

1 November 2021

ETHERNITY NETWORKS LTD

("Ethernity" or the "Company")

Final Investment under Investment Agreement

Ethernity Networks (AIM: ENET.L), a leading supplier of data processing offload solutions on programmable FPGA (field programmable gate array) for accelerating telco/cloud networks, announces that it has received notice of payment of the final investment, in the amount of £750,000, under the investment agreement with 5G Innovation Leaders Fund LLC ("5G Fund" or the "Subscriber"), a U.S.-based specialist investor, as announced on 25 September 2020 (the "Agreement").

The 5G Fund will make the investment of £750,000 by way of prepayment, in the next five days, for new Shares, valued at £823,500 (the "Fifth Investment"). The proceeds from the investment will be used by the Company for general corporate and working capital purposes.

This investment is the final investment under the Agreement, concluding the full £3.2m investment, and no further amounts remain to be funded by the Investor under the Agreement. Following the payment of this final investment, the amount subscribed for by the Subscriber in relation to which shares will remain to be issued will be £1,568,000.

Mark Reichenberg, the Ethernity CFO said *"The Company would like to thank 5G Fund for committing to the agreement in September last year and for their continued support through the duration of the agreement to this final investment. 5G Fund has been a supportive and flexible funding partner for Ethernity, and its investments have provided the Company with significant working capital during this transformational period of time during which the Company's activities increased exponentially."*

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.

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About Ethernity (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.