

2023 Annual Presentation

NI Holdings, Inc.



Safe Harbor Statement

Some of the statements included in this presentation, particularly those anticipating future financial performance, business prospects, growth and operating strategies, the impact of pricing and underwriting changes on operating results, and similar matters, are forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "plan," "expect," "estimate," "anticipate," "intend," "goal," "strategy," "believe" and other similar expressions and variations thereof. These forward-looking statements reflect our current views about future events and are subject to risks, uncertainties, assumptions and changes in circumstances that may cause events or our actual activities or results to differ significantly from those expressed in any forward-looking statement. Factors that could cause actual results to vary materially include: our ability to maintain profitable operations, the adequacy of the loss and loss adjustment expense reserves, business and economic conditions, interest rates, competition from various insurance and other financial businesses, terrorism, the availability and cost of reinsurance, adverse and catastrophic weather events, including the impacts of climate change, legal and judicial developments, changes in regulatory requirements, our ability to integrate and manage successfully the insurance companies we may acquire from time to time, the impact of inflation on our operating results, and other risks we describe in the periodic reports we file with the Securities and Exchange Commission. You should not place undue reliance on any such forward-looking statements. These forward-looking statements speak only as of the date of this presentation, and we disclaim any obligation to update such statements or to announce publicly the results of any revisions that we may make to any forward-looking statements to reflect the occurrence of anticipated or unanticipated events or circumstances after the date of such statements.

For a detailed discussion of the risk factors that could affect our actual results, please refer to the risk factors identified in our SEC reports, including, but not limited to our Annual Report on Form 10-K, as filed with the SEC.

NI Holdings

NI Holdings, Inc. generates its results from six insurance subsidiaries. These subsidiaries write property and casualty insurance coverages, including private passenger automobile, non-standard automobile, homeowners, farmowners, crop hail, Federal multi-peril crop and commercial insurance policies.



