

NI Holdings, Inc.

NI Holdings, Inc. (NODK) Financial Supplement as of June 30, 2021

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)
AS OF JUNE 30, 2021**

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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)	2021		2020				Twelve Months		Six Months		2Q21 - 2Q20 % Change	2Q21 - 1Q21 % Change	6M21 - 6M20 % Change
	2Q	1Q	4Q	3Q	2Q	1Q	2020	2019	2021	2020			
Revenues:													
Net premiums earned	\$ 76,281	\$ 63,135	\$ 69,541	\$ 73,342	\$ 82,006	\$ 58,772	\$ 283,661	\$ 246,438	\$ 139,416	\$ 140,778	-7.0%	20.8%	-1.0%
Fee and other income	520	317	469	524	446	362	1,801	2,125	837	808	16.6%	64.0%	3.6%
Net investment income	1,710	1,536	1,396	1,886	2,018	1,971	7,271	7,433	3,246	3,989	-15.3%	11.3%	-18.6%
Net realized capital gain on investments	2,875	3,902	5,750	636	370	1,015	7,771	3,246	6,777	1,385	677.0%	-26.3%	389.3%
Net unrealized capital gain on equity investments	1,826	1,909	6,494	4,466	10,827	(15,934)	5,853	11,537	3,735	(5,107)	-83.1%	-4.3%	173.1%
Total revenues	83,212	70,799	83,650	80,854	95,667	46,186	306,357	270,779	154,011	141,853	-13.0%	17.5%	8.6%
Components of net income:													
Net premiums earned	76,281	63,135	69,541	73,342	82,006	58,772	283,661	246,438	139,416	140,778	-7.0%	20.8%	-1.0%
Losses and loss adjustment expenses	62,918	36,889	31,851	53,836	52,364	30,422	168,473	169,710	99,807	82,786	20.2%	70.6%	20.6%
Underwriting and general expenses ⁽¹⁾	23,589	21,238	23,140	22,144	19,625	20,159	85,068	67,258	44,827	39,784	20.2%	11.1%	12.7%
Underwriting gain (loss) ⁽²⁾	(10,226)	5,008	14,550	(2,638)	10,017	8,191	30,120	9,470	(5,218)	18,208	-202.1%	-304.2%	-128.7%
Fee and other income	520	317	469	524	446	362	1,801	2,125	837	808	16.6%	64.0%	3.6%
Net investment income	1,710	1,536	1,396	1,886	2,018	1,971	7,271	7,433	3,246	3,989	-15.3%	11.3%	-18.6%
Net capital gain (loss) on investments	4,701	5,811	12,244	5,102	11,197	(14,919)	13,624	14,783	10,512	(3,722)	-58.0%	-19.1%	382.4%
Total investment and other income	6,931	7,664	14,109	7,512	13,661	(12,586)	22,696	24,341	14,595	1,075	-49.3%	-9.6%	1257.7%
Income (loss) before income taxes	(3,295)	12,672	28,659	4,874	23,678	(4,395)	52,816	33,811	9,377	19,283	-113.9%	-126.0%	-51.4%
Income taxes	(561)	2,890	6,213	1,188	4,911	(840)	11,472	7,311	2,329	4,071	-111.4%	-119.4%	-42.8%
Net income (loss)	(2,734)	9,782	22,446	3,686	18,767	(3,555)	41,344	26,500	7,048	15,212	-114.6%	-127.9%	-53.7%
Net income attributable to non-controlling interest	(90)	113	867	22	34	32	955	99	23	66	-364.7%	-179.6%	-65.2%
Net income (loss) attributable to NI Holdings, Inc.	\$ (2,644)	\$ 9,669	\$ 21,579	\$ 3,664	\$ 18,733	\$ (3,587)	\$ 40,389	\$ 26,401	\$ 7,025	\$ 15,146	-114.1%	-127.3%	-53.6%
Loss and LAE ratio ⁽³⁾	82.5%	58.4%	45.8%	73.4%	63.9%	51.8%	59.4%	68.9%	71.6%	58.8%	1860 bps	2410 bps	1280 bps
Expense ratio ⁽⁴⁾	30.9%	33.6%	33.3%	30.2%	23.9%	34.3%	30.0%	27.3%	32.2%	28.3%	700 bps	-270 bps	390 bps
Combined ratio ⁽⁵⁾	113.4%	92.1%	79.1%	103.6%	87.8%	86.1%	89.4%	96.2%	103.7%	87.1%	2560 bps	2130 bps	1660 bps
Effective Tax Rate	17.0%	22.8%	21.7%	24.4%	20.7%	19.1%	21.7%	21.6%	24.8%	21.1%	-370 bps	-580 bps	370 bps

Notes:

(1) Underwriting and general expenses include the deferral and amortization of policy acquisition costs.

(2) Underwriting gain (loss) is a non-GAAP financial measure, and equals net premiums earned less losses and loss adjustments expenses and underwriting and general expenses.

(3) The loss and LAE ratio is a non-GAAP financial measure, and equals losses and loss adjustment expenses divided by net premiums earned.

