

Lunar Bank
Invisible Banking
Annual Report 2025

LUNAR



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Company information.

Company

Lunar Bank A/S

Hack Kampmanns Plads 10
8000 Aarhus C
CVR no. 39 69 76 96

Financial period:
1 January – 31 December 2025

www.lunar.app

Ownership

The company is fully owned by

Lunar Group A/S
Hack Kampmanns Plads 10
8000 Aarhus C

Board of Directors

Jens Peter Leschly Neergaard (Chairman)

Claus Okholm

Lars Andersen

Klaus Østergaard

Jens Mikael Kristoffer Ismunden

Ola Reinhold Nordbye

Matthew Crispin Hurst Westerman

Executive Management

Ken Villum Guldbrandt Klausen

Gitte Margrethe Roskær

Joakim Skaarup Hansen

Robert Stambro

Auditors

PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab

Strandvejen 44
2900 Hellerup

Overview

Executive team

Ken Villum Guldbrandt Klausen

Private-sector directorships:

Lunar Journey AB, Executive Officer
 Lunar Block A/S, Executive Officer and Board member
 Lunar Group A/S, Executive Officer and Board member
 Moonrise Banking Services A/S, Executive Officer and Board member
 HOLDYN ApS, Executive Officer and legal owner
 VXX ApS, Executive Officer and legal owner
 VXG ApS, Executive Officer and legal owner
 LWOH ApS, Executive Officer and legal owner
 Aro.inc ApS, Chairman
 Eighty2 A/S, Chairman

Gitte Margrethe Roskær

Private-sector directorships:

Lunar Group A/S, Chief Operating Officer

Joakim Skaarup Hansen

Private-sector directorships:

Lunar Group A/S, Chief Risk Officer

Robert Stambro

Private-sector directorships:

Lunar Group A/S, Chief Financial Officer

Overview Board of Directors

Jens Peter Leschly Neergaard

Private-sector directorships:

Leschly & Neergaard ApS, Executive officer
Rex Invest Holding ApS, Executive officer & Legal owner
Lunar Group 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 Group 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

Klaus Østergaard

Private-sector directorships:

Lunar Group 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 Group A/S, Board member

Claus Okholm

Private-sector directorships:

CEJ EJENDOMSADMINISTRATION A/S, Deputy chair
CEJ AARHUS A/S, Deputy chair
Lunar Group A/S, Board member

Ola Nordbye

Private-sector directorships:

Lunar Group 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 Group 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

Statements

LUNAR



Statement by the management

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

The annual report has 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 financial statements give a true and fair view of the assets, liabilities and financial position of Lunar Bank A/S at 31 December 2025 and of the results of Lunar Bank's 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 Bank's operations and financial matters and describes the significant risks and uncertainty factors that may affect the Company.

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

Copenhagen, 24 April 2026

Executive Management

Ken Villum Guldbrandt Klausen

Gitte Margrethe Roskær

Joakim Skaarup Hansen

Robert Stambro

Board of Directors

Jens Peter Leschly Neergaard
Chairman

Claus Okholm

Lars Andersen

Klaus Østergaard

Jens Mikael Kristoffer Ismunden

Ola Reinhold Nordbye

Matthew Crispin Hurst Westerman

Independent auditor's report.

To the shareholder of Lunar Bank A/S

Opinion

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

Our opinion is consistent with our Auditor's Long-form Report to the Audit Committee and the Board of Directors.

What we have audited

The Financial Statements of Lunar Bank A/S for the financial year 1 January to 31 December 2025 comprise income statement and comprehensive income, balance sheet, statement of changes in equity and notes to the financial statements, including material accounting policy information ("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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of Lunar Bank A/S in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities, and the additional ethical requirements applicable in Denmark. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

To the best of our knowledge and belief, prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 were not provided.

Appointment

We were first appointed auditors of Lunar Bank A/S on 24 February 2022 for the financial year 2022. We have been reappointed annually by shareholder resolution for a total period of uninterrupted engagement of four years including the financial year 2025.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for 2025. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent auditor's report.

Key audit matter

Compliance with regulatory capital requirements

The bank has to comply with regulatory capital requirements on an ongoing basis.

Based on Lunar's approved budgets, planned initiatives and capital injections completed in December 2025 and February 2026, Management has assessed that Lunar will comply with regulatory capital requirements throughout 2026.

This assessment is based on assumptions that are inherently uncertain, including:

- Management's expectations regarding earnings and the cost base, including the effect of planned actions and actions already taken;
- Management's planned initiatives reflected in the approved budget; and
- Management's additional contingency measures.

We identified this as a key audit matter because the Bank is not yet profitable and remains dependent on external funding, while its excess capital is limited relative to historical losses. Accordingly, compliance with regulatory capital requirements is fundamental to the Bank's ability to continue its banking operations.

We refer to note 2 in the financial statements.

How our audit addressed the key audit matter

We performed risk assessment procedures with the purpose of achieving an understanding of business procedures and relevant controls regarding compliance with regulatory capital requirements including budgeting.

We evaluated and assessed the models used in budgeting and tested the internal coherence and mathematical accuracy of the budget.

Further, our audit procedures included:

- Evaluating the Bank's current and future capital requirements
- review and challenge of Management's budget for 2026 with assessment of the underlying assumptions, including realism and the sensitivity for budget and estimates
- in relation to earnings and cost base.
- meetings with Management to discuss and challenge the assumptions and methodologies used in preparing future capital projections.

As part of our subsequent events procedures, we obtained and inspected documentation evidencing a capital increase completed after the date of the financial statements, which is relevant to the Bank's forward-looking capital buffer plan.

We assessed whether the disclosure of uncertainties was appropriate.

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 in the audit, or otherwise appears to be materially misstated.

Moreover, we considered whether Management's Review includes the disclosures required by the Danish Financial Business Act. Based on the work we have performed, in our view, Management's Review is in accordance with the 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 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism 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 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 and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content 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.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Hellerup, 24 April 2026

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab

Business registration no 33 77 12 31

Per Rolf Larssen
State Authorised Public Accountant
mne24822

Lars Dalgaard Agersted
State Authorised Public Accountant
mne46258

Management Review

LUNAR



Management letter

2025 was a year of steady, solid delivery. Fee income became our largest revenue source. Business banking grew significantly, with new user intake accelerating in both Denmark and Sweden. Subscription uptake across consumer and business exceeded any previous year. And we did so while holding costs stable, improving operational efficiency, and building toward a sustainable, profitable bank.

None of this happened by accident. It reflects a deliberate set of choices made consistently across the organisation, and a team that executed with discipline through the full year.

