

SARINE ANNUAL REPORT 2025



MOST VALUABLE PLANNING™

CONTENTS

01	CAUTIONARY STATEMENT
02	CORPORATE PROFILE
03	OUR MILESTONES
04	CHAIRMAN'S STATEMENT
06	BOARD OF DIRECTORS
08	KEY MANAGEMENT
15	FINANCIAL HIGHLIGHTS
16	MANAGEMENT'S BUSINESS, OPERATION & FINANCIAL REVIEW
24	ESG REPORT
52	GRI CONTENT INDEX
54	GROUP STRUCTURE
57	FINANCIAL CONTENTS
IBC	CORPORATE INFORMATION

CAUTIONARY STATEMENT

This Annual Report may contain "forward-looking statements" – that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance and typically contain words such as "anticipate", "believe", "expect", "foresee", "hope", "intend", "may", "might", "plan", "seek", "target", "will" or "would". Forward-looking statements by their nature address matters that are, to different degrees, uncertain, such as expected revenues, margins, expenses and profits; cash flows, return on capital, capital expenditures, capital allocation or capital structure and dividends. Actual results may differ materially. Particular uncertainties that could cause our actual results to be materially different than those expressed in our forward-looking statements include: changes in law, regulations and regulatory requirements; global economic and financial conditions, including interest and exchange rate volatility, commodity and equity prices and the value of financial assets; diamond industry conditions including rough and polished diamond prices and conditions in the financial and credit markets for the industry in which we operate; the impact of potential information technology or data security breaches and our exposure to counterparties; the impact of investigative and legal proceedings and legal compliance risks; the adequacy of our cash flows and earnings and other conditions which may affect our ability to pay dividends at the planned level or to repurchase shares at planned levels; our capital allocation plans, as such plans may change including with respect to the timing and size of share repurchases, acquisitions, joint ventures, dispositions and other strategic actions; our success in integrating acquired businesses and operating joint ventures; our ability to realise anticipated earnings and savings from announced transactions, acquired businesses and joint ventures; global pandemics, and other factors that are described in "Risk Factors" in this Annual Report for the year ended December 31, 2025. These or other uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements in accordance with actual developments.

CORPORATE PROFILE

FOR OVER 35 YEARS, SARINE HAS BEEN AT THE FOREFRONT OF DIAMOND INDUSTRY INNOVATION – DEVISING ADVANCED SOLUTIONS USED ACROSS THE ENTIRE DIAMOND VALUE CHAIN, FROM MINE TO RETAIL, REDEFINING DIAMOND OPTIMISATION, SUSTAINABILITY AND TRADE AND RESHAPING THE INDUSTRY’S FUTURE.

Sarine Technologies Ltd. (“Sarine” and the “Company”, and with its global subsidiaries, the “Group”), established in 1988, is a global leader in developing advanced technologies for the modeling, analysis, evaluation, planning, processing, grading and tracking of diamonds. Sarine has been listed on the Main Board of Singapore Stock Exchange since April 8, 2005, and on the Tel-Aviv Stock Exchange since July 5, 2021.

With an operational presence in key diamond centres worldwide, Sarine draws on decades of R&D expertise and the development of cutting-edge patented technologies, comprising both hardware and software – robotics, optics, electronics and mechanical systems driven by unique software based on algorithmic innovations, artificial intelligence (AI), big data, cloud computing and GPU-based methodologies. We have repeatedly delivered revolutionary inventions for natural and lab-grown diamonds alike, redefining yields and sustainability, streamlining manufacturing, enhancing transparency, and boosting consumer confidence.

Over time, Sarine’s business has pivoted to deriving mostly recurring revenues from its proprietary AI-based cloud-implemented software and services, centred on data derived from its cutting-edge solutions. By providing advanced software-centric technologies, Sarine has enabled the industry to optimise resources, streamline rough stone polishing and redefine consumer transparency. Miners have been provided with tools that can optimise production value and guarantee sourcing traceability. Manufacturers today benefit from cutting-edge AI-driven automation and planning tools that enhance yield, minimise waste and boost overall efficiency. For retailers and consumers Sarine’s solutions enhance transparency, enable consistent grading standards and empower engaging retail experiences that foster consumer loyalty. By promoting trustworthy sustainable practices Sarine fosters a more responsible, forward-thinking industry.

Sarine remains dedicated to adapting and refining its solutions to meet evolving market demands and integrating new technologies that promote efficiency, sustainability and trust. Backed by strategic partnerships across the value chain, the Group is poised to shape the future of diamond-related innovations for decades to come.

BENEFITS ACROSS THE VALUE CHAIN

MINERS

- Redefined rough stone evaluation with higher return from each mined rough carat
- Automated verifiable data-driven source registration

MANUFACTURERS

- Revolutionised rough stone yield
- Automated processes streamlining efficiency, consistency and traceability

RETAILERS

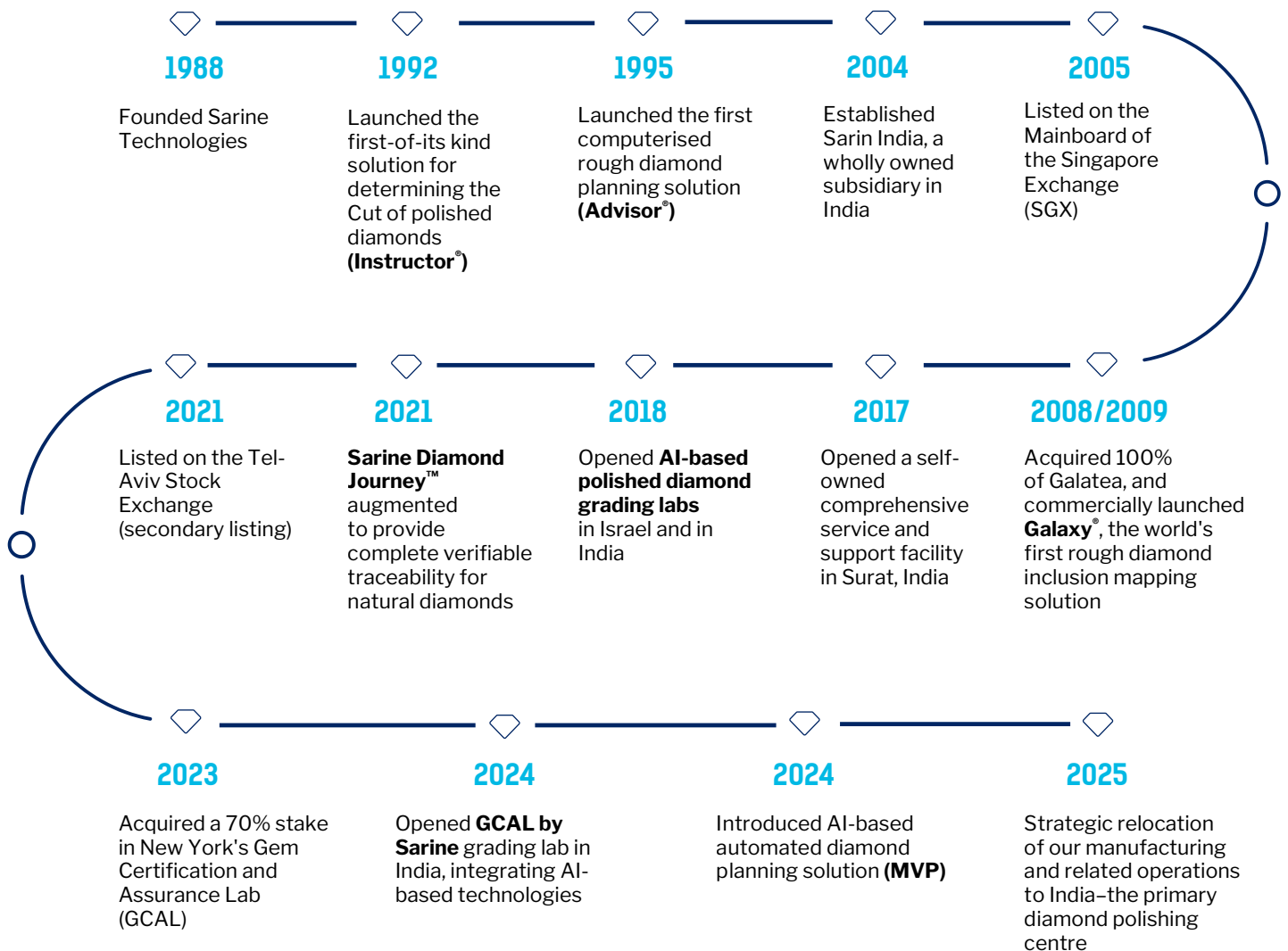
- Sustainable and transparent sourcing
- Consistent objective grading
- Engaging customer-centric retail tools on digital media

CONSUMERS

- Objective consistent transparent valuation of potential purchase
- Information and tools to support sustainable-driven decision-making

Discover how Sarine is redefining tomorrow’s diamonds, today, at <http://www.sarine.com>.

SARINE'S MAIN MILESTONES



THE DIAMOND INDUSTRY, REIMAGINED™

CHAIRMAN'S STATEMENT

"GCAL's polished LGD reports are well positioned to benefit from the ongoing internal segmentation of LGD. Retailers are keen to differentiate premium LGD from mainstream products. This is creating new opportunities for GCAL's esteemed 8X and Signature reports, opportunities we expect to be very significant in 2026"



Dear Fellow Shareholders,

Review of FY2025

FY2025 was another difficult year for the natural diamond polishing industry. Demand for natural diamonds continued to be disrupted by lab-grown diamonds (LGD), primarily in the key U.S. market (61% of engagement rings were LGD in 2025), and weak consumer sentiments in China. Concurrently, internal competition within the LGD segment and oversupply have driven a persistent decline in prices. This rapid "devaluation" of LGD has affected some consumers' perception of the product's value, or lack thereof, and has driven some retailers to seek to differentiate their merchandise, by focusing on very high quality LGD jewellery.

With lower quantities of natural diamonds flowing through the value chain in 2025, Group revenue declined 25% to US\$29.6 million. Gross profit for FY2025 decreased by 29% to US\$16.4 million and our gross profit margin was 55%. Capital equipment sales were dampened by contracting polishing activity in India, offset somewhat by new facilities opening in African producing countries. Galaxy-related scanning revenues were impacted by the decrease in carats polished, though not linearly. The Group registered an operational loss of US\$1.9 million and a net loss of US\$3.9 million for FY2025. Although significant cost savings were achieved by the Group, these efforts were masked by the inventory write-down of just over US\$2.0 million for aging inventories in a slower market and a non-cash tax expense of US\$1.4 in respect of tax assets from previous years. Conversely, the Group benefitted from a one-time adjustment of US\$0.6 million due to the early cancellation of the lease

pertaining to the manufacturing-related space in Israel. It is important to note that the Group's cashflow from operational activities for FY2025 remained positive at US\$4.5 million, fully covering activities as well as partially the acquisition of Kitov.ai. EBITDA for FY2025 was US\$1.2 million.

Prospects

Year-end 2025 and initial 2026 pricing and sales data indicate an initial rebound in natural diamonds demand. This could lessen the disruption by LGD in 2026 and stabilise our core midstream Galaxy scanning revenue streams. In 2025, the Group made good progress in executing its strategic initiatives of expanding into new services with its Most Valuable Plan (MVP) revolutionary cloud-based rough diamond optimisation service and the GCAL by Sarine polished diamond grading lab in India. Although the customer base for these new services is expanding, the FY2025-generated revenues were insufficient to compensate for the revenue decline in the traditional businesses, as noted above.

Building on the progress made in 2025 and ongoing enhancements constantly being developed for the MVP software relating to its optimisation capabilities for the existing domains of rough stones up to 1.25 carats, as well as the progressive adaptation of MVP's capabilities to larger sized stones, where the value creating proposition is significantly higher, we expect revenues from this initiative to significantly accelerate in 2026.

CHAIRMAN'S STATEMENT

GCAL's polished LGD reports are well positioned to benefit from the ongoing internal segmentation of LGD. Retailers are keen to differentiate premium LGD from mainstream lower-quality products, as premium LGD can attain higher retail prices, especially if their superiority is clearly conveyed to the potential buyer. This is creating new opportunities for GCAL's esteemed 8X and Signature reports, opportunities we expect to be very significant in 2026. Contributing to this opportunity is the cessation by the GIA (previously considered the primary source for higher-end LGD quality reports) of its grading of LGD in accordance with the conventional 4Cs nomenclature. GCAL's New York office has witnessed growth in its jewellery evaluation and documentation services for U.S. retailers, for both natural diamonds and LGD adorned jewellery. We are currently working on establishing a dedicated facility in India to serve the growing demand for these services with better response times and at lower costs.

Kitov.ai, a recent Sarine equity investment, utilises proprietary computer vision, advanced robotics and revolutionary software algorithms to conduct unique AI-based inspections of manufactured components, sub-assemblies and fully assembled systems. Kitov.ai's customers include leading Fortune 500 conglomerates in the U.S., Europe and Japan, as well as virtually all of Israel's extensive domestic defense companies. To further enhance its capabilities and value proposition in 2026, Kitov.ai is scheduled to launch its new Prime service in Q2. With leading US customers requesting beta installations of Prime, Kitov.ai is working towards operational break-even towards the end of the year.

In order to further diversify away from our dependence on midstream natural diamond polishing volumes, we are continuing to explore and evaluate other possible opportunities.

Among these:

- We are at the very preliminary stages of exploring additional opportunities related to industrial applications (e.g., electronics) of LGD; and
- We are also looking into potential synergies with financial entities for supporting their extension of credit to the diamond, gemstone and jewellery industries, based on actual collateral verification and valuation.

In accordance with our strategy of recent years, the Group's business continues to pivot to deriving mostly recurring revenues from its proprietary services, including the Galaxy® scanning services, the MVP cloud-based optimisation service, our LGD planning solution, annual maintenance service agreements and, of course, our grading reports of all categories (loose diamonds 4Cs and light performance, jewellery and traceability). All our recurring revenue streams now constitute about 85% of the Group's overall revenues. As we strive to accommodate for the LGD disruption, our LGD-related recurring revenues alone (LGD planning and grading) now exceeds 20% of the Group's overall revenue.

On behalf of the Board of Directors, I would like to again thank our management and employees for their ongoing commitment to the Group. We would also like to thank our loyal customers and business partners. Lastly, I thank our loyal shareholders for their continued trust in Sarine and its management.

Respectfully Yours,



Daniel Benjamin Glinert
Executive Chairman of the Board



BOARD OF DIRECTORS



DANIEL BENJAMIN GLINERT

Executive Director and Chairman of the Board

Daniel Benjamin Glinert has been an Executive Director and the Chairman of the Board of the Group since 1999 and is a member of the Nomination Committee. He is also a Director in the Group's subsidiaries Galatea, Sarine Color Technologies, Sarine Polishing Technologies, Sarin India, Sarin Hong Kong, Sarine Holdings USA, Sarine North America, GCAL USA LLC, Sarine IGT 10H, Sarine IGT 10I and Sarine IGT 10JKL. Mr. Glinert holds a Bachelor's degree in Computer Sciences (cum laude) from the Technion - Israel Institute of Technology. He has over 50 years experience in various high-technology industries (military, semiconductor, medical and industrial applications) in research, development and management positions in Israel and the USA. Mr. Glinert founded Interhightech Ltd. (originally named TICI Software Systems, Ltd.), a founding shareholder of the Sarine Group, in 1982 and was its CEO and then Chairman since its inception till its sale in 2000. Prior to that, from 1977 through 1982 Mr. Glinert worked for E-Systems Inc. (now a division of Raytheon) in the U.S. on a development programme for the Israel Air Force, which was awarded the prestigious Israel Defence Award. From 1972 to 1977 Mr. Glinert served in the Israel Air Force and attained the rank of Major. Having just celebrated his 75th birthday, Mr. Glinert has decided that at the upcoming AGM he will not stand for re-election as Executive Chairman, while offering himself for re-election as a Director and Chairman of the Board.



AVRAHAM ESHED

Non-Executive Director

Avraham Eshed is a Non-Executive Director of the Group, having been appointed to the Board in April 2006. Between 2010 and 2014 Mr. Eshed was an Executive Director of the Group. Mr. Eshed has over 50 years of experience in the diamond and gemstone industries. He is the founder of Gemstar Ltd. and Eshed Diam Ltd., and serves as the President of both companies. Mr. Eshed is also a founding member of the International Colored Gemstone Association (ICA), where he served as a Director. He was President of the Israel Emerald Cutters Association and the Vice President of the Israel Diamond Manufacturers Association (IsDMA) as well as a member of its Executive Committee. Mr. Eshed has been recognized as an outstanding exporter by the State of Israel and was presented with awards by President Ephraim Katzir in 1977 and again in 1989 by President Chaim Herzog. In 2011 he was recognized and cited as an outstanding exporter to Asia. In 2019 he was recognized as an Israel Diamond Industry Dignitary by the Israel Diamond Manufacturers Association for his life-long contribution to the industry. In 2022, Mr. Eshed became the owner of the largest uncut single crystal emerald, recognized by the Guinness Book of World Records - this unique high quality rough stone weighs an astounding 7,525cts.



UZI LEVAMI

Non-Executive Director

Uzi Levami is a Non-Executive Director of the Group, as of January 2018, and is a member of the Remuneration Committee. Prior to that he had been an Executive Director since December 2008 and was CEO of the Group from February 2009 through April 2017. He is also a Director in the Group's subsidiary Sarin Hong Kong. Mr. Levami completed his studies towards a Master's degree in Computer Sciences from the Weizmann Institute of Science and holds a Bachelor's degree in Electrical Engineering (cum laude) from the Technion - Israel Institute of Technology. He is one of the original founders of Sarine and has a long history of founding high-tech companies - Compulite Ltd., Shalev Computer Systems Ltd. and EquipNet Ltd., a start-up spin-off of Interhightech (1982) Ltd. Prior to serving as CEO of the Group, Mr. Levami held the position of Director of Business Development at MKS Instruments Inc., a publicly-traded US company supplying in excess of \$700M of capital equipment to the semiconductor industry, after the company he founded, EquipNet Ltd., was acquired by MKS. In 1992, while at Shalev Computer Systems, Mr. Levami was personally awarded the prestigious Israel Defence Award by then President Chaim Herzog for his endeavours on a development project for the Israel Defence Forces. From 1973 to 1980 Mr. Levami served in the Israel Army Intelligence Corps and attained the rank of Major.

BOARD OF DIRECTORS



VARDA SHINE
Lead Independent Director

Ms. Varda Shine is an Independent Director of the Group, having been appointed to the Board in April 2017. Ms. Shine also serves as the Lead Independent Director and is the Chairperson of the Remuneration Committee and a member of the Audit and Nomination Committees. Ms. Shine has had a career spanning over 30 years in the diamond industry at De Beers, culminating with her serving from 2006 through 2014 as the CEO of De Beers' Diamond Trading Company, De Beers trading arm, responsible for the sale of the majority of its rough diamonds (US\$ 5-6 billion annually) through the sightholder paradigm. During her tenure at DeBeers, she attended courses in Advanced Management at Templeton, Oxford, and Marketing Channels at Insead. Ms. Shine currently serves as a Senior Independent Director and the Remuneration Committee chairperson on the board of Ecora-Royalties PLC. She is also an executive mentor at Merryck & Co., working with C-suite executives of listed companies (and holds a Master of Science in Executive Coaching by Hult Business School). In addition, Ms. Shine is the Lead Trustee of the Teenage Cancer Trust (UK).



NETA ZRUYA HASHAI
Independent Director

Ms. Hashai was elected to our Board of Directors as an Independent Director in April 2023. She was appointed Chairperson of the Audit Committee and Member of the Remuneration Committee upon her initial election to the Board in June 2020. Prior to joining our Board, Ms. Hashai served, commencing 2000, as an Audit Partner at Price Waterhouse Coopers (PWC) Israel and audited firms publicly traded on the U.S. and Israeli exchanges, as well as Israeli subsidiaries of international companies and domestic private firms from many varied sectors, including bio-technology and life sciences, industrial manufacturing, retail, finance and holding companies. Ms. Hashai has performed these audits in accordance with IFRS, US GAAP and US / Israel SOX standards. Ms. Hashai has also worked on IPOs of equity and debt issuances. From 2012 through 2018, Ms. Hashai also served as the CEO of PWC Israel's Trust Company. From 2021 through 2022 Ms. Hashai served as the Chief Financial Officer of Raphael Hospitals Ltd., a new private hospital organisation in Israel specialising in surgical procedures in various disciplines. From 2023 to 2025, Ms. Hashai served as the CEO of ESOP Management and Trust Services Ltd., a subsidiary of the Israeli Phoenix Investment House, wholly owned by the Phoenix Group. On September 1, 2025, Ms. Hashai was appointed as the CFO of Turbogen Ltd. (TASE: TURB, and in the process of listing on NASDAQ). Ms. Hashai holds a BA in Accounting and Communications and an MBA in Finance Management, both from Tel Aviv University, and is a Certified Public Accountant (Israel).



LIM YONG SHENG
Independent Director

Mr. Lim was elected to our Board of Directors as an Independent Director in April 2023. He was appointed a Member of the Audit and Nominating Committees upon his initial election to the Board in June 2020. Mr. Lim is Group Chief Executive Officer and an Executive Director of SK Jewellery Group Ltd., a leading Singaporean retail jewellery chain with over 70 branches across Singapore and Malaysia. Mr. Lim Yong Sheng is one of the group's founders, and has been the group's CEO since 2015. Since the group's establishment, Mr. Lim has been a critical contributor to the group's growth and continued success. As group CEO, he is responsible for the overall strategic planning, management, and business development of the group, monitoring the development and performance of the group's operations, driving the operational efficiency of the group's work processes, and identifying new opportunities for the group's expansion. In particular, the group's brand management and marketing strategy are spearheaded by Mr. Lim. Mr. Lim is also a non-executive director of the MoneyMax Financial Group, which is listed on the Catalyst Board of the Singapore Exchange. Mr. Lim holds a Bachelor of Science in Electrical Engineering from the National University of Singapore.



SIN BOON ANN
Independent Director

Mr. Sin was elected to our Board of Directors as an Independent Director in April 2023. He was appointed Chairperson of the Nominating Committee and Member of the Audit and Remuneration Committees upon his initial election to the Board in June 2020. Mr. Sin has had a legal career in Singapore spanning over 30 years. From 1992 through 2018 he was with Drew & Napier, one of Singapore's leading legal firms, becoming a partner in 1994. Prior to his retirement in 2018, he was the Deputy Managing Director of the Corporate & Finance Department and the Co-head of the Capital Markets Practice in Drew & Napier LLC. He has been prolific in handling corporate finance transactions, particularly in the area of initial public offerings in Singapore. He has also acted as counsel to listed companies on secondary equity offerings and debt offerings and has advised companies on regulatory compliance. He also specialised in mergers and acquisitions. Mr. Sin is recognised in industry publications as an industry leader and for his expertise in capital markets. Between 1996 and 2011 Mr. Sin was a member of the Singapore Parliament representing Tampines GRC. Principle 4 of the Corporate Governance Sections lists all of Mr. Sin's other directorships. Mr. Sin holds a Bachelor of Arts and a Bachelor of Laws (Cum Laude) both from the National University in Singapore, and a Master of Laws from the University of London. He is admitted to practice law in Singapore.

KEY MANAGEMENT



DAVID BLOCK is the Group's CEO. He is a Director in the Group's subsidiaries, Galatea, Sarin India, Sarine Color Technologies, Sarine Polishing Technologies, Sarine Hong Kong, Sarine Holdings USA, Sarine North America, GCAL USA LLC, Sarine IGT 10H, Sarine IGT 10I and Sarine IGT 10JKL. Prior to his appointment as CEO in 2017, he was Deputy CEO and Chief Operating Officer (COO) as of 2012, with responsibility for worldwide operations, worldwide sales, including the network of distributors / resellers, and customer care. Prior to that appointment, from June 2009, Mr. Block was Deputy CEO and VP of Sales responsible for overseeing the Group's worldwide sales, including its network of distributors / resellers and subsidiaries. Beginning January 2006, for a period of three years, Mr. Block was the CEO of Sarin India in charge of the overall management of the operations and business in India, responsible for over 70% of the Group's revenues and the supervision of over 200 employees. Before being assigned to Sarin India, Mr. Block was a Product Manager responsible for all the products aimed at the diamond manufacturing market, commencing 2001. Prior to joining the Group, Mr. Block worked at several major Israeli high technology companies in the management of large-scale development projects, computer programming, quality assurance and technical writing positions. Mr. Block holds a Master of Business Administration (MBA) from the Kellogg-Recanati School of Business, a joint degree from Northwestern University in the USA and Tel Aviv University in Israel, and a Bachelor's degree in Computer Science from the Tel Aviv-Jaffa Academic College in Israel.



RON BEN-ARI is the Group's Deputy CEO (as of 2018) and Vice President of Product Management, responsible for all of the Group's products' definition, marketing and timely development since 2016. From 2013 through 2016 he was first the Director, and then Vice President, of Diamond Manufacturing Activities for the diamond industry midstream, including the Galaxy® family of inclusion scanning solutions, rough diamond planning products, laser sawing and shaping systems, polishing quality aids and polished diamond Cut finishing and grading solutions. From 2005 to 2013 Mr. Ben-Ari acted as the Product Manager of the rough diamond planning group of products (the DiaExpert® and Advisor® product lines). He managed the Galaxy® family of products during their first two years and spearheaded their launch, initial marketing drive and acceptance, ongoing development, etc. Prior to that, since joining Sarine in 2003, Ron Ben-Ari managed the Quality Assurance team in Sarine, responsible for testing all of Sarine's products. Mr. Ben-Ari holds an MBA from the Kellogg-Recanati School of Business, a joint degree from Northwestern University in the USA and Tel Aviv University, and a Bachelor's degree in Computer Science from the IDC College in Israel.



YOUVAL ZOHAR joined Sarine as the Group's Chief Financial Officer (CFO) in July 2023. He is also a Director in the Group's subsidiaries, Galatea, Sarin India, Sarine Color Technologies, Sarine Polishing Technologies, Sarine Holdings USA, Sarine North America, GCAL USA LLC, Sarine IGT 10H, Sarine IGT 10I and Sarine IGT 10JKL. He has over 25 years of experience as a CFO, working with companies in Israel and the United Kingdom. From 2020 until 2023 Mr. Zohar served as the Chief Executive Officer (CEO) of Ship2U Ltd. an e-commerce freight forwarding company serving renowned worldwide brands. During this period Mr. Zohar also led a private equity investment in Ship2U's parent company, the Mentfield Group - Israel's third largest freight forwarding entity. From 2016 through 2020, he served as the CFO of Levanon & Kogan Ltd. Israel's leading advanced purchasing and supply chain solutions provider. Following Levanon & Kogan's acquisition by the Fritz group, Mr. Zohar took responsibility of the entire group's financials and led a private equity exit. From 2014 through 2016, Youval served as the CFO of the LR Group, a worldwide large-scale infrastructure projects company in developing countries. From 2007 through 2014, he served as the CFO of the Fritz Group, mentioned above. Prior to that Mr. Zohar served as Deputy CFO for Agrexco, an international agricultural export company. During his tenure at Agrexco he served as Agrexco UK's CFO, relocating to London for 7 years. Mr. Zohar is a Chartered Public Accountant (CPA Isr.) and holds a Bachelor's degree in accounting and economics from the Hebrew University of Jerusalem.

KEY MANAGEMENT



ABRAHAM MEIR KERNER is the Group's Chief Technology Officer (CTO) since 2004. Prior to August 2021, from 2009 through 2021, Mr. Kerner was also the Vice President of Research and Development. He is primarily responsible for developing our technological base, as well as overseeing the development of new solutions. Prior to 2004, Mr. Kerner was our R&D manager for nearly a decade, having joined the Group in 1995. Prior to joining the Group Mr. Kerner worked for companies related to the Group, where he accumulated 15 years of engineering experience and was involved for ten of those years in the development of precision motion control systems and accurate measuring machines for diamonds. Avi has been the inventor behind many of Sarine's patented innovations through the years, including the rough diamond concave mapping and laser marking technologies, key to our automated diamond planning, which essentially revolutionised diamond production. Between 1989 and 1995 Mr. Kerner worked for Shalev (founded by Mr. Levami, the Group's non-executive director) and then Interhightech (founded by Mr. Glinert, the Group's current Chairman, into which Shalev was merged in 1993) and developed the original DiaMension® the first-ever high-accuracy polished diamond measuring system, which enabled automated Cut grading adopted by most major diamond gemmological institutes, and the first-ever automated computerised centering system for the bruting of rough diamonds. From 1986 through 1989 while at Shalev, Mr. Kerner participated in the Group's original development project – the Robogem™, an automated system for planning and shaping non-diamond gemstones. Before that, from 1980 through 1986 Mr. Kerner worked for another of Mr. Levami's start-ups – Compulite. Mr. Kerner holds a Bachelor's degree in Electrical Engineering from the Technion - Israel Institute of Technology.



TALY MARKOVITS joined Sarine in 2025 as Vice President, Research & Development (R&D). She leads the development of cutting-edge technologies and AI-driven solutions, positioning Sarine at the forefront of innovation in the diamond industry. Taly is a senior R&D and engineering leader with over 15 years of experience driving the development of advanced multidisciplinary products spanning hardware, software, AI, SaaS, cloud, and embedded systems. She specialises in building and scaling high-performing global teams, leading full product lifecycles from concept to delivery, and aligning deep technical execution with business and go-to-market objectives. Prior to her current role, Taly held senior leadership positions at Intel, where she served as Senior Director of R&D, leading end-to-end hardware–software systems including cloud-based, multi-tenant SaaS platforms and embedded computer-vision products that combined large-scale AWS architectures with advanced algorithms and deep-learning capabilities. Earlier in her career, she held senior R&D and software leadership roles at Verint, PMC-Sierra, and Marvell. Taly holds an M.Sc. (Summa Cum Laude) in Neuroscience and an M.Sc. in Electrical Engineering from Tel Aviv University.



TZAFIR YEHUDA ENGELHARD has been the Group's Vice President of Business Development since 2017, responsible for development of new business lines and strategic cooperation with other parties. Tzafir earlier served as the Group's Vice President of Business Development Polished Diamonds Trade from 2013 through 2016, and the Director of Business Development since 2010. During 2009 (cut short for personal reasons), Mr. Engelhard was the CEO of Sarin India in charge of the overall management of the operations and business in India, and, specifically, the launch of Sarine's first Galaxy® inclusion mapping service centre there. Prior to that, Mr. Engelhard served as a Product Manager, responsible for several of the Group's products. Prior to joining Sarine, from 2007 to 2008, Mr. Engelhard worked at eTouchware, a software company that provides solutions for secure and efficient file transfers over the Internet, and, from 2004 to 2007, at Cognitens Ltd. (later purchased by Hexagon Metrology Inc.), a company that developed and sold high precision non-contact measurement devices to the worldwide automotive market. Mr. Engelhard holds an MBA from the Hebrew University of Jerusalem, with specialisation in marketing strategy, and a Bachelor's degree in Optomechanics Engineering from the Technion – Israel Institute of Technology.



EFI GOREN joined Sarine in 2021 as Vice President, Global Operations and is responsible for Sarine's operational aspects, including procurement, production, information technology (IT) and customer care. Efi's focus is on enhancing Sarine's global operations to support global roll-out of new product and service solutions, including software-as-a-service (SaaS), driven by a holistic customer-centric culture. Prior to joining Sarine, Mr. Goren worked for Philips Medical (Nasdaq:PHG) from 2018 starting as a New Product Introduction (NPI) & Services Director and then as an Operations & Services Manager of a BIU (Business Unit) that sold the company's advanced imaging products in India, Holland, the United States and Israel. From 2010 through 2018, Efi worked for Hewlett Packard (Nasdaq: HPQ) starting as a Regulation Manager ensuring that HP's large format digital printing products meet international regulations such as CE, UL, EMC and overall environmental compliance. In 2014 he led the customer support team in building the support plan, tooling and infrastructure for new machines while continuing to support current products and customer care for the entire installed base. Mr. Goren holds a BSc degree in Electrical Engineering from Ben Gurion University.

KEY MANAGEMENT



ADI FRIED joined Sarine as the Human Resources Manager in July 2019. She oversees all HR activities in Israel while providing professional and strategic guidance to Sarine's global operations. Her responsibilities include formulating and implementing HR policies, leading organisational change initiatives, recruiting and retaining top talent, and fostering employee development to support the company's long-term growth. With over 20 years of experience in human resources, driving organisational growth and transformation across diverse industries, Ms. Fried has demonstrated a consistent ability to navigate complex challenges and deliver impactful results. Before joining Sarine, she led HR operations for a nationwide hotel chain in Israel, overseeing the HR activities of approximately 1,000 employees across eight hotels. She was instrumental in policy creation, talent management, and successfully managing the HR processes associated with the sale and closure of the business. From 2005 to 2016, Ms. Fried served as the Human Resources Manager at Zap Group, a pioneering company in the fields of commerce and consumerism. She contributed to the company's transition from a traditional Yellow Pages model to a digital leader through significant mergers and acquisitions. She supported the management of complex organisational changes and aligned HR strategies with corporate objectives. Ms. Fried holds a Bachelor's degree in Nutritional Sciences from the Hebrew University of Jerusalem and a Master's degree in Law from Bar-Ilan University.



AMANDA ZEKCHER has served as the Group's General Counsel since October 2025. She joined the Company in 2020 as Associate General Counsel. In her current role, Ms. Zekcher is responsible for the Group's legal matters, with an emphasis on its core business transactions, new business development, intellectual property protection and employment issues. She also oversees the Group's Environmental, Social and Governance (ESG) compliance and reporting. Prior to joining Sarine, Ms. Zekcher practiced commercial law at several prominent boutique Israeli law firms where she advised high-tech companies on a wide range of transactional, corporate, and commercial matters. Her work included negotiating and drafting complex commercial agreements, supporting investment transactions and advising on EU data privacy compliance. From 2001 to 2013, Ms. Zekcher held the position of Assistant Company Secretary at Partner Communications Ltd. (NASDAQ (formerly) and TASE: PTNR), where she supported corporate governance processes, board and shareholder meetings, public filings, and significant corporate transactions, including changes of control. Ms. Zekcher holds a Bachelor of Laws (LLB) degree and is a member of the Israeli Bar Association. She also holds CIPP/E certification from the International Association of Privacy Professionals (IAPP).

SARIN INDIA



BEN FINKELSTEIN has been a Director of Sarin India since 2021 and has been the Managing Director of Sarin India as of March 2023. Prior to this assignment Mr. Finkelstein served for four years as a Product Manager, responsible for Sarine's polished diamonds wholesale and retail trade-related solutions and services. During this period, Mr. Finkelstein garnered a wealth of knowledge relating to polished diamonds and their retail branding. Prior to joining Sarine, from 2013 to 2016, Mr. Finkelstein was a Project Manager at Signature-IT, where he defined and managed e-commerce and product-line projects. Mr. Finkelstein also has experience as a professional Olympic coach - from 2009 through 2013 he was part of Israel's team to the London 2012 Olympic Games. During this period the professional athlete he coached in windsurfing won the world championship three times! Mr. Finkelstein holds a Bachelor's degree in Computer Engineering from the Ruppin College in Israel.

KEY MANAGEMENT



BEENITA RITESH CHAURASIA is the Vice President of Sales, Sarin India, having been appointed to this position in 2010. Ms. Chaurasia is responsible for all pre- and post-sale activities relating to the Group's products in India. Prior to this appointment, Ms. Chaurasia had been employed by Sarin India since 2004, initially as a junior sales person and over time with ever increasing managerial responsibilities. Prior to her employment with Sarin India, from 2001 through 2003 she was employed by Pyramid Exports in various positions pertaining to business administration, manufacturing administration and exports of cosmetics, skin care and personal care and perfumery products to international markets. She holds an MBA with distinction, having finished first in her class, from the Jamnalal Bajaj Institute of Management Studies (Mumbai University), with a specialisation in marketing. She also holds a Master's degree in Commerce from Mumbai University, also with distinction. Ms. Chaurasia holds a Bachelor's degree in Commerce from K.P.B Hinduja College in Mumbai.



SUDHIR NARASINGA RAO has been Vice President of Finance, Sarin India, since July 2012. He has over 30 years of corporate finance experience, working with local conglomerates and multinational companies in India. From January 2000 through June 2012, Mr. Rao served as Director of Finance (and on the Board of Directors) of Firmenich Aromatics (India) Private Limited, an Indian subsidiary of a Swiss multinational company in the flavour and fragrance industry, where he led the finance and accounting team. He was part of the core team which set up the first chemical plant in India for the Firmeinch group in the special export zone in the state of Gujarat (where Surat, India's primary diamond manufacturing industry hub, is also located). Prior to that, from 1998 through 1999 he served as General Manager of Finance for Mphasis (India) Limited, a software development company, in which Blackstone Private Equity holds a majority stake, and was part of the core team which set up the start-up company in India. From mid-1987 through 1998 Mr. Rao served as Divisional Manager of Finance for KEC International Limited, a tower manufacturer and transmission line turnkey project contractor, where he began his career as a management trainee. Mr Rao is a qualified Chartered Accountant from the Institute of Chartered Accountants of India and holds a Bachelor's degree in Commerce from Mumbai University.

GCAL



ANGELO PALMIERI is the President of GCAL by Sarine, a strategic partnership between Sarine Technologies and Gem Certification & Assurance Lab, Inc. With more than 20 years of experience in the gems and jewelry industry, Mr. Palmieri has played a pivotal role in steering various corporations towards growth and innovation. As the chief architect behind the GCAL 8X Cut Grade, he has influenced the diamond cut grading field, introducing innovative services, and setting new standards in precision and quality. In his career, Mr. Palmieri has been instrumental in leading GCAL to prestigious achievements. In 2008, he took on the role of ISO Management Representative for GCAL, guiding the company to become the first ISO 17025 Laboratory Accredited gems and jewelry laboratory in the Western Hemisphere. In 2012, under his stewardship, GCAL also earned the distinction of being the World's only ISO 17025 Accredited Forensic Laboratory in the field of Diamond, Gemstone, and Jewelry testing. A Cornell University alumnus with a business major, Mr. Palmieri furthered his education with an MBA from New York University's Stern School of Business. Mr. Palmieri has made significant contributions in litigation support, including serving as an expert witness in Federal Court. He has also been featured in national TV interviews on major networks, discussing various aspects of the jewelry industry, and as a featured speaker at global jewelry and insurance conferences. Beyond his professional endeavors, Mr. Palmieri has completed marathons for charitable causes, showcasing his dedication to both professional success and community involvement.

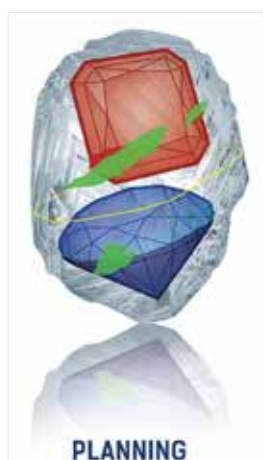
SARIN HONG KONG



NOY ELRAM is the Managing Director of Sarin Hong Kong as of June 2018, with responsibility for expanding the penetration of Sarine's polished diamond solutions for retailers and suppliers in the Asia-Pacific region excluding India. Mr. Elram has over 20 years of experience in development, integration and providing customer support and service for complex solutions in various industries in various territories globally. Between 2014 and 2018 Noy served as Head of Professional Services for Verint (Nasdaq:VRNT), stationed in Singapore, providing pre- and post- sales support to the Singaporean law enforcement authorities, while building and training the local teams to provide on-site services. Prior to that, from 2012 to 2014, Noy worked in Israel as Lead Software Engineer analysing and implementing security protocols at Verint. From 2006 to 2011 Noy managed the R&D at Marvell Semi-Conductors (Nasdaq: MRVL), developing full system solutions for the mobile cellular industry. Noy started his career at Intel Corporation (Nasdaq: INTC) in 2001, as a real-time, embedded, mobile network protocol developer. Mr. Elram holds a Bachelor's degree in Computer Science from the Academic College of Tel Aviv-Yafo in Israel.



ADVANCED AI-POWERED TECHNOLOGIES:



For over 35 years, Sarine has pioneered breakthrough technologies across the entire diamond pipeline. Today, Sarine's solutions empower the industry's sustainability and transparency for natural and lab-grown diamonds (LGD) alike. Our innovations, including the MVP software, optimise precision and efficiency in diamond planning and polishing. Concurrently we are enabling the next level of consumer transparency with the world's first AI-driven diamond grading, providing unparalleled objectivity and consistency.



FROM ROUGH STONE TO POLISHED DIAMOND



**LASER INSCRIBING
& FINGERPRINTING**



GRADING & IMAGING



CUSTOMER ENGAGEMENT



DIAMOND REPORTS



Our natural diamonds' grading solutions are being extended to LGD diamonds, embodied in our GCAL by Sarine grading lab in India and New-York, renowned for its strict standards and the industry's only consumer guarantee. Our Labs provide the diamond's grading information in an industry-leading interactive digital format that is transforming the retail experience. Sarine solutions are trusted worldwide and utilised by major rough miners, in leading diamond manufacturing plants, wholesalers' facilities, gem grading labs and jewelry retail stores.



