

Darta Saving Life Assurance dac

Directors' report and
financial statements

**For the financial year ended
31 December 2025**

Registered number 365015

Darta Saving Life Assurance dac

<i>Contents</i>	<i>Pages</i>
Directors and Other Information	2-3
Directors' Report	4-7
Statement of Directors' Responsibilities	8
Independent Auditors' Report	9-15
Statement of Profit and Loss	16
Statement of Other Comprehensive Income	17
Statement of Financial Position	18-19
Statement of Changes in Equity	20
Statement of Cash Flows	21
Notes to the Financial Statements	22-93

Darta Saving Life Assurance dac

Directors and other information

Directors

Pietro S. Iovane	Chairman (Italian, Non-Executive)
Patricia Colton	(Independent Non-Executive)
Davide Moia	Italian (Executive)
Fabiana Rossaro	Italian (Non-Executive resigned effective 02 March 2026)
Alberto Vacca	Italian (Non-Executive)
Gianantonio Villani	Italian (Non-Executive appointed effective 02 March 2026)
Elaine Hanly	(Independent Non-Executive)
Seamus Hughes	(Independent Non-Executive)

Registered office

Maple House, Temple Road
Blackrock
Dublin

Secretary

Francis O'Hara
Maple House, Temple Road
Blackrock
Dublin

Independent Auditors

PricewaterhouseCoopers
One Spencer Dock
North Wall Quay
Dublin 1

Main Bankers

AIB
7/12 Dame Street
Dublin 2

Allianz Bank Financial Advisors S.p.A.
Piazza Tre Torri 3,
20145 Milano, Italy

BNP Paribas S.A., Succursale Italia
Piazza Lina Bo Bardi, 3
20124 Milano
Italy

Solicitors

Dillon Eustace
33 Sir John Rogerson's Quay
Dublin 2

Service Provider

Previnet S.p.A.
Via E. Forlanini, 24 31022 Preganziol (TV)
Italy

Darta Saving Life Assurance dac

Directors and other information *(continued)*

Investment Managers

Addvision Wealth Mgt S.A.
Agora Investments SGR S.p.A.
Alasia Wealth Management
Allianz Global Investors GmbH
Amgest Wealth Management
Amundi SGR S.p.A.
Aquila GVM Consulting
Aquila Patrimonial AG
Auriga Partners SA
Azimut Capital Management SGR S.p.A.
Banca del Ceresio S.A.
Banca Julius Baer & Co. S.A.
Banor Capital Limited
Belvoir Capital AG
Blackrock (Netherlands) B.V.
CA Indosuez Finanziaria S.A.
CA Indosuez Wealth (Europe)
Candriam Luxembourg
Carmignac Gestion Luxembourg
Colombo Wealth Management
Crossinvest S.A.
DNCA Finance SCS
Edmond De Rothschild (Suisse) S.A.
EFG Bank S.A.
Elutheria Wealth S.A.
Euclidea SIM S.p.A.
Fideuram Intesa San Paolo Private Banking S.p.A.
FIL Pensions Management

Investment Managers

Finpartner Financial Services S.A.
Franklin Templeton Investment Management Ltd.
Gamma Capital Markets Ltd.
Goldman Sachs Asset Management International
Henderson Global Investor Limited
Invesco Asset Management S.A.
Investitori SGR S.p.A.
Janus Henderson Investors UK Limited
JP Morgan Asset Management (Europe) S.À R.L.
Kairos Partners SGR S.p.A.
M&G Investment Management Ltd.
Morgan Stanley Investment Management Ltd.
Olympia Wealth Management Ltd.
Pictet & Cie (Europe S.A.)
Pictet & Cie S.A. Geneve
Pictet Asset Management Ltd – Italian Branch
PIMCO Europe Ltd.
Reyl Intesa Sanpaolo
Robeco Institutional Asset Management B.V.
Rofle A&WM S.A.
Rothschild & Co Wealth Management
Safe Capital Management S.A.
Schroder Investment Management Ltd
Soave Asset Management
Threadneedle Asset Management Limited
UBS Asset Management
Vontobel Asset Management S.A.

Darta Saving Life Assurance dac

Directors' Report

The Directors present their report and the audited financial statements for the financial year ended 31 December 2025.

Principal activities, review of key performance indicators and future developments

Darta Saving Life Assurance dac (“the Company”) is authorised in Ireland to transact life assurance business in the European Union (“EU”) under the Solvency II Directive (2009/138/EC) as introduced into domestic Irish Legislation by the EU (Insurance and Reinsurance) Regulations 2015, effective 1 January 2016.

The Company’s main business is the sale of single premium unit-linked policies in Italy, under which the risk related to the underlying investments is carried by the policyholders. Certain products offered by the Company have additional death benefits and loss protection features.

In 2025, the Company achieved impressive growth, with sales of €5,812m – a 24.9% increase from €4,655m in 2024. This success was fuelled by a balanced mix of 66.7% insurance contracts (down from 71% in 2024) and 33.3% investment contracts (up from 29% in 2024). Notably, the flagship products, Challenge and Challenge Pro, were the driving force behind this performance, contributing a substantial 97.3% of total sales (up from 95% in 2024).

Total policyholder fund assets stood at €33,900m (2024: €29,749m) at the financial year end, comprised of €19,451m (2024: €16,164m) insurance contracts and €14,449m (2024: €13,585m) investment contracts. Movement during the year was driven by net inflows of €2,679m (2024: €2,025m) and net income, expenses and capital gains of €1,472m (2024: €2,079m). Claims incurred during the year amounted to €3,133m, an increase of €503m from the prior year (2024: €2,630m), the majority of the increase comprising increased surrenders.

Total policyholder liabilities stood at €33,836m (2024: €29,733m), comprised of €19,387m insurance contracts (2025: €16,148m) and €14,449m investment contracts (2024: €13,585m). Insurance contract liabilities are further comprised of €18,207m (2024: €15,196m) present value of future cashflows, €190m (2024: €167m) risk adjustment and €967m (2024: €771m) contractual service margin. Included in insurance contracts liabilities is net receivables/(payables) of €23m (2024: €14m). The contractual service margin increased by 25.4%, compared to 31 December 2024, mainly due to new business acquisition and positive equity movement during the year.

Result for the financial year and the state of affairs at the financial year end

The result for the Company for 2025 is set out in the Statement of Profit and Loss on page 16 and this shows a net profit from total operations under IFRS 9/17 of €114.4m after taxation, compared to net profit of €116.3m for 2024. Net insurance result before taxation is €92.7m, compared to €84.6m for 2024. Net result from investment contracts before taxation is €46.3m, compared to €55.0m for 2024, the reduction being driven primarily by discounting to present value of the prepaid Italian Stamp Duty Bollo, refer to Note 21. The Company’s Statement of Financial Position is set out on pages 18 and 19 and this shows that shareholders’ equity at the financial year end was €642.2m compared with €527.9m at the end of 2024. Note 25 to the financial statements confirms that the Company had a satisfactory surplus over regulatory Solvency II capital requirements at year end.

Darta Saving Life Assurance dac

Directors' Report (*continued*)

Result for the financial year and the state of affairs at the financial year end (*continued*)

It is the Company's objective to achieve a satisfactory level of profitability for its shareholder, whilst taking into account statutory, financial and regulatory requirements; and to satisfy the reasonable expectations of, and develop suitable products for, its policyholders. In these circumstances, the Directors are satisfied with the Company's performance during the year.

The Directors have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

Dividends Paid

No dividend was paid by the Company in 2025 (2024: €80m) as a substantial portion of its liquidity was utilized to cover the accumulated Bollo advance payment made in June 2025.

Risk management objectives and policies

Ultimate responsibility for the Company's internal controls, including risk management, rests with the Directors of the Company. Management is responsible for monitoring, measuring, controlling and reporting on the risks connected with the Company's activities on a day-to-day basis.

The Directors acknowledge the importance of effective corporate governance and risk management processes, to ensure the Company's continuing compliance with all applicable laws and regulations and to safeguard the Company's value and reputation. These processes are kept under review, so improvements can be made that take account of best practice, increasing regulatory requirements and the requirements of the Group.

The Company is subject to and complies with the Corporate Governance Requirements for Insurance Undertakings 2015 (the "Requirements"), as issued by the Central Bank of Ireland. The Directors note the Company is not subject to Appendix I of the Requirements as they apply to High Impact Insurance undertakings.

The Board is assisted in its governance by the operation of a number of committees, four of which, the Audit Committee, the Board Risk Committee, the Investment Committee, and the Nomination and Remuneration Committee, have roles in the development and monitoring of the Company's internal control and risk management systems. The Audit Committee, Board Risk Committee, and the Nomination and Remuneration Committee are chaired by Independent Non-Executive Directors. The Investment Committee is chaired by the Chief Executive Officer and in addition to the above, provides independent and objective oversight of the investments of the Company and policyholders.

Information on the main financial risks and uncertainties that the Company faces and how these are managed is outlined in Note 2 to the financial statements. In addition to financial risks, the Company is exposed to outsourcing risk and cyber risk due to the nature of its operations.

Composition of Group

The Company is a wholly owned subsidiary of Allianz S.p.A., a company incorporated in Italy. The Company's ultimate parent company is Allianz SE, a company incorporated in Germany.

Darta Saving Life Assurance dac

Directors' Report (*continued*)

Directors

The names of persons who were Directors at any time during the 2025 financial year or up to the date of signing of this report are set out on page 2. Fabiana Rossaro resigned from the Board effective 2 March 2026 and Gianantonio Villani was appointed to the Board as a Non-Executive Director effective 2 March 2026.

Directors and secretary and their interests

The Company has no disclosures to make under Section 329 of the Companies Act, 2014 with regard to the interests of the Directors and Secretary, who held office at 31 December 2025, in the shares or debentures or loan stock of the Company or of group companies at the beginning or end of the year.

Accounting records

The Directors believe that they have complied with the requirements of Section 281 of the Companies Act 2014 with regard to adequate accounting records by employing service providers and personnel with appropriate expertise and by providing adequate resources to the financial and actuarial functions. The accounting records of the Company are maintained at the premises of its service provider Previnet S.p.A. at Via E. Forlanini, 24 31022 Preganziol (TV), Italy and Company's office at Maple House, Temple Road Blackrock, Dublin.

Events since the financial year end

Note 33 to the financial statements references the potential for financial impact from the ongoing Middle East conflict. There have been no other material events since the reporting date requiring adjustment to or disclosure in the financial statements.

Political Donations

There have been no political donations made during the year (2024: €Nil).

Independent Auditors

In accordance with Section 383 (2) of the Companies Act 2014 the auditors, PricewaterhouseCoopers, Chartered Accountants, have indicated their willingness to continue in office.

Statement of relevant audit information

The Directors have confirmed that:

- So far as they are aware, there is no relevant audit information of which the Company's statutory auditors are unaware; and
- Each Director has taken all of the steps they ought to have taken as Director in order to be aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

Darta Saving Life Assurance dac

Directors' Report (*continued*)

Directors' Compliance Statement

The Directors acknowledge that they are responsible for securing the Company's compliance with its relevant obligations as set out in section 225 of the Companies Act 2014 and confirm that:

- A compliance policy statement is documented in the Company's corporate governance framework, setting out its internal policies, respecting compliance by the Company with its relevant obligations;
- Appropriate arrangements and structures have been put in place that are, in the Directors' opinion designed to secure material compliance with the Company's relevant obligations;
- A review has been completed in respect of the financial year to which the report relates, of any arrangements or structures that have been put in place.

Appreciation

The Directors wish to thank everyone who has contributed to the Company's continuing development, in particular our policyholders, our employees, our distributors, our service providers and our advisors.

The financial statements were approved by the Board of Directors on 12 March 2026, and signed on its behalf by:



Davide Moia
Director



Seamus/Hughes
Director

Date: 12 March 2026

Darta Saving Life Assurance dac

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law.

Irish law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").

Under Irish law the Directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the Company's assets, liabilities and financial position as at the end of the financial year and of the profit or loss of the company for the financial year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IFRS and ensure that they contain the additional information required by the Companies Act 2014; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the Company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy; and
- enable the Directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board



Davide Moia
Director



Seamus/Hughes
Director

Date: 12 March 2026

Independent auditors' report to the members of Dartá Saving Life Assurance dac

Report on the audit of the financial statements

Opinion

In our opinion, Dartá Saving Life Assurance dac's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2025 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

We have audited the financial statements, included within the Directors' report and financial statements (the "Annual Report"), which comprise:

- the Statement of Financial Position as at 31 December 2025;
- the Statement of Profit and Loss and Other Comprehensive Income for the year then ended;
- the Statement of Cash Flows for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a description of the accounting policies.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law. Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard as applicable to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that other services prohibited by IAASA's Ethical Standard were not provided.

Other than those disclosed in note 14 to the financial statements, we have provided no non-audit services to the company in the period under audit.

Our audit approach

Overview

Audit Scope

- We performed a full scope audit of the company's financial statements, based on materiality levels.

Key audit matters

- Appropriateness of the lapse and expense assumptions applied in the valuation of insurance contract liabilities.

Independent auditors' report to the members of Darta Saving Life Assurance dac (*continued*)

Report on the audit of the financial statements (*continued*)

Our audit approach (*continued*)

Overview (*continued*)

Materiality

- Overall materiality: €64.3 million (2024: €51.4 million) which equates to circa 0.19% of policyholder financial assets (2024: circa 0.19% of policyholder financial assets).
- Performance materiality: €48.2 million (2024: €38.5 million).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the key audit matter
Appropriateness of the lapse and expense assumptions applied in the valuation of insurance contract liabilities	
<p>Refer to Note 1- "Accounting Policies - Amounts recognised in the Statement of Financial Position - Insurance and Valuation of insurance liabilities", Note 2 - "Financial risk and risk management - Underwriting risk", Note 6 - "Insurance and reinsurance contract balances" and Note 7 - "Movements in insurance contract liabilities" to the financial statements.</p> <p>The Company applies the Variable Fee Approach to determine the valuation of the insurance contract liabilities. The estimate represents one of the most critical estimates in the financial statements.</p> <p>Insurance contract liabilities consist of the present value of future cash flows ("PVFCF"), a risk adjustment ("RA") for non-financial risk, the contractual service margin ("CSM") and any receivables & payables that relate to future service.</p> <p>The valuation of the insurance contract liabilities and, in particular the PVFCF, involves the application of significant judgement in setting the key assumptions. The key assumptions selected by the company in relation to lapse and expense assumptions significantly impact the valuation of the PVFCF.</p> <p>As such, we consider the appropriateness of these assumptions to be a key audit matter as it represents a key estimate in the financial statements involving significant judgements by management.</p>	<ul style="list-style-type: none">• On a sample basis, we tested the completeness and accuracy of key underlying data used in the setting of the assumptions.• We evaluated the appropriateness of the actuarial methods used to derive the assumptions, in particular the lapse and expense assumptions.• We considered the results of the experience investigations carried out by the Company to determine whether they provide support for the assumptions.• On a sample basis, we tested the use of the approved assumptions in the calculation of the insurance contract liabilities.• Based on the work performed and the evidence obtained, we determined that the assumptions used in the valuation of the insurance contract liabilities to be appropriate.

Independent auditors' report to the members of Darta Saving Life Assurance dac (*continued*)

Report on the audit of the financial statements (*continued*)

Our audit approach (*continued*)

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which it operates.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	€64.3 million (2024: €51.4 million).
How we determined it	Equates to circa 0.19% of policyholder financial assets (2024: circa 0.17% of policyholder financial assets).
Rationale for benchmark applied	We have selected this benchmark as, in our view, policyholder financial assets are the most appropriate benchmark given the circumstances and nature of the Company's business. We applied a circa 0.19% rule of thumb to the total policyholder financial assets benchmark to determine overall materiality. We cap the materiality at the Solvency II materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to €48.2 million (2024: €38.5 million).

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above €3.2 million (2024: €2.5 million) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

In accordance with guidance on the audit of insurers issued by the Financial Reporting Council which is generally accepted in Ireland, we have applied a higher materiality threshold of €339.0 million (2024: €297.4 million) solely for the purpose of identifying and evaluating the effect of misstatements that are likely only to lead to a reclassification between line items within assets and liabilities, in particular unit-linked investment contract assets and liabilities.

Independent auditors' report to the members of Dartá Saving Life Assurance dac (*continued*)

Report on the audit of the financial statements (*continued*)

Conclusions relating to going concern

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- obtaining management's going concern assessment for the going concern period which covers twelve months from the date of approval of the financial statements;
- considering the projected solvency position of the company under a number of stress scenarios set out in the company's Own Risk and Solvency Assessment and comparing these to the regulatory capital requirement; and
- considering the liquidity position for the period of assessment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' report and financial statements, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report and financial statements for the year ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with the applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' report and financial statements.

Independent auditors' report to the members of Dartá Saving Life Assurance dac (*continued*)

Report on the audit of the financial statements (*continued*)

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of Irish insurance laws and regulations and in particular the Solvency II Regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2014. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting manual journal entries to manipulate financial performance and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- discussions with the Audit Committee and management including consideration of whether there are known or suspected instances of non-compliance with laws and regulation and fraud;
- inspecting relevant correspondence with the Central Bank of Ireland, including those in relation to compliance with laws and regulations;
- reading relevant meeting minutes including those of the Board of Directors, Audit Committee and Risk Committee;
- challenging assumptions made by management in accounting estimates and judgements, as described in the related key audit matter;
- applying risk-based criteria to identify journal entries for testing; and
- designing audit procedures to incorporate unpredictability in our testing.

Independent auditors' report to the members of Darta Saving Life Assurance dac (*continued*)

Report on the audit of the financial statements (*continued*)

Responsibilities for the financial statements and the audit (*continued*)

Auditors' responsibilities for the audit of the financial statements (*continued*)

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

https://iaasa.ie/wp-content/uploads/docs/media/IAASA/Documents/audit-standards/Description_of_auditors_responsibilities_for_audit.pdf

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent auditors' report to the members of Dartá Saving Life Assurance dac (*continued*)

Other required reporting

Companies Act 2014 opinions on other matters

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.

