



Klappir Reports Strong Ecosystem Growth and Sustainability Impact in H1 2025

Unaudited financial results for the first half of 2025

27th August 2025

CEO Commentary

As we progress through 2025, Klappir's commitment to leading the digital transformation of sustainability management has never been stronger. A central focus this year has been our significant investment in Artificial Intelligence (AI) and innovation, ensuring our platform remains at the cutting edge. Even with substantial R&D investments, amounting up to 50% of subscription revenue, we have maintained a strong focus on cost control and profitability throughout the first half of the year.

Customer and Market Dynamics

Despite an uncertain macroeconomic environment, customer engagement remains robust. Companies are more cautious in their decision-making, but their need for trusted guidance on regulatory requirements, sustainability data, risk management, and cost efficiency has never been greater. This dynamic confirms the growing relevance of the Klappir platform, which is increasingly seen as a strategic partner for data analyses, operational improvements and sustainability.

The first half of 2025 underscored this strength: we welcomed new customers, expanded our ecosystem to more than 3,900 business entities, and delivered multiple product enhancements that directly address customer needs. Our expanding partner network further amplifies our reach, enabling us to support organizations across entire value chains and ensuring measurable value creation at scale.

Market Positioning

Our go-to-market strategy remains anchored in the Nordic region, where rolling webinars, partner-led events, and thought-leadership content have proven highly effective in building engagement. Recognition of our community-driven projects in Iceland, Brazil, and Denmark further reinforces Klappir's position as a purpose-led company with global relevance.

Looking Ahead

As CEO, I am proud of how far Klappir has come, but I am even more energized by where we are heading. Over the next five years, we will continue to deepen our leadership in AI-driven sustainability solutions, broaden our partner ecosystem, and strengthen our footprint globally.

These priorities are not only commercial; they are deeply connected to the United Nations Sustainable Development Goals for 2030. Our work directly supports climate action, responsible production and consumption, innovation, and partnerships for impact.

At the same time, we are preparing our customers and partners for the EU Omnibus framework and we will set new global standards for transparency, comparability, and digital transformation in sustainability reporting.

By aligning purpose, regulation, and innovation, we are creating a pathway where growth and sustainability reinforce one another. Together with our partners, customers, and community, we are determined to shape a future where businesses can thrive while advancing society's most urgent goals.

— Jón Ágúst Þorsteinsson, CEO, Klappir Green Solutions

Highlights H1 2025

3.957

Business entities in the
Ecosystem

58

Countries are connected
to our ecosystem

451.200

tCO₂e in estimated annual
emissions reduction of the
Ecosystem

Impact

- 3,957 business entities in the Klappir Ecosystem across 58 countries.
- The global partner is growing, now encompassing 39 partners in 21 countries.
- 451,200 tCO₂e in estimated annual emissions reduction of Klappir Ecosystem.
- EUR 2.35 million in Annual Recurring Revenue (ARR).

Financials

- Total revenue reached 304.9 million, reflecting an 2.5% increase from the previous year.
- EBITDA was 27.2 million (9.6%) compared to 32.0 million (11.8%) in 2024.
- Operating profit (EBIT) was -6 million, compared with 5.7 million in 2024.
- Net profit was -19.6 million compared to -10.3 million in 2024.
- Total assets were 911.9 million, compared with 840.6 million in 2024.
- Total liabilities were 526.3 million compared with 473.3 million in 2024.
- Equity ratio was 42.3%, compared with 43.7% in 2024.
- Cash and cash equivalents at the end of June 2025 was 114.9 million.

Our Way

Climate change does not affect one company, one region, or one sector alone, it affects and is affected by everyone and everything.

Our planet's systems are deeply interconnected, and so must be our solutions.

In nature, an ecosystem is a community of organisms interacting with each other and their environment as a functional unit. Every element *depends* on the other – plants, animals, climate, and landscape, each influencing and sustaining the whole. A change in one part creates a cascade effect across the entire system. Sustainability is no different: *real impact comes from systemic action.*

Tackling sustainability challenges calls for an ecosystem approach, one that is *integrated, collaborative, and harmonious*. In the Klappir Ecosystem, over 4,000 organizations – governments, NGOs, experts, advisors, and businesses (to name a few) – choose a practical ecosystem mindsets and operations.

Together we move away from isolated, high-risk, compliance, chasing projects toward a more connected and dynamic long-term sustainable development.

Instead of reacting to shifting regulations in silos, organizations can become part of a holistic, living ecosystem - one that provides a shared and transparent view of sustainability performance across interconnected entities.



