Lunar Group
Invisible Banking
Annual Report 2025



LUNAR



At Lunar, we strive to make banking increasingly invisible. Because the less you have to engage with your bank, the more you can focus on what's important to you. That's why we offer a rich ecosystem of automated features across savings, investments, payments, business management, and commerce enablement.

We want to put our users back in control by empowering them and simplifying their financial lives.

Pioneering how we all engage and thrive with money.

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LUNAR

Company information.

Company

Lunar Group A/S
Hack Kampmanns Plads 10
8000 Aarhus C
CVR no. 36 94 57 45

Financial period:
1 January – 31 December 2025

www.lunar.app

Board of Directors

Jens Peter Leschly Neergaard (Chairman)
Claus Okholm
Lars Andersen
Ken Villum Guldbrandt Klausen
Klaus Østergaard
Jens Mikael Kristoffer Ismunden
Ola Reinhold Nordbye
Matthew Crispin Hurst Westerman

Executive Board

Ken Villum Guldbrandt Klausen (CEO)

Auditors

PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Company information

Ownership

The following shareholders hold more than 5% of the share capital on 31 December 2025:

LWOH ApS
Langelinieparken 18, 2. th.
8000 Aarhus C

Brightfolk A/S
Store Torv 1, 3.
8000 Aarhus C

K Other Assets AB
Box 2094
10313 Stockholm, Sweden

Orbit Alliance AB
Narvavägen 12
11522 Stockholm

Tencent Cloud Europe B.V.
Buitenveldertselaan 1-5
1082VA Amsterdam

Overview
Executive team

Ken Villum Guldbrandt Klausen
(CEO)

Private-sector directorships:
Lunar Bank A/S, Executive Officer
Lunar Journey AB, Executive Officer and Board member
Lunar Block A/S, Executive Officer and Board member
Moonrise Banking Services A/S, Executive Officer and Board member
HOLDYN ApS, Executive Officer and legal owner
VXK ApS, Executive Officer and legal owner
VXG ApS, Executive Officer and legal owner
LWOH ApS, Executive Officer and legal owner
Arosource ApS, Chairman
Eighty2 A/S, Legal owner

Overview
Board of Directors

Jens Peter Leschly Neergaard (Chairman)

Private-sector directorships:
Leschly & Neergaard ApS, Executive officer
Rex Invest Holding ApS, Executive officer & Legal owner
Lunar Bank A/S, Chairman
Ixis ApS, Deputy director
Laika Invest ApS, Executive director
Qblue Balanced A/S, Chairman
INVESTERINGSSELSKABET LUXOR A/S, Board member

Lars Andersen

Private-sector directorships:
GROWTH MANAGER ApS, Executive officer & Legal owner
SEED CAPITAL DENMARK II K/S, Director
Seed Capital V GP ApS, Director
Seed Capital Denmark IV K/S, Director
Seed Capital Management IV I/S, Board member
Seed Capital Management V I/S, Board member
GM INVEST ApS, Chief Executive Officer
Det bliver en god dag ApS, Chief Executive Officer
Lunar Bank A/S, Board member
Risika A/S, Board member
Starred Group A/S, Board member
Value4money ApS, Chief Executive Officer
Growth Manager ApS, Board member
C WorldWide Asset Management Fondsmæglerselskab A/S, Board member
C WorldWide Holding A/S, Board member
C WorldWide Group Holding A/S, Board member
FLATPAY ApS, Board member
FLATPAY FINANCIAL SERVICES A/S, Board member
Embankment Group A/S, Board member
Pluto.markets ApS, Board member
Pluto.markets Fondsmæglerselskab A/S, Board member

Ken Villum Guldbrandt Klausen

Refer to page 6

Klaus Østergaard

Private-sector directorships:
Lunar Bank A/S, Board member

Jens Mikael Kristoffer Ismunden

Private-sector directorships:
Bosam Originator AB, Chairman
Bosam Fund I AB, Chairman
Bosam Group Holding, Board member
Bosam Service AB , Board member
Orbit Alliance AB, Chairman
AKTIEBOLAGET BAHIRRBA, Board member
BAHIRRBA BAHIRRBA AB, Board member
AB TRIPPELBAHIRRBA, Board member
Lunar Bank A/S, Board member

Claus Okholm

Private-sector directorships:
CEJ EJENDOMSADMINISTRATION A/S, Deputy chair
CEJ AARHUS A/S, Deputy chair
Lunar Bank A/S, Board member

Ola Nordbye

Private-sector directorships:
Lunar Bank A/S, Board member
Sure Inc. (US), Board member
XYB Ltd., Board member
Kontakt East Holding AB, Board member
100A, General Partner

Matthew Crispin Hurst Westerman

Private-sector directorships:
Schroder & Co Limited, Chairman
CHAIR MENTORS INTERNATIONAL LIMITED, Chairman
Lunar Bank A/S, Board member
Defence, Security and Resilience Bank, Board member
Schroders PLC, Non-executive director
MW&L Capital Partners, Director
Global Mentors Group Services Limited, Director
Merryck & Co Limited, Director
Mapletree US & EU Logistics Private Trust, Director
Global Advisory Board Kekst CNC, Member
Chiara and Falconera Trusts, Protector Council Member
Unisea Maritime Limited, Director
Giraffe Capital LLP, Member
Mossa Capital Partners SRL, Director

Strategic report



LUNAR

Founder & CEO letter

Ken Villum Guldbrandt Klausen
Founder & CEO



“We have spent years building the right foundation. Now we get to build what it was always intended for.”

Our financial wrap-up of 2025 is a story of deliberate choices compounding. Every decision we made to maintain costs, convert users, and deepen our infrastructure was designed to reinforce the next. Not a collection of initiatives but a single direction, executed consistently and reflected in the results.

In 2025 we moved users from free to paying tiers faster than in any previous year. Fee income became our largest revenue source and our business user base grew by 50%. A pace that would not have been possible without the infrastructure and market integrations we spent years putting in place. All while keeping costs stable and optimizing the business towards breakeven.

Paving the way for the next chapter

The commercial discipline of 2025 was never an end in itself. It was about positioning the organisation for a transformation that is already underway in financial services, and that will accelerate in the years to come.

Banking is one of the industries most exposed to the AI shift, and one of the least structurally prepared for it. Lunar was built from scratch, on modern, Nordic infrastructure, meaning we don’t have a legacy core to work around.

In 2025, this continued to show up in our operations in measurable ways. The share of user interactions handled by AI increased to 85 percent, up from 70 percent in 2024. At the same time, customer satisfaction improved, with more users giving customer satisfaction scores of 4 or higher compared to the end of last year. In short, we are resolving faster, and with less friction for our users.

But what we are building toward goes beyond efficiency. Invisible banking means financial services that work so well, and so quietly in the background, that they barely register as a separate activity.

This transition requires trust that is earned slowly, through experience, consistency, and tools that genuinely improve people’s financial lives, before they are asked to hand over any meaningful degree of control. We are clear-eyed about that, and that ambition is significant. The path to it is incremental and has to be.



What 2026 holds

We enter 2026 with a strong foundation in place and profitability well within our sights. The commercial fundamentals are in place and costs are under control. We have a growing subscriber base across consumer and business, and a Moonrise pipeline that is converting. In H2 we will launch our new lending offering, building out our full-service Nordic banking proposition and giving users access to credit on their own terms.

2026 is also the year when invisible banking moves from aspiration to practice. Not as a concept or a positioning line, but as a principle that influences what we ship. Features that anticipate rather than react. Experiences that make financial life simpler not by adding more, but by intelligently removing friction.

We have spent years building the right foundation. Now we get to build what it was always intended for. Because we believe the best financial experience is the one you barely notice.

That is what we are building.

Ken

Business model

Lunar is a digital challenger bank operating across Denmark, Sweden and Norway. Our business model is anchored in a Nordic, scalable technology platform that harmonizes direct customer relationships with high-growth, partner-led distribution channels The business model is built on diversified revenue streams across three segments: retail banking for private users, SME banking for businesses, and Moonrise, our banking infrastructure platform serving fintechs, PSPs and other enterprises seeking regulated Nordic access.

This diversification provides commercial resilience and multiple levers for growth. 2025 unfolded in a shifting macro environment. Falling interest rates pressured net interest income across the sector, but also stimulated business activity and transaction volumes.

Our fee-driven model proved resilient throughout, and the cost discipline we maintained across the year meant we were able to absorb the headwinds without losing momentum.

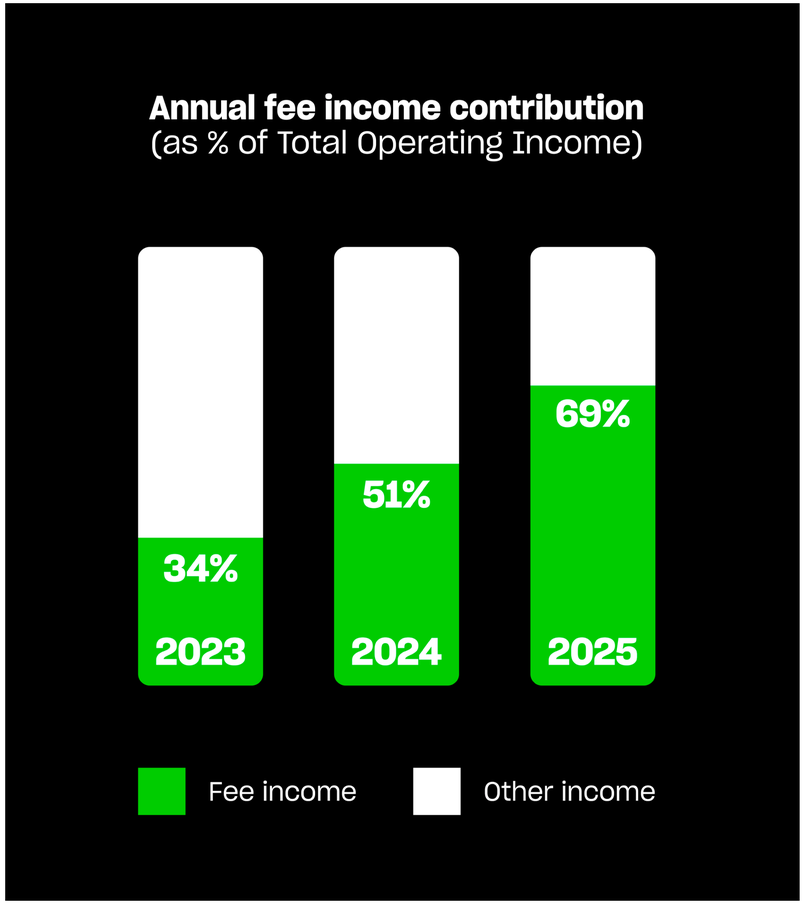
In 2025, fee income became our largest revenue source, reflecting the continued shift toward a subscription and transaction-driven model.

The tier structure, which allows users to choose between free and paid plans, is the primary engine of revenue per user. More than half of all new private users upgraded to a paid plan within their first week. Business banking grew by 50% across markets, and Moonrise deepened its client relationships reaching 19 international partners by the end of 2025.

Operational efficiency improved materially in 2025, supported by AI across customer support, onboarding, and internal functions, including technology, legal, and risk management. One in five newly founded Danish companies now chooses Lunar for its business banking, reflecting the strength of our onboarding proposition and the relevance of our product offering.

Moonrise Banking Services, our dedicated banking infrastructure platform, significantly accelerated its commercial trajectory in 2025. We expanded our enterprise client base to 19 international partners, driving a remarkable 2.5x year-over-year volume growth.

Having grown revenue nearly threefold during the year, Moonrise is now well positioned to contribute increasingly to our Group revenues as more global fintechs and PSPs leverage our regulated Nordic access.



Strategic outlook

Lunar's long-term ambition remains unchanged: making it simpler, smarter, and more transparent for people and businesses to manage their finances.

We enter the year with a restructured cost base, a revenue model increasingly driven by recurring fee income, and commercial momentum across all three segments. The cost discipline and operational improvements delivered in 2025 position Lunar clearly towards break-even.

In business banking, Sweden is a growing priority. Norway remains a focus for 2026, starting with business banking and expanding further into consumer banking over time. Moonrise continues to build its enterprise client base and is expected to contribute increasingly to Group revenues in the year ahead.

In H2 we will launch our new lending offering, building out our full-service Nordic banking proposition and giving users access to credit on their own terms. A dedicated team was established in 2025 to build a measured, scalable lending product that deepens our relationship with existing users and supports long-term margin improvement.

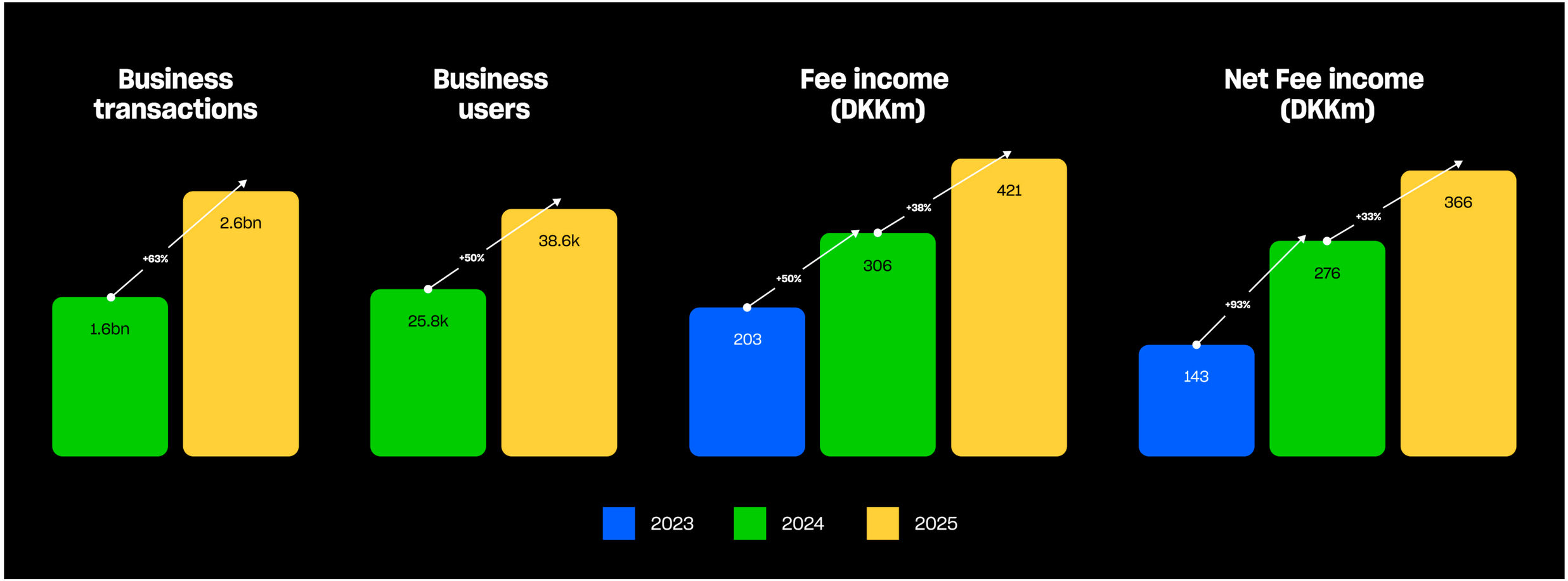
On product and technology, the shift in 2026 is from parity to differentiation. With a stable cost base and a growing revenue foundation, we can direct investment toward the features and experiences that will define Lunar's next chapter: more personalised, more anticipatory, and more deeply integrated into the everyday financial lives of our users. In Q4 2026, we will roll out a fundamental app redesign centered on the concept of Invisible Banking.

By deeply embedding AI into the core user experience, we are shifting from reactive interfaces to proactive financial management. The redesign intelligently anticipates user needs and removes everyday banking friction, ensuring that the best financial experience is the one our users barely even notice. This is what invisible banking means in practice, and 2026 is the year we start building it at scale.



Market Penetration Visual

Our proposition is strongly resonating within the Nordic entrepreneurial ecosystem, particularly in Denmark where one in five newly founded companies now chooses Lunar for its business banking. This remarkable market penetration reflects the strength of our seamless onboarding experience and the high relevance of our tailored product offering. As we replicate this momentum across the broader region, our business segment provides a substantial runway for continued, scalable growth.



Our Values

Be **brave**

Simplify & go

Empower our users

Push through **together**

Financial
Review



LUNAR

Chief Financial Officer's review

Robert Stambro
Chief Financial Officer



"Delivering on that plan required reshaping the organization, and throughout 2025, we built a leaner, more scalable operating model while continuing to grow."

Clear Path to Profitability

In last year's annual report, we set out a clear plan to profitability: optimize costs, accelerate revenue, and reach breakeven during 2026. Delivering on that plan required reshaping the organization, and throughout 2025, we built a leaner, more scalable operating model while continuing to grow. At the half-year, we reported that execution was running in line with expectations.

The full-year results confirm the plan is working. Earnings Before Tax, adjusted for non-recurring items, improved with 35% to DKK -197.6m (2024: DKK -305.1m), within the guidance we provided both at half-year and in the 2024 annual report. This represents a DKK 107.5m improvement, driven by 33% growth in net fee income and a 14% reduction in adjusted operating expenses. Our Business segment was the strongest contributor, with 60% growth in transaction volumes.

With over one million users across the Nordics and nearly 10,000 new customers joining every month on average during 2025, the platform continues to scale. Combined with the latest capital injection of DKK 352.5m, we entered 2026 with the operational foundation to reach break-even.

Strategic Outlook

Reaching breakeven in 2026 is driven by continued revenue growth while maintaining cost discipline.

Fee income remains the key growth driver, led by our Business segment where Sweden now surpasses Denmark in new business customer acquisitions and where, in Denmark, one in five newly founded companies already choose Lunar as their bank. This gives us a significant runway for continued growth across the Nordics.

Net interest income is expected to grow with deposit volumes, and the relaunch of lending products in H2 2026 adds a new revenue stream.

Moonrise Banking Services, having grown close to 2.5x in revenue during 2025 and signed major partnerships including VISA, is positioned to accelerate further as clients go live on the platform.

On the cost side, the organizational changes made in 2025 have established a structurally lower base.

"We will remain disciplined, but not at the expense of investing in growth where the returns are clear."

The capital raise completed in December 2025 and February 2026, with strong support from shareholders, ensures we are well funded to continue growing the business while reaching profitability.

Financial review

Total operating income decreased 3% to DKK 525.7m (2024: DKK 539.3m). In 2024 the loan book was sold and closed down, which means that the comparison period for the full-year 2024 contained interest rate earnings of DKK 89.1m from the sold loan book. By deducting that income, the underlying income grew by 17% year-over-year. This is also reflecting the revenue mix transition toward fee income. Fee income now accounts for 70% of total operating income, up from 51% in 2024 and 33% in 2023. Lunar is becoming a fee-driven business, reducing our sensitivity to interest rate movements.

Net fee income grew 33% to DKK 366.0m (2024: DKK 275.8m). The primary driver was transaction volume growth across the platform, with total banking transaction volumes reaching nearly DKK 30bn for the year, up 24% year-over-year. This growth was led by the Business segment, where transaction volumes rose over 60% and fee income increased 39%. The Consumer segment contributed double-digit growth in both subscription and transaction fees, supported by steady adoption of our paid-tier services.

Net interest income declined 39% to DKK 159.6m (2024: DKK 262.7m), primarily reflecting the full-year impact of the Swedish loan book divestment completed in 2024 and lower Nordic market interest rates. Adjusting for the loan book income in the prior year, underlying revenue decreased 8% due to the lower market interest rates. With deposit volumes continuing to grow and the relaunch of lending products in H2 2026, we expect net interest income to recover during 2026.

Operating expenses decreased 14% to DKK 699.8m (2024: DKK 812.1m), after adjusting for DKK 26.9m in non-recurring items related to organizational adjustments.

Net credit losses decreased to DKK 23.5m (2024: DKK 63.7m), primarily reflecting the absence of the Swedish loan book which was divested in 2024.

Profit/loss before tax The adjusted loss before tax improved to DKK -197.6m (2024: DKK -305.1m), after adjusting for non-recurring items of DKK 26.9m related to organizational adjustments.

