



PRESS RELEASE

FOR IMMEDIATE RELEASE

Sarine Technologies Profitability Guidance and Industry Conditions Update

Hod Hasharon, Israel, October 10, 2017 – Singapore Exchange Mainboard-listed Sarine Technologies Ltd ("Sarine" (U77:SI), and together with its subsidiaries, "the Group"), a worldwide leader in the development, manufacture and sale of precision technology products for the evaluation, planning, processing, finishing and trading of diamonds and gems, wishes to update its investing public as to the Group's revenues and profitability for Q3 2017.

In our half year financials for H1 2017, published on 6 August 2017, we noted an initial buildup of surplus inventories of polished diamonds in the mid-stream, which, in fact, worsened built up further in the third quarter, causing manufacturers to slow additional production (note reduced DeBeers sights in Q3) and hold off on capital expenditures. The key Hong Kong trade show in the third week of September seemingly indicated expanding demand from China, which may, in conjunction with the Fall holiday season shopping in the U.S., indeed reduce these excess inventories. In addition, the ongoing illicit operations of parties infringing on our intellectual properties, and uncertainties stemming from litigations pertaining to these issues, continued to impair our sales of capital equipment in Q3.

We estimate our revenues for the third quarter will just exceed US\$11 million, and we currently expect that we will thus record a minimal operating loss of several hundred thousand dollars, including non-cash expenses of approximately \$1 million (depreciation, amortisation and option based compensation). On that basis, we expect to report revenues of just under US\$ 46 million and operating income of approximately US\$ 7 million for the nine months ended September 30, 2017. The financials for Q3 2017 are expected to be released on 12 November 2017.



About Sarine:

Established in 1988, Sarine Technologies Ltd. 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 diamond Cut, Color and light performance grading tools, 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 visualisation systems. Sarine systems have become standard tools in every properly equipped gemology lab, diamond appraisal business and manufacturing plant, and are essential aids for both diamond dealers and retailers. For more information about Sarine and its products and services, visit <http://www.sarine.com>.

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