What we built

The operational improvements of 2025 went deeper than the headline numbers. Our AI-powered support now resolves 85 percent of user interactions autonomously, up from 70 percent in 2024, with customer satisfaction scores improving in parallel. Business onboarding reached record volumes, with nearly 1,800 new companies joining in a single month. One in five newly founded Danish companies now banks with Lunar.

These results reflect years of investment in infrastructure and product that is now generating measurable returns. The foundation is not something we are still building. It is working.

What comes next

We enter 2026 with a clear mandate, with revenue and costs aligned to deliver on our path to profitability. In H2 we will launch a new lending offering, building out our full-service Nordic banking proposition and deepening our relationship with existing users. All while doubling down on building a banking experience that works quietly and reliably in the background of people's financial lives.

Ken, Robert, Gitte & Joakim

Our business model and strategic outlook part 1

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.

Our business model and strategic outlook part 2

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.

Our Values

Be **brave**

Simplify & go

Empower our users

Push through **together**

Financial 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 break-even 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.

Execution & Scalable Growth

The full-year result confirm the plan is working. Earnings Before Tax, adjusted for non-recurring items, improved 35% to DKK -177.1m (2024: DKK -273.4m), within the guidance we provided both at half-year and in the 2024 annual report. This represents a DKK 96.3m improvement, driven by 45% growth in net fee income and a 12% 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 320.5m, we entered 2026 with the operational foundation to reach break-even.

Strategic Outlook

Reaching break-even 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 summary

Total operating income

Total operating income increased 1% to DKK 521.5m (2024: DKK 515.9m). 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 22% year-over-year. This is also reflecting the revenue mix transition toward fee income. Fee income now accounts for 69% of total operating income, up from 48% in 2024 and 30% in 2023. Lunar is becoming a fee-driven business, reducing our sensitivity to interest rate movements.

Net fee income

Net fee income grew 45% to DKK 358.0m (2024: DKK 247.7m). 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 48%. 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

Net interest income declined 39% to DKK 163.2m (2024: DKK 268.2m), 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 by 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

Operating expenses decreased 12% to DKK 675.2m (2024: DKK 763.2m), after adjusting for DKK 26.9m in non-recurring items related to organizational adjustments.

Net credit losses

Net credit losses decreased to DKK 23.4m (2024: DKK 57.4m), 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 -177.1m (2024: DKK -273.4m), after adjusting for non-recurring items of DKK 26.9m related to organizational adjustments.

Balance sheet and capital position

Lunar maintains a low-risk balance sheet, with the majority of assets held in cash at the central bank and highly liquid Nordic AAA-rated covered bonds and government securities.

Diversified Funding Mix

The funding base is diversified, drawing from deposits made by businesses and customers across Denmark, Sweden, and Norway.

| Adjusted Profit and Loss | 2025 (DKK) | 2024 (DKK) | Change (%) |
|--|----------------|----------------|---------------|
| Net interest income | 163.2m | 268.2m | -39% |
| Net fee income | 358.0m | 247.7m | 45% |
| Total operating income | 521.5m | 515.9m | 1% |
| <i>Underlying operating income*</i> | <i>521.5m</i> | <i>426.8m</i> | <i>22%</i> |
| Operating Expenses | 702.1m | 978.9m | -28% |
| Adjusted Operating Expenses** | 675.2m | 763.2m | -12% |
| Net Credit Losses | 23.4m | 57.4m | -59% |
| Adjusted Net Credit Losses** | 23.4m | 26.1m | -10% |
| Adjusted Profit/Loss Before Tax | -177.1m | -273.4m | 35% |
| Reported Profit/Loss Before Tax | -204.0m | -520.3m | 61% |

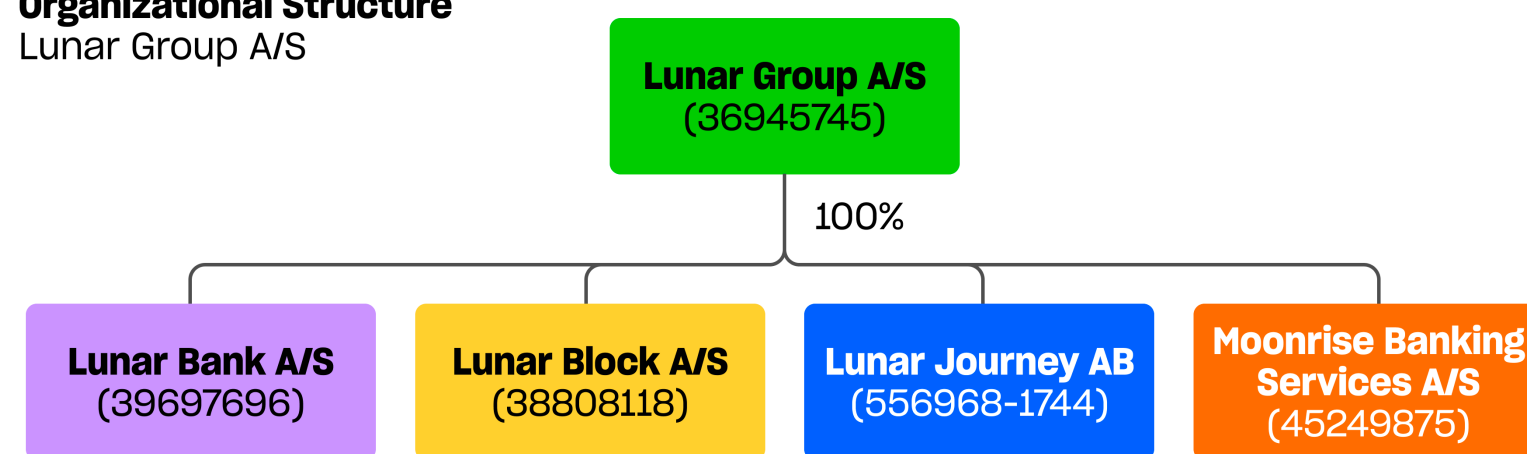
* 2024 underlying operating income excludes DKK 89.1m interest income from the Swedish loan book divested in 2024, shown for comparability with 2025.

** 2025 adjusted for DKK 26.9m non-recurring items related to organizational adjustments. 2024 adjusted for DKK 334.4m in extraordinary events: Insta-bank 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.

Overview of legal structure

During 2025, we simplified the legal structure by merging Lunar Way and Lunar Payments in to Lunar Bank. This consolidation reduces complexity, improves operational efficiency, and provides a clearer view of risk exposures across the Group. The mergers have been performed as intra-Group mergers with pooling of interests, which means prior year values have been corrected. The Group structure at 31 December 2025 is disclosed below. All Group subsidiaries are fully owned (100%) by Lunar Group.

