

NI Holdings, Inc.

NI Holdings, Inc. (NODK)
Financial Supplement
Third 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)
Third 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 | | Nine Months | | 3Q23 - 3Q22 | 3Q23 - 2Q23 | 9M23 - 9M22 | |
|--|-----------|------------|------------|-----------|------------|-------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------|
| | 3Q | 2Q | 1Q | 4Q | 3Q | 2Q | 1Q | 2022 | 2021 | 2023 | 2022 | % Change | % Change | % Change |
| Revenues: | | | | | | | | | | | | | | |
| Net premiums earned | \$ 90,770 | \$ 94,146 | \$ 77,627 | \$ 84,675 | \$ 89,532 | \$ 84,496 | \$ 69,587 | \$ 328,290 | \$ 299,589 | \$ 262,543 | \$ 243,615 | 1.4% | -3.6% | 7.8% |
| Fee and other income | 455 | 499 | 274 | 134 | 476 | 415 | 428 | 1,453 | 1,775 | 1,228 | 1,319 | -4.4% | -8.8% | -6.9% |
| Net investment income | 2,751 | 2,505 | 2,239 | 2,117 | 2,035 | 2,015 | 1,653 | 7,820 | 7,131 | 7,495 | 5,703 | 35.2% | 9.8% | 31.4% |
| Net realized gain (loss) on investments | 531 | (119) | 11,586 | (124) | 83 | 1,027 | 938 | 1,924 | 17,768 | 11,998 | 2,048 | 539.8% | 546.2% | 485.8% |
| Change in net unrealized gains (losses) on equity securities | (1,758) | (55) | (10,170) | 6,530 | (2,951) | (12,163) | (6,466) | (15,050) | (2,289) | (11,983) | (21,580) | 40.4% | -3096.4% | 44.5% |
| Total revenues | 92,749 | 96,976 | 81,556 | 93,332 | 89,175 | 75,790 | 66,140 | 324,437 | 323,974 | 271,281 | 231,105 | 4.0% | -4.4% | 17.4% |
| Components of net income: | | | | | | | | | | | | | | |
| Net premiums earned | \$ 90,770 | 94,146 | 77,627 | 84,675 | 89,532 | 84,496 | 69,587 | 328,290 | 299,589 | 262,543 | 243,615 | 1.4% | -3.6% | 7.8% |
| Losses and loss adjustment expenses | 63,564 | 77,506 | 58,825 | 66,791 | 78,917 | 108,595 | 40,129 | 294,432 | 216,379 | 199,895 | 227,641 | -19.5% | -18.0% | -12.2% |
| Underwriting and general expenses ⁽¹⁾ | 29,057 | 29,874 | 28,244 | 25,883 | 23,501 | 26,246 | 23,404 | 99,034 | 96,289 | 87,175 | 73,151 | 23.6% | -2.7% | 19.2% |
| Underwriting gain (loss) ⁽²⁾ | (1,851) | (13,234) | (9,442) | (7,999) | (12,886) | (50,345) | 6,054 | (65,176) | (13,079) | (24,527) | (57,177) | 85.6% | 86.0% | 57.1% |
| Fee and other income | 455 | 499 | 274 | 134 | 476 | 415 | 428 | 1,453 | 1,775 | 1,228 | 1,319 | -4.4% | -8.8% | -6.9% |
| Net investment income | 2,751 | 2,505 | 2,239 | 2,117 | 2,035 | 2,015 | 1,653 | 7,820 | 7,131 | 7,495 | 5,703 | 35.2% | 9.8% | 31.4% |
| Net investment gains (losses) | (1,227) | (174) | 1,416 | 6,406 | (2,868) | (11,136) | (5,528) | (13,126) | 15,479 | 15 | (19,532) | 57.2% | -605.2% | 100.1% |
| Total investment and other income | 1,979 | 2,830 | 3,929 | 8,657 | (357) | (8,706) | (3,447) | (3,853) | 24,385 | 8,738 | (12,510) | 654.3% | -30.1% | 169.8% |
| Income (loss) before income taxes | 128 | (10,404) | (5,513) | 658 | (13,243) | (59,051) | 2,607 | (69,029) | 11,306 | (15,789) | (69,687) | 101.0% | 101.2% | 77.3% |