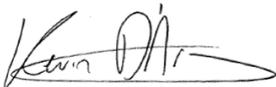
Other exception reporting

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

Appointment

We were appointed by the directors on 13 September 2018 to audit the financial statements for the year ended 31 December 2018 and subsequent financial periods. The period of total uninterrupted engagement is 8 years, covering the years ended 31 December 2018 to 31 December 2025.



Kevin D'Arcy
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin
23 March 2026

Darta Saving Life Assurance dac

Statement of Profit and Loss

for the financial year ended 31 December 2025

	Note	2025 €'000	2024 €'000
Insurance revenue		275,243	237,771
Insurance service expenses		(188,331)	(163,592)
Net expenses from reinsurance contracts held		(2,284)	(2,321)
Insurance service result	4	84,628	71,858
Interest and other income result		11,277	12,356
Valuation result		1,122,823	1,338,281
Investment expenses		(4,667)	(4,588)
Net investment income		1,129,433	1,346,049
Finance expenses from insurance contracts issued		(1,121,271)	(1,333,359)
Finance (expenses)/income from reinsurance contracts held		(130)	1
Net insurance finance expenses		(1,121,401)	(1,333,358)
Investment result	5	8,032	12,691
Net insurance result		92,660	84,549
Net result from investment contracts	11	46,280	55,022
Non-insurance related acquisition and administration expenses	14	(4,615)	(4,248)
Profit before income tax		134,325	135,323
Taxation	16	(19,902)	(19,043)
Profit for the financial year attributable to equity holders		114,423	116,280

The accounting policies and the notes on pages 22 to 93 form an integral part of these financial statements.

Darta Saving Life Assurance dac

Statement of Other Comprehensive Income for the financial year ended 31 December 2025

		2025 €'000	2024 €'000
Profit for the financial year	<i>Note</i>	114,423	116,280
<i>Items that may be reclassified to profit or loss</i>			
Finance expenses from reinsurance contracts held	5	(143)	(164)
Deferred tax	16	18	20
Other comprehensive losses for the year, net of tax		(125)	(144)
Total comprehensive income for the financial year		114,298	116,136

The accounting policies and the notes on pages 22 to 93 form an integral part of these financial statements.

Darta Saving Life Assurance dac

Statement of Financial Position

as at 31 December 2025

		31 Dec 2025 €'000	31 Dec 2024 €'000
Assets	<i>Note</i>		
Cash and cash equivalents		297,135	291,295
Advance payment of Italian Policyholder's Tax	17	396,287	324,840
Deferred acquisition costs	18	31,507	37,579
Policyholder financial assets			
Investments at fair value through profit or loss	19	33,900,083	29,748,572
Shareholder financial assets			
Investments at fair value through profit or loss	19	1,111	882
Reinsurance contract assets	6,8	2,921	3,024
Other receivables	20	27,689	23,371
Italian Stamp Duty Bollo	21	92,284	18,595
Right-of-use asset	29	3,943	4,286
Total assets		34,752,960	30,452,444

The accounting policies and the notes on pages 22 to 93 form an integral part of these financial statements.

Darta Saving Life Assurance dac

Statement of Financial Position (continued)

as at 31 December 2025

		31 Dec 2025 €'000	31 Dec 2024 €'000
	<i>Note</i>		
Equity			
Called up share capital	23	5,000	5,000
Capital contributions	24	51,000	51,000
Profit and loss reserves		585,937	471,514
Other reserves		246	371
Total equity interests		642,183	527,885
Liabilities			
Insurance contract liabilities	6,7	19,386,986	16,148,325
Investment contract liabilities	26	14,448,614	13,585,020
Deferred income	27	11,903	13,021
Creditors and other payables	28	252,070	168,015
Lease Liabilities - current	29	332	326
Lease Liabilities - non-current	29	3,872	4,204
Corporation tax payable		6,177	4,412
Deferred income tax liabilities	16	823	1,236
Total liabilities		34,110,777	29,924,559
Total liabilities and equity		34,752,960	30,452,444

The accounting policies and the notes on pages 22 to 93 form an integral part of these financial statements.

On behalf of the board



Davide Moia
Director



Seamus Hughes
Director

Date: 12 March 2026

Darta Saving Life Assurance dac

Statement of Changes in Equity for the financial year ended 31 December 2025

		Called up Share Capital	Capital Contribut- ions	Profit and Loss Reserve	Other reserves	Total Share- holders' equity interests
		€'000	€'000	€'000	€'000	€'000
	<i>Note</i>					
Balance at 1 January 2025		5,000	51,000	471,514	371	527,885
Profit for the financial year		-	-	114,423	-	114,423
Other comprehensive losses		-	-	-	(125)	(125)
Total comprehensive income for the financial year		-	-	114,423	(125)	114,298
Dividends paid	24	-	-	-	-	-
Balance at 31 December 2025		5,000	51,000	585,937	246	642,183
		€'000	€'000	€'000	€'000	€'000
Balance at 1 January 2024		5,000	51,000	435,234	515	491,749
Profit for the financial year		-	-	116,280	-	116,280
Other comprehensive losses		-	-	-	(144)	(144)
Total comprehensive income for the financial year		-	-	116,280	(144)	116,136
Dividends paid	24	-	-	(80,000)	-	(80,000)
Balance at 31 December 2024		5,000	51,000	471,514	371	527,885

The accounting policies and the notes on pages 22 to 93 form an integral part of these financial statements.

Darta Saving Life Assurance dac

Statement of Cash Flows

for the financial year ended 31 December 2025

	2025	2024
	€'000	€'000
Profit before taxation	134,325	135,323
Net change in reinsurance assets	(40)	913
Net change in investments at fair value through profit or loss	(4,151,511)	(4,103,642)
Net change in insurance liabilities	3,238,661	3,365,231
Net change in investment contract liabilities	863,594	720,519
Finance charges for lease liability	79	85
Net change in deferred acquisition cost	6,072	9,932
Net change in provision for deferred income	(1,118)	(1,965)
Interest income	(8,454)	(11,571)
Depreciation of right-of-use asset from IFRS16	343	343
	81,951	115,168
(Increase)/decrease in trade and other receivables	(149,415)	23,888
Increase in trade and other payables	84,055	91,044
	(65,360)	114,932
Interest paid	(179)	(205)
Interest received	8,633	11,776
Corporation tax paid	(18,530)	(15,331)
	(10,076)	(3,760)
Net cash flows from operating activities	6,515	226,340
Net cash flows from Company holdings in UL Funds	(40)	7
Net cash flows from investments at Fair value through P or L	(232)	(130)
Net cash flows from IFRS 16 Leases	(403)	(403)
Net cash flows used in investing activities	(675)	(526)
Dividends paid	-	(80,000)
Net cash flows used in financing activities	-	(80,000)
Net cash flows from total operations	5,840	145,814
Cash and cash equivalents at 1 January	291,295	145,481
Cash and cash equivalents at 31 December	297,135	291,295

Darta Saving Life Assurance dac

Notes to the Financial Statements

1. Accounting Policies

Darta Saving Life Assurance dac is a company domiciled in the Republic of Ireland and the principal accounting policies adopted by the Company are set out in this Note.

Statement of compliance

As permitted under Irish company law, the Company has chosen to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the EU (“IFRS”).

The IFRS adopted by the EU and applied by the Company are those that were effective at 31 December 2025. These have been consistently applied for the preparation of these financial statements.

Basis of preparation

The financial statements have been prepared in accordance with the Companies Act 2014 and IFRS as adopted by the EU, and on the historical cost basis except that the financial assets and liabilities are classified as at fair value through profit or loss.

The financial statements are expressed in Euro (€), which is the functional and presentation currency of the Company. All amounts in the financial statements have been rounded to the nearest €1,000.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing the financial statements, the Directors considered a formal going concern assessment which included the Company’s investment and financial performance, solvency coverage, liquidity, cyber risk and operational resilience. In making this assessment, macro-economic and political developments were considered. The assessment looked at future projections over the Company’s 3-year planning cycle to include a base case scenario and various stress tests which have been carried out as part of the Own Risk and Solvency Assessment (“ORSA”) process. The Directors have not identified any material uncertainties that may cast significant doubt on the Company’s ability to continue as a going concern for at least twelve months from the date the financial statements are authorised for issue. Accordingly, the Directors consider it appropriate to prepare the financial statements on a going concern basis.

The Company applies the accruals concept for the recognition of expenses in the Statement of Profit and Loss in order to reflect the effect of the transactions as they occur and not as they are paid.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

1. Accounting Policies *(continued)*

Adoption of newly effective and future Standards

The following amendments and revisions to existing standards became effective for the Company's financial statements during the year ended 31 December 2025:

IAS 21, Lack of Exchangeability

This amendment guides on determining exchange rates when a currency cannot be swapped into another.

These changes had no material impact on the Company's financial results or financial position.

S.I. No. 309 of 2025, European Union (Corporate Sustainability Reporting Regulations) 2025

As a member of the Allianz Group not meeting the thresholds for individual entity reporting under the Sustainability Reporting Regulations 2025, the Company contributes to the Group Sustainability report and operates to further enhance and monitor its performance on climate and environmental targets.

Standards not yet adopted, relevant to the Company are set out below:

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7 effective for annual periods beginning on or after 1 January 2026)

The amendments address requirements related to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets, including those with environmental, social and governance (ESG)-linked features. The amendments also include disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs.

These amendments are expected to have no material impact on the financial statements.

IAS 21, Translation to a Hyperinflationary Presentation Currency (effective for annual periods beginning on or after 1 January 2027)

This amendment clarifies how to translate financial statements into a hyperinflationary currency and is expected to have no material impact on the financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

IFRS 18 will supersede IAS 1 and expected to result in presentational changes in the statement of profit or loss and notes including disclosure of management-defined performance measures.

The Company is currently assessing the impact of this new accounting standard.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

1. Accounting Policies *(continued)*

Significant Accounting Policies

The following paragraphs describe material accounting policies that are relevant for the Company's financial statements:

Insurance contracts

IFRS 17 Insurance Contracts establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard. The Standard applies to: insurance contracts issued by an entity with specified exceptions; reinsurance contracts held by an entity; and investment contracts with discretionary participation features issued by an entity that issues insurance contracts. An insurance contract is defined as 'a contract under which one party (the issuer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.

In the Statement of Financial Position, an entity is required to measure profitable insurance contracts at the risk-adjusted present value of the future cash flows plus unearned profit for services to be provided under the contract.

IFRS 17 requires an entity to recognise profit from a group of insurance contracts over the period the entity provides services, and as the entity is released from risk. If a group of contracts is or becomes loss-making, the entity is required to recognise the loss immediately. The Standard also requires insurance revenue, insurance service expenses, and insurance finance income or expenses to be presented separately.

Insurance contracts - Product classification

Insurance contracts are contracts under which the Company accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. Insurance risk is significant if an insured event could cause an insurer to pay significant additional benefits in any scenario with commercial substance, and if there is at least one scenario where the insurer has the possibility of a loss on a present-value basis.

The assessment of whether insurance risk is significant is made at a contract level by looking at the relationship between the amounts payable in case of an insured event occurring and the amounts payable at surrender/maturity. Contracts where the additional amounts payable are 10% or higher relative to the surrender/maturity value in any scenario with commercial substance are considered to be insurance contracts. This approach is aligned to the Allianz Group recommended approach to product classification. Contracts that qualify as insurance are accounted for under IFRS 17, and these contracts remain insurance contracts until all risks and obligations are extinguished or expired.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

1. Accounting Policies *(continued)*

Insurance contracts - Product classification *(continued)*

Summary of measurement approaches

The Company uses different measurement approaches, depending on the type of contract, as follows:

	Product classification	Measurement model
Contracts issued		
Unit-linked insurance contracts	Insurance contracts with direct participation features	Variable Fee Approach (“VFA”)
Reinsurance contracts held		
Quota share reinsurance	Reinsurance contract held	Building Block Approach (“BBA”)

The Company’s unit-linked insurance contracts are all considered to have direct participation features under IFRS 17 since the policyholder participates in the returns on the underlying unit-linked funds and payments to policyholders are linked to those funds. Such contracts are measured using the variable fee approach under IFRS 17.

Reinsurance contracts held by the Company are accounted for using the general measurement model under IFRS 17, which is the BBA. The assessment with regards to measurement model is made at inception of the contract and is not revised subsequently, except in the case of a substantial modification of the contract.

Insurance contracts - Separation of components

IFRS 17 requires the separation of embedded derivatives, distinct investment components, and performance obligations to provide non-insurance goods and services at inception of a contract, if certain conditions are met. The Company has not identified embedded derivatives and material performance obligations embedded in insurance contracts to provide non-insurance goods and services.

Unit-linked insurance contracts contain an investment component which is the policyholder share of the underlying items (i.e. the account value). These investment components are not accounted for separately as they are considered to be non-distinct on account of being highly inter-related with the host insurance contract.

Insurance contracts - Unit of account

The unit of account is the group of contracts level at which all recognition, measurement and reporting requirements of IFRS 17 are applied. This would be a group of insurance contracts, determined in line with the level of aggregation requirements laid out in the Standard. In order to aggregate contracts into groups of contracts, the Company first aggregates individual contracts into portfolios of insurance contracts based on the product type for each contract. Contracts within the same product type are expected to be subject to similar risks and are managed together.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

1. Accounting Policies *(continued)*

Insurance contracts - Unit of account *(continued)*

These portfolios are then divided into profitability buckets based on a contract-level assessment of the expected future cash flows for each contract. Contracts that are expected to be loss-making are classified into a group of onerous contracts, and profitable contracts are subjected to a suite of stress tests to divide these into a group of contracts that has no significant possibility of becoming onerous subsequently and a group of remaining contracts. Contracts within each profitability bucket are then divided further into annual cohorts based on the date of initial recognition to ensure that contracts issued more than 12 months apart are placed in separate groups.

Only contracts that individually meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they are added to the groups in the reporting period in which they meet the recognition criteria. Composition of the groups is not reassessed in subsequent periods.

Insurance contracts - Recognition and derecognition

Groups of insurance contracts issued are initially recognised at the effective date (i.e. the date of premium investment). For some of the Company's unit-linked contracts that are classified as investment contracts at inception, policyholders can "transform" their policies into insurance subject to acceptance by the Company. Given that these contracts will qualify as insurance only when they transform, the date of initial recognition for these contracts will be the transformation date. This is the date on which insurance coverage begins for these transformed policies.

An insurance contract is derecognised when it is extinguished (that is, when the obligation specified in the insurance contract expires or is discharged or cancelled).

Insurance contracts - Measurement

The carrying amount at the end of each reporting period of a group of insurance contracts issued is the sum of the liability for remaining coverage ("LRC") and the liability for incurred claims ("LIC"). The LRC consists of the fulfilment cash flows ("FCF") and the contractual services margin ("CSM"). The fulfilment cash flows in turn comprise of the present value of future cash flows within the contract boundary ("PVFCF") and the risk adjustment for non-financial risk ("RA"), in addition to any receivables/(payables) that relate to future service. The LIC comprises of the insurance-related receivables/(payables) relating to past service.

The Italian Parliament approved Law No. 207 on 30 December 2024, amending the existing stamp duty regime. This law requires the application and payment of the stamp duty on an annual basis and mandates the payment of the stamp duty accrued as of 31 December 2024 for policies since 2012 but still in force as at 1 January 2025 on a gradual basis from June 2025 to June 2028. In addition, the law requires regular annual prepayments in subsequent years. These amounts are recoverable through a reduction in the benefit paid to the Policyholder upon the expiry or redemption of the policy.

The timing difference between the prepayment of the Italian stamp duty to the tax authorities and the recovery from the policyholder leads to a discounting impact due to the time value of money and this discounting impact is allowed for in the insurance contract liabilities.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

1. Accounting Policies *(continued)*

Amounts recognised in the Statement of Financial Position - Insurance

Present value of future cash flows within contract boundary ("PVFCF")

The estimates of future cash flows comprise all cash flows expected to arise as the insurance contract is fulfilled. In estimating these future cash flows, the Company incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. Cash flows within the boundary of a contract relate directly to the fulfilment of the contract, including those for which the Company has discretion over the amount or timing. Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Company has a substantive obligation to provide the policyholder with insurance contract services. These include premiums from policyholders, payments to (or on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling the contracts. Death benefit riders, representing add-on provisions to a basic insurance policy that provide additional benefits to the policyholder at additional cost, that are issued together with the main insurance contracts form part of a single insurance contract with all of the cash flows within its boundary.

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belongs.

Depending on the type of services provided, other costs that are incurred in fulfilling the contracts include:

- claims handling, maintenance and administration costs;
- recurring commissions payable on instalment premiums receivable within the contract boundary;
- costs that the Company will incur in providing investment services;
- an allocation of fixed and variable overheads; and
- other costs specifically chargeable to the policyholders under the terms of the contracts.

The estimates of future cash flows are adjusted to reflect the time value of money and the financial risks related to those cash flows using discount rates determined in line with IFRS 17 requirements, resulting in the PVFCF included within the Insurance Contract Liabilities.

The PVFCF is updated by the Company for current assumptions at the end of every reporting period, using the current estimates of the amount, timing and uncertainty of future cash flows and discount rates.

Risk adjustment for non-financial risk ("RA")

The risk adjustment for non-financial risk reflects the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Company fulfils insurance contracts. Such non-financial risks include insurance risks, lapse and expense risk.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

1. Accounting Policies *(continued)*

Amounts recognised in the Statement of Financial Position - Insurance *(continued)*

Risk adjustment for non-financial risk ("RA") *(continued)*

The Company applies a Cost of Capital approach with a Cost of Capital rate of currently 6% as under Solvency II. The main differences relative to Solvency II are:

- the risk adjustment for gross and ceded business is calculated separately;
- the risk adjustment allows for diversification benefits arising from being part of the Allianz Group which are reflected in the premiums the Company charges policyholders;
- no allowance is made for operational risk in the risk adjustment; and
- the input risk capitals used in the risk adjustment are averaged over the previous three years to address cross effects with financial risks that are excluded from the scope of the risk adjustment.

The RA of insurance contracts corresponds to a confidence level range of 65% to 70% (2024: 65% to 70%).

Contractual service margin ("CSM")

The CSM is a component of the carrying amount of the asset or liability for a group of insurance contracts issued representing the unearned profit that the Company will recognise as insurance revenue as and when it provides insurance contract services in the future.