(4) The expense ratio is a non-GAAP financial measure, and equals amortization of deferred policy acquisition costs and underwriting and general expenses, divided by net premiums earned.

(5) The combined ratio is a non-GAAP financial measure, and 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)	2021		2020				Twelve Months		Six Months		2Q21 - 2Q20	2Q21 - 1Q21	6M21 - 6M20
	2Q	1Q	4Q	3Q	2Q	1Q	2020	2019	2021	2020	% Change	% Change	% Change
Direct premiums written by state: ^(b)													
North Dakota ^(a)	\$ 68,892	\$ 26,870	\$ 25,992	\$ 24,771	\$ 66,165	\$ 26,588	\$ 143,516	\$ 144,954	\$ 95,762	\$ 92,753	4.1%	156.4%	3.2%
Illinois	13,250	13,932	10,082	10,922	10,580	11,420	43,004	43,655	27,182	22,000	25.2%	-4.9%	23.6%
Nebraska	11,591	10,138	9,861	10,420	11,397	10,165	41,843	41,004	21,729	21,562	1.7%	14.3%	0.8%
South Dakota ^(a)	6,344	5,017	5,171	5,558	5,626	4,435	20,790	17,855	11,361	10,061	12.8%	26.5%	12.9%
Georgia	4,691	3,163	2,693	1,192	1,952	(1)	5,836	-	7,854	1,951	140.3%	48.3%	302.6%
Maryland	4,888	1,746	3,457	1,068	4,305	1,692	10,522	-	6,634	5,997	13.5%	180.0%	10.6%
New Jersey	2,276	2,195	2,573	4,819	2,070	1,603	11,065	-	4,471	3,673	10.0%	3.7%	21.7%
Nevada	2,314	2,182	2,090	2,287	2,032	1,941	8,350	9,799	4,496	3,973	13.9%	6.0%	13.2%
Pennsylvania	3,273	1,113	3,193	2,061	2,171	1,706	9,131	-	4,386	3,877	50.8%	194.1%	13.1%
Virginia	1,965	1,625	1,345	1,949	1,567	1,094	5,955	-	3,590	2,661	25.4%	20.9%	34.9%
North Carolina	1,191	1,744	1,348	1,011	539	225	3,123	-	2,935	764	121.0%	-31.7%	284.2%
Minnesota ^(a)	2,645	105	163	810	2,558	93	3,624	3,441	2,750	2,651	3.4%	2419.0%	3.7%
District of Columbia	1,093	1,044	1,055	774	1,066	915	3,810	-	2,137	1,981	2.5%	4.7%	7.9%
South Carolina	664	861	300	353	58	261	972	-	1,525	319	1044.8%	-22.9%	378.1%
Delaware	298	502	672	171	314	496	1,653	-	800	810	-5.1%	-40.6%	-1.2%
Arizona	114	155	139	165	275	320	899	1,437	269	595	-58.5%	-26.5%	-54.8%
West Virginia	63	28	-	(9)	84	19	94	-	91	103	-25.0%	-11.7%	-
	<u>\$ 125,552</u>	<u>\$ 72,420</u>	<u>\$ 70,134</u>	<u>\$ 68,322</u>	<u>\$ 112,759</u>	<u>\$ 62,972</u>	<u>\$ 314,187</u>	<u>\$ 262,145</u>	<u>\$ 197,972</u>	<u>\$ 175,731</u>	<u>11.3%</u>	<u>73.4%</u>	<u>12.7%</u>
Direct premiums written by segment: ^(b)													
Private passenger auto	\$ 20,618	\$ 19,308	\$ 18,188	\$ 18,055	\$ 20,225	\$ 18,873	\$ 75,341	\$ 73,224	\$ 39,926	\$ 39,098	1.9%	6.8%	2.1%
Non-standard auto	16,012	16,652	12,655	13,713	13,235	14,089	53,692	56,466	32,664	27,324	21.0%	-3.8%	19.5%
Home and farm	23,332	19,987	20,552	19,776	23,309	19,756	83,393	80,894	43,319	43,065	0.1%	16.7%	0.6%
Crop ^(a)	42,170	(16)	(275)	1,224	38,948	(4)	39,893	42,276	42,154	38,944	8.3%	263662.5%	8.2%
Commercial	22,021	15,240	17,875	14,465	15,697	9,060	57,097	4,680	37,261	24,757	40.3%	44.5%	50.5%
All other ^(b)	1,399	1,249	1,139	1,089	1,345	1,198	4,771	4,605	2,648	2,543	4.0%	12.0%	4.1%
Total	<u>\$ 125,552</u>	<u>\$ 72,420</u>	<u>\$ 70,134</u>	<u>\$ 68,322</u>	<u>\$ 112,759</u>	<u>\$ 62,972</u>	<u>\$ 314,187</u>	<u>\$ 262,145</u>	<u>\$ 197,972</u>	<u>\$ 175,731</u>	<u>11.3%</u>	<u>73.4%</u>	<u>12.7%</u>
Net premiums earned by segment:													