| Income taxes | (170) | (2,169) | (1,013) | (333) | (3,074) | (12,415) | 568 | (15,254) | 2,974 | (3,352) | (14,921) | 94.5% | 92.2% | 77.5% |
| Net income (loss) | 298 | (8,235) | (4,500) | 991 | (10,169) | (46,636) | 2,039 | (53,775) | 8,332 | (12,437) | (54,766) | 102.9% | 103.6% | 77.3% |
| Net income (loss) attributable to non-controlling interest | 67 | (113) | (290) | 101 | (184) | (726) | 130 | (679) | (84) | (336) | (780) | 136.4% | 159.3% | 56.9% |
| Net income (loss) attributable to NI Holdings, Inc. | \$ 231 | \$ (8,122) | \$ (4,210) | \$ 890 | \$ (9,985) | \$ (45,910) | \$ 1,909 | \$ (53,096) | \$ 8,416 | \$ (12,101) | \$ (53,986) | 102.3% | 102.8% | 77.6% |
| Loss and loss adjustment expense ratio ⁽³⁾ | 70.0% | 82.3% | 75.8% | 78.9% | 88.1% | 128.5% | 57.7% | 89.7% | 72.2% | 76.1% | 93.5% | -1810 bps | -1230 bps | -1740 bps |
| Expense ratio ⁽⁴⁾ | 32.0% | 31.7% | 36.4% | 30.6% | 26.3% | 31.1% | 33.6% | 30.2% | 32.1% | 33.2% | 30.0% | 570 bps | 30 bps | 320 bps |
| Combined ratio ⁽⁵⁾ | 102.0% | 114.0% | 112.2% | 109.4% | 114.4% | 159.6% | 91.3% | 119.9% | 104.4% | 109.3% | 123.5% | -1240 bps | -1200 bps | -1420 bps |
| Effective Tax Rate | (132.8)% | 20.8% | 18.4% | (50.6)% | 23.2% | 21.0% | 21.8% | 22.1% | 26.3% | 21.2% | 21.4% | -15600 bps | -15360 bps | -20 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 | | Nine Months | | 3Q23 - 3Q22 | 3Q23 - 2Q23 | 9M23 - 9M22 | |
|---|------------------|-------------------|------------------|------------------|------------------|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|
| | 3Q | 2Q | 1Q | 4Q | 3Q | 2Q | 1Q | 2022 | 2021 | 2023 | 2022 | % Change | % Change | % Change |
| Direct premiums written by state: ^(a) | | | | | | | | | | | | | | |
| North Dakota ^(a) | \$ 23,471 | \$ 80,509 | \$ 29,134 | \$ 27,036 | \$ 25,697 | \$ 79,375 | \$ 27,153 | \$ 159,261 | \$ 148,119 | \$ 133,114 | \$ 132,225 | -8.7% | -70.8% | 0.7% |
| Illinois | 21,805 | 14,054 | 23,118 | 20,143 | 18,863 | 16,844 | 14,749 | 70,599 | 51,350 | 58,977 | 50,456 | 15.6% | 55.2% | 16.9% |
| Nebraska | 12,799 | 13,920 | 11,671 | 11,325 | 11,966 | 13,070 | 11,193 | 47,554 | 43,247 | 38,390 | 36,229 | 7.0% | -8.1% | 6.0% |
| South Dakota ^(a) | 7,430 | 8,190 | 6,474 | 6,823 | 7,336 | 7,001 | 5,720 | 26,880 | 23,047 | 22,094 | 20,057 | 1.3% | -9.3% | 10.2% |
| North Carolina | 2,513 | 2,415 | 2,211 | 2,878 | 1,453 | 2,148 | 1,632 | 8,111 | 6,641 | 7,139 | 5,233 | 72.9% | 4.0% | 36.4% |
| Maryland | 2,400 | 4,960 | 1,199 | 4,853 | 1,947 | 5,571 | 1,856 | 14,227 | 13,548 | 8,559 | 9,374 | 23.3% | -51.6% | -8.7% |
| New Jersey | 2,231 | 2,514 | 4,031 | 2,208 | 3,109 | 1,884 | 2,530 | 9,731 | 8,294 | 8,776 | 7,523 | -28.2% | -11.3% | 16.7% |
| Georgia | 1,966 | 2,316 | 1,180 | 3,290 | 2,782 | 6,442 | 2,934 | 15,448 | 13,085 | 5,462 | 12,158 | -29.3% | -15.1% | -55.1% |