ULTIMATE DIAMOND CUT GRADE

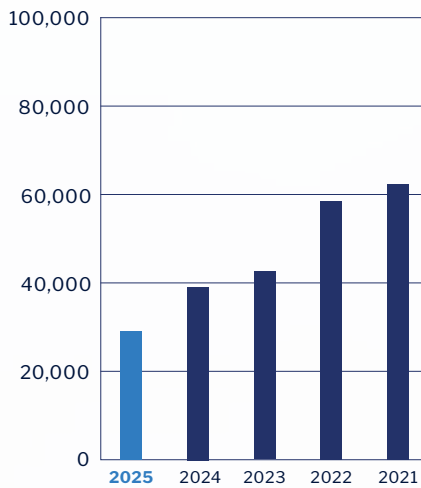
GUARANTEED CERTIFICATE



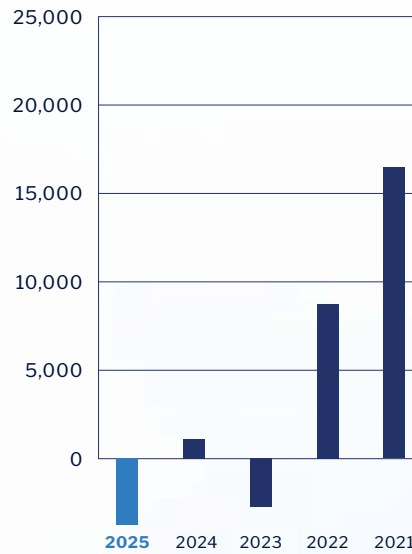
FINANCIAL HIGHLIGHTS

(US\$ '000)	2025	2024	2023	2022	2021
Revenues	29,586	39,201	42,944	58,763	62,116
Gross Profit	16,380	22,996	27,371	40,623	45,827
Net Profit	(3,877)	1,074	(2,802)	8,798	16,456
Gross Profit Margin	55.4%	58.7%	63.7%	69.1%	73.8%
Net Profit Margin	-13.1%	2.7%	-6.5%	15.0%	26.5%
Cash and Investments	22,029	26,300	22,985	35,991	36,413
EPS (US cents, fully diluted)	(1.14)	0.31	(0.80)	2.51	4.69
Dividend Per Share (US cents)	0.00	0.75	1.25	3.00	2.50
Net Cash from (used in) Operating Activities	4,457	9,481	(956)	12,898	21,129
EBITDA	1,218	4,116	1,537	13,571	22,206

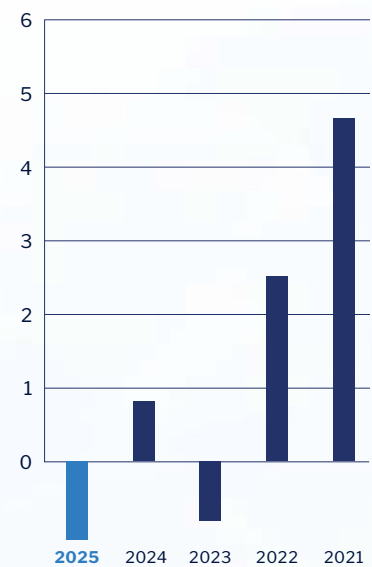
Revenues
(US\$ '000)



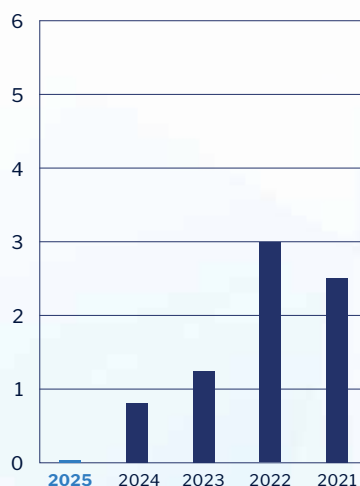
Net Profit
(US\$ '000)



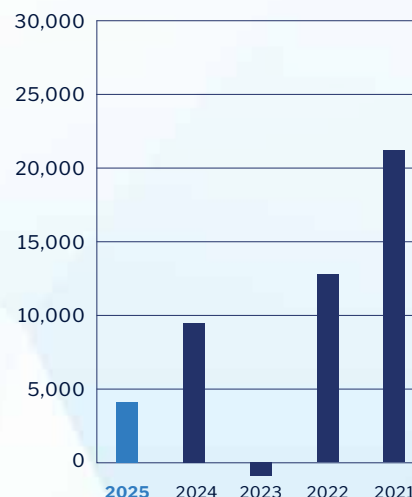
EPS
(US cents)



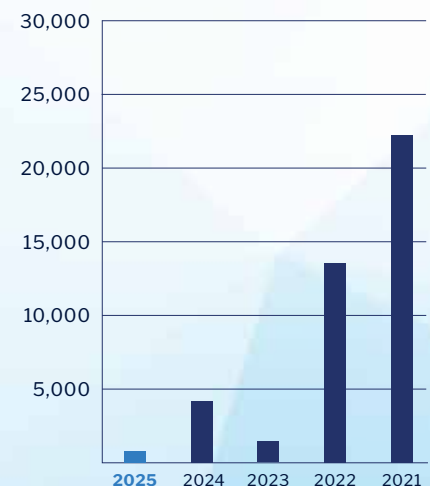
Dividend Per Share
(US cents)



Net Cash from (used in) Operating Activities
(US\$ '000)



EBITDA
(US\$ '000)



MANAGEMENT'S BUSINESS, OPERATION & FINANCIAL REVIEW

BUSINESS REVIEW

The global diamond industry operates across three primary segments—Upstream, Midstream, and Downstream—each of which plays a distinct role in the journey of a diamond from mine to market. Sarine's technological solutions address the needs of each segment, enhancing productivity and overall value creation throughout the supply chain.

Upstream

Upstream activities begin at the mine where natural rough diamonds enter the supply chain. Sarine's cutting-edge technologies provide rough diamond producers and traders with the tools needed to evaluate, track and market their stones, ensuring seamless registration, sorting and valuation.

- The **DiaExpert**® family of platforms accurately model a rough diamond's external geometry and map its surface, while the patented **Galaxy**® family of platforms provide high-resolution, automated mapping to detect internal imperfections, termed "inclusions".
- These outputs feed into **Advisor**® rough planning software, which calculates the optimal polished yield. The virtual polished stones are then priced in accordance with current price lists, generating the rough stone's realistic potential value, allowing producers to maximise profitability and traders to make informed purchasing decisions.
- Sarine's **AutoScan™ Plus** enhances traceability and compliance, enabling high-speed source registration of rough diamonds at or near mining sites. The rough stone's source registration, coupled with subsequent scans and documentation throughout the diamond's midstream polishing process, empowers the Sarine Diamond Journey™, our diamond traceability solution, a unique robust, data-driven and scalable solution, further described in the Downstream section below. The AutoScan™ Plus may also be implemented for internal inventory control purposes.

By leveraging our solutions, Sarine empowers the upstream segment with data-driven decision-making, digital tendering capabilities, an enhanced transparent means of trading in rough diamonds, as compared to the historic selling of "boxes" sight unseen.

Midstream

The midstream segment of the diamond industry is where rough diamonds are transformed into polished gems through a meticulously prescribed series of processes. This transformation begins with evaluation, based on external and internal characteristics, followed by planning, sawing (cutting), shaping (also called bruting, for round diamonds), polishing (faceting) and fine-polishing. Traditionally, these processes were carried out manually by highly skilled artisans. Today, advanced computer-centric technologies have revolutionised the industry, automating much of this process.

The midstream segment is primarily concentrated in India, which accounts for approximately 90% of all polished diamonds by volume and 80% by value. While diamond polishing also takes place in China, Vietnam, and several Southern African countries, including Botswana (the second-largest polishing centre globally), Angola, Namibia, and South Africa, India is the dominant global manufacturing hub.

Sarine has a strong market presence across all diamond manufacturing centres. Our installed base of tens of thousands of planning systems and workstations are used in the midstream segment to process tens of millions of diamonds annually. A key strategic foothold in this segment is Sarin Technologies India Private Limited, Sarine's wholly owned subsidiary in India, which has strengthened our direct engagement with customers in the crucial Mumbai and Surat diamond hubs. To support our customers further, we operate an advanced service centre in Surat.

Beyond India, Sarine has a significant presence in southern Africa, with service centres and dedicated agents in Botswana, South Africa and Namibia to support the polishing industry in these regions.

Evaluation & Planning Solutions

Our industry-leading automated solutions and services enhance every stage of the cutting and polishing process, for both natural diamonds and lab grown diamonds (LGD). By reducing manual involvement in the processes, our solutions enable midstream customers to manage high volumes of even the smallest rough diamonds profitably, while maintaining the highest standards of craftsmanship.

Our solutions and services optimise two key aspects of rough diamond processing, including:

- **Optimal Planning** – Maximising the value of each rough diamond by determining the best possible polished outcome, based on true dollar value, market trends and polisher-defined criteria. This is enabled by our high-precision modeling of the rough diamond's geometry and external surface features as well as its internal characteristics inclusions, cracks and other flaws. Our DiaExpert® and Galaxy® platforms, integrated with our Advisor® software, set the industry standard for optimising rough diamond utilisation based on the 4Cs (Carat, Clarity, Color, and Cut) and light performance parameters. Our Most Valuable Plan ("MVP"), cloud-based diamond optimisation offering launched in 2024, builds on our historic Advisor®'s market-leading optimisation capabilities to create a whole new level of planning precision. MVP uses advanced AI-based algorithms to perform a highly automated profound analysis of each rough diamond (currently up to 1.25 carats, but expanding in 2026 to larger sized diamonds) to determine the most profitable way to cut the diamond based on various parameters.

MANAGEMENT'S BUSINESS, OPERATION & FINANCIAL REVIEW

- **Real-Time Quality Control** – The Instructor® software supports inline quality control throughout the faceting process, allowing for real-time monitoring and corrective actions. It detects deviations from optimal polishing and suggests remedial polishing steps, including the application of unique asymmetrical solutions to ensure the highest quality final polished gem.

Grading

With polished diamonds commanding high value, adherence to established quality standards—as defined by the 4Cs is essential. However, manual inspection and grading often leads to inconsistencies, as results can vary based on the gemologist's individual expertise. Sarine's advanced grading technologies eliminate this subjectivity, delivering unparalleled objectivity, consistency and efficiency.

Sarine offers a comprehensive suite of grading solutions applicable to both natural and lab-grown diamonds, enhancing industry-wide standardisation. Sarine pioneered technological grading with the introduction of Cut grading over 30 years ago. Today, Sarine's grading capabilities cover all the key quality parameters. Our unique **Sarine Clarity®** and **Sarine Color®** leverage AI-driven technology to deliver objective and consistent Clarity and Color grading, precluding human subjectivity and ensuring that diamonds are evaluated in accordance with well-defined standards. By leveraging cutting-edge AI technology, automation and data-driven insights, Sarine is redefining diamond grading standards, ensuring greater consistency and efficiency across the midstream segment. In 2025, Sarine expanded its automated color grading to LGD.

Beyond conventional 4Cs grading, **Sarine Light™** provides a scientific measurement of a polished diamond's light performance, providing an additional criterion for evaluating overall quality. It has become the most widely used system for light performance analysis and grading in the Asia Pacific (APAC) market – virtually serving as a fifth "C" in Japan.

The Group operates two grading labs, in New York and Surat. The latter enables us to offer cost-efficient quick grading services at close proximity to production sites, all while maintaining GCAL's industry-unique guaranteed grading standards.

Alongside conventional laboratory-based grading, Sarine continues to advance its e-Grading™ solution, providing AI-driven, on-site grading capabilities that reduce the need for physical diamond transfers, accelerate production cycles and improve overall cost efficiency for manufacturers.

Downstream

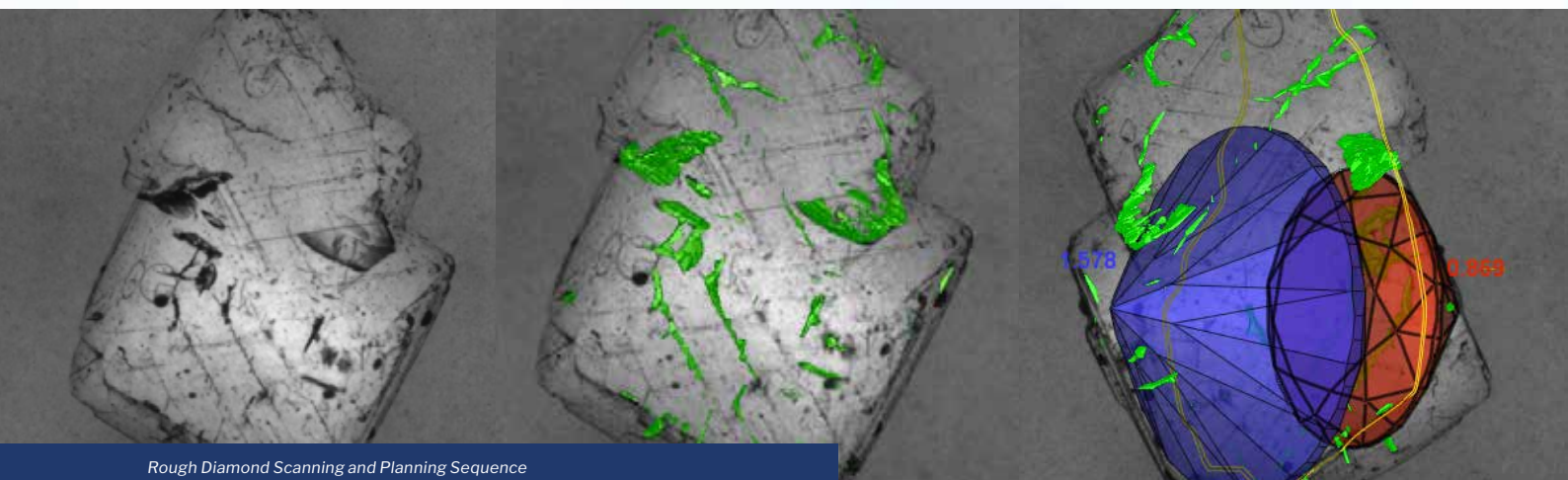
The downstream segment of the diamond pipeline encompasses the wholesale and retail trade of polished diamonds, where quality assurance, transparency and consumer confidence are of the utmost importance. In an evolving landscape shaped by regulatory requirements, ethical sourcing expectations and digital data delivery, Sarine provides advanced digital solutions that empower wholesalers and retailers to meet these challenges while enhancing customer engagement and confidence.

Sarine Profile Reports: Elevating Transparency and Consumer Confidence

Sarine's **Profile Reports** and **GCAL by Sarine Reports** provide comprehensive documentation of a diamond's attributes in a digitally-enabled format, that integrate seamlessly into retailers' digital platforms. By combining advanced imaging, AI-based grading technologies and data visualisation, these reports create a compelling consumer experience, while enabling retailers to clearly communicate a diamond's attributes and value. Key features include:

- **GCAL by Sarine Grading Reports** – A uniquely guarantee-backed evaluation of a diamond's 4Cs based on expert and AI-derived assessments, ensuring consistent and objective grading.
- **Light Performance Analysis** – A scientific measurement of a polished diamond's light performance. Sarine Light™ grades four critical parameters: brilliance, fire, sparkle, and light symmetry, offering an additional dimension of quality appraisal, beyond the traditional 4Cs.
- **3D Visualisations** – High-resolution imaging and interactive models, that allow retailers and consumers to explore a diamond's features intuitively.

At the pinnacle, GCAL by Sarine's esteemed 8X® Ultimate Cut Grade Certificate is for diamonds with exceptional craftsmanship and optical performance. To achieve the exceptional 8X distinction, a diamond must receive an 'Excellent' grade in eight categories - proportions, polish, external symmetry, optical brilliance, fire, scintillation, optical symmetry, and hearts & arrows. The certificate includes high-resolution images and video that support the findings of the 8X Cut analysis, providing a rich visual experience and peace of mind about the diamond's beauty and quality. In an increasingly segmented market, the 8X designation provides retailers with a powerful tool to distinguish premium stones from more commoditised offerings while reinforcing consumer confidence.



MANAGEMENT'S BUSINESS, OPERATION & FINANCIAL REVIEW



Traceability and The Sarine Diamond Journey™

Sarine's traceability process begins upstream, at the mine or at the producer's central sorting facility, where rough diamonds are digitally recorded and registered. This source data can then be continuously traced throughout the supply chain via our Sarine Diamond Journey™, creating a digital record of each diamond's transformation from rough to polished. The benefits include:

- **Brand Protection & ESG Validation** – Reinforcing ethical sourcing commitments while enhancing consumer confidence.
- **Regulatory Compliance & Market Access** – Enabling wholesalers and retailers to meet global provenance verification requirements to ensure uninterrupted market access.

Additionally, Sarine's collaboration with De Beers' subsidiary Tracr™ ("Tracr™") enables the integration of blockchain-registered origin data into the Diamond Journey™ traceability ecosystem, ensuring an unbroken trail of verification from source to consumer.

By uniquely embedding traceability into both upstream registration and midstream polishing, Sarine positions itself as the only data-driven provider of a verifiable end-to-end provenance assurance solution, supporting transparency, compliance and long-term consumer confidence in natural diamonds.

Our Solutions

Industry Segment	Technological Solution	Core Functionality
Upstream (Producers and Rough Diamond Wholesalers)	AutoScan™ Plus	Rough diamond scanning for traceability source registration and inventory control
	DiaExpert® Family Galaxy® Family Advisor®	Rough diamond evaluation
Midstream (Manufacturer)	DiaExpert® Family Galaxy® Family Advisor® and MVP	Planning optimal cutting and polishing of rough diamonds into polished ones
	DiaMension® DiaMark® Instructor®	Optimal polishing of diamonds for best Carat / Cut trade-offs
	DiaMension® DiaScan® Instructor®	Diamond finishing optimisation
Midstream/Downstream (Manufacturer/ Gemmological Lab/ Polished Wholesaler & Retailer)	DiaMension® DiaScan® Sarine Light™ Sarine Clarity® Sarine Color® Instructor®	Polished diamond grading according to the 4Cs and light performance
	Sarine Light™ Sarine Loupe™ Sarine Profile™ Sarine Diamond Journey™ 3-D Origin™	Polished diamond branding and wholesale / retail trade online and in-store

Note: A significant portion of Sarine's technologies support both natural stones and LGD.

For further details on our full range of solutions and our services, please visit our website at: <https://sarine.com>

Strategic Diversification

Sarine is diversifying its focus to additional industries, while applying similar technological solutions.

On 18 August 2025, the Group acquired a 33.02% investment in Kitov.ai. Kitov.ai utilises proprietary computer vision, advanced robotics and revolutionary software algorithms to conduct unique AI-based inspections of manufactured components, sub-assemblies and fully assembled systems. Kitov.ai's customers include leading Fortune 500 conglomerates in the U.S., Europe and Japan, as well as virtually all of Israel's extensive domestic defense companies. To further enhance its capabilities and value proposition in 2026, Kitov.ai is scheduled to launch its new Prime service in Q2.

MANAGEMENT'S BUSINESS, OPERATION & FINANCIAL REVIEW

Intellectual Property

Our proprietary hardware and software are protected through registered patents and trademarks in key markets, with additional applications pending. In 2025, several of our pending patents were granted. We will continue to strengthen and expand our IP portfolio when relevant, filing new patents as warranted, to protect our latest technological advances.

In addition to our patent applications, copyright protections and legal enforcement actions, we integrate advanced security features into our systems using cloud computing technology. The Galaxy® family of inclusion scanning systems, Advisor® rough planning software, MVP, Sarine Light™, Sarine Loupe™, Sarine Profile™, Sarine Clarity® Sarine Color®, 4Cs e-Grading™ and Sarine Diamond Journey™ all incorporate cloud-based self-developed software protection to prevent unauthorised use. Our in-house cyber protection offers a higher level of defence than commercially available solutions, which are frequently targeted by hackers per se. Our MVP software includes our most robust security measures ever implemented, leveraging both Amazon Web Services cloud infrastructure and Sarine's proprietary safeguards to protect its inherent intellectual property.

Objectives

Sarine continues to advance the digital transformation of the diamond industry, delivering scalable, data-driven solutions that enhance operational efficiency, support transparency and traceability, and enable more sustainable practices across the value chain. These objectives are aimed at significantly increasing our services-oriented recurrent revenue streams. In 2026, Sarine intends to focus on the following strategic initiatives:

1. **Scaling MVP** – Accelerate adoption of MVP by enhancing its optimisation capabilities for the existing domain of rough stones up to 1.25 carats (rough), and by extending its applicability to larger sized stones, where the value proposition is significantly higher. By doing so, we seek to increase midstream recurring revenues, improve customer production efficiencies, and further reinforce MVP's position as a transformative planning solution.
2. **Grading** - Further expand the market adoption of Sarine's AI-driven LGD grading solutions, especially GCAL by Sarine's unique 8X reports, as a leading differentiator within the increasingly segmented LGD market.
3. **Strategic Diversification** - Continue to explore and evaluate possible opportunities to diversify beyond our dependence on the diamond jewellery industry.

Strategy

To realise the aforementioned objectives, the Group plans to:

1. Leverage MVP's proven value proposition, its enhanced yield and process automation, to accelerate adoption among manufacturers for the currently optimised size domains. Expand its applicability to larger rough diamonds, ensuring broader market adoption. Maintain a per-stone/ per-carat fee model. This approach will drive a scalable, recurring revenue stream, reinforcing Sarine's long-term revenue growth.
2. Expand our GCAL by Sarine LGD grading business, initially focusing on our unique 8X reports, as a robust means to differentiate high-end LGD jewellery from the commoditised segment. We will also leverage the strategic proximity of the 'GCAL by Sarine' lab to the LGD manufacturing hub in Surat to offer customers quick turn-around cost efficient grading. The ongoing integration of our proprietary AI-based Color and Clarity grading technologies, as they evolutionary improve, into lab workflows, enhance scalability, reduce turnaround times and improve grading consistency while preserving GCAL's recognised standards and credibility.
3. Explore and evaluate possible opportunities related to industrial applications (e.g. electronics) of LGD and potential synergies with financial entities for supporting their extension of credit to the diamond, gemstone and jewellery industries, leveraging our capabilities to verify and evaluate goods provided as collateral.

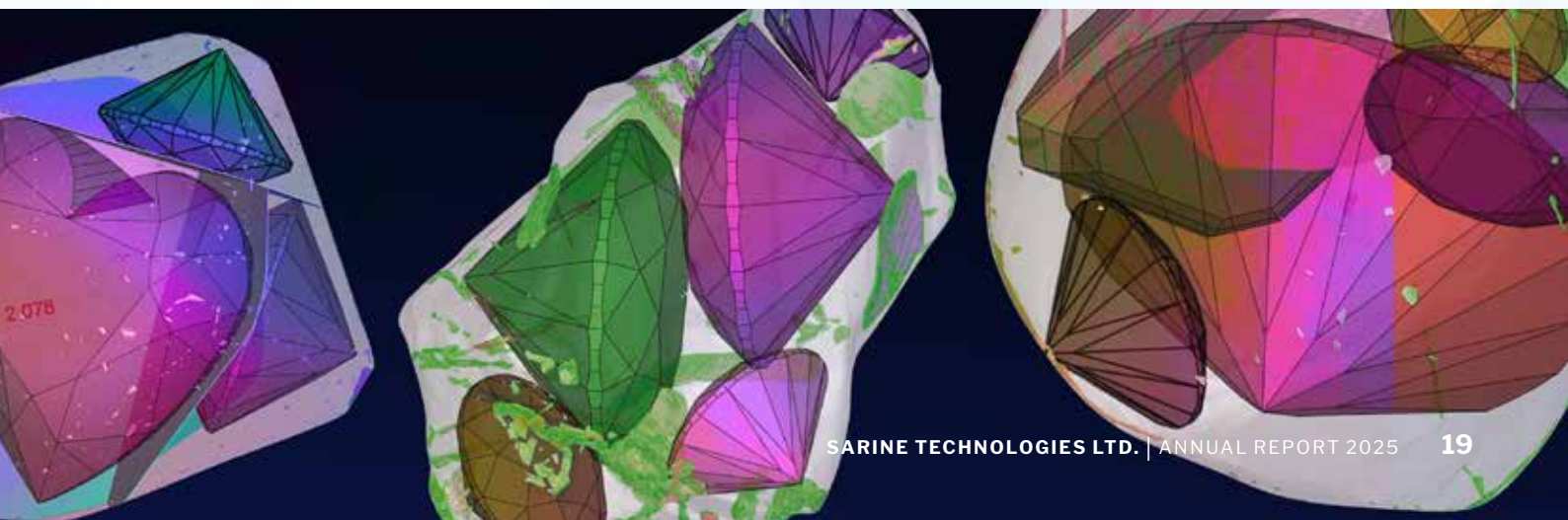
Performance Indicators

Non-financial Indicators

We use the following non-financial indicators to assess our Group's performance year-on-year:

Technological Leadership

Our technological leadership, as measured by the innovations embodied in our new and enhanced products and services, as well as by our existing and pending patents worldwide, remains significant. No other company in our field offers a wider range of products and services as well as having a broad portfolio of intellectual property (patents and copyrights) across the entire value chain of the diamond industry.



MANAGEMENT'S BUSINESS, OPERATION & FINANCIAL REVIEW

Product and Service Offerings

In 2025, the Group made progress in executing its strategic initiatives of expanding its new services, primarily its MVP revolutionary cloud-based rough diamond optimisation offering, but also its GCAL by Sarine polished diamond grading lab in India, which, at year's end, attained the necessary breadth and depth to service our clients at the manufacturing source, thereby reducing turnaround times as well as costs, while retaining the highest level of quality grading for even the 8X reports. We expect the adoption of MVP to significantly accelerate in 2026 with the introduction of more advanced optimisation capabilities for the existing domain of rough stones and, more importantly, as we progress with the adaptation of MVP's functionality to larger sized stones, where the value-proposition is significantly higher.

Brand Strength

Our brand is recognized worldwide across the diamond supply chain, from mine to retail, enabling continuous adoption of our technologies and attracting new customers. In 2025, we expanded the capabilities of our MVP, further strengthening our midstream presence and enhancing diamond profitability for our clients.

Downstream, the GCAL by Sarine lab in India provides a cost-effective gateway to the U.S. market, particularly the fast-growing LGD segment, offering GCAL 8X[®] grading certification for the high – quality LGD diamonds. We are also advancing traceability through our partnership with Tracr™, reinforcing our position as the industry leader in verifiable, end-to-end diamond traceability.

Financial Indicators

The natural diamond polishing industry, from which the Group still derives most of its revenues, has been negatively impacted by the loss of significant market share, primarily in the key U.S. market, to LGD. Weak consumer demand in China also persists. The LGD segment itself is experiencing destabilising issues, stemming from oversupply, driving an ongoing decline in wholesale prices. This, coupled with intensifying competition among retailers, has driven down retail LGD prices. The "devaluation" of LGD jewellery has led some consumers to reassess their perception of this product and has also driven retailers to seek means by which to differentiate their offerings from others', especially for those retailers selling very high-end LGD jewellery.

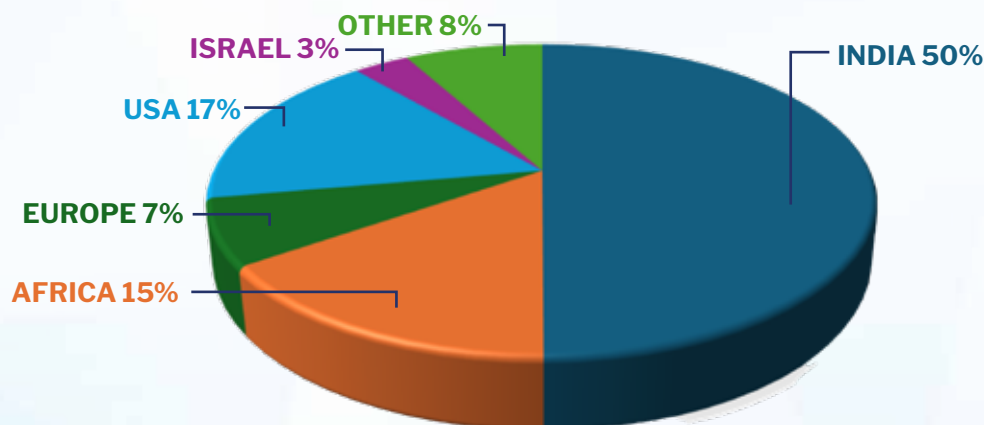
Revenues

Revenues for FY2025 decreased by 25% to US\$29.6 million from US\$ 39.2 million in FY2024. The overall decline in sales resulted from the ongoing challenging business conditions in the natural diamond jewellery value chain.

Gross Profit

Gross profit for FY2025 decreased by 29% to US\$16.4 million and our gross profit margin was 55%, as compared to US\$ 23.0 million and a margin of 59% for FY2024, primarily due to lower sales, which was somewhat offset by the decrease in operational expenses achieved by the transfer of our manufacturing operations to our subsidiary in India and other Group cost-saving initiatives.

Revenue by Geographic Segment



Loss from Operations

or FY2025 the Group reported a loss from operations of US\$1.9 million, as compared to zero in FY2024. The decrease in sales and in gross profit was partly offset by operational cost reductions as a result of the Group cost-savings initiatives and a windfall gain from a lease reduction.

Net Profit (Loss)

For FY2025 the Group reported a net loss of US\$ 3.9 million, as compared to a net profit of US\$ 1.1 million in FY2024. The Group cost-savings initiatives, the lease reduction windfall and the revenues from the new MVP initiative could not compensate for lower operational profitability due to the lower sales, further impacted by the non-cash tax expenses in respect of tax assets from previous years.

MANAGEMENT'S BUSINESS, OPERATION & FINANCIAL REVIEW

OPERATING REVIEW

Market-driven Opportunities:

- GCAL's polished LGD reports are well positioned to benefit from the ongoing internal segmentation of LGD. Retailers in the high-end segment of the LGD market are keen to differentiate premium LGD from mainstream lower-quality products, as premium LGD can attain higher retail prices, especially if their superiority is clearly conveyed to the potential buyer. This is creating new opportunities for GCAL's esteemed primarily 8X but also Signature reports, opportunities we expect to be significant in 2026. Contributing to this opportunity is the cessation by the GIA (previously considered the primary source for higher-end LGD quality reports) of its grading of LGD in accordance with the conventional 4Cs nomenclature.
- GCAL's New York office has witnessed growth in its jewellery evaluation and documentation services for U.S. retailers, for jewellery with both natural diamonds and LGD. We are currently working on establishing a dedicated facility in India to serve the growing demand for these services.
- Rappaport has launched its "GreenSource" initiative, aiming to identify diamonds that are ethically sourced, responsibly mined and traceable to their origin. GreenSource is governed by the "Rapaport Traceability Standard," which aligns closely with the principles behind Sarine's traceability approach - relying on actual verifiable scans captured at multiple points along the pipeline, rather than declarations. Together with our cooperation with De Beers' Tracr, this development positions Sarine's "Diamond Journey" at the forefront of industry traceability solutions.

Company-driven Opportunities:

Sarine continues to identify and pursue growth opportunities by leveraging technological innovation, evolving regulations and changing consumer demands. Looking ahead to 2026, the Group intends to capitalise on the following strategic areas:

- The adoption of and revenues derived from our revolutionary cloud-based MVP solution for optimising natural rough diamond utilisation expanded in 2025. We expect MVP adoption to significantly accelerate in 2026 with the introduction of additional optimisation capabilities for the domain of rough stones up to 1.25 carats in weight, and, more importantly, as we progress with the adaptation of MVP's functionality to larger sized stones, where the value-proposition is significantly higher. As manufacturers seek to improve production efficiency and maximise value in a challenging market environment, MVP is well positioned to drive increased adoption and accelerate recurring revenues through its wider utilisation across the midstream.
- The ongoing segmentation within the LGD market presents a meaningful company-driven opportunity for the Group. As retailers increasingly seek to differentiate premium LGD from mainstream lower-quality products, demand is growing for credible, technology-based grading solutions. GCAL's LGD reports, especially the high-end 8X and Signature reports, are well positioned to address this need, by clearly conveying measurable stone supremacy. In parallel, the Group is progressing with the establishment of a dedicated facility in India to support the growing demand for jewellery evaluation and documentation services, enhancing operational scalability and strengthening our downstream service offering.

Risk Factors

LGD continued, albeit slowing, market share growth continues to disrupt the natural diamond industry, from where most of our revenues are still derived.

Prolonged weakness in the Chinese economy continues to impact demand for the Group's products and services in China and other markets influenced by Chinese consumer sentiment.

Our success and ability to compete are substantially dependent on our intellectual property (IP) - our proprietary patented technology and copyrighted software. In addition to ongoing legal proceedings, we may in the future be involved in additional proceedings, initiated either by us or in response to claims by third parties. The steps that we have taken and are taking to protect our IP rights may not be adequate, and we might not prevail and be able to prevent others from applying what we regard as our proprietary technology. We already have significant legal expenditures in this regard, and, if we have to resort to more extensive legal proceedings to enforce our IP rights, for instance in the U.S., the proceedings could be even more costly, and we may not be able to recover our expenses. We may be subject to claims by others regarding infringement of their proprietary technology, including in connection with our expanding software- and AI-based solutions.

We provide retailers with reports and depictions of certain diamond qualities and parameters, including, but not limited to, light performance, the diamond's provenance, its 4Cs, etc. If a retailer's end customer, or another third party, even if we are not contractually bound to such end customer or third party, alleges that our report is incorrect, or it is improperly relied upon, and we are held responsible, we could be subject to monetary damages. The continued growth of our grading activities and increased revenues from grading reports, may increase our exposure to such claims, including in connection with GCAL's industry-unique money-back guarantee issued to end-consumers on the reports. Appropriate insurance is in place to cover for such contingencies.

We are and may continue to be subject to product liability and/or other claims, if people are harmed or their stones or other properties damaged by the products we sell or the services we offer.

Disruptions, failures or breaches of our information technology and cloud computing infrastructure could have a negative impact on our operations and sales.

As part of our business plan, we are developing new initiatives for new industry segments and new products and services in our existing product lines. This includes selective investments and minority interests outside our core diamond activities. There is no assurance that such expansion plans will be commercially successful. If we fail to achieve a sufficient level of revenue, or if we fail to manage our costs effectively, we may not be able to recover our expenditures, and our future financial position and performance may be materially and adversely affected.

MANAGEMENT'S BUSINESS, OPERATION & FINANCIAL REVIEW

We are exposed to the effects of fluctuations in foreign currency exchange rates, mainly the New Israeli Shekel (NIS) versus the U.S. Dollar (USD). A substantial portion of our revenues is denominated in USD, while as a significant part of our operating expenses, including salaries and facility related costs in Israel, is denominated in NIS. As a result, changes in exchange rates between the NIS and the USD may adversely affect our operating income and cash flows. We enter into foreign exchange contracts, including option and forward contracts, designed to limit the impact of currency fluctuations on certain revenues and expenses denominated in non USD currencies. These instruments are intended to reduce the effect of short term volatility, but may not fully offset the impact of longer term or significant shifts in exchange rates.

The security situation in Israel and the broader region remains volatile and unpredictable. The recent direct military confrontation with Iran and hostilities with Hezbollah in Lebanon have to date had minimal effect on the Group's activities, particularly as our workforce in Israel continues to work remotely and due to the recent transition of our manufacturing operations to India. Dubai is a major global hub for diamond trading, primarily rough natural stones. Ongoing regional hostilities could impact Dubai trading activity, though, as of this writing, there seem to be insignificant ramifications, if any.

Risk Management & Internal Control

The Audit Committee and Management have, through the years, analysed the aforementioned and many other risk factors and have compiled a matrix of risks pertaining to the Group's business and performance, financial management, information technology (IT) and regulatory compliance. This risk matrix captures both the severity of potential negative impacts on the Group and the likelihood of their occurrence. In 2021, with the assistance of our Internal Auditor, we reassessed a comprehensive, weighted, and prioritised risk factor matrix, which continues to serve as the basis for our ongoing review of internal controls and audit planning.

The Audit Committee periodically reviews the Group's internal controls to ensure they adequately address the identified risks. The Audit Committee engages an independent third-party Internal Auditor to perform in-depth analyses of selected key areas on a routine basis. Each year, based on the 2021 risk assessment, the Internal Auditor recommends specific areas for audit to the Audit Committee. The Audit Committee considers these recommendations based on the level of risk, after which the Internal Auditor proceeds with the approved audits. Upon completion, the Internal Auditor submits findings and recommendations to both Management and the Audit Committee, which then reviews them. The Audit Committee oversees the implementation of the necessary corrective actions.

The Board of Directors, with the concurrence of the Audit Committee, remains of the opinion that the current internal controls and risk management system are adequate and effective in mitigating the financial, operational, compliance and IT risks, while acknowledging that no system of internal control can provide absolute assurance against all errors, cyber-attacks, fraud or other irregularities. The Audit Committee continues to monitor and refine the internal controls and risk management system as needed, ensuring alignment with evolving best practices and regulatory requirements.

FINANCIAL REVIEW

Cash Flow

As at 31 December 2025, cash, cash equivalents, short-term investments (bank deposits) ("Cash Balances") decreased to US\$22.0 million as compared to US\$ 26.3 million as of December 31, 2024. The decrease in Cash Balances was primarily due to US\$ 6.7 million invested in and loaned to Kitov a.i, offset by US\$ 4.5 million cash generated by operating activities.

Cash Management and Liquidity

Throughout 2025 the Group maintained cash reserves higher than needed for the financing of ongoing operating activities. The policy dictated by the Board of Directors for the management of these cash surpluses is to invest them in low-risk short-term interest-bearing accounts and instruments with high liquidity, in our working currencies- primarily US Dollars, but also New Israeli Shekels and Indian Rupees. Financial instruments held are classified as current assets. When the cash and investment (short-term deposits) balances are analysed and compared to the annual cash requirements needed for the financing of the ongoing business activities of the Group, it is apparent that the Group has strong liquidity.

Accounting Policies

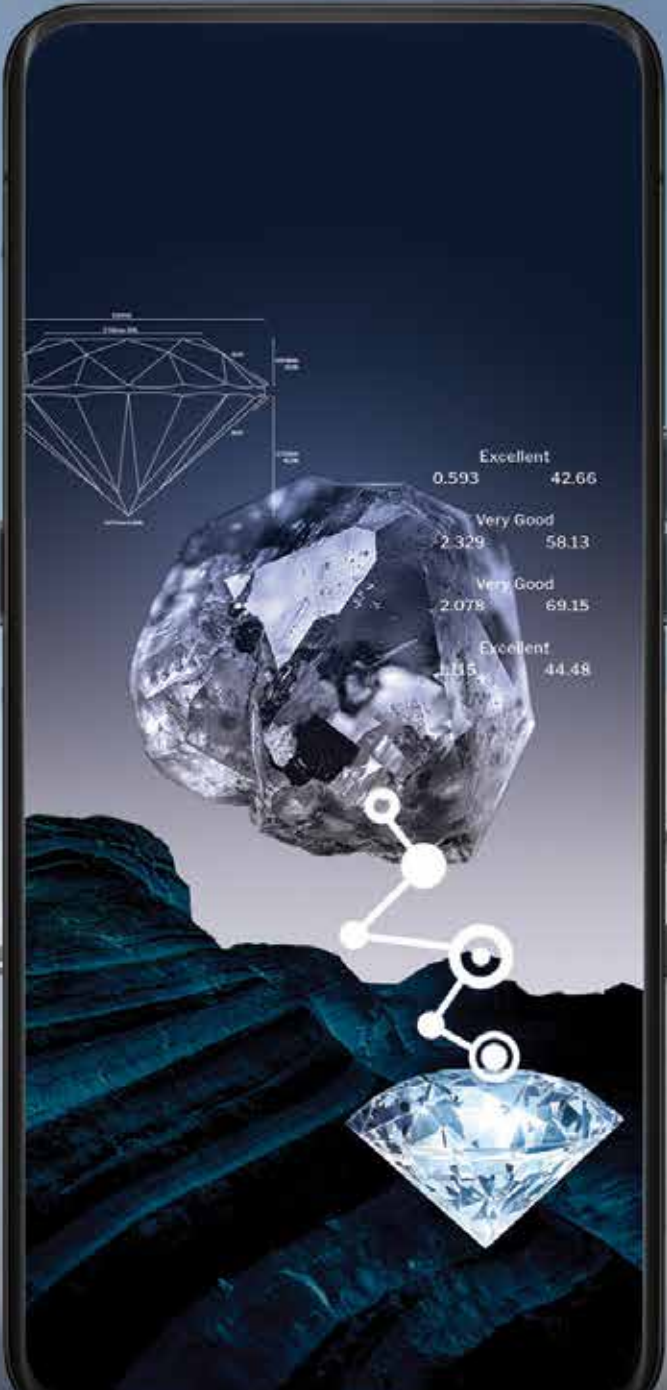
The consolidated financial statements are prepared in accordance with the International Financial Reporting Standards - IFRS. The preparation of financial statements, in conformity with the IFRS, requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The financial statements are presented in United States Dollars, which is the Company's functional currency, rounded to the nearest thousand. The accounting policies set out in our yearly financial reports have been applied consistently to all periods presented in these consolidated financial statements and have been applied consistently to all Group entities.

Shareholder Return

Sarine recorded a loss of US\$ 3.9 million in FY2025 compared to a profit of US\$ 1.1 million in FY2024, equivalent to basic loss per share of US cents 1.14 (US cents 0.31 profit per share in FY2024) and fully diluted loss per share of US cents 1.14 (US cents 0.31 profit per share in FY2024).

Going into 2025, the Group's dividend policy provided for the distribution of 80% of the Group's net profits. The Company paid no interim dividend in 2025 and no final dividend has been recommended by the Board of Directors, in view of the loss incurred for the year. The Board of Directors' did not alter the dividend policy at its meeting on 22 February 2026.

SARINE DIAMOND JOURNEY™ TRACEABILITY



ESG REPORT

BOARD STATEMENT

On behalf of the Board of Directors, I am pleased to present our Environmental, Social and Governance (“ESG”) report for Sarine Technologies Ltd. (“Sarine” or the “Company” and along with its subsidiaries the “Group”) for the financial year ended 31 December 2025.

As we navigate an increasingly complex global landscape, our commitment to responsible and transparent business practices remains unwavering. We recognise that long-term success relies on transparency, accountability and integration of sustainability across our business.

We are closely monitoring the implementation of Singapore’s forthcoming mandatory climate related disclosures based on the International Sustainability Standards Board (“ISSB”) IFRS S1 and IFRS S2 frameworks. Although the implementation timeline has been extended, the Board fully recognises the urgency and importance of preparing for these enhanced requirements. Our continued alignment with the Global Reporting Initiative (“GRI”) standards and the Singapore Stock Exchange (“SGX”) Sustainability Reporting Guide requirements ensures that our disclosures remain consistent.

Throughout the year, we strengthened our data collection and monitoring processes and made progress in maintaining overall electricity consumption, with reductions achieved through operational efficiencies across the Group. We continued to manage resources and waste responsibly and reinforced our focus on employee safety and well-being, supported by a strong culture of ethics and responsible culture.

The Board continues to oversee the Group’s sustainability strategy, ensuring that climate related considerations are integrated into our governance structures, strategic planning and risk management processes. We have begun improving our internal capabilities, data collection, controls and cross functional processes to support future reporting aligned with the ISSB standards alongside ongoing disclosures guided by the GRI standards and the SGX Sustainability Reporting Guide framework.

As we look ahead, we remain dedicated to transparent reporting, continuous improvement and responsible innovation as we work to build a resilient, future-ready organisation. Together, we will continue to progress with purpose and integrity.

