

29 September 2023

**ETHERNITY NETWORKS LTD**  
("Ethernity" or the "Company")

**Subscription agreement part settlement and TVR**

Ethernity Networks Ltd (AIM: ENET.L; OTCMKTS: ENETF), a leading supplier of networking processing semiconductor technology ported on field programmable gate arrays ("FPGAs") for virtualised networking appliances, announces that it has received a settlement notice for \$74,000 from 5G Innovation Leaders Fund LLC (the "Subscriber") pursuant to the share subscription agreement, details of which were announced on 25 February 2022 (the "Subscription Agreement").

Accordingly, the Company has issued and allotted 7,406,851 new ordinary shares of NIS 0.001 each in the Company ("Ordinary Shares") to the Subscriber at a deemed issue price of 0.825p per Ordinary Share (the "Settlement Shares"). The issue price has been calculated pursuant to the price mechanism and additional price protection mechanism set out in the announcement of the Subscription Agreement on 25 February 2022.

Application will be made to the London Stock Exchange for the Settlement Shares to be admitted to trading on AIM ("Admission") and Admission is expected to occur on or around 4 October 2023. The Settlement Shares will, upon Admission, rank *pari passu* with the existing Ordinary Shares in the Company.

Following the receipt of this settlement notice and the issue of the Settlement Shares, the remaining outstanding balance under the Subscription Agreement is \$1,336,000 (approximately £1.1 million).

**Total voting rights**

Following Admission, the Company's enlarged issued share capital will be 149,221,091 Ordinary Shares. The Company holds no Ordinary Shares in Treasury. This figure of 149,221,091 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:**

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**MARKET ABUSE REGULATION**

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse (amendment) (EU Exit) Regulations 2019/310 ("MAR"). 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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