

NI Holdings, Inc.

NI Holdings, Inc. (NODK) Financial Supplement Second Quarter 2022

The Company has six reportable segments:

Private Passenger Auto: provides protection against liability for bodily injury and property damage arising from automobile accidents and protection against loss from damage to automobiles owned by the insured.

Non-Standard Auto: provides limited protection auto insurance for both bodily injury and property damage.

Home and Farm: provides coverage for damage to buildings, equipment, and contents for a variety of perils, including fire, lightning, wind, hail, and theft; also covers liability arising from injury to other persons or their property while on insured's premises.

Crop: provides multi-peril crop and crop hail insurance. Multi-peril crop is a federal insurance program to provide protection against a variety of potential damages to crops, including both weather and non-weather causes. Crop hail is private coverage to provide protection against losses to crops due primarily to hail damage.

Commercial: includes commercial liability and physical damage coverages.

All Other: includes excess liability and other coverages, and assumed reinsurance pools.

**NI HOLDINGS, INC.
FINANCIAL SUPPLEMENT
(UNAUDITED)
Second Quarter 2022**

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About NI Holdings:

NI Holdings, Inc. (NASDAQ: NODK) is a U.S. insurance holding company, specializing in property and casualty insurance coverages. NI Holdings' financial statements are the consolidated financial results of NI Holdings; Nodak Insurance Company, including Nodak's wholly-owned subsidiaries American West Insurance Company and Primero Insurance Company, and its affiliate Battle Creek Mutual Insurance Company; Direct Auto Insurance Company; and Westminster American Insurance Company.

Westminster American Insurance Company was acquired by NI Holdings on January 1, 2020. This Financial Supplement includes Westminster American results from January 1, 2020 forward.

NI Holdings, Inc.
Consolidated Statements of Operations
(Unaudited)

(\$ in thousands)	2022		2021				Twelve Months		Six Months		2Q22 - 2Q21	2Q22 - 1Q22	6M22 - 6M21
	2Q	1Q	4Q	3Q	2Q	1Q	2021	2020	2022	2021	% Change	% Change	% Change
Revenues:													
Net premiums earned	\$ 84,496	\$ 69,587	\$ 78,000	\$ 82,173	\$ 76,281	\$ 63,135	\$ 299,589	\$ 283,661	\$ 154,083	\$ 139,416	10.8%	21.4%	10.5%
Fee and other income	415	428	437	501	520	317	1,775	1,801	843	837	-20.2%	-3.0%	0.7%