Our Purpose

We are passionate about helping customers and society to manage their sustainability efforts by facilitating their access to our state-of-the-art sustainability Platform and Ecosystem and related customer success.

Our commitment goes beyond technology. We believe in the power of trusted and open communication. Whether it's our society, customers, shareholders, partners, or employees, we strive to keep everyone informed.

Through annual and semi-annual performance reports, available on our homepage and the Nasdaq reporting platform, we share our progress and achievements, fostering a culture of transparency and accountability.

Our Mission

Bring clarity to sustainability.

We believe in the power of trusted and open communication. Whether it's our society, customers, shareholders, partners, or employees, we strive to keep everyone informed

Our Vision

Lead the world in coordinated, data-driven sustainability efforts.

Our cutting-edge digital platform offers a way through increasingly complex disclosure processes. The whole design of the platform offer proven way of streamlining sustainability work.

Ecosystem Growth and Sustainability Impact 2025

While we remain committed to our successful direct sales approach in the Nordic market, we are also actively working to broaden the scope and reach of our Partner Network. Klappir's ecosystem continues to expand across industries and geographies, reinforcing the platform's role in enabling sustainability transformation. As of June 30, 2025:

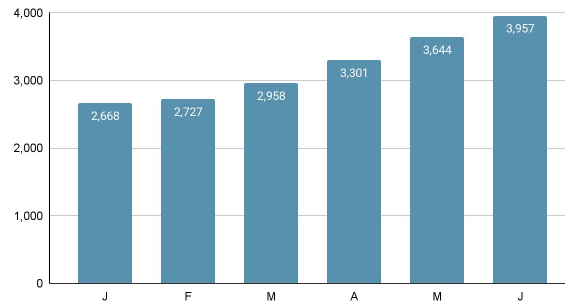
- 752 active customer business entities
- 3,205 prospective entities integrated and positioned for conversion

The ecosystem's estimated annual emissions reduction stands at 451,200 tCO₂e, equivalent to:

- Removing ~96,000 passenger cars from the road
- Avoiding ~450,000 transatlantic flights
- Offsetting the energy use of ~83,000 European households

This measurable impact showcases Klappir's contribution to regulatory readiness, climate goals, and ESG reporting.

Ecosystem Expansion Driving Sustainable Growth



Klappir Ecosystem: Expanding Global Footprint

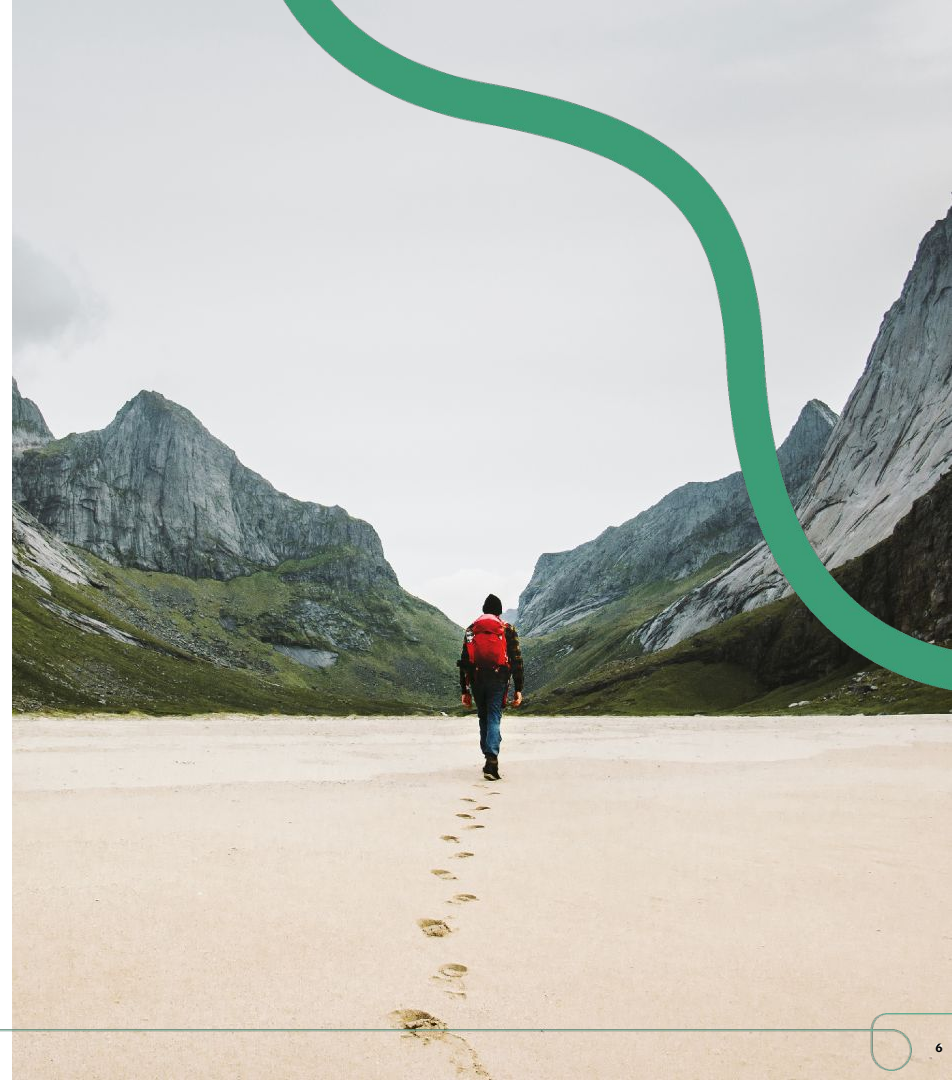
Customer Impact: Driving Measurable Value