Adjusted profit and loss	**2025 (DKK)**	**2024 (DKK)**	**Change (%)**
Net interest income	159.6m	262.7m	-39%
Net fee income	366.0m	275.8m	33%
Other operating income	0.1m	0.8m	-88%
Total operating income	**525.7m**	**539.3m**	**-3%**
*Underlying operating income**	*525.7m*	*450.2m*	*17%*
Operating Expenses	726.7m	1,115.2m	-35%
Adjusted Operating Expenses**	**699.8m**	**812.1m**	**-14%**
Net Credit Losses	23.5m	63.7m	-63%
Adjusted Net Credit Losses**	**23.5m**	**32.4m**	**-27%**
Adjusted Profit/Loss Before Tax	**-197.6m**	**-305.1m**	**35%**
Reported Profit/Loss Before Tax	-224.5m	-639.5m	65%

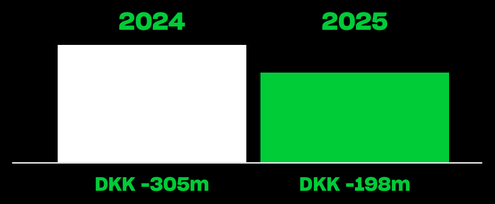
* 2024 underlying operating income excludes DKK 89.1m interest income from the Swedish loan book divested in 2024, shown for comparability with 2025.
** 2025 adjusted for DKK 26.9m non-recurring items related to organisational adjustments. 2024 adjusted for DKK 334.4m in extraordinary events: Instabank settlement DKK 188.6m, Paylike write-down DKK 55.9m, and Swedish loan book divestment DKK 89.9m of which DKK 58.6m in operating expenses and DKK 31.3m in net credit losses.

Key Performance Indicators
2024 vs 2025*

Income **+17%** **Net fee** income growth **+33%**

Cost **-14%** **Operational** Efficiency x1.5 → x1.3 Cost/Income ratio

Profit **+35%** **Earnings before tax** improvement



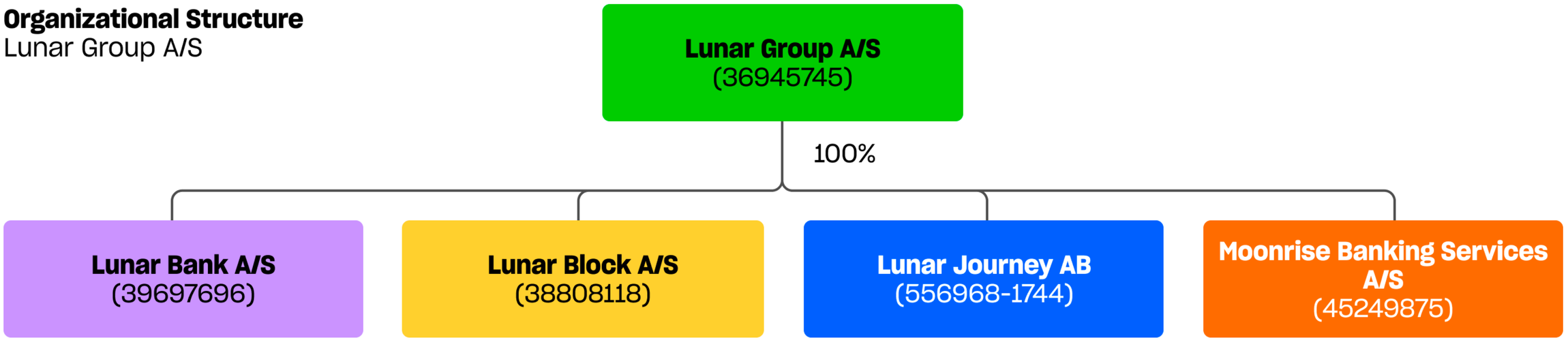
* Based on numbers excluding non-recurring items. 2024 income adjusted for DKK 89.1m interest from Swedish loan book divested in 2024, shown for comparability with 2025.

LUNAR

Overview of legal structure

During 2025, we simplified the Group structure by merging Lunar Way and Lunar Payments under Lunar Bank. This consolidation reduces complexity, improves operational efficiency, and provides a clearer view of risk exposures across the Group.

The Group structure at 31 December 2025 is disclosed below. All Group subsidiaries are fully owned (100%) by Lunar Group.



Events after balance sheet date

Following the year-end, Lunar Group finalized the second phase of the capital raise in February 2026, bringing total new capital to DKK 352.5m (including the first phase of DKK 139.5m completed in December 2025).

No further events have occurred after the balance sheet date, which could affect the assessment of the Financial Statements.

Assumptions and uncertainties

On an ongoing basis, management assesses the Group's capital resources in order to assess the soundness of the Group's investments in expansion. Based on approved budgets for 2026 and planned initiatives to ensure the path to profitability, management assesses that Lunar Group will comply with regulatory capital requirements throughout 2026.

In the nature of realising plans, budget planning, internal and external factors may create uncertainties related to realising those and in the event of delayed time to profitability or delayed impact of new product offerings, management has established contingency options related to the capital base which is considered sufficient to enable Lunar Group to comply with regulatory capital requirements throughout 2026.

Capital and liquidity

On 31 December 2025 Lunar Group's consolidated own funds, less deductions, amounted to DKK 624.1. With a total risk exposure (REA) of DKK 1,946m the capital ratio is 32.1%

In accordance with Commission Delegated Regulation (EU) 2020/2176 entering into force 23 December 2020, Lunar is able to recognise software assets in Common equity tier 1 capital which accounts for DKK 106.4m at the end of 2025. Other intangible assets amounting to DKK 96.2m are deducted in the own funds.

The consolidated solvency need is calculated as DKK 236.4m or 12.1% of REA. The total capital requirement, including the combined buffer requirement, amounted to DKK 333.3m or 17.1% of REA. Excess to the total capital requirement amounts to DKK 290.9m.

The risk based MREL requirement in force on 31 December 2025 is 17.9%, equivalent to DKK 348.3m. Excess to the risk based MREL requirement is DKK 275.9m.

Furthermore, the leverage based MREL requirement is calculated to DKK 401.7m or 3.4% of the total exposure measure. Excess to the leverage based MREL requirement is DKK 222.4m.

Lunar Group calculates the liquidity requirements on the basis of the Liquidity Coverage Ratio (LCR). On 31 December 2025 LCR was calculated at 1,095% against the 100% minimum requirement.

Based on the current requirements, the Group has a significant excess in relation to liquidity coverage regulatory requirements.

Additionally the Net Stable Funding Ratio is 1,139% against the 100% minimum requirement.

New capital requirements under CRR3 — opening effect as of 1 January 2025

The Capital Requirements Regulation 3 (CRR3), implementing the final Basel III reforms in the EU, entered into force on 1 January 2025. The following describes the impact on Lunar's risk exposure amount at the transition date.

Given Lunar's business model, the overall impact of CRR3 on the total risk exposure amount is assessed to be moderate, with the most significant effect relating to the revised operational risk framework.

Under CRR3, the previously available approaches for calculating operational risk have been replaced by a single standardised method based on a Business Indicator Component (BIC). For Lunar, the transition to the BIC method resulted in a marginal reduction in the operational risk exposure amount.

In addition, the Danish Financial Supervisory Authority granted Lunar permission in February 2025, pursuant to Article 315(2) of the CRR, to exclude amounts attributable to the disposed Swedish lending business from the Business Indicator.

This exclusion resulted in a more meaningful further reduction in the operational risk exposure amount. Combined, the two effects produced a net reduction in operational risk REA compared to the level reported under the previous framework at 31 December 2024.

Financial outlook

Lunar is on the path to profitability and expects to:

- Reach breakeven during 2026.
- Reach an Earnings Before Tax for the full year 2026 of DKK -75m to DKK 25m, excluding non-recurring items.

Social, Governance & Risk



LUNAR

Risk management

2025 in Retrospect

2025 was another eventful year for Lunar from a Risk Management perspective. Macroeconomic factors, such as geopolitical instability and the continued war in Europe, maintained a backdrop of uncertainty that required intensified risk focus across all risk types.

A major milestone during the year was the successful funding round, which materially improved our capital position and provided stability following the capital pressures experienced in 2024. Furthermore, during 2025, the organizational structure was simplified by reducing the number of legal entities within the Group, which has contributed to a clearer and more efficient consolidation of risk exposures.

Looking ahead, Lunar is preparing to restart lending activities during 2026. This will naturally place high demands on our risk management capabilities, and we maintain a strong focus on ensuring that our operational and technical setup is well-equipped to manage and monitor our credit risks effectively.

Risk Governance & Culture

A stable and robust Risk Management framework empowers the organization to make informed decisions that balance risk, return, and strategic objectives. To elevate this focus, Risk Management has been given a more prominent role on the executive agenda. This integration ensures that risk considerations are naturally embedded in overarching business planning, strengthening the risk management function's active involvement in strategic discussions and significant decisions.

Risk Management in Lunar is structured in accordance with the three lines of defence model. Relevant committees are anchored at the Board and Executive Management to monitor and perform oversight of risk exposure across risk types. To support this governance, we continuously foster a sound risk culture where employees at all levels are encouraged to raise concerns and share insights.

Risk taxonomy & risk appetite

The risk landscape in Lunar is defined by our Risk Taxonomy, which acts as a common reference point and ensures focus on all significant risk areas. In 2025, the taxonomy was updated to better reflect current organizational structures and the regulatory landscape, including DORA and AI. We also updated our risk appetite framework to provide clearer guidelines and requirements within our governing policies. This ensures that the risk levels acceptable to the Board of Directors are distinctly communicated to the business. Ultimately, this framework creates a solid foundation for taking on the right risks at the right time with open eyes, supporting Lunar's strategic scalability.

Control environment & reporting

Lunar's ambition to build an integrated offering within banking, payments, and investments remains unchanged, supported by a continued focus on the road to profitability and our strategic objective of "Scalable Banking". To support this strategy and the risk appetite level set by the Board of Directors, Lunar has seen an increasing integration of AI and automation across departments during 2025. While these technologies are crucial for improving efficiency and scalability, they also introduce new risk dynamics. Risk Management will have a heightened focus on AI and automation, in order to support this strategic direction. Furthermore, as our risk frameworks mature, our focus for the coming year will increasingly shift from control design to verifying operational effectiveness in our daily operations.

For more comprehensive information regarding our Governance and Risk Management, including our due diligence processes, key policies, and climate risk assessments, please refer to the Sustainability Statements chapter of this report.

People & Culture review

Sarah Wahlström
Chief People & Culture Officer

“The AI era is here and it’s our people who will define how we show up in it. In 2025, we invested in the humans behind the technology: their growth, their leadership, and their ability to move as one. We won’t just keep pace, we’ll set it.”



In 2025, the People & Culture team organized our work around five strategic priorities, each designed to strengthen the foundation that makes Lunar’s mission possible.

1. Organization Design & Effectiveness
Building the right structure — and making sure the right people are in it.

2. Leaders Prepared to Lead
Equipping our leaders with the development, tools, and confidence to guide the organization forward.

3. Employee Growth Experience
Giving employees clarity on how their contributions connect to the bigger picture — and a clear path to grow, both professionally and personally.

4. Lunar DNA
Ensuring that every employee and candidate feels the Lunar movement in every interaction, from first touch to daily life at work.

5. Smooth Experiences
Building frictionless people experiences, powered by technology.
Working closely with the business, we translated these priorities into concrete initiatives across the organization:

- Org reviews with a sharper focus on org health and talent planning
- Career frameworks rolled out across all functions, giving people a clearer view of where they stand and where they can go
- Twice-yearly structured conversations between employees and people leaders — creating space to align on contributions, growth, and goals
- Workspace improvements across all offices to support how people actually work today
- AI-powered tools that make information easier to access for both employees and leaders
- Automation of people processes to remove friction from everyday working life
- Leadership development programs designed to give our managers real confidence and capability
- A renewed focus on onboarding, so every new joiner hits the ground feeling set up for success
- Deeper embedding of Lunar’s values into the hiring process, making cultural and behavioural fit a core part of how we assess candidates

To make sure this work actually lands, Lunar measures engagement and development through monthly anonymous surveys — and takes the results seriously. Findings are discussed openly at Board of Director level, cascaded throughout the organization, and acted on at team level. Managers are continuously trained to lead meaningful engagement conversations with their teams, not just report numbers upward.

Because we believe a thriving organization goes beyond performance metrics. The wellbeing of our people — mental, physical, and personal — is treated as a genuine business priority. Throughout the year, we run initiatives spanning meditation, yoga, nutrition, and regular physical activity. These aren’t perks. They’re part of how we show up for our people the same way we ask them to show up for Lunar.

Statement on the representation of gender in the Board of Directors and other Management levels

Management
The Board of Directors is elected at the general meeting for the period until the next ordinary general meeting. For a full overview of management roles and directorships for the Board of Directors and Executive Board, please refer to the final section of the Management's review.

The Board of Directors continuously — and at minimum annually — assesses Lunar's overall and individual risk factors. It maintains guidelines across key risk areas, monitors developments, and ensures robust plans are in place for managing financial and non-financial risks alike. The Board holds overall responsibility, while the Executive Board manages daily operations and ensures compliance with relevant policies and regulation — including maintaining sufficient internal controls and rigour in the financial reporting process. Full details on Executive Board and Board of Directors remuneration are available at www.lunar.app.

Pay Equity & Fairness

Throughout 2024 and 2025, Lunar has invested in refining our salary review process — building in clearer principles around competency, performance, and values-driven behaviour to support fairer, more objective decision-making. Closing the gender pay gap has remained an active priority throughout. Pay equity and transparency aren't compliance exercises for us — they reflect what we actually believe about fairness at work. We're committed to leading in this space, and we see the EU Pay Transparency Directive not as a deadline to meet, but as a direction we've already chosen to move in.

Underrepresented gender percentage

	2023	2024	2025	%	Ambition 2026
Board (All)	9%	20%	**0 out of 10**	**0%**	40%
Board (Only Lunar Group)	0%	13%	**0 out of 8**	**0%**	40%
Executive Management Team*	50%	45%	**4 out of 10**	**40%**	40%
All Managers	38%	37%	**21 out of 58**	**36%**	45%

* The Bank Management team = Chief Risk Officer, Chief Financial Officer, Chief Operations Officer, Chief Executive Officer

For more comprehensive information regarding our People & Culture initiatives and processes, please refer to the Sustainability Statements chapter of this report.

Lunar Sustainability Statements 2025

The Sustainability Statement for Lunar Group covers the reporting period from 1 January to 31 December 2025. It is prepared on a consolidated basis mirroring the financial statements. This report is inspired by the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS), in compliance with Danish Executive Order no. 516 (17 May 2024). Although utilizing the Voluntary Standard for SMEs (VSME), we have incorporated elements of full adoption to ensure international comparability. The content is defined by our Double Materiality Assessment (DMA), supplemented by entity-specific disclosures. Note that specific sensitive details regarding information security have been omitted in accordance with allowed provisions.

Introduction letter

A Love Letter to Pragmatism, from the desk of the Head of Sustainability



A few years ago, our sustainability strategy was just taking shape. We have not yet adopted any standard, no materiality assessment, and no concrete plan. We had passion, certainly, but we lacked the map.

In 2025, that changed. We grew up. We moved from good intentions to full alignment with EU regulations, rigorous materiality assessments, and organizational goals that actually bite.

But growing up required some heartbreaks. With heavy hearts, we abandoned some truly amazing ESG projects this year. Why? Because we realized that unless we fix our own house first, everything else is just propaganda. We had to turn our gaze inward, to the unsexy, difficult work of Lunar's own value chain. We had to make ourselves sustainable before we could pretend to save the world.

The Art of Doing (Not Just Reporting)

We are glad of what we achieved in 2025. You will see in this report that we have declared war on carbon, but not with vague promises. We chose pragmatic calculations that translate into real actions, rather than just more paperwork.
We got real about the Value Chain: We launched a programme not to police our suppliers, but to help them access the knowledge and resources they need to progress. When they win, we win.
We put our money where our grid is: We are sponsoring renewables for our entire workforce and investing in new, tangible infrastructure right here in Denmark. This isn't just offsetting; it's supporting the transition.

We built a fortress of Due Diligence: We tightened our grip on the pillars that matter: People, Vendors, Security, and Clients.

The Human Element

Our material topics aren't just boxes to check; they are human commitments. We have doubled down on Equal Opportunities for all, ensuring that Lunar isn't just a workplace, but a place of fairness. For our clients, we focused on Financial Inclusion, making access to products and services easy for everyone, not just the privileged few. And yes, we continued the relentless work of Financial Crime Prevention and Business Continuity. It might sound dry, but assuring safe, compliant, and unstoppable operations is the bedrock upon which our idealism rests.

The Greed Trap (and How We Fight It)

Here is my confession: our biggest challenge isn't carbon or regulation, it is the tension between our idealism and our ambition. As Lunar grows, enters new markets, and launches new products, the temptation to get greedier, to choose speed over substance, will rise. The challenge is keeping our momentum without losing our soul. We are not perfect. We are a bank, and we are growing. But we have promised to put our hearts into keeping ourselves a little bit idealistic. We will stay rooted in science, committed to practical action, and conscious of our flaws.

The dream is on. But now, it has a plan.

Basis of preparation

The Sustainability Statement for Lunar Group covers the reporting period from 1 January to 31 December 2025. It is prepared on a consolidated basis mirroring the financial statements.

Corporate Structure & Scope

Lunar Group is headquartered at Hack Kampmanns Plads 10, 8000 Aarhus, Denmark (642110). The Group comprises the following entities, all legally organized as private limited liability organizations: Lunar Bank (641900), Lunar Block (582900), Moonrise Banking Services (661200) and Lunar Journey (7490), headquartered at Malmskillnadsgatan 44A, 111 57 Stockholm. While Denmark is the primary location and holds the majority of owned and leased assets, operations were homogeneously significant across Denmark, Sweden, and Norway as of 2025.

Regulatory Framework & Materiality

This report adheres to the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS), in compliance with Danish Executive Order no. 516 (17 May 2024). Although utilizing the Voluntary Standard for SMEs (VSME), we have incorporated elements of full adoption to ensure international comparability. The content is defined by our Double Materiality Assessment (DMA), supplemented by entity-specific disclosures. Note that specific sensitive details regarding information security have been omitted in accordance with allowed provisions.

By adhering to the CSRD and ESRS frameworks, this consolidated Sustainability Statement also serves to fulfill Lunar Group's statutory reporting obligations pursuant to sections 99 a (sustainability), 99 b (underrepresented gender), and 99 d (data ethics) of the Danish Financial Statements Act.

Time Horizons

Disclosures align with standard ESRS time horizons: Short-term: Current financial year, Medium-term : 1 to 5 years and Long-term: 5 to 10 years.

Data Uncertainty & Estimation

We acknowledge the inherent uncertainty in calculating indirect (Scope 3) emissions due to reliance on third-party data and generalized emission factors. To mitigate this, Lunar has migrated to a fully auditable, data-driven calculation engine to minimize error. Furthermore, we actively collaborate with suppliers representing over two-thirds of our Scope 3 emissions to replace generalized estimates with precise, activity-based data.

Introduction & Commitment

Ambition

Lunar's core ambition is to drive a sustainable future by integrating responsible practices directly into our business model. Leveraging our scalable digital platform, we collaborate with stakeholders to address systemic challenges, specifically prioritizing climate change mitigation, equal opportunities, privacy, financial crime prevention, and business continuity. Sustainability is not an add-on but a central operational pillar designed to support the planet, the economy, and society.

Adoption of CSRD Reporting

For the 2025 reporting cycle, Lunar has proactively adopted the EU Corporate Sustainability Reporting Directive (CSRD) ahead of the mandatory schedule. This framework requires disclosing material sustainability matters using a double materiality perspective: Impact Materiality: Our positive and negative effects on people, society, and the environment and Financial Materiality: Sustainability-related risks and opportunities affecting Lunar's own financial value.

Materiality Assessment and Future Outlook

'For the 2025 reporting cycle, Lunar has proactively adopted the EU Corporate Sustainability Reporting Directive (CSRD) ahead of the mandatory schedule.'

Lunar completed its initial CSRD Double Materiality Assessment (DMA) in early 2025. Recognizing the evolving regulatory landscape, we will perform the DMA bi-annually to ensure our reporting remains relevant and aligned with the latest guidance. The 2025 material topics align directly with our purpose, strategy, and stakeholder priorities.

Defining Materiality and Strategic Resilience

The 2025 DMA identified key Impacts, Risks, and Opportunities (IROs) mapped across the value chain and time horizons. Beyond standard ESRS disclosures, Lunar proactively included three entity-specific matters: Enabling efficient markets and talent, Financial Inclusion, and Business continuity management.

Our strategic resilience is continuously evaluated through annual business planning (covering 1 to 5 years). These processes assess Lunar's capacity to address material risks and seize opportunities, ensuring we adapt to emerging trends and regulatory changes.

Financial Effects and Risk Outlook

Lunar has not currently identified any material risks significantly affecting the organization's financial position, performance, or cash flow for the next reporting period. However, Privacy, Financial Crime, and Business Continuity are treated as intrinsic risks and are managed strictly within the Enterprise Risk Management (ERM) framework.

DMA Process: Impact, Risk, and Opportunity Management

In accordance with ESRS, Lunar's bi-annual DMA process integrates into our broader risk and strategy frameworks. It employs a double materiality perspective:

- **Impact Materiality:** Effects of Lunar's activities on stakeholders, society, and the environment.
- **Financial Materiality:** Sustainability risks and opportunities impacting Lunar's enterprise value.

