



OVER 30 YEARS OF INNOVATION

**Sarin Technologies Ltd. ("Sarine") granted waiver under Listing Rule 107, with regard to compliance with Listing Rule 712 (2A) (appointment of an auditing firm approved by the Accountants Act – in addition to Sarine's existing auditing firms)**

**Hod Hasharon (Israel), 21 March 2022** - Singapore Exchange Mainboard listed and Tel Aviv Exchange listed Sarine Technologies Ltd ("**Sarine**" and along with its subsidiaries "**the Group**") (U77:SI; SARN:TA), a worldwide leader in the development, manufacturing, marketing and sale of precision technology products and services for the evaluation, planning, processing, measurement, grading and trading of diamonds and gems, wishes to update its investing public on the grant of the aforesaid waiver.

#### Background

Listing Rule 712 provides that:

- "(1) An issuer must appoint a suitable auditing firm to meet its audit obligations....
- (2) The auditing firm appointed by the issuer must be:
- (a) Approved under the Accountants Act. The audit partner-in-charge assigned to the audit must be a public accountant under the Accountants Act;
  - (b) Approved by, registered with and/or regulated by an independent audit oversight body acceptable to the Exchange. Such oversight bodies should be members of the International Forum of Independent Audit Regulators, independent of the accounting profession and directly responsible for the system of recurring inspection of accounting firms or are able to exercise oversight of inspections undertaken by professional bodies. Where applicable, the audit partner-in-charge assigned to the audit should be approved by, registered with or regulated by a relevant audit oversight body acceptable to the Exchange; or
  - (c) Any other auditing firm acceptable by the Exchange.
- (2A) An issuer that appoints an auditing firm that meets the requirements in Rule 712(2)(b) must also appoint an additional auditing firm that meets the requirements in Rule 712(2)(a) to jointly audit its financial statements."

### Sarine's Request

Sarine requested a waiver with regard to the provisions of Listing Rule 712(2A), based, among other things, on the following reasons:

1. Sarine is an Israeli company whose headquarters, research and development, sales, marketing and manufacturing facilities are all located in Israel.
2. Sarine has no business activities and/or a subsidiary in Singapore.
3. Since its listing on the SGX, Sarine has retained two reputable and well recognized Israeli auditing firms (Somekh Chaikin (Member firm of KPMG International) and Chaikin, Cohen, Rubin and Co.). Both firms are registered with and regulated both by the PCAOB and by the Israeli Accountants Law, 1955.
4. Since July 2021, Sarine has been dually listed on the SGX and the TASE and therefore is also subject to TASE regulations, as well as to certain requirements of the Israeli Securities Law, 1968 and of the Israeli Securities Authority. Such requirements (as well as Sarine's potential domestic exposure in case of any failure to comply with same) should provide further comfort and assurance to Sarine's shareholders.
5. Given language, distance and regulatory barriers the appointment of a Singaporean auditing would produce very little (if at all) real benefit to Sarine and its stakeholders.

### The SGX's Approval

On 21 March 2022, the Singapore Exchange (the "Exchange") informed Sarine, that, based on Sarine's submissions and representations to the Exchange, the Exchange has no objection to the Sarine's application for the abovementioned waiver (the "**Waiver**").

The Exchange has further informed Sarine that the Waiver is granted taking into consideration, amongst others, the following factors:-

- (a) Sarine has appointed Somekh Chaikin (Member firm of KPMG International) and Chaikin, Cohen, Rubin and Co. as its external auditors;
- (b) Sarine is dual-listed on the SGX-ST Mainboard ("SGX") and the Tel Aviv Stock Exchange ("TASE"), and the Memorandum of Understanding between Singapore

Exchange Regulation and the Israel Securities Authority on regulatory cooperation to enhance protection for investors in issuers who are dual listed on SGX and TASE;

(c) the compliance track record of the Company.

(Collectively: the “**Justifications**”)

The Exchange has also instructed Sarine to announce the grant of the Waiver and noted that the Waiver shall remain in effect subject to the continued existence and validity of the Justifications.

Amir Zolty, Company Secretary

On behalf of the Board of Directors of Sarine Technologies Ltd.

21 March 2022