



# GROUP1001

Delaware Life Insurance Company  
Investor Presentation  
Q1 2025

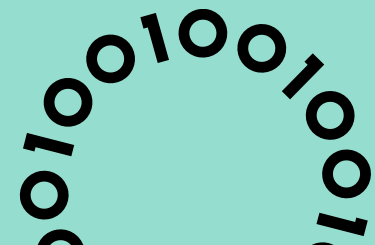
# Legal Notice

- This presentation is for informational purposes only for institutional investors and prospective investors.
- The information contained herein should not be relied upon as investment, legal, accounting, or tax advice.
- All financial information presented in this document relates only to Delaware Life Insurance Company (“DLIC”) and is prepared in conformity with the statutory accounting principles applicable to DLIC, which differs in certain respects, some of which may be material, from generally accepted accounting principles in the United States (U.S. GAAP).
- Financial data presented is as of Q1 2025, unless otherwise noted.
- Certain of the financial information contained herein is unaudited, including but not limited to the information in this presentation with respect to Q1 2025.
- DLIC is required to report risk-based capital (“RBC”) data, including its company action level RBC ratio (“RBC Ratio”), to the Delaware Department of Insurance (“DE DOI”) annually. The DE DOI uses RBC data as a regulatory tool to identify possible inadequately capitalized insurers. Reference to DLIC’s RBC Ratio in this presentation is intended solely for informational purposes for institutional investors and prospective institutional investors, and not for the use or disclosure by those engaged in the insurance business.

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# Business Highlights



# Business Highlights

## Financial Highlights

As of	3/31/2025	12/31/2024
Total Admitted Assets	\$52.2 bn	\$51.4 bn
Total Invested Assets <sup>(1)</sup>	\$30.8 bn	\$29.8 bn
Capital & Surplus	\$2.9 bn	\$2.9 bn
Total Adjusted Capital ("TAC") <sup>(2)</sup>	\$3.4 bn	\$3.3 bn
Risk-Based Capital ("RBC") Ratio <sup>(3)</sup>	Annual Only	Exceeds Target
Q1 2025		Q1 2024
Total Sales	\$1.7 bn	\$3.1 bn
Pre-Tax Operating Earnings	\$134 mm	\$103 mm
Net Income	\$129 mm	\$33 mm
3/31/2025		3/31/2024
Net Investment Earned Rate ("NIER") <sup>(4)</sup>	6.98%	6.65%

## Financial Strength Rating

Fitch	A.M. Best	Standard & Poor's
A-	A-	A-
Stable	Stable	Stable

More than **319,000** active annuity and life insurance policies

## Annual Overview

### Sales & Distribution

- Q1 2025 sales for DLIC were \$1.7 bn, down from \$3.1 bn in Q1 2024. Prior year had elevated sales from processing business back-logged from the end of 2023. Q1 2025 sales were also impacted by a decrease in the overall annuity market.
  - Fixed Index Annuity ("FIA") sales of \$518 mm were slightly higher than Q1 2024 sales of \$502 mm.
  - Fixed Annuity ("FA") sales were \$854 mm, down from Q1 2024 of \$2.4 bn due to the additional back-log processing in the prior year.
  - Variable Annuity ("VA") sales were \$56 mm, an increase of 24% compared to Q1 2024.
- Renewed and issued a total of \$235 mm of Capital Market products (i.e., Federal Home Loan Bank ("FHLB") funding agreements).
- Launched new FIA product in Q1 2025 which offers the flexibility to choose growth and lifetime income strategies.

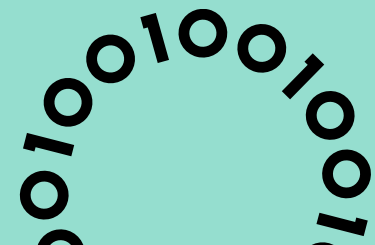
**Investments** continued to outperform with a NIER of 6.98%, well above industry average and peers, while maintaining an average A-rated investment portfolio. The high-quality portfolio is well matched to liabilities.

**Net Income** of \$129 mm was strong for Q1 2025 with an increase of \$96 mm compared to Q1 2024. Earnings increased from favorable investment spread, a significant decrease in tax expense, and an increase in VA income. These were somewhat offset by higher operating expenses from growth in the overall business.

