

August 1, 2019  
Sompo Holdings, Inc.

## Joint Venture Provisional Approval in Myanmar by MoPF

Sompo Holdings, Inc. (Group CEO & President: Kengo Sakurada; hereinafter “Sompo Holdings”), hereby announces that Sompo Japan Nipponkoa Insurance Inc. (President: Keiji Nishizawa; hereinafter “Sompo Japan Nipponkoa”), a wholly owned subsidiary of Sompo Holdings, and AYA Myanmar General Insurance Company Limited (hereinafter “AMGI”), a subsidiary of AYA Myanmar Insurance (Chairman: U Zaw Zaw) which is an affiliate of AYA Bank Ltd, the second largest bank in Myanmar, obtained a provisional approval to form a joint venture from the Ministry of Planning and Finance, the Government of the Republic of the Union of Myanmar (hereinafter “MoPF”) on July 31, 2019.

### 1. Our activities in Myanmar

Sompo Japan Nipponkoa was the first foreign insurance company to obtain a business license for the Thilawa Special Economic Zone in 2015, and has been providing insurance services in the zone. In December 2018, together with Myanma Insurance, and Myanma Agricultural Development Bank, which provides loans to farmers, Sompo Japan Nipponkoa launched a pilot project for the “Weather Index Insurance” for the farmers, one of the major industries in Myanmar.

### 2. Background of acquisition of provisional approval to form a Joint Venture

Since Sompo Japan Nipponkoa signed a memorandum of understanding on business cooperation with AYA Myanmar Insurance, which is predecessor company of AMGI, in 2016, we have built a close relationship through deepening the interaction, holding training and providing technical advice. In response to the commencement of non-life insurance market liberalization process by MoPF in January 2019, Sompo Japan Nipponkoa and AMGI applied for approval of a joint venture with the following essential points: (1) subscription of newly issued shares of AMGI for 15% by Sompo Japan Nipponkoa at the first stage and contribution by active management participation including the selection and dispatch of multiple directors; (2) increasing shareholding of Sompo Japan Nipponkoa to 35% within 2 years of the first stage; (3) the bancassurance business through the network of AYA Bank, the second-largest commercial bank in Myanmar, as a main business of joint venture.

### 3. Future

Sompo Holdings will proceed with the application process toward the establishment of a joint venture between Sompo Japan Nipponkoa and AMGI.

#### 【 Outline of AMGI】

(1) Name of firm	AYA Myanmar General Insurance Company Limited
(2) Address	No.23, Kan Yeik Thar Road, Tha Pyay Gone Ward, Mingalar Taung Nyunt Township, Yangon (East), Yangon, Myanmar
(3) Business description	Non-life insurance business
(4) Chairman	U Zaw Zaw
(5) Gross written premium	About 11.9 billion kyat (about 0.9 billion yen) <sup>*1</sup> (Fiscal year ended March 2019)
(6) Year of establishment <sup>*2</sup>	2018
(7) Number of employees <sup>*3</sup>	475

\*<sup>1</sup> Conversion at an exchange rate of 1 kyat = 0.0730 yen

\*<sup>2</sup> Prior to the liberalization of Myanmar insurance market, AYA Myanmar Insurance established AYA Myanmar General Insurance Company Limited as a non-life insurance company and AYA Myanmar Life Assurance Company Limited as a life insurance company in 2018 due to the request of splitting their composite license into non-life and life insurance business by MoPF.

\*<sup>3</sup> As of the end of March, 2019