

# Lunar Block A/S

Hack Kampmanns Plads 10

8000 Aarhus C

CVR no. 38 80 81 17

## Annual Report 2022

Approved at the Company's annual general meeting on 15 June 2023

Chairman:

.....  
*Peter Christian Andreasen*

## Contents

<b>Statement by Management on the annual report</b>	2
<b>Independent auditor's report</b>	3
<b>Company details</b>	5
<b>Management's review</b>	6
<b>Financial statements 1 January – 31 December</b>	
Income statement	7
Balance sheet	8
Statement of changes in equity	9
Notes	10

## Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Lunar Block A/S for the financial year 1 January – 31 December 2022.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of its operations for the financial year 1 January – 31 December 2022.

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

Aarhus, 15 June 2023

Executive Board:

.....  
Ken Villum Guldbrandt Klausen

Board of Directors:

.....  
Peter Christian Andreasen  
Chairman

.....  
Joachim Strøjer Hansen

.....  
Ken Villum Guldbrandt Klausen

## Independent auditor's report

To the Shareholders of Lunar Block A/S

### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022, and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Lunar Block A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies ("financial statements").

### Basis for Opinion

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

### Statement on Management's Review

Management is responsible for Management's Review.

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

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

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements 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 Statements 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 Statements 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 in preparing the financial statements 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.

## Independent auditor's report

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Hellerup, 15.06.2023

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

**CVR No 33 77 12 31**

Lars Dalgaard Agersted

State Authorised Public Accountant

mne46258

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## Company details

### The Company

Lunar Block A/S  
Hack Kampmanns Plads 10  
8000 Aarhus C  
  
CVR no: 38 80 81 17  
Reporting period: 1 January – 31 December 2022  
Domicile: Aarhus

### Board of Directors

Peter Christian Andreasen, Chairman  
Joachim Strøjer Hansen  
Ken Villum Guldbrandt Klausen

### Executive Board

Ken Villum Guldbrandt Klausen

### Auditors

PwC Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## Management's review

### Primary activities

Lunar Block A/S is a fintech company offering banking services specifically within currency exchange, crypto trading and card issuance through our mobile platform.

### Financial review

The income statement for 2022 shows a loss of DKK 8,275 thousand against a loss of DKK 236 thousand last year, and the balance sheet at 31 December 2022 shows equity of DKK 6,362 thousand.

The loss for the financial year is as expected.

### Uncertainty relating to recognition and measurement.

The company has received a letter of support from the parent entity, Lunar Group A/S. On an ongoing basis, the Group management assesses the capital resources in order to assess the soundness of the group's investments in expansion. Based on Lunar Group's approved budgets and planned initiatives to ensure a faster path to profitability and support further development of the product offering to Consumers and Business across the Nordics, management assesses that through 2023 Lunar Group will comply with regulatory capital requirements and the Company will hold sufficient capital and liquidity. In the nature of budget planning, internal and external factors may create uncertainties related to realizing those and in the event of delayed time to profitability or delayed impact of new product offerings, Group management has established several contingency options related to the capital base which is considered sufficient to enable the Group to comply with capital requirements and enable the Company to hold sufficient capital and liquidity throughout 2023. Events after the balance sheet date

No events have occurred after the balance sheet date which could significantly affect the company's financial position

## Financial statements 1 January – 31 December

### Income statement

Note	DKK'000	2022	2021
	<b>Gross profit/loss</b>	<b>-7,326</b>	<b>-229</b>
	<b>Profit/loss before net financials</b>	<b>-7,326</b>	<b>-229</b>
3	Financial income	142	48
4	Financial expenses	-1,114	-55
	<b>Profit/loss before tax</b>	<b>-8,298</b>	<b>-236</b>
	Tax for the year	23	0
	<b>Profit/loss for the year</b>	<b>-8,275</b>	<b>-236</b>
	<b>Proposed distribution of profit/loss</b>		
	Transferred to retained earnings	-8,275	-236
		<b>-8,275</b>	<b>-236</b>



## Financial statements 1 January – 31 December

### Balance sheet

Note	DKK'000	2022	2021
	<b>ASSETS</b>		
	<b>Current assets</b>		
	<b>Receivables</b>		
	Receivables from group entities	4,976	189
	Other receivables	735	0
		<b>5,711</b>	<b>189</b>
	<b>Cash</b>	<b>8,761</b>	<b>4,527</b>
	<b>Total current assets</b>	<b>14,472</b>	<b>4,716</b>
	<b>TOTAL ASSETS</b>	<b>14.472</b>	<b>4,715</b>
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	Share capital	580	580
	Retained earnings	5,782	4,056
	<b>Total equity</b>	<b>6,362</b>	<b>4,636</b>
	<b>Current liabilities</b>		
	Trade payables	10	0
	Payables to Group entities	6,942	0
	Other payables	1,158	79
	<b>Total current liabilities</b>	<b>8,110</b>	<b>79</b>
	<b>Total liabilities</b>	<b>8,110</b>	<b>79</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>14,472</b>	<b>4,715</b>

