



GWG HOLDINGS ANNOUNCES NEW LIFE EXPECTANCY METHODOLOGY

Results from Life Expectancy Providers Announced Updates and Changes

Significantly Improves Actual-to-Expected Predictive Power

Implementation Results in a Non-Cash, Non-Recurring Charge of \$84 million in Q4 2018

MINNEAPOLIS, April 15, 2019 -- GWG Holdings, Inc. (Nasdaq: GWGH) today announced that it has adopted a new life expectancy methodology going forward based upon using the longest life expectancy report received from the life expectancy providers used for pricing at the time a life insurance policy is purchased.

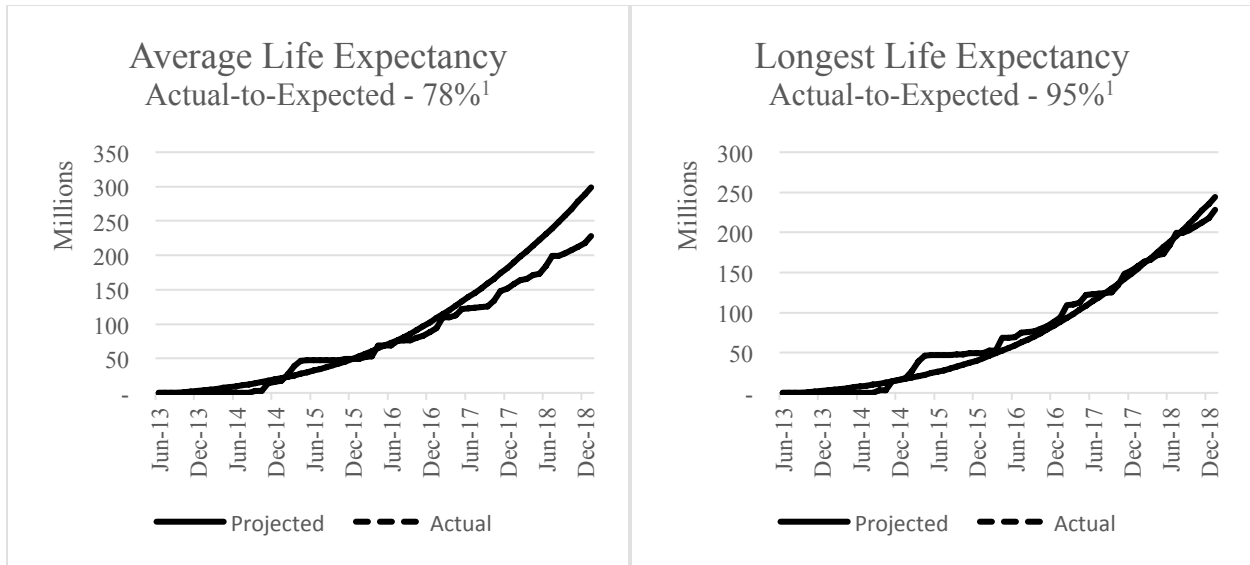
The change results from updates announced by two of the Company's and the industry's primary life expectancy providers - ITM TwentyFirst, LLC and AVS, LLC. The Company, along with other major secondary market participants, has noted the frequent changes in methodologies made by the life expectancy providers over the years that, short of purchasing revised life expectancy reports at a substantial cost, have lacked detailed information about the impact of these changes on individual policy values.

As a result, the Company undertook a comprehensive study to determine a more accurate, transparent and cost-effective method of pricing, valuing, and modeling the performance of its portfolio of life insurance. The Company's goal was to incorporate life expectancy estimates from life expectancy providers, the historical experience of the portfolio, the diversification and mortality factors of the portfolio, and relevant market-based observations and inputs.

The Company believes it has succeeded in creating and validating such an approach which is referred to as the "Longest Life Expectancy" method.

After extensive research and modelling, the Company found that the Longest Life Expectancy methodology was highly predictive of the actual experience of its portfolio of life insurance policies as compared to its historical methodology that has in the past been typically based upon the average of two life expectancy reports received from Life Expectancy Providers (Average Life Expectancy).

The tables below compare the actual-to-expected mortality cash flow experience of our life insurance portfolio using Average Life Expectancy and Longest Life Expectancy.



(1) Quarterly cash flow weighted average

While implementation of the Longest Life Expectancy methodology will require the Company to take a non-cash, non-recurring charge of \$84 million, reflecting a decrease in the fair market value of the portfolio at December 31, 2018 (or approximately 10 percent of the fair market value of the portfolio prior to adjustment), the Company believes that a Longest Life Expectancy should minimize future fluctuations of valuation, decrease its reliance on Life Expectancy Providers for updated life expectancy reports, and improve its ability to finance and forecast future revenues and earnings.

Additional details regarding the information about this change will be filed on a Form 8-K with the Securities and Exchange Commission.

About GWG Holdings, Inc.

GWG Holdings, Inc. (Nasdaq:GWGH), is the parent company of GWG Life, Life Epigenetics and YouSurance. GWG Life is a leading provider of liquidity to owners of life insurance in the secondary market. GWGH owns a portfolio of alternative life insurance assets equaling \$1.96 billion in face value of policy benefits as of September 30, 2018. [Life Epigenetics](#) is commercializing epigenetic technology for the longevity life insurance industry and other industries. [YouSurance](#) is a digital life insurance agency working to embed epigenetic testing into life insurance products to provide consumers a value-added ecosystem that supports their health and wellness. For more information about GWG, visit www.gwgh.com.

Forward-Looking Statements

Certain information contained in this press release contains “forward-looking information,” including future-oriented financial information under applicable securities laws (collectively referred to herein as “forward-looking statements”). Except for statements of fact, information contained herein constitutes forward-looking statements and includes, but is not limited to, the (i) projected financial performance of Beneficient and/or GWG Holdings; (ii) completion of the transaction described herein; (iii) the expected development of the business of Beneficient and/or GWG Holdings; and (iv) the execution of the business plans and strategies of Beneficient and/or GWG Holdings. Forward-looking statements are provided to

allow potential investors the opportunity to understand management's beliefs and opinions in respect of the future so that they may use such beliefs and opinions as one factor in evaluating this information as a whole.

These statements are not guarantees of future performance and undue reliance should not be placed on them. Any forward-looking statements necessarily involve known and unknown risks and uncertainties, any of which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or result expressed or implied by forward-looking statements. Examples of the kinds of risks facing GWG Holdings can be found in GWG Holdings' Annual Report on Form 10-K (risk factors) for the year ended December 31, 2016, Quarterly Reports on Form 10-Q for the periods ended March 31, June 30 and September 30, 2017.

Although forward-looking statements contained in this press release are based upon what management believes are reasonable assumptions, there can be no assurance that forward-looking statements will prove to be accurate. GWG Holdings undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. Accordingly, readers are cautioned not to place undue reliance on the forward-looking statements contained in this press release.

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