

# ***NI Holdings, Inc.***

## **NI Holdings, Inc. (NODK) Financial Supplement First 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)  
First 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				2020				Twelve Months		1Q22 - 1Q21	1Q22 - 4Q21
	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	2021	2020	% Change	% Change
<b>Revenues:</b>													
Net premiums earned	\$ 69,587	\$ 78,000	\$ 82,173	\$ 76,281	\$ 63,135	\$ 69,541	\$ 73,342	\$ 82,006	\$ 58,772	\$ 299,589	\$ 283,661	10.2%	-10.8%
Fee and other income	428	437	501	520	317	469	524	446	362	1,775	1,801	35.0%	-2.1%
Net investment income	1,653	2,172	1,713	1,710	1,536	1,396	1,886	2,018	1,971	7,131	7,271	7.6%	-23.9%
Net realized gain on investments	938	8,258	2,733	2,875	3,902	5,750	636	370	1,015	17,768	7,771	-76.0%	-88.6%
Change in net unrealized gains (losses) on equity securities	(6,466)	(3,513)	(2,511)	1,826	1,909	6,494	4,466	10,827	(15,934)	(2,289)	5,853	-438.7%	-84.1%
Total revenues	66,140	85,354	84,609	83,212	70,799	83,650	80,854	95,667	46,186	323,974	306,357	-6.6%	-22.5%
<b>Components of net income:</b>													
Net premiums earned	69,587	78,000	82,173	76,281	63,135	69,541	73,342	82,006	58,772	299,589	283,661	10.2%	-10.8%
Losses and loss adjustment expenses	40,129	50,830	65,742	62,918	36,889	31,851	53,836	52,364	30,422	216,379	168,473	8.8%	-21.1%
Underwriting and general expenses <sup>(1)</sup>	23,404	26,114	25,348	23,589	21,238	23,140	22,144	19,625	20,159	96,289	85,068	10.2%	-10.4%
Underwriting gain (loss) <sup>(2)</sup>	6,054	1,056	(8,917)	(10,226)	5,008	14,550	(2,638)	10,017	8,191	(13,079)	30,120	20.9%	473.3%
Fee and other income	428	437	501	520	317	469	524	446	362	1,775	1,801	35.0%	-2.1%
Net investment income	1,653	2,172	1,713	1,710	1,536	1,396	1,886	2,018	1,971	7,131	7,271	7.6%	-23.9%
Net investment gains (losses)	(5,528)	4,745	222	4,701	5,811	12,244	5,102	11,197	(14,919)	15,479	13,624	-195.1%	-216.5%
Total investment and other income	(3,447)	7,354	2,436	6,931	7,664	14,109	7,512	13,661	(12,586)	24,385	22,696	-145.0%	-146.9%
Income (loss) before income taxes	2,607	8,410	(6,481)	(3,295)	12,672	28,659	4,874	23,678	(4,395)	11,306	52,816	-79.4%	-69.0%
Income taxes	568	2,267	(1,622)	(561)	2,890	6,213	1,188	4,911	(840)	2,974	11,472	-80.3%	-74.9%
Net income (loss)	2,039	6,143	(4,859)	(2,734)	9,782	22,446	3,686	18,767	(3,555)	8,332	41,344	-79.2%	-66.8%
Net income (loss) attributable to non-controlling interest	130	15	(122)	(90)	113	867	22	34	32	(84)	955	15.0%	766.7%
Net income (loss) attributable to NI Holdings, Inc.	\$ 1,909	\$ 6,128	\$ (4,737)	\$ (2,644)	\$ 9,669	\$ 21,579	\$ 3,664	\$ 18,733	\$ (3,587)	\$ 8,416	\$ 40,389	-80.3%	-68.8%
Loss and loss adjustment expense ratio <sup>(3)</sup>	57.7%	65.2%	80.0%	82.5%	58.4%	45.8%	73.4%	63.9%	51.8%	72.2%	59.4%	-70 bps	-750 bps
