Hello, everyone.

Thank you very much for taking the time out of your busy schedule to participate in today’s conference call regarding the agreement to acquire Transverse, a fronting company in the U.S. MGA market, despite the short notice.

In this conference call, I will explain the background of recently announced acquisition of Transverse, its strategic significance for our group, and the expected effects.

The acquisition will give our company access to a wider range of products and channels in the U.S. market, where it is seeking to expand its business base, and we believe that acquiring a strong platform to capture the growth of the U.S. property and casualty insurance market, which is expected to continue to expand in the future, is another step for our company in its quest to become one of the world’s leading insurance and finance groups.

Now, let me explain.
MS&AD Group Overview

**Holding company**

**Domestic Non-Life**
- Mitsui Sumitomo Insurance
- Aioi Nissay Dowa Insurance
- Mitsui Direct General Insurance

**Domestic Life**
- Mitsui Sumitomo Aioi Life Insurance
- Mitsui Sumitomo Primary Life Insurance

**International**
- Non-Life Insurance
  - Asia
  - Europe
  - Americas
  - Telematics and Mobility
  - Head Office Reinsurance
- Life Insurance

**Financial Services**

**Risk-Related Services**
Abbreviations of company names used in this presentation

MS&AD Holdings, Holding Company: MS&AD Insurance Group Holdings, Inc.
MS&AD: MS&AD Insurance Group
Mitsui Sumitomo Insurance, MS: Mitsui Sumitomo Insurance Co., Ltd.
Transverse: Transverse Insurance Group, LLC
AUL: MS Amlin Underwriting Limited
AAG: MS Amlin AG
TIMS: Toyota Insurance Management Solutions USA, LLC
MSMM: Mitsui Sumitomo Marine Management (U.S.A.), Inc.

Caution about forward-looking statements

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This presentation has been prepared, in any jurisdiction, for the purpose of publicly announcing the acquisition of shares by Mitsui Sumitomo Insurance Company, Limited ("MSI"), a subsidiary of MS&AD Insurance Group Holdings, Inc. ("MS&AD Holdings"). MS&AD Holdings and MSI collectively, "MS&AD") which results in the change of subsidiary of MSI, and not for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan.
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This presentation contains forward-looking statements. These forward-looking statements are based on MS&AD’s current assumptions, expectations and beliefs in light of the information currently possessed by it and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause MS&AD’s actual results, financial position or cash flows to be materially different from any future results, financial position or cash flows expressed or implied by these forward-looking statements. These risks, uncertainties and other factors include those contained in the MS&AD’s latest Annual Securities Report and Quarterly Securities Report etc., and MS&AD undertakes no obligation to publicly update or revise any forward-looking statements.
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2. Overview of the Acquisition

3. Corporate Profile of Transverse

4. Strengths of Transverse
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5. Transverse’s Growth Going Forward

6. Strategic significance of the Acquisition of Transverse
   - (1) Strategic expansion into the United States
   - (2) Synergies to strengthen the business foundation and expand business opportunities

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- Fronting Business Model (Illustration)
- Overview of U.S. MGA & Fronting business
- Structure of the Transverse Group
- Transverse senior management
In our group, we currently have a well-balanced portfolio in Asian, European and American markets, but given that the U.S. market accounts for more than 40% of the global non-life insurance market and continues to grow, we believe it is necessary to strengthen our business base in the U.S. With this in mind, we have been looking for business investment opportunities that would allow us to capture a good portfolio of U.S. specialties and niche markets.

In the United States, the Managing General Agent, "MGA," which is authorized by insurance companies to conduct underwriting activities such as insurance sales and contract management, has been increasing its presence as an underwriting and sales channel in recent years. The market size of MGA has also expanded to about 9 trillion yen in 2021 by picking up needs by segments such as various industries and regions and offering a wide variety of products, and we expect to see significant growth in the future.

The CEO of AUL, Johan Slabbert, is from AIG and has knowledge and contacts in the U.S. MGA market, while the CEO of Transverse is also from AIG and has a long relationship with Johan. Using Johan’s knowledge and personal connections, we have been including Transverse in our monitoring list for more than a year to follow its trends and performance.

