



NOTICE OF TERMINATION IN RELATION TO THE 2005 AGREEMENT

The board of directors ("**Board**") of Sarine Technologies Ltd. ("**Company**") refers to the 2005 Agreement as set out in the Company's last circular to shareholders dated 4 April 2016 ("**Circular**"). Unless otherwise defined herein, all capitalised terms used herein shall bear the meanings ascribed to them in the Circular.

As disclosed in the Circular, the 2005 Agreement was automatically renewed for two consecutive terms of three years each with effect from 4 March 2011 and 4 March 2014, and is subject to termination at will by a three-month notice. Following the Restructuring in 2015, Sarin R&D and Interhightech were dissolved and the Shares held by these two entities were distributed vertically to the next holding level, without effecting any change in the actual individual beneficial shareholding in the Company at the time of distribution. Pursuant to the 2005 Agreement, in the event of dissolution, the then members of Sarin R&D and Interhightech were to be bound by the 2005 Agreement.

The Company has been informed that (i) the existing members of Interhightech had, on 1 January 2017, given a notice to the existing members of Sarin R&D to terminate the 2005 Agreement and such termination is to take effect as of 1 April 2017, and (ii) the members of the Restructured Concert Party Group are currently negotiating a new shareholders' agreement.

The Company will make further announcement(s) as and when it is informed by the relevant shareholder(s) of material developments on this matter.

BY ORDER OF THE BOARD

Daniel Benjamin Glinert
Executive Director and Chairman
1 March 2017