Organizational Structure Lunar Group A/S



Events after balance sheet date

Following the year-end, Lunar Bank finalized the second phase of the capital raise in February 2026, bringing total new capital to DKK 320.5m (including the first phase of DKK 120.0m 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 Bank’s capital resources in order to assess the soundness of the Bank’s investments in expansion. Based on approved budgets for 2026 and planned initiatives to ensure the path to profitability, management assesses that Lunar 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 the bank to comply with regulatory capital requirements throughout 2026.

Financial outlook

Lunar is on the path to profitability and expect 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.

Supervisory diamond

The Danish FSA has identified a number of specific risk indicators for banks and mortgage institutions and has set threshold values with which all Danish banks must comply. The requirements are known as the Supervisory Diamond.

As of 31 December 2025, Lunar Bank has complied with the four thresholds, see table.

| (%) | Threshold | 2025 | 2024 |
|------------------------|-----------|---------|---------|
| Sum of large exposures | < 175 | 0 | 0 |
| Lending Growth | < 20 | -38.2 | -98.6 |
| Real property exposure | < 25 | 0 | 0 |
| Liquidity indicator | > 100 | 1065.82 | 1001.59 |

Capital and liquidity

On 31 December Lunar Bank's own funds, less deductions, amounted to DKK 600.2m. With a total risk exposure (REA) of DKK 1,853m the capital ratio is 32.4%.

In accordance with Commission Delegated Regulation (EU) 2020/2176 entering into force 23 December 2020, Lunar Bank is able to recognise software assets in Common equity tier 1 capital which accounts for DKK 106.5m at the end of 2025. Other intangible assets amounting to DKK 101.8m are deducted in the capital base. Lunar Bank's own funds and eligible liabilities amounted to DKK 600.2m.

The solvency need is calculated to DKK 227.0m or 12.2% of REA on 31 December 2025. Excess to the combined buffer requirement amounts to DKK 373.2m.

The risk based MREL requirement in force on 31 December 2025 is 18.3%, equivalent to DKK 339.1m. Excess to the risk based MREL requirement is DKK 261.1m

Furthermore, the leverage based MREL requirement is calculated to DKK 399.2m or 3.4% of the total exposure measure. Excess to the leverage based MREL requirement is DKK 201.0m.

Lunar Bank calculates the liquidity requirements on the basis of the Liquidity Coverage Ratio (LCR). On 31 December 2025 LCR was calculated at 1,084% against the 100% minimum requirement. Lunar Bank's Board of Directors has set an internal limit for LCR of 275%.

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

Additionally, the Net Stable Funding Ratio (NSFR) is 1,190% 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.

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. 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.

The main categories of financial risks are elaborated in note 26.

People & Culture review

Sarah Wahlström

Chief People & Culture Officer

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.

“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”

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.

People & Culture review

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.

For more comprehensive information regarding our People & Culture initiatives and processes, please refer to the Sustainability Statements chapter for Lunar Group A/S.

Corporate Social Responsibility Reporting

Lunar Bank A/S operates under the financial regulations for credit institutions and is not statutorily required to comply with CSRD at the entity level. Instead, we have chosen to voluntarily report on our sustainability efforts using the VSME framework. Additionally, as permitted by subsidiary exemption rules, we do not issue separate entity-level statements on the underrepresented gender or data ethics. This statutory information is fully consolidated and available in the Annual Report and Sustainability Statements of our parent company, Lunar Group.

Financial Statements

LUNAR



Financial statements

1 January - 31 December

Income statement and comprehensive income

| Note | DKK'000 | 2025 | 2024 |
|------|--|-----------------|-----------------|
| 5 | Interest income | 219,671 | 410,630 |
| 6 | Interest expenses | 56,430 | 142,365 |
| | Net interest income | 163,241 | 268,265 |
| 7 | Fee and commission income | 427,022 | 291,270 |
| | Fees and commission expense | 69,008 | 43,598 |
| | Other operating income | 239 | 0 |
| | Net income | 521,494 | 515,937 |
| 8 | Other operating expenses | 0 | 188,516 |
| 9 | Market value adjustments | -3,897 | 3,245 |
| 10 | Staff costs and administrative expenses | 624,461 | 691,008 |
| | Amortisation, depreciation, and impairment charges | 73,771 | 102,624 |
| 11 | Loan impairment charges etc. | 23,362 | 57,378 |
| | Profit/loss before tax | -203,997 | -520,343 |
| 12 | Tax for the year | -15 | 1,237 |
| | Profit/loss after tax | -203,982 | -521,580 |
| 20 | Currency adjustments | -201 | 4,039 |
| | Other comprehensive income after tax | 41 | -11,926 |
| | Total comprehensive income | -204,142 | -529,468 |

Financial statements

1 January - 31 December

Balance Sheet

1/2

| Note | DKK'000 | 31 December 2025 | 31 December 2024 |
|---------------------|--|-------------------|-------------------|
| Assets | | | |
| | Cash in hands and demand deposits with central banks | 3,685,004 | 7,011,715 |
| 13 | Receivables from credit institutions and central banks | 191,748 | 121,105 |
| 14 | Loans and other amounts due at amortised cost | 18,017 | 29,172 |
| | Bonds at amortised costs | 7,540,550 | 4,105,296 |
| 15 | Intangible assets | 202,650 | 166,949 |
| 16 | Tangible assets | 11,472 | 20,593 |
| | Tax receivables | 182 | 2,192 |
| | Other assets | 115,346 | 144,555 |
| | Prepayments | 73,824 | 27,070 |
| Total assets | | 11,838,793 | 11,628,647 |

Financial statements

1 January - 31 December

Balance Sheet

2/2

| Note | DKK'000 | 31 December 2025 | 31 December 2024 |
|------|--|-------------------|-------------------|
| | Liabilities and equity | | |
| 17 | Liabilities | | |
| | Deposits and other debt | 10,744,288 | 10,616,871 |
| | Other liabilities | 338,699 | 306,775 |
| | Deferred income | 56,109 | 39,896 |
| | Tax liabilities | 0 | 375 |
| | Total liabilities | 11,139,096 | 10,963,917 |
| | Provisions | | |
| | Impairment charges on unused credit facilities | 0 | 0 |
| | Other provisions | 31 | 484 |
| | Total provisions | 31 | 484 |
| 18 | Subordinated debt | | |
| | Subordinated debt | 129,742 | 29,975 |
| | Total subordinated debt | 129,742 | 29,975 |
| 19 | Equity | | |
| | Share capital | 42,077 | 42,077 |
| | Share premium | 3,809,949 | 3,661,033 |
| | Retained earnings | -3,282,102 | -3,068,839 |
| | Total equity | 569,924 | 634,271 |
| | Total liabilities and equity | 11,838,793 | 11,628,647 |