As a result, based on the fact that the company’s business was on track and growing rapidly in 2021, that the company is on track to meet its plans in 2022, and that the company’s shareholders intend to sell the company, we have initiated direct negotiations and have now reached an agreement to acquire the...
Transverse itself is not an MGA, but an insurance company that intermediates MGA underwritten policies to reinsurers, referred to in the industry as a fronting insurance company. With a strong network of many MGAs and deep knowledge of the MGA market, it will become a platform to underwrite a wide variety of industries, regions and categories.

The strategic significances of this acquisition are thee points:

1. Strengthening and expanding our business base in the United States
2. Increase operational efficiency and revenue opportunities through group synergies
3. Allocating capital to high-growth businesses

For the details, I'll explain more later.
Next, see page 5.

Let me give you an overview of the acquisition of Transverse.

MSI or its U.S. subsidiary will acquire the entire units from Virgo Transverse Core and other unitholders to make Transverse a 100% subsidiary.

The purchase price is 400 million US dollars, approximately 53.8 billion Japanese yen. There is a balance adjustment clause based on net assets as of the end of December 2022, when the acquisition is expected to close, and a so-called earn-out clause, in which additional payments are made if the business is performing well after the acquisition.

The P/E ratio based on the 2023 profit forecast is about 12.

Cash on hand will be used to finance the acquisition.

Today, our company reached a basic agreement to acquire Transverse, which is expected to close at the end of December 2022, subject to approvals from related regulators.
Next, I will give an overview of Transverse.

See page 6.

The company was founded in June 2018 and started operations in 2019, with gross premiums growing to US $222 million in 2021.

On the other hand, unlike regular insurance companies, the business model is to cede most of the risks to reinsurers, so the net earned premium is only $3 million.

In addition, 2021 is third year of operation, a growth period, and Transverse is still at a stage before the bottom line emerges positive, but we will discuss the earnings outlook later.
Transverse is one of the leading fronting companies in the U.S. MGA market.

In the United States, there is the admitted market and Excess & Surplus, the so-called E & S market, which underwrites risks that are difficult to underwrite in the admitted market and require high levels of expertise under more lenient supervision.

In recent years, the MGA market has been expanding rapidly due to the continued hardening of the E & S market, the transfer of professional talent to MGA, and a number of moves to create MGA independently. There is also a burgeoning number of fronting companies that connect MGA with reinsurance capacity, with insurance licenses in states across the country.

For more on the growth of the MGA market, see page 17.
It grew at a CAGR of 12% between 2010 and 2021, and with it, the underlying premiums written by fronting companies grew rapidly at a CAGR of 32% between 2016 and 2021.

Transverse is one of the major players in that market. A fronting company can generate a stable profit with an earnings structure in which most risks are ceded to reinsurers and fee income is earned without much risk-taking of insurance risks.

To deal with MGA, Transverse has introduced a mechanism whereby a MGA establishes a captive insurance company to underwrite its own risks and the MGA retains some of those risks through reinsurance. As a result, MGA shares a
portion of the risk and underwriting profit from the policies designed and offered by MGA itself, which provides an incentive for disciplined underwriting, thereby providing underwriting capacity and making it easier for MGA to gain the trust of reinsurance companies that ultimately take most of risks, and building a win-win-win relationship between MGA, Transverse and the reinsurance companies.

Transverse’s main source of earnings is fronting fee income, but of the risks underwritten, it is possible to hold a limited portion of the good risks and earn an underwriting profit.

With its insurance licenses in all 50 states, Transverse is highly competitive as a fronting company in being able to take on risk in a variety of lines of business in each state.

And Transverse’s greatest strength is its deep knowledge of the MGA market and its strong network of relevant parties. The top management of Transverse is outlined in a 19 page supplement, but CEO Erick Matson, who served as head of the MGA division of the Lexington, AIG Group, has a very robust network in the inner circle of the U.S. MGA industry. Transverse’s top management will continue to be in charge after the acquisition.
Next, I will talk about the process of selecting an MGA that will be the cornerstone of Transverse's business acquisition.

See page 8.

While Transverse already has a network with many MGAs through its top management networks, it also has new routes to explore MGAs based on strong relationships with brokers and reinsurers.

