

20 May 2024

Court Grants 60-Day Stay-of-Proceedings for Debtor Protection

Notice to Creditors

- The Company has received a 60 day stay-of-proceedings order in Israel to shield the Company from debtors while the Company attempts to restructure its financial obligations and operations.

Roots Sustainable Agricultural Technologies Limited (ASX: ROO, “Roots” or “the Company”) advises that it has received a 60 day stay-of-proceedings order from an Israeli court, preventing debtors from filing recovery action while the Company restructures its operations and financial obligations.

The purpose of the stay-of-proceedings is to provide the Company with temporary relief from creditor actions, giving the Company the opportunity to reorganize its finances, negotiate repayment plans, or liquidate assets in an orderly manner, providing the Company valuable time to address its financial difficulties, potentially leading to a more favorable outcome for shareholders in the long term.

The court has granted Roots a 60-day moratorium which is comprehensive and bars any action and enforcement rights by creditors, or any claims against the Company and/or its property for 60 days whilst the moratorium is in place. During the moratorium the Company will seek an arrangement with creditors to settle outstanding debts.

The decision to seek court protection was not made lightly but was deemed necessary in the face of current debt levels and pressure from creditors.

The Company has taken this step to allow it to continue operations while it works to negotiate and restructure its debts with creditors. This process will provide ROO with the time and protection required to develop a sustainable plan and capital structure.

CEO Boaz Wachtel, said: "This was a difficult but necessary decision to protect the company and safeguard the interests of our shareholders, employees and other stakeholders."

NOTICE TO CREDITORS

Pursuant to the District Court (Central) (the “**Court**”) ruling, dated May 16th, 2024, you are hereby notified as follows:

On May 16th, 2024, the Court issued a moratorium order (the “**Moratorium**”) in the matter of Roots, under Part X of the Israeli Insolvency and Economic Rehabilitation Law, 2018, towards the proposal of a debt arrangement between the Company and its creditors (the “**Arrangement**”). The Court appointed Adv. Keren Reichbach-Segal as the Arrangement Administrator.

The Company shall publish its proposed Arrangement and make it available for the creditors’ review in advance of the creditors’ meetings.



Any creditor with a claim against the company - either existing or future, certain or contingent, liquidated or not liquidated, which claim preceded the date of the Moratorium (*i.e.* May 16th, 2024) may file a proof of claim no later than June 10th, 2024, through the online system of the Superintendent in Insolvency at <https://apacforms.justice.gov.il> , Case No. 414210.

Creditors' meetings for the purpose of voting on the proposed Arrangement shall take place on Monday, June 17th, 2024, at 10:00 AM (Israel time), at Gornitzky Law Firm, 20 Ha-Harash St. (Vitania Tower), 29th Floor (the Preferred Creditors Meeting shall take place at 10:00AM, followed by the Unsecured Creditors Meeting at 10:30 AM).

Any creditor that will not file a proof of claim until June 10th, 2024, or any subsequent date approved for that creditor by the Arrangement Administrator or the Court pursuant to a full filed motion for extension, shall be precluded from participating and voting in the creditors meetings.

The Company will provide further updates on the court protection process and its restructuring plans. Shareholders and other interested parties are advised to monitor the Company's ASX announcements for further developments.

-ENDS-

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

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.

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.

More information www.Rootssat.com