Daniel Benjamin Glinert
6 April 2026

SUSTAINABILITY HIGHLIGHTS 2025

**Reduction in fuel
and electricity consumption
from 2024**

**GHG Emissions reduced
by 8.8% from 2024**

**Reduced new hire
and turnover rates in 2025**

Zero fatalities and injuries

**Zero safety incidents
with bodily harm**

Zero whistleblower reports

No data breaches reported

No corruption cases reported

**Ongoing community
outreach programmes**

ABOUT THE REPORT

The “Group” is a technology-based solutions provider serving the diamond industry, with its headquarters in Hod-Hasharon, Israel.

This publication marks the Company’s ninth ESG report (“Report”). It presents the Group’s ongoing commitment to responsible and sustainable business practices, detailing how the ESG principles are embedded within our strategic framework to meet regulatory requirements and address the evolving expectations of our stakeholders.

For a comprehensive understanding of the Groups’ performance in 2025, this Report should be read together with the relevant sections of the Company’s 2025 Annual Report (“2025 Annual Report”).

Reporting Period

The Company has issued annual sustainability reports since 2018, with the most recent report issued on 2 April 2025. This Report covers the Group’s performance for the period from 1 January 2025 to 31 December 2025, which is consistent with the Group’s financial reporting period and includes historical data, where relevant to facilitate year-on-year comparison.

Scope and Boundary

The Report covers the business activities of the entities over which Sarine has financial and operational control. The data and information provided refers to the subsidiaries under the Group, including its operations in Israel, India, the United States of America (“USA”) and Hong Kong, unless otherwise stated. The data and information reported does not include non-controlled affiliates, independent service or sales representative locations or activities outside the Group.

The table below provides details of our operations by location.

Location	Operations
Israel	- Group headquarters including management, research and development (“R&D”) and finance. - A service centre that provides customers with: - inclusion and tension detection; and - mapping for rough diamonds.
India	- Pre/post sales and technical support for the Group’s products in India, Sri Lanka as well as a global centre for technical support. - Production activities. - Service centre/ gemmological laboratory that provide customers with: - inclusion and tension detection; - mapping services for rough diamonds; - grading of the 4Cs and light performance; and - various methods of visualisation of polished diamonds.
USA	- Pre/post sales and technical support for the Group’s products in North America. - New York based gemmological laboratory. - Real estate holding companies.
Hong Kong	Pre/post sales and technical support for the Group’s products in the Asia Pacific region.

In 2025, the Group implemented several operational changes, including the relocation of manufacturing activities from Israel to India. This transition resulted in a reduction in office space and workforce in Israel, as well as adjustments to the supply chain associated with the shift in manufacturing locations. Other than these changes, there were no significant alterations to the Company’s structure, locations or operations that would affect the reporting boundary or scope of disclosures presented in this Report.

In this Report, all monetary figures are quoted in United States Dollars (US\$), unless otherwise stated.

Further details of the Company’s corporate structure, business information and products are available in the “Management’s Business, Operation & Financial Review” and “Group Structure” sections of the 2025 Annual Report.

Reporting Standards

This Report has been prepared in accordance with the Singapore Stock Exchange Securities Trading Limited (“SGX-ST”) Listing Rules 711A and 711B and Practice Note 7.6. Our disclosures are guided by the SGX Core ESG Metrics and the GRI Universal Standards 2021 (“GRI Standards”). The Company has continued to apply the GRI Standards as they are globally recognised as a set of standards for sustainability reporting. The GRI Content Index on page 52 of this Report outlines the selected GRI Standards applied in this Report.

Internal Review and Assurance

The Group relies on internal processes to verify the accuracy of the ESG performance data and information presented in this Report.

Feedback

We value your feedback on this Report to further improve our performance and reporting practices in our sustainability journey. Please send your comments by e-mail to sustainability@sarine.com.

ESG REPORT

SUSTAINABILITY IN THE GROUP

As a global leader in high-technology solutions for the diamond industry, the Group is committed to driving sustainability across its operations, guided by our strong sense of responsibility towards our stakeholders and our adherence to core values. We believe that inclusive business practices are key to our continued success, fuelling innovation, strengthening supply chain relationships, building trust with our customers and fostering a better workplace for our employees.

Our Vision

Sarine's ESG efforts are aligned with our Group's vision and strive to nurture success through long-term sustainable growth.



Innovation — A significant percentage of natural diamonds over 0.1 carat in weight are touched by our innovative technologies at different stages of their processing. The Group sees its mission as participating in setting the industry standards, optimising the utilisation of rough diamond material, enhancing the beauty and value of polished diamonds and providing confidence-building 21st century solutions for polished diamond grading and their trade, in order to benefit the industry and the public. We are committed to leadership through an ongoing passion for innovation and excellence.

Employees — We view our employees as the major factor enabling our success. We strive to nurture our employees and provide them with a supportive working environment that will motivate them to excel individually and as a team. Our employees share, through various bonus and options schemes, in the Group's success.

Value — We endeavour to create value for our stakeholders, the communities in which we operate, the economy and the environment, by creating innovative solutions across the entire value chain in which we operate.

Community — We are involved in and contribute to the communities in which we operate.

Sustainability Governance

Having an effective governance framework is central to our sustainability framework. Sarine's Board of Directors ("Board") has the overall responsibility on sustainability matters for the Group, with support from the ESG Committee, designated key management team members ("Management") and relevant business units, who are all responsible for advancing the implementation of the Group's ESG strategy and initiatives.

Information on the Board structure is available on the "Board of Directors" section of the 2025 Annual Report. Details on Sarine's Management as at 31 December 2025 are outlined in the "Key Management" section of the 2025 Annual Report.

The Board has established an ESG Committee to assess the performance and provide guidance on sustainability-related initiatives. The Board's ESG Committee is comprised of two Board members and Sarine's General Counsel. At a Board meeting held in May 2024, the Board discussed the duties of the ESG Committee. It was resolved, among other things, that the ESG Committee should convene twice a year to discuss any new ESG regulations, standards and frameworks and at the beginning of each calendar year, to review the performance of the ESG goals during the previous calendar year and to consider additional ESG goals. The ESG Committee considers and oversees the Group's ESG activities and practices, submits recommendations and updates to the Board on relevant issues on a periodic basis. The Committee also reviews the Group's ESG strategies and is involved in the annual review of the material ESG topics to ensure alignment with the Group's corporate values and monitors compliance with the evolving regulatory landscape.

Details on Sarine's Management as at 31 December 2025 are outlined in the "Key Management" section of the 2025 Annual Report.

At the recent ESG Committee meeting held in early 2026, the ESG Committee deliberated and focused on the following sustainability-related matters:

- updates on the extended climate reporting disclosure timelines in Singapore;
- to conduct a full ESG materiality assessment every three years;
- to formalise an ESG Materiality Assessment Policy; and
- updates on ESG goals and targets for 2025.

The Board's responsibilities are outlined in the Corporate Governance Report in the 2025 Annual Report. All our Directors attended the mandatory ESG training in 2022 as prescribed by SGX. In 2025, some of the Directors continued to attend sustainability-related programmes to further strengthen their knowledge and skills in this evolving area.

Risk Management

Risk management is an important aspect of the Group's ESG strategy, which enables us to identify, assess and mitigate potential challenges relating to economic, environmental and social factors. The Group has in place a robust risk management framework and internal controls that incorporates elements of ESG risks into our overall enterprise risk management processes. The Board considers sustainability issues arising from Group-wide risk management assessment that addresses strategic, financial and operational risks in aspects of the organisations' operations, including potential impacts of the Group's activities.

The Board, via the Audit Committee, oversees the Group's sustainability-related risk management and performance pertaining to the Group's business and performance, financial management information technology ("IT") and regulatory compliance issues, to assess the potential negative impacts to determine the likelihood and severity of each risk. The Audit Committee supports the Board by reviewing, on an ongoing basis, the adequacy and effectiveness of the Group's risk management and internal control systems. In 2025, Sarine's internal auditor completed reviews on the following key areas:

- Sarin India Lab – Security information at the lab, budget and budgetary control, managing the Lab's price list and the discount process, the stone grading process (setting up a customer in the system, receiving the stones, printing certificates, etc.), the billing process (for India customers), and controls pertaining to non-chargeable transactions.
- Payroll (Israel) – procedures, recruiting and onboarding of new employees, employment agreements, fairness of salary payments, global overtime, vacation days, payroll controls and termination of the employment.

This year, we conducted a limited materiality review covering the Company's operations, existing and emerging ESG regulations and stakeholder expectations identified in the previous reporting period.

The assessment confirmed that there were no changes to the risks and opportunities associated with the material topics presented in this Report and no new material impacts actual or potential were identified. The previously reported risks and opportunities therefore, remain applicable and are outlined below.

We will continue to review and refine these material matters, where necessary to strengthen the Group's management of sustainability-related risks and opportunities and ensure continued alignment with global best practices.

ENVIRONMENT

Material Topics	Risks	Opportunities
Use of Resources • Energy • Water	Ineffective resource management may result in increased costs or resource depletion.	Enhance energy efficiency and optimise resource utilisation.
Waste	Inefficient waste management may lead to environmental impact, potential health and safety concerns and regulatory non-compliance penalties.	Continually review and enhance waste management practices and explore recycling initiatives.
Climate Change	Physical climate-related factors, such as floods or extreme weather events, may affect the Group's operations and assets. Transitional factors, including evolving regulations like carbon taxes or potential increases in cost of insurance, could impact the Group's business.	Incorporate climate-related considerations into risk management; assess and adapt to physical and transit climate-related risks to strengthen resilience; expand the use of cloud-based services and leverage on-site technologies to reduce the need for offsite diamond grading, thereby minimising transportation-related emissions.

SOCIAL

Material Topics	Risks	Opportunities
Employee Engagement and Talent Management	Low employee engagement and job dissatisfaction may contribute to higher turnover rates, reduced productivity and skill gaps within the workforce.	Foster a workplace environment conducive to career growth, skills enhancement and employee well-being.
Health & Safety	Potential health and safety risks associated with business operations.	Safeguard occupational health and safety by fostering a workplace culture that prioritises safety in all aspects of the Group's operations.
Community Investment	Limited understanding of community needs and expectations may lead to less effective community engagement initiatives.	Strengthen engagement with local communities to better understand their needs and foster meaningful, long-term collaboration.
Economic Performance	Failing to meet budgeted targets may impact financial stability and business growth.	Enhance revenue generation and profitability through strategic business initiatives and operational efficiencies.
Product Quality and Customer Safety	Low customer satisfaction and potential loss of customers due to poor product and service quality.	Innovative products and services leveraging on AI technology to provide consistent and excellent product and service quality.
Supply Chain Management	Potential conflicts of interest, corruption and unethical practices.	Strengthen procurement procedures to promote transparency and accountability.

ESG REPORT

GOVERNANCE

Material Topics	Risks	Opportunities
Ethical Business Practices	Non-compliance with anti-bribery laws may undermine stakeholder confidence, potentially leading to reputational and financial loss.	Ensure compliance with relevant local laws; foster an ethical corporate culture and enhance trust with business partners and customers.
Data Privacy and Cyber Security	Non-compliance with data protection laws, data breaches and low customer trust may result in reduced information sharing, customer attrition, regulatory fines and increased vulnerability to cyber attacks.	Ensure compliance with relevant laws and regulations while continuously monitoring and enhancing the integrity of internal cyber security systems.
Intellectual Property	Infringement of the Group's patents, trademarks, or copyrighted material may lead to legal disputes and potential financial losses.	Drive innovation and develop distinctive intellectual property ("IP") to strengthen the Group's market position and competitive advantage.

Further details on Sarine's risk management are found in the Corporate Governance Report section and in the "Management's Business, Operation & Financial Review" section of the 2025 Annual Report.

Materiality Assessment

As part of our commitment to creating long-term value for our stakeholders, the Group recognises the importance of understanding both how the Group's sustainability issues may impact our business activities and how our operations and business practices may affect our stakeholders.

Our materiality assessment process enables us to evaluate the ESG issues that are most significant to our stakeholders and our Group, ensuring that these matters are managed effectively. The Group completed a full materiality assessment in 2023 for the ESG Report covering the financial year ended 2022. No formal materiality assessment was conducted for the subsequent reports covering the financial years ended 2023 and 2024.

This year, the Group continued to perform a limited review of its operations, covering the Group's operations, new and emerging ESG regulations and stakeholder expectations identified during the prior reporting period. Based on this review, no significant changes were identified. With the Board's approval, the Group concluded that the previously identified material matters remain relevant for 2025.

To enhance governance of the ESG risks and opportunities, the Board has approved that a full ESG materiality assessment will be carried out every three years beginning 2026. The process of conducting this assessment will be formalised through an ESG Materiality Assessment Policy, which will also be introduced in 2026.

The Group will continue to strengthen its materiality process to ensure that material ESG risks and opportunities are identified, prioritised and integrated into strategic decision-making. These ongoing efforts support the aim of achieving long-term growth while meeting the expectations of our stakeholders.

Sustainability Framework

The Group's sustainability framework provides a structured approach to managing the material ESG matters and guides the integration of sustainability considerations into our strategy, operations and decision-making process.

The sustainability framework is based on the Group's material ESG topics, which represents issues most relevant to our stakeholders. Each material matter is linked to the associated risks and opportunities listed on page 27 to 28.



ENVIRONMENT

- Use of Resources
- Waste
- Climate Change



SOCIAL

- Employee Engagement and Talent Management
- Health and Safety
- Community Investment
- Economic Performance
- Product Quality and Customer Safety
- Supply Chain Management



GOVERNANCE

- Ethical Business Practices
- Data Privacy and Cyber Security
- Intellectual Property

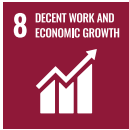
Please refer to pages 32 to 51 of this Report for details on the topics that the Group has identified as material.

United Nations ("UN") Sustainable Development Goals ("SDGs")

The Group is committed to the sustainable development of its business and to making a positive contribution to the environment, the economy and the communities in which it operates. Our sustainability approach is guided by the alignment between our material ESG matters and the UN SDGs.

In this Report, we included SDG 13: Climate Action to reflect the increasing relevance of climate-related risks and opportunities to our business and with evolving global sustainability expectations, including the enhanced focus on climate-related disclosures under the international reporting frameworks such as the ISSB and the requirements of the SGX Sustainability Reporting Guide.

The table below outlines how the Group's material ESG matters contribute to the specific UN SDGs and key areas of impact across our operations.

Material ESG Matters	Relevant UN SDG(s)	How the Group Contributes
Employee Engagement and Talent Management	 Achieve gender equality and empower all women and girls	- As Sarin India has become the Group's primary operational hub, the expansion of activities has increased local employment opportunities. These opportunities support greater participation of women in the workforce by offering accessible roles close to home, contributing to income generation and economic inclusion. - The Group's workplace policies and flexible practices enable the continued participation of working mothers, helping retain skilled female talent and promote long-term economic empowerment. Through training, knowledge transfer and consistent workplace standards, the Group supports career continuity and professional development for women across its operations.
- Employee Engagement and Talent Management - Health and Safety - Supply Chain Management	 Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all	- Sarine's technologies enhance productivity for producers, manufacturers and retailers, supporting sustainable economic value creation in a challenging market environment and promoting higher operational efficiency and innovation-driven growth. - The Group's transition to a recurring-revenue, services-oriented business model contributes to improved financial resilience and stability, supporting longer-term and more inclusive economic growth. - By recruiting employees and engaging suppliers from surrounding communities, the Group contributes to local economic activity and community level job creation, with a focus on productive and sustainable employment. - The Group maintained a zero-fatality rate across its operations and supply chain in 2025, demonstrating strong occupational health and safety practices. - The Group supports career development and succession planning by promoting qualified employees into senior management positions, strengthening talent retention and organisational continuity.
- Data Privacy and Cyber Security - Intellectual Property	 Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation	- The Group's ongoing investment in R&D supports innovation within the diamond industry, contributing to improved transparency, efficiency and sustainability across the value chain. - Our migration to cloud-integrated infrastructure optimises system resilience and data privacy. By utilising advanced cybersecurity tools provided by cloud environments, we minimise exposure to digital threats and ensure the continuity of our critical information systems. - The Group's AI-driven planning, grading and analytics platforms enable digital transformation across the diamond value chain, supporting more efficient, scalable and data-driven solutions from mine to retail. - Continuous investment in proprietary algorithms, automation and advanced imaging technologies drives innovation and supports productivity improvements across diamond manufacturing and grading operations.
- Use of Resources - Waste - Intellectual Property	 Ensure sustainable consumption and production patterns	- Sarine's planning and optimisation technologies enhances rough diamond utilisation and yield, helping to minimise waste during the production process and supporting more responsible resource consumption. - In 2025, the Group completed the transfer of grading capabilities to the grading lab in Surat, India. This transition has enabled us to offer grading services at close proximity to production sites as well as to the retailers. This streamlined approach supports more efficient production practices across the diamond grading value chain while maintaining GCAL's differentiated grading standards. - Internally, the Group continues to promote efficient use of resources and waste reduction through strengthened operational controls and ongoing improvements to workflow and process efficiency (for example, recycling initiatives and hybrid work practices).

ESG REPORT

Material ESG Matters	Relevant UN SDG(s)	How the Group Contributes
• Use of Resources • Waste	 Take urgent action to combat climate change and its impacts	• The increased adoption of cloud-based services helps lower the carbon intensity of customers' operations. • The increased adoption of our Most Valuable Planning software cloud-based diamond optimisation offering (MVP), helps lower the carbon intensity of customers' operations. • The increased adoption of digital grading solutions helps lower the carbon intensity of customers' operations.

Stakeholder Engagement

The Group recognises the key role our stakeholders play and the interests they hold in our business, which are essential to our long-term success and sustainability. We are committed to fostering meaningful engagements with our internal and external stakeholders across a wide range of topics.

We engage with a diverse group of stakeholders who may influence or be influenced by the Group's activities. Our key stakeholders include investors, employees, business partners, customers, local communities as well as government authorities.

Our stakeholder engagement approach involves methods such as meetings, public announcements, training initiatives, regular dialogues and dedicated feedback channels available across multiple platforms.

The table below presents the Group's stakeholder engagement approach, the frequency of engagements and how we address stakeholders' interests or concerns.

Key Stakeholders	Frequency	Key Interests or Concerns	Response
INVESTORS			
	• Annually	• Strategy and plans • Business performance • Shareholder returns and practices • Corporate governance and risk management practices	• Annual General Meeting
	• Annually	• Business performance • Financial position and results • Risk factors and outlook • Corporate governance disclosures	• Annual Report
	• Bi-annual	• Financial performance and operational updates	• Semi-annual release of financial results on the SGX-NET and on the Tel-Aviv Stock Exchange ("TASE")
	• As needed	• Access to investor information • Sarine's core values and vision • Corporate responsibility	• Company website to highlight vision and core values as well as investor relations information
	• Ongoing	• Engagement with management • Clarifications and investor feedback	• Communications with investors
	• As needed	• Material developments	• Timely updates via media releases, on the SGX-NET, on TASE and on the Company website
	• Annually	• Sustainability performance • ESG targets and progress • Long-term value creation	• Monitor sustainability performance and targets
	• Ongoing	• Corporate governance standards • Ethical conduct and oversight	• Uphold good governance practices across the Group and the supply chain
EMPLOYEES			
	• Ongoing	• Updates on business growth and strategic plans of the Group	• Open door policy to promote transparent communication with employees
	• Annually	• Personal growth and career development • Employee remuneration and benefits • Job security	• Career development and annual performance reviews • Offer competitive benefits and remuneration packages
	• As needed	• Employee safety and well-being • Safe, healthy and inclusive workplace	• Recreational and wellness activities • Health and safety procedures and processes

Key Stakeholders	Frequency	Key Interests or Concerns	Response
BUSINESS PARTNERS (suppliers, vendors, sales partners)			
	As needed	- Product and service quality standards - Cost efficiency - Workers' safety and health	- Dialogues with key vendors and suppliers including meetings with suppliers - Continuing relationships and communication with authorised sales representatives
CUSTOMERS (producers, manufacturers, retailers, wholesalers, laboratories)			
	Ongoing	- Meet or exceed customer expectations and needs - Affordable products and services	- Communication with customers - Feedback on our services and solutions - Maintaining an open customer service platform - Advertisements, marketing and sales promotion activities
	Ongoing	Provide consistent and high-quality services	Adhere to quality standards
LOCAL COMMUNITIES			
	- As needed - Ongoing - As needed	Corporate social responsibility ("CSR")	- Outreach and support for charitable activities - Participation in community projects that support social or community development causes - Open feedback channels for the communities in which we operate
GOVERNMENT			
	- As needed - Ongoing	- Corporate governance practices - Compliance with regulatory requirements including environmental and social compliance	- Communication with governmental authorities - Meeting mandatory reporting and compliance requirements in a timely manner

Membership Associations

The Group participates as member of, engages with, or has an ongoing discourse with various industry bodies, associations and organisations, including the following:

- o Jewelers Vigilance Committee (JVC)
- o Worldwide Federation of Diamond Bourses (WFDB)
- o Jewelers Board of Trade (JBT)
- o Jewelers Security Alliance (JSA)
- o Accredited Gemmologists Association (AGA)
- o American Gem Society (AGS)
- o 24K Club of New York
- o Responsible Jewellery Council (RJC)
- o Manufacturing Jewelers & Suppliers of America (MJSA)

We continue to engage with Antwerp World Diamond Centre (AWDC), Natural Diamond Council (NDC), World Jewellery Confederation (CIBJO), Kimberly Process (KP) and Diamond Federation Hong Kong (DFHK).

In August 2025, Sarine was featured in the ORIGINALLUXURY 3rd Edition Technology for Transparency Report, recognising Sarine's Diamond Journey Traceability™ solution. The report highlighted Sarine's leading role in advancing transparency through technology across the diamond value chain.

The next sections of this Report outline the discussions on the material matters for the Group under the respective ESG pillars.

ESG REPORT

ENVIRONMENTAL

As a responsible organisation, environmental stewardship remains a key priority for us. The Group is committed to contributing to global efforts to address the climate crisis and to make a positive impact on the planet. While our high-technology services may not significantly contribute to climate change, we recognise the importance of addressing environmental issues in order to shape a sustainable future for the long-term viability of our business, people and communities.

Aligned with the Group Sustainability Policy, we uphold the following environmental principles:

- Adherence to all relevant legislations.
- Minimise waste generation by promoting recycling and encouraging responsible disposal practices.
- Promote efficient energy use and reduce emissions.
- Use water efficiently and reduce consumption, wherever possible.
- Strive to minimise the environmental impact of our operations, wherever possible.

As at 31 December 2025, no significant environmental-related fines or penalties were imposed on any of the companies in the Group. We remain committed to strengthening our environmental data collection and monitoring processes to support continuous improvement.

This section of the Report covers the Group's ESG performance relating to resource use, waste management, and climate change arising from our operations.

Data from our Hong Kong operations has been excluded from the environmental metrics in this section due to the small scale of operations, which makes our overall tracking minimal at this stage. For some indicators, only two years of comparative data is available as reporting for those metrics commenced in the previous reporting year.

Use of Resources

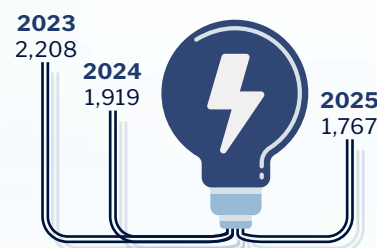
Energy Management

Electricity Consumption

Purchased electricity is the main source of energy in all our locations across Israel, India and USA. The Group recognises that managing electricity consumption effectively, not only provides operational savings, but can also support the broader environmental goals. The Group will continue to seek ways to reduce electricity consumption and minimise the Group's energy impact.

As part of the Group's efforts to improve its ESG performance and minimise environmental impact, we continue to measure electricity consumption across our entities in Israel, India and USA. A slight decrease in the total purchased electricity for the Group was recorded in 2025, reflecting a downward trend since 2023.

Total Electricity Consumption Purchased Electricity (MWh)^(a)



Notes:

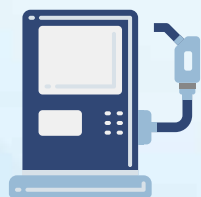
(a) Excludes the electricity consumption by (i) the Hong Kong entity as electricity consumption is covered in the rental agreement, and (ii) the electricity consumption at the co-sharing office space in Mumbai, India as the electricity consumption is covered under the rental agreement.

Fuel Consumption

We continued to monitor fuel consumption of our corporate vehicles in Israel and India, including one light goods vehicle owned by Sarin India. The Group's corporate vehicles primarily use gasoline, with minimal reliance on diesel. We do not provide corporate vehicles for our employees in Hong Kong and USA.

In 2025, the Group's total fuel consumption decreased overall compared to 2024. With a reduction in the number of leased vehicles in Israel during the year, petrol consumption reduced significantly for the Group as a whole.

The table below provides an overview of the Group's fuel consumption over the last three financial reporting years:



Fuel Consumption	2023	2024	2025
Diesel (litre)	1,341	1,737	977 ^(a)
Petrol (litre)	47,760	43,903	29,233
Total Fuel Consumption (litre)	49,101	45,640	30,210

Note:

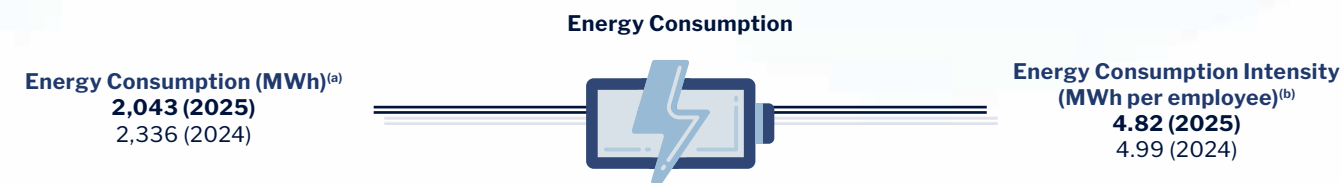
(a) This data reflects diesel consumption from the operations in India, which are the only operations utilising diesel-powered vehicles.

Energy Consumption

The Group has since 2024 reported on its total energy consumption from its main sources, namely electricity and fuel.

To further reduce energy consumption and waste, we rely to a large degree on cloud-based solutions, including in our R&D efforts. These efforts significantly reduce the need for physical computing infrastructure, which would alternatively require additional office space, direct and indirect power (such as air-conditioners).

Below is the breakdown of the total energy consumed and the energy consumption intensity ratio for the Group in 2024 and 2025:



Notes:

- (a) The total energy consumption includes the total electricity and total fuel consumption in MWh.
- (b) The energy consumption intensity is calculated from the Group's total energy consumption reported over the Group's total number of employees for the reporting year.

Targets and Performance

Use of Resources – Electricity	
Target for 2025	Performance
Maintain current electricity consumption.	Achieved.
To improve overall electricity consumption.	Overall, the total purchased electricity consumption reduced by 8% in 2025 as compared to 2024, and 20% from 2023.
Targets for 2026 onwards	
Maintain current electricity consumption.	

Water Management

Global water availability is an increasing concern, with factors like climate change and pollution contributing to the issue. Although the Group's operations are not water intensive, we remain committed to using water efficiently and aim to reduce wastage of such resources, wherever possible.

Water at our facilities is mainly used for sanitation purposes and to meet employee needs. Since 2024, we initiated tracking of water consumption at our facilities in Israel. In Israel, Sarine receives a monthly water consumption report and is invoiced by the building management. This year, our Indian operations team was able to compile water consumption for Sarin House, which is included in the Group's reporting for the first time.

In 2024, the Group's water consumption only included data from Israel. As this is the first year we are including data from India, we have not provided comparative data to the previous reporting year.

The diagram below provides an overview of the Group's water consumption in 2025.



Notes:

- (a) The water consumption includes data from India and Israel. Due to unavailability of data from India for January and February of 2025, the total water consumption for India was estimated using the average from the remaining ten months of data for the reporting year.
- (b) Water consumption intensity is calculated from the total water consumption (in m³) over the Group's total number of employees of the Group for the reporting year.

ESG REPORT

Targets and Performance

Use of Resources – Water	
Target for 2025	Performance
Maintain current water consumption.	With improved data collection in India, the Group successfully monitored its water consumption in 2025, and these results are presented in this Report. We will continue working closely with our entities to further strengthen data collection methods, ensuring a more systematic approach going forward.
To increase awareness on water conservation initiatives.	Ongoing.
Targets for 2026 onwards	
• Maintain current water consumption. • To increase awareness on water conservation initiatives.	

Waste

Waste management is an important element to preserve the environment in which we operate in. The Group aims to minimise waste generation by promoting recycling and encouraging disposal practices.

The Group strives to comply with relevant legal requirements to mitigate the impact of waste generation from its operations. We recognise inefficient waste management could be hazardous to people and the environment, increase health and safety risks and result in fines from regulatory non-compliance.

Over the years, our solutions have significantly improved the utilisation of the mined rough diamond material by an estimated 33%. This has contributed to waste reduction and environmental impacts of mining and polishing segments of the diamond industry.

The Group's products are European Union directive WEE compliant. This directive aims to encourage the design of electronic products and components with environmentally-safe recycling and recovery in mind (no electrical or electronic equipment may be discarded into a city's normal waste disposal system). The Group provides assistance to its customers for the proper and safe disposal of any of its products, their components or consumable materials. We encourage our customers to seek help from the Group's technicians and support teams to recycle obsolete products.

We encourage recycling wherever possible at our offices, including using recycled paper, encouraging two-sided printing and recycling batteries to minimise waste. The higher total waste recorded in 2025 can be attributed to the increased amount of electronic waste generated in Israel due to the scrapping of non-functioning equipment with the closing of the production and warehouse facilities in Israel during the year.

The diagram below sets out an overview of the waste generated in 2024 and 2025.

Waste Management



Notes:

- (a) Non-hazardous waste only includes paper and electronic waste. Electronic waste is only recorded and tracked in Israel. Paper is currently only recorded and tracked in India and in Israel.
- (b) Total waste generated by the Group only includes non-hazardous waste only.

Targets and Performance

Waste	
Target for 2025	Performance
To initiate reporting.	Achieved. We continue to update our waste collection data in Israel and India, which includes paper and electronic waste.
To seek ways to reduce, reuse and recycle waste generated throughout the Group.	All packing materials purchased in 2025 were recycled. As we have closed our warehouse and production facilities in Israel, we have sold or donated all our functioning equipment and have scrapped the non-functional equipment through authorised channels. The reduction of our production and warehouse space in Israel (to one and a half floors) and the transition of our production activities into our existing workspace in India, have reduced our footprint and our overall resource consumption.
Targets for 2026 onwards	
Encourage new suppliers, as well as production and logistics teams in India to implement practices that minimise waste generation and maximise recycling and material reuse, wherever possible.	

Climate Change

Given the nature of our operations which are largely focused around office-based activities and high-tech assembly environment, our environmental footprint is minimal compared to industries with more energy-intensive activities. Despite our relatively low environmental footprint, we recognise that addressing climate change requires a collective global effort. We strive to minimise the environmental impact of our operations, wherever possible.

GHG Emissions

GHG emissions are a major contributor to global climate change. The Group currently monitors Scope 1 and Scope 2 GHG emissions.

- Scope 1 GHG emissions refer to direct emissions from sources such as fuel combustion and on-site processes or activities.
- Scope 2 GHG emissions refer to indirect emissions from purchased electricity, heat and steam.

Tracking this data helps us identify areas for improvement and measure our progress toward setting our emissions-related goals and targets.

At present, the Group tracks GHG emissions generated from diesel and petrol consumption in corporate vehicles, including company cars and a light goods vehicle used in India. Scope 2 GHG emissions are generated from electricity purchased for facilities located in Israel, India and the USA.

The Group's increased adoption of cloud-based services, digital grading solutions and reduced physical transport of diamonds has contributed to lowering the carbon intensity of customer operations. These initiatives reduce fuel consumption and logistics-related emissions.

The following table presents the Group's Scope 1 and Scope 2 GHG emissions data as well as the GHG emissions intensity from 2023 to 2025 compiled for the Group.



GHG Emissions	2023	2024	2025
Scope 1 Direct GHG Emissions (tCO ₂ -eq) ^(a)	111.55	95.87	63.38
Scope 2 Indirect GHG Emissions (tCO ₂ -eq) ^(b)	1,243.15	1,048.03	980.25
Total GHG Emissions (tCO ₂ -eq) ^(c)	1,354.70	1,143.90	1,043.63
GHG Emissions Intensity (Scope 1 & Scope 2 per employee) ^(d)	2.50	2.44	2.46

Notes:

- (a) Scope 1 direct emissions generated from combustion of fuels in mobile sources, i.e., from the Group's corporate vehicles, is calculated using the latest conversion factors for diesel (Average biofuel blends) and petrol (Average biofuel blend) under the UK Government's GHG Conversion Factors for Company Reporting for 2024 (Fuels).
- (b) Scope 2 indirect emissions generated from electricity purchased from the utilities' companies in Israel, India and the US. Calculated using the location-based emission factors sourced from: (i) Israel - IFI Default Grid Factors for Israel, 2021 (ii) India - Central Electricity Authority, India (2024-2025); and (iii) USA - US Environmental Protection Agency eGrid2023, January 2025.
- (c) Total GHG emissions include both Scope 1 and Scope 2 GHG emissions.
- (d) GHG emissions intensity is based on the total GHG emissions (Scope 1 and Scope 2) over the total number of employees of the Group for the reporting year.

ESG REPORT

The Group remains committed to develop its disclosures on GHG emissions by refining its data collection to ensure clearer and more accurate reporting. In order to initiate Scope 3 GHG emissions, we will also review our activities within the Group's supply chain and prioritise those Scope 3 GHG emissions, which the Group is indirectly responsible for.

Targets and Performance

Climate Change	
Target for 2025	Performance
To set baseline for GHG emissions.	Ongoing.
To initiate measurement of Scope 3 GHG emissions.	Ongoing.
To reduce GHG emissions.	Overall, the Group recorded a slight reduction of approximately 8.8% in its total GHG emissions as compared to 2024. This decrease was mainly due to the lower petrol consumption following the reduction in leased vehicles in Israel, and due to the lower electricity consumption following the reduction of our production and warehouse space in Israel.
Targets for 2026 onwards	
- To set baseline for GHG emissions. - To reduce GHG emissions.	

CLIMATE-RELATED DISCLOSURES

The Group is committed to contributing to the transition towards a low carbon economy. In line with Singapore's move towards mandatory climate-related disclosures, the Group began taking initial steps to report climate-related information in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD").

In 2021, SGX introduced a phased approach requiring listed companies to adopt TCFD-aligned reporting. Since then, the regulatory landscape has continued to evolve. In September 2024, SGX Regulation ("SGX RegCo") announced that, beginning from financial year 2025, all listed companies will be required to report on Scope 1 and Scope 2 GHG emissions, and the climate-related disclosures must begin incorporating the requirements of the International Financial Reporting Standards ("IFRS") Sustainability Disclosure Standards issued by the ISSB.

However, in August 2025, the Accounting and Corporate Regulatory Authority (ACRA) and SGX RegCo granted an extension to the implementation timelines, recognising the varying levels of readiness among companies.

Given these updated regulatory developments, the Group acknowledges the need to strengthen its internal capabilities and progressively refine its climate-related disclosures in future reporting cycles. As reporting expectations evolve, the Group will need to enhance its approach to identifying, evaluating and disclosing the potential climate-related impacts on our business, strategy and financial planning.

The Group recognises that our climate-related disclosures will continue to mature over time, particularly, as more data becomes available. This ongoing improvement will enable better management of climate-related risks and opportunities across the Group.

For this Report, the Group will continue to build on its climate-related disclosures based on the four pillars of the TCFD recommendations: **Governance**, **Strategy**, **Risk Management** and **Metrics and Targets**, which are fully embedded within the IFRS Sustainability Disclosure Standards.

Governance

The Board oversees the Group's overall approach to climate-related risks and opportunities as part of its broader oversight on the sustainability matters to ensure long-term success for the Group. The ESG Committee is responsible to assess the Group's climate-related risks and opportunities, including providing recommendations on the subject to the Board.

Further details on the Group's sustainability governance structure are presented under the "Sustainability Governance" section of this Report.

Strategy

As part of its ongoing review on the material ESG risks and opportunities, the Group aims to evaluate and analyse the actual and potential impacts of climate-related risks and opportunities on its business, strategy and financial planning. This assessment will enable the Group to understand the extent of these impacts and to develop a suitable resilient strategy associated with climate change aligned with our business and operational needs.

The Group may be exposed to both physical risks such as unpredictable extreme weather events including floods, that may disrupt the Group's operations or damage assets as well as transition risks arising from global shifts toward a low-carbon economy, including potential carbon taxation and higher insurance costs. These risks can be mitigated through the Group's diversified geographic presence and reliance on cloud-based infrastructure.

Risk Management

Environmental topics, including climate change are addressed under the “Environmental” section of this Report. As part of the Group’s broader risk management approach, climate-related risks are reviewed alongside other material ESG risks to ensure consistent evaluation and oversight.

The Group will continue to review the identified ESG risks, including climate-related physical and transition risks, to determine the severity and potential impact on operations, assets and long-term business resilience. The risks must be identified, assessed and managed through a risk management process and integrated into the overall risk management framework for the Group.

The Group aims to strengthen its ability to anticipate emerging climate-related risks, implement appropriate mitigation measures and ensure that climate considerations are embedded into decision-making across the organisation.

Metrics and Targets

At the Group level, we currently track our climate-related performance using the following metrics:

- Scope 1 and Scope 2 GHG Emissions
- Energy consumption (MWh)
- Waste generated (t)
- Water consumption (m³)

As we work towards setting more refined targets, we aim to:

- Set baseline for GHG emissions.
- Initiate measurement of Scope 3 GHG emissions.
- Seek ways to reduce, reuse and recycle waste generated throughout the Group.
- Maintain current water consumption.
- Increase awareness on water conservation initiatives.
- Maintain current overall electricity consumption.

For further information on our metrics, please refer to the material topics disclosed under the “Environmental” section of this Report.

SOCIAL

Our people are central to our success, and we remain committed to safeguarding their well-being, supporting their development and fostering a safe, inclusive and engaging workplace. In addition to prioritising employee well-being, this section also addresses our commitment to delivering high-quality products and ensuring the safety and confidence of our customers. These focus areas reflect our responsibility to uphold the highest standards across our operations and to contribute to the long-term trust and resilience of the Group.

Employee Engagement and Talent Management

At the Group, we recognise that our people are our most valuable asset. Our success and capacity for continued innovation are built on a workplace where employees feel supported, respected and empowered to contribute meaningfully. Prioritising employee well-being is therefore fundamental to the long-term sustainability of our business.

To uphold high labour standards across our operations, the Group has established internal procedures covering fair employment practices such as recruitment, promotion, dismissal and working hours. Our US entity, GCAL, maintains an Employee Handbook that details working conditions, employee benefits and applicable policies affecting each of their employees.

Some of our key workforce-related policies:

Policy Area	Key Commitments
Human Rights Workplace Policy	• Upholds internationally recognised labour rights including non-discrimination, equal opportunity and safe working conditions. • Prohibits forced labour and child labour. • Prioritises ethical behaviour and integrity in all workplace conduct. • Ensures responsible handling of personal data and employee privacy.
Sustainability Policy	• Promotes good workplace practices and safeguards the rights of individuals directly impacted by our activities. • Promotes a diverse and inclusive workplace that values and respects individual differences.
Human Resources (“HR”) Policies	• Compliance with all labour and employment laws in countries where the Group operates. • Outlines fair employment practices for hiring, performance management, working-time and separation.

ESG REPORT

Guided by these policies, we aim to foster a professional, safe and inclusive environment where all employees feel empowered to contribute and develop.

We adhere to all applicable labour laws and regulations and apply our Group HR policies across the operations to safeguard employee rights and well-being. Employees are also guided by the Group's Business Conduct Policy to uphold expected ethical standards in all interactions with our business partners, customers and employees. The full Business Conduct Policy can be viewed on our website at: https://sarine.com/wp-content/uploads/2023/01/Sarine_Business_Conduct_Policy.pdf

Core Values

Following are the core values on which we base our daily business operations:

- We treat our business partners, customers and employees with fairness and dignity.
- To the best of our ability, we create a safe and protective work environment for our employees and we offer our customers safe products, with which to similarly create a safe work environment for their employees.
- Wherever applicable, we ourselves employ and we instruct our customers as to how to similarly take all necessary measures for the safe and environmentally friendly use and disposal of even marginally hazardous materials, as per directions from appropriately authorised expert consultants.
- Our HR policies protect the rights and interests of the Group's employees, as dictated by all applicable laws in all the jurisdictions in which we have a permanent established presence.
- We maintain strict policies regarding equality in the workplace, regardless of sex, age, religion, ethnicity, disability or other personal traits or beliefs, including the strict and swift treatment of any sexual harassment incidents, so as to provide a fair, safe and amicable workplace.
- We employ individuals with various disabilities as part of our efforts to promote equal opportunity in the workplace.
- We are committed to nurturing our employees and providing them with equal opportunities and a safe supportive and rewarding working environment.

Total Workforce

While most of our employees are full-time personnel, we do employ several employees on a fixed-term basis. None of our employees within the Group are currently represented by any collective bargaining agreement with a trade union, although we respect their freedom of association.

As at 31 December 2025, the total workforce for the Group is 424, and the vast majority of our employees were employed on a full-time basis.

The following table provides the breakdown of the total employees by number, percentage and by region over the last three financial years from 2023 to 2025:

Total Employees	2023		2024		2025	
	No.	%	No.	%	No.	%
Israel	142	27%	106	22%	74	17%
India	353	66%	331	71%	320	76%
US	34	6%	27	6%	26	6%
Hong Kong	6	1%	4	1%	4	1%
TOTAL	535	100%	468	100%	424	100%

Most of our employees are based at our primary operational hub in India, with a continued focus on local hiring and supporting the local communities. The Group's total workforce decreased in 2025 compared to 2024, primarily as a result of operational consolidation and streamlining initiatives undertaken during the year, including the relocation of production activities from Israel to India. At the same time, the expansion of our grading activities in India are expected to support continued economic participation within the local community by creating employment opportunities.

In Sarin India, we recruit local management personnel wherever practical, including at C-suite levels. Our Chief Financial Officer ("CFO") and the Vice-President ("VP") Sales of Sarin India are local recruits, who have been with the Group for many years, including their intermediate management. In 2025, one of Sarin India's local employees was promoted to the position of Head of Customer Care and he joined the local management team.

