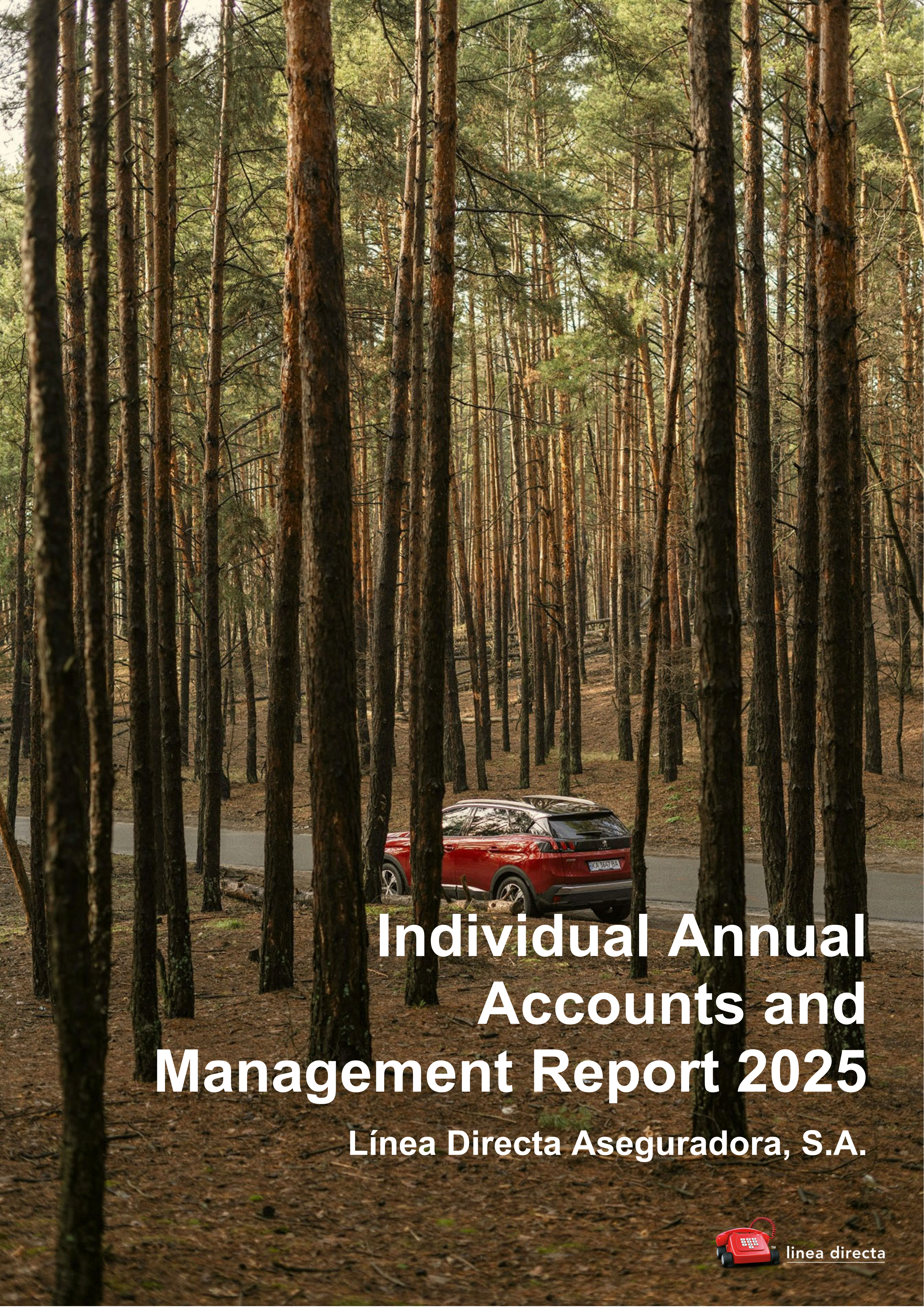

Individual Annual Accounts and Management Report 2025

Línea Directa Aseguradora, S.A.

linea directa

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External Auditor's Report

linea directa

Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros

Auditor's report
Annual accounts as at 31 December 2025
Management report

This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Independent auditor's report on the annual accounts

To the shareholders of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros

Report on the annual accounts

Opinion

We have audited the annual accounts of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros (the Company), which comprise the balance sheet as at 31 December 2025, and the income statement, statement of changes in equity, cash flow statement and related notes for the year then ended.

In our opinion, the accompanying annual accounts present fairly, in all material respects, the equity and financial position of the Company as at 31 December 2025, as well as its financial performance and cash flows for the year then ended, in accordance with the applicable financial reporting framework (as identified in note 2 of the notes to the annual accounts), and in particular, with the accounting principles and criteria included therein.

Basis for opinion

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the annual accounts* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the annual accounts in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Inscrita en el R.O.A.C. con el número S0242 - NIF: B-79031290

Key audit matters	How our audit addressed the key audit matters
Valuation of the non-life insurance claims provision The Company operates in the non-life business, primarily in the automotive, home and health lines. The Company recognises liabilities associated with insurance contracts that reflect the unearned amounts of written premiums and claims provision. The latter item includes, among others, the estimated cost of claims pending settlement, payment and declaration, amounting to €493,057 thousand as of December 31, 2025, mainly in the motor vehicle line (€432,891 thousand). The calculation of the claims provision is a complex estimate which, in the case of the auto line, is significantly influenced by the projection methods used, the settlement periods and the assumptions used by management, as well as the impact of the valuation of personal claims in accordance with applicable regulations. For the reasons set out above, the valuation of the provision for benefits has been considered a key audit issue. See notes 2.c, 4.g and 10 of the accompanying financial statements for the 2025 financial year.	We have gained an understanding of the process of estimating and recording the provision for benefits, which has included an assessment and verification of internal control related to the most relevant information systems and assumptions. Our procedures, in which actuarial specialists have participated, have focused on aspects such as: • Understanding of the methodology for calculating the claims provision. • Checking the completeness, accuracy and reconciliation of the calculation base data for the estimation of the claims provision. • Verification of the adequacy of the claims provision constituted at the end of the previous year. • Carrying out selective tests on a sample of files of the claims provision, verifying the reasonableness of the assessment with the available information. • Verification of the application of the actuarial methodology of the automobile branch in accordance with the method authorised by the Directorate-General for Insurance and Pension Funds. • Verification by means of actuarial contrast tests on the reasonableness of the claims provision of the automobile and household lines constituted at the end of the period. • We have also checked the adequacy of the information broken down in the attached annual accounts. In our previous procedures, we have obtained adequate and sufficient audit evidence that supports management's estimates on this matter.

Other information: Management report

Other information comprises only the management report for the 2025 financial year, the formulation of which is the responsibility of the Company's directors and does not form an integral part of the annual accounts.

Our audit opinion on the annual accounts does not cover the management report. Our responsibility regarding the management report, in accordance with legislation governing the audit practice, is to:

a) Verify only that the statement of non-financial information, certain information included in the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration, as referred to in the Auditing Act, have been provided in the manner required by applicable legislation and, if not, we are obliged to disclose that fact.

b) Evaluate and report on the consistency between the rest of the information included in the management report and the annual accounts as a result of our knowledge of the Company obtained during the audit of the aforementioned financial statements, as well as to evaluate and report on whether the content and presentation of this part of the management report is in accordance with applicable regulations. If, based on the work we have performed, we conclude that material misstatements exist, we are required to report that fact.

On the basis of the work performed, as described above, we have verified that the information mentioned in section a) above has been provided in the manner required by applicable legislation and that the rest of the information contained in the management report is consistent with that contained in the annual accounts for the 2025 financial year, and its content and presentation are in accordance with applicable regulations.

Responsibility of the directors and the audit committee for the annual accounts

The directors are responsible for the preparation of the accompanying annual accounts, such that they fairly present the equity, financial position and financial performance of the Company, in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as the aforementioned directors determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, 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.

The audit committee is responsible for overseeing the process of preparation and presentation of the annual accounts.

Auditor’s responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 legislation governing the audit practice in Spain 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 annual accounts.

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the entity's audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the entity's audit committee with a statement that we have complied with ethical requirements relating to independence and we communicate with the aforementioned those matters that may reasonably be considered to threaten our independence and, where applicable, the safeguards adopted to eliminate or reduce such threat.

From the matters communicated with the entity's audit committee, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

European single electronic format

We have examined the digital file of the European single electronic format (ESEF) of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros for the 2025 financial year that comprises an XHTML file of the annual accounts for the financial year, which will form part of the annual financial report.

The directors of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros are responsible for presenting the annual financial report for the 2025 financial year in accordance with the formatting requirements established in the Delegated Regulation (EU) 2019/815 of 17 December 2018 of the European Commission (hereinafter the ESEF Regulation). In this regard, the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration have been incorporated by reference in the management report.

Our responsibility is to examine the digital file prepared by the Company's directors, in accordance with legislation governing the audit practice in Spain. This legislation requires that we plan and execute our audit procedures in order to verify whether the content of the annual accounts included in the aforementioned file completely agrees with that of the annual accounts that we have audited, and whether the format of these accounts has been effected, in all material respects, in accordance with the requirements established in the ESEF Regulation.

In our opinion, the digital file examined completely agrees with the audited annual accounts, and these are presented, in all material respects, in accordance with the requirements established in the ESEF Regulation.

Report to the audit committee

The opinion expressed in this report is consistent with the content of our additional report to the audit committee of the Company dated 20 February 2026.

Appointment period

The General Ordinary Shareholders' Meeting held on 10 April 2025 appointed us as auditors for a period of one year, for the year ended 31 December 2025.

Previously, we were appointed by resolution of the General Ordinary Shareholders' Meeting for a period of tres years and we have audited the accounts continuously since the year ended 31 December 2016.

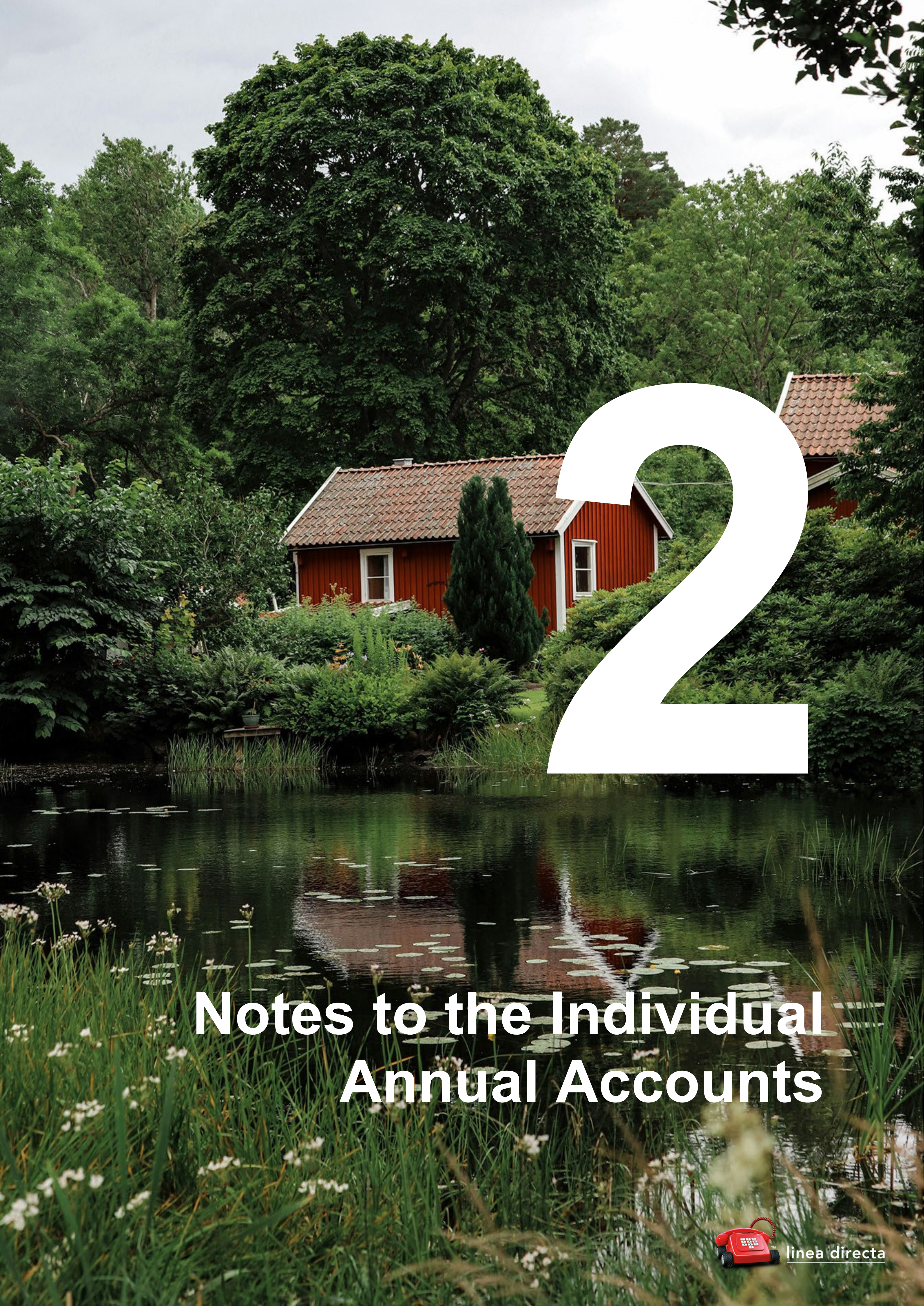
Services provided

Services provided to the audited entity and its subsidiaries for services other than the audit of the accounts are disclosed in note 22 to the annual accounts.

PricewaterhouseCoopers Auditores, S.L. (S0242)

Enrique Anaya Rico (23060)

20 February 2026



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Notes to the Individual Annual Accounts

linea directa

Línea Directa Aseguradora, S.A.,
Compañía de Seguros y Reaseguros

Individual annual accounts and management
report for the financial year ended 31 December 2025

Prepared in accordance with the Accounting Plan for Insurance Entities

(Expressed in thousand euro)
Individual Annual Accounts 2025 (Expressed in thousand euro)

ASSETS	Notes	2025	2024 (*)
A.1 Cash and cash equivalents	*notes 8 & 9*	9.426	8.076
A.4 Available-for-sale financial assets	*note 8*	1.076.938	930.122
I. Equity instruments		110.444	100.327
II. Debt securities		966.494	829.795
III. Investments for the account of unit-linked policyholders		-	-
IV. Other		-	-
A.5 Loans and receivables	*note 8*	144.628	156.814
I. Debt securities		-	-
II. Loans		22.768	23.199
1. Policy loans		-	-
2. Loans to group and associated companies	*notes 8 & 15*	22.768	23.199
3. Loans to other related parties		-	-
III. Deposits with credit institutions		-	20.000
IV. Deposits by reinsurers under accepted reinsurance		-	-
V. Debtors arising from direct insurance operations	*note 8*	69.617	64.206
1. Policyholders		69.617	64.206
2. Intermediaries		-	-
VI. Debtors arising from reinsurance operations		-	3.890
VII. Debtors arising from co-insurance operations		-	-
VIII. Called-up capital unpaid		-	-
IX. Other receivables		52.243	45.519
1. Receivables from public authorities		1.043	1.141
2. Other receivables	*notes 8 & 15*	51.200	44.378
A.6 Held-to-maturity investments		-	-
A.7 Hedging derivatives		4.950	4.332
A.8 Reinsurers' share of technical provisions	*note 10*	27.210	31.002
I. Provision for unearned premiums		6.390	5.447
II. Life assurance provision		-	-
III. Provision for claims outstanding		20.820	25.555
IV. Other technical provisions		-	-
A.9 Property, plant and equipment and investment property	*note 5*	40.363	40.000
I. Property, plant and equipment		38.475	38.161
II. Investment property		1.888	1.839
A.10 Intangible assets	*note 6*	51.778	44.392
I. Goodwill		-	-
II. Economic rights arising from portfolios of policies acquired from intermediaries		-	-
III. Other intangible assets		51.778	44.392
A.11 Investments in group and associated companies	*notes 8 & 15*	68.262	68.620
I. Investments in associates		-	-
II. Investments in jointly controlled entities		-	-
III. Investments in group companies		68.262	68.620
A.12 Tax assets	*note 17*	12.920	9.496
I. Current tax assets		514	691
II. Deferred tax assets		12.406	8.805
A.13 Other assets	*note 7*	114.371	103.112
I. Assets and reimbursement rights for long-term employee benefits		-	-
II. Deferred acquisition costs and other acquisition costs		100.516	91.269
III. Accruals and prepayments	*notes 7 & 8*	13.855	11.843
IV. Other assets		-	-
A.14 Assets held for sale		-	-
TOTAL ASSETS		**1.550.846**	**1.395.966**

(*) Presented solely and exclusively for comparative purposes. Notes 1 to 24 included in the attached report form an integral part of the annual accounts as of 31 December 2025.

Balance Sheet for the years ended 31 December 2025 and 2024

(Expressed in thousand euro)

LIABILITIES	Notes	2025	2024 (*)
A.1 Financial liabilities held for trading		-	-
A.2 Other financial liabilities at fair value through profit or loss		-	-
A.3 Payables and other liabilities	*note 13*	53.863	62.969
I. Subordinated liabilities		-	-
II. Deposits received from reinsurers under ceded reinsurance		-	-
III. Amounts payable arising from direct insurance operations	*note 8*	2.752	3.491
1. Amounts due to policyholders		2.169	2.259
2. Amounts due to intermediaries		583	1.232
3. Contingent liabilities		-	-
IV. Amounts payable arising from reinsurance operations	*note 8*	936	346
V. Amounts payable arising from co-insurance operations		-	-
VI. Bonds and other marketable securities		-	-
VII. Amounts due to credit institutions		-	-
VIII. Amounts payable in connection with preparatory insurance contract operations		-	-
IX. Other payables	*note 13*	50.175	59.132
1. Amounts due to public authorities		17.508	16.232
2. Other amounts due to group and associated companies		246	213
3. Other payables		32.421	42.687
A.4 Hedging derivatives	*note 8*	-	-
A.5 Technical provisions	*note 10*	1.063.660	955.649
I. Provision for unearned premiums		568.824	511.601
II. Unexpired risk provision		1.779	2.609
III. Life assurance provision		-	-
IV. Provision for claims outstanding		493.057	441.439
V. Provision for bonuses and rebates		-	-
VI. Other technical provisions		-	-
A.6 Non-technical provisions	*note 12*	44.441	32.678
I. Provisions for taxes and other legal contingencies		-	-
II. Provision for pensions and similar obligations		-	-
III. Provision for payments under claims settlement agreements		35.429	29.084
IV. Other non-technical provisions		9.012	3.594
A.7 Tax liabilities	*note 17*	30.704	24.444
I. Current tax liabilities		8.272	5.437
II. Deferred tax liabilities		22.432	19.007
A.8 Other liabilities		586	136
I. Accruals and deferred income		(111)	(320)
II. Accounting mismatch liabilities		-	-
III. Ceded reinsurance acquisition costs and other ceded reinsurance costs		-	-
IV. Other liabilities		697	456
A.9 Liabilities associated with assets held for sale		-	-
TOTAL LIABILITIES		**1.193.254**	**1.075.876**
EQUITY			
B.1 Shareholders' equity	*note 14*	349.294	317.162
I. Share capital		43.537	43.537
1. Issued share capital		43.537	43.537
2. (Uncalled capital)		-	-
II. Share premium		-	-
III. Reserves		268.116	249.207
1. Legal and statutory reserves		9.046	9.046
2. Equalisation reserve		60.854	51.634
3. Other reserves		198.216	188.527
IV. (Own shares)		(1.331)	(243)
V. Retained earnings		-	-
1. Retained profits brought forward		-	-
2. (Losses brought forward)		-	-
VI. Other contributions from shareholders		-	-
VII. Profit for the year		78.209	62.456
VIII. (Interim dividend and equalisation reserve on account)		(39.237)	(37.795)
IX. Other equity instruments		-	-
B.2 Valuation adjustments	*note 14*	8.298	2.928
I. Available-for-sale financial assets		8.298	2.928
II. Hedging operations		-	-
III. Exchange differences and translation differences		-	-
IV. Accounting mismatch adjustments		-	-
V. Other adjustments		-	-
B.3 Grants, donations and bequests received		-	-
TOTAL EQUITY		**357.592**	**320.090**
TOTAL LIABILITIES AND EQUITY		**1.550.846**	**1.395.966**

(*) Presented solely and exclusively for comparative purposes. Notes 1 to 24 included in the attached report form an integral part of the annual accounts as of 31 December 2025.

Statement of Profit or Loss for the years ended 31 December 2025 and 2024

(Expressed in thousand euro)

I. NON-LIFE INSURANCE TECHNICAL ACCOUNT	Notes	2025	2024 (*)
I.1 Premiums earned, net of reinsurance		1.050.570	967.415
a) Premiums written			
a.1) Direct insurance		1.134.669	1.019.606
a.2) Accepted reinsurance		-	-
a.3) Movement in impairment allowance for premiums outstanding	*note 8.1.1.2*	92	132
b) Ceded reinsurance premiums		(28.741)	(25.056)
c) Change in provision for unearned premiums and unexpired risks			
c.1) Direct insurance	*note 10*	(56.393)	(28.093)
c.2) Accepted reinsurance		-	-
d) Change in provision for unearned premiums, ceded reinsurance	*note 10*	943	826
I.2 Investment income	*note 8.1.2*	48.623	51.363
a) Income from investment property		69	69
b) Income from financial investments		40.549	39.292
c) Reversal of impairment losses on investments			
c.1) On property, plant and equipment and investment property		-	-
c.2) On financial investments	*note 8.1.2*	(358)	(282)
d) Gains on disposal of investments			
d.1) On property, plant and equipment and investment property		-	-
d.2) On financial investments		8.363	12.284
I.3 Other technical income		-	-
I.4 Claims incurred, net of reinsurance		796.665	747.919
a) Claims paid and expenses			
a.1) Direct insurance		700.396	678.756
a.2) Accepted reinsurance		-	-
a.3) Ceded reinsurance		(19.859)	(17.309)
b) Change in provision for claims outstanding			
b.1) Direct insurance	*note 10*	51.621	29.552
b.2) Accepted reinsurance		-	-
b.3) Ceded reinsurance	*note 10*	4.735	(962)
c) Claims handling expenses		59.772	57.882
I.5 Change in other technical provisions, net of reinsurance		-	-
I.6 Bonuses and rebates		74	310
a) Claims and expenses for bonuses and rebates		74	310
b) Change in provision for bonuses and rebates		-	-
I.7 Net operating expenses		216.970	208.807
a) Acquisition costs		192.573	185.852
b) Administrative expenses		24.407	24.125
c) Ceded reinsurance commissions and profit participations		(10)	(1.170)
I.8 Other technical charges	*note 21*	(20.711)	(22.428)
a) Movement in impairment for bad debts		-	-
b) Movement in impairment of investments		-	-
c) Change in provision for payments under claims settlement agreements		(27.009)	(28.453)
d) Other		6.298	6.025
I.9 Investment charges		9.773	14.993
a) Investment management charges			
a.1) Charges relating to investment property and PPE	*note 8.1.2*	1.375	1.494
a.2) Charges relating to financial investments and accounts	*note 8.1.2*	2.839	2.942
b) Impairment of investments			
b.1) Depreciation of PPE and investment property		28	28
b.2) Impairment of PPE and investment property	*note 5*	-	-
b.3) Impairment of financial investments		-	60
c) Losses on disposal of investments			
c.1) On PPE and investment property		-	-
c.2) On financial investments	*note 5*	5.531	10.469
Result of the non-life insurance technical account — profit / (loss)		**96.422**	**69.177**

(*) Presented solely and exclusively for comparative purposes. Notes 1 to 24 included in the attached report form an integral part of the annual accounts as of 31 December 2025.

