# Contract with North American Tier 1 OEM

## Ethernity Networks' ENET Flow Processor Firmware Integrated on North American Tier 1 Vendor's FPGA-Based Fibre-To-The-Home OLT Platform

Ethernity Networks (AIM: ENET.L), a leading innovator of network processing technology and products, announced today that it has signed a contract to supply its ENET Switch and Traffic Manager firmware for a North American tier 1 telecommunications OEM. Ethernity has completed the integration of its firmware on the equipment manufacturer's existing fibre-to-the-home optical networking platform for advanced broadband services with 4K video.

The contract represents nearly $0.5m in short-term revenue for Ethernity and, given the popularity of the platform and the size of the OEM, is expected to generate an estimated $2m in future royalty streams over the next 30 to 36 months, with additional royalty streams extending thereafter.

Further, the parties have already engaged in discussions to apply Ethernity's ENET firmware and software to the customer's broadband switch and router platforms, which, if successfully concluded, would add significantly to the ongoing royalty stream.

The ENET solution was customized to fit the customer's existing OLT platform in addition to Ethernity's core functionality including hierarchical traffic management, switching, and access control list (ACL). Ethernity's patented technology reduced the required die size resulting in a 50% reduction in consumed space within the FPGA and leaving room for greater networking functionality. It is anticipated that future developments, in tandem with the OEM, will integrate additional features of the ENET library to meet future customer requirements, including router, tunnelling protocols, IPSec, bonding, and fragmentation.

"We are very pleased to have successfully concluded this agreement with a tier 1 OEM, and we believe this will be the first of many similar agreements with customers in the future," said Ethernity's CEO David Levi. "This supply contract confirms that our extensive networking functionality offers tremendous value to the market, and is an example of how we can build strong partnerships with industry leaders."

"The decline in the development and availability of network processors on ASICs for this market makes porting Ethernity's firmware onto FPGA extremely attractive to tier 1 vendors, who can now purchase FPGAs for the price of ASICs," said Rob O'Hara, Ethernity's Vice President of International Sales. "Moreover, our proven ability to customize our solution to fit existing customer hardware results in a much shorter time-to-market for the OEM."

Additional information on Ethernity's FPGA-based ENET Flow Processor is available on our website www.ethernitynet.com.

**For further information, please contact:**

**Ethernity Networks**                                 Tel: +972 8 915 0392

David Levi, Chief Executive Officer

Mark Reichenberg, Chief Financial Officer

**Arden Partners plc (NOMAD and Broker)**     Tel: +44 207 614 5900

Steve Douglas / Benjamin Cryer

## About Ethernity Networks

Ethernity Networks (AIM: ENET.L) is a leading innovator of network processing technology and products. Mounted on low-cost COTS FPGAs and with a rich set of networking features, Ethernity's ACE-NIC smart network adapters, ENET SoCs, and network appliances offer best-in-class all-programmable platforms for the fixed and mobile telecom, enterprise security, and data center markets. Our complete offering, incorporating hardware, FPGA firmware, and software applications, enables full programmability at the pace of software development, quickly adapting to changing market demands and applications and facilitating the deployment of edge computing, 5G, and SDN/NFV.