### Capital and Surplus

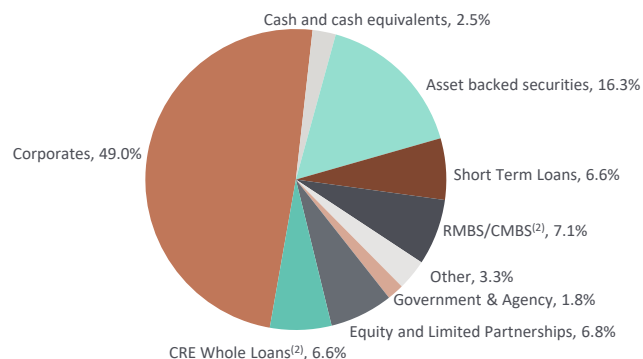
- Continued formation of capital from strong earnings

# Investments Overview

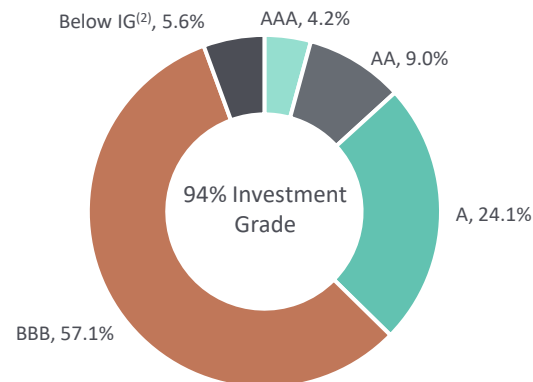


# Investment Portfolio Overview

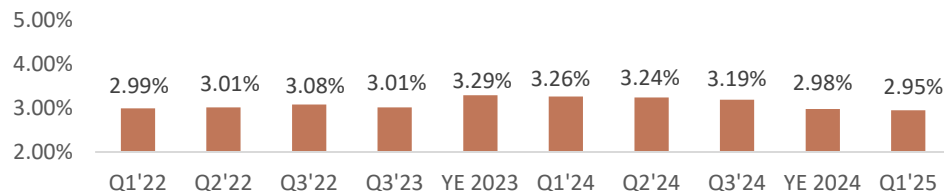
Portfolio Allocation as of 3/31/2025: \$30.8 bn <sup>(1)</sup>



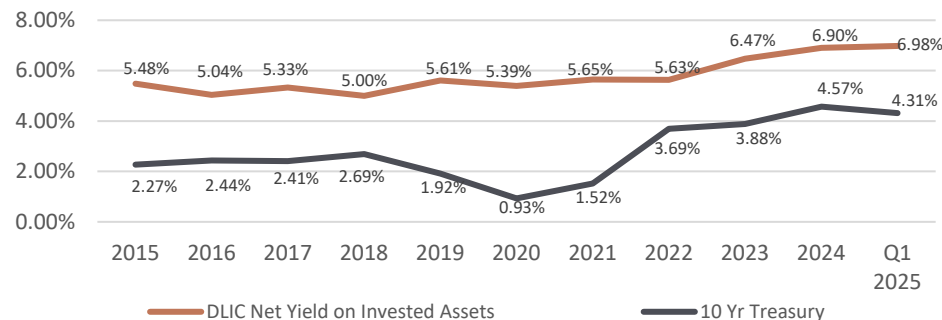
NRSRO<sup>(3)</sup> Composition as of 3/31/2025



Spread Over Time <sup>(4)</sup>



DLIC Investment Performance

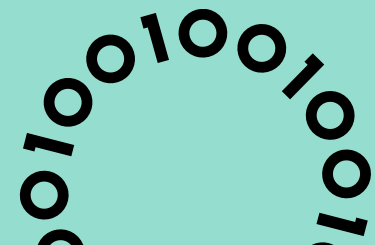


Key Considerations

- ✓ Posted strong NIER <sup>(5)</sup> of 6.98%, above industry average, generating an increase of 33 bps compared to prior year.
- ✓ Maintained robust net investment spread <sup>(4)</sup> of 2.95%.
- ✓ Increased YTD net investment income <sup>(6)</sup> by 22% year-over-year.
- ✓ Maintained a well-matched portfolio; duration of assets within 0.4 years of liabilities.
- ✓ Highly-diversified portfolio across sectors, with weighted average credit rating of A-.

(1) This is a management adjusted figure; refer to the appendix for additional details on the adjustments to Invested Assets. (2) "CMBS" is commercial mortgage-backed securities, "CRE" is commercial real estate, "RMBS" is residential mortgage-backed securities, and "IG" is investment grade. (3) "NRSRO" is Nationally Recognized Statistical Ratings Organization. NRSRO rating is based on the second lowest S&P equivalent when two or more ratings are present, consistent with the Purposes and Procedures Manual of the NAIC Investment Analysis Office. Only assets with NRSRO ratings are displayed. (4) Spread is calculated using a trailing 12 months NIER and contractual crediting rates. Spread represents NIER over contractual crediting rates. (5) NIER is computed as the income from Invested Assets divided by the average Invested Assets (trailing 12 months of income is used in the calculation). (6) A reconciliation of the current YTD investment income to the Blue Book is presented in the appendix section.

