



# GROUP1001

Delaware Life Insurance Company

Investor Presentation

Q2 2025

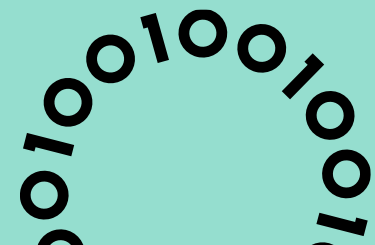
# Legal Notice

- 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 for Q2 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 Q2 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	6/30/2025	12/31/2024
Total Admitted Assets	\$56.2 bn	\$51.4 bn
Total Invested Assets <sup>(1)</sup>	\$34.3 bn	\$29.8 bn
Capital & Surplus	\$3.4 bn	\$2.9 bn
Total Adjusted Capital ("TAC") <sup>(2)</sup>	\$3.9 bn	\$3.3 bn
Risk-Based Capital ("RBC") Ratio <sup>(3)</sup>	Annual Only	Exceeds Target
Q2 2025 YTD		Q2 2024 YTD
Total Sales	\$5.8 bn	\$4.3 bn
Pre-Tax Operating Earnings	\$292 mm	\$216 mm
Net Income	\$176 mm	\$124 mm
6/30/2025		6/30/2024
Net Investment Earned Rate ("NIER") <sup>(4)</sup>	7.15%	6.83%

## Financial Strength Rating

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

Nearly 325,000 active annuity and life insurance policies

## Annual Overview

### Sales & Distribution

- Retail sales ramped up in Q2 2025 with a QTD total of \$4.1 bn.
  - Consecutive record monthly Fixed Index Annuity ("FIA") sales each month in Q2 led to a record quarter in FIA sales of \$1.1 bn. FIA sales of \$1.6 bn for Q2 YTD surpassed prior year sales of \$969 mm for the same period, consistent with the desired product mix shift.
  - Fixed Annuity ("FA") sales for the quarter were up from Q2 2024 by \$1.3 bn. YTD FA sales were \$2.4 bn, slightly lower than Q2 2024 YTD sales of \$2.7 bn.
  - Variable Annuity ("VA") YTD sales of \$91 mm were comparable to prior year.
  - Launched Target Income Choice™, an enhanced version of one of DLIC's core FIA products. DLIC has launched four FIA products in 2025.
- Renewed and issued a total record of funding agreements in Q2 2025 with a QTD total of \$1.3 bn.
  - \$805 mm of Federal Home Loan Bank ("FHLB") funding agreements in Q2 2025. YTD FHLB total of \$1.0 bn.
  - Inaugural issuance of a Funding Agreement Backed Loan ("FABL"), totaling \$500 mm, representing the first such issuance in the industry.
- Expanded distribution channel offerings by completing Pension Risk Transfer ("PRT") deals during Q2 2025 with \$108 mm in premiums.
- DLIC named a 2025 Ward's 50 Life-Health top performer for the 6<sup>th</sup> consecutive year.

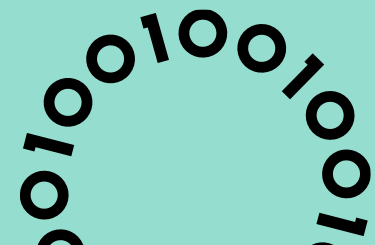
**Investments** continued to outperform with a NIER of 7.15%, while maintaining an average A-rated investment portfolio. The high-quality portfolio is well matched to liabilities.

**Net Income** of \$176 mm was strong for Q2 2025 YTD with an increase of \$52 mm compared to Q2 2024 YTD. Earnings increased from favorable investment spread and an increase in VA income, offset by higher operating expenses from growth in the overall business and other-than-temporary impairments ("OTTI") recorded in Q2 2025.

