

Athens, Tuesday 19 January 2021

OPEN LETTER TO ELLAKTOR SHAREHOLDERS

**The shareholders of ELLAKTOR are called to SUPPORT the
Company's CLEAR PLAN FOR SUCCESS**

&

REJECT the draft resolutions presented by REGGEBORGH

Dear Shareholder,

You have an important decision to make regarding your investment in ELLAKTOR at the upcoming Extraordinary General Meeting, scheduled to take place on 27 January 2021.

The ELLAKTOR Board of Directors and management team (the "Company") are committed to shareholder value creation while upholding the highest ethical standards and principles of good governance. In July 2018, with your support ELLAKTOR started a transformation journey, aiming to unleash its potential and generate long-term value for its shareholders.

ELLAKTOR's transformation has been based on a solid 3-phase plan with clear objectives, driven by a set of critical implementation enablers:

1. Best in Class Corporate Governance
2. Transformation of ELLAKTOR's Operating Model & Alignment of Stakeholder Interests
3. New Strategic Plan

OUR PLAN

Phase 1 - Best in Class Corporate Governance - completed

Significant structural changes were implemented towards enhancing corporate governance, revamping risk management culture, as well as synergies' exploitation and stopping value leakage. Special focus was given to Construction and **the new organizational structure, along with the redesign of critical processes, significantly improved the effectiveness of AKTOR's operating model.**

Phase 2 - Transformation of ELLAKTOR'S Operating Model & Alignment of Stakeholder Interests - underway

We are currently focusing on business improvement and the turnaround of the Construction Business Unit. Following the launch & implementation of a €100m benefits generation Programme from AKTOR by 2023, **the Programme is on track and aims to deliver higher benefits than originally planned.** The financing needs of ELLAKTOR Group's construction segment are gradually declining and its operating cash flow position is improving. Core to this strategy however is to secure the required funds – over and above AKTOR's funding needs – which would significantly strengthen AKTOR's liquidity and provide the Group with the required flexibility and funding to proceed with its growth strategy and investment plan.

Phase 3 - New Strategic Plan - underway

Investments to create new value have also been made in brownfield concessions such as Alimos Marina, in renewables, via a strategic co-operation with EDP Renewables with an estimated value of the joint investment exceeding €1billion, and in solid waste treatment. ELLAKTOR is also aiming to enhance its concessions portfolio by at least one new motorway – e.g., Egnatia Odos - and to develop Cambas Park.

The Company's leadership team continues to execute the complex transformation of the ELLAKTOR Group, and the Company now is in a position to improve value for its shareholders.

REGGERBORGH INVEST

In December 2020, Reggeborgh Invest B.V. requisitioned an Extraordinary General Meeting and submitted a series of proposals aiming to remove the ELLAKTOR Board of Directors.

REGGEBORGH is asking for the revocation of all board members and the election of a new board, by providing unfounded statements regarding the company's financial results.

We want to ensure ELLAKTOR shareholders have all the facts to make an informed decision, rather than to rely on unverified sources

The facts are as follows:

- **Attempt to take control of the Company** - by seeking to remove the entire ELLAKTOR board and replacing it with a weaker board, comprising only of their own candidates, REGGEBORGH is attempting to effectively take control of ELLAKTOR
- **Competition concerns** - With a 30% stake in GEK TERNA - ELLAKTOR's key competitor - there are serious competition issues which may materially impact the Greek infrastructure, concessions and energy sectors that are key to the Greek economy

Who is REGGEBORGH?

REGGEBORGH GROUP is an internationally active investment company, owned by the Wessels family, with a wide variety of investments, and an active focus in infrastructure. They are the 100% owner of VolkerWessels, a leading Dutch integrated and diversified construction group, which they recently privatised. They are also by far the largest shareholder of GEK TERNA, the direct competitor of ELLAKTOR, with a 30% stake, which is almost double of that of the next one.

