

DIVIO

Interim Report Q1 2025

Divio Technologies AB (publ)
Company no. 559077-0730

"Divio Technologies AB (publ) reports positive EBITDA and a 66% increase in net sales."

- Jon Levin, CEO

SUMMARY OF THE REPORT

First quarter: 1 JAN 2025 TO 31 MAR 2025

- Net sales increased by 66% to KSEK 8,452 (5,100)
- Subscription revenue increased by 34% to KSEK 6,532 (4,864)
- MRR in March was KUSD 212 (153), an increase by 39%
- EBITDA was KSEK 342 (-4,304)
- EBIT was KSEK -1,270 (-5,851)
- EPS before dilution was SEK -0.01 (-0.04)
- Cash position was KSEK 4,419 (5,356)

SIGNIFICANT EVENTS (First quarter)

- Divio reports positive EBITDA for the quarter
- Successful onboarding and customization for new health care customers is ongoing, and increased scope
- Extended existing customer agreements and secured several new clients with the potential to grow the business

SIGNIFICANT EVENTS AFTER THE QUARTER

- Enhanced collaboration with Swiss Innovation Forces announced

| KSEK | First quarter (3 months) | | | Full year (12 months) |
|-------------------------------|--------------------------|---------|------|-----------------------|
| | 2025 | 2024 | % | 2024 |
| Key Financials | | | | |
| Subscription revenue | 6,532 | 4,864 | 34% | 21,698 |
| Professional services revenue | 1,920 | 236 | 713% | 3,500 |
| Net sales | 8,452 | 5,100 | 66% | 25,197 |
| Total revenue | 9,328 | 6,747 | 38% | 31,720 |
| Costs | -8,987 | -11,051 | 19% | -40,533 |
| EBITDA | 342 | -4,304 | 108% | -8,813 |
| Dep. / Am. | -1,612 | -1,547 | -4% | -6,372 |
| EBIT | -1,270 | -5,851 | 78% | -15,185 |
| MRR (KUSD) | 212 | 153 | 39% | |
| Cash position | 4,419 | 5,356 | -18% | |

CEO COMMENTS

I am very pleased with the strong start we've had in the first quarter of the year. Our momentum continues to build, and I'm proud to share that we've seen a 34% increase in subscriptions compared to the same period last year. Most notably, we are steadily approaching one of our most important milestones—becoming cash flow positive. Achieving a positive EBITDA result this quarter marks a significant step in that direction and is ahead of our expectations.

Sales performance has been particularly impressive, with Monthly Recurring Revenue (MRR) growing by 39%, well above our target. While consultancy is not our core focus, our professional services revenue surged by 713% year-over-year. This reinforces our ability to deliver a full-service experience to our customers, whether directly or through partners, which is critical to maintaining high-quality delivery standards.

We've secured several strategic new customers this quarter, including Village Capital and a loyalty app company, both with strong growth potential. As we've stated before, signing a deal is only the beginning; nurturing and expanding these relationships is key. We're seeing that happen with several of our existing customers as well, such as Girl Effect and a prominent Swiss healthcare company. Furthermore, the new framework agreement with Swiss Innovation Force—and its recent extension—positions us well for scalable growth within the Department of Defence.

Our partner ecosystem, particularly our agency partners, continues to evolve into a powerful part of our sales strategy. In Q1, we dedicated resources to better activate these partners, leading to both increased platform usage and a strong pipeline of high-quality leads. This is starting to translate into real business, and we are confident in the continued contribution of this channel.

Reaching cash flow positivity has been a key goal, and we are now closer than ever. With a few more deals in place, we will be in an even stronger financial position. The fact that we've already achieved positive EBITDA is both exciting and a testament to the dedication and hard work of our team.

Looking ahead, I feel very optimistic. With such strong commitment from our team and partners, and with the results we're already delivering, I believe we are on the right path to reach the next level in our journey.

I'm truly excited about what lies ahead.

