

NI Holdings, Inc.

NI Holdings, Inc. (NODK) Financial Supplement Second Quarter 2024

Prior to the sale of Westminster on June 30, 2024, the Company had six reportable segments as described below. The Commercial segment consisted primarily of Westminster's balances and results. As a result of the sale, Westminster's results have been removed from the Commercial segment for all 2024 amounts (as discontinued operations) and any remaining commercial business not associated with Westminster has been reclassified to All Other.

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 for 2023 amounts.

All Other: includes excess liability and other coverages and assumed reinsurance pools for 2023 amounts. Commercial liability and physical damages coverages, excluding Westminster, are also included for 2024 amounts.

**NI HOLDINGS, INC.
FINANCIAL SUPPLEMENT
(UNAUDITED)
Second Quarter 2024**

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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, Primero Insurance Company, and Battle Creek Insurance Company; Direct Auto Insurance Company; and Westminster American Insurance Company (sold on June 30, 2024).

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

(\$ in thousands)	2024 ^(A)		2023 ^(B)			
	2Q	1Q	4Q	3Q	2Q	1Q
Revenues:						
Net premiums earned	\$ 85,169	\$ 69,884	\$ 88,594	\$ 90,770	\$ 94,146	\$ 77,627
Fee and other income	695	404	750	455	499	274
Net investment income	2,523	2,755	2,961	2,751	2,505	2,239
Net realized gain (loss) on investments	9	(91)	53	531	(119)	11,586
Change in net unrealized gains (losses) on equity securities	(589)	1,547	2,056	(1,758)	(55)	(10,170)
Total revenues	87,807	74,499	94,414	92,749	96,976	81,556
Components of net income:						
Net premiums earned	\$ 85,169	69,884	88,594	90,770	94,146	77,627
Losses and loss adjustment expenses	69,358	40,144	44,517	63,564	77,506	58,825
Underwriting and general expenses ⁽¹⁾	27,519	25,522	31,615	29,057	29,874	28,244
Underwriting gain (loss) ⁽²⁾	(11,708)	4,218	12,462	(1,851)	(13,234)	(9,442)
Fee and other income	695	404	750	455	499	274
Goodwill impairment charge (expense)	-	-	(6,756)	-	-	-
Net investment income	2,523	2,755	2,961	2,751	2,505	2,239
Net investment gains (losses)	(580)	1,456	2,109	(1,227)	(174)	1,416
Total investment and other income	2,638	4,615	(936)	1,979	2,830	3,929
Income (loss) before income taxes	(9,070)	8,833	11,526	128	(10,404)	(5,513)
Income taxes	(1,592)	1,898	4,315	(170)	(2,169)	(1,013)
Net income (loss)	(7,478)	6,935	7,211	298	(8,235)	(4,500)
Net income (loss) attributable to non-controlling interest	-	-	586	67	(113)	(290)
Net income (loss) from continuing operations attributable to NI Holdings, Inc.	\$ (7,478)	\$ 6,935	\$ 6,625	\$ 231	\$ (8,122)	\$ (4,210)
Income (loss) from discontinued operations, net of tax	\$ (996)	\$ (516)				
Loss on sale of discontinued operations, net of tax	\$ (7,762)	\$ -				
Net income (loss)	(16,236)	6,419				
Loss and loss adjustment expense ratio ⁽³⁾	81.4%	57.4%	50.2%	70.0%	82.3%	75.8%
Expense ratio ⁽⁴⁾	32.3%	36.5%	35.7%	32.0%	31.7%	36.4%
Combined ratio ⁽⁵⁾	113.7%	94.0%	85.9%	102.0%	114.0%	112.2%
Effective Tax Rate	17.6%	21.5%	37.4%	(132.8)%	20.8%	18.4%

Notes:

(A) Values exclude results of Westminster which are shown separately as discontinued operations for GAAP reporting purposes.

(B) Values include Westminster and are as disclosed in prior periods.