In particular, by instilling Transverse's business model in reinsurance brokers in the years since its establishment, we have established a mechanism for bringing in many referrals.

With regard to the cases referred, careful screening will be arranged. In the first screening, Transverse check whether each case matches the underwriting appetite, whether Transverse can expect stable income premiums, the orientation of the MGA, etc.

In the second screening, further detailed due diligence is carried out to finalize the reinsurance scheme and arrange underwriting guidelines, and the final contract is concluded.

This careful process reduces the number of deals that are actually closed to about 10% to 20% of those that are referred, but it keeps Transverse in good standing with quality MGAs and possible to expand.
Transverse’s top-line and bottom-line outlook is shown on page 9.

Since the company was established in 2018, it did not make enough profit to cover operating expenses until fiscal 2021, but we expect steady profit growth from fiscal 2022.

Because fronting fee income is determined by a percentage of premiums, growth in gross premiums is key to the company’s profit growth.

In fiscal year 2022, Transverse aims to write about US $740 million in gross premiums, and as of the end of June, approximately 80% of the premium had been or were close to being concluded, so it is likely to achieve the business plans.

In addition, if you count on its existing pipeline, including expected premium growth of the existing programs and estimated new contracts with normal discount rates depending on the selection phase, Transverse is already on the track to achieve its gross premium target for fiscal 2023.
Next, I would like to discuss the strategic rationales of the acquisition of Transverse.

See page 10.

The strategic significance of the acquisition of Transverse is to expand our business base in the United States, increase earnings through group synergies, and allocate capital to high-growth businesses.
First, I would like to talk about expanding our business base in the United States.
See page 11.

Currently, our group’s U.S. operations are primarily focused on Japanese corporate clients’ businesses underwritten by MSMM, MSI’s U.S. subsidiary, MS Amlin’s local businesses underwriting mainly through reinsurance, and data business through TIMS, which is jointly established with Toyota. As a result, we had limited underwriting channels for small, high-quality local risks that did not flow into the reinsurance market.

The acquisition of Transverse will give us access to MGA’s product and portfolio in a wide variety of industries and regions, allowing us to capture the growth of the MGA market.

Transverse’s main source of profit is fronting fee income, which is not based on insurance risk-taking. The addition of a new component, fronting fee income, to our existing profit structure, which generates profits from underwriting and investment, will enable us to steadily increase profits in our U.S. business.
The second effect is to strengthen our base and expand our profit opportunities through group synergies.

See page 12.

Currently, Transverse is rated A- by AM Best. Being a member of our group with A+ rating by AM Best is expected to enhance the company's creditworthiness and strengthen its competitiveness as a fronting company.

In addition, we will use Transverse as a platform to grow in the MGA market and gain access to an outstanding portfolio that meets our group's risk appetite, with the aim of increasing underwriting profits in our group.

In addition, insurance companies in the United States often have multiple insurance companies in their group that have various underwriting licenses in each state, and those are managed by a management company in a centralized manner. Our company's current U.S. entity and Transverse have a similar structure, and we hope to improve operational efficiency by utilizing the functions of management company and introducing shared services.

We are not yet at the stage to show the quantitative effects of group synergies in this regard, but after the completion of the acquisition, we will plan specific initiatives with Transverse and realize many synergies.
Finally, we will discuss the impact on Group Adjusted profit / IFRS net profit and adjusted ROE.

See page 13.

We expect an impact of approximately US $30 million on Group Adjusted profit in fiscal 2023 and approximately US $60 million on IFRS net profit in fiscal 2025.

The adjusted ROE is estimated to increase by 0.1% in fiscal 2023 and by 0.2% in fiscal 2025.
As I said at the beginning, Transverse will be a platform that gives our company access to MGA’s specialty niche markets in the United States.

We included Transverse CEO Erick Matson’s comments on this transaction on page 14 of our materials, and Transverse is very excited to be a part of and grow with our group.

As the head of international business, I am very pleased and encouraged to welcome Transverse to our group, a company with trustable top management who have built strong relationships with us, and can discuss our group’s future growth together.

With this acquisition, I believe we have made another significant step toward becoming one of the world’s leading insurance and financial groups.