Talent and Recruitment

Recruitment

The Group has in place fair employment practices to recruit and retain talent in the market, to support our business' sustainable growth. We strive to employ individuals based on their merits from diverse skills and experience, regardless of sex, age, religion, ethnicity, disability or other personal traits or beliefs. Further details on our recruitment practices are discussed under the "Diversity and Equal Opportunities" section of this Report.

Rewards and Benefits

We provide competitive remuneration and benefits to our employees in accordance with the applicable labour laws in the jurisdictions where we operate. Employee remuneration and benefits are determined after considering various factors such as qualification, relevant work experience, individual performance, relative value of each position to the Group and comparable positions in the Group and in the competitive environment in which the Group operates.

Some examples of the remuneration and benefits available for employees in the Group are as follows:

- individual rewards and annual bonuses.
- the Group's contributions to pension funds, as required by the applicable laws and country specific practices.
- medical insurance coverage options (such as supplemental private insurance available for employees and families in Israel and medical insurance for employees in the USA and insurance premium coverage for all employees of Sarin India).
- maternity and parental leave based on the applicable laws of each jurisdiction where we operate. Sarin India provides men with three days paid parental leave.
- flexible working hours is offered, wherever feasible, to support working mothers.
- a hybrid work model for employees in Israel, where operationally appropriate, to support work-life balance and flexible working arrangements.

The Group reviews remuneration and benefits programmes regularly to ensure that we are on par with the market. In 2025, we conducted an annual salary survey in Israel to ensure competitiveness with respective sectors.

Development and Training

The Group is committed to invest in the career development of our employees and equip them with the necessary skills to adapt to the change and demands of the fast evolving high-technology industries. We strive to offer appropriate training, seminars and professional courses to our employees to advance their career paths. To effectively measure performance and development of our employees, we conduct annual goal setting, year-end performance reviews and mid-year progress checks on their performance and development.

Each of the Group's entities has an onboarding programme. Having an onboarding programme helps new employees integrate into the team and understand the culture more quickly. For new employees in Israel, the onboarding programme includes:

- one on one meeting between the new employee and the CEO;
- follow-up HR meeting a few months after joining the company, to discuss the employee's overall satisfaction; and
- introduction to key Group and company-specific policies. This includes dissemination of the Business Conduct Policy and other employee related policies as part of the onboarding process.

To identify skill gaps and to help our employees achieve their career goals, we regularly assess our employees' training needs. Training is conducted on an as-needed basis, within a defined annual budget.

In 2025, our employees in Israel participated in broad range of professional training development programmes covering regulatory and legal updates, compensation and taxation, technology and digital skills, management and leadership development, HR and organisational topics and mandatory safety training.

Additionally, employees in India completed a Priority Enterprise Resource Planning (ERP) training conducted by colleagues from Israel to support the relocation of stock and spare parts from Israel to India.

In addition to formal training initiatives, the Group supports internal career development and succession planning by providing employees with opportunities to assume greater responsibilities and progress into leadership roles. In 2025, this approach was reflected in several internal promotions, including the promotion of the Associate General Counsel to the position of Group General Counsel and the promotion of the Head of Customer Care at Sarin India from within the Company. These promotions demonstrate the Group's commitment to recognising internal talent and fostering long-term employee development.

With more systematic review and data collection processes in place in 2025, we were able to compile data on the Group's average training hours for the first time, as presented in the table below.

Training Hours ^(a)	2025
Total training hours	224
Average training hours per employee	0.5
Average training hours per employee (by gender)	
Female	1.5
Male	0.4

Note:

(a) This is the first time this data is reported to align with the SGX Core ESG Metrics, which covers training hours conducted in Israel and India.

ESG REPORT

Diversity and Equal Opportunities

The Group offers an inclusive workplace environment, regardless of sex, age group, employee category and region.

Guided by our recruitment policies and Human Rights Workplace Policy, we strive to build a culture that advocates and promotes equal opportunities and non-discrimination, by actively seeking employees based on their personal capabilities and qualifications. We also strive to recruit and we retain persons with various disabilities.

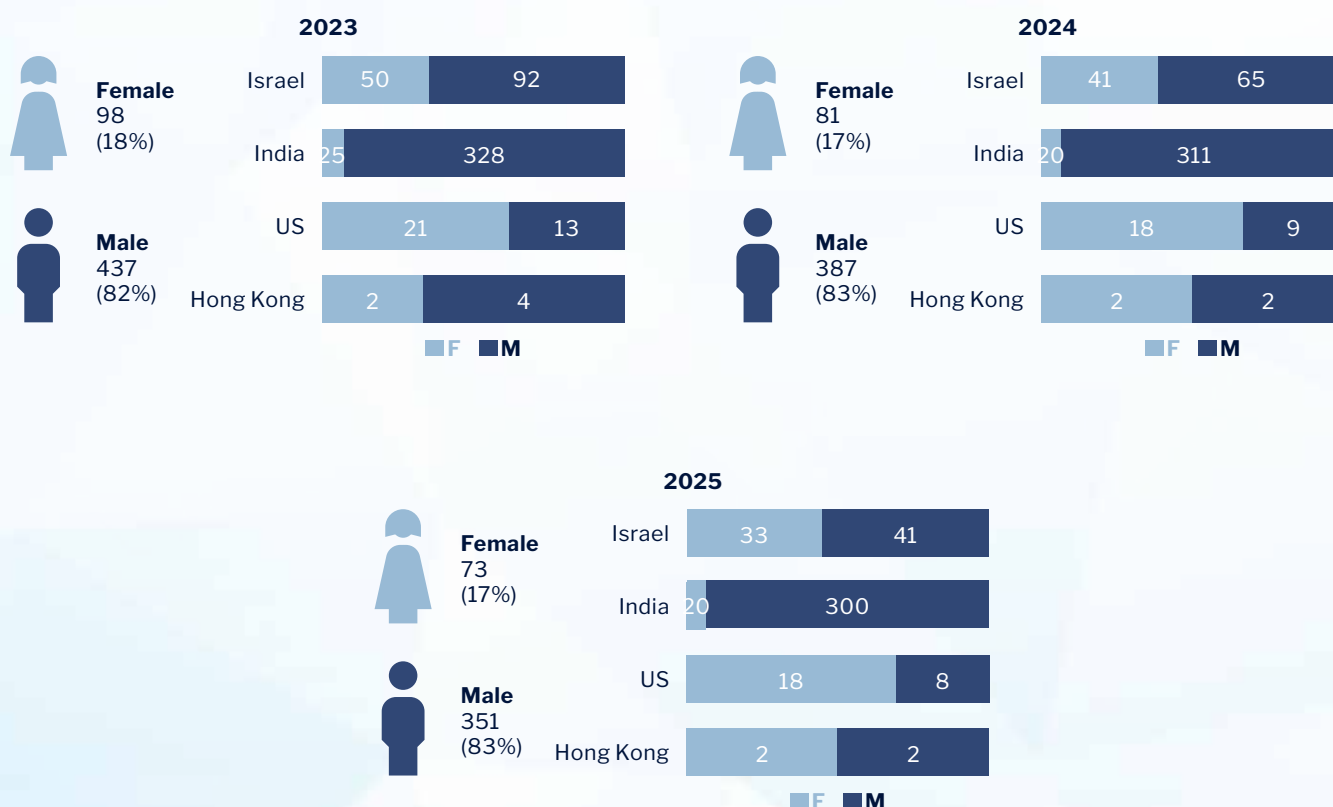
We strive to balance gender representation by encouraging women to join the very male-dominated industry, especially in India. The Group believes that gender diversity is a fundamental principle for the Group, and has addressed this issue since 2019 with the aim of increasing the number of females in departments and positions where female presence is relatively low. In 2025, we appointed in Israel a female VP of R&D and a female Group General Counsel, reflecting our continued commitment to advancing women into senior and strategic leadership positions. Through workplace policies and flexible practices that enable the continued participation of working mothers, we support the retention of skilled female talent and promote long-term economic empowerment. Through structured training, knowledge transfer and consistent workplace standards, the Group supports career continuity and professional development for women across its operations.

To safeguard our employees, in particular women employees, against sexual harassment or abuse of power in the workplace, the Group has implemented a prohibition against harassment. In Israel, our employees are guided by a Sexual Harassment Charter and complete periodic training. Sarin India has an established Sexual Harassment Policy in place. Effective grievance mechanisms are in place to ensure all sexual harassment complaints raised by any individual are promptly and appropriately addressed. During the year, mandatory training on Prevention of Sexual Harassment was provided to all employees in Israel and India to create continued awareness on this critical issue. For GCAL employees, their Employee Handbook covers unlawful harassment including sexual harassment.

The tables and diagrams below provide a breakdown of our diversity performance based on gender and age group by region and employee category.

Gender Diversity

Employees By Gender and By Region



Age-Based Diversity

Employees by Age Group and by Region	Below 30 years old			Between 30-50 years old			Above 50 years old		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
Israel (No.)	10	5	4	98	73	45	34	28	25
India (No.)	122	88	70	221	234	239	10	9	11
USA (No.)	7	5	6	17	14	11	10	8	9
Hong Kong (No.)	1	1	0	4	2	2	1	1	2
Total for the Group (No.)	140	99	80	340	323	297	55	46	47
Total for the Group (%)	26%	21%	19%	64%	69%	70%	10%	10%	11%

Employee Category

Employee Category by Gender	2024				2025			
	Female		Male		Female		Male	
	No	%	No	%	No	%	No	%
Senior Management^(a)	1	12%	7	88%	3	33%	6	67%
Executive^(b)	11	30%	26	70%	8	29%	20	71%
Non-Executive^(c)	68	16%	353	84%	62	16%	325	84%

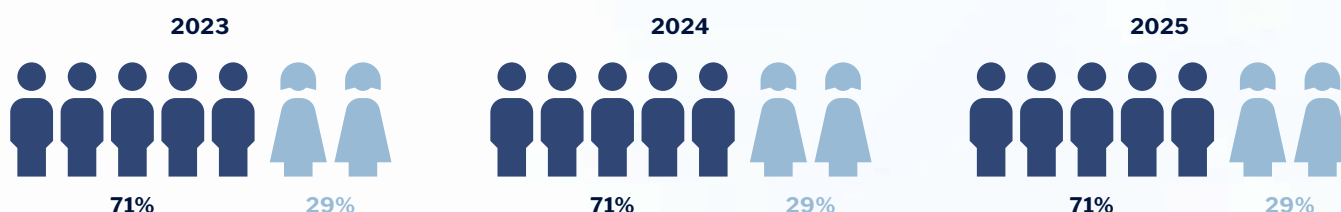
Notes:

- (a) Senior Management represents the Chief Executive Officer ("CEO") of the Company, being the parent and those employees in the parent company who directly report to the CEO.
- (b) Executive represents mid-level managers, and do not include Senior Management referred to above.
- (c) Non-executive represents to all employees other than Senior Management and mid-level managers.
- (d) Percentages are calculated based on the total number of employees of the respective gender within each employee category.

Board Diversity

Our Board is comprised of individuals with extensive knowledge, skills, diverse expertise and experience in the various segments of the diamond and jewellery industry, computer science, engineering, accounting, audit, financial reporting and corporate governance.

The breakdown of Sarine's Board by gender and independence from 2023 to 2025 are as follows:



Board of Directors – Independence	2023		2024		2025	
	No.	%	No.	%	No.	%
Independent	4	57%	4	57%	4	57%
Non-independent	3	43%	3	43%	3	43%

As part of Sarine's commitment to promote diversity and inclusiveness within the Board and to ensure that the Board reflects the communities it serves, Sarine adopted a Board Diversity Policy, which is published on the Company's website. The Policy also provides that the majority of the Board should be comprised of independent directors and should be gender, age and ethnically diversified. The Company promotes diversity among its Board, including just under 30% women.

Key information about the Board is detailed in the "Board of Directors" and "Corporate Governance" sections of the 2025 Annual Report.

ESG REPORT

Employee retention and attrition

Employee turnover and new hire rates provide valuable insights into the strengths and sustainability of the Group's workforce. We recognise the importance of these metrics in supporting responsible human capital management and a positive work environment.

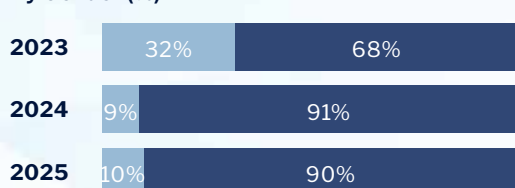
New Hire and Turnover Rates

The overview of the new hire rates by gender, age group and region for the Group over the last three financial years are as follows:

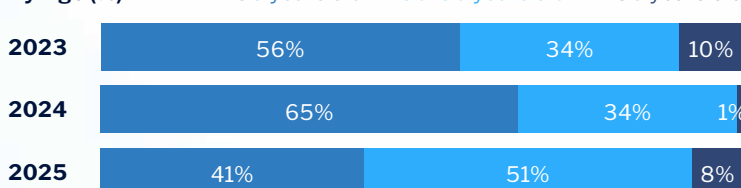
New Hire Rate

New Hire Rate	2023	2024	2025
New Hire Rate (No.)	138	68	39
New Hire Rate (%)	26%	15%	9%

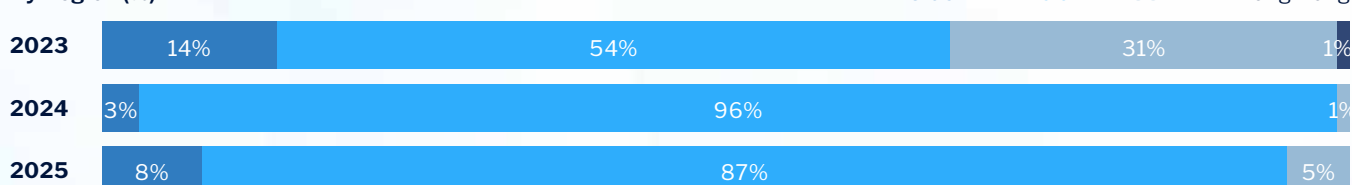
By Gender (%)



By Age (%)



By Region (%)



Note:

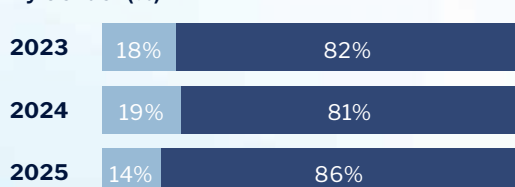
(a) Percentages by gender, age, and region are calculated as a proportion of the total number of new hires in the respective year.

Turnover Rate

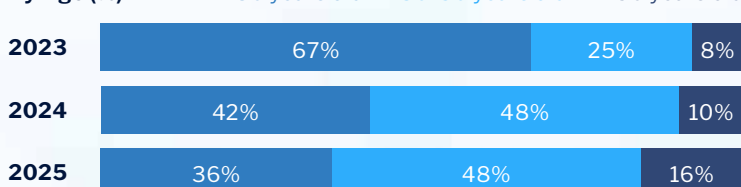
The overview of the turnover rates by gender, age group, and region for the Group over the last three financial years are as follows:

Turnover Rate	2023	2024	2025
Turnover Rate (No.)	136	132	83
Turnover Rate (%)	25%	28%	20%

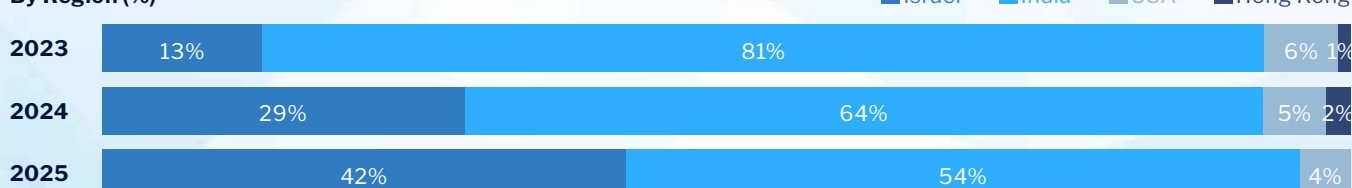
By Gender (%)



By Age (%)



By Region (%)



Employee Engagement

We maintain open communication lines between all our employees and the various levels of management, encouraging our employees to comment on, improve and critique the Group's activities. Employee engagement takes place through various platforms throughout the year:

- ✓ Onboarding programme.
- ✓ Departmental meetings serve as regular touchpoints for teams to align on objectives, discuss challenges, share updates and collaborate on improving workflows and efficiency.
- ✓ General open-door approach to management of all levels to foster a culture of transparency and accessibility and allowing employees at all levels to freely approach management with feedback, questions, or concerns.
- ✓ Company-wide gatherings for various occasions such as festival or birthday celebrations, annual day.
- ✓ E-mails.
- ✓ Roundtable discussions between employees and management to provide our employees with a structured yet open forum to engage directly with management, share ideas, raise concerns and contribute to the decision-making process.
- ✓ Grievance mechanisms such as the Whistleblower Policy that encourages our employees to report any illegal, improper or unfair practices that they may encounter within the Group.
- ✓ Recreational and wellness activities including activities with employees and their families such as picnics or overnight retreats.

Our Group actively fosters employee engagement through various cultural celebrations, office events and wellness initiatives.



Employees' kids' day at our office in Israel: a fun summer break event filled with magic shows, craft and clay workshops, body painting and other engaging activities



Spring celebration picnic at the park next to our headquarters in Hod Hasharon.

ESG REPORT



Employees' overnight retreat featuring logic games, a food workshop, an ice bath challenge, an evening party, a bicycle tour and more.



Annual picnic held by our Sarin India team.



Celebrating Diwali with our Sarin India team.

Targets and Performance

Employee Engagement and Talent Management	
Target for 2025	Performance
Reduce attrition.	Achieved. Turnover rate for the Group in 2025 is 20%, which is a reduction from 28% recorded in 2024.
Maintain fair labour practices.	Ongoing.
Strive to promote diversity in recruitment.	Ongoing.
Implementation of key employee development programme.	Ongoing.
Maintain a diverse, equitable and safe working environment.	Ongoing.
Cultivate a culture of self-development.	Ongoing.
Targets for 2026 onwards	
• Reduce attrition. • Maintain fair labour practices. • Strive to promote diversity in recruitment. • Maintain a diverse, equitable and safe working environment. • Organise and increase number of internal training sessions. • Cultivate a culture of self- development. • Adapt the workforce to the evolving AI-driven work environment.	

Health and Safety

We prioritise our employee's health and safety by creating safe and protective work environment for our employees. Preventing workplace injuries and illnesses is essential for both employee well-being and operational efficiency. Our existing health and safety measures comply with all applicable local laws and regulations.

In 2025, we conducted safety at workplace training for employees in Israel. The training was held virtually with 60 employees in attendance, and covered essential workplace safety topics. As part of Sarin India's onboarding process, production employees are required to sign and adhere to Sarin India's General Safety Guidelines.

Over the last three financial years, we have maintained a zero-incident record of no fatalities, no high-consequence and no recordable work-related ill health cases. As part of the Group's ongoing commitment to employee safety, we periodically review our health and safety practices to ensure they remain effective and relevant.

Health and Safety ^(a)	2023	2024	2025
Fatalities ^(b)	0	0	0
High-consequence injuries ^(c)	0	0	0
Recordable injuries ^(d)	0	0	0
Recordable work-related ill health cases ^(e)	0	0	0

Notes:

- (a) Number of work-related fatalities.
- (b) Number of major and minor accidents that cause employees to be on medical leave for more than four days (excluding fatalities during the reporting year).
- (c) Number of recordable work-related injuries include number of both major and minor accidents. Minor accidents are recorded for those accidents that cause employees to be on medical leave for 4 days and below without any injuries.
- (d) Number of recordable work-related illnesses or health conditions arising from exposure to hazards at work during reporting period.

ESG REPORT

Targets and Performance

Health and Safety	
Target for 2025	Performance
Maintain goal of zero cases of fatality and safety incidents with bodily harm.	We continued to uphold our safety standards and recorded no fatalities or work-related injuries in 2025.
Targets for 2026 onwards	
• Maintain goal of zero cases of fatality and safety incidents with bodily harm with a focus in our facilities in Israel and India.	

Community Investment

The Group is committed to supporting the less privileged members of our community. We engage in ongoing community and social initiatives in the local communities where we operate, investing in programmes that promote education, technology, accessibility and social development.

Fostering a positive relationship between businesses and communities involves more than just charitable giving. It is also about building partnerships that contribute to economic prosperity, social well-being and environmental sustainability, to create a positive impact for all involved.

Our CSR activities are largely carried out by our Sarin India team. Sarin India has established a Corporate Social Responsibility Committee ("CSR Committee") comprised of seven members. The CSR Committee focuses on various initiatives primarily aimed at improving education for the less fortunate and providing assistance to vulnerable members of our communities.

Sarin India remains committed to supporting education by providing infrastructure, resources and personnel support, with a particular focus on vulnerable communities. In 2025, the company continued its efforts to enhance educational opportunities for children attending government schools in rural and undeveloped areas.

In 2025 Sarin India also collaborated with a non-governmental organisation, the Gabriel Project, to extend Sarin India's scope of activities to additional initiatives to within the community.

At our headquarters in Israel, our employees also participated in CSR activities as part of the Group's ongoing commitment to make a positive impact on our society and our environment.

During the year, our teams in Israel supported various community and social initiatives through responsible procurement and employee engagement. These initiatives included purchasing products and holiday gift packages from small, community-based and social businesses that promote environmental responsibility and inclusive employment. Our employees also participated in a volunteering activity with Leket Israel, a national food bank that focuses on rescuing healthy, surplus food and delivering it to those in need. In addition, the Company supported a local social organisation by distributing Hanukkah gift packages to the community.



Employees volunteering at Leket Israel

Community Investment	2024	2025
Community Investments (US\$)	37,308	34,676

Targets and Performance

Community Investment	
Target for 2025	Performance
Contributing to the communities we operate in.	Ongoing.
Targets for 2025 onwards	
Contributing to the communities we operate in.	

Economic Performance

Sarine's financial performance supports the creation of long-term value and the Group's sustainability agenda. With our leading technology solutions in the diamond industry, we aim to ensure long-term resilience by leveraging on our products and solutions in the diamond market. We stay abreast with the market trends and the industry requirements to introduce innovative, reliable and efficient yield-increasing, cost-cutting, time-saving and risk reducing technologies.

In accordance with our strategy of recent years, the Group's business continues to pivot to deriving mostly recurring revenues from its proprietary services, including the Gal3D inclusion mapping software (which processes the Galaxy® platforms' output) the MVP rough diamond planning cloud-based solution, LGD rough planning solutions, GCAL's diamond and jewellery grading reports and other pay-per-use services such as light performance and traceability reports. These service-based revenues now constitute most of the Group's revenues.

In 2025, the Group made good progress in executing its strategic initiatives of expanding into new services with its Most Valuable Plan (MVP) revolutionary cloud-based rough diamond optimisation offering and the GCAL by Sarine polished diamond grading lab in India. Although the customer base for these new services is expanding, the FY2025-generated revenues were insufficient to compensate for the revenue decline in the traditional businesses.

Further details on the Group's products and innovation processes are found in the "Management's Business, Operation & Financial Review" section of the 2025 Annual Report.

Economic Performance		2023	2024	2025
		US\$ (thousand)	US\$ (thousand)	US\$ (thousand)
Economic value generated (i.e. revenue and other income) ^(a)		42,944	39,201	29,586
Economic value distributed ^(b)	Operating Expense	(29,215)	(23,027)	(18,905)
	Income Tax expense	(1,534)	(375)	(1,635)
	Dividends paid	(4,362)	(2,571)	0
	Total	(35,111)	(25,973)	(20,540)
Economic value retained ^(c)		7,833	13,228	9,046

Notes:

- (a) Revenue and other income. Financial results are derived from the audited financial statement and our Management's Business, Operation & Financial Review.
- (b) Operating expenses [including R&D, sales and marketing and general and administrative expenses (such as wages and benefits and other direct and indirect costs)], income tax expense and dividend paid.
- (c) Direct economic value generated less economic value distributed.

As previously reported, the Group complies with all relevant taxation rules and regulations in the various jurisdictions in which it operates.

Further details of the Group's overall financial performance are available in the "Management's Business, Operation & Financial Review" and the financial statements in the 2025 Annual Report.

ESG REPORT

Targets and Performance

Economic Performance	
Target for 2025	Performance
Expand our certification services and our MVP services	Ongoing.
Return to profitability	Ongoing.
Targets for 2026 onwards	
• Further expand evaluation and documentation services for jewellery with both natural diamonds and LGD, by establishing a dedicated facility in India. • To further adapt MVP's capabilities to larger sized stones, where the value-proposition is significantly higher.	

Product Quality and Customer Safety

The Group's long-term approach to business will be ensured by creating value for our shareholders and the industry as a whole. We are guided by the Creating Shared Value (CSV) approach on how we do business by creating new shared value for our customers. It enables us to create customer satisfaction and to remain a leading innovative and sustainable force in our industry. The Group's innovative solutions provide customers with the safety and peace of mind that comes with highly reliable products.

We prioritise product safety, adhering to high standards throughout the lifecycle of our products, from R&D to production to customer installation. This includes clearly marking potential hazards and providing comprehensive training and guidance on safe operations. We are committed to ensuring our products are safe for people and the environment when used responsibly and in the manner intended.

Our machines sold since 2020 include safety protocols (consistent with the Group's technical guidelines and instructions) and online support. Our products are WEE compliant, a European Union directive that applies to recycling products and components and provides that no electrical or electronic products may be discarded into the city's normal waste disposal system. The Group provides guidance to our customers to properly and safely dispose our products. We continued to provide remote and on-site technical support to our customers throughout 2025.

We continue to enhance our product safety through cutting edge technology and comprehensive training for our employees and customers. Our machines feature built-in safety mechanisms and our trained engineers adhere to all laser safety requirements. There was no occurrence of any safety incidents from usage of our products in 2025.

We conduct safety risk surveys where needed and equip relevant employees with advanced protective equipment.

As part of the Group's commitment to deliver high quality and continuous service improvements, GCAL, our majority owned subsidiary, is an internationally recognised gem lab known for its precision and reliability in diamond grading. GCAL holds the ISO 17025 Forensic Laboratory Accreditation, the only gem lab globally to achieve this certification. This accreditation ensures that GCAL's grading processes adhere to the highest international standards, with independent annual audits reinforcing and maintaining our dedication to accuracy and consistency. In 2025, the Group completed the transfer of grading capabilities to the grading lab in Surat, India. This transition has enabled us to offer grading services at close proximity to production sites as well as to the retailers. This streamlined approach supports more efficient production practices across the diamond grading value chain while maintaining GCAL's differentiated grading standards.

In 2025, no incidents of non-compliance with regulations were reported that would have resulted in any fine or penalty or any warning concerning the health and safety impacts of our products.

Targets and Performance

Product Quality and Customer Safety	
Target for 2025	Performance
Maintain the goal of zero safety incidents with bodily harm.	No recorded safety incidents resulting from product use.
Targets for 2026 onwards	
• Maintain the goal of zero safety incidents with bodily harm.	

Supply Chain Management

As a responsible and innovative leader in the diamond industry, the Group remains committed to upholding responsible business practices across our operations and throughout our supply chain.

We engage with our suppliers and business partners with fairness and dignity guided by the principles set out in our Business Conduct Policy.

To monitor and strengthen supplier performance, we conduct an annual review of our key suppliers to gather feedback on their overall performance. These evaluations support the Group's continuous improvement and help us maintain productive relationships with our key suppliers. As part of this process, we issue a "Know Your Supplier" questionnaire which enables us to understand each supplier's activities and ensure compliance with all relevant regulatory requirements. This also helps us verify that all products supplied meet our quality standards.

Following the transition of manufacturing operations to India, Sarin India refined its procurement processes and practices to further enhance supplier management and support the continued resilience of the supply chain.

In 2025, there was a significant reduction in total supplier spend in Israel in 2025 as compared to 2024, primarily driven by the transition of manufacturing activities from Israel to India.

Supply Chain Management	2023	2024	2025
Number of suppliers	593	528	532
Israel	210	114	121
India	273	253	248
USA	110	161	163
Total Spend on Suppliers (US\$)	9,774,041	5,890,469	4,394,700

Targets and Performance

Supply Chain Management	
Target for 2025	Performance
Monitor supplier's services and quality.	In 2025, our business continued to shift from product sales to service-based offerings and lower market demand for rough diamond equipment further reduced machine sales. With sufficient inventory on hand, our procurement needs reduced. As a result, supplier engagement and monitoring were not a material focus area during the year.
Develop a sustainable and ethical supply chain.	As above.
Targets for 2026 onwards	
• Monitor the service performance and quality of new suppliers in India. • Develop processes to monitor and ensure a sustainable and ethical supply chain.	

GOVERNANCE

The Group remains committed to upholding strong corporate governance practices. This commitment includes the oversight of key aspects such as strategic direction, fiscal accountability, ethical corporate behaviour, sustainability and fairness to shareholders. By upholding strict ethical standards in the Group's business practices, including cybersecurity and data privacy and managing our proprietary rights and strategies, we are able to manage our sustainability priorities more effectively.

The Board provides strategic oversight to ensure that the Group's values, policies and practices promote an ethical corporate culture, transparency and accountability to stakeholders. In early 2025, the Group introduced its Group Sustainability Policy and Human Rights Workplace Policy, strengthening internal controls and supporting our ongoing ESG commitments. Both policies are available on Sarine's website.

As a company listed on the Mainboard of the SGX and on the TASE, and with operations across multiple global locations, we adhere to all applicable laws and regulations in the jurisdictions where we operate. Our corporate culture is rooted in our core values relating to innovation and creativity, customer orientation, honesty and fairness, commitment, integrity and teamwork. These values, together with the Group's strong compliance framework, form the foundation for responsible growth and long-term value creation for our stakeholders.

During the reporting year, there were no reports of significant instances of non-compliance with applicable laws and regulations. Consequently, the Group did not incur any fines or sanctions.

ESG REPORT

Ethical Business Practices

The diamond industry faces a heightened risk of corruption and bribery due to nature of diamonds themselves. Their high value, small size, durability, ability to go undetected and ability to be traded outside the legal channels, increase the exposure to such vulnerability. To truly assess the traceability of diamonds, it is important to examine the entire supply chain, not just the source. The Sarine Diamond Journey™ provides concrete verifiable documentation of the rough stone's provenance and its journey from rough stone to polished jewel. This unique solution enhances transparency in the industry and for the consumers.

Details of our products and innovations are described in the "Management's Business, Operation & Financial Review" section of the 2025 Annual Report.

The Group has in place effective controls which have been approved by our Board, to prevent corruption and to manage ethical business practices within the Group, through the following policies and commitments:

Business Conduct Policy

As a responsible international employer and global citizen, the Group upholds the highest standards of integrity, honesty and fairness in all business dealings. The Business Conduct Policy outlines the ethical principles expected of all employees globally.

All employees are expected to comply with the Business Conduct Policy in all business dealings with any individuals, organisations and governmental agencies. This includes among others, compliance with all laws and regulations, avoidance of any conflict of interests, prevention of any criminal activity including misuse of the Group's assets.

Approving and Processing Payment Procedure

The Group maintains strict controls over financial transactions.

- All payments must be traceable; and
- Cash payments are strictly prohibited to ensure transparency and accountability.

Whistleblower Policy

Employees are encouraged to report on any fraudulent, wrong or improper conduct encountered in dealings with management or any personnel within the Group. Reports can be made through the secure whistleblower mechanism.

In 2025, no complaints were received through the whistleblower channel regarding any suspected fraud, wrongdoing or improper conduct of the management or personnel of the Group.

Further details of the Whistleblower Policy are available in the Corporate Governance Report within the 2025 Annual Report.

The Business Conduct Policy and the Whistleblower Policy are both published on Sarine's website at <https://sarine.com/>.

In 2025, no claims or allegations of corrupt practices or actions, including bribery, were brought against any member of the Group or its employees. No fines or monetary sanctions were imposed on the Group in 2025 on any non-compliance of anti-corruption laws and regulations.

The table below provides an overview of the Group's performance in managing its ethical business practices.

Ethical Business Practices	2023	2024	2025
Number of confirmed incidents of corruption reported	0	0	0
Number of whistleblowing reports	0	0	0
Number of significant instances of non-compliance with laws and regulations for which fines or non-monetary sanctions are imposed	0	0	0

Targets and Performance

Ethical Business Practices	
Target for 2025	Performance
Zero incidents of bribery or corruption.	No reported incidents of bribery or corruption in 2025.
Targets for 2026 onwards	
• Zero incidents of bribery or corruption.	

Data Privacy and Cyber Security

In an increasingly digital world, safeguarding our data and systems against cyber threat is paramount. The Group views cybersecurity as an integral part of our corporate governance strategy as data and systems become more susceptible to such risks.

As a leading technology company, we continuously verify that our proprietary information is secure against cyber threats, unauthorised access and breaches. We have invested extensively in cyber security technologies and creating our own proprietary in-house protection and practices. This means, we have in place a higher level of defence than that provided by using off-the shelf commercially available protection, which is targeted, mainly by professional hackers.

Sarine's Cybersecurity Committee meets once every quarter to review the progress of implementing the annual work plan, to review new security threats that the Group may face and to determine vulnerability prioritisation.

During 2025, we continued to enhance the security of our products with the assistance of a third-party expert who also oversees the cyber security field in the Group.

The Group has in place a Group Privacy Policy, published on the Company's website. The Group Privacy Policy outlines how the Group collates, stores, uses and discloses data of those we provide services to or data of users of the website. By clearly outlining the data practices, the Group is dedicated to strengthen its data privacy measures by providing its users with the highest level of transparency and control over the use of their data.

Data Privacy and Cyber Security	2023	2024	2025
Number of confirmed data breach incidents	0	0	0

Targets and Performance

Data Privacy and Cyber Security	
Target for 2025	Performance
Continue enhancement of cyber security systems in line with industry standards.	We continued to strengthen our cybersecurity measures through ongoing investments security tools, employee awareness campaigns and additional monitoring measures. We also completed a successful penetration test, which assessed our systems at a high security level.
Zero data breaches.	No incidents of data breaches recorded in 2025.
Targets for 2026 onwards	
- Zero data breaches. - Continue enhancement of cyber security systems in line with industry standards.	

Intellectual Property

The products we develop are proprietary in nature. Our ability to remain competitive in the market is also dependent on our ability to protect our IP. To facilitate protection of our IP, we have registered and maintain patents, copyrights and trademarks in key countries where we operate.

The Group has dedicated significant resources to maintain leadership and protect its proprietary assets through patents, copyrights, trademarks. Over the years, we have pursued litigation in India against competitors alleged to have infringed or fraudulently used our Galaxy® inclusion mapping technology and Advisor® planning software. In 2024 and in 2025, we amicably resolved most of these cases, along with various pre- and post-grant patent oppositions.

Further details on our IP rights are discussed in the "Management's Business, Operation & Financial Review" section of the 2025 of the Annual Report."

Targets and Performance

Intellectual Property	
Target for 2025	Performance
Ensure appropriate protection and management of IP rights to support the Group's strategic objectives.	Achieved.
Targets for 2026 onwards	
Ensure appropriate protection and management of IP rights to support the Group's strategic objectives.	

GRI CONTENT INDEX

Disclosure	Page/Answer
Statement of Use	Sarine has reported with reference to the GRI Standards for the period 1 January 2025 to 31 December 2025.
GRI used	GRI 1 : Foundation 2021
Applicable GRI sector standards	Not currently available

Disclosure No.	Disclosure	Page / Answer
GRI 2 : General Disclosures		
The organization and its reporting practices		
2-1	Organizational details	2, 25
2-2	Entities included in the organization's sustainability reporting	2, 25
2-3	Reporting period, frequency and contact point	25
2-4	Restatements of information	41-42
2-5	External assurance	No external assurance was obtained in 2025.
Activities and Workers		
2-6	Activities, value chain and other business relationships	25, 49
2-7	Employees	37-45
2-8	Workers who are not employees	None.
Governance		
2-9	Governance structure and composition	26-27
2-10	Nomination and selection of the highest governance body	26-27
2-11	Chair of the highest governance body	6
2-12	Role of the highest governance body in overseeing the management of impacts	26
2-13	Delegation of responsibility for managing impacts	26
2-14	Role of the highest governance body in sustainability reporting	26
2-15	Conflicts of interest	50
2-16	Communication of critical concerns	50
2-17	Collective knowledge of the highest governance body	26
2-18	Evaluation of the performance of the highest governance body	Corporate Governance Report
2-19	Remuneration policies	Corporate Governance Report
2-20	Process to determine remuneration	Corporate Governance Report
2-21	Annual total compensation ratio	Corporate Governance Report
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	24
2-23	Policy commitments	32, 37, 39-41, 43, 49-51
2-24	Embedding policy commitments	32, 37, 39-41, 43, 49-51
2-25	Processes to remediate negative impacts	40
2-26	Mechanisms for seeking advice and raising concerns	40, 42, 49-50
2-27	Compliance with laws and regulations	32, 34, 37, 48-51
2-28	Membership associations	31
Stakeholder Engagement		
2-29	Approach to stakeholder engagement	30-31
2-30	Collective bargaining agreements	38
GRI 3 : Material Topics 2021		
3-1	Process to determine material topics	28
3-2	List of material topics	28
3-3	Management of material topics	28

GRI material topic:	Disclosure no.	Disclosure	Page / Answer
GRI 201 : Economic Performance 2016	3-3	Management of material topics	47
	201-1	Direct economic value generated and distributed	47
	201-2	Financial implications and other risks and opportunities due to climate change	36-37
GRI 202 : Market Presence 2016	3-3	Management of material topics	38
	202-2	Proportion of senior management hired from the local community	38
GRI 302 : Energy 2016	3-3	Management of material topics	32-33
	302-1	Energy consumption within the organization	33
	302-3	Energy Intensity	33
GRI 305 : Emissions 2016	3-3	Management of material topics	35-36
	305-1	Direct (Scope 1) GHG emissions	35
	305-2	Energy indirect (Scope 2) GHG emissions	35
	305-4	GHG emissions intensity	35
GRI 306 : Waste 2020	3-3	Management of material topics	34-35
	306-1	Waste generation and significant waste-related impacts	34-35
	306-2	Management of significant waste-related impacts	34
	306-3	Waste generated	34
GRI 401 : Employment 2016	3-3	Management of material topics	37-43
	401-1	New employee hires and employee turnover	42
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	39
	401-3	Parental leave	39
GRI 403 : Occupational Health and Safety 2018	3-3	Management of material topics	45-46
	403-1	Occupational health and safety management system	None.
	403-4	Worker participation, consultation, and communication on occupational health and safety	45
	403-5	Worker training on occupational health and safety	45
	403-9	Work-related injuries	45
	403-10	Work-related ill health	45
GRI 404 : Training and Education 2016	3-3	Management of material topics	39
	404-1	Average hours of training per year per employee	39
	404-2	Programs for upgrading employee skills and transition assistance programs	39
GRI 405 : Diversity and Equal Opportunity 2016	3-3	Management of material topics	40-41
	405-1	Diversity of governance bodies and employees	40-41
GRI 413 : Local Communities 2016	3-3	Management of material topics	46-47
	413-1	Operations with local community engagement, impact assessments, and development programmes	46
GRI 416 : Customer Health and Safety 2016	3-3	Management of material topics	48
	416-1	Assessment of the health and safety impacts of product and service categories	48
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	48
GRI 418 : Customer Privacy 2016	3-3	Management of material topics	51
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	51

GROUP STRUCTURE

The following chart accurately depicts the Group's structure at the time of this report.



1. Galatea Ltd.

The developer of proprietary technology for the automated detecting and mapping of internal inclusions and tension in rough diamonds (the Galaxy®, Galaxy® Ultra, Galaxy® XL, Solaris™, Meteor™, Meteorite™ and Meteorite™ Plus products).

2. Sarin Technologies India Private Limited

The provision of pre- and post-sales and technical support for our Group's products in India and Sri Lanka and such other territories as may be agreed by our Company and Sarin India from time to time. The operation of the service centres in India providing customers with inclusion and tension detection and mapping and laser sawing/cutting services for rough diamonds, and the grading of the 4Cs and light performance, along with various methods of visualisation, of polished diamonds.

3. Sarine Color Technologies Ltd.

The development, manufacture and marketing of instruments for assessing and grading the light performance, Clarity and Color (based on artificial intelligence algorithms) and for various methods of visualisation of polished diamonds.

4. Sarine Holdings USA Ltd.

An Israeli holding company for the Group's North American subsidiaries.

5. Sarine Polishing Technologies Ltd.

The operation of a service centre in Israel providing customers with inclusion and tension detection and mapping for rough diamonds, and various methods of visualization of polished diamonds.

6. Sarin Hong Kong Ltd.

The provision of pre- and post-sales and technical support for our Group's products in the Asia Pacific region, including Australia, China, Hong Kong, Indonesia, Japan, Korea, Malaysia, Singapore, Taiwan and Thailand.

7. Kitov.ai

Engages in the development, integration and sale of advanced AI-based quality inspection and verification systems for use inline in production facilities across a broad range of industries.

8. Sarine North America Inc

The Group's operating company for Sarine's North American operations.

9. Sarine IGT 10H Inc, Sarine IGT 10I Inc and Sarine IGT 10JKL Inc

Real estate holding companies for the three office units in the International Gem Tower.

10. GCAL USA LLC

A New York based gemological laboratory, the Gem Certification and Assurance Lab, GCAL, in which we acquired a majority stake in 2023.