Jon Levin, CEO

FINANCIAL- AND ADDITIONAL INFORMATION

First quarter: 1 JAN 2025 TO 31 MAR 2025

REVENUE

Net sales were KSEK 8,452 (5,100), which is a 66% increase compared with the same period last year. This is mainly a result of a 34% growth in subscription revenues (from KSEK 4,864 to 6,532) and an increase in professional service revenue to KSEK 1,920 (236) driven by the new client signed in the latter part of 2024. Capitalized development expenses decreased by KSEK 784 (from KSEK 1,647 to KSEK 863) due to a combination of our cost optimization program and the fact that part of our development resources were spent on onboarding a large new customer.

MRR at the end of March 2025 was KUSD 212 (153), an increase of 39% compared to the same quarter last year (see graph below). The increase can be explained by a net increase in subscription revenues and by positive FX movements between CHF and USD.

OPERATING PROFIT AND LOSS

EBITDA improved from KSEK -4,304 to 342, mainly because of the increased revenues and reduced total cost levels.

Operating loss (EBIT) for the first quarter improved compared to the previous year, amounting to KSEK -1,270 (-5,851). The increase in COGS is covered by the increased Professional Service Revenue that the newly signed client takes on.

NET FINANCIAL ITEMS

Net financial items increased to MSEK -2,788 (-983) due to large unrealised FX effects on intercompany loans.

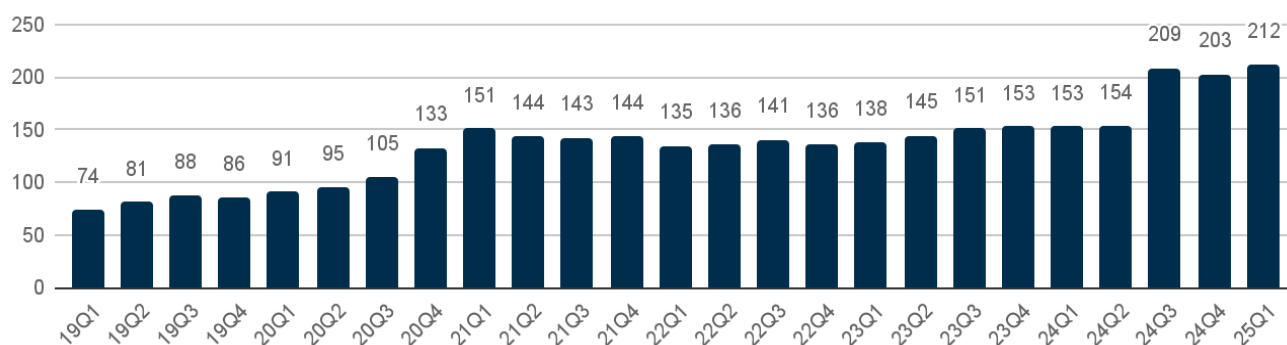
TOTAL CASH FLOW AND CASH FLOW FROM OPERATING ACTIVITIES

Total cash flow for Q1 2025 was KSEK -4,715 (-7,248). Cash flow from operating activities was KSEK -3,875 (-5,578), driven by the large customer prepayment for the first two years of the three-year contract period.

CASH FLOW FROM INVESTING AND FINANCING ACTIVITIES

Cash flow from investing activities was KSEK -840 (-1,670), which is capitalized development expenses that decreased. Cash flow from financing was KSEK 0 (0).

MRR Development (KUSD)



ACCOUNTING PRINCIPLES AND OTHER INFORMATION

Divio Technologies Group and parent company accounts have been prepared by the Annual Accounts Act and BFNAR 2012: 1 (K3). The accounting principles are unchanged compared to the Annual Report 2023. The quarterly reports are not audited by the company's auditors.

GROUP STRUCTURE PER 31 MAR 2025

The Divio Group holds its parent company, Divio Technologies AB (publ), in Sweden, with its org. no. 559077-0730, the wholly owned subsidiary Divio AG in Switzerland, and its wholly owned subsidiary Divio Inc. in the US. The Group's operating activities are conducted mainly within Divio AG, with a transfer pricing setup according to the arm's length principle for intragroup services.

RISKS AND UNCERTAINTIES

Divio is a relatively new software development group. The company launched its first commercial cloud software products in 2017. Its revenue levels are increasing, but do not yet exceed costs. The fact that the company has over 700 paying customers and very low churn is a clear signal of the need for the product, but it is still too early to draw long-term conclusions about market acceptance or to accurately forecast sales and earnings for the company.