### Capital and Surplus

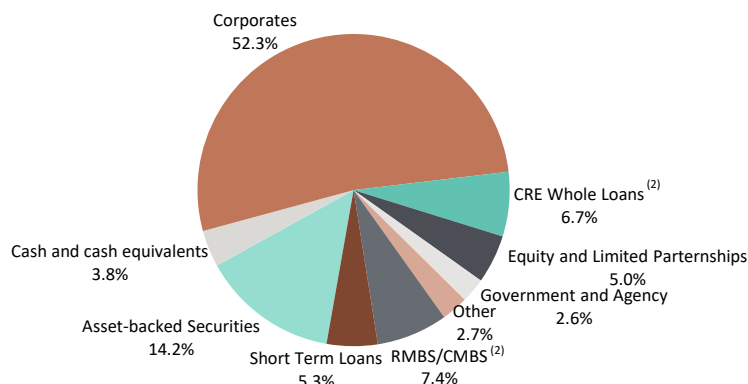
- Continued formation of capital from strong earnings.
- Capital contribution of \$400 mm from parent to support business growth.

# Investments Overview

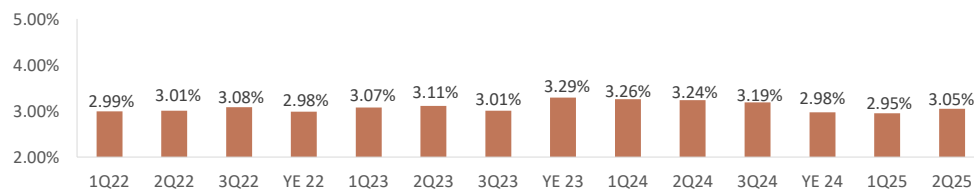


# Investment Portfolio Overview

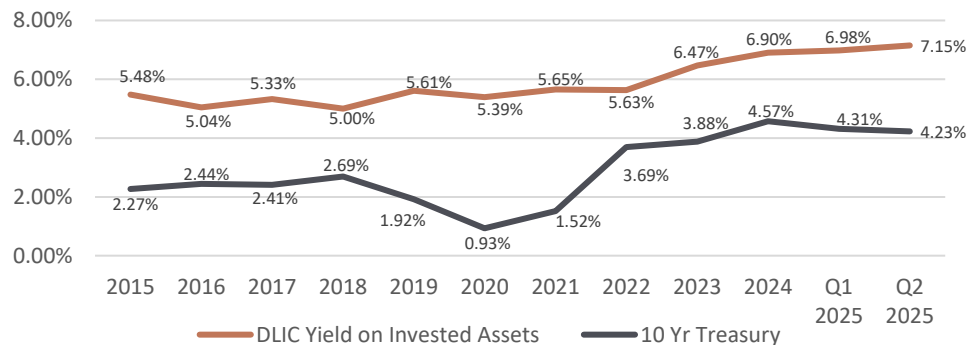
Portfolio Allocation as of 6/30/2025: \$34.3 bn <sup>(1)</sup>



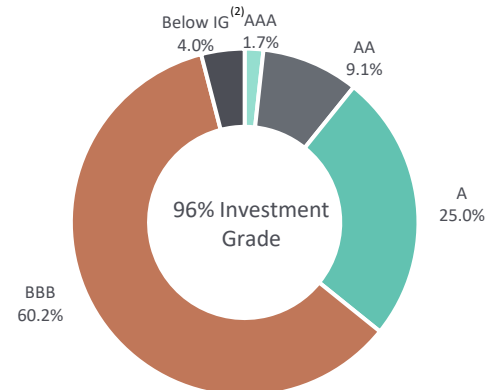
Spread Over Time <sup>(4)</sup>



DLIC Investment Performance



NRSRO <sup>(3)</sup> Composition as of 6/30/2025

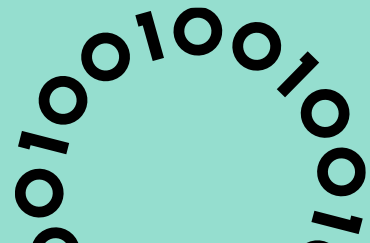


Key Considerations

- ✓ Posted strong NIER <sup>(5)</sup> of 7.15%, above industry average, generating an increase of 32 bps compared to prior year.
- ✓ Maintained robust net investment spread <sup>(4)</sup> of 3.05%.
- ✓ Increased YTD net investment income <sup>(6)</sup> by 26% year-over-year.
- ✓ Maintained a well-matched portfolio; duration of assets within 0.45 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