At initial recognition for a profitable contract, the premium (i.e. the change in assets) received is higher than the fulfilment cash flows (i.e. the PVFCF and the RA for that contract, or the increase in liability). To ensure that no profit is recognised at inception, the CSM is set equal to the difference between the premiums and the fulfilment cash flows. At initial recognition for an onerous (i.e. unprofitable) contract, the expected loss (i.e. the excess of the fulfilment cash flows over the premium) is recorded immediately in the Statement of Profit and Loss as a loss component.

The subsequent measurement of the CSM is dependent on the measurement model used for the group of contracts.

For insurance contracts measured under the VFA, the CSM gets adjusted for:

- the effect of new contracts being added to the group (if any);
- the change in the variable fee the entity expects to earn from the underlying items, unless the CSM is not enough to absorb that change, in which case the CSM would become zero and the excess results in a loss component;
- changes in the fulfilment cash flows that relate to future service, unless the CSM is not enough to absorb that change, in which case the CSM would become zero and the excess results in a loss component; and
- the amount of CSM recognised as insurance revenue because of the transfer of insurance services during the period.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

1. Accounting Policies *(continued)*

Amounts recognised in the Statement of Financial Position - Insurance *(continued)*

Contractual service margin (“CSM”) *(continued)*

The release of CSM into insurance revenue is determined based on the concept of “coverage units”, which are a measure of the services provided to policyholders under the insurance contracts. The ratio of coverage units relating to the current period to the total coverage units determines the CSM release factor. Applying this release factor to the contractual service margin remaining at the end of the reporting period (before any allocation) determines the amount recognised as revenue in the current period, with the remaining balance being allocated to the remaining coverage period.

The Company uses policyholder account values as the coverage units for its unit-linked insurance contracts. This is considered to be appropriate since account values are the most suitable proxy for the predominant investment-related service provided to policyholders under the insurance contracts.

For reinsurance contracts measured under the BBA, the CSM gets adjusted for:

- the effect of new contracts being added to the group (if any);
- interest accreted on the carrying amount of the CSM during the reporting period;
- changes in the fulfilment cash flows that relate to future service except for those that are driven by financial risk. If these changes exceed the carrying amount of the CSM, the excess results in a loss component. These changes are measured at the discount rates specified at initial recognition; and
- the amount of CSM recognised as insurance revenue because of the transfer of insurance services during the period.

Receivables and payables

IFRS 17 is conceptually based on a prospective cash view. All expected future cash flows arising from the contract are considered and reflected in one position, the insurance contract liabilities. Therefore, receivables/(payables) from insurance contracts as well as any deposits are part of the insurance contract liabilities.

The PVFCF, RA, CSM and Receivables and payables relating to insurance contracts are included within “Insurance contract liabilities” presented in the Statement of Financial position.

Reinsurance contracts

The Company recognises reinsurance contracts to reflect the reinsurance arrangements it has entered into. Under these contracts a part of the mortality risk on the underlying insurance contracts is transferred to the reinsurer. The reinsurance contracts held are reported separately in the Statement of Profit and Loss within “Net expenses from reinsurance contracts held” and the Statement of Financial Position within “Reinsurance contract assets”. These reinsurance contracts are measured using the BBA, and are subject to the same IFRS 17 requirements outlined for the insurance contracts earlier, except for the following key differences:

- Reinsurance contracts are recognised on the date the first underlying contract is issued;
- The risk adjustment for reinsurance contracts held reflects the risk being transferred to the reinsurer;
- The CSM for reinsurance contracts held is not floored at zero; with the CSM representing the net cost/gain of entering into the reinsurance arrangements. This cost/gain is recognised in the insurance service result as and when services are received under the reinsurance contracts; and
- Coverage units for the reinsurance contracts are the projected sums at risk ceded under the contracts.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

1. Accounting Policies *(continued)*

Amounts recognised in the Statement of Profit and Loss - Insurance

Insurance revenue

The Company recognises insurance revenue as it provides services under groups of insurance contracts. For contracts measured under the VFA, the insurance revenue relating to services provided for each reporting period represents the total of the changes in the LRC that relate to services for which the Company expects to receive consideration, and comprises the following items:

- Claims and other insurance service expenses incurred in the year, generally measured at the amounts expected at the beginning of the year, excluding amounts allocated to a potential loss component and repayments of investment components;
- A release of the CSM, measured based on coverage units provided;
- Changes in the risk adjustment for non-financial risk relating to current services; and
- Amounts related to insurance acquisition cash flows.

As the Company provides insurance contract services under the group of insurance contracts, it reduces the LRC and recognises insurance revenue.

Insurance service expenses

These expenses consist of claims and other insurance service expenses incurred during the period as well as the amortisation of insurance acquisition cash flows, but exclude repayments of investment components. Furthermore, they include the changes in the fulfilment cash flows relating to the LIC, the losses on onerous groups of contracts and reversals of such losses. For the insurance contracts with direct participation features, it also includes an adjustment for experience adjustments of the non-financial underlying items.

Insurance service expenses include only costs that relate directly to the fulfilment of the insurance contracts. Other expenses not meeting the above categories are included in Non-insurance related acquisition and administration expenses in the Statement of Profit and Loss.

Net expenses from reinsurance contracts held

Reinsurance expenses are recognised similarly to insurance revenue. The net expenses from reinsurance expenses reflects the allocation of the ceded reinsurance premiums to the current period, which is offset by the amounts recoverable from the reinsurer for incurred claims.

Interest result

Interest result is recognised on an accrual basis using the effective interest method.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

1. Accounting Policies *(continued)*

Amounts recognised in the Statement of Profit and Loss – Insurance *(continued)*

Valuation result

Valuation result includes all interest and dividend income and investment expenses as well as realised and unrealised gains and losses from financial assets carried at fair value through profit and loss underlying the insurance policyholder contracts.

Net changes in the fair value of financial assets at fair value through profit or loss are included in the Statement of Profit and Loss in the period in which they arise, as well as dividend and interest income earned from these assets. Net changes in the fair value of financial assets through other comprehensive income are included in the Statement of Other Comprehensive Income in the period in which they arise.

Dividend income is recorded on the ex-dividend date. Bond income is recorded on the accrual basis and deposit interest is recorded on a receipts or accruals basis as applicable, calculated using an effective interest methodology.

Realised gains and losses are calculated as the difference between the net sale proceeds and original cost. Unrealised gains and losses are calculated as the difference between the fair value of financial assets at the end of the accounting period and the fair value at the beginning of the period or the purchase price for assets acquired during the period.

Valuation result arising from financial assets underlying insurance contracts are presented as “Valuation result” within Investment result.

Net insurance finance expenses

Net insurance finance expenses consist of finance income or expenses from insurance contracts issued and reinsurance contracts held. The main component relates to mirroring of the valuation result from the assets underlying insurance contracts which are measured under the VFA. It also includes the interest accretion of the fulfilment cash flows and the CSM as well as the changes in the fulfilment cash flows due to changes in financial assumptions for reinsurance contracts measured under the BBA.

Investment contracts - Product classification

Where the risk is primarily borne by the policyholder, the contract is deemed to be an investment contract in accordance with IFRS 9. An investment contract classified as such on inception could subsequently “transform” and be reclassified as an insurance contract, if it meets the insurance definition described above.

	Product classification	Measurement model
Contracts issued		
Unit-linked investment contracts without discretionary participation features	Financial instruments	Financial liabilities measured at Fair Value Through Profit or Loss (FVTPL) under IFRS 9

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

1. Accounting Policies *(continued)*

Investment contracts – Recognition and measurement

Amounts recognised in Statement of Financial Position - Investment

Investment contract assets/liabilities

Investment contract contributions received from policyholders are not recognised in the Statement of Profit and Loss as premiums but are accounted for as deposits in the Statement of Financial Position. Financial liabilities in respect of such contracts are presented in the Statement of Financial Position as “Investment contract liabilities”.

All investment contracts issued by the Company are designated on initial recognition as at fair value through profit or loss. The basis of this designation is that the financial assets and liabilities are managed and evaluated on a fair value basis.

The designation also eliminates, or significantly reduces, a measurement inconsistency that would otherwise arise if these financial liabilities were not measured at fair value since the assets held to back the investment contract liabilities are also measured at fair value.

The fair value of the Company’s unit-linked investment contract liabilities is based on the fair value of the financial assets held within the appropriate unit-linked funds.

Deferred acquisition costs

Acquisition costs on investment contracts include sales commissions. Also included within acquisition costs are the value of additional units credited to policyholder account balances upon initial investment in relation to certain products. These sales inducement costs are recoverable through penalties payable on surrender and from ongoing charges.

Acquisition costs are deferred as an explicit deferred acquisition cost asset, gross of tax, to the extent that they are recoverable out of future revenue margins to which they relate. Such costs are amortised through the Statement of Profit and Loss over the period in which the future revenue margins on the related contracts are expected to be earned. The rate of amortisation is based on a prudent assessment of the expected pattern of receipt of future revenue margins, taking account of persistency, from the related contracts. All other costs are recognised as expenses when incurred.

Deferred income

Deferred income arising from investment contracts typically refers to where the Company deducts an upfront charge from the premium in order to fund payment of upfront commission, but which is not recognised immediately in the Statement of Profit and Loss. Such income is amortised over the expected life of the policy, in line with the amortisation of deferred acquisition costs, and any unamortised amount is recognised when the policy is surrendered.

Investment contract receivables/(payables)

Amounts due to and from policyholders, agents and others in respect of investment contracts are included in other receivables and creditors and other payables.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

1. Accounting Policies *(continued)*

Investment contracts – Recognition and measurement *(continued)*

Amounts recognised in the Statement of Profit and Loss - Investment

Net result from investment contracts

The net result from investment contracts consists of fee and commission income, claims and benefits paid to the policyholders, expenses attributed to unit-linked investment contract, valuation result and changes to the investment contracts liabilities.

Fee and commission income

Investment contracts issued by the Company involve the provision of investment management services. Fees charged for such services are recognised as revenue based upon the stage of completion of the contracts and are included under “Fee and commission income” within the “Net Result from investment contracts” in the Statement of Profit and Loss. Recurring fees are recognised as earned on an accruals basis. Front-end fees received at the inception of a contract are deferred and amortised over the anticipated period for which the services will be provided, over the expected term of the contract.

Claims and benefits incurred

For investment contracts, the additional payment paid to policyholders’ beneficiaries in the event of a death claim are disclosed under “Claims and benefits incurred” within the “Net result from investment contracts” in the Statement of Profit and Loss.

Expenses attributed to investment contracts

Expenses comprised of commissions, administrative and investment expenses that relate to investment contracts are disclosed within the “Net result from investment contracts” in the Statement of Profit and Loss.

Finance cost

This amount is the discounting to present value of the prepaid Italian Stamp Duty Bollo.

Valuation result

Income from financial assets underlying investment contracts comprises interest and dividend income and net gains/losses on financial assets classified as fair value through profit or loss. Valuation result arising from financial assets underlying investment contracts are included within “Net result from investment contracts,” with the corresponding amount recorded in “Change in investment contract liabilities.”

Financial assets underlying insurance and investment contracts

Financial assets are initially measured at fair value. In the case of assets not designated at fair value through profit or loss, transaction costs that are directly attributable to their acquisition are capitalised. Transaction costs in relation to financial assets designated at fair value through profit or loss are expensed immediately. After initial recognition, the Company measures financial assets at fair value through profit or loss and fair value through other comprehensive income without any deduction for transaction costs it may incur on disposal. The fair values of investments are based on quoted closing prices.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

1. Accounting Policies *(continued)*

Financial assets underlying insurance and investment contracts *(continued)*

The financial assets for unit-linked contracts are exclusively held on behalf of, and for the benefit of, unit-linked policyholders. To ensure consistency with the corresponding accounting treatment for the unit-linked contracts, these investments are designated at fair value through profit and loss on initial recognition. The basis of this designation is that the financial assets and liabilities are managed and evaluated together on a fair value basis. This designation also eliminates or significantly reduces a measurement inconsistency that would otherwise occur if these financial assets were not measured at fair value and the changes in fair value were not recognised in the Statement of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Company has a legal right to offset the amounts, and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis for gains and losses from financial instruments at fair value through profit or loss and foreign exchange gains and losses. There were no offset trading positions in 2025 (2024: €Nil).

Impairment

The Company recognises loss allowances for 'Expected Credit Loss' ("ECL") for those financial instruments, which are not measured at fair value through profit or loss.

The IFRS 9 forward-looking ECL model requires considerable judgement about how changes in economic factors affect ECLs and is determined on a probability-weighted basis. This impairment model applies to financial assets measured at amortised cost or 'fair value through other comprehensive income' ("FVTOCI").

Under IFRS 9, loss allowances are measured on either of the following bases and accounted for in the Statement of Profit and Loss:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since initial recognition and 12-month ECL measurement applies if it has not.

Measurement

The Company measures ECL over the remaining life of a financial instrument in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information about past events, current conditions and reasonable and supportable forecasts of future events and economic conditions at the reporting date.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

1. Accounting Policies *(continued)*

Impairment *(continued)*

Measurement *(continued)*

The amount of ECL recognised as a loss allowance depends on the change in credit risk of the financial instrument since origination and whether the credit risk on those financial instruments has increased significantly since initial recognition. In order to determine the appropriate ECL, a financial instrument is allocated to a stage dependent on the credit risk relative to when the financial instrument was originated:

Stage 1 – includes financial instruments that have not had a Significant Increase in Credit Risk (SICR) since initial recognition. For these assets, 12-month ECL is recognised. 12-month ECL is the ECL that results from default events that are possible within 12 months of the reporting date. It is not the expected cash shortfalls over the 12-month period but the entire credit loss on an asset weighted by the probability that the loss will occur in the next 12 months. Therefore, all financial assets in scope will have an impairment provision equal to at least 12-month ECL;

Stage 2 – includes financial instruments that have had a SICR since initial recognition but that does not have objective evidence of impairment. For these assets, lifetime ECL is recognised, being the ECL that results from all possible default events over the expected life of the financial instrument;

Stage 3 – includes financial assets that have objective evidence of impairment at the reporting date, i.e. are credit-impaired. For these assets, lifetime ECL is recognised.

Recognition of financial assets and liabilities

Financial assets and financial liabilities at fair value through profit or loss are initially recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognised on the date on which they are originated.

De-recognition of financial assets and liabilities

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and the asset qualifies for de-recognition in accordance with IFRS 9. A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances and deposits with a maturity of less than 90 days. These assets are measured at amortised cost. All cash is available on demand.

Taxation

Taxation comprises current and deferred taxation and is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax, including Irish corporation tax and foreign tax, is provided on the Company's taxable profits, at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the Statement of Financial Position date.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

1. Accounting Policies *(continued)*

Taxation *(continued)*

Top-up taxes are calculated on a jurisdictional basis, ensuring that the effective tax rate (ETR) in each jurisdiction meets the minimum 15% threshold as required by the OECD Pillar II rules. Top-up taxes are recognised as part of the current tax expense in the Statement of Profit and Loss in the period in which the obligation arises.

Except where otherwise required by accounting standards, full provision without discounting is made for all temporary differences which have arisen but not reversed at the Statement of Financial Position date. Deferred tax balances are provided at rates of taxation expected to prevail at the time of reversal.

A deferred tax asset is recognised where it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

Advance payment of Italian policyholders' tax

Payments to the Italian authorities as a result of the Company being a withholding tax agent are recognised as assets. Those assets are presented within the Statement of Financial Position in their nominal amounts (no discounting is applied). The payments are recoverable from deductions made from capital gains made by policyholders, by offset against taxes payable to Italian revenue within a period of five years or, after five years they may be transferred to a company in the same group or may be carried forwards within the asset to be recovered against the next payment that will fall due.

The exit tax liability ("ETL") at year end is netted firstly against the previous sixth year recoverable asset. Any excess ETL is netted against the remaining recoverable asset, whereas any excess sixth year recoverable asset is netted against the year-end liability. Italian legislation makes provision for a cap on the size of the Advance Payment of Italian Policyholders' Tax held on the Statement of Financial Position. For the end of 2025 this was 125 basis points ("bps") (2024: 140bps) of the Italian policyholder mathematical reserves. The cap of 125bps applies from 2025 onwards. The recoverable amount of the asset is reviewed at each year end.

Italian stamp duty bollo

The Italian stamp duty Bollo is a statutory wealth-based levy imposed under Italian law on investment linked life assurance products, i.e., it is not a tax based on profits. The levy is economically borne by the policyholder. Following legislative changes effective 1 January 2025, the Company is required to prepay the stamp duty annually to the Italian tax authorities for all in force contracts. Although the Company makes the payment, it acts solely as agent for policyholders and recovers the amounts at policy liquidation (maturity, surrender, or death). For insurance contracts the Italian Stamp Duty Bollo is accounted for under IFRS 17 and is measured in the future cash flows through the CSM, and for investment contracts it is accounted for under IFRS 9. The prepaid stamp duty bollo receivable is measured initially and subsequently at fair value through profit or loss under IFRS 9. No liability is recognised before the obligation becomes legally due to be paid to the Italian tax authorities.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

1. Accounting Policies *(continued)*

Foreign currencies

The reporting and functional currency of the Company is the Euro. Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the exchange rates ruling at the Statement of Financial Position date and revenues, costs and non-monetary assets at the exchange rates ruling at the dates of the transactions. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Euros at foreign exchange rates ruling at the dates the fair value is determined. Profits and losses arising from foreign currency translations and on settlement of amounts receivable and payable in foreign currency are included in the Statement of Profit and Loss.

Provision

A provision is recognised in the Statement of Financial Position when the Company has a present legal or constructive obligation as a result of past events, under which it is more likely than not that an outflow of economic resources will be required to settle the obligation and the amount of the provision can be reliably estimated.

Critical accounting estimates, assumptions and judgements

The Company's critical accounting estimates, assumptions and judgements and the application of these estimates, assumptions and judgement are considered by management for each reporting period.