The process follows four systematic steps: 1. Contextual Understanding (Value chain analysis), 2. Identification (Potential IROs), 3. Assessment (Evaluating materiality), and 4. Determination (Finalizing topics for disclosure).

Key Outcomes of the 2025 Assessment

- **Scope:** The matrix consists of 10 topics and 12 sub-topics. The majority are Social and Governance matters, while Environmental topics are concentrated in the upstream value chain.
- **Net Positive Profile:** Due to its digital, scalable model, Lunar presents more opportunities and actual positive impacts than negative ones.
- **Carbon Focus:** The sole actual negative impact identified is emissions, validating the organization's intense strategic focus on its Carbon Neutrality trajectory.

	Topic	Sub-topics	IRO	Upstream	Own Activities	Downstream	Short term	Medium term	Long term
E1 - Climate change	Climate change mitigation		Actual Negative impact	✓	✓	✓	✓		
			Opportunity	✓		✓	✓	✓	
S1 - Own workforce	Working conditions	Gender related issues	Actual Positive impact		✓			✓	
	Equal treatment and opportunities for all	Training and Skills Development	Potential Negative mpact						
		Enabling Efficient Markets and Talents	Actual Positive impact		✓		✓	✓	
			Actual Positive impact						
S4 - Consumers and end-users	Privacy Non-discrimination Access to products and services Financial inclusion		Risk	✓	✓	✓	✓	✓	
			Actual Positive impact			✓	✓	✓	✓
			Actual Positive impact						
G1 - Business conduct	Corporate culture Financial crime and fraud Business continuity management		Opportunity		✓			✓	
			Risk						
			Opportunity	✓	✓	✓	✓	✓	✓

Business model and strategy

Lunar is a Nordic digital bank providing regulated products and services to private consumers, small and medium-sized enterprises (SMEs), and third-party financial institutions. Our business model is anchored in a shared, scalable technology platform that harmonizes direct customer relationships with high-growth, partner-led distribution channels.

The Group's core product and service segments are outlined below:

- Consumer Banking Services (Retail): Lunar delivers a comprehensive digital banking experience to private individuals through an intuitive mobile application. Our consumer offering centers on everyday financial empowerment, featuring payment accounts, debit cards, and sophisticated savings products alongside digital tools for budgeting and subscription management. These services are monetized through transparent, tiered subscription plans.

- Business Banking Services (SME): We provide tailored digital solutions to micro-SMEs and sole proprietorships, addressing the unique needs of small limited companies. The suite includes business accounts, multi-user role permissions, invoicing, and expense management tools, with seamless integration into major accounting software.

- Customer acquisition is accelerated by a robust partner ecosystem, including business formation and accounting platforms, enabling efficient, scalable distribution while upholding rigorous onboarding and compliance standards.

- Banking Infrastructure and Platform Services (Moonrise): Moonrise is the Group's dedicated B2B infrastructure arm, providing regulated payment and account services to financial institutions and global platforms. By offering a single-point integration into Nordic clearing systems, Moonrise allows partners to leverage Lunar's core banking capabilities. While operationally distinct, Moonrise utilizes the Group's underlying technology stack, creating significant economies of scale.

- Card and Payment Infrastructure: Across all segments, Lunar operates a high-performance card and payments stack supporting domestic and international real-time processing. Continuous investment in platform modernization ensures the scalability and resilience required for rapid product deployment.

- Embedded Finance and Partner-Enabled Services: Lunar facilitates embedded finance by allowing third parties to integrate account and payment functionality directly into their own products. This "Banking-as-a-Service" (BaaS) approach reduces regulatory complexity for partners while expanding Lunar's aggregate transaction volumes and market footprint.

Operational Footprint and Market Presence

Lunar operates across the Nordic financial services landscape, targeting three distinct pillars:

- **Retail Banking (B2C)**: Active in Denmark, Sweden, and Norway.
- **SME Banking (B2B)**: Focused on Denmark and Sweden, with a strategic roadmap for further Nordic expansion.
- **Banking Infrastructure (B2B/Wholesale)**: Providing regulated infrastructure services across selected markets via Moonrise.

Our activities are concentrated in the Nordic region, with Denmark serving as the primary regulatory and operational hub. The model is sustained by a diversified mix of regulated supplier partnerships, direct-to-consumer relationships, and deep-tier partner distribution.

Customer Diversification & Multichannel Distribution

Our customer base is highly diversified across retail consumers, SME owners, and institutional partners. No single customer represents a material portion of the Group's revenue, ensuring a resilient income profile.

We drive growth through three primary channels:

- **Direct Digital:** In-app and web-based onboarding for consumers and SMEs.
- **Partner-Led:** Strategic referrals via accounting and SME software ecosystems.
- **Institutional B2B:** Direct relationships with platforms utilizing the Lunar Bank A/S license and infrastructure.



Our sustainability strategy

Lunar's approach to sustainability is as disruptive as our business model. Our strategy is built on scientific principles and regulatory requirements, designed to be objective and to solve significant problems across environmental, social, and governance dimensions. We deal with environmental topics through a lens of scientific facts and ground our governance aspects deeply in regulations and principles of law.

We believe the only way to tackle large, complex challenges is brick-by-brick, working every single element step-by-step, prioritizing substance over popular terminology or empty words.

Strategic Priorities and Material Topics

- Our strategy is focused on five main material topics that are most relevant to our role in society and which will create the most significant value for our stakeholders, including our people, investors, clients, and users.

- **Carbon Neutrality:** Our strategy is centered on addressing indirect emissions (Scope 3) across our value chain. This is the most relevant challenge and the one that matters most for achieving our net-zero goal.

- **Equal Opportunities for All:** We aim to create an environment perceived as genuinely fair and equal for everyone. We have mechanisms in place to secure the applicability of this principle with full transparency, regardless of human characteristics or relationships.

- **Privacy:** We treat the privacy of our people, suppliers, and users as a primary protective priority, regardless of regulatory requirements. We continuously look for the best applicable framework to protect this personal asset.

- **Financial Crime Prevention:** This is a top responsibility to society where we aim to excel beyond regulatory requirements. Our goal is to understand, foresee, prevent, and mitigate crimes that pose a risk not only to us but also to society and people.

- **Business Continuity Management:** To assure our ongoing and unstoppable existence regardless of foreseen or unforeseen events. Our objective is to excel across technical and physical barriers to keep providing excellent service and purpose to our users.

'We believe the only way to tackle large, complex challenges is brick-by-brick... Prioritizing substance over popular terminology or empty words'

Embedding Sustainability Across the Value Chain

To ensure a holistic and impactful approach, Lunar is fundamentally changing how we operate across our entire value chain.

- **Responsible Sourcing:** We are formalizing and enforcing stricter procurement standards to prioritize working exclusively with sustainable suppliers who meet rigorous environmental and social performance benchmarks.
- **Material Innovation:** We are driving change by embracing green raw materials with lower environmental footprints. Crucially, this involves a major shift in our packaging strategy, transitioning toward renewable, recyclable, and compostable alternatives.
- **Decarbonizing Operations**: Our transition plan outlines a carbon neutrality trajectory to 2040, with a focused strategy to address Scope 3 (indirect) emissions across our operations.
- **Plastic Stewardship:** We have set clear objectives to address card plastic usage and are actively investing in circular systems to manage all remaining plastic responsibly.

A Commitment to Lasting Impact

Our mission is to execute this strategy meaningfully and in a lasting way, creating verifiable value for every problem solved and every challenge overcome. We have no interest in public spotlight or publicity stunts; we want the outcome of our strategy to last and be an asset for our users.

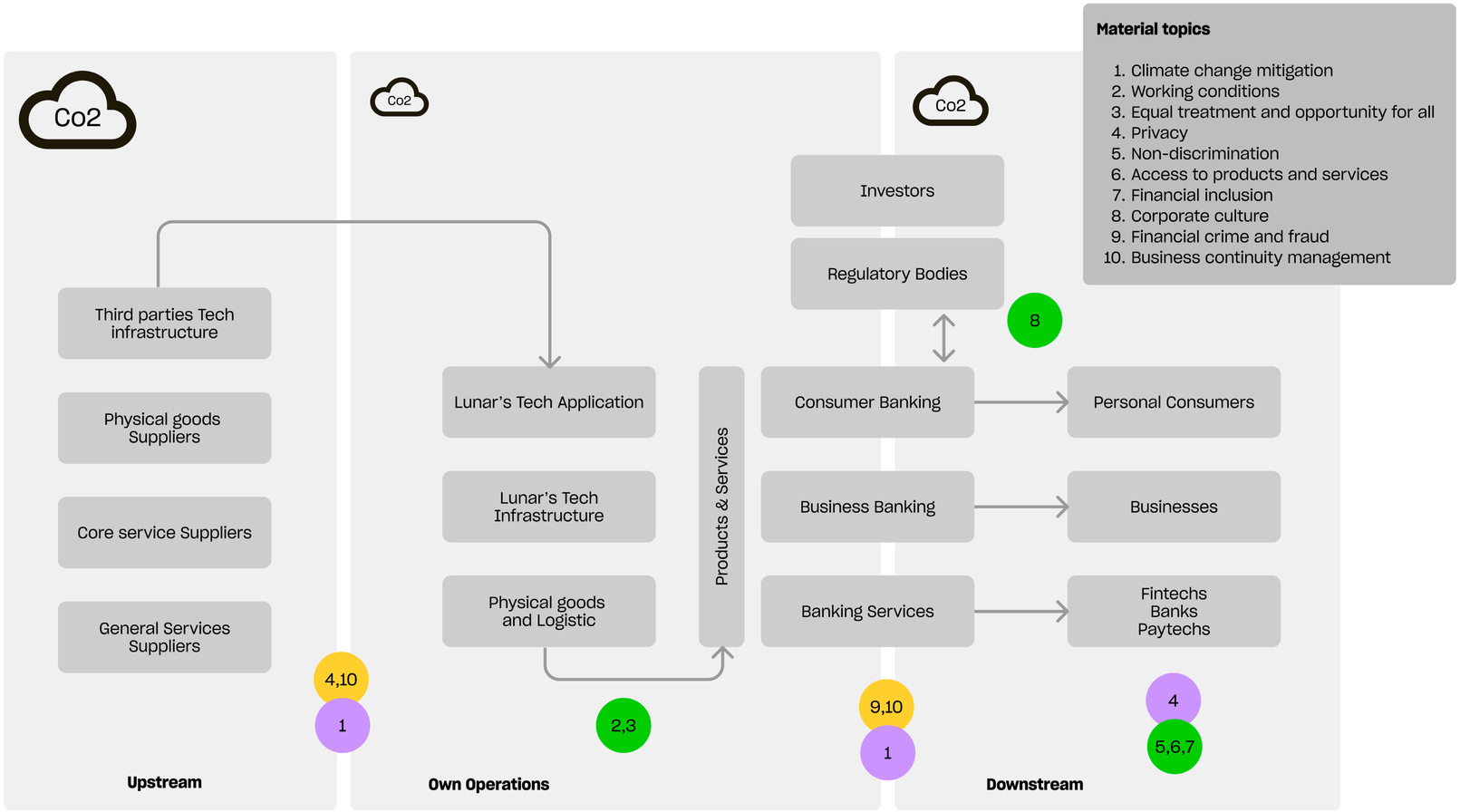
Our teams are composed of science-based, experienced professionals whose core values are centered on delivery and the achievement of these goals, not just for the current reporting cycle, but for our ever-lasting operation.

The strategy is currently under construction. We have adopted the Corporate Sustainability Reporting Directive and are aligning our actions toward this and other current and upcoming regulations, even those that do not yet legally apply to us. We strive to reach and excel at these high standards.

Our approach will be flexible and fluid: based on achievement, testing, succeeding, and learning from error. It will change year after year, observing scientific data, adjusting, and continuously moving forward toward the end goal.

We recognize this will be hard and a long journey. We will face problems and challenges that might change the entire game. But we are committed to overcoming them and remaining loyal to our goals, knowing that success may take several attempts and turnarounds, but never a u-turn.

Value Chain and Sustainability Overview



A core requirement of the Corporate Sustainability Reporting Directive (CSRD) is the inclusion of material sustainability matters across a company's upstream, own operations, and downstream value chains. Lunar's structured value chain analysis highlights where our most significant impacts and responsibilities lie.

Upstream: The upstream value chain is built on the essential services and resources required for our operations, primarily focusing on suppliers. This segment includes Third-parties Tech Infrastructure, Physical goods Suppliers, Core Services suppliers, and General Services Suppliers. Sustainability here focuses heavily on Climate change mitigation and responsible sourcing practices and the carbon footprint of our supply chain, along with Business continuity management and Privacy.

Own Operations: Lunar's internal operations are critical for managing our direct impacts. This segment includes our core Tech Infrastructure, internal Logistics, and the execution of our Products & Services. The material topics prioritized in this segment are: working conditions and Equal treatment and opportunities for all; and Corporate culture and risk management practices vital for preventing Financial crime and fraud.

Downstream: The downstream segment comprises our diverse customer base, including Personal Consumers, Businesses, Fintechs, Banks, and Paytechs. This is where Lunar's highest-impact environmental and social matters are concentrated. Additionally, social topics like Privacy, Financial Inclusion, and Access to products and services are key to serving our user base effectively.

Material Topics Across the Chain: Lunar addresses ten key material topics across the value chain. The complexity of our emissions means that the challenge of Carbon neutrality is addressed essentially through supplier emissions (upstream). Similarly, Business continuity management is essential across all three segments to ensure reliable service delivery.

Engaging Stakeholders: Building Strategy through Dialogue

Lunar fosters long-term collaboration with customers, suppliers, investors, employees, and society. Continuous interaction ensures their needs are prioritized in our decision-making. These insights are fundamental to understanding our external impact, refining our business model, and accurately identifying material sustainability topics. We operate a policy of continuous listening, prioritizing Employee and Customer feedback:

Client and User Insights: User feedback is openly disclosed across the organization. We apply robust verification and root-cause analysis to drive operational improvement and service quality.
Employee Engagement: Moving beyond static annual surveys, we maintain an ongoing, year-round dialogue. Employees utilize an anonymous, constant platform to provide candid feedback, ensuring our culture remains dynamic and responsive.

Stakeholders	Type		Engagement (summary)
	Affected stakeholder	Users of the Sustainability Statements	
Customers	X	X	Customer services, press, online and phone channels
Employees	X	X	Daily operations, surveys, personal interactions, online interactions
Shareholders and Investors	X	X	Official meetings, press, assessments
Suppliers	X	X	Daily operations
Society	X	X	Programmes, products, press, campaigns

General Governance and Sustainability

At Lunar Group, we believe that for sustainability to be truly impactful, it cannot exist independently from daily operations. It must be an integrated part of how we operate, govern, and manage risk. This section outlines our approach, ensuring that environmental, social, and governance factors are not just “add-ons” but part of our day to day operations.

Integrating Sustainability into Governance and Risk
Sustainability is a core component of our general governance through the change governance processes and the ongoing work with managing risks. By embedding ESG considerations into our existing structures, we ensure consistency and accountability across all levels of the organization.

- **Risk Management Processes:** We view sustainability-related risks as part of our day to day work with risks. These are assessed through our double materiality process and then embedded into our Risk Impact Assessment processes (RIA), ensuring that ESG risks are identified, quantified, and mitigated with the same rigor as other types of risks.

- **Change Governance:** Our commitment to sustainability extends to how we evolve. Within our change governance framework, the SOC process, any new product launch, strategic initiative, or significant process change is evaluated against its potential impact on our sustainability goals. This approach ensures that our growth remains based on awareness of ESG related risk.

Roles and Responsibilities - ensuring the effective execution of our sustainability strategy

Entity	Primary Responsibility
Board of Directors	Sets the overall strategic direction and approves the Sustainability Policy. They provide oversight to ensure the bank’s long-term viability and ethical standing. Receives ongoing reporting on sustainability topics.
Executive Management	Responsible for operationalizing the principles set by the BoD. They ensure that sustainability is prioritized across all business units and departments.
Chief Executive Officer	Leads the implementation of the sustainability strategy. Together with Executive Management and Head of Sustainability, the CEO ensures that the bank has the resources and culture necessary to meet its ESG targets.
Audit and Risk Committee	Acts as the central hub for monitoring and is an essential part of the double materiality process, to ensure the bank remains within its risk appetite.
Head of Sustainability	Responsible for the design and delivery of the Group’s sustainability strategy and reporting initiatives, including conducting double-materiality assessments, climate risk assessment, ESG risk monitoring, and ensuring full compliance with current and evolving regulations within the EU and globally
Independent control functions	Risk Management acts as independent control functions verifying that all risks, including sustainability related risks are identified, managed and reported, according to the double materiality assessment; Compliance ensures compliance with regulatory requirements and Internal Audit independently evaluates Lunar’s operations and gives assurance to the Board and the Executive Management that

Lunar’s due diligence processes

Lunar has several due diligence processes. Some of the key processes are:

Category	Our Due Diligence Process
People and Workforce	Our hiring framework is designed to ensure a consistent, merit-based, and unbiased selection process across all business areas. The standard recruitment lifecycle follows a structured three-stage evaluation: an initial screening by a Talent Partner, a competency interview with the Hiring Manager, and a final assessment which involves either a practical case study or a stakeholder meeting. To minimize unconscious bias and ensure objective decision-making, we enforce the use of standardized interview scorecards and pre-defined question banks for all roles. For senior positions and people management roles, the process is further strengthened by a dedicated leadership interview to assess cultural alignment and management capability. As part of our candidate due diligence, all applicants complete a behavioral assessment using the Predictive Index tool. The insights from this assessment are used to formulate tailored interview questions, ensuring a deeper evaluation of leadership potential and working style. Finally, to verify professional history and integrity, we conduct mandatory background checks, requiring a minimum of two professional references for every successful candidate before an offer is finalized.
Suppliers (Tech & Security)	Due diligence for our supplier network focuses on mitigating operational and digital risks by aligning with DORA and cybersecurity and risk frameworks. We prioritize security through comprehensive risk assessments that track the effectiveness of partners’ privacy and data protection performance, ensuring all business relationships meet our strict technological and security standards.
Consumption (Sustainability)	Every supplier and product acquired is subject to a sustainability assessment aligned with OECD guidelines, with mandatory reassessments conducted every year. Our process specifically targets the prevention of human rights violations, forced labor, and the protection of biodiversity, ensuring our procurement remains responsible and transparent, assessing elements such as Net-Zero Alignment, Carbon Footprint Calculation, Working Conditions Assurance, Human Rights Commitment, Child Labour Prevention, Anti-Corruption Compliance and Whistleblowing Mechanism.
Clients (KYC & AML)	Lunar ensures financial integrity through a risk-based framework where leadership oversees due diligence, transaction monitoring, and sanctions screening to effectively combat financial crime. This systematic approach includes enhanced measures for Politically Exposed Persons (PEPs), requiring senior approval and wealth verification to minimize corruption risks. By continuously testing and updating these controls, Lunar ensures its operations remain resilient and fully aligned with evolving regulatory standards and industry best practices. Ultimately, this structured process maintains a transparent and responsible foundation for customers, partners, and society alike.

Lunar's Governance and Sustainability Policy Framework

Lunar operates under a comprehensive set of publicly available policies that address key material topics such as Climate Change, Own Workforce, Customers & Users (C&EU), and Business Conduct. The table below summarizes these policies, their alignment with sustainability categories, and the main functions responsible for their execution.

These policies are designed to promote and accelerate Lunar's journey toward a more sustainable economy, supporting both present and future goals, as most are already implemented and actively generating measurable outcomes. Specifically regarding environmental issues, Lunar's Sustainability Policy places a high focus on optimizing operations, including reducing water and electricity consumption, which contributes directly to reducing GHG emissions and preventing pollution. All policies are available for review on Lunar's website.

Policy	Primary Sustainability Category	Main Responsible Function for Execution
Sustainability Policy	Governance (Strategy, Risk) & Environment	Head of Sustainability, Board of Directors
IT Security Policy	Governance (Digital Resilience) & Environment (Infrastructure)	Director of 1st Line Risk Management
Policy for Healthy Corporate Culture	Social (Working Conditions, Non-Discrimination) & Governance (Ethics)	Chief People and Culture Officer (CPCO)
Compliance Policy	Governance (Regulatory Adherence)	Head of Compliance (HoC)
Financial Crime Policy	Governance (Business Conduct, Financial Crime)	Financial Crime Risk Management (MLRO)
Diversity Policy	Social (Equal Opportunities, DEI&B)	Chief People and Culture Officer (CPCO)
Data Protection Policy	Social (Privacy) & Governance (Information Security)	Legal & Banking (1st Line Data Protection Team)
AI Policy	Social (Privacy) & Governance (Information Security)	Director of 1st Line Risk Management

Summary of Most Relevant Policies

Sustainability Policy: Integrates climate, social, and governance factors into strategy and operations, anchored by the Double Materiality Assessment and EU regulations. It maintains a conservative risk appetite managed via KRIs. Mandated actions include an annual GHG Transition Plan, strict Supplier Standards, and governance integration.

