

Sarine Technologies Ltd
(Incorporated in Israel)
(Israel Registration No. 51 1332207)

**RESPONSES TO THE QUERIES FROM SINGAPORE EXCHANGE
SECURITIES TRADING LIMITED ON ANNUAL REPORT FOR THE
FINANCIAL YEAR ENDED 31 DECEMBER 2021**

Sarine Technologies Ltd (the “Company”) wishes to respond to the following query raised by the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 21 April 2022, with reference to the Company’s annual report for the financial year ended 31 December 2021 (the “Annual Report”), further to the SGX-ST’s query of 14 April 2022 (to which the Company responded on same date) as follows:

SGX's Query (of 14 April 2022):

Provision 9.2 of the Code of corporate governance 2018 (the “Code”) states that, “The Board requires and discloses in the company’s annual report that it has received assurance from: (a) the CEO and the Chief Financial Officer (“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.”

Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code, the provision from which it has varied, explain the reason for variation and provide an explanation on how the practices it had adopted are consistent with the intent of the relevant principle. We note that the Company had not complied with Provision 9.2 of the Code with regard to the receipt of assurance from the CEO and other key management personnel who are responsible, regarding the effectiveness of the company's risk management and internal control systems.

Please disclose whether and how the recommendations of provision 9.2 have been complied with.

Company's Response (as of April 2022):

Such statement appears, verbatim, in page 45 of the Company’s Annual Report for the year 2021 (as part of the "Corporate Governance" chapter – under principle 9.1):

"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).

Please also note the following statements:

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"The Board of Directors of the Company, with the concurrence of the Audit Committee, is of the opinion that the current internal controls and risk management system are adequate and effective in addressing the financial, operational, compliance and IT risks, while noting that no system of internal control can provide absolute assurance against the occurrence of errors, cyber-attacks, fraud or other irregularities.

The Internal Auditor performed a renewed assessment of these issues in 2021. The Audit Committee reviewed the results of this revised assessment, and the necessary adjustments to the internal controls and risk management system were presented to and adopted by the Board."

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"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."

SGX's Follow-up Query (of 21 April 2022):

We refer to the Company's announcement dated 14 Apr 2022, entitled "Responses to the queries from Singapore Exchange Securities Trading limited on annual report for the financial year ended 31 December 2021" (the "Announcement").

In the Announcement, it was disclosed that "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)."

We note that the Company did not disclose as to whether the Board has received assurance from the CEO and other key management personnel who are responsible, regarding the effectiveness of the company's risk management and internal control systems.

In this regard, we would appreciate it if the Company could issue a replacement announcement to address the above.

Company's Follow-up Response (as of 26 April 2022):

We further confirm that the Board has received assurance from the CEO and other key management personnel who are responsible, regarding the effectiveness of the company's risk management and internal control systems.

By order of the Board

Amir Zolty

Company Secretary