Expense ratio <sup>(4)</sup>	33.6%	33.5%	30.8%	30.9%	33.6%	33.3%	30.2%	23.9%	34.3%	32.1%	30.0%	0 bps	10 bps
Combined ratio <sup>(5)</sup>	91.3%	98.6%	110.9%	113.4%	92.1%	79.1%	103.6%	87.8%	86.1%	104.4%	89.4%	-80 bps	-730 bps
Effective Tax Rate	21.8%	27.0%	25.0%	17.0%	22.8%	21.7%	24.4%	20.7%	19.1%	26.3%	21.7%	-100 bps	-520 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				2020				Twelve Months		1Q22 - 1Q21	1Q22 - 4Q21
	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	2021	2020	% Change	% Change
Direct premiums written by state: <sup>(a)</sup>													
North Dakota <sup>(a)</sup>	\$ 27,153	\$ 26,240	\$ 26,117	\$ 68,892	\$ 26,870	\$ 25,992	\$ 24,771	\$ 66,165	\$ 26,588	\$ 148,119	\$ 143,516	1.1%	3.5%
Illinois	14,749	11,881	12,287	13,250	13,932	10,082	10,922	10,580	11,420	51,350	43,004	5.9%	24.1%
Nebraska	11,193	10,597	10,921	11,591	10,138	9,861	10,420	11,397	10,165	43,247	41,843	10.4%	5.6%
South Dakota <sup>(a)</sup>	5,720	5,922	5,764	6,344	5,017	5,171	5,558	5,626	4,435	23,047	20,790	14.0%	-3.4%
Georgia	2,934	2,932	2,299	4,691	3,163	2,693	1,192	1,952	(1)	13,085	5,836	-7.2%	0.1%
New Jersey	2,530	2,443	1,380	2,276	2,195	2,573	4,819	2,070	1,603	8,294	11,065	15.3%	3.6%
Maryland	1,856	5,428	1,486	4,888	1,746	3,457	1,068	4,305	1,692	13,548	10,522	6.3%	-65.8%
Virginia	1,650	1,632	1,040	1,965	1,625	1,345	1,949	1,567	1,094	6,262	5,955	1.5%	1.1%
North Carolina	1,632	1,827	1,879	1,191	1,744	1,348	1,011	539	225	6,641	3,123	-6.4%	-10.7%
Pennsylvania	1,540	2,013	1,836	3,273	1,113	3,193	2,061	2,171	1,706	8,235	9,131	38.4%	-23.5%
Nevada	1,415	1,643	1,993	2,314	2,182	2,090	2,287	2,032	1,941	8,132	8,350	-35.2%	-13.9%
South Carolina	1,374	667	591	664	861	300	353	58	261	2,783	972	59.6%	106.0%
District of Columbia	971	1,227	691	1,093	1,044	1,055	774	1,066	915	4,055	3,810	-7.0%	-20.9%
Delaware	518	632	70	298	502	672	171	314	496	1,502	1,653	3.2%	-18.0%
Arizona	161	85	121	114	155	139	165	275	320	475	899	3.9%	89.4%
Minnesota <sup>(a)</sup>	120	169	431	2,645	105	163	810	2,558	93	3,350	3,624	14.3%	-29.0%
West Virginia	17	-	(1)	63	28	-	(9)	84	19	90	94	-39.3%	N/A
	\$ 75,533	\$ 75,338	\$ 68,905	\$ 125,552	\$ 72,420	\$ 70,134	\$ 68,322	\$ 112,759	\$ 62,972	\$ 342,215	\$ 314,187	4.3%	0.3%
Direct premiums written by segment: <sup>(a)</sup>													
Private passenger auto	\$ 20,055	\$ 18,955	\$ 18,396	\$ 20,618	\$ 19,308	\$ 18,188	\$ 18,055	\$ 20,225	\$ 18,873	\$ 77,277	\$ 75,341	3.9%	5.8%
Non-standard auto	16,695	13,930	14,780	16,012	16,652	12,655	13,713	13,235	14,089	61,374	53,692	0.3%	19.8%
Home and farm	21,087	21,190	20,691	23,332	19,987	20,552	19,776	23,309	19,756	85,200	83,393	5.5%	-0.5%
Crop <sup>(a)</sup>	(17)	(40)	1,426	42,170	(16)	(275)	1,224	38,948	(4)	43,540	39,893	-6.3%	57.5%
