

August 5, 2022  
Tokio Marine Holdings, Inc.  
President: Satoru Komiya  
TSE Code: 8766

**Announcement Regarding Acquisition of Additional Shares of Tokio Marine Newa Insurance by  
Our Consolidated Subsidiary (Change in Second-tier Subsidiary)**

Tokio Marine Holdings, Inc. (President and Group CEO: Satoru Komiya, hereinafter “The Company”) and Tokio Marine & Nichido Fire Insurance Co., Ltd. (hereinafter “TMNF”), the Company’s consolidated subsidiary, announce that TMNF has decided and reached a definitive agreement today with Tokio Marine Newa Insurance Co., Ltd. (hereinafter “TMNewa”) and its major shareholder, Yulon Group, a major automobile related conglomerate in Taiwan, that TMNF will acquire majority share of TMNewa and incorporate TMNewa as its subsidiary.

While the acquirement of shares is subject to approval and authorization by the relevant authorities, we plan to complete the acquirement by September 30, 2022.

**1. Purpose of acquirement of shares**

Taiwanese non-life insurance market is one of the largest markets in Asia, following Thailand and Indonesia, and is an attractive and profitable market that is expected to grow.

Originally established in 1999 as an insurance company of Yulon Group, TMNewa was formed in 2005 in Taiwan as the Company's equity-method affiliate, with Yulon Group and TMNF as its current major shareholders (TMNF's shareholding ratio is 48.94%). Since its establishment, TMNewa has achieved steady growth through its focus on automobile insurance and strength in online marketing, and has become the fourth largest non-life insurance company in Taiwan.

The number of Covid-19 cases in Taiwan had been kept at a very low level until 2021 but following the change from “zero Covid policy” to “with Covid policy” in April 2022, the number of cases soared rapidly, resulting in Taiwanese non-life insurance market suffering major losses due to Covid insurance which pays out a fixed amount in the event of infection or isolation. Along with the market, Covid insurance related claims had surged at TMNewa, requiring capital injection.

Yulon Group, TMNewa, and the Company have agreed that TMNF shall acquire major stake of TMNewa and take initiatives to improve management, including product development and risk management, to capture future stable profit growth in Taiwan.

Under the Company’s leadership, TMNewa will continue to provide industry-leading insurance and loss prevention services to its customers, leveraging its strengths in digital and e-commerce, and the sales network of Yulon Group in Taiwan.

**2. Overview of TMNF**

(1)	Company Name	Tokio Marine & Nichido Fire Insurance Co., Ltd.
(2)	Location of Registered Office	2-6-4 Otemachi, Chiyoda-ku, Tokyo
(3)	Name of Representative	Shinichi Hirose, President

(4)	Nature of Business	Non-life insurance
(5)	Capital	101.9 billion yen

### 3. Overview of the subsidiary (TMNNewa)

(1)	Company Name	Tokio Marine Nawa Insurance Co., Ltd.		
(2)	Location of Registered Office	8F-13F, No.130, Section 3, Nanjing E. Rd., Zhongshan District, Taipei City, Taiwan		
(3)	Name of Representative	Chung-Keng Chen, Chairman		
(4)	Nature of Business	Non-life insurance		
(5)	Capital	TWD 14,700,000,750(approx. 67.5 billion yen)*		
(6)	Date of Establishment	January 20, 1999		
(7)	Major Shareholders and Ownership Percentages	Yulon Group	49.33%	
		(China Motor Co., Ltd	20.57%)	
		(Yulon Motor Co., Ltd.	17.39%)	
		(Fu Lun Motors Co., Ltd.	3.57%)	
		(Shung Ye Motor Co., Ltd.	3.34%)	
		(Yulon Finance Co., Ltd.	1.94%)	
		(Fortune Motors Co., Ltd.	1.34%)	
		(Yuea Ching Business Co., Ltd.	1.17%)	
		Tokio Marine & Nichido Fire Insurance Co., Ltd.	48.94%	
		Other shareholders	1.73%	
(8)	The Company's Relationship with TMNNewa	Capital	TMNF, a wholly owned subsidiary of the Company, plans to own 50.18% of TMNNewa's common stock.	
		Management	The Company and TMNF will nominate and deploy personnel for the majority of directors and key executive positions.	
		Business	No relationship to be noted.	
(9)	TMNNewa's Consolidated Financial Results in the past three years			
	Fiscal Year	December 2019	December 2020	December 2021
	Net Assets	TWD 9,492M (JPY 43,623M)	TWD 9,665M (JPY 44,421M)	TWD 11,082M (JPY 50,930M)
	Total Assets	TWD 24,656M (JPY 113,313M)	TWD 25,646M (JPY 117,861M)	TWD 28,206M (JPY 129,630M)
	Net Assets per share	TWD 31.7 (JPY 145)	TWD 32.3 (JPY 148)	TWD 37.0 (JPY 170)
	Net Premiums Written	TWD 10,360M (JPY 47,612M)	TWD 11,172M (JPY 51,347M)	TWD 12,152M (JPY 55,846M)
	Profit Before Tax	TWD 1,150M (JPY 5,289M)	TWD 1,024M (JPY 4,708M)	TWD 1,475M (JPY 6,780M)
	Net Profit	TWD 960M (JPY 4,412M)	TWD 856M (JPY 3,937M)	TWD 1,235M (JPY 5,679M)

Net Profit Attributable to Owners of the Company	TWD 967M (JPY 4,446M)	TWD 860M (JPY 3,955M)	TWD 1,237M (JPY 5,688M)
Net Profit per share	TWD 3.2 (JPY 14)	TWD 2.8 (JPY 13)	TWD 4.1 (JPY 18)

(TWD1 = JPY4.595676 (as of June 30, 2022))

(\*) Capital expected to be after the transaction planned on September 30, 2022.

#### **4. Overview of the number of acquiring shares, share purchase price, and position of shareholdings before and after transaction**

(1) Number of Shares Held Before Transaction	146,326,732 Shares (*) (Number of Voting Rights: 146,326,732) (Voting Rights Ownership Ratio: 48.94%)
(2) Expected Number of Shares to be Transferred (Planned)	737,595,285 Shares (Number of Voting Rights : 737,595,285)
(3) Expected Share Purchase Price (Planned)	Common Stock of TMNeva TWD7,375M (JPY 33,897M)
(4) Expected Number of Shares Held After Transaction (Planned)	737,595,322 Shares (Number of Voting Rights: 737,595,322) (Voting Rights Ownership Ratio: 50.18%)

(TWD1 = JPY4.595676 (as of June 30, 2022))

(\*) The 146,326,732 Shares held before the transaction will be reduced to 37 Shares through capital reduction procedure before the capital increase, and then 737,595,285 Shares are planned to be acquired. A total of 737,595,322 Shares will be held after the transaction.

#### **5. Timeline**

(1) Date of Agreement	August 5, 2022
(2) Date of Signing Agreement	August 5, 2022
(3) Expected Acquirement of Shares	September 30, 2022 (Planned)

#### **6. Outlook**

The impact of this transaction to the Company's consolidated financial results is minor.