

Complete Eco System
From Networking Chip to Complete System

CAPITALIZING ON THE 5G EVOLUTION



ENET.L | ENETF

RECOGNIZED AS A VENDOR TO WATCH BY GARTNER

The information contained in this presentation has been prepared by Ethernity Networks ("Ethernity" or the "Company") and contains confidential information pertaining to the business, operations and assets of the Company and its subsidiaries. The information contained in this presentation: (a) is provided as at the date hereof and is subject to change without notice; (b) does not purport to contain all the information that may be necessary or desirable to fully and accurately evaluate an investment in the Company; and (c) is not to be considered as a recommendation by the Company that any person make an investment in the Company. An investment in the securities described herein is speculative and involves a number of risks that should be considered by a prospective investor. None of the Company's professional advisors, or any of their respective subsidiaries or affiliates, or any of their respective shareholders, directors, officers, agents, consultants, advisors or employees, makes any representation or warranty, express or implied, as to the accuracy, completeness or thoroughness of the information contained in this presentation, and none of the foregoing will have any responsibility whatsoever in respect of the accuracy or completeness of, or omissions from, this presentation or any other document or information, written or oral, supplied at any time to any recipient of this presentation or its subsidiaries, affiliates, agents or advisors in the course of its evaluation of Ethernity or in respect of any opinions, projections or other forward-looking statements expressed therein or omitted therefrom. None of the Company's professional advisors have independently verified any of the information contained herein and have not made an independent appraisal of the Company.

This presentation is confidential and is being provided to you solely for your information and may not be reproduced, in whole or in part, in any form or forwarded or further distributed to any other person. Any forwarding, distribution or reproduction of this presentation in whole or in part is unauthorized. By accepting and reviewing this presentation, you acknowledge and agree: (i) to maintain the confidentiality of this presentation, the information contained herein and all other information received in connection with your evaluation of a potential investment in the Company; (ii) to protect such information in the same manner you protect your own confidential information, which shall be at least a reasonable standard of care; and (iii) to not utilize any of the information contained herein or otherwise received except to assist with your evaluation of a potential investment in the Company. You will be liable for any damage caused by or resulting from any unauthorized disclosure or use of the information contained herein.

This presentation does not contain, nor does it purport to contain, a summary of all the material information concerning the Company or its subsidiaries, or the terms and conditions of any potential investment in the Company. If and when you determine to proceed with discussions and investigations regarding a possible investment in the Company, you are urged to carry out independent investigations in order to determine your interest in investing in the Company.

Neither the delivery of this presentation nor any sale of securities by the Company shall under any circumstances imply that the information set forth or incorporated by reference herein is correct as of any date subsequent to the date hereof. No representation or warranty, express or implied, is made as to the accuracy or completeness of the information set out herein, and nothing contained in this presentation is, or shall be relied upon as, a promise or representation, whether as to the past or future.

Each person receiving this presentation acknowledges that: (a) such person has not relied on the Company or its professional advisors, or any of their respective subsidiaries or affiliates, or any of their respective shareholders, directors, officers, agents, consultants, advisors or employees, in connection with its investigation of the accuracy of such information or its investment decisions; and (b) no person is authorized in connection with any offering made hereby to give any information or make any representation other than as contained in this presentation and, if given or made, such information or representation must not be relied upon as having been authorized by the Company.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION: This presentation contains certain "forward-looking information" and/or "forward-looking statements" within the meaning of applicable securities laws. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only Ethernity's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of Ethernity's control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved".

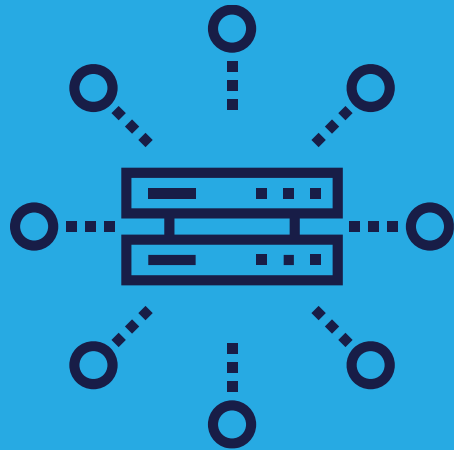
By identifying such information and statements in this manner, Ethernity is alerting the reader that such information and statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Ethernity to be materially different from those expressed or implied by such information and statements.

An investment in securities of Ethernity is speculative and subject to several risks including, without limitation, the risks discussed under the heading "Risk Factors" in Ethernity's Management Discussion and Analysis dated November 27, 2020. Although Ethernity has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information and forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended.

