

23 December 2020

ETHERNITY NETWORKS LTD

("Ethernity" or the "Company")

Exercise and closure of 20p Warrants

Ethernity Networks (AIM: ENET.L), a leading supplier of data processing offload solutions on programmable FPGA (field programmable gate array) hardware for accelerating telco/cloud networks, announces that further to the Notice issued on 16 December 2020, it has received notices to exercise warrants, at 20p per share ("20p Warrants") to subscribe for a total of 1,319,172 new ordinary shares of NIS 0.001 each in the Company ("Ordinary Shares"). The balance of 175,001 20p Warrants remaining unexercised have been cancelled.

A further 3,666,677 warrants, with an exercise price of 30p per Ordinary Share ("30p Warrants"), remain in issue and outstanding. The 30p Warrants may be exercised by holders at any time and also include an accelerator clause should the Company's Ordinary Shares close at 40p or more for 5 consecutive days.

Application has been made to the London Stock Exchange for 1,319,172 new Ordinary Shares to be admitted to trading on AIM ("Admission") and Admission is expected to occur on or around 30 December 2020. The new Ordinary Shares will, upon issue, rank *pari passu* with the existing Ordinary Shares in the Company.

Total voting rights

Following Admission, the Company's enlarged issued share capital will be 46,642,410 Ordinary Shares. The Company holds no Ordinary Shares in Treasury. This figure of 46,642,410 Ordinary Shares may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

For further information, please contact:

Ethernity Networks David Levi, Chief Executive Officer Mark Reichenberg, Chief Financial Officer	Tel: +972 8 915 0392
Arden Partners plc (NOMAD and Joint Broker) Richard Johnson / Benjamin Cryer	Tel: +44 207 614 5900
VSA Capital Limited (Joint Broker) Andrew Monk, Corporate Broking Simon Barton, Corporate Finance	Tel: +44 20 3005 5000
Peterhouse Capital Limited (Joint Broker) Lucy Williams / Duncan Vasey / Eran Zucker	Tel: +44 20 7562 0930

About Ethernity (www.ethernitynet.com)

Ethernity Networks Ltd. (AIM: ENET) provides innovative, comprehensive networking and security solutions on programmable hardware for accelerating telco/cloud networks performance. 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 and edge computing.