



OVER 30 YEARS OF INNOVATION

## PRESS RELEASE

### Despite Continued Difficult Industry Conditions in FY2025 Sarine Maintains Positive EBITDA and Operational Cashflow

- Disruption by lab-grown diamonds (LGD) in the United States and weak consumer sentiments in China prevail.
- New services with recurrent revenues have gained recognition with existing and new customers, but FY2025-generated revenues were insufficient to compensate for the revenue decline in our traditional businesses of capital equipment sales and Galaxy scanning, driven by the lower demand for natural diamonds.
- The Group is cautiously optimistic for FY2026 as demand for natural diamonds is seemingly showing an initial rebound and new services' revenue streams are accelerating through their wider adoption by midstream and downstream customers.
- Revenue for FY2025 declined 25% to US\$ 29.6 million with a resulting loss of US\$ 3.9 million. The FY2025 loss was affected by a US\$ 1.4M non-cash tax expense and an inventory write-down of just over US\$ 2.0M. These charges masked the cost reductions achieved by the Group - the moving of our manufacturing and support operations to India will lower overall costs for a full year in FY2026 by an estimated US\$ 1.5M.
- Group cashflow from operating activities remains positive at US\$ 4.5M for FY2025, sufficient to fully cover operations and partially pay for the equity investment in Kitov.ai. EBITDA for FY2025 was US\$ 1.2M.
- Kitov.ai is scheduled to launch in Q2 2026 its new Prime product with even more AI features to enhance its value proposition. With leading US customers requesting beta-installations of Prime, Kitov.ai is anticipating achieving operational break-even toward the end of the year.



**Hod Hasharon (Israel) 27 February 2026** - Singapore Exchange Mainboard and Tel Aviv Exchange listed Sarine Technologies Ltd (“**Sarine**” and along with its subsidiaries “**the Group**”) (**U77:SI; SARN.TA**), a worldwide leader in the development, marketing and sale of precision technology solutions for the evaluation, planning, processing, measurement, grading and trading of diamonds and gems, wishes to advise its investing public on the financial results for the twelve months ended 31 December 2025.

### **Review of FY2025**

FY2025 was another difficult year for the natural diamond polishing industry. Demand for natural diamonds continues to be disrupted by 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 has driven a persistent decline in prices. This rapid “devaluation” of LGD has affected some consumers’ perception of the product and has driven some retailers to differentiate their LGD offerings by focusing on the very high end.

With lower quantities of natural diamonds flowing through the value chain in 2025, group revenue declined 24% to US\$29.6 million. Capital equipment sales were depressed 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. 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 inventories in a slower market, and a non-cash tax expense of US\$1.4 million for 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. The Group registered a loss of US\$3.9 million for FY2025. 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 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, as noted above.

Building on the progress made in 2025 and ongoing enhancements constantly being developed for the MVP offering relating to its optimisation capabilities for the existing domains of rough stones mostly under one carat, 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.

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 more-esteemed 8X and 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.

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 continue to explore and evaluate possible opportunities. Among these:

- We are at the very preliminary stages of exploring additional opportunities related to industrial applications (e.g., electronics) of LGD;
- 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.

This press release is to be read in conjunction with Sarine's FY2025 full year results released to the Singapore Exchange on 27 February 2026.

### **About Sarine Technologies**

Established in 1988, Sarine Technologies Ltd. is a worldwide leader in developing advanced technologies for modeling, analysis, evaluation, planning, processing, finishing, grading and trading of diamonds. In recent years, Sarine's business has pivoted to deriving mostly recurring revenues from its proprietary Gal3D inclusion and tension mapping (which processes the Galaxy® platforms' output) and GCAL-by-Sarine diamond grading reports, along with its other various pay-per-use services. At the heart of Sarine's ecosystem is the Advisor® software, which integrates internal inclusion scanning data and geometrical 3D analyses, to provide optimal rough diamond planning and processing. Sarine's Most Valuable Plan™ (MVP) software, builds on Advisor®'s capabilities to provide not only the most advanced, but also predominantly automated planning for natural rough diamonds, delivering greater value and enhanced production efficiencies in terms of both time and



cost. Sarine's broad array of services, based on data derived from its cutting-edge technologies, also includes Lab-Grown Diamond (LGD) planning, Journey™ provenance and traceability reports, and other retail-focused solutions like visualisation and fingerprinting. Sarine continues to develop and sell its world-renowned products, including the Galaxy® family of inclusion and tension mapping systems, rough diamond modelling platforms, laser-marking, inscription and fingerprinting equipment, automated (AI-derived) Clarity, Color, Cut and light performance grading systems and the AutoScan™ Plus for natural rough diamond source registration. For more information about Sarine and its products and services, visit <http://www.sarine.com>

**Contact**

**APAC**

**IR**

Cyrus Capital Consulting  
Mr. Lee Teong Sang  
Tel: +65-96339035  
[teongsang@cyrus.com.sg](mailto:teongsang@cyrus.com.sg)

**Sarine Technologies Ltd. Marketing  
& Communications**

Ms. Romy Gakh-Baram  
Tel: +972-9-7903500  
[romy.gakh-baram@sarine.com](mailto:romy.gakh-baram@sarine.com)