Divio is dependent on licensing and partnership agreements, as well as permits, remuneration systems, and associated laws, regulations, decisions by government authorities, and practice, all of which are beyond Divio's control.

Divio is also dependent on intellectual property rights that are difficult to protect via registration. Other crucial factors for future development are Divio's ability to ensure the reliability of technical platforms and the company's information management, and to protect against security breaches.

Divio continues its progress toward achieving cash flow neutrality by focusing on increased sales and disciplined cost optimization. While this target has not yet been reached, the company is approaching it steadily.

For more information, please refer to the "Risk Factors" section in the 2019 Company Description available at www.divio.com.

SHARES

Divio Technologies AB (publ) has been traded on Nasdaq First North since 18 December 2019, under the ticker DIVIO B. The number of shares as per 31 Mar 2025 was 333,840,085 of which 750,000 were series A shares with 10x voting rights. The average number of shares in Q1 was 333,840,085 before dilution.

WARRANTS

Divio Technologies AB (publ) has one active series of warrants per closing date: "Incentive Program 2023/2026" was issued to key employees in 2023. The number of options subscribed for was 3,000,000.

| Warrant Series | Duration | Strike | Expiry | Investors | Employees | Total warrants | Possible share issue |
|-----------------------------|-----------|----------------|------------|-----------|-----------|----------------|----------------------|
| Incentive program 2023/2026 | 2023/2026 | 0.36 (1:1.194) | 2026-09-30 | - | 3,000,000 | 3,000,000 | 3,582,558 |

| Number of shares | First Quarter (3M) | | FY (12M) |
|-----------------------------|--------------------|-------------|-------------|
| | 2025 | 2024 | 2024 |
| Shares at end of period BD | 333,840,085 | 186,190,114 | 333,840,085 |
| Shares at end of period AD | 336,840,085 | 189,890,114 | 336,840,085 |
| Average number of shares BD | 333,840,085 | 186,190,114 | 204,646,360 |
| Average number of shares AD | 336,840,085 | 189,890,114 | 208,171,360 |

BD = Before Dilution, AD = After Dilution.

INCOME STATEMENT GROUP, SUMMARISED

| KSEK | First quarter (3 months) | | FY (12m) |
|------------------------------|--------------------------|---------------|----------------|
| | 2025 | 2024 | 2024 |
| Profit and loss | | | |
| Subscription revenues | 6,532 | 4,864 | 21,698 |
| Professional services | 1,920 | 236 | 3,500 |
| Capitalized development | 863 | 1,647 | 6,519 |
| Other revenue | 13 | 0 | 4 |
| Total revenue | 9,328 | 6,747 | 31,720 |
| Cost of goods sold | -3,270 | -1,609 | -10,280 |
| Other external costs | -1,207 | -2,358 | -5,953 |
| Personnel | -4,510 | -7,084 | -24,300 |
| Depreciation / Amortization | -1,612 | -1,547 | -6,372 |
| Operating profit | -1,270 | -5,851 | -15,185 |
| Net financial items | -2,788 | -983 | -595 |
| Earning before tax | -4,058 | -6,834 | -15,780 |
| Taxes on earnings | 0 | -22 | -112 |
| Profit for the period | -4,058 | -6,856 | -15,892 |
| EPS before dilution (SEK) | -0.01 | -0.04 | -0.08 |
| EPS after dilution (SEK) | - | - | - |

BALANCE SHEET GROUP, SUMMARISED (part 1 of 2)

| | First quarter (End of Period) | | FY (EoP) |
|--------------------------------------|-------------------------------|---------------|---------------|
| | 2025 | 2024 | 2024 |
| KSEK | | | |
| Assets | | | |
| Fixed assets | | | |
| <i>Immaterial fixed assets</i> | | | |
| Activated development | 14,800 | 15,938 | 16,571 |
| Other immaterial fixed assets | 0 | 0 | 0 |
| Total immaterial fixed assets | 14,800 | 15,938 | 16,571 |
| <i>Material fixed assets</i> | | | |
| Equipment | 161 | 261 | 210 |
| Total material fixed assets | 161 | 261 | 210 |
| <i>Financial assets</i> | | | |
| Other financial assets | 18 | 13 | 18 |
| Total financial assets | 18 | 13 | 18 |
| Total fixed assets | 14,979 | 16,212 | 16,799 |
| <i>Current assets</i> | | | |
| Trade receivables | 3,835 | 8,903 | 4,430 |
| Other current receivables | 578 | 701 | 1,893 |
| Total current assets | 4,431 | 9,604 | 6,323 |
| Cash and cash equivalents | 4,419 | 5,356 | 9,273 |
| Total assets | 23,811 | 31,172 | 32,395 |