As our group strives to further enhance its corporate value by taking advantage of this U.S. expansion platform, we ask our shareholders and investors for their continued support.

That concludes my explanation.
Appendix
[Reference] Fronting Business Model (Illustration)

**Fronting company**
- Insurance licenses in each state in US
- Underwriting decision function (MGA selection, risk retention etc.)
- Claims service function

**Value to MGAs**
- Program-specific reinsurance panel and capacity provision
- Support for building system for Claims & other services

Gain both fronting fee (around 4-6% of gross premium) and underwriting profit

**Value to reinsurers**
- Profitable risks from distinguished MGAs

**MGA**
Provision of underwriting capacity / Agency commission

**Underwriting**

**Reinsurer**
Provision of reinsurance capacity / Fronting fee (Reinsurance commission)

MS&AD Insurance Group Holdings, Inc.
The size of the U.S. MGA in 2021 was **US$65 billion** (around JPY 9 trillion), around **3.6x growth** from 2010.

**MGA market gross written premium**

<table>
<thead>
<tr>
<th>Year</th>
<th>Written Premium (US$)</th>
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<tbody>
<tr>
<td>2010</td>
<td>18</td>
</tr>
<tr>
<td>2012</td>
<td>27</td>
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<td>2014</td>
<td>32</td>
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<td>2016</td>
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<tr>
<td>2018</td>
<td>41</td>
</tr>
<tr>
<td>2020</td>
<td>54</td>
</tr>
<tr>
<td>2021</td>
<td>65</td>
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</table>

+12%

**MGA Premium written by Fronting Companies**

<table>
<thead>
<tr>
<th>Year</th>
<th>Written Premium (US$)</th>
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</thead>
<tbody>
<tr>
<td>2016</td>
<td>2.0</td>
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<tr>
<td>2017</td>
<td>2.7</td>
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<tr>
<td>2018</td>
<td>4.5</td>
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<td>2019</td>
<td>6.3</td>
</tr>
<tr>
<td>2020</td>
<td>6.7</td>
</tr>
<tr>
<td>2021</td>
<td>8.0</td>
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(FY 2021)

- There are more than 700 MGAs in the U.S. market, showing rapid growth.
- The E&S market, a key market for MGAs, has grown significantly.

Source: Dewey’s U.S. Fronting Market Overview History & Evolution 2021 Report

Progress in Managing General Agents Rising to the Challenge 2021 Report

- The fronting market with its techie capacities is expanding rapidly in line with continued risk diversification.
- Whilst premium written by fronting companies is still small (US$8Bn) compared to the overall size of the market, there is high potential for growth.
[Reference] Structure of the Transverse Group

Transverse Insurance Group, LLC

Insurance company
- Transverse Specialty Insurance Company*1
- Transverse Insurance Company*2
- Infinity Security Insurance Company*2

Service company
- Transverse Insurance Services, LLC*3

Asset Management and Investment Company
- Transverse Asset Management, LLC*4
- Transverse Asset Services, LLC
- Transverse Ventures Fund GP
- Transverse Ventures Fund L.P.

*1 Non-Admitted Insurance Company
*2 Admitted Insurance Company
*3 Group Back Office Function
*4 Selective investments into insure-tech startup that can generate synergy with Transverse
Transverse senior management

- Transverse’s management holds unique expertise and extensive contacts in the U.S. MGA market.
- Committed to continue managing the company post-acquisition.

<table>
<thead>
<tr>
<th>Senior Management</th>
<th>Background</th>
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<tbody>
<tr>
<td><strong>Erik Matson</strong></td>
<td></td>
</tr>
</tbody>
</table>
| Chairman and CEO        | • Co-founder  
                         | • 30 years of experience in the (re)insurance industry. Former President of AIG Americas (SME/all commercial lines) including Lexington Program Division. He has extensive network in the U.S. MGA market. |
| **David Paulsson**      |            |
| President               | • Co-founder  
                         | • 17 years of experience at Alternative-investment companies (Paragon Outcomes, Weston Capital, MayerCap, etc.)  
                         | • Founded Cedilla Capital in 2015, an investment and advisory firm. |