

15 July 2024

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

Clarification re Structured Investment Deed

Ethernity Networks (AIM: ENET.L; OTCMKTS: ENETF), a leading supplier of data processing semiconductor technology for networking appliances, announces a clarification on the calculation of the warrant exercise price under the Structured Investment Deed ("Investment Deed") with New Technology Capital Group, LLC ("New Tech"), details of which were announced on 17 May 2024 (the "Announcement").

Pursuant to the Investment Deed, New Tech was provided with a contingent warrant (the "Warrant") over new ordinary shares of ILS 0.001 each in the Company ("Ordinary Shares"). The Warrant was initially exercisable at a price of 1 penny per Ordinary Share, for a period of 45 days. Following the conclusion of this initial 45-day period (which has now passed) the Warrant exercise price (the "Exercise Price") is calculated as the average (in pounds Sterling, rounded down to three decimal places) of the lowest five daily VWAPs of an Ordinary Share (rounded down to three decimal places) during the twenty trading days before the receipt of a Warrant exercise notice by the Company, less a 15% discount, rounded down to the nearest one tenth of a penny. All other terms of the Investment Deed remain as set out in the Announcement. The Exercise Price of the new Ordinary Shares issued to New Tech pursuant to the first Warrant exercise notice, details of which were announced on 12 July 2024, was calculated based on this formula.

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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 semiconductor 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 Broadband Networks.

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