BALANCE SHEET GROUP, SUMMARISED (part 2 of 2)

| | First quarter (End of Period) | | FY (EoP) |
|--------------------------------------|-------------------------------|---------------|---------------|
| | 2025 | 2024 | 2024 |
| KSEK | | | |
| Equity and liabilities | | | |
| <i>Equity</i> | | | |
| Share capital | 33,384 | 18,619 | 33,384 |
| Share premiums | 93,673 | 95,307 | 93,673 |
| Retained profits (losses) | -119,588 | -105,639 | -106,516 |
| This year's profit (loss) | -4,058 | -6,856 | -15,890 |
| Total equity | 3,411 | 1,077 | 4,650 |
| <i>Non-current liabilities</i> | | | |
| Reserves | 0 | 0 | 0 |
| Total non-current liabilities | 0 | 0 | 0 |
| <i>Current liabilities</i> | | | |
| Trade payables | 4,082 | 3,027 | 7,545 |
| Other current liabilities | 16,317 | 27,069 | 20,199 |
| Total current liabilities | 20,400 | 30,096 | 27,745 |
| Total equity and liabilities | 23,811 | 31,173 | 32,395 |

CASH FLOW GROUP, SUMMARISED

| | First quarter (3 months) | | FY (12m) |
|--|--------------------------|---------------|----------------|
| | 2025 | 2024 | 2024 |
| KSEK | | | |
| Cash flow | | | |
| Cash flow from operating activities | | | |
| Result after financial items | -4,058 | -6,856 | -15,891 |
| Adj for non-cash items | 4,928 | 1,954 | 4,791 |
| Changes in current assets | 1,689 | -8,469 | -5,030 |
| Changes in current liabilities | -6,433 | 7,793 | 4,852 |
| Cash flow from operating activities | -3,875 | -5,578 | -11,278 |
| Cash flow from investing activities | | | |
| Activated development costs | -810 | -1,663 | -6,573 |
| Changes in financial assets | -30 | -7 | 7 |
| Cash flow from investing activities | -840 | -1,670 | -6,566 |
| Cash flow from financing activities | | | |
| Rights issue | - | - | 14,396 |
| Proceeds from debt issuance | - | - | 2 000 |
| Repayment of loans | - | - | -2 000 |
| Cash flow from financing activities | 0 | 0 | 14,396 |
| Total cash flow for the period | -4,715 | -7,248 | -3,448 |
| Cash at the beginning of the period | 9,273 | 12,637 | 12,637 |
| Exchange rate differences | -139 | -33 | 84 |
| Cash at the end of the period | 4,419 | 5,356 | 9,274 |

CHANGE IN EQUITY GROUP, SUMMARISED

| | First quarter (3 months) | | FY (12m) |
|--|--------------------------|--------------|--------------|
| | 2025 | 2024 | 2024 |
| KSEK | | | |
| Change in equity | | | |
| Equity at the beginning of the period | 4,651 | 7,709 | 7,709 |
| New share issue | | | 13,131 |
| Currency translation differences | 2,818 | 224 | -298 |
| Profit (loss) | -4,058 | -6,856 | -15,892 |
| Equity at the end of the period | 3,411 | 1,077 | 4,650 |

INCOME STATEMENT PARENT COMPANY, SUMMARISED

| | First quarter (3 months) | | FY (12m) |
|------------------------------|--------------------------|--------------|--------------|
| | 2025 | 2024 | 2024 |
| KSEK | | | |
| Profit and loss | | | |
| Revenue | 1,794 | 1,626 | 7,309 |
| Total revenue | 1,794 | 1,626 | 7,309 |
| Other external costs | -464 | -541 | -1,969 |
| Personnel | -1,262 | -1,109 | -5,018 |
| Depreciation / Amortization | 0 | 0 | 0 |
| Operating profit | 67 | -25 | 322 |
| Net financial items | 0 | 0 | -109 |
| Earnings before tax | 67 | -25 | -109 |
| Taxes on earnings | 0 | 0 | -90 |
| Profit for the period | 67 | -25 | 123 |