Net investment income	2,015	1,653	2,172	1,713	1,710	1,536	7,131	7,271	3,668	3,246	17.8%	21.9%	13.0%
Net realized gain on investments	1,027	938	8,258	2,733	2,875	3,902	17,768	7,771	1,965	6,777	-64.3%	9.5%	-71.0%
Change in net unrealized gains (losses) on equity securities	(12,163)	(6,466)	(3,513)	(2,511)	1,826	1,909	(2,289)	5,853	(18,629)	3,735	-766.1%	-88.1%	-598.8%
Total revenues	75,790	66,140	85,354	84,609	83,212	70,799	323,974	306,357	141,930	154,011	-8.9%	14.6%	-7.8%
Components of net income:													
Net premiums earned	\$ 84,496	69,587	78,000	82,173	76,281	63,135	299,589	283,661	154,083	139,416	10.8%	21.4%	10.5%
Losses and loss adjustment expenses	108,595	40,129	50,830	65,742	62,918	36,889	216,379	168,473	148,724	99,807	72.6%	170.6%	49.0%
Underwriting and general expenses ⁽¹⁾	26,246	23,404	26,114	25,348	23,589	21,238	96,289	85,068	49,650	44,827	11.3%	12.1%	10.8%
Underwriting gain (loss) ⁽²⁾	(50,345)	6,054	1,056	(8,917)	(10,226)	5,008	(13,079)	30,120	(44,291)	(5,218)	-392.3%	-931.6%	-748.8%
Fee and other income	415	428	437	501	520	317	1,775	1,801	843	837	-20.2%	-3.0%	0.7%
Net investment income	2,015	1,653	2,172	1,713	1,710	1,536	7,131	7,271	3,668	3,246	17.8%	21.9%	13.0%
Net investment gains (losses)	(11,136)	(5,528)	4,745	222	4,701	5,811	15,479	13,624	(16,664)	10,512	-336.9%	-101.4%	-258.5%
Total investment and other income	(8,706)	(3,447)	7,354	2,436	6,931	7,664	24,385	22,696	(12,153)	14,595	-225.6%	-152.6%	-183.3%
Income (loss) before income taxes	(59,051)	2,607	8,410	(6,481)	(3,295)	12,672	11,306	52,816	(56,444)	9,377	-1692.1%	-2365.1%	-701.9%
Income taxes	(12,415)	568	2,267	(1,622)	(561)	2,890	2,974	11,472	(11,847)	2,329	-2113.0%	-2285.7%	-608.7%
Net income (loss)	(46,636)	2,039	6,143	(4,859)	(2,734)	9,782	8,332	41,344	(44,597)	7,048	-1605.8%	-2387.2%	-732.8%
Net income (loss) attributable to non-controlling interest	(726)	130	15	(122)	(90)	113	(84)	955	(596)	23	-706.7%	-658.5%	-2691.3%
Net income (loss) attributable to NI Holdings, Inc.	\$ (45,910)	\$ 1,909	\$ 6,128	\$ (4,737)	\$ (2,644)	\$ 9,669	\$ 8,416	\$ 40,389	\$ (44,001)	\$ 7,025	-1636.4%	-2504.9%	-726.3%
Loss and loss adjustment expense ratio ⁽³⁾	128.5%	57.7%	65.2%	80.0%	82.5%	58.4%	72.2%	59.4%	96.5%	71.6%	4600 bps	7080 bps	2490 bps
Expense ratio ⁽⁴⁾	31.1%	33.6%	33.5%	30.8%	30.9%	33.6%	32.1%	30.0%	32.2%	32.2%	20 bps	-250 bps	0 bps
Combined ratio ⁽⁵⁾	159.6%	91.3%	98.6%	110.9%	113.4%	92.1%	104.4%	89.4%	128.7%	103.7%	4620 bps	6830 bps	2500 bps
Effective Tax Rate	21.0%	21.8%	27.0%	25.0%	17.0%	22.8%	26.3%	21.7%	21.0%	24.8%	400 bps	-80 bps	-380 bps

