SARINE TECHNOLOGIES LTD.

AGM April 29th, 2026

Chairman's Introductory Talking



Market Conditions/ Developments

- **Disruption not over but new "equilibrium" is possibly being reached; natural rough quantities seemingly stabilising**
  - Natural diamonds being positioned as higher-end rarer more expensive products
  - "Green Source" initiative by Rapaport based on ethical mining, production and transparent marketing and sales, with traceability documentation (Tracr and Journey)

- **LGD price erosion continues but at much slower pace**
  - Driving aforementioned segmentation between natural and LGD
  - Driving internal segmentation too between run-of-the-mill and high-end LGD

Growth Opportunities

- **Grading**
  - Industry-unique guaranteed reports – gaining traction amongst US wholesalers and retailers
  - 8X reports for high-end LGD gaining traction due to GIA "abdication" and creating buzz, attracting very significant retail chains; Indian lab operating two 12-hour shifts at capacity and being expanded
  - Indian facility cuts costs and supports more aggressive pricing and timely services
  - AI-technology streamlines operations and cuts costs; implemented incrementally
  - Retail-level recognition also drives growth in our less sophisticated reports
  - Hopefully, future spillover into natural stone grading, as well (2027)
  - Jewellery grading – significant business opportunity on its own, as large U.S. retailers often provide not only certification of the diamonds in the jewellery piece but also of the piece itself and its valuation; currently in NY, but establishing Indian infrastructure to support higher volumes

Growth Opportunities – Cont.

- **MVP solution for optimising natural rough diamond utilization**
  - Currently up to 1.25 carats commercial and adoption expanding
  - Expansion to 2 carats beta-sites to commence in Q2
  - Further expansion in second half of 2026

- **GreenSource initiative governed by the "Rapaport Traceability Standard"**
  - Aligns closely with Sarine's traceability relying on actual verifiable scans captured at multiple points along the pipeline, rather than declarations
  - Coupled with De Beers' Tracr, positions Sarine's "Diamond Journey" at the forefront of industry traceability solutions

Growth Opportunities – Cont.

- Very preliminary stages of exploring additional opportunities related to industrial applications (e.g., electronics) for LGD

- Exploring synergies with financial entities for extension of credit to the diamond and gemstone industries based on GCAL collateral verification, valuation and safekeeping

- Kitov.ai - Current opportunities indicate fair chance of breaking even already in Q4 2026, as key customers among local defense industries are benefitting from both significantly increased domestic demand, as well as from record foreign sales backlogs. Several Fortune 500 leading U.S. industrial giants have acquired systems currently implemented in their "future technology labs" for integration into future production lines scheduled for realisation in 2027