A close-up photograph of a person's hands on a steering wheel, wearing a watch and a red sweater cuff. The background is a blurred cityscape at night with bokeh lights.

Atlas Financial Holdings, Inc.

Investor Presentation

November 2022



Forward-Looking Statements

This presentation includes forward-looking statements regarding the Company, its subsidiaries and businesses. Such statements are based on the current expectations of the management of each entity. The words "anticipate", "expect", "believe", "may", "should", "estimate", "project", "outlook", "forecast" or similar words are used to identify such forward looking information. The forward-looking events and circumstances discussed on this call may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting the companies. These factors can be found in their filings with the Securities and Exchange Commission, in the "Risk Factors" section of its most recent Form 10K or subsequent quarterly filings on Form 10-Q. As such, no forward-looking statement can be guaranteed.

Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and the Company and its subsidiaries undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

About Atlas



Focused on “light” commercial auto

The primary business of Atlas is commercial automobile insurance in the United States, with a niche market orientation and focus on insurance for the “light” commercial automobile sector including taxi cabs, nonemergency para-transit, limousine/livery (including full-time transportation network company drivers) and business auto. Atlas’ specialized infrastructure is designed to leverage analytics, expertise and technology to efficiently and profitably provide insurance solutions for independent contractors, owner operators and other smaller accounts. The Company focuses on underserved and evolving niche markets where its differentiated approach is expected to create value for its stakeholders and shareholders.



The Company’s strategy is focused on leveraging its managing general agency operation (“AGMI”) and its insurtech digital platform (“optOn”). For more information about Atlas, please visit www.atlas-fin.com, www.agmiinsurance.com, and www.getopton.com.



Atlas Strategic Focus

A strategic shift focusing on technology-driven commercial automobile managing general agency (“MGA”) as its primary business

Vision

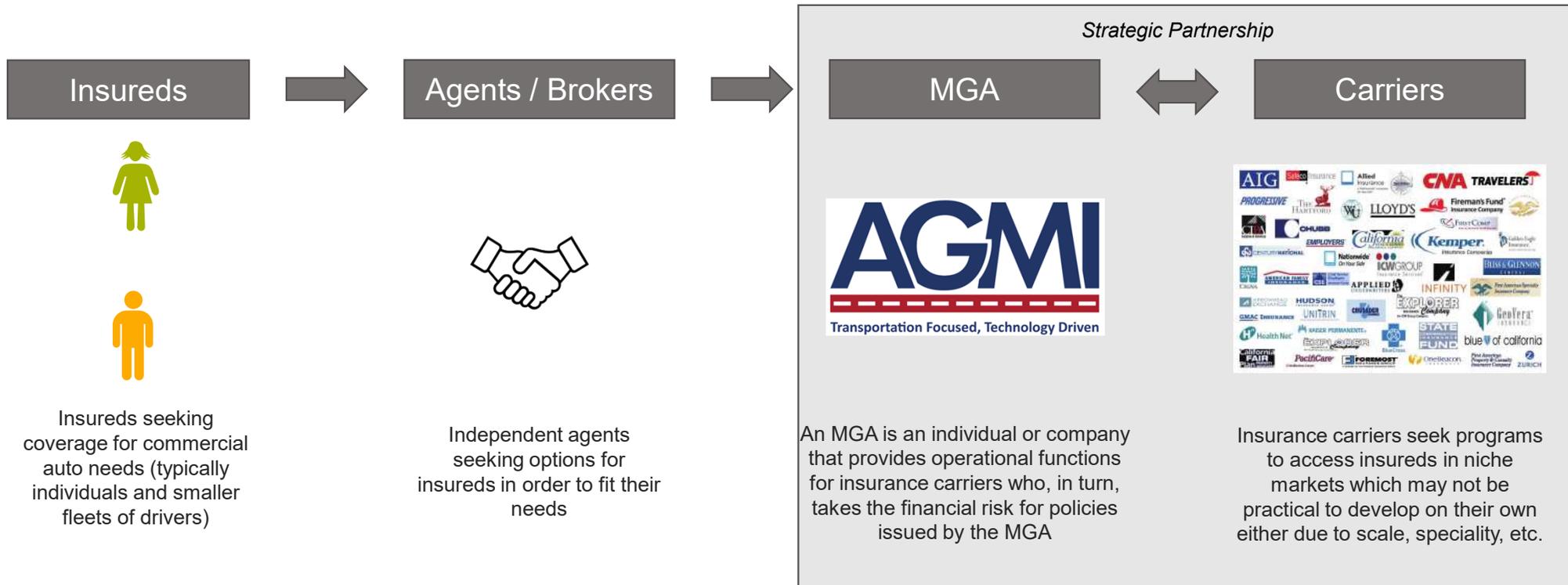
To always be a preferred specialty transportation related insurance business that delivers benefit to all stakeholders by leveraging technology, analytics, expertise, partnerships and capital resources.

