

October 15, 2019



FTE Consents to Foreclosure on Benchmark Builders Reduces \$80 Million in Debt & Considers New Business Combination

NEW YORK, Oct. 15, 2019 (GLOBE NEWSWIRE) -- [FTE Networks, Inc.](#) (NYSE American: FTNW) ("FTE" or the "Company"), announced that senior lender Lateral Investment Management LLC ("Lateral") took possession and ownership of FTE's principal subsidiary Benchmark Builders by means of a strict foreclosure citing certain events of default caused by certain judgements entered into by convertible note holders.

As more fully described in the Company's Form 8-K filed with the Securities and Exchange Commission (the "SEC") on October 11, 2019, the Company consented to this foreclosure proposal which provided for total debt relief equal to in aggregate more than \$80 million. This debt relief was an instrumental part of the Company's decision to agree to the proposed foreclosure terms as the Company was determined to be over leveraged.

The Company has also received a term sheet concerning a proposed business combination transaction contemplating the contribution of a multi-billion dollar real estate asset portfolio in exchange for a combination of securities issued by the Company to be agreed upon by the asset contribution party. The Company has also been in discussions as to additional real estate assets to be contributed prior to the close of the business combination transaction or after. As part of the proposed transaction, the Company would also acquire a public non-traded REIT with a portfolio of commercial development assets, further to its strategy to both incorporate a REIT structure into the Company and to enter into the independent broker dealer channel alternative asset sector. In addition to the contribution of assets, the proposing company intends to bring an experienced management team to the Company.

The total debt relief under the foreclosure proposal would increase to more than \$108 million if the proposed business combination is not consummated prior to December 31, 2019.

The Company is in discussions with board candidates to replace three board members who resigned following the foreclosure proposal. As discussed in the Company's shareholder letter dated September 12, 2019, the Company has been expending significant efforts on many fronts to explore various strategic alternatives that would improve the Company's long-term financial health and operational effectiveness.

About FTE Networks, Inc.

FTE Networks, Inc. ("FTE") through its subsidiaries Crosslayer and Juscom divisions provide technology solutions for smart building platforms, edge computing and network infrastructure solutions for residential and commercial properties. We create transformative smart platforms and buildings. FTE's services are predicated on smart design and consistent

standards that reduce deployment costs and accelerate delivery of leading edge projects and services. The Company works with Fortune 100/500 companies, including some of the world's leading Telecommunications and IT Services Providers as well as REITs and Media Providers.

Forward-Looking Statements

This release may contain "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "believe," "will," "intends," "expects," and may include statements regarding matters that involve known or unknown risks, uncertainties and other factors that may cause our results, levels of activity, performance or achievements to differ materially from results expressed or implied by this release. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations, and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and market trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. These risk factors and others are included from time to time in documents we file with the Securities and Exchange Commission, including but not limited to, our Form 10-K's, Form 10-Q's and Form 8-K's. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Accordingly, you should not place undue reliance on these forward-looking statements. Any forward-looking statement made by us in this release is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise.

For more information, please contact:

Corporate Contact:

FTE Networks, Inc.

237 W. 35th Street, Suite 601

New York, NY 10001

(877) 850-4308

ir@ftenet.com

NYSE American: FTNW

Source: FTE Networks, Inc.