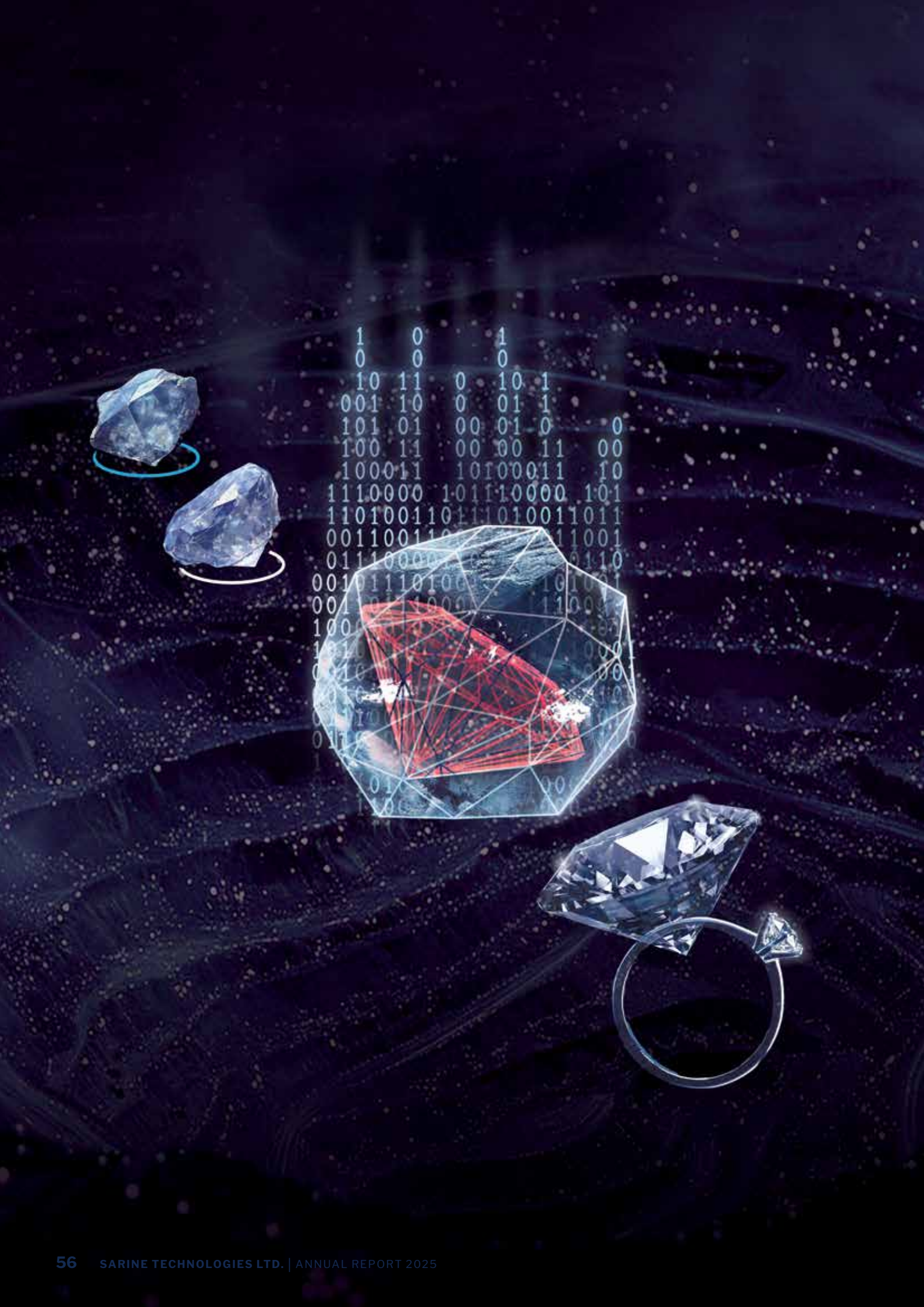
0.16 NY 114

62.6%

0.0%

5.42 H:4.15

5.76 H:4.90



FINANCIAL CONTENTS

58	CORPORATE GOVERNANCE REPORT
69	DIRECTORS' REPORT
71	STATEMENT BY DIRECTORS
72	AUDITORS' REPORT
76	CONSOLIDATED AND COMPANY STATEMENTS OF FINANCIAL POSITION
77	CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
78	CONSOLIDATED AND COMPANY STATEMENTS OF CHANGES IN EQUITY
79	CONSOLIDATED STATEMENTS OF CASH FLOWS
80	NOTES TO THE FINANCIAL STATEMENTS
111	SHAREHOLDING STATISTICS
113	NOTICE OF ANNUAL GENERAL MEETING
123	PROXY FORM

CORPORATE GOVERNANCE REPORT

Sarine's shares were listed for trade on the SGX-ST on the 8th of April 2005 and on the Tel-Aviv Stock Exchange on the 5th July 2021.

The Company's corporate governance practices are described with specific reference to the Code. The Company has exercised its best efforts to adhere to the principles and guidelines of the Code. In the few cases where the Company did not do so, the Company has explicitly specified the respective background, circumstances and reasons.

BOARD OF DIRECTORS

Principle 1: Board's Conduct of its Affairs

The Board of Directors of the Company (the **"Board"**) is entrusted with the responsibility for the overall management of our Company. The Board's primary roles are: to (i) provide entrepreneurial leadership and set strategic objectives, which should include appropriate focus on value creation, innovation and sustainability; (ii) ensure that the necessary resources are in place for the Company to meet its strategic objectives; (iii) establish and maintain a sound risk management framework to effectively monitor and manage risks, and to achieve an appropriate balance between risks and Company performance; (iv) constructively challenge the management of the Company (the **"Management"**) and review its performance; (v) instill an ethical corporate culture and ensure that the Company's values, standards, policies and practices are consistent with the culture; and (vi) ensure transparency and accountability to key stakeholder groups.

All directors are well aware of their professional and fiduciary duties and responsibilities as officers of the Company (including their duties of care and duties of trust). In particular, and in accordance with applicable law, directors who may be deemed as having a personal interest in any matter related to the Company disclose such (actual or deemed) conflict of interest and recuse themselves from discussions and decisions involving such matters.

The Board is authorised to delegate some of its authorities to permanent or ad-hoc Board committees. The Board has thus established the Audit Committee, the Remuneration Committee, the Nominating Committee, the Executive Committee and the ESG Committee. The tasks, powers and authorities of each of these committees have been set forth in each committee's charter. The terms of reference play an important role in ensuring good corporate governance in the Company and within the Group and will be reviewed by the respective Board committees on a regular basis to enhance the effectiveness of these Board committees. The Board has also authorised its senior officers to issue shares upon the exercise of options under the Company's share option plans. Notwithstanding any delegation of powers as aforesaid, the Board remains responsible, at all times, for any acts or omissions of any of the Board committees.

In line with applicable law, the Board is entrusted with all matters related to the Company's share capital, assumes the responsibility for the approval of the Company's financial statements and sets the Company's goals and policies. The Board also appoints the CEO and oversees the performance of his or her duties.

Within this framework, the Board discusses and resolves any matters, which require the Board's approval under any applicable law (including, without limitation, interested persons' transactions) and/or any activities conducted pursuant to the guidelines set by the Board. In general, any material issue concerning Sarine (e.g. strategic planning, material research and development milestones, risk assessment and risk management, material market and/or business development issues, potential material transactions, substantial capital investments, etc.) is brought to the attention of the Board.

The Nominating Committee and the Board also consider multiple board representations of members of the Board, so to ascertain that Board members have sufficient time and attention necessary for the exercise of their duties as directors (the Nominating Committee and the Board have considered the directorship positions of Mr. Lim, Ms. Shine, Mr. Sin and Ms. Zruya-Hashai and are of the opinion that such do not interfere with their service as independent directors of the Company).

Please see below further discussion of the powers, authorities and activities of the Nominating Committee, the Remuneration Committee, and the Audit Committee also in Sections 4, 6 and 10 below.

The Board meets regularly and in any event no less frequently than five times every calendar year. The Company's Articles of Association (the **"Articles"**) and the Israeli Companies law allow the convening of meetings of the Board using conference calls or any other device allowing each director participating in such meeting to hear all the other directors participating in such meeting. Board materials and Committees' materials are disseminated to the members of the Board and to the members of the respective Board Committees in a timely manner, prior to each meeting.

The attendance (in person or remotely) of the directors in the Board meetings held in 2025 was as follows:

Name of Director	Board of Directors – 2025	
	No. of Meetings Held	Attendance
Mr. Daniel Benjamin Glinert	5	5
Mr. Avraham Eshed	5	5
Mr. Uzi Levami	5	5
Mr. Lim Yong	5	5
Ms. Varda Shine	5	5
Mr. Sin Boon Ann	5	5
Ms. Neta Zruya-Hashai	5	5

CORPORATE GOVERNANCE REPORT

In addition one written resolution was passed by the Board in 2025.

The attendance (in person or remotely) of the directors in the Board committees' meetings held in 2025 was as follows (in addition, one written resolution was passed by the Audit Committee):

	Audit Committee – 2025	
Name of Director	No. of Meetings Held	Attendance
Ms. Neta Zruya-Hashai	4	4
Ms. Varda Shine	4	4
Mr. Sin Boon Ann	4	4
Mr. Lim Yong Sheng	4	4

	Remuneration Committee – 2025	
Name of Director	No. of Meetings Held	Attendance
Ms. Varda Shine	4	4
Mr. Uzi Levami	4	4
Mr. Sin Boon Ann	4	3
Ms. Neta Zruya-Hashai	4	4
Mr. Lim Yong Sheng	4	4

	Nominating Committee – 2025	
Name of Director	No. of Meetings Held	Attendance
Mr. Sin Boon Ann	1	1
Mr. Daniel Benjamin Glinert	1	1
Mr. Lim Yong Sheng	1	1
Ms. Varda Shine	1	1
Ms. Neta Zruya-Hashai	1	1

As a rule, the Board has delegated to Management the authority to approve transactions within certain thresholds, as set forth in the Board's respective written resolutions. Notwithstanding the above: (a) all strategic matters are brought before the Board; and (b) the Board committees and Management remain accountable to and report back to the Board. Minutes of meetings of all Board Committees in FY2025 are available to the Board, and the Chair of each Board Committee provided updates at Board meetings in FY2025 on matters discussed in Board Committee meetings.

The Management of the Company provides the Board with interim and periodical (quarterly/annual) financial reports (in line with the SGX RegCo's announcement of 9 January 2020, the Company publishes semi-annual and annual financial statements, but the Board discusses the Company's performance at least on a quarterly basis), budget control reports and additional financial and operational information. The Board has separate and independent access to senior Management of the Company. Requests for information from the Board are dealt with promptly. The Board is informed on all material events and transactions as and when they occur. Professional advisors (e.g. with regard to securities-related matters, compliance, insurance, cyber-security, audit, etc.) may be appointed to advise the Board, or (in special circumstances – as provided by Israeli law) any of its members, if the Board or any individual member thereof seeks independent professional advice (under Israeli law, the retention of an independent counsel by a director is subject to the Board or the court's approval, as applicable; when considering a director's request in this regard, the court will consider the adequacy of the advice rendered by the Board's counsel(s) and the fees charged by an independent counsel, in view of the matter in question and the Company's financial situation).

The Board is involved in the appointment and removal of the Company secretary. The Company secretary (who also serves as an external legal counsel to the Company) attends all Board and Board committees' meetings and is responsible for ensuring that Board procedures are followed and for the recording of the minutes. Together with the Chairman and the Management, the Company secretary is responsible for compliance with the applicable laws, rules and regulations in this regard.

All Board members are instructed and advised, on an ongoing basis, with regard to their roles, responsibilities, powers and duties. Such direction includes dissemination of written materials, prepared by the Company and its counsels, periodical updates with regard to legal and corporate governance developments affecting the Board and the directors, personal communication with the Company's secretary and ongoing discussions at Board meetings.

At the Company's upcoming Annual General Meeting (the "**2026 AGM**"), Ms. Varda Shine, one of the four existing Independent Directors and Mr. Avraham Eshed, one of the Non-Executive Directors, shall retire from office, and the candidacy of three new Independent Directors will be put to vote. The Company shall assure that any new director appointed at the 2026 AGM who has no prior experience as a director of a listed company shall undergo training as required under Rule 210(5) of the SGX Listing Rules (Mainboard). Also - any new member of the Board is provided with the required guidance, taking into account his or her background, experience and expertise. Such guidance refers, among others, to: (i) the Group's structure and activities; (ii) the director's powers and duties; and (iii) accounting, legal and other industry-specifics aspects (as required).

CORPORATE GOVERNANCE REPORT

Principle 2: Board Composition and Guidance

The Nominating Committee of the Board, in its meeting of 5 January 2020, opined that the following general criteria should be applied to the Board of Directors composition:

- The Board should comprise 7 to 9 directors. The current structure (7 directors) is sufficient and effective. The Board may consider adding additional directors, on a case-by-case basis, giving proper weight to the potential contribution of the additional member/s vis-à-vis the effects on the effectiveness of the Board.
- The majority of the Board should be comprised of independent directors.
- The Board should be comprised of directors having appropriate expertise and experience in areas related to the operations of the Group. Specifically, if 7 directors, preferably three from the diamond industry, preferably from the various segments thereof (upstream production (mining), midstream polishing and wholesale trade, and downstream retail trade), preferably two with relevant technological background, at least one with accounting / financial review and reporting expertise and at least one with corporate governance expertise. If 9 directors, an additional one from the diamond industry and an additional one with relevant technological background.
- The Board should be gender diversified.

The Board has ratified the above guidelines in 2021, in 2023 and again in 2026 and incorporated them into the Board's diversity policy, and based on such the Board is of the opinion that its structure and composition, as proposed for election in the 2026 AGM, are in line with such policy and duly address the Company's needs and plans.

As of the date of this report, the Board comprises seven directors, the majority of who are independent and six directors out of the seven are Non-Executive Directors. Thus, the Board is able to exercise objective judgment, independently from Management and no individual or small group of individuals can dominate the decisions of the Board.

The Board has reviewed its current composition and is of the opinion that its current size is adequate. The Board may, from time to time, consider the appointment of an additional director, optimally with strong technological and/or business development record and/or with complementary expertise across the diamond industry. The Board will continue to review its size and composition, taking into account the optimal Board size on the one hand, and the benefits of diversity and complementary expertise on the Board on the other hand.

The Board committees reflect an appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender, nationality and age, so as to avoid groupthink and foster constructive debate. In accordance with the criteria noted above, Ms. Shine has vast experience in the upstream production segment of the diamond industry, having had an extensive career at DeBeers culminating in being CEO of its rough diamond selling arm, Mr. Eshed has over 50 years' experience in the midstream polishing segment, and Mr. Lim has extensive ongoing experience in the downstream retail segment, being the CEO of a chain of retail outlets throughout the APAC market. Mr. Glinert and Mr. Levami have together close to a century of experience in various high-tech endeavors in assorted fields. Ms. Zruya-Hashai has broad accounting and financial review knowledge, having been a partner in a big four accounting firm for many years, and Mr. Sin has many years of experience on corporate governance issues, having served in senior positions in the legal practice in Singapore, focused on capital markets, public listings, etc. Clearly, the Board draws from a broad spectrum of backgrounds, ages, genders, competencies and disciplines: from the diamond and gemstones industry (including "upstream", "midstream" and "downstream" segments of the industry) the high-tech industry, the business community, accounting, legal practice and management.

More information with regard to the directors' experience may be found in the Board of Directors section of this Annual Report.

Ms. Varda Shine was initially appointed by the 2020 Annual General Meeting as the Lead Independent Director and was reappointed at the 2023 Annual General Meeting.

Ms. Varda Shine will retire from office at the 2026 AGM, and the Board has submitted the candidacy of three new Independent Directors (Messrs. Lior Eshed and Ziv Gefen and Ms. Noga Perry) to the Annual General Meeting (in addition to the re-election of the other Independent Directors Ms. Neta Zruya, Mr. Lim Yong Sheng and Mr. Sin Boon Ann). As specified in the AGM Notice, each of these new candidates (as well as Ms. Neta Zruya and Mr. Sin Boon Ann) bring with him/her unique and vast knowledge and expertise. Ms. Neta Zruya is also proposed as the new Lead Independent Director, given her unique expertise and experience in general, and her experience as a director of the Company over the past six years.

The Nominating Committee and the Board have reviewed the independence of each of the Company's independent directors and of each of the above candidates and applied the Code's definition (as well as the definitions of Israeli law) of independent director qualifications in its review.

Following the 2026 AGM and the appointment of the new and returning directors, the Board shall appoint the new Board committees, taking into account the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate.

As noted below (under the discussion re Principle 4), according to the Articles, each director shall serve, unless the Annual General Meeting appointing him or her provides otherwise, until the third Annual General Meeting following the Annual General Meeting at which such director was appointed, or his or her earlier resignation or removal pursuant to the provisions of the Articles. The current directors were elected in 2023 and thus will step down from their position in the 2026 AGM.

The directors of the Company in office at the date of this report are:

Executive	Non-Executive	Independent
Mr. Daniel Benjamin Glinert (Chairman)	Mr. Avraham Eshed	Ms. Varda Shine (Lead)
	Mr. Uzi Levami	Mr. Lim Yong Sheng
		Mr. Sin Boon Ann
		Ms. Neta Zruya-Hashai

CORPORATE GOVERNANCE REPORT

There are no permanent alternate directors (in the past alternate directors have been appointed in very few cases and only for specific meetings; during 2025 no alternate director was appointed).

The Non-Executive Directors participate actively in developing strategy and in reviewing the performance of the Company.

The independent directors also meet without the presence of the Management of the Company, to the extent necessary or advisable.

Principle 3: Chairman and Chief Executive Officer

The Executive Chairman and the CEO of the Company are separate individuals. They are not related.

According to the resolution of the Board:

“The Company is of the view that a distinct separation of responsibilities between the Chairman and the CEO will indeed ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making.

As the most senior executive in the Company, the CEO bears executive responsibility for the Company's day-to-day business according to the policies set by the Board and subject to the Board's directives, and works with the Board on strategic planning, business development and generally charting the growth of the Company.

The CEO shall report to the Board on a periodic basis and shall seek the Board's advice and consent.

The Chairman bears responsibility for the proper functioning of the Board and the Board's committees (and of the Non-Executive Directors in particular), maintains on-going supervision over the Management of the Company and over the flow of information from the Company's Management to the Board, and assists in promoting high standards of corporate governance and ensuring compliance with the Company's guidelines of corporate governance.

The Chairman ensures that Board meetings are held when necessary and sets the Board meetings agenda in consultation with the CEO.

The Chairman ensures effective communication between the Board and the Company's shareholders.”

Ms. Varda Shine is the Lead Independent Director. As Lead Independent Director, she is the principal liaison on Board issues between the Independent Directors and the Chairman. She is available to shareholders where they have concerns in which contact through the normal channels of the Executive Chairman and Executive Directors has failed to resolve or is inappropriate.

The Board's Executive Committee (comprised of Messrs. Glinert and Levami and Ms. Shine) meets regularly with the CEO to discuss strategic matters. As noted above, the Executive Committee serves as an advisory committee only and as an interface between the CEO and the Board. All members of the Executive Committee have broad experience in the Group's spheres of endeavour along with extensive expertise in technological development and/or the diamond industry.

Principle 4: Board Membership

According to the Articles, each director shall serve, unless the Annual General Meeting appointing him or her provides otherwise, until the third Annual General Meeting following the Annual General Meeting at which such director was appointed, or his or her earlier resignation or removal pursuant to the provisions of the Articles. A director who has completed his or her term of service or has been removed as aforesaid shall be eligible for re-election.

The Nominating Committee comprises five directors, the majority of whom, including the Chairman, is independent. As at the date of this Report, the Nominating Committee members are:

Mr. Sin Boon Ann	(Chairman and Independent Director)
Mr. Daniel Benjamin Glinert	(Executive Chairman of the Board)
Mr. Lim Yong Sheng	(Independent Director)
Ms. Neta Zruya Hashai	(Independent Director)
Ms. Varda Shine	(Lead Independent Director)

Our Nominating Committee is responsible for:

- the review of succession plans for directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel;
- the process and criteria for evaluation of the performance of the Board, its board committees and directors;
- the review of training and professional development programmes for the Board and its directors; and
- the appointment and re-appointment of directors (including alternate directors, if any).

In performing its duties, the Nominating Committee considers the considerations set forth in Principles 1 & 2.

The Nominating Committee determined, based on information provided to it by all independent directors, that all directors designated as Independent Directors are indeed independent.

CORPORATE GOVERNANCE REPORT

The Nominating Committee has also evaluated the performance of the Board as a whole and the performance of each member of the Board in particular (based, among others, on questionnaires filled by each director) and determined that all directors have been adequately carrying out their duties as directors of the Company.

Based on the information provided to the Company by the members of the Board, the following directors hold the following directorship positions in publicly traded companies and/or other commitments:

Daniel Benjamin Glinert	Uzi Levami	Avraham Eshed	Neta Zruya-Hashai
Nil	Kitov.ai Ltd.; Ayin Lev Ami (2000) Ltd., a family-owned asset holding company; Yummi Food Ltd., an e-commerce platform	Eshed Diam Ltd.; Eshed Diam Inc.; Eshed Diam (HK) Ltd.; Eshed Designs Ltd.; Gemstar Ltd.; Bilbao Trade & Investments Ltd.; AV 1141 LLC; AV 1 Real Estate Ltd.; N.A. Collins 6515 LLC; and Newark AV 4 BLD LLC/ All the above are family-owned private businesses relating to Mr. Eshed's diamond and gem trading business and real estate and other investments.	A Board member of The Association for the Advancement of Education in Israel – "One of Ours".
Lim Yong Sheng	Varda Shine	Sin Boon Ann	
MoneyMax Financial Services Ltd.*	Ecora-Royalties PLC* (a non-diamond commodities investment firm); Ratio Petroleum Energy LP*; Teenage cancer Trust (charity).	Therme Group Singapore Pte. Ltd. The Trendlines Group Ltd.*; Healthway Medical Corporation Limited; TIH Limited*; OUE Limited*; Balkan Holdings Pte. Ltd.; W Capital Markets Pte. Ltd.; The Farrer Park Company Pte. Ltd.; At-Sunrice (Holdings) Pte. Ltd.; EsseDigital Pte. Ltd.; Tampines Central Community Foundation Limited.	

* Listed company

The Nominating Committee is of the view that all directors are able to and have adequately carried out their duties as directors of the Company, notwithstanding such other directorships and/or principal commitments. With reference to Mr. Sin Boon Ann, the Company noted that Mr. Sin retired from his former full-time positions as a Deputy Managing Director of the Corporate & Finance Department and the Co-head of the Capital Markets Practice in Drew & Napier LLC and as member of the Singapore Parliament. Hence, given Mr. Sin's professional record, after having considered all aspects of Mr. Sin's directorship, e.g., his experience and expertise, his other positions in other corporations, the fact that the Company may even benefit from Mr. Sin's directorship in other corporations, given Mr. Sin's exposure to additional schools of thought and management, and his ability to share such any general insights gained from such positions (without sharing any non-public information, of course) with the Company, the Nominating Committee and the Board are of the opinion that Mr. Sin is able to diligently discharge his duties as a member of the Board in general and as an independent director in particular.

Principle 5: Board Performance

Our Nominating Committee decides how the Board's performance is to be evaluated and proposes objective performance criteria, subject to the approval of the Board, which are used to assess the degree to which the Board enhances long-term shareholder value.

Principle 6: Procedures for Developing Remuneration Policies

The Remuneration Committee comprises five directors, the majority of whom is independent. As at the date of this report, the Remuneration Committee members are:

Ms. Varda Shine	(Chairperson and Lead Independent Director)
Mr. Uzi Levami	(Non-Executive Director)
Mr. Sin Boon Ann	(Independent Director)
Ms. Neta Zruya Hashai	(Independent Director)
Mr. Lim Yong Sheng	(Independent Director)

CORPORATE GOVERNANCE REPORT

Our Remuneration Committee recommends to our Board of Directors a framework of remuneration for our directors and key executives and recommends specific remuneration packages for each Executive Director and the CEO. All aspects of directors' and key executives' remuneration, including but not limited to directors' fees, salaries, allowances and bonuses, options and benefits in kind are dealt with by our Remuneration Committee. The Remuneration Committee and the Board rely, among other things, on periodical remuneration surveys conducted by independent Israeli remuneration experts (such as Zviran Compensation and Benefits Solutions), and on general insights with regard to the competitive environment in which the Company operates, and the current trends regarding employees' recruitment and retention. Each member of our Remuneration Committee abstains from voting on any resolutions in respect of his/her remuneration package.

The Company's overall remuneration policy and specific remuneration packages for the directors and key executives for the years 2024-2026 were presented to the General Meeting and approved by it at the Annual General Meeting held on 24 April 2024.

Principle 7: Level and Mix of Remuneration

The Company's remuneration policy is tailored to the specific role and circumstances of each of the directors and key management personnel, so as to ensure an appropriate remuneration level and mix that recognises the performance, involvement, potential and responsibilities of these individuals.

A certain portion of the officers' and the executive directors' remuneration is performance-related and takes account of the Company's medium-term and long-term Key Performance Indicators (KPIs).

The Company had in place an Employee Share Option Plan (which was approved by the Company's General Meeting, held on 20 April 2015- the **"2015 Plan"**.) that served to provide a longer-term incentive, better aligned with long-term performance of the Company and of the directors, officers and employees. Details of such plan may be found in the Company's Annual Report for the year ended on December 31, 2014. The 2015 Plan expired on 20 April 2025. The Company's proposal to adopt a new Employee Share Option Plan was rejected at the Company's Extraordinary General Meeting held on 24 April 2025. The Company views the grant of share options and other equity incentives as an important component of its overall remuneration, recruitment and retention strategy and hence the Company's shareholders will be requested to approve a share option and restricted share unit plan for employees and a separate share option and restricted share unit plan for the directors at the Extraordinary General Meeting scheduled for 29 April 2026 (the **"2026 EGM"**). Further details about the 2026 Plan may be found in the Company's Circular dated 6 April 2026, disseminated to the shareholders in connection with the 2026 EGM (the **"2026 Circular"**).

As set forth in the Company's Remuneration Policy, the Board has set guidelines concerning, among other things, eligibility to receive share options (based on performance and time of service with the Company), vesting periods (typically over one-to-four years from the date of grant) and the minimum and maximum amounts of share options to be granted (based on seniority and expertise). Executive Directors, senior officers and key employees are also granted performance-based options, to be vested over one-to-four years, based upon the achievement of business goals.

The Company's performance-based equity grants include contractual provisions allowing the reclaiming of incentive components of remuneration from executive directors and from officers in cases of misstatement of financial results.

The Company has also initiated a Total Shareholder Return (TSR) incentivisation program - intended to incentivise senior management to generate higher returns to the Company's shareholders.

The Executive Directors' remuneration package and the key Management personnel's remuneration framework are structured in a way that links rewards to corporate and individual performance. Cash bonuses and share options are linked, to a great extent, to the achievement of the Company's strategic goals.

The review of remuneration packages also takes into consideration the pay and employment conditions within the industry (in this context – the Israeli high-tech industry, which is highly competitive) and the long-term interests of the Group. The review covers all aspects of remuneration including salaries, fees, allowances, cash bonuses and share options.

The Remuneration Committee's recommendations are submitted for endorsement by the entire Board, and, where required under law, are also brought to the shareholders' approval.

Remuneration of independent directors is set according to the applicable laws and regulations and at a level commensurate with their prior experience and level of responsibility, after taking into account industry benchmarks.

The Company believes that the current remuneration of independent directors is at a level that will not compromise the independence of such directors.

It should be noted, that the two Non-Executive Directors are also shareholders of the Company (holding between 3.62% to 4.5% of the Company's shares each).

Further information about the Company's current remuneration policy may be found in the Company's 2023 Annual Report.

CORPORATE GOVERNANCE REPORT

Principle 8: Disclosure of Remuneration

The remuneration (including performance cash-based incentives and non-cash option compensation) paid and accrued by us and our subsidiaries to each of our directors, our CEO and our top five (in terms of amount of remuneration) employees (not being directors) for services rendered to us in all capacities during 2025, were as follows:

Directors and the CEO:

Name	Position	Remuneration (in S\$'000)	Breakdown between Fixed Income and Performance Based Incentives		
			Fixed Income	Cash Performance Based Incentives	Options (Non- Cash, Based on Fair Value)
Mr. Daniel Benjamin Glinert	Executive Director and Chairman	292	96%	--	4%
Ms. Varda Shine	Lead Independent Director	93	93%	--	7%
Mr. Avraham Eshed	Non- Executive Director	58	88%	--	12%
Mr. Uzi Levami	Non-Executive Director	129	94%	--	6%
Mr. Lim Yong Sheng	Non- Executive Director	56	89%	--	11%
Mr. Sin Boon Ann	Non- Executive Director	56	89%	--	11%
Ms. Neta Zruya Hashai	Non- Executive Director	102	94%	--	6%
Mr. David Block	CEO	608	84%	12%	4%

Top Five Key Management Personnel (Corporate Vice Presidents):

Name	Position	Remuneration (in Bands)	Breakdown between Fixed Income and Performance Based Incentives		
			Fixed Income	Cash Performance Based Incentives	Options (Non- Cash, Based on Fair Value)
Mr. Roni Ben Ari	Deputy CEO and Executive VP Product Management	2	88%	8%	4%
Mr. Youval Zohar	CFO	2	88%	9%	3%
Mr. Tzafrir Engelhard	VP New Business Development	2	88%	9%	3%
Mr. Abraham Kerner	CTO	2	93%	3%	4%
Mr. Efi Goren	VP Global Operations	2	91%	6%	3%

Notes:

Band 1: remuneration of up to S\$ 250,000 per annum.

Band 2: remuneration of between S\$ 250,001 to S\$ 500,000 per annum.

Band 3: remuneration of between S\$ 500,001 to S\$ 750,000 per annum.

The aggregate remuneration paid to the persons who held the top five key Management positions (and who are not directors or the CEO) for the year ended 31 December 2025 was S\$1,934,000 (including the aggregate fair value of non-cash option compensation).

Any future arrangements concerning the remuneration of our key executives shall be brought to the review of the Remuneration Committee and Board of Directors.

Incentive-based compensation which is linked to the Company's business results is based on audited financial results and may be corrected after the fact (and duly reimbursed by the beneficiary), if subsequent audits find errors which call for restatements of results.

CORPORATE GOVERNANCE REPORT

As noted above, the 2015 Plan expired on 20 April 2025. Between 1 January 2025 and 20 April 2025, no share options were granted under the 2015 Plan. Further details with regard to the options granted by the Company may be found in the "Directors Report" section of the Annual Report.

During 2025 the Company had no employees who are substantial shareholders of the Company, or are immediate family members of a director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeded S\$100,000 during the year.

None of the Company's agreements with its Executive Directors and/or key employees include any overly generous termination-related clauses. Except as required by law, the Company does not grant overly long termination notice periods and/or any other termination-related benefits.

None of the directors participate in decisions on their own remuneration.

Principle 9: Accountability and Audit, Risk Management and Internal Controls

The Board is accountable to the Company's shareholders. The Board provides the shareholders with periodical, and to the extent necessary and/or required – immediate, reports with regard to the business, financial and other aspects of the Company's activities.

The Board acknowledges that it is responsible for the governance of risks and the overall internal control framework but recognises that no cost-effective internal control system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable but not absolute assurance against the occurrence of material errors or poor judgement in decision making.

As the Company does not have a Risk Management Committee, the Board, Audit Committee and Management assume the responsibility of the risk management function. Management reviews regularly the Group's business and operational activities to identify areas of significant risks as well as appropriate measures to control and mitigate these risks. Management reviews all significant policies and procedures and highlights all significant matters to the Board and the Audit Committee.

The Company also invests substantial efforts in maintaining and securing sustainable growth and operations, while serving the interests of its Shareholders. The Company integrates sustainability considerations into its strategy and its operations by actively engaging with the local communities in which it operates, taking responsibility for the life cycle of the Company's products and putting its people at the heart of its priorities.

The Audit Committee and Management have mapped and analysed the Group's risks and have compiled a matrix of risks pertaining to the Group's business and performance, financial management, information technology (IT) cyber-security and regulatory compliance issues, delineating the severity of their potential negative impairment to the Group and their probability of being realised. Thus, a comprehensive weighted prioritised risk factor list has been derived. The Audit Committee has reviewed the Company's internal controls and their adequacy at addressing the aforementioned risks in general. The Audit Committee has engaged the services of the Internal Auditor for in-depth analyses of key issues on a routine basis.

Since 13 November 2018 the Company has commenced releasing annual Sustainability Reports (now known as ESG reports). The Company's most recent ESG Report was included in the Annual Report released on April 2, 2025.

The Board takes adequate steps to ensure compliance with legislative and regulatory requirements, including requirements under the listing rules of the securities exchange.

The Management provides the Board with management accounts regarding the Company's performance. Such accounts are provided on a periodical basis (and when needed - as warranted by the circumstances), to enable the Board to make a balanced and informed assessment of the Company's performance, position and prospects.

The Board, with the assistance of the Audit Committee, reviews, on an ongoing basis and at least annually, the adequacy and effectiveness of the Company's risk management and internal control systems.

The Audit Committee and Board are of the opinion, upon consultation with the Company's CEO, the Company's CFO, the Company's External Auditors and the Internal Auditor of the Company and after receiving assurance from the Company's CEO and the Company's CFO, that:

- (a) the Company's financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and
- (b) the internal control procedures and risk management of the Group are adequate (in this regard the Audit Committee and the Board have also received assurances from key management personnel and other service providers).

The Board has received assurance from: (a) the CEO and the CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances; and (b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the company's risk management and internal control systems.

CORPORATE GOVERNANCE REPORT

The Company has also adopted a Whistleblower Policy, according to which:

- Allegations of suspected fraudulent, wrong or improper conduct by the Company's personnel are to be reported to the Company's CEO and/or to the Chairperson of the Audit Committee and/or to the Lead Independent Director and/or the Chairperson of the Board, as applicable.
- Confidentiality of the whistleblower's identity, the nature of the report, and the suspected person's identity is to be strictly maintained by all parties investigating such complaints, unless: (i) the CEO, or the Chairperson of the Audit Committee and/or the Lead Independent Director and/or the Chairperson of the Board, or such other entity actually handling the investigation, is of the opinion that the identity of the whistleblower is material to the conduct of any investigation; or (ii) it is required by law, by the order or directive of a court of law or other regulatory authority that the identity of the whistleblower shall be revealed.
- No adverse personal action will be taken against a whistleblower (especially against an employee of the Company including management members), nor will retaliation against such person be tolerated, for the disclosure of information the whistleblower made in good faith.
- No director, manager, or any other employee with authority to make or materially influence significant personnel decisions shall take any adverse personnel action against an employee for disclosing in good faith alleged wrongful conduct or improprieties. Any employee found to have so violated this procedure shall be disciplined, up to and including termination of employment. For the avoidance of any doubt, an adverse personnel action shall include, inter alia, demotion, denial and/or suspension of promotion, organisation of and/or solicitation to participate in a boycott against the employee, prevention of any benefit and/or improvement in employment terms generally granted to the Company's employees, suspension, forced vacation and termination of employment.
- The terms of the Whistleblowers' Policy do not derogate in any way from the provisions of the Israeli Protection on Employees (uncovering of offences unethical conduct and improper administration) Law, 1997.
- The Audit Committee has the responsibility to oversee, document and investigate all Whistleblower allegations reported to the Committee or its Chairperson.
- At the conclusion of an investigation initiated based on a whistleblower's complaint, a written report shall be presented to the Audit Committee, or to the Board of Directors in the event that the suspected party(ies) is the CEO or a member of the Audit Committee.

Principles 10: Audit Committee

The Audit Committee comprises four directors, all of whom are independent. As at the date of this Report, the Audit Committee members are:

Ms. Neta Zruya-Hahsai	(Chairperson, Independent Director)
Mr. Lim Yong Sheng	(Independent Director)
Ms. Varda Shine	(Lead Independent Director)
Mr. Sin Boon Ann	(Independent Director)

The members of our Audit Committee possess vast and diverse accounting, financial, commercial and legal expertise and experience. The Chairperson of the Audit Committee, Ms. Neta Zruya-Hashai served as an Audit Partner at Price Waterhouse Coopers (PWC) Israel, commencing from 2000 through 2020, of which over 7 years as a partner, and audited firms from various sectors (biotech and life sciences, industrial, retail, finance and holding companies) in accordance with IFRS, US GAAP and US / Israel SOX standards (Price Waterhouse Coopers (PWC) Israel did not provide any audit services to the Company since its listing). She holds a BA in Accounting and Communications and an MBA in Finance Management, both from Tel Aviv University, and is a Certified Public Accountant (Israel). Mr. Lim Yong Sheng is the Group Chief Executive Officer of SK Jewellery Group Ltd., a leading Singaporean retail jewellery chain with over 70 branches across Singapore, China, Malaysia and Thailand (SK Jewellery Group Ltd. was listed on the SGX Main Board until 2020). Ms. Varda Shine has over 30 years of experience in the production and wholesale trade of rough diamonds, as well as in the retail trade of polished diamonds and has been an Independent Director of the Group since 2017 and Mr. Sin Boon Ann retired in 2018 from Drew & Napier LLC, after more than 25 years. Prior to his retirement in 2018, he was the Deputy Managing Director of the Corporate & Finance Department and the Co-head of the Capital Markets Practice in Drew & Napier LLC.

Further details with regard to expertise and experience of the members of our Audit Committee may be found in the "Board of Directors" section of the Annual Report.

Our Audit Committee assists our Board in discharging its responsibility to safeguard our assets, maintain adequate accounting records and develop and maintain effective systems of internal control, with the overall objective of ensuring that our Management creates and maintains an effective control environment in our Company, in consultation with the Internal Auditor. Under its terms of reference, our Audit Committee may seek any information it requires from any employee, and all employees are directed to co-operate with any requests made by our Audit Committee. Our Audit Committee also provides a channel of communications between our Board, our Management and our Internal and External Auditors on matters relating to audit.

The Audit Committee meets periodically and performs the following functions:

- (a) reviews the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance.
- (b) reviews at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems;
- (c) reviews the assurance from the CEO and the CFO on the financial records and financial statements;

CORPORATE GOVERNANCE REPORT

- (d) makes recommendations to the Board on: (i) the proposals to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors;
- (e) reviews the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function; and
- (f) reviews the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.

Based on the review of the External Auditors' credentials and their registration with and reporting to the Public Company Accounting Oversight Board (PCAOB), a member 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, the Board and the Audit Committee have confirmed the External Auditors' suitability and their ability to meet their audit obligations. The Board and the Audit Committee further satisfied themselves that the external audit firms possess the adequate resources, experience and expertise and that the audit engagement partners and the supervisory and professional staff assigned to the particular audit possess the necessary skills and experience required for such task.

Apart from the duties listed above, our Audit Committee communicates and reviews the findings of internal investigation into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has, or is likely to have, a material impact on our Company's operating units and/or financial position.

The Audit Committee has the authority to investigate any matters within its terms of reference and the discretion to invite any director to attend its meetings. The Management fully cooperates with the Audit Committee and provides it with resources to enable it to discharge its functions properly.

The Audit Committee meets with the Internal and External Auditors several times annually to review the adequacy of audit arrangements, with particular emphasis on the scope and quality of their audits, and the independence and objectivity of the Internal and External Auditors. Where necessary, the Audit Committee meets with the External and/or the Internal Auditors without the presence of Management.

The Company supports whistle blowing. Employees may raise concerns about possible improprieties in financial reporting or other matters. Upon receipt of a concern, independent investigation and appropriate follow up action will be taken. So far no matters were raised by whistle blowers.

Based on the recommendations of the Audit Committee, the Board of Directors appointed, in August 2009, Mr. Doron Cohen, CPA, CIA, of Fahn Kanne Control Management, Ltd., subsidiary of Fahn Kanne and Co., Certified Public Accountants (Isr.) (member firm of Grant Thornton International) – a reputable auditing firm, as the Internal Auditor of the Company. The Internal Auditor carries out his functions according to the standards set by internationally recognised professional bodies. The role of the Internal Auditor is to independently examine, among other things, whether our activities comply with the law and orderly business procedures. Our Internal Auditor submits his work plans to the prior approval of the Audit Committee and presents his findings to the Audit Committee and to the Board of Directors. The Internal Auditor reports to the Chairman of the Audit Committee and the Chief Executive Officer of the Company. According to Israeli law, the Board appoints and removes the Internal Auditor, based on the Audit Committee's recommendations. The Internal Auditor's compensation is set by the Audit Committee. The Company cooperates fully with the Internal Auditor in terms of allowing access to documents and information and the Internal Auditor has unfettered access to all the Company's documents, records, properties and personnel, including access to the Audit Committee.

The Audit Committee reviews annually the adequacy and effectiveness of the internal audit function and is of the opinion that the internal audit function is independent, effective and adequately resourced.

The Audit Committee and the Board are taking proactive measures to ensure that the Company has internal frameworks to provide for timely escalation of material information from management to the Board and Audit Committee and to enable the Company to fulfil its disclosure obligations. In forming its view on the adequacy and effectiveness.

In forming their views about the Company's internal controls, the Board and the audit Committee assess if the relevant functions responsible for implementing, operating and monitoring the issuer's internal controls and policies are competent and adequately resourced.

The External Auditors of the Group are Somekh Chaikin Certified Public Accountants (Isr.), member firm of KPMG International (partner in charge, Ehud Lev, effective as of 1 July 2023) and Chaikin, Cohen, Rubin and Company (partner in charge, Ilan Chaikin, appointed with effect 1 January 2022). The Group engages a suitable auditing firm, BSR & Co. LLP, member firm of the KPMG network of independent member firms affiliated with KPMG International, for the statutory audit of its significant foreign-incorporated subsidiary, namely Sarin Technologies India Private Limited.

The Audit Committee is updated periodically (and at least annually) on any changes in accounting standards by the External Auditor.

No former partner or director of the Company's auditing firm has acted as a member of the Company's Audit Committee.

The Company has complied with Rule 712 and Rules 715/716 of the Listing Manual.

The Company has paid to its External Auditors an aggregate amount of US\$ 366,000 for services rendered in 2025, out of which amount, US\$ 256,000 (approximately 70%) were paid as audit fees, US\$ 50,000 (approximately 14%) were paid for other audit related services, and US\$ 60,000 (approximately 16%) were paid as tax fees.

The Audit Committee confirms that it has undertaken a review of all non-audit services provided by the External Auditors and is satisfied that given the scope and nature of the non-audit related services, such services should not, in the Audit Committee's opinion, affect the independence of the External Auditors.

CORPORATE GOVERNANCE REPORT

Principles 11, 12 & 13: Shareholder Rights and Engagement; Shareholder Rights and Conduct of General Meetings; Engagement with Shareholders and Stakeholders

The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

All shareholders of the Company are provided with the Annual Report and notice of the convening of the Annual General Meeting. At the Annual General Meeting shareholders are given the opportunity to air their views and ask directors or Management questions regarding the Company. The Company's announcements and policies ensure that shareholders are informed of the rules, including voting procedures, that govern general meetings of shareholders and have the opportunity to participate effectively in and vote at general meetings of shareholders.

The Company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting.

The Company provides avenues for communication between the Board, the Chairman of the Board and the Lead Independent Director and all shareholders.

The Company has in place an Investor Relations policy which governs and promotes regular, effective and fair disclosure and communication with shareholders.

The Company's Investor Relations policy sets out, among other things, the mechanism through which shareholders may contact the Company with questions and through which the Company may respond to such questions.

The Company's results are published through the SGXNET and news releases. The Company does not practice selective disclosure. Price-sensitive information is first publicly released, before the Company meets with any group of analysts. Results and annual reports are announced or issued within the mandatory period.