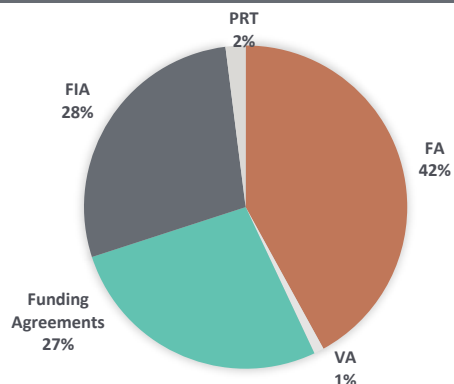




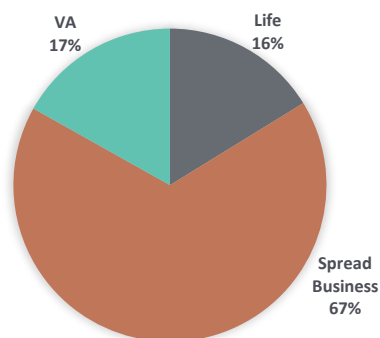
# Diversified Portfolio of Products

	Spread Business	Fee Business: Variable Annuities	Fee Business: Life Insurance
<b>Products</b>	<ul style="list-style-type: none"> <li>Fixed Annuities</li> <li>Fixed Index Annuities</li> <li>Funding Agreements                             <ul style="list-style-type: none"> <li>Federal Home Loan Bank Advances</li> <li>Funding Agreement Backed Notes</li> <li>Collateralized Funding Agreements</li> <li>Funding Agreement Backed Loans</li> </ul> </li> <li>Pension Funding &amp; Payouts</li> <li>Single Premium Whole Life</li> <li>Pension Risk Transfer</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>Retail Channels                             <ul style="list-style-type: none"> <li>Independent Marketing Organizations (32%)</li> <li>Banks (27%)</li> <li>Broker Dealers (41%)</li> </ul> </li> <li>Institutional Markets</li> </ul>	<ul style="list-style-type: none"> <li>Retail Channels                             <ul style="list-style-type: none"> <li>Banks (3%)</li> <li>Broker Dealers (97%)</li> </ul> </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>	\$33.0 bn	\$8.2 bn	\$7.9 bn

## Q2 YTD 2025 Sales: \$5.8 bn



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



## Total Statutory Reserves

### 6/30/2025 Net NAIC Reserves

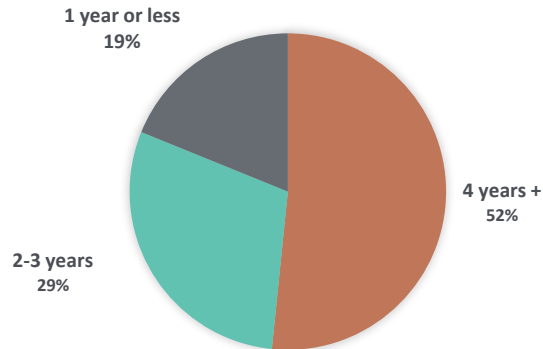
General Account	\$32.6 bn
Separate Account	\$16.4 bn
PRT Separate Account	\$0.1 bn
<b>Total</b>	<b>\$49.1 bn</b>

# Liability Profile

## Fixed and Fixed Index Annuities

- Average crediting rate of 4.10% as of Q2 2025 was above the weighted average contractual minimum rate of 1.36%, providing flexibility in managing the cost of crediting. The average crediting rate increased 7 bps from Q1 2025 and 51 bps from Q2 2024.
- Equity risk within FIAs is effectively hedged.