(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)	2024 ^(A)		2023 ^(B)			
	2Q	1Q	4Q	3Q	2Q	1Q
Direct premiums written by state: ⁽⁶⁾						
North Dakota ⁽⁷⁾	\$ 71,775	\$ 32,405	\$ 30,391	\$ 23,471	\$ 80,509	\$ 29,134
Illinois	17,625	28,179	27,371	21,805	14,054	23,118
Nebraska	14,997	12,578	12,308	12,799	13,920	11,671
South Dakota ⁽⁷⁾	9,085	7,311	7,567	7,430	8,190	6,474
Minnesota ⁽⁷⁾	2,834	76	213	417	3,242	136
Arizona	1,578	1,914	895	1,312	867	1,003
Nevada	578	578	624	685	793	836
New Jersey	-	-	2,763	2,231	2,514	4,031
North Carolina	-	-	4,684	2,513	2,415	2,211
Virginia	-	-	1,777	1,875	4,749	3,152
South Carolina	-	-	1,644	558	709	2,065
Pennsylvania	-	-	2,338	553	1,608	1,780
Maryland	-	-	4,830	2,400	4,960	1,199
Tennessee	-	-	276	151	1,218	907
District of Columbia	-	-	1,259	1,020	1,049	1,014
Georgia	-	-	2,115	1,966	2,316	1,180
Delaware	-	-	1,191	21	332	578
Kentucky	-	-	124	18	805	67
West Virginia	-	-	-	-	-	-
Total	\$ 118,472	\$ 83,041	\$ 102,370	\$ 81,223	\$ 144,250	\$ 90,556
Direct premiums written by segment: ⁽⁶⁾						
Private passenger auto	\$ 25,982	\$ 23,952	\$ 23,312	\$ 22,119	\$ 24,446	\$ 22,199
Non-standard auto	20,350	31,273	29,476	24,338	16,101	25,381
Home and farm	30,402	24,788	23,628	23,608	27,239	21,921
Crop ⁽⁷⁾	37,780	(204)	(113)	(4,900)	50,296	(10)
Commercial	-	-	24,790	14,767	24,647	19,651
All other ⁽⁸⁾	3,958	3,232	1,277	1,291	1,521	1,414
Total	\$ 118,472	\$ 83,041	\$ 102,370	\$ 81,223	\$ 144,250	\$ 90,556
Net premiums earned by segment:						
Private passenger auto	\$ 22,471	\$ 22,102	\$ 21,929	\$ 21,235	\$ 20,543	\$ 19,653
Non-standard auto	26,743	24,988	24,005	21,231	21,645	20,879
Home and farm	21,924	21,415	21,674	21,309	20,415	19,991
Crop ⁽⁷⁾	10,978	(1,549)	3,460	9,746	13,336	(725)
Commercial	-	-	16,067	15,751	16,641	16,017
All other ⁽⁸⁾	3,053	2,928	1,459	1,498	1,566	1,812
Total	\$ 85,169	\$ 69,884	\$ 88,594	\$ 90,770	\$ 94,146	\$ 77,627
Loss and loss adjustment expenses by segment:						
Private passenger auto	\$ 19,929	\$ 11,293	\$ 9,110	\$ 16,603	\$ 18,866	\$ 15,625
Non-standard auto	19,313	16,869	13,026	18,838	14,139	17,038
Home and farm	22,026	12,181	10,249	14,052	17,915	8,719
Crop ⁽⁷⁾	7,311	(1,557)	(334)	3,690	8,210	(773)
Commercial	-	-	12,230	10,272	18,129	18,114
All other ⁽⁸⁾	779	1,358	236	109	247	102
Total	\$ 69,358	\$ 40,144	\$ 44,517	\$ 63,564	\$ 77,506	\$ 58,825
Loss and loss adjustment expense ratios by segment: ⁽³⁾						
Private passenger auto	88.7%	51.1%	41.5%	78.2%	91.8%	79.5%
Non-standard auto	72.2%	67.5%	54.3%	88.7%	65.3%	81.6%
Home and farm	100.5%	56.9%	47.3%	65.9%	87.8%	43.6%
Crop ⁽⁷⁾	66.6%	n/a	-9.7%	37.9%	61.6%	n/a
Commercial	n/a	n/a	76.1%	65.2%	108.9%	n/a
All other ⁽⁸⁾	25.5%	46.4%	16.2%	7.3%	15.8%	5.6%
Total	81.4%	57.4%	50.2%	70.0%	82.3%	75.8%

Notes:

(A) Values exclude results of Westminster which are shown separately as discontinued operations for GAAP reporting purposes.

(B) Values include Westminster and are as disclosed in prior periods.

(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.

(7) 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.

(8) 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.