Financial statements

1 January - 31 December

Statement of changes in equity

| Note | DKK'000 | Share capital | Share premium | Retained earnings | Total |
|------|---|---------------|------------------|-------------------|----------------|
| | Equity at 1 January 2024 | 42,077 | 3,300,658 | -2,562,148 | 780,587 |
| | Adjustments arising from intra-group mergers* | 0 | 16,562 | 22,555 | 39,117 |
| | Group contributions | 0 | 343,813 | 0 | 343,813 |
| | Exchange rate adjustments | 0 | 0 | 4,039 | 4,039 |
| | Net profit/loss for the year | 0 | 0 | -521,580 | -521,580 |
| | Share based payments | 0 | 0 | 221 | 221 |
| | Other comprehensive income | 0 | 0 | -11,926 | -11,926 |
| | Equity at 31 December 2024 | 42,077 | 3,661,033 | -3,068,839 | 634,271 |
| | Equity at 1 January 2025 | 42,077 | 3,661,033 | -3,068,839 | 634,271 |
| | Dividend paid** | 0 | 0 | -10,000 | -10,000 |
| | Group contributions | 0 | 148,916 | 0 | 148,916 |
| | Exchange rate adjustments | 0 | 0 | -201 | -201 |
| 20 | Net profit/loss for the year | 0 | 0 | -203,982 | -203,982 |
| 21 | Share based payments | 0 | 0 | 879 | 879 |
| | Other comprehensive income | 0 | 0 | 41 | 41 |
| | Equity at 31 December 2025 | 42,077 | 3,809,949 | -3,282,102 | 569,924 |

* Adjustments arising from intra-group mergers consist of the value added to Lunar Bank, after the merging of Lunar Way and Lunar Payments to Lunar Bank.

** Dividend paid consists of dividend paid to Lunar Group during the year.

The Group contributions consist of contributions made of DKK 28,916 thousand in January and DKK 120,000 thousand in December

Financial statements

1 January - 31 December

Capital and solvency

| DKK'000 | 31 December 2025 | 31 December 2024 |
|--|------------------|------------------|
| Equity | 569,925 | 634,271 |
| Deductions ¹ | -99,475 | -70,274 |
| Total core capital after deductions | 470,450 | 563,997 |
| Total Tier 1 capital | 470,450 | 563,997 |
| Subordinated loan capital | 129,742 | 3,000 |
| Total capital base | 600,192 | 566,997 |
| Eligible liabilities | 0 | 0 |
| Own funds and eligible liabilities | 600,192 | 566,997 |
| Credit risk | 1,085,351 | 360,738 |
| Market risk | 12,816 | 27,266 |
| Operational risk | 754,911 | 718,684 |
| Total risk exposure | 1,853,078 | 1,106,688 |
| Key figures | | |
| Core capital after deductions, ratio (%) | 25.4 | 51.0 |
| Tier 1 capital ratio (%) | 25.4 | 51.0 |
| Total capital ratio (%) | 32.4 | 51.2 |
| OFEL ratio | 32.4 | 51.2 |

¹ 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 106,462 thousand (2024: DKK 91,684 thousand).

Notes

LUNAR



Financial statements

Overview of notes in the financial statements

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- 3** Financial highlights
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Financial statements

Note 1 Basis of preparation 1/9

The annual report of Lunar Bank 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.

Financial statements

Note 1 Basis of preparation 2/9

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 effected as described below for each financial statement item.

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.

Business combinations within Lunar Group

In 2025, the entities Lunar Way A/S and Lunar Payment A/S were merged into Lunar Bank A/S by way of statutory mergers. As both entities were wholly owned subsidiaries of Lunar Group A/S and thus subject to the same controlling interest both before and after the mergers, the mergers have been accounted for using the pooling-of-interests method in accordance with section 172 of the Danish Executive Order on Financial Reports for Credit Institutions and Investment Firms (Bekendtgørelse om finansielle rapporter for kreditinstitutter og fondsmæglerselskaber m.v.).

Under the pooling-of-interests method, the financial statements are presented as if the merged entities had been combined from the beginning of the earliest comparative period presented. Accordingly, the comparative figures for 2024 have been restated to include the financial results and balances of Lunar Way A/S and Lunar Payment A/S as if the mergers had already taken place at that time.

The difference between the consideration transferred as share capital and share premium, including any cash consideration, and the carrying amount of the net assets of the merged entities at the date of the mergers has been recognised directly in equity under reserves available to cover losses.

The effect of the mergers on the individual equity components is presented as a separate line item, "Adjustments arising from intra-group mergers", in the statement of changes in equity

Financial statements

Note 1 Basis of preparation 3/9

Significant accounting estimates

The measurement of certain assets and liabilities, namely intangible assets and loans, requires 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 consist of the net assets.

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.

Other operating expenses

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

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 Bank, including expenses related to outsourcing and IT services.

Amortisation, depreciation and impairment charges

The item comprises amortisations, depreciation and impairment charges of intangible assets. Impairment charges derive from impairment tests performed on intangibles as elaborated below. The basis of amortisation/depreciation, which is calculated as cost less any residual value, is amortised/ depreciated on a straight-line basis over the expected useful life.

The expected useful lives of the assets are as follows:

Software

3-5 years

Financial statements

Note 1 Basis of preparation 4/9

Loan impairment charges etc.

After initial recognition, amounts due to the bank are measured at amortised cost less impairment losses.

Accounting principles for impairment charges etc. are elaborated in subsequent sections on Loans and Impairment.

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 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 are 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 Financial assets at amortised cost section below for further description of the criteria's 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.

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 3-5 years.

An impairment test is performed for intangible assets if there is objective evidence of impairment. The impairment test is made for the activity or business area to which the intangible assets relate.

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. At the start of 2025, goodwill has been entirely depreciated.

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.

Financial statements

Note 1 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.

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 compati-

ble 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.

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 statements

Note 1 Basis of preparation 6/9

Financial assets (continued)

Financial asset at fair value through other comprehensive income 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 deposit

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 Bank'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 Bank 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.

Financial statements

Note 1 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 to 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 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.

Financial statements

Note 1 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 cashflow 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, equaling 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.

Financial statements

Note 1 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.