Notes:

- (1) Underwriting and general expenses include the deferral and amortization of policy acquisition costs.
- (2) Underwriting gain (loss) equals net premiums earned less losses and loss adjustments expenses and underwriting and general expenses.
- (3) The loss and loss adjustment expense ratio equals losses and loss adjustment expenses divided by net premiums earned.
- (4) The expense ratio equals amortization of deferred policy acquisition costs and underwriting and general expenses, divided by net premiums earned.
- (5) The combined ratio equals losses and loss adjustment expenses, amortization of deferred policy acquisition costs, and other underwriting and general expenses, divided by net premiums earned.

NI Holdings, Inc.
Consolidated Selected Data
(Unaudited)

(\$ in thousands)	2022		2021				Twelve Months		Six Months		2Q22 - 2Q21	2Q22 - 1Q22	6M22 - 6M21
	2Q	1Q	4Q	3Q	2Q	1Q	2021	2020	2022	2021	% Change	% Change	% Change
Direct premiums written by state: ^(a)													
North Dakota ^(a)	\$ 76,375	\$ 27,153	\$ 26,240	\$ 26,117	\$ 68,892	\$ 26,870	\$ 148,119	\$ 143,516	\$ 103,528	\$ 95,762	10.9%	181.3%	8.1%
Illinois	16,844	14,749	11,881	12,287	13,250	13,932	51,350	43,004	31,593	27,182	27.1%	14.2%	16.2%
Nebraska	13,070	11,193	10,597	10,921	11,591	10,138	43,247	41,843	24,263	21,729	12.8%	16.8%	11.7%
South Dakota ^(a)	7,001	5,720	5,922	5,764	6,344	5,017	23,047	20,790	12,721	11,361	10.4%	22.4%	12.0%
Georgia	6,442	2,934	2,932	2,299	4,691	3,163	13,085	5,836	9,376	7,854	37.3%	119.6%	19.4%
Maryland	5,571	1,856	5,428	1,486	4,888	1,746	13,548	10,522	7,427	6,634	14.0%	200.2%	12.0%
Minnesota ^(a)	5,302	120	169	431	2,645	105	3,350	3,624	5,422	2,750	100.5%	4318.3%	97.2%
Pennsylvania	3,706	1,540	2,013	1,836	3,273	1,113	8,235	9,131	5,246	4,386	13.2%	140.6%	19.6%
Virginia	2,921	1,650	1,632	1,040	1,965	1,625	6,262	5,955	4,571	3,590	48.7%	77.0%	27.3%
North Carolina	2,148	1,632	1,827	1,879	1,191	1,744	6,641	3,123	3,780	2,935	80.4%	31.6%	28.8%
New Jersey	1,884	2,530	2,443	1,380	2,276	2,195	8,294	11,065	4,414	4,471	-17.2%	-25.5%	-1.3%
Nevada	1,239	1,415	1,643	1,993	2,314	2,182	8,132	8,350	2,654	4,496	-46.5%	-12.4%	-41.0%
District of Columbia	1,017	971	1,227	691	1,093	1,044	4,055	3,810	1,988	2,137	-7.0%	4.7%	-7.0%
South Carolina	840	1,374	667	591	664	861	2,783	972	2,214	1,525	26.5%	-38.9%	45.2%
Delaware	345	518	632	70	298	502	1,502	1,653	863	800	15.8%	-33.4%	7.9%
Arizona	194	161	85	121	114	155	475	899	355	269	70.2%	20.5%	32.0%
West Virginia	63	17	-	(1)	63	28	90	94	80	91	0.0%	270.6%	-12.1%
	<u>\$ 144,962</u>	<u>\$ 75,533</u>	<u>\$ 75,338</u>	<u>\$ 68,905</u>	<u>\$ 125,552</u>	<u>\$ 72,420</u>	<u>\$ 342,215</u>	<u>\$ 314,187</u>	<u>\$ 220,495</u>	<u>\$ 197,972</u>	15.5%	91.9%	11.4%
Direct premiums written by segment: ^(a)													
Private passenger auto	\$ 22,136	\$ 20,055	\$ 18,955	\$ 18,396	\$ 20,618	\$ 19,308	\$ 77,277	\$ 75,341	\$ 42,191	\$ 39,926	7.4%	10.4%	5.7%
Non-standard auto	18,674	16,695	13,930	14,780	16,012	16,652	61,374	53,692	35,369	32,664	16.6%	11.9%	8.3%
Home and farm	25,338	21,087	21,190	20,691	23,332	19,987	85,200	83,393	46,425	43,319	8.6%	20.2%	7.2%
Crop ^(a)	50,771	(17)	(40)	1,426	42,170	(16)	43,540	39,893	50,754	42,154	20.4%	298752.9%	20.4%
Commercial	26,575	16,388	20,105	12,387	22,021	15,240	69,753	57,097	42,963	37,261	20.7%	62.2%	15.3%
All other ^(b)	1,468	1,325	1,198	1,225	1,399	1,249	5,071	4,771	2,793	2,648	4.9%	10.8%	5.5%