Private passenger auto	\$ 18,068	\$ 17,498	\$ 19,377	\$ 17,947	\$ 17,386	\$ 17,299	\$ 72,009	\$ 67,983	\$ 35,566	\$ 34,685	3.9%	3.3%	2.5%
Non-standard auto	14,898	13,258	13,613	13,839	13,134	13,151	53,737	57,114	28,156	26,285	13.4%	12.4%	7.1%
Home and farm	18,373	17,454	20,942	18,548	17,768	17,621	74,879	71,171	35,827	35,389	3.4%	5.3%	1.2%
Crop ^(a)	8,353	47	2,268	9,719	23,552	179	35,718	38,019	8,400	23,731	-64.5%	17672.3%	-64.6%
Commercial	14,020	12,338	11,321	10,773	8,341	7,853	38,288	4,097	26,358	16,194	68.1%	13.6%	62.8%
All other ^(b)	2,569	2,540	2,020	2,516	1,825	2,669	9,030	8,054	5,109	4,494	40.8%	1.1%	13.7%
Total	<u>\$ 76,281</u>	<u>\$ 63,135</u>	<u>\$ 69,541</u>	<u>\$ 73,342</u>	<u>\$ 82,006</u>	<u>\$ 58,772</u>	<u>\$ 283,661</u>	<u>\$ 246,438</u>	<u>\$ 139,416</u>	<u>\$ 140,778</u>	<u>-7.0%</u>	<u>20.8%</u>	<u>-1.0%</u>
Losses and loss adjustment expenses by segment:													
Private passenger auto	\$ 14,905	\$ 12,254	\$ 12,188	\$ 13,570	\$ 8,624	\$ 11,129	\$ 45,511	\$ 52,696	\$ 27,159	\$ 19,753	72.8%	21.6%	37.5%
Non-standard auto	11,490	4,800	6,787	9,425	8,195	5,940	30,347	32,654	16,290	14,135	40.2%	139.4%	15.2%
Home and farm	18,208	7,632	5,910	13,437	10,860	6,538	36,745	45,601	25,840	17,398	67.7%	138.6%	48.5%
Crop ^(a)	9,332	561	680	9,225	19,107	2,367	31,379	32,091	9,893	21,474	-51.2%	1563.5%	-53.9%
Commercial	7,264	10,399	5,901	5,577	5,237	3,715	20,430	2,489	17,663	8,952	38.7%	-30.1%	97.3%
All other ^(b)	1,719	1,243	385	2,602	341	733	4,061	4,179	2,962	1,074	404.1%	38.3%	175.8%
Total	<u>\$ 62,918</u>	<u>\$ 36,889</u>	<u>\$ 31,851</u>	<u>\$ 53,836</u>	<u>\$ 52,364</u>	<u>\$ 30,422</u>	<u>\$ 168,473</u>	<u>\$ 169,710</u>	<u>\$ 99,807</u>	<u>\$ 82,786</u>	<u>20.2%</u>	<u>70.6%</u>	<u>20.6%</u>
Loss and LAE ratios by segment: ^(b)													
Private passenger auto	82.5%	70.0%	62.9%	75.6%	49.6%	64.3%	63.2%	77.5%	76.4%	56.9%	3290 bps	1250 bps	1950 bps
Non-standard auto	77.1%	36.2%	49.9%	68.1%	62.4%	45.2%	56.5%	57.2%	57.9%	53.8%	1470 bps	4090 bps	410 bps
Home and farm	99.1%	43.7%	28.2%	72.4%	61.1%	37.1%	49.1%	64.1%	72.1%	49.2%	3800 bps	5540 bps	2290 bps
Crop	111.7%	1193.6%	30.0%	94.9%	81.1%	1322.3%	87.9%	84.4%	117.8%	90.5%	3060 bps	-108190 bps	2730 bps
Commercial	51.8%	84.3%	52.1%	51.8%	62.8%	47.3%	53.4%	60.8%	67.0%	55.3%	-1100 bps	-3250 bps	1170 bps
All other ^(b)	66.9%	48.9%	19.1%	103.4%	18.7%	27.5%	45.0%	51.9%	58.0%	23.9%	4820 bps	1800 bps	3410 bps
Total	<u>82.5%</u>	<u>58.4%</u>	<u>45.8%</u>	<u>73.4%</u>	<u>63.9%</u>	<u>51.8%</u>	<u>59.4%</u>	<u>68.9%</u>	<u>71.6%</u>	<u>58.8%</u>	<u>1860 bps</u>	<u>2410 bps</u>	<u>1280 bps</u>

Notes:

(3) The loss and LAE ratio is a non-GAAP financial measure, and equals losses and loss adjustment expenses divided by net premiums earned.

(6) Direct premiums written is a non-GAAP financial measure, representing the amount of insurance premiums purchased by policyholders during the period.

(a) Multi-peril crop insurance business, written in North Dakota, South Dakota, and Minnesota, is seasonally written primarily during second quarter. It is earned over the period of risk, which is April through December.

(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.