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



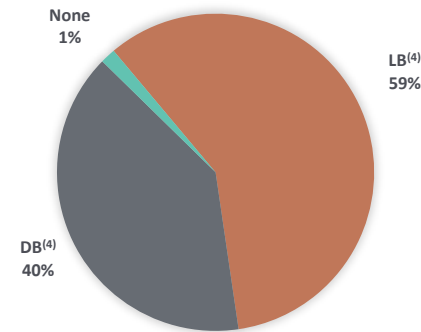
### Other Key Q2 2025 Metrics:

Policy Count	244,277
Weighted-Average Life <sup>(1)</sup>	7.55 years
% at Minimum Guarantee <sup>(1)</sup>	2.52%
Average Crediting Rate <sup>(1)(2)</sup>	4.10%
Weighted Average GMIR <sup>(1)(3)</sup>	1.36%
% With Surrender Charge Protection	95%

## Variable Annuities

- Living Benefit ("LB") <sup>(4)</sup> and Death Benefit ("DB") <sup>(4)</sup> Net Amount at Risk ("NAR") decreased in Q2 2025 due to increased equities. Additionally, LB NAR was impacted by higher interest rates.
- Stable persistency on closed VA block.

### TOTAL VA ACCOUNT VALUE OF \$8.4 BN BY GUARANTEE TYPE

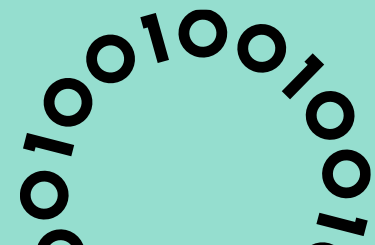


Policy Count <sup>(5)</sup>	63,065
Net Amount at Risk – DB <sup>(4)</sup>	\$188 mm
Net Amount at Risk – LB <sup>(4)</sup>	\$291 mm

### Life

- Policy Count <sup>(5)</sup> as of June 30, 2025 was 17,542 with statutory reserves of \$7.9 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	6/30/2025	12/31/2024		TAC Rollforward
<b>Balance Sheet (\$ in mm)</b>			\$ in mm	
<b>Assets</b>	<b>56,234</b>	<b>51,426</b>	<b>FY 2024 TAC</b>	<b>3,262</b>
Cash & Invested Assets	36,807	32,420	2025 YTD Income	176
Separate Accounts Assets	17,461	17,827	Additional Paid-In Capital	400
Other Assets	1,966	1,179	Change in Surplus Notes	0
<b>Liabilities</b>	<b>52,810</b>	<b>48,560</b>	Change in Non-Admitted Assets	10
Policyholder Reserves	32,581	28,237	Change in Deferred Tax Asset	49
Asset Valuation Reserve	492	396	Change in Subsidiary Equity	19
Separate Accounts Liabilities	17,461	17,827	Change in Unrealized Gains/Other	0
Other Liabilities	2,276	2,100	Dividend Paid	0
<b>Capital &amp; Surplus</b>	<b>3,424</b>	<b>2,866</b>	<b>Q2 2025 TAC</b>	<b>3,916</b>
Common Capital Stock & Paid-in Capital	1,997	1,597		
Surplus Notes	390	390		
Unassigned Surplus	1,037	879		

## Comments

- Increase in Invested Assets and Policyholder Reserves was a result of the continued growth in spread business.
- Increased its capital position in 2025 mainly from an increase in earnings and \$400 mm contribution from DLIC's parent.