In connection with the forward-looking information and forward-looking statements contained in this presentation, Ethernity has made certain assumptions. Although Ethernity believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. The forward-looking information and forward-looking statements contained in this presentation are made as of the date of this presentation. All subsequent written and oral forward-looking information and statements attributable to Ethernity or persons acting on its behalf is expressly qualified in its entirety by this notice.

WHO WE ARE

ETHERNITY is evolving from delivering Innovative networking and PON Semiconductor technology into delivery of innovative and differentiated complete systems offerings for 5G and Edge that accelerate performance, reduce time-to-market and improve cost scalability for 5G data networking and security.



800,000

DEPLOYED SYSTEMS
WORLDWIDE



100M

USERS CONNECTED



6 PATENTS

WITH 2 MORE PENDING

INTEGRATED PATENTED
LINK-BONDING

5G IS COMING

Massive, disruptive market for enterprises, IoT, augmented reality, virtual reality, network infrastructure, and network security. 5G networks can transmit 100x more data per unit of energy.

The **5G** Infrastructure build-out is underway, and Ethernity is currently selling into this market.

Global 5G Infrastructure Market – USD \$95B (2030); [Source: Grand View Research](#)

\$2B EST. MKT **CELL SITE ROUTER**

- Higher bandwidth, hardware-agnostic cellular networks
- Integrated **patented link-bonding**
- 2021: Signed design win contract, plus others in discussion
- \$2+M revenue planned for 2023

[Source: Omdia](#)

\$1.5B EST. MKT (2026) **PROGRAMMABLE SMARTNIC**

- Currently serving the 5G private market in collaboration with lead software virtualization vendors and Xilinx
- Shortlisted for GSMA Global Mobile (GLOMO) award for its FPGA SmartNIC solution (2021)
- Recognized as vendor to watch by Gartner in its report: “Market Trends: Function Accelerator Cards Disrupting Traditional Ethernet Adapter Market” (2020)

[Source: Gartner, Dell'Oro Group](#)

\$30B EST. MKT (2028) **PASSIVE OPTICAL NETWORK (PON)**

- Total of \$7.6M in orders for PON devices
 - 2021: Signed \$3M device contract; others in pipeline
 - 2022: Signed follow-on contract of \$4.6M for Residential High-End Fiber-to-the-Room CPE
- In discussion with other potential customers, expected to lead to additional revenue

[Source: Global Market Insights](#)

\$32B EST. MKT (2030) **OPEN RAN MARKET**

- Disaggregated 5G network elements are opening the market for smaller and innovative vendors with best-in-class offerings
- Enables interoperability across vendors as mobile operators adopt 5G
- Being adopted by global leaders like Dish Network (US), Vodafone (German), Rakuten Mobile (Japan) and Telefonica (LatAm)

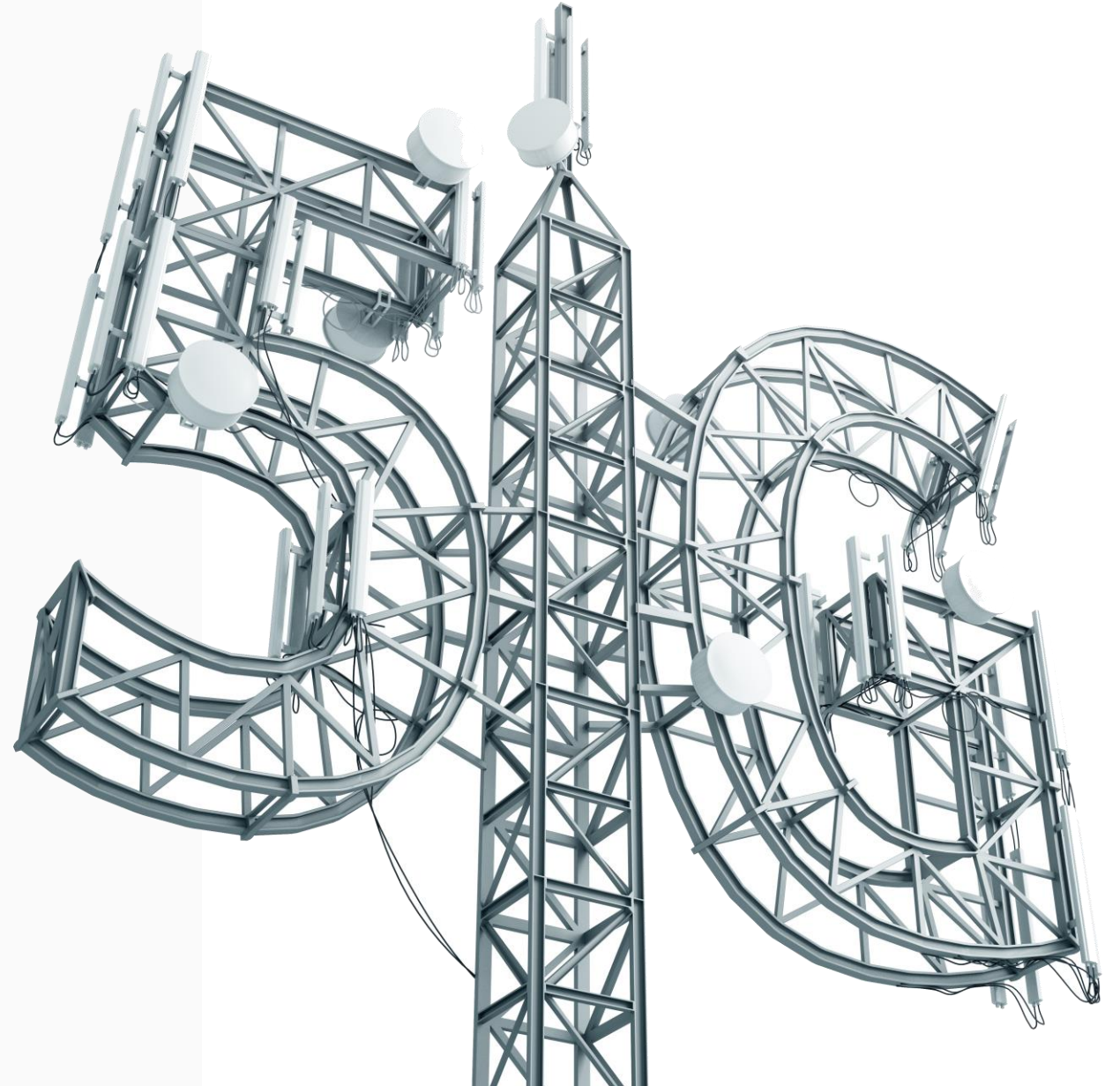
[Source: Research and Markets, 2022](#)