Commercial	16,388	20,105	12,387	22,021	15,240	17,875	14,465	15,697	9,060	69,753	57,097	7.5%	-18.5%
All other <sup>(b)</sup>	1,325	1,198	1,225	1,399	1,249	1,139	1,089	1,345	1,198	5,071	4,771	6.1%	10.6%
Total	\$ 75,533	\$ 75,338	\$ 68,905	\$ 125,552	\$ 72,420	\$ 70,134	\$ 68,322	\$ 112,759	\$ 62,972	\$ 342,215	\$ 314,187	4.3%	0.3%
Net premiums earned by segment:													
Private passenger auto	\$ 18,742	\$ 18,476	\$ 18,491	\$ 18,068	\$ 17,498	\$ 19,377	\$ 17,947	\$ 17,386	\$ 17,299	\$ 72,533	\$ 72,009	7.1%	1.4%
Non-standard auto	14,378	15,540	14,889	14,898	13,258	13,613	13,839	13,134	13,151	58,585	53,737	8.4%	-7.5%
Home and farm	19,212	19,190	18,775	18,373	17,454	20,942	18,548	17,768	17,621	73,792	74,879	10.1%	0.1%
Crop <sup>(a)</sup>	(13)	5,724	12,724	8,353	47	2,268	9,719	23,552	179	26,848	35,718	-127.7%	-100.2%
Commercial	14,188	16,129	14,798	14,020	12,338	11,321	10,773	8,341	7,853	57,285	38,288	15.0%	-12.0%
All other <sup>(b)</sup>	3,080	2,941	2,496	2,569	2,540	2,020	2,516	1,825	2,669	10,546	9,030	21.3%	4.7%
Total	\$ 69,587	\$ 78,000	\$ 82,173	\$ 76,281	\$ 63,135	\$ 69,541	\$ 73,342	\$ 82,006	\$ 58,772	\$ 299,589	\$ 283,661	10.2%	-10.8%
Loss and loss adjustment expenses by segment:													
Private passenger auto	\$ 14,711	\$ 15,432	\$ 17,130	\$ 14,905	\$ 12,254	\$ 12,188	\$ 13,570	\$ 8,624	\$ 11,129	\$ 59,721	\$ 45,511	20.1%	-4.7%
Non-standard auto	8,491	8,543	9,620	11,490	4,800	6,787	9,425	8,195	5,940	34,453	30,347	76.9%	-0.6%
Home and farm	6,840	10,150	16,155	18,208	7,632	5,910	13,437	10,860	6,538	52,145	36,745	-10.4%	-32.6%
Crop <sup>(a)</sup>	(166)	5,456	12,482	9,332	561	680	9,225	19,107	2,367	27,831	31,379	-129.6%	-103.0%
Commercial	10,017	9,346	7,770	7,264	10,399	5,901	5,577	5,237	3,715	34,779	20,430	-3.7%	7.2%
All other <sup>(b)</sup>	236	1,903	2,585	1,719	1,243	385	2,602	341	733	7,450	4,061	-81.0%	-87.6%
Total	\$ 40,129	\$ 50,830	\$ 65,742	\$ 62,918	\$ 36,889	\$ 31,851	\$ 53,836	\$ 52,364	\$ 30,422	\$ 216,379	\$ 168,473	8.8%	-21.1%
Loss and loss adjustment expense ratios by segment: <sup>(a)</sup>													
Private passenger auto	78.5%	83.5%	92.6%	82.5%	70.0%	62.9%	75.6%	49.6%	64.3%	82.3%	63.2%	850 bps	-500 bps
Non-standard auto	59.1%	55.0%	64.6%	77.1%	36.2%	49.9%	68.1%	62.4%	45.2%	58.8%	56.5%	2290 bps	410 bps
Home and farm	35.6%	52.9%	86.0%	99.1%	43.7%	28.2%	72.4%	61.1%	37.1%	70.7%	49.1%	-810 bps	-1730 bps
Crop <sup>(a)</sup>	n/a	95.3%	98.1%	111.7%	n/a	30.0%	94.9%	81.1%	n/a	103.7%	87.9%	n/a	n/a
Commercial	70.6%	57.9%	52.5%	51.8%	84.3%	52.1%	51.8%	62.8%	47.3%	60.7%	53.4%	-1370 bps	1270 bps
All other <sup>(b)</sup>	7.7%	64.7%	103.6%	66.9%	48.9%	19.1%	103.4%	18.7%	27.5%	70.6%	45.0%	-4120 bps	-5700 bps
Total	57.7%	65.2%	80.0%	82.5%	58.4%	45.8%	73.4%	63.9%	51.8%	72.2%	59.4%	-70 bps	-750 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.