Total	<u>\$ 144,962</u>	<u>\$ 75,533</u>	<u>\$ 75,338</u>	<u>\$ 68,905</u>	<u>\$ 125,552</u>	<u>\$ 72,420</u>	<u>\$ 342,215</u>	<u>\$ 314,187</u>	<u>\$ 220,495</u>	<u>\$ 197,972</u>	15.5%	91.9%	11.4%
Net premiums earned by segment:													
Private passenger auto	\$ 19,265	\$ 18,742	\$ 18,476	\$ 18,491	\$ 18,068	\$ 17,498	\$ 72,533	\$ 72,009	\$ 38,007	\$ 35,566	6.6%	2.8%	6.9%
Non-standard auto	15,512	14,378	15,540	14,889	14,898	13,258	58,585	53,737	29,890	28,156	4.1%	7.9%	6.2%
Home and farm	19,955	19,212	19,190	18,775	18,373	17,454	73,792	74,879	39,167	35,827	8.6%	3.9%	9.3%
Crop ^(a)	12,295	(13)	5,724	12,724	8,353	47	26,848	35,718	12,282	8,400	47.2%	94676.9%	46.2%
Commercial	15,031	14,188	16,129	14,798	14,020	12,338	57,285	38,288	29,219	26,358	7.2%	5.9%	10.9%
All other ^(b)	2,438	3,080	2,941	2,496	2,569	2,540	10,546	9,030	5,518	5,109	-5.1%	-20.8%	8.0%
Total	<u>\$ 84,496</u>	<u>\$ 69,587</u>	<u>\$ 78,000</u>	<u>\$ 82,173</u>	<u>\$ 76,281</u>	<u>\$ 63,135</u>	<u>\$ 299,589</u>	<u>\$ 283,661</u>	<u>\$ 154,083</u>	<u>\$ 139,416</u>	10.8%	21.4%	10.5%
Loss and loss adjustment expenses by segment:													
Private passenger auto	\$ 16,854	\$ 14,711	\$ 15,432	\$ 17,130	\$ 14,905	\$ 12,254	\$ 59,721	\$ 45,511	\$ 31,565	\$ 27,159	13.1%	14.6%	16.2%
Non-standard auto	4,133	8,491	8,543	9,620	11,490	4,800	34,453	30,347	12,624	16,290	-64.0%	-51.3%	-22.5%
Home and farm	61,831	6,840	10,150	16,155	18,208	7,632	52,145	36,745	68,671	25,840	239.6%	804.0%	165.8%
Crop ^(a)	10,330	(166)	5,456	12,482	9,332	561	27,831	31,379	10,164	9,893	10.7%	6322.9%	2.7%
Commercial	12,991	10,017	9,346	7,770	7,264	10,399	34,779	20,430	23,008	17,663	78.8%	29.7%	30.3%
All other ^(b)	2,456	236	1,903	2,585	1,719	1,243	7,450	4,061	2,692	2,962	42.9%	940.7%	-9.1%
Total	<u>\$ 108,595</u>	<u>\$ 40,129</u>	<u>\$ 50,830</u>	<u>\$ 65,742</u>	<u>\$ 62,918</u>	<u>\$ 36,889</u>	<u>\$ 216,379</u>	<u>\$ 168,473</u>	<u>\$ 148,724</u>	<u>\$ 99,807</u>	72.6%	170.6%	49.0%
Loss and loss adjustment expense ratios by segment: ^(b)													
Private passenger auto	87.5%	78.5%	83.5%	92.6%	82.5%	70.0%	82.3%	63.2%	83.1%	76.4%	500 bps	900 bps	670 bps
Non-standard auto	26.6%	59.1%	55.0%	64.6%	77.1%	36.2%	58.8%	56.5%	42.2%	57.9%	-5050 bps	-3250 bps	-1570 bps
Home and farm	309.9%	35.6%	52.9%	86.0%	99.1%	43.7%	70.7%	49.1%	175.3%	72.1%	21080 bps	27430 bps	10320 bps
Crop ^(a)	84.0%	n/a	95.3%	98.1%	111.7%	n/a	103.7%	87.9%	82.8%	117.8%	-2770 bps	#VALUE!	-3500 bps
Commercial	86.4%	70.6%	57.9%	52.5%	51.8%	84.3%	60.7%	53.4%	78.7%	67.0%	3460 bps	1580 bps	1170 bps
All other ^(b)	100.7%	7.7%	64.7%	103.6%	66.9%	48.9%	70.6%	45.0%	48.8%	58.0%	3380 bps	9300 bps	-920 bps
Total	<u>128.5%</u>	<u>57.7%</u>	<u>65.2%</u>	<u>80.0%</u>	<u>82.5%</u>	<u>58.4%</u>	<u>72.2%</u>	<u>59.4%</u>	<u>96.5%</u>	<u>71.6%</u>	4600 bps	7080 bps	2490 bps

Notes:

(3) The loss and loss adjustment expense ratio equals losses and loss adjustment expenses divided by net premiums earned.

(6) Direct premiums written represents the amount of insurance premiums purchased by policyholders during the period.

(a) Multi-peril crop and crop hail insurance premiums are generally written in the second quarter and earned ratably over the remainder of the calendar year. First quarter activity is the result of minor prior crop year adjustments which typically occur annually during first quarter.

(b) All other includes primarily excess liability and other insurance coverages, as well as assumed domestic and international reinsurance programs which are intended to diversify the risk exposure of the company.