The Company's Chairman and senior Management meet and discuss results, business conditions, prospects, etc., periodically with analysts and investors, and presentations made by the Company in such events are generally shared with the public at large.

The Company has a dedicated investor relations team, composed of an in-house team in Israel and of consultants and service providers in Singapore.

The Company's dividend policy is communicated to the shareholders in the Company's Annual Reports.

The Articles were amended in 2015, so as to allow a member of the Company to appoint more than two proxies to attend and vote instead of such member. Voting in absentia is also allowed. The Company currently proposes to further amend the Articles, so to further facilitate electronic and more environment-friendly communication between the Company and its shareholders. Further details may be found in the 2026 Circular.

Through its meetings with investors, analysts and shareholders, the Company gathers information, views and inputs and addresses shareholders' concerns.

The Company's website offers the Company's shareholders an abundance of information and means of communication with the Company.

The Company's Lead Independent Director is accessible to shareholders, whom may be contacted directly (and not through the Company).

The Board and the Management periodically map and identify the Group's material stakeholders, as part of the Group's overall responsibility. Such matters are also discussed in the Company's Annual Report and ESG Report.

Dealings In Securities

The Company has complied with the following best practices on dealings in securities: (a) The Company has adopted its own internal compliance code to provide guidance to its officers with regard to dealing by the Company and its officers in its securities; (b) According to such code an officer of the Company should not deal in the Company's securities on short-term considerations; and (c) According to such code the Company and its officers and employees do not deal in the Company's securities during the period commencing one month before the announcement of the Company's half year and full year financial statements.

DIRECTORS' REPORT

FOR THE YEAR END 31 DECEMBER 2025

Directors' Report

We are pleased to submit this annual report to the shareholders of the Company together with the audited statements for the financial year ended 31 December 2025.

The Directors in office at the date of this report are as follows:

Daniel Benjamin Glinert	Chairman of the Board and Executive Director
Avraham Eshed	Non-Executive Director
Uzi Levami	Non-Executive Director
Varda Shine	Lead Independent Director
Neta Zruya Hashai	Independent Director
Lim Yong Sheng	Independent Director
Sin Boon Ann	Independent Director

Directors' Interests

According to the share register kept by the Company for the purposes of Sections 127 and 128 of the Israeli Companies Law, 5759-1999 (the "Law"), and according to the information provided to the Company by our directors, particulars of interests of directors who held office at the end of the financial year 2025 (the "Year") in shares in the Company are as detailed below. Except as listed hereunder, none of our directors who held office at the end of the Year had any direct interest in the Company's shares – neither at the beginning of the Year, nor at the end of the Year, nor as at 21 January 2026.

Ordinary Shares of the Company of no par value each	As at 1 Jan. 2025	As at 31 Dec. 2025	As at 21 Jan. 2026
Daniel Benjamin Glinert ¹	12,734,156	12,734,156	12,734,156
Avraham Eshed ²	15,126,922	15,126,922	15,126,922
Uzi Levami ³	12,335,406	12,335,406	12,335,406
Varda Shine ⁴	350,000	350,000	350,000
Lim Yong Sheng ⁵	225,000	225,000	225,000

Note:

- Daniel Benjamin Glinert is deemed a shareholder of the Company by virtue of his and his wife's (Michal Haya Glinert) indirect ownership through Glinert Projects Initiation and Execution, Ltd. of 633,953 shares held on their behalf by Bank Hapoalim (Israel) through HSBC Singapore custodians, by virtue of his and his wife's indirect ownership through Glinert Projects Initiation and Execution, Ltd. of 10,423,953 shares held on their behalf by UOB Kay Hian Pte. Ltd., by virtue of his indirect ownership of 675,500 shares held on his behalf by Eyal Khayat, Option Plans trustee, through UOB Kay Hian Pte. Ltd., pursuant to the Plans, and by virtue of the indirect ownership of 1,000,750 shares held on his wife's behalf by UOB Kay Hian Pte. Ltd. [Note: The above number excludes shares held in trust by his wife, through UOB Kay Hian Pte. Ltd., for his son (an adult, who maintains a separate household, who bought such shares with his own resources)].
- Avraham Eshed is deemed a shareholder of the Company by virtue of his indirect ownership through Gemstar, Ltd. of 14,335,672 shares held on his behalf by the Israel Discount Bank through Citibank N.A. Singapore custodians, 562,500 shares held on his behalf by Eyal Khayat, Option Plans trustee, through UOB Kay Hian Pte. Ltd., pursuant to the Plans, and by virtue of his indirect ownership of 228,750 shares held on his behalf by Union Bank of Israel Ltd.
- Uzi Levami is deemed a shareholder of the Company by virtue of his: (i) indirect ownership of 11,622,906 shares held on his behalf by Bank Hapoalim (Israel) through HSBC Singapore custodians; and (ii) indirect ownership of 712,500 shares held on his behalf by Eyal Khayat, Option Plans trustee, through UOB Kay Hian Pte. Ltd., pursuant to the Plans.
- Varda Shine is deemed a shareholder of the Company by virtue of her indirect ownership of 350,000 shares held on her behalf by Eyal Khayat, Option Plans trustee, through UOB Kay Hian Pte. Ltd., pursuant to the Plans.
- Lim Yong Sheng is deemed a shareholder of the Company by virtue of his indirect ownership of 225,000 shares held on his behalf by Eyal Khayat, Option Plans trustee, through UOB Kay Hian Pte. Ltd., pursuant to the Plans.

DIRECTORS' REPORT

FOR THE YEAR END 31 DECEMBER 2025

Outstanding options granted to directors under the Company's 2015 Option Plan

Name of Director	Options outstanding	Options vested	2025 share-based payment expenses	Years granted
Daniel Benjamin Glinert	900,000	700,000	US\$9,000	2021, 2022 and 2023
Uzi Levami	525,000	400,000	US\$6,000	2022 and 2023
Avraham Eshed	525,000	400,000	US\$6,000	2022 and 2023
Varda Shine	375,000	250,000	US\$5,000	2023
Neta Zruya Hashai	725,000	600,000	US\$5,000	2020 and 2023
Lim Yong Sheng	500,000	375,000	US\$5,000	2020 and 2023
Sin Boon Ann	725,000	600,000	US\$5,000	2020 and 2023

Except as disclosed in this report, no director who held office at the end of the Year had interests in shares or debentures of the Company or of related corporations, either at the later of the beginning of the Year or the commencement of his service as a director or at the end of the Year.

Except as disclosed in this report, the Company was not a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisitions of shares in or debentures of the Company or any other body corporate.

Since the end of the last financial year (2025), and except as disclosed in the Company's audited financial statements for the Year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial interest.

The Directors are of the opinion, in concurrence with and based on Audit Committee review that the internal control procedures addressing financial, operational and compliance risks of the Group are adequate.

Share options

In 2015 the Company adopted a new share option plan (the "2015 Plan"), which expired on 20 April 2025. Under the 2015 Plan, the Company granted options to employees and directors at no consideration. As of 20 April 2025, a total of 45,569,320 options were granted under the 2015 Plan, with each option being exercisable into one ordinary share each (of no par value) in the capital of the Company. The options under the 2015 Plan were granted at an exercise price ranging between S\$0.221 to S\$1.878 per option (according to the date of grant). As of 31 December 2025, there were 12,842,320 options outstanding under the 2015 Plan with 3,220,995 options having been exercised under the 2015 Plan and 29,506,005 having been forfeited. The exercise period for options granted under 2015 Plan is six years from the date of grant, with a vesting period of up to four years.

SGXNET announcements have been made on the dates of the various grants including details of the grant in accordance with the Listing Manual.

Audit Committee

The Audit Committee of the Company comprises four independent directors. The members of the Audit Committee are Ms. Neta Zruya Hashai (Chairperson), Mr. Lim Yong Sheng, Ms. Varda Shine and Mr. Sin Boon Ann. The Audit Committee assists the Board in discharging its responsibility to safeguard the Group's assets, maintain adequate accounting records- and develop and maintain effective systems of internal control, with the overall objective of ensuring that the management creates and maintains an effective control environment in the Group, in consultation with the internal and external auditors.

Auditors

The auditors, Somekh Chaikin, an Israeli partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee, and Chaikin, Cohen, Rubin & Co., Certified Public Accountants (Isr.), have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Daniel Benjamin Glinert
Executive Director, Chairman of the Board

Israel
6 April 2026

STATEMENT BY DIRECTORS

FOR THE YEAR END 31 DECEMBER 2025

In the opinion of the Directors,

- (a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 72 to 109 are drawn up so as to give a true and fair view of the Company and of the Group as of 31 December 2025 and of the results of the business, changes in equity and cash flows of the Group for the financial year then ended; and
- (b) as at the date of this statement, there are reasonable grounds to assume that the Group will be able to pay its debts as and when they fall due.

On behalf of the Directors

Daniel Benjamin Glinert
Executive Director, Chairman

Israel
6 April 2026

AUDITORS' REPORT

TO THE SHAREHOLDERS OF SARINE TECHNOLOGIES LTD.



KPMG Somekh Chaikin
KPMG Millennium Tower
17 Ha'arba'a street, PO Box 609
Tel Aviv 6100601 Israel
+972 3 684 8000



Atidim Technology Park, Bldg. 4,
P.O.B. 58143 Tel-Aviv 61580, Israel
Tel: 972-3-6489858
Fax: 972-3-6489946
E-mail: accounting@ccrcpa.co.il
Certified Public Accountants (Isr.)

INDEPENDENT JOINT AUDITORS' REPORT

To the Shareholders of Sarine Technologies Ltd.

Opinion

We have audited the consolidated financial statements of Sarine Technologies Ltd. (the "Company") and subsidiaries (the Company and subsidiaries together referred to hereinafter as the "Group") which comprise the statements of financial position of the Group and the Company as of December 31, 2025, and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group and the Company as of December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with generally accepted auditing standards in Israel, including standards prescribed by the Auditor's Regulations (Auditor's Mode of Performance), 1973. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries, in accordance with the applicable legal provisions in Israel regarding independence and conflict of interest of auditors. Additionally, we have fulfilled our other ethical responsibilities in accordance with the Auditors' Law, 1955 and the regulations thereunder. We believe that the audit evidence we have obtained is appropriate and sufficient to provide a basis for our opinion.

Key Audit Matters

The key audit matters described below are those matters that were communicated, or were required to be communicated, to the board of directors of the Company, and that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period. These matters include, among others, any matter that (1) relates, or may relate, to significant accounts or disclosures in the consolidated financial statements; and (2) involved our professional judgment that was challenging, subjective or especially complex. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon. The communication of these matters below does not change our opinion on the consolidated financial statements as a whole, nor do we provide through such communication a separate opinion on these matters or on the accounts or disclosures to which they relate.

Revenue recognition

Why this matter was determined to be a Key Audit Matter in the audit

As included in the statement of profit or loss or other comprehensive income, and as described in notes 6 and 7 to the consolidated financial statements, in 2025 the revenues of the Company totaled US\$ 29,586 thousand.

According to IFRS 15, Revenues from Contracts with Customers ("IFRS 15"), revenue from the sale of products is recognized when control of the product is transferred to the customer, and revenue from maintenance and services is recognized over the period that the service is provided. Revenues are measured based on the consideration the Company expects to be entitled to in exchange for the goods or services promised to the customer. Due to the description above and due to the materiality of the revenues to the Company's financial statements, we identified revenues recognition as a key audit matter.

The Response to the Key Matter in the Audit

We obtained understanding of the Company's policy relating to the point in time in which control over products is transferred to the customers, and regarding the Company's processes to identify contracts with customers and the performance obligations that rise from such contracts. In addition, we obtained understanding as to the measurement of revenue and the timing of recognition. We checked that the Company's revenue recognition policy meets the guidance of IFRS 15.

AUDITORS' REPORT

TO THE SHAREHOLDERS OF SARINE TECHNOLOGIES LTD.

In addition, following are the primary audit procedures we have performed:

- We performed analytical procedures in order to assess completeness of the audited period's revenues.
- We performed a statistical sample of invoices, and we tested that the consideration received from the customer agrees with the revenue that was recognized and recorded in the books, that the control over the products was transferred to the customer prior to the recognition of revenue and that a valid purchase order or agreement exists between the Company and the customer for the specific item tested.
- We performed an additional statistical sample of invoices that focuses on revenues recorded close to the year end and beginning of the subsequent year, to assess correct cut-off procedures in revenues recognized.
- We checked if credit notes were issued to customers in the subsequent year that may indicate improper revenue recognition in the audited period.
- We read the disclosures provided by the Company which relate to revenues, to test completeness of disclosures requirements and the accuracy of the information provided.

Goodwill impairment test (GCAL USA)

Why this matter was determined to be a Key Audit Matter in the audit

In May 2023, the Company completed the acquisition of 70% of GCAL USA LLC ("GCAL USA"), a US based company, for a total consideration of US\$7.4 million, which resulted in the recognition of goodwill that amounted to US\$3.1 million. As described in Note 3A to the consolidated financial statements, the acquisition agreement included a put option granted to the seller on the remaining 30%, and a call option on the remaining 30% granted to the Company. Goodwill is not amortized, but rather tested by the Company for impairment annually, as of September 30 of each year, or whenever events or circumstances present an indication of impairment. The impairment test is performed by assessing the fair value of the Company's cash generating unit ("CGU") that consists of the goodwill and determining that the CGU fair value exceeds its carrying amount.

The fair value of the CGU was estimated using the discounted cash flow method. Management applied significant judgment in estimating the discounted future cash flows of the CGU, which involved the use of significant estimates and assumptions with respect to the revenue growth rates, profit rates and discount rates. In addition, management revisited the present value of the put option price, and the fair value of the call option, that are calculated based on forecasted performance of GCAL USA. Changes in key inputs and assumptions could materially affect the determination of the fair value of the CGU, the present value of the put option price and the fair value of the call option. The Company engaged a third-party valuation specialist to assist management in estimating the fair value of CGU for the purpose of goodwill impairment testing, and in determining the present value of the put option and the valuation of the call option. Due to the significant amount of judgment applied by management when developing the estimates, we identified the goodwill impairment test of GCAL USA, the subsequent determination of the present value of the put option and the valuation of the call option as a key audit matter.

The Response to the Key Matter in the Audit

We obtained an understanding over management's process for allocating assets and liabilities to the CGU. For testing the fair value of the CGU we performed the following primary audit procedures:

- We evaluated the valuation methodology and significant assumptions used by management and their third-party valuation specialist.
- We compared profitability margins and growth assumptions to historical performance and approved budgets and considered market data where appropriate. We also performed a retrospective analysis to assess accuracy of management's predictions in the past and checked if necessary adjustments were applied in the current year's forecasts.
- With the assistance of our valuation specialists, we assessed the discount rate and long-term growth rate applied and performed sensitivity analysis on key assumptions.
- We evaluated the estimation of the present value of the put option price and the fair value of the call option, including the underlying performance forecasts.
- We evaluated the adequacy of related disclosures in the consolidated financial statements.

Purchase Price Allocation – Investment in Kitov.ai

Why this matter was determined to be a Key Audit Matter in the audit

As described in Note 29 to the consolidated financial statements, in 2025 the Company acquired 33.02% of the share capital of Kitov.ai. for a total cash consideration of US\$ 4.1 million and provided a US\$ 2.6 million convertible loan to Kitov.ai. For initial recognition, management performed an allocation of the purchase consideration to Kitov.ai's identifiable net assets at fair value, recognizing separately identifiable intangible assets and determining any resulting goodwill within the equity-method carrying amount of the investment in accordance with IAS 28.

This process required significant judgement by management in: identifying intangible assets that meet the separability or contractual-legal criteria for recognition, selecting and applying appropriate valuation methodologies and determining the fair value measurement of the assets and liabilities on Kitov.ai's opening balance sheet, including the fair value of the convertible loan received.

AUDITORS' REPORT

TO THE SHAREHOLDERS OF SARINE TECHNOLOGIES LTD.

Given the estimation uncertainty and the potential material impact on the consolidated financial statements, we identified the allocation of purchase consideration for the Kitov.ai. investment as a Key Audit Matter.

The Response to the Key Matter in the Audit

To evaluate the purchase price allocation performed by management, we first obtained an understanding over management's process for allocating assets and liabilities to the investment. We then addressed the fair-value measurements of goodwill, the convertible loan and the option feature by performing the following primary audit procedures:

- We read the share purchase agreement, the terms of the convertible loan and the earnout mechanisms to understand the rights and obligations arising from the transaction and evaluated management's and its external valuation expert's key assumptions.
- We assessed the measurement of consideration used in the allocation, including the treatment of the convertible loan and contingent earn-outs, and reconciled these to the contractual terms and valuation outputs.
- We examined Kitov.ai's opening balance sheet for any material tangible assets and liabilities, and we evaluated completeness of the identifiable intangible assets determined by management and its external valuation expert.
- With the assistance of our valuation specialists, we evaluated the selection of valuation methodology, the discount rate and the long-term growth rate applied and performed sensitivity analysis on key assumptions.
- We assessed the adequacy of the related disclosures in the consolidated financial statements.

Responsibilities of Board of Directors and Management for the Consolidated Financial Statements

The board of directors and management are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as the board of directors and management determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors and management are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors and management either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Israel will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with generally accepted auditing standards in Israel, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is appropriate and sufficient to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors and management.
- Conclude on the appropriateness of the use by the board of directors and management of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

AUDITORS' REPORT

TO THE SHAREHOLDERS OF SARINE TECHNOLOGIES LTD.

We communicate with the board of directors and management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors and management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the safeguards applied to eliminate identified threats to our independence.

From the matters communicated or required to be communicated to the board of directors and management, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter.

The engagement partners on the audit resulting in this joint independent auditors' report are:

Ehud Lev

Somekh Chaikin

Certified Public Accountants (Isr.)

Member firm of KPMG International

Tel-Aviv, Israel

March 24, 2026

Ilan Chaikin

Chaikin, Cohen, Rubin and Co.

Certified Public Accountants (Isr.)

Tel-Aviv, Israel

CONSOLIDATED AND COMPANY STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31

		Group		Company	
	Note	2025	2024	2025	2024
		US\$ thousands			
Assets					
Property, plant and equipment	10	5,475	6,545	625	1,161
Investment property (Real Estate)	30	3,806	3,914	--	--
Right-of-use assets	24	3,148	4,594	1,426	2,267
Intangible assets	11	7,139	7,044	1,103	801
Long-term trade receivables	13	862	1,740	29	296
Investment in equity accounted investee	29	6,462	--	6,462	--
Investment in subsidiaries	28	--	--	48,733	44,636
Other non-current assets	14	3,195	2,247	--	--
Deferred tax assets	9	390	593	--	--
Total non-current assets		30,477	26,677	58,378	49,161
Inventories	12	4,098	6,731	1,830	4,242
Trade receivables	13	6,571	9,195	4,562	5,369
Other current assets	14	1,653	3,006	417	694
Short-term investments (bank deposits)	15	31	8,071	--	2,051
Cash and cash equivalents	16	21,998	18,229	8,718	7,916
Total current assets		34,351	45,232	15,527	20,272
Total assets		64,828	71,909	73,905	69,433
Equity					
Share capital*	17	--	--	--	--
Share premium and reserves		35,487	35,396	35,487	35,396
Translation reserve		(4,682)	(4,436)	(4,682)	(4,436)
Dormant shares, at cost	17	(6,766)	(6,502)	(6,766)	(6,502)
Retained earnings		29,114	32,991	29,114	32,991
Total equity		53,153	57,449	53,153	57,449
Liabilities					
Long-term lease liabilities	24	2,750	4,165	1,236	2,178
Financial instrument		1,100	1,100	--	--
Other non-current liabilities	20	584	457	160	107
Total non-current liabilities		4,434	5,722	1,396	2,285
Trade payables		1,437	1,440	1,626	2,350
Other payables	19	4,697	5,512	17,109	6,343
Current lease liabilities	24	1,002	1,326	539	788
Current tax payable		11	161	--	--
Warranty provision	22	94	299	82	218
Total current liabilities		7,241	8,738	19,356	9,699
Total liabilities		11,675	14,460	20,752	11,984
TOTAL EQUITY AND LIABILITIES		64,828	71,909	73,905	69,433

* No par value

The accompanying notes are an integral part of the financial statements.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31

	Note	Group	
		2025	2024
		US\$ thousands	
Revenue	6,7	29,586	39,201
Cost of sales		(13,206)	(16,205)
Gross profit		16,380	22,996
Research and development expenses		(6,034)	(6,721)
Sales and marketing expenses		(9,113)	(11,011)
General and administrative expenses		(3,758)	(5,295)
Gain from lease termination		604	--
Loss from operations		(1,921)	(31)
Finance income		779	1,976
Finance expense		(872)	(496)
Net finance (expenses) income	8	(93)	1,480
Loss of equity accounted investee		(228)	--
Profit (Loss) before income tax		(2,242)	1,449
Income tax expense	9	(1,635)	(375)
Profit (Loss) for the year		(3,877)	1,074
Other comprehensive income (loss)			
Item that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit plan			
Item that may be reclassified subsequently to profit or loss:		(31)	11
Foreign currency translation differences for foreign operations		(246)	(187)
Total comprehensive income (loss) for the year		(4,154)	898
Earnings per share			
Basic earnings (loss) per share (US cents)	18	(1.14)	0.31
Diluted earnings (loss) per share (US cents)	18	(1.14)	0.31

The accompanying notes are an integral part of the financial statements.

CONSOLIDATED AND COMPANY STATEMENTS OF CHANGES IN EQUITY

Group and Company	Share capital*	Share premium and reserves	Translation reserve	Retained earnings	Dormant shares	Total
	US\$ thousands					
Balance at January 1, 2024	--	35,264	(4,249)	34,488	(5,183)	60,320
Profit for the year ended December 31, 2024	--	--	--	1,074	--	1,074
Other comprehensive income (loss) for the year ended December 31, 2024	--	11	(187)	--	--	(176)
Dormant shares, acquired at cost (5,639,274 shares)	--	--	--	--	(1,319)	(1,319)
Share-based payment expenses	--	117	--	--	--	117
Exercise of options	--	4	--	--	--	4
Dividend paid	--	--	--	(2,571)	--	(2,571)
Balance at December 31, 2024	--	35,396	(4,436)	32,991	(6,502)	57,449
Loss for the year ended December 31, 2025	--	--	--	(3,877)	--	(3,877)
Other comprehensive loss for the year ended December 31, 2025	--	(31)	(246)	--	--	(277)
Dormant shares, acquired at cost (1,455,900 shares)	--	--	--	--	(264)	(264)
Share-based payment expenses	--	110	--	--	--	110
Exercise of options	--	12	--	--	--	12
Balance at December 31, 2025	--	35,487	(4,682)	29,114	(6,766)	53,153

* No par value

The accompanying notes are an integral part of the financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31

	Group	
	2025	2024
	US\$ thousands	
Cash flows from operating activities		
Profit (Loss) for the year	(3,877)	1,074
Adjustments for:		
Share-based payment expenses	110	117
Income tax expense	1,635	375
Depreciation of property, plant & equipment and right-of-use assets	2,436	2,995
Depreciation of investment property (Real Estate)	108	124
Amortisation of intangible assets and write off of goodwill	595	1,028
Change in financial instrument liability	--	(627)
Change in financial assets fair value	100	(498)
Other net finance income	(409)	(405)
Loss of equity accounted investee	228	--
Gain on lease termination	(604)	--
Revaluation of lease liabilities from exchange rate differences	302	(26)
Changes in working capital		
Inventories	2,633	3,789
Trade receivables	3,502	4,290
Other current assets	340	(1,614)
Rent deposit, net	--	(105)
Trade payables	(3)	(341)
Other liabilities	(1,149)	108
Employee benefits	127	(22)
Income tax paid	(1,617)	(781)
Net cash from operating activities	4,457	9,481
Cash flows (used in) from investing activities		
Acquisition of property, plant and equipment	(365)	(569)
Investment in affiliated company, see Note 29	(6,690)	--
Proceeds from realisation of property, plant and equipment	32	69
Short-terms investments	8,040	(7,437)
Capitalisation of development expenses	(690)	(922)
Interest received	759	825
Net cash (used in) from investing activities	1,086	(8,034)
Cash flows used in financing activities		
Proceeds from exercise of share options	12	4
Purchase of Company's shares by the Company	(264)	(1,319)
Dividends paid	--	(2,571)
Payment of lease liabilities	(1,172)	(1,263)
Interest paid	(271)	(309)
Net cash used in financing activities	(1,695)	(5,458)
Net increase (decrease) in cash and cash equivalents	3,848	(4,011)
Cash and cash equivalents at beginning of year	18,229	22,351
Effect of exchange rate fluctuations on cash and cash equivalents	(79)	(111)
Cash and cash equivalents at end of year	21,998	18,229
Supplementary cash flows information:		
Significant non- cash transaction:		
Right-of-use asset recognized with corresponding lease liability	1,757	--

The accompanying notes are an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 1 - General

A. Reporting entity

Sarine Technologies Ltd. (hereinafter “Sarine” or the “Company”) is a company domiciled in Israel. The address of the Company’s registered office is 4 Haharash Street, Hod Hasharon 4524075, Israel. The consolidated financial statements of the Company, as at, and for the year ended December 31, 2025, comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”) (see Note 28). The Company was incorporated on November 8, 1988. On April 8, 2005, the Company was admitted to the Main Board list of the Singapore Exchange Securities Trading Ltd., and on July 5, 2021, the Company’s shares were listed on the Tel Aviv Stock Exchange (secondary listing).

B. Introduction

The Group is a worldwide leader in the development and manufacturing of advanced evaluation, planning, processing, and finishing systems for diamond and gemstone production. Sarine products include the Galaxy® family of inclusion mapping systems, rough diamond planning optimisation systems, laser cutting and shaping systems, laser-marking and inscription machines and polished diamond Clarity, Color, Cut and light performance grading tools and visualisation systems. Sarine systems have become standard tools in every modern manufacturing plant, properly equipped gemmology lab and diamond appraisal business, and are essential aids for diamond polishers, dealers and retailers. At the heart of these systems is computer software that implements three-dimensional modeling and volume / value optimisation using advanced mathematical algorithms, and overall system control (motion, image capture, laser functionality, etc.) paired with various proprietary hardware technologies, including electro-optics, electronics, precision mechanics and lasers.

C. Material events in the reporting period

The natural diamond manufacturing industry, faces ongoing headwinds. Weakened consumer demand in China and the continuing disruption by lab-grown diamonds (LGD) continue to negatively impact natural diamond demand and prices, consequently slowing manufacturing activity.

The LGD segment is experiencing issues stemming from over-production and oversupply driving declining wholesale prices.

As part as the Group adjusting to the new market conditions, the Group implemented several operational changes, including the relocation of manufacturing activities from Israel to India.

The Group continued to develop the new product lines, the Most Valuable Plan™ (MVP) for optimising the planning of small natural rough diamonds, the adaptation of the Group rough planning technologies to LGD, and the opening of a GCAL by Sarine lab in India, aimed at servicing the significant Indian LGD industry.

On 18 August 2025, the Group acquired a 33.02% investment in Kitov.ai, which engages in the development, integration and sale of advanced AI-based quality inspection and verification systems for use inline in production facilities and is applicable to many varied industries. (see Note 29).

Note 2 - Basis of Preparation

A. Statement of compliance

The financial statements have been prepared in accordance with IFRS® Accounting Standards (IFRSs).

The consolidated financial statements were authorised for issue by the Company’s Board of Directors on March 24, 2026.

B. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- assets and liabilities relating to employee benefits;
- call option relating to GCAL acquisition;
- deferred tax assets and liabilities;
- provisions; and
- investments in associates and joint ventures

For further information regarding the measurement of these assets and liabilities see Note 3 regarding significant accounting policies.

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 2 - Basis of Preparation (cont'd)

C. Functional and presentation currency

These financial statements are presented in United States (US) dollars, or US\$, which is the Company's functional currency. The US dollar is the currency that represents the principal economic environment in which the Company and most Group entities operate. All financial information presented in US dollars has been rounded to the nearest thousand, except where otherwise indicated.

D. Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Certain accounting estimates used in the preparation of the Group's financial statements may require management to make assumptions regarding circumstances and events that involve considerable uncertainty. Management prepares these estimates on the basis of past experience, known facts, external circumstances, and reasonable assumptions. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 9 – Income Tax (deferred tax assets) – determination of profit forecast which will be offset by carry forward losses;
- Note 11 – Intangible Assets – assumptions used in valuation model.
- Note 21 – Share-Based Payments (measurement of share-based payments) – assumptions used in valuation model;
- Note 24 – Leases – determination of lease term and discount rate of lease liability; and
- Note 26 – Contingent Liabilities – probability of claims to have a material impact on the Group.

E. Company Statements of Financial Position

The Company's statements of financial position for the years ended December 31, 2025 and 2024 have been prepared on the same basis as the consolidated financial statements.

Note 3 – Material Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities.

A. Business Combinations

The Group implements the acquisition method to all business combinations. The acquisition date is the date on which the acquirer obtains control over the acquiree. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the acquiree and it has the ability to affect those returns through its power over the acquiree. Substantive rights held by the Group and others are taken into account when assessing control. The Group recognises goodwill at acquisition according to the fair value of the consideration transferred less the net amount of the identifiable assets acquired and the liabilities assumed. On the acquisition date the Group recognises a contingent liability assumed in a business combination, if there is a present obligation resulting from past events and its fair value can be reliably measured. In addition, the consideration transferred includes the fair value of any contingent consideration. After the acquisition date, the Group recognises changes in fair value of the contingent consideration classified as a financial liability in profit or loss. In the business combination that took place in 2023, the Company acquired 70% of the acquiree and the seller received a put option on the remaining 30%. The Company implemented the "Anticipated Acquisition Method". Accordingly the Company accounts for 100% of the acquiree and does not record non-controlling interest. The consideration according to this method consists of the cash paid and the present value of the future payment of the remaining 30% ("the Put Option Liability"). The subsequent changes to the Put Option Liability are recorded as financial expenses in the statement of profit and loss. Any capital contributions by the owner of the remaining 30% is recorded as an addition to the Company's equity.

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 3 – Material Accounting Policies (cont'd)

B. Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates as at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period,

and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are recognised in profit or loss.

ii. Foreign operations

The functional currency of subsidiaries is determined based on the primary economic environment in which they operate. This determination is important because it affects the translation of the subsidiaries' financial statements into the consolidated financial statements of the parent company, impacting the reported financial results and the decisions of the users of the financial statements.

The assets and liabilities of Sarin Technologies India Private Limited ("Sarin India") are considered foreign operations and translated to US dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to US dollars at the average exchange rate for the period. Foreign currency differences are recognised in other comprehensive income, and presented in equity as foreign currency translation reserve.

C. Share Capital

When share capital recognised as equity is repurchased by the Group, the amount of the consideration paid is recognised as a deduction from equity. Repurchased shares are classified as dormant shares. When dormant shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus on the transaction is carried to share premium, whereas a deficit on the transaction is deducted from retained earnings. The Group periodically repurchases shares as part of its management strategy, see also Note 17.

D. Intangible assets

i. Know-how, intellectual property and other intangible assets

Acquired know-how, intellectual property and other intangible assets, including in respect of trade names and customer relationships, are stated at cost less accumulated amortisation and impairment losses.

ii. Goodwill

Goodwill that arises upon the acquisition of subsidiaries or activities is included in intangible assets. Goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. Subsequently, goodwill is measured at cost less accumulated impairment losses. The Group examines the useful life of goodwill at least once a year in order to determine whether events and circumstances continue to support the decision that the intangible asset has an indefinite useful life and it is not impaired.

iii. Research and development

Expenditures on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, are recognised in profit or loss when incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditures are capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group has the intention and sufficient resources to complete development and to use or sell the asset. Expenditures capitalised include the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Other development expenditures are recognised in profit or loss as incurred.

Capitalised development expenditures are measured at cost less accumulated amortisation and accumulated impairment losses, during the respective reporting periods.

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 3 - Material Accounting Policies (cont'd)

D. Intangible assets (cont'd)

iv. Subsequent expenditure

Subsequent expenditures are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures, including expenditures on internally generated goodwill and brands, are recognised in profit or loss as incurred.

v. Amortisation

Amortisation is a systematic allocation of the amortisable amount of an asset over its useful life. The amortisable amount is the cost of the asset less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date they are available for use, since this method most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Goodwill is not systematically amortised but is tested for impairment at least once a year.

Internally generated intangible assets are not systematically amortised until they are available for use, meaning are brought to the working condition for their intended use. Accordingly, these intangible assets, such as development costs, are tested for impairment at least once a year, until such date as they are available for use.

The estimated useful lives for the current and comparative periods are approximately as follows:

• Acquired know-how and intellectual property	6-8 years
• Capitalised development costs	6 years
• Trade names	5 years
• Customer relationships	8 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.

E. Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The cost of inventories is calculated based on the moving average costing method and includes expenditures incurred in acquiring the inventories and bringing them to their existing location and conditions. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of overhead based on normal operating capacity. Inventories are written-down for estimated obsolescence, based on assumptions about future demand and market conditions.

F. Impairment

i. Non-derivative financial assets

Financial assets, contract assets and lease receivables

The Group recognises a provision for expected credit losses in respect of financial assets at amortised cost. The Group has elected to measure the provision for expected credit losses in respect of trade receivables at an amount equal to the full lifetime credit losses of the instrument.

With respect to other debt assets, the Group measures the provision for expected credit losses at an amount equal to the full lifetime expected credit losses, other than the provisions hereunder that are measured at an amount equal to the 12-month expected credit losses:

- debt instruments that are determined to have low credit risk at the reporting date; and
- other debt instruments and deposits, for which credit risk has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available with no undue cost or effort. Such information includes quantitative and qualitative information, and an analysis, based on the Group's past experience and informed credit assessment, and it includes forward looking information. The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full.

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 3 - Material Accounting Policies (cont'd)

F. Impairment (cont'd)

i. Non-derivative financial assets (cont'd)

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive. Expected credit losses are discounted at the effective interest rate of the financial asset.

Presentation of provision for expected credit losses in the statement of financial position

Provisions for expected credit losses of financial assets measured at amortised cost are deducted from the gross carrying amount of the financial assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group does not have reasonable expectations of recovering a financial asset at its entirety or a portion thereof. This is usually the case when the Group determines that the debtor does not have assets or sources of income that may generate sufficient cash flows for paying the amounts being written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due. Write-off constitutes a de-recognition event.

ii. Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets recoverable amount is estimated. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU"). The Group estimates the recoverable amount of a CGU that contains goodwill and other intangible assets that are not yet available for use, on an annual basis, or more frequently if there are indications of impairment.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the assessment of market participants regarding the time value of money and the risks specific to the asset or cash generating unit, for which the estimated future cash flows from the asset or cash generating unit were not adjusted.

Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs that included goodwill are allocated first to reduce the carrying amount of any goodwill allocated to the units and

then to reduce the carrying amounts of other assets in the unit (group of units) on a pro rata basis. An impairment loss in respect of goodwill is not reversed.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized

Note 3 - Material Accounting Policies (cont'd)

G. Share-based payment transactions

The grant date fair value of share-based payment awards granted to employees and directors are recognised as an expense, with a corresponding increase in equity, over the period that the grantee unconditionally become entitled to the awards. The amount recognised as an expense in respect of share-based payment awards that are conditional upon meeting service and non-market performance conditions is adjusted to reflect the number of awards that are expected to vest, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with market performance vesting conditions, the grant date fair value of the share-based payment awards is measured to reflect such conditions, and therefore the Group recognises an expense in respect of the awards whether or not the conditions have been met.

H. Revenue

Initial recognition and measurement of revenue

The Group recognises revenue when the customer obtains control over the promised goods or services. The revenue is measured according to the amount of the consideration to which the Group expects to be entitled in exchange for the goods or services promised to the customer, other than amounts collected for third parties.

Identifying the contract

The Group accounts for a contract with a customer only when the following conditions are met:

- the parties to the contract have approved the contract (in writing, orally or according to other customary business practices) and they are committed to satisfying the obligations attributable to them;
- the Group can identify the rights of each party in relation to the goods or services that will be transferred;
- the Group can identify the payment terms for the goods or services that will be transferred;
- the contract has a commercial substance (i.e. the risk, timing and amount of the entity's future cash flows are expected to change as a result of the contract); and
- it is probable that the consideration, to which the Group is entitled to in exchange for the goods or services transferred to the customer, will be collected. For this purpose the Group examines, past experience with the customer.

If a contract with a customer does not meet all of the above criteria, consideration received from the customer is recognised as a liability until the criteria are met or when one of the following events occurs: the Group has no remaining obligations to transfer goods or services to the customer and any consideration promised by the customer has been received and cannot be returned; or the contract has been terminated and the consideration received from the customer cannot be refunded.

Identifying performance obligations

On the contract's inception date the Group assesses the goods or services promised in the contract with the customer and identifies as a performance obligation any promise to transfer to the customer one of the following:

- goods or services (or a bundle of goods or services) that are distinct; or
- a series of distinct goods or services that are substantially the same and have the same pattern of transfer to the customer.

The Group identifies goods or services promised to the customer as being distinct when the customer can benefit from the goods or services on their own or in conjunction with other readily available resources and the Group's promise to transfer the goods or services to the customer is separately identifiable from other promises in the contract. In order to examine whether a promise to transfer goods or services is separately identifiable, the Group examines whether it is providing a significant service of integrating the goods or services with other goods or services promised in the contract into one integrated outcome that is the purpose of the contract.

Determining the transaction price

The transaction price is the amount of the consideration to which the Group expects to be entitled in exchange for the goods or services promised to the customer, other than amounts collected for third parties. The Group takes into account the effects of all the following elements when determining the transaction price: variable consideration, the existence of a significant financing component, non-cash consideration, and consideration payable to the customer.

Satisfaction of performance obligations

The Company's revenues from sale of machines that are paid per usage are recognised over time, based on usage. The Company's revenues from sale of grading certificates are recognised at a point in time, when delivered. Services and maintenance are recognised over the period that the service and maintenance is provided.

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 3 - Material Accounting Policies (cont'd)

I. Leases

Determining whether an arrangement contains a lease

On the inception date of the lease, the Group determines whether the arrangement is a lease or contains a lease, while examining if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In its assessment of whether an arrangement conveys the right to control the use of an identified asset, the Group assesses whether it has the following two rights throughout the lease term:

- the right to obtain substantially all the economic benefits from use of the identified asset; and
- the right to direct the identified asset's use.

For lease contracts that contain non-lease components, such as services or maintenance, that are related to a lease component, the Group elected to account for the contract as a single lease component without separating the components.

Leased assets and lease liabilities

Contracts that award the Group control over the use of a leased asset for a period of time in exchange for consideration, are accounted for as leases. Upon initial recognition, the Group recognises a liability at the present value of the balance of future lease payments (these payments do not include certain variable lease payments), and concurrently recognises a right-of-use asset at the same amount of the lease liability, adjusted for any prepaid or accrued lease payments, plus initial direct costs incurred in respect of the lease.

Since the interest rate implicit in the Group's leases is not readily determinable, the incremental borrowing rate of the lessee is used. Subsequent to initial recognition, the right-of-use asset is accounted for using the cost model, and depreciated over the shorter of the lease term or useful life of the asset.

The Group has elected to apply the practical expedient by which short-term leases of up to one year and/or leases in which the underlying asset has a low value, are accounted for such that lease payments are recognised in profit or loss on a straight-line basis, over the lease term, without recognising an asset and/or liability in the statement of financial position.

The lease term

The lease term is the non-cancellable period of the lease plus periods covered by an extension or termination option if it is reasonably certain that the lessee will or will not exercise the option, respectively.

Depreciation of right-of-use asset

After lease commencement, a right-of-use asset is measured on a cost basis less accumulated depreciation and accumulated impairment losses and is adjusted for re-measurements of the lease liability. Depreciation is calculated on a straight-line basis over the useful life or contractual lease period, whichever earlier, as follows:

- | | |
|---------------------|-----------|
| • Office facilities | 2-8 years |
| • Motor vehicles | 3 years |

J. Income tax

Income tax expense comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income, in which case it is recognised in equity or in other comprehensive income, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted as at the reporting date, and any adjustment to tax payable in respect of prior years.

Current tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and there is intent to settle current tax liabilities and assets on a net basis or the tax assets and liabilities will be realised simultaneously.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent they will probably not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 3 - Material Accounting Policies (cont'd)

J. Income tax (cont'd)

A deferred tax asset is recognised for unused tax losses, tax benefits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets that were not recognised are reevaluated at each reporting date and recognised if it has become probable that future taxable profits will be available against which they can be utilised.

The Group may be required to pay additional tax if a dividend is distributed by companies within the Group. This additional tax was not included in the financial statements, since it is the current practice of the Group companies not to distribute a dividend which creates an additional tax liability for the recipient in the foreseeable future.

K. Investment property (Real Estate)

Investment property is property (land or building – or part of a building – or both) held either to earn rental income or for capital appreciation or for both, but not for:

1. Use in the production or supply of goods or services or for administrative purposes; or
2. Sale in the ordinary course of business.

Investment property is measured at cost and depreciated over its useful life which was determined to be 40 years.

L. Investment in associates and joint ventures (equity accounted investees)

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. There is a rebuttable presumption that significant influence exists when the Group holds between 20% and 50% of another entity. In assessing significant influence, potential voting rights that are currently exercisable or convertible into shares of the investee are taken into account.

Joint ventures are joint arrangements in which the Group has rights to the net assets of the arrangement.

M. Reclassifications

The Company has reclassified certain amounts related to its prior period balances to conform to its current period presentation. These reclassifications have not changed the results of operations of prior periods.

N. New standards, amendments to standards and interpretations not yet adopted

IFRS 18, Presentation and Disclosure in Financial Statements

This standard replaces IAS 1, Presentation of Financial Statements. The standard provides guidance for improving the structure and content of the financial statements, particularly the income statement.

The standard includes new disclosure and presentation requirements as well as requirements that were taken from IAS 1, Presentation of Financial Statements.

As part of the new disclosure requirements, it is required to present two subtotals in the income statement: operating profit and profit before financing and taxes.

Furthermore, the results in the income statement will be classified into three new categories: an operating category, an investing category and a financing category.

In addition to the changes in the structure of the income statements, the standard also includes a requirement to provide separate disclosure in the financial statements regarding the use of management-defined performance measures (MPM).

Furthermore, the standard adds specific guidance for aggregation and disaggregation of items in the financial statements and in the notes.

The standard's initial date of application is for annual reporting periods beginning on or after January 1, 2027 with earlier application being permitted. In accordance with the decision of the Securities Authority plenum, reporting corporations may early adopt the standard from reporting periods beginning on January 1, 2025.