Nodak Insurance Company

- Founded in 1946
- North Dakota



Primer Insurance Company

- Acquired in 2014
- Nevada, Arizona, North Dakota, South Dakota



American West Insurance Company

- Acquired in 2001
- South Dakota, North Dakota, Minnesota



Direct Auto Insurance Company

- Acquired in 2018
- Illinois



Battle Creek Mutual Insurance Company

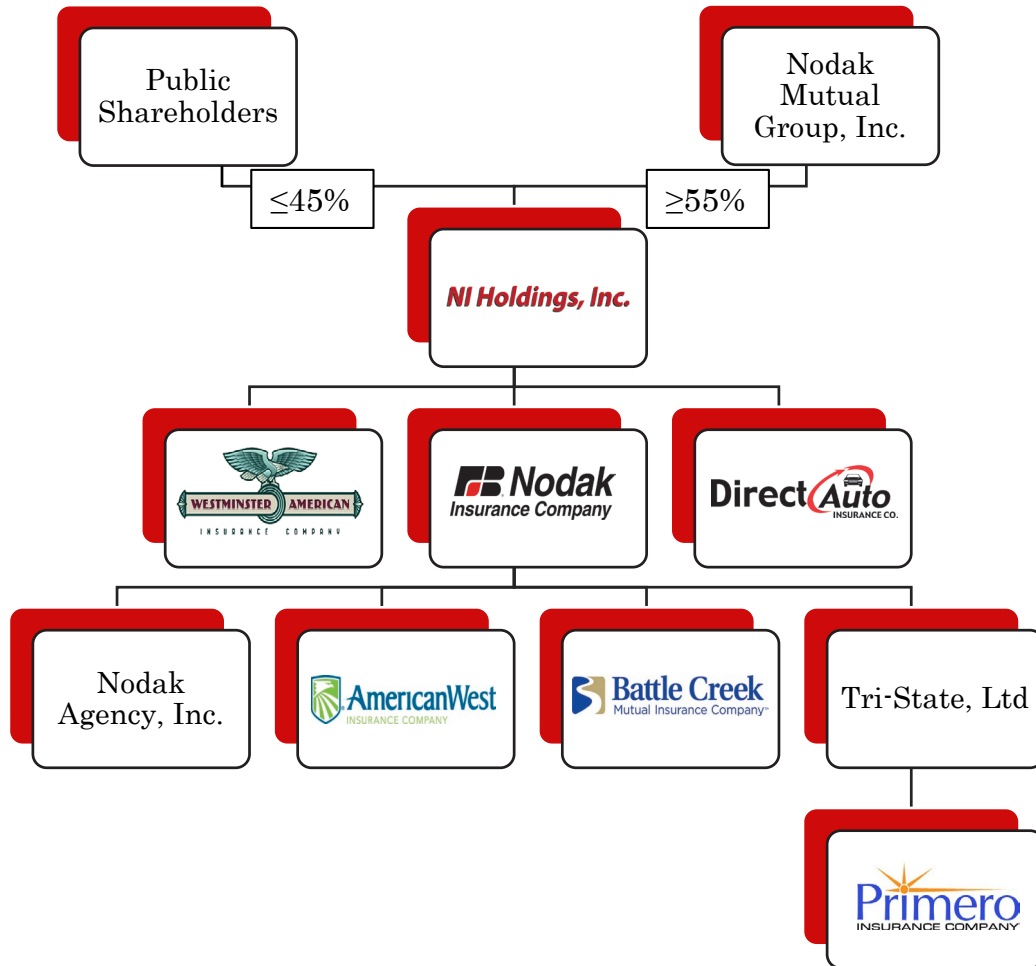
- Affiliation began in 2011
- Nebraska



Westminster American Insurance Company

- Acquired in 2020
- Eastern seaboard

NI Holdings: Unique Structure



NI Holdings is a stock holding company formed prior to the company's 2017 initial minority public stock offering, in connection with the demutualization of Nodak Mutual Insurance Company and formation of Nodak Mutual Group, Inc., a mutual holding company.

The primary benefits of this structure are:

- *Control* – Nodak Mutual Group, Inc. owns over 50% of our outstanding common stock, providing mutual control intended to best serve the long-term interests of the Company and its shareholders, and
- *Capital* – We have the ability to raise additional capital through a future potential secondary IPO, where existing shareholders could maintain their existing ownership interests in a newly formed and fully publicly traded stock company

As a result, management can focus on increasing shareholder value over time through organic growth, strategic investments and acquisitions, and share repurchases or shareholder dividends.

Experienced Leadership and Employees

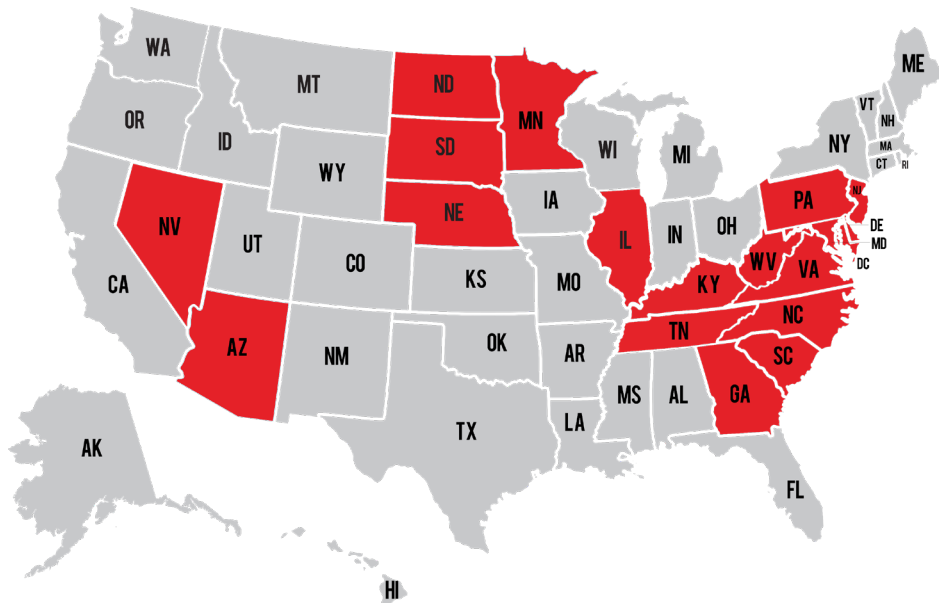
NI Holdings, Inc. is led by an experienced executive leadership team, with collective industry experience of over 80 years. In addition, NI Holdings insurance subsidiaries have an average employee tenure of 10+ years. Together, this experience positions the company well for future success.