FAST GROWING 5G MARKET

5G requires higher performance for both wired and wireless transmission.

ETHERNITY offers products and solutions that address the needs of this growing market.

1. **In-House Data Processing Semiconductor** device support from 50Gbps to 300Gbps with complete programmability to adapt to different opportunities
2. **Wireless Offering:** Patented Link Bonding to accompany Cell Site Routing
3. **Passive Optical Access:** Low Latency Fiber access technology to allow cell site connectivity over existing infrastructure – **Using PON for 5G Fronthaul**
4. **Programmable SmartNIC:** fully customizable network function virtualization offload solution, currently positioned for Router offload and sync function for private 5G networks



PRODUCTS/SOLUTIONS – IP & Devices

ETHERNITY delivers patented data processing semiconductor technology to accelerate the telco/cloud network, each with its own set of rich networking and security features, to address the requirements of various markets.

DATA PROCESSING FPGA SoC

ENET SoC

- ✓ All-in-one FPGA simplifies competitors' complex designs based on multiple devices

KEY ADVANTAGES

- ✓ Integration of value-added functions
- ✓ Fits into existing hardware, speeding time-to-market
- ✓ Reduced customer R&D resources with ready and adaptable data processing technology
- ✓ Option for use of the Intellectual Property on ASIC for large volume application or for further cost reduction

REVENUE & GROWTH OUTLOOK

- ✓ Recurring revenue from OEM customer platforms with 800K deployed
- ✓ Massive growth in fixed wireless OEM business including selection for 2nd gen product
- ✓ 2022 SoC growth up 200% vs. 2021
- ✓ The enablement of our FPGA NIC and UEP solutions

PON DEVICES

OLT/ONU MAC

- ✓ Uniquely architected devices with GPON and XGS-PON ports to enable 5G Fronthaul and Fiber Access deployments

KEY ADVANTAGES

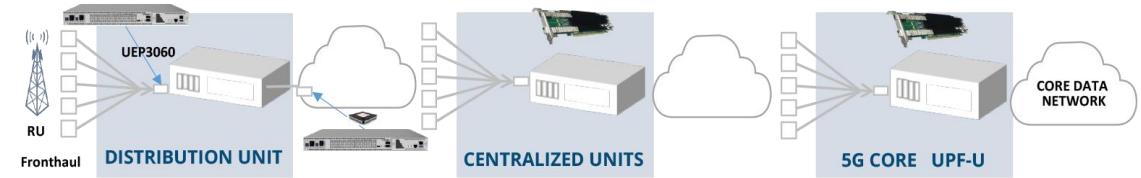
- ✓ The only solution that combines Data Processing and PON MAC on a single FPGA device
- ✓ Affordable semiconductor with high throughput, so especially cost-effective
- ✓ Low latency QoS algorithm
- ✓ Makes use of existing fiber infrastructure for faster time-to-market
- ✓ Greater reliability and performance than WiFi

