

Enact Mortgage Insurance Completes XOL Reinsurance Transaction as Part of its Diversified Credit Risk Transfer Program

September 19, 2022

Secures approximately \$201 million of excess of loss reinsurance coverage from panel of reinsurers

RALEIGH, N.C., Sept. 19, 2022 (GLOBE NEWSWIRE) -- **Enact Holdings, Inc. ("Enact")**, a leading provider of private mortgage insurance through its insurance subsidiaries, today announced that its flagship legal entity, Enact Mortgage Insurance Corporation, has secured approximately \$201 million of additional excess of loss ("XOL") reinsurance coverage. This credit risk transfer (CRT) transaction covers a portfolio of existing mortgage insurance policies written from January 1, 2022 through June 30, 2022, and is effective September 1, 2022. Reinsurance coverage is provided by a panel of reinsurers each currently rated "A-" or better by Standard & Poor's or A.M. Best Company, Inc.

"We are pleased to have completed our third XOL reinsurance transaction this year, which further demonstrates our success in accessing the capital and reinsurance markets," said Rohit Gupta, President and CEO of Enact. "Securing additional reinsurance coverage is an important part of our CRT program and serves to enhance our capital efficiency and ability to distribute and minimize credit risk. Our growth and risk management strategy continues to be supported by Enact's strong capital position as we generate value for our shareholders while advancing our purpose of helping people responsibly achieve their homeownership goals."

This latest CRT transaction follows two XOL reinsurance transactions executed in January and March of 2022.

Since 2015, Enact has executed approximately \$4.6 billion of CRT transactions, including approximately \$2.8 billion of reinsurance coverage with highly rated reinsurers and approximately \$1.8 billion through our Triangle Re mortgage insurance linked note platform.

Forward Looking Statements:

This communication contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act. These forward-looking statements may address, among other things, our expected financial and operational results, the related assumptions underlying our expected results, and the quotations of management. These forward-looking statements are distinguished by use of words such as "will," "may," "would," "anticipate," "expect," "believe," "designed," "plan," "predict," "project," "target," "could," "should," or "intend," the negative of these terms, and similar references to future periods. These views involve risks and uncertainties that are difficult to predict and, accordingly, our actual results may differ materially from the results discussed in our forward-looking statements. Our forward-looking statements contained herein speak only as of the date of this press release. Factors or events that we cannot predict, including uncertainty around Covid-19 and the effects of government and other measures seeking to contain its spread; risks related to an economic downturn or recession in the United States and in other countries around the world; changes in political, business, regulatory, and economic conditions; changes in or to Fannie Mae and Freddie Mac (the "GSEs"), whether through Federal legislation, restructurings or a shift in business practices; failure to continue to meet the mortgage insurer eligibility requirements of the GSEs; competition for customers; lenders or investors seeking alternatives to private mortgage insurance; an increase in the number of loans insured through Federal government mortgage insurance programs, including those offered by the Federal Housing Administration; and other factors described in the risk factors contained in our 2021 Annual Report on Form 10-K and other filings with the Securities and Exchange Commission, may cause our actual results to differ from those expressed in forward-looking statements. Although Enact believes the expectations reflected in such forward-looking statements are based on reasonable assumptions, Enact can give no assurance that its expectations will be achieved and it undertakes no obligation to update publicly any forward-looking statements as a result of new information, future events, or otherwise, except as required by applicable law.

About Enact Holdings, Inc.

[Enact](#) (Nasdaq: ACT), operating principally through its wholly-owned subsidiary Enact Mortgage Insurance Corporation since 1981, is a leading U.S. private mortgage insurance provider committed to helping more people achieve the dream of homeownership. Building on a deep understanding of lenders' businesses and a legacy of financial strength, we partner with lenders to bring best-in-class service, leading underwriting expertise, and extensive risk and capital management to the mortgage process, helping to put more people in homes and keep them there. By empowering customers and their borrowers, Enact seeks to positively impact the lives of those in the communities in which it serves in a sustainable way. Enact is headquartered in Raleigh, North Carolina.

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