# Product, Distribution, and Liability Profile

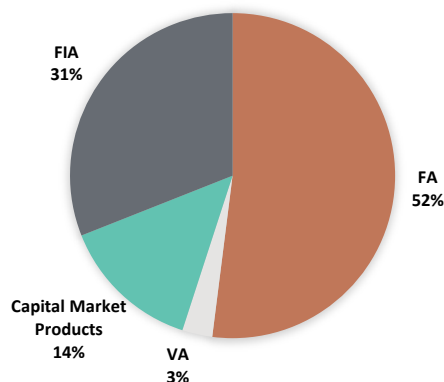




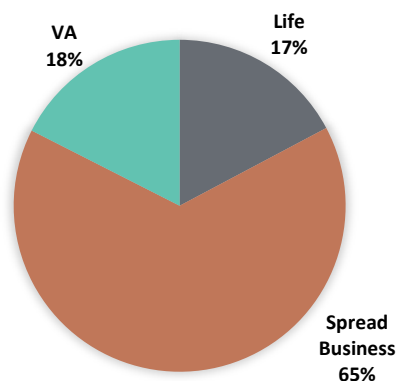
# Diversified Portfolio of Products

	Spread Business	Fee Business: Variable Annuities	Fee Business: Life Insurance
<b>Products</b>	<ul style="list-style-type: none"> <li>FA</li> <li>FIA</li> <li>Capital Market Products (FHLB/FABN/Collateralized Funding Agreement ("FABR"))</li> <li>Pension Funding &amp; Payouts</li> <li>Single Premium Whole Life</li> </ul>	<ul style="list-style-type: none"> <li>Closed Block</li> <li>Masters Prime</li> <li>Accelerator Prime</li> </ul>	<ul style="list-style-type: none"> <li>Bank-owned Life Insurance ("BOLI")</li> <li>Corporate-owned Life Insurance ("COLI")</li> <li>Other (Variable Universal Life and Universal Life)</li> </ul>
<b>Distribution<sup>(1)</sup></b>	<ul style="list-style-type: none"> <li>Independent Marketing Organizations ("IMOs") (22%)</li> <li>Banks (28%)</li> <li>Broker Dealers (50%)</li> </ul>	<ul style="list-style-type: none"> <li>Banks (3%)</li> <li>Broker Dealers (97%)</li> </ul>	<ul style="list-style-type: none"> <li>Closed block of life insurance products; mostly reinsured to third parties</li> </ul>
<b>NAIC Reserves</b>	\$29.6 bn	\$8.0 bn	\$7.8 bn

## Q1 2025 Sales: \$1.7 bn



## Statutory Reserves by Business <sup>(2)</sup>



## Total Statutory Reserves

### 3/31/2025 Net NAIC Reserves

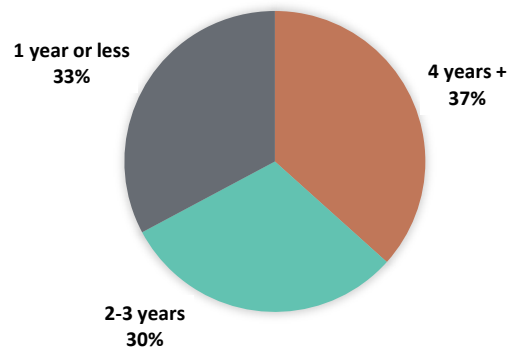
General Account	\$29.4 bn
Separate Account	\$16.0 bn
<b>Total</b>	<b>\$45.4 bn</b>

# Liability Profile

## Fixed and Fixed Index Annuities

- Average crediting rate of 4.03% as of Q1 2025 was above the weighted average contractual minimum rate of 1.37%, providing flexibility in managing the cost of crediting. The average crediting rate increased 11 bps from Q4 2024 and 26 bps from Q1 2024.
- Equity risk within FIAs is effectively hedged.