Financial statements

Note 2 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 Bank's capital resources in order to assess the soundness of the bank'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 Bank received a capital injection of DKK 119.5m in December 2025 and in February they received DKK 201.0m. This has been considered sufficient to enable the Bank to comply with regulatory capital requirements throughout 2026.

Intangible assets

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

Loans and other amounts due at amortised cost

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 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.

Financial statements

Note 3 Financial highlights 1/2

| Income statement (DKK'000) | 2025 | 2024* | 2023 | 2022 | 2021 |
|--|-------------|--------------|-------------|-------------|-------------|
| Net interest and fee income | 521,255 | 515,937 | 395,745 | 194,078 | 46,906 |
| Market value adjustments | -3,897 | 3,245 | -6,186 | 48,081 | -1,154 |
| Staff costs and administrative expenses | 624,461 | 691,008 | 689,562 | 883,937 | 494,744 |
| Write-downs on loans and receivables, etc. | 23,362 | 57,378 | 46,746 | 138,821 | 45,948 |
| Income from Group undertakings | 0 | 0 | -10,624 | -54,355 | 0 |
| Profit/loss for the year before tax | -203,997 | -520,343 | -406,839 | -1,476,340 | -519,960 |

| Balance sheet (end of period) (DKK'000) | 2025 | 2024* | 2023 | 2022 | 2021 |
|--|-------------|--------------|-------------|-------------|-------------|
| Loans at amortised cost | 18,017 | 29,172 | 1,067,135 | 1,855,025 | 1,448,586 |
| Total assets | 11,838,793 | 11,628,647 | 11,576,295 | 11,073,288 | 10,019,876 |
| Deposits | 10,744,288 | 10,616,871 | 10,623,824 | 9,979,676 | 8,376,764 |
| Equity | 569,924 | 634,271 | 780,587 | 733,232 | 1,442,045 |

Financial statements

Note 3 Financial highlights 2/2

| Income statement (DKK'000) | 2025 | 2024* | 2023 | 2022 | 2021 |
|---------------------------------------|---------|---------|---------|---------|----------|
| Capital base (own funds) | 600,192 | 566,997 | 710,876 | 676,010 | 787,758 |
| Total capital ratio (%) | 32.4 | 51.2 | 35.3 | 33.5 | 79.1 |
| Tier 1 capital ratio (%) | 25.4 | 51.0 | 34.8 | 32.7 | 81.2 |
| Return on equity before tax (%) | -33.9 | -73.5 | -54.2 | -136.0 | -61.2 |
| Return on equity after tax (%) | -33.9 | -73.7 | -53.8 | -135.7 | -61.2 |
| Interest-rate risk | 0.2 | 0 | 0 | 0.1 | 0.8 |
| Currency position | 2.7 | 4.8 | 4.0 | 0.1 | 0.3 |
| Loans relative to deposits (%) | 0.6 | 0.3 | 11.4 | 19.9 | 17.9 |
| Gearing of loans, end of year (%) | 12.2 | 6.9 | 155.1 | 253 | 100.5 |
| Lending growth | -38.2 | -98.6 | -42.5 | 28.0 | 11,133.7 |
| LCR (%) | 1,083.9 | 1,129.5 | 908.3 | 901.2 | 1,008.0 |
| Sum of large exposures | 0 | 0 | 0.1 | 0.6 | 0.9 |
| Net impairment ratio (%) | 74.1 | 64.7 | 11.9 | 6.9 | 3.3 |
| Return on assets (%) | -1.7 | -4.4 | -3.5 | -14.0 | -9.2 |
| Average number of full-time employees | 337 | 373 | 126 | 144 | 95 |
| Income/cost ratio | 0.6 | 0.6 | 0.5 | 0.1 | 0.1 |

*Comparative figures for 2024 have been restated to reflect the merger of Lunar Way A/S and Lunar Payments A/S into Lunar Bank A/S.

Figures prior to the financial year 2024 have not been adjusted due to the materiality of the changes, and as the annual report of Lunar Group gives an accurate view of what the adjusted comparative numbers would be.

Financial ratios and key figures are calculated in accordance with the Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc. ('the Executive order') and associated reporting guidelines.

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Note 4

Segment 1/2

| | | 2025 | | | | |
|------------------------------------|--|----------------|---------------|--------------|----------------|--|
| DKK'000 | | DK | SE | NO | Total | |
| Interest income | | 195,401 | 20,251 | 4,019 | 219,671 | |
| Interest expenses | | 41,503 | 10,705 | 4,222 | 56,430 | |
| Net interest income | | 153,898 | 9,546 | -203 | 163,241 | |
| Fee and commission income | | 380,064 | 35,272 | 11,686 | 427,022 | |
| Fee and commission expenses | | 50,289 | 10,851 | 7,868 | 69,008 | |
| Net fee income | | 329,775 | 24,421 | 3,818 | 358,014 | |
| Net interest and fee income | | 483,673 | 33,967 | 3,615 | 521,255 | |

| DKK'000 | Business | Consumer | Lending | Moonrise | Other | Total |
|------------------------------------|----------------|----------------|---------------|---------------|---------------|----------------|
| Interest income | 45,532 | 162,121 | 9,148 | 2,773 | 97 | 219,671 |
| Interest expenses | 6,978 | 52,149 | 25 | 259 | -2,981 | 56,430 |
| Net interest income | 38,554 | 109,972 | 9,123 | 2,514 | 3,078 | 163,241 |
| Fee and commission income | 160,951 | 216,313 | 6,474 | 29,962 | 13,322 | 427,022 |
| Fee and commission expenses | 3,135 | 47,936 | 0 | 1,827 | 16,110 | 69,008 |
| Net fee income | 157,816 | 168,377 | 6,474 | 28,135 | -2,788 | 358,014 |
| Net interest and fee income | 196,370 | 278,349 | 15,597 | 30,649 | 290 | 521,255 |

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.

