

Genworth Financial, Inc. and China Oceanwide transaction update

(SYDNEY) 5 January 2021: Genworth Mortgage Insurance Australia Limited (Genworth or the Company) (ASX:GMA) has been advised that Genworth Financial, Inc (GFI) has provided the attached update with regard to the pending transaction with China Oceanwide Holdings Group Co., Ltd. (Oceanwide).

The Company is a standalone subsidiary of GFI and is not a party to the merger agreement. The Company does not currently expect that the transaction update will have any material implications for it.

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The release of this announcement was authorised by the Disclosure Committee.

About Genworth

Genworth Mortgage Insurance Australia Limited (Genworth), through its subsidiary companies Genworth Financial Mortgage Insurance Pty Ltd and Genworth Financial Mortgage Indemnity Ltd (together, the Genworth Group or the Group), is the leading provider of Lenders Mortgage Insurance (LMI) in the Australian residential mortgage lending market. The Genworth Group has been part of the Australian residential mortgage lending market for over 50 years since the Housing Loans Insurance Corporation was founded by the Australian Government in 1965 to provide LMI in Australia. Genworth is currently a subsidiary of Genworth Financial, Inc. and part of the Genworth Financial, Inc. group of companies. The Genworth Financial, Inc. group of companies' current ownership interest in Genworth is approximately 52% of the issued shares in Genworth.

Genworth And Oceanwide Provide Transaction Update; Genworth To Focus on Contingency Plan

RICHMOND, Va., Jan. 4, 2021 /PRNewswire/ -- Genworth Financial, Inc. (NYSE: GNW) (Genworth, the Company) and China Oceanwide Holdings Group Co., Ltd. (Oceanwide) today provided an update on their pending transaction.

Given uncertainty around the completion and timing of the remaining steps required to close the transaction, Genworth and Oceanwide have not extended the current December 31, 2020 “end date” under the merger agreement. Oceanwide has indicated that the factors contributing to the delay since the parties agreed to their most recent extension of the merger agreement on November 30, 2020 were: (a) the finalization of the Hony Capital financing terms; and (b) the COVID-19 pandemic and associated restrictions. However, the merger agreement remains in effect, although either party is able to terminate the merger agreement at any time. Oceanwide has shared that it will continue to work towards closing the transaction, and Genworth remains open to completing the transaction if Oceanwide completes the remaining steps.

In the interim, Genworth is focusing on executing its contingency plan, including a potential partial IPO of Genworth’s U.S. Mortgage Insurance (U.S. MI) business, designed to meet its near-term liabilities of approximately \$1.0 billion of debt due in 2021. An IPO of U.S. MI will be subject to market conditions as well as the satisfaction of various conditions and approvals. The contingency plan also addresses the need to further align the Company’s expense structure with its business activities.

These steps build on the progress Genworth has already made as part of its contingency plan, including the sale of its Canadian mortgage insurance business for approximately \$1.8 billion in December 2019 and the completion of a \$750 million debt offering at the U.S. MI holding company level in August 2020. In addition, Genworth settled its litigation with AXA in July 2020.

As a result of these actions and other measures to further improve its financial position and manage its operating expenses, Genworth has reduced holding company debt over time and built a solid position of approximately \$1.0 billion in cash and liquid assets as of December 31, 2020. Approximately \$340

million of this cash balance is ring-fenced to pay for Genworth's February 2021 senior notes at maturity. As previously disclosed, Genworth intends to manage the U.S. life insurance companies on a standalone basis with no plans to infuse capital into those companies in the future, absent an Oceanwide transaction.

James Riepe, non-executive chairman of the Genworth Board, said: "When we considered our most recent extensions of the merger agreement, Genworth's Board of Directors believed we were on a path to a near-term closing based on the information we were provided. Given the most recent update, we do not believe a closing can occur in the near term. Thus, the management team will fully focus its efforts on executing our contingency plan. We appreciate the continuing patience of our shareholders, employees and other stakeholders as we continue to pursue steps that will maximize Genworth's value."

Tom McInerney, Genworth president and CEO, continued: "While we are disappointed that we could not close the transaction by the end of 2020, the parties retain the ability to ultimately complete the transaction if Oceanwide can secure the required funding and the parties can complete the remaining steps to closing, and if the transaction is still in the best interests of Genworth at that time. At the same time, we are moving forward with our contingency plan to meet our near-term obligations and maximize long-term value, which we believe is the best approach for our shareholders."

LU Zhiqiang, chairman of Oceanwide, added: "We believe the value of the transaction is significant for both parties' stakeholders, and are continuing to work towards completing the transaction with Genworth."

The transaction previously received all U.S. regulatory approvals needed to close the transaction. However, given the passage of time as well as the terms of these approvals, the parties will need to assess whether re-approvals or confirmations are necessary at the appropriate time.

Genworth will host an investor call before the market opens on January 5, 2021 to review today's announcement and address shareholder questions. A separate news release with conference call details will be forthcoming, at which time the information for the call will be available on the company's website, <http://investor.genworth.com>.

This news release is not an offer to sell, or a solicitation of an offer to buy, any securities.

About Genworth Financial

Genworth Financial, Inc. (NYSE: GNW) is a Fortune 500 insurance holding company committed to helping families achieve the dream of homeownership and address the financial challenges of aging through its leadership positions in mortgage insurance and long term care insurance. Headquartered in Richmond, Virginia, Genworth traces its roots back to 1871 and became a public company in 2004. For more information, visit genworth.com.

From time to time, Genworth releases important information via postings on its corporate website. Accordingly, investors and other interested parties are encouraged to enroll to receive automatic email alerts and Really Simple Syndication (RSS) feeds regarding new postings. Enrollment information is found under the "Investors" section of genworth.com. From time to time, Genworth's publicly traded subsidiary, Genworth Mortgage Insurance Australia Limited, separately releases financial and other information about its operations. This information can be found at <http://www.genworth.com.au>.

