

NI Holdings, Inc.

NI Holdings, Inc. (NODK) Financial Supplement Second Quarter 2023

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 2023**

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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)	2023		2022				Twelve Months		Six Months		2Q23 - 2Q22 % Change	2Q23 - 1Q23 % Change	6M23 - 6M22 % Change
	2Q	1Q	4Q	3Q	2Q	1Q	2022	2021	2023	2022			
Revenues:													
Net premiums earned	\$ 94,146	\$ 77,627	\$ 84,675	\$ 89,532	\$ 84,496	\$ 69,587	\$ 328,290	\$ 299,589	\$ 171,773	\$ 154,083	11.4%	21.3%	11.5%
Fee and other income	499	274	134	476	415	428	1,453	1,775	773	843	20.2%	82.1%	-8.3%
Net investment income	2,505	2,239	2,117	2,035	2,015	1,653	7,820	7,131	4,744	3,668	24.3%	11.9%	29.3%
Net realized gain (loss) on investments	(119)	11,586	(124)	83	1,027	938	1,924	17,768	11,467	1,965	-111.6%	-101.0%	483.6%
Change in net unrealized gains (losses) on equity securities	(55)	(10,170)	6,530	(2,951)	(12,163)	(6,466)	(15,050)	(2,289)	(10,225)	(18,629)	99.5%	99.5%	45.1%
Total revenues	96,976	81,556	93,332	89,175	75,790	66,140	324,437	323,974	178,532	141,930	28.0%	18.9%	25.8%
Components of net income:													
Net premiums earned	\$ 94,146	77,627	84,675	89,532	84,496	69,587	328,290	299,589	171,773	154,083	11.4%	21.3%	11.5%
Losses and loss adjustment expenses	77,506	58,825	66,791	78,917	108,595	40,129	294,432	216,379	136,331	148,724	-28.6%	31.8%	-8.3%
Underwriting and general expenses ⁽¹⁾	29,874	28,244	25,883	23,501	26,246	23,404	99,034	96,289	58,118	49,650	13.8%	5.8%	17.1%
Underwriting gain (loss) ⁽²⁾	(13,234)	(9,442)	(7,999)	(12,886)	(50,345)	6,054	(65,176)	(13,079)	(22,676)	(44,291)	73.7%	-40.2%	48.8%
Fee and other income	499	274	134	476	415	428	1,453	1,775	773	843	20.2%	82.1%	-8.3%
Net investment income	2,505	2,239	2,117	2,035	2,015	1,653	7,820	7,131	4,744	3,668	24.3%	11.9%	29.3%
Net investment gains (losses)	(174)	1,416	6,406	(2,868)	(11,136)	(5,528)	(13,126)	15,479	1,242	(16,664)	98.4%	-112.3%	107.5%
Total investment and other income	2,830	3,929	8,657	(357)	(8,706)	(3,447)	(3,853)	24,385	6,759	(12,153)	132.5%	-28.0%	155.6%
Income (loss) before income taxes	(10,404)	(5,513)	658	(13,243)	(59,051)	2,607	(69,029)	11,306	(15,917)	(56,444)	82.4%	-88.7%	71.8%
Income taxes	(2,169)	(1,013)	(333)	(3,074)	(12,415)	568	(15,254)	2,974	(3,182)	(11,847)	82.5%	-114.1%	73.1%
Net income (loss)	(8,235)	(4,500)	991	(10,169)	(46,636)	2,039	(53,775)	8,332	(12,735)	(44,597)	82.3%	-83.0%	71.4%
Net income (loss) attributable to non-controlling interest	(113)	(290)	101	(184)	(726)	130	(679)	(84)	(403)	(596)	84.4%	61.0%	32.4%
Net income (loss) attributable to NI Holdings, Inc.	\$ (8,122)	\$ (4,210)	\$ 890	\$ (9,985)	\$ (45,910)	\$ 1,909	\$ (53,096)	\$ 8,416	\$ (12,332)	\$ (44,001)	82.3%	-92.9%	72.0%
