

November 17, 2017



InterCloud Systems Eliminates over \$15 Million of Subordinated Convertible Debt and Accrued Interest in Debt to Equity Exchange

SHREWSBURY, N.J., Nov. 17, 2017 (GLOBE NEWSWIRE) -- InterCloud Systems, Inc. (OTC:ICLD) ("InterCloud" or "Company") announced today that it entered into an Exchange Agreement (the "Agreement") with the holders of certain term notes issued by the Company, exchanging the debt for preferred equity.

Pursuant to the Agreement with these subordinated convertible note holders, the Company exchanged over \$10.4 million of Convertible Debt and eliminated over \$4.7 million of accrued interest in exchange for approximately \$15.1 million of Preferred Equity. The Preferred Equity may be exchanged for Common Stock over a five (5) year period. The Company is also negotiating with other convertible noteholders to exchange their debt into preferred equity.

The effect of the Agreement is to eliminate all debt service and interest accrual on the debt and create \$15.1 Million of new Shareholder Equity in the process. The Exchange immediately increased the Company's common book value per share. Full details of the impact on the Company's financials will be discussed in the Company's regularly scheduled quarterly earnings release.

InterCloud Systems CEO, Mark Munro stated, "This is our first step in creating new shareholder equity as we push forward with our plans to eliminate costly subordinated debt and interest accruals. Our goal is to continue to restructure all debt and create an entity with no debt. We can then focus on rebuilding shareholder value through revenue growth and profitability. This was a major step in the right direction."

About InterCloud Systems, Inc.

InterCloud Systems, Inc. is a leading provider of cloud networking orchestration and automation, for Software Defined Networking (SDN) and Network Function Virtualization (NFV) cloud environments to the telecommunications service provider (carrier) and corporate enterprise markets through cloud solutions and professional services. InterCloud's cloud solutions offer enterprise and service-provider customers the opportunity to adopt an operational expense model by outsourcing cloud deployment and management to InterCloud rather than the capital expense model that has dominated in recent decades in IT infrastructure management. Additional information regarding InterCloud may be found on InterCloud's website at www.intercloudsys.com.

Forward Looking Statements

Statements in this press release regarding InterCloud that are not historical facts are forward- looking statements and are subject to risks and uncertainties that could cause actual future events or results to differ materially from such statements. Any such forward-looking statements, including, but not limited to, financial guidance, are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that do not directly or exclusively relate to historical facts. In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “could,” “would,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “projects,” “forecasts,” “predicts,” “potential,” or the negative of those terms, and similar expressions and comparable terminology. These include, but are not limited to, statements relating to future events or our future financial and operating results, plans, objectives, expectations and intentions. Although we believe that the expectations reflected in these forward-looking statements are reasonable, these expectations may not be achieved. Forward-looking statements represent our intentions, plans, expectations, assumptions and beliefs about future events and are subject to known and unknown risks, uncertainties and other factors outside of our control that could cause our actual results, performance or achievement to differ materially from those expressed or implied by these forward-looking statements. In addition to the risks described above, these risks and uncertainties include: our ability to successfully execute our business strategies, including integration of acquisitions and the future acquisition of other businesses to grow our company; customers’ cancellation on short notice of master service agreements from which we derive a significant portion of our revenue or our failure to renew such master service agreements on favorable terms or at all; our ability to attract and retain key personnel and skilled labor to meet the requirements of our labor-intensive business or labor difficulties which could have an effect on our ability to bid for and successfully complete contracts; our failure to compete effectively in our highly competitive industry could reduce the number of new contracts awarded to us or adversely affect our market share and harm our financial performance; our ability to adopt and master new technologies and adjust certain fixed costs and expenses to adapt to our industry’s and customers’ evolving demands; our history of losses, deficiency in working capital and a stockholders’ deficit and our ability to achieve sustained profitability; material weaknesses in our internal control over financial reporting and our ability to maintain effective controls over financial reporting in the future; our substantial indebtedness could adversely affect our business, financial condition and results of operations and our ability to meet our payment obligations; the impact of new or changed laws, regulations or other industry standards that could adversely affect our ability to conduct our business; and changes in general market, economic and political conditions in the United States and global economies or financial markets, including those resulting from natural or man-made disasters.

These forward-looking statements represent our estimates and assumptions only as of the date of this release and, except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise after the date of this release. Given these uncertainties, you should not place undue reliance on these forward-looking statements and should consider various factors, including the risks described, among other places, in our most recent

Annual Report on Form 10-K and in our Quarterly Reports on Form 10-Q, as well as any amendments thereto, filed with the SEC.

CONTACT: *Investor Relations*
Tel: 561.988.1988

Source: InterCloud Systems, Inc.