Mission

To develop and deliver superior specialty insurance products and services to meet our customers’ needs with a focus on innovation and the effective use of technology and analytics to deliver consistent operating profit for the insurance businesses we own.

- *Deliver sustainable value to our risk-taking partners and consumers of our products by cultivating and maintaining a unique position in the markets on which we focus.*
- *As a nimble, innovative specialist, deploy our expertise, analytics and technology to disrupt underserved segments of commercial auto.*

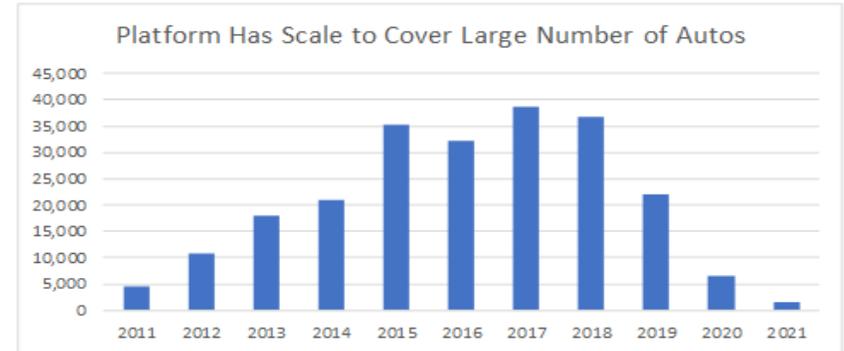
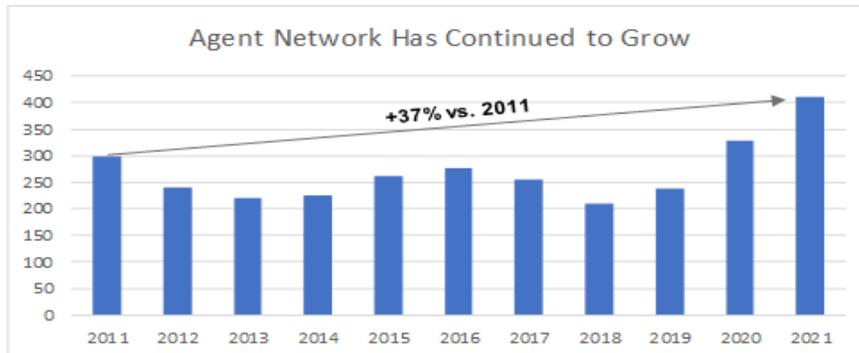
Explaining the MGA Model



MGA Approach

Strategic Focus

- Leverage heritage in specialty market
- Utilize Atlas' systems and MGA resources ("AGMI")
- Existing distribution channel cultivated over decade (430+ independent producers)
- Re-capture legacy \$200+ million book of business in public auto sectors (at today's rates >\$300 million)
- Combine traditional insurance company structure with legitimate insurtech
- Expand into other areas of "light" commercial automobile

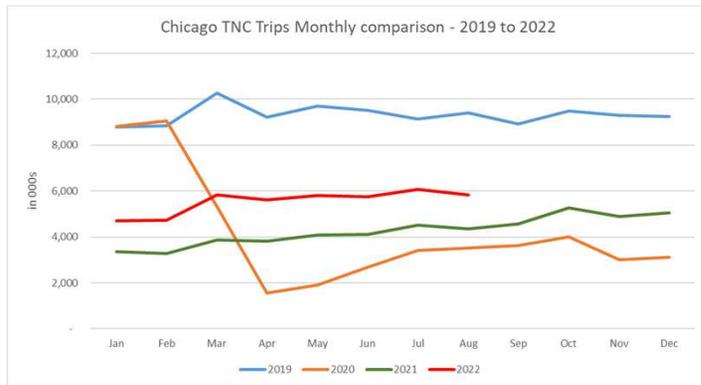


Key "Atlas" Assets

- Decades of data in niche market
- More than \$10 million in technology and analytics development invested prior to challenges in recent years
- Expert staff that embraces innovation
- Systems and workflows designed around highly transactional business
- Ability to capitalize on hard commercial auto market
- Unique insights based on industry and affiliate insurance company results

Current Market Recovery

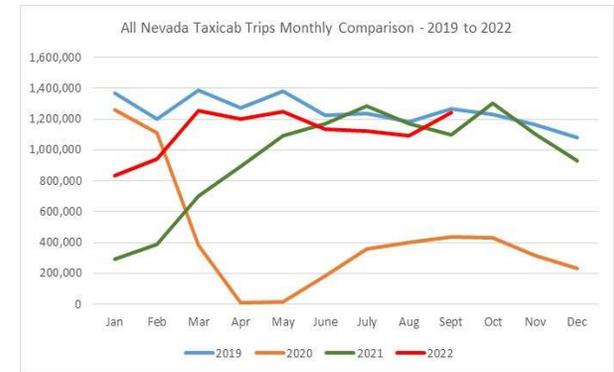
Industry Activity Update – Chicago & Nevada