The Group is examining the effects of the standard on its financial statements with no plans for early adoption.

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 4 - Determination of Fair Values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

When determining the fair value of an asset or liability, the Group uses observable market data as much as possible. There are three levels of fair value measurements in the fair value hierarchy that are based on the data used in the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3: inputs that are not based on observable market data (unobservable inputs).

Information about assumptions made by the Group with respect to the future and other reasons for uncertainty with respect to estimates that have a significant risk of resulting in a material adjustment to carrying amounts of assets and liabilities in the next financial year are included in the following notes:

A. Property, plant and equipment

The fair value of property, plant and equipment recognised as a result of a business combination is based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably and willingly. The fair value of items of property, plant and equipment is based on the market approach and cost approaches using quoted market prices for similar items when available and replacement cost when appropriate.

B. Intangible assets

The fair value used in impairment tests of development activities which were capitalised is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

C. Trade receivables and other current assets

The fair value of trade receivables and certain other current assets is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. Trade receivables and certain other current assets with no stated interest are measured at their original amount as the effect of discounting is immaterial.

D. Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

E. Share-based payment transactions

The fair value of the options granted is measured using a lattice-based valuation, taking into account the terms and conditions upon which the options were granted. Measurement inputs include share price on measurement date, expected volatility, expected employee turnover rate, employee exercise behavior, risk free interest rate and expected dividend. Services and non-market performance conditions are not taken into account in determining fair value.

Note 5 - Financial Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board's policy is to maintain a strong capital base, so to maintain investor and market confidence and to sustain future development of the business. The Group has exposure to credit risk and market risk from its use of financial instruments. This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's Audit Committee oversees how management complies with the Group's risk management policies and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 5 - Financial Risk Management (cont'd)

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers (see also Note 23).

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Group does not require collateral in respect of financial assets. The Group has established credit limits for customers and monitors their balances regularly. Cash and deposits are placed with banks and financial institutions, which are regulated.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk, particularly in deteriorating economic circumstances.

At the date of the statement of financial position, cash and cash equivalents and short-term investments were mainly held with two banks in Israel, thereby exposing the Group to significant concentrations of credit risk. However, management considers that the credit rating of the banks reduces the risk to the Group to an acceptable level.

In addition, the Group's policy is to provide financial guarantees only to wholly-owned subsidiaries. At December 31, 2025 and 2024, no guarantees were outstanding.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. This is achieved by not investing in equities and by investing in either US dollars, New Israeli Shekels (NIS) and Indian Rupees quoted financial assets only, in ratios which reflect the exposure of the Group to these currencies.

The Group is exposed to currency risk on sales and expenses that are denominated in a currency other than the respective functional currencies of Group entities. The Group is mainly exposed to movement in exchange rates of the US dollar in relation to the NIS with regard to salaries paid in NIS and to movement in exchange rates of the US dollar in relation to the Indian Rupee with respect to services provided in India by Sarin India. See Note 23.

Note 6 - Operating Segments

The Group is a worldwide leader in the development, manufacturing, marketing and sale of precision technology products for the planning, processing, evaluation and measurement of diamonds and gems. India is the principal market for these products. In accordance with IFRS 8, the Group determines and presents operating segments based on the information that is provided internally to the CEO, who is the Group's chief operating decision maker. The measurement of operating segment results is generally consistent with the presentation of the Group's Consolidated Statements of Profit or Loss and Other Comprehensive Income. The Group operates in only one operating segment. Presented below are revenues broken out by geographic distribution.

	Group Revenues					
	India	Africa	Europe	USA	Israel	Other ¹
	US\$ thousands					
2025	14,777	4,547	2,034	4,904	956	2,368
2024	19,389	5,066	3,115	5,032	1,599	5,000
	29,586	39,201				

For the year ended December 31, 2025, one customer accounted for approximately 12% of Group revenue. For the year ended December 31, 2024, one customer accounted for approximately 13% of Group revenue.

Information on the assets of each geographical region is detailed below. The information includes non-current assets data, of which the depreciated cost of property, plant and equipment and investment property is allocated to each of the geographical regions.

	Group Property, plant and equipment				
	India	USA	Israel	Other ¹	Consolidated
	US\$ thousands				
December 31, 2025	3,919	4,788	567	7	9,281
December 31, 2024	4,549	5,058	835	17	10,459

¹ Other territories represent sales to the rest of the world, primarily Asia, excluding India.

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 7 - Revenue

Composition

	Group	
	Year ended December 31	
	2025	2024
	US\$ thousands	
Revenue from sale of products ¹	20,558	28,452
Revenue from maintenance and services ²	9,028	10,749
	29,586	39,201

¹ Includes Galaxy™ family revenues associated with customer-owned machines.

² Includes annual maintenance contracts and service centers and gemological labs revenues.

Note 8 - Net Finance Income (expenses)

	Group	
	Year ended December 31	
	2025	2024
	US\$ thousands	
Interest income on financial assets and bank deposits	759	825
Interest expense on lease liabilities	(271)	(308)
Bank charges	(100)	(102)
Change in financial assets fair value	(100)	498
Change in financial instrument liability	-	627
Revaluation of lease liabilities from exchange rate differences	(302)	26
Other net foreign exchange loss	(79)	(86)
	(93)	1,480

Note 9 - Income Tax

A. Details regarding the tax environment of the Group

i. Israeli tax rates applicable to income not derived from approved enterprises

The statutory corporate tax rate in Israel in 2025 and 2024 was 23%. Current taxes for the reported periods are calculated according to the tax rates presented above. Deferred taxes were calculated at the tax rate expected to apply on the date of reversal.

ii. India tax rates applicable to income

The statutory corporate tax rate in India in 2025 and 2024 was 25%. Current taxes for the reported periods are calculated according to the tax rates presented above. Deferred taxes were calculated at the tax rate expected to apply on the date of reversal.

iii. Tax benefits under the Law for the Encouragement of Industry (Taxes), 1969

The Company qualifies as an "Industrial Company" under the above law. As such, it is entitled to certain tax benefits.

iv. Amendment to the Law for the Encouragement of Capital Investments – 1959

The Company is subject to the Capital Investment Regulations (Preferred Technological Income and Capital Gain of Technological Enterprise) – 2017 (hereinafter: "the Regulations"), provides rules for applying the "preferred technological enterprise" tax benefit.

Preferred technological income that meets the conditions required in the law, will be subject to a reduced corporate tax rate of 12%. Deferred taxes were calculated accordingly.

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 9 - Income Tax (cont'd)

A. Details regarding the tax environment of the Group (cont'd)

v. Final tax assessments

The Company has received final tax assessments (including assessments which are considered final under the tax laws) for all tax years up to December 31, 2020. The Company's other wholly owned Israeli consolidated subsidiaries have received final tax assessments (including assessments which are considered final under the tax laws) for all tax years up to December 31, 2020.

vi. Foreign tax

- 1) The foreign subsidiaries are taxed according to tax rules in their jurisdictions.
- 2) Sarin India received final tax assessments for all fiscal tax years through March 31, 2022. Sarin Hong Kong Ltd. received final tax assessments for all fiscal tax years through December 31, 2019. Other foreign subsidiaries have not been assessed since their incorporation.
- 3) Tax assessments related to Galatea in India:

A dispute has arisen between Galatea and the Indian tax authorities, over Galatea's classification of certain payments received from its Indian customers as being not liable for tax in India. However, High Court of Bombay for the years 2010 to 2013 has ruled in favor of Galatea and held that the amount received by Galatea as a consideration against the supply of computer software is not taxable in India. For the subsequent years, the tax authorities have raised similar issues which is pending in appeals but considering the favorable decision of the High Court, the said issues are also likely to be reversed.

B. Composition of income tax expense

	Group	
	Year ended December 31	
	2025	2024
	US\$ thousands	
Current tax expense	50	370
Taxes in respect of previous years	1,397	30
Deferred tax (income) expenses	188	(25)
Total income tax expense	1,635	375

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 9 - Income Tax (cont'd)

C. Reconciliation between the theoretical tax on the profit before income tax and the tax expenses

	Group	
	Year ended December 31	
	2025	2024
	US\$ thousands	
Profit (loss) before income tax expense	(2,242)	1,449
Income tax using Israel tax rate of 23%	(516)	333
Effects of lower tax rates arising from "Approved and Beneficiary Enterprise" status	98	--
Current year tax losses and benefits for which deferred taxes were not created	459	51
Current year withholding taxes	76	--
Taxes in respect of previous years	1,397	30
Decrease (increase) in deferred taxes due to changes in tax rate	60	(166)
Tax on dividend from foreign subsidiaries	--	121
Neutralization of tax calculated in respect of the Company's share in profits of equity accounted investees	27	--
Other differences	34	6
	1,635	375

D. Deferred tax assets and liabilities

Deferred taxes are calculated according to the tax rate anticipated to be in effect on the date of reversal. Recognised deferred tax assets and liabilities are attributable to the following:

	Group		Company	
	2025	2024	2025	2024
	US\$ thousands			
Other payables and employee benefits	165	169	--	--
Allowance for expected credit losses	69	107	--	--
Research and development expenses	60	128	--	--
Fixed assets	96	189	--	--
	390	593	--	--

The deferred tax balances as at December 31, 2025 and 2024 were calculated at the tax rate expected to apply on the date of reversal.

Unrecognised deferred tax assets

For the years ended December 31, 2025 and 2024, Group deferred tax assets in respect of tax losses in the amount of US\$ 115.5 million and US\$ 111.4 million, respectively, have not been recognised. Deferred tax assets are only recognised once it has become probable that future taxable profits will be available against which they can be utilised (see also Note 3J). Those tax losses are available for offsetting against future taxable income of the applicable Company's Israeli subsidiaries subject to compliance with the relevant tax regulations.

Unrecognised deferred tax liabilities

As at December 31, 2025 a deferred tax liability for temporary differences in the amount of US\$ 31.7 million (2024 – US\$ 23.7 million) related to an investment in a subsidiary was not recognized. The Group controls whether the liability will be incurred and it is satisfied that it will not be incurred in the foreseeable future, as it does not have plans to sell the subsidiary.

Changes in deferred taxes from prior years were all recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 10 - Property, Plant and Equipment

	Group					
	Computers and equipment	Demonstration equipment	Motor vehicles	Machinery and office equipment	Building, land, and leasehold improvements*	Total
	US\$ thousands					
Cost						
Balance at January 1, 2024	3,457	3,905	131	7,649	13,869	29,011
Additions	41	55	--	443	30	569
Disposals	(397)	(46)	(36)	(254)	(449)	(1,182)
Reclassification to Investment property (Real Estate)	--	--	--	--	(5,887)	(5,887)
Effect of changes in exchange rates	(18)	--	(2)	(121)	(167)	(308)
Balance at December 31, 2024	3,083	3,914	93	7,717	7,396	22,203
Additions	49	122	--	94	100	365
Disposals	(585)	(159)	(31)	(492)	--	(1,267)
Effect of changes in exchange rates	(31)	--	(2)	(192)	(268)	(493)
Balance at December 31, 2025	2,516	3,877	60	7,127	7,228	20,808
Depreciation						
Balance at January 1, 2024	3,061	2,966	70	6,175	5,102	17,374
Depreciation	231	495	15	334	334	1,409
Disposals	(396)	(41)	(9)	(199)	(441)	(1,086)
Reclassification to Investment property (Real Estate)	--	--	--	--	(1,849)	(1,849)
Effect of changes in exchange rates	(17)	--	(1)	(115)	(57)	(190)
Balance at December 31, 2024	2,879	3,420	75	6,195	3,089	15,658
Depreciation	157	395	8	318	331	1,209
Disposals	(583)	(158)	(31)	(463)	--	(1,235)
Effect of changes in exchange rates	(28)	--	(1)	(173)	(97)	(299)
Balance at December 31, 2025	2,425	3,657	51	5,877	3,323	15,333
Carrying amounts						
At December 31, 2024	204	494	18	1,522	4,307	6,545
At December 31, 2025	91	220	9	1,250	3,905	5,475

* Includes Group's wholly owned facilities in New York, United States and in Surat, India.

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 10 - Property, Plant and Equipment (cont'd)

	Company					
	Computers and equipment	Demonstration equipment	Motor vehicles	Machinery and office equipment	Building, land, and leasehold improvements*	Total
	US\$ thousands					
Cost						
Balance at January 1, 2024	2,266	2,857	65	907	797	6,892
Additions	9	48	--	150	--	207
Disposals	(314)	(6)	(34)	(70)	--	(424)
Balance at December 31, 2024	1,961	2,899	31	987	797	6,675
Additions	7	118			14	139
Disposals	(477)	--	--	(164)	--	(641)
Balance at December 31, 2025	1,491	3,017	31	823	811	6,173
Depreciation						
Balance at January 1, 2024	1,911	2,010	23	584	537	5,065
Depreciation	156	440	10	103	83	792
Disposals	(313)	(1)	(7)	(22)	--	(343)
Balance at December 31, 2024	1,754	2,449	26	665	620	5,514
Depreciation	85	365	5	110	84	649
Disposals	(475)	--	--	(140)	--	(615)
Balance at December 31, 2025	1,364	2,814	31	635	704	5,548
Carrying amounts						
At December 31, 2024	207	450	5	322	177	1,161
At December 31, 2025	127	203	0	188	107	625

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 11 - Intangible Assets

	Group				
	Goodwill	Development costs	Customer Relationships	Know-how, intellectual property and other	Total
	US\$ thousands				
Cost					
Balance at January 1, 2024	4,944	6,979	1,949	18,266	32,138
Additions for the year	--	922	--	--	922
Write off for the year	(665)	--	--	--	(665)
Balance at December 31, 2024	4,279	7,901	1,949	18,266	32,395
Additions for the year	--	690	--	--	690
Balance at December 31, 2025	4,279	8,591	1,949	18,266	33,085
Amortisation					
Balance at January 1, 2024	--	6,979	290	17,719	24,988
Amortisation for the year	--	--	228	135	363
Balance at December 31, 2024	--	6,979	518	17,854	25,351
Amortisation for the year	--	227	228	140	595
Balance at December 31, 2025	--	7,206	746	17,994	25,946
Carrying amount					
At December 31, 2024	4,279	922	1,431	412	7,044
At December 31, 2025	4,279	1,385	1,203	272	7,139

	Company
	Development costs
	US\$ thousands
Cost	
Balance at January 1, 2024	411
Additions for the year	801
Balance at December 31, 2024	1,212
Additions for the year	483
Balance at December 31, 2025	1,695
Amortisation	
Balance at January 1, 2024	411
Amortisation for the year	--
Balance at December 31, 2024	411
Amortisation for the year	181
Balance at December 31, 2025	592
Carrying amount	
At December 31, 2024	801
At December 31, 2025	1,103

The amortisation of know-how, intellectual property, development costs and other intangible assets is recognised in cost of sales (see also Note 3D). The amortisation of customer relationships is recognized in selling expenses.

The cash-generating unit's recoverable amount was based on fair value less costs of disposal. The fair value less costs of disposal was estimated using the discounted cash flow method.

During 2024 the group wrote-off goodwill related to an acquired business that is not in use.

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 12 – Inventories

	Group		Company	
	2025	2024	2025	2024
	US\$ thousands			
Raw materials and consumables	2,240	3,405	840	2,110
Work in progress	46	965	35	881
Finished goods	1,812	2,361	955	1,251
	4,098	6,731	1,830	4,242

In 2025 the write-down of Group inventories to net realisable value amounted to US\$ 2.1 million (2024 – US\$ 2.8). In 2025 the write-down of Company inventories to net realisable value amounted to US\$ 1.3 million (2024 – US\$ 2.2). (see also Note 3E).

Note 13 - Trade Receivables

	Group		Company	
	2025	2024	2025	2024
	US\$ thousands			
Short-term				
Trade receivables	7,310	10,340	4,672	5,797
Allowance for doubtful receivables	(739)	(1,145)	(110)	(428)
	6,571	9,195	4,562	5,369
Long-term				
Trade receivables	862	1,740	29	296

The Group's and Company's exposure to credit and currency risks and impairment losses related to trade receivables is disclosed in Note 23.

Note 14 - Other Current Assets

	Group		Company	
	2025	2024	2025	2024
	US\$ thousands			
Other current assets				
Government institutions	906	1,939	77	109
Advances to suppliers	20	163	7	159
Prepaid expenses	596	733	333	426
Other	131	171	--	--
	1,653	3,006	417	694
Other non current assets				
Long term income tax receivable	2,044	996	--	--
Fair value of Call Option	1,000	1,100	--	--
Rent deposit	151	151	--	--
	3,195	2,247	--	--

The Group's and Company's exposure to credit and currency risks is disclosed in Note 23.

Note 15 - Short-Term Investments

At December 31, 2024 the Group short-term investments are comprised of bank deposits having weighted average interest rates of 5.63%.

At December 31, 2024 the Company short-term investments were comprised of bank deposits having weighted average interest rates of 6.09%. (see also Note 23).

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 16 - Cash and Cash Equivalents

	Group		Company	
	2025	2024	2025	2024
	US\$ thousands			
Bank balances	13,565	12,038	8,116	7,615
Bank deposits	8,433	6,191	602	301
	21,998	18,229	8,718	7,916

Group bank deposits are primarily denominated in US dollars and have weighted average interest rates of 4.49% at December 31, 2025 (December 31, 2024 – 4.84%). Company bank deposits are also primarily denominated in US dollars and have weighted average interest rates of 4.15% at December 31, 2025 (December 31, 2024 – 4.50%). The Group's and the Company's exposure to interest rate risk is disclosed in Note 23.

Note 17 – Share Capital – The Company

	As at December 31	
	2025	2024
	Number of shares	
Authorised:		
Ordinary shares of no par value	2,000,000,000	2,000,000,000
Issued and fully paid:		
Ordinary shares of no par value	356,893,121	356,836,455
Dormant shares (out of the issued and fully paid share capital):		
Ordinary shares of no par value	(16,163,074)	(14,707,174)
Total number of issued shares:		
(excluding dormant shares)	340,730,047	342,129,281

The following are the changes in the issued shares of the Company for the years ended December 31, 2025 and 2024:

	2025	2024
	Number of shares	
Issued ordinary shares at January 1	342,129,281	347,744,435
Share options exercised	56,666	24,120
Dormant shares purchased	(1,455,900)	(5,639,274)
Issued ordinary shares at December 31	340,730,047	342,129,281

On April 24, 2025 and on April 24, 2024, the Company's shareholders renewed the share buyback mandate of up to 5% of the Company's then issued and fully paid up shares, respectively. Under the share buyback mandate, share buybacks may be made, at any time and from time to time up to the earliest of: (a) the date on which the next annual general meeting of the Company is held or required by law to be held; (b) the date on which the authority conferred by the share buyback mandate is revoked or varied by the Company in general meeting; or (c) the date on which share buybacks are carried out to the full extent mandated.

For the year ended December 31, 2025, the Company purchased 1,455,900 ordinary shares, at a cost of US\$ 264 thousand. For the year ended December 31, 2024, the Company purchased 5,639,274 ordinary shares, at a cost of US\$ 1,319 thousand. In accordance with Israeli Companies Law, Company shares that have been acquired and are held by the Company are dormant shares as long as they are held by the Company, and as such they do not bear any rights until they are transferred to a third party.

For the year ended December 31, 2025 an amount of 56,666 shares were issued upon the exercise of options for cash. For the year ended December 31, 2024 an amount of 24,120 shares were issued upon the exercise of options for cash (see also Note 21).

For the year ended December 31, 2025, the Company did not declare nor pay any dividends. For the year ended December 31, 2024, the Company declared and paid dividends in the amount of US\$ 2.6 million, amounting to US cents 0.75 per share.

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 18 – Earnings Per Share

Basic earnings per share

The calculation of basic losses per share for the year ended December 31, 2025 was based on the loss attributable to ordinary shareholders of US\$ 3,877 thousand (versus the profit in 2024 attributable to ordinary shareholders of US\$ 1,074 thousand) and a weighted average number of ordinary shares outstanding of 341,415,027 (2024 – 343,318,797), calculated as follows:

	2025	2024
Issued ordinary shares at January 1	342,129,281	347,744,435
Effect of share options exercised	10,712	18,387
Effect dormant shares purchased	(724,966)	(4,444,025)
Weighted average number of ordinary shares at December 31	<u>341,415,027</u>	<u>343,318,797</u>

Diluted earnings per share

The calculation of diluted losses per share for the year ended December 31, 2025 was based on the loss attributable to ordinary shareholders of US\$ 3,877 thousand (versus the profit in 2024 attributable to ordinary shareholders of US\$ 1,074 thousand) and a weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 341,415,027 (2024 – 343,319,514), calculated as follows:

	2025	2024
Weighted average number of ordinary shares (basic)	341,415,027	343,318,797
Effect of share options on issue	--	717
Weighted average number of ordinary shares (diluted) at December 31	<u>341,415,027</u>	<u>343,319,514</u>

The average market value of the Company's ordinary shares for purposes of calculating the dilutive effect of share options was based on quoted market prices for the period that the options were outstanding.

Note 19 – Other Payables

	Group		Company	
	2025	2024	2025	2024
	US\$ thousands			
Employees and institutions	2,127	2,017	1,077	1,304
Deferred revenue	1,134	1,281	199	258
Advances from customers	94	395	64	315
Accrued expenses	1,333	1,765	976	982
Subsidiaries	--	--	14,793	3,484
Other	9	54	--	--
	<u>4,697</u>	<u>5,512</u>	<u>17,109</u>	<u>6,343</u>

The Group's and the Company's exposure to currency risk related to other payables are disclosed in Note 23.

Note 20 – Other non-current liabilities

	Group		Company	
	2025	2024	2025	2024
	US\$ thousands			
Employee Benefits	538	411	160	107
Rent deposit	46	46	--	--
	<u>584</u>	<u>457</u>	<u>160</u>	<u>107</u>

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 20 – Other non-current liabilities (cont'd)

Employee Benefits

A. Defined benefit plan

Labour laws and agreements require the Company and part of its subsidiaries to pay severance pay to dismissed or retiring employees (and those leaving their employment under certain other circumstances). The calculation of the severance pay liability was made in accordance with labour agreements in force and based on salary components, which, in management's opinion, create entitlement to severance pay.

The Group's severance pay liabilities to its employees are funded partially by regular deposits with recognised pension and severance pay funds in the employees' names and by purchase of insurance policies.

Employee benefits consist of the following:

	Group	
	As at December 31	
	2025	2024
	US\$ thousands	
Present value of the liability	1,029	1,048
Less fair value of assets	491	637
Recognised liability for defined benefit liability	538	411

The Group makes contributions to defined benefit plans that provide pension benefits for employees upon retirement or post-employment.

Movement in net defined benefit liabilities (assets) and in their components:

	Defined benefit obligation		Less Fair value of plan assets		Net defined benefit liability	
	2025	2024	2025	2024	2025	2024
	US\$ thousands					
Balance as at January 1	1,048	1,132	637	699	411	433
Included in profit or loss	98	--	2	11	96	(11)
Included in other comprehensive income	112	37	81	48	31	(11)
Benefits paid	(229)	(121)	(229)	(121)	--	--
Balance as at December 31	1,029	1,048	491	637	538	411

Principal actuarial assumptions:

	2025	2024
Discount rate ⁽¹⁾	2.69%	2.96%
Future salary nominal increases ⁽²⁾	3.00%	3.00%

Assumptions regarding future mortality are based on published statistics and mortality tables.

- (1) The discount rate used in 2025 and 2024 is based on the yield of fixed-interest NIS high quality corporate bonds with duration approximating the duration of the gross liabilities.
 (2) Based on management assessment.

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	As at December 31, 2025	
	One percentage point increase	One percentage point decrease
	US\$ thousands	
Future salary growth	19	(16)
Discount rate	(15)	18

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 20 – Other non-current liabilities (cont'd)

B. Defined contribution plan

The Group has a defined contribution plan in respect of its liability to pay the savings component of provident funds and in respect of those of its employees who are subject to Section 14 of the Severance Pay Law – 1963.

	2025	2024
	US\$ thousands	
Amount recognised as expense in respect of defined contribution plan	1,061	1,260

Note 21 - Share-Based Payments

In April 2015, the Company adopted a share option plan to allot options to directors and employees of the Company and its subsidiaries (the "2015 Plan"), which expired on 20 April 2025. The aggregate number of ordinary shares which may be granted as options on any date, when added to the number of shares issued and issuable in respect of all options granted under all of the Company's Plans then in force shall not exceed 15% of the issued share capital of the Company on the date preceding the date of the relevant grant. As at December 31, 2025, 45,569,320 options have been granted under the 2015 Plan, of which 12,842,320 options are currently outstanding, and 3,220,995 options have been exercised to date (with the balance having been forfeited). The vesting periods of the options granted under the 2015 Plan range from one year following the date of grant (as such term is defined in the 2015 Plan) and up to four years following the date of grant.

Under the terms of the 2015 Plan, options shall expire at the end of six years commencing on the date of grant (or any earlier date, if such was mentioned in the grant instrument) or on cessation of employment, at the earlier of the two. Unexercised vested options can generally be exercised within 90 days of cessation of employment.

The Income Tax Authorities have recognised the 2015 Plan as a "share allotment through a trustee" plan according to Section 102 to the Tax Ordinance using the "capital gain track." As a result, the benefit to the Israeli employee from the option plan shall be either classified as ordinary income or capital gain, all in accordance with the provisions of Section 102(b)(3) to the Tax Ordinance.

Ordinary shares which shall be issued by the Company pursuant to exercise of options granted under the Plans, entitle their holders with any and all rights attached to the Company's ordinary shares, inter alia, the right to receive dividends, the right to participate in the distribution of the Company's assets upon liquidation, voting rights in the Company's General Meetings (provided that as long as the ordinary shares are being held by the trustee, such voting rights will be exercised by the trustee, according to instructions provided by the holders, and if no such instructions are provided – as per the trustee's discretion).

During the year ended December 31, 2025, no options to employees under the 2015 Plan were granted. During the year ended December 31, 2024, the Company granted 3,355,000 options to employees under the 2015 Plan, with vesting conditions of one to three years and a contractual life of six years. The options will vest subject to service-based conditions and performance based conditions, relating to total shareholders return targets.. (also see Note 27). Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	2025		2024	
	Weighted average exercise price in US\$ per share	Options	Weighted average exercise price in US\$ per share	Options
Outstanding at January 1	0.290	16,308,280	0.424	17,073,711
Granted	--	--	0.193	3,355,000
Forfeited	0.295	(3,409,294)	0.721	(4,096,311)
Exercised	0.204	(56,666)	0.165	(24,120)
Outstanding at December 31	0.311	12,842,320	0.290	16,308,280

The number of share options vested at December 31, 2025 and 2024 was 7,863,982 and 8,291,608, respectively.

The Company measured the fair value of the share options granted using a lattice-based valuation model. As no share options were granted during 2025, the following assumptions under this method were used for the share options granted during the year ended December 31, 2024 : weighted average expected volatility of: 48.10% ; weighted average risk-free interest rates (in US dollar terms) of 3.12% ; dividend yield of 4.13% , respectively. The weighted average fair value of the share options granted during the year ended December 31, 2024 using the model was US\$ 0.065 per share option.

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 21 - Share-Based Payments (cont'd)

The average share price in 2024 was US\$ 0.19.

The following table summarises information about share options outstanding and exercisable at December 31, 2025:

Range of exercise prices US\$ per share	Options outstanding			Options exercisable	
	Number outstanding	Weighted-average remaining contractual life (years)	Weighted-average exercise price US\$	Number Exercisable	Weighted-average exercise price US\$
0.17 – 0.29	4,832,320	3.1	0.20	1,910,652	0.18
0.32 – 0.35	4,310,000	3.3	0.35	2,253,330	0.35
0.39 – 0.47	3,700,000	1.9	0.42	3,700,000	0.42
	12,842,320			7,863,982	

The expenses derived from share-based payment transactions are as follows:

	Year ended December 31	
	2025	2024
	US\$ thousands	
Research and development expenses	16	23
Sales and marketing expenses	22	7
General and administrative expenses	72	87
	110	117

Note 22 - Warranty Provision

The provision for warranty relates mainly to product sales during the years ended December 31, 2025 and 2024. The provision is based on estimates made from historical warranty data associated with similar products and services. The Group expects to incur the liability over the next year.

The movement in the warranty provision is as follows:

	Group		Company	
	2025	2024	2025	2024
	US\$ thousands			
Balance at the beginning of the year	299	288	218	207
Provisions made during the year	(97)	331	(80)	238
Provisions used during the year	(108)	(320)	(56)	(227)
Balance at the end of the year	94	299	82	218

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 23 - Financial Instruments

Exposure to credit risk

The majority of the Group's and Company's cash, cash equivalents and short-term investments are in Israel-based banks.

The maximum exposure to credit risk for trade receivables (current and long-term) at the reporting date by geographic region was:

	Group		Company	
	Carrying amount			
	2025	2024	2025	2024
	US\$ thousands			
India	4,500	6,739	903	1,499
Europe	593	1,053	558	1,013
USA	612	284	322	237
Africa	1,038	716	11	7
Israel	234	431	2,464	1,844
Other	456	1,712	333	1,065
	7,433	10,935	4,591	5,665

For the year ended December 31, 2024, one customer comprised approximately 15%, of the Group's outstanding trade receivables. For the year ended December 31, 2024, one customer comprised approximately 16% of the Company's outstanding receivables.

Impairment losses

The aging of trade receivables (current and long-term) at the reporting date was:

	Group		Company	
	2025	2024	2025	2024
	US\$ thousands			
Not past due	3,847	4,466	1,166	2,781
Past due 0-30 days	1,150	1,054	426	465
Past due 31-90 days	632	1,211	87	451
More than 90 days*	2,543	5,349	3,022	2,396
	8,172	12,080	4,701	6,093
Allowance for doubtful receivables	(739)	(1,145)	(110)	(428)
	7,433	10,935	4,591	5,665

* The majority of the non-impaired balances over 90 days as of December 31, 2025 were paid subsequent to December 31, 2025.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	Group		Company	
	2025	2024	2025	2024
	US\$ thousands			
Balance at January 1	1,145	1,366	428	241
Movement	(406)	(221)	(318)	187
Balance at December 31	739	1,145	110	428

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 23 - Financial Instruments (cont'd)

Exposure to currency risk

The Group's and Company's exposure to foreign currency risk was as follows based on notional amounts translated into US\$ thousands as at December 31, 2025 and 2024:

	Group			
	December 31, 2025		December 31, 2024	
	NIS	Rupee	NIS	Rupee
	US\$ thousands			
Cash and cash equivalents	980	1,322	1,532	1,309
Trade receivables	28	304	197	617
Other current assets	458	1,734	1,547	999
Current and long-term lease liabilities	(1,775)	(59)	(2,971)	(78)
Trade payables	(342)	--	(644)	(11)
Income tax payable	--	(21)	--	(216)
Other payables	(2,172)	(1,156)	(1,434)	(1,537)
Net balance sheet exposure	(2,823)	2,124	(1,773)	1,083

	Company	
	December 31, 2025	December 31, 2024
	NIS	NIS
	US\$ thousands	
Cash and cash equivalents	711	1,100
Trade receivables	24	184
Other current assets	407	1,316
Current and long-term lease liabilities	(1,775)	(2,966)
Trade payables	(225)	(541)
Other payables	(1,942)	(1,100)
Net balance sheet exposure	(2,800)	(2,007)

The following significant US dollar exchange rates applied during the year:

	Average rate		As at December 31	
	2025	2024	2025	2024
NIS	3.452	3.699	3.190	3.647
Rupee	87.33	83.77	89.92	85.62

The Group is mainly exposed to changes in the exchange rates of the US dollar in relation to the NIS with regards to employee compensation and other expenses paid in NIS. For the year ended December 31, 2025, the Group maintained its portion of cash and cash equivalents held in NIS (equivalent to US\$ 1 million at December 31, 2025 (US\$ 1.5 million in 2024)). An appreciation/depreciation of 10% of the NIS and Rupee relative to the US dollar will not result in any material loss/gain in the Statement of Profit and Loss and Other Comprehensive Income.

Fair values

The fair values of cash and cash equivalents, trade receivables, certain other current assets, short-term investments, trade and other payables are not materially different from their carrying amounts because of the immediate or short-term maturity of these instruments.

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 24 – Leases

The Group has lease agreements with respect to office facilities mainly in Israel and India. The Group also has lease agreements in respect to vehicles in Israel. In measurement of the lease liabilities, the Group discounted lease payments using the nominal incremental borrowing rate as at the lease inception, or at January 1, 2019 for leases in effect prior to December 31, 2018. The discount rates used to measure the lease liability ranged between 1.6% and 8.0%. This range is affected by differences in the length of the lease term, differences between the various groups of assets, different discount rates of Group companies, and so forth.

A. Information regarding material lease agreements

The Group leases motor vehicles for three-year periods from several leasing companies and from time to time changes the number of leased vehicles according to its current needs. The leased motor vehicles are identified by means of license numbers and registration, with the leasing companies not being able to switch vehicles, other than in cases of deficiencies. The leased vehicles are used by certain of the Group's Israel staff, including employees whose employment agreements include an obligation of the Group to put a vehicle at their disposal. The Group accounted for the arrangement between it and its employees as an arrangement in the scope of IAS 19. The agreements with the leasing companies do not contain extension and/or termination options that the Group is reasonably certain to exercise.

A lease liability and right-of-use asset in the amount of US\$ 186 thousand and US\$ 161 thousand, respectively, have been recognised in the statement of financial position as at December 31, 2025 in respect of leases of motor vehicles.

The Group leases office facilities for periods ranging between 2 - 5 years, with options to extend the lease agreements for additional years at similar terms as those of the existing agreements. A lease liability and right-of-use asset in the amount of US\$ 3,566 thousand and US\$ 2,987 thousand, respectively, have been recognised in the statement of financial position as at December 31, 2025 in respect of those leases.

B. Right-of-use assets

	Group		
	Office facilities	Motor vehicles	Total
	US\$ thousands		
Balance at January 1, 2024	5,784	248	6,032
Additions	--	148	148
Disposal	(37)	(9)	(46)
Depreciation	(1,369)	(171)	(1,540)
Balance at December 31, 2024	4,378	216	4,594
Balance at January 1, 2025	4,378	216	4,594
Additions	1,402	80	1,482
Disposal	(1,689)	(12)	(1,701)
Depreciation	(1,104)	(123)	(1,227)
Balance at December 31, 2025	2,987	161	3,148

	Company		
	Office facilities	Motor vehicles	Total
	US\$ thousands		
Balance at January 1, 2024	2,800	214	3,014
Additions	--	148	148
Disposal	--	(9)	(9)
Depreciation	(747)	(139)	(886)
Balance at December 31, 2024	2,053	214	2,267
Balance at January 1, 2025	2,053	214	2,267
Additions	1,402	80	1,482
Disposal	(1,685)	(12)	(1,697)
Depreciation	(506)	(120)	(626)
Balance at December 31, 2025	1,264	162	1,426

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 24 – Leases (cont'd)

C. Lease liabilities

Maturity analysis of the Group's and Company's lease liabilities as at December 31, 2025.

	Group	Company
	US\$ thousands	
Less than one year	1,002	539
One to five years	2,321	1,236
More than five years	429	--
Balance at December 31, 2025	3,752	1,775

D. Additional information on leases

Amounts recognised in profit or loss

	2025	2024
	US\$ thousands	
Interest expense on lease liabilities	271	308
Revaluation of lease liabilities from exchange rate Differences	302	(26)
Depreciation of right-of-use assets	1,227	1,540
Total	1,800	1,822

Note 25 – Commitments

A. Short term lease commitments (less than 1 year)

The Group has entered into certain short-term leases for office facilities. The future minimum non-cancellable lease payments relating to those leases are in the amount of approximately US\$ 19,000.

B. The Group is committed to pay royalties at the rate of 3%-3.5% to the IIA on sales proceeds from products for which it received grants up to an amount not exceeding the grants received (linked to the exchange rate of the US dollar). The total grants received, net of royalties paid to the IIA, excluding Galatea, which was repaid in 2013, was approximately US\$ 1.1 million through December 31, 2025. As the technology related to these grants was not commercially successful, future sales connected to the research and development of this technology are still dependent on the result of further successful research and development and market acceptance.

C. On November 9, 2011, a subsidiary of the Company acquired polished diamond imaging technology. Under the terms of the agreement, the subsidiary may be required to pay additional contingent consideration due in the form of royalties of approximately 5% on sales for a period of not less than 7 years following the date of acquisition and up to the life of the patents, capped at US\$10 million.

Note 26 – Contingent Liabilities

The Group is currently a party to various civil litigation proceedings in different jurisdictions in which it does business. These proceedings include, among other matters, patent and intellectual property infringement litigation in India which were initiated either by us or third parties, and a claim for wrongful termination by a former employee in Israel. Based on the opinions of the Group's legal advisors, the Group believes that all pending claims against the Group are without merit and its exposure to these disputed claims will not have a material impact on its business nor on its financial position or results of operation. Accordingly, no provision has been made in the Group's financial statements for such claims. As to tax disputes, see Note 9.

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 27 – Related Parties

The following significant related party transactions between the Group and related parties were carried out in the normal course of business on terms agreed between the parties:

Remuneration of key management personnel

	Year ended December 31	
	2025	2024
	US\$ thousands	
Remuneration of CEO and directors		
Fixed income-based	1,009	896
Share-based payments	62	94
Other performance based incentives	59	47
	1,130	1,037

Pursuant to an Annual General Meeting and an Extraordinary General Meeting of the Company's shareholders held on April 24, 2025, no options to purchase ordinary shares of the Company were granted.

Pursuant to an Annual General Meeting and an Extraordinary General Meeting of the Company's shareholders held on April 24, 2024, the Group's CEO was granted 1,000,000 options to purchase ordinary shares of the Company, exercisable upon the payment of Singaporean \$0.261 per share (at no discount of the then Market Price – as such term is defined in the 2015 Plan), with vesting conditions of more than four years and a contractual life of six years. The options will vest subject to performance-based conditions, relating to share price. The fair value of the options granted was US\$ 0.065 per share at the grant date (see Note 21).

Note 28 – Group Entities

A. Details in respect of subsidiaries

The following subsidiaries have been included in the consolidated financial statements:

	Place of Incorporation	Effective equity interest held by the Group as at December 31, 2025 and 2024 %
Galatea Ltd.	Israel	100%
Sarine Color Technologies Ltd.	Israel	100%
Sarine Polishing Technologies Ltd.	Israel	100%
Sarine Holdings USA Ltd.	Israel	100%
Sarin Technologies India Pvt. Ltd.	India	100%
Sarin Hong Kong Ltd.	Hong Kong	100%
Sarine North America Inc.	Delaware, USA	100%
Sarine IGT 10H Inc.	Delaware, USA	100%
Sarine IGT 10I Inc.	Delaware, USA	100%
Sarine IGT 10JKL Inc.	Delaware, USA	100%
GCAL	New York, USA	70%

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 28 – Group Entities (cont'd)

B. Movements in investments in subsidiaries:

	Company	
	2025	2024
	US\$ thousands	
Balance at beginning of year	44,636	43,576
Movements during the year:		
Loans and credit granted to subsidiaries	2,970	8,156
The Company's share of profits	1,127	4,403
Dividend	--	(11,499)
Balance at end of year	48,733	44,636

C. Details in respect of equity accounted investee

	Place of Incorporation	Effective equity interest held by the Group as at December 31, 2025 %
Kitov Ai Ltd (see Note 29)	Israel	33.02%

Note 29 – Investment in equity accounted investee

1. Summary information on material associates

(a) General information

On 18 August 2025, the Group acquired a 33.02% investment in Kitov.ai, which engages in the development, integration and sale of advanced AI-based quality inspection and verification systems for use inline in production facilities and is applicable to many varied industries. The purpose of said investment being the diversification of Sarine's focus to additional industries, also in light of the current challenges the diamond jewellery industry faces, while applying similar technological solutions. The current deal structure included an initial cash investment of US\$4.1 million in consideration of a 33.02% stake in Kitov.ai, paid in part to the existing shareholders of Kitov.ai and in part infused into Kitov.ai as working capital. The excess of the consideration paid over the fair value of the net identifiable assets, in the amount of US\$ 3.7 million, was attributed to technology and goodwill and was included as part of the investment in the aforesaid company.

The Company also granted Kitov.ai a convertible loan in the amount of US\$ 2.6 million, which under certain conditions can be converted, at Sarine's sole discretion, into shares, not before 01 January 2027 and not after 15 February 2028, to bring Sarine's total stake in Kitov.ai to 51%.

The investment in Kitov.ai is accounted for using the equity method (equity accounted investees) and is recognized initially at cost. The cost of the investment includes transaction costs. Transaction costs that are directly attributable to an expected acquisition of an associate or joint venture are recognized as an asset as part of the item of deferred expenses in the statement of financial position. These costs are added to the cost of the investment on the acquisition date. The consolidated financial statements include the Group's share of the income and expenses in profit or loss and of other comprehensive income of Kitov.ai, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence or joint control ceases.

Details of the purchase consideration, the net assets acquired and goodwill are US\$ 6,690 thousands.

The assets and liabilities recognised as a result of the acquisition are as follows (US\$ thousands):

Fair value of net identifiable assets	385
Developed Technology	1,100
Goodwill	2,605
Converted loan	2,600
Total purchase consideration	6,690

If new information is obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date, the Group will retrospectively adjust the relevant amounts that were recognised at the time of the acquisition.

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 29 – Investment in equity accounted investee (cont'd)

1. Summary information on material associates (cont'd)

(b) Summary financial information on the financial position as at December 31, 2025

	Percentage ownership interest/ participation in profits ⁹	Current assets		Current liabilities	Non-current liabilities	USD thousands							
		Current assets	Non-current assets	Current liabilities	Non-current liabilities	Total net assets (100%)	Company's share of net assets	Fair value adjustments on date of acquisitions	Elimination of inter-company profits	Other adjustments	Carrying amount of investment	Fair value (for investments having a quoted price)	
Kitov AI Ltd	33.02%	3,535	238	2,704	385	684	226	6,304	--	(68)	6,462	--	

(c) Summary financial information on operating results for the period January 26, 2025 through December 31, 2025

	Profit (loss)		Other comprehensive income	Total comprehensive loss	Company's share of comprehensive loss	Elimination of inter-company profits	Other adjustments	Company's share of comprehensive income as presented in the books
	Profit (loss) from continuing operations	Profit (loss) from discontinued operations, after tax						
Revenues								
Kitov AI Ltd	1,674	(1,345)	--	(1,425)	(169) ¹	--	(59)	(228)

¹ For the period August 18, 2025 through December 31, 2025

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025

Note 30 – Investment property (Real Estate)

As of 2024 the Group rented out offices in North America which to a third party. The Company elected to present its investment property at the cost basis.