In September 2020, REGGEBORGH bought a fractional stake of 64,000 shares in ELLAKTOR. Since then, they accumulated small stakes from the market and now own circa 14% of ELLAKTOR. They also secured a call option for a further 12.55% - from Leonidas Bobolas. If such option is exercised their total ownership would reach circa 27%.

REGGEBORGH's interest and actions therefore show that they consider ELLAKTOR to be undervalued, but despite claiming to the media that they are a minority shareholder they are making an activist attack on ELLAKTOR.

What is REGGEBORGH doing?

REGGEBORGH is promoting a view that *“due to the company's negative financial results, new management is required to inspire confidence in the investing public and the Company's creditors, and to propose and implement a comprehensive plan for the restoration of the capital adequacy and dynamic restart of the Company”*.

The justification to revoke the current Board of Directors of ELLAKTOR is vague and lacks substance. REGGEBORGH has not provided any arguments proving that investor and creditor confidence needs to be restored.

As per the Comments of ELLAKTOR's Board of Directors, published in December 2020, since the new Board of Directors of ELLAKTOR took over in 2018, a great effort to completely re-organise and consolidate the Group is underway. This critically important effort has not been an easy task; nevertheless, it has already generated significant results and more importantly, it has laid the foundations for a dynamic recovery for the entire Group. The board and management have been transparent throughout this process and their actions have been reflected in the Company's annual reports, which in turn have secured resounding shareholder support. Moreover, despite the adversities that the Board of Directors encountered during its tenure, investor trust - domestic and foreign - was also expressed through the successful raising of significant funds from the international capital markets during the issuance of the Bond in December 2019 and in January 2020, thus securing required funds and improving the structure of the Group's balance sheet. The Company has publicly presented its positions and the comprehensive plan for its capital support as well as the course of its discussions with financial institutions and an agreed plan of action is underway.

REGGEBORGH's proposal to replace the current Board of Directors with a new board that comprises of their proposed candidates does not meet international standards of best practice.

ELLAKTOR has gone to great lengths to enhance its corporate governance framework and this is recognised by international governance ratings agencies, such as ISS' Quality Score, which measures governance risk of companies globally. ELLAKTOR ranks at the top of the league table of the FTSE/ATHEX Large cap index with a score of 2 (where 1 indicates low risk and 10 indicates high risk). It is also important to add that GEK TERNA has a score of 10, suggesting high governance risk indicating that REGGEBORGH, as the largest shareholder of GEK TERNA, for a significant period of time, has not suggested any governance improvements to date.

The board composition proposed by REGGEBORGH raises significant concerns for the following reasons:

- **Conflict of interest considerations** - The proposed Chairman and CEO are exposed to a conflict of interest, due to their external duties and previous links with the Hellenic Asset Development Fund (HRADF), which is involved in tenders in which both ELLAKTOR's and GEK TERNA's subsidiaries participate
- **Independence concerns** - No reference is made to whether the proposed independent members meet the independence criteria under both Law 3016/2002 and ELLAKTOR's own corporate governance code

- **Board level of independence** - Under the proposed composition of REGGEBORGH, the level of independence of ELLAKTOR's Board of Directors would drop to 40% (the current level of independence of the board is at 55.5%); this falls below international best practice standards
- **Board composition** - A composition of 5 members would be expected to downgrade the assessment concerning the rules regulating the company's current corporate governance

In conclusion, REGGEBORGH does not appear to be interested in high standards of corporate governance, that align with international best practice. This explains the poor standards of their board proposals.

After all the efforts ELLAKTOR has undergone over the last two years, REGGEBORGH effectively proposing to downgrade the current level of governance attained at ELLAKTOR is unacceptable. Seeking to remove a competent board of directors to replace it with candidates exposed to conflicts, suggests that REGGEBORGH is not concerned about the best interests of the Company.

