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## PRESS RELEASE

# Sarine Signs an MOU to Acquire a Majority Stake in New York's Gem Certification and Assurance Lab (GCAL)

**Hod Hasharon (Israel), 11 January 2023** – Singapore Exchange Mainboard listed Sarine Technologies Ltd (“**Sarine**” and along with its subsidiaries “**the Group**”) (**U77:SI**; **SARN.TA**), a worldwide leader in the development, manufacturing, marketing and sale of precision technology products for the evaluation, planning, processing, measurement, grading and trading of diamonds and gems, is pleased to announce the signing of a non-binding MOU to purchase, subject to the usual due diligence reviews and to reaching and executing a definitive agreement, a majority share of GCAL against an all cash consideration.

The Gem Certification & Assurance Lab, Inc. GCAL is a highly respected gemological laboratory founded in 2001 by Mr. Don Palmieri, a veteran of over 50 years in the diamond industry, and his wife, Pamela. Today, it operates as a family-owned business in New York City, on the city's famous Diamond Way, at the corner of Fifth Avenue and 47<sup>th</sup> Street, with son Angelo in the role of Chief Operations Officer (COO). GCAL provides services for the grading and certification of natural and lab-grown diamonds, coloured diamonds, coloured gemstones, pearls and precious metals. GCAL is the only diamond and gemstone ISO 17025 Accredited Forensic Laboratory in the world, and, most importantly, in addition to the lab's many unique features, the GCAL Diamond Certificate is the only diamond report backed by the unprecedented and industry exclusive Zero Tolerance 4C's Consumer Guarantee.



It is anticipated that following Sarine's acquisition, GCAL's principals will continue to run GCAL, and the lab will continue to offer its customers the same products and services they have come to rely upon. To guarantee its impeccable record of consistent quality work, GCAL has always operated out of a single location in New York. However, by implementing Sarine's unique AI-derived cloud-based automated e-Grading, optionally along with Sarine's diamond traceability Journey™ report, GCAL will be able to develop its services globally, while concurrently significantly expanding its services to U.S. retailers and wholesalers, without compromising its renowned stringent levels of quality and consistency. Sarine and GCAL will exclusively cooperate on serving North American customers, as well as on offering the industry B2B reports for generic non-branded diamonds. Sarine will continue offering its services independently to its high-end branded luxury customers outside the U.S., and will also continue seeking mutually beneficial cooperative arrangements in additional geographies.

Don Palmieri, President of GCAL, observed, "We believe in doing things the right way, not the easy way. That's why we don't cut corners. Our aim is to provide accurate and consistent gemological services with uncompromising integrity and unparalleled customer care. With only one location in the USA, we have always had complete control of maintaining high standards, training and consistency. Sarine's introduction of its AI-derived and cloud-based eGrading has, for the first time ever, provided us with the means to resolve our conundrum of how to expand our business both locally and overseas beyond our immediate control, without compromising on our principles". Angelo Palmieri, GCAL's COO, added, "We believe experts should stand behind their work, and that's why we issue Grading Certificates, not just grading reports. Our certificates come with a money-backed guarantee so you can feel good knowing you got exactly what you paid for. Sarine's technologies will allow us to continue to abide by this key code of ethics, while still expanding our services to meet the growing demand by consumers seeking confidence that their acquired products and services meet all norms of quality and sustainability".

David Block, CEO of Sarine Technologies, commented, "We are thrilled by this opportunity to join forces with and acquire a major position in GCAL. I am confident that GCAL, leveraging Sarine's technologies, will now be able to increase its market presence, to the benefit of the industry in general and to U.S. consumers, in particular, without degrading from their industry-unique principles of guaranteed quality and consistency. No less importantly, Sarine will gain access to the Palmieris' decades-long experience in managing a gem lab with the highest standards possible, and will gain a recognised and respected channel through which to offer the expansive key U.S. retail industry its grading technologies, to the benefit of retailers and consumers alike."



Though it has been stipulated by the parties that the terms of the deal are to remain confidential, pending its actual closing, we wish to clarify that it will not fall under the definition of a "major transaction", as per Chapter 10 of the Singapore Exchange Listing Manual.

#### **About the Gem Certification & Assurance Lab:**

Established in 2001, GCAL protects consumers, retailers, and manufacturers with a unique suite of certification, identification and forensic services for lab grown and natural diamonds, gemstones, and jewelry. GCAL's mission is to provide the most accurate and consistent gemological services with uncompromising integrity and unparalleled customer care. GCAL remains the only gem lab in the world to stand behind their grading with a zero tolerance, money-backed consumer guarantee. Guaranteed certificates also include a Gemprint® fingerprint image, Cut Grades on all diamond shapes, Light Performance and Photomicrography. GCAL is the only gem lab in the world to have earned the prestigious ISO 17025 Forensic Accreditation, and the first diamond lab in the world to achieve SCS Global Services Accreditation. For more information about GCAL and its products and services, visit <https://www.gcalusa.com>

#### **About Sarine Technologies:**

Established in 1988, Sarine Technologies Ltd. is a worldwide leader in the development and manufacturing of advanced modeling, analysis, evaluation, planning, processing, finishing, grading and trading systems for diamonds. Sarine products include the Galaxy® family of inclusion and tension mapping systems, rough diamond planning and optimisation technologies, laser cutting and shaping tools, laser-marking, inscription and fingerprinting equipment, automated (AI-derived) Clarity, Color, Cut and light performance grading systems and traceability, visualisation and retailing services. Sarine systems have become standard tools in every modern manufacturing plant, properly equipped gemology lab and diamond appraisal business, and are essential aids for diamond polishers, dealers and retailers. For more information about Sarine and its products and services, visit <http://www.sarine.com>.

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