Valuation of insurance liabilities

The Company applies significant assumptions and judgements in the following aspects of the determination of the CSM amounts that are recognised in the Statement of Profit and Loss. For unit-linked insurance contracts, the investment-related services are highly inter-related with the insurance services, and hence the coverage period of the insurance contracts includes periods in which the Company provides investment related services. In performing the above determination, management applies judgement that might significantly impact the CSM carrying values and amounts of the CSM allocation recognised in the Statement of Profit and Loss for the period. In applying IFRS 17 measurement requirements, the following inputs and methods were used that include significant estimates.

Present value of future cash flows

The present value of future cash flows is calculated through full policy-by-policy cash flow projections on a deterministic scenario using best estimate assumptions.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

1. Accounting Policies *(continued)*

Critical accounting estimates, assumptions and judgements *(continued)*

Valuation of Insurance liabilities *(continued)*

Persistency

The Company derives lapse and surrender assumptions based on the Company's own experience. A history of lapse and surrender experience over the last 5.5 years is sourced from the Company's policy administration data. Statistical methods are used to derive adjustments to the Company's own experience and any trends in the data, to arrive at expected future lapse and surrender rates. An analysis is then performed of these rates in comparison to the assumptions previously used. Assumptions are set for each major product line. Changes in lapse and surrender rates could increase or decrease estimates of future cash outflows and thus decrease or increase the CSM.

Mortality

The Company derives mortality assumptions based on the Company's own experience supplemented by an internal Allianz Group mortality table for Italy. An investigation into the Company's experience over the total history available is performed and statistical methods are used to adjust the mortality tables to produce expected mortality rates in the future over the duration of the insurance contracts. Changes in mortality rates could increase or decrease estimates of future cash outflows and thus decrease or increase the CSM.

Expenses

The Company projects estimates of future expenses relating to fulfilment of contracts within the scope of IFRS 17 using planned expense levels adjusted for inflation. Expenses comprise expenses directly attributable to the groups of contracts, including an allocation of fixed and variable overheads. The expense inflation assumption is based on expected price and wage inflation. Changes in expense assumptions could increase or decrease estimates of future cash outflows, and hence decrease or increase the CSM.

Top-ups

The contract boundary under IFRS 17 includes all future premiums, including voluntary "top-up" premiums paid by policyholders. Hence, the Company introduced an assumption for future top-up premiums it expects policyholders to pay into their unit-linked policies.

The Company derives this assumption based on the Company's own experience. A history of top-up premiums received over the last 5.5 years is sourced from the Company's policy administration data, and used to generate expected future top-up rates based on the initial premium in-force. An analysis is then performed of these rates in comparison to the assumptions previously used. Statistical methods are used to derive adjustments to the Company's own experience and any trends in the data, to arrive at expected future top-up rates.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

1. Accounting Policies *(continued)*

Critical accounting estimates, assumptions and judgements *(continued)*

Valuation of Insurance liabilities *(continued)*

Discount rates

According to IFRS 17, all future cash flows must be discounted. The IFRS 17 requirements for the interest curves used in the discounting are principle based. An entity should use observable market data based on a risk-free base curve and portfolio-specific adjustments to reflect the illiquidity of insurance obligations in determining the interest curves. The Company applies a bottom-up approach in which the basic risk-free liquid yield curves are usually derived from swap rates or government yields for the specific currency and adjusted for remaining credit risk. These risk-free liquid yield curves are then adjusted to reflect illiquidity of the underlying insurance liabilities based on reference portfolios, if applicable.

For contracts measured under the BBA (which is the reinsurance contracts held by the Company), the discount rates at initial recognition are locked-in to ensure that the CSM is only adjusted for changes relating to non-financial assumptions and variances. The fulfilment cash flows are measured at both locked-in rates and current rates, with the difference recorded in Other Comprehensive Income.

The table below sets out the continuously compounded spot rates used to discount the cash flows of insurance contracts:

	As at 31 December 2025				
	1 year	5 years	10 years	20 years	30 years
Unit-linked contracts	2.1%	2.5%	2.9%	3.2%	3.3%
	As at 31 December 2024				
	1 year	5 years	10 years	20 years	30 years
Unit-linked contracts	2.3%	2.2%	2.3%	2.3%	2.4%

For the sensitivities with regard to the assumptions made that have the most significant impact on measurement under IFRS 17, refer to Note 2.

Italian tax asset

The asset arising from the advance payment of Italian policyholder Italian tax obligations is expected to be recoverable either by deduction from tax withheld on behalf of policyholders, by offset against taxes payable to Italian revenue within a period of five years or by surrender to group companies after five years, or this unrecovered balance may be carried forwards within the asset to be recovered against the next payment that will fall due. A key judgement exercised by Directors is that it is appropriate to carry this asset at its full future recoverable value without impairment. The Italian tax asset is imposed by legislation on the Company and is recoverable from the Italian Government after a certain period in the relatively near future. Ultimately the Italian tax asset is a prepayment of exit taxes which are taxes on the profits made by policyholders' policies. The Italian tax asset is treated under IAS 12 "Income Taxes" and in line with this standard is not discounted.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

1. Accounting Policies *(continued)*

Critical accounting estimates, assumptions and judgements *(continued)*

Italian Stamp Duty Bollo

For insurance business accounted for under IFRS 17, the prepayment of the Italian stamp duty bollo is incorporated within IFRS 17 cash flows, thereby subject to present value discounting as outlined above on pages 24 to 29, and using the discount rates outlined in “Discount Rates” on page 39 above.

As regards investment contract liabilities, the Italian stamp duty bollo is not a levy on the Company itself. The company recognises a financial asset (receivable) from the policyholder at the date the stamp duty is prepaid. The timing but not the amounts of recoveries from the policyholders remain uncertain and potentially extend over many years. The receivable is initially recognised at fair value, reflecting the time value of money. Subsequent measurement reflects the unwinding of the discount and revisions to expectations of recoverability. No liability is recognised before the obligation becomes legally due to be paid to the Italian tax authorities.

Valuation of Financial instruments

The Company classifies fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the fair value measurements.

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs.

This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument’s valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

In general, financial assets and liabilities are transferred from level 1 to level 2 when liquidity, trade frequency and activity are no longer indicative of an active market. Conversely, the same policy applies for transfers from level 2 to level 1.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Company determines fair values using valuation techniques.

Observable prices and model inputs are usually available in the market for listed Equity and Fixed Income securities, Collective Investment Schemes and Exchange Traded Derivatives. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determination of fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

1. Accounting Policies *(continued)*

Critical accounting estimates, assumptions and judgements *(continued)*

Valuation of Financial instruments *(continued)*

The portfolio bonds which are classified in the Collective Investment Schemes category are priced from first principles when individual holdings are known. Where the portfolio bonds are managed under a discretionary asset management agreement the valuations are provided directly by the investment managers.

2. Financial risks and risk management

The Company is exposed to a range of risks through its financial assets and its financial liabilities and also in relation to the accounting estimates and judgements it needs to make in the preparation of its financial statements and its regulatory returns.

These risks are described below together with the risk management approaches adopted by the Company.

Ultimate responsibility for the Company's risk management rests with the Directors and the Board is supported by the operation of a number of committees that meet on a regular basis to review and monitor the Company's risk exposures. Policy statements have been prepared and approved by the Directors which set out parameters and limitations to manage and limit financial risks and operational risks. The Company's policies define the approach to risk management and how the controls, procedures, limits and escalation procedures are implemented to ensure that risks are managed in line with the Risk Appetite, as approved by the Board. These policies are subject to regular review. The Company has not substantially changed the approaches adopted to manage its financial risks from the previous accounting period.

Risks associated with insurance and investment contracts

The Company matches all the policyholder liabilities under insurance and investment contracts with assets in the funds for which the unit prices for the contracts are based, and the Company aims to ensure that the investment policy adopted for these funds is consistent with that communicated to policyholders in their contract documentation. Though market and credit risk relating to the value of policyholder financial assets is borne by policyholders, the future profits from investment and insurance contracts are dependent on the performance of the policyholder funds, expenses incurred, how long the policyholder keeps the policy and the level of claims incurred under insurance benefits.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

2. Financial risks and risk management *(continued)*

Underwriting risk

Underwriting risk comprises of mortality risk, persistency risk, expense risk and risk of receiving lower than expected top-ups.

- The Company is exposed to **mortality risk** through the loss of future profits and from increased numbers of policyholder insurance claims in future cash flows. Mortality risk is partly mitigated through the reinsurance of some death benefits.
- **Persistency risk** is the risk that the policyholder lapses (i.e. cancels) the contracts, in whole or in part, thereby exposing the Company to the loss of future profits. The Company manages this risk by ensuring that its distributors only sell such policies to customers with a medium to long term investment horizon and through maintaining high levels of customer care. Early redemptions are reviewed and analysed to determine potential trends requiring attention. Persistency risk is regularly monitored to ensure it is in line with expectations.
- The Company is exposed to the **expense risk** from unexpected increases in the maintenance costs associated with the servicing of contracts. The Company manages this through the annual budgeting process and regular expense analyses.
- The Company is exposed to the risk of receiving **lower top-up premiums** from existing policies than expected. This risk is monitored regularly to ensure it is in line with expectations.

The following tables outline the impact of underwriting related shocks on the PVFCF, RA, CSM, pre-tax profit and Shareholder equity. The mortality shock is based on increasing the mortality rate assumptions used to estimate the future cash flows. The lapse shock is based on increasing lapse assumptions used to estimate the future cash flows. The expenses shock is based on stressing future expenses allowed for in the estimate of future cash flows. The top-up shock is based on decreasing expected future top-up assumptions used in the estimate of future cash flows. This analysis presents the sensitivities after risk mitigation by reinsurance and assumes that all other variables remain constant. There is no impact on the outstanding insurance and reinsurance receivables/(payables), and hence, these are not included in the table below.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

2. Financial risks and risk management *(continued)*

Risks associated with insurance and investment contracts *(continued)*

Underwriting risk (continued)

Table 1 - Underwriting risk exposure as at 31 December 2025.

	PVFCF	RA	CSM	Total	Impact on PVFCF	Impact on RA	Impact on CSM	Impact on net insurance contract liabilities	Impact on pre-tax profit (current period)	Impact on Shareholders' equity
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
<i>Actual amounts as at 31 December 2025</i>										
Net insurance liabilities	18,212,678	189,237	958,811	19,360,726						
<i>Mortality rate - 15% increase</i>										
Net insurance liabilities	18,240,691	182,438	937,917	19,361,046	28,013	(6,799)	(20,894)	320	(270)	(236)
<i>Lapse/surrender rates - 10% increase</i>										
Net insurance liabilities	18,273,311	175,072	911,810	19,360,193	60,633	(14,165)	(47,001)	(533)	471	250
<i>Expenses - 10% increase</i>										
Net insurance liabilities	18,258,408	184,993	920,164	19,363,565	45,730	(4,244)	(38,647)	2,839	(2,695)	(2,484)
<i>Top - up - 10% decrease</i>										
Net insurance liabilities	18,256,836	179,650	924,326	19,360,812	44,158	(9,587)	(34,485)	86	(143)	(271)

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

2. Financial risks and risk management *(continued)*

Risks associated with insurance and investment contracts *(continued)*

Underwriting risk (continued)

Table 2 - Underwriting risk exposure as at 31 December 2024.

	PVFCF	RA	CSM	Total	Impact on PVFCF	Impact on RA	Impact on CSM	Impact on net insurance contract liabilities	Impact on pre-tax profit (current period)	Impact on Shareholders' equity
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
<i>Actual amounts as at 31 December 2024</i>										
Net insurance liabilities	15,205,887	166,126	758,103	16,130,116						
<i>Mortality rate - 15% increase</i>										
Net insurance liabilities	15,234,287	158,344	737,816	16,130,447	28,400	(7,782)	(20,287)	331	(258)	(291)
<i>Lapse/surrender rates - 10% increase</i>										
Net insurance liabilities	15,269,903	149,891	710,191	16,129,985	64,016	(16,235)	(47,912)	(131)	147	114
<i>Expenses - 10% increase</i>										
Net insurance liabilities	15,251,578	161,221	720,694	16,133,493	45,691	(4,905)	(37,409)	3,377	(3,379)	(2,956)
<i>Top - up - 10% decrease</i>										
Net insurance liabilities	15,248,543	155,854	725,909	16,130,306	42,656	(10,272)	(32,194)	190	(178)	(166)

An increase in mortality rates reduces future profits due to higher projected claims, reducing the CSM. This in turn reduces pre-tax profit and Shareholder equity. The larger impact on Shareholder equity is driven by changes in insurance accumulated OCI on reinsurance contracts, which impacts Shareholder equity but not profit. An increase in lapse rates results in lower future charges collected, resulting in a decrease in expected future profits, reducing the CSM. Pre-tax profits and Shareholder equity are increased slightly due to knock-on impacts of the lapse shock on the coverage units used to determine the CSM release in the current period. An increase in maintenance expenses increases future outflows and thus reduces the Company's expectation of future profits, reducing the CSM. This in turn reduces pre-tax profit and Shareholder equity. A decrease in expected future top-up rates decreases future inflows and thus reduces the Company's expectation of future profits, reducing the CSM.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

2. Financial risks and risk management *(continued)*

Risks associated with financial assets and liabilities

The Company's assets are subject to three principal risks: market risk, credit risk, and liquidity risk. The subsequent discussion examines these risks and their effects on policyholders' and shareholders' interests, although not necessarily in the sequence stated above.

Market risk arises for the Company on the value of the fees earned, from the consequent impact of a loss of fair value resulting from adverse fluctuations in equity prices, interest rates and foreign currencies.

A number of financial risks also arise within the investment contracts and investment component of the insurance contracts. These risks are carried by the holders of these contracts:

- Market risk in respect of fluctuation in interest rates, equity prices and foreign currency rates.
- Credit risk in respect of exposure to counterparties.

The Company manages these risks taking into account the objectives of the investment funds in which the policyholders invest, as set out in the documentation given to the policyholders.

Market risk is managed on a daily basis by the investment managers who are responsible for monitoring the effect of changes in the fair value of assets in each fund. The investment managers execute purchases and sales of securities in accordance with their expectations of future market movements. The performance of the funds that results from the investment managers' choices is monitored on a regular basis by the Investment Committee.

The Company does not hold any other financial assets that are not attributable to investment and insurance contracts, apart from an investment associated with restricted stock units as part of the Group share based employee incentive plan. Note 34 to the financial statements provides further details on the operation of the scheme.

Credit risk occurs for the following assets if the counterparty is unable to pay amounts in full when due:

- Cash balances and deposits held with credit institutions.
- Receivables due from debtors and reinsurers.
- Recovery of the advance payment of the Italian Policyholders' Tax.
- Policyholder financial assets.

Substantially all of the assets backing retail business of the Company are held by one custodian counterparty. In relation to the assets backing the private insurance business, these are held with a number of individual counterparties. While the Company's assets are segregated for the Company's benefit in the custodian book, bankruptcy or insolvency of these counterparties may cause delay or limit the Company's rights with respect to the investments held by these counterparties. The Company monitors the credit quality of each counterparty.

The Company does not directly invest in unlisted investments for the retail unit-linked funds. As the Company does not appoint the individual custodians to the Collective Investment Schemes in which they invest, the Board has agreed to allow investment in such instruments only where they are regulated by a recognised regulator.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

2. Financial risks and risk management *(continued)*

Risks associated with financial assets and liabilities *(continued)*

Credit risk *(continued)*

For Private Insurance policies, the investment policy allows investment in a universe of assets, some of which may not be regularly traded. However, the policy conditions for private insurance customers allow for the settlement of a claim by way of an in-specie transfer, thereby allowing for the settlement of claims, even where the asset is illiquid.

Bond issuer risk for retail business is reduced by investing in bonds that are backed by an EU or certain OECD Governments. If corporate bonds are held by the Company, these are subject to a specified limit and are restricted to those of a short-term duration.

Risk exposure to credit institutions is managed by only using approved institutions and includes for the Company the cash-pool arrangement with Allianz SE, which has significant cash holdings at year end.

Amounts receivable from debtors are subject to a credit control process.

The balance remaining on the Italian Policyholders' Tax is recoverable from deductions made from gains made by policyholders when they surrender their policies, and in the event that any balance remains unrecovered after five years, an agreement has been made where that balance may be transferred to the parent company at face value, or this unrecovered balance may be carried forward within the asset to be recovered against the next payment that will fall due.

Policyholder assets are the assets backing the unit-linked insurance and investment contracts and the holders of these contracts bear the credit risk arising from these assets.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

2. Financial risks and risk management *(continued)*

Risks associated with financial assets and liabilities *(continued)*

Credit risk (continued)

The credit risk exposure and ratings of financial and other assets (excluding deferred acquisition costs) are set out in tables below:

Table 3 - Credit risk exposure and ratings of financial and other assets (excluding deferred acquisition costs) as at 31 December 2025.

	From AA to A+	From A to BBB	Not rated	Assets held for policy- holders	Total
	€'000	€'000	€'000	€'000	€'000
Advance payment of Italian policyholders' tax	-	-	396,287	-	396,287
Shareholder Investments at fair value through profit or loss	1,111	-	-	-	1,111
Investments at fair value through profit or loss:					
Equities	-	-	-	92,427	92,427
Fixed income securities	-	-	-	3,205,789	3,205,789
Investments in Collective Investment Schemes**	-	-	-	30,127,851	30,127,851
Derivatives	-	-	-	(1,733)	(1,733)
Deposits, Cash & Cash equivalents and other	-	-	-	475,749	475,749
Reinsurance Contract Assets	-	-	2,921	-	2,921
Other receivables	-	-	27,689	-	27,689
Cash and cash equivalents	271,340	21,119	4,676	-	297,135
Total assets bearing credit risk	272,451	21,119	431,573	33,900,083	34,625,226

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

2. Financial risks and risk management *(continued)*

Risks associated with financial assets and liabilities *(continued)*

Credit risk (continued)

Table 4 - Credit risk exposure and ratings of financial and other assets (excluding deferred acquisition costs) as at 31 December 2024.