Data Source: City of Chicago
<https://data.cityofchicago.org/Transportation/Transportation-Network-Providers-Trips/m6dm-c72p>



Data Source: City of Chicago
<https://data.cityofchicago.org/Transportation/Taxi-Trips/wrvz-psew>



Data Source: Nevada Taxicab Authority
https://taxi.nv.gov/About_Us/ALL/Statistics/

Public Auto COVID Impact/Recovery

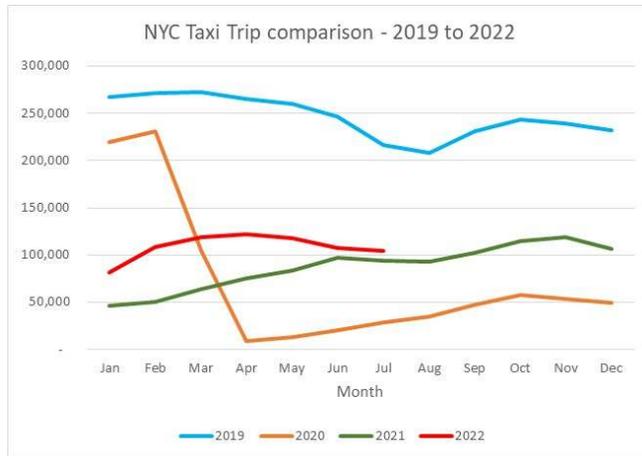
- Part-time TNC relatively flat while Taxi/Livery continues to show recovery
 - **Chicago TNC:** 5,830k trips in August 2022, a 4% decrease from last month and still about 40% down from August 2019 (9,407k trips)
- Taxi/Livery continuing from prior months at increasing marginal rate
 - **Chicago Taxi:** 538k trips in October 2022, no change from last month and still about 58% down from October 2019 (1,232k trips)
 - **Las Vegas Taxi:** September 2022 shows a 14% increase from prior month and a 2% decrease from September 2019
- Driver return continues to gain momentum which may be tempered due to gas prices remaining relatively high
- Platforms offering near-term incentives to attract owner operators
- All segments experiencing significantly more demand for rides vs. driver supply



Current Market Recovery

Industry Activity Update – New York & San Francisco

Certain jurisdictions show a reduction in trips which may be slowing the deployment of new vehicles, but does not appear to be resulting in vehicles being taken out of service



Data Source: NYC TLC
<https://www1.nyc.gov/site/tlc/about/aggregated-reports.page>



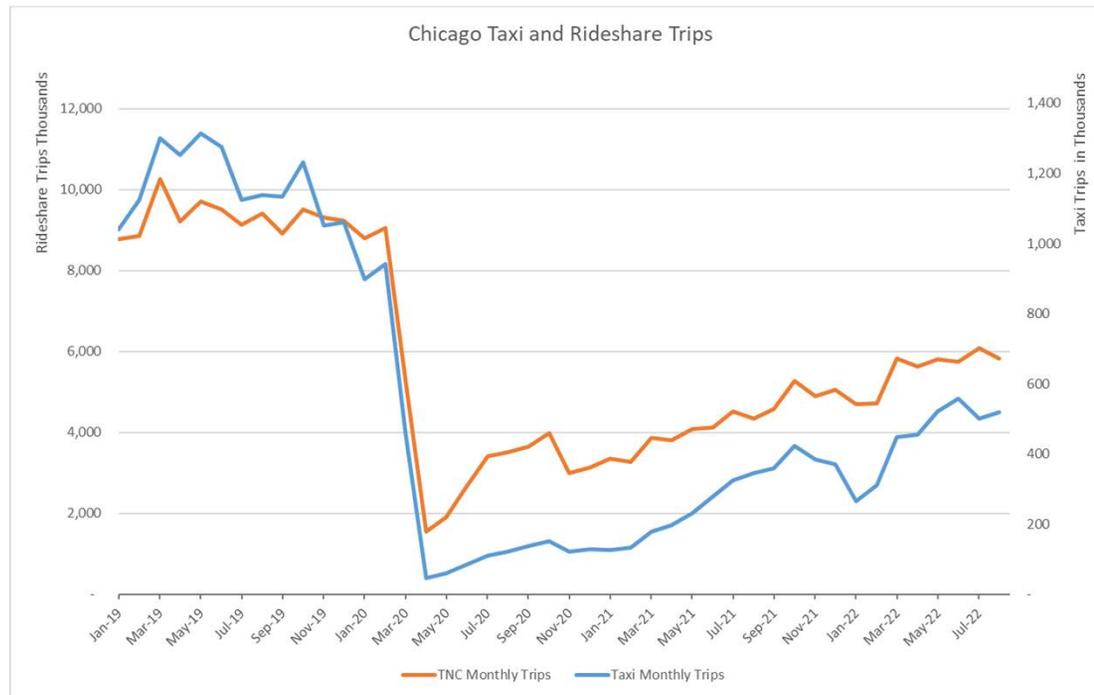
Data Source: San Francisco Municipal Transportation Agency
<https://www.sfmta.com/reports/average-weekday-taxi-trips>

