CEO and Chairman said: *"This agreement with ES France is an important step in our global distribution strategy, as we leverage the traction developed in our core markets to expand into new jurisdictions. In that context, partnering with a distribution platform the calibre of ES France highlights the value proposition of ROOTS proprietary agri-tech products for major markets. We look forward to working with ES France, which will leverage its expansive market footprint to establish traction for ROOTS products with key customer in the environment and food agriculture sectors across France. As one of the major Eurozone economies, this distribution partnership also leaves ROOTS well-placed to pursue additional market opportunities across the EU, amid the ongoing rise in demand for tech solutions that boost agricultural productivity without harming the environment."*

About ES France:

Established in 1963, ES France is now a leading distribution platform serving markets across France and the broader French-speaking area. The company generates annual revenues of more than €70m, with a workforce of around 100 staff and a +60-strong dedicated sales team. The company built its market position via a rigorous selection process for the best manufacturers, based on the following core metrics; price-quality ratio, innovative technology, quality certification and niche products.

ES France aims to be the distributor of choice for global manufacturers by operating as the interface between foreign manufacturers and French customers, both by leveraging its distribution networks built up over almost 60 years, and a commitment to providing customers with the best pre- and post-sales service. The company is made up of seven commercial departments which act as independent profit centres, with specialised sales teams for each department.

ES France has ISO9001 V.2015 Certification as an approved distributor in accordance with ISO9001 standards for the distribution of electronic components and modules, distribution of measuring and analysis instruments and a wholesaler of computer peripherals. ES France also has TCompliance Certification via a prior verification examination by Tcertification of Scientific Equipment Société Anonyme, which demonstrates its commitment to act transparently in its international commercial transactions.

-ENDS-

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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. For more information visit 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.