



From our Chairman

Fellow Shareholders:

It is with great excitement that I write my first letter as Chairman of Roots, especially following such a successful Fiscal 2017.

When Searchlight bought Roots in December 2015, we acquired a thriving business that has a rich Canadian heritage, an iconic brand, an established omni-channel platform and a large international retail footprint. Equally importantly, it was a business with significant untapped growth potential. Fast forward two-years, and it is incredibly impressive how much the Company has accomplished. Under the guidance of a new senior management team, we saw the implementation of initiatives to increase store productivity, recognize efficiencies throughout the business, improve our approach toward product and merchandising, optimize our real estate portfolio, amplify

our marketing programs, expand our international footprint, enhance our omni-channel shopping experience and evolve the already amazing Roots culture to include a greater focus on performance. The new group of deeply experienced leaders also introduced and started to execute against a strategic vision that positions Roots as an iconic global brand.

Our expectation when we bought Roots was that the Company would go public when there was a solid foundation upon which we could continue to build and deliver accelerated growth. When we went public in October 2017, it was following impressive Fiscal 2016 year-over-year results. With Fiscal 2017 Comparable Sales Growth of 12.1%, and sales and Adjusted EBITDA increasing 15.7% and 26.6% year-over-year, respectively, we set new record highs. We believe our Fiscal 2017 results are a powerful representation of the strength of the Roots brand, as well as the momentum we have achieved with key operational investments and our strategic growth initiatives.

The primary focus for the Board during our first two quarters as a public company was implementing systems of strong corporate governance, which, we believe, will serve as the foundation for enduring success and long-term shareholder confidence. The Roots Board is comprised of seven directors, the majority of whom are independent. We are committed to continually taking a proactive approach to ensure that the appropriate structures and processes are in place to facilitate independent and effective oversight of operations, capital deployment, strategic growth initiatives and risk management practices. We are confident the breadth and depth of our retail industry, capital markets, finance, governance, compensation and legal experience, positions us well to provide ongoing guidance and oversight that will support management in successfully executing the Company's strategy.

Further, as directors of the Company, we recognize our responsibility to ensure that the Company's organizational and compensation structure are designed to encourage long-term value creation for the benefit of all stakeholders. As such, we engaged third-party expertise to assist in the development of a compensation and performance framework for measuring and evaluating the performance of senior management.

Fiscal 2017 was an impressive start to Roots journey as a public company. The Board is committed to working closely with management to ensure that we continue to delight our consumers with our brand experience, and that we are best capitalizing on the global market opportunities in front of us. I am confident Roots has the right strategy and the right leadership, as well as an outstanding and dedicated team of more than 2,200 people who will continue driving growth and creating shareholder value. I would like to thank the founders of Roots, Michael Budman and Don Green, for their guidance, wisdom and trust. I would like to extend thanks to my fellow directors for their commitment and insight. On behalf of the Board, I would also like to thank you, our shareholders, for your support.

Sincerely,
EROL UZUMERI



Cabin Socks: A customer favourite from our Cabin Collection, which celebrates our early beginnings in a little cabin in Algonquin Park, Ontario, Canada. Inspired by our heritage and love of Canada, our Cabin socks have an iconic design that has become a timeless part of Roots style.