Broker feedback indicates that recent downturn relates primarily to seasonality and does not appear to suggest a longer term trend

Current Market Recovery

Industry Activity Update – Chicago

Taxis are being put into service at a rate similar to demand for both Taxi and TNC rides



Axis set so Unique Taxis and Monthly Trips cross on December 2019

Data Source: City of Chicago
<https://data.cityofchicago.org/Transportation/Transportation-Network-Providers-Trips/m6dm-c72p>

Market Recovery

Business Activity Update

Taxi and Livery business is continuing to show an improved hit ratio.

We ultimately expect this to settle in a range of 40% - 50%.



Nationwide submissions and policy issuance generally follows Chicago taxi trip trend.

Hit Ratio

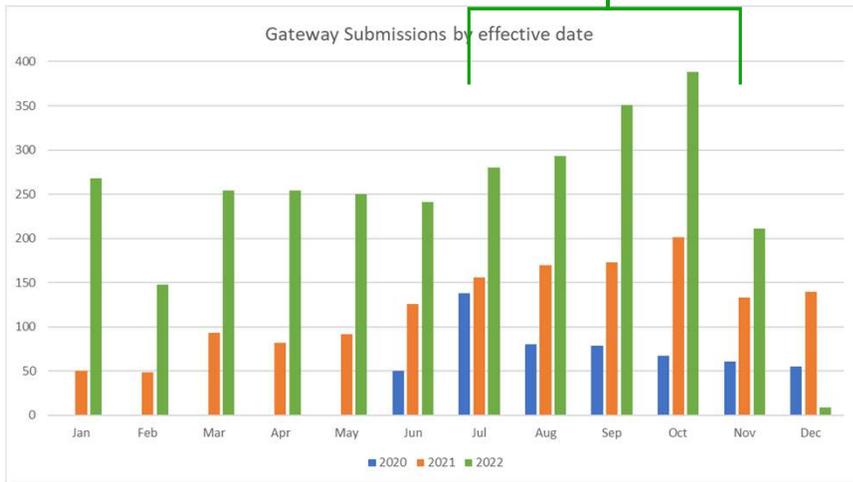
Buckle / Gateway Quoting Activity									
Period	2020			2021			2022		
	Submitted	Issued	Hit Ratio	Submitted	Issued	Hit Ratio	Submitted	Issued	Hit Ratio
Q1	-	-		134	53	40%	520	178	34%
Q2	2	-	0%	304	108	36%	652	299	46%
Q3	149	6	4%	504	264	52%	805	324	40%
Q4	150	19	13%	411	189	46%			
Full Year	301	25	8%	1,353	614	45%	1,977	801	41%



