

22 September 2020

**ETHERNITY NETWORKS LTD**

*("Ethernity" or the "Company")*

**Breakthrough Contract with Indian telecom OEM**

- *Cell Site Router deal marks first entry into Indian market*
- *Contract value totaling \$1.5m in 2020 and 2021*
- *Successful execution to lead to further significant revenue from additional ENET FPGA devices and software licenses for large scale delivery of platforms*
- *Includes collaboration on go-to-market strategy to facilitate sales to Indian operators*
- *Addresses operator demands for Indian-manufactured communications hardware*

Ethernity Networks Ltd (AIM: ENET.L), a leading supplier of networking processing technology ported on FPGA (field programmable gate array) for virtualised networking appliances, is pleased to announce that on 21 September 2020 it signed a contract to provide an Indian telecom OEM with end-to-end system functionality to enable up to 360Gbps Cell Site Router (CSR) appliances. Ethernity will provide a complete vRouter software stack running on top of its CSR FPGA firmware embedded on an FPGA system-on-chip that will be positioned by the manufacturer as a programmable router and security platform for Indian telco networks.

The contract provides for stage payments totalling \$1.5 million on a milestone basis during 2020 and 2021 and includes a committed order for design kit, initial design, FPGA, and software. Subject to successful execution, the OEM anticipates that the contract could lead to further significant annual revenues for Ethernity from the supply of additional ENET FPGAs and vRouter software licenses for large scale deployments.

The new project responds to recent demand for hardware disaggregation of Indian telecommunications networks, in which operators are seeking Indian-manufactured networking hardware. As part of the contract, Ethernity will collaborate on a go-to-market partnership with the OEM that will facilitate the Company's ability to offer its technology to Indian operators. By licensing Ethernity's CSR firmware and Layer 2/Layer 3 stack, the OEM has the necessary underlying system to manufacture an FPGA-based disaggregated solution for routing within the mobile network for a variety of use cases. While this project was developed to address specific tenders already in process for the OEM, the ongoing collaboration will streamline the process for the OEM of bidding on new tenders using Ethernity technology.

The OEM intends to use Ethernity's system to create server-based CSR appliances with an embedded programmable router data plane and Ethernity's vRouter software stack, which can later be programmed for different 5G deployment scenarios. The CSRs will support both legacy 3G/4G LTE networks and developing 5G networks.

David Levi, CEO of Ethernity said: "This deal represents a landmark achievement for Ethernity. It initiates a strategic partnership and opens a new channel in India for Ethernity, in which our new customer can manufacture and sell locally-produced hardware that incorporates our FPGA-based offerings."

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**About Ethernity** ([www.ethernitynet.com](http://www.ethernitynet.com))

Ethernity Networks (AIM: ENET.L) provides innovative, comprehensive networking and security solutions on programmable hardware for accelerating telco/cloud networks. Ethernity's FPGA logic offers complete Carrier Ethernet Switch Router data plane processing and control software with a rich set of networking features, robust security, and a wide range of virtual function accelerations to optimize telecommunications networks. Ethernity's complete solutions quickly adapt to customers' changing needs, improving time-to-market and facilitating the deployment of 5G, edge computing, and NFV.