Feedback from Klappir 's Customer Success teams confirms strong customer impact and satisfaction. Reported benefits include:

- Reduced energy and material costs
- Lower compliance and risk management expenses
- Greater supply chain transparency and efficiency
- Increased revenue through stronger brand positioning
- Higher employee retention and lower hiring costs
- Improved access to green financing

These outcomes validate Klappir as both a compliance solution and a catalyst for digital sustainability transformation.

Starting in Q3 2025, Klappir will introduce new subscription plans designed to better align with market needs and customers' sustainability journeys. The three main plans, **Core**, **Growth**, and **Impact**, will be supported by a comprehensive customer success program, including the **Klappir Academy** and an **knowledge base**.





Strategic Investments and Innovation

In 1H 2025, Klappir invested significantly in:

- AI-driven product innovation
- Infrastructure upgrades for security and scalability
- Expansion of the partner ecosystem

These investments are already delivering product improvements and preparing the platform for scale.

AI-Powered Innovation Underway

Klappir is embracing AI to deliver next-generation ESG and sustainability management capabilities. Recent feature enhancements include:

- Smarter, more flexible data import tools
- Role-based user interface with embedded guidance
- Contextual help and support articles

AI will play a central role in:

- Streamlining user workflows
- Assisting managers in identifying improvement areas
- Enabling boards and executives to shape smarter ESG strategies

Klappir's AI strategy is focused on usability, decision support, and scalable impact.

Income statements

For the period from January 1, 2025, to June 30, 2025

ISK million	Note	1H 2025	1H 2024	2024-25
Income statement				Change
Total revenue		304.9	297.4	2.5%
Allocation of revenue		(19.8)	(26.0)	
Net revenue		285.1	271.4	
Salaries and other employee expenses		(179.8)	(161.5)	11.3%
Other operating expenses		(78.1)	(77.9)	0.2%
Amortisation and depreciation		(33.2)	(26.3)	26.2%
Operating profit		(6.0)	5.7	-204.6%
Financial income		0.2	0.2	-10.0%
Financial expenses		(16.6)	(17.8)	-6.6%
Net currency difference		2.8	1.6	74.6%
Profit before income taxes		(19.6)	(10.3)	90.5%
Income taxes		0.0	0.00	
Net profit		(19.6)	(10.3)	90.5%

ISK million	Note	2025	2024	2023	2023-24
Financial highlights					Change
Net revenue		285.1	271.4	573.6	5.0%
EBITDA		27.2	32.0	97.2	-14.9%
Adjusted EBITDA		47.0	58.0	54.1	
EBITDA margin		9.6%	11.8%	20.5%	
Net profit margin		-6.9%	5.2%	2.6%	
Total assets		911.9	840.6	804.9	8.5%
Total liabilities		526.3	473.3	427.2	11.2%
Total equity and liabilities		911.9	840.6	804.9	8.5%
Cash and cash equivalents at the end of year		114.9	158.6	116.5	
Share performance and capital allocation					
Current ratio		3.4	4.0	7.5	
Equity ratio		42.3%	43.7%	55.7%	
Value of share capital - equity/share capital		2.8	2.6	2.7	