(Expressed in thousand euro)
Individual Annual Accounts 2025 (Expressed in thousand euro)

III. NON-TECHNICAL ACCOUNT	Notes	2025	2024 (*)
III. Result of the non-life insurance technical account		96.422	69.177
III.1 Investment income	*note 8*	4.000	6.147
a) Income from investment property		-	-
b) Income from financial investments		4.000	6.147
c) Reversal of impairment losses on investments		-	-
III.2 Investment charges		-	-
III.3 Other income	*note 21*	3.432	3.679
a) Income from pension fund management		-	-
b) Other income		3.432	3.679
III.4 Other charges	*note 21*	918	80
a) Charges from pension fund management		-	-
b) Other charges		918	80
III.5 Sub-total (Result of the non-technical account)		**6.514**	**9.746**
III.6 Profit before tax		**102.936**	**78.923**
III.7 Income tax expense	*note 17*	24.727	16.467
III.8 Profit for the year		**78.209**	**62.456**

(*) Presented solely and exclusively for comparative purposes. Notes 1 to 24 included in the attached report form an integral part of the annual accounts as of 31 December 2025.

Statement of Recognised Income and Expenses for the years ended 31 December 2025 and 2024

(Expressed in thousand euro)

	Notes	2025	2024 (*)
I) PROFIT FOR THE YEAR	*note 3*	**78.209**	**62.456**
II) OTHER RECOGNISED INCOME AND EXPENSES			
II.1 Available-for-sale financial assets	*note 8*	7.160	14.587
Gains and losses from valuation		10.292	16.716
Amounts transferred to profit and loss account		(3.132)	(2.129)
Other reclassifications		-	-
II.2 Cash flow hedges		-	-
II.3 Hedges of net investments in foreign operations		-	-
II.4 Exchange and translation differences		-	-
II.5 Accounting mismatch adjustments		-	-
II.6 Assets held for sale		-	-
II.7 Actuarial gains / (losses) on long-term employee benefits		-	-
II.8 Other recognised income and expenses		-	-
II.9 Income tax		(1.790)	(3.647)
III) TOTAL RECOGNISED INCOME AND EXPENSES		**83.579**	**73.396**

(*) Presented solely and exclusively for comparative purposes. Notes 1 to 24 included in the attached report form an integral part of the annual accounts as of 31 December 2025.

Statement of Changes in Equity for the years ended 31 December 2025 and 2024

(Expressed in thousand euro)

	Share Capital	Reserves	Own Shares	Profit for the Year	Interim Dividend & Equalisation Reserve on Account	Valuation Adjustments	Total
E. CLOSING BALANCE, YEAR 2023 (*)	**43.537**	**261.675**	**(644)**	**(12.560)**	**(7.430)**	**(8.012)**	**276.566**
D. ADJUSTED OPENING BALANCE, YEAR 2024	**43.537**	**261.675**	**(644)**	**(12.560)**	**(7.430)**	**(8.012)**	**276.566**
I. Total recognised income and expenses (note 8)	-	-	-	62.456	-	10.940	73.396
II. Transactions with shareholders	-	-	401	-	(30.000)	-	(29.599)
4. (–) Dividends paid (notes 3 & 8)	-	-	-	-	(30.000)	-	(30.000)
5. Own share transactions (net) (notes 14 & 22)	-	-	401	-	-	-	401
III. Other changes in equity (note 14)	-	(12.468)	-	12.560	(365)	-	(273)
1. Share-based payments	-	(273)	-	-	-	-	(273)
2. Transfers between equity items	-	(19.990)	-	12.560	7.430	-	-
3. Other changes	-	7.795	-	-	(7.795)	-	-
E. CLOSING BALANCE, YEAR 2024	**43.537**	**249.207**	**(243)**	**62.456**	**(37.795)**	**2.928**	**320.090**
D. ADJUSTED OPENING BALANCE, YEAR 2025	**43.537**	**249.207**	**(243)**	**62.456**	**(37.795)**	**2.928**	**320.090**
I. Total recognised income and expenses (note 8)	-	-	-	78.209	-	5.370	83.579
II. Transactions with shareholders	-	-	(1.088)	(15.000)	(30.017)	-	(46.105)
4. (–) Dividends paid (notes 3 & 8)	-	-	-	(15.000)	(30.017)	-	(45.017)
5. Own share transactions (net) (notes 14 & 22)	-	-	(1.088)	-	-	-	(1.088)
III. Other changes in equity (note 14)	-	18.909	-	(47.456)	28.576	-	29
1. Share-based payments	-	29	-	-	-	-	29
2. Transfers between equity items	-	9.661	-	(47.456)	37.795	-	-
3. Other changes	-	9.219	-	-	(9.219)	-	-
E. CLOSING BALANCE, YEAR 2025	**43.537**	**268.116**	**(1.331)**	**78.209**	**(39.237)**	**8.298**	**357.592**

(*) Presented solely and exclusively for comparative purposes. Notes 1 to 24 included in the attached report form an integral part of the annual accounts as of 31 December 2025.

Statement of Cash Flows for the years ended 31 December 2025 and 2024

(Expressed in thousand euro)

	2025	2024 (*)
A) CASH FLOWS FROM OPERATING ACTIVITIES		
A.1 Insurance activities		
1. Receipts from direct insurance, co-insurance and accepted reinsurance premiums	1.129.349	1.017.133
2. Payments of direct insurance, co-insurance and accepted reinsurance claims	718.831	709.276
3. Ceded reinsurance receipts	12.244	10.424
4. Ceded reinsurance payments	16.637	13.738
5. Claims recoveries	30.272	30.944
6. Payments of intermediary remuneration	17.542	15.947
7. Other operating receipts	-	-
8. Other operating payments	266.962	238.307
9. Total cash receipts from insurance activities (1+3+5+7) = I	**1.171.865**	**1.058.501**
10. Total cash payments from insurance activities (2+4+6+8) = II	**1.019.972**	**977.268**
A.2 Other operating activities		
3. Receipts from other activities	9.036	6.736
4. Payments for other activities	643	400
5. Total cash receipts from other operating activities (1+3) = III	**9.036**	**6.736**
6. Total cash payments for other operating activities (2+4) = IV	**643**	**400**
7. Cash paid for income tax (V)	(22.861)	(9.895)
A.3 Net cash flows from operating activities (I–II+III–IV+/–V)	**137.425**	**77.674**
B) CASH FLOWS FROM INVESTING ACTIVITIES		
B.1) Investing receipts		
1. Property, plant and equipment	-	-
2. Investment property	140	167
3. Intangible assets	-	14.262
4. Financial instruments	912.488	793.191
5. Investments in group, jointly controlled and associated companies	-	3
6. Interest received	37.475	35.658
7. Dividends received	7.176	9.772
8. Business unit disposals	-	-
9. Other investing receipts	-	-
10. Total cash receipts from investing activities (1+2+3+4+5+6+7+8+9) = VI	**957.279**	**853.053**
B.2) Investing payments		
1. Property, plant and equipment	3.668	2.419
2. Investment property	-	28
3. Intangible assets	8.337	19.606
4. Financial instruments	1.029.566	897.859
5. Investments in group, jointly controlled and associated companies	-	-
6. Business unit acquisitions	-	-
7. Other investing payments	6.008	4.938
8. Total cash payments for investing activities (1+2+3+4+5+6+7) = VII	**1.047.579**	**924.850**
B.3) Net cash flows from investing activities (VI–VII)	**(90.300)**	**(71.797)**
C) CASH FLOWS FROM FINANCING ACTIVITIES		
C.1) Financing receipts		
1. Subordinated liabilities	-	-
2. Proceeds from issue of equity instruments and capital increases	-	-
3. Capital calls and contributions from shareholders or members	-	-
4. Disposal of own shares	28	401
5. Other financing receipts	-	-
6. Total cash receipts from financing activities (1+2+3+4+5) = VIII	**28**	**401**
C.2) Financing payments		
1. Dividends to shareholders	45.016	30.000
2. Interest paid	-	-
3. Subordinated liabilities	-	-
4. Payments for return of contributions to shareholders	-	-
5. Capital calls and return of contributions to members	-	-
6. Acquisition of own shares	1.087	274
7. Other financing payments	-	-
8. Total cash payments for financing activities (1+2+3+4+5+6+7) = IX	**46.103**	**30.274**
C.3) Net cash flows from financing activities (VIII–IX)	**(46.075)**	**(29.873)**
Effect of exchange rate changes (X)	300	315
Total increase / (decrease) in cash and cash equivalents (A.3+B.3+C.3+/–X)	**1.350**	**(23.681)**
Cash and cash equivalents at beginning of period	8.076	31.757
Cash and cash equivalents at end of period	**9.426**	**8.076**
Components of cash and cash equivalents at end of period		
1. Cash at bank and in hand	9.426	8.076
2. Other financial assets	-	-
Total cash and cash equivalents at end of period (1+2–3)	**9.426**	**8.076**

(*) Presented solely and exclusively for comparative purposes. Notes 1 to 24 included in the attached report form an integral part of the annual accounts as of 31 December 2025.

1. General Information on the Company and its Activities

The Company was incorporated in Madrid on 13 April 1994 under the name "Bankinter Seguros Directos, S.A. Compañía de Seguros y Reaseguros". On 6 July 1994 its name was changed to "Bankinter Aseguradora Directa, S.A. Compañía de Seguros y Reaseguros". The General Shareholders' Meeting held on 26 January 1995 resolved to change its name to "Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros" (hereinafter, "the Company" or "Línea Directa").

The Company's corporate purpose is to carry out insurance and reinsurance operations in the motor, home, assistance and other non-life lines of business, activities for which it holds authorisation from the Directorate General of Insurance and Pension Funds (DGSFP). On 19 July 2017 it received authorisation from that body to operate in the health line of business in the form of healthcare assistance. Línea Directa commenced marketing health insurance in October 2017.

The Company's registered office is located at Calle Isaac Newton, 7, in the municipality of Tres Cantos (Madrid). The Company operates exclusively in Spain and Portugal.

Regarding Portugal, on 25 September 2017 the Group was authorised to operate in the assistance line of business; however, these operations are residual and immaterial in 2025 and 2024, and accordingly no geographical segment analysis has been considered necessary. The Company's distribution channels are primarily telephone sales and the internet.

The Company's shares have been listed on the Madrid Stock Exchange continuous market since 29 April 2021.

2. Basis of Preparation of the Annual Accounts

a) Financial Reporting Framework Applicable to the Company

These annual accounts have been prepared by the Directors in accordance with the financial reporting framework applicable to the Company, as established in:

– The Commercial Code and other applicable commercial legislation.
– The Accounting Plan for Insurance Entities, approved by Royal Decree 1317/2008 of 24 July, as amended by Royal Decree 1736/2010 of 23 December.
– The Law and Regulations on the Supervision and Solvency of Insurance and Reinsurance Entities (hereinafter "LOSSEAR" when referring to the Law and "ROSSEAR" when referring to the Regulations), approved by Law 20/2015 and Royal Decree 1060/2015 respectively.
– The non-repealed articles of the Regulations on the Supervision of Private Insurance (hereinafter ROSSP or the Regulations), approved by Royal Decree 2486/1998 and its partial amendments.
– The mandatory accounting standards approved by the Institute of Accounting and Auditing (Instituto de Contabilidad y Auditoría de Cuentas — ICAC), as well as the standards published by the Directorate General of Insurance and Pension Funds in development of the Accounting Plan for Insurance Entities and its complementary rules.
– The remainder of applicable Spanish accounting regulations.

b) True and Fair View

The accompanying annual accounts have been derived from the Company's accounting records and are presented in accordance with the applicable financial reporting framework and, in particular, with the accounting principles and criteria contained therein, so as to give a true and fair view of the Company's net assets, financial position, results of operations and cash flows for the relevant financial year.

These annual accounts, which were prepared by the Company's Directors at their meeting held on 19 February 2026, will be submitted for approval by the General Shareholders' Meeting, and it is estimated that they will be approved without modification. The annual accounts for the financial year 2024 were approved by the General Shareholders' Meeting at its meeting held on 10 April 2025.

As the Company is the parent entity of the Línea Directa Aseguradora Group, the Board of Directors has also prepared, together with these annual accounts, the consolidated annual accounts of the Línea Directa Aseguradora Group for the financial year 2025. The effect of consolidation on the individual annual accounts of Línea Directa results in an increase in the assets and equity attributable to the parent company at 31 December 2025 of 41,135 thousand euros and 46,863 thousand euros respectively (36,152 thousand euros and 38,226 thousand euros respectively in 2024), and an increase in the consolidated net profit for the financial year 2025 of 7,502 thousand euros (an increase of 1,760 thousand euros in 2024).

The subsidiary companies in which the Company directly holds a capital interest and which are included within the consolidation perimeter are as follows:

Subsidiary Company (see Note 8.1.1.3)	Registered Office	Principal Activity	Ownership Interest
Línea Directa Asistencia, S.L.U.	Ochandiano 12, 28023, Madrid	Vehicle assessment and travel assistance	100%
Centro Avanzado de Reparaciones CAR, S.L.U.	Avenida del Sol, 9, 28850, Torrejón de Ardoz	Vehicle repair services	100%
Ambar Medline, S.L.U.	Ronda de Europa 7, 28760, Tres Cantos	Insurance mediation	100%
LDActivos, S.L.U.	Ronda de Europa 7, 28760, Madrid	Asset management on behalf of insurance entities	100%

The subsidiary company Moto Club LDA, S.L.U. ceased its activities on 14 November 2024.

Investments in subsidiary companies are recorded at acquisition or issuance cost, reduced, where applicable, by the accumulated amount of impairment losses.

c) Critical Accounting Estimates and Sources of Estimation Uncertainty

The preparation of the annual accounts requires the Company's Directors to make certain estimates and judgements in relation to the future, which are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are considered reasonable under current circumstances.

Although these estimates have been made based on the best information available on the facts analysed at the accounting closing date, it is possible that events occurring in the future may require them to be revised (upwards or downwards) in future financial years, which would be recognised in the corresponding profit and loss account.

The principal estimates made by the Company's Directors are set out below.

- Technical provisions arising from insurance contracts (Note 4 g)):

Assets and liabilities arising from insurance contracts are recognised in accordance with the accounting policies set out in Note 4.g) of these Notes to the Financial Statements. The Company also makes judgements and estimates approved by the Directorate General of Insurance for the calculation of technical provisions for the motor lines of business. Statistical methods are used to determine these provisions. For the remaining lines of business in which the Company operates, the technical provisions for non-life insurance are estimated on a case-by-case basis.

- Income tax and recovery of tax credits (Note 4 f)):

Under current legislation, taxes cannot be considered as definitively settled until the tax returns filed have been inspected by the tax authorities, or until the four-year statute of limitations has expired. In the opinion of the Company's Directors, there are no contingencies that could give rise to additional liabilities of significance for the Company.

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– Impairment losses on certain assets (Notes 4 a), b) and d)):

The Company annually assesses whether there are indicators of impairment of assets; where such indicators exist, those assets are subject to impairment testing.

– The useful lives of intangible assets, property, plant and equipment, and investment property (Notes 4 a) and b)):

The useful lives of these assets have been determined based on the Directors' best estimate of the period over which they will generate returns, considering the depreciation effectively suffered through their operation, use and enjoyment.

– The fair value of certain unlisted assets and liabilities (Note 4 d)):

To determine the fair value of financial instruments where no active market price exists, the Company's Directors request the price from the custodian entity.

– The assumptions and factors used to estimate non-technical provisions / contingencies (Note 4 n)):

For the determination of the present value of non-technical provisions associated with probable obligations arising from past events, the Directors make the best estimate, based on the information available, of the amount required to extinguish that obligation.

d) Accounting Policies

The annual accounts of the Company have been prepared in accordance with the generally accepted accounting principles set out in Royal Decree 1317/2008 of 24 July, and subsequent amendments, by which the Accounting Plan for Insurance Entities is approved.

There are no mandatory accounting principles which, having a significant effect on the annual accounts, have not been applied.

e) Comparability of Information

The data for the financial year 2024 included in these Notes are presented solely and exclusively for comparative purposes.

f) Aggregation of Line Items

Certain items in the balance sheet, profit and loss account, statement of changes in equity and statement of cash flows are presented on an aggregated basis to facilitate understanding; however, to the extent that it is material, disaggregated information has been included in the relevant notes to the financial statements.

g) Correction of Errors

In the preparation of these annual accounts, no significant error has come to light that would require the restatement of amounts included in the annual accounts for the financial year 2025.

h) Changes in Accounting Policies

During the financial year 2025, no significant changes in accounting policies have occurred relative to those applied in the financial year 2024.

i) Changes in Accounting Estimates

During the financial year 2025, no significant changes in accounting estimates have occurred relative to those applied in the financial year 2024.

j) Revenue and Expense Recognition Criteria

Financial income and expenses arising from investments whose nature corresponds to insurance underwriting activity are recognised in the non-life insurance technical account. The remainder is recognised in the non-technical account. The allocation by line of business of the remaining income and expenses is performed on the basis of net earned premiums, except for expenses attributable to claims, which are allocated on the basis of the provision for claims outstanding.

3. Distribution of Results

The proposed Distribution of Results for the financial year 2025, which the Board of Directors of the Company will put forward for approval to the General Shareholders' Meeting, is as follows:

	2025	2024
PROPOSED APPROPRIATION OF PROFIT		
Distribution basis (profit for the year)	**78.209**	**62.456**
Distribution:		
Interim dividend (Note 14.c)	30.017	30.000
Equalisation reserve on account (Note 14.c)	9.219	7.795
Voluntary reserve	23.972	9.661
Final dividend	15.000	15.000

The liquidity statements for each interim dividend for the financial year 2025 are set out below:

	Agreement of 20.11.2025	Agreement of 24.06.2025
Net profit at date of resolution	**58.729**	**21.287**
Less:		
Other reserves		
Dividends paid	(15.018)	
Freely distributable profit	**43.711**	**21.287**
Proposed interim dividend payment	**14.998**	**15.018**
Total dividend to be distributed	**14.998**	**15.018**
Cash liquidity before payment	**10.894**	**6.880**
Forecast receipts less forecast payments	5.134	14.347
Cash surplus	**16.028**	**21.227**

The liquidity statements for each interim dividend for the financial year 2024 are set out below:

	Agreement of 12.12.2024	Agreement of 23.07.2024
Net profit at date of resolution	**41.894**	**26.721**
Less:		
Other reserves		
Dividends paid	(15.000)	
Freely distributable profit	**26.894**	**26.721**
Proposed interim dividend payment	**15.000**	**15.000**
Total dividend to be distributed	**15.000**	**15.000**
Cash liquidity before payment	**23.070**	**15.945**
Forecast receipts less forecast payments	2.757	38.849
Cash surplus	**25.827**	**54.794**

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4. Accounting Policies

The accounting policies applied in the preparation of the accompanying annual accounts are described below.

a) Intangible Assets

The various assets comprising intangible assets are recorded at acquisition cost or, where applicable, at production cost, net of accumulated amortisation.

IT applications

This heading includes amounts paid for access to or the right to use computer software with a useful life of more than one financial year. These assets are amortised on a straight-line basis over a period of between four and ten years for the development of IT applications, and five years for purchased software.

In the case of internally generated applications and developments, the Company capitalises costs associated with the production of identifiable computer programmes exclusively controlled by the Company. These are external costs assigned to the development of such applications, as well as directly attributable internal staff costs. The remaining costs associated with the development or maintenance of internal projects are recognised as an expense in the period in which they are incurred.

Subsequent costs are capitalised only when they increase the future economic benefits of the related intangible asset. Recurring costs arising from modification or updating of IT applications or systems, costs arising from global system reviews and maintenance costs are recognised in the profit and loss account as an additional expense of the period in which they are incurred.

For the purposes of impairment assessment, the Company evaluates at least annually whether there are any indicators of impairment where the carrying amount of the asset exceeds its recoverable amount, reducing it immediately to the recoverable amount.

The Company derecognises an intangible asset on disposal or when no future economic benefits are expected from its use or disposal. The disposal date of an intangible asset is the date on which the purchaser obtains control of the asset.

Other

The Company recognises in this category all assets that are not IT applications, such as acquired rights of use. The assets recognised in this category are considered to have an indefinite useful life and, since their useful life cannot be estimated reliably, are amortised over 10 years.

For the purposes of impairment assessment, the Company evaluates at least annually whether there are any indicators of impairment where the carrying amount of the asset exceeds its recoverable amount, reducing it immediately to the recoverable amount.

This assessment is an estimate based on the following methodology, parameters and assumptions:

- Cash flow projections based on the best available estimates of income and expenditure in accordance with budgets, sector forecasts and business trends. The projection period used is limited to five years, unless there is evidence to the contrary, in accordance with the applicable standard for intangible assets.
- From the last projected year, a terminal value has been calculated as a perpetual growth annuity at an annual rate (g, of 1.9% in both 2025 and 2024) in accordance with the long-term growth consensus.
- The cash flows referred to above have been discounted using a discount rate calculated as a cost of capital derived from the risk-free rate and a market risk premium weighted by the specific risk of comparable entities (discount rate of 8.21% in 2025 and 9.38% in 2024). In the projections and selection of assumptions, the economic environment has been considered, in particular the evolution of inflation variables, as well as the risk-free rate and risk premiums in the discount rate applied.

The Company derecognises an intangible asset on disposal or when no future economic benefits are expected from its use or disposal. The disposal date of an intangible asset is the date on which the purchaser obtains control of the asset.

b) Property, Plant and Equipment and Investment Property

Land, natural assets and buildings held to earn rentals or for capital appreciation, or both, are classified as investment property. Land, natural assets and buildings held for use in the provision of services or for the Company's own administrative purposes are classified as property, plant and equipment.

Property, plant and equipment and investment property are recorded at acquisition cost, which includes, in addition to the purchase price, all additional costs, including financing costs, incurred up to the point at which the asset is brought into use.

Costs of extending or improving assets are capitalised as an increase in the value of the asset only where they result in an increase in capacity or surface area, output or extension of useful life, with the carrying amount of any replaced components being derecognised. Repair and maintenance expenditure is never treated as an improvement.

Depreciation is charged systematically using the straight-line method based on the estimated useful life, considering the depreciation effectively suffered through operation, use and enjoyment. The depreciation rates used are as follows:

Property, plant and equipment and investment property	Rate
Furniture and fittings	4 – 12%
IT equipment	10 – 25%
Other property, plant and equipment	12 – 15%
Buildings	2%

At the year-end, impairment adjustments to property, plant and equipment are recognised where applicable. In all cases, for the purposes of impairment assessment, the Company evaluates at least annually whether there are any indicators of impairment where the carrying amount of the asset exceeds its recoverable amount, reducing it immediately to the recoverable amount.

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Recoverable amount is the higher of fair value less costs to sell and value in use. For properties, fair value is equal to the appraised value determined by a valuation company authorised to value properties for mortgage market purposes, in accordance with the provisions of Ministerial Order ECO/805/2003 of 27 March on the valuation of real estate assets and certain rights for specified financial purposes.

Value in use is the present value of the future cash flows expected to arise from the continued use of an asset in the ordinary course of business and, where applicable, from its disposal or other form of derecognition.

Ministerial Order ECC 371/2013 of 4 March requires insurance entities to commission a valuation company to review the valuations of their properties once two years have elapsed since the previous valuation.

Recoverable amount must be calculated for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

The Company assesses at each balance sheet date whether there is any indication that an impairment loss recognised in prior periods may no longer exist or may have decreased. Impairment losses are reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. The reversal of an impairment loss is recognised as a credit to the profit and loss account.