IT Security Policy: Focuses on DORA compliance and asset protection using a risk-based "Three Lines of Defence" model. It enforces centralized access, least privilege, and cloud security. Operational requirements include mandatory Digital Operational Resilience Testing, annual penetration testing, and mandatory security awareness training for all personnel.

Policy for Healthy Corporate Culture: Sets ethical guidelines with zero tolerance for financial crime, discrimination, harassment, or prioritizing revenue over conduct. It mandates reporting of suspicious behavior and requires leaders to report on policy execution to the Board annually.

Compliance Policy: Ensures adherence to the letter and spirit of the law with zero tolerance for breaches. Operating on a "Three Lines of Defence" model (Compliance is the independent 2nd Line), the Head of Compliance and CRO have direct Board escalation lines and must submit annual reports to the Audit & Risk Committee and the Board.

Financial Crime Policy: Prevents misuse (ML, fraud, sanctions, bribery) using a risk-based approach. The MLRO must conduct a Business Wide Risk Assessment (BWRA) annually. Operational mandates include ongoing Customer Due Diligence (CDD), mandatory employee training, and screening against financial sanctions lists.

Diversity Policy: Outlines DEI&B principles aligned with the Danish Financial Act, defining diversity by competence mix rather than just demographics. Implementation involves fair assessment practices in hiring and specific action plans if gender targets are not met.

Data Protection Policy: Ensures GDPR compliance acting as a Data Controller (focusing on transparency, minimization, and integrity). Managed by the 1st Line Data Protection Team, it requires continuous documentation and "Privacy by Design" integration into all new product developments.

AI Policy: Governs the responsible, ethical, and trustworthy lifecycle of AI systems across our value chain. It aligns AI usage with strategic objectives through a human-centric design framework, ensuring that all deployments are necessary, safe, and pose no harm to operations or clients.

Conflict of Interest Policy: Safeguards Lunar's interests by establishing strict principles to prevent actual or potential conflicts arising from Board members' professional or personal activities. The policy aims to prohibit unethical gain (financial, professional, or political) and mitigate legal liability or discord across all Group entities.

Future-Proofing Our Policies: Targets and Transparency

We recognize that the current set of policies does not yet include specific, measurable targets for all areas. This absence is a deliberate part of our evolution, as the organization is actively deliberating the precise scope and metrics for these targets. They will be developed and integrated as we continue to enhance our comprehensive sustainability and overall business strategies.

To strengthen our commitment across the value chain, the organization plans a significant governance update in 2026. This includes the development and formal adoption of both a Sustainable Procurement and Supplier Policy and a Suppliers Code of Conduct. This foundational work will ensure our sourcing practices are aligned with our long-term ESG commitments and regulatory expectations.

Sustainable Practices to Accelerate Lunar's journey toward a more sustainable economy

'In 2025 alone, we avoided a market-based CO2e emission of 865 tonnes... matching each employee's home electricity use with renewable energy. '

'We are taking a significant step in our sustainability journey by extending our internal tools and opportunities to our suppliers, empowering them for their own transition and the benefit of the broader industry. '

Green Energy for our employees

As part of our ongoing sustainability efforts, we have secured green energy for Lunar's offices (Scope 1 and 2), and in 2025 we extended this initiative to cover the electricity consumption of all employees' homes in Denmark and Sweden. Lunar now matches each employee's home electricity use with renewable energy.

This collective approach significantly amplifies our positive impact: in 2025 alone, we avoided a market-based CO_2e emission of 865 tonnes (The market-based emissions are calculated annually by Energinet in June. The most recently updated emission factor therefore relates to 2024 and amounts to 450.09 g CO_2e per kWh. Source: https://energinet.dk/media/3edj3rda/generel-eldeklaration-2024-med-revision.pdf. Our renewable energy is sourced from the Ingerslev Å Solar Park in Jutland.

For transparency, we use official government statistics to calculate household consumption in year one, with plans to allow more detailed personal input in future years.

Sustainable Value Chain Programme

Achieving carbon neutrality requires collective action. For Lunar and many organizations, the majority of emissions are indirect, outside our own operations and originating within the wider value chain. While optimizing our own operations is necessary, real, meaningful progress demands looking beyond our footprint and engaging our entire value chain.

At Lunar, we believe true impact comes from proactive support and genuine partnership, not just education. We are taking a significant step in our sustainability journey by extending our internal tools and opportunities to our suppliers, empowering them for their own transition and the benefit of the broader industry.

In 2025, the Programme started small and objective, committed to growing and evolving together. Here's how we are supporting our suppliers, particularly small and medium enterprises:

- **Renewable Energy Access:** We are extending our renewable energy frameworks to suppliers. This provides them with easy and affordable access to verified renewable energy sources and guarantees of origin, making the fundamental steps for Scope 1 and 2 transition feasible.
- **Carbon Calculation Tools:** We are expanding our carbon calculation partnerships to offer a tailor-made, affordable solutions. It will enable suppliers to securely and accurately calculate their Scope 1, 2, and 3 emissions under the GHG Protocol.
- **Advisory Services:** Once suppliers have calculated their footprint, we will offer no-cost advisory services to help them develop their own transition plans, aligning with frameworks like ESRS and moving toward carbon neutrality.

Our goal is to equip our value chain partners with the tools, access, and knowledge needed to advance their sustainability journeys, thus supporting not only Lunar's transition plan but also contributing positively to the industry as a whole.

Environmental information



Climate Change Mitigation

Lunar recognizes its critical role within the financial industry in the transition to a more sustainable society, and accepts the responsibility to address climate challenges by mitigating climate change and its impacts, in alignment with the goals of the Paris Agreement. This commitment extends across our operations, business partners, and suppliers.

Strategy: A Scientific and Direct Approach

Lunar's strategy for climate action is straightforward and grounded in the technical aspects of a proper, scientific transition plan. The core elements of this strategy are:

- A strong, analytic understanding of our direct and indirect emissions data.
- The creation and execution of levers to address every single emission source across our own operation and value chain.
- A strong focus on Scope 3 indirect emissions within our suppliers.

This direct strategy seeks real and substantial results. It is also part of our developing strategy to initially assist our suppliers and clients in having the means to understand their own data and situation concerning climate change emissions. Subsequently, we aim to cooperate and work together to align their objectives with Lunar's. Lunar aspires to become a reference within the banking sector, promoting and enabling the transition towards a more sustainable industry and society.

Transition Plan and Focus Areas

Lunar is actively working toward a low-carbon economy and has established a Group-wide transition plan in accordance with CSRD requirements. A key component of this plan is the target of net zero emissions across the entire Lunar value chain.

- **Primary Focus:** Lunar's work is concentrated on the upstream value chain, with special attention to Purchased Goods and Services (suppliers), as these represent almost the totality of Lunar's emissions.
- **Responsible Sourcing:** Lunar is strengthening its procurement process by integrating comprehensive sustainability criteria at every stage, from supplier selection to contract management and performance evaluation. This includes prioritizing suppliers with strong ESG credentials, setting minimum sustainability standards, and regularly assessing performance against these.

Decarbonisation Targets

Lunar is committed to achieving net-zero by 2040, supporting the global initiative to limit the temperature rise to 1.5C above pre-industrial levels. Our structured approach to reducing emissions is as follows:

Overall Goal: Achieve carbon neutrality by 2040, with at least 80% of neutrality achieved through reductions in direct and indirect emissions from our own operations. The remaining 20% will be achieved through verified offsets.

Targets:

- 2025 to 2030: Target a 20% reduction in Scope 3 emissions versus baseline.
- 2030 to 2035: Aim for a further 30% reduction in Scope 3 emissions versus baseline.
- 2035 to 2040: Aim for an additional 30% reduction in Scope 3 emissions versus baseline.

Environmental Strategy and Net Zero Ambitions

Our environmental strategy prioritizes the most significant area of our footprint: indirect emissions from third party suppliers. In 2025, we implemented rigorous controls and a modernized vendor management process to collect granular environmental data and select partners aligned with our transition toward net zero emissions.

Key environmental initiatives include:

- **Carbon Footprint Accuracy:** Transitioning in 2025 to a digitised GHG accounting platform for carbon calculations, enabling granular coverage of all purchased goods and services. This will ensure 100% spend coverage, prevent double counting between spend- and activity-based calculations, and align with Greenhouse Gas Protocol best practices.

- **Supplier Engagement:** Collecting detailed data from Tier 1 and Tier 2 suppliers while working to provide SME suppliers with tools to measure their own footprints.

- **Regulatory Alignment:** While currently a retail bank with no lending exposure, we have integrated environmental criteria into potential future lending processes and aim to implement the EU Taxonomy between 2026 and 2027.

Energy and greenhouse gas emissions

For 2025, our primary focus and most significant evolutionary step was achieving a new level of precision in our environmental data. We have successfully transitioned to a highly accurate carbon footprint calculation model that now encompasses 100% of the organization's value chain. This rigorous methodology is fully aligned with the Greenhouse Gas Protocol best practices and ensures our data is robust, transparent, and ready for external audit. This foundational work allows us to present a complete and verified picture of our energy usage and emissions profile.

Energy Consumption Profile

In 2025, our total energy consumption amounted to 997.44 MWh. This consumption is broken down into 847.57 MWh of renewable energy and 149.88 MWh of non-renewable energy. Electricity consumption accounted for 274.68 MWh of the total, while fuel consumption for operations and heating contributed 722.76 MWh. This detailed breakdown highlights our current reliance on the grid and fuel sources, serving as the baseline for our ongoing efficiency and decarbonisation strategies.

Gross GHG Emissions

Our estimated gross greenhouse gas (GHG) emissions for the reporting period are calculated at 2,795 tons of CO2e. This total includes 0 CO2e of Scope 1 emissions, with no emissions deriving directly from our owned or controlled sources. Furthermore, our location-based Scope 2 emissions, which account for the indirect emissions from purchased energy such as electricity, heating, and cooling, totaled 37.53 t CO2e. These figures reflect our operational footprint without the application of market-based renewable energy certificates.

Intensity & Energy Mix

Regarding our energy mix, 8% of our total energy consumption was derived from fossil fuels, related to energy feedstocks within district heating. We did not use any fossil fuels directly. Electricity accounted for 28% of total energy consumption, while heating and cooling represented 72%. Of the total electricity consumed, 100% was purchased from the grid. No energy was self-generated from renewable sources and directly consumed on-site. This mix underscores our commitment to increasing the share of renewables in our operational consumption.

Given Lunar's digital, lean, and scalable operating model, our user base serves as the most accurate metric for measuring our environmental intensity. As of 2025, Lunar's portfolio reached 1,058,352 private and business customers. This translates to an emissions intensity of just 2.64 kg CO2e per user, per year. Ultimately, this demonstrates the high efficiency of our digital infrastructure, requiring slightly more than 2.5 kg of CO2e annually to deliver comprehensive banking services to each client across our multi-country community. For the current reporting period, our economic emission intensity is 5.29 tCO2e per million DKK of total operating income.

Other Metrics

In addition, Lunar consumed 2,071m3 of water, while our physical waste generation was limited to 1.549 kg (non-hazardous), and 22.7% were diverted to recycling and/or reuse. These operational inputs successfully supported a massive scale of digital activity, powering the processing of 165,115,453 transactions and the issuance of 151,156 physical cards to our growing community.

Energy and greenhouse gas emissions

Energy reporting (Scope 1 and 2)	kWh	MWh	%
Total energy consumed	997,441	997.44	100%
Renewables	847,565	847.57	85%
Non-renawables	149,875	149.88	15%
Electricity	274,682.12	274.68	28%
Heating	708,451.49	708.45	71%
Cooling	14,307.02	14.31	1%
Fossil fuels	83,792.61	83.79	8%
Non-fossil	913,648	913.65	92%
Electricity purchased via the grid	274,682.12	274.68	100%
Electricity from self-generation	0	-	0%

	Emissions kgC02e		Emissions tC02e	
Scope	**Location-based**	**Market-based**	**Location-based**	**Market-based**
Scope 2	**37,533**	**23,123**	**37.53**	**23**
Electricity - buildings	14,410	-	14	-
District heating	23,123	23,123	23	23
District cooling	-	-	-	-
Scope 3	**2,771,651**	**2,771,651**	**2,772**	**2,772**
Scope 3.1 Purchased Goods & services	2,371,008	2,371,008	2,371	2,371
Purchased goods and services - activity-based	4,524	4,524	5	5
Water consumption - activity-based	396	396	0.396	0.40
Spend-based calculations	2,366,088	2,366,088	2,366	2,366
Scope 3.2 Capital goods	51,711	51,711	52	52
Scope 3.3 Fuel- & energy related activities	17,917	17,917	18	18
Upstream emissions (WTT) from purchased energy (scope 2)	9,212	9,212	9	9
T&D losses (scope 2)	7,005	7,005	7	7
WTT of T&D losses	1,700	1,700	2	2
Scope 3.4 Upstream transportation	19,509	19,509	20	20
Scope 3.5 Waste	1,549	1,549	2	2
Activity-based calculations	147	147	0	0
Spend-based calculations	1,402	1,402	1	1
Scope 3.6 Business Travel	151,407	151,407	151	151
Scope 3.7 Employee commuting	100,921	100,921	101	101
Scope 3.11 Use of sold products	57,629	57,629	58	58
Total	**2,809,184**	**2,794,774**	**2,809**	**2,795**

Key Highlights: Growth vs. Emissions

Decoupling of growth and impact: this represents Lunar's strongest performance metric. While the user base expanded from 907,500 to 1,058,352 (a massive 16.6% year-over-year increase), total emissions actually decreased from 2,854 to 2,795 tons. Lunar added over a hundred thousand users while simultaneously shrinking its absolute carbon footprint.

Plunging per-user carbon intensity: Emissions per user dropped to an all-time low of 2.64 kg, down from 3.14 kg the previous year. When compared to the baseline of 8.19 kg, the company has improved its per-user carbon efficiency by an astonishing ~67%.

Scope 3 scalability: Scope 3 represents the vast majority of the bank's emissions (2,772 out of 2,795 total). Crucially, despite growing its user base and services, Lunar's Scope 3 emissions actually fell (from 2,804 to 2,772). This proves that the company's digital infrastructure possesses near-zero marginal environmental costs for new users.

Scope 2 operational excellence: Direct operational efficiency is sharply improving. Scope 2 emissions (purchased electricity and heating) were cut by more than half year-over-year, dropping from 50 to just 23 tons. When compared to the baseline of 170 tons, Lunar has virtually eliminated its physical operational footprint.

Workforce efficiency: Lunar's workforce decreased from 449 (previous year) to 407 (in 2025 being 85% in Denmark, 12% in Sweden, and 3 % in Spain), yet the company supported a significantly larger user base. This demonstrates high operational leverage and productivity per employee, aligning perfectly with Lunar's lean, digital-first strategy.

Emissions Market-based Baseline	**2025**	**Baseline**	**Previous Year**
Scope 1	0	0	0
Scope 2	23	170	50
Scope 3	2,772	2,725	2,804
Total	2,795	2,895	2,854
FTE's	407	279	449
Users	1,058,352	353,370	907,500
Emissions per users (kg)	**2.64**	**8.19**	**3.14**

Resource Efficiency

In 2025, our physical operations were supported by a workforce of 407 employees, resulting in an electricity consumption of approximately 674 kWh per employee. This figure is exceptionally efficient within the Nordic context when compared to the 1,100 kWh to over 3,000 kWh per employee annually measured by the data tracking the EU service sector.

Our waste generation equated to roughly 13.2 kg per employee. This is a fraction of the Nordic service sector average, where office workers typically generate between 120 kg and 150 kg annually. Similarly, our water usage of approximately 5 m^3 per employee sits perfectly at the lower, most efficient end of the average Danish office standard (typically 5 to 8 m^3).

Given Lunar's highly scalable model, our user base serves as the most accurate denominator for our environmental intensity. In 2025, providing a customer with an entire year of comprehensive banking services generated a carbon footprint of just 2.64 kg C02e per user.

To put our digital efficiency into perspective: in the time it takes a customer to consume a single cheeseburger, drink a liter of milk, or drive 11 kilometers, they have already generated more carbon emissions and utilized more water than their allocated share of Lunar's infrastructure requires for an entire year of banking.

"In the time it takes to finish a single cheeseburger or drink a litre of milk, a customer has already generated a larger carbon and water footprint than they do in an entire year of banking with Lunar."

Sources and methodology: Data on EU service sector energy efficiency provided by Odyssee-Mure; Nordic capital market analysis; emissions standards from the U.S. EPA and European Environment Agency (EEA); waste and water metrics from the Danish EPA (Miljøstyrelsen) and the Danish Water and Wastewater Association (DANVA). Food system lifecycle assessments and environmental impacts are sourced from the University of Wisconsin-Madison Engineering study (2024); Siemens Simcenter LCA; the UN Food and Agriculture Organization (FAO); the WEF/Heinrich-Böll-Stiftung Meat Atlas (2021); and Poore, J., & Nemecek, T. (2018), "Reducing food's environmental impacts through producers and consumers" (Science).

No-Material Environmental Information

The environmental topics of Pollution of Air, Soil (including hazardous waste), and Biodiversity are not currently deemed material to Lunar. However, Lunar recognizes its indirect influence and is proactively addressing these areas through focused initiatives.

Lunar is carrying out a comprehensive study regarding the usage of plastics, specifically those utilized for card production. The primary intention is to reduce this dependency and increase the use of digital solutions. Recognizing that physical cards will remain necessary for clients and end-users, Lunar is considering shifting materials towards more sustainable practices with the final goal of eventually abandoning the use of plastics entirely.

In addition, still considering those materials in use and new physical cards, Lunar is planning to design an end-of-life solution for the raw material in circulation. Managing the disposal and reverse logistics of physical cards presents a considerable logistical challenge, given the volume and size, but this is a challenge Lunar intends to address during the upcoming years.

Consequently, the indirect use of plastics as a raw material impacts air pollution (from production) and soil pollution (from end-of-life disposal), with corresponding effects on biodiversity. While these vectors have not been fully assessed yet, Lunar aims to connect all these factors and ensure future projects fully integrate these sustainable topics.

Climate Risk Assessment

Lunar's overall climate risk profile is considered favorable due to its virtual operations and strategic location in the Nordics. Our 2025 Climate Risk Assessment, adhering to CSRD guidelines, utilizes the IPCC AR6 SSP2-4.5 intermediate emissions scenario (projecting median warming of 2.7°C by 2100) to test strategic resilience. The analysis focuses on our core operational characteristics: a significant Nordic user base, cloud-based infrastructure, and supplier dependencies.

To manage transition risks, we prioritize supplier engagement programs, carbon reduction incentives, and contingency planning. Current scenarios indicate that no significant additional capital allocation is required to control these risks over the next two years. We utilize a two-year ESG risk horizon, establishing the 2025 materiality process as our baseline. These assessments will be updated annually to ensure resilience against regulatory changes, with full data disclosures available by the end of 2025.

Risk Type	Probability	Severity	Rationale
Physical Climate Risk	Low to Moderate	Low	Lunar is well-positioned to manage these risks due to its virtual operations and dispersed, cloud-based infrastructure. Monitoring weather events and ensuring office contingency plans are advisable.
Transition Climate Risk	Moderate	Moderate	The main challenge lies in ensuring suppliers align with Lunar's carbon neutrality goals, especially non-European companies, due to Lunar's reliance on their actions.

Social Information



Own workforce

Strengthening Our People and Culture Strategy
The People and Culture team formalized its work into five key strategic pillars and outcomes in 2025 to strategically support Lunar's mission and core values. This structured approach ensures our internal environment is as dynamic and ambitious as our external business model:

Organizational Development: Ensuring we have the correct design and structure in place, optimally aligning our organizational setup with the talent needed to match it.

Leadership Empowerment: Preparing and equipping our leaders to effectively guide the organization by investing in their continuous development and providing them with necessary tools and resources.

Employee Growth and Trajectory: Ensuring employees clearly understand what is expected of them and defining accessible pathways for professional and personal growth within Lunar.

Embedding Lunar DNA: Guaranteeing that employees and candidates experience the distinctive spirit of the Lunar movement in every interaction, reinforcing our unique culture.

Seamless Digital Experiences: Creating employee and HR experiences that are intuitive and just make sense, powered by technology for maximum efficiency and clarity.

Key Initiatives and Accountability

In each strategic area, we partnered with the business to define key activities that drive our ambitions, ensuring evolution and forward momentum:

- Organizational reviews and talent planning to strengthen and optimize our teams.
- Developing a comprehensive career framework to support structured growth paths.
- Conducting growth discovery sessions to help shape the next vision and products.
- Implementing targeted leadership training to empower and upskill our managers.
- Embedding core values directly into our hiring practices and daily culture.
- Launching a new Learning and Development (L&D) system to make training more accessible.

