

8 April 2025

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

**Result of EGM  
and  
Notice of EGM**

Ethernity Networks Limited (AIM: ENET.L) (OTCMKTS: ENETF), a leading supplier of data processing semiconductor technology for networking appliances, announces that at the Company's Extraordinary General Meeting held earlier today, resolution 1 was passed and resolution 2 was not passed.

Both resolutions received votes in favour representing 67% of the total votes cast. Resolution 1 was an ordinary resolution to increase the Company's authorized share capital to NIS 6,400,000 and was therefore passed. Resolution 2 was a special resolution to allow the Directors to disapply pre-emption rights on an equity issue for cash and this resolution did not pass as it did not achieve the required 75% majority to be approved.

As per previous announcements, the Directors sought approval to disapply pre-emption rights on equity issues for cash, *inter alia*, to enable the Company to raise further funding to support the settlement of its payment obligations pursuant to the creditor settlement plan and allow the Company to progress its potential ASIC business. Under the terms of the creditor settlement plan, the Company has a 'grace' period to settle its payment obligations by the end of April 2025. If the Company is unable to settle its obligations by the end of April, the settlement manager may approach the court to seek an extension to the repayment date, however, there is no guarantee that they would be able to do this or whether the Court would approve such extension. **The Board considers that it is essential that the Company has the share authorities in place to be able to raise further funds and, should these not be granted, the future prospects of the Company are uncertain. Should the Company fail to secure additional funding ahead of the end of April, there is a risk that the Company will no longer be able to continue to trade as a going concern. In these circumstances, the Board would have no option but to commence a wind down of the Company's operations.**

As a result, the Company is shortly posting a notice to convene a further Extraordinary General Meeting ("**EGM**") at its offices on the 3rd Floor, Beit Golan, 1 Golan Street (corner of HaNegev), Airport City 7019900, Israel, at 11:00 a.m. Israel time (9:00 a.m. UK time) on 28 April 2025. The purpose of this EGM is to seek shareholder approval for the disapplication of pre-emption rights on equity issues for cash.

A copy of the EGM notice will be made available on the Company's website, [www.ethernitynet.com](http://www.ethernitynet.com).

Shareholders should note that the number of shares that could be issued under the proposed additional share authorities may result in significant dilution of the existing issued share capital. However, the Board is actively engaged in discussions regarding various fundraising opportunities, and the approval of the disapplication of pre-emption rights is the critical component in enabling the Company to continue its operation.

**For further information, please contact:**

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**About Ethernity Networks**

Ethernity Networks (AIM: ENET.L; OTCMKTS: ENETF) provides innovative, comprehensive networking and security solutions on programmable hardware, enhancing telco/cloud network infrastructure capacity. Ethernity's semiconductor logic offers data processing functionality for various networking applications, alongside patented wireless access technology and fiber access media controllers, all equipped with control software boasting a rich set of networking features. Ethernity's solutions swiftly adapt to customers' evolving needs, accelerating time-to-market and facilitating the deployment of 5G over wireless and fiber infrastructure.

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