	Name	Years of Experience	Prior Experience
	<p>Jim Alexander <i>President and CEO</i></p>	<p>32 Years</p>	<p>COO – Nodak Insurance SVP of Underwriting – Nodak Insurance Director of Underwriting – MSI Insurance</p>
	<p>Seth Daggett <i>EVP, Treasurer, CFO</i></p>	<p>18 Years</p>	<p>EVP Strategy – NI Holdings CFO, Treasurer – RAM Mutual Insurance Senior Dir. Finance – Travelers Insurance External Auditor – Deloitte</p>
	<p>Pat Duncan <i>SVP Operations</i></p>	<p>34 Years</p>	<p>VP Operations – Nodak Insurance Product Manager – United Farm Family Mutual Insurance</p>

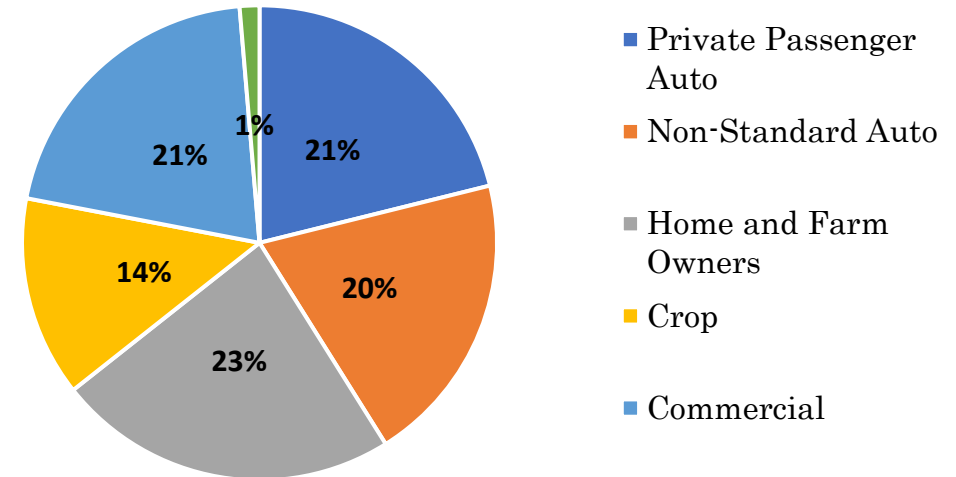
Diversification of Risk

NI Holdings' subsidiaries write insurance coverages across 6 property and casualty segments. Through acquisitions and organic growth, the company has grown from writing in 6 states in 2017 to 19 states today. The company also holds licenses in 7 additional states for future geographic expansion. Insurance coverages are marketed through captive agents in North Dakota and through independent insurance agents located through all other operating areas.