However, the reversal of an impairment loss may not increase the carrying amount of the asset above the carrying amount that would have been determined, net of depreciation, had no impairment been recognised.

c) Deferred Acquisition Costs and Other Capitalised Acquisition Costs

Acquisition costs included as assets in the balance sheet are deferred considering the limit established in the technical specifications for each product and/or line of business and the expiry of the policies.

d) Financial Instruments

d.1) Financial Assets

Note 8 to these financial statements sets out the balances of financial assets at 31 December 2025, together with their specific nature, classified in accordance with the following criteria:

Cash and cash equivalents

This heading includes cash in hand, bank current accounts, deposits and reverse repurchase agreements that meet all of the following requirements:

- They are convertible into cash.
- At the time of acquisition, their maturity does not exceed three months.
- They are not subject to significant risk of changes in value.
- They form part of the Company's normal treasury management policy.

For the purposes of the statement of cash flows, occasional bank overdrafts that form part of the Company's cash management policy are included as a deduction from cash and cash equivalents.

Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, such as bank deposits, outstanding insurance premium receipts, etc. This category includes credits held with third parties in respect of reinsurance operations, as well as with intermediaries and policyholders, with appropriate impairment provisions raised where necessary.

These financial assets are initially measured at fair value, including directly attributable transaction costs, and subsequently at amortised cost, with interest accrued using the effective interest rate method, defined as the discount rate that equates the carrying amount of the instrument to the total of its estimated cash flows until maturity. Notwithstanding the foregoing, trade receivables with a maturity of no more than one year are measured, both on initial recognition and subsequently, at their nominal amount, provided that the effect of not discounting the cash flows is not material.

At least at the year-end, impairment adjustments are made where there is objective evidence that not all amounts due will be collected.

The amount of an impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows, discounted at the original effective interest rate. Impairment adjustments and, where applicable, their reversals, are recognised in the profit and loss account. The reversal of an impairment loss is limited to the carrying amount of the receivable that would have been recognised at the date of reversal had no impairment been recorded.

In particular, impairment in respect of outstanding premiums is calculated on the portion of tariff premiums written in the financial year, net of the security loading, which, based on prior experience, is not expected to be collected, taking into account the age of the outstanding amounts and, where applicable, their legal collection status, with particular attention to those receipts whose characteristics warrant separate treatment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be objectively attributed to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit quality), the previously recognised impairment is reversed through the profit and loss account.

Claims recovery receivables are recognised when their realisation is sufficiently assured, once the third-party insurer has acknowledged the liability of its policyholder, thereby acknowledging the debt owed to the Company. The amount is recorded at nominal value.

Investments in group and associated companies

The Company has included in this category its investments in the equity of group, jointly controlled and associated companies, as defined under applicable regulations.

They are initially measured at cost, equivalent to the fair value of the consideration paid plus transaction costs. The amount of any preferential subscription rights acquired also forms part of the initial measurement.

Fees paid to legal advisers or other professionals in connection with the acquisition of investments in the equity of group companies that confer control over those companies are charged directly to the profit and loss account.

After initial recognition, they are measured at cost less, where applicable, accumulated impairment losses. However, where a prior investment existed before its classification as a group, jointly controlled or associated company, its carrying amount at the time of that classification is treated as the cost of the investment. Prior valuation adjustments recognised directly in equity are maintained therein until derecognition.

Where there is objective evidence that the carrying amount is not recoverable, appropriate impairment adjustments are made for the difference between the carrying amount and the recoverable amount, the latter being the higher of fair value less costs to sell and the present value of the cash flows arising from the investment. Absent better evidence of recoverable amount, the estimation of impairment on these investments considers the net assets of the investee company adjusted for any unrealised gains existing at the date of valuation. The impairment adjustment and, where applicable, its reversal, is recognised in the profit and loss account of the period in which it occurs. The reversal of an impairment loss is limited to the carrying amount of the investment that would have been recognised at the date of reversal had no impairment been recorded.

Available-for-sale financial assets

The Company includes in this category debt securities, fixed or predetermined cash flow swaps and equity instruments that are not classified within the preceding categories, nor as assets held for trading, nor as other assets at fair value through profit or loss, nor as loans or receivables.

They are measured at fair value which, unless there is evidence to the contrary, is the transaction price. Changes in value are recognised directly in equity until the asset is disposed of or becomes impaired, at which point the cumulative gains and losses held in equity are recycled to the profit and loss account, provided that fair value can be reliably determined. Gains and losses arising from exchange differences on monetary financial assets denominated in foreign currency are recognised in the profit and loss account.

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired, considering situations that, individually or in combination, indicate such evidence. The Company considers as evidence of possible impairment a prolonged or significant decline in the market value of equity or fixed income securities, considered individually, below their cost or amortised cost.

When a significant or prolonged decline in the fair value of an available-for-sale financial asset occurs, the cumulative loss previously recognised in equity is removed from equity and recognised in the profit and loss account, even if the financial asset has not been derecognised. Impairment losses recognised in profit or loss in respect of an investment in an equity instrument classified as available for sale are not reversed through profit or loss. However, reversals in respect of debt instruments are recognised in the profit and loss account. The reversal of an impairment loss is limited to the carrying amount of the investment that would have been recognised at the date of reversal had no impairment been recorded.

In the case of debt securities, impairment adjustments are made where there is objective evidence that their value has deteriorated because of a reduction or delay in the estimated future cash flows, which may be caused by the insolvency of the debtor.

In the case of equity instruments, impairment is evidenced by the non-recoverability of the carrying amount, for example through a prolonged or significant decline in fair value. In this regard, there is a presumption of impairment (of a permanent nature) if there has been a fall of more than 40% in the quoted price of the asset, or if there has been a sustained decline over a period of eighteen months without a recovery in value. The impairment adjustment is the difference between cost or amortised cost, less any impairment previously recognised in the profit and loss account, and fair value at the time of measurement.

For equity instruments measured at cost because fair value cannot be reliably determined, the impairment adjustment is the difference between their carrying amount and recoverable amount, the latter being the higher of fair value less costs to sell and the present value of the cash flows arising from the investment. Absent better evidence of recoverable amount, the estimation of impairment on these investments takes into account the net assets of the investee company adjusted for any unrealised gains at the date of valuation.

The impairment adjustment and, where applicable, its reversal, is recognised in the profit and loss account of the period in which it occurs, except in the case of equity instruments, whose reversal is recognised against equity. The reversal of an impairment loss is limited to the carrying amount of the investment that would have been recognised at the date of reversal had no impairment been recorded.

Fair value of a financial instrument at a given date is the amount for which it could be bought or sold between a willing buyer and seller, both acting knowledgeably and in an arm's length transaction. The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Company establishes fair value by reference to substantially identical instruments and by discounting estimated future cash flows. These models may be applied directly by the Company or by the counterparty that acted as vendor.

Derecognition of financial assets

Financial assets are derecognised from the balance sheet when substantially all the risks and rewards incidental to ownership of the asset have been transferred. In the specific case of receivables, this is generally considered to occur when the risks of insolvency and late payment have been transferred.

Conversely, the Company does not derecognise financial assets and recognises a financial liability for an amount equal to the consideration received, in transfers of financial assets in which substantially all the risks and rewards incidental to ownership are retained.

Derecognition of a financial asset result in the recognition in the profit and loss account of the difference between the carrying amount of the financial asset and the consideration received, including attributable transaction costs, and any liability transferred other than cash or asset assumed is also recognised.

Dividend income

Dividend income is recognised as income in the profit and loss account when the right to receive payment is established.

Valuation of financial instruments for accounting and supervisory purposes

Financial instruments are being valued using prices in an active market or, failing that, using valuation models and techniques.

An active market is one in which all the following conditions are met simultaneously:

– The goods or services exchanged are homogeneous.

- Buyers or sellers for a given good or service can be found at virtually any time.
- Prices are publicly known and readily accessible. Furthermore, these prices must reflect actual, current and regularly occurring market transactions.

In this regard, no requirement is made for the market to be regulated, only that it be transparent and deep. Therefore, publicly known and readily accessible prices provided by financial information vendors that reflect actual, current and regularly occurring market transactions are treated as prices from an active market. If no price exists in an active market, it will be necessary to estimate it through a valuation model or technique, consistent with the methodology accepted and used in the market for price-setting, maximising the use of observable market data. For debt instruments, the methodology of discounting certain or probability-weighted cash flows at a discount rate adjusted for credit risk and liquidity in accordance with market conditions may be applied.

d.2) Financial Liabilities

The Company classifies its financial liabilities according to the purpose for which they were incurred. Management determines the classification of financial liabilities at the time of initial recognition.

Payables and other liabilities

This category includes the Company's commercial payables and non-commercial payables.

These liabilities are initially recognised at fair value adjusted for directly attributable transaction costs, and subsequently measured at amortised cost using the effective interest rate method. The effective interest rate is the discount rate that equates the carrying amount of the instrument to the expected stream of future payments until maturity.

Notwithstanding the foregoing, trade payables with a maturity of no more than one year that do not carry a contractual interest rate are measured, both on initial recognition and subsequently, at their nominal amount when the effect of not discounting the cash flows is not material.

In the event of renegotiation of existing liabilities, no substantial modification of the financial liability is considered to have occurred when the present value of the cash flows of the new liability, including net fees, does not differ significantly from the present value of the remaining cash flows of the original liability, both discounted at the effective interest rate of the original liability.

Derecognition of financial liabilities

The Company derecognises a financial liability or a part thereof when the obligation contained in the liability has been discharged, or when it is legally released from the primary responsibility contained in the liability whether through a judicial process or by the creditor.

Derecognition of a financial liability result in the recognition in the profit and loss account of the difference between the carrying amount of the financial liability and the consideration paid, including attributable transaction costs, and any asset transferred other than cash or liability assumed is also recognised.

e) Hedge Accounting

Hedging derivatives are recognised, as appropriate in accordance with their measurement, within the "Hedging derivatives" line items on the assets or liabilities side of the balance sheet.

Hedging derivatives are those whose fair value or future cash flows offset changes in the fair value or future cash flows of the hedged items.

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the profit and loss account, together with any changes in the fair value of the hedged asset or liability attributable to the hedged risk.

Interest rate cash flow hedges

Interest rate cash flow hedges cover exposure to variability in interest cash flows attributable to a specific risk associated with fluctuations in interest rates. The Company has not designated any such hedges during the 2025 and 2024 financial years.

Measurement of hedge effectiveness

With respect to the derivatives held by the Company at the close of 2025 and 2024, categorised as fair value hedges, the steps taken to measure hedge effectiveness are as follows:

Firstly, the Company has constructed a synthetic bond equivalent to the payment of a fixed coupon plus receipt of the variable (in the Company's case, Euribor 6m + spread). The standard Euribor 6m curve has been used for the discounting of cash flows. The present value of future cash flows is then calculated. Finally, it is confirmed that the difference between both present values falls within the parameters designated as effective hedging (80%–125%).

f) Income Tax

The income tax charge is the amount accrued in the financial year in respect of this heading and comprises both the current tax charge and the deferred tax charge.

Both the current tax charge and the deferred tax charge are recognised in the profit and loss account. However, the tax effect relating to items recognised directly in equity is also recognised in equity.

Current tax assets and liabilities are measured at the amounts expected to be paid to or recovered from the tax authorities, in accordance with the regulations in force or approved and pending publication at the balance sheet date.

Deferred taxes are calculated, in accordance with the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred tax is determined by applying the regulations and tax rates enacted or substantively enacted at the balance sheet date and expected to apply when the relevant deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred taxes are recognised on temporary differences arising on investments in subsidiary, associated and jointly controlled companies, except where the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

g) Technical Provisions

Provision for unearned premiums

This provision represents the proportion of premiums written in the financial year that is attributable to the period from the closing date to the end of the policy coverage period, determined on a policy-by-policy basis, and calculated using tariff premiums written in the financial year, net of the security loading. The apportionment of the annual premium for the calculation of the provision for unearned premiums is performed on a straight-line basis.

Unexpired risk provision

This provision supplements the provision for unearned premiums to the extent that its amount is insufficient to reflect the assessment of all risks and expenses to be covered during the unexpired coverage period from the balance sheet date. For its calculation, the guarantees are grouped by product and the reference periods of 2 and 4 established in Article 31 of the Regulations on the Supervision of Private Insurance (ROSSP) are applied to the respective lines of business or commercial products.

Provision for claims outstanding

The provision for claims outstanding represents the total amount of the insurer's outstanding obligations arising from claims occurring prior to the balance sheet date. The Company establishes this provision at an amount sufficient to cover the cost of claims, defined as including all external costs — including statutory default interest and penalties — and internal costs of managing and processing claims files, of whatever origin, incurred and yet to be incurred until the final settlement and payment of claims, reduced by amounts already paid.

The provision for claims outstanding comprises the following sub-provisions: the provision for claims pending settlement or payment and for incurred but not reported (IBNR) claims, and the provision for internal claims handling expenses.

On 18 January 2008 the Group was authorised by the Directorate General of Insurance and Pension Funds to apply a statistical methodology for the calculation of the technical provision for claims outstanding in the motor line of business, in accordance with the provisions of the eighteenth additional provision of Law 20/2015 of 14 July.

On 29 December 2021 the Directorate General of Insurance and Pension Funds issued a resolution on the application for a change in the statistical methodology used for the motor line of business, authorising Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros to calculate the technical provisions for claims outstanding for the motor line of business using the stochastic Merz & Wüthrich methodology, with the deterministic average cost methodology as the benchmark. The methodological change began to be applied at the 2021 year-end and has not had a significant impact.

For the provision for claims outstanding for the home, assistance and health lines of business, the provision for claims pending settlement or payment has been estimated based on individual case analysis of each claims file (using the best information available at the year-end), calculated in accordance with the provisions of the Regulations on the Supervision of Private Insurance. The provision for IBNR claims has been calculated using the formula set out in the Regulations on the Supervision of Private Insurance.

The provision for internal claims handling expenses is established at an amount sufficient to meet the costs necessary for the final resolution of claims outstanding at the year-end, calculated in accordance with the Regulations on the Supervision of Private Insurance.

Equalisation reserve

This reserve, unlike the foregoing technical provisions, is recognised within the equity of the Company and is non-distributable. Each year, the Company determines the amount by which this reserve must be increased for the Motor Third-Party Liability line of business, taking into account the security loading included in tariff premiums for certain insurance contracts, as well as the other provisions of the Regulations, and proceeds to establish it as a charge to the Distribution of Results for the financial year. Once the General Shareholders' Meeting has approved that Distribution of Results, the amount is recorded as a credit to equity. This reserve may only be utilised to offset deviations in the net retention loss ratio. If the Company were to record a loss in the financial year, it would disclose the amount of the equalisation reserve on account which, together with the debit balance of the profit and loss account, determines the result to be included in the "Losses brought forward" heading.

In accordance with Article 45(2) of the ROSSP, the Company is required to establish this reserve for the risk arising from motor third-party liability insurance, with an upper limit of 35% of net retention risk premiums. In both 2025 and 2024, the Company has made an allocation to the equalisation reserve.

h) Reinsurers' Share of Technical Provisions

The technical provisions applicable to ceded reinsurance are calculated in the manner described for direct insurance, taking into account, where applicable, the specific conditions of the reinsurance contracts entered into, for each line of business or class of business.

i) Redundancy Payments

In accordance with current legislation, the Company is obliged to pay redundancy compensation to those employees whose employment contracts are terminated under certain conditions. Accordingly, redundancy payments that are susceptible to reasonable quantification are recognised as an expense in the year in which the decision is taken and a valid expectation is created vis-à-vis third parties regarding the redundancy.

j) Employee Benefits

The Company has post-employment pension commitments classified as defined contribution plans and defined benefit plans.

The Company's commitments to its employees in respect of retirement or similar pensions have been fully externalised in compliance with the applicable legal provisions on externalisation of pension commitments

(Royal Decree 1588/1999 of 15 October, approving the Regulations on the funding of companies' pension commitments to employees and beneficiaries).

The insurance policies referred to are considered "linked assets" as they are not owned by the Company but by a legally separate third party that is not a related party, are available solely to pay or fund employee benefits, and cannot revert to the Company, except when the remaining linked assets are sufficient to meet all the obligations.

The sector Collective Bargaining Agreement also covers the contingencies of death or disability of employees during the period of active service.

Defined contributions

The current General State-Level Collective Bargaining Agreement for Insurance, Reinsurance and Work Accident Mutual Entities establishes a new occupational pension scheme funded through a group life insurance policy suitable for the externalisation of pension commitments in accordance with the provisions of Royal Decree 1588/1999 of 29 November. The Company contributes an annual premium per employee of 1.9% of base salary, no later than 30 September of each year, noting that employees who have worked for the same company for three or more years are entitled to the recognition of the accumulated rights under the policy.

This policy applies to employees recruited from 1 January 2017 onwards and to those who have voluntarily chosen to transfer to this new arrangement. For employees under the old plan who have opted to transfer, a transfer of the mathematical reserve took place.

Additionally, the Company has a retirement commitment with certain senior managers that has been externalised through an insurance policy.

The Company recognises contributions to defined contribution plans as employees render service. The amount of contributions accrued is recognised as an employee benefits expense and as a liability once any amounts already paid have been deducted. Where amounts paid exceed the accrued expense, the corresponding assets are only recognised to the extent that they can be applied to reductions in future payments or give rise to a cash refund.

Defined benefit plans

Employees recruited prior to 1 January 2017 chose between the arrangement described above and a retirement incentive whereby, if an employee requests retirement in the month in which they reach the standard retirement age established by Social Security legislation from time to time, the Company will pay a one-off amount equal to one month's salary for every five years of service, up to a maximum of ten months' salary, reached at thirty years of service with the employer at the time of retirement.

The Company includes in defined benefit plans those funded by the payment of insurance premiums where there is a legal or constructive obligation to pay employees the committed benefits directly when they fall due, or to make additional payments where the insurer does not make the benefit payments corresponding to services rendered by employees in the current or prior financial years.

The cost or income corresponding to defined benefit plans is recognised in employee benefits expense and is determined as the sum of the net amount of the current service cost and the net interest cost on the net defined benefit liability or asset. The remeasurement of the net defined benefit liability or asset is recognised in other comprehensive income. This latter amount comprises actuarial gains and losses, the net return on plan assets and any change in the effect of the asset ceiling, excluding amounts included in the net interest on the liability or asset. Plan administration costs and all taxes specific to the plans, other than those included in actuarial assumptions, are deducted from the net return on plan assets. Amounts deferred in other comprehensive income are reclassified to retained earnings reserves in the same financial year.

Furthermore, where the plan assets include eligible insurance policies whose cash flows correspond exactly, both in amounts and timing, to some or all the benefits payable under the plan, their fair value is equal to the present value of the related payment obligations.

Share-based payments

The Chief Executive Officer and the Management Committee of the Company participated in a Group remuneration plan — of which the Company is the parent — based on shares following the admission to listing of the Company. The purpose of this Plan, approved by the General Shareholders' Meeting on 18 March 2021, was to offer participants the opportunity to receive a specified number of shares in the three years following the Company's stock market listing (Note 22). At the date of this report, the extraordinary plan linked to the stock market listing has concluded.

The Company recognises services received in a share-based payment transaction at the time those services are received. Since the services are settled in equity instruments, a reduction in equity is recognised.

The Company recognises share-based payment transactions settled in equity instruments of the Company at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case the value is determined by reference to the fair value of the equity instruments granted.

Deliveries of equity instruments in exchange for services rendered by Group employees or third parties providing similar services are measured by reference to the fair value of the equity instruments offered.

k) Provision and Credit for Payments and Recoveries under Claims Settlement Agreements

The Company recognises the estimated amount of outstanding payments to policyholders on behalf of the at-fault insurer, and the recoveries made by the latter, under claims settlement agreements.

l) Non-Technical Income and Expenses

The Company has other income not derived from insurance underwriting activities, such as travel assistance services, vehicle repairs and assessments, all of which are provided to third parties outside the Group, as well as commissions on the sale of insurance products issued by other entities, fees for call redirection and income from credit card payment surcharges.

Non-technical income and expenses are recognised on an accruals basis, considering the correlation between income generated and the corresponding expenses.

m) Transactions between Related Parties

In general, transactions between the Company and a group company are recognised on initial recognition at fair value. Where the agreed price differs from fair value, the difference is recorded having regard to the economic substance of the transaction. Subsequent measurement is performed in accordance with the applicable standards.

n) Provisions and Contingencies

Contingent liabilities are those possible obligations arising as a consequence of past events, whose crystallisation is contingent on the occurrence or non-occurrence of one or more future events independent of the Company's will. Such contingent liabilities are not recognised in the accounts but are disclosed, where they exist, in the notes to the financial statements. However, where such liabilities are of a tax nature, they are generally recognised.

Provisions are recognised for obligations such as ongoing litigation, compensation or other obligations of uncertain amount or timing, when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required, based on a reliable estimate of the amount.

Provisions are measured at the present value of the best estimate of the amount required to settle or transfer the obligation, considering available information about the event and its consequences, with adjustments arising from the unwinding of discount on those provisions recognised as a finance expense as it accrues. Where the maturity of the liabilities is less than one year, they are recognised at the nominal amount of the obligation.

Any reimbursement expected from a third party upon settlement of the obligation, where there is no doubt that the reimbursement will be received, is recognised as an asset, except where there exists a legal link through which part of the risk has been externalised and under which the Company is not obliged to respond. In such a situation, the reimbursement is considered in estimating the amount at which the corresponding provision, if any, will be recognised.

o) Income and Expenses — Reclassification of Expenses by Destination

Income is recognised at the fair value of the consideration to be received and represents the amounts receivable for goods delivered and services rendered in the ordinary course of the Company's activities, less discounts and value added tax. Expenses are recognised on an accruals basis, taking into account the correlation between income generated and the corresponding expenses.

However, the Company only recognises profits that have been realised at the balance sheet date, whilst foreseeable risks and possible losses originating in the current or a prior financial year are recognised as soon as they are known.

Financial income and expenses arising from investments whose nature corresponds to insurance underwriting activity are recognised in the non-life insurance technical account. The remainder is recognised in the non-technical account.

The allocation by line of business of the remaining income and expenses is performed on the basis of net earned premiums, except for expenses attributable to claims, which are allocated on the basis of the provision for claims outstanding.

Direct insurance

Business premiums are recognised as income over the period of validity of the contracts, on a time-proportionate basis, with apportionment performed through the establishment of the provision for unearned premiums.

Ceded reinsurance

Ceded reinsurance premiums are recognised in accordance with the reinsurance contracts entered into and under the same criteria applied to direct insurance.

Reclassification of expenses by destination

The reclassification of expenses by nature to expenses by destination has been performed on the basis of the following criteria:

1. Expenses specifically incurred for a destination have been classified directly as such.
2. Staff costs are allocated on the basis of the estimated proportion of time devoted to each destination.
3. Expenses that cannot be directly allocated are distributed on the basis of the estimated staff time allocated to each destination.

The destinations established are as follows:

4. Expenses attributable to claims
5. Expenses attributable to investments
6. Acquisition costs
7. Administrative expenses
8. Other technical charges
9. Other non-technical charges

Expenses have been allocated to the various segments on the basis of the business unit in which the activity originated.

p) Operating Leases

In operating lease transactions, ownership of the leased asset, together with substantially all the risks and rewards incidental to the asset, remains with the lessor.

Income and expenses arising from operating lease agreements are recognised in the profit and loss account in the period in which they are accrued.

Any receipt or payment that may be made on entering into an operating lease is treated as an advance receipt or payment that is charged to profit and loss over the lease term, as the benefits of the leased asset are received or transferred.

q) Foreign Currency Transactions

The functional currency used by the Company is the euro. Accordingly, transactions in currencies other than the euro are treated as foreign currency transactions and are recorded at the exchange rates prevailing at the transaction dates.

At the year-end, monetary assets and liabilities denominated in foreign currency are translated into euros at the exchange rate at the balance sheet date. Gains or losses arising during the financial year are recognised in the profit and loss account.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences arising from changes in the amortised cost of the security and other changes in carrying amount. Translation differences are recognised in profit for the year and other changes in carrying amount are recognised in equity.

r) Asset Accruals and Prepayments

This heading comprises principally interest accrued but not yet due on financial investments, where this does not form part of the redemption value obtained by applying the contractual interest rate of the financial instrument.

s) Equity

Share capital is represented by ordinary shares. The costs of issuing new shares or options are presented directly against equity as a reduction in reserves.