REVENUE & GROWTH OUTLOOK

- ✓ Breakthrough **\$3M** OEM contract in Oct '21 progressing towards commencement of deployment and revenue flow by Q1/23
- ✓ Follow-on contract of **\$4.6M** in Sep '22 for PON FTTR device with significant expansion plans with revenue flow from Q3/23
- ✓ **Four new OEMs** are in discussion for engagement with Ethernity

PRODUCTS – Routing Systems

INNOVATIVE PLATFORMS for the telecom, cloud service provider, and enterprise markets that reduce data forwarding and security requirements, and offer interoperability, flexibility, and full programmability, making them futureproof for maximum cost savings.



ETHERNITY OFFERS SOLUTIONS FROM THE TOWER TO THE CORE

UNIVERSAL EDGE PLATFORM (UEP)

Wireless Bonding

- ✓ Cell Site Router for wireless backhaul utilizing ENET Data Processing FPGA SoC routing software stack
- ✓ Patented Link Bonding

KEY ADVANTAGES

- ✓ 100% link availability for video broadcasting
- ✓ Protects 10G E-Band wireless from performance drops due to weather condition
- ✓ Agnostic to the radio vendor
- ✓ Completely programmable and versatile due to Ethernity's own DPU technology with multiple use cases

REVENUE & GROWTH OUTLOOK

- ✓ Completely new source of revenue growth
- ✓ \$2+M in revenue to begin flow in 2023 from existing design win and others in pipeline
- ✓ Planned product expansion

FPGA SMARTNIC

ACE-NIC100

- ✓ Fully programmable, can offload a range of networking and security functions with Ethernity's own DPU FPGA SoC
- ✓ Addressing all 5G stress points: Fronthaul, Sync, and Router offload (DU), data plane offload (UPF), and security offload (CU)

KEY ADVANTAGES

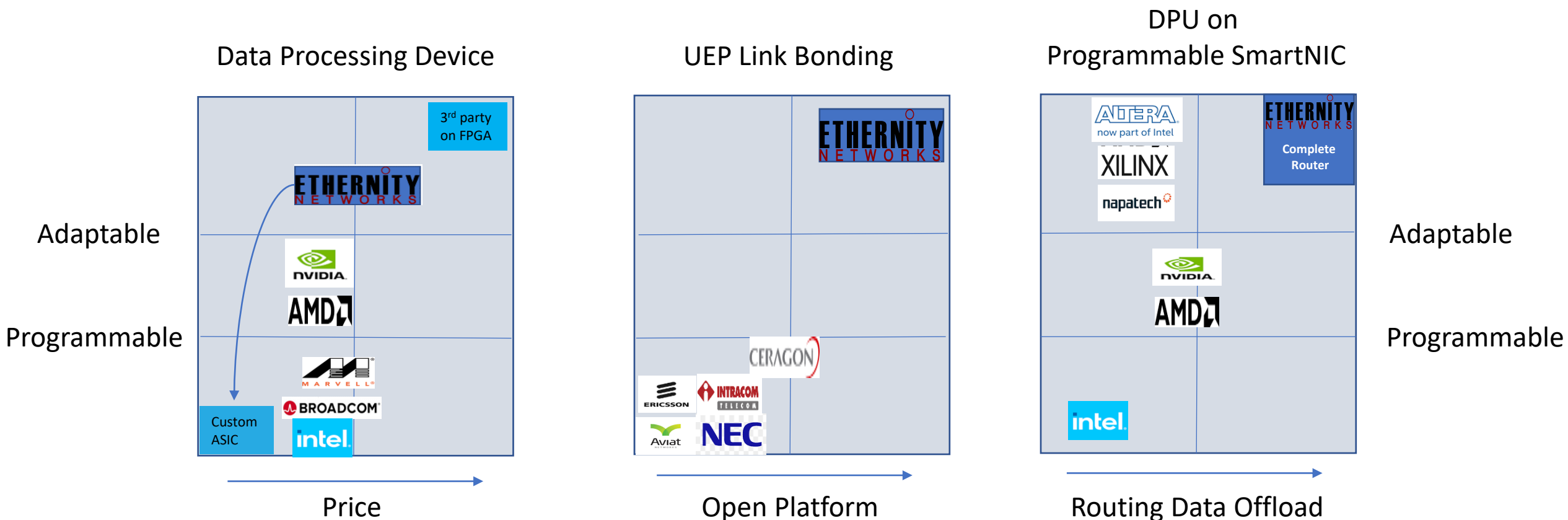
- ✓ Can be optimized for a given infrastructure, offloading a range of networking and security and freeing up the CPU cores to handle control functions and host applications