	From AA to A+	From A to BBB	Not rated	Assets held for policy- holders	Total
	€'000	€'000	€'000	€'000	€'000
Advance payment of Italian policyholders' tax	-	-	324,840	-	324,840
Shareholder Investments at fair value through profit or loss	882	-	-	-	882
Investments at fair value through profit or loss:					
Equities	-	-	-	106,554	106,554
Fixed income securities	-	-	-	2,137,112	2,137,112
Investments in Collective Investment Schemes**	-	-	-	26,852,400	26,852,400
Derivatives	-	-	-	(9,689)	(9,689)
Deposits, Cash & Cash equivalents and other	-	-	-	662,195	662,195
Reinsurance contract assets	-	-	3,024	-	3,024
Other receivables	-	-	23,371	-	23,371
Cash and cash equivalents	276,432	10,792	4,071	-	291,295
Total assets bearing credit risk	277,314	10,792	355,306	29,748,572	30,391,984

** The Investments in Collective Investment Schemes ("CIS") are various Unit-linked SICAV funds which are all UCITS compliant and as a consequence are required to have an independent custodian taking custody of the assets of the SICAV. Therefore, counterparty credit risk exists to the extent of the ability of the custodian to return assets held. All policyholder assets are segregated and ringfenced from the Custodian's assets and protected against any action against the Custodian. These CIS are chosen by the various asset managers, responsible for the investment portfolio of each fund. These SICAVs are mainly domiciled in Luxembourg, Ireland, Switzerland, Italy and France.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

2. Financial risks and risk management *(continued)*

Risks associated with financial assets and liabilities *(continued)*

Credit risk *(continued)*

Table 5 - Credit risk exposure and ratings of Fixed income securities within policyholder assets (see table .3 above) as at 31 December 2025.

	From AAA to AA+	From AA to A+	From A to BBB	From BBB- to B-	Not rated	Total
	€'000	€'000	€'000	€'000	€'000	€'000
Investments at fair value through profit or loss:						
Fixed income securities	105,553	281,019	1,402,856	1,391,699	24,662	3,205,789
Total Fixed income securities bearing credit risk	105,553	281,019	1,402,856	1,391,699	24,662	3,205,789

Table 6- Credit risk exposure and ratings of Fixed income securities within policyholder assets (see table 4 above) as at 31 December 2024.

	From AAA to AA+	From AA to A+	From A to BBB	From BBB- to B-	Not rated	Total
	€'000	€'000	€'000	€'000	€'000	€'000
Investments at fair value through profit or loss:						
Fixed income securities	171,462	198,979	677,731	1,078,568	10,372	2,137,112
Total Fixed income securities bearing credit risk	171,462	198,979	677,731	1,078,568	10,372	2,137,112

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

2. Financial risks and risk management *(continued)*

Risks associated with financial assets and liabilities *(continued)*

Market risk is the risk of change in fair value of a financial instrument due mainly to fluctuations in interest rates, equity prices, and foreign currency rates.

- a) **Interest rate risk** arises primarily from the Company's investments in deposits and fixed income securities held in policyholder financial assets underlying the insurance and investment contracts. The change in interest yields is reviewed on a regular basis when the Company prepares projections of its solvency position.

Shareholder interest rate risk exposure

As at 31 December 2025 the Company's interest rate sensitive investments excluding unit-linked business relates mainly to a cash-pool arrangement with Allianz SE amounting to €259.2m (2024: €267.2m). The Company would have gained €2.6m (2024: gain €2.7m) or lost €2.6m (2024: lost €2.7m) in income in the event of interest rates shifting by positive 100 basis points or negative 100 basis points respectively.

Policyholder investment contracts interest rate risk exposure

An increase (decrease) in interest rates decreases (increases) the value of fixed income securities held in policyholder funds underlying the investment contracts would be offset by the decrease (increase) in investment contract liabilities.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

2. Financial risks and risk management *(continued)*

Risks associated with financial assets and liabilities *(continued)*

Market risk (continued)

Interest rate risk (continued)

Policyholder insurance contracts interest rate risk exposure

The tables below outline the impacts of interest rate shocks on the assets underlying the insurance contracts, PVFCF, RA, CSM, pre-tax profit and Shareholder equity. The interest rate shocks are applied by shocking the interest rate sensitive investments in the policyholder fund values and also the interest rates used to calculate the PVFCF. This analysis presents the sensitivities after risk mitigation by reinsurance and assumes that all other variables remain constant. There is no impact on the outstanding insurance and reinsurance receivables/(payables), and hence, these are not included in the tables.

Table 7 – Interest rate risk exposure for IFRS 17 modelled business as at 31 December 2025.

	Assets underlying the insurance contracts	PVFCF	RA	CSM	Total	Impact on assets underlying insurance contracts	Impact on PVFCF	Impact on RA	Impact on CSM	Total impact on insurance contract liabilities	Impact on pre-tax profit (current period)	Impact on Share- holders' equity
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
<i>Actual amounts as at 31 December 2025</i>												
Investments at FVTPL	19,451,469											
Net insurance liabilities	-	18,212,678	189,237	958,811	19,360,726							
<i>Risk free rate - 50 bp decrease</i>												
Investments at FVTPL	19,645,056	-	-	-	-	193,587	-	-	-	-	-	-
Net insurance liabilities	-	18,370,372	197,813	987,805	19,555,990	-	157,694	8,576	28,994	195,264	(1,621)	(1,593)
<i>Risk free rate - 50 bp increase</i>												
Investments at FVTPL	19,257,882	-	-	-	-	(193,587)	-	-	-	-	-	-
Net insurance liabilities	-	18,050,760	181,730	932,873	19,165,363	-	(161,918)	(7,507)	(25,938)	(195,363)	1,719	1,430

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

2. Financial risks and risk management *(continued)*

Risks associated with financial assets and liabilities *(continued)*

Market risk *(continued)*

Interest rate risk *(continued)*

Policyholder insurance contracts interest rate risk exposure *(continued)*

Table 8 – Interest rate risk exposure for IFRS 17 modelled business as at 31 December 2024.

	Assets underlying the insurance contracts	PVFCF	RA	CSM	Total	Impact on assets underlying insurance contracts	Impact on PVFCF	Impact on RA	Impact on CSM	Total impact on insurance contract liabilities	Impact on pre-tax profit (current period)	Impact on Share- holders' equity
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
<i>Actual amounts as at 31 December 2024</i>												
Investments at FVTPL	16,163,552											
Net insurance liabilities	-	15,205,887	166,126	758,103	16,130,116							
<i>Risk free rate - 50 bp decrease</i>												
Investments at FVTPL	16,296,576	-	-	-	-	133,024	-	-	-	-	-	-
Net insurance liabilities	-	15,324,181	171,904	768,305	16,264,390	-	118,294	5,778	10,202	134,274	(891)	(1,093)
<i>Risk free rate - 50 bp increase</i>												
Investments at FVTPL	16,030,528	-	-	-	-	(133,024)	-	-	-	-	-	-
Net insurance liabilities	-	15,085,922	160,931	748,990	15,995,843		(119,965)	(5,195)	(9,113)	(134,273)	909	1,093

A decrease in interest rates increases the value of fixed income securities held in policyholder funds underlying the insurance contracts and thus increases the PVFCF. The CSM is higher due to higher expected future profits and also lower discounting. The opposite is true for an increase in interest rates. Pre-tax profits and Shareholder equity are impacted slightly due to knock-on impacts of the shocks on the coverage units used to determine the CSM release in the current period. The larger impact on Shareholder equity is driven by changes in insurance accumulated OCI on reinsurance contracts, which impacts Shareholder equity but not profit.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

2. Financial risks and risk management *(continued)*

Risks associated with financial assets and liabilities *(continued)*

Market risk (continued)

- b) The Company's net exposure to **equity price risk** is limited to the equity securities content of its holdings in unit-linked funds.

There is exposure to equity price risk through equities and CIS held by policyholders of €30,220m in 2025 (2024: €26,959m).

Policyholder investment contracts equity price risk exposure

A price increase (or decrease) on equities and CIS held within the policyholder assets underlying the investment contracts would be offset by the investment contract liabilities.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

2. Financial risks and risk management *(continued)*

Risks associated with financial assets and liabilities *(continued)*

Market risk (continued)

Equity price risk (continued)

Policyholder insurance contracts equity price risk exposure

The tables outline the impacts of equity price shocks on the assets underlying the insurance contracts, PVFCF, RA, CSM, pre-tax profit or loss and Shareholder equity. The equity shocks are applied by shocking the equity price sensitive investments in the policyholder fund values. This analysis presents the sensitivities after risk mitigation by reinsurance and assumes that all other variables remain constant. There is no impact on the outstanding insurance and reinsurance receivables/(payables), and hence, these are not included in the table below.

Table 9 – *Equity price risk exposure for IFRS 17 modelled business as at 31 December 2025*

	Assets underlying the insurance contracts	PVFCF	RA	CSM	Total	Impact on assets underlying insurance contracts	Impact on PVFCF	Impact on RA	Impact on CSM	Total impact on insurance contract liabilities	Impact on pre-tax profit (current period)	Impact on Share- holders' equity
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
<i>Actual amounts as at 31 December 2025</i>												
Investments at FVTPL	19,451,469											
Net insurance liabilities	-	18,212,678	189,237	958,811	19,360,726							
<i>Equity - 30% decrease</i>												
Investments at FVTPL	17,154,862	-	-	-	-	(2,296,607)	-	-	-	-	-	-
Net insurance liabilities	-	16,070,466	171,917	825,868	17,068,251	-	(2,142,212)	(17,320)	(132,943)	(2,292,475)	(4,121)	(3,740)
<i>Equity - 30% increase</i>												
Investments at FVTPL	21,748,076	-	-	-	-	2,296,607	-	-	-	-	-	-
Net insurance liabilities	-	20,340,121	205,583	1,107,109	21,652,813	-	2,127,443	16,346	148,298	2,292,087	4,520	3,829

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

2. Financial risks and risk management *(continued)*

Risks associated with financial assets and liabilities *(continued)*

Market risk *(continued)*

Equity price risk *(continued)*

Policyholder insurance contracts equity price risk exposure *(continued)*

Table 10 – Equity price risk exposure for IFRS 17 modelled business as at 31 December 2024

	Assets underlying the insurance contracts	PVFCF	RA	CSM	Total	Impact on assets underlying insurance contracts	Impact on PVFCF	Impact on RA	Impact on CSM	Total impact on insurance contract liabilities	Impact on pre-tax profit (current period)	Impact on Share- holders' equity
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
<i>Actual amounts as at 31 December 2024</i>												
Investments at FVTPL	16,163,552											
Net insurance liabilities	-	15,205,887	166,126	758,103	16,130,116							
<i>Equity - 30% decrease</i>												
Investments at FVTPL	14,043,740	-	-	-	-	(2,119,812)	-	-	-	-	-	-
Net insurance liabilities	-	13,231,889	147,659	634,200	14,013,748	-	(1,973,998)	(18,467)	(123,903)	(2,116,368)	(3,444)	(3,014)
<i>Equity - 30% increase</i>												
Investments at FVTPL	18,283,364	-	-	-	-	2,119,812	-	-	-	-	-	-
Net insurance liabilities	-	17,164,692	183,935	897,436	18,246,063	-	1,958,805	17,809	139,333	2,115,947	3,865	3,382

A decrease in equity prices decreases the value of equity securities held in policyholder funds underlying the insurance contracts and thus decreases the PVFCF. The CSM is lower due to lower expected future profits. This in turn reduces pre-tax profits and Shareholder equity. The opposite is true for an increase in equity prices.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

2. Financial risks and risk management *(continued)*

Risks associated with financial assets and liabilities *(continued)*

Market risk (continued)

- c) **Foreign currency risk** can arise due to fluctuations in foreign exchange rates. The Company does not have any significant exposure to such movements as its investments are mainly denominated in Euro. For investment and insurance contracts, no direct market risk arises for the Company, as changes in the value of and income arising from the assets and liabilities underlying these contracts offset by changes in the investment contract liabilities and insurance contract liabilities.

Liquidity risk is defined as risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

In managing the Company's assets and liabilities, the Company seeks to ensure that cash is at all times available to settle liabilities as they fall due. Available funds are invested in call accounts and available on demand. The Company's treasury position is reviewed on a regular basis and cash balances are maintained to meet due liabilities. The Company can avail of a limited line of credit arranged by its parent company for short term liquidity requirements that may arise from timing factors. The Company also participates in a cash-pool arrangement with Allianz SE where most of the Company cash was held at year end.

For investment and insurance contract redemptions, cash paid out is funded by the redemption of the unit-linked assets supporting the contract liability. The policy conditions for private insurance allow for the settlement of a claim by way of an in-specie transfer, thereby allowing for the settlement of claims, even where the asset is illiquid.

An analysis of the contractual maturity of the Company's financial liabilities at 31 December 2025 is set out in the following table:

2025	No stated Maturity	Within 1 year	Between 1 and 5 years	Over 5 years	Total
	€'000	€'000	€'000	€'000	€'000
Insurance contract liabilities	19,363,898	23,088	-	-	19,386,986
Investment contract liabilities	14,448,614	-	-	-	14,448,614
Creditors and other payables	-	251,951	119	-	252,070
Lease liabilities	-	332	1,390	2,482	4,204
Corporation tax payable	-	2,820	3,357	-	6,177
Total liabilities	33,812,512	278,191	4,866	2,482	34,098,051

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

2. Financial risks and risk management *(continued)*

Risks associated with financial assets and liabilities *(continued)*

Liquidity risk (continued)

The table below sets out comparative contractual maturity data as at 31 December 2024:

2024	No stated Maturity	Within 1 year	Between 1 and 5 years	Over 5 years	Total
	€000's	€000's	€000's	€000's	€000's
Insurance contract liabilities	16,133,535	14,790	-	-	16,148,325
Investment contract liabilities	13,585,020	-	-	-	13,585,020
Creditors and other payables	-	167,614	401	-	168,015
Lease liability	-	326	1,365	2,839	4,530
Corporation tax payable	-	1,029	3,383	-	4,412
Total liabilities	29,718,555	183,759	5,149	2,839	29,910,302

Where the investment and insurance contract liabilities are classified as having “no stated maturity”, the policies are whole of life contracts, which can be surrendered at any time, in some instances subject to penalty charges and notice periods as set out in the policy documentation. After at least three months, policyholders can request disinvestment of their funds with three working days’ notice.

Maturity analysis of insurance and reinsurance held

The following table shows the undiscounted expected future cash outflows (inflows) for insurance and reinsurance contracts held by expected timing based on best estimate actuarial assumptions. Examples of cash outflows are payment of claims and expenses, and examples of cash inflows are premiums.

2025	Within 1 year	2 - 3 years	4 - 5 years	Over 5 years	Total
	€'000	€'000	€'000	€'000	€'000
Insurance contracts	445,822	1,326,081	1,427,974	29,025,216	32,225,093
Reinsurance contracts held	1,174	1,940	1,409	1,004	5,527
	446,996	1,328,021	1,429,383	29,026,220	32,230,620

2024	Within 1 year	2 - 3 years	4 - 5 years	Over 5 years	Total
	€'000	€'000	€'000	€'000	€'000
Insurance contracts	421,849	1,159,753	1,196,185	20,490,487	23,268,274
Reinsurance contracts held	1,266	2,210	1,788	6,407	11,671
	423,115	1,161,963	1,197,973	20,496,894	23,279,945

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

2. Financial risks and risk management *(continued)*

Risks associated with financial assets and liabilities *(continued)*

Liquidity risk (continued)

Amounts payable on demand

For insurance and investment contracts, the amounts payable on demand (or surrender value) and the carrying amount of the respective groups of contracts are presented in the following table:

	2025	2025	2024	2024
	€000's	€000's	€000's	€000's
	Amounts payable on demand	Carrying amount	Amounts payable on demand	Carrying amount
	€'000	€'000	€'000	€'000
Unit-linked insurance contracts	19,451,469	19,386,986	16,163,552	16,148,325
Unit-linked investment contracts	14,448,614	14,448,614	13,585,020	13,585,020

Italian Stamp Duty Bollo

Change in collection mechanism

In the medium term, the Company has another material Italian tax exposure arising from changes to Italian legislation in 2024. For all policies in force as of 1 January 2025, the Italian Revenue Authorities have revised the Stamp Duty (“Legge di Bilancio” or “Bollo”) collection mechanism for Unit-Linked policies. Previously, the Company was responsible for paying the stamp duty upon policy liquidation on behalf of the beneficiaries, such as in cases of a death claim or (full or partial) surrender. The tax is applied at 0.2% of the policy's Net Asset Value (“NAV”) annually for each year the policy is held.

Under the new legislation, the tax is now due annually, aligning with the treatment of other financial assets in Italy. The Company is now required to pay the tax on behalf of policyholders each year. However, there is no direct mechanism for the Company to collect these amounts from the policyholders until the policy is liquidated.

Retroactive tax liability

As part of the transition, this obligation includes taxes dating back to 2012 for all active policies. The pre-2025 tax liability amounts to approximately €288m, with payments scheduled on a phased basis as follows: 50% paid in June 2025, 20% in June 2026, another 20% in June 2027, and the remaining 10% in June 2028.

Annual tax payments

The new collection mechanism applies to all policies in force on or after 1 January 2025. In addition to the catch-up payments, the Company will be required to make annual payments starting from June 2026, based on the current interpretation of the legislation.

Implications

The timing difference between the payment of the Bollo and its recovery introduces a significant liquidity strain for the Company, particularly in the years where the catch-up payments are required. This strain is heightened for years where there is a significant IWT prepayment required in the same period. Bollo prepayments are directly recoverable from the Policyholder and therefore do not give rise to credit risk.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

3. Methods used and amounts determined on transition to IFRS 17

The Company's transition approaches applied at the date of transition to IFRS 17 (1 January 2022) continue to impact a significant part of how the CSM balance as at 31 December 2025 and 31 December 2024 has been determined.

For the insurance/reinsurance contracts issued/held by the Company, full retrospective application ("FRA") was considered to be impracticable for all contracts issued prior to transition. As a result, the Company used the modified retrospective approach ("MRA") to determine the transition balances for all contracts issued prior to transition to IFRS 17.

The following modifications were undertaken in the calculation of the IFRS 17 transition balances.