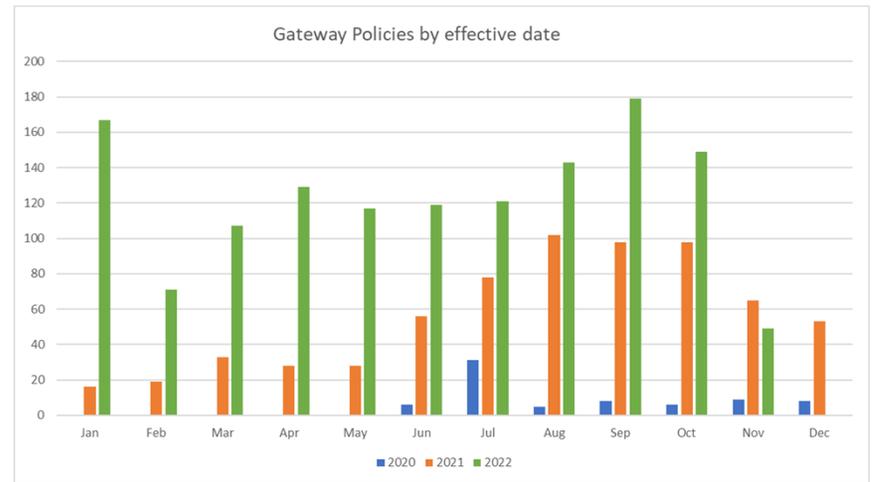
Market Recovery

Initial Indications of Recovery

Beginning to see sequential increases



Data as of November 9, 2022

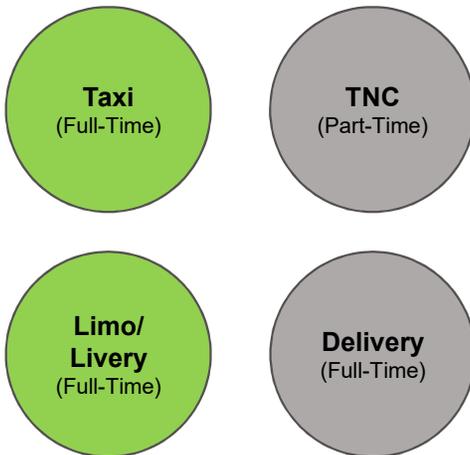


Data as of November 9, 2022

Industry Activity Update – Vision

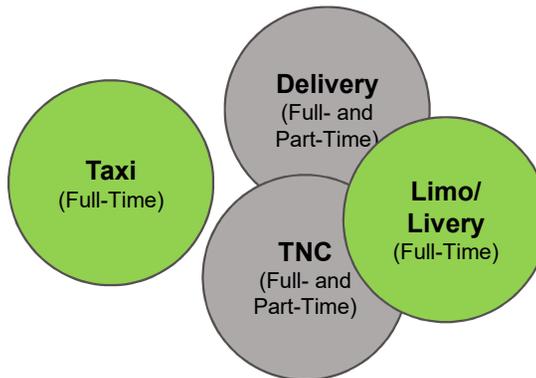
Past

Historically, the Taxi, TNC, Limo/Livery, and Delivery markets have been addressed by drivers and vehicles that remained within narrow verticals; there was sharply defined competition between modalities for the targeted customers



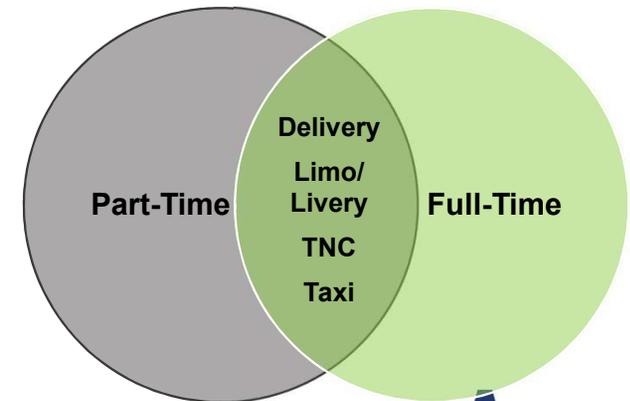
Present

The lines have begun to blur for TNC, Delivery and Limo/Livery drivers and vehicles, e.g., UberEats, Limo services equipped to serve TNC customers, and part-time fulfillment delivery drivers that also drive for TNC and Limo services. There is also increasing flexibility for drivers choosing to drive on a full- or part-time basis.



Future

Market structures rapidly adjusting to a reality in which all networks access vehicles that perform multiple roles in a single day; this has already begun with the NYC and CA announcements that taxis will be accessible on TNC platforms. Expect creation of a specialty market for “Last Mile” people transport and product delivery as autonomous driving market develops



Financial Statements

Consolidated Statements of Financial Position

Please refer to
Form 10-Q filed in November 2022
for additional detail

Atlas Financial Holdings, Inc. Condensed Consolidated Statements of Financial Position

(\$ in '000s, except for share and per share data)	September 30, 2022	December 31, 2021
Assets	(unaudited)	
Cash and cash equivalents	\$ 82	\$ 2,274
Restricted cash	1,957	3,637
Premiums receivable (net of allowance of \$225 and \$225)	8,748	11,397
Intangible assets, net	893	983
Property and equipment, net	1,455	2,503
Right-of-use asset	18	237
Notes receivable	—	18,017
Credit facility fee, net	—	584
Other assets	797	1,053
Assets held for sale	7,500	7,500
Total assets	\$ 21,450	\$ 48,185
Liabilities		
Premiums payable	\$ 10,177	\$ 13,593
Lease liability	18	224
Due to deconsolidated affiliates	—	19,957
Notes payable, net	36,098	33,102
Other liabilities and accrued expenses	7,444	6,811
Total liabilities	\$ 53,737	\$ 73,687
Commitments and contingencies (see Note 7)		
Shareholders' Deficit		
Ordinary voting common shares, \$0.003 par value, 800,000,001 shares authorized, shares issued: September 30, 2022 - 17,652,839 and December 31, 2021 - 15,052,839; shares outstanding: September 30, 2022 - 17,652,839 and December 31, 2021 - 14,797,334	\$ 54	\$ 45
Restricted voting common shares, \$0.003 par value, 33,333,334 shares authorized, shares issued and outstanding: September 30, 2022 and December 31, 2021 - 0	—	—
Additional paid-in capital	86,219	83,086
Treasury stock, at cost: 0 and 255,505 shares of ordinary voting common shares at September 30, 2022 and December 31, 2021, respectively	—	(3,000)
Retained deficit	(118,560)	(105,633)
Accumulated other comprehensive income, net of tax	—	—
Total shareholders' deficit	\$ (32,287)	\$ (25,502)
Total liabilities and shareholders' deficit	\$ 21,450	\$ 48,185

See accompanying Notes to Consolidated Financial Statements on the latest Form 10-Q.