Where We Write



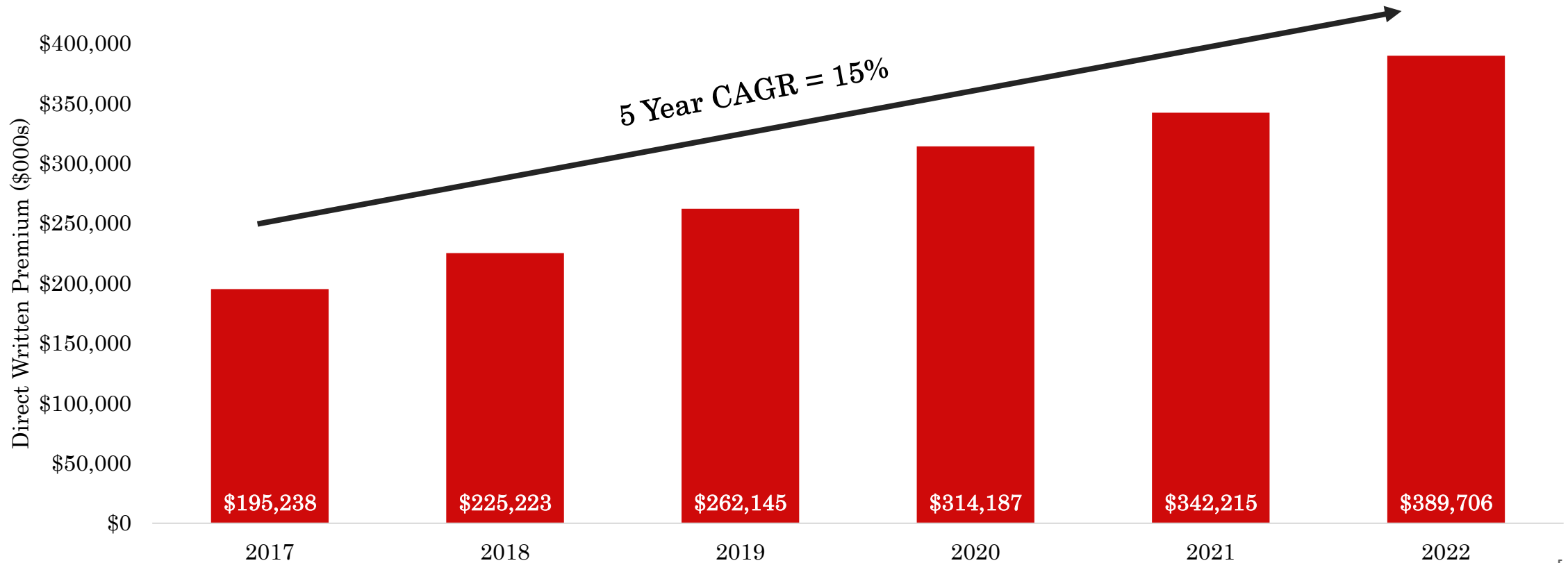
Product Split*



*Based on 2022 Direct Written Premiums

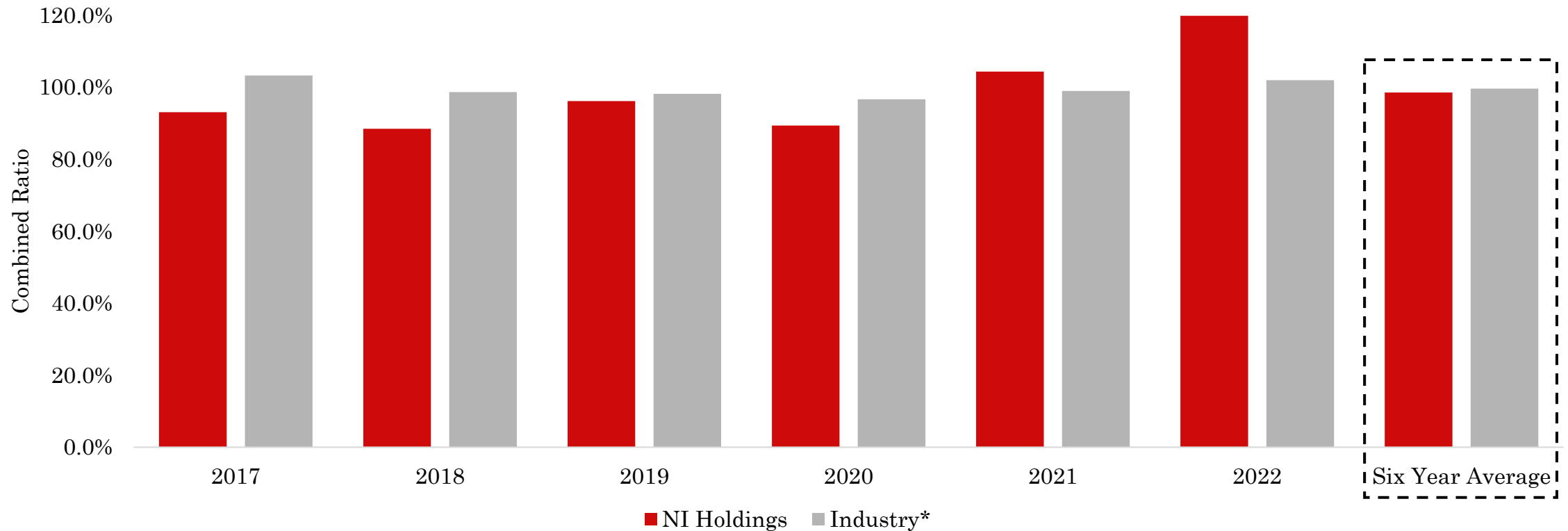
Sustained Growth

Since going public in 2017, NI Holdings has experienced sustained growth, doubling its direct written premiums over the past six years. This growth has occurred both organically and through the strategic acquisitions of Direct Auto Insurance Company and Westminster American Insurance Company.