Financial statements

1 January - 31 December

Note 4

Segment 2/2

| | | 2024 | | | | |
|------------------------------------|--|----------------|----------------|---------------|----------------|--|
| DKK'000 | | DK | SE | NO | Total | |
| Interest income | | 293,736 | 111,179 | 5,715 | 410,630 | |
| Interest expenses | | 109,230 | 27,447 | 5,688 | 142,365 | |
| Net interest income | | 184,506 | 83,732 | 27 | 268,265 | |
| Fee and commission income | | 258,923 | 21,780 | 10,567 | 291,270 | |
| Fee and commission expenses | | 27,381 | 3,517 | 12,701 | 43,598 | |
| Net fee income | | 231,542 | 18,263 | -2,134 | 247,672 | |
| Net interest and fee income | | 416,048 | 101,995 | -2,107 | 515,937 | |

| DKK'000 | Business | Private | Lending | Moonrise | Other | Total |
|------------------------------------|----------------|----------------|---------------|--------------|---------------|----------------|
| Interest income | 41,419 | 284,010 | 77,088 | 1,485 | 6,628 | 410,630 |
| Interest expenses | 3,781 | 140,390 | 0 | 37 | -1,843 | 142,365 |
| Net interest income | 37,638 | 143,619 | 77,106 | 1,448 | 8,471 | 268,265 |
| Fee and commission income | 93,484 | 177,018 | 9,180 | 0 | 11,587 | 291,270 |
| Fee and commission expenses | 145 | 27,686 | 0 | 0 | 15,766 | 43,598 |
| Net fee income | 93,339 | 149,332 | 9,180 | 0 | -4,179 | 247,672 |
| Net interest and fee income | 130,977 | 292,951 | 86,286 | 1,448 | 4,292 | 515,937 |

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.

Financial statements

1 January - 31 December

Note 5

Interest income

| DKK'000 | 2025 | 2024 |
|--|----------------|----------------|
| Loans and other receivables | 8,682 | 83,442 |
| Interests on deposits and other debt | 1 | 316 |
| Interest income investments in bonds | 152,107 | 132,809 |
| From credit institutions and central banks | 58,881 | 194,063 |
| Total | 219,671 | 410,630 |

Note 6

Interest expenses

| DKK'000 | 2025 | 2024 |
|--------------------------------------|---------------|----------------|
| Subordinated debt | 13,881 | 3,966 |
| Interests on deposits and other debt | 41,824 | 138,199 |
| Other interest expenses | 725 | 201 |
| Total | 56,430 | 142,365 |

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Note 7

Fee and commission income

| DKK'000 | 2025 | 2024 |
|----------------------------------|----------------|----------------|
| Payment service fees | 145,328 | 105,823 |
| Lending and guarantee fees | 4,931 | 24,520 |
| Other fees and commission income | 276,763 | 160,927 |
| Total | 427,022 | 291,270 |

Note 8

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.

Note 9

Market value adjustments

| DKK'000 | 2025 | 2024 |
|--|---------------|--------------|
| Bonds at amortised cost | 10 | 10,786 |
| Foreign exchanges | -6,610 | -19,996 |
| Financial instruments measured at fair value | 2,738 | 12,516 |
| Other liabilities | -25 | -60 |
| Total | -3,897 | 3,245 |

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Note 10

Staff costs and administrative expenses

| DKK'000 | 2025 | 2024 |
|---|----------------|----------------|
| Wages and salaries | 184,205 | 187,621 |
| Pensions | 19,042 | 31,247 |
| Social Security costs | 4,398 | 2,809 |
| Bonus | 968 | 12 |
| Share-based payments | 879 | 1,481 |
| Sub-total | 209,492 | 223,170 |
| Other administrative expenses | 414,969 | 467,838 |
| Total | 624,461 | 691,008 |
| Number of employees in the financial year | | |
| Full-time equivalent employees | 337 | 373 |
| Executive Board | 4 | 2 |
| Employees whose activities have a significant impact on the bank's risk profile | 12 | 8 |
| Board of Directors | 7 | 5 |

Salaries and remuneration to employees whose activities have a significant impact to the bank's risk profile accounted for DKK 10,229 thousand (2024: DKK 7,281 thousand) of which incentive programs account for DKK 148 thousand (2024: DKK 81 thousand).

Salaries and remuneration to the executive board was DKK 6,087 thousand (2024: DKK 3,715 thousand) of which incentive programs account for DKK 94 thousand (2024: DKK 35 thousand). Salaries and remuneration to the board of directors was DKK 1,404 thousand (2024: DKK 1,175 thousand) of which incentive programs account for DKK 0 thousand (2024: DKK 0 thousand).

The numbers above reflect the cost on the warrant programs which have to be recognized in relation to the vesting periods relatively. No

board members or executive board members were granted warrants in 2025.

Fees paid to auditor appointed at the annual general meeting

With reference to the Executive Order on financial reports for credit institutions and stockbrokers (regnskabsbekendtgørelsen) § 133, section 2, fees paid to auditors are not reported separately for subsidiaries. Fees paid to auditor appointed at the annual general meeting are disclosed in the Consolidated Financial Statements of Lunar Group A/S.

Apart from the statutory audit and the issuance of statements, the external auditors have not performed any tasks for the bank.

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Note 11

Loan impairment charges

| DKK'000 | 2025 | 2024 |
|---------------------------|---------------|---------------|
| Change in ECL during year | 16,511 | 11,607 |
| Realised losses | 2,895 | 43,463 |
| Other movements | 3,956 | 2,308 |
| Total | 23,362 | 57,378 |

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 25.

Note 12

Tax for the year

| DKK'000 | 2025 | 2024 |
|--|------------|--------------|
| Current year tax charges | 0 | 1,350 |
| Adjustment of current tax previous years | -15 | -113 |
| Deferred tax adjustment for the year | 0 | 0 |
| Total | -15 | 1,237 |

At 31st of December 2025 the Bank has unrecognised deferred tax assets in the level of DKK 570m that can be set off against future taxable income (2024: DKK 520m).

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Note 13

Receivables from credit institutions and central banks

| DKK'000 | 2025 | 2024 |
|--|----------------|----------------|
| Central banks | 0 | 0 |
| Credit institutions | 191,748 | 121,105 |
| Total | 191,748 | 121,105 |
| Distribution of terms by maturity | | |
| Overnight | 191,748 | 121,105 |
| Up to three months | 0 | 0 |
| Total | 191,748 | 121,105 |

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Note 14

Loans and other amounts due at amortised cost

| DKK'000 | 2025 | 2024 |
|--|---------------|---------------|
| Distribution of terms by maturity | | |
| Overnight | 17,486 | 14,163 |
| Up to three months | 23 | 214 |
| From three months to one year | 227 | 4,500 |
| From one year to five years | 281 | 10,295 |
| More than five years | 0 | 0 |
| Total | 18,017 | 29,172 |

See note 25 for a detailed description of financial risks incl. Lunar's credit exposure.