| Virginia | 1,875 | 4,749 | 3,152 | 2,521 | 1,514 | 2,921 | 1,650 | 8,606 | 6,262 | 9,776 | 6,085 | 23.9% | -60.5% | 60.7% |
| Arizona | 1,312 | 867 | 1,003 | 412 | 408 | 194 | 161 | 1,175 | 475 | 3,182 | 763 | 221.6% | 51.4% | 317.1% |
| District of Columbia | 1,020 | 1,049 | 1,014 | 1,329 | 865 | 1,017 | 971 | 4,182 | 4,055 | 3,083 | 2,853 | 17.9% | -2.8% | 8.1% |
| Nevada | 685 | 793 | 836 | 884 | 1,014 | 1,239 | 1,415 | 4,552 | 8,132 | 2,314 | 3,668 | -32.5% | -13.6% | -36.9% |
| South Carolina | 558 | 709 | 2,065 | 883 | 532 | 840 | 1,374 | 3,629 | 2,783 | 3,332 | 2,746 | 4.9% | -21.3% | 21.3% |
| Pennsylvania | 553 | 1,608 | 1,780 | 2,132 | 1,108 | 3,706 | 1,540 | 8,486 | 8,235 | 3,941 | 6,354 | -50.1% | -65.6% | -38.0% |
| Minnesota ^(a) | 417 | 3,242 | 136 | 85 | 2,568 | 2,302 | 120 | 5,075 | 3,350 | 3,795 | 4,990 | -83.8% | -87.2% | -24.0% |
| Tennessee | 151 | 1,218 | 907 | 516 | - | - | - | 516 | - | 2,276 | - | N/A | -87.6% | N/A |
| Delaware | 21 | 332 | 578 | 695 | (13) | 345 | 518 | 1,545 | 1,502 | 931 | 850 | 261.1% | -93.7% | 9.5% |
| Kentucky | 18 | 805 | 67 | 83 | - | - | - | 83 | - | 890 | - | N/A | -97.8% | N/A |
| West Virginia | - | - | - | (32) | (2) | 63 | 17 | 46 | 90 | - | 78 | 100.0% | N/A | -100.0% |
| Total | \$ 81,223 | \$ 144,250 | \$ 90,556 | \$ 88,064 | \$ 81,147 | \$ 144,962 | \$ 75,533 | \$ 389,706 | \$ 342,215 | \$ 316,029 | \$ 301,642 | 0.1% | -43.7% | 4.8% |
| Direct premiums written by segment: ^(a) | | | | | | | | | | | | | | |
| Private passenger auto | \$ 22,119 | \$ 24,446 | \$ 22,199 | \$ 20,080 | \$ 20,040 | \$ 22,136 | \$ 20,055 | \$ 82,311 | \$ 77,277 | \$ 68,764 | \$ 62,231 | 10.4% | -9.5% | 10.5% |
| Non-standard auto | 24,338 | 16,101 | 25,381 | 21,782 | 20,647 | 18,674 | 16,695 | 77,798 | 61,374 | 65,820 | 56,016 | 17.9% | 51.2% | 17.5% |
| Home and farm | 23,608 | 27,239 | 21,921 | 22,233 | 22,043 | 25,338 | 21,087 | 90,701 | 85,200 | 72,768 | 68,468 | 7.1% | -13.3% | 6.3% |
| Crop ^(a) | (4,900) | 50,296 | (10) | (167) | 2,628 | 50,771 | (17) | 53,215 | 43,540 | 45,386 | 53,382 | -286.5% | -109.7% | -15.0% |
| Commercial | 14,767 | 24,647 | 19,651 | 22,914 | 14,566 | 26,575 | 16,388 | 80,443 | 69,753 | 59,065 | 57,529 | 1.4% | -40.1% | 2.7% |
| All other ^(b) | 1,291 | 1,521 | 1,414 | 1,222 | 1,223 | 1,468 | 1,325 | 5,238 | 5,071 | 4,226 | 4,016 | 5.5% | -15.1% | 5.2% |
| Total | \$ 81,223 | \$ 144,250 | \$ 90,556 | \$ 88,064 | \$ 81,147 | \$ 144,962 | \$ 75,533 | \$ 389,706 | \$ 342,215 | \$ 316,029 | \$ 301,642 | 0.1% | -43.7% | 4.8% |
| Net premiums earned by segment: | | | | | | | | | | | | | | |
| Private passenger auto | \$ 21,235 | \$ 20,543 | \$ 19,653 | \$ 19,785 | \$ 19,813 | \$ 19,265 | \$ 18,742 | \$ 77,605 | \$ 72,533 | \$ 61,431 | \$ 57,820 | 7.2% | 3.4% | 6.2% |
| Non-standard auto | 21,231 | 21,645 | 20,879 | 19,442 | 17,579 | 15,512 | 14,378 | 66,911 | 58,585 | 63,754 | 47,469 | 20.8% | -1.9% | 34.3% |