Where the Company acquires its own shares, the consideration paid, including any directly attributable incremental costs, is deducted from equity until the shares are cancelled, reissued or disposed of. When such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs, is included in equity.

As part of its capital management policy, the Company's objective is to maintain a strong capital position.

The Board of Directors bears ultimate responsibility for the control and management of the Company's risks and Solvency, and accordingly monitors the position of own funds, Solvency Capital Requirements and available solvency.

Capital management is based on ensuring that the Company has sufficient capitalisation to meet its financial obligations; optimising the capital structure through efficient allocation of resources; and managing capital adequacy taking into account the economic and accounting perspective, capital requirements and the capital objectives set in the risk appetite.

To meet the above objectives, the Company carries out the Own Risk and Solvency Assessment (ORSA) exercise each year, in which a forward-looking risk assessment is performed, drawn up on the basis of the

Company's and the market's anticipated business trends, thereby enabling projections to be made of the Company's assets and liabilities and results, which in turn serve to assess the likely evolution of the various risks under management, quantify them and estimate the evolution of solvency requirements and available solvency, based on anticipated results.

The Company is required to calculate its solvency ratio, which is the ratio of available own funds to its Solvency Capital Requirement (SCR).

The calculation of the Solvency Capital Requirement is governed by Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II), implemented by Commission Delegated Regulation 2015/35 of 10 October 2014, as subsequently amended.

The Solvency Capital Requirement is calculated for the following sub-risks, which are the principal ones for an insurance entity: underwriting risk, market risk, counterparty default risk and operational risk.

The objective is to maintain an adequate level of solvency. In determining the appropriate level of solvency, account has been taken of the risk profile, the results of the capital planning for future financial years for the Company on an individual basis, the minimum levels required by regulation and the existing criteria and regulatory framework for optimal capital management. The Company's solvency ratio was 183% in 2025 and 185% in 2024.

5. Property, Plant and Equipment and Investment Property

a) Property, Plant and Equipment

At 31 December 2025 and 2024, the balances of the property, plant and equipment line item in the accompanying balance sheets, together with movements during those financial years, are as follows:

Financial year 2025:

	Land	Buildings	Fittings & Installations	IT Equipment	Furniture & Other PPE	Assets in Course of Construction	Total PPE
Cost at 31/12/2024	**16.965**	**23.864**	**19.587**	**12.719**	**5.630**	**195**	**78.960**
Additions			278	1.176	43	11	1.507
Disposals							
Transfers			24	2.161		(125)	2.060
Cost at 31/12/2025	**16.965**	**23.864**	**19.890**	**16.055**	**5.673**	**81**	**82.527**
Accumulated depreciation at 31/12/2024		**(8.266)**	**(15.957)**	**(9.591)**	**(4.870)**		**(38.684)**
Charge for the year		(476)	(694)	(1.833)	(250)		(3.253)
Disposals							
Accumulated depreciation at 31/12/2025		**(8.742)**	**(16.651)**	**(11.424)**	**(5.120)**		**(41.937)**
Impairment provision at 31/12/2024	**(2.115)**						**(2.115)**
Charge / (reversal) for the year							
Impairment provision at 31/12/2025	**(2.115)**						**(2.115)**
Carrying amount at 31/12/2025	**14.850**	**15.122**	**3.239**	**4.631**	**553**	**81**	**38.475**

Financial year 2024:

	Land	Buildings	Fittings & Installations	IT Equipment	Furniture & Other PPE	Assets in Course of Construction	Total PPE
Cost at 31/12/2023	**16.965**	**23.864**	**19.347**	**10.735**	**5.630**		**76.541**
Additions			240	1.984		195	2.419
Disposals							
Transfers							
Cost at 31/12/2024	**16.965**	**23.864**	**19.587**	**12.719**	**5.630**	**195**	**78.960**
Accumulated depreciation at 31/12/2023		**(7.789)**	**(15.131)**	**(8.311)**	**(4.583)**		**(35.814)**
Charge for the year		(477)	(826)	(1.280)	(287)		(2.870)
Disposals							
Accumulated depreciation at 31/12/2024		**(8.266)**	**(15.957)**	**(9.591)**	**(4.870)**		**(38.684)**
Impairment provision at 31/12/2023	**(2.115)**						**(2.115)**
Charge / (reversal) for the year							
Impairment provision at 31/12/2024	**(2.115)**						**(2.115)**
Carrying amount at 31/12/2024	**14.850**	**15.598**	**3.630**	**3.128**	**760**	**195**	**38.161**

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During the financial year 2025, no items of property, plant and equipment were derecognised. In 2024, the Company also derecognised no items of property, plant and equipment.

At 31 December 2025 and 2024, no impairment adjustments were recognised.

Fully depreciated items of property, plant and equipment still in use at 31 December 2025 and 2024 are as follows:

	2025	2024
Fittings and installations	13.274	12.341
IT equipment	9.022	6.990
Furniture and 32ther PPE	3.621	2.806
Total	**25.917**	**22.137**

The Company holds insurance policies with third parties to cover the potential risks that could affect items of property, plant and equipment. The cover provided by these policies is considered adequate.

No items of property, plant and equipment are subject to guarantees or reversion. The depreciation rates applied are detailed in Note 4.b of these financial statements.

The breakdown of the fair value at 31 December 2025 and 2024 of the Company's properties, as determined by an authorised property valuation company (see Note 4.b), is as follows:

Financial year 2025:

Property	Cost	Accum. Depreciation	Impairment	Net Book Value	Market Value
Land and Buildings, I. Newton 7, Tres Cantos	11.718	(7.374)		4.344	11.700
Land and Buildings, I. Newton 9, Tres Cantos	9.955	(4.052)	(734)	5.168	5.518
Land and Buildings, Ronda Europa 7, Tres Cantos	30.056	(11.930)	(1.275)	16.850	17.754
Land and Buildings, Torres Quevedo 1, Tres Cantos	8.987	(2.035)	(106)	6.846	7.900
Total	**60.715**	**(25.392)**	**(2.115)**	**33.208**	**42.872**

Financial year 2024:

Property	Cost	Accum. Depreciation	Impairment	Net Book Value	Market Value
Land and Buildings, I. Newton 7, Tres Cantos	11.578	(7.120)		4.458	11.700
Land and Buildings, I. Newton 9, Tres Cantos	9.943	(3.887)	(734)	5.323	5.518
Land and Buildings, Ronda Europa 7, Tres Cantos	29.781	(11.476)	(1.275)	17.031	17.754
Land and Buildings, Torres Quevedo 1, Tres Cantos	8.970	(1.693)	(106)	7.171	7.900
Total	**60.272**	**(24.175)**	**(2.115)**	**33.983**	**42.872**

Individual Annual Accounts 2025 (Expressed in thousand euro)

Fair value is based on the comparison method (applying the substitution principle), which values the property by comparison with other properties on the market and, based on specific information on actual transactions and firm offers, derives current cash sale prices for those properties using homogenisation coefficients (Level 2).

b) Investment Property

This heading relates to the net cost of a property leased by the Company to another Group company, Centro Avanzado de Reparaciones, CAR, S.L.U., where that company has carried on its activities since December 2011.

The movement in this heading during the financial years 2025 and 2024 is as follows:

Financial year 2025:

	Land	Buildings	Fittings	Total Investment Property
Cost at 31/12/2024	**940**	**1.407**		**2.347**
Additions				
Disposals				
Transfers			101	101
Cost at 31/12/2025	**940**	**1.407**	**101**	**2.448**
Accumulated depreciation at 31/12/2024		**(371)**		**(371)**
Charge for the year		(28)	(24)	(52)
Disposals				
Accumulated depreciation at 31/12/2025		**(399)**	**(24)**	**(423)**
Impairment provision at 31/12/2024	**(137)**			**(137)**
Charge for the year				
Reversal for the year				
Impairment provision at 31/12/2025	**(137)**			**(137)**
Carrying amount at 31/12/2025	**803**	**1.008**	**77**	**1.888**

Individual Annual Accounts 2025 (Expressed in thousand euro)

Financial year 2024:

	Land	Buildings	Fittings	Total Investment Property
Cost at 31/12/2023	**940**	**1.407**		**2.347**
Additions				
Disposals				
Transfers				
Cost at 31/12/2024	**940**	**1.407**		**2.347**
Accumulated depreciation at 31/12/2023		**(343)**		**(343)**
Charge for the year		(28)		(28)
Disposals				
Accumulated depreciation at 31/12/2024		**(371)**		**(371)**
Impairment provision at 31/12/2023	**(137)**			**(137)**
Charge for the year				
Reversal for the year				
Impairment provision at 31/12/2024	**(137)**			**(137)**
Carrying amount at 31/12/2024	**803**	**1.036**		**1.839**

The breakdown of fair value at 31 December 2025 and 2024 is as follows:

Property / Year	Cost	Accum. Depreciation	Impairment	Net Book Value	Market Value
2025 — Land & Buildings, Avda. El Sol 9, Torrejón de Ardoz	2.447	(422)	(138)	1.888	1.996
Total 2025	**2.447**	**(422)**	**(138)**	**1.888**	**1.996**
2024 — Land & Buildings, Avda. El Sol 9, Torrejón de Ardoz	2.347	(371)	(137)	1.923	1.996
Total 2024	**2.347**	**(371)**	**(137)**	**1.923**	**1.996**

The rental charges billed to the subsidiary Centro Avanzado de Reparaciones CAR, S.L.U. in respect of this property generated income of 120 thousand euros in 2025 (116 thousand euros in 2024), which is recognised in the "Income from investment property" line of the non-life technical profit and loss account. The most recent valuation of the property was carried out on 6 September 2024.

The properties in financial years 2025 and 2024 are covered by insurance policies against the potential risks of fire and public liability.

Individual Annual Accounts 2025 (Expressed in thousand euro)

6. Intangible Assets

At 31 December 2025 and 2024, the balance of this heading consists entirely of IT software applications. The movement during the financial years 2025 and 2024 is as follows:

Financial year 2025:

	External IT Applications	Internal IT Applications	External Assets in Course of Construction	Internal Assets in Course of Construction	Other	Total Intangible Assets
Cost at 31/12/2024	**102.433**	**189**	**10.036**	**2.035**	**16.032**	**130.725**
Additions	2.618	1.083	8.994	3.464	(6)	16.152
Disposals	(1.108)					(1.108)
Transfers	7.766	1.518	(9.927)	(1.518)		(2.161)
Cost at 31/12/2025	**111.709**	**2.790**	**9.103**	**3.981**	**16.026**	**143.608**
Accumulated amortisation at 31/12/2024	**(85.378)**	**(1)**			**(954)**	**(86.333)**
Charge for the year	(3.422)	(186)			(1.889)	(5.497)
Disposals						
Accumulated amortisation at 31/12/2025	**(88.800)**	**(187)**			**(2.843)**	**(91.830)**
Accumulated impairment losses						
Carrying amount at 31/12/2025	**22.909**	**2.603**	**9.103**	**3.981**	**13.183**	**51.778**

Financial year 2024:

	External IT Applications	Internal IT Applications	External Assets in Course of Construction	Internal Assets in Course of Construction	Other	Total Intangible Assets
Cost at 31/12/2023	**93.446**		**17.324**			**110.770**
Additions	5.070	189	9.015	2.035	3.646	19.955
Disposals						
Transfers	3.917		(16.303)		12.386	
Cost at 31/12/2024	**102.433**	**189**	**10.036**	**2.035**	**16.032**	**130.725**
Accumulated amortisation at 31/12/2023	**(81.584)**					**(81.584)**
Charge for the year						
Disposals	(3.794)	(1)			(954)	(4.749)
Accumulated amortisation at 31/12/2024	**(85.378)**	**(1)**			**(954)**	**(86.333)**
Accumulated impairment losses						
Carrying amount at 31/12/2024	**17.055**	**188**	**10.036**	**2.035**	**15.078**	**44.392**

Additions recorded in the financial year 2025 relate principally to IT software applications, whilst in 2024 they related principally to IT software applications and/or software licences.

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Fully amortised intangible assets at 31 December 2025 and 2024 amount to 77,746 thousand euros and 76,928 thousand euros respectively. At 31 December 2025 and 2024 there are no intangible assets subject to guarantees or reversion.

The Company considers right-of-use assets (see Note 7) to be intangible assets with a useful life of 10 years and they are therefore amortised on that basis.

7. Other Assets

The composition of this heading at 31 December 2025 and 2024 is as follows:

	2025	2024
Deferred acquisition costs	100.516	91.269
Accruals and prepayments	13.855	11.843
Other		
Total	**114.371**	**103.112**

Deferred acquisition costs represent costs directly attributable to the acquisition of premiums that are apportioned annually over the period of validity of the policy. These costs relate principally to commission costs and marketing expenses.

Deferred acquisition costs are recognised in accordance with the accounting policies set out in Note 4.c). The movement for financial years 2025 and 2024 is as follows:

	2025	2024
Balance at beginning of year	**91.269**	**88.690**
Additions	100.516	91.269
Retirements	(91.269)	(88.690)
Balance at end of year	**100.516**	**91.269**

Additions represent the apportionment of acquisition costs for the financial year that will be recognised in the following financial year, in correlation with earned premium income in each financial year. Unearned premium income corresponds to the provision for unearned premiums at that date. Retirements in each financial year correspond to the release of the deferred acquisition costs in correlation with the earned premium income from the prior financial year through the release of the provision for unearned premiums.

The "Accruals and prepayments" sub-heading includes principally explicit interest accrued but not yet due on bank deposits and fixed income available-for-sale investments of 10,692 thousand euros (7,600 thousand euros in 2024). It also includes the cost of certain services paid in advance that will accrue during financial year 2025 of 3,163 thousand euros (4,243 thousand euros in 2024).

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8. Financial Instruments

8.1 Information on the Significance of Financial Instruments for the Financial Position and Results of the Company

8.1.1 Balance Sheet Information

The categories of financial assets and liabilities at the close of financial years 2025 and 2024 are as follows:

Financial assets by category - Financial year 2025:

Financial Assets	Cash & Cash Equivalents	AFS at Fair Value	AFS at Cost	Derivatives	Loans & Receivables	Group & Associated Cos.	Total
Equity instruments		**110.438**	**6**			**68.262**	**178.706**
– Financial equity investments		51.844	6			68.262	120.112
– Investment fund units		58.594					58.594
– Venture capital fund units							
Debt securities		**966.494**					**966.494**
– Fixed income securities		966.494					966.494
– Other debt securities							
Derivatives				4.950			4.950
Loans					22.768		22.768
– Loans to group companies					22.768		22.768
Deposits with credit institutions							
Direct insurance receivables					69.618		69.618
– Outstanding premiums					70.576		70.576
– Impairment allowance for outstanding premiums					(957)		(957)
Reinsurance receivables							
Other receivables					52.243		52.243
– Receivables from public authorities					1.043		1.043
– Other receivables					51.200		51.200
Cash	9.426						9.426
TOTAL at 31 December 2025	**9.426**	**1.076.932**	**6**	**4.950**	**144.629**	**68.262**	**1.304.205**

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Financial assets by category - Financial year 2024:

Financial Assets	Cash & Cash Equivalents	AFS at Fair Value	AFS at Cost	Derivatives	Loans & Receivables	Group & Associated Cos.	Total
Equity instruments		**100.321**	**6**			**68.620**	**168.947**
– Financial equity investments		44.142	6			68.620	112.768
– Investment fund units		56.179					56.179
Debt securities		**829.795**					**829.795**
– Fixed income securities		829.795					829.795
Derivatives				4.332			4.332
Loans					23.199		23.199
– Loans to group companies					23.199		23.199
Deposits with credit institutions					20.000		20.000
Direct insurance receivables					64.206		64.206
– Outstanding premiums					65.255		65.255
– Impairment allowance for outstanding premiums					(1.049)		(1.049)
Reinsurance receivables					3.890		3.890
Other receivables					45.519		45.519
– Receivables from public authorities					1.141		1.141
– Other receivables					44.378		44.378
Cash	8.076						8.076
TOTAL at 31 December 2024	**8.076**	**930.116**	**6**	**4.332**	**156.814**	**68.620**	**1.167.964**

Financial liabilities – Payables and hedging derivatives:

Financial Liabilities	Payables 2025	Payables 2024	Hedging Derivatives 2025	Hedging Derivatives 2024
Payables arising from direct insurance operations	2.752	3.491		
– Due to policyholders	2.169	2.259		
– Due to intermediaries	583	1.232		
– Contingent liabilities				
Payables arising from reinsurance operations	936	346		
Other payables	50.175	59.132		
– Tax and social security payables	17.508	16.232		
– Other amounts due to group companies	246	213		
– Other payables	32.421	42.687		
Hedging derivatives				
Total	**53.863**	**62.969**		

The classification of financial assets by maturity, for those with a determinable maturity, by asset category, at 31 December 2025 and 2024, is as follows:

Financial assets by maturity – Financial year 2025:

	2026	2027	2028	2029	2030	Thereafter	Total
Group company investments — loans to group companies	**22.768**						**22.768**
Other financial investments — debt securities	149.873	79.961	69.414	100.789	99.778	466.677	966.492
Total at 31 December 2025	**172.641**	**79.961**	**69.414**	**100.789**	**99.778**	**466.677**	**989.260**

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Financial assets by maturity – Financial year 2024:

	2025	2026	2027	2028	2029	Thereafter	Total
Group company investments — loans to group companies	**22.836**	**363**					**23.199**
– Debt securities							
Other financial investments	195.562	110.054	73.500	57.629	71.316	341.735	849.795
– Debt securities	175.562	110.054	73.500	57.629	71.316	341.735	829.795
– Deposits with credit institutions	20.000						20.000
Total at 31 December 2024	**218.398**	**110.417**	**73.500**	**57.629**	**71.316**	**341.735**	**872.994**

Direct insurance receivables at December 2025 and 2024 fall due in financial years 2026 and 2025 respectively. The liabilities shown within the financial liabilities heading at 31 December 2025 and 2024 fall due in financial years 2026 and 2025 respectively.

8.1.1.1 Available-for-Sale Financial Assets

This balance sheet heading, at the close of financial years 2025 and 2024, comprises 51,844 thousand euros and 44,142 thousand euros in equities respectively, and also holdings in investment funds and venture capital funds of 58,594 thousand euros and 56,179 thousand euros respectively.

Of the total equity investment, 12,675 thousand euros at 31 December 2025 (10,475 thousand euros in 2024) is held in two listed real estate investment companies (Sociedades Anónimas Cotizadas de Inversión Inmobiliaria, SOCIMIs) in which a financial entity of the Bankinter Group participates.

This heading also includes 966,494 thousand euros and 829,795 thousand euros (2025 and 2024 respectively) in fixed income securities, of which 12,113 thousand euros relate to related parties in 2025 and 6,965 thousand euros in 2024 (see Note 15).

At the close of financial years 2025 and 2024 there are no impairment adjustments arising from credit risk or deterioration in value on the assets comprising this heading.

Accrued but not yet due interest on the fixed income assets in this heading amounts to 10,692 thousand euros at the close of financial year 2025 (7,600 thousand euros at the close of financial year 2024) and is included in the "Other assets — Accruals and prepayments" heading on the accompanying balance sheet. The average yield of the fixed income portfolio in financial year 2025 was 3.12% (2.79% in 2024) and 4.98% on equities (5.62% in 2024).

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8.1.1.2 Loans and Receivables

a) Loans to Group and Associated Companies

At 31 December 2025 and 2024, the composition of this heading is as follows:

	2025	2024
Loan to LDActivos, S.L.U.	18.300	18.300
Loan to Centro Avanzado de Reparaciones, CAR, S.L.U.	363	728
Receivables from Línea Directa Asistencia, S.L.U.	3.024	2.618
Receivables from LDActivos, S.L.U.	1.137	1.594
Receivables from Ámbar Medline, S.L.U.	10	4
Receivables from Centro Avanzado de Reparaciones, CAR, S.L.U.	(66)	(45)
Balance at 31 December	**22.768**	**23.199**

In July 2014, the Company granted a loan of 19,300 thousand euros to its subsidiary LDActivos, S.L.U. for the cash purchase of a property which that entity uses for rental purposes, in accordance with its corporate purpose. In November 2020, this loan was partially repaid by 4,000 thousand euros, leaving an outstanding principal of 15,300 thousand euros. In December 2021, the loan was increased by 3,000 thousand euros, leaving a new principal of 18,300 thousand euros bearing interest at three per cent per annum, payable monthly, with a repayment period of up to ten years, with the right of early repayment by the lender. On 19 July 2024, the parties agreed to extend the repayment period to 2034. The Company's Directors estimate that this loan will be fully recovered before the contractual maturity date, as the subsidiary has a working capital position and projected income sufficient to service the repayment of the loan.

During financial year 2025, interest income on this loan amounts to 549 thousand euros (551 thousand euros during 2024), which has been recognised within "Investment income — Income from financial investments" in the non-life technical account, and has been fully collected by 31 December 2025.

The loan granted to Centro Avanzado de Reparaciones CAR, S.L.U. is a participating loan signed on 21 July 2011 with an initial principal of 1,232 thousand euros. On 19 April 2018 this loan was increased by 600 thousand euros. In May 2020 a further increase of 1,560 thousand euros was made. At 31 December 2025 the outstanding principal is 363 thousand euros, with the same ten-year term, bearing interest at a fixed rate (Euribor + one percentage point) plus a variable component (8% of the borrower's profit before tax, which will begin to be paid when there is no longer any impairment). The principal is to be repaid at the end of each annual period in a fixed amount of 363 thousand euros.

The movement in the balance of this loan during financial years 2025 and 2024 is as follows:

	2025	2024
Balance at beginning of year	**728**	**1.091**
Additions		
Repayments	(365)	(363)
Balance at end of year	**363**	**728**

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At 31 December 2025 there is an outstanding balance of accrued interest receivable of 5 thousand euros (15 thousand euros at 31 December 2024).

The amounts receivable from Línea Directa Asistencia, S.L.U., LDActivos, S.L.U., Ámbar Medline, S.L.U. and Centro Avanzado de Reparaciones CAR, S.L.U. correspond to outstanding balances owed by these entities to Tax Consolidation Group 485/15, of which Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros is the dominant entity — see Note 17. These amounts do not bear interest and will be settled after the final settlement of the group's corporation tax liability.

b) Direct Insurance Receivables

This heading contains receivables from policyholders in respect of premium receipts, both overdue and those premium instalments not yet billed.

The impairment allowance for outstanding premiums is calculated in accordance with the criteria established by the Accounting Plan for Insurance Entities in its second section "accounting policies", taking into account the age of outstanding receipts and the historical experience for the period between zero and three months. Receipts outstanding for between three and six months are provisioned for impairment at 50% of their value, whilst those outstanding for more than six months are provisioned at 100%. The amount of receipts outstanding for more than three months is not significant.

The breakdown of this heading at the close of financial years 2025 and 2024 is as follows:

Year	Gross Receivables	Impairment Allowance	Net Total
At 31 December 2025	70.575	(957)	69.617
At 31 December 2024	65.255	(1.049)	64.206

c) Reinsurance Receivables and Payables

This heading contains receivables from and payables to reinsurers at the year-end, analysed by type of reinsurance as follows (see Note 13 of these financial statements for the related payables):

	Receivables 2025	Payables 2025	Receivables 2024	Payables 2024
Reinsurance — fines and other guarantees		916		782
Excess of loss reinsurance		(720)		(436)
Quota share reinsurance		741	3.890	
Total		**936**	**3.890**	**346**

The Quota Share reinsurance receivables and payables relate to the health line of business.