Social Information

To validate the effectiveness of these efforts, Lunar regularly measures employee engagement and development through monthly surveys. The resulting data is handled transparently: the entire organization is involved, and action points are openly discussed and addressed at the Board of Directors level, throughout the management structure, and within individual teams. Lunar also provides dedicated training to managers on how to conduct effective engagement sessions with their teams.

Ambition and Targets for Gender Representation

Lunar views measurable targets as essential tools for guaranteeing progress toward an equal distribution of men and women in leadership. We remain committed to an aspirational balance of 40% representation for the underrepresented gender, ensuring our selection process prioritizes both competence and diversity.

Performance & Goals

Executive Management: We have set a target to increase the proportion of the underrepresented gender in the Executive Management of Lunar Group to 40% until 2027

Board of Directors: Following the evolution of the new Board composition, we continue to actively work toward our 40% ambition over the coming years.

2025 Workforce and Social Responsibility Metrics

“We are committed to fair and competitive conditions ensuring all employees receive salaries above applicable minimum wages regardless of job level or location”

As of December 2025 the organization employed a total headcount of 407 individuals which translates to 370.5 Full Time Equivalents excluding contractors. This workforce is primarily permanent in nature with 349.8 FTEs holding permanent contracts while 20.7 FTEs including student assistants are on temporary arrangements. Geographically the majority of operations are based in Denmark followed by a smaller branch in Sweden and a minimal remote contingent employed through an Employer of Record. In terms of gender distribution the staff comprises 60% male and 40% female employees, a ratio that shifts slightly at the leadership level where the Executive Management Team consists of 37.5% women and 62.5% men whereas the Board of Directors is currently entirely male. As of FY25, our unadjusted gender pay gap stands at 15%. Comprehensive data and further details will be disclosed separately, in compliance with the EU Pay Transparency Directive.

Employment Conditions and Development

Beyond demographics we are committed to fair and competitive conditions ensuring all employees receive salaries above applicable minimum wages regardless of job level or location. This commitment is supported by collective bargaining agreements that cover the entirety of our Danish workforce though our Swedish branch remains outside these specific arrangements, representing a coverage of 84%.

As of December 2025, we engaged 32 external consultants and saw a voluntary turnover rate of 18.4% for the full year. Investment in professional development continued alongside these operational shifts with female employees averaging 1.1 training hours and male employees averaging 0.8 hours.

Health, Safety and Ethical Standards

Safety and ethical conduct remain foundational to our operations. In 2025 we recorded two workplace incidents resulting in a reportable accident rate of 0.57 per 100 full time workers yet we are pleased to report zero fatalities. While we do not utilize a standalone accident prevention policy comprehensive safety guidelines and insurance coverage are embedded within our Employee and Office Handbooks as well as local framework agreements in Denmark. This protective approach extends to our ethical standards where we operate under a strict Code of Conduct that mandates a zero tolerance policy regarding discrimination and harassment. To safeguard this culture we provide a confidential platform and can confirm that no incidents involving child labour, forced labour, human trafficking, or other rights violations were identified during the reporting period.

Management of Our Own Workforce: Impacts, Risks, and Opportunities

Lunar recognizes that its capacity to attract, develop, and retain the best talent is of vital importance for creating long-term value. Our management strategy centers on leveraging our positive impacts while proactively mitigating inherent risk. The assessment of our workforce identifies the following topics:

Working Conditions and Employee Wellbeing: Working Conditions are assessed as having an actual positive impact, which is demonstrated by strong employee engagement, effective work-life balance, and significant opportunities for growth, as indicated by annual internal surveys. However, a recognized risk is the increased pressure placed on employees due to the growing complexity and volume of financial crime prevention efforts. The wellbeing and development of employees are core priorities at Lunar, reflecting our goal to build a healthy and thriving organization that goes beyond conventional banking.

Equal Treatment and Opportunities: Regarding Equal Treatment and Opportunities for all, Lunar is assessed as having a potential negative impact, specifically concerning gender equality, which also presents a significant opportunity for focused improvement. The foundation for all decision-making, including hiring, promotions, and growth opportunities, is built on impartiality and equality. As a goal and work in progress, we aim to systemize and standardize evaluation views and establish measurable KPIs for these processes, ensuring we focus strictly on competence and process rather than factors like gender or race. We maintain year-round initiatives that actively support both mental and physical wellbeing, providing resources for multiple activities, centered on healthy food and exercise. Furthermore, the formal adoption of English as our internal language reinforces our status as a Nordic company committed to a highly inclusive environment where all employees can communicate effectively.

Training, Skills Development, and Enabling Talent: Training and Skills Development is assessed as a potential positive impact, and further improvements and developments are being addressed in this area to maximize the potential positive impact. An entity-specific topic added is Enabling Efficient Markets and Talent, as Lunar acts as a catalyst for local and expat talent, facilitating their entry into the workforce and supporting their development and success, while also empowering businesses to enter the industry and prosper.

Whistleblowing mechanism

Employees at all levels are encouraged to seek support and raise concerns early, and Lunar maintains a whistleblowing arrangement for reporting serious misconduct or suspected breaches that may affect the organisation, employees, or customers. The channel allows confidential reporting, including the option to report anonymously, and supports follow-up dialogue to enable appropriate assessment and handling. As per 2025, no cases were reported nor processed. Overall, the mechanism is intended to strengthen a speak-up culture and provide a clear alternative where employees are uncomfortable using ordinary management or P&C routes. Both first and second line contribute to a sound risk culture through day-to-day guidance and targeted educational activities, and ensure that relevant concerns are assessed, documented, and escalated where necessary. Looking ahead, the focus is on maintaining a consistent employee experience and ensuring the framework remains inspection-ready: keeping employee-facing guidance and external authority references up to date, ensuring clear role allocation and conflict-of-interest handling for sensitive cases, and maintaining strong access controls and documentation standards.

Consumers and End-Users

As per 2025, Lunar's portfolio reached 1,058,352 users including private and business customers. Given this substantial and diverse user base, Privacy, Non-discrimination, Access to products and services, and Financial inclusion are critical aspects of our operations.

Privacy poses a risk to the organization. Protecting client information with stringent security protocols is essential to ensure compliance, confidentiality, and trust. Lunar's commitment to privacy is governed by its comprehensive Data Protection Policy and is supported by the IT Security Policy which enforces technical safeguards, including strong encryption and access controls. There were no complaints concerning breaches of customer privacy reported in 2025, as well as breaches and losses

Non-Discrimination and Equitable Experience: Non-discrimination is considered an actual positive impact. Lunar maintains a fundamental commitment to providing a fair and equitable banking experience for all clients, regardless of their background or circumstance. This ensures that our services are accessible and unbiased across all user demographics, financial starting points, and ages.

24/7 Access to Products and Services: Access to products and services is identified as an actual positive impact. Our core mission is to be 'always open for business,' which we fulfill by offering seamless, technology-driven solutions. This digital approach enables full automated self-service, effectively eliminating dependence on traditional banking constraints such as time, business days, and physical location.

Financial Inclusion: Empowering All: Financial inclusion is also identified as an actual positive impact. Our digital-first model is central to this effort, as it actively works to remove barriers to entry often found in traditional banking. Our focus is on creating pathways to accessible banking services that empower all and any communities and individuals to fully participate in the financial system.



Governance information

Business Conduct

Trust is essential for Lunar to conduct business and fulfill its critical societal function. We are committed to operating with integrity, ensuring compliance, and actively combatting financial crime.

Material Impacts, Risks, and Opportunities

- **Corporate Culture (Opportunity & Positive Impact):** Focuses on influencing digital regulation and optimizing technology to foster innovation and align with evolving digital standards.
- **Financial Crime and Fraud (Risk):** Focuses on preventing, detecting, and mitigating crime through sustainable mechanisms integrated into our banking structure.
- **Business Continuity Management (Opportunity & Risk):** Emphasizes the necessity of resilience and redundancies to maintain functionality during disruptive events.

Policy & Implementation

Corporate Culture: Guided by the Board-approved Policy for Healthy Corporate Culture, this framework enforces reasonable behavior and ethical responsibility to fulfill regulatory requirements.

Financial Crime Prevention: The Financial Crime Policy utilizes a risk-based approach to prevent Lunar's misuse for money laundering, terrorist financing, fraud, tax evasion, bribery, corruption, and sanctions violations. Key mandates include:
Risk Assessment: Execution of mandatory annual Business Wide Risk Assessments (BWRA).

Training: All employees must receive training within their first month of employment and at least annually thereafter.

Oversight: The MLRO oversees preventive measures, including Customer Due Diligence (CDD) and sanctions screening.

2025 Compliance & Performance

In the 2025 reporting period, the organization maintained strict compliance:

- **Zero Violations:** No fines for bribery or corruption, no whistleblowing cases, and no violations of the UN Global Compact or OECD Guidelines.
- **Sector Exclusions:** We confirm zero revenue derived from controversial sectors, including tobacco cultivation/production, pesticides/agrochemicals, controversial weapons (anti-personnel mines, cluster munitions, chemical/biological weapons), or fossil fuels (coal, oil, gas).
- **Benchmarks:** Consequently, the organization is not excluded from any EU reference benchmarks aligned with the Paris Agreement

Ensuring Operational Resilience: Lunar's Business Continuity Framework

Lunar maintains a robust ICT Business Continuity Management (BCM) framework designed to safeguard our customers, stakeholders, and the integrity of the broader financial ecosystem. Guided by a comprehensive policy suite, the framework ensures that critical operations remain functional during disruptions and are restored with high velocity following any incident. This resilience is anchored in a culture of proactive risk mitigation and a commitment to maintaining service availability under all conditions.

Our methodology utilizes a decentralized approach to process mapping through the SIPOC (Suppliers, Inputs, Process, Outputs, Customers) framework. This allows for a holistic understanding of internal dependencies, interconnected processes, and potential concentration risks. To remain agile in a shifting landscape, Lunar's process repository is continuously updated through our Safeguarding our Customer (SoC) initiative, ensuring our resilience strategies reflect the latest advancements in technology, third-party vendor integrations, and organizational growth.

Central to our resilience strategy is the Risk-Based Business Impact Analysis (BIA). We conduct comprehensive BIAs for all critical processes, quantifying potential consequences across four key dimensions: Financial, Regulatory, Reputational, and Operational. Using a quantifiable scoring system, processes are categorized into Tiers 1 through 3. Tier 1 processes, those with the most significant impact, receive dedicated Business Continuity and Disaster Recovery plans to ensure maximum resilience and the protection of our Service Level Agreements (SLAs).

Lunar's Disaster Recovery (DR) and Data Integrity protocols focus on the rapid restoration of ICT services. We utilize automated backups stored in geographically diverse off-site locations and maintain redundant systems to ensure essential service delivery is not compromised. Furthermore, we perform regular integrity testing to verify that backup data remains viable for seamless restoration, thereby minimizing the risk of data loss or prolonged downtime.

Governance and continuous improvement are maintained through a rigorous testing and oversight regime. Business continuity and disaster recovery plans undergo comprehensive testing at least bi-annually, involving tabletop walkthroughs and simulations of severe but plausible scenarios, such as cyberattacks and infrastructure failures. While Lunar leverages strategic third-party partners, we retain ultimate responsibility for continuity, involving key vendors in testing to ensure a coordinated response. All test results and identified deficiencies are reported directly to the Executive Management Team, driving a cycle of continuous remediation and strategic improvement.

In 2025, Lunar registered a total of 156 operational incidents. A significant portion of these disruptions originated externally, with 72 incidents attributed to third-party vendors, highlighting the continued importance of robust third-party risk management.

At a Glance: ICT Resilience & Continuity

Pillar	Strategic Focus	Key Performance Metric
Methodology	SIPOC Process Mapping	100% of critical processes mapped for dependencies and concentration risks.
Prioritization	Tiered Recovery (1–3)	Dedicated recovery plans for all Tier 1 (Critical) processes.
Data Security	Automated Redundancy	Multi-site off-site storage with regular integrity and restoration verification.
Testing Rigor	Scenario Simulations	Bi-annual testing of all BCM and DR plans, including “severe but plausible” cyber scenarios.
Governance	Executive Oversight	Direct reporting of test outcomes and remediation to the Executive Management Team.

Financial Crime

Lunar is committed to preventing financial crime and maintaining high standards of integrity in all business activities. Financial crime prevention forms an integral part of our governance framework and reflects our responsibility towards customers, business partners and society.

Overall responsibility for financial crime prevention rests with the Board, which provides strategic oversight of the framework. Senior Management is responsible for implementation, resource allocation and ensuring effective operation of controls within their respective areas.

Lunar apply a structured, risk-based approach to identifying and mitigating financial crime risks across customers, products and services, delivery channels and geographic exposure. The framework is built around three core control areas:

- **Customer Due Diligence (CDD)** – including risk classification, enhanced due diligence and ongoing review;
- **Transaction Monitoring (TM)** – monitoring of customer activity to identify unusual or suspicious behaviour;
- **Sanctions Compliance** – screening processes to ensure that customer relationships and transactions are legally permissible.

Together, these elements address customer risk, behavioural risk and legal compliance risk in a proportionate and systematic manner. Lunar applies enhanced due diligence measures in relation to Politically Exposed Persons (PEPs), recognising the elevated corruption and integrity risks associated with such relationships.

PEP screening is conducted as part of customer onboarding and ongoing review processes. Where a PEP relationship is identified, enhanced risk assessment measures are applied, including senior management approval and appropriate source of wealth and source of funds assessments. PEP relationships are subject to increased monitoring to ensure continued alignment with Lunar's risk appetite and regulatory obligations.

Through this approach, Lunar seeks to mitigate heightened integrity risks and promote transparency and responsible business conduct.

Policies are operationalised through procedures and supported by internal monitoring, testing and management reporting. Control effectiveness is assessed on an ongoing basis, and identified weaknesses are escalated and remediated in accordance with established governance principles.

The Financial Crime Prevention framework is reviewed regularly to reflect regulatory developments, emerging risks and organisational maturity. This ensures that Lunar maintains a resilient and proportionate control environment aligned with evolving expectations and best practices.

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Statements



LUNAR

Independent auditor's report.

To the shareholders of Lunar Group A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2025, and of the results of the Group's and the Parent Company's operations for the financial year 1 January - 31 December 2025 in accordance with the Danish Financial Business Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Lunar Group A/S for the financial year 1 January - 31 December 2025, which comprise income statement, other comprehensive income, balance sheet, statement of changes in equity and notes, including accounting policies, for both the Group and the Parent Company ("financial statements").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Business Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Business Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with the Danish Financial Business Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent 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 in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 Group's and the Parent Company's internal control.

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

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent 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 financial statements 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 Group and the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Consolidated Financial Statements and the Parent Company Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

Independent auditor’s report.

We communicate with those charged with governance 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.

Hellerup, 24 April 2026

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab

Business registration no 33 77 12 31

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Per Rolf Larssen
State Authorised Public Accountant
mne24822

_____

Lars Dalgaard Agersted
State Authorised Public Accountant
mne46258

Statement by the Management

The Board of Directors and the Executive Board have today discussed and approved the annual report of Lunar Group A/S for the financial year 1 January – 31 December 2025.

The consolidated financial statements and the Parent Company financial statements have been prepared in accordance with statutory requirements, including - but not exclusively - the specific accounting rules in the Danish Financial Business Act.

In our opinion, the consolidated financial statements and the Parent Company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2025 and of the results of its operations for the financial year 1 January – 31 December 2025.

Further, in our opinion, the Management's review gives a true and fair review of the development in Lunar Group's operations and financial matters and describes the significant risks and uncertainty factors that may affect the Company and the Group.

We recommend that the annual report be approved at the Annual General Meeting.

Copenhagen, 24 April 2026

Copenhagen, 24 April 2026

Executive Management

Ken Villum Guldbrandt Klausen
CEO

Board of Directors

Jens Peter Leschly Neergaard
Chairman

Claus Okholm

Lars Andersen

Ken Villum Guldbrandt Klausen

Klaus Østergaard

Jens Mikael Kristoffer Ismunden

Ola Reinhold Nordbye

Matthew Crispin Hurst Westerman

Financial Statements



LUNAR

Financial statements
1 January - 31 December

Income statement and comprehensive income (consolidated)

Note	DKK'000	2025	2024
G4, G5	Interest income	219,033	415,792
G4, G6	Interest expenses	59,467	153,065
	Net interest income	**159,566**	**262,727**
G4, G7	Fee and commission income	420,546	305,140
G4	Fees and commission expense	54,502	29,372
	Other operating income	102	819
	Net income	**525,712**	**539,314**
G8	Market value adjustments	-2,863	-1,634
G9, G10	Staff costs and administrative expenses	633,939	705,060
	Amortisation, depreciation and impairment charges	89,872	219,873
G11	Loan impairment charges etc.	23,544	63,662
G12	Other operating expenses	0	188,604
	Profit/loss before tax	**-224,506**	**-639,519**
G13	Tax for the year	1,503	-13,616
	Profit/loss after tax	**-226,009**	**-625,903**
	Currency adjustments	7,959	3,925
	Other comprehensive income after tax	-4,811	-11,926
	Total comprehensive income	**-222,861**	**-633,904**

Financial statements

Balance Sheet (consolidated)

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Note	DKK'000	31 December 2025	31 December 2024
	Assets		
	Cash in hands and demand deposits with central banks	3,685,004	7,002,720
G14	Receivables from credit institutions and central banks	191,666	133,534
G15	Loans and other amounts due at amortised cost	18,017	15,009
G24	Bonds at amortised cost	7,540,550	4,105,296
G16	Other intangible assets	202,650	164,835
G17	Property, plant and equipment	65,384	77,497
G17	Other tangible assets	8,197	13,079
	Tax receivable	2,033	1,408
	Other assets	113,501	145,502
	Prepayments	84,312	33,635
	Total assets	**11,911,314**	**11,692,515**

Financial statements

Balance Sheet (consolidated)

2/2

Note	DKK'000	31 December 2025	31 December 2024
	Liabilities and equity		
	Liabilities		
G18	Deposits and other debt	10,700,741	10,595,250
	Other liabilities	429,264	376,290
	Tax liabilities	1,010	0
	Deferred income	56,621	39,896
	Total liabilities	**11,187,635**	**11,007,677**
	Provisions		
G27	Impairment charges on unused credit facilities	0	0
G20	Other provisions	31	377
	Total provisions	**31**	**377**
	Subordinated debt		
G21	Subordinated debt	124,804	29,975
	Total subordinated debt	**124,804**	**29,975**
	Equity		
	Share capital	2,908	2,785
	Share premium	4,642,363	4,475,835
	Retained earnings	-4,046,427	-3,834,133
	Dividend	0	10,000
	Total equity	**598,844**	**654,487**
	Total liabilites and equity	**11,911,314**	**11,692,515**

Consolidated financial statements

Statement of changes in equity (consolidated)

Note	DKK'000	Share capital	Share premium	Retained earnings	Dividend	Total
	Equity at 1 January 2024	**1,696**	**4,129,801**	**-3,190,970**	**0**	**940,527**
	Capital increase	1,089	346,034	0	10,000	357,123
	Exchange rate adjustments	0	0	3,925	0	3,925
	Share based payments	0	0	2,524	0	2,524
	Net profit/loss for the year	0	0	-625,903	0	-625,903
	Other comprehensive income	0	0	-11,926	0	-11,926
	Other equity movements	0	0	-11,783	0	-11,783
	Equity at 1 January 2025	**2,785**	**4,475,835**	**-3,834,133**	**10,000**	**654,487**
	Reversal of transferred dividend	0	0	10,000	-10,000	0
	Capital increase	123	166,528	0	0	166,651
	Exchange rate adjustments	0	0	7,959	0	7,959
G22	Net profit/loss for the year	0	0	-226,009	0	-226,009
G23	Share based payments	0	0	1,360	0	1,360
	Other comprehensive income	0	0	-4,811	0	-4,811
	Other equity movements	0	0	-793	0	-793
	Equity at 31 December 2025	**2,908**	**4,642,363**	**-4,046,427**	**0**	**598,844**

The capital increase for 2025, consists of 3 raises of DKK 28.9m, DKK 1.1m and DKK 139.5m, deducted costs of funding of 2.9m.

Financial statements

Capital and solvency (consolidated)

DKK'000	31 December 2025	31 December 2024
Equity	598,844	654,487
Deductions	-99,505	-71,645
Total core capital after deductions	**499,339**	**582,843**
Total Tier 1 capital	499,339	582,843
Subordinated loan capital	124,804	1,070
Total capital base	**624,143**	**583,913**
Credit risk	1,183,257	402,173
Market risk	24,651	25,376
Operational risk	737,830	783,272
Total risk exposure	**1,945,737**	**1,210,821**
Key figures		
Core capital after deductions, ratio (%)	25.7	48,1
Tier 1 capital ratio (%)	25.7	48,1
Total capital ratio (%)	32.1	48,2

[1] 1 Goodwill and customer rights are fully deducted in Common equity tier 1 capital. Software assets are recognized with a prudent valuation in accordance with Commission Delegated Regulation (EU) 2020/2176 entering into force 23 December 2020. Software assets included in Common equity tier 1 capital amounts to DKK 106,432 thousand (2024: DKK 94,773 thousand).
[2] Qualifying Tier 2 instruments of a subsidiary included in consolidated Own Funds.