### NAIC RESERVES BY EXITING SURRENDER CHARGES <sup>(1)</sup>



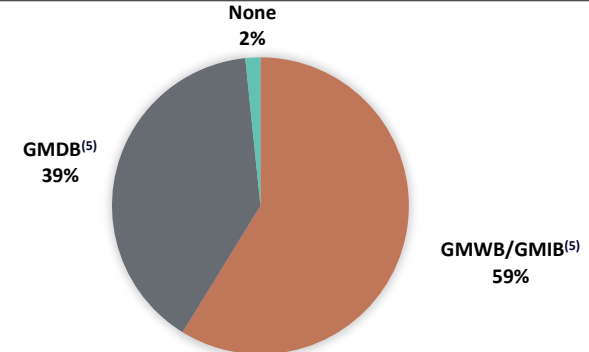
### Other Key Q1 2025 Metrics:

Policy Count	237,558
Weighted-Average Life <sup>(1)</sup>	7.50 years
% at Minimum Guarantee <sup>(1)</sup>	2.81%
Average Crediting Rate <sup>(1)(2)</sup>	4.03%
Weighted Average GMIR <sup>(1)(3)</sup>	1.37%
% With Surrender Charge Protection	91%

## Variable Annuities

- Living Benefit ("LB") <sup>(5)</sup> and Death Benefit ("DB") <sup>(5)</sup> Net Amount at Risk ("NAR") increased in Q1 2025 due to higher interest rates.
- Stable persistency on closed VA block.

### TOTAL VA ACCOUNT VALUE OF \$8.1 BN BY GUARANTEE TYPE

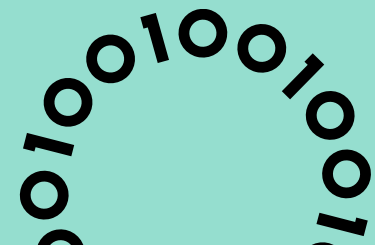


Policy Count <sup>(6)</sup>	64,451
Net Amount at Risk – DB <sup>(5)</sup>	\$211 mm
Net Amount at Risk – LB <sup>(5)</sup>	\$349 mm

### Life

- Policy Count <sup>(6)</sup> as of Q1 2025 was 17,696 with statutory reserves of \$7.8 bn and strong persistency.
- A third-party reinsurer assumed substantially all the economic risks of the COLI/BOLI block effective Q4 2024.

# Financial Information



# Balance Sheet

## Balance Sheet and TAC Rollforward

As of	3/31/2025	12/31/2024		TAC Rollforward
<b>Balance Sheet (\$ in mm)</b>			\$ in mm	
<b>Assets</b>	<b>52,178</b>	<b>51,426</b>	<b>FY 2024 TAC</b>	<b>3,262</b>
Cash & Invested Assets	33,623	32,420	2025 YTD Income	129
Separate Accounts Assets	17,127	17,827	Additional Paid-In Capital	0
Other Assets	1,428	1,179	Chg. in Surplus Notes	0
<b>Liabilities</b>	<b>49,298</b>	<b>48,560</b>	Chg. in Non-Admitted Assets	(1)
Policyholder Reserves	29,491	28,237	Chg. in Deferred Tax Asset	(8)
Asset Valuation Reserve	472	396	Chg. in Subsidiary Equity	(19)
Separate Accounts Liabilities	17,127	17,827	Chg. in Unrealized Gains/Other	(11)
Other Liabilities	2,208	2,100	Dividend Paid	0
<b>Capital &amp; Surplus</b>	<b>2,880</b>	<b>2,866</b>	<b>Q1 2025 TAC</b>	<b>3,352</b>
Common Capital Stock & Paid-in Capital	1,597	1,597		
Surplus Notes	390	390		
Unassigned Surplus	893	879		

## Comments

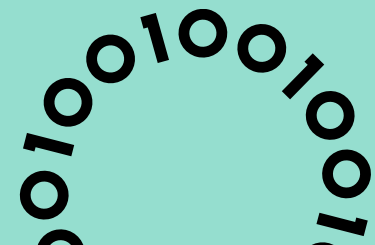
- Increase in Invested Assets and Policyholder Reserves was a result of the continued growth in spread business.
- Maintained strong capital position in Q1 mainly from an increase in earnings.