- Groups of contracts were determined based on information available at the transition date, as opposed to the date of initial recognition, in line with the modification allowed in the IFRS 17 Standard.
- The transition CSM has been calculated for the Company's unit-linked insurance business using the MRA as follows:
 - a) The future risk-adjusted profits at transition date are estimated by comparing the account value (or fair value of the underlying items) to the sum of the PVFCF and risk adjustment.
 - b) The profits that would have been released prior to transition are estimated as the historic fee income net of claims and expenses. This amount is then reduced by the amount of risk adjustment released prior to transition.
 - c) The amounts in (a) and (b) are added together to get the estimated CSM at inception of the contracts.
 - d) The amount calculated in (c) is then rolled forward to the transition date by adjusting it for CSM that would have been released in periods prior to the transition date. This results in the transition CSM.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

3. Methods used and amounts determined on transition to IFRS 17 *(continued)*

Insurance revenue and CSM by transition method

An analysis of insurance revenue for insurance contracts issued and the CSM by transition method is included in the following tables.

		<u>2025</u>	<u>2025</u>	<u>2025</u>
		<u>€'000</u>	<u>€'000</u>	<u>€'000</u>
		<u>Contracts measured under the MRA</u>	<u>New contracts and contracts measured under the FRA</u>	<u>Total</u>
Insurance contracts issued	<i>Note</i>			
Insurance revenue				
CSM recognised for the services provided	4	<u>35,331</u>	<u>19,081</u>	<u>54,412</u>
CSM as at 1 January	6	<u>551,584</u>	<u>219,084</u>	<u>770,668</u>
Changes that relate to current service				
CSM recognised for the services provided		(35,331)	(19,081)	(54,412)
Changes that relate to future service				
Changes in estimates that adjust the CSM	7.2	57,004	91,193	148,197
Effects of contracts initially recognised in the period	7.2,9	-	102,306	102,306
		<u>21,673</u>	<u>174,418</u>	<u>196,091</u>
CSM as at 31 December	6	<u>573,257</u>	<u>393,502</u>	<u>966,759</u>
		<u>2025</u>	<u>2025</u>	<u>2025</u>
		<u>€'000</u>	<u>€'000</u>	<u>€'000</u>
		<u>Contracts measured under the MRA</u>	<u>New contracts and contracts measured under the FRA</u>	<u>Total</u>
Reinsurance contracts accepted	<i>Note</i>			
Insurance revenue				
CSM recognised for the services provided	8.2	<u>(1,097)</u>	<u>20</u>	<u>(1,077)</u>
CSM as at 1 January	6	<u>8,572</u>	<u>3,993</u>	<u>12,565</u>
Changes that relate to current service				
CSM recognised for the services provided		(1,097)	20	(1,077)
Changes that relate to future service				
Changes in estimates that adjust the CSM	8.2	338	(4,071)	(3,733)
Effects of contracts initially recognised in the period	8.2,9	-	(6)	(6)
Insurance finance income or expenses (net)	8.2	<u>120</u>	<u>78</u>	<u>198</u>
		<u>(639)</u>	<u>(3,979)</u>	<u>(4,618)</u>
CSM as at 31 December	6	<u>7,933</u>	<u>14</u>	<u>7,947</u>

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

3. Methods used and amounts determined on transition to IFRS 17 *(continued)*

Insurance revenue and CSM by transition method *(continued)*

		2024	2024	2024
		€'000	€'000	€'000
		Contracts measured under the MRA	New contracts and contracts measured under the FRA	Total
	<i>Note</i>	measured under the MRA	measured under the FRA	Total
Insurance contracts issued				
Insurance revenue				
CSM recognised for the services provided	4	39,572	12,817	52,389
CSM as at 1 January		589,275	149,777	739,052
Changes that relate to current service				
CSM recognised for the services provided		(39,572)	(12,817)	(52,389)
Changes that relate to future service				
Changes in estimates that adjust the CSM	7.2	1,881	(1,049)	832
Effects of contracts initially recognised in the period	7.2,9	-	83,173	83,173
		(37,691)	69,307	31,616
CSM as at 31 December	6	551,584	219,084	770,668
		2024	2024	2024
		€'000	€'000	€'000
		Contracts measured under the MRA	New contracts and contracts measured under the FRA	Total
	<i>Note</i>	measured under the MRA	measured under the FRA	Total
Reinsurance contracts accepted				
Insurance revenue				
CSM recognised for the services provided	8.2	(1,134)	(349)	(1,483)
CSM as at 1 January		9,187	2,326	11,513
Changes that relate to current service				
CSM recognised for the services provided		(1,134)	(349)	(1,483)
Changes that relate to future service				
Changes in estimates that adjust the CSM	8.2	397	285	682
Effects of contracts initially recognised in the period	8.2,9	-	1,656	1,656
Insurance finance income or expenses (net)	8.2	122	75	197
		(615)	1,667	1,052
CSM as at 31 December	6	8,572	3,993	12,565

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

4. Insurance service result

An analysis of insurance revenue, insurance service expenses and net expenses from reinsurance contracts for 2025 and 2024 is included in the following tables.

	<i>Note</i>	<u>2025</u>	<u>2024</u>
		€'000	€'000
Insurance revenue			
Insurance revenue from contracts measured under the VFA			
Amounts relating to changes in the liability for remaining coverage			
Insurance service expenses incurred		195,432	162,060
CSM recognised for services provided		54,412	52,389
Change in the risk adjustment		22,230	20,182
Recovery of insurance acquisition cash flows		3,169	3,140
Total insurance revenue		<u>275,243</u>	<u>237,771</u>
		<u>2025</u>	<u>2024</u>
		€'000	€'000
Insurance service expenses			
Incurred claims		(1,419)	(831)
Losses on onerous groups of contracts and reversals of such losses		1,206	(483)
Acquisition and administrative expenses	14	(188,118)	(162,278)
Total insurance service expenses	7	<u>(188,331)</u>	<u>(163,592)</u>
		<u>2025</u>	<u>2024</u>
		€'000	€'000
Net expenses from reinsurance contracts held			
Allocation of reinsurance premium		(3,148)	(2,774)
Amounts recoverable from reinsurers for incurred claims		864	453
Total net expenses from reinsurance contracts held	8	<u>(2,284)</u>	<u>(2,321)</u>
Total insurance service result		<u>84,628</u>	<u>71,858</u>

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

5. Investment result

	<i>Note</i>	2025	2024
		€'000	€'000
Net investment income			
Interest result			
Interest income		8,633	11,777
Other income		2,685	676
Finance costs		(41)	(97)
		<u>11,277</u>	<u>12,356</u>
Valuation result			
Shared-based payment fair value changes		9	15
Valuation result	13	<u>1,122,814</u>	<u>1,338,266</u>
		1,122,823	1,338,281
Investment expenses			
	14	(4,667)	(4,588)
		<u>1,129,433</u>	<u>1,346,049</u>
Net investment income recognised in P&L			
		2025	2024
		€'000	€'000
Net insurance finance expenses			
Finance expenses from insurance contracts issued			
Change in fair value of underlying items		(1,122,814)	(1,338,266)
Experience adjustment cost result		1,543	4,907
Finance expenses from insurance contracts issued recognised in P&L	7	<u>(1,121,271)</u>	<u>(1,333,359)</u>
		2025	2024
		€'000	€'000
Finance expenses from reinsurance contracts held			
Interest (income)/expense		(88)	40
Effect of changes in interest rates and other finance expenses (net)		(185)	(203)
		<u>(273)</u>	<u>(163)</u>
Finance (expenses)/income from reinsurance contracts held recognised in P&L		(130)	1
Finance expenses from reinsurance contracts held recognised in OCI		(143)	(164)
		8,032	12,691
Total investment result recognised in P&L		<u>8,032</u>	<u>12,691</u>
Total investment result recognised in OCI		<u>(143)</u>	<u>(164)</u>

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

6. Insurance and reinsurance contract balances

	<i>Note</i>	2025	2024
		€'000	€'000
Insurance contracts			
Contracts measured under the VFA			
Present value of future cash flows		18,207,216	15,196,096
Risk adjustment		189,923	166,771
Contractual service margin		966,759	770,668
Receivables		(22,421)	(21,909)
Payables and deposits		45,509	36,699
	7	19,386,986	16,148,325
		2025	2024
		€'000	€'000
Reinsurance contracts			
Contracts measured under the BBA			
Present value of future cash flows		(5,462)	(9,791)
Risk adjustment		686	645
Contractual service margin		7,947	12,565
Receivables		34	23
Payables and deposits		(284)	(418)
	8	2,921	3,024

Darta Saving Life Assurance dac

Notes to the Financial Statements (continued)

7. Movements in insurance contract liabilities

The following tables analyse the movements in the insurance contract liabilities during the reporting period. The first set of tables analyses the movements in the liability for remaining coverage and liability for incurred claims. The second set analyses the movements of contracts measured under the VFA by measurement components.

7.1 Analysis by remaining coverage and incurred claims

		2025	2025	2025	2025
		€'000	€'000	€'000	€'000
		Liability for remaining coverage		Liability for incurred claims	
	Note	Excluding loss component	Loss component	Contracts measured under VFA	Total
Insurance contract liabilities as of 1 January	6	16,122,042	1,674	24,609	16,148,325
Insurance revenue	4	(275,243)	-	-	(275,243)
Insurance service expenses					
Incurred claims and other incurred insurance service expenses		(415,173)	-	601,553	186,380
Amortisation of insurance acquisition cash flows	14	3,169	-	-	3,169
Losses on onerous groups of contracts and reversals of such losses		-	(1,218)	-	(1,218)
	4	(412,004)	(1,218)	601,553	188,331
Investment component		(1,284,123)	-	1,284,123	-
Cash flows in the period					
Premiums received		4,093,600	-	-	4,093,600
Insurance acquisition cash flows	14	(11,920)	-	-	(11,920)
Incurred claims paid and other insurance service expenses paid		-	-	(1,885,676)	(1,885,676)
Receivables/(payables)		11,856		(3,557)	8,299
		4,093,536	-	(1,889,233)	2,204,303
Other				(1)	(1)
Finance income and expenses from insurance contracts (net)	5	1,121,271	-	-	1,121,271
Insurance contract liabilities as of 31 December	6	19,365,479	456	21,051	19,386,986

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

7. Movements in insurance contract liabilities *(continued)*

7.1 Analysis by remaining coverage and incurred claims *(continued)*

	Note	2024	2024	2024	2024
		€'000	€'000	€'000	€'000
		Liability for remaining coverage		Liability for incurred claims	
		Excluding loss component	Loss component	Contracts measured under VFA	Total
Insurance contract liabilities as of 1 January		12,765,997	1,243	15,853	12,783,093
Insurance revenue	4	(237,771)	-	-	(237,771)
Insurance service expenses					
Incurred claims and other incurred insurance service expenses		(303,632)	-	463,653	160,021
Amortisation of insurance acquisition cash flows	14	3,140	-	-	3,140
Losses on onerous groups of contracts and reversals of such losses		-	431	-	431
	4	(300,492)	431	463,653	163,592
Investment component		(960,517)	-	960,517	-
Cash flows in the period					
Premiums received		3,548,094	-	-	3,548,094
Insurance acquisition cash flows	14	(13,756)	-	-	(13,756)
Incurred claims paid and other insurance service expenses paid		-	-	(1,424,169)	(1,424,169)
Receivables/(payables)		(12,873)	-	8,755	(4,118)
		3,521,465	-	(1,415,414)	2,106,051
Other		1			1
Finance income and expenses from insurance contracts (net)	5	1,333,359	-	-	1,333,359
Insurance contract liabilities as of 31 December	6	16,122,042	1,674	24,609	16,148,325

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

7. Movements in insurance contract liabilities *(continued)*

7.2 Analysis by measurement component – contracts measured under the VFA

		2025	2025	2025	2025
		€'000	€'000	€'000	€'000
		Present value of future cash and Payables (net)	Risk adjustment	Contractual service margin	Total
	<i>Note</i>				
Insurance contract liabilities as of 1 January	6	15,210,886	166,771	770,668	16,148,325
Changes that relate to current service					
CSM recognised for the services provided	4	-	-	(54,412)	(54,412)
Change in RA, that does not relate to future or past service	4	-	(22,230)	-	(22,230)
Experience adjustments		(10,259)	-	-	(10,259)
		(10,259)	(22,230)	(54,412)	(86,901)
Changes that relate to future service					
Changes in estimates that adjust CSM		(164,706)	16,509	148,197	-
Changes in estimates that do not adjust CSM (losses on groups of onerous contracts and reversals of such losses)		(1,218)	-	-	(1,218)
Effects of contracts initially recognised in the period	9	(131,179)	28,873	102,306	-
		(297,103)	45,382	250,503	(1,218)
Cash flows in the period					
Premiums received for insurance contracts issued		4,093,600	-	-	4,093,600
Insurance acquisition cash flows		(11,920)	-	-	(11,920)
Incurred claims paid and other insurance service expenses paid, including Investment component		(1,885,676)	-	-	(1,885,676)
Receivables (net)		8,299	-	-	8,299
		2,204,303	-	-	2,204,303
Finance income and expenses from insurance contracts (net)	5	1,121,271	-	-	1,121,271
Other changes		1,206	-	-	1,206
Insurance contract liabilities as of 31 December	6	18,230,304	189,923	966,759	19,386,986

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

7. Movements in insurance contract liabilities *(continued)*

7.2 Analysis by measurement component – contracts measured under the VFA *(continued)*

		2024	2024	2024	2024
		€'000	€'000	€'000	€'000
	<i>Note</i>	Present value of future cash and Payables (net)	Risk adjustment	Contractual service margin	Total
Insurance contract liabilities as of 1 January		11,874,410	169,631	739,052	12,783,093
Changes that relate to current service					
CSM recognised for the services provided	4	-	-	(52,389)	(52,389)
Change in RA, that does not relate to future or past service	4	-	(20,182)	-	(20,182)
Experience adjustments		(1,555)	-	-	(1,555)
		<u>(1,555)</u>	<u>(20,182)</u>	<u>(52,389)</u>	<u>(74,126)</u>
Changes that relate to future service					
Changes in estimates that adjust CSM		8,763	(9,595)	832	-
Changes in estimates that do not adjust CSM (losses on groups of onerous contracts and reversals of such losses)		431	-	-	431
Effects of contracts initially recognised in the period	9	(110,090)	26,917	83,173	-
		<u>(100,896)</u>	<u>17,322</u>	<u>84,005</u>	<u>431</u>
Cash flows in the period					
Premiums received for insurance contracts issued		3,548,094	-	-	3,548,094
Insurance acquisition cash flows		(13,756)	-	-	(13,756)
Incurred claims paid and other insurance service expenses paid, including Investment component		(1,424,169)	-	-	(1,424,169)
Payables (net)		(4,118)	-	-	(4,118)
		<u>2,106,051</u>	<u>-</u>	<u>-</u>	<u>2,106,051</u>
Finance income and expenses from insurance contracts (net)	5	1,333,359	-	-	1,333,359
Other changes		(483)	-	-	(483)
Insurance contract liabilities as of 31 December	6	<u>15,210,886</u>	<u>166,771</u>	<u>770,668</u>	<u>16,148,325</u>

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

8. Movements in reinsurance contract assets

The following tables analyses the movements in the reinsurance contract assets during the reporting period. The first set of tables analyses the movements in the asset for remaining coverage and asset for incurred claims. The second set analyses the movements of contracts measured under the BBA by measurement components.

8.1 Analysis by remaining coverage and incurred claims

		2025	2025	2025	2025
		€'000	€'000	€'000	€'000
		Asset for remaining coverage		Asset for incurred claims	
	Note	Excluding loss component	Loss recovery component	Contracts measured under BBA	Total
Reinsurance contract assets as of 1 January	6	3,024	-	-	3,024
Allocation of reinsurance premium		(3,148)	-	-	(3,148)
Amounts recoverable from reinsurers					
Incurred claims recovered and other expenses recovered		-	-	864	864
	4	(3,148)	-	864	(2,284)
Cash flows in the period					
Premiums paid, including amounts held in deposits		3,173	-	-	3,173
Amounts received		-	-	(864)	(864)
Receivables (net)		145	-	-	145
		3,318	-	(864)	2,454
Finance income and expenses from reinsurance contracts (net)	5	(273)	-	-	(273)
Reinsurance contract assets as of 31 December	6	2,921	-	-	2,921

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

8. Movements in reinsurance contract assets *(continued)*

8.1 Analysis by remaining coverage and incurred claims *(continued)*

		2024	2024	2024	2024
		€'000	€'000	€'000	€'000
		Asset for remaining coverage		Asset for incurred claims	
	<i>Note</i>	Excluding loss component	Loss recovery component	Contracts measured under BBA	Total
Reinsurance contract assets as of 1 January		4,101	-	-	4,101
Allocation of reinsurance premium		(2,774)	-	-	(2,774)
Amounts recoverable from reinsurers					
Incurred claims recovered and other expenses recovered		-	-	453	453
	4	(2,774)	-	453	(2,321)
Cash flows in the period					
Premiums paid, including amounts held in deposits		2,456	-	-	2,456
Amounts received		-	-	(453)	(453)
Payables (net)		(596)	-	-	(596)
		1,860	-	(453)	1,407
Finance income and expenses from reinsurance contracts (net)	5	(163)	-	-	(163)
Reinsurance contract assets as of 31 December	6	3,024	-	-	3,024

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

8. Movements in reinsurance contract assets *(continued)*

8.2 Analysis by measurement component – contracts measured under the BBA

		2025	2025	2025	2025
		€'000	€'000	€'000	€'000
	<i>Note</i>	Present value of future cash and Payables	Risk adjustment	Contractual service margin	Total
Reinsurance contract assets as of 1 January	6	(10,186)	645	12,565	3,024
Changes that relate to current service					
CSM recognised for the services provided		-	-	(1,077)	(1,077)
Change in RA, that does not relate to future or past service		-	(60)	-	(60)
Experience adjustments		(1,147)	-	-	(1,147)
	4	(1,147)	(60)	(1,077)	(2,284)
Changes that relate to future service					
Changes in estimates that adjust CSM		3,761	(28)	(3,733)	-
Effects of contracts initially recognised in the period	9	(142)	148	(6)	-
		3,619	120	(3,739)	-
Cash flows in the period					
Premiums paid		3,173	-	-	3,173
Payables (net)		(719)	-	-	(719)
		2,454	-	-	2,454
Finance income and expenses from insurance contracts (net)	5	(452)	(19)	198	(273)
Reinsurance contract assets as of 31 December	6	(5,712)	686	7,947	2,921

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

8. Movements in reinsurance contract assets *(continued)*

8.2 Analysis by measurement component – contracts measured under the BBA *(continued)*

		2024	2024	2024	2024
		€'000	€'000	€'000	€'000
	<i>Note</i>	Present value of future cash and Payables	Risk adjustment	Contractual service margin	Total
Reinsurance contract assets as of 1 January		(8,038)	626	11,513	4,101
Changes that relate to current service					
CSM recognised for the services provided		-	-	(1,483)	(1,483)
Change in RA, that does not relate to future or past service		-	(47)	-	(47)
Experience adjustments		(791)	-	-	(791)
	4	(791)	(47)	(1,483)	(2,321)
Changes that relate to future service					
Changes in estimates that adjust CSM		(621)	(61)	682	-
Effects of contracts initially recognised in the period	9	(1,764)	108	1,656	-
		(2,385)	47	2,338	-
Cash flows in the period					
Premiums paid		1,859	-	-	1,859
Payables (net)		(453)	-	-	(453)
		1,406	-	-	1,406
Finance income and expenses from insurance contracts (net)	5	(378)	19	197	(162)
Reinsurance contract assets as of 31 December	6	(10,186)	645	12,565	3,024

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

9. Impact of contracts recognised in the year

The effects on the measurement components arising from contracts initially recognised in the period which are measured under the VFA and BBA are summarised in the following tables.