# Income Statement

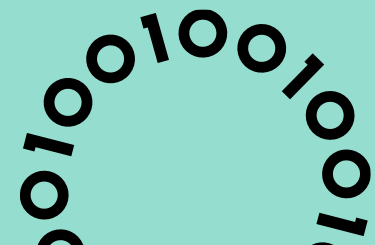
## Year-over-Year

	Q2 2025	Q2 2024
Income Statement (\$ in mm)	YTD	YTD
<b>Spread Business</b>	<b>486</b>	<b>393</b>
Net Investment Income ("NII") <sup>(1)</sup>	1,130	891
Net Product Costs	(527)	(438)
Commissions	(117)	(60)
<b>Fee Business</b>	<b>29</b>	<b>12</b>
NII <sup>(1)</sup>	2	5
VA Fees	116	120
VA Benefits Net of Reserves & Hedging	(55)	(87)
Net Life Income	(8)	4
Commissions	(26)	(30)
General Insurance Expenses <sup>(1)</sup>	(208)	(174)
Surplus Note Interest	(15)	(15)
<b>Pre-Tax Operating Earnings</b>	<b>292</b>	<b>216</b>
Realized Capital Gains (Losses)	(7)	12
Tax Benefit (Expense)	(109)	(104)
<b>Net Income</b>	<b>176</b>	<b>124</b>

## Comments

- ✓ NII continued to be strong with a 26% increase year-over-year due to the larger portfolio balance and large investment fee income received through 2025.
- ✓ Net Product Costs increased due to business growth. This was partially offset by statutory gain at issue on new product issuance.
- ✓ Limited VA volatility in both 2025 and 2024 due to continued focus on hedge effectiveness. VA results for 2025 were favorable from outperformance of funds as well as favorable equity and rates movement.
- ✓ General Insurance Expenses increased year-over-year to support overall business growth.
- ✓ Realized Capital Gains (Losses) were unfavorable compared to prior year from OTTI recorded in Q2 2025 YTD (\$19 mm) while none was recorded for the same period last year.
- ✓ Tax Expense is driven by differences in tax reserves compared to statutory reserves and gains/losses from hedging subsidiaries, among other factors.

# 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	6/30/2025	12/31/2024
Cash & Invested Assets (page 2, line 12) <sup>(1)</sup>	36,807	32,420
Less: Derivatives & Related Receivable	(723)	(823)
Less: Policy Loans	(325)	(321)
Less: Investments in Subsidiaries	(401)	(535)
Add: PRT Insulated Separate Account Assets (considered General Account)	118	0
Add: Non-Insulated Separate Account Assets (considered General Account)	0	373
Add: Liabilities		
Repurchase Agreements	(1,179)	(1,092)
Payable for Securities	(16)	(39)
Cash Differences and Other Reconciling Items	50	(171)
<b>Total Invested Assets used in Management Analysis</b>	<b>34,331</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	Q2 2025 YTD	Q2 2024 YTD
NII (page 4, line 3) <sup>(1)</sup>	1,081	810
Amortization of Interest Maintenance Reserve ("IMR") (page 4, line 4) <sup>(1)</sup>	(2)	(1)
Exclude Derivatives NII	37	69
Exclude Investment Income Ceded Through Funds Withheld	0	(6)
Exclude Surplus Note Interest	15	15
Add Investment Income from Non-Insulated Separate Account	0	10
Add Investment Income from PRT Insulated Separate Account	1	0
<b>Total Net Investment Income - Management View</b>	<b>1,132</b>	<b>897</b>
Investment Expenses	(26)	(26)
<b>Total Gross Investment Income - Management View</b>	<b>1,158</b>	<b>923</b>

\$ in mm	Q2 2025 YTD	Q2 2024 YTD
General Insurance Expenses (page 4, line 23) <sup>(1)</sup>	201	172
Insurance, Taxes and Licenses (page 4, line 24) <sup>(1)</sup>	8	14
Less BOLI Fees Pass-Thru (offsets fee income included in Net Life Income)	0	(12)
Less Reclass to VA Commissions	(1)	0
<b>Total Operating Expenses</b>	<b>208</b>	<b>174</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 the PRT and Non-Insulated Separate Accounts 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. PRT business started in Q2 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 received through Q2 2025 YTD or Q2 2024 YTD.