| Home and farm | 21,309 | 20,415 | 19,991 | 19,463 | 19,751 | 19,955 | 19,212 | 78,381 | 73,792 | 61,714 | 58,918 | 7.9% | 4.4% | 4.7% |
| Crop ^(a) | 9,746 | 13,336 | (725) | 7,873 | 14,566 | 12,295 | (13) | 34,721 | 26,848 | 22,358 | 26,848 | -33.1% | -26.9% | -16.7% |
| Commercial | 15,751 | 16,641 | 16,017 | 16,328 | 15,884 | 15,031 | 14,188 | 61,431 | 57,285 | 48,410 | 45,103 | -0.8% | -5.3% | 7.3% |
| All other ^(b) | 1,498 | 1,566 | 1,812 | 1,784 | 1,939 | 2,438 | 3,080 | 9,241 | 10,546 | 4,876 | 7,457 | -22.7% | -4.3% | -34.6% |
| Total | \$ 90,770 | \$ 94,146 | \$ 77,627 | \$ 84,675 | \$ 89,532 | \$ 84,496 | \$ 69,587 | \$ 328,290 | \$ 299,589 | \$ 262,543 | \$ 243,615 | 1.4% | -3.6% | 7.8% |
| Loss and loss adjustment expenses by segment: | | | | | | | | | | | | | | |
| Private passenger auto | \$ 16,603 | \$ 18,866 | \$ 15,625 | \$ 13,501 | \$ 20,354 | \$ 16,854 | \$ 14,711 | \$ 65,420 | \$ 59,721 | \$ 51,094 | \$ 51,919 | -18.4% | -12.0% | -1.6% |
| Non-standard auto | 18,838 | 14,139 | 17,038 | 14,818 | 11,958 | 4,133 | 8,491 | 39,400 | 34,453 | 50,015 | 24,582 | 57.5% | 33.2% | 103.5% |
| Home and farm | 14,052 | 17,915 | 8,719 | 10,330 | 28,822 | 61,831 | 6,840 | 107,823 | 52,145 | 40,686 | 97,493 | -51.2% | -21.6% | -58.3% |
| Crop ^(a) | 3,690 | 8,210 | (773) | 2,280 | 6,974 | 10,330 | (166) | 19,418 | 27,831 | 11,127 | 17,138 | -47.1% | -55.1% | -35.1% |
| Commercial | 10,272 | 18,129 | 18,114 | 24,396 | 9,812 | 12,991 | 10,017 | 57,216 | 34,779 | 46,515 | 32,820 | 4.7% | -43.3% | 41.7% |
| All other ^(b) | 109 | 247 | 102 | 1,466 | 997 | 2,456 | 236 | 5,155 | 7,450 | 458 | 3,689 | -89.1% | -55.9% | -87.6% |
| Total | \$ 63,564 | \$ 77,506 | \$ 58,825 | \$ 66,791 | \$ 78,917 | \$ 108,595 | \$ 40,129 | \$ 294,432 | \$ 216,379 | \$ 199,895 | \$ 227,641 | -19.5% | -18.0% | -12.2% |
| Loss and loss adjustment expense ratios by segment: ^(b) | | | | | | | | | | | | | | |
| Private passenger auto | 78.2% | 91.8% | 79.5% | 68.2% | 102.7% | 87.5% | 78.5% | 84.3% | 82.3% | 83.2% | 89.8% | -2450 bps | -1360 bps | -660 bps |
| Non-standard auto | 88.7% | 65.3% | 81.6% | 76.2% | 68.0% | 26.6% | 59.1% | 58.9% | 58.8% | 78.5% | 51.8% | 2070 bps | 2340 bps | 2670 bps |
| Home and farm | 65.9% | 87.8% | 43.6% | 53.1% | 145.9% | 309.9% | 35.6% | 137.6% | 70.7% | 65.9% | 165.5% | -8000 bps | -2190 bps | -9960 bps |
| Crop ^(a) | 37.9% | 61.6% | n/a | 29.0% | 47.9% | 84.0% | n/a | 55.9% | 103.7% | 49.8% | 63.8% | -1000 bps | -2370 bps | -1400 bps |
| Commercial | 65.2% | 108.9% | 113.1% | 149.4% | 61.8% | 86.4% | 70.6% | 93.1% | 60.7% | 96.1% | 72.8% | 340 bps | -4370 bps | 2330 bps |
| All other ^(b) | 7.3% | 15.8% | 5.6% | 82.2% | 51.4% | 100.7% | 7.7% | 55.8% | 70.6% | 9.4% | 49.5% | -4410 bps | -850 bps | -4010 bps |
| Total | 70.0% | 82.3% | 75.8% | 78.9% | 88.1% | 128.5% | 57.7% | 89.7% | 72.2% | 76.1% | 93.4% | -1810 bps | -1230 bps | -1730 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.