Shareholder questions for Sarine AGM 2024:

1. **Previously, Alrosa was a client of the company. Are we receiving any revenues from Alrosa currently?**
   As Alrosa have been subjected to extensive sanctions, we currently are neither conducting any business with nor receiving any revenues from them.

2. **What is the update of the strategic review? Has the review been completed?**
   We are not aware of any announced "strategic review", to which you refer. We annually, and on an ongoing basis as warranted by circumstances, review our strategic position and goals in the industry, both as relate to the various upstream, midstream and downstream segments of the value chain and to the diverging natural diamond and LGD markets, and adapt our focus accordingly. We have published (in our Annual Report) our perceived opportunities, growth drivers and goals for this coming year (2024), which have been derived from these ongoing analyses as presented by Management and approved by the Board.

3. **Regarding the collaboration with Tracr. Are all De beers rough sold captured on the Tracr blockchain ledger? Does the collaboration with Tracr mean that Sarine is now able to capture diamond provenance for all De Beers rough via Tracr?**
   Tracr captures data of DeBeers rough diamonds of certain categories, as discerned by their internal policies relating to size, quality, etc. The announced collaboration enables Sarine to capture diamond provenance data for DeBeers rough diamonds via Tracr.

4. **Autoscan Plus. How many producers are currently using this technology?**
   Though not yet operational at any producer (it is in testing with some), the AutoScan Plus system is already being utilised by several customers, facilitating the registration of an increasing number of rough diamonds. Its target market extends beyond producers to include tender houses, rough sorting service providers, wholesalers and even large-scale manufacturers. We are in ongoing discussions with additional entities worldwide evaluating the adoption of the system, as they prepare for the upcoming G7 decision regarding the next phase of requirements that is to be enforced on September first.

5. **From the Annual Report, management and board seem very confident of 2024. What is the biggest risk to this optimism and what is the biggest opportunity?**
   We have noted in our Annual Report four main growth drivers for 2024. These are: (i) the application of new sophisticated automated algorithms (Most Valuable Planning – MVP) to small natural rough diamonds, (ii) the adaptation of our Advisor 8 to LGD planning, (iii) the expansion of the adoption of our grading technologies, primarily in the LGD segment, and (iv) the utilisation of our traceability technologies within the framework of the newly enacted G7 sanctions on Russian sourced natural diamonds. The first two are already demonstrating solid benefits to our customers and we expect their adoption in 2024 to be quite substantial. Our grading technologies for natural stones have been refined to a point where their benefits in accuracy, consistency, cost effectiveness, etc. are clear. Although this domain is dominated by the GIA, which is tough competition to displace, we have initiated strategies, which we believe will gain us inroads into this market this year. As for LGD grading, we believe that we have a very good chance of capturing the 8-10% market share 2024 target we have set, as our GCAL by Sarine lab in India gains momentum and the adaptations of our technologies for LGD are completed. Lastly, we believe that our collaboration with Tracr and our AutoScan Plus along

with our Sarine Diamond Journey offer the best scalable implementation to meet the G7's possible requirement for actual verifiable data as the mandated means to enforce the new sanctions. Having related to the positive potential, we note that market conditions have not yet fully recovered from the 2023 slump, and the dynamics between the natural diamonds and LGD markets have not yet struck equilibrium. Case in point, quite surprisingly, B2B LGD prices slumped some 30% in the first quarter of 2024. This could further the process of differentiation between the two types of goods. We believe this would be a positive for us, as our offerings for the LGD market (both planning and grading) offer commercial benefits, both by optimising value and by cost-savings, and our natural diamond offerings would have a more robust market to address.

6. **GCAL by Sarine opened an office in India in January this year. What is the revenue mix for LGD vs Natural diamonds for this lab? At what capacity is the lab currently operating at? Is the capacity scalable with technology? Has the acquisition of GCAL performed within or exceeded expectation.**
   The GCAL by Sarine lab in India is primarily aimed at the LGD market, predicated on providing the highest GCAL standards of grading at reduced costs through the application of technology, etc. The lab is already gaining momentum, as potential customers evaluate our capabilities and value proposition. The adaptation of our technologies to LGD will enable substantial scaling up of our capacity, including onsite at customers' facilities, as per our e-Grading paradigm. Our GCAL acquisition performed in 2023 as expected. With the full integration of our and their resources and fortes, initially completed in January and still ongoing, as relates to our technologies as noted in the previous sentence, we believe we will be able to expand operations significantly and realise even better performance from the acquisition.

7. **Sarine has announced many collaboration with Delgatto, Synova, Tracr, HB Antwerp, AURA etc. Which of these collaboration shows the greatest promise and why? Which collaboration currently provides the greatest revenue.**
   These collaborations address widely diverse segments, in some instances niches, of the diamond value chain. The Tracr collaboration was discussed above and could, subject to G7 policies, be very significant. The Aura collaboration addresses traceability within the high-end luxury market. This market is conservative. We have made progress and hope to be able to announce tangible results later this year. Our cooperation with HB Antwerp has already contributed significantly to our revenues. As announced by HB, they had some setbacks in the second half of 2023, but, according to their publications, they are in the process of overcoming these. However, currently we are unable to fully determine the prospects of this collaboration. The potential from Delgatto and Synova are less significant, as they address niche markets still not mature.