Loss and loss adjustment expense ratio ⁽³⁾	82.3%	75.8%	78.9%	88.1%	128.5%	57.7%	89.7%	72.2%	79.4%	96.5%	-4620 bps	650 bps	-1710 bps
Expense ratio ⁽⁴⁾	31.7%	36.4%	30.6%	26.2%	31.1%	33.6%	30.2%	32.1%	33.8%	32.2%	60 bps	-470 bps	160 bps
Combined ratio ⁽⁵⁾	114.0%	112.2%	109.4%	114.4%	159.6%	91.3%	119.9%	104.4%	113.2%	128.7%	-4560 bps	180 bps	-1550 bps
Effective Tax Rate	20.8%	18.4%	(50.6)%	23.2%	21.0%	21.8%	22.1%	26.3%	20.0%	21.0%	-20 bps	240 bps	-100 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)	2023		2022				Twelve Months		Six Months		2Q23 - 2Q22	2Q23 - 1Q23	6M23 - 6M22
	2Q	1Q	4Q	3Q	2Q	1Q	2022	2021	2023	2022	% Change	% Change	% Change
Direct premiums written by state: ⁽⁶⁾													
North Dakota ^(a)	\$ 80,509	\$ 29,134	\$ 27,036	\$ 25,697	\$ 79,375	\$ 27,153	\$ 159,261	\$ 148,119	\$ 109,643	\$ 106,528	1.4%	176.3%	2.9%
Illinois	14,054	23,118	20,143	18,863	16,844	14,749	70,599	51,350	37,172	31,593	-16.6%	-39.2%	17.7%
Nebraska	13,920	11,671	11,325	11,966	13,070	11,193	47,554	43,247	25,591	24,263	6.5%	19.3%	5.5%
South Dakota ^(a)	8,190	6,474	6,823	7,336	7,001	5,720	26,880	23,047	14,664	12,721	17.0%	26.5%	15.3%
Maryland	4,960	1,199	4,853	1,947	5,571	1,856	14,227	13,548	6,159	7,427	-11.0%	313.7%	-17.1%
Virginia	4,749	3,152	2,521	1,514	2,921	1,650	8,606	6,262	7,901	4,571	62.6%	50.7%	72.9%
Minnesota ^(a)	3,242	136	85	2,568	2,302	120	5,075	3,350	3,378	2,422	40.8%	2283.8%	39.5%
New Jersey	2,514	4,031	2,208	3,109	1,884	2,530	9,731	8,294	6,545	4,414	33.4%	-37.6%	48.3%
North Carolina	2,415	2,211	2,878	1,453	2,148	1,632	8,111	6,641	4,626	3,780	12.4%	9.2%	22.4%
Georgia	2,316	1,180	3,290	2,782	6,442	2,934	15,448	13,085	3,496	9,376	-64.0%	96.3%	-62.7%
Pennsylvania	1,608	1,780	2,132	1,108	3,706	1,540	8,486	8,235	3,388	5,246	-56.6%	-9.7%	-35.4%
Tennessee	1,218	907	516	-	-	-	516	-	-	-	N/A	34.3%	N/A
District of Columbia	1,049	1,014	1,329	865	1,017	971	4,182	4,055	2,063	1,988	3.1%	3.5%	3.8%
Arizona	867	1,003	412	408	194	161	1,175	475	1,870	355	346.9%	-13.6%	426.8%
Kentucky	805	67	83	-	-	-	83	-	-	-	N/A	1101.5%	N/A
Nevada	793	836	884	1,014	1,239	1,415	4,552	8,132	1,629	2,654	-36.0%	-5.1%	-38.6%
South Carolina	709	2,065	883	532	840	1,374	3,629	2,783	2,774	2,214	-15.6%	-65.7%	25.3%
Delaware	332	578	695	(13)	345	518	1,545	1,502	910	863	-3.8%	-42.6%	5.4%
West Virginia	-	-	(32)	(2)	63	17	46	90	-	80	-100.0%	N/A	-100.0%
Total	\$ 144,250	\$ 90,556	\$ 88,064	\$ 81,147	\$ 144,962	\$ 75,533	\$ 389,706	\$ 342,215	\$ 231,809	\$ 220,495	-0.5%	59.3%	5.1%
Direct premiums written by segment: ⁽⁶⁾													
Private passenger auto	\$ 24,446	\$ 22,199	\$ 20,080	\$ 20,040	\$ 22,136	\$ 20,055	\$ 82,311	\$ 77,277	\$ 46,645	\$ 42,191	10.4%	10.1%	10.6%
Non-standard auto	16,101	25,381	21,782	20,647	18,674	16,695	77,798	61,374	41,482	35,369	-13.8%	-36.6%	17.3%
Home and farm	27,239	21,921	22,233	22,043	25,338	21,087	90,701	85,200	49,160	46,425	7.5%	24.3%	5.9%