Underwriting Results

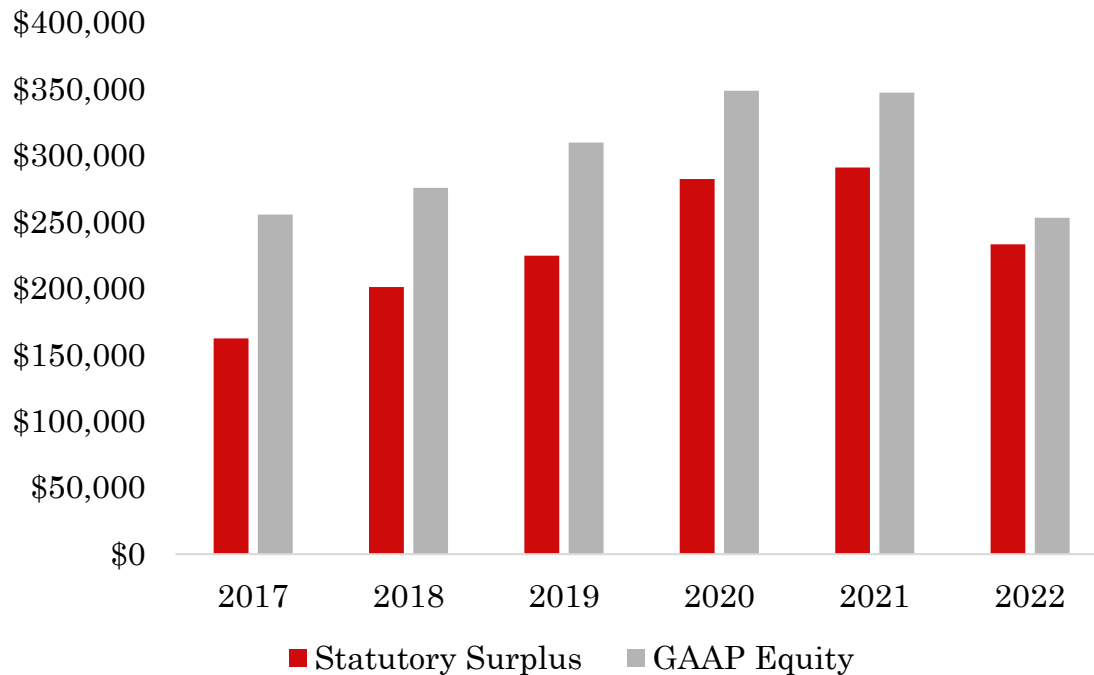
NI Holdings has produced combined ratios lower than the industry average in four of the six years since going public. The company's average combined ratio over that period has also outperformed the industry.



*Statutory Combined Ratio. Data provided by S&P Global Market Intelligence.

Balance Sheet Strength

NI Holdings maintains a strong balance sheet that has been recognized by an A.M. Best “A” (Excellent) Rating. This strength gives the company continued flexibility to strategically grow its businesses.



NI Holdings maintains a conservatively managed investment portfolio, primarily consisting of investment grade fixed income securities, that supports the company's insurance operations under a wide range of operating and market conditions. The company also allocates a portion of the portfolio to other strategies, such as high dividend yield equities and private placement securities, to maximize the portfolio's risk-adjusted returns.

