

4 March 2021

**ETHERNITY NETWORKS LTD**

("Ethernity" or the "Company")

**Accelerated Third Investment under Share Subscription Agreement**

Ethernity Networks Ltd (AIM: ENET.L), a leading supplier of networking processing technology ported on FPGA (field programmable gate array) for virtualised networking appliances, refers to the share subscription deed that was previously announced to the market on 25 September 2020.

Pursuant to the share subscription deed, 5G Innovation Leaders Fund LLC (the "5G Fund") was committed to make the third and fourth tranche investments thereunder of £400,000 each for new ordinary NIS 0.001 shares ("Shares") valued at £438,000 each, no later than twelve months and eighteen months, respectively, after the date of 5G Fund's initial investment in October 2020. However, given the recent progress by Ethernity in executing its growth plans, Ethernity and 5G Fund have agreed to accelerate those investments to make the third tranche investment in the next five business days and to make the fourth tranche investment in the coming four months. Further, as detailed in the 25 September 2020 announcement, additional investments of £1,500,000 in the aggregate for Shares valued at £1,647,000 may be funded by the 5G Fund prior to the second anniversary of the fourth tranche.

New Shares in relation to the third tranche investment will be issued, at 5G Fund's request, pursuant to the terms of the Agreement and application(s) to trading on AIM will be made as appropriate. Such Shares will only be issued to the extent that the Company has corporate authority to do so.

The proceeds from this third tranche investment will be used by the Company for general corporate and working capital purposes.

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

**Market Abuse Regulation (MAR) Disclosure**

The information contained in this announcement is deemed by the Company to constitute inside information as stipulated under Article 7 of the Market Abuse Regulations (EU) No 596/2014, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. With the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.