The concerns expressed are also supported by the two largest international proxy advisors, Institutional Shareholder Services (ISS) and Glass Lewis & Co, who have analysed the dissident proposals and have both recommended to institutional shareholders to vote AGAINST the REGGEBORGH proposals.

REGGEBORGH has not provided a strategic plan

The ELLAKTOR Board and management team have outlined a detailed roadmap for the future success of the Company that we believe will enhance value for all shareholders. REGGEBORGH has not made public any alternate business plan that would provide a better solution for ELLAKTOR shareholders.

It is therefore apparent that REGGEBORGH, being the largest shareholder of GEK TERNA, in which it has invested a significant amount of money, has an unknown and undisclosed plan for the future of ELLAKTOR, the primary competitor of GEK TERNA.

What would be the impact of REGGEBORGH having large stakes in both GEK TERNA and ELLAKTOR?

REGGEBORGH is already the largest shareholder by far, with a stake of 30% in GEK TERNA and now it has secured a minimum stake of circa 27% in ELLAKTOR. This means that REGGEBORGH is seeking to control of the two largest infrastructure groups operating in Greece. This would obviously raise significant competition concerns.

Firstly, the actions of REGGEBORGH are being reviewed under EU competition law. REGGEBORGH's intentions are also currently being reviewed by the Hellenic Competition Commission.

Having the largest stake of our primary competitor, GEK TERNA and trying to take control of ELLAKTOR also begs the questions:

- **Will this serve the interests of the ELLAKTOR Group and all the shareholders of the Company or will it serve the interests of GEK TERNA's shareholders?**
- **Will REGGEBORGH support ELLAKTOR in its efforts to maximise shareholder value autonomously?**

What would be the socio-economic impact of REGGEBORGH's moves for the infrastructure sector?

Firstly, **REGGEBORGH**, through its combined stakes in ELLAKTOR and GEK TERNA stands to benefit from €32 billion of Covid-19 emergency relief funding which would also support Greece's infrastructure, renewables and construction sectors. Secondly, **ELLAKTOR, with over 5,000 Greek employees, is one of the largest employers in the Greek economy.** REGGEBORGH has to date not provided any information to ELLAKTOR and its shareholders neither on its strategic plan for the company nor its intentions regarding ELLAKTOR's human capital. **This suggests a risk for thousands of jobs.** Interested shareholders of ELLAKTOR may wish to raise these questions with REGGEBORGH directly: info@reggeborgh.nl

In conclusion, REGGEBORGH has provided limited to no information and mischaracterized ELLAKTOR's Board of directors and management in a deliberate attempt to divert attention away from what is really at stake in this proxy battle: what is the right vision and future for ELLAKTOR and who is best qualified to oversee the execution of the Company's strategy to deliver shareholder value?

ELLAKTOR'S Board and management offer you a clear plan targeting for the continued success of the Company and further enhancing of shareholder value and they stand committed to acting and defending the interests of all stakeholders.

In contrast we believe REGGEBORGH offers a weaker board slate, lower standards of corporate governance, no strategic plan, and no plan for the future of the company.

We believe the choice is clear. To protect the value of your investment we urge you to VOTE AGAINST RESOLUTIONS 3-6.

WE ASK FOR YOUR SUPPORT - WE CALL ON YOU TO USE YOUR VOICE AND VOTE

EVERY VOTE COUNTS!

With your support we will seek to protect and strengthen the largest infrastructure Group in Greece.

With your support we will seek to generate sustainable shareholder value and create a stronger Group.

With your support we will continue the transformation of ELLAKTOR and seek to position it in its rightful place, as one of the sector's leading infrastructure groups, drawing on strategic capabilities and balance sheet strength to invest in assets, technology and people.

THE LONG-TERM SUCCESS OF THE COMPANY WILL BENEFIT ALL STAKEHOLDERS AND THAT INCLUDES EACH AND EVERY ONE OF YOU

Yours sincerely



Anastassios Kallitsantis

Chief Executive Officer