**Financial statements 1 January – 31 December**

**Statement of changes in equity**

DKK'000	Share capital	Share premium	Retained earnings	Total
Equity at 1 January 2021	580	0	4,293	4,873
Transferred; see distribution of profit/loss	0	0	-236	-236
<b>Equity at 1 January 2022</b>	<b>580</b>	<b>0</b>	<b>4,057</b>	<b>4,637</b>
Capital increase	0	10,000	0	10,000
Transfer to retained earnings	0	-10,000	10,000	0
Transferred; see distribution of profit/loss	0	0	-8,275	-8,275
<b>Equity at 31 December 2022</b>	<b>580</b>	<b>0</b>	<b>5,782</b>	<b>6,362</b>

The share capital amounts to DKK 580,000 distributed on shares of DKK 1 each or multiple thereof.  
The Company does not hold own shares.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies

The annual report of Lunar Block A/S for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

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

The annual report for 2022 is presented in thousands DKK.

#### Basis of recognition and measurement

Income is recognised in the income statement when earned, whereas costs recognised by the amounts attributable to this financial year.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

#### Uncertainty relating to recognition and measurement.

The company has received a letter of support from the parent entity, Lunar Group A/S. On an ongoing basis, the Group management assesses the capital resources in order to assess the soundness of the group's investments in expansion. Based on Lunar Group's approved budgets and planned initiatives to ensure a faster path to profitability and support further development of the product offering to Consumers and Business across the Nordics, management assesses that through 2023 Lunar Group will comply with regulatory capital requirements and the Company will hold sufficient capital and liquidity. In the nature of budget planning, internal and external factors may create uncertainties related to realizing those and in the event of delayed time to profitability or delayed impact of new product offerings, Group management has established several contingency options related to the capital base which is considered sufficient to enable the Group to comply with capital requirements and enable the Company to hold sufficient capital and liquidity throughout 2023. Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Non-current assets acquired in foreign currency are measured at the exchange rate at the transaction date.

#### Income statement

##### Gross profit or loss

Gross profit or loss comprises revenue, cost of sales and other external expenses.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is 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 recognised in revenue.

##### Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost and adjustments for the financial year of other provisions.

##### Other external expenses

Other external expenses comprise expenses relating to the entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, and staff costs etc.

##### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

##### Financial income

Financial income comprises interest income from external parties as well as exchange gains.

##### Financial expenses

Financial expenses comprise exchange losses and interest cost, including interest costs on payables to group entities etc.

##### Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Company is jointly taxed with Lunar Group A/S and all Danish group companies. The current Danish income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

##### Receivables from group entities

Receivables from group entities are recognised at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

##### Other receivables

Other receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Cash

Cash comprises bank deposits.

##### Income tax payable or receivable

Current tax payable or receivable is recognized in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

##### Financial liabilities

Financial liabilities comprising amounts owed to trade payables are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, financial liabilities are measured at amortised cost.

Other liabilities are measured at net realisable value.

DKK'000	2022	2021
<b>2 Staff costs</b>		
Wages and salaries	1,403	0
Other staff costs	105	120
	<b>1,508</b>	<b>120</b>
Average number of employees	2	0
All group staff are employed in Lunar Way A/S. The company is invoiced for the management fee, which is recognised under "Other external expenses", which is aggregated in the item "Gross profit/loss".		
Management has made an estimated calculation of the average number of employees.		
<b>3 Financial incomes</b>		
Interest income	0	8
Realised exchange gains	142	40
	<b>142</b>	<b>48</b>
<b>4 Financial expenses</b>		
Interest expenses	5	20
Interest expenses to group entities	567	0
Realised exchange losses	542	35
Other financial expenses	0	0
	<b>1,114</b>	<b>55</b>

## Financial statements 1 January – 31 December

### Notes DKK'000

#### 5 Contractual obligations and contingencies, etc

##### Contingent liabilities

The Company participates in a Danish joint taxation arrangement in which Lunar Group A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

#### 6 Related parties

Lunar Block A/S 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](http://www.cvr.dk).