	2025		2024	
	Group	Company	Group	Company
	US\$ thousands			
<u>Cost</u>				
Balance at the beginning of the year	5,887	--	--	--
Reclassification from property, plant and equipment	--	--	5,887	--
Balance at the end of the year	5,887	--	5,887	--
<u>Depreciation</u>				
Balance at the beginning of the year	1,973	--	--	--
Reclassification from property, plant and equipment	--	--	1,849	--
Depreciation	108	--	124	--
Balance at the end of the year	2,081	--	1,973	--
<u>Carrying amounts</u>	3,806	--	3,914	--
	Year ended December 31, 2025		Year ended December 31, 2024	
	Group	Company	Group	Company
	US\$ thousands			
Balance at the beginning of the year	3,928	--	3,928	--

Note 31 – Subsequent Events

On February 28, 2026, the United States and Israel launched a joint attack on Iran. Iran launched ballistic missiles and drones against targets in Israel and against U.S. military bases and other targets in several countries in the Persian Gulf. On March 1, Hezbollah in Lebanon joined the attacks against Israel. As a result, the Israeli government imposed restrictions on opening of non-essential places of business, and announced recruitment of military reserves. As of the date of these consolidated financial statements, the potential impact of these developments is difficult to predict, as such are the economic implications of the conflict on the Company's operational and financial performance. The Company considered the impact of the war and determined that there were no material adverse impacts on the consolidated financial statements, including related significant estimates made by management, for the period ended December 31, 2025.

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.

SHAREHOLDING STATISTICS

AS AT 11 MARCH 2026

Issued and fully paid-up	-	356,893,121
No. of Treasury Shares	-	16,291,074
Class of shares	-	ordinary shares of no par value
Voting rights	-	on a show of hands, by written ballot or by any other means : 1 vote for each ordinary share

ANALYSIS OF SHAREHOLDINGS

Range of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	42	2.77	1,959	0.00
100 – 1,000	106	6.98	75,024	0.02
1,001 – 10,000	651	42.89	3,813,918	1.07
10,001 – 1,000,000	702	46.24	44,413,368	12.44
1,000,001 and above	17	1.12	308,588,852	86.47
	<u>1,518</u>	<u>100.00</u>	<u>356,893,121</u>	<u>100.00</u>

Shareholdings Held in Hands of Public

Based on information available to the Company as at 11 March 2026, approximately 62.74% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the Listing Manual issued by Singapore Exchange Securities Trading Limited is complied with.

TOP 20 SHAREHOLDERS

No.	Name of Shareholder	No. of Shares	%*
1	RAFFLES NOMINEES(PTE) LIMITED	87,968,858	25.83
2	CITIBANK NOMS SPORE PTE LTD	68,425,293	20.09
3	DBS NOMINEES PTE LTD	58,244,310	17.20
4	ABN AMRO CLEARING BANK N.V.	25,305,309	7.43
5	UOB KAY HIAN PTE LTD	12,865,074	3.78
6	EYAL AVRAHAM KHAYAT	7,926,441	2.33
7	IFAST FINANCIAL PTE LTD	6,162,024	1.81
8	PHILLIP SECURITIES PTE LTD	5,177,620	1.52
9	OCBC SECURITIES PRIVATE LTD	4,476,463	1.31
10	BNP PARIBAS NOMS SPORE PTE LTD	3,458,700	1.02
11	CHOW KWOK HONG	3,100,051	0.91
12	CHENG HENG SENG	2,270,000	0.67
13	28 HOLDINGS PTE. LTD.	2,262,500	0.66
14	CHEONG SHUEK MUI	1,303,167	0.38
15	SOH CHENG LIN	1,199,900	0.35
16	BAEY BOON LIN	1,110,000	0.32
17	TIGER BROKERS (SINGAPORE) PTE. LTD.	1,042,068	0.31
18	BPSS NOMINEES SINGAPORE (PTE.) LTD.	980,800	0.29
19	DBS VICKERS SECURITIES (S) PTE LTD	849,262	0.25
20	GAN SUAT LUI	806,400	0.24
		<u>294,934,240</u>	<u>86.60</u>

* The percentage of shareholdings was computed based on the issued share capital of the Company as at 11 March 2026 of 340,602,047 shares (which excludes 16,291,074 shares which are held as treasury shares representing approximately 4.78% of the total number of issued shares excluding treasury shares).

There were no Subsidiary Holdings (as defined in the SGX-ST Listing Manual) as at 11 March 2026.

SHAREHOLDING STATISTICS

AS AT 11 MARCH 2026

SUBSTANTIAL SHAREHOLDERS

Name	Direct Interest		Deemed Interest	
	No. of Shares	%*	No. of Shares	%*
FIMI Opportunity 7, L.P.	--	--	38,853,937	11.41%
Axxion S.A.	--	--	30,691,900	9.01%
A-6684 Ltd.	--	--	17,161,204	5.04%

* The percentage of issued ordinary shares is calculated based on the number 340,602,047 of issued ordinary shares of the company as at 11 March 2026 (excluding 16,291,074 treasury shares).

Directors' Interests in Shares of the Company

Name of Director	Shareholdings in the name of the Director			Shareholdings in which the Director is deemed to have an interest		
	As at 1 January 2025	As at 31 December 2025	As at 21 January 2026	As at 1 January 2025	As at 31 December 2025	As at 21 January 2026
Daniel Benjamin Glinert	--	--	--	12,734,156	12,734,156	12,734,156
Avraham Eshed	--	--	--	15,126,922	15,126,922	15,126,922
Uzi Levami	--	--	--	12,335,406	12,335,406	12,335,406
Varda Shine	--	--	--	350,000	350,000	350,000
Neta Zruya-Hashai	--	--	--	--	--	--
Lim Yong Sheng	--	--	--	225,000	225,000	225,000
Sin Boon Ann	--	--	--	--	--	--

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting (“**AGM**”) of the Company will be held in the Britannia Room , Level 3, NCO Club at the JW Marriot Singapore South Beach Hotel, 30 Beach Rd, Singapore 189763, on the 29th day of April 2026 at 3:00 PM Singapore time (10:00 AM Israel time) to transact the business enumerated below.

Ordinary Business

1. To receive and consider the audited accounts for the year ended 31 December 2025 and the reports of the directors and auditors thereon.
2. To re-appoint Somekh Chaikin Certified Public Accountants (Isr.), Member firm of KPMG International and Chaikin, Cohen, Rubin and Co., Certified Public Accountants (Isr.) as external auditors and to authorise the Board of Directors to fix their remuneration.
3. To elect the following three retiring directors as Independent Directors of the Company - see Explanatory Note (a) and Appendix 1 for the relevant disclosures as per Listing Rule 704 (7)(a):
 - a. Neta Zruya HASHAI
 - b. LIM Yong Sheng
 - c. SIN Boon Ann
4. To elect the following three Independent Directors of the Company - see Explanatory Note (a) and Appendix 1 for the relevant disclosures as per Listing Rule 704 (7)(a):
 - a. Lior ESHED
 - b. Ziv GAFNI
 - c. Noga PERRY
5. To elect the following two retiring Non-Independent Directors of the Company - see Explanatory Note (a) and Appendix 1 for the relevant disclosures:
 - a. Daniel Benjamin GLINERT
 - b. Uzi LEVAMI
6. To appoint Ms. Netz Zruya Hashai, as Lead Independent Director [See Explanatory Note (b)]:
7. To approve the grant to the following Independent Directors, if elected, of 1,050,000 options in aggregate (350,000 options to each Independent Director), under the Sarine Technologies Ltd, 2026 Share Option and Restricted Share Units Plan (Directors) (the “**2026 Directors Plan**”), subject to the approval of the 2026 Directors Plan by the Israeli Tax Authority and by the Extraordinary General Meeting (to be held immediately following the AGM – the “**EGM**”) [See Explanatory Note (c)]:
 - a. Lior ESHED
 - b. Ziv GAFNI
 - c. Noga PERRY
8. To approve the remuneration and participation fees for the following Independent Directors [See Explanatory Note (d)]:
 - a. Lior ESHED
 - b. Ziv GAFNI
 - c. Neta Zruya HASHAI
 - d. Noga PERRY
 - e. LIM Yong Sheng
 - f. SIN Boon Ann
9. To approve the remuneration and participation fees of Mr. Uzi LEVAMI, Non-Independent Director [see Explanatory Note (e)]
10. To approve the remuneration of Mr. Daniel Benjamin GLINERT, Executive Chairman of the Board [see Explanatory Note (f)]
11. To approve the grant of 600,000 options, under the Sarine Technologies Ltd, 2026 Share Option and Restricted Share Units Plan (Employees) (the “**2026 Employees Plan**”) to Mr. David Block, the CEO, subject to the approval of the 2026 Employees Plan by the Israeli Tax Authority and by the EGM [See Explanatory Notes (g) and (h)]

Special Business

12. To consider and, if thought fit, to pass the following members’ resolutions with or without amendments:-

- 12.1 Authority to issue shares [see Explanatory Note (i)]

That authority be given to the directors of the Company to issue and allot shares in the Company whether by way of rights, bonus or otherwise (including but not limited to the issue and allotment of shares at any time, whether during the continuance of such authority or thereafter, pursuant to offers, agreements or options made or granted by the Company while this authority remains in force) by the directors, or otherwise disposal of shares (including making and granting offers, agreements and options which would or might require shares to be issued, allotted or otherwise disposed of, whether during the continuance of such authority or thereafter) by the directors of the Company at any time to such persons (whether or not such persons are members), upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit PROVIDED THAT:

- (i) the aggregate number of shares to be issued pursuant to such authority shall not exceed 30% of the issued shares in the capital of the Company (as calculated in accordance with paragraph (ii) below), of which the aggregate number of shares and convertible securities issued other than on a pro rata basis to existing members must not be more than 10% of the total issued shares in the capital of the Company;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) subject to such calculation as may be prescribed by the Singapore Exchange Securities Trading Limited) for the purpose of determining the aggregate number of shares that may be issued under paragraph (i) above, the total number of issued shares shall be based on the number of issued shares in the capital of the Company at the time this resolution is passed after adjusting for new shares arising from the conversion or exercise of convertible securities or new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this resolution is passed and any subsequent bonus issue, consolidation or subdivision of the Company's shares;
- (iii) unless revoked or varied by the Company in a general meeting, such authority shall continue in full force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

- 12.2 Authority to offer and grant options under the 2026 Employees Plan, subject to the approval of the 2026 Employees Plan by the Israeli Tax Authority and by the EGM and issue shares upon the exercise of options, which were previously granted under the Sarine Technologies Ltd 2015 Share Option Plan ("**2015 Plan**") and/or which will be granted under the 2026 Employees Plan (subject to the approval thereof by the Israeli Tax Authority and by the EGM). [See Explanatory Note (j)]

That the directors of the Company be and are hereby authorised to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options under the 2015 Plan and/or the 2026 Employees Plan, provided always that the aggregate number of such shares to be issued pursuant to the 2015 Plan, the 2026 Employees Plan, the 2026 Directors Plan and any other share option schemes of the Company for the time being in force shall not exceed 15% of the issued shares in the capital of the Company (excluding treasury shares).

- 12.3 Authority to offer and grant options under the 2026 Directors Plan, subject to the approval of the 2026 Directors Plan by the Israeli Tax Authority and by the EGM and issue shares upon the exercise of options, which will be granted under the 2026 Directors Plan (subject to the approval thereof by the Israeli Tax Authority and by the EGM). [See Explanatory Note (k)]

That the directors of the Company be and are hereby authorised to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options under the 2026 Directors Plan, provided always that the aggregate number of such shares to be issued pursuant to the 2015 Plan, the 2026 Employees Plan, the 2026 Directors Plan and any other share option schemes of the Company for the time being in force shall not exceed 15% of the issued shares in the capital of the Company (excluding treasury shares).

13. To transact any other business, which may properly be transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

AMIR JACOB ZOLTY
Company Secretary

Israel,
06 April 2026

Proxies:- A shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his/her/its stead, as detailed below. A proxy need not be a member of the Company.

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:-

- (a) Article 37(c) of the Company's Articles of Association provides that:
"Each Director shall serve, subject to Articles 39 and 40 hereof, and unless the Annual General Meeting appointing him provides otherwise, until the third Annual General Meeting following the Annual General Meeting at which such Director was appointed, or his earlier removal pursuant to this Article 37. A Director who has completed his term of service or has been removed as aforesaid (a "Retiring Director") shall be eligible for re-election."

All of the Company's Directors were appointed by the Annual General Meeting held on 24 April 2023 and, as such have completed their three-year tenure and are retiring. It is proposed to re-appoint certain of the current Directors of the Company. The proposed Directors' CVs, new nominees as well as directors proposed for re-appointment, and other requisite information, including the Board's rationale for their election / re-election may be found in Appendix 1 to this Notice.

It is noted that Mr. Glinert has informed the Company that, if re-elected, he intends to serve as a director and Executive Chairman of the Board for a transitional period of approximately 12-18 months, during which he will support the acclimatisation of newly appointed directors and assist with the orderly transition of Board responsibilities.

- (b) According to Provision 3.3 of the 2018 Code of Corporate Governance:
"The Board has a lead independent director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent. The lead independent director is available to members where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate."

As Mr. Daniel Benjamin Glinert, the Chairman of the Board of the Company, if re-elected, is not an Independent Director, it is proposed to appoint Ms. Netz Zruya Hashai as the Lead Independent Director.

- (c) The Company's Remuneration Committee and Board of Directors have resolved, subject to the AGM's approval, to grant 1,050,000 options, under the 2026 Directors Plan to the following Independent Directors of the Company:

350,000 options to purchase Ordinary Shares under the 2026 Directors Plan to each of Messrs. Lior Eshed and Ziv Gafni and Ms. Noga Perry.

It was further resolved that the exercise price of these options shall be the Market Price (as such term is defined in the 2026 Directors Plan) and that the aforementioned options shall vest over a three-year period – 100,000 options upon the lapse of one year and 125,000 options upon the lapse of each of the second and third years from the date of grant. Under the Israeli Companies Law, the grant of options to Directors requires the approval of the Company's General Meeting.

- (d) It is proposed that, further to the approval of the Company's Remuneration Committee and the Board of Directors, subject to the AGM's approval, the Independent Directors be remunerated with an annual fixed fee of US\$35,000 and participation fees in the amounts of US\$1,200 per participation in a day of meetings in person, US\$720 per participation over audio/video conference means and US\$600 per a written resolution, all as previously approved for the Independent Directors in 2023.
- (e) It is proposed that, further to the approval of the Company's Remuneration Committee and the Board, subject to the AGM's approval, Mr. Uzi Levami be remunerated as a Non- Independent Director with an annual fixed fee of US\$35,000 and participation fees in the amounts of US\$1,200 per participation in a day of meetings in person, US\$720 per participation over audio/video conference means and US\$600 per a written resolution, as previously approved for the Non-Independent Directors in 2023.
- (f) It is proposed that, further to the approval of the Company's Remuneration Committee and the Board, subject to the AGM's approval, Mr. Daniel Benjamin Glinert be remunerated as the Executive Chairman of the Board with an annual fixed fee of NIS 747,180 (NIS 62,265 per month) as in his previous term of service.
- (g) The Remuneration Committee and the Board of Directors of the Company have approved and have recommended to the Shareholders to approve the granting 600,000 options to Mr. Block, CEO, to vest after three years, contingent upon the share price reaching a specific threshold set by the Board of Directors within that timeframe (with partial pro-rated vesting in case of share price only reaching a pre-designated lower threshold).

NOTICE OF ANNUAL GENERAL MEETING

- (h) A shareholders' resolution shall be deemed adopted if approved by the holders of a majority of the voting power represented at the meeting in person or by proxy and voting thereon. Notwithstanding the aforesaid, according to the Israeli Companies Law, the approval of resolution No. 11 (approval of grant of options to CEO) on the agenda of this Annual General Meeting requires a majority of the shareholders attending and voting (abstaining votes notwithstanding), provided that: (i) such majority shall consist of the majority of the participating and voting shareholders who are not the controlling shareholders of the company, or otherwise having a personal interest in such resolution; or (ii) the non-interested shareholders who voted against such resolution hold not more than 2% of the company's share capital. According to the Israeli Companies Law, a "personal interest" is: "a personal interest of any person in an act or transaction of a company, including a personal interest of his relative or of a corporate body in which such person or a relative of such person has a personal interest, but excluding a personal interest stemming from the fact of a shareholding in the company, including a personal interest of the person voting according to a proxy given to him by another person, even if the appointer does not have a personal interest, and including a personal interest of the appointer, even if the appointee does not have a personal interest, all whether or not the appointee is granted any discretion with regard to the subject matter of the voting".

Unless a shareholder notifies us, whether in the Proxy Form or in a written notice to the Company, that it/he/she have a personal interest in the subject matter of resolution No. 11, we will assume that a shareholder who signs and returns a proxy form without a specific indication as to the lack of personal interest of such shareholder has no personal interest with respect to resolution No. 11. If you believe that you, or a related party of yours, is a controlling shareholder or possesses a personal interest and you wish to participate in the vote on resolution 11, you should indicate in the box that you have a personal interest on the enclosed proxy form. If you hold your shares through a bank, broker or other nominee and believe that you possess a personal interest in the approval of such resolution, you may also contact the representative managing your account, who could then contact us on your behalf.

- (i) The shareholders' resolution set out in item 12.1 above, if passed, will empower the Directors from the date of the above meeting until the date of the next Annual General Meeting, to issue shares in the Company. The maximum number of shares which the Directors may issue under this resolution shall not exceed the quantum set out in this resolution.
- (j) The shareholders' resolution set out in item 12.2 above, if passed, and subject to approval of the 2026 Employees Plan by the Israeli Tax Authority and by the EGM, will empower the Directors to offer and grant options and to allot and issue shares in the capital of the Company pursuant to the exercise of the options granted under the 2015 Plan and the 2026 Employees Plan.
- (k) The shareholders' resolution set out in item 12.3 above, if passed, and subject to approval of the 2026 Directors Plan by the Israeli Tax Authority and by the EGM, will empower the Directors, following shareholder approval, to offer and grant options and to allot and issue shares in the capital of the Company pursuant to the exercise of the options granted under the 2026 Directors Plan.

NOTICE OF ANNUAL GENERAL MEETING

Notes:-

1. Proxy Voting

- (a) Voting at the AGM shall be done by a shareholder/member of the Company ("member") attending the AGM in person or by way of proxy. A member who wishes to vote on any or all of the resolutions at the AGM by proxy may appoint the Chairman of the AGM or any other person attending the AGM as his/her/its proxy (the proxy does not need to be a member) to vote by downloading the proxy form from the Company's announcement on the SGXNet or on the Company's website at URL https://sarine.com/wp-content/uploads/2026/2026_AGM_proxy.pdf and completing it.
- (b) A member must submit the completed and signed proxy form:
 - (i) by email to the Company, addressed to IR@sarine.com; or
 - (ii) by post to the registered office of the Company, at 4 Haharash Street (Second Floor), Hod Hasharon, Israel 4524075, Attention IR-Proxy Vote; or
 - (iii) by email to the Company's Singapore Share Transfer Agent, addressed to main@zicoholdings.com; or
 - (iv) by post to the office of the Company's Singapore Share Transfer Agent, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896

In any case, no later than 3:00 p.m. (Singapore time) (10:00 a.m. Israel time; 08:00 a.m. GMT/UTM) on 28 April 2026, being not less than two four (24) hours before the time fixed for the AGM.

- (c) Members of the Company are strongly encouraged to submit completed proxy forms electronically via email.

2. Members' Questions and Answers (Q&A)

- (a) Members with any queries in relation to any item of the agenda of the AGM, as detailed above, may send their queries to the Company in advance before 3:00 p.m. (Singapore time) (10:00 a.m. Israel time; 08:00 a.m. GMT/UTM) on 15 April 2026, by email to IR@sarine.com.
- (b) Members should state their question(s), full name, NRIC/Passport No./Company Registration No., as applicable, the number of shares held in the Company, and whether they are a member or a corporate representative of a corporate member. Any question omitting such identification details will be disregarded.
- (c) All substantial questions and relevant comments from members will be addressed by the Company prior to the AGM on SGXNet, no later than 24 April 2026.
- (d) The Company shall also address any subsequent clarifications sought, or follow-up questions at the AGM in respect of substantial and relevant matters. The responses from the Board, management, secretary or auditors of the Company, as applicable, shall thereafter be published on the SGXNet and on the Company's website, together with the minutes of the AGM, as soon as practical and no later than one (1) month after the conclusion of the AGM.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Photographic, sound and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the AGM. Accordingly, the personal data of a member of the Company (such as his name, his presence at the AGM and any questions he may raise or motions he propose/second) may be recorded by the Company for such purpose.

NOTICE OF ANNUAL GENERAL MEETING

APPENDIX 1 - NOMINEES FOR BOARD OF DIRECTORS

GENERAL

The Nominating Committee of the Board of Directors, in its meeting of 6 January 2026 reviewed previous resolutions passed by the Nominating Committee of the Board of Directors and opined that the following general criteria should be applied to the Board of Directors composition:

- The Board should comprise 7 to 9 directors. The Board is of the opinion that expanding the current structure from 7 to 8 directors will further enhance the Board's capabilities. The Board may consider adding an additional director, on a case by case basis, giving proper weight to the potential contribution of additional member/s vis-à-vis the effects on the efficiency of the Board.
- The majority of the Board should be comprised of Independent Directors.
- The Board should be comprised of directors having appropriate expertise and experience in areas related to the operations of the Group. Specifically, if 7 directors, preferably three from the diamond industry, preferably from the various segments thereof (upstream production (mining), midstream polishing and wholesale trade, and downstream retail trade), preferably two with relevant technological background, at least one with accounting / financial review and reporting expertise and at least one with corporate governance expertise. If 9 directors, an additional one from the diamond industry and an additional one with relevant technological background.
- The Board should be gender diversified.

The Nominating Committee of the Board recommended to the Board to endorse the appointment of the directors standing for re-election and the appointment of the proposed nominees and the Board accepted said recommendation.

NOMINEES

Daniel Benjamin GLINERT (retiring Executive Director and Chairman of the Board standing for re-election)

Age:	75
Country of Residence:	Israel
Nominated as:	Executive Director
Last Reappointment:	2023
Title:	Chairman of the Board and Member of the Nominating Committee
Working Experience:	Please refer to the Board of Directors section of the Annual Report
Shareholdings Interest:	Please refer to Directors Shareholdings in the Annual Report
Family Relationship to any Director / Substantial Shareholder:	None
Other Directorships:	None
Conflict of Interest:	None
Board's Comments:	Mr. Glinert has over 50 years of experience in technological systems development as well as vast experience in general management and in the diamond industry, and meets the criteria set by the Nominating Committee as a technology expert. He has served as Executive Chairman of the Board since 1999. Having initially informed the Board of his decision not to stand for re-election, Mr. Glinert is standing for re-election for a transitional period of approximately 12-18 months, during which he will support the acclimatisation of newly appointed directors and assist with the orderly transition of Board responsibilities. The Board believes that Mr. Glinert's extensive expertise and experience will continue to contribute to the achievement of the Group's business objectives and to providing stability and guidance during the leadership transition period. Mr. Glinert has executed the undertaking in the format set out in Appendix 7.7 under Rule 720(1) and has affirmed his responses in the negative to all the yes/no questions in Appendix 7.4.1 of the Listing Manual.

NOTICE OF ANNUAL GENERAL MEETING

APPENDIX 1 - NOMINEES FOR BOARD OF DIRECTORS

Lior ESHED

Age:	51
Country of Residence:	Israel
Nominated as:	Independent Director
Last Reappointment:	Not Applicable
Title:	Not Applicable
Working Experience:	The Managing Director of Eshed Diam Ltd., and Gemstar Ltd., and serves as a senior executive at Eshed Gemstar, an international diamond and gemstone trading and manufacturing group, with extensive experience across the rough and polished diamonds, manufacturing economics and international trade.
Shareholdings Interest:	None
Family Relationship to any Director / Substantial Shareholder:	Son of Mr. Avraham Eshed, a Director of the Company who is not standing for re-election
Other Directorships:	None
Conflict of Interest:	None
Board's Comments:	Mr. Eshed is a GIA graduate and holds a Bachelor of Arts (B.A) and a Master of Laws (LLM) from Reichman University (IDC Herzliya). He has over 2 decades of experience in the polishing and trade of polished diamonds and gemstones and meets the criteria set by the Nominating Committee as a diamond industry midstream segment expert. The Board believes his expertise and experience should contribute to achieving the Group's business goals. Mr. Eshed has executed the undertaking in the format set out in Appendix 7.7 under Rule 720(1) and has affirmed his response in the negative to all the yes/no questions in Appendix 7.4.1 of the Listing Manual.

Ziv GAFNI

Age:	44
Country of Residence:	Israel
Nominated as:	Independent Director
Last Reappointment:	Not Applicable
Title:	Independent Director
Working Experience:	Mr. Gafni is the President and Global CFO of Fetcherr, a generative AI pricing, inventory and publishing engine. Prior to joining Fetcherr, Mr. Gafni spent nearly six years at J.P. Morgan Chase, most recently serving as EMEA Head of Tech Strategy, Innovation & Partnerships and prior to that, he led the firm's Markets innovation globally. Previously, Mr. Gafni served as Head of External Innovation & Fintech at one of the leading banks in Israel, Bank Hapoalim, and Transaction Advisory Services Senior Consultant at Ernst & Young
Shareholdings Interest:	None
Family Relationship to any Director / Substantial Shareholder:	None
Other Directorships:	Turbogen Ltd., publicly traded in Israel and in the process of listing on NASDAQ
Conflict of Interest:	None
Board's Comments:	Mr. Gafni, a financial and business executive, has almost 20 years of experience in corporate strategy, management consulting, enterprise software, Fintech and innovation and meets the criteria set by the Nominating Committee as a financial review expert. The Board believes that his expertise and experience will contribute to the achievement of the Group's business objectives. Mr. Gafni has executed the undertaking in the format set out in Appendix 7.7 under Rule 720(1) and has affirmed his responses in the negative to all the yes/no questions in Appendix 7.4.1 of the Listing Manual.

NOTICE OF ANNUAL GENERAL MEETING

APPENDIX 1 - NOMINEES FOR BOARD OF DIRECTORS

Neta Zruya HASHAI (retiring Independent Director standing for re-election)

Age:	50
Country of Residence:	Israel
Nominated as:	Independent Director
Last Reappointment:	2023
Title:	Lead Independent Director, Chairperson of the Audit Committee and Member of the Remuneration Committee
Working Experience:	Please refer to the Board of Directors section of the Annual Report
Shareholdings Interest:	None
Family Relationship to any Director / Substantial Shareholder:	None
Other Directorships:	The Association for the Advancement of Education in Israel – "One of Ours"
Conflict of Interest:	None
Board's Comments:	Ms. Hashai has over 20 years of experience in accounting, auditing and financial reporting and meets the criteria set by the Nominating Committee as an accounting, financial review and reporting expert. Ms. Hashai has served as an Independent Director of the Group since 2020 and the Board believes that her expertise and experience will continue to contribute to fulfilling the role of Chairperson of the Audit Committee and to the achievement of the Group's business objectives. Ms. Hashai has executed the undertaking in the format set out in Appendix 7.7 under Rule 720(1) and has affirmed her responses in the negative to all the yes/no questions in Appendix 7.4.1 of the Listing Manual.

Uzi LEVAMI (retiring Non-Executive Director standing for re-election)

Age:	74
Country of Residence:	Israel
Nominated as:	Non-Executive Director
Last Reappointment:	2023
Title:	Member of the Remuneration Committee
Working Experience:	Please refer to the Board of Directors section of the Annual Report
Shareholdings Interest:	Please refer to Directors Shareholdings in the Annual Report
Family Relationship to any Director / Substantial Shareholder:	None
Other Directorships:	Kitov.ai, Yummi Home Food Ltd., an ecommerce platform; and Ayin Lev Ami (2000) Ltd., a family-owned asset holding company
Conflict of Interest:	None
Board's Comments:	Mr. Levami has over 50 years of experience in technological systems development as well as vast experience in general management and in the diamond industry, and meets the criteria set by the Nominating Committee as a technology expert. Mr. Levami was a member of the Group's founding engineering team and has been a member of the Board (both executive and non-executive) since 2008. He was also the Group's Chief Executive Officer (CEO) from 2009 through 2017. The Board believes that his expertise and experience will continue to contribute to the achievement of the Group's business objectives. Mr. Levami has executed the undertaking in the format set out in Appendix 7.7 under Rule 720(1) and has affirmed his responses in the negative to all the yes/no questions in Appendix 7.4.1 of the Listing Manual.

NOTICE OF ANNUAL GENERAL MEETING

APPENDIX 1 - NOMINEES FOR BOARD OF DIRECTORS

LIM Yong Sheng (retiring Independent Director standing for re-election)

Age:	57
Country of Residence:	Singapore
Nominated as:	Independent Director
Last Reappointment:	2023
Title:	Member of the Audit and Nominating Committees
Working Experience:	Please refer to the Board of Directors section of the Annual Report
Shareholdings Interest:	None
Family Relationship to any Director / Substantial Shareholder:	None
Other Directorships:	Non-Executive Director of MoneyMax Financial Services Ltd., publicly traded in Singapore
Conflict of Interest:	None
Board's Comments:	Mr. Lim has over 30 years of experience in the retail trade of polished diamond jewellery and meets the criteria set by the Nominating Committee as a diamond industry downstream retail expert. Mr. Lim has been an Independent Director of the Group since 2020 and the Board believes his expertise and experience will continue to bring a unique understanding of the retail industry and thus contribute to the achievement of the Group's key business objectives in the retail segment of the industry. Mr. Lim has executed the undertaking in the format set out in Appendix 7.7 under Rule 720(1) and has affirmed his response in the negative to all the yes/no questions in Appendix 7.4.1 of the Listing Manual.

Noga PERRY

Age:	64
Country of Residence:	Israel
Nominated as:	Independent Director
Last Reappointment:	Not Applicable
Title:	Not Applicable
Working Experience:	Ms. Perry is a Managing Partner at Israel Innovation Partners, a consultancy firm that connects international investors with high-potential Israeli startups and technologies. She brings over 30 years of experience in the hi-tech sector as a technology executive and CEO. She led two start-ups to acquisitions by major corporations (CA and Salesforce.com). Noga was the General Manager of Salesforce.com in Israel and held executive positions in Comverse, Sungard, CA and two start-ups - Oblicore and Navajo.
Shareholdings Interest:	None
Family Relationship to any Director / Substantial Shareholder:	None
Other Directorships:	Independent Director at Phinergy, publicly traded on the Tel-Aviv Stock Exchange
Conflict of Interest:	None
Board's Comments:	Ms. Perry has over 30 years of experience as a technology executive and she meets the criteria set by the Nominating Committee as a technology expert. The Board believes that her expertise and experience will contribute to the achievement of the Group's business objectives. Ms. Perry has executed the undertaking in the format set out in Appendix 7.7 under Rule 720(1) and has affirmed her responses in the negative to all the yes/no questions in Appendix 7.4.1 of the Listing Manual.

NOTICE OF ANNUAL GENERAL MEETING

APPENDIX 1 - NOMINEES FOR BOARD OF DIRECTORS

SIN Boon Ann (retiring Independent Director standing for re-election)

Age:	67
Country of Residence:	Singapore
Nominated as:	Independent Director
Last Reappointment:	2023
Title:	Chairperson of the Nominating Committee and Member of the Audit and Remuneration Committees
Working Experience:	Please refer to the Board of Directors section of the Annual Report
Shareholdings Interest:	None
Family Relationship to any Director / Substantial Shareholder:	None
Other Directorships:	

(I) Present - Name of Company

- Therme Group Singapore Pte. Ltd.
- The Treadlines Group Ltd.
- Balkan Holdings Pte. Ltd.
- Healthway Medical Corp Limited
- The Farrer Park Company Limited
- W Capital Markets Pte. Ltd.
- TIH Limited*
- At-Sunrice (Holdings) Pte. Ltd.
- EsseDigital Pte. Ltd.
(fka Essepire Pte. Ltd.)
- OUE Limited*

Position

Director
Independent and Non-Executive Director
Director/shareholder
Independent Non-Executive Chairman
Director
Director/Shareholder
Lead Independent Director
Director
Executive Chairman and Director/Shareholder

Deputy Chairman and Non-Executive Non-Independent Director
Director/Shareholder

Tampines Central Community Foundation Limited

* Denotes a publicly listed Company

(II) Past Directorships (last 5 years)

- CSE Global Limited*
- Rex International Holding Limited*
- Singapore Centre for Social Enterprise Ltd.
- HRnetGroup Limited*
- SE Hub Ltd.

Independent Director
Lead Independent Director
Director

Lead Independent Director
Director

* Denotes a publicly listed Company

Conflict of Interest: None

Board's Comments: Mr. Sin has been an Independent Director of the Group since 2020 and the Board believes his expertise and experience will continue to fill the need for a qualified Corporate Governance and Compliance expert as well as providing expertise on possible future raises of capital via equity or debt listings, mergers and acquisitions, etc., and to contribute to the achievement of the Group's business goals. Mr. Sin has executed the undertaking in the format set out in Appendix 7.7 under Rule 720(1) and has affirmed his responses in the negative to all the yes/no questions in Appendix 7.4.1 of the Listing Manual.

SARINE TECHNOLOGIES LTD.

(Incorporated in Israel)
Israel Registration No. 511332207

PROXY FORM

I/We _____, NRIC/Passport no. _____

of _____

being a member/members of Sarine Technologies Ltd. (the "Company"), hereby appoint

Name	Address	NRIC/Passport No.	No. of Shares

and/or (delete as appropriate)

Name	Address	NRIC/Passport No.	No. of Shares

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Annual General Meeting of the Company ("AGM") to be held in the Britannia Room, Level 3, NCO Club at the JW Marriot Singapore South Beach Hotel, 30 Beach Rd, Singapore 189763, on the 29th day of April 2026 at 3:00 PM Singapore time and at any adjournment thereof.

Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be cast for or against the resolutions as set out in the Notice of Annual General Meeting. In the absence of specific directions, the proxy/proxies will vote or abstain as he/she/it/they may think fit, as he/she/it/they will on any other matters arising at the Annual General Meeting.

No.	Resolution	For	Against	Abstain
1	Adoption of reports and accounts			
2	Re-appointment of Somekh Chaikin Certified Public Accountants (Isr.), Member firm of KPMG International and Chaikin, Cohen, Rubin and Co., Certified Public Accountants (Isr.) as external auditors			
3	Election of retiring Independent Directors			
	a Neta Zruya HASHAI			
	b LIM Yong Sheng			
	c SIN Boon Ann			
4	Election of Independent Directors			
	a Lior ESHED			
	b Ziv GAFNI			
	c Noga PERRY			
5	Election of retiring Non-Independent Directors			
	a Daniel Benjamin GLINERT			
	b Uzi LEVAMI			
6	Appointment of Neta Zruya Hashai as Lead Independent Director			
7	Approval of grant of 350,000 options to each of Lior Eshed, Ziv Gafni and Noga Perry			
8	Approval of Independent Directors' remuneration and participation fees			
	a Lior ESHED			
	b Ziv GAFNI			
	c Neta Zruya HASHAI			
	d Noga PERRY			
	e LIM Yong Sheng			
	f SIN Boon Ann			
9	Approval of the remuneration and participation fees of the Non-Independent Director, Uzi Levami			
10	Approval of the remuneration of the Executive Chairman of the Board, Daniel Benjamin Glinert			
11	Approval of the grant of options to the CEO, Mr. David Block *I/we hereby declare that (check the applicable circle): o I/we am/are a controlling shareholder and/or I/we have a personal interest in the approval of Resolution No. 11 (grant of options to the CEO) o I/we do not have a personal interest in the approval of Resolution No. 11 (grant of options to the CEO)			
12.1	Authority to issue shares			
12.2	Authority to offer and grant options under the Sarine Technologies Ltd, 2026 Share Option and Restricted Share Units Plan (Employees) (the "2026 Employees Plan"), subject to the approval of the 2026 Employees Plan by the Israeli Tax Authority and by the EGM and issue shares upon the exercise of options, which were previously granted under the Sarine Technologies Ltd 2015 Share Option Plan ("2015 Plan") and/or which will be granted under the 2026 Employees Plan (subject to the approval thereof by the Israeli Tax Authority and by the EGM)			

No.	Resolution	For	Against	Abstain
12.3	Authority to offer and grant options under the 2026 Share Option and Restricted Share Units Plan (Directors) (the "2026 Directors Plan"), subject to the approval of the 2026 Directors Plan by the Israeli Tax Authority and by the EGM and issue shares upon the exercise of options, which will be granted under the 2026 Directors Plan (subject to the approval thereof by the Israeli Tax Authority and by the EGM)			

Please Note: that unless a shareholder positively informs the Company in writing that it/he/she has a personal interest in a proposal which is subject to approval by a majority vote of disinterested shareholders, as in the case of resolution 11, the Company will assume that such shareholder does not have a personal interest in resolution 11.

If you hold your shares through a bank, broker or other nominee and believe that you possess a personal interest in the approval of either resolution, you may also contact the representative managing your account, who could then contact us on your behalf.

Dated this _____ day of _____ 2026

Total Number of Shares Held

Signature(s) of Member(s) or Common Seal
Important: Please Read Notes Overleaf

Notes

- Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register, you should insert that number. If you have shares registered in your name in the Register of Members of the Company, you should insert that number. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.
- A member entitled to attend and vote at a meeting of the Company is entitled to appoint one or more proxies to attend and vote on his behalf. A member may appoint the Chairman of the Meeting as or any other person attending the meeting as his/her/its proxy. A proxy need not be a member of the Company.
- A member must submit the completed and signed proxy form:
 - by email to the Company, addressed to IR@sarine.com; or
 - by post to the registered office of the Company, at 4 Haharash Street (Second Floor), Hod Hasharon, Israel 4524075, Attention IR-Proxy Vote; or
 - by email to the Company's Singapore Share Transfer Agent, addressed to main@zicoholdings.com; or
 - by post to the office of the Company's Singapore Share Transfer Agent, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896

In any case, no later than 3:00 p.m. (Singapore time) (10:00 a.m. Israel time; 8:00 a.m. GMT/UTM) on 28 April 2026, being not less than twenty-four (24) hours before the time fixed for the AGM. Members of the Company are strongly encouraged to submit completed proxy forms electronically via email, as noted above.

- Where a member appoints more than one proxy, he/she/it shall specify the number of shares to be represented by each proxy, failing which, the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.
- The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her/its attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a company or other body corporate, it must be executed under its common seal or stamp or under the hand of its duly authorised agent or attorney on behalf of the corporation.
- Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney or other authority, the power of attorney or authority or a notarially certified copy thereof must be lodged with the instrument of proxy, failing which the instrument of proxy may be treated as invalid.
- A company or other body corporate which is a member may authorise, by resolution of its directors or any other managing body, such person as it thinks fit to act as its representative at the meeting.
- The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.
- According to the Israeli Companies Law, 5759-1999, a "personal interest" is: "a personal interest of any person in an act or transaction of a company, including a personal interest of his relative or of a corporate body in which such person or a relative of such person has a personal interest, but excluding a personal interest stemming from the fact of a shareholding in the company, including a personal interest of the person voting according to a proxy given to him by another person, even if the appointor does not have a personal interest, and including a personal interest of the appointor, even if the appointee does not have a personal interest, all whether or not the appointee is granted any discretion with regard to the subject matter of the voting.

BOARD OF DIRECTORS

Daniel Benjamin Glinert
Executive Director and Chairman of the Board

Avraham Eshed
Non-Executive Director

Uzi Levami
Non-Executive Director

Varda Shine
Lead Independent Director

Neta Zruya Hashai
Independent Director

Lim Yong Sheng
Independent Director

Sin Boon Ann
Independent Director

AUDIT COMMITTEE

Neta Zruya Hashai – Chairperson
Lim Yong Sheng
Varda Shine
Sin Boon Ann

NOMINATING COMMITTEE

Sin Boon Ann – Chairperson
Daniel Benjamin Glinert
Neta Zruya Hashai
Lim Yong Sheng
Varda Shine

REMUNERATION COMMITTEE

Varda Shine – Chairperson
Neta Zruya Hashai
Uzi Levami
Sin Boon Ann
Lim Yong Sheng

REGISTERED OFFICE

Sarine Technologies Ltd.
4 Haharash Street
Hod Hasharon 4524075
Israel
Tel: +972-9-7903500
Fax: +972-9-7903501
www.sarine.com
Israel Registration Number: 51-133220-7

COMPANY SECRETARY

Amir Jacob Zolty (Adv.)

SHARE REGISTRAR

B.A.C.S. Private Limited
77 Robinson Road
#06-03 Robinson 77
Singapore 068896
Singapore

JOINT AUDITORS OF THE GROUP

Somekh Chaikin Certified Public Accountants (Isr.)
Member firm of KPMG International
KPMG Millennium Tower
17 Ha'arba'a Street
Tel Aviv 6473917 Israel
Partner-in-charge: Ehud Lev
(appointed with effect from 1 July 2023)

Chaikin, Cohen, Rubin and Co. Certified Public Accountants
(Isr.) Kiryat Atidim Building No. 4
Tel Aviv 6158002 Israel
Partner-in-charge: Ilan Chaikin
(appointed with effect from 1 January, 2022)

INTERNAL AUDITOR

Doron Cohen (CPA, CIA)
Fahn Kanne Control Management Ltd. Subsidiary of
Fahn Kanne and Co.
Certified Public Accountants (Isr.)
Member firm of Grant Thornton International
Hamasger 32, Tel Aviv 6721118 Israel

PRINCIPAL BANKERS

Bank Leumi Le-Israel Ltd.
Dan Business Center
7 Menachem Begin Street
Ramat Gan 5268102
Israel

Bank Hapoalim Ltd.
Herzliya Business Center
15 Hamenofim Street
Herzliya 4672566
Israel



Sarine Technologies Ltd. Israel
+972-9-7903500
info@sarine.com

Sarin Technologies India Ltd.
+91-22-66555555
info@sarinindia.com

GCAL USA LLC
+1-212-8698985
sarinesupport@gcalusa.com

Sarin Hong Kong Limited
+852 92561176
info@sarinehk.com

www.sarine.com