Notes



Consolidated Financial statements
1 January -
31 December

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Consolidated financial statements

1 January - 31 December

Note G1
Basis of preparation 1/9

The annual report of Lunar Group A/S has been prepared in accordance with the Danish Financial Business Act and the Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc. ('the Executive order').

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

The annual report is presented in DKK thousands.

Consolidated financial statements

1 January - 31 December

Note G1
Basis of preparation 2/9

Consolidated financial statements

The consolidated financial statements comprise the Parent Company Lunar Group A/S and subsidiaries controlled by the Parent Company.

Control means the power to exercise decisive influence over a subsidiary's financial and operating decisions. Moreover, the possibility of yielding a return from the investment is required.

In assessing whether the Parent Company controls an entity, de facto control is also taken into consideration.

The existence of potential voting rights that may currently be exercised or converted into additional voting rights is considered when assessing whether an entity may become empowered to exercise decisive influence over other entities financial and operating decisions.

The consolidated financial statements are prepared as a consolidation of the Parent Company's and the individual subsidiaries' financial statements, which are prepared according to the Group's accounting policies. On consolidation, intra-Group income and expenses, intra-Group balances as well as realised and unrealised gains on intra-Group transactions are eliminated.

Unrealised gains on transactions with associates are eliminated in proportion to the Group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains unless they do not reflect impairment.

The subsidiaries' financial statement items are included 100% in the consolidated financial statements.

Business combinations

Newly acquired or established entities are recognised in the financial statements from the date of the acquisition. Comparative figures are not adjusted to reflect acquisitions.

The purchase method is applied on acquisitions if the parent company gains control of the respective company. Identifiable assets, liabilities, and contingent liabilities in the acquired company are measured at their fair value at the date of acquisition. Intangible assets are recognised if they can be separated or if they arise from a contractual right. Deferred tax on the revaluations is recognised.

Acquisition date is the date from which Lunar Group gains actual control of the acquired business.

Any excess of the consideration paid for the business over the fair value of the acquired assets, liabilities and contingent liabilities, is recognised as goodwill under intangible assets. Goodwill is not amortised but is annually tested for impairment. The first impairment test is performed before the end of the year of acquisition. On acquisition, goodwill is allocated to the cash-generating units that will subsequently form the basis for the future impairment tests. Goodwill and fair value adjustments in connection with acquisition of a foreign entity with a different functional currency than the presentation currency to Lunar Group is treated as assets and liabilities belonging to the foreign entity and converted to the entity's functional currency with the rate of the translation date. Negative discrepancies, negative goodwill, is recognised in the income statement at the acquisitions date.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Bank and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Bank has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Bank, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at fair value except intangible and tangible assets which are measured at cost. Measurement subsequent to initial recognition is affected as described below for each financial statement item.

Consolidated financial statements

1 January - 31 December

Note G1
Basis of preparation 3/9

At recognition and measurement anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered.

In the income statement, income is recognised as it is earned, whereas cost is recognised by the amounts attributable to this financial year. Purchases and sales of financial instruments are recognised on the trading day
and recognition ceases, when the right to receive/dispense cash flows from the financial asset or liability has expired, or if it has been transferred and the Bank has substantially transferred all risks and rewards associated with ownership.

Significant accounting estimates

The measurement of certain assets and liabilities requires the Management to estimate the influence of future events on the value of these assets and liabilities.

The accounting estimates are based on assumptions which, according to Management, are reasonable, but inherently uncertain. The estimates and assumptions are based on future expectations, historical experience, and a range of other factors considered reasonable given the prevailing circumstances. The actual outcome may differ from these estimates and assessments. Estimates and assumptions are reviewed regularly.

Changes in estimates are recognised in the period in which the change is made, and the future periods affected.

Foreign currencies and other comprehensive income

Foreign currencies transactions are translated using the exchange rate at the transaction date. Receivables, liabilities, and other monetary items are translated using the rate of exchange at the balance sheet date. Exchange rate differences between the transaction date and the settlement date or the balance sheet date, respectively, are recognised in the income statement as value adjustments.
Assets and liabilities of units outside Denmark are translated into DKK at the applicable exchange rates at the balance sheet date. Income and expenses are translated at the applicable exchange rates at the transaction date. Gains and losses arising at the translation of net investments in units outside Denmark are recognised under Other comprehensive income. Net investments include the net assets and goodwill of the units.

Interest income and expenses

Interest income and expenses are accrued over the lifetime of the transactions and recognised in the income statement at the amounts relevant to the financial reporting period.

Fee and commission income and expenses

Fee and commission income are measured at the fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are deducted in the income.

Fees are recognised as income when received and sales of services, which include subscriptions, are recognised as income on a straight-line basis over the subscription period.

Market value adjustments
Market value adjustments include value adjustments of assets and liabilities measured at fair value. Foreign currencies adjustments are also included.

Staff costs and administrative expenses

Wages, salaries and other types of remuneration are expensed in the income statement as earned. Compensated absence commitments are expensed as the actual number of holidays are earned and spent.

Administrative expenses comprise expenses paid in the year to manage and administer the Group.

Amortisation, depreciation and impairment charges
The item comprises amortisations, depreciation and impairment charges of intangible assets. Impairment charges derives from impairment tests performed on intangibles as elaborated below. The basis of amortisation, depreciation, which is calculated as cost less any

Consolidated financial statements

1 January - 31 December

Note G1
Basis of preparation 4/9

The expected useful lives of the assets are as follows:

Customer relations	**5 years**
Software	**3-5 years**
Land & buildings	**5 years**
Other equipment	**3-5 years**

Loan impairment charges, etc.
After initial recognition, amounts due to the Group are measured at amortised cost less impairment losses. Accounting principles for impairment charges etc. are elaborated in subsequent sections on Loans and Impairment.

Other operating expenses

Other operating expenses include expenses not related to interest income or fee and commission income.

Taxes

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other Danish Group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption). Jointly taxed entities entitled to a tax refund are reimbursed by the Management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the Management company.

Cash in hands and demand deposits with central banks

At initial recognition, cash in hands and demand deposits with central banks are measured at fair value.
Subsequently, they are measured at amortised cost.

Receivables from credit institutions and central banks

At initial recognition, receivables from credit institutions and central banks are measured at fair value. Subsequently, they are measured at amortised cost, using the effective interest method, less impairment charges for expected credit losses. The impairment charges are based on the three-stage impairment model elaborated in subsequent sections on Loans and impairment.

Bonds at amortised cost

The account comprehends bonds that are measured at amortised cost until maturity. See section Financial assets at amortised cost below for further description of the criterias that are fulfilled to apply amortised cost as measurement method and the interest income recognition principles.

Intangible assets

Goodwill is calculated as the difference between the purchase price of the business transfer and the fair value of its net assets, including contingent liabilities, at the time of the transaction.

Goodwill is tested for impairment once a year or more frequently if indications of impairment exist. Impairment testing requires Management to estimate the present value of future cash flows. A number of factors affect the value of such cash flows, including discount rates, changes in the economic outlook, customer behavior and competition.

Other intangible assets consist of customer relations and software investments. At initial recognition, customer relations and software are measured at cost, corresponding to the estimated fair value at the time of acquisition. Subsequently, customer relations and software are measured at cost less accumulated amortisations and depreciations. Amortisation is based on the estimated useful lives of the assets, which is set at 5 years.
Each year Finance conducts a process in securing the necessary impairment of the main projects/themes within Lunar.

Intangible assets are written down to the higher of the value in use and the net selling price for the activity or the business area to which the intangible assets relate, if it is lower than the carrying amount.

Consolidated financial statements

1 January - 31 December

Note G1
Basis of preparation 5/9

Property, plant and equipment

Leasehold improvements are recognised in the balance sheet at cost less straight-line depreciations. The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives of the assets are 3-5 years.

Leasing

Leasing agreements are recognised and measured in accordance with IFRS-16 principles. The standard stipulates the booking in lessee's balance sheet of all leasing contracts in the form of Right of Use (ROU) of the leased asset booked under tangibles and leases (and related payments) as a Liability during the entire lease period. The ROU asset will be amortised and the leases payments in Liabilities will be capitalised during the entire lease period.

Other tangible assets

Operating equipment is recognised in the balance sheet at cost less straight-line depreciations. The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives of the assets are 3-5 years.

Equity investments in Group undertakings

Equity investments in subsidiaries are measured according to the equity method in the parent company financial statements.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding the consolidated financial statements above.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-Group gains/losses. Holdings in Group undertakings with negative value are recognised as provisions.

Identified increases in value other than goodwill, if any, compared to the underlying entity's net asset value are amortised. Goodwill is tested for impairment annually and negative goodwill is recognised in the income statement.

Dividend received is deducted from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Financial assets

Classification and measurement
According to IFRS 9, classification and measurement of financial assets depend on the business model and the contractual characteristics of the instruments. Financial assets are measured at amortised cost, at fair value through shareholders' equity (on a separate line), or at fair value through profit or loss.

Financial assets at amortised cost

Financial assets are classified at amortised cost if both of the following criteria are met: the business model objective is to hold the financial instrument in order to collect contractual cash flows (collection business model) and the cash flows consist solely of payments relating to principal and interest on the principal. Disposal of portfolios close to the maturity date and for an amount close to the remaining contractual cash flows or due to a credit risk increase of the customer (debt sale of non-performing portfolio) is compatible with a "collection" business model. Sales imposed by regulatory constraints or to manage the concentration of credit risk (without increasing credit risk) are also compatible with this Management model as long as they are infrequent or insignificant in value.

Consolidated financial statements

1 January - 31 December

Note G1
Basis of preparation 6/9

Financial assets (continued)

Upon initial recognition, these financial assets are recognised at fair value, including transaction costs directly attributable to the transaction and commissions related to the provision of loans. They are subsequently measured at amortised cost, including accrued interest and net of principal repayments and interest payments made during the period. These financial assets are also initially subject to an impairment calculation for expected credit risk losses (see impairment note). Interest is calculated using the effective interest rate method determined at the inception of the contract.

Financial asset at fair value through shareholders' equity

Financial assets are classified in this category if the business model is achieved by both holding the financial assets in order to collect contractual cash flows and selling the assets and if the cash flows solely consist of payments relating to principal and interest on the principal.

Upon disposal, amounts previously recognised in shareholders' equity is transferred to profit or loss.

Financial assets at fair value through profit or loss
All debt instruments not eligible for classification at amortised cost or at fair value through shareholders' equity are presented at fair value through profit or loss.

Investments in equity instruments such as shares is also classified as instruments at fair value through profit and loss.

Loans and deposits

On initial recognition, loans and deposits are measured at fair value including transaction costs directly attributable to the transaction. The loans are subsequently measured at amortised cost, including accrued interest and net of principal repayments and interest payments made during the period.

The deposits are subsequently measured at amortised cost. Due to credit enhancements in the contracts, no expected credit losses are recognised from the loans, since defaulted loan amounts will reduce the deposits with the corresponding amount.

Impairment

Lunar Group's credit risk impairment model is based on expected losses. This model applies to loans and debt instruments classified at amortised cost, loan commitments, and financial guarantee contracts that are not recognised at fair value, as well as to trade receivables.

General impairment model

Lunar Group identifies three stages each corresponding to a specific situation with respect to the development of the credit risk of the counterparty since the initial recognition of the asset.

Stage 1: if, at closing date, the credit risk of the financial instrument has not increased significantly since its initial recognition, this instrument is subject to a provision for depreciation for an amount equal to expected credit losses at 12 months (resulting from risks of default in the next 12 months).

Stage 2: the provision for depreciation is measured for an amount equal to the expected credit losses over the full lifetime (at maturity) if the credit risk of the financial instrument has increased significantly since initial recognition without the financial asset being impaired.

Consolidated financial statements

1 January - 31 December

Note G1
Basis of preparation 7/9

Credit-impaired financial assets

Stage 3: a financial asset is impaired and classified as stage 3 when one or more events that have a negative impact on the future cash flows of that financial asset have occurred. At the individual level, an objective indication of impairment includes any observable data relating to the following events:

- The existence of unpaid instalment for at least 20 or 30 days.
- The knowledge or observation of significant financial difficulties of the customer indicating the existence of a credit risk, even if there is no unpaid instalment, including suspected fraud cases, debt restructuring, private bankruptcy and suspensions of payments.
- Concessions granted to the terms and condition of the loans, which would not have been granted in the absence of financial difficulties of the customer.

This is not consistent with the applied default definition as all defaulted financial assets according to CRR, article 178 are defaulted after 90 DPD are classified as stage 3 financial assets.

Financial assets are derecognised when reliable information indicates that the debtor is in serious financial difficulty and recovery seems unrealistic or when non-performing exposures are sold. Recoveries are recognised in profit or loss.
This general model is applied to all instruments in the scope of the impairment of IFRS 9 measured at amortised cost.

The expected credit loss approach under IFRS 9 is symmetrical, meaning that if some expected credit losses at maturity have been recognised in a previous closing period, and if there is no longer any indication of significant increase in credit risk for the financial instrument during the current closing period since its initial recognition, then the provision is calculated on the basis of expected credit losses at 12 months.

Significant increase in credit risk (SICR)

Significant increase in the credit risk will be assessed on an individual basis or on a collective basis (by grouping the financial instruments according to common credit risk characteristics) by taking into consideration all reasonable and supportable information and comparing the default risk of the financial instrument at the closing date with the default risk on the date of its initial recognition.

Assessment of deterioration will be measured by comparing probability of default on the date of initial recognition and those existing at the reporting date.

The categorisation in stages and calculation of the expected loss is based on Lunar's models in the form of PD models developed by third parties and internally. In assessing the development in credit risk, it is assumed that there has been a significant increase in risk compared to the time of initial recognition in the following situations:

- An increase in PD for the expected remaining maturity of the financial asset of 100% and an increase in 12-month PD of 0.5% when the 12-month PD at initial recognition was below 1.0%.
- An increase in PD for the expected residual maturity of the financial asset of 100% or an increase in 12-month PD on initial recognition of 2.0 percentage points when 12-month PD on initial recognition was 1.0% or more.

However, if the credit risk on the financial asset is considered low at the balance sheet date, the asset is maintained in stage 1, which is characterised by the absence of a significant increase in credit risk. The credit risk is considered low for loans at amortised cost when the customer's 12-month PD is below 0.2%.

Under the general impairment model, there is also a rebuttable presumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are 1 to 29 days past due. Such financial assets are classified in stage 2.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses (i.e, the present value of cash shortfalls) over the expected lifetime of the financial instrument.

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Note G1
Basis of preparation 8/9

In practice, for exposures classified in stage 1 and stage 2, the expected credit losses are calculated as the product of the probability of default (“PD”), the loss given default (“LGD”) and the Exposure at Default (“EAD”) discounted at the effective interest rate of the exposure. They result from the risk of default in the next 12 months (stage 1) or the risk of default over the lifetime of the exposure (stage 2). In the specific business of consumer finance and given the characteristics of the portfolios, the method used by Lunar Group is based on probabilities of transition into the default stage and on discounted loss rates at default. Calculation of the parameters are made statistically by homogeneous populations which also include cyclical fluctuations.

For exposures classified in stage 3, the expected credit losses are calculated as the discounted value at the effective interest rate of the cash shortfall over the life of the instrument. Cash shortfall is the difference between the cash flows that are due by the customer in accordance with the contract and the cash flow that the bank expects to receive.

Due to models’ uncertainty a management overlay has been added to cover for such uncertainty. Future macroeconomic developments are also taken into consideration via an applied LOPI factor and a scenarios approach, i.e., estimations of optimistic, baseline and pessimistic macroeconomic evolution and impact on the Expected Credit Losses are weighted based on the likelihood of the different scenarios to materialise. The resulting impairment losses are recognised in the income statement under “Loan impairment charges etc”.

Other assets

Other assets, including trade and other receivables, are measured at amortised cost. Financial instruments with positive market values are measured at fair value based on observable market prices.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Deposits

Deposits and other amounts due include deposits with counterparties that are not credit institutions or central banks. Deposits and other amounts due are initially measured at fair value and subsequently amortised cost.

Other liabilities

Other financial liabilities, including trade and other payables, are on initial recognition measured at fair value. The liabilities are subsequently measured at amortised cost. Financial instruments with negative market values are measured at fair value based on observable market prices.

Deferred income

Deferred income is the obligation to transfer services to a customer for which the Bank has received consideration from the customer. If a customer pays consideration before the Bank transfers services to the customer, a contract liability is recognised when the payment is made.
Contract liabilities are recognised as fee income when the Bank performs under the contract.

Other provisions

At initial recognition, other provisions are measured at fair value. Subsequently, they are measured at amortised cost.

Contingent liabilities

These liabilities encompass obligations that might arise from past events but hinge on the occurrence of future events. Notably, for a liability to be recognized, there must be a present obligation with a probability exceeding 50%. Otherwise, it falls under the category of contingent liabilities.

Subordinated debt

Subordinated debt comprises of Tier 2 capital instruments, which, in the case of liquidation or bankruptcy and pursuant to the loan conditions, cannot be redeemed until the claims of ordinary creditors have been met. At initial recognition subordinated debt is measured at fair value, equalling the payment received less directly attributable costs incurred. Subsequently, subordinated debt is measured at amortised cost.

Share-based payments

The value of share-based payments is recognised in the income statement. The most significant conditions of the warrants are disclosed in the notes.

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Note G1
Basis of preparation 9/9

Income tax

Current tax charges are recognised in the balance sheet as the estimated tax charge in respect of the expected taxable income for the year, adjusted for tax on prior years' taxable income and tax paid in advance.

Deferred tax

Provisions for deferred tax are calculated at local tax rates applicable in the country segment of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income, and temporary differences on non-amortisable goodwill.

Deferred tax assets are measured at the value at which they are expected to be utilised, either through elimination against tax on future earnings or as a set-off against deferred tax liabilities. Due to uncertainty to realising budget no deferred tax assets has been recognised in the balance sheet.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

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Note G2

Significant accounting estimates, assumptions and uncertainties

The preparation of financial statements requires the use of accounting estimates which, by definition, seldom will equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies. The judgments, estimates, and the related assumptions made are based on future expectations, historical experience, and other factors that Management considers to be reliable, but which by their very nature are associated with uncertainty and unpredictability. These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise. On an ongoing basis, Management reviews Lunar Group's capital resources in order to assess the soundness of the Group's investments in expansion. In the nature of realising plans, budget planning, internal and external factors may create uncertainties related to realising those plans and in the event of delayed time to profitability or delayed impact of new product offerings, management has established several contingency options related to the capital base.

Lunar Group received a capital injection of DKK 139.5m in December 2025. In January 2026 the Group received DKK 10.1m and in February the Group received DKK 202.9m. This has been considered sufficient to enable the Group to comply with regulatory capital requirements throughout 2026.

Intangible assets

Lunar Group has recognised intangible assets at a carrying amount of DKK 202.7m. Intangible assets include customer relations, IT platforms, software and goodwill. Impairment tests are performed to assess the performance of the assets.

Loans and other amounts due at amortised costs

The expected credit loss (ECL) is calculated on loan level as a function of probability of default (PD), exposure at default (EAD) and loss given default (LGD) and it takes into consideration forward-looking information.

The estimation of ECL is forecasting future economic conditions over over a 12-month horizon for Stage 1 exposures and over the remaining lifetime for Stage 2 and Stage 3. Such forecasts are based on a statistical combined with a judgmental approach, and as such are prone for uncertainties that may have significant risk of resulting in a material adjustment to a carrying amount in future reporting periods. Forward-looking elements are incorporated through two separate mechanisms reflecting the expectations of the Management team. For the Danish portfolio, a LOPI macroeconomic adjustment factor is applied to scale the probability of default in the lifetime ECL calculation.

For loss given default, a scenario-based approach is applied across all markets, combining an optimistic, a baseline, and a pessimistic scenario weighted based on management's assessment of the likelihood of different recovery outcomes.The weighting of the scenarios was defined as 20 % optimistic, 50 % baseline and 30 % pessimistic. A management overlay is applied where the modelled ECL does not fully reflect expected losses.