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d) Other Receivables

	2025	2024
Receivables from public authorities	1.043	1.141
Deposits and guarantees	17	17
Claims recoveries receivable	47.258	40.827
Receivables under claims settlement agreements	3.002	2.504
Sundry debtors	603	554
Receivables from Group and associated companies (Note 15)	320	476
Total	**52.243**	**45.519**

The "Claims recoveries receivable" sub-heading represents amounts recoverable in respect of claims, whose recoverability is sufficiently assured at the year-end. The analysis to establish the certainty of recoverability is performed on an individual claims basis, taking into account objective circumstances arising in the processing of the claim, such as: acceptance of liability by the third-party insurer, favourable court rulings, etc. The amount recognised in financial year 2025 is 47,258 thousand euros (40,827 thousand euros in financial year 2024).

This sub-heading includes recoveries from claims settlement agreement (convenio) claims in which the Company's policyholder was not at fault (32,410 thousand euros in 2025 and 26,700 thousand euros in 2024), as well as recoveries from non-agreement claims (14,848 thousand euros in 2025 and 14,127 thousand euros in 2024).

8.1.1.3 Investments in Group and Associated Companies

At 31 December 2025 and 2024, the Company holds 100% of the share capital of its subsidiary companies. The breakdown of the balance comprising this heading in the accompanying balance sheets at 31 December 2025 and 2024, together with carrying amounts, is as follows:

Financial year 2025:

Subsidiary Company	Carrying Value	Share Capital & Share Premium	Reserves	Profit for the Year	Interim Dividend	Dividend Charged to Reserves
Línea Directa Asistencia, S.L.U.	418	30	3.277	4.517	3.885	115
Centro Avanzado de Reparaciones CAR, S.L.U.	2.103	600	64	(358)		
Ámbar Medline, S.L.U.	303	303	144	15		
LDActivos, S.L.U.	67.234	67.234	22.135	1.917		
Impairment on investments in related parties	(1.797)					
Total	**68.262**	**68.167**	**25.620**	**6.091**	**3.885**	**115**

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Financial year 2024:

Subsidiary Company	Carrying Value	Share Capital & Share Premium	Reserves	Profit for the Year	Interim Dividend	Dividend Charged to Reserves
Línea Directa Asistencia, S.L.U.	418	30	3.296	4.096	4.000	2.000
Centro Avanzado de Reparaciones CAR, S.L.U.	2.103	600	346	(282)		
Ámbar Medline, S.L.U.	303	303	124	19		
LDActivos, S.L.U.	67.234	67.234	19.711	2.424		
Impairment on investments in related parties	(1.439)					
Total	**68.620**	**68.167**	**23.477**	**6.257**	**4.000**	**2.000**

An impairment provision in respect of investments in Centro Avanzado de Reparaciones CAR, S.L.U. is maintained at 31 December 2025 of 1,797 thousand euros (1,439 thousand euros at 31 December 2024). The movement in the provision is as follows:

	2025	2024
Balance at beginning of year	**1.439**	**1.157**
Charge for the year	358	282
Reversal for the year		
Balance at end of year	**1.797**	**1.439**

In financial year 2025, the subsidiary Línea Directa Asistencia, S.L.U. paid an interim dividend of 3,885 thousand euros and 115 thousand euros against reserves (in financial year 2024, it paid an interim dividend of 4,000 thousand euros and 2,000 thousand euros against reserves). These dividends are recognised within "Investment income — Income from financial investments" in the non-technical account for each financial year.

8.1.1.4 Hedging Derivatives

The Company has included within this category an interest rate swap whose fair value amounts to 4,950 thousand euros at 31 December 2025 (4,332 thousand euros at 31 December 2024), classified as a fair value hedging derivative.

Movements for financial year 2025:

	Opening Value	Accum. Impairment	Impairment Movement	Valuation Adjustment	Purchases/Sales	Closing Value
Swap	4.332			618		4.950
Total	**4.332**			**618**		**4.950**

Movements for financial year 2024:

	Opening Value	Accum. Impairment	Impairment Movement	Valuation Adjustment	Purchases/Sales	Closing Value
Swap	5.492			(1.160)		4.332
Total	**5.492**			**(1.160)**		**4.332**

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Guaranteed contracts – Counterparty detail:

Asset Type	Counterparty	No. Contracts	Carrying Value	Market Value	Nominal Value
Current account	BBVA S.A.	1	(1.525)	(1.525)	(1.525)
Swap	BBVA S.A.	1	4.950	4.950	4.950
Total			**3.425**	**3.425**	**3.425**

The fair value has been provided by the financial institution acting as counterparty.

The risks associated with these swaps are those deriving from the interest rate or market risk of the underlying assets being exchanged, as well as the credit risk of the issuing entities. These same risks exist in the derivative product associated with the underlying assets.

At 31 December 2025, 4,950 thousand euros is recognised within "Hedging derivatives" on the assets side of the balance sheet (4,332 thousand euros at 31 December 2024 within liabilities), relating to swaps associated with interest rate exchanges. The counterparty to this contract calculates the present value of the outstanding cash flows between the two parties through the Central Counterparty Clearing House.

The hedged item consists of the payment of coupons at 2.45% on a BTPS bond with a notional value of 50,000 thousand euros until its maturity on 1 September 2033. In return, the Company receives payments based on Euribor 6m + 1.03% on the same 50,000 thousand euros BTPS bond until maturity on 1 September 2033.

8.1.2 Information Relating to the Profit and Loss Account and Equity

The following table shows the breakdown of financial income and expenses classified by the category to which each asset has been assigned:

Investment income by asset category – financial year 2025:

Investment Income	Cash & Equiv.	Loans & Recv.	AFS Assets	PPE & Inv. Property	Group & Assoc.	Other	Total
Fixed income interest			25.878				25.878
Variable income			3.060				3.060
Derivative income						1.768	1.768
Interest — group company loans		566					566
Current account interest	346						346
Bank deposit interest		207					207
Reversal of group investment value movements					(358)		(358)
Premium instalment income		8.386					8.386
Income from investment property				69			69
Gains on disposal of investments			3.914				3.914
Positive exchange differences			338				338
Gains on realisation/valuation of derivatives						4.449	4.449
Total at 31 December 2025	**346**	**9.159**	**33.190**	**69**	**(358)**	**6.217**	**48.623**

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Investment charges by asset category – financial year 2025:

Investment Charges	AFS Assets	PPE & Inv. Property	Dividends Payable L/T	Other	—	Total
Fixed income — valuation	2.919					2.919
Equities — realisation	212					212
Fixed income — realisation	1.089					1.089
Depreciation of investment property		28				28
Negative exchange differences	38					38
Derivative finance charges				1.222		1.222
Investment management charges				1.375		1.375
Losses on realisation/valuation of derivatives				4.229		4.229
Total at 31 December 2025	**2.919**	**28**		**6.826**		**9.773**

Investment income by asset category – financial year 2024:

Investment Income	Cash & Equiv.	Loans & Recv.	AFS Assets	PPE & Inv. Property	Group & Assoc.	Other	Total
Fixed income interest			23.475				23.475
Variable income			3.625				3.625
Derivative income						2.431	2.431
Interest — group company loans		592					592
Current account interest	833						833
Bank deposit interest		375					375
Reversal of group investment value movements					(282)		(282)
Premium instalment income		7.606					7.606
Income from investment property				69			69
Gains on disposal of investments			5.252				5.252
Positive exchange differences			355				355
Gains on realisation/valuation of derivatives						7.032	7.032
Total at 31 December 2024	**833**	**8.573**	**32.707**	**69**	**(282)**	**9.463**	**51.363**

Investment charges by asset category – financial year 2024:

Investment Charges	AFS Assets	PPE & Inv. Property	Dividends Payable L/T	Other	—	Total
Fixed income — valuation	1.680					1.680
Equities — realisation	478					478
Fixed income — realisation	2.827					2.827
Depreciation of investment property		28				28
Impairment provision				60		60
Negative exchange differences	41					41
Derivative finance charges				1.221		1.221
Investment management charges				1.494		1.494
Losses on realisation/valuation of derivatives				7.164		7.164
Total at 31 December 2024	**5.026**	**28**		**9.939**		**14.993**

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The derivatives-related items within the "Other" column capture the monthly valuation differences on the hedging derivative during the financial year. Positive monthly differences are included in investment income and negative monthly differences in investment charges.

At 31 December 2025, the balance of the "Income from investment property" account in the above table includes 120 thousand euros of income from the lease arrangement with the Group company Centro Avanzado de Reparaciones CAR, S.L.U. (see Note 15) (116 thousand euros at 31 December 2024).

8.1.3 Nature and Level of Risk Arising from Financial Instruments

Market risk

The level of risk accepted in the Company's financial investments is defined in the Investment Guidelines approved by the Board of Directors. This document sets out the types of asset in which investment is permitted, the maximum proportion of these assets in the portfolio, and authorises the Company's Investment Committee to carry out the investments.

The Investment Committee, which meets monthly, is responsible for analysing portfolio performance, approving new investment lines, monitoring compliance with the Investment Guidelines and keeping the Board of Directors informed thereof.

Credit risk

All counterparties with which the Company acquires or may acquire significant positions are in all cases subject to a prior credit scoring process. Particularly relevant among such counterparties are the companies with which fleet insurance is placed and, especially, reinsurance companies. For the latter, a minimum credit rating of "A-" is an essential requirement for inclusion in the reinsurance programme. Exceptions to this solvency threshold, together with the annual reinsurance panel, are expressly approved by the Board of Directors.

The rating of debt securities classified in the available-for-sale portfolio represents an average of the rating assigned to the issuer by three of the principal rating agencies (Moody's, Fitch and DBRS) and is distributed as follows at the close of financial years 2025 and 2024:

Rating	2025	2024
AAA	42.547	34.384
AA	113.834	102.460
A	442.414	386.186
BBB	361.725	300.976
BB	5.975	5.790
B	-	-
Not rated	-	-
Total	**966.494**	**829.795**

Unrated positions consist principally of debt securities whose issuer does not hold a rating, but which nonetheless carry an issue rating that is adequate under the Company's investment policies.

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Liquidity risk

The Company defines liquidity risk as the possible temporary inability to meet obligations by their due dates, arising because these obligations fall due before the receipt of customer collections or the maturity of financial investments. The Company generates daily liquidity through premium income.

The Company manages liquidity risk prudently, maintaining at all times a commitment to hold sufficient liquid funds to meet payments to suppliers, policyholders and third parties within the required timeframes. Cash management is therefore conducted at all times with the utmost caution, avoiding any possible overdrawn position. To this end, systematic forecasts are made of anticipated cash generation and requirements, enabling the Company's liquidity position to be determined and monitored on an ongoing basis.

Currency risk

At 31 December 2025 the Company holds a foreign currency position of 22,688 thousand euros (25,250 thousand euros at 31 December 2024). These are direct investments in financial instruments quoted in those currencies; no currency hedging is in place.

9. Cash and Cash Equivalents

The composition of cash and cash equivalents held with credit institutions, cheques and cash in hand at 31 December 2025 and 2024 is as follows:

	2025	2024
Cash at credit institutions (Note 8.1.1)	9.425	8.076
Cash in hand (Note 8.1.1)	1	
Financial instruments maturing in under 3 months		
Total	**9.426**	**8.076**

Of the balance of cash held with credit institutions at 31 December 2025 and 2024, 8,772 thousand euros and 7,835 thousand euros respectively are held with Bankinter, S.A. (see Note 15).

At 31 December 2025 and 2024, a current account of 2,100 thousand euros is pledged in favour of a reinsurer as security for the fulfilment of contractual obligations. The remainder of cash and cash equivalents is free from any restriction on use or disposal.

The interest rate on the Company's current accounts is negotiated with each banking institution. In 2025 the US dollar current account earned an average yield of 4.25% (5.22% in 2024), and the Bankinter current account earned an average yield of 1.53% in 2025 (2.60% in 2024).

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10. Technical Provisions

The movement during financial years 2025 and 2024 in each of the technical provisions shown in the accompanying balance sheets is as follows:

Technical Provisions — Movement for Financial Year 2025:

	Provision for Unearned Premiums	Provision for Claims Outstanding (*)	Unexpired Risk Provision
Direct insurance			
Balance at 31 December 2024	**511.601**	**441.439**	**2.609**
Charge for the year	568.824	493.057	1.779
Release for the year	(511.601)	(441.439)	(2.609)
Balance at 31 December 2025	**568.824**	**493.057**	**1.779**
Ceded and retroceded reinsurance			
Balance at 31 December 2024	**5.447**	**25.555**	
Charge for the year	6.390	20.820	
Release for the year	(5.447)	(25.555)	
Balance at 31 December 2025	**6.390**	**20.820**	

Technical Provisions — Movement for Financial Year 2024:

	Provision for Unearned Premiums	Provision for Claims Outstanding (*)	Unexpired Risk Provision
Direct insurance			
Balance at 31 December 2023	**483.431**	**411.890**	**2.686**
Charge for the year	511.601	441.439	2.609
Release for the year	(483.431)	(411.890)	(2.686)
Balance at 31 December 2024	**511.601**	**441.439**	**2.609**
Ceded and retroceded reinsurance			
Balance at 31 December 2023	**4.621**	**24.593**	
Charge for the year	5.447	25.555	
Release for the year	(4.621)	(24.593)	
Balance at 31 December 2024	**5.447**	**25.555**	

(*) At the close of financial years 2025 and 2024, this provision includes 7,227 thousand euros and 6,797 thousand euros respectively, relating to the provision for claims outstanding in respect of travel assistance, a service provided by Línea Directa Asistencia, S.L.U. (see Note 15).

The unexpired risk provision supplements the provision for unearned premiums to the extent that its amount is insufficient to reflect the assessment of all risks and expenses to be covered by the insurer during the unexpired coverage period at the balance sheet date.

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During financial year 2025, the Company recognised 1,778 thousand euros under this heading (2,609 thousand euros in 2024), relating to the Health line of business.

The development during financial year 2025 of the Company's provision for claims outstanding, excluding reinsured covers and travel assistance, and relating solely to claims outstanding at 31 December 2024, analysed by line of business, is as follows:

Claims Provision Development — 2025 (Relating to Claims Outstanding at 31 December 2024):

Line of Business	Provision at 31/12/Prior Year	Net Payments	Provision at 31/12/Current Year	Surplus / (Deficit)
Motor — Third-Party Liability	294.385	120.943	157.524	15.918
Motor — Other Covers	74.071	41.388	23.058	9.624
Home	39.311	22.558	11.615	5.138
Health	8.599	3.599	2.155	2.845
Total	**416.366**	**188.488**	**194.352**	**33.525**

Incurred but not reported (IBNR) claims are included in the provision at the close of financial years 2025 and 2024.

The development during financial year 2024 of the Company's provision for claims outstanding, excluding reinsured covers and travel assistance, and relating solely to claims outstanding at 31 December 2023, analysed by line of business, is as follows:

Claims Provision Development — 2025 (Relating to Claims Outstanding at 31 December 2023):

Line of Business	Provision at 31/12/Prior Year	Net Payments	Provision at 31/12/Current Year	Surplus / (Deficit)
Motor — Third-Party Liability	274.161	130.910	146.682	(3.431)
Motor — Other Covers	72.268	47.077	23.289	1.902
Home	35.852	22.898	9.451	3.503
Health	7.595	3.527	3.619	449
Total	**389.876**	**204.412**	**183.041**	**2.423**

IBNR claims are included in the provision at the close of financial years 2025 and 2024 for all lines of business, as the provision for outstanding claims — both reported and unreported — is calculated jointly using statistical methods.

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11. Pension Commitments

Pursuant to the provisions of the sector Collective Bargaining Agreement, the Company is obliged to take out a group life insurance policy in favour of all its employees, which is externalised through an annually renewable risk policy. This policy resulted in the accrual of premiums of 618 thousand euros during 2025 (535 thousand euros during 2024).

There is also an obligation to pay a retirement bonus, which will be received only if the employee retires at the applicable standard retirement age whilst still employed at the company. This obligation is externalised through a matched policy, which is why the Company does not recognise any provision in its financial statements.

Under this arrangement, only those employees recruited prior to 1 January 2017 who have elected not to transfer to the new system established by the Collective Bargaining Agreement currently remain. This policy resulted in the accrual of premiums of 29 thousand euros during financial year 2025 (11 thousand euros during financial year 2024). The mathematical reserve at 31 December 2025 amounts to 143 thousand euros (207 thousand euros at 31 December 2024). During financial year 2025, surrenders amounting to 52 thousand euros were made (13 thousand euros during 2024). The increase in surrenders is attributable to the fact that the majority of employees who had not previously transferred did so this year, having been offered the option again by the company.

For those employees recruited from 1 January 2017 onwards and those who have elected to join the new system, the Company has externalised its obligations by taking out an insurance contract comprising a defined contribution policy that covers more contingencies than the former system. This policy resulted in the accrual of premiums of 817 thousand euros (673 thousand euros in 2024), of which 50 thousand euros arose from the transfer of the retirement bonus, and a mathematical reserve of 7,926 thousand euros (7,019 thousand euros in 2024).

Surrenders of 28 thousand euros were made during financial year 2025. No surrenders were made in 2024. The transfer of rights for employees who elected to join the new system was effected during financial year 2020 almost in its entirety; in 2025 a further 50 thousand euros were transferred.

Additionally, the Company maintains a group insurance policy through which its retirement pension commitments to certain senior management employees are funded. These defined contribution policies are also externalised, and periodic contributions are made for the various members of the group. During financial year 2025, the policy accrued premiums of 634 thousand euros, and the mathematical reserve at year-end is 14,205 thousand euros.

In financial year 2024, this policy accrued premiums of 1,270 thousand euros and its mathematical reserve at the close of that financial year amounted to 13,006 thousand euros. Contributions to this policy are not mandatory for the Company and are made on a voluntary basis at the discretion of the Governing Body.

The Company also maintains, for senior management, a savings and retirement insurance policy on a defined contribution basis, funded through a savings policy. This policy accrued premiums of 87 thousand euros during financial year 2025, of which 15 thousand euros correspond to voluntary contributions by the directors, and its mathematical reserve at the close of that financial year amounted to 935 thousand euros. In financial year 2024, this policy accrued premiums of 76 thousand euros, of which 9 thousand euros correspond to voluntary contributions by the directors, and its mathematical reserve at the close of that financial year amounted to 835 thousand euros.

12. Non-Technical Provisions

Provision for payments under claims settlement agreements

This heading records the estimated amount of outstanding payments to policyholders on behalf of the at-fault insurer and the recoveries made by the latter, in the execution of claims settlement agreements.

The movement during the year is as follows:

Carrying Amount	2025	2024
Balance at beginning of year	**29.084**	**28.574**
Charge for the year (Note 21)	35.429	29.084
Release for the year (Note 21)	(29.084)	(28.574)
Balance at end of year	**35.429**	**29.084**

Other non-technical provisions

Non-technical provisions are established in accordance with the valuation criteria set out in Note 4.n) and comprise provisions relating to contingencies and other tax liabilities (see Note 17).

The movement in other non-technical provisions during financial years 2025 and 2024 is as follows:

	2025	2024
Balance at beginning of year	**3.594**	**375**
Charge for the year	9.012	3.594
Release for the year	(3.594)	(375)
Balance at end of year	**9.012**	**3.594**

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13. Payables and Other Liabilities

The breakdown of "Payables and other liabilities" at 31 December 2025 and 2024 is as follows:

	2025	2024
Amounts payable from direct insurance operations	**2.752**	**3.491**
Amounts due to policyholders	2.169	2.259
Amounts due to intermediaries	583	1.232
Contingent liabilities		
Amounts payable from reinsurance operations (Note 8.1.1.2)	**936**	**346**
Other payables		
Tax authorities — income tax withholdings	2.302	2.115
Tax authorities — VAT payable	427	195
Social Security contributions payable	3.006	2.870
Consorcio de Compensación de Seguros payable	1.947	1.737
Insurance Premium Tax payable	7.684	7.021
Other public bodies	2.142	2.294
Other amounts due to group and associated companies (Note 15)	**246**	**213**
Other payables		
Trade creditors	27.310	37.473
Amounts payable from securities lending		
Accrued remuneration	5.111	5.214
TOTAL	**53.863**	**62.969**

At 31 December 2025 there is no amount payable to Ámbar Medline, S.L.U., whereas at 31 December 2024 the balance outstanding was 53 thousand euros (see Note 15).

The composition of amounts payable to group companies is as follows:

	2025	2024
Dividends payable		
Trade payables to Group companies	222	189
Deposit from Centro Avanzado de Reparaciones, CAR, S.L.U.	24	24
Total	**246**	**213**

The "Accrued remuneration" sub-heading comprises principally provisions for accrued but unpaid incentives. These are recurring incentives, annual, quarterly and monthly in nature, with an outstanding balance of 5,101 thousand euros at 31 December 2025 (5,122 thousand euros at December 2024).

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Information on average payment period to suppliers — Second Final Provision of Law 31/2014 of 3 December

The information required by the Second Final Provision of Law 31/2014 of 3 December is set out below:

	Financial Year 2025 (Days)	Financial Year 2024 (Days)
Average payment period to suppliers	28,37	30,07
Ratio of paid operations	28,53	29,92
Ratio of operations pending payment	24,73	32,61

	Amount (€ thousands) 2025	Amount (€ thousands) 2024
Total payments made	272.250	245.917
Total payments outstanding	12.024	14.610

	2025 (Days)	2024 (Days)
Invoices within legal limit	6147	8093
Percentage of total invoices	52.40%	69.82%
Total invoices	11732	11592

	Amount (€ thousands) 2025	Amount (€ thousands) 2024
Monetary volume within legal limit	181.289	210.908
Percentage of total monetary payments to suppliers	63.77%	80.95%
Total monetary value of invoices	284.274	260.526

(*) Where data is shown in parentheses, it indicates a negative amount, representing either greater average speed of payment relative to the maximum legally permitted payment period, or that the operations pending payment are, on average, at a point prior to that maximum period.

The data in the above table on the average payment period to suppliers refers to those which, by their nature, are trade creditors for debts to suppliers of goods and services; claims payments are excluded from both 2025 and 2024.

"Average payment period to suppliers" means the expression of the time for payment or delay in payment of the trade debt. This average payment period to suppliers is calculated as the quotient of: in the numerator, the sum of the ratio of paid operations multiplied by the total amount of payments made plus the ratio of operations pending payment multiplied by the total amount of outstanding payments; and in the denominator, the total amount of payments made plus the amount of outstanding payments.

The ratio of paid operations is calculated as the quotient of: in the numerator, the sum of the products of the amounts paid multiplied by the number of payment days (the difference between the number of calendar days elapsed from the end of the maximum legal payment period to the actual payment date); and in the denominator, the total amount of payments made.

Likewise, the ratio of operations pending payment is the quotient of: in the numerator, the sum of the products of the amounts outstanding multiplied by the number of days outstanding (the difference between the number of calendar days elapsed from the end of the maximum legal payment period to the accounts closing date); and in the denominator, the total amount of outstanding payments.

In September 2022, Law 18/2022 amended the third additional provision on the duty of disclosure contained in Law 15/2010, which in turn amended Law 3/2004 establishing measures to combat late payment in commercial transactions. This amendment provides that listed commercial companies shall publish on their website, in addition to the average payment period, the monetary volume and number of invoices paid within a period shorter than the maximum established by the regulations, as well as the ratio of these invoices to the total number of invoices and the total monetary value of payments made to suppliers.

Operating leases

The Company holds various operating lease contracts with third parties, principally relating to vehicle fleet leasing. The total expected future payments for financial years 2025 and 2024 are as follows:

	2025	**2024**
Less than one year	751	445
Between 1 and 5 years	568	1.772
More than 5 years		
Total future payments	**1.319**	**2.217**

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14. Shareholders' Equity

The composition and movements in the Company's shareholders' equity during financial years 2025 and 2024 are presented in the accompanying total statements of changes in equity.