REVENUE & GROWTH OUTLOOK

- ✓ Huge untapped opportunity for SmartNICs with Open RAN operators
- ✓ In collaboration with major software virtualization vendors
- ✓ UPF – license revenue model

Competition Landscape

- Ethernity's main Intellectual Property is data processing technology ported on FPGA that can also be cost reduced to ASIC
- UEP link bonding uses the above semiconductor tech to deliver an unmatched adaptable and programmable platform
- Ethernity currently offers complete software and data processing to support Router data plane offload



REVENUE GROWTH BY PRODUCT/SERVICE



2022

- Diverse sales mix – FPGA SoC, link bonding UEP offerings, and FPGA SmartNIC and boards
- Anticipated revenues for 2022: Not less than \$2.9m*
 - FPGA SoC revenues from U.S. fixed wireless system provider
 - System platforms (UEP and ACE-NIC)
 - Design kit and ongoing royalties
 - PON SOC for Chinese OEM customer devices pending supply availability of components

* Subject to completion of the audit

2023

- \$9M in orders currently under contract & pipeline deals*
- Continued supply of FPGA SoC for U.S. fixed wireless customer
- System platforms revenue through OEM for U.S. wireless internet service provider (WISP) market and other wireless backhaul market
- FPGA PON SoC supply per the \$7.6m contracts → **55% during 2023**
- Ongoing royalty and license fee revenues
- Other per pipeline and discussions for PON devices and PON custom systems
- FPGA SmartNIC for vRouter offload

* pending supply availability of components and progress as committed by the customers in the contracts as estimated by the current pipeline

SYSTEM REVENUE GROWTH 2021-2024

Existing design win contract for UEP and expansion into US Wireless Internet Service Provider (WISP) market

System revenue for PON OLT

SmartNIC for 5G offload

SYSTEM REVENUES



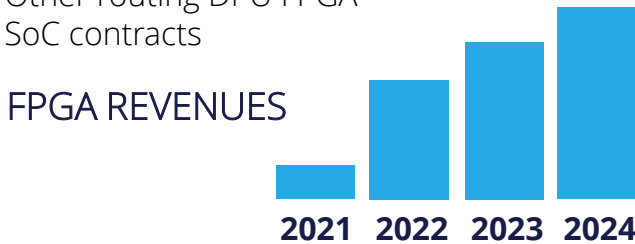
DPU FPGA REVENUE GROWTH 2021-2024

Massive growth in fixed wireless OEM business

\$7.6M in contracts for PON devices

Other routing DPU FPGA SoC contracts

FPGA REVENUES





DAVID LEVI

CEO

30 years in the telecom industry, with vast technical and business experience.

Prior to Ethernity, David was the founder of Broadlight, a company that developed BPON and GPON which was sold to Broadcom for \$230M.

Prior to that, David worked at ECI Telecom as Product Marketing Director, at RAD and Tadiran as Product Manager.




MARK REICHENBERG

CFO

Mark is a qualified Chartered Accountant from South Africa with more than 30 years financial and management leadership experience in private and market listed companies..

Previously Mark was VP Business Development of the Magnolia Silver Jewelry Group Ltd, CFO of GLV International Ltd, and Group Financial Director of Total Client Services Ltd (JSE Listed).



SHAVIT BARUCH

VP R&D

30 years in telecom, with vast technical experience in networking technologies and protocols, both at components and system level.

Prior to Ethernity, Shavit served as Chief Architect at Native Networks (Metro Ethernet solutions), founded Crescendo Networks, and served as R&D Director for broadband transmission cards at ECI Telecom.



YOSI ALBAGLI

NON-EXECUTIVE CHAIRMAN*

Yosi comes from an engineering background, focussing on strategy, business, technology, and management. He is the Co-Founder and Chairman of Over-Sat.

Yosi served as President of Satellite Communications at Orbit Technologies (TLV: ORBI). He was the Co-Founder and CEO of Tdsoft, and after Tdsoft's acquisition of VocalTec (NASDAQ: VOCL) Yosi served as President, CEO, and Director of VocalTec.



RICHARD BENNETT

NON-EXECUTIVE DIRECTOR*

Richard has 30 years business and listed company experience. He has held executive, chairman and non-executive roles in successful growth-focused technology and clean energy companies including, previously AIM-quoted MTI Wireless Edge and currently AIM-quoted GETECH plc, and China New Energy.



CHEN SAFT-FEIGLIN

EXTERNAL DIRECTOR*

Chen Saft-Feiglin is a lawyer admitted in Israel with almost 20 years of experience in commercial law, insolvency and recovery procedures. Chen is the founder and owner of Chen Saft People, Processes and Enterprises, for family Firm Advising and Mediation Services.