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1 January - 31 December

Note G3
Financial highlights 1/2

Income statement (DKK'000)	2025	2024	2023	2022	2021
Net interest and fee income	525,610	539,314	424,892	233,479	50,766
Market value adjustments	-2,863	-1,634	-3,308	58,196	-2,542
Staff costs and administrative expenses	633,939	705,060	709,486	931,997	523,927
Write-downs on loans and receivables, etc.	23,544	63,662	33,571	213,740	91,932
Profit/loss for the year	-226,009	-625,903	-410,937	-1,488,674	-737,180

Balance sheet (end of period)(DKK'000)	2025	2024	2023	2022	2021
Loans at amortised cost	18,017	15,009	1,215,877	2,226,416	2,762,081
Total assets	11,911,314	11,692,515	12,041,583	11,661,031	11,901,282
Deposits	10,700,741	10,595,250	10,593,727	9,929,780	8,431,577
Equity	598,844	654,487	940,527	950,534	1,826,018

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Note G3
Financial highlights 2/2

Income statement (DKK'000)	2025	2024	2023	2022	2021
Capital base (own funds)	624.143	583,913	770,562	803,243	1,110,294
Total capital ratio (%)	32.1	48.2	32.9	32.8	48.3
Tier 1 capital ratio (%)	25.7	48.1	32.7	32.8	47.4
Return on equity before tax (%)	-35.8	-80.2	-44.5	-107.9	-57.8
Return on equity after tax (%)	-36.1	-78.5	-43.5	-107.2	-69.5
Interest-rate risk	0.2	0.0	0.0	0.0	2.3
Currency position	0.4	4.4	4.0	0.7	0.9
Loans relative to deposits (%)	0.6	0.4	13.1	24.8	34.7
Gearing of loans, end of year (%)	10.4	6.5	147.8	234.2	151.3
Lending growth	20	-98.8	-45.4	-19.4	21,320
LCR (%)	1,094.9	1,140.5			
Sum of large exposures	0	0.0	0.0	0.0	0.0
Net impairment ratio (%)	71.0	64.7	12.5	10.7	5.9
Return on assets (%)	-1.9	-5.4	-3.4	-12.7	-9.3
Average number of full-time employees	389	426	487	565	439
Income/cost ratio	0.7	0.4	-0.5	0.2	0.1

The consolidated financial ratios and key figures are calculated in accordance with the Danish Finance Society's guidelines.

Please refer to note G1 for further description.

Consolidated financial statements
1 January - 31 December

Note G4
Segment 1/2

	2025			
DKK'000	**DK**	**SE**	**NO**	**Total**
Interest income	188,610	26,402	4,019	219,033
Interest expenses	44,334	10,911	4,222	59,467
Net interest income	**144,278**	**15,491**	**-203**	**159,566**
Fee and commission income	372,395	36,337	11,814	420,546
Fee and commission expenses	35,230	8,064	11,208	54,502
Net fee income	**337,165**	**28,273**	**606**	**366,044**
Net interest and fee income	**481,443**	**43,764**	**403**	**525,610**

DKK'000	**Business Tiers**	**Private Tiers**	**Lending**	**Moonrise**	**Other**	**Total**
Interest income	45,529	162,122	8,609	2,773	0	219,033
Interest expenses	7,027	52,165	25	250	0	59,467
Net interest income	**38,502**	**109,957**	**8,584**	**2,523**	**0**	**159,566**
Fee and commission income	160,969	223,044	6,571	29,962	0	420,546
Fee and commission expenses	3,183	49,492	0	1,827	0	54,502
Net fee income	**157,786**	**173,552**	**6,571**	**28,135**	**0**	**366,044**
Net interest and fee income	**196,288**	**283,509**	**15,155**	**30,658**	**0**	**525,610**

Business tiers include the subscription fees for business customers as well as their usage of various transaction-based services. The same logic applies for private tiers where the subscription fees combined with various transaction based services make up the revenue, but also including invest. Lending are lending-based products as well as central bank deposits, bonds etc. where Moonrise consist of BAS income.

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Note G4
Segment 2/2

	2024		
DKK'000	**DK**	**SE**	**NO**	**Total**
Interest income	275,145	134,932	5,715	415,792
Interest expenses	106,357	41,020	5,688	153,065
Net interest income	**168,788**	**93,912**	**27**	**262,727**
Fee and commission income	266,786	27,787	10,567	305,140
Fee and commission expenses	12,675	3,825	12,872	29,372
Net fee income	**254,111**	**23,962**	**-2,305**	**275,769**
Net interest and fee income	**422,901**	**117,874**	**-2,278**	**538,496**

DKK'000	**Business**	**Consumer**	**Lending**	**Moonrise**	**Other**	**Total**
Interest income	41,743	284,010	89,106	1,485	-551	415,792
Interest expenses	5,680	140,390	5,874	37	1,084	153,065
Net interest income	**36,063**	**143,620**	**83,232**	**1,448**	**-1,635**	**262,727**
Fee and commission income	93,530	187,337	13,325	10,946	2	305,140
Fee and commission expenses	145	29,193	0	34	0	29,372
Net fee income	**93,385**	**158,144**	**13,325**	**10,912**	**2**	**275,769**
Net interest and fee income	**129,448**	**301,764**	**96,557**	**12,360**	**-1,633**	**538,496**

Business tiers include the subscription fees for business customers as well as their usage of various transaction-based services. The same logic applies for private tiers where the subscription fees combined with various transaction based services make up the revenue, but also including invest. Lending are lending-based products as well as central bank deposits, bonds etc. where Moonrise consist of BAS income. During 2025, the reporting tiers were revised. Therefore the numbers for 2024 are adjusted to be in line with the monthly internal reporting.

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Note G5
Interest income

DKK'000	2025	2024
Loans and other receivables	12,566	88,601
Interests on deposits and other debt	267	316
Interest income investments in bonds	150,514	132,809
From credit institutions and central banks	55,684	194,066
Total	**219,033**	**415,792**

Note G6
Interest expenses

DKK'000	2025	2024
IFRS16 Leasehold expenses	3,750	0
Subordinated debt	13,410	3,966
Interests on deposits and other debt	41,828	138,201
Other interest expenses	480	10,898
Total	**59,467**	**153,065**

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Note G7
Fee and commission income

DKK'000	2025	2024
Payment service fees	139,620	104,230
Lending and guarantee fees	14,851	21,960
Other fees and commission income	266,075	178,950
Total	**420,546**	**305,140**

Note G8
Market value adjustments

DKK'000	2025	2024
Bonds at amortised cost	0	10,785
Foreign exchanges	-5,576	-24,875
Financial instruments measured at fair value	2,738	12,516
Other liabilities	-25	-60
Total	**-2,863**	**-1,634**

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Note G9
Staff costs and administrative expenses

DKK'000	2025	2024
Wages and salaries	347,122	307,309
Pensions	22,969	34,852
Social Security costs	5,528	11,238
Share-based payments	1,360	1,794
Capitalised wages and salaries	-84,292	-63,935
	292,687	**291,258**
Other administrative expenses	341,252	413,802
Total	**633,939**	**705,060**

Number of employees in the financial year		
Full-time equivalent employees	389	426
Executive Board	1	1
Employees whose activities have a significant impact on the Group's risk profile	13	7
Board of Directors	8	8

Salaries and remuneration to employees whose activities have a significant impact to the Group's risk profile accounted for DKK 16,202 thousand (2024: DKK 11,163 thousand) of which incentive programs account for DKK 199 thousand (2024: DKK 1,459 thousand).

Salaries and remuneration to the executive board and board of director was DKK 8,389 thousand (2024: DKK 8,049 thousand) of which incentive programs account for DKK 97 thousand (2024: DKK 122 thousand).

The numbers above reflect the cost on the warrant programs which have to be recognized in relation to the vesting periods relatively. One board member was granted warrants in 2025. No executive board members were granted warrants in 2025.

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Note G10
Fees paid to auditor appointed at the annual general meeting

DKK'000	2025	2024
PwC	3,166	3,769
Total	**3,166**	**3,769**
Total fees include:		
Statutory audit	3,021	3,729
Other assurance engagements	60	40
Tax services	0	0
Non-audit services	85	0
Total	**3,166**	**3,769**

Fees for Other assurance engagements in 2024 and 2025 cover the issuance of statements required under financial regulatory frameworks.

Non-audit services comprise the issuance of assurance reports in connection with mergers, as well as XBRL tagging for subsidiaries preparing financial statements under the Danish Financial Statements Act.

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Note G11
Loan impairment charges

DKK'000	2025	2024
Change in ECL during year	16,511	12,219
Realised losses	3,077	49,262
Other movements	3,956	2,181
Total	**23,544**	**63,662**

Loan impairment charges include impairment charges for expected credit losses on loans and overdraft facilities. Changes in total allowance account during the year is further elaborated in note G27.

Note G12
Other operating expenses

In December 2024, Lunar reached a settlement agreement with the shareholders behind the court case relating to Lunar's offer to buy Instabank. The payment to the shareholders amounted to DKK 188.6m and have been recognised as Other operating expenses for the year. After the settlement there are no outstanding or potential disputes relating to Instabank.

No disputes were settled during 2025.

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Note G13
Tax for the year

DKK'000	2025	2024
Current year tax charges	0	1
Adjustment of current tax previous years	-1,503	-13
Deferred tax adjustment for the year	0	-13,604
Total	**-1,503**	**-13,616**

At 31st of December 2025, the company has unrecognized deferred tax assets in the level of DKK 575m that can be set off against future taxable income (2024: DKK 520m).
As there are no taxes paid regarding 2025, the effective tax rate is 0.

Note G14
Receivables from credit institutions and central banks

DKK'000	2025	2024
Central banks	0	0
Credit institutions	191,666	133,534
Total	**191,666**	**133,534**
Distribution of terms by maturity		
Overnight	191,666	133,534
Up to three months	0	0
Total	**191,666**	**133,534**

Consolidated financial statements
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Note G15
Loans and other amounts due at amortised cost

DKK'000	2025	2024
Overnight	0	0
Up to three months	779	214
From three months to one year	7,704	4,500
From one year to five years	9,535	10,295
More than five years	0	0
Total	**18,017**	**15,009**

See note G27 for a detailed description of financial risks incl. Lunar's credit exposure.

Consolidated financial statements

Note G16
Intangible assets 1/3

DKK'000	Goodwill	Customer relations	Software	Software in process	Total
Cost at 1 January 2025	615,944	3,325	508,210	9,106	1,136,585
Corrections to prior year	0	0	4,775	480	5,255
Additions	0	0	77,802	11,930	89,732
Transfers	0	0	4,296	-4,296	0
Disposals	-615,944	-3,325	0	0	-619,269
Other	0	0	81	0	81
Cost at 31 December 2025	0	0	595,164	17,220	612,384
Amortisation and impairment at 1 January 2025	615,944	3,325	352,503	-22	971,750
Corrections to prior year	0	0	-1,778	22	-1,756
Amortisation	0	0	57,327	0	57,327
Impairment	0	0	1,598	0	1,598
Transfers	0	0	0	0	0
Disposals	-615,944	-3,325	0	0	-619,269
Other	0	0	84	0	84
Amortisation and impairment losses at 31 December 2025	0	0	409,734	0	409,734
Carrying amount at 31 December 2025	**0**	**0**	**185,430**	**17,220**	**202,650**
		5 years	3-5 years		

Consolidated financial statements

Note G16
Intangible assets 2/3

DKK'000	Goodwill	Customer relations	Software	Software in process	Total
Cost at 1 January 2024	615,944	3,325	435,631	12,187	1,067,087
Exchange rate adjustment	0	0	-152	0	-152
Additions	0	0	63,197	6,453	69,650
Transfers	0	0	9,534	-9,534	0
Cost at 31 December 2024	615,944	3,325	508,210	9,106	1,136,585
Amortisation and impairment at 1 January 2024	560,206	3,325	218,215	447	782,193
Exchange rate adjustment	0	0	152	0	152
Amortisation	0	0	106,561	0	106,561
Impairment	55,738	0	27,106	0	82,844
Transfers	0	0	469	-469	0
Amortisation and impairment losses at 31 December 2024	615,944	3,325	352,503	-22	971,750
Carrying amount at 31 December 2024	**0**	**0**	**155,707**	**9,128**	**164,834**
Amortised over		5 years	3-5 years		

Consolidated financial statements

Note G16
Intangible assets 3/3

Intangible assets are tested for impairment at least once a year by testing at the level of identifiable cash-generating units to which intangible assets have been allocated. Further, if intangible assets in a cash-generating unit is fully impaired, a further impairment loss is recognised as an impairment loss on intangible or tangible assets, if any.

Consolidated financial statements

Note G17
Property, plant and equipment 1/2

DKK'000	Property, land and equipment	Other tangible assets	Total
Cost at 1 January 2025	114,135	40,369	154,505
Exchange rate adjustment	-442	0	-442
Acquired operations	0	0	0
Additions	5,136	2,918	8,054
Disposals	-8,599	-268	-8,867
Correction to prior year	0	0	0
Cost at 31 December 2025	110,230	43,019	153,250
Amortisation and impairment at 1 January 2025	36,732	27,196	63,928
Exchange rate adjustment	-210	0	-210
Acquired operations	0	0	0
Depreciation	16,924	7,894	24,818
Reversal at sale	-8,599	-268	-8,867
Correction to prior year	0	0	0
Amortisation and impairment losses at 31 December 2025	44,847	34,822	79,669
Carrying amount at 31 December 2025	**65,384**	**8,197**	**73,581**
Here off lease assets	65,384		
Amortised over	5 years	3-5 years	

Consolidated financial statements

Note G17
Property, plant and equipment 2/2

DKK'000	Property, land and equipment	Other tangible assets	Total
Cost at 1 January 2024	114,269	35,917	150,186
Exchange rate adjustment	-188	-31	-219
Acquired operations	0	0	0
Additions	148	4,763	4,911
Disposals	-94	-279	-373
Correction to prior year	0	0	0
Cost at 31 December 2024	114,135	40,369	154,505
Amortisation and impairment at 1 January 2024	19,093	16,785	35,878
Exchange rate adjustment	0	-7	-7
Acquired operations	0	0	0
Depreciation	17,639	10,418	28,057
Disposals	0	0	0
Correction to prior year	0	0	0
Amortisation and impairment losses at 31 December 2024	36,732	27,196	63,928
Carrying amount at 31 December 2024	**77,403**	**13,173**	**90,576**
Here off lease assets	77,403		
Amortised over	5 years	3-5 years	

Consolidated financial statements

Note G18
Deposits and other debt

DKK'000	2025	2024
Deposits	10,492,604	9,917,994
Term deposits	208,137	677,256
Total	**10,700,741**	**10,595,250**
Deposits of terms by maturity		
Overnight	10,492,604	9,917,994
Up to three months	154,566	218,805
From three months to one year	45,043	307,024
From one year to five years	8,528	151,427
More than five years	0	0
Total	**10,700,741**	**10,595,250**

Consolidated financial statements

Note G19
Deferred tax liabilities

DKK'000	2025	2024
Deferred tax liability at 1 January	0	13,605
Deferred tax adjustment for the year	0	-13,605
Deferred tax liability at 31 December	**0**	**0**

Consolidated financial statements

Note G20
Other provisions

Onerous contracts

The Company has previously signed contracts with payment processing providers with a maximum period of interminability until December 2024. The contracts are interdependent, and that is why Management has assessed them collectively. All contracts are ended by December 2025.

Other provisions

Other provisions consist of funds of DKK 0 thousand to cover potential losses in Lunar's brokerage of loans between private investors and lenders (2024: DKK 377 thousand).

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Note G21
Subordinated debt

Lunar Group has taken out the following subordinated loans:

DKK'000		Interest rate		Carrying amount	
Loan	**Maturity**	**2025**	**2024**	**31 December 2025**	**31 December 2024**
Loan 1, Nominal DKK 30,000	2025	N/A	9.420% + CIBOR 3M	0	29,975
Loan 2, Nominal EUR 17,370	2035	14,37%	N/A	124,804	0
				124,804	**29,975**

The subordinated loan is qualified as a Tier 2 instrument pursuant CRR regulation. In 2025 the costs from subordinated loans amounts to DKK 11,868 thousand (2024: DKK 4,026 thousand) whereas DKK 11,868 thousand (2024: DKK 3,966 thousand) are interests. On 31 December 2025 the carrying amount of amortized borrowing costs amounts to DKK 0 thousand (2024: DKK 60 thousand).

The loan has no installments before repayment of the full amount at July 1st 2025. Due to amortization profile of the subordinated debt, the Tier 2 weighting has been reduced by 1/60 part each month over the 5 years maturity. At 31 December 2025 DKK 3,000 thousand is recognized in the capital base.

Tier 2 instruments with a residual maturity of at least one year are considered eligible liabilities, to the extent that they do not qualify as Tier 2 items in accordance with CRR article 64.

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Note G22
Proposed distribution of profit/loss

DKK'000	2025	2024
Retained earnings	-226,009	-625,903
Total	**-226,009**	**-625,903**

Note G23
Share-based payments

In 2017, a warrant program was established for the benefit of Management and certain key employees. The program allows the board of directors to issue warrants to key employees with a vesting period of up to 5 years under the authorization of the shareholders. Exercising warrants is only an option by an Exit event or upon maturity of the warrants, in which case the warrant holders are entitled to subscribe for shares in Lunar Group A/S at a pre-defined strike price.

All warrants across the programs mature in the period between 1 June 2028 and 28 February 2029, which is the ultimate deadline for exercising, unless there has been an exit event prior to maturity. Until 2020 the valuation principles have been using the guidance in the Tax assessments Act. From 2021, Black Scholes valuation has been introduced and used for the recognition and accounting treatment of share-based payments. During 2025 costs related to the warrant program of DKK 1,360 thousand has been recognized in the income statement (2024: DKK 1,794 thousand).

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Note G24
Fair value information for financial instruments

Lunar has assessed that for financial instruments measured at amortised cost the carrying amount is a reasonable approximation.
In 2025 Lunar entered financial instruments with a maturity up to 3 months. Those financial instruments are mainly FX swaps which are entered to reduce the liquidity mismatch, since Lunar has large deposit surplus in DKK, while the loan book is mainly in SEK.
Lunar's position of financial instruments at 31 December 2025 is disclosed in the table below.

	Net Nominal position (thousand)	**Net market value** (DKK'000)	**Positive market value** (DKK'000)	**Negative market value** (DKK'000)
Spot - SEK	SEK 365	-21	13	-34
Spot - NOK	NOK 1,520	0	1	-1
Spot - EUR	EUR 1,400	11	22	-11
Forwards - SEK	SEK 216	-3	0	-3
Forwards - NOK	NOK 832	21	21	0
Forwards - EUR	EUR 160	-24	3	-26
Swaps - EUR	EUR 1,354,000	4,324	4,376	-52
Swaps - SEK	SEK 510,000	-660	11	-671
Swaps - NOK	NOK 3,900	-47	0	-47

Of the total nominal net position of SEK swaps at 31 December 2025 SEK 1,351,000 thousand are placed in a long position, while SEK 0 thousand are placed in a short position. Lunar's position of financial instruments at 31 December 2024 is disclosed in the table below.

	Net Nominal position (thousand)	**Net market value** (DKK'000)	**Positive market value** (DKK'000)	**Negative market value** (DKK'000)
Forwards - SEK	SEK 16,972	21	389	-368
Forwards - NOK	NOK 4,000	-5	0	-5
Swaps - EUR	EUR 2,000	-3	0	-3
Swaps - SEK	SEK 917,025	4.974	4.974	0
Swaps - NOK	NOK 543,000	159	159	0

Of the total nominal net position of SEK swaps at 31 December 2024 SEK 917,024 thousand are placed in a long position, while SEK 0 thousand are placed in a short position.

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Note G25
Contractual obligations and contingencies, etc.

Contingent liabilities

As of 31 December 2025, unaccepted loan commitments amount to 0 tDKK and unused credit facilities amount to 0 tDKK, which totals 0 tDKK (31 December 2024: 0 tDKK in total).

Of the total value of bond holdings, 437,862 tDKK has been provided as collateral to other credit institutions (31 December 2024: 429,288 tDKK).

The Bank participates in the Danish Guarantee Fund. The Danish Guarantee Fund is currently fully funded, but if the fund subsequently does not have sufficient means to make the required payments, extraordinary contributions of up to 0.5% of the individual institution's covered deposits may be required. Contributions are made on the basis of size and risk relative to other credit institutions in Denmark. The contribution to the Danish Guarantee Fund is recognised as an operating expense.

The Group also participates in the Resolution Fund. If the fund does not have sufficient means to make the required payments, extraordinary contributions may be required. Payments to the Danish Restructuring Fund are calculated on the basis of the individual credit institution's share of covered deposits relative to other credit institutions in Denmark.

Lunar Group A/S serves as the administrative company for the Group's Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, Lunar Group A/S is therefore liable for income taxes, etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties, and dividends for the jointly taxed entities.

Lunar Group A/S is registered jointly with all Danish subsidiaries for financial services employer tax and VAT, for which Lunar Group A/S and the entities are jointly liable.

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Note G26
Related parties

The ownership of Lunar Group is disclosed on page 5.

