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14 March 2025

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

Placing to raise £88,750

Ethernity Networks Limited (AIM: ENET.L) (OTCMKTS: ENETF), a leading supplier of data processing semiconductor technology for networking appliances, announces a placing (the "**Placing**") to raise £88,750 (gross) through the issue of 177,500,000 new ordinary shares of NIS 0.001 each ("**Placing Shares**") at an issue price of 0.05p per share (the "**Issue Price**"). *CMC Markets UK Plc trading as CMC CapX, acted as the Company's placing agent in respect of the placing.*

Highlights

- Placing to raise £88,750 through the issue of Placing Shares at the Issue Price.
- Admission of the Placing Shares is expected to occur on or around 20 March 2025.

Background to, reasons for the Placing and use of proceeds

The Directors consider that it is appropriate to undertake the Placing at this time in order to provide additional working capital to fund the Company. Further to the Company's announcement of 21 January 2025, pursuant to the creditor settlement plan, the Company has a 'grace' period to settle its payment obligations by the end of April. The Company will need to seek additional share authorities to be able to raise funds to repay creditors and an EGM to seek these authorities will be convened in due course.

The Issue Price represents a discount of approximately 17% to the mid-market closing price of 0.06 pence per share on 13 March 2025.

Admission to trading

The Placing Shares are being issued pursuant to the Company's existing authorities to issue and allot new ordinary shares of NIS 0.001 each ("**Ordinary Shares**") free of pre-emption rights and will rank *pari passu* with the Company's existing Ordinary Shares. Application is being made for the admission of the 177,500,000 Placing Shares to trading on AIM ("**Admission**") and Admission is expected to occur at 8.00 a.m. on or around 20 March 2025.

Total voting rights

Following Admission, the Company's enlarged issued share capital will be 1,400,000,000 Ordinary Shares. The Company holds no Ordinary Shares in Treasury. This figure of 1,400,000,000 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.

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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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