	2021	2022
Fixed Income Allocation	83%	85%
Equity Allocation	17%	15%
Gross Return on Average Invested Assets	2.10%	2.50%
Portfolio Duration	4.35 Years	4.55 Years

2022 Results

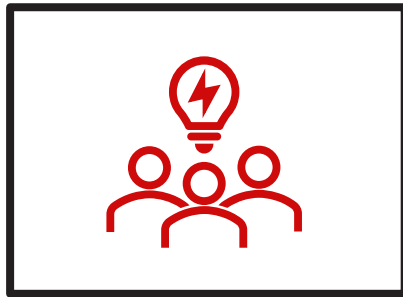
- Full year 2022 direct written premiums of \$389.7 million, up 13.9% compared to prior year
- Direct written premium growth across all segments in 2022, led by Non-Standard Auto up 26.8%, Crop up 22.2% and Commercial up 15.3%
- Combined ratio of 119.9% in 2022, driven by elevated loss costs as a result of higher inflation and catastrophe events
- Total pre-tax catastrophe losses, net of reinsurance, of \$68.5 million in 2022, which adversely impacted the combined ratio 21.2 percentage points
- Net investment losses of \$13.1 million, driven by unfavorable equity market conditions

“2022 proved to be challenging for the company. We faced elevated loss costs as a result of inflation, record weather-related losses, and difficult equity markets. Despite these challenging conditions, we saw an improvement in our results late in the year, driven by our earlier rate and underwriting actions. We remain committed to continuing to take these actions as long as necessary to build upon that momentum throughout 2023,” said Michael J. Alexander, President and Chief Executive Officer.

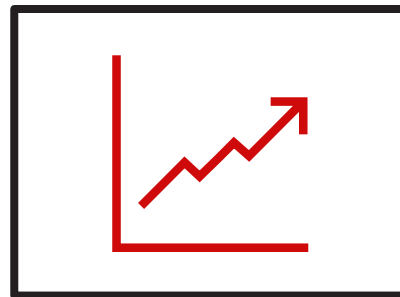
	Twelve Months Ended December 31,	
(\$ in thousands, except per share data)	2021	2022
Gross Written Premiums	\$ 342,215	\$ 389,706
Net Written Premiums	307,769	349,012
Net Earned Premiums	299,589	328,290
Underwriting Income (Loss)	(13,079)	(65,176)
Net Investment Income	7,131	7,820
Net Investment Gain (Loss)	15,479	(13,126)
Loss and Loss Expense Ratio	72.2%	89.7%
Expense Ratio	32.1%	30.2%
Combined Ratio	104.3%	119.9%
Net Income (Loss)	\$ 8,416	\$ (53,096)
Basic Earnings (Loss) Per Share	\$ 0.39	\$ (2.49)

Capital Management

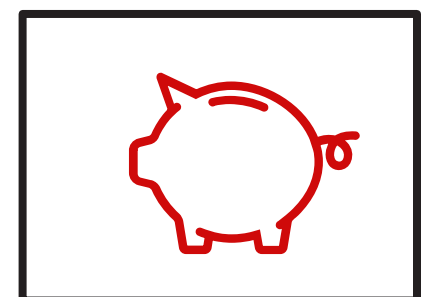
NI Holdings takes a balanced approach to capital management. Our primary objective is to invest in our current businesses where we see profitable growth opportunities. We also seek out strategic investments to enhance our business over time, and return excess capital to shareholders through share repurchases. As of year-end 2022, NI Holdings has repurchased 2.1 million shares, at an average cost of \$16.00. This represents 20% of the 10.4 million shares that were made available to the public during the 2017 IPO.



Investing in our current businesses where we see opportunities for profitable growth.



Strategic investments that enhance our business and achieve appropriate, risk-adjusted returns.

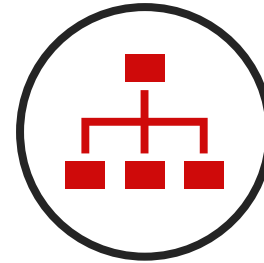


Returning capital to shareholders through share repurchases.

Value Proposition



Sustained Growth: +15% CAGR over time, gained organically and through strategic acquisitions



Unique Structure: A corporate structure that provides capital flexibility and allows management to focus on profitable growth over time



Experience: Leadership team with 80+ years of experience. Average employee tenure of 10+ years



Underwriting Profitability: Underwriting results that have outperformed the industry since going public in 2017