About Oceanwide

Oceanwide is a privately held, family owned international financial holding group founded by LU Zhiqiang. Headquartered in Beijing, China, Oceanwide's well-established and diversified businesses include operations in financial services, energy, technology information services, culture and media, and real estate assets globally, including in the United States.

Oceanwide is the controlling shareholder of the Shenzhen-listed Oceanwide Holdings Co., Ltd. and Minsheng Holdings Co. Ltd.; the Hong Kong-listed China Oceanwide Holdings Limited and China Tonghai International Financial Limited (formerly known as Quam Limited); the privately-held International Data Group, Minsheng Securities, Minsheng Trust, and Asia Pacific Property & Casualty Insurance. China Oceanwide also is a minority investor in Shanghai-listed China Minsheng Bank and Hong Kong-listed Legend Holdings. In the United States, Oceanwide has real estate investments in New York, California, and Hawaii. Businesses controlled by Oceanwide have more than 10,000 employees globally.

Cautionary Note Regarding Forward-Looking Statements

This communication includes certain statements that may constitute "forward-looking statements" within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements may be identified by words such as "expects," "intends," "anticipates," "plans," "believes," "seeks," "estimates," "will" or words of similar meaning and include, but are not limited to, statements

regarding the potential termination, extension or closing of the transaction with Oceanwide, Oceanwide's funding plans and regulatory approvals in the event an extension is pursued, actions Genworth may take to align its expense structure with anticipated business needs and transactions Genworth is pursuing to address its near-term liabilities and financial obligations, which may include additional debt financing and/or transactions to sell a percentage of its ownership interests in its mortgage insurance businesses. Forward-looking statements are based on management's current expectations and assumptions, which are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Actual outcomes and results may differ materially from those in the forward-looking statements and factors that may cause such a difference include, but are not limited to, risks and uncertainties related to: (i) the risk that Oceanwide and/or Genworth determines to terminate the merger agreement or that Oceanwide will be unable to complete funding and that the transaction with Oceanwide may not be completed in a timely manner or at all, any of which may adversely affect Genworth's business and the price of Genworth's common stock, and the risk that Genworth will be unable to address its near-term liabilities and financial obligations, including the risks that it will be unable to raise additional debt financing and/or sell a percentage of its ownership interest in its U.S. mortgage insurance business to repay the promissory note to AXA S.A. or refinance its debt maturing in 2021 or beyond; (ii) the parties' inability to obtain regulatory approvals, clearances or extensions, or the possibility that such regulatory approvals or clearances may further delay the transaction with Oceanwide, to the extent the transaction is pursued or that materially burdensome or adverse regulatory conditions may be imposed or undesirable measures may be required in connection with any such regulatory approvals, clearances or extensions (including those conditions or measures that either or both of the parties may be unwilling to accept or undertake, as applicable) or that with continuing delays, circumstances may arise that make one or both parties unwilling to proceed with the transaction with Oceanwide or unable to comply with the conditions to existing regulatory approvals or one or both of the parties may be unwilling to accept any new condition under a regulatory approval; (iii) the risk that the parties will not be able to obtain other regulatory approvals, approvals, clearances or extensions, including in connection with a potential alternative funding structure or the current geopolitical environment, or that one or more regulators may rescind or fail to extend existing approvals, or that the revocation by one regulator of approvals will lead to the revocation of approvals by other regulators; (iv) the parties' inability to obtain any necessary regulatory approvals, clearances or extensions for the post-closing capital plan, and/or the risk that a condition to the closing of the transaction with Oceanwide may not be satisfied or that a condition to closing that is currently satisfied may not remain satisfied due to the delay in closing the transaction with Oceanwide or that the parties are unable to agree upon a closing date following receipt of all regulatory approvals and clearances; (v) potential legal proceedings that may be instituted against Genworth related to the transactions with Oceanwide; (vi) the risk that the proposed transaction or its termination disrupts Genworth's current plans and operations as a result of the announcement and consummation of the transaction; (vii) potential adverse reactions or changes to Genworth's business relationships with clients, employees, suppliers or other parties or other business uncertainties resulting from the announcement of the transaction or during the pendency of the transaction or as a result of the termination of the transaction, including but not limited to such changes that could affect Genworth's financial performance; (viii) certain restrictions during the pendency of the transaction that may impact Genworth's ability to pursue certain business opportunities or strategic transactions; (ix) continued availability of capital and financing to Genworth before the consummation of the transaction; (x) further rating agency actions and downgrades in Genworth's financial strength ratings; (xi) changes in applicable laws or regulations; (xii) Genworth's ability to recognize the anticipated benefits of the transaction; (xiii) the amount of the costs, fees, expenses and other charges related to the transaction or the potential inability to significantly reduce costs in connection with any proposed resource alignment; (xiv) the risks related to diverting management's attention from Genworth's ongoing business operations; (xv) the impact of changes in interest rates and political instability; and (xvi) other risks and uncertainties described in the Definitive Proxy Statement, filed with the SEC on January 25, 2017, and Genworth's Annual Report on Form 10-

K, filed with the SEC on February 27, 2020. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Consequences of material differences in results as compared with those anticipated in the forward-looking statements could include, among other things, business disruption, operational problems, financial loss, legal liability to third parties and similar risks, any of which could have a material adverse effect on Genworth's consolidated financial condition, results of operations, credit rating or liquidity. Accordingly, we caution you against relying on any forward-looking statements. Further, forward-looking statements should not be relied upon as representing Genworth's views as of any subsequent date, and Genworth does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

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