Financial Statements

Consolidated Statements of Operations

Please refer to Form 10-Q filed in November 2022 for additional detail

Atlas Financial Holdings, Inc. Condensed Consolidated Statements of Operations

Condensed Consolidated Statements of Operations				
(\$ in '000s, except for share and per share data)				
	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
	(unaudited)		(unaudited)	
Commission income	\$ 760	\$ 2,046	\$ 2,232	\$ 5,530
Net realized gains (losses)	—	(1,475)	1	(2,940)
Other income	310	1,212	1,422	2,773
Total revenue	1,070	1,783	3,655	5,363
Acquisition costs	398	1,105	1,312	2,954
Other underwriting expenses	3,587	4,094	13,006	11,190
Amortization of intangible assets	30	98	90	293
Forgiveness of Paycheck Protection Program loan	—	—	—	(4,601)
Interest expense, net	801	556	2,174	1,639
Total expenses	4,816	5,853	16,582	11,475
Loss from operations before income taxes	(3,746)	(4,070)	(12,927)	(6,112)
Income tax benefit	—	—	—	—
Loss from continuing operations	(3,746)	(4,070)	(12,927)	(6,112)
Income from discontinued operations, net of tax	—	14	—	165
Net loss	\$ (3,746)	\$ (4,056)	\$ (12,927)	\$ (5,947)
Basic net (loss) income per share attributable to common shareholders				
Continuing operations	\$ (0.21)	\$ (0.31)	\$ (0.77)	\$ (0.45)
Discontinued operations	—	—	—	0.01
Net loss	\$ (0.21)	\$ (0.31)	\$ (0.77)	\$ (0.44)
Diluted net (loss) income per share attributable to common shareholders				
Continuing operations	\$ (0.21)	\$ (0.31)	\$ (0.77)	\$ (0.45)
Discontinued operations	—	—	—	0.01
Net loss	\$ (0.21)	\$ (0.31)	\$ (0.77)	\$ (0.44)
Basic weighted average common shares outstanding	17,652,839	12,973,964	16,781,195	13,665,609
Diluted weighted average common shares outstanding	17,652,839	12,973,964	16,781,195	13,665,609
Condensed Consolidated Statements of Comprehensive Loss				
Net loss	\$ (3,746)	\$ (4,056)	\$ (12,927)	\$ (5,947)
Other comprehensive loss:				
Changes in net unrealized investment gains (losses)	—	1	—	(21)
Reclassification to net loss	—	(16)	—	(175)
Other comprehensive loss	—	(15)	—	(196)
Total comprehensive loss	\$ (3,746)	\$ (4,071)	\$ (12,927)	\$ (6,143)

See accompanying Notes to Consolidated Financial Statements on the latest Form 10-Q.

Financial Statements

Key Operating Metrics

Please refer to Form 10-Q filed in November 2022 for additional detail

27.7% increase in commission from go-forward programs

Reduction in AGMI Operating Expenses

Anticipated sale in 2022

Non-Recurring debt restructuring costs

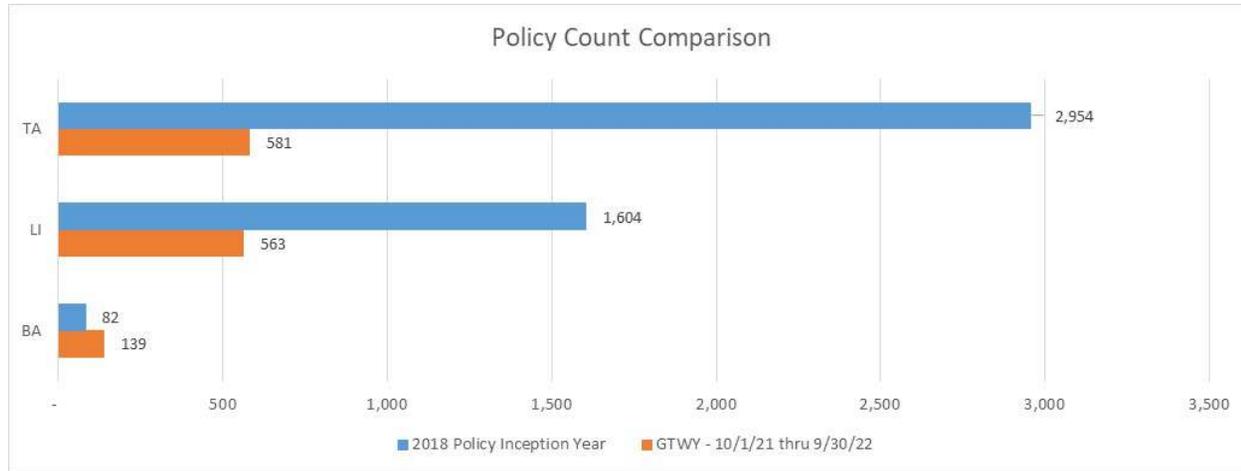
Commission Income				
(\$ in '000s)				
	Three months ended September 30,			
	2022	2021	\$ Change	% Change
Continuing programs	\$ 760	\$ 595	\$ 165	27.7 %
Expiring programs	—	1,032	(1,032)	(100.0)
Global Liberty	—	419	(419)	(100.0)
Total	\$ 760	\$ 2,046	\$ (1,286)	(62.9)%

