

November 30, 2020



# Genworth and Oceanwide Announce NDRC Re-Approval of Transaction

RICHMOND, Va. and BEIJING, Nov. 30, 2020 /PRNewswire/ -- Genworth Financial, Inc. (NYSE: GNW) and China Oceanwide Holdings Group Co. Ltd (Oceanwide) announced that their transaction has received confirmation of the extension of the acceptance of filing from the National Development and Reform Commission (NDRC) in China. With NDRC's re-approval, Oceanwide will now move forward with the few remaining regulatory steps required to close the transaction, including seeking clearance for currency conversion and transfer of the balance of the transaction funds from SAFE and obtaining confirmation from the Delaware Department of Insurance that the acquisition of Genworth's Delaware-domiciled insurer may proceed under the existing approval.

To allow additional time for Oceanwide to complete these final steps, the parties are working on an extension of the waiver and agreement of each party's right to terminate their previously announced merger agreement until not later than Dec. 31, 2020. The parties are also working on a 90-day extension of each of the three \$500 million tranches under the post-close Oceanwide capital plan.

"We are encouraged that Oceanwide continues to make progress on the remaining steps needed to complete the transaction," said Tom McInerney, Genworth president and CEO. "Although I am disappointed we could not close by November 30, we are hopeful that we can close in the first half of December, but have agreed to an end date of December 31, 2020 to allow more time for the remaining regulatory approvals to be achieved."

"Securing these last few remaining regulatory approvals and finalizing our financing are important milestones in our efforts to close our transaction and fulfill our vision of bringing long term care insurance to China," said LU Zhiqiang, chairman of Oceanwide. "We look forward to working with Genworth to complete the remaining steps required to close the transaction in December."

The transaction previously received all U.S. regulatory approvals needed to close the transaction, subject to confirmation from the Delaware Department of Insurance that the acquisition of Genworth's Delaware-domiciled insurer may proceed under the existing approval. With respect to other recent regulatory matters: FINRA has confirmed that the transaction may close under FINRA Rule 1017(c) prior to receiving its final approval; the GSEs have re-approved the transaction, subject to certain conditions, and the parties will seek their non-objection to the adjusted capital contributions schedule; and the North Carolina Department of Insurance extended its previously-granted approval through January 24, 2021. Oceanwide now needs to receive clearance for currency conversion and transfer of funds from SAFE. All other required approvals and clearances have been secured.

## **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](http://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](http://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 closing of the transaction with Oceanwide, Oceanwide's funding plans 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 will be unable to complete funding and that the transaction with Oceanwide may not be completed in a timely manner or at all, 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 or will not be received prior to December 31, 2020 (and either or both of the parties may not be willing to further waive their end date termination rights beyond December 31, 2020) 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 geo-political 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 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, 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; (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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