

The subscription period in Divio Technologies AB's issue of units starts today

Today, the 7th of December 2022, the subscription period in Divio Technologies AB's ("Divio" or the "Company") issue of units with preferential rights for existing shareholders (the "Rights Issue") begins. The public is also invited to subscribe for units in the Rights Issue. The subscription period runs until the 21st of December 2022. Provided that the Rights issue is fully subscribed, the Company will receive approx. SEK 12 million before transaction costs. Upon full exercise of all warrants issued in the Rights Issue, the Company can receive an additional approx. SEK 5.1-9.6 million before transaction costs. The Rights Issue is secured in writing to approx. 70 percent through pre-subscription- and guarantee commitment agreements. The memorandum and the teaser are available via the respective websites of the Company (www.divio.com), Sedermera Corporate Finance AB (www.sedermera.se) and Nordic Issuing AB (www.nordic-issuing.se). On Nordic Issuing AB's website, it is also possible to subscribe for units with digital signature.

Background

Divio is a Swedish company with wholly owned subsidiaries in Switzerland and the USA. Divio develops and sells a software platform (PaaS - Platform-as-a-Service) that enables companies to effortlessly run and develop critical web applications in the cloud, in a secure, user-friendly and largely automated, cost-effective way, independent of infrastructure provider. The Company is ISO 27001 certified and facilitates the management and maintenance of complex cloud infrastructures with multiple third-party clouds, ranging from the largest players such as AWS, Azure and Google Cloud to smaller cloud providers.

Motive and Objectives

The objective of the Rights Issue is to fund the Company's operations to accelerate sales growth by investing in a certified partnership with one of the world's largest Infrastructure-as-a-Service (IaaS) providers where the parties together will offer a combined solution. In addition, Divio will invest in consultative technical sales with a focus on small and medium-sized businesses (SME), which is expected to lead to a wider target group, increase efficiency and create shorter sales cycles. Divio also intends to establish the Software platform in new markets and significantly increase awareness of Divio through more marketing activities. Assuming that the planned Rights Issue is fully subscribed, the Board of Directors believes that the Company has sufficient cash to take the Company to cash breakeven in Q4 2023. Divio aims to grow MRR by at least 30% per year on average over the next five years.

Use of proceeds

Through the Rights Issue the Company can initially receive a maximum of approx. SEK 12 million and if all warrants issued in the Rights Issue are exercised at the highest subscription price, the Company can receive an additional maximum of approx. SEK 9.6 million before transaction costs.

The capital provided to the Company through the capitalization is intended to finance:

Sales & Partnerships

- Further boost and aggressively scale up SME sales (recruitment of technical sales).
- Harvest from one of the world's biggest cloud providers.
- New and existing markets.
- Initiated incentivized sales.

Product & Finance.

- Increasing the engineering team to secure market lead.
- Repayment of bridge loan (which was activated in the fall of 2022 to finance activities until completed Rights Issue).

The offer in brief

- Subscription period: 7-21 December 2022.
- Subscription price: SEK 2.10 per unit, corresponding to SEK 0.15 per B-share. The warrants are issued free of charge.
- Issue volume: a maximum of 5,708,205 units, consisting of 79,914,870 B-shares and 34,249,230 warrants of series TO 1. Provided full subscription, this will provide the Company with approx. SEK 12 million through the initial issue, and another maximum of approx. SEK 9.6 million through the warrant exercise.
- No. of shares prior to the Rights Issue: 85,623,080 shares, of which 750,000 are A-shares and 84,873,080 are B-shares.
- Preferential right: Those who on the record date, the 5th of December 2022, were shareholders in Divio, have preferential right to subscribe in the Rights Issue. One (1) existing share in the Company entitles the holder to one (1) unit right. Fifteen (15) unit rights entitle the holder to subscribe for one (1) unit in Divio. Each unit consists of fourteen (14) B-shares and six (6) warrants.
- Pre-subscription and guarantee commitments: The Company has received pre-subscription- and guarantee commitments of approx. 70 percent of the Rights Issue.
- Marketplace: Nasdaq First North Growth Market.
- Warrants of series TO 1: One (1) TO 1 will entitle the holder to subscribe for one (1) new B-share in Divio, during the exercise period which runs from the 7th of June 2023 until the 21st of June 2023. The subscription price in the warrant exercise will amount to 70 percent of the average volume-weighted price of the B-share according to the official price statistics of Nasdaq First North Growth Market during a period of ten trading days ending two business days before the start of the exercise period and the price will be set within the range of SEK 0.15-0.28 per share. The Company will announce the subscription price the day before the first day of the exercise period. Divio can through the warrants receive up to SEK 9.6 million before transaction costs if all TO 1 are exercised at the highest subscription price.

- Lock up: Shareholders who are also members of the Board and management have signed so called lock up agreements, where these parties commit not to divest any of their shareholdings for a period of six months following the execution of the Rights Issue.

Important dates

- Record date: was on the 5th of December 2022.
- Subscription period: from the 7th of December until the 21st of December 2022.
- Trading in unit rights: from the 7th of December until the 16th of December 2022.
- Trading in BTU (Betald Tecknad Unit): from the 7th of December 2022 until the issue is registered with the Swedish Companies Registration Office.
- Announcement of the outcome of the Rights Issue: expected 23rd of December 2022.

Memorandum, teaser and possibility to subscribe

Memorandum and teaser regarding the Rights Issue are available via the Company's (www.divio.com), Sedermera Corporate Finance AB's (www.sedermera.se) and Nordic Issuing AB's (www.nordic-issuing.se) websites. Through Nordic Issuing AB's website, it is possible to subscribe for units with digital signature.

Advisors

In connection with the Rights Issue, Divio has assigned Sedermera Corporate Finance AB as financial advisor, Markets & Corporate Law Nordic AB as legal advisor and Nordic Issuing AB as issuing agent.

For more information about the Rights Issue, please contact:

Sedermera Corporate Finance AB
Phone: +46 (0)40 615 14 10
E-mail: cf@sedermerna.se
www.sedermera.se

Press enquiries

For further information about Divio Technologies, please visit divio.com or contact CEO Jon Levin (jon.levin@divio.com) +46 732 44 70 66.

The company's Certified Adviser is FNCA Sweden AB: +46(0)8-528 00 399, info@fnca.se

About Divio Technologies

Divio Technologies AB (Publ) is the PaaS and Cloud Management Software development group behind the Divio platform, which simplifies cloud hosting, deployment and development via a PaaS solution. The platform allows enterprises to reduce costs, time to market and the burden on employees, as well as decreasing dependency on cloud vendors.

Attachments

[The subscription period in Divio Technologies AB's issue of units starts today](#)