Insurance contracts initially recognised in the period	<u>2025</u>	<u>2024</u>
	€'000	€'000
Present value of future cash flows		
Present value of future cash outflows		
Claims and other insurance expenses payable	(4,692,363)	(4,209,952)
Insurance acquisition cash flows	(12,885)	(15,470)
	(4,705,248)	(4,225,422)
Present value of future cash inflows	4,836,427	4,335,512
Net present value of future cash flows	131,179	110,090
Risk adjustment	(28,873)	(26,917)
Contractual service margin	(102,306)	(83,173)
	-	-
	-	-
Reinsurance contracts initially recognised in the period	<u>2025</u>	<u>2024</u>
	€'000	€'000
Present value of future cash flows		
Present value of future cash outflows	7,367	1,849
Present value of future cash inflows	(7,509)	(3,613)
Net present value of future cash flows	(142)	(1,764)
Risk adjustment	148	108
Contractual service margin	(6)	1,656
	-	-
	-	-

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

10. Expected recognition of the contractual service margin

An analysis of the expected recognition of the CSM remaining at the end of the reporting period in future Statements of Profit and Loss is provided in the following table. The pattern of recognition does not contain unwinding of valuation rates and expected over-return of assets for contracts measured using the VFA. Furthermore, the future CSM release will also include amounts related to new contracts written in future periods. Consequently, the CSM release should not be interpreted as the CSM release expected for future periods.

Number of years until expected to be recognised

	<i>Note</i>	Total CSM for insurance contracts issued	Total CSM for reinsurance contracts held
As at 31 December 2025		54,412	(1,077)
1		61,388	(998)
2		59,086	(899)
3		56,639	(812)
4		54,191	(727)
5		51,875	(646)
6- 10		228,124	(2,195)
11 - 20		302,700	(1,395)
>20		152,756	(275)
Total		1,021,171	(9,024)
CSM recognised for services provided	<i>7,8</i>	(54,412)	1,077
CSM as at 31 December 2025	<i>6</i>	966,759	(7,947)

Number of years until expected to be recognised

	<i>Note</i>	Total CSM for insurance contracts issued	Total CSM for reinsurance contracts held
As at 31 December 2024		52,389	(1,483)
1		46,960	(1,446)
2		45,297	(1,327)
3		43,492	(1,205)
4		41,719	(1,089)
5		40,046	(977)
6- 10		177,938	(3,445)
11 - 20		243,490	(2,482)
>20		131,726	(594)
Total		823,057	(14,048)
CSM recognised for services provided	<i>7,8</i>	(52,389)	1,483
CSM as at 31 December 2024	<i>6</i>	770,668	(12,565)

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

11. Net result from investment contracts

	<i>Note</i>	<u>2025</u>	<u>2024</u>
		€'000	€'000
Valuation result	<i>13</i>	855,702	1,202,446
Fee and commission income	<i>12</i>	228,885	232,624
Total income		1,084,587	1,435,070
Change in investment contract liabilities	<i>26</i>	(855,702)	(1,202,446)
Expenses attributed to investment contracts	<i>14</i>	(168,870)	(176,209)
Finance cost	<i>21</i>	(12,086)	-
Claims and benefits incurred		(1,649)	(1,393)
		(1,038,307)	(1,380,048)
		46,280	55,022

For the financial year ended 31 December 2025, premium income of €1,936m (2024: €1,350m) relates to investment contracts and are not included in the “Net result from investment contracts” in the Statement of Profit and Loss, in accordance with IFRS 9 (See Note 26 “Investment contract liabilities”).

12. Fee and commission income

	<i>Note</i>	<u>2025</u>	<u>2024</u>
		€'000	€'000
Management fee income		221,186	224,368
Income from other policy charges		6,581	6,291
Movement in deferred income	<i>27</i>	1,118	1,965
		228,885	232,624

13. Valuation result

The following investment returns relate to insurance contracts included in the “Valuation Result” and investment contracts that are not included in the “Net result from investment contracts” in the Statement of Profit and Loss, in accordance with IFRS 9 (See Note 26 “Investment contract liabilities”).

	<i>Note</i>	<u>2025</u>	<u>2025</u>	<u>2025</u>
		€'000	€'000	€'000
		Assets underlying insurance contracts	Assets underlying investment contracts	Total
Policyholder investment return				
Investment income from equities		945	907	1,852
Interest income from fixed income securities		45,488	25,249	70,737
Investment income from collective investment funds		4,062	8,208	12,270
Income from other financial assets		20,706	14,320	35,026
Fund expenses borne by policyholder		(1,956)	(1,723)	(3,679)
Net realised gains on financial assets		440,147	363,088	803,235
Net unrealised gains on financial assets		613,422	445,653	1,059,075
	<i>5,26</i>	1,122,814	855,702	1,978,516

Darta Saving Life Assurance dac

Notes to the Financial Statements (continued)

13. Valuation result (continued)

	Note	2024	2024	2024
		€'000	€'000	€'000
		Assets underlying insurance contracts	Assets underlying investment contracts	Total
Policyholder investment return				
Investment income from equities		944	752	1,696
Interest income from fixed income securities		26,041	19,409	45,450
Investment income from collective investment funds		4,587	5,803	10,390
Income from other financial assets		12,154	15,960	28,114
Fund expenses borne by policyholder		(1,720)	(1,796)	(3,516)
Net realised gains on financial assets		329,401	484,155	813,556
Net unrealised gains on financial assets		966,859	678,163	1,645,022
	5,26	<u>1,338,266</u>	<u>1,202,446</u>	<u>2,540,712</u>

14. Acquisition and administration expenses

An analysis of expenses incurred by the Company in 2025 is included in the table below:

2025	Note	<u>Insurance contracts</u>			<u>Investment contracts</u>	
		Expenses attributed to insurance acquisition cash flows	Investment expenses	Non- insurance related acquisition and administration expenses	Expenses attributed to investment contract cash flows	Total
		€'000	€'000	€'000	€'000	€'000
Acquisition costs		10,162	-	-	11,699	21,861
Amortisation of insurance acquisition cash flows	7	3,169	-	-	-	3,169
Capitalisation of insurance acquisition cash flows	7	(11,920)	-	-	-	(11,920)
Change in deferred acquisition costs - investment	18	-	-	-	6,072	6,072
Loyalty Bonus expense		-	-	-	516	516
Administration expenses		186,707	4,667	4,615	150,583	346,572
	4,11	<u>188,118</u>	<u>4,667</u>	<u>4,615</u>	<u>168,870</u>	<u>366,270</u>

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

14. Acquisition and administration expenses *(continued)*

All of the acquisition costs are in respect of commissions paid and sales inducements on new business.

From the Administration expenses tables for 2025 and 2024 below: €186.7m (2024: €162.3m) are included in Insurance service expenses in the Statement of Profit and Loss. €150.6m (2024: €176.2m) attributable and non-attributable expenses relating to investment contracts are included within Net result from investment contracts. €4.6m (2024: €4.2m) non-insurance related acquisition and administrative expenses are not directly attributable to fulfilling insurance contracts.

Administration expenses of €346.6m is further comprised of the following:

Administration expenses

	Insurance contracts		Investment contracts		Total
	Expenses attributed to insurance contracts cash flows	Investment expenses	Non-insurance related acquisition and administration expenses	Expenses attributed to investment contracts cash flows	
2025	€'000	€'000	€'000	€'000	€'000
Commission expenses - ongoing	176,172	-	-	135,387	311,559
<i>Operating expenses</i>					
Wages and salaries	1,846	-	1,232	2,552	5,630
Social welfare costs	202	-	135	279	616
Pension costs	128	-	85	177	390
Other administration expenses	8,170	-	3,163	6,583	17,916
Depreciation of right-of-use asset	189	-	-	154	343
Investment management fees and expenses	-	4,667	-	5,451	10,118
	<u>186,707</u>	<u>4,667</u>	<u>4,615</u>	<u>150,583</u>	<u>346,572</u>

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

14. Acquisition and administration expenses *(continued)*

An analysis of expenses incurred by the Company in 2024 is included in the table below:

2024	Note	Insurance contracts			Investment contracts	Total
		Expenses attributed to insurance acquisition cash flows	Investment expenses	Non-insurance related acquisition and administration expenses	Expenses attributed to investment contract cash flows	
		€'000	€'000	€'000	€'000	€'000
Acquisition costs		8,545	-	-	12,212	20,757
Amortisation of insurance acquisition cash flows	7	3,140	-	-	-	3,140
Capitalisation of insurance acquisition cash flows	7	(13,756)	-	-	-	(13,756)
Change in deferred acquisition costs - investment	18	-	-	-	9,932	9,932
Loyalty Bonus expense		-	-	-	231	231
Administration expenses		164,349	4,588	4,248	153,834	327,019
	4,11	<u>162,278</u>	<u>4,588</u>	<u>4,248</u>	<u>176,209</u>	<u>347,323</u>

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

14. Acquisition and administration expenses *(continued)*

Administration expenses of €327.0m is further comprised of the following:

Administration expenses

2024	Insurance contracts		Non-insurance related acquisition and administration expenses	Investment contracts	Total
	Expenses attributed to insurance acquisition cash flows	Investment expenses		Expenses attributed to investment contract cash flows	
	€'000	€'000	€'000	€'000	€'000
Commission expenses - ongoing	151,716	-	-	135,248	286,964
<i>Operating expenses</i>					
Wages and salaries	1,715	-	1,144	2,403	5,262
Social welfare costs	181	-	121	254	556
Pension costs	122	-	81	171	374
Other administration expenses	10,427	-	2,902	10,574	23,903
Depreciation of right-of-use asset	188	-	-	155	343
Investment management fees and expenses	-	4,588	-	5,029	9,617
	<u>164,349</u>	<u>4,588</u>	<u>4,248</u>	<u>153,834</u>	<u>327,019</u>

Included in the administration expenses are the following:

Auditor's remuneration (excluding VAT)	2025	2024
	€'000	€'000
Audit of statutory financial statements	185	220
Other assurance services	45	45
	<u>230</u>	<u>265</u>

Other assurance services relate to Solvency II audit services which are prescribed under law or regulation.

Director's emoluments	2025	2024
	€'000	€'000
Salaries and related benefits	835	704
Fees as directors	295	295
	<u>1,130</u>	<u>999</u>

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

14. Acquisition and administration expenses *(continued)*

The average number of employees during the period was as follows:

	<u>2025</u>	<u>2024</u>
	Number	Number
Administration	51	50
Finance	7	7
	<u>58</u>	<u>57</u>

15. Finance costs

	<u>2025</u>	<u>2024</u>
	€'000	€'000
Finance charges for IFRS 16 - Lease liabilities	79	85

16. Taxation

	<u>2025</u>	<u>2024</u>
	€'000	€'000
Current tax expense	20,297	19,438
Deferred tax expense	(395)	(395)
Total income tax expenses	<u>19,902</u>	<u>19,043</u>

Reconciliation of effective tax charge	<u>2025</u>	<u>2024</u>
	€'000	€'000
Profit before taxation	134,325	135,323
Taxable profit	<u>134,325</u>	<u>135,323</u>

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

16. Taxation *(continued)*

	2025	2024
	€'000	€'000
Corporation tax at the standard rate of 12.5% (2024: 12.5%)	16,791	16,916
Additional pillar two top-up tax at 2.5% (2024: 2.5%)	3,358	3,383
<i>Effects of</i>		
Under/(Over) provision in prior years	101	(25)
Capital allowances	20	14
Disallowed expenses	67	(824)
Disallowed capital expense	(40)	(26)
Current tax expense recognised in P&L	20,297	19,438
Deferred income tax liabilities	2025	2024
	€'000	€'000
Balance at 1 January	1,236	1,651
Deferred tax expense recognised in P&L	(395)	(395)
Movement during the year recognised in Equity	(18)	(20)
Balance at 31 December	823	1,236

As a fully consolidated affiliated entity of the Allianz SE multinational group, the Company is within the scope of the OECD Pillar Two Model rules. Under these rules, a top-up-tax must be paid per jurisdiction for the difference between the Global Anti-Base Erosion (GloBE) effective tax rate and the 15 per cent minimum rate. Local Pillar Two legislation came into effect from 1 January 2025 in Ireland, the jurisdiction in which the Company is incorporated. As the GloBE effective tax rate of all Allianz entities being situated for tax purposes in jurisdiction is lower than the minimum rate, a provision for the expected additional income tax expense has been recognised by the Company based on its jurisdictional top up tax contribution of €3.4m (2024: €3.4m). Deferred taxes in connection with the GloBE top up tax were not recognised.

17. Advance payment of Italian Policyholders' Tax

The Company operates in Italy on a “freedom of services” basis and in 2005 opted to implement the sostituto d'imposta tax regime. The sostituto d'imposta tax regime entails an annual “advance payment” to the Italian fiscal authorities of an amount currently equal to 0.50% (2024:0.50%) of the Italian policyholder mathematical reserves, as at the year end. Each annual advance payment can be recovered from any exit tax subsequently deducted from policyholders or by offset against taxes payable to Italian revenue within a period of five years. To the extent that an unrecovered balance remains after six years have elapsed, the balance of the advance payment made five years earlier may be sold to the parent company at face value for recovery against their Italian tax liabilities or this unrecovered balance may be carried forward within the asset to be recovered against the next payment that will fall due.

Italian legislation makes provision for a cap on the size of the Advance Payment of Italian Policyholders' Tax. For the end of 2025 this was 125bps (2024: 140bps) of the Italian policyholder mathematical reserves. The effect of the capping was to reduce the amount of net payment to the Italian Tax Authorities by €17.1m in 2025 (2024: €29.5m).

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

17. Advance payment of Italian Policyholders' Tax *(continued)*

Movement of the Advance Payment of Italian Policyholders' Tax is set out below:

	<i>Note</i>	<u>2025</u>	<u>2024</u>
Asset		€'000	€'000
Balance at 1 January		324,840	363,150
Net payable in respect of the financial year	28	131,747	30,035
Recoveries in respect of the financial year		(58,567)	(31,917)
Offset from other taxes*		-	(37,097)
(Over)/Under provision in respect of previous years		(1,733)	669
Balance at 31 December		396,287	324,840
		<u>2025</u>	<u>2024</u>
Liability		€'000	€'000
Balance at 1 January		(30,035)	-
Net payable in respect of the financial year	28	(131,747)	(30,035)
Paid during the financial year		28,302	-
Overprovision in respect of previous years		1,733	-
Balance at 31 December		(131,747)	(30,035)

* An offset of Italian stamp duty bollo payable is permitted by the Italian Revenue against the Italian Policyholders' Tax asset and was utilised in 2024 but there was no applicable credit available in 2025.

18. Deferred acquisition costs

	<i>Note</i>	<u>2025</u>	<u>2024</u>
		€'000	€'000
Balance at 1 January		37,579	47,511
Acquisition costs incurred in the financial year		7,705	1,990
Amortisation incurred in the financial year		(13,777)	(11,922)
Change in deferred acquisition costs reflected in the Statement of Profit and Loss	14	(6,072)	(9,932)
Balance at 31 December		31,507	37,579

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

19. Investments at Fair value through Profit or loss

The composition of underlying items for insurance contracts with direct participation features and investment contracts without direct participation features and their fair values are disclosed in the following table:

	<u>2025</u>	<u>2025</u>	<u>2025</u>
	€'000	€'000	€'000
Policyholder financial assets	Unit-linked insurance contracts	Unit-linked investment contracts without DPF	Total
Equities	53,033	39,394	92,427
Fixed Income Securities	1,839,444	1,366,345	3,205,789
Collective Investment Schemes	17,287,007	12,840,844	30,127,851
Derivative Instruments	(102)	(1,631)	(1,733)
Cash, Cash Equivalents and Others	272,087	203,662	475,749
	<u>19,451,469</u>	<u>14,448,614</u>	<u>33,900,083</u>
	<u>2024</u>	<u>2024</u>	<u>2024</u>
	€'000	€'000	€'000
Policyholder financial assets	Unit-linked insurance contracts	Unit-linked investment contracts without DPF	Total
Equities	57,014	49,540	106,554
Fixed Income Securities	1,221,325	915,787	2,137,112
Collective Investment Schemes	14,498,403	12,353,997	26,852,400
Derivative Instruments	(350)	(9,339)	(9,689)
Cash, Cash Equivalents and Others	387,160	275,035	662,195
	<u>16,163,552</u>	<u>13,585,020</u>	<u>29,748,572</u>
Shareholder financial assets	<i>Note</i>	<u>2025</u>	<u>2024</u>
		€'000	€'000
Investments at fair value through profit or loss			
Performance Restricted Stock Units	<i>34</i>	<u>1,111</u>	<u>882</u>
		<u>1,111</u>	<u>882</u>

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

20. Other receivables

	<u>2025</u>	<u>2024</u>
	€'000	€'000
Amounts falling due within one year		
Management fees receivable from the investment funds	23,097	22,310
Prepayments	4,059	554
Other	<u>533</u>	<u>507</u>
	<u>27,689</u>	<u>23,371</u>

21. Italian Stamp Duty Bollo

The Italian Parliament approved Law No. 207 on 30 December 2024, amending the existing stamp duty regime. This law requires the application and payment of the stamp duty on an annual basis and mandates the payment of the stamp duty accrued as of 31 December 2024 for policies since 2012 but still in force as at 1 January 2025 on a gradual basis from June 2025 to June 2028. In addition, the law requires regular annual prepayments in subsequent years.

