



FEDNAT ANNOUNCES COMMENCEMENT OF REGISTERED EXCHANGE OFFER FOR NOTES ISSUED IN CONNECTION WITH PRIOR PRIVATE PLACEMENT

Sunrise, Florida, January 31, 2020 – FedNat Holding Company (NASDAQ: FNHC) (“FedNat” or the “Company”), an insurance holding company, today announced that it has commenced an offer to exchange up to \$100.0 million in aggregate principal amount of new 7.50% Senior Unsecured Notes due 2029 (the “New Notes”), which have been registered under the Securities Act of 1933, as amended (the “Securities Act”), for a like principal amount of unregistered 7.50% Senior Unsecured Notes due 2029 (the “Old Notes”). The New Notes are being offered in order to satisfy registration rights previously granted to the holders of the Old Notes.

The terms of the New Notes are substantially identical to those of the Old Notes, except that the New Notes have been registered under the Securities Act, will not have securities law transfer restrictions or registration rights, bear a different CUSIP number and ISIN number from the Old Notes, and are issuable in minimum denominations of \$1,000 and integral multiples of \$1,000 in excess thereof. Any Old Notes that are not exchanged will continue to be subject to their existing transfer restrictions.

The exchange offer will expire at 5:00 p.m., New York, New York time, on March 4, 2020, unless extended. We do not currently intend to extend the expiration date of the exchange offer. The exchange offer will be open for at least 20 full business days. Tenders of the Old Notes must be made before the exchange offer expires and may be withdrawn at any time before the exchange offer expires.

The terms of the exchange offer are set forth in a prospectus dated January 31, 2020. Documents related to the exchange offer, including the prospectus and the associated letter of transmittal, have been filed with the Securities and Exchange Commission, and may be obtained from the exchange agent, The Bank of New York Mellon. The Bank of New York Mellon’s address, telephone number and facsimile number are as follows.

By Mail, Overnight Courier or Hand Delivery:

The Bank of New York Mellon, as Exchange Agent
c/o The Bank of New York Mellon Corporation
Corporate Trust Operations—Reorganization Unit
111 Sanders Creek Parkway
East Syracuse, NY 13057
Attn: Tiffany Castor

By Facsimile Transmission: (732) 667-9408

For Information or Confirmation by Telephone: (315) 414-3034

This press release shall not constitute an offer to exchange nor a solicitation of an offer to exchange the Old Notes. The exchange offer is being made only by the prospectus dated January 31, 2020 and the related letter of transmittal and only to such persons and in such jurisdictions as is permitted under applicable law.

About FedNat

FedNat is a super-regional insurance holding company that controls substantially all aspects of the insurance underwriting, distribution and claims processes through our subsidiaries and contractual relationships with independent agents and general agents. The Company, through its wholly owned subsidiaries, is authorized to underwrite and/or place homeowners multi-peril, federal flood and other lines of insurance in Florida and other states. FedNat markets, distributes and services its own and third-party insurers’ products and other



services through a network of independent and general agents. More information is available at www.fednat.com/investor-relations/.

Forward-Looking Statements / Safe Harbor Statements

Certain statements made by FedNat Holding Company or on its behalf may contain “forward-looking statements” within the Private Securities Litigation Reform Act of 1995. Statements that are not historical fact are forward-looking statements that are subject to certain risks and uncertainties that could cause actual events and results to differ materially from those discussed herein. Without limiting the generality of the foregoing, words such as “anticipate,” “believe,” “budget,” “contemplate,” “continue,” “could,” “envision,” “estimate,” “expect,” “guidance,” “indicate,” “intend,” “may,” “might,” “plan,” “possibly,” “potential,” “predict,” “probably,” “pro-forma,” “project,” “seek,” “should,” “target,” or “will” or the negative or other variations thereof, and similar words or phrases or comparable terminology, are intended to identify forward-looking statements.

These and other forward-looking statements are based on management’s current views and assumptions and involve risks and uncertainties that could significantly affect expected results. Although we believe that our expectations are reasonable, we can give no assurance that these expectations will prove to have been correct, and actual results may vary materially. Results may be materially affected by factors such as the satisfaction or waiver of closing conditions with respect to the exchange offer and other risks described in the Company’s filings with the Securities and Exchange Commission, including the Company’s Annual Report on Form 10-K, as amended, for the year ended December 31, 2018, as updated by our subsequently filed Quarterly Reports on Form 10-Q.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. The Company does not undertake any obligation to update publicly or revise any forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements are made.

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