On 29 April 2021, the shares of the parent company were admitted to trading on the continuous market of the Madrid Stock Exchange.

At 31 December 2025, the Company's share capital amounts to 43,537 thousand euros, represented by 1,088,416,840 registered shares of 0.04 euros nominal value each, fully subscribed and paid up, all carrying the same rights and obligations.

The shareholders of the parent company with a holding equal to or greater than 3% of the share capital at 31 December 2025 and 2024, considered as significant shareholders under Securities Market regulations, are as follows:

2025:

Shareholder	No. of Shares	% of Capital
Cartival	223.718.682	20,56%
Bankinter, S.A.	189.555.907	17,42%
Fernando Masaveu Herrero	60.174.596	5,53%
Global Portfolio Investments	55.187.157	5,07%
Brandes Investment Partners LP	55.093.832	5,06%
Norbel Inversiones SL	54.430.000	5,00%
Wellington Management Group LLP	38.521.031	3,54%
Lazard Asset Management	34.778.950	3,20%

2024:

Shareholder	No. of Shares	% of Capital
Cartival	218.336.487	20,06%
Bankinter, S.A.	189.555.907	17,42%
Fernando Masaveu Herrero	59.474.596	5,46%
Brandes Investment Partners LP	55.093.832	5,06%
Global Portfolio Investments	54.435.506	5,00%
Norbel Inversiones SL	54.430.000	5,00%
Wellington Management Group LLP	36.240.750	3,33%
Lazard Asset Management	34.778.950	3,20%

At 31 December 2025 and 2024, the Company has met the minimum capital required by the Law on the Supervision of Private Insurance for operation in the authorised lines of business.

In accordance with the provisions of Section 2 of Rule Four of Circular 1/2017, the Company entered into a liquidity contract on 11 December 2025 with Alantra Equities Sociedad de Valores, S.A.

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The number of shares allocated to the liquidity contract and deposited in the securities account associated with the contract is 489,817 shares. The amount of cash allocated to the liquidity contract and deposited in the cash account associated with it is 549,574.67. euros

The above information was notified to the Comisión Nacional del Mercado de Valores (CNMV) and disseminated publicly through the established channels.

a) Legal Reserve

In accordance with current company law, companies that generate a profit in a financial year are required to allocate 10% of that profit to a legal reserve until it reaches at least 20% of share capital. The legal reserve may be used to increase share capital to the extent that its balance exceeds 10% of the increased capital. Except for that purpose, and while the balance does not exceed 20% of share capital, the legal reserve may only be applied to offset losses and only where no other available reserves exist for this purpose.

At 31 December 2025 and 2024, the balance of this reserve exceeds the minimum requirement.

b) Voluntary Reserves

At 31 December 2025 and 2024, these reserves are freely distributable and amount to 198,184 thousand euros and 188,522 thousand euros respectively.

c) Equalisation Reserve and Interim Dividend

The equalisation reserve is a statutory reserve established by law and may only be used to cover loss ratio deviations.

At 31 December 2025, the balance of this reserve is 60,854 thousand euros, net of the tax effect (51,634 thousand euros, net of the tax effect in 2024). During 2025, 9,219 thousand euros was allocated to the reserve on account, whilst in 2024 7,795 thousand euros was allocated.

The equalisation reserve must be allocated each financial year by the amount of the security loading included in premiums written, subject to the minimum limit specified in the technical bases for the lines of business where it is mandatory. In the Company's case, the allocation is mandatory for the Motor Third-Party Liability line of business at a minimum of 2% of premiums written in this line until 35% of net retention risk premiums is reached.

This upper limit will be increased where this is derived from the entity's own experience. For these purposes, within each risk or line of business the equalisation reserve limit will be taken as such.

The movement in the equalisation reserve during the year is as follows:

	Equalisation Reserve	Equalisation Reserve on Account
Balance at 31 December 2024	**51.634**	
Charge for the year	9.219	(9.219)
Release for the year		
Balance at 31 December 2025	**60.853**	**(9.219)**
Balance at 31 December 2023	**43.839**	
Charge for the year	7.795	(7.795)
Release for the year		
Balance at 31 December 2024	**51.634**	**(7.795)**

Regarding interim dividends, at 31 December 2025, no amount is outstanding for payment.

d) Own Shares

Since 29 April 2021 — the date of the stock market listing, on which 239,678 own shares were allocated to the Company in the Bankinter share exchange — the Company has made successive acquisitions notified to the CNMV in order to complete the full remuneration plan. The number of own shares acquired by the parent company during financial year 2025 was 1,157,198 shares at an average price of 1.13, euros representing 0.11% of total shares issued. In 2024, 150,000 shares were acquired at an average price of 1.08, euros representing 0.01% of total shares issued.

The movement in the balance of own shares held in treasury is as follows:

	Acquisition Cost (€ thousands)	Nominal Value (€ thousands)	Number of Shares
Balance at 1 January 2024	**644**	**13**	**377.583**
Additions	162	5	150.000
Disposals	(563)	(11)	(333.390)
Balance at 31 December 2024	**243**	**7**	**194.193**
Balance at 1 January 2025	**243**	**7**	**194.193**
Additions	1.293	42	1.157.198
Disposals	(205)	(6)	(168.630)
Balance at 31 December 2025	**1.331**	**43**	**1.182.761**

The purpose of holding these shares is to use them as a remuneration mechanism for various groups of employees, as described in Note 22.c) of these financial statements. Firstly, there is a remuneration programme for members of the Management Committee comprising three annual tranches since the stock market listing in 2021. These three tranches vested annually in April 2022, 2023 and 2024, with delivery in May of each year. Additionally, in 2023, 2024 and 2025, the purchase of the Company's shares was offered to the Company's employees through a flexible remuneration plan. Finally, the Chief Executive Officer's annual remuneration includes a component in the form of shares in the Company; the first share delivery took place in May 2023.

The detail of own shares at the close of financial years 2025 and 2024 is as follows:

Date	Transaction Type	No. of Shares	Price (€)	Market Value (€ thousands)	Acquisition Cost (€ thousands)
31/12/2023	**Opening balance**	**377.582**	**1,33**	**766**	**643**
14/04/2024	CEO share delivery	(3.213)	0,96	(2)	(5)
14/04/2024	CEO share delivery	(2.748)	0,96	(2)	(4)
22/05/2024	Management Committee 3rd tranche delivery	(156.209)	1,01	(157)	(242)
22/06/2024	Employee share delivery	(87.118)	0,96	(83)	(135)
22/07/2024	Employee share delivery	(42.094)	1,09	(46)	(65)
11/09/2024	Share purchase	53.572	1,07	57	57
12/09/2024	Share purchase	5.325	1,07	6	6
16/09/2024	Share purchase	6.314	1,09	7	7
17/09/2024	Share purchase	84.789	1,09	92	92
22/10/2024	Share delivery	(17.772)	1,17	(21)	(22)
22/11/2024	Share delivery	(9.019)	1,12	(10)	(11)
22/12/2024	Share delivery	(15.218)	1,14	(17)	(19)
24/04/2025	CEO share delivery	(34.419)	1,18	(41)	(43)
23/06/2025	Share delivery	(40.499)	1,35	(55)	(51)
23/07/2025	Employee share delivery	(27.640)	1,35	(37)	(35)
23/10/2025	Employee share delivery	(22.010)	1,28	(28)	(28)
30/10/2025	Share purchase	30.000	1,15	35	35
31/10/2025	Share purchase	30.000	1,15	34	34
03/11/2025	Share purchase	30.000	1,15	35	35
04/11/2025	Share purchase	30.000	1,14	34	34
05/11/2025	Share purchase	30.000	1,12	34	34
14/11/2025	Share purchase	50.000	1,12	56	56
17/11/2025	Share purchase	60.000	1,12	67	67
18/11/2025	Share purchase	60.000	1,11	67	67
19/11/2025	Share purchase	45.479	1,11	50	50
20/11/2025	Share purchase	25.900	1,12	29	29
21/11/2025	Share purchase	37.862	1,12	42	42
24/11/2025	Employee share delivery	(18.634)	1,12	(21)	(21)
24/11/2025	Share purchase	60.000	1,13	68	68
25/11/2025	Share purchase	44.051	1,14	50	50
26/11/2025	Share purchase	43.960	1,14	50	50
27/11/2025	Share purchase	72.748	1,15	84	84
22/12/2025	Employee share delivery	(25.428)	1,11	(28)	(29)
30/12/2025	Share purchase prior to liquidity contract	489.817	1,10	539	539
31/12/2025	Liquidity contract share movement	17.382	1,11	19	19
Total		**1.182.761**	**1,20**	**1.674**	**1.330**

e) Valuation Adjustments

The principal item recognised outside the profit and loss account comprises valuation adjustments on assets classified in the available-for-sale investment portfolio, corresponding to the amount of net unrealised gains after the tax effect. The amount of net unrealised gains after the tax effect at 31 December 2025 is 8,298 thousand euros (net unrealised gains of 2,928 thousand euros at 31 December 2024).

f) Solvency

At the date of preparation of these annual accounts, the Company's Directors confirm that an Own Risk and Solvency Assessment has been conducted and that Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros meets its overall solvency needs taking into account its risk profile, the approved risk tolerance limits and the business strategy.

Processes proportionate to the nature, volume and complexity of the risks inherent in its activities have been implemented, enabling the Company to adequately identify and assess the risks it faces in the short and long term and to which the Company is or could be exposed.

The Directors do not anticipate the existence of significant obstacles in relation to meeting the Solvency Capital Requirement and the Minimum Capital Requirement levels that could affect the application of the going concern principle and the continuity of the Company's operations. The Financial Condition and Solvency Report for financial year 2025 is pending approval by the Directors. The Financial Condition and Solvency Report for Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros for financial year 2024 was approved by the Board of Directors at its meeting held in March 2025.

15. Related Party Transactions

"Related parties" comprise, in addition to subsidiary and associated companies, the "key management personnel" of the Group (members of its Board of Directors and Management Committee), as well as shareholders who may exercise, directly or indirectly, control of the Group, or those who have a significant influence over its financial and operational decision-making, as mentioned in Ministerial Order EHA/3050/2004 of 15 September on information on related party transactions to be provided by companies issuing securities admitted to trading on official secondary markets.

Following the admission to trading of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros on 29 April 2021, the Bankinter Group and all of its constituent companies are considered significant shareholders. Prior to that date, the Línea Directa Group formed part of the Bankinter Group, whose ownership interest was 99.99%. From the date of admission to trading until 30 June 2021, and as indicated in Note 14, Bankinter's ownership interest had been reduced to 17.42%, and Bankinter has had no representative on the Group's Board of Directors since the date of the stock market listing.

For the purposes of improved comparability of related party information, the companies of the Bankinter Group have been treated as significant shareholders in both financial year 2025 and financial year 2024.

The following transactions were carried out with related parties:

a) Direct Insurance Operations

Direct insurance operations with related parties for 2025:

Direct Insurance	Premiums	Commissions	Claims
Subsidiaries of the Company			
Línea Directa Asistencia, S.L.U.			83.998
Centro Avanzado de Reparaciones CAR, S.L.U.			11.250
Ámbar Medline, S.L.U.		197	
Significant shareholders			
Bankinter, S.A.	889	4.551	
Bankinter, S.A., Sucursal en Portugal	69		
Bankinter Consumer Finance, S.L.U.	6	10	
Total at 31 December 2025	**964**	**4.758**	**95.248**

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Direct insurance operations with related parties for 2024:

Direct Insurance	Premiums	Commissions	Claims
Subsidiaries of the Company			
Línea Directa Asistencia, S.L.U.			78.023
Centro Avanzado de Reparaciones CAR, S.L.U.			10.884
Ámbar Medline, S.L.U.		270	
Significant shareholders			
Bankinter, S.A.	618	4.767	
Bankinter, S.A., Sucursal en Portugal	74		
Bankinter Consumer Finance, S.L.U.	9	11	
Evo Banco, S.A.		104	
Total at 31 December 2024	**701**	**5.152**	**88.907**

Claims transactions relate principally to transactions with the subsidiary Línea Directa Asistencia, S.L.U. in respect of vehicle assessments, the provision of travel assistance services, and vehicle repair services provided by Centro Avanzado de Reparaciones CAR, S.L.U., also a wholly owned subsidiary of the Company.

Commission transactions represent commissions accrued on the sale of the Company's policies through Bankinter, S.A., Bankinter S.A. Sucursal en Portugal, Evo Banco S.A. and Ámbar Medline, S.L.U., the Company's exclusive agent.

b) Services Rendered and Received

Services rendered and received with related parties for 2025:

	Expenses — Services Received	Expenses — Interest & Financial Services	Income — Services Rendered	Income — Financial & Rental
Subsidiaries of the Company				
Línea Directa Asistencia, S.L.U.	2.739		123	4.000
Moto Club LDA, S.L.U.				
Centro Avanzado de Reparaciones CAR, S.L.U.	6		60	137
Ámbar Medline, S.L.U.			8	
LDActivos, S.L.U.			31	550
Significant shareholders				
Bankinter, S.A.	1.219	339		1.904
Bankinter Consumer Finance, S.L.U.	(107)		224	
Bankinter, S.A. Sucursal en Portugal	39			
Total at 31 December 2025	**3.896**	**339**	**446**	**6.591**

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Services rendered and received with related parties for 2024:

	Expenses — Services Received	Expenses — Interest & Financial Services	Income — Services Rendered	Income — Financial & Rental
Subsidiaries of the Company				
Línea Directa Asistencia, S.L.U.	2.204		150	6.147
Moto Club LDA, S.L.U.			3	
Centro Avanzado de Reparaciones CAR, S.L.U.			59	157
Ámbar Medline, S.L.U.			8	
LDActivos, S.L.U.			30	552
Significant shareholders				
Bankinter, S.A.	1.208	337		2.584
Bankinter Consumer Finance, S.L.U.	15		545	
Bankinter, S.A. Sucursal en Portugal	30			
Total at 31 December 2024	**3.457**	**337**	**795**	**9.440**

Services received from the subsidiary Línea Directa Asistencia, S.L.U. relate principally to vehicle inspection services carried out prior to policy inception with policyholders, whilst financial income corresponds entirely to the dividend charged to reserves paid by this company (see Note 8.1.1.3).

Financial income from the subsidiary LDActivos, S.L.U. arises from the loan granted by the Company to that entity, as detailed in Note 8.1.2 of these financial statements.

Services received from Bankinter, S.A. relate principally to commissions paid and profit participations, whilst financial income corresponds to dividend income and current account interest.

All transactions with Group companies have been conducted at arm's length.

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c) Balance Sheet Balances with Related Parties

The balance sheet headings at 31 December 2025 and 2024 with related parties are set out in the following table:

2025:

	Notes	Group Companies	Jointly Controlled	Associates	Significant Shareholders	Total
ASSETS						
Equity instruments — Investments in Group companies	8.1.1.3	68.262				68.262
AFS — Equity instruments	8.1.1.1				12.675	12.675
Debt securities		22.768			12.113	34.881
Fixed income securities	8.1.1.1				12.113	12.113
Loans	8.1.1.2	22.768				22.768
Cash and cash equivalents	9				8.772	8.772
Other receivables		113			207	320
Other assets		5			183	188
At 31 December 2025		**91.148**			**33.950**	**125.098**
LIABILITIES						
Amounts due to intermediaries	13					
Dividends payable	13 & 14					
Other amounts due to group and associated companies	13	246			37	283
Provision for claims outstanding	10	7.227				7.227
At 31 December 2025		**7.473**			**37**	**7.510**

2024:

	Notes	Group Companies	Jointly Controlled	Associates	Significant Shareholders	Total
ASSETS						
Equity instruments — Investments in Group companies	8.1.1.3	68.620				68.620
AFS — Equity instruments	8.1.1.1				10.475	10.475
Debt securities		23.199			6.965	30.164
Fixed income securities	8.1.1.1				6.965	6.965
Loans	8.1.1.2	23.199				23.199
Cash and cash equivalents	9				7.835	7.835
Other receivables		117			359	476
Other assets		15			101	116
At 31 December 2024		**91.951**			**25.735**	**117.686**
LIABILITIES						
Amounts due to intermediaries	13	53				53
Dividends payable	13 & 14					
Other amounts due to group and associated companies	13	213			287	500
Provision for claims outstanding	10	6.797				6.797
At 31 December 2024		**7.063**			**287**	**7.350**

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16. Geographical Distribution of Business

The Company operates exclusively in Spain and Portugal. Regarding Portugal, on 25 September 2017 the Company was authorised to operate in the assistance line of business; however, these operations are residual and immaterial in 2025 and 2024, and accordingly no geographical segment analysis has been considered necessary.

17. Tax Position

As a consequence of the stock market listing of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros in April 2021, Bankinter, S.A. ceased to be the dominant entity for VAT purposes of the Insurance Group, comprising Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros and several of its subsidiaries, resulting in the exit of this Insurance Group from VAT Group 128/09. Simultaneously and without interruption, the Boards of Directors of these companies resolved to re-join, with effect from 1 April 2021, the Special Scheme under Chapter IX of Title IX of Law 37/1992 on Value Added Tax, thereby forming the new VAT Group 0130/21, of which the dominant entity is Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros.

On 22 April 2015, Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros notified the Tax Authorities of its decision to be taxed under the tax consolidation regime provided for in the Corporate Income Tax Act, forming a new tax consolidation group of which the Company is the head entity (Tax Consolidation Group No. 486/15), comprising the following companies:

Entity	Tax ID Number
Dominant Entity	
Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros	A80871031
Subsidiary Companies	
LDActivos, S.L.U.	B86322880
Línea Directa Asistencia, S.L.U.	B80136922
Ámbar Medline, S.L.U.	B85658573
Centro Avanzado de Reparaciones CAR, S.L.U.	B84811553

Law 27/2014 of 27 November on Corporate Income Tax establishes, among other aspects, the tax rate applicable to the Group in financial years 2025 and 2024, which is 25%.

The reconciliation between accounting profit and the taxable base for corporate income tax for financial years 2025 and 2024 is as follows:

	2025 P&L	2025 Equity	2024 P&L	2024 Equity
Accounting profit for the year	**78.209**		**62.456**	
Corporate income tax	24.727		16.467	
Permanent differences — increases	2.338		2.735	
Permanent differences — decreases	(5.046)		(6.896)	
Taxable result	**100.228**		**74.762**	
Temporary differences — originating in year — increases	21.114		10.676	
Temporary differences — originating in year — decreases	(9.219)	(7.158)	(7.795)	(14.589)
Temporary differences — from prior years — increases				
Temporary differences — from prior years — decreases	(3.746)		(18.353)	
Taxable base	**108.377**	**(7.158)**	**59.290**	**(14.589)**

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The breakdown of the current and deferred income tax expense recognised in the profit and loss account for financial years 2025 and 2024 is as follows:

	2025	2024
Current tax expense	26.669	12.598
Adjustments to deferred taxes	(1.942)	3.869
Total income tax expense	**24.727**	**16.467**

The income tax expense results from applying a tax rate of 25% for financial years 2025 and 2024 to the profit before tax adjusted for permanent differences and reduced by deductions for the year:

	2025	2024
Profit before tax	**102.936**	**78.923**
Tax rate	25.00%	25.00%
Gross tax charge	**25.734**	**19.731**
Tax deductions	(329)	(1.485)
Adjustment for prior year tax settlement	(1)	(739)
Non-deductible expenses	585	684
Non-taxable income	(1.261)	(1.724)
Other deductions and adjustments (net)		
Total income tax expense	**24.727**	**16.467**

Profit and loss account

Permanent increases in financial year 2025 arise from various transactions that are non-deductible for corporate income tax purposes, specifically contributions made by the Company in connection with contingencies analogous to pension plans, which are not tax-deductible under Article 14.2 of the Corporate Income Tax Act, and donations made by the Company to the Fundación Línea Directa or other entities. Permanent decreases in financial year 2025 arise from the distribution of dividends by Línea Directa Asistencia, S.L.U. and gains arising from redemptions of interests in venture capital companies and funds.

The amount of temporary differences originating in the financial year relates principally to adjustments to provisions which, under Articles 13 and 14 of the Corporate Income Tax Act, are not tax-deductible. Decreases originating in prior financial years relate principally to the reversal of positive adjustments to non-deductible provisions in prior financial years.

Income and expenses recognised directly in equity

Temporary differences originating in the financial year comprise the depreciation or appreciation of investments classified in the available-for-sale portfolio.

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Tax assets and liabilities

The breakdown of the balance sheet balances of tax assets and liabilities at the close of financial years 2025 and 2024 is as follows:

	2025	2024
Receivables from Tax Consolidation Group	**3.811**	**4.013**
Tax assets		
Current tax assets	**514**	**691**
Tax withholdings for the year	514	691
Deferred tax assets	**12.406**	**8.805**
Temporary differences	12.406	8.805
Tax liabilities		
Current tax liabilities	**8.272**	**5.437**
Corporate income tax payable — Tax Consolidation Group	8.272	5.437
Deferred tax liabilities	**22.432**	**19.007**
Temporary differences	22.432	19.007

Current tax assets represent the corporate income tax withholdings for the financial year that will be settled in the following year.

Deferred tax assets in respect of temporary differences correspond to temporary differences originating in the financial year and the tax effect on unrealised losses in the available-for-sale investment portfolio. These temporary differences existing at 31 December 2025 will reverse from financial year 2026 onwards; deferred corporate income tax is therefore calculated by applying a tax rate of 25% to the deductible temporary differences arising at the year-end (increases) and the reversal of deductible temporary differences from the prior financial year (decreases).

Current tax liabilities represent the corporate income tax payable for the financial year, net of payments on account.

At 31 December 2025 and 2024, deferred tax liabilities correspond to the tax effect of:

– The balance of the equalisation reserve at the close of the financial year of 15,214 thousand euros (12,909 thousand euros in 2024), which will be settled with the Tax Authorities in the year in which that provision is utilised.
– The tax impact of unrealised gains on the available-for-sale investment portfolio of 7,219 thousand euros (6,099 thousand euros in 2024).

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The movement in deferred tax assets and liabilities for financial year 2025 is as follows:

	Balance 31.12.2024	P&L Additions	P&L Releases	Equity Additions	Equity Releases	Balance 31.12.2025
DEFERRED TAX ASSETS						
Prepaid income tax	3.443	5.278	(1.031)			7.691
Unrealised losses — AFS portfolio	5.122				(669)	4.452
Other deferred HP	57					57
Tax deductions and reliefs	176			23		198
Deductions pending utilisation						
Pending deduction rights				68	(68)	
50% tax loss group consolidation limit	8				(1)	7
Total	**8.805**	**5.278**	**(1.031)**	**91**	**(738)**	**12.406**
DEFERRED TAX LIABILITIES						
Tax effect of equalisation reserve	(12.909)			(2.305)		(15.214)
Unrealised gains — AFS portfolio	(6.099)			(1.120)		(7.219)
Temporary difference — employment retention deduction						
Total	**(19.007)**			**(3.425)**		**(22.432)**

Ongoing tax inspections

On 9 April 2024, the Company received notification of the commencement of audit proceedings by the Large Taxpayers Central Delegation of the Spanish Tax Authorities for a general audit of the following tax concepts and periods:

10. Corporate Income Tax for financial years 2020 to 2022.
11. Value Added Tax for the periods from April 2020 to December 2022.
12. Withholding taxes and payments on account of income from employment, professional activities and economic activities for the periods from April 2020 to December 2022.
13. Insurance Premium Tax for the periods from April 2020 to December 2022.

Additionally, on 9 May 2024, the Company received notification of an extension of the audit to include Corporate Income Tax for financial year 2019.