BALANCE SHEET PARENT COMPANY, SUMMARISED

(part 1 of 2)

| | First quarter (End of Period) | | FY (EoP) |
|--|-------------------------------|---------------|---------------|
| | 2025 | 2024 | 2024 |
| KSEK | | | |
| Assets | | | |
| <i>Immaterial fixed assets</i> | | | |
| Other immaterial fixed assets | 0 | 0 | 0 |
| Total immaterial fixed assets | 0 | 0 | 0 |
| <i>Financial assets</i> | | | |
| Shares in group companies | 30,268 | 30,268 | 30,268 |
| Non-current financial receivables from group companies | 34,564 | 20,017 | 34,564 |
| Other financial assets | 18 | 13 | 18 |
| Total financial assets | 64,850 | 50,298 | 64,850 |
| Total fixed assets | 64,850 | 50,298 | 64,850 |
| <i>Current assets</i> | | | |
| Current financial receivables from group companies | 7,512 | 10,281 | 5,718 |
| Other current receivables | 245 | 285 | 329 |
| Total current assets | 7,756 | 10,566 | 6,047 |
| Cash and cash equivalents | 1,991 | 287 | 4,151 |
| Total assets | 74,597 | 61,151 | 75,048 |

BALANCE SHEET PARENT COMPANY, SUMMARISED

(part 2 of 2)

| | First quarter (End of Period) | | FY (EoP) |
|-------------------------------------|-------------------------------|---------------|---------------|
| | 2025 | 2024 | 2024 |
| KSEK | | | |
| Equity and liabilities | | | |
| <i>Equity</i> | | | |
| Share capital | 33,384 | 18,619 | 33,384 |
| Share premiums | 93,673 | 95,307 | 93,673 |
| Retained profits (losses) | -54,988 | -55,111 | -55,111 |
| This year's profit (loss) | 67 | -25 | 123 |
| Total equity | 72,137 | 58,790 | 72,069 |
| <i>Current liabilities</i> | | | |
| Trade payables | 175 | 247 | 155 |
| Other current liabilities | 2,286 | 2,114 | 2,824 |
| Total current liabilities | 2,461 | 2,361 | 2,978 |
| Total equity and liabilities | 74,597 | 61,151 | 75,048 |

OTHER INFORMATION

UPCOMING FINANCIAL EVENTS

13 Jun 2025

Annual General Meeting in Stockholm

13 Aug 2025

Interim Report Q2 (1 Apr - 30 Jun)

12 Nov 2025

Interim Report Q3 (1 Jul - 30 Sep)

11 Feb 2026

Full Year and Q4 Report (1 Oct - 31 Dec)

12 May 2026

Interim Report Q1 (1 Jan - 31 Mar)

Financial reports will be available on the company's website www.divio.com, on the date of publication.

STATEMENT OF ASSURANCE

This report was adopted by the Board of Directors of Divio Technologies AB (publ) on 13 May 2025. The Board currently consists of Leif Liljebrunn, Niklas Köresaar, and Anette Ringnér.

AUDITOR

This report has not been reviewed by the company's auditors. Forvis Mazars is the auditor for 2025.

CERTIFIED ADVISOR

FNCA Sweden AB (info@FNCA.se) is the certified advisor of the company.

DEFINITIONS

Subscription revenue

Revenue from customers that pay a monthly subscription fee (monthly recurring revenue, MRR, see below) for Divio's platform.

Professional services

Revenues from customized projects

Earnings per share

Calculated as profit divided by the average number of outstanding shares of common stock.

MRR

Monthly recurring revenue is the monthly rate of revenue generated from recurring subscription services provided to customers. This value excludes any set-up fees or one-time fees and is measured as of the last month of the reporting period. Measured in USD, as a majority, but not all, of the contracts are in USD.