ZOHAR YINON

EXTERNAL DIRECTOR*

Zohar is currently the CEO of Bar Ilan University in Israel. Prior to that Zohar held the position of CEO of Hagihon Company Ltd. and was the Chief Financial Officer of Israel Military Industries, Ltd. Zohar has held other roles in Israel's private and public sectors. Zohar holds a B.A. in Economics and an MBA in Business Administration, both from Bar-Ilan University (Israel).

* = Independent

WHY INVEST?

Key reasons to invest **NOW!**

FROM THE TOWER TO THE 5G CORE

COMPLETE ECOSYSTEM From chip to complete optimized system

LINK BONDING Allows better utilization of the network

DATA PROCESSING and PON Offers PON OLT on a single device

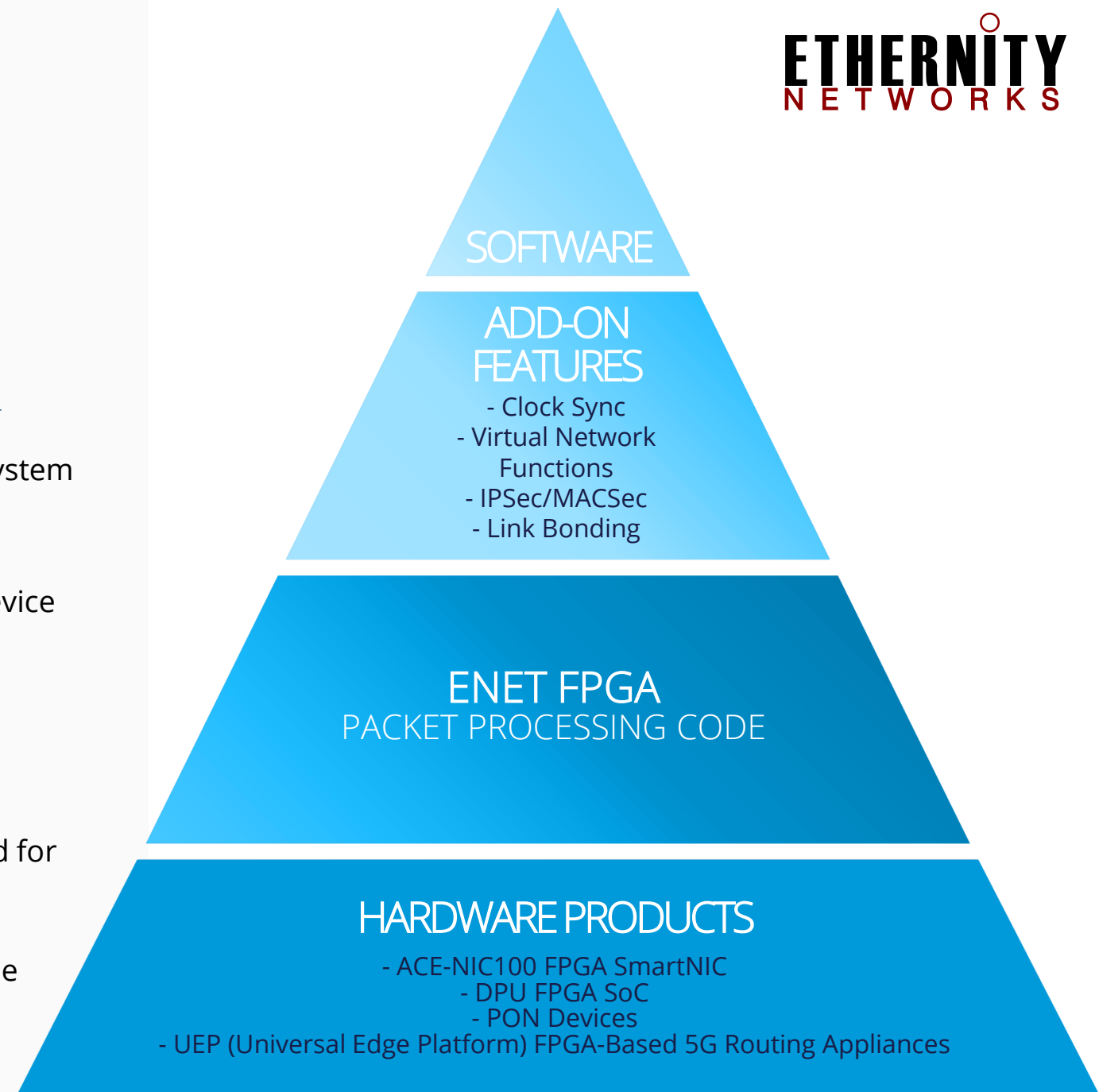
FASTER INNOVATION To adopt the latest technologies

FLEXIBILITY In adoption of new network solutions

DIFFERENTIATED PRODUCTS For the Telecom market

CURRENT MARKET ENABLEMENT Through growing demand for disaggregated HW platforms

GROWING DEMAND FOR ETHERNITY 300% planned revenue growth in 2023



THANK YOU!