At 31 December 2025, the audit reports in respect of withholding taxes and payments on account of income from employment, professional activities and economic activities, and that relating to Value Added Tax, have been signed on an agreed basis. The audit report relating to Insurance Premium Tax was signed on an agreed basis with no adjustment required. On 11 February 2026, two audit reports were signed in relation to consolidated Corporate Income Tax: one on an agreed basis, reflecting an adjustment that is not material to the Company, and one on a contested basis in relation to the deduction for Research and Development (R&D) and technological innovation, both directly and through economic interest groupings. At the date of preparation of these accounts, the corresponding settlement agreement has not yet been received.

As a result of potentially differing interpretations of the tax regulations applicable to the Company's transactions, certain contingent tax liabilities may exist. In any event, such tax liabilities are adequately provisioned at the balance sheet date.

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In relation to the Tax Authorities' audit of Corporate Income Tax for financial years 2011, 2012 and 2013, the audit reports signed on a contested basis were challenged before the Central Economic-Administrative Court (TEAC) in financial year 2019. On 13 December 2022, the TEAC's resolution was received, partially upholding the Company's submissions. The Company lodged an administrative appeal before the Audiencia Nacional on 1 February 2023 to continue challenging the portion dismissed by the TEAC. On 15 June 2023, the Company was notified of the opening of the period for formalising the claim, which was submitted on 12 July 2023. On 5 July 2024, the Company submitted its written conclusions, and the appeal remains pending resolution by the Audiencia Nacional.

On 23 December 2024, a request and notification of commencement of audit proceedings was received from the Tres Cantos Town Council in respect of the Tax on Constructions, Installations and Works (ICIO) and the Urban Planning Activities and Services Charge (TASU), with the purpose of verifying the tax position in relation to those taxes for constructions, installations or works carried out in the municipality of Tres Cantos during 2020, 2021, 2022, 2023 and 2024. At the date of preparation of these accounts, the audit is ongoing.

The Board of Directors estimates that the conclusion of these audits will not give rise to significant matters, control measures or other risks that could have a material impact on the Company's individual annual accounts.

18. Technical Income and Expenses by Non-Life Line of Business

The breakdown of technical income and expenses for financial years 2025 and 2024 is as follows:

Financial year 2025:

	Total	Motor TPL	Motor Other Covers	Home	Assistance	Health
I.1.1. Direct insurance	1.134.670	460.936	463.113	167.842	3.946	38.833
I.1.3. Change in outstanding premiums provision	92	37	74	2	(2)	(18)
I.2. Ceded reinsurance premiums	(28.741)	(2.789)	(3.096)	(4.763)	(279)	(17.814)
I.3. Change in unearned premiums provision	(56.393)	(40.847)	(9.388)	(4.030)	(1.110)	(1.019)
I.3.1. Direct insurance	(56.393)	(40.847)	(9.388)	(4.030)	(1.110)	(1.019)
I.4. Change in unearned premiums provision – reinsurance	943					943
I. Total net earned premiums (net of reinsurance)	**1.050.570**	**417.338**	**450.703**	**159.051**	**2.555**	**20.924**
II.1. Income from tangible investments	69	46	23			
II.2. Income from financial investments	40.549	21.357	10.500	5.248	85	3.358
II.3. Reversal of investment value adjustments	(358)	(240)	(118)			
II.3.2. Financial investments	(358)	(240)	(118)			
II.4. Gains on disposal of investments	8.363	5.607	2.757			
II.4.2. Financial investments	8.363	5.607	2.757			
II. Total investment income	**48.623**	**26.771**	**13.162**	**5.248**	**85**	**3.358**
III. Other technical income						
IV.1. Claims paid	680.537	295.326	295.166	77.259	274	12.511
IV.1.1. Direct insurance	700.396	299.516	295.166	81.134	274	24.307
IV.1.3. Ceded reinsurance	(19.859)	(4.190)		(3.874)		(11.795)
IV.2. Change in claims provision	56.356	37.081	8.840	10.601	247	(413)
IV.2.1. Direct insurance	51.621	35.377	8.822	7.944	273	(794)
IV.2.3. Ceded reinsurance	4.735	1.704	18	2.657	(26)	381
IV.3. Claims-related expenses	59.772	35.774	7.981	13.282	21	2.715
IV. Total claims incurred net of reinsurance	**796.665**	**368.181**	**311.987**	**101.142**	**541**	**14.813**
V. Change in technical provisions						
VI. Profit sharing	**74**				**74**	
VII.1. Acquisition costs	192.572	69.008	74.519	36.360	1.991	10.695
VII.2. Administrative expenses	24.407	6.405	11.258	6.003	39	703
VII.3. Reinsurance commissions and profit sharing	(10)				(10)	
VII. Total net operating expenses	**216.970**	**75.412**	**85.777**	**42.362**	**2.020**	**11.399**
IX.1. Change in bad debt provision						
IX.3. Change in claims settlement agreement provision	(27.009)	(28.458)	1.449			
IX.4. Other technical expenses	6.298	2.284	4.015			
IX. Other technical expenses	**(20.711)**	**(26.174)**	**5.464**			
X.1. Investment management expenses	4.214	2.825	1.389			
X.1.1. Tangible investment management expenses	1.375	922	453			
X.1.2. Financial investment management expenses	2.839	1.904	936			
X.2. Investment value adjustments	28	19	9			
X.2.1. Depreciation of tangible investments	28	19	9			
X.3. Losses on disposal of investments	5.531	3.708	1.823			
X.3.2. Financial investments	5.531	3.708	1.823			
X. Total investment expenses	**9.773**	**6.552**	**3.221**			
Non-life technical account result (I+II+III-IV-V-VI-VII-IX-X)	**96.422**	**20.137**	**57.415**	**20.795**	**5**	**(1.930)**

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Financial year 2024:

	Total	Motor TPL	Motor Other Covers	Home	Assistance	Health
I.1.1. Direct insurance	1.019.606	389.696	436.498	157.858	1.694	33.860
I.1.3. Change in outstanding premiums provision	132	67	51	10		4
I.2. Ceded reinsurance premiums	(25.056)	(2.369)	(3.036)	(4.338)	(35)	(15.278)
I.3. Change in unearned premiums provision	(28.093)	(11.684)	(9.996)	(4.421)	(570)	(1.422)
I.3.1. Direct insurance	(28.093)	(11.684)	(9.996)	(4.421)	(570)	(1.422)
I.4. Change in unearned premiums provision – reinsurance	826					826
I. Total net earned premiums (net of reinsurance)	**967.415**	**375.710**	**423.517**	**149.109**	**1.089**	**17.990**
II.1. Income from tangible investments	69	45	24			
II.2. Income from financial investments	39.292	20.435	10.797	5.034	74	2.952
II.3. Reversal of investment value adjustments	(282)	(185)	(97)			
II.3.2. Financial investments	(282)	(185)	(97)			
II.4. Gains on disposal of investments	12.284	8.037	4.247			
II.4.2. Financial investments	12.284	8.037	4.247			
II. Total investment income	**51.363**	**28.332**	**14.971**	**5.034**	**74**	**2.952**
III. Other technical income						
IV.1. Claims paid	661.447	290.203	287.557	72.162	95	11.430
IV.1.1. Direct insurance	678.756	292.515	287.557	76.356	95	22.233
IV.1.3. Ceded reinsurance	(17.309)	(2.312)		(4.194)		(10.803)
IV.2. Change in claims provision	28.590	18.941	2.600	6.423		626
IV.2.1. Direct insurance	29.552	22.166	2.547	3.699	2	1.138
IV.2.3. Ceded reinsurance	(962)	(3.225)	53	2.724	(2)	(512)
IV.3. Claims-related expenses	57.882	34.516	7.654	13.090	7	2.615
IV. Total claims incurred net of reinsurance	**747.919**	**343.660**	**297.811**	**91.675**	**102**	**14.671**
V. Change in technical provisions						
VI. Profit sharing	**310**				**310**	
VII.1. Acquisition costs	185.852	64.984	73.308	35.618	828	11.114
VII.2. Administrative expenses	24.125	5.456	11.750	6.073	185	661
VII.3. Reinsurance commissions and profit sharing	(1.170)		(29)			(1.141)
VII. Total net operating expenses	**208.807**	**70.440**	**85.029**	**41.691**	**1.013**	**10.634**
IX.1. Change in bad debt provision						
IX.3. Change in claims settlement agreement provision	(28.453)	(28.686)	233			
IX.4. Other technical expenses	6.025	1.910	4.115			
IX. Other technical expenses	**(22.428)**	**(26.776)**	**4.348**			
X.1. Investment management expenses	4.436	2.903	1.533			
X.1.1. Tangible investment management expenses	1.494	978	516			
X.1.2. Financial investment management expenses	2.942	1.925	1.017			
X.2. Investment value adjustments	88	18	70			
X.2.1. Depreciation of tangible investments	28	18	10			
X.2.3. Financial investment provisions	60		60			
X.3. Losses on disposal of investments	10.469	6.850	3.619			
X.3.2. Financial investments	10.469	6.850	3.619			
X. Total investment expenses	**14.993**	**9.771**	**5.222**			
Non-life technical account result (I+II+III-IV-V-VI-VII-IX-X)	**69.177**	**6.947**	**46.078**	**20.777**	**(262)**	**(4.363)**

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19. Technical Result of Non-Life Insurance by Year of Occurrence

The breakdown of the technical result by year of occurrence for non-life lines of business for the years ended 31 December 2025 and 2024 is as follows:

Year ended 31 December 2025:

	Motor	Home	Health
I. Earned premiums (direct)	**886.563**	**165.755**	**37.212**
Premiums net of cancellations	936.687	169.783	39.079
+/- Change in unearned premiums provision	(50.234)	(4.030)	(1.849)
+/- Change in outstanding premiums provision	111	2	(18)
II. Ceded reinsurance premiums	**5.885**	**4.763**	**16.871**
Premiums net of cancellations	5.885	4.763	17.814
+/- Change in unearned premiums provision			(943)
A. Total earned premiums net of reinsurance (I-II)	**880.678**	**160.992**	**20.340**
III. Claims incurred (direct)	**715.185**	**108.743**	**30.075**
Claims paid and expenses for claims in the year, including claims-related expenses	476.217	71.870	23.431
Technical provisions for claims in the year	238.969	36.873	6.644
IV. Reinsurance claims incurred (ceded)	**4.317**	**523**	**13.192**
Claims paid and expenses for claims in the year			10.000
Technical provisions for claims in the year	4.317	523	3.192
B. Total claims incurred net of reinsurance (III-IV)	**710.868**	**108.220**	**16.883**
V. Acquisition costs	143.527	36.360	10.695
VI. Administrative expenses	17.663	6.003	703
VII. Other technical income and expenses	(20.711)		(5)
VIII. Reinsurance commissions			
IX. Net technical investment income (net of expenses)	30.159	5.248	3.358
Result	**59.489**	**15.659**	**(4.579)**

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Year ended 31 December 2024:

	Motor	Home	Health
I. Earned premiums (direct)	**804.358**	**153.615**	**32.327**
Premiums net of cancellations	825.919	158.026	33.822
+/- Change in unearned premiums provision	(21.680)	(4.421)	(1.499)
+/- Change in outstanding premiums provision	118	10	4
II. Ceded reinsurance premiums	**5.404**	**4.338**	**14.452**
Premiums net of cancellations	5.404	4.338	15.278
+/- Change in unearned premiums provision			(826)
A. Total earned premiums net of reinsurance (I-II)	**798.953**	**149.277**	**17.875**
III. Claims incurred (direct)	**627.609**	**89.669**	**25.236**
Claims paid and expenses for claims in the year, including claims-related expenses	559.234	88.507	24.582
Technical provisions for claims in the year	68.375	1.162	654
IV. Reinsurance claims incurred (ceded)	**663**	**2.619**	**11.103**
Claims paid and expenses for claims in the year		1.814	10.670
Technical provisions for claims in the year	663	806	433
B. Total claims incurred net of reinsurance (III-IV)	**626.946**	**87.050**	**14.133**
V. Acquisition costs	138.292	35.618	11.114
VI. Administrative expenses	17.206	6.073	661
VII. Other technical income and expenses	(19.334)		(5)
VIII. Reinsurance commissions	(29)		(1.141)
IX. Net technical investment income (net of expenses)	28.310	5.034	2.952
Result	**64.180**	**25.570**	**(3.936)**

In the health line of business, during 2025 an unexpired risks provision of 1,778 thousand euros was established (2,608 thousand euros in 2024) (see Note 10).

In the assistance line of business, claims are settled at the moment they occur, and there is no claims experience carried forward from prior periods. Accordingly, there is no difference between the technical account, which shows a positive result, and the occurrence-year account; no unexpired risks provision is therefore required.

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20. Remuneration and Other Benefits to the Board of Directors and Senior Management

a) Remuneration and benefits

The remuneration accrued by the Directors and Senior Management of the Company during 2025 amounted to 1,355 thousand euros and 4,094 thousand euros respectively (1,124 thousand euros and 3,202 thousand euros respectively in 2024), as set out below:

Year ended 31 December 2025:

	Fixed salary	Variable salary	Benefits in kind	Fees	Consolidated social security	Total
Senior Management	3.018	738	266		72	4.094
Directors	969	81	23	205		1.278
Total	**3.987**	**819**	**289**	**205**	**72**	**5.372**

Year ended 31 December 2024:

	Fixed salary	Variable salary	Benefits in kind	Fees	Consolidated social security	Total
Senior Management	2.287	639	209		67	3.202
Directors	841	51	20	212		1.124
Total	**3.128**	**690**	**229**	**212**	**67**	**4.326**

Senior Management comprises the Company's Management Committee, excluding the CEO, who is classified as a Director together with the other Board members. The Management Committee comprised 13 members at the close of 2025 and 12 members at the close of 2024.

The Directors' section includes remuneration paid to Board members both in their capacity as such and in respect of their executive functions. No data for the former CEO is included for 2024, although during that year he received the third deferred payment of his departure compensation and the deferred payment of prior-year variable remuneration. No data for the former CEO is included for 2025, although during that year he received the fourth deferred payment of his departure compensation and the deferred payment of prior-year variable remuneration.

The 'Fixed Salary' figure for Senior Management includes amounts accrued on the departure of certain members of the Management Committee in accordance with applicable legislation.

The 'Variable Salary' figure does not include amounts accrued in the year that are subject to deferral over subsequent years and that are subject to malus and clawback clauses.

In 2024, the variable element of Senior Management deferred over the following three years (2026, 2027 and 2028) amounted to 375 thousand euros. In the case of the CEO, the amount shown in the table represents the non-deferred portion of accrued salary; an equivalent amount was accrued in shares. The deferred amount for the CEO over the following three years (2026, 2027 and 2028) is 34 thousand euros in cash, with an equivalent amount in shares.

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In 2025, the variable element of Senior Management deferred over the following three years (2027, 2028 and 2029) amounted to 492 thousand euros. In the case of the CEO, the amount shown in the table represents the non-deferred portion of accrued salary; an equivalent amount was accrued in shares. The deferred amount for the CEO over the following three years (2027, 2028 and 2029) is 54 thousand euros in cash, with an equivalent amount in shares.

As at 31 December 2025, the Long-Term Incentive Plan 2023–2025, in which both the CEO and Senior Management participated, vested. Payment of this incentive is structured as 50% in cash and 50% in shares, and is subject to deferred payments and clawback clauses. Based on the level of achievement attained, the CEO will receive 37 thousand euros in 2026, and an equivalent amount in shares, representing 60% of the non-deferred portion. The amount deferred for the CEO over the following three years (2027, 2028 and 2029) is 25 thousand euros in cash, with an equivalent amount in shares. Senior Management will receive an approximate amount of 246 thousand euros in 2026, and an equivalent amount in shares, representing 60% of the non-deferred portion. The deferred amount for Senior Management over the following three years (2027, 2028 and 2029) is approximately 164 thousand euros in cash, with an equivalent amount in shares. At the date of preparation of these annual accounts, the definitive accrued amount of the Long-Term Incentive Plan 2023–2025 is pending approval by the Board of Directors.

The remaining Directors do not receive variable salary.

The 'Fees' figure for 2024 and 2025 includes amounts received by all persons who held the position of member of the Board of Directors during the respective year.

'Consolidated Social Security' represents a defined-contribution savings and retirement insurance policy in favour of the Group's Senior Management. During 2024, this policy generated company contributions of 67 thousand euros and individual contributions from directors of 9 thousand euros. Its actuarial reserve at the end of 2024 amounted to 835 thousand euros. During 2025, premiums of 72 thousand euros were accrued as company contributions and 15 thousand euros as individual contributions from directors. The actuarial reserve at the end of 2025 amounted to 835 thousand euros.

The Group maintains a group insurance policy through which its retirement pension commitments to certain members of Senior Management and the CEO are externalised. These defined-contribution policies are also externalised and periodic contributions are made for the various members of the collective (Note 21). During 2025, this policy resulted in the payment of premiums of 634 thousand euros (1,270 thousand euros in 2024) and there were no surrenders. The actuarial reserve for pensions corresponding to members of Senior Management amounted to 14,205 thousand euros as at 31 December 2025 (12,623 thousand euros in 2024). The contributions made are not included in the above table because they represent unvested remuneration, given that certain facts and circumstances may result in non-receipt of the amounts in the future.

During 2025, the Group paid 51 thousand euros in directors' and officers' (D&O) insurance premiums (31 thousand euros in 2024), covering members of Senior Management and other decision-making managers within the Group.

As at 31 December 2024 and 2025, no advances or loans have been granted by the Parent Company to members of its Board of Directors or Senior Management, nor has it assumed obligations on their behalf by way of guarantee.

21. Other Expenses and Other Income

The breakdown of expenses in the technical account for 2025 and 2024 is as follows:

	2025	2024
Change in claims settlement agreement payments provision (Note 12)	6.344	510
Change in certain recoveries under claims settlement agreements	(5.605)	(950)
Payments and recoveries under claims settlement agreements	(27.748)	(28.012)
Expenses allocated by destination	6.298	6.024
Total other technical expenses	**(20.711)**	**(22.428)**

The breakdown of other income and other expenses in the non-technical accounts for 2025 and 2024 is as follows:

Other non-technical expenses:

	2025	2024
Customer documentation mailing costs	43	43
Distribution expenses for third-party insurer policies		
Late payment interest expenses	114	33
Other miscellaneous expenses	762	4
Total other non-technical expenses	**919**	**80**

Other non-technical income:

	2025	2024
Credit/debit card intermediation and third-party insurer policy income	388	437
Consorcio de Compensación de Seguros collection commission	714	664
Income from banking branch management	1.126	977
Income from recharged management expenses	650	633
Income from participation in profits of business transferred to Bankinter		247
Other miscellaneous income	554	721
Total other non-technical income	**3.432**	**3.679**

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22. Other Information

a) Guarantees with third parties

The amount of guarantees committed to third parties as at 31 December 2025 totals 40 thousand euros, principally in respect of warehouse rental agreements (43 thousand euros as at 31 December 2024), and 1,666 thousand euros in respect of a line of sureties as court guarantees for claims (1,753 thousand euros as at 31 December 2024).

b) Social charges and average number of employees

The breakdown of personnel expenses for 2025 and 2024 is as follows:

	2025	2024
Wages and salaries	88.370	85.262
Redundancy payments	3.567	3.919
Other social charges	26.563	24.851
Total	**118.500**	**114.032**

The average number of employees during 2025 and 2024, broken down by professional category, is as follows:

	2025 Total	2025 Women	2025 Men	2024 Total	2024 Women	2024 Men
Directors	73	39	34	70	38	33
Senior Professionals	348	162	185	334	162	172
Professionals	598	359	239	608	363	245
Staff	1.118	744	374	1.145	754	392
Total	**2.136**	**1.304**	**832**	**2.158**	**1.316**	**841**

Furthermore, the distribution by gender of employees and Directors of the Company at the end of 2025 and 2024, broken down by category and gender, is as follows:

	2025 Total	2025 Women	2025 Men	2024 Total	2024 Women	2024 Men
Directors (Board)	8	4	4	7	4	3
Directors	72	39	33	74	39	35
Senior Professionals	347	160	187	337	165	172
Professionals	599	362	237	606	363	243
Staff	1.094	729	365	1.130	748	382
Total	**2.120**	**1.294**	**826**	**2.154**	**1.319**	**835**

The average number of employees with a degree of disability equal to or greater than 33% is 35 (35 employees in 2024).

c) Extraordinary share-based remuneration plan linked to the IPO

The CEO and the Group Management Committee participate in an extraordinary Group remuneration plan consisting of the delivery of shares in the three years following the stock market listing. The purpose of this Plan, approved by the General Shareholders' Meeting on 18 March 2021, which is established as the grant date of the Plan, is to serve as a tool for motivating and retaining participants, offering the possibility of receiving a specified number of shares in the three years following the Company's stock market listing. The main characteristics of the Plan are as follows:

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The number of shares to be delivered to each participant is the result of dividing 100 thousand euros by the average price over the thirty trading days following the listing date. As the average price was 1.6339, euros the number of shares to be delivered would be 61,203 shares per participant. With 13 participants, the programme would involve the total delivery of 795,639 shares with a value of 1,300 thousand euros.

Vesting period and service condition: the plan provides for the possibility of receiving 33% of the shares on the first anniversary of the listing date (29 April 2022), the second tranche of 33% on the second anniversary (29 April 2023), and the remaining 34% on the third anniversary (29 April 2024). The condition for delivery of each tranche of shares is that the participant remains employed by the Company at the date of each of the three anniversaries, unless otherwise agreed, and without prejudice to the retention of shares already received in the event of departure, unless they must be returned under the clawback clause.

The cost of the programme to the Group is recognised as a personnel expense, with the corresponding credit to a treasury shares reserve within equity of the consolidated statement of financial position, which will be cancelled at each of the three anniversaries as the shares are delivered to employees.

As at 31 December 2023 and 2024, the accrued and recognised personnel expense amounted to 1,136 thousand euros. This allocation was made on the assumption that all participants in the Plan will fulfil the service condition at each anniversary.

The valuation of the incentive to be received in shares of the Parent Company is based on the fair value of the equity instruments assigned at the grant date, taking into account the terms and conditions of the Plan. Each year, up to the vesting date, the number of equity instruments included in the determination of the transaction amount is adjusted.

The Parent Company held 637,586 treasury shares to satisfy the remuneration plan. Since 29 April 2021, the date of the stock market listing on which it was allocated 239,678 treasury shares in the exchange of Bankinter shares, the Parent Company has made successive acquisitions, notified to the CNMV, to complete the full remuneration plan. The average acquisition price of these shares was 1.57 euros per share. In successive years, the corresponding shares have been delivered (Note 14d). The remaining shares are maintained in equity.

Twelve of the thirteen participants in the remuneration plan are employees of the Parent Company, whilst one is an employee of the Group subsidiary Línea Directa Asistencia, S.L.U.

Details of the movements in treasury shares relating to the executive share delivery plan are set out in Note 14d.

As at the date of this Report, the extraordinary plan linked to the stock market listing has concluded.

The Company will deliver the shares corresponding to the employee of the subsidiary Línea Directa Asistencia in the three anniversaries, with the cost borne by the subsidiary itself, with the Company receiving cash consideration equal to the fair value of the shares delivered.

d) Employee share purchase plan under the Flexible Remuneration programme

At the end of 2022, employees were offered the opportunity to participate in a share purchase plan as part of their flexible remuneration. This Plan was aimed at all employees of the Parent Company (excluding employees of other Group companies) with a minimum of six months' service, and was not applicable to Board members.

It was a one-off two-month programme (November and December 2022) whose objective was to facilitate employees' acquisition of Línea Directa shares through a flexible remuneration programme with a favourable tax treatment. The conditions for participation were as follows: the maximum amount to be allocated was 12,000 euros per year; shares must be held for three years; and the delivery must not cause total benefits-in-kind remuneration to exceed 30% of total remuneration nor infringe the statutory minimum wage (SMI).

The Plan was launched with a 5% discount on the share price. It was approved by the Board of Directors in September and October 2022 respectively, on the recommendation of the Appointments, Remuneration and Corporate Governance Committee.