8. **Any update on IP infringers? Have we won over any clients previously using pirated software?**
   On April 5th, judgment on our claimed patent infringement by one of our competitors was issued, after some 7 years, but has not yet been formally delivered to us. We will learn the court's ruling once posted and plan our follow-on actions accordingly. Regardless of the ruling, we have come to recognise that the most effective way of countering the infringers is by creating a significant technological advantage over them, as Advisor 8 and now MVP do. Our newly launched MVP and LGD planning abilities, noted above, are directly aimed at countering issues of IP infringement, by significantly adding to our value propositions. Initial feedback

is, as noted, very positive. And, yes, we believe we are on track to winning over clients currently using pirated software.

9. **I note that Revenue for FY2023 was similar to Revenue for FY2020. However, the expenses were US$22,307 in FY2020 versus US$29,215 in FY2023. I understand that the management took decisive steps to cut costs when Covid-19 occurred in FY2020. Why were the expenses for FY2023 so much higher and has management implemented cost cutting measures in FY2024? How much of that was attributed to GCAL?**
   Over 50% of the increase in expenses in 2023 is attributed to the GCAL acquisition. In 2020, as the Covid related lockdowns impacted entire economies worldwide, we were able to make avail of Israeli government support where possible and take decisive action to significantly cut expenses that was met by our employees and stakeholders with acceptance and understanding. However, in 2023, the impact of the economic headwinds, as detailed in the Annual Report, was limited to the diamond industry. Furthermore, whereas Covid had a ripple effect throughout most of 2020, the market downturn in 2023 was only identified towards mid-year, leading to the implementation of cost cutting strategies. The effect of these strategies began to emerge in Q4, with their full impact anticipated by Q2 2024.

10. **When e-grading was introduced to midstream and downstream customers in 2022, the company had aimed to capture 10% of the natural diamond grading Total Addressable Market of about US$500m. But the results so far do not seem to indicate it is close to that target. What is the market share of the company in grading of natural diamonds now? With the purchase of a major stake in GCAL, when does the company expect to capture 10% of TAM?**
    The natural diamond grading market is traditional and significantly dominated by the GIA lab. We are still hoping to attain a 10% market share eventually, but it will be a longer-term proposition. In the short term we are focused on the LGD grading market where the GIA does not have a significant presence to date and competition is believed to be less tough. We are aiming for an 8-10% market share of the LGD grading segment in 2024.

11. **Assuming that the DeBeers-Sarine collaboration successfully wins the mandate from G7 in Sep 2024 to implement diamond provenance capabilities to limit the import of Russian diamonds, how much of revenue can that contribute to Sarine? What is the business model?**
    The business model is one where the customer, either the Indian exporter to the U.S. or the U.S. importer, will pay for each certification of the polished diamond's provenance. The GIA in the past set a price for their origin certification of some US$ 15 per carat. Our fee has not yet been set and, if the certification will be based on the collaboration with Tracr, the fee will be split with them. Bear in mind that there are roughly 3 million diamonds of over half a carat polished annually and that the G7 markets absorb most likely some 2/3 of that production, so this could be a substantial boost to our revenues, if the G7 mandate requires actual verifiable source data come September.

12. **In the last few years, the company had created numerous new business lines purportedly to produce more recurring streams of revenue. Can the company explain why the revenue is still so cyclical and largely dependent on equipment/systems sales?**
    Over the past decade or so we have gone from less than 5% recurring revenues (only spare parts, maintenance, etc.), to a situation where our many varied recurring revenue streams account for a much more substantial portion of our revenues, close to half, in fact, of our overall revenues. However, they too are

dependent on market conditions and the total number of rough and polished diamonds processed. So, there is no completely escaping cyclicality and overall macroeconomics of the global economies, or specific economic disruptions in key markets, such as the ongoing economic woes in China, typically close to 20% of global polished diamond consumption.

13. **In Aug 2023, the company had engaged an investment banking consultancy, Global Close Alliances Group, to maximise shareholder value. So far, it has only executed the Equal Access Share Buyback Offer which was completed in Jan 2024. But it has not added value to existing shareholders at all, based on current stock price. Is the company still engaging CGA to explore other ways to maximise shareholder value?**
    We are still working with GCA with a limited mandate and at no ongoing cost to the Company.

14. **The shareholding structure of Sarine is too loose. From public available sources, the remaining founders of the company (including Chairman and some directors) hold less than 20% combined. A European fund, Axxion S.A. holds 9.37% and Israeli PE fund FIMI holds 11.31%. Will the management consider to actively seek another big strategic investor from the industry (such as DeBeers, LVMH) or from the financial sector (a big PE fund or family office)?**
    The issue you raise is one of the issues on which we engaged GCA.

15. **I note the recent news that the Singapore unit of Blackstone was considering to list diamond grading institute IGI at a valuation of about US$3b in the Indian Stock Exchange, less than one year after it had paid US$570m for the stake. It showed that valuations in other global exchanges for stocks are a lot higher than in SGX. Will the company explore delisting from SGX and to list in NASDAQ, especially how that it owns 70% of GCAL?**
    We agree that the valuations on the SGX are not very high, especially when compared to U.S. markets. Neither are the valuations on Tel-Aviv's TASE. We believe, however, that we need to gain traction with some of the newly launched initiatives, especially as they pertain to LGD in general and grading in particular, so as to boost revenues and profitability, before evaluating alternative listings.