Contact information

Beit Golan, 3rd Floor
1 Golan Street,
Airport City
Israel 7019900

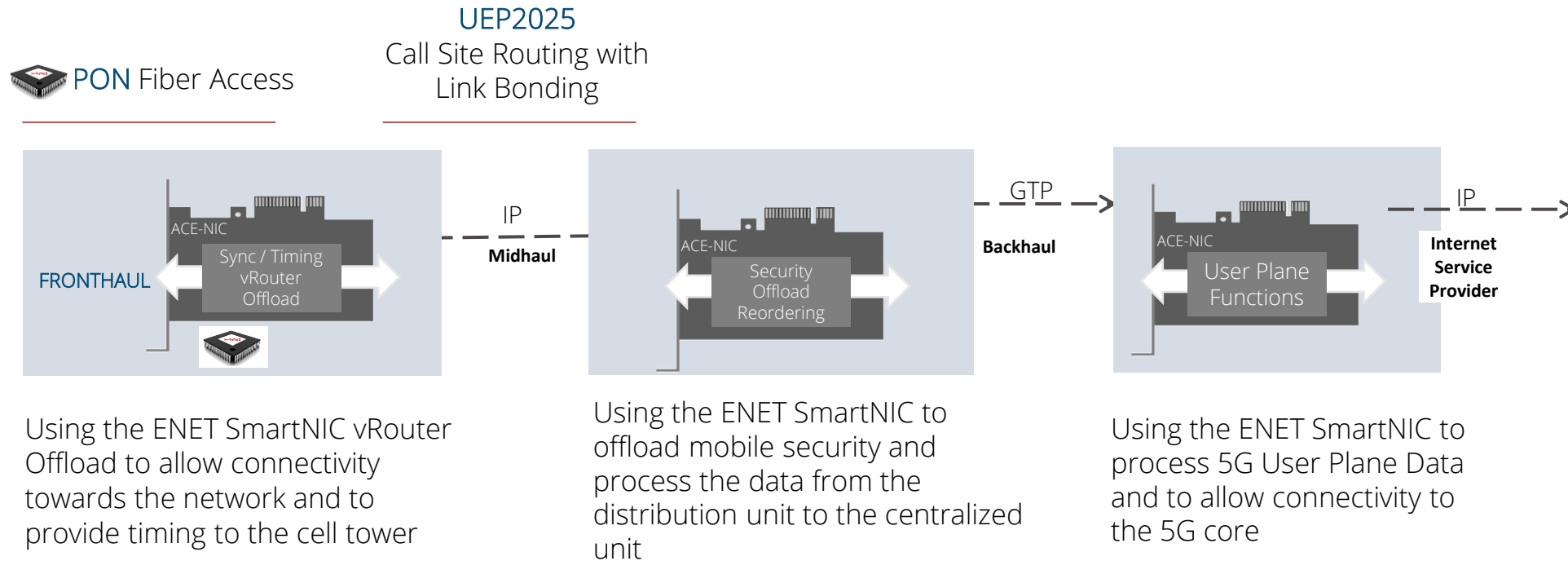
Corporate Governance
& Investor Relations:
MarkR@Ethernitynet.com