Other Underwriting Expenses				
(\$ in '000s)				
	Three months ended September 30,			
	2022	2021	\$ Change	Description of Change
Shared services	\$ —	\$ (91)	\$ 91	Reduction of shared services related to Global Liberty.
Salary and benefits	1,844	2,249	(405)	Decrease related to the reduction in force.
CARES Act	—	(450)	450	Benefit elimination related to the Employee Retention Credit of the Taxpayer Certainty and Disaster Tax Relief Act of 2020, enacted December 27, 2020, which amended and extended the employee retention credit (and the availability of certain advance payments of the tax credits) under section 2301 of the CARES Act.
Other expenses	813	1,018	(205)	Decrease mainly attributed to software and corporate insurance offset by purchases of computer equipment.
Building and occupancy costs	170	237	(67)	Increase in building costs related to real estate tax estimates offset by a reduction in rent expense related to the non-renewal of the Company's New York office lease.
Credit Agreement	184	39	145	Increase in amortization costs related to the timing of when the Company entered the Credit Agreement.
Professional fees	229	714	(485)	Decrease related to additional legal fees incurred in Q3 2021 in connection with the bond exchange but not in Q3 2022.
Depreciation and amortization	347	378	(31)	Decrease mainly attributed to a portion of the Company's software and EDP equipment becoming fully depreciated.
Total	\$ 3,587	\$ 4,094	\$ (507)	

See accompanying Notes to Consolidated Financial Statements on the latest Form 10-Q.

Recapturing Historic Business

Significant Near-Term Opportunity



Policy Comparison (as of Q3 2022)

- Overall Submissions/Quotes are at only 11% of 2018
- Policies Issued in active states with limits equal to or under \$1 million in 2021/22 vs 2018
 - 28% of policy count
 - 30% of vehicles
- Average premium per vehicle up 56%, from 51% last quarter
 - \$5,203 in 2021/22
 - \$3,333 in 2018

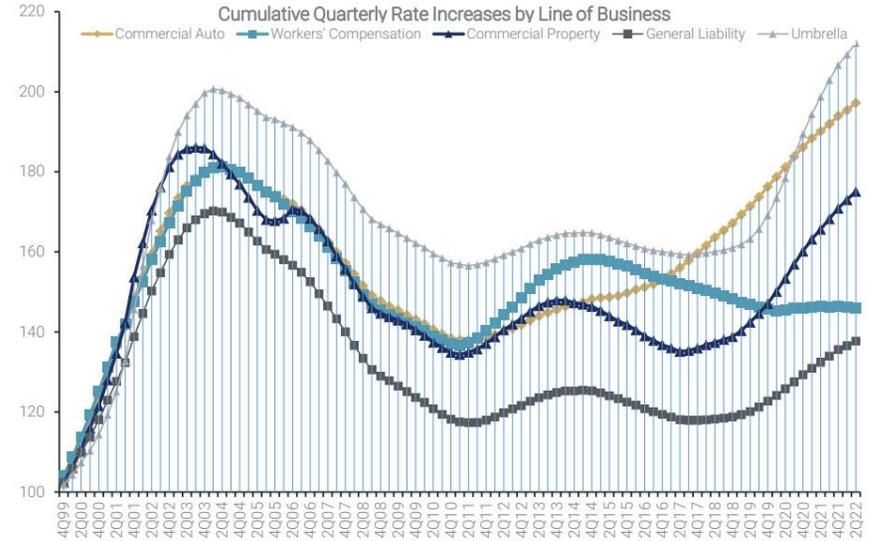
**Significant opportunity for
recapture/growth in hard market**