Group entities comprises the following legal entities:

- Lunar Group A/S (parent company), Hack Kampmanns Plads 10, 8000 Aarhus C
- Lunar Bank A/S, Hack Kampmanns Plads 10, 8000 Aarhus C
- Lunar Block A/S, Hack Kampmanns Plads 10, 8000 Aarhus C
- Moonrise Banking Services A/S, Hack Kampmanns Plads 10, 8000 Aarhus C
- Lunar Journey AB, Malmskillnadsgatan 44A, 111 57 Stockholm

There are no parties having a majority holding in Lunar Group A/S as well as no parties having significant influence.

There are no loans, guarantees or transactions with other related parties, except for those described under intra-group transactions.

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Note G27
Financial risks and policies and objectives for the management of financial risks 1/9

Lunar Group is exposed to different types of risks. The purpose of Lunar's risk management policies is to actively manage risks that may arise as a result of e.g., unpredictable development in financial markets. The main categories of financial risks are the following:

· Credit risk: The risk of loss arising from the failure of a borrower or obligor to meet its contractual obligation towards Lunar
· Market and liquidity risk: The risk of loss on on-/off-balance sheet positions arising from adverse movements in market prices and the risk of not having sufficient liquidity to meet obligations
· Capital risk: The risk of insufficient capital negatively affecting the Group's ability to pursue its business strategy

Credit risk
Lunar Group is for the time being not actively offering credit products. For the existing portfolio, which comprises loans, credit facilities, and unarranged overdrafts on deposit accounts, the ambition is to limit impairment volatility and ensure adequate management overlays to cover for risks not captured by the impairment calculations. When assessing the credit exposures of loans and credit facilities, the starting point is the identification of the credit risk of the counterparty. For existing customers in Lunar, individual rules or the internally developed PD model is applied.

Below, the gross credit exposure on 31 December 2025 is distributed in rating scales.

Consolidated financial statements

Note G27 Financial risks and policies and objectives for the management of financial risks 2/9

Below, the gross credit exposure on 31 December 2025 is distributed in rating scales.

DKK'000	Stage 1	Stage 2	Stage 3	Total
A	19	0	0	19
B	0	0	0	0
B-C	55	0	0	56
C	0	0	0	0
D	0	0	0	0
D-E	0	0	0	0
E	0	0	0	0
F	925	768	60,281	61,974
Gross carrying amount at 31 December 2025	**1,000**	**768**	**60,281**	**62,049**
Distribution in segments				
Business, including:				
Construction	75	66	1,620	1,762
Retail	26	57	1,102	1,185
Transport, hotels and restaurants	111	65	909	1,085
Information and communication	63	7	504	574
Finance and insurance	58	119	3,750	3,926
Service	14	33	972	1,019
Other segments	30	44	1,208	1,283
Business, total	378	391	10,066	10,835
Private	622	377	50,215	51,214
Total	**1.000**	**768**	**60,281**	**62,049**

Consolidated financial statements

Note G27 Financial risks and policies and objectives for the management of financial risks 3/9

Below, the gross credit exposure on 31 December 2024 is distributed in rating scales.

DKK'000	Stage 1	Stage 2	Stage 3	Total
A	0	0	0	0
B	0	0	0	0
B-C	227	3	0	230
C	0	0	0	0
D	0	0	0	0
D-E	0	0	0	0
E	0	0	0	0
F	2,420	950	38,936	42,306
Gross carrying amount at 31 December 2024	**2,647**	**953**	**38,936**	**42,536**
Distribution in segments				
Business, including:				
Construction	161	79	1,382	1,622
Retail	67	105	613	785
Transport, hotels and restaurants	35	41	796	872
Information and communication	19	42	340	402
Finance and insurance	91	127	2,043	2,261
Service	8	49	509	566
Other segments	70	33	922	1,025
Business, total	451	476	6,604	7,531
Private	2,196	477	32,332	35,005
Total	**2,647**	**953**	**38,936**	**42,536**

Consolidated financial statements

Note G27
Financial risks and policies and objectives for the management of financial risks 4/9

Historically, the maximum loan granted to an individual customer has been 150 tDKK / 500 tSEK. Lunar Bank has established policies and processes for handling the loan portfolio and systematically conducts detailed monitoring.

As described in note 1, impairment losses on loans and credit facilities are recognised at the point of initial recognition, provisioned with an amount equivalent to the expected credit loss over 12 months (Stage 1). In the event of a significant increase in credit risk (Stage 2) or the identification of a default event (Stage 3), the provision is increased to reflect the full lifetime expected credit loss of the asset. To address model uncertainty, management overlays are evaluated and adjusted on a monthly basis. As of 31 December 2025, managerial adjustments amount to 7 600 tDKK (31 December 2024: 69.8 tDKK). Forward-looking macroeconomic developments are also taken into consideration by utilising a LOPI factor and a scenario approach, i.e., estimations of optimistic, baseline and pessimistic macroeconomic evolutions and their impact on expected credit losses are weighted based on the likelihood of the different scenarios to materialise.

The systematic monitoring of the loan portfolio comprises reporting on relevant portfolio segmentation and is regularly prepared for internal committees with participation of the bank's management. Also, separate reporting is prepared for scheduled Board of Directors meetings.

Financial statements

Note G27
Financial risks and policies and objectives for the management of financial risks 5/9

Future macroeconomic developments are also taken into consideration by utilising a LOPI factor and a scenarios approach, i.e., estimations of optimistic, baseline and pessimistic macroeconomic evolution, and impact on the Expected Credit Losses are weighted based on the likelihood of the difference scenarios to materialise.

The systematic monitoring of the loan portfolio comprises reporting on relevant portfolio segmentation and is regularly prepared for internal committees with participation of the Group's Management Also, a separate reporting is prepared for scheduled Board of Directors meetings.

The table below shows the development on accumulated impairment charges on loans at amortised cost.

DKK'000	Stage 1	Stage 2	Stage 3	Total
Impairment charges at 1 January 2025	**166**	**390**	**26,972**	**27,528**
ECL on new assets	101	223	11,906	12,230
Transfer from Stage 1	23	19	333	375
Transfer from Stage 2	0	-106	787	681
Transfer from Stage 3	0	9	9,289	9,298
Assets derecognised	-156	-232	0	-388
Write offs debited to the allowance account	0	0	-5,685	-5,685
Other movements	0	-3	-5	-8
Impairment charges at 31 December 2025	**133**	**301**	**43,597**	**44,032**

Financial statements

Note G27
Financial risks and policies and objectives for the management of financial risks 6/9

The table below shows the changes in total impairment charges recognised at 31 December 2024 for loans at amortised cost.

DKK'000	Stage 1	Stage 2	Stage 3	Total
Impairment charges at 1 January 2024	**51,659**	**21,688**	**100,562**	**173,909**
ECL on new assets	95	317	8,294	8,706
Transfer from Stage 1	-541	40	694	193
Transfer from Stage 2	0	-125	468	343
Transfer from Stage 3	0	5	3,968	3,973
Assets derecognised	-51,047	-21,535	0	-72,582
Write offs debited to the allowance account	0	0	-87,014	-87,014
Other movements	0	0	0	0
Impairment charges at 31 December 2024	**166**	**390**	**26,972**	**27,528**

Financial statements

Note G27
Financial risks and policies and objectives for the management of financial risks 7/9

The table below shows the changes in total impairment charges recognised at 31 December 2025 for unused credit facilities.

DKK'000	Stage 1	Stage 2	Stage 3	Total
Impairment charges at 1 January 2025	**0**	**0**	**0**	**0**
ECL on new assets	0	0	0	0
Transfer from Stage 1	0	0	0	0
Transfer from Stage 2	0	0	0	0
Transfer from Stage 3	0	0	0	0
Assets derecognised	0	0	0	0
Write offs debited to the allowance account	0	0	0	0
Other movements	0	0	0	0
Impairment charges at 31 December 2025	**0**	**0**	**0**	**0**

Only private clients have unused credit facilities, hence no distribution in business segments.

Financial statements

Note G27
Financial risks and policies and objectives for the management of financial risks 8/9

The table below shows the changes in total impairment charges recognised at 31 December 2024 for unused credit facilities.

DKK'000	Stage 1	Stage 2	Stage 3	Total
Impairment charges at 1 January 2024	**73**	**14**	**71**	**158**
ECL on new assets	0	0	0	0
Transfer from Stage 1	-7	0	0	-7
Transfer from Stage 2	0	0	0	0
Transfer from Stage 3	0	0	-18	-18
Assets derecognised	-66	-14	0	-80
Write offs debited to the allowance account	0	0	-53	-53
Other movements	0	0	0	0
Impairment charges at 31 December 2024	**0**	**0**	**0**[1]	**0**

Only private clients have unused credit facilities, hence no distribution in business segments.

Consolidated financial statements

Note G27
Financial risks and policies and objectives for the management of financial risks 9/9

Market and liquidity risk

At Lunar, we recognize that assuming market and liquidity risk is an inherent aspect of our business operations. Our strategic approach is characterized by a low risk appetite for these exposures, and we specifically avoid engaging in overly complex financial structures. Our liquidity buffer is robustly managed and comprises cash deposits at central banks alongside investments in High Quality Liquid Assets, primarily Nordic government bonds and Nordic covered bonds. These holdings also contribute to our interest rate risk management framework. We have maintained this conservative, low-risk approach across our operations in Denmark, Sweden, and Norway.

Capital risk

Lunar has been able to attract external funding to ensure capital to cover for the planned investments in the Bank and this ability is reflected in the capital planning. The objective of Lunar Bank's capital management framework is to ensure that Lunar Bank at any time has a sufficient level and quality of capital to support its business ambitions and to absorb unexpected losses under a severe economic downturn without breaching regulatory capital requirements.

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Income statement and comprehensive income (parent)

Note	DKK'000	2025	2024
P1	Interest income	13,132	937
P2	Interest expenses	21,906	15,442
	Net interest and fee income	**-8,774**	**-14,504**
	Market value adjustments	-151	-39
P3, P4	Staff costs and administrative expenses	11,044	9,930
P9	Amortisation, depreciation and impairment charges	7,951	7,951
P7	Income from Group undertakings	-198,089	-594,733
	Profit/loss before tax	**-226,009**	**-627,153**
P5	Tax for the year	0	-1,254
	Profit/loss after tax	**-226,009**	**-625,903**
	Currency adjustments	7,959	3,925
	Other comprehensive income after tax	-4,810	-11,926
	Total comprehensive income	**-222,861**	**-633,903**

Financial statements
1 January - 31 December

Balance Sheet (parent)

Note	DKK'000	31 December 2025	31 December 2024
	Assets		
P6	Receivables from credit institutions and central banks	22,852	3,345
P7	Holdings in Group undertakings	590,074	769,320
	Other assets	37,072	33,356
	Prepayments	1,028	650
P9	Property, plant and equipment	59,318	67,269
P10	Subordinated debt	129,568	0
	Total assets	**839,912**	**873,940**
	Liabilities and equity		
	Other liabilities	116,264	219,453
	Total liabilities	**116,264**	**219,453**
	Subordinated debt		
	Subordinated debt	124,804	0
	Total Subordinated debt	**124,804**	**0**
	Equity		
P11	Share capital	2,908	2,785
	Share premium	4,642,363	4,475,835
	Retained earnings	-4,046,427	-3,824,133
	Total equity	598,844	654,487
	TOTAL LIABILITIES AND EQUITY	**839,912**	**873,940**

Financial statements
1 January - 31 December

Statement of changes in equity (Parent)

DKK'000	Share capital	Share premium	Retained earnings	Total
Equity at 1 January 2024	**1,696**	**4,129,801**	**-3,190,970**	**940,527**
Capital increase	1,089	346,034	10,000	357,123
Currency adjustments	0	0	3,925	3,925
Net profit/loss for the year	0	0	-625,903	-625,903
Share-based payments	0	0	2,524	2,524
Other comprehensive income	0	0	-11,926	-11,926
Other equity movements	0	0	-11,783	-11,783
Equity at 1 January 2025	**2,785**	**4,475,835**	**-3,824,133**	**654,487**
Capital increase	123	166,528	0	166,651
Currency adjustments	0	0	7,959	7,959
Net profit/loss for the year	0	0	-226,009	-226,009
Share-based payments	0	0	1,360	1,360
Other comprehensive income	0	0	-4,811	-4,811
Other equity movements	0	0	-793	-793
Equity at 31 December 2025	**2,908**	**4,642,363**	**-4,046,427**	**598,844**

The capital increase for 2025, consists of 3 raises of DKK 28.9m, DKK 1.1m and DKK 139.5m, subtracted costs of funding of 2.9m.

Financial statements
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Capital and solvency (Parent)

DKK'000	31 December 2025	31 December 2024
Equity	598,844	654,487
Deductions	0	0
Total core capital after deductions	**598,844**	**654,487**
Total Tier 1 capital	598,844	654,487
Subordinated loan capital	124,804	0
Total capital base	**723,648**	**654,487**
Credit risk	1,102,977	1,252,504
Market risk	9,271	3,200
Operational risk	2,442	0
Total risk exposure	**1,114,689**	**1,255,704**
Key figures		
Core capital after deductions, ratio (%)	53.7	51.8
Tier 1 capital ratio (%)	53.7	51.8
Total capital ratio (%)	64.9	51.8

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Overview of notes in the parent financial statements

The financial statement of Lunar Group A/S (parent) are prepared by applying the same accounting principles as the consolidated financial statements. We refer to note G1 Basis of preparation for further descriptions.

P1 Interest income
P2 Interest expenses
P3 Staff costs and administrative expenses
P4 Fees paid to auditor appointed at the annual general meeting
P5 Tax for the year
P6 Receivables from credit institutions and central banks
P7 Holdings in Group undertakings
P8 Goodwill
P9 Property, land and equipment
P10 Subordinated debt
P11 Share capital
P12 Proposed distribution of profit/loss
P13 Contractual obligations and contingencies, etc.
P14 Related parties
P15 Principles for intra-Group trading

Financial statements
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Note P1
Interest income

DKK'000	2025	2024
Interest income		
Other interest income	13,132	937
Total	**13,132**	**937**

Note P2
Interest expenses

DKK'000	2025	2024
Interest expenses		
Other interest expenses	10,038	15,442
Interest expenses for subordinated debt	11,868	0
Total	**21,906**	**15,442**

Financial statements
1 January - 31 December

Note P3
Staff costs and administrative expenses

DKK'000	2025	2024
Staff costs and administrative expenses		
Wages and salaries re-invoiced from subsidiaries	11,016	12,753
Other administrative expenses	28	-2,823
Total	**11,044**	**9,930**
Number of employees in the financial year		
Full-time equivalent employees	4	4
Executive board	1	1
Board of Directors	7	8

Independent board members receive remuneration.

Details on remuneration of the Executive Board and Board of Directors are disclosed on Lunar's website www.lunar.app

Financial statements
1 January - 31 December

Note P4
Fees paid to auditor appointed at the annual general meeting

DKK'000	2025	2024
Fees paid to auditor appointed at the annual general meeting		
PwC	196	175
Total fees include:		
Statutory audit	181	175
Other assurance engagements	15	0
Tax services	0	0
Non-audit services	0	0
Total	**196**	**175**

Financial statements
1 January - 31 December

Note P5
Tax for the year

DKK'000	2025	2024
Tax for the year		
Current year tax charges	0	0
Adjustment of current tax previous years	0	-1,254
Total	**0**	**-1,254**

Note P6
Receivable from credit institutions and central banks

DKK'000	2025	2024
Receivables from credit institutions and central banks		
Credit institutions	22,852	3,345
Total	**22,852**	3,345
Distribution of terms by maturity		
Overnight	22,852	3,345
Up to three months	0	0
Total	**22,852**	**3,345**

Financial statements
1 January - 31 December

Note P7
Holdings in Group undertakings

DKK'000	2025	2024
Holdings in Group undertakings		
Cost at 1 January	4,808,067	4,807,667
Additions	0	400
Cost at 31 December	**4,808,067**	**4,808,067**
Value adjustment at 1 January	-4,038,747	-3,822,009
Foreign exchange rate adjustment	7,959	18,476
Share-based payments	879	1,593
Profit/loss for the year[1]	-194,951	-591,036
Other comprehensive income	-3,155	-17,989
Hedge accounting	0	-11,926
Other movements	2,299	40,331
Group contributions	148,916	343,813
Dividend received	-141,193	0
Value adjustment at 31 December	-4,217,993	-4,038,747
Carrying amount at period end	**590,074**	**769,320**

Name and registered office	**Voting rights and ownership**	**Profit/loss [1] (DKK'000)**	**Equity (DKK'000)**
Lunar Bank A/S, Aarhus, DK	100 %	-203,982	569,924
Lunar Journey AB, Stockholm, SE	100 %	8,813	15,152
Lunar Block A/S, Aarhus, DK	100 %	218	4,598
Moonrise Banking Services A/S, DK	100 %	0	400

[1] Profit/loss is excluding PPA-adjustments and elimination of internal gains.

Financial statements
1 January - 31 December

Note P8
Goodwill

DKK'000	2025	2024
Cost at 1 January	55,738	55,738
Additions	0	0
Disposal	55,738	0
Cost at 31 December	0	55,738
Amortisation and impairment at 1 January	55,738	55,738
Impairment	0	0
Disposal	55,738	0
Amortisation and impairment losses at 31 December	0	55,738
Carrying amount at 31 December	**0**	**0**

Financial statements
1 January - 31 December

Note P9
Property, plant and equipment

DKK'000	2025	2024
Cost at 1 January 2025	79,858	79,858
Additions	0	0
Disposals	0	0
Cost at 31 December 2025	**79,858**	**79,858**
Amortisation and impairment at 1 January 2025	12,589	4,638
Amortisation	7,951	7,951
Reversal at sale	0	0
Amortisation and impairment losses at 31 December 2025	**20,540**	**12,589**
Carrying amount at 31 December 2025	**59,318**	**67,269**
Hereof lease assets	59,318	67,269
Amortised over	5 years	5 years

Note P10
Subordinated debt

Lunar Group has taken out the following subordinated loans:

DKK'000		Interest rate		Carrying amount	
Loan	**Maturity**	**2025**	**2024**	**31 December 2025**	**31 December 2024**
Loan 2, Nominal EUR 17,370	2035	14,37%	N/A	124,804	0
				124,804	**0**

The subordinated loan is qualified as a Tier 2 instrument pursuant CRR regulation. In 2025 the costs from subordinated loans amounts to DKK 11,868 thousand (2024: DKK 0 thousand) whereas DKK 11,868 thousand (2024: DKK 0 thousand) are interests. On 31 December 2025 the carrying amount of amortized borrowing costs amounts to DKK 0 thousand (2024: DKK 0 thousand).

The loan has no installments before repayment of the full amount at July 1st 2025. Due to amortization profile of the subordinated debt, the Tier 2 weighting has been reduced by 1/60 part each month over the 5 years maturity. At 31 December 2025 DKK 3,000 thousand is recognized in the capital base.

Tier 2 instruments with a residual maturity of at least one year are considered eligible liabilities, to the extent that they do not qualify as Tier 2 items in accordance with CRR article 64.

Financial statements
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Note P11
Share capital

DKK'000	2025	2024
Share capital at 1 January	2,785	1,696
Capital increases	123	1,089
Share capital at 31 December	**2,908**	**2,785**
Number of shares	2,907,995	2,785,242

Lunar Group does not hold own shares.
The share capital comprises of shares of DKK 1 nominal value each.

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Note P12
Proposed distribution of profit/loss

DKK'000	2025	2024
Retained earnings	-226,009	-625,903
Total	**-226,009**	**-625,903**

Note P13
Contractual obligations and contingencies, etc.

Contingent liabilities

Lunar Group A/S participates in a Danish joint taxation arrangement in which Lunar Group A/S serves as the administrative company. According to the joint taxation provisions of the Danish Corporation Tax Act, Lunar Group is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities.

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Note P14
Related parties

The ownership of Lunar Group is disclosed on page 5. Group entities comprises the following legal entities:

- Lunar Group A/S (parent company), Hack Kampmanns Plads 10, 8000 Aarhus C
- Lunar Bank A/S, Hack Kampmanns Plads 10, 8000 Aarhus C
- Lunar Block A/S, Hack Kampmanns Plads 10, 8000 Aarhus C
- Lunar Journey AB, Malmskillnadsgatan 44A, 111 57 Stockholm
- Moonrise Banking Services A/S, Hack Kampmanns Plads 10, 8000 Aarhus C

There are no parties having a majority holding in Lunar Group A/S as well as no parties having significant influence.

Note P15
Principles for intra-Group trading

Intra-Group transactions and services are settled on an arm's length basis and/or a cost-plus pricing basis.

DKK'000	2025	2024
Income statement		
Re-invoiced staff costs from subsidiaries	11,016	10,708
Re-invoiced costs to subsidiaries	3,127	13,721
Interest expenses to subsidiaries	6,173	11,764
Intercompany interest income from subsidiaries	-13,131	-930
Share-based payments	1,360	1,794
Balance sheet		
Receivables to subsidiaries	11,744	12,198
Payables to subsidiaries	35,887	139,882


LUNAR