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Note 15

Intangible assets 1/3

| DKK'000 | Goodwill | Customer relations | Software | Software in process | Total |
|--|----------|--------------------|----------------|---------------------|----------------|
| Cost at 1 January 2025 | 0 | 46,000 | 368,249 | 9,586 | 423,835 |
| Additions | 0 | 0 | 77,791 | 11,930 | 89,720 |
| Transfers | 0 | -46,000 | 4,307 | -4,307 | -46,000 |
| Merger effects | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 |
| Cost at 31 December 2025 | 0 | 0 | 450,346 | 17,209 | 467,555 |
| Amortisation and impairment at 1 January 2025 | 0 | 46,000 | 210,886 | 0 | 256,886 |
| Amortisation | 0 | 0 | 54,169 | 0 | 54,169 |
| Impairment | 0 | 0 | 1,598 | 0 | 1,598 |
| Transfers | 0 | -46,000 | 0 | 0 | -46,000 |
| Merger effects | 0 | 0 | 0 | 0 | 0 |
| Prior year corrections | 0 | 0 | -1,748 | 0 | -1,748 |
| Amortisation and impairment losses at 31 December 2025 | 0 | 0 | 259,289 | 0 | 259,289 |
| Carrying amount at 31 December 2025 | 0 | 0 | 185,441 | 17,209 | 202,650 |
| Amortised over | | 5 years | 3-5 years | | |

Financial statements

1 January - 31 December

Note 15

Intangible assets 2/3

| DKK'000 | Goodwill | Customer relations | Software | Software in process | Total |
|--|----------|--------------------|----------------|---------------------|----------------|
| Cost at 1 January 2024 | 588,387 | 46,000 | 253,983 | 12,667 | 901,037 |
| Additions | 0 | 0 | 59,716 | 6,453 | 66,169 |
| Transfers | -588,387 | 0 | 9,534 | -9,534 | -588,387 |
| Customer translation differences | 0 | 0 | -152 | 0 | -152 |
| Merger effects | 0 | 0 | 45,168 | 0 | 45,168 |
| Cost at 31 December 2024 | 0 | 46,000 | 368,249 | 9,586 | 423,835 |
| Amortisation and impairment at 1 January 2024 | 588,387 | 46,000 | 100,914 | 469 | 735,770 |
| Amortisation | 0 | 0 | 57,663 | 0 | 57,663 |
| Impairment | 0 | 0 | 17,360 | 0 | 17,360 |
| Transfers | 588,387 | 0 | 469 | -469 | 588,387 |
| Exchange rate adjustment | 0 | 0 | 152 | 0 | 152 |
| Merger effects | 0 | 0 | 34,328 | 0 | 34,328 |
| Amortisation and impairment losses at 31 December 2024 | 0 | 46,000 | 210,886 | 0 | 256,886 |
| Carrying amount at 31 December 2024 | 0 | 0 | 157,363 | 9,586 | 166,949 |
| Amortised over | | 5 years | 3-5 years | | |

Prior year balances have been adjusted to include the effects of the performed mergers during the financial year 2025

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1 January - 31 December

Note 15

Intangible assets 3/3

The Bank's 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 recognized as an impairment loss on intangible or tangible assets, if any.

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1 January - 31 December

Note 16

Property, plant and equipment 1/2

| DKK'000 | IFRS 16 Leasehold improvement | Operating Equipment | Leasehold improvement | Total |
|---|-------------------------------|---------------------|-----------------------|---------------|
| Cost at 1 January 2025 | 10,065 | 39,481 | 6,085 | 55,631 |
| Additions | 0 | 2,618 | 624 | 3,242 |
| Disposals | 0 | -268 | -1,769 | -2,037 |
| Transfers | 0 | 0 | 0 | 0 |
| Cost at 31 December 2025 | 10,065 | 41,831 | 4,940 | 56,836 |
| Amortisation and impairment at 1 January 2025 | 3,691 | 26,937 | 4,411 | 35,039 |
| Amortisation | 4,026 | 7,421 | 915 | 12,362 |
| Reversal at sale | 0 | -268 | -1,769 | -2,037 |
| Amortisation and impairment losses at 31 December 2025 | 7,717 | 34,090 | 3,557 | 45,364 |
| Carrying amount at 31 December 2025 | 2,349 | 7,740 | 1,383 | 11,472 |

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Note 16

Property, plant and equipment 2/2

| DKK'000 | IFRS 16 Leasehold improvement | Operating Equipment | Leasehold improvement | Total |
|---|-------------------------------|---------------------|-----------------------|---------------|
| Cost at 1 January 2024 | 10,065 | 34,799 | 5,979 | 50,843 |
| Additions | 0 | 4,736 | 106 | 4,842 |
| Disposals | 0 | -86 | 0 | -86 |
| Transfers | 0 | 32 | 0 | 32 |
| Cost at 31 December 2024 | 10,065 | 39,481 | 6,085 | 55,631 |
| Amortisation and impairment at 1 January 2024 | 0 | 16,562 | 3,148 | 19,710 |
| Amortisation | 3,691 | 10,441 | 1,263 | 15,395 |
| Reversal at sale | 0 | -66 | 0 | -66 |
| Amortisation and impairment losses at 31 December 2024 | 3,691 | 26,937 | 4,411 | 35,039 |
| Carrying amount at 31 December 2024 | 6,374 | 12,544 | 1,674 | 20,593 |

Financial statements

1 January - 31 December

Note 17

Deposits and other debt

| DKK'000 | 2025 | 2024 |
|--------------------------------------|-------------------|-------------------|
| Deposits | 10,536,151 | 9,939,615 |
| Term deposits | 208,137 | 677,256 |
| Total | 10,744,288 | 10,616,871 |
| Deposits of terms by maturity | | |
| Overnight | 10,536,151 | 9,939,615 |
| 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 | 10,744,288 | 10,616,871 |

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Note 18

Subordinated debt

| DKK'000 | | Interest rate | | Carrying amount | |
|----------------------------|----------|-------------------|-------------------|------------------|------------------|
| Loan | Maturity | 2025 | 2024 | 31 December 2025 | 31 December 2024 |
| Loan 1, Nominal DKK 30,000 | 2025 | 9.420% + CIBOR 3M | 9.420% + CIBOR 3M | 0 | 29,975 |
| Loan 2, Nominal EUR 17,370 | 2035 | 15.18% | N/A | 129,742 | 0 |
| | | | | 129,742 | 29,975 |

The subordinated loan of is qualified as a Tier 2 instrument pursuant CRR regulation. In 2025 the costs from subordinated loans amounts to DKK 12,142 thousand (2024: DKK 4,026 thousand) whereof DKK 12,142 thousand (2024: DKK 3,966 thousand) are interests.

On 31 December 2025 the carrying amount of amortized borrowing costs amounts to DKK 5,238 thousand (2024: DKK 60 thousand).

The loan has no installments before repayment of the full amount at July 1st 2035.