# Income Statement

Year-over-Year		
	Q1 2025	Q1 2024
Income Statement (\$ in mm)	YTD	YTD
<b>Spread Business</b>	<b>222</b>	<b>190</b>
Net Investment Income ("NII") <sup>(1)</sup>	528	431
Net Product Costs	-264	-204
Commissions	-42	-37
<b>Fee Business</b>	<b>21</b>	<b>4</b>
NII <sup>(1)</sup>	1	3
VA Fees	59	60
VA Benefits Net of Reserves & Hedging	-20	-48
Net Life Income	-5	3
Commissions	-14	-14
<b>Subsidiary Dividend</b>	<b>0</b>	<b>0</b>
<b>General Insurance Expenses <sup>(1)</sup></b>	<b>-101</b>	<b>-83</b>
<b>Surplus Note Interest</b>	<b>-8</b>	<b>-8</b>
<b>Pre-Tax Operating Earnings</b>	<b>134</b>	<b>103</b>
<b>Realized Capital Gains (Losses)</b>	<b>10</b>	<b>7</b>
<b>Tax Benefit (Expense)</b>	<b>-15</b>	<b>-77</b>
<b>Net Income</b>	<b>129</b>	<b>33</b>

Comments	
✓	NII continued to be strong with a 22% increase year-over-year due to the larger portfolio balance and one-time fee income received in Q1 2025.
✓	Net Product Costs were up from growth in the business.
✓	Limited VA volatility in both 2025 and 2024 due to continued focus on hedge effectiveness. VA results for 2025 were favorable from equity movement and outperformance of funds.
✓	General Insurance Expenses increased year-over-year to support overall business growth.
✓	Realized capital gains (losses) increased compared to prior year, mainly from slightly higher net gains.
✓	Tax expense is driven by differences in tax reserves compared to statutory reserves and gains/losses from hedging subsidiaries, among other factors. The change from prior year is due to a higher prior year tax expense from higher sales in Q1 2024 and income difference from a hedging subsidiary.

# Appendix: Reconciliations to DLIC's Blue Book



# Cash & Invested Assets Reconciliation

## Reconciliation of Year-End Cash & Invested Assets from DLIC's Blue Book to the Invested Asset Portfolio Presented on Slides 5 & 7

\$ in mm	3/31/2025	12/31/2024
Cash & Invested Assets (page 2, line 12) <sup>(1)</sup>	33,623	32,420
Less: Derivatives & Related Receivable	(717)	(823)
Less: Policy Loans	(322)	(321)
Less: Investments in Subsidiaries	(520)	(535)
 Add: Non-Insulated Separate Account Assets (considered General Account)	 0	 373
Add: Liabilities		
Repurchase Agreements	(971)	(1,092)
Payable for Securities	(173)	(39)
Cash Differences and Other Reconciling Items	(104)	(171)
<b>Total Invested Assets used in Management Analysis</b>	<b>30,816</b>	<b>29,812</b>

# Income Statement Reconciliation

## Reconciliation of Net & Gross Investment Income and Expenses from DLIC's Blue Book to Management View Presented on Slide 13

\$ in mm	Q1 2025	Q1 2024
NII (page 4, line 3) <sup>(1)</sup>	531	360
Amortization of Interest Maintenance Reserve ("IMR") (page 4, line 4) <sup>(1)</sup>	(1)	(1)
Exclude Derivatives NII	(9)	66
Exclude Subsidiary Dividend Received	0	0
Exclude Investment Income Ceded Through Funds Withheld	0	(3)
Exclude Surplus Note Interest	8	8
Add Investment Income from Non-Insulated Separate Account	0	5
<b>Total Net Investment Income - Management View</b>	<b>529</b>	<b>435</b>
Investment Expenses	(15)	(16)
<b>Total Gross Investment Income - Management View</b>	<b>544</b>	<b>451</b>

\$ in mm	Q1 2025	Q1 2024
General Insurance Expenses (page 4, line 23) <sup>(1)</sup>	99	86
Insurance, Taxes and Licenses (page 4, line 24) <sup>(1)</sup>	2	2
Less BOLI Fees Pass-Thru (offsets fee income included in Net Life Income)	0	(5)
<b>Total Operating Expenses</b>	<b>101</b>	<b>83</b>

## Notes on Income Statement Presentation

Policyholder transactions are netted together by lines of business for DLIC's management view and presented in Net Product Costs for the spread business and in Net Life Income or VA Benefits Net of Reserves for the fee business.

Activity from Non-Insulated Separate Account presented as General Account view in its respective category as opposed to being presented in the Net Transfer line of the Blue Book. The Non-Insulated Separate Account was transferred to the General Account, effective January 1, 2025.

Derivatives income/loss presented with its respective hedge item (in Net Product Costs for the FIA business and with VA Fees for the VA business).

NII is presented net of income ceded through funds withheld and excludes derivatives income (loss) as well as subsidiary dividends (when applicable) and surplus note interest. Any distribution from a hedging subsidiary would be presented in Net Product Costs to offset the FIA liability cost. Any dividend or distribution from other subsidiaries would be presented separately in the Income Statement. There were no dividends/distributions received during Q1 2025 or Q1 2024.