Crop ^(a)	50,296	(10)	(167)	2,628	50,771	(17)	53,215	43,540	50,286	50,754	-0.9%	503060.0%	-0.9%
Commercial	24,647	19,651	22,914	14,566	26,575	16,388	80,443	69,753	44,298	42,963	-7.3%	25.4%	3.1%
All other ^(b)	1,521	1,414	1,222	1,223	1,468	1,325	5,238	5,071	2,935	2,793	3.6%	7.6%	5.1%
Total	\$ 144,250	\$ 90,556	\$ 88,064	\$ 81,147	\$ 144,962	\$ 75,533	\$ 389,706	\$ 342,215	\$ 234,806	\$ 220,495	-0.5%	59.3%	6.5%
Net premiums earned by segment:													
Private passenger auto	\$ 20,543	\$ 19,653	\$ 19,785	\$ 19,813	\$ 19,265	\$ 18,742	\$ 77,605	\$ 72,533	\$ 40,196	\$ 38,007	6.6%	4.5%	5.8%
Non-standard auto	21,645	20,879	19,442	17,579	15,512	14,378	66,911	58,585	42,524	29,890	39.5%	3.7%	42.3%
Home and farm	20,415	19,991	19,463	19,751	19,955	19,212	78,381	73,792	40,406	39,167	2.3%	2.1%	3.2%
Crop ^(a)	13,336	(725)	7,873	14,566	12,295	(13)	34,721	26,848	12,611	12,282	8.5%	1939.4%	2.7%
Commercial	16,641	16,017	16,328	15,884	15,031	14,188	61,431	57,285	32,658	29,219	10.7%	3.9%	11.8%
All other ^(b)	1,566	1,812	1,784	1,939	2,438	3,080	9,241	10,546	3,378	5,518	-35.8%	-13.6%	-38.8%
Total	\$ 94,146	\$ 77,627	\$ 84,675	\$ 89,532	\$ 84,496	\$ 69,587	\$ 328,290	\$ 299,589	\$ 171,773	\$ 154,083	11.4%	21.3%	11.5%
Loss and loss adjustment expenses by segment:													
Private passenger auto	\$ 18,866	\$ 15,625	\$ 13,501	\$ 20,354	\$ 16,854	\$ 14,711	\$ 65,420	\$ 59,721	\$ 34,491	\$ 31,565	11.9%	20.7%	9.3%
Non-standard auto	14,139	17,038	14,818	11,958	4,133	8,491	39,400	34,453	31,177	12,624	242.1%	-17.0%	147.0%
Home and farm	17,915	8,719	10,330	28,822	61,831	6,840	107,823	52,145	26,634	68,671	-71.0%	105.5%	-61.2%
Crop ^(a)	8,210	(773)	2,280	6,974	10,330	(166)	19,418	27,831	7,437	10,164	-20.5%	1162.1%	-26.8%
Commercial	18,129	18,114	24,396	9,812	12,991	10,017	57,216	34,779	36,243	23,008	39.6%	0.1%	57.5%
All other ^(b)	247	102	1,466	997	2,456	236	5,155	7,450	349	2,692	-89.9%	142.2%	-87.0%
Total	\$ 77,506	\$ 58,825	\$ 66,791	\$ 78,917	\$ 108,595	\$ 40,129	\$ 294,432	\$ 216,379	\$ 136,331	\$ 148,724	-28.6%	31.8%	-8.3%
Loss and loss adjustment expense ratios by segment: ⁽³⁾													
Private passenger auto	91.8%	79.5%	68.2%	102.7%	87.5%	78.5%	84.3%	82.3%	85.8%	83.1%	430 bps	1230 bps	270 bps
Non-standard auto	65.3%	81.6%	76.2%	68.0%	26.6%	59.1%	58.9%	58.8%	73.3%	42.2%	3870 bps	-1630 bps	3110 bps
Home and farm	87.8%	43.6%	53.1%	145.9%	309.9%	35.6%	137.6%	70.7%	65.9%	175.3%	-22210 bps	4420 bps	-10940 bps
Crop ^(a)	61.6%	n/a	29.0%	47.9%	84.0%	n/a	55.9%	103.7%	59.0%	82.8%	-224000.0%	N/A	-2380 bps
Commercial	108.9%	113.1%	149.4%	61.8%	86.4%	70.6%	93.1%	60.7%	111.0%	78.7%	-420 bps	2250 bps	3230 bps
All other ^(b)	15.8%	5.6%	82.2%	51.4%	100.7%	7.7%	55.8%	70.6%	10.3%	48.8%	-8490 bps	1020 bps	-3850 bps
Total	82.3%	75.8%	78.9%	88.1%	128.5%	57.7%	89.7%	72.2%	79.4%	96.5%	-4620 bps	650 bps	-1710 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.