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Note 19

Share capital

| DKK'000 | 2025 | 2024 |
|-------------------------------------|---------------|---------------|
| Share capital at 1 January | 42,077 | 42,077 |
| Capital increases | 0 | 0 |
| Share capital at 31 December | 42,077 | 42,077 |
| Number of shares | 42,077,081 | 42,077,077 |

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

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Note 20

Proposed distribution of profit/loss

| DKK'000 | 2025 | 2024 |
|-------------------|-----------------|-----------------|
| Retained earnings | -203,982 | -521,580 |
| Total | -203,982 | -521,580 |

Note 21

Share based payments

In 2017, a warrant program was established for the benefit of Management and certain key employees in the Group. The program allows the Board of the parent company to issue warrants to key employees with a vesting period of up to 5 years under the authorization of the shareholders. Over the years, further programs have been added to allow for more employees to receive warrants as a retention and incentive scheme.

Exercising warrants is only an option upon an Exit event or upon maturity of the warrants, in which case the warrants 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 879 thousand were recognized in the income statement (2024: DKK 1,481 thousand).

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Note 22

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 customers from other countries mainly deal in other currencies. 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 23

Contractual obligations and contingencies, etc.

Contingent liabilities

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 Bank 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 Bank participates in a Danish joint taxation arrangement in which Lunar Group serves as the administrative company. According to the joint taxation provisions of the Danish Corporation Tax Act, Lunar Bank is 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 Bank is registered jointly with all Danish entities of Lunar Group for financial services employer tax and VAT, for which Lunar Group A/S and the entities are jointly liable.

As of 31 December 2025, Lunar Bank A/S is party to a number of pending legal proceedings as both plaintiff and defendant. The aggregate claims against the Bank amount to a maximum of approximately 853 tDKK. Management is of the opinion that the outcome of these proceedings is not expected to have a material adverse effect on the Bank's financial position beyond provisions already recognised.

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Note 24

Related parties

Lunar Bank is 100% owned by Lunar Group A/S, Hack Kampmanns Plads 10, 8000 Aarhus C. Lunar Group A/S is the ultimate parent company, and the consolidated financial statements are available from The Central Business Register's website; www.cvr.dk.

Remuneration of the Executive Board and the Board of Directors are disclosed in note 10.

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

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Note 25

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 to other Group entities | 13,191 | 6,192 |
| Outsourcing fee to Lunar Way A/S* | 0 | 0 |
| Outsourcing fee to Lendify AB Group ** | 111,711 | 57,104 |
| Development projects invoiced to affiliated companies | 84,292 | 1,283 |
| Service fee invoiced to affiliated companies | 13,322 | 815 |
| Intercompany interest income from parent company | 0 | 0 |
| Intercompany interest income from affiliated companies | 103 | 0 |
| Share-based payments | 0 | 0 |
| Balance sheet | | |
| Business transfer from affiliated companies | 0 | 0 |
| Share acquisition from affiliated companies | 0 | 0 |
| Software acquisition from affiliated companies | 0 | 0 |
| Receivables from affiliated companies | 3,425 | 44.637 |
| Receivables from parent company | 19,480 | 5.472 |
| Loans to affiliated companies | 0 | 0 |
| Payables to affiliated companies | 499 | 34.212 |

*After the performed merger, the consolidated outsourcing fee for 2024 is changed to 0.

**Services purchased from Lendify AB and subsidiaries according to an intra-Group outsourcing agreement. These services include general administration, marketing and costs related to software licenses.

During 2025, Lunar Bank has received Group contributions of DKK 148,916 thousand (2024: DKK 343,813 thousand).

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Note 26

Financial risks and policies and objectives for the Management of financial risks 1/9

Lunar Bank 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 bank's ability to pursue its business strategy

Credit risk

Lunar Bank 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.

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Note 26 Financial risks and policies and objectives for the management of financial risks

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 |

Financial statements 1 January - 31 December

Note 26 Financial risks and policies and objectives for the management of financial risks

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 | 38,929 | 42,299 |
| Gross carrying amount at 31 December 2024 | 2,647 | 953 | 38,929 | 42,529 |
| Distribution in segments | | | | |
| Business, including: | | | | |
| Construction | 161 | 79 | 1,382 | 1,623 |
| 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 | 477 | 6,605 | 7,534 |
| Private | 2,196 | 476 | 32,323 | 34,995 |
| Total | 2,647 | 953 | 38,929 | 42,529 |

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1 January - 31 December

Note 26

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.

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Note 26

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

Future macroeconomic developments are also taken into consideration via a scenarios approach, i.e., estimations of positive, base-line and pessimistic macroeconomic evolution and impact on the Expected Credit Losses are weighted based on the likelihood of the different scenarios to materialize.

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, a separate reporting is prepared for scheduled Board of Directors meetings.

The table below shows the changes in total impairment charges recognised at 31 December 2025 for loans at amortised cost.

| DKK'000 | Stage 1 | Stage 2 | Stage 3 | Total |
|---|------------|------------|---------------|---------------|
| Impairment charges at 1 January 2025 | 164 | 390 | 26,967 | 27,521 |
| 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 | 0 | 0 | 0 |
| Impairment charges at 31 December 2025 | 132 | 303 | 43,597 | 44,032 |

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1 January - 31 December

Note 26

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 | 46,410 | 19,342 | 77,773 | 143,525 |
| ECL on new assets | 95 | 317 | 8,287 | 8,699 |
| Transfer from Stage 1 | -441 | 40 | 694 | 293 |
| Transfer from Stage 2 | 0 | -125 | 468 | 343 |
| Transfer from Stage 3 | 0 | 5 | 3,968 | 3,973 |
| Assets derecognised | -45,900 | -19,189 | 0 | -65,089 |
| Write offs debited to the allowance account | 0 | 0 | -64,223 | -64,223 |
| Other movements | 0 | 0 | 0 | 0 |
| Impairment charges at 31 December 2024 | 164 | 390 | 26,967 | 27,520 |

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1 January - 31 December

Note 26

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 |

For 2025 there are no impairment changes for unused credit facilities.

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Note 26

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 | 72 | 15 | 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 | -65 | -15 | 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 | 0 |

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Note 26

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.

The capital risk is largely dependent on investments as long as the company is not profitable.

A photograph of a concrete table with a glass and books, featuring the word 'LUNAR' in large white text. The scene is set in a dimly lit room, possibly a library or study, with a wooden chair visible in the background. The concrete table has a textured, grey surface. A clear glass sits on the table to the left of the text. To the far left, a stack of books is visible, with one book having a black cover. The word 'LUNAR' is written in a bold, white, sans-serif font, slightly tilted upwards to the right. The background is dark and out of focus, showing the wooden legs of a chair.

LUNAR