Proposed Delisting from Nasdaq First North Growth Market Iceland: Rationale and Potential Consequences for Shareholders

The proposal:

The Board of Directors of Klappir hf. (the "Company") resolved at a board meeting held on 20 November 2026 at 15:00 GMT, to recommend that the shareholders approve the proposal to delist the Company's shares from trading on Nasdaq First North Growth Market Iceland.

Background:

The Company's time on Nasdaq First North Growth Market has provided valuable experience that will serve the Company well going forward. Nevertheless, the liquidity in the Company's shares has been low overall and with reference to the current stock market condition the advantages associated with maintaining a public listing are low.

Delisting the Company would significantly reduce direct and indirect costs associated with being a publicly listed company and thereby improve the Company's overall long-term profitability. A reduction in costs would also allow the Company to allocate its financial resources in a manner that is more beneficial to the Company.

Furthermore, the Company would no longer be subject to burdensome rules and obligations associated with being listed on the Nasdaq First North Growth Market, including disclosure obligations under the Market Abuse Regulation (MAR). The Company would, however, continue to comply with all legal requirements that remain applicable.

Delisting process:

The Board of Directors will submit a proposal to delist the Company's shares from trading at the shareholders´ meeting on 15 December 2026.

If the proposal receives the appropriate approval at the Extraordinary General Meeting, the Company will issue a formal request that Nasdaq First North Growth Market Iceland remove the Company's shares from trading. The delisting of the company's shares must be approved by Nasdaq Iceland.

Upon approval of the request the company's shares will continue to be tradable on the market until the last day determined by the Nasdaq Iceland (the "Continued Trading Period"). The company will issue an announcement once the last day of trading in the Company's shares has been determined.

No formal offer to buy shares in connection with the delisting is made on behalf of the Company and shareholders are not obliged to sell their shares during the Continued Trading Period.

Consequences for shareholders:

If the delisting request is approved, the Company will no longer be bound by the requirements of the Market Abuse Regulation (MAR), including the requirement to publicly disclose inside information. However, the Company will remain subject to all laws and regulations applicable to public limited companies.

As stated above, no formal offer to buy shares in connection with the delisting is made on behalf of the Company and shareholders are not obliged to sell their shares. The delisting of the Company's shares from trading would mean that buying and selling shares in the Company must take place outside of the stock exchange. The delisting itself will not effect any shareholders' ownership interest or voting rights in the Company and the shares will remain registered with Nasdaq CSD.

Additionally, the delisting may affect shareholders tax position in relation to the shares, as the shares will no longer be listed on the stock exchange.

For further information, please contact:

Þorsteinn Svanur Jónsson
CEO Klappir hf.
Tel: +354 8661361
Email: tsj@klappir.com