Following the positive reception of the 2022 Plan, in June 2023 the Board of Directors, on the recommendation of the Appointments, Remuneration and Corporate Governance Committee, approved a longer-duration programme in accordance with the Remuneration Policy, with the following characteristics:

- Participants: the Plan is open to all employees of Línea Directa Aseguradora and Línea Directa Asistencia (excluding employees of other Group companies) with a minimum of six months' service. It is not applicable to Board members (whether executive or non-executive).
- Discount offered by the Company: 5% on the market price of the share.
- Duration: an annual share purchase programme for a maximum of three years, which will end earlier if the maximum number of shares allocated to this Plan is reached. Purchase periods will be defined annually, respecting any applicable blackout periods.
- The share price for determining the number of shares to be delivered will be calculated using the average quoted price for the month prior to each delivery.
- The maximum amount allocated to the plan will be 2,500,000 euros

Under this Plan, purchase windows have been opened in November and December 2023, June and July 2024, October, November and December 2024, June and July 2025, and October, November and December 2025.

Details of the movements in treasury shares relating to the executive share delivery plan are set out in Note 14d.

e) Audit fees

The fees for audit and other services provided by PricewaterhouseCoopers Auditores, S.L. during the year, in respect of the consolidated and individual accounts of companies included in the consolidation scope (excluding expenses and VAT), are as follows:

	2025	2024
Audit services*	268	268
Other services required by regulation	164	164
Other assurance services	42	43
Services other than audit	9	
Total professional services	**483**	**475**

* The audit services fees accrued relate to the audit of the annual accounts of the entire Línea Directa Group.

'Other services required by regulation' includes principally the fees for reviewing the Financial Condition and Solvency Report of the parent entity and the insurance subsidiaries, as well as the independent external limited-assurance verification of the Group's Sustainability Report.

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The principal items within 'Other assurance services' relate to the agreed-upon procedures report on the Internal Control over Financial Reporting (ICFR) framework of the Group, the limited review of the condensed consolidated interim financial statements for the year, and limited reviews of the Group's subsidiaries.

'Services other than audit' includes the issuance of agreed-upon procedures reports relating to sustainability indicators and the Línea Directa brand.

f) Group structure

As at 31 December 2025 and 2024, the Company is the parent of Grupo Línea Directa Aseguradora, whose subsidiaries are as follows:

Subsidiary	Principal activity	Ownership interest
Línea Directa Asistencia, S.L.U.	Vehicle assessment and travel assistance	100%
Centro Avanzado de Reparaciones CAR, S.L.U.	Vehicle repair services	100%
Ámbar Medline, S.L.U.	Insurance mediation	100%
LDActivos, S.L.U.	Asset management	100%

Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros was itself part of Grupo Bankinter and was fully consolidated by global integration until the Company's stock market listing on 29 April 2021.

On 17 July 2014, Fundación Línea Directa was established by means of a non-repayable donation for the foundation's endowment. The Foundation's purpose is to contribute to improving road safety, preventing and reducing traffic accidents, promoting responsible driving behaviour, fostering road safety education, and engaging in the prevention, intervention and care of accident victims, as well as carrying out all activities conducive to the best achievement of its aims.

The subsidiary Moto Club LDA, S.L.U. ceased its activities in November 2024.

g) Environmental information and greenhouse gas emission rights

The Company has made no investments and has incurred no expenditure in connection with environmental protection activities during 2025 or 2024.

The Directors of the Company estimate that there are no significant contingencies relating to environmental protection and improvement, and do not consider it necessary to record any provision for environmental risks and charges as at 31 December 2025.

No amounts have been allocated to these items, nor have any expense or provision movements been made during 2025. No futures contracts have been signed and no subsidies have been received in respect of greenhouse gas emission rights.

Conflicts of interest – Directors and connected persons

At the close of 2025 and 2024, none of the Company's Directors, nor persons connected to them as defined in article 229 of the Consolidated Companies Act, has notified the other members of the Board of Directors of any situation of direct or indirect conflict that they may have with the Company's interests.

h) Customer service

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The legal framework governing financial services provides customers with an appropriate level of protection to preserve confidence in the functioning of markets. Within this framework, Order ECO/734/2004 of 11 March, on the customer care and ombudsman departments and services of financial institutions, requires insurance undertakings to have a customer care department or service that will handle and resolve the complaints and claims submitted by their customers relating to their legally recognised interests and rights.

Each decision shall be reasoned and shall contain clear conclusions regarding the request made in each complaint or claim, based on the contractual clauses, the applicable transparency and customer relations regulations, and good financial practices and customs.

During 2025, 7,131 files were handled (7,753 files in 2024), of which 7.10% were complaints, representing 506 (7.74%, representing 577 in 2024) and 92.90% were claims, representing 6,625 (92.56%, representing 7,176 in 2024). Of the total, 15.08% related to Quotations and Policy Management, 71.36% to Accident Management, and 3.53% to the Travel Assistance service (18.20%, 70.82% and 3.22% respectively in 2024).

The breakdown by type of the files handled by the Company during 2025 and 2024 is as follows:

	2025 Number	2025 %	2024 Number	2024 %
Complaints	506	7%	577	7%
Claims	6.625	93%	7.176	93%
Total files handled	**7.131**	**100%**	**7.753**	**100%**

The breakdown by department of the files handled by the Company during 2025 and 2024 is as follows:

	2025 Number	2025 %	2024 Number	2024 %
Underwriting and Policy Management	1.075	15%	1.411	18%
Claims Management	5.089	71%	5.491	71%
Travel Assistance service	252	4%	250	3%
Other	715	10%	601	8%
Total files handled	**7.131**	**100%**	**7.753**	**100%**

Main issues raised by customers:

1. Rejection of damage claims on account of expert assessment or policy exclusion.
2. Delays in the resolution of files, whether attributable to processing or to the repair of damage.
3. Disagreement with the amount of compensation and delay in receipt thereof.
4. Unearned premium claims.

Of the total complaints and claims handled in 2025, 30.18% were upheld (32.97% in 2024) and 69.82% were dismissed (67.03% in 2024).

In addition, during 2025, a total of 711 files were resolved, resulting in 165 decisions in favour of the claimant, 521 decisions against, 9 files closed without resolution (principally due to duplicate opening), and a further 16 with a finding of lack of jurisdiction.

Claims submitted were distributed across various categories, the most notable being: policy inception (including discrepancies concerning sums insured or general conditions), processing (such as delays or disputes concerning exclusion evidence), motor guarantees (expert valuations, application of excesses, calculation of professional fees, conflicts of interest), home (water damage, maintenance-related exclusions, cover, exclusion of certain damage), health (pre-existing conditions, waiting periods, policy cancellations) and travel assistance (problems with vehicle transfers or return conditions).

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The proportion of decisions unfavourable to policyholders was higher than in the prior year: in 2025, 521 of the 711 resolved files resulted in decisions unfavourable to the policyholder (25 were resolved without action), compared with 396 of the 674 resolved files in 2024 (10 were resolved without action), representing percentages of 73.27% and 58.75% respectively, a year-on-year difference of 14.52 percentage points.

The Annual Report highlights the effective collaboration between Línea Directa's various departments and the Policyholder Ombudsman, as well as improvements in registration systems and internal protocols, which contributed to a notable improvement in processing efficiency, with delays limited to cases of particular evidential complexity.

Finally, the Policyholder Ombudsman recommends in her Annual Report, in order to continue optimising policyholder protection and the efficiency of claims management, strengthening expert assessment at source, reinforcing customer information on recurring exclusions at the point of inception, and improving communication with vulnerable groups, particularly older persons or those with limited access to digital channels. The use of alternative channels, such as registered post, is recommended for the notification of relevant matters.

23. Objectives, Policies and Procedures for Managing Risks Arising from Insurance Contracts

The risk of the insurance business focuses on the non-life underwriting risk, which comprises the premium sub-risk (premium adequacy risk) and the reserve sub-risk (technical provisions adequacy risk).

The Company manages reinsurance as the principal mitigant of the premium and reserve sub-risks. Reinsurance itself forms part of counterparty risk through the possibility of default on amounts recoverable from reinsurers.

Reinsurance policy

The Group's reinsurance structure is based principally on an Excess of Loss (XL) arrangement for each line of business, with the objective of achieving protection against major or peak claims and events arising from natural phenomena not covered by the Consorcio de Compensación de Seguros. Reinsurance is used as a stabilising element against claims of this random nature, both in terms of occurrence and quantum. In addition, a proportional quota share reinsurance contract for the health line, providing retention protection, was entered into in 2017.

On 1 September 2017, the Company entered into a quota share reinsurance contract for the health business, with a termination date of 31 December 2029 and a two-year renewal option. This contract provides for a cession of 50% of premium income and claims costs in respect of the majority of health business policies.

Until 2022, the contract also included a schedule of fixed and variable reinsurance commissions in favour of the Group. The variable commission was calculated based on premiums ceded during the year in force and on the development of the loss ratio during the agreed years, whilst the additional fixed commission was a pre-agreed amount. These commissions were subject to a maximum cap. However, during 2023 an addendum to the contract was signed whereby it was agreed that no commission exchange would take place between the parties. Notwithstanding this, by mutual agreement, in 2024 a reversal of the previously recorded management expense commission was recognised, which is treated in substance as a cash advance.

Additionally, the contract includes the Company's participation in profits based on the technical result, where positive.

In the event of early termination, a cancellation compensation will be payable by the terminating party if there is no mutual agreement or in any other situation that prevents the normal continuation and performance of the contract. The early termination clauses that could jeopardise the effective transfer of risks and benefits refer, in all cases, to circumstances of an entirely remote nature.

The evolution of the technical result and of the credit recognised by the Company will depend on how the principal technical variables – premiums, claims experience, and acquisition and administrative costs – develop, potentially generating deviations from the business plan defined by the Group.

The criteria applied in establishing the reinsurance panel require that reinsurers' credit ratings shall not be below 'A-'; however, a deposit clause will be included in contracts of reinsurers with an S&P credit rating below 'AA-'. Any exceptions are approved by the Board of Directors.

A quarterly review of the ratings of the various entities within the reinsurance panel is carried out, monitoring the credit risk ratings published by Standard & Poor's, thereby tracking changes in the probability of default on the commitments established.

Premium sub-risk

The Technical Department of Línea Directa Aseguradora is responsible for modifying products and prices in accordance with the Company's overall strategy. All such modifications are supported by actuarial analyses documented in the corresponding technical notes and are approved by the Technical Committee, which is the body responsible for managing this sub-risk. The health line is monitored by the Health Technical Department.

The Technical Committee takes the operational decisions affecting the pricing and underwriting conditions of the products offered by Línea Directa Aseguradora, ensuring that they are consistent with the strategy and objectives defined by the Board of Directors. To this end, it evaluates the proposals submitted by the Technical Department, also taking into account business data and outlook information provided by the business areas.

Reserve sub-risk

The Company uses statistical methodology to estimate the claims provision for the motor line, pursuant to the authorisation granted on 29 December 2021 by the Directorate-General of Insurance and Pension Funds (Dirección General de Seguros y Fondos de Pensiones), which authorises Línea Directa Aseguradora to calculate the technical provisions for motor claims using the stochastic Merz & Wüthrich methodology, with the deterministic average cost methodology as a cross-check.

For the estimation of the claims provision for the home, assistance, illness and healthcare lines of business, the Company uses individual claim-by-claim valuation methodology.

The Claims and Reserving Committee is the body responsible for managing the Company's reserve risk and reinsurance credit risk. Its functions include monitoring the Company's reserves and provisions to ensure adequate claims coverage, and approving changes to the policies for opening and reserving claims under the various covers and guarantees that ensure reserve adequacy, in accordance with the guidelines approved by the Company's Board of Directors.

Furthermore, in order to ensure that the Company complies with its obligations under the eighteenth additional provision of Law 20/2015 of 14 July — that technical provisions in the balance sheet reflect the obligations arising from the contracts entered into — the following controls are established in relation to the claims provision:

- Analysis of the subsequent-year development of cost deviations in claims occurring before the close of each financial year. The analysis is performed on the basis of claims incurred and reported at the closing date. Its purpose is to verify and correct any cost deviations arising in so-called 'long-tail' claims, caused by insufficient information being available at closing for their full valuation.
- Monthly and quarterly projections of claims cost.
- The Company's reserve position is additionally subject to an analysis carried out by independent consultants at least once a year, which is presented to the Board of Directors.

Insurance risk concentrations

The Company's insurance business is located principally in Spain, without any particularly significant concentration in any geographical area.

The following table sets out the concentration of premiums in those Autonomous Communities where concentration exceeds 5% for 2025 and 2024:

Autonomous Community	2025	2024
Andalusia	24.27%	23.67%
Catalonia	21.17%	21.44%
Madrid	11.63%	12.02%
Valencian Community	11.53%	11.87%
Rest	31.40%	31.00%
Total	**100.00%**	**100.00%**

In addition, the Company focuses its business on non-life lines (principally motor risks), which, at the level of insurance premiums, shows the following distribution:

Year ended 31 December 2025:

	Total	Motor risks	Home risks	Assistance risks	Health risks
Gross written Premiums	1.134.670	924.049	167.842	3.946	38.833
Ceded Premiums	(28.741)	(5.885)	(4.763)	(279)	(17.814)

Year ended 31 December 2024:

	Total	Motor risks	Home risks	Assistance risks	Health risks
Gross written premiums	1.019.606	826.194	157.858	1.694	33.860
Ceded premiums	(25.055)	(5.404)	(4.338)	(35)	(15.278)

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24. Events After the Reporting Period

No significant events have occurred between the close of the 2025 financial year and the date of preparation of these annual accounts.

3

Individual Management Report

1. Business Overview

During 2025, despite the complex international environment, financial markets continued to perform favourably, reflected in reduced price volatility. Uncertainties surrounding the evolution of trade and geopolitical tensions suggest that elevated levels of uncertainty will persist in the coming months.

In 2025, Spain's non-life insurance sector reached 49,963 million euros in premiums, growing by 7.79%. The Motor line grew by 8.38%, driven by rising average premiums and growth in the insured vehicle fleet. Second-hand vehicle sales boosted the used-car market with 6% growth. The Home line grew by 7.42%. The Healthcare line continued to grow, benefiting from the revision of civil servants' collective agreements and price increases, rising by 12.08% in 2025. Motor profitability improved relative to 2024, with a combined ratio of 97.9% at the close of the third quarter of 2025.

The Company delivered an excellent performance in 2025, with revenues significantly exceeding 1,000 million euros and very robust profitability ratios. Net earned premiums grew by 8.6% to 1,076.7 million euros, driven by the positive performance of all lines of business and, in particular, the Motor line, which showed an especially noteworthy performance. The technical result of the non-life technical account recorded a profit of 96.4 million euros. This excellent performance reflects the combination of growth, prudent risk underwriting and improvements in operational efficiency. The combined ratio stood at 94.5% at the close of 2025, a reduction of 1.9 percentage points compared with the prior year. The loss ratio showed an outstanding improvement, the result of careful risk underwriting. Expense lines again showed very contained growth as part of the Company's strict cost control strategy. The pursuit of efficiency and digitalisation continue to drive the ongoing improvement in the Company's management ratios. Net investment income reached 38.8 million euros, a 6.6% increase, supported by higher financial income from the fixed-income portfolio.

2. Financial and Economic Position

The solvency ratio, calculated in accordance with Solvency II, was 183% at the close of 2025, compared with 185% in 2024.

3. Outlook for 2026

The Spanish economy enters 2026 from a relatively solid position within the eurozone. Forecasts agree that Spain will continue to outperform the European average, albeit in a context of global slowdown and trade tensions.

Growth in disposable income and improvements in employment will sustain private consumption, despite the withdrawal of certain fiscal support measures. The unemployment rate is expected to continue its downward trend, although structural challenges persist.

With regard to the Company's prospects, 2026 should be a year in which the Company continues to achieve solid customer growth, with strong commercial performance alongside improved portfolio retention.

Service quality and the strengthening of our digital capabilities will continue to define the roadmap during the year. The loss ratio is expected to remain contained, thanks to the rigour applied in the selection and pricing of insurable risks. Furthermore, improvements in process efficiency should translate into higher productivity.

The investment portfolio, for its part, will grow in line with business volume and average yields will enable recurring financial income in excess of the 2025 level.

4. Information on Payments to Suppliers

The Company settles payments to suppliers within the statutory timeframes and, in certain specific cases, in accordance with conditions specially agreed with suppliers, without in any case exceeding 60 days. The average supplier payment period is 28.37 days.

5. Transactions in Own Shares

a) Extraordinary share-based remuneration plan linked to the IPO

The CEO and the Group Management Committee participate in an extraordinary Group remuneration plan consisting of the delivery of shares in the three years following the stock market listing. The purpose of this Plan, approved by the General Shareholders' Meeting on 18 March 2021, which is established as the grant date, is to serve as a tool for motivating and retaining participants, offering the possibility of receiving a specified number of shares in the three years following the Company's listing. The main characteristics of the Plan are as follows:

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The Company will deliver the shares corresponding to the employee of the subsidiary Línea Directa Asistencia in the three anniversaries, with the cost borne by the subsidiary itself, with the Company receiving cash consideration equal to the fair value of the shares delivered.

b) Employee share purchase plan under the Flexible Remuneration programme

At the end of 2022, employees were offered the opportunity to participate in a share purchase plan as part of their flexible remuneration. This Plan was aimed at all employees of the Parent Company (excluding employees of other Group companies) with a minimum of six months' service, and was not applicable to Board members.

It was a one-off two-month programme (November and December 2022) whose objective was to facilitate employees' acquisition of Línea Directa shares through a flexible remuneration programme with a favourable tax treatment. The conditions for participation were as follows: the maximum amount to be allocated was 12,000 euros per year; shares must be held for three years; and the delivery must not cause total benefits-in-kind remuneration to exceed 30% of total remuneration nor infringe the statutory minimum wage (SMI).

The Plan was launched with a 5% discount on the share price. It was approved by the Board of Directors in September and October 2022 respectively, on the recommendation of the Appointments, Remuneration and Corporate Governance Committee.

Following the positive reception of the 2022 Plan, in June 2023 the Board of Directors, on the recommendation of the Appointments, Remuneration and Corporate Governance Committee, approved a longer-duration programme in accordance with the Remuneration Policy, with the following characteristics:

- Participants: the Plan is open to all employees of Línea Directa Aseguradora and Línea Directa Asistencia (excluding employees of other Group companies) with a minimum of six months' service. It is not applicable to Board members (whether executive or non-executive).
- Discount offered by the Company: 5% on the market price of the share.
- Duration: an annual share purchase programme for a maximum of three years, which will end earlier if the maximum number of shares allocated to this Plan is reached. Purchase periods will be defined annually, respecting any applicable blackout periods.
- The share price for determining the number of shares to be delivered will be calculated using the average quoted price for the month prior to each delivery.
- The maximum amount allocated to the plan will be 2,500,000 euros

Under this Plan, purchase windows have been opened in November and December 2023, June and July 2024, October, November and December 2024, June and July 2025, and October, November and December 2025.

Details of the movements in treasury shares relating to the executive share delivery plan are set out in Note 14d.

6. Use of Derivative Financial Instruments

At the close of 2025, the Company holds an Interest Rate Swap (IRS) to hedge against rising interest rates, with an initial term of 10 years. It has been verified that this instrument strictly meets the effectiveness criteria for this type of financial instrument.

7. Events after the Reporting Period

No significant events have occurred after the financial statements closing date.

8. Research and Development

The Company has continued to carry out research and development activities during 2025, consisting of the development of advanced computer applications applied to the management of motor insurance.

9. Information on Staff

As at 31 December 2025, the Company's workforce comprised 1,294 women and 826 men, of whom 35 are employees with a degree of disability equal to or greater than 33%.

10. Complaints and Customer Ombudsman

a) Complaints and claims 2025

In accordance with the provisions of Order ECO/734/2004 of 11 March, the Customer Care Service of Línea Directa and the Policyholder Ombudsman have each prepared explanatory reports on the performance of their functions during 2025. A summary of these reports is set out below.

During 2025, 7,131 files were handled (7,753 in 2024), of which 506 or 7.10% were complaints (577 in 2024) and 6,625 or 92.90% were claims (7,176 in 2024). Of the total, 15.08% related to Quotations and Policy Management, 71.36% to Accident Management, and 3.53% to the Travel Assistance service (18.20%, 70.82% and 3.22% respectively in 2024).

Main issues raised by customers:

5. Rejection of damage claims on account of expert assessment and policy exclusion.
6. Delays in the resolution of files, whether attributable to processing or to the repair of damage.
7. Disagreement with the amount of compensation and delay in receipt thereof.
8. Unearned premium claims.

Of the total complaints and claims handled in 2025, 30.18% were upheld (32.97% in 2024) and 69.82% were dismissed (67.03% in 2024).

b) Policyholder Ombudsman

During 2025, a total of 711 files were resolved, resulting in 165 decisions in favour of the claimant, 521 decisions against, 9 files closed without resolution (principally due to duplicate opening), and a further 16 with a finding of lack of jurisdiction.

The proportion of decisions unfavourable to policyholders was higher than in the prior year: in 2025, 521 of the 711 resolved files resulted in decisions unfavourable to the policyholder (25 were resolved without action), compared with 396 of the 674 resolved files in 2024 (10 were resolved without action), representing percentages of 73.27% and 58.75% respectively, a year-on-year difference of 14.52 percentage points.

The Policyholder Ombudsman recommends, in order to continue optimising policyholder protection and the efficiency of claims management, strengthening expert assessment at source, reinforcing customer information on recurring exclusions at the point of inception, and improving communication with vulnerable groups, particularly older persons or those with limited access to digital channels. The use of alternative channels, such as registered post, is recommended for the notification of relevant matters.

11. Other Non-Financial Information

The Company is exempt from including the non-financial information referred to in Law 11/2018 of 28 December, as this is included in a separate report, the 'Consolidated Non-Financial Information Report and Sustainability Report 2025' of Grupo Línea Directa Aseguradora, S.A., of which the Company forms part of the consolidation perimeter. The consolidated annual accounts, together with the consolidated management report in which this report is included, will be filed with the Madrid Mercantile Registry.

12. Annual Corporate Governance Report, ICFR and Report on Director's Remuneration

For the purposes of article 538 of the Consolidated Companies Act, the Annual Corporate Governance Report (ACGR), together with the Internal Control over Financial Reporting (ICFR) framework and the Annual Directors' Remuneration Report (ADRR) of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros, for the year ended 2025, form part of the Management Report. Both Reports are available and may be consulted in full on the website of the Comisión Nacional del Mercado de Valores (CNMV) and on the corporate website.

Approval of Financial Statements

The Board of Directors of LINEA DIRECTA ASEGURADORA, S.A. COMPAÑÍA DE SEGUROS Y REASEGUROS, at its meeting of 19 February 2026, and in compliance with the requirements established in article 253 of the Consolidated Companies Act and article 37 of the Commercial Code, has prepared the Annual Accounts of LINEA DIRECTA ASEGURADORA, S.A. COMPAÑÍA DE SEGUROS Y REASEGUROS and the Management Report contained in this document, for the year 2025.

D. Alfonso Botín-Sanz de Sautuola y Naveda Chairman	Dña. Patricia Ayuela de Rueda Director
Dña. Rita Estévez Luaña Director	Dña. Ana María Plaza Arregui Director
D. Fernando Masaveu Herrero Director	Dña. Marina Specht Blum Director
D. Iñaki Berenguer Mediavilla Director	

ENDORSEMENT to certify that the annual accounts do not include handwritten or recognised electronic signatures of any of the directors due to a material impossibility as a consequence of the technical restrictions arising from the format (and tagging) requirements established in Commission Delegated Regulation (EU) 2018/815.

D. Pablo González-Schwitters Grimaldo

Secretary to the Board of Directors