

THE SHAREHOLDER FORUM

HC2 Shareholder Survey (September 2019)

Shareholder comments:
Suggestions for management consideration

Shareholder Suggestions for Management Consideration

A Shareholder Survey of beneficial owners of the common stock of HC2 Holdings, Inc. was conducted September 10-16, 2019, and included a section “for offering any comments and questions you [the shareholder] want the Forum to present to the company's management or other shareholders, with the source of course presented only as an unidentified participant in this survey.” All comments (other than those indicating the absence of comment) in response to the following inquiry are presented below:

► ***Anything you think the company's management should be considering?***

It is the policy of the Shareholder Forum to present all such shareholder comments to the company and to invite the company's response. Any response provided by the company within a week will be presented with the Forum's report to shareholders of survey results.

Comments:

1. " - Share Repurchases
 - Quarterly Dividend
 - strategic plan to reduce debt"
2. consolidation on core business
3. Deleverage company as soon as possible to avoid the potential need for chapter 11 to right the ship. Deliver on Falcone's promise at the last shareholder meeting to resign if he can't deliver on shareholder value by the 2020 meeting.
4. De-leveraging
5. Do your jobs.
6. eliminate "incentive" benefits to management and directors
7. FIRING PHIL FALCONE!
8. Firing Phil, the Pansend team and shopping the overall business, or letting Phil spin out the insurance business, run it himself and sell the other assets.
9. Focus on building the insurance business and grown reserves. Establish a desired yield (dividend) and grow it slowly and steadily to build investor confidence. Be consistent.
10. Forfeit last years bonuses until you create shareholder value. Phil you're not worth a 10th of what you're being paid. Compensation is completely out of line, market cap in under 90m and you get 12m in comp?
11. Free cash flow
12. Holding the line on salaries until things improve

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13. I am afraid of the financial impact of long term care insurance business.
14. I am available to support the company in a directors position.
15. If insiders believe in this company, then start buying shares in large quantities
16. Manage business to sustained profitability before growing any more through acquisitions
17. many investors like companies who keep investors informed besides financial operations - about business climate, expected changes in certain markets and especially important hints of business proposals to gauge investor sentiment
18. Need to be laser focused on reducing debt, and initiating a small equity dividend. Shareholders feel burned and don't see or understand the VALUE proposition in HCHC.
19. Quit.
20. Quitting
21. Re-focus on a few key areas. Consider more/new holdings in Biotech, Communications & Cyber Security
22. Salary based on stock value for shareholders.
23. Sell a piece of HCHC to get the debt down. Offer a dividend to attract investors.
24. Sell global marine
25. sell losing businesses and RETURN my MONEY
26. Sell the construction company for a high price.
27. sell underperforming assets reduce debt maximize cash flow
28. Something other than what they are now doing.
29. The board is great at buying but needs help on selling A strategic plan needs to be developed
30. They need to show there is value in the subs by generative free cash flow net of the interest expense.
31. Transparency re compensation and net asset value computations re same,
32. "We want Mr. Falcone to be the next Warren Buffet. We want him to be shareholder oriented and completely trustworthy. He should not emulate others on Wall Street
33. who want to make quick profits, get their name in the papers and lead a glamorous New York lifestyle. Also, the emphasis should not be on ""monetizing"" assets, in fact just using those words alone reflects poorly on his value system. Those words should never cross his lips. It is all about value creation in the long term and minimizing potential transactions that

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have tax consequences. The model already exists Berkshire Hathaway being foremost but also Alleghany, Markel, White Mountains and others."

34. Why bother? CEO does what he wants.
35. Working with Nascar on promoting the Heat Video game. Very large market.
36. You started out by building a mini Berkshire, and I thought the management knew exactly what they are doing. Not sure why they are having so much difficulty refinancing their debt.