Changing Market Dynamics

Market Conditions

Multiple quarters of significant rate increases in commercial auto

\$53 Billion Addressable Market Poised for Disruption



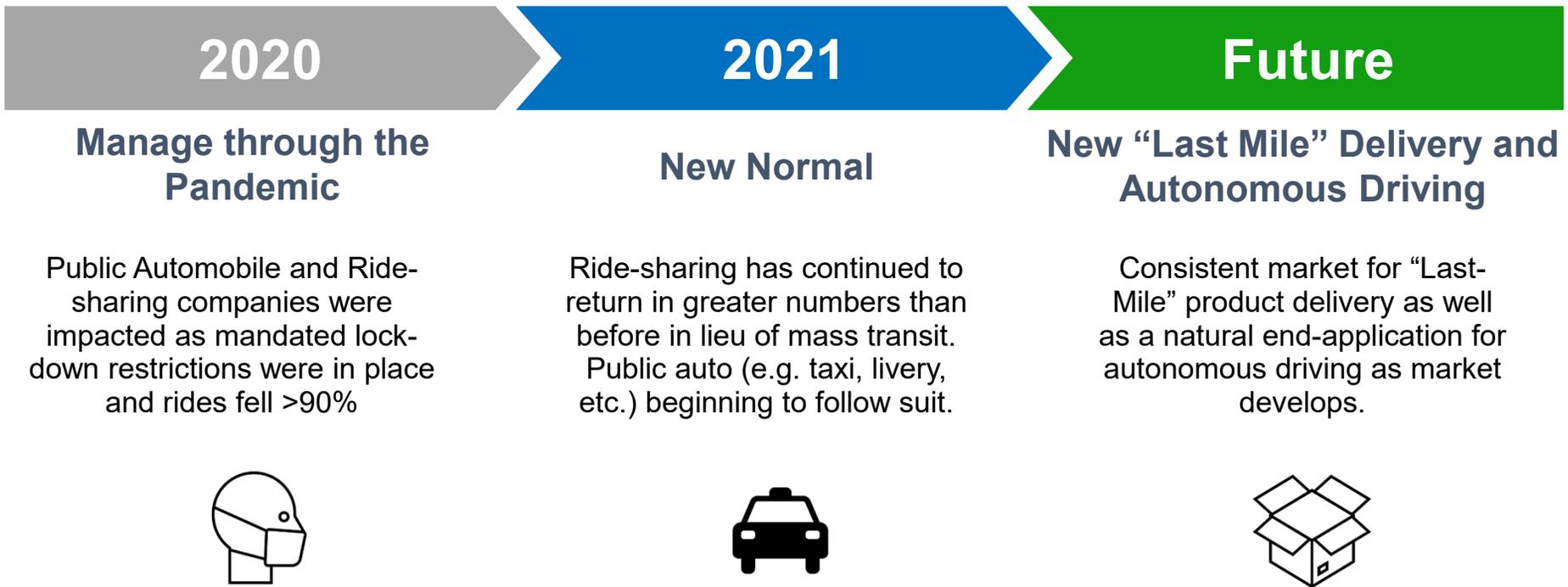
BY-LINE SECOND QUARTER 2022 RATE CHANGES RANGED FROM -1.2% TO +11.3%

	COMM'L AUTO	WORKERS' COMP	COMM'L PROPERTY	GEN'L LIABILITY	UMBRELLA	AVERAGE
Second Quarter 2022	7.2%	-1.2%	8.3%	4.7%	11.3%	6.1%
First Quarter 2022	5.9%	-0.5%	8.6%	3.9%	10.5%	5.7%
Fourth Quarter 2021	8.0%	0.3%	10.5%	6.4%	15.0%	8.1%
Third Quarter 2021	7.4%	-0.3%	10.3%	6.3%	16.9%	8.1%
Second Quarter 2021	6.8%	0.3%	9.9%	6.0%	17.4%	8.1%
High	28.6%	24.9%	45.4%	26.0%	51.9%	35.3%
Low	-11.6%	-12.3%	-15.0%	-13.6%	-13.5%	-13.2%

Source: CIAB Q4 '21 Market Survey



Recovering from COVID-19 and Beyond



Focused Approach to Disrupt Large Market

\$53 Billion Addressable Market Poised for Disruption in U.S.

Immediate Focus

\$2.5 - \$3 billion “traditional” public auto niche

- Atlas’ market share was approximately 12% - 15% in 2018
- \$285 million gross written premium
- Leverage strong relationships with 420+ retail distribution agents
- Re-capture historic business
- Grow market share to proportionate 20%

Next Steps

Build on prior experience in “gig” economy

- Technology enabled platform built to support Lyft/Flexdrive program in 2018
- optOn™ app based UBI concept
- Potential segments
 - Package delivery
 - TNC leasing fleets
 - Other
- Establish position in incremental addressable markets

Longer-Term Vision

Disrupt larger segments within commercial auto

- True usage based products as alternative to industry reliance on proxies for risk
- Differentiated product offerings relevant to new economy
- Optimized expense structure
- Digital ecosystem with increased engagement, improved persistency, and strong brand



Executive Officers

Scott D. Wollney
President & Chief Executive Officer

Paul A. Romano
Vice President and Chief Financial Officer

Joseph R. Shugrue
Vice President and Chief Operating Officer

Corporate Headquarters

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