Balance sheet

as of June 30, 2025

ISK million	Note	1H 2025	31.12.2024
Non-Current Assets			
Intangible assets		438.9	311.2
Operating assets		3.2	4.4
Deposits		1.4	1.4
Deferred tax assets		22.2	28.3
Total non-current assets		465.8	345.3
Current Assets			
Accounts receivable		24.7	39.5
Other short term receivables		306.5	297.3
Cash and cash equivalents		114.9	158.5
Total current assets		446.1	495.3
Total assets		911.9	840.6

ISK million	Note	2025	2024	2023
Equity and liabilities				
Share capital		139.0	139.0	139.0
Share premium		478.2	478.2	478.2
Reserved equity		410.9	135.4	135.4
Accumulated deficit		(642.6)	(385.3)	(375.0)
Total equity		385.5	367.3	377.7
Long term loans		351.7	313.1	313.1
Owed to related parties		41.6	35.4	35.3
Total non-current liabilities		393.3	348.5	348.5
Account payables		23.0	22.9	22.4
Other short term liabilities		41.7	72.5	56.3
Pre-collected income		68.3	29.4	
Total current liabilities		133.0	124.8	78.7
Total liabilities		526.3	473.3	427.2
Total equity and liabilities		911.9	840.6	804.8

Cash flow statement

for the period ended June 30 2025

ISK million	Note	2025	2024
Cash flow statement			
Net profit		(6.0)	5.7
Items not affecting cash flows:			
Depreciation and amortisation		33.2	26.3
Loss (-profits) from sale of fixed assets		0.0	0.0
Change in working capital		27.2	32.0
Current receivable, (increase)/decrease		(95.1)	(126.2)
Current liabilities, increase/(decrease)		11.8	28.7
Interest received		0.2	0.2
Interest paid		(0.1)	(0.5)
Currency exchange rate differences		(2.7)	1.6
Net cash generated from operating activities		(58.7)	(64.2)
Purchase of intangible assets		(91.5)	(51.5)
Purchase of tangible assets (equipment)		0.0	(0.2)
Net cash from investment activities		(91.5)	(51.7)

ISK million	Note	2025	2024
Financing activities			
Own shares, sold/(purchased)		0.0	0.0
Proceeds from sales of intangible assets		0.0	0.0
Net cash from financing activities		0.0	0.0
Changes in cash and cash equivalents		-150.3	-115.9
Cash and cash equivalents at beginning of period		265.1	274.3
Effects of currency exchange rate difference		0.1	0.1
Cash and cash equivalents at end of period		114.9	158.5

Notes

to the financial results for 1H 2025

SHAREHOLDERS' EQUITY

1. Shareholders' equity

	Share capital	Share premium	Restricted equity	Retained earnings	Total equity
Equity at 01.01.2024.....	139.043.700	478.199.200	113.010.584	(352.544.036)	377.709.448
Translation difference.....				205.367	205.367
Moved to restr.equity.....			231.719.430	(231.719.430)	0
Profit/(loss) for the period.....				34.580.020	34.580.020
Equity at 31.12.2024.....	139.043.700	478.199.200	344.730.014	(549.478.079)	412.494.835
Moved to restr.equity.....			66.171.278	(66.171.278)	0
Changes in 2024 financials DK.....				(7.355.891)	(7.355.891)
Profit/(loss) for the period.....				(19.612.660)	(19.612.660)
Equity at 31.03.2025.....	139.043.700	478.199.200	410.901.292	(642.617.908)	385.526.284


2. Tangible and intangible assets

	Goodwill	Research and development	Other tangible assets	Samtals
Balance at 01.01.2024.....	53.629.104	231.583.694	5.069.916	290.282.714
Purchased during the year.....		150.236.700	236.058	150.472.758
The year's amortization/depreciation.....	(17.920.881)	(37.295.747)	(1.764.542)	(56.981.170)
Balance at 31.12.2024.....	35.708.223	344.524.647	3.541.432	383.774.302
Purchased during the year.....		91.538.473		91.538.473
The year's amortization/depreciation.....	(8.960.440)	(23.875.252)	(356.106)	(33.191.798)
Balance at 31.03.2025.....	26.747.783	412.187.868	3.185.326	442.120.977

The company's share capital is ISK 139,0 million at nominal value at year end.

The Company's share capital is divided into common class A and common class B. In class A are 50,0 million shares issued, each share in class A amounts to ISK 1 and ten votes are carried to each ISK of share capital. In class B are 89 million shares issued, each share in class B carries one vote, but in other respects the classes have the same rights.



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