For life insurance contracts in force on 1 January 2025, the cumulative stamp duty of the previous years must be paid in four instalments, as outlined in Article 13(2-ter) of the tariff annexed to Presidential Decree No 642 of 26 October 1972, with 50% paid by 30 June 2025, 20% by 30 June 2026, 20% by 30 June 2027 and the remaining 10% by 30 June 2028. These amounts are recoverable through a reduction in the benefit paid to the Policyholder upon the eventual expiry or redemption of the policy. The liquidity risk related to the new stamp duty regime is outlined in Note 2 on page 58.

In respect of insurance contracts accounted for under IFRS 17, the impact of the stamp duty is measured in the future cash flows through the CSM. The amount paid for insurance contracts accounted for under IFRS 17, after recoveries, in 2025 was €56.8m.

The table below shows payments made to the Italian Tax authorities for investment contract liabilities in 2025 and 2024. Amounts before 2025 refer to the old regime).

	<i>Note</i>	<u>2025</u>	<u>2024</u>
Asset		€'000	€'000
Balance at 1 January		18,595	6,511
Catch-up tax from 2012 to 2024*		61,000	-
Recoveries in respect of the financial year		(16,011)	(25,329)
Payments		28,700	316
Offset from other taxes**	17	-	37,097
Balance at 31 December		<u>92,284</u>	<u>18,595</u>

* Includes €12.1m discounting impact, shown as a finance cost in Note 11.

** An offset of Italian stamp duty bollo payable is permitted by the Italian Revenue against the Italian Policyholders' Tax asset and was utilised in 2024 but there was no applicable credit available in 2025.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

22. Fair value disclosures

Note 1 Valuation of financial instruments, details the valuation techniques and inputs used for fair value hierarchy and measurement. The table below analyses financial instruments, measured at fair value at the end of 2025, by the level in the fair value hierarchy into which the fair value measurements is categorised:

Financial assets as at 31 December 2025	Total fair value	Level 1	Level 2
	€'000	€'000	€'000
Shareholder financial assets	1,111	-	1,111
Investments at fair value through profit or loss	1,111	-	1,111
Policyholder financial assets	33,900,083	33,297,616	602,467
Equities	92,427	92,427	-
Fixed income securities	3,205,789	3,205,789	-
Collective Investment Schemes	30,127,851	29,525,384	602,467
Derivative Instruments	(1,733)	(1,733)	-
Deposit, Cash and Cash Equivalents and Others	475,749	475,749	-
Total Financial Assets	33,901,194	33,297,616	603,578
Financial liabilities as at 31 December 2025	Total fair value	Level 1	Level 2
	€'000	€'000	€'000
Financial liabilities - investment contracts	14,448,614	-	14,448,614
Total Financial Liabilities	14,448,614	-	14,448,614
Financial assets as at 31 December 2024	Total fair value	Level 1	Level 2
	€'000	€'000	€'000
Shareholder financial assets	882	-	882
Investments at fair value through profit or loss	882	-	882
Policyholder financial assets	29,748,572	29,180,758	567,814
Equities	106,554	106,554	-
Fixed income securities	2,137,112	2,137,112	-
Collective Investment Schemes	26,852,400	26,284,586	567,814
Derivative Instruments	(9,689)	(9,689)	-
Deposit, Cash and Cash Equivalents and Others	662,195	662,195	-
Total Financial Assets	29,749,454	29,180,758	568,696

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

22. Fair value disclosures *(continued)*

Financial liabilities as at 31 December 2024	Total fair value	Level 1	Level 2
	€'000	€'000	€'000
Financial liabilities - investment contracts	13,585,020	-	13,585,020
Total Financial Liabilities	13,585,020	-	13,585,020

There were no transfers between levels in 2025 and 2024.

There were no Level 3 assets at 31 December 2025 (2024: €Nil).

Included within the Policyholder financial assets are the assets underlying the insurance contracts of €19,451m (2024: €16,164m) with the corresponding insurance liabilities measured under IFRS 17 of €19,369m (2024: €16,148m). With the exception of Advance Payment of Italian Policyholders' Tax, there are no differences between fair values and carrying amounts of other financial assets at the Statement of Financial Position date. The carrying value of the Advance Payment of Italian Policyholders' Tax is €396.3m (fair value: €364.7m) (2024: €324.8m (fair value: €305.1m)).

23. Called up share capital

	2025	2024
	€'000	€'000
<i>Authorised:</i>		
5,000,000 (2024: 5,000,000) ordinary shares of €1 each	5,000	5,000
<i>Issued:</i>		
5,000,000 (2024: 5,000,000) ordinary shares of €1 each	5,000	5,000

24. Capital contributions

The Company received no capital contributions during the year (2024: €Nil). The accumulated amount of capital contributions received is €51m (2024: €51m).

During the year ended 31 December 2025, the Company paid no dividend (2024: €80m) to the immediate parent Allianz S.p.A in respect of the financial year ended 31 December 2025.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

25. Capital position statement (Unaudited)

The Company has assessed its overall solvency needs using the Solvency II basis. This covers the preparation of the Solvency II Balance Sheet (which differs from the IFRS balance sheet) and the Solvency Capital Requirement (“SCR”)/Minimum Capital Requirement (“MCR”). For the purposes of calculating its Solvency II Pillar I capital requirements, the SCR is calculated by applying the Standard Formula in accordance with the requirements set out in Regulation 114 of SI 485 of 2015. At 31 December 2025, the Company’s available capital resources were in excess of the regulatory capital requirements on a Solvency II basis.

The Company’s capital coverage ratio is 163% of SCR as at 31 December 2025 (2024: 142%). The final amount of the SCR is still subject to Supervisory assessment.

The Company maintains a capital structure with a combination of share capital, capital contributions and retained profits, consistent with the Company’s risk profile and the regulatory and market requirements of its business.

The Company is regulated in Ireland by the Central Bank of Ireland and is required to observe the rules for the amount and structure of the solvency capital for the business that it carries on.

The Company carries out regular projections of its capital adequacy and these are reviewed by the Board to ensure that satisfactory levels of cover are maintained. Capital adequacy and solvency cover are reported to the Central Bank of Ireland on a quarterly and annual basis.

No instances of non-compliance with solvency capital requirements were reported by the Company to the Central Bank of Ireland during the year.

26. Investment contract liabilities

Net change in investment contract liabilities of €863.6m (2024: €720.5m) is comprised of the following:

		<u>2025</u>	<u>2024</u>
	<i>Note</i>	<u>€'000</u>	<u>€'000</u>
Balance at 1 January		13,585,020	12,864,501
Premiums collected		1,935,738	1,349,795
Change in investment contract liabilities	<i>13</i>	855,702	1,202,446
Claims paid		(1,623,835)	(1,484,095)
Fees paid by the unit funds		(227,694)	(230,745)
Sales inducements & units allocation		7,353	7,682
Transformation to insurance contracts		(83,670)	(124,564)
Balance at 31 December		<u>14,448,614</u>	<u>13,585,020</u>

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

27. Deferred income

	<i>Note</i>	<u>2025</u> €'000	<u>2024</u> €'000
Balance at 1 January		13,021	14,986
Movement during the year	<i>12</i>	<u>(1,118)</u>	<u>(1,965)</u>
Balance at 31 December		<u>11,903</u>	<u>13,021</u>

The income that is deferred is in respect of investment contracts on which a front-end fee is applied in relation to services to be provided in future periods. The deferred income reserve is amortised over the anticipated life of the contracts. The amount of deferred income that is expected to be earned more than 12 months after the Statement of Financial Position date is €8.8m (2024: €9.5m).

28. Creditors and other payables

	<i>Note</i>	<u>2025</u> €'000	<u>2024</u> €'000
<i>Amounts falling due within one year</i>			
Claims payable - investment contracts		67,707	67,082
Payables for units issued		15,764	35,011
Italian tax liability	<i>17</i>	131,747	30,035
Premium deposits		19,148	19,895
Amounts due to group companies	<i>31</i>	12,317	10,366
Loyalty bonus payable to policyholders		2,002	1,587
Provision for share based scheme	<i>34</i>	822	645
Social welfare / PAYE		166	155
Value Added Tax		19	100
Other creditors, accruals and provisions		<u>2,378</u>	<u>3,139</u>
		<u>252,070</u>	<u>168,015</u>

Amounts due to group companies are principally in respect of initial and ongoing commissions and investment management fees.

29. Leases

	<u>2025</u> €'000	<u>2024</u> €'000
Right-of-use asset - PPE		
Gross Acquisition Cost	6,432	6,432
Accumulated Depreciation	<u>(2,489)</u>	<u>(2,146)</u>
Balance at 31 December	<u>3,943</u>	<u>4,286</u>

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

29. Leases *(continued)*

	<u>2025</u>	<u>2024</u>
	<u>€'000</u>	<u>€'000</u>
Lease Liability		
Current: Within one year	<u>332</u>	<u>326</u>
Non-current		
One to five years	1,390	1,365
Over five years	<u>2,482</u>	<u>2,839</u>
	<u>3,872</u>	<u>4,204</u>
Balance at 31 December	<u><u>4,204</u></u>	<u><u>4,530</u></u>

	<u>2025</u>	<u>2024</u>
	<u>€'000</u>	<u>€'000</u>
Interest Expenses relating to leases		
Within one year	73	79
One to five years	230	255
Over five years	<u>150</u>	<u>198</u>
	<u><u>453</u></u>	<u><u>532</u></u>

30. Ultimate parent undertaking and parent undertaking of larger group

The Company's ultimate parent undertaking is Allianz SE, a company incorporated in Germany. The Company's immediate parent undertaking is Allianz S.p.A., a company incorporated in Italy.

The largest group in which the results of the Company are consolidated is that headed by Allianz SE, incorporated in Germany. The consolidated financial statements of this group are available to the public and may be obtained from Allianz SE, Konigstrasse 28, 80802 Munich, Germany.

The smallest group in which the results of the Company are consolidated is that headed by Allianz S.p.A., a company incorporated in Italy.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

31. Related party transactions

The Company received/provided a number of services from related parties. The related party activities which the Company now has are as follows:

- The Company has agreements with Allianz S.p.A., Allianz Global Investors GmbH, Investitori SGR S.p.A. and PIMCO Europe Limited for the receipt of fund management services;
- The Company has an agreement with Allianz S.p.A. for the receipt of fiscal, internal audit and legal services;
- The Company has an agreement with Allianz Technology SE for the receipt of IT services;
- The Company has agreements with Allianz Bank Financial Advisors S.p.A. for the receipt of banking and custodian services and for product distribution;
- The Company has agreements with Allianz Ireland plc. for the receipt of internal audit, and tax advisory services;
- The Company has an agreement with Allianz Global Life dac for the provision of office space and other infrastructural services, and for the receipt of actuarial function, support for the calculation of Risk capital, and other miscellaneous services;
- The Company has an agreement with Metafinanz Informationssysteme GmbH for the receipt of IT consultancy services;
- The Company has an agreement with Allianz SE for the receipt of marketing and distribution activities, Solvency II models, insurance, cash-pool and other services;
- The Company has reinsurance agreement with Allianz Re;
- The Company has an agreement with IDS for asset data analysis and reporting;
- The Company has a cash management agreement with Allianz Investment Managers Germany and
- The Company has an agreement with AWP Health & Life for the receipt of pension administration services.

Transactions with Directors

The Directors' compensations are short term in nature and are as follows:

	<u>2025</u>	<u>2024</u>
<i>Director's emoluments</i>	€'000	€'000
Salaries and related benefits	835	704
Fees as directors	295	295
	<u>1,130</u>	<u>999</u>

The above figures reflect the total remuneration paid by the Company to Board members.

Transactions with Key Management Personnel

Transactions with key management personnel including the Chief Executive Officer are set out below.

The key management personnel compensations are short term in nature and are as follows:

	<u>2025</u>	<u>2024</u>
	€'000	€'000
Salaries and related benefits	<u>1,669</u>	<u>1,498</u>

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

31. Related party transactions *(continued)*

Transactions with other related parties:

Name of the Company	Relationship	Payable at 1 January 2025 €'000	Expense payable by the Company €'000	Income receivable by the Company €'000	Payments/ (receipts) €'000	Payable at 31 December 2025 €'000
Allianz SE	parent	-	(2,744)	7,780	(5,363)	(327)
Allianz S.p.A.	parent	(153)	(265)	-	163	(255)
Allianz Bank Financial Advisors S.p.A.	group	(6,708)	(324,107)	727	322,536	(7,552)
Allianz Global Investors GmbH	group	(773)	(3,197)	-	3,056	(914)
Allianz Global Life dac	group	(691)	(1,958)	90	1,350	(1,209)
Allianz Ireland p.l.c.	group	-	(284)	-	284	-
Allianz Technology SE	group	(142)	(2,074)	-	2,088	(128)
Investitori SGR S.p.A.	group	(1,312)	(2,815)	-	3,194	(933)
Metafinanz Informationssysteme GmbH	group	-	(70)	-	70	-
PIMCO Europe Limited	group	(514)	(2,965)	-	2,553	(926)
Allianz Re	group	(73)	(412)	-	440	(45)
IDS	group	-	(257)	-	257	-
Allianz Investment Managers	group	-	(29)	-	29	-
AWP Health & Life	group	-	(28)	-	-	(28)

€29,166m (2024: €25,072m) of the €33,900m (2024: €29,749m) policyholder assets at year-end were managed or facilitated by related Allianz SE companies. Total realised and unrealised gains on policyholder assets managed or facilitated by related Allianz SE companies are €1,584m gain (2024: €1,838m gain). €5m (2024: €4m) of the shareholders' cash and cash equivalents at year end were managed by Allianz Bank Financial Advisors S.p.A. and a further €259m (2024: €267m) was managed through an inter-company cash-pool agreement with Allianz SE.

Included in policyholder financial assets are investments in Collective Investment Schemes ("CIS") which may be considered to be interests in unconsolidated structured entities under IFRS 12 'Disclosure of interests in unconsolidated structured entities'. The CIS are predominantly regulated SICAV funds which are all UCITS compliant. These CIS are chosen by the various asset managers, responsible for the investment portfolio of each fund. These SICAVs are mainly domiciled in Luxembourg, Ireland, France, Italy and Switzerland.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

32. Disclosure of interests in unconsolidated structured entities

The table below sets out the country of domicile of these CIS investments:

Country	Value of Total CIS	Value of Total CIS
	31 December 2025	31 December 2024
	€'000	€'000
Luxembourg	16,840,211	15,704,321
Ireland	10,037,623	8,547,222
France	1,861,043	1,155,172
Italy	862,654	945,763
Switzerland	512,072	483,986
Other	14,248	15,936
Total CIS	30,127,851	26,852,400

The CIS are of varying sizes and are all financed by investor equity, having been established for the purpose of collective investment activity.

The maximum gross exposure to loss is the carrying value of €30,128m (2024: €26,852m) but the net exposure to loss borne by the shareholders of the Company is €Nil for these CIS as the investments are held on behalf of the policyholders. The shareholders do not directly hold any investment in a CIS at the year-end (2024: €Nil).

The majority of the units in the CIS can be redeemed daily. The Company has been advised that it is legally possible to suspend pricing of internal policyholder funds in the presence of exceptional circumstances outside the control of the Company. This would also apply in cases where CIS prices are available but trading has been restricted.

The policyholder financial assets as at 31 December 2025 were €33,900m (31 December 2024: €29,749m) of which €30,128m (31 December 2024: €26,852m) were made up of CIS. At 31 December 2025 €29,166m (31 December 2024: €25,072m) of the policyholder financial assets were managed by other entities in the Allianz Group.

33. Subsequent events

The recent outbreak of conflict in the Middle East has had a noticeable impact on financial markets, resulting in volatile world equity prices and heightened concerns about future inflation and interest rates. As the situation continues to develop, management has assessed that this uncertainty may also affect supply and price of energy, cost of insurance, inflation levels, and the stability of financial markets. At the time of approving these financial statements, the financial consequences of these events on the Company cannot be reliably measured, and thus no adjustments have been made. Note 2 to the financial statements assesses the sensitivity of the Company's performance to changes in economic and other indicators.

There have been no other material events since the reporting date requiring adjustment to or disclosure in the financial statements.

Darta Saving Life Assurance dac

Notes to the Financial Statements *(continued)*

34. Share based payments

Members of the Company's executives may participate in the Allianz Group Equity Incentive Scheme. The scheme comprises of Performance RSUs ('Restricted Stock Units') which are administered and managed by the ultimate parent company, Allianz SE.

Performance RSUs constitute the right to receive (in shares or in cash) the value of an Allianz SE share equivalent to the stock market price at the time of exercise. Performance RSUs granted from 2011 are subject to a vesting period of 4 years.

The fair value of the Performance RSUs (equal to the market price of one Allianz SE share less expected future dividends) is expensed over the period that the employees become entitled to the payment. The fair value is re-measured at each reporting year. The expense recorded in the Statement of Profit and Loss in 2025 is €456k (2024: €315k).

The amount included in the investment return is €330k gain (2024: €201k gain). The liability recorded in the financial statements in respect of the Performance RSUs as at 31 December 2025 was €822k (31 December 2024: €645k).

The number of Performance RSUs allocated to an individual are based upon a combination of local and Allianz Group performance against plan and individual executive performance against predefined targets, the same rules that apply throughout the Allianz Group. During the year, 628 RSUs (2024: 643) were allocated to employees of the Company for 2025.

35. Contingencies

There were no contingent liabilities at 31 December 2025 (2024: €Nil).

36. Approval of financial statements

The Board of Directors approved these financial statements on 12 March 2026.