

31 January 2024

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

Conclusion of TSP process

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 is pleased to announce the formal conclusion of the temporary suspension of proceedings ("TSP") process.

On 20 December 2023, the Company announced that the Court in Lod ("**Court**") granted an extension to the TSP process until 30 January 2024. The Commissioner of Insolvency and Economic Rehabilitation Proceedings, operating under the governmental Office of Justice, has submitted its approval of the Settlement Proposal (details of which were announced on 11 January 2024) to the Court and waived the need to hold a Court hearing. Therefore, the Company now anticipates that the Court will submit its formal approval of the Settlement Proposal during the first two weeks of February. Notwithstanding this, it is not considered necessary to seek a further extension to the TSP and therefore the Company is pleased to announce that it has formally exited the TSP process with effect from today.

During the TSP process, the Company continued to serve its existing customers and secure contracts that will bring in additional revenue during the coming years. The Company's new business pipeline and engagement with potential new OEMs is based on its leading programmable Universal Edge Platform ("**UEP**") product range. This ranges from a pure carrier ethernet switch platform equipped with security functions, towards a carrier ethernet with the Company's patented L1 bonding, up to a remote optical line terminal offering that captures the Company's carrier ethernet technology and the Company's fiber media access controller integrated into a single programmable silicon device to capture different telecom access deployments with single programmable hardware.

David Levi, CEO, commented: "We are delighted for the Company to be able to conclude the TSP process. We exit the TSP on a far stronger financial footing than when we entered, thanks to the encouraging customer contracts and the fundraise we undertook in December. Ethernity is well positioned for further growth and to capitalise on its market leading solutions. I would like to thank our customers, suppliers, shareholders and employees for their ongoing support of the business and look forward to 2024 with confidence."

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