Website:
<https://ethernitynet.com>

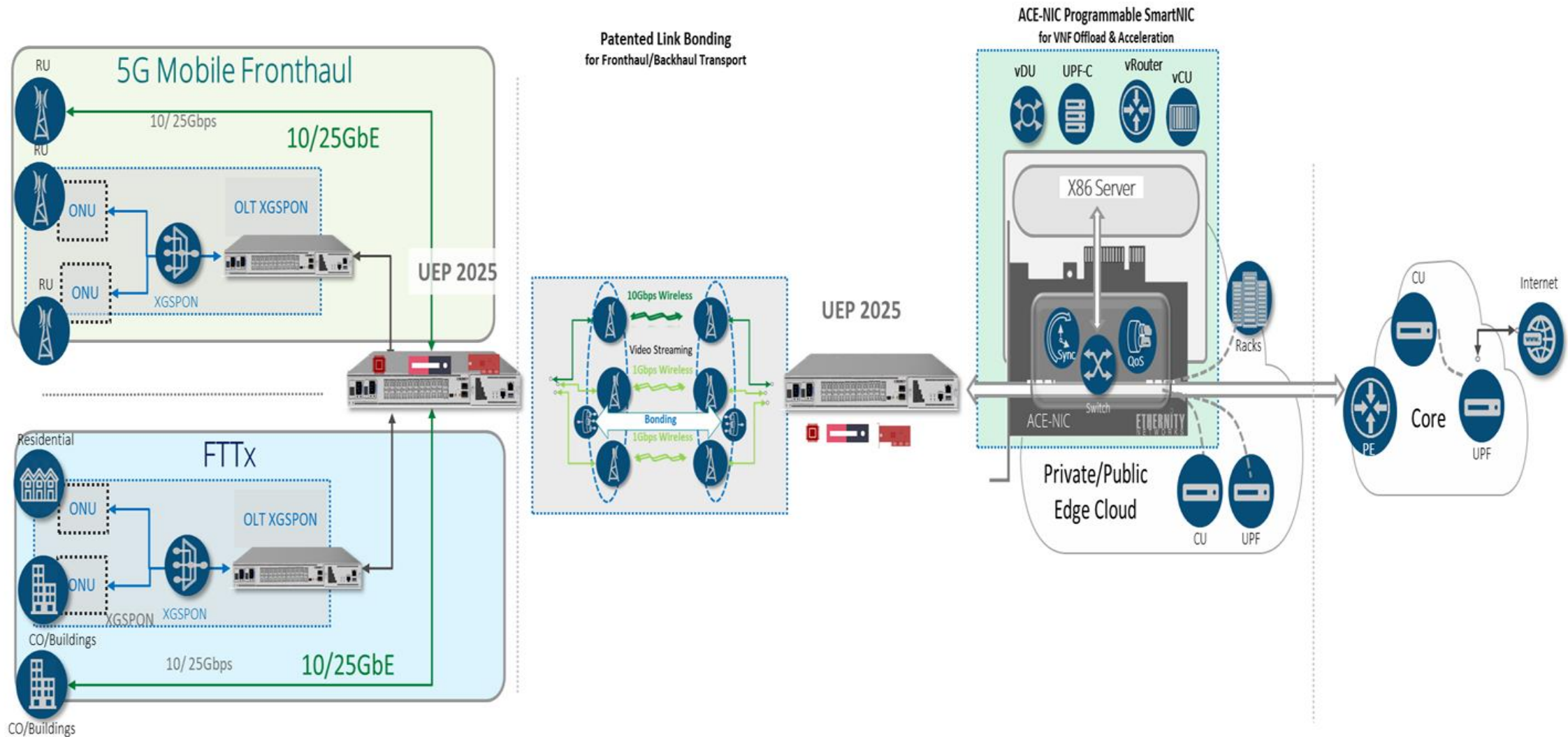
ENET.L | ENETF



Appendix A: Radio Access Network Positioning



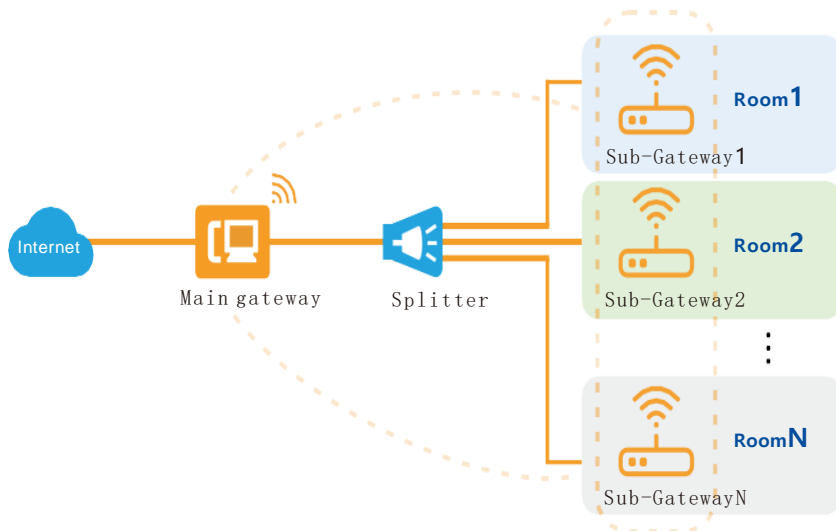
Appendix B: From the Access to the Core



Appendix C: Why Fiber-to-the-Room

Challenges of home network

- Wi-Fi real speed is only 25%~60% of Fixed line
- Wi-Fi coverage is poor
- Network is not stable
- Customer satisfaction is low



Advantages of FTTR



Higher Bandwidth

1000Mbps to Room
GPON-10GPON-50GPON
evolution



Low Latency

Less than 5ms, meet to
VR/AR, 4K/8K Video and game



Seamless Roaming Low CAPEX



High Reliability

Fiber life is over 30 years
Easy to expand to maximum 16
sub gateways

