

Divio Technologies AB resolves to carry a compensational share issue to guarantors and raises SEK 2 million in additional directed issue

The subscription period for Divio Technologies AB's ("Divio" or the "Company") rights issue of shares (the "Rights Issue") concluded on November 12, 2024. The Board of Directors of the Company has today, November 14, 2024, based on the authorization from the Annual General Meeting on June 7, 2024, resolved to carry out a directed issue of series B shares to honor the guarantee agreements entered into in connection with the Rights Issue (the "Directed Issue"). Under the same authorization and in accordance with the information included in the announcement of the Rights Issue on October 18, 2024, the Board has also resolved to carry out a directed share issue of approximately SEK 2 million to an investment fund focusing on growth companies (the "Second Directed Issue").

The Directed Issue

In connection with the Rights Issue, the guarantors participating in guarantee tranche 3 were offered the option to receive their guarantee compensation either as a cash payment amounting to 15 percent of the guaranteed commitment or as additional shares equivalent to 20 percent of the guaranteed commitment.

A number of guarantors have chosen to receive the guarantee compensation in the form of shares, and the board of directors has because of this resolved on a directed issue of 2,082,461 shares of series B to guarantors in guarantee tranche 3. The resolution has been made based on the authorization from the Annual General Meeting on 7 June 2024. The purpose of the directed share issue and the reasons for the deviation from the shareholders' preferential rights is to fulfil the Company's obligations towards guarantors who has provided a guarantee commitments and who wish to receive compensation for his guarantee commitment in the form of newly issued shares in the Company. The board of directors also believes that it is beneficial for the Company's financial position and in the interest of the shareholders to take advantage of the possibility to receive the guarantee compensation in the form of shares instead of cash payment as it releases funds that strengthen the Company's working capital and allows the Company to use more of the proceeds from the Rights Issue in the manner described in the information memorandum published on 22 October 2024.

The subscription price is set at SEK 0.12 per series B share, matching the subscription price applied in the Rights Issue. The total number of series B shares issued in the Directed Issue amounts to 2,082,461, bringing the issuance amount to SEK 249,895.32. Payment for shares in the Directed Issue will be made through set-off of claims and therefore does not introduce new capital to the Company. The subscription price has been determined through arm's-length negotiations between the Company and the parties providing issuance guarantees, in consultation with a

financial advisor and through an analysis of multiple market factors. The Board thus assesses that the terms are market based and reflect current market conditions. The subscription price represents a discount of approximately 14 percent compared to the closing price of the Company's Class B shares as of November 13, 2024.

The Second Directed Issue

The board of directors in Divio have, with support from the authorization granted by the Annual General Meeting on June 7, 2024, further resolved to carry out a directed share issue of 16,666,666 series B shares at a subscription price of SEK 0.12 per share (the "Second Directed Issue"). The subscriber in the Second Directed Issue is JEQ Capital, an alternative investment fund that also participated in the guarantee consortium for the Rights Issue, and who has expressed an interest in acquiring more shares in the Company in addition to those allocated through its guarantee commitment.

In connection with the announcement of the Rights Issue, the Company stated that it may decide to conduct a directed issue for certain selected professional investors. The primary purpose of such a directed issue is to enable new professional investors, with a sound understanding of the Company's product offering and market, to become shareholders in Divio while providing the Company with additional capital. This, in the Board's assessment, strengthens the Company's financial position and enables further investments in sales and marketing efforts.

The Board has further concluded that, even if the Rights Issue would have been expanded to include the funds obtained through the Second Directed Issue, such an increase in the Rights Issue's size would have led to additional costs for the Company due to the need for additional guarantees commitments, potentially at higher compensation levels, without ensuring an increase in the Company's professional shareholder base. Additionally, the Company has considered the option of conducting another rights issue and concluded that this would involve a significantly longer timeline, thereby increasing market exposure and associated costs (including guarantee fees).

Based on the above, the Board has determined that the Second Directed Issue, deviating from shareholders' preferential rights, is the most advantageous option for Divio, creates value for the Company, and serves the best interests of the Company's shareholders.

The subscription price is set at SEK 0.12 per series B share, matching the subscription price applied in the Rights Issue. This price has been established through arm's-length negotiations between the Company and the subscriber, in consultation with a financial advisor and through analysis of various market factors. Accordingly, the Board assesses that the terms are market-based and reflect prevailing market conditions on the MTF marketplaces. The market-based nature of the subscription price is further supported by the fact that existing shareholders had the opportunity to subscribe for shares under the same terms until November 12, without the Rights Issue being fully subscribed for by existing shareholders. The subscription price represents a discount of approximately 13 percent to the closing price of the Company's series B shares as of November 13, 2024.

Number of Shares and Share Capital

Through the Directed Issue, the number of shares in the Company will increase by 2,082,461 series B shares, from a total of 315,090,958 shares of series A and B to a total of 317,173,419 series A and B shares combined. The share capital in the Company increases by SEK 208,246.10, from SEK 31,509,095.80 to SEK 31,717,341.90. Shareholders who have not participated in the Rights Issue will experience a dilution effect from the Directed Issue of approximately 0.6 per cent of the votes and 0.7 per cent of the capital in the Company.

Through the Second Directed Issue, the number of shares in the Company will increase by 16,666,666 series B shares, from a total of 317,173,419 shares of series A and B to a total of 333,840,085 series A and B shares combined. The share capital in the Company increases by SEK 1,666,666.6, from SEK 31,717,341.90 to SEK 33,384,008.50. Shareholders will experience a dilution effect from the Second Directed Issue of approximately 4.9 per cent of the votes and 5.0 per cent of the capital in the Company.

Once the new shares are registered with the Swedish Companies Registration Office, the number of shares in Divio will amount to 333,840,085 shares, of which 750,000 shares are of series A and 33,090,850 are of series B. The share capital in the Company will amount to SEK 33,384,008.50.

Advisors

In connection with the Rights Issue and the two directed issues, Divio has assigned Sedermera Corporate Finance AB as financial advisor, Eversheds Sutherland Advokatbyrå AB as legal advisor and Nordic Issuing AB as issuing agent.

For more information about the issues, please contact:

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

For further information about the Company, please contact:

Jon Levin, CEO Divio Technologies AB
Phone: +46 (0)73 244 70 66
E-mail: jon.levin@divio.ch

Certified Adviser

FNCA Sweden AB
Phone: +46 (0)8 528 00 399
E-mail: info@fnca.se

This press release is an English translation of the Swedish original. In the event of any discrepancies, the Swedish version shall govern.

Press enquiries

For further information about Divio Technologies, please visit divio.com or contact CEO Jon Levin (ir@divio.com)

The company's Certified Adviser is FNCA Sweden AB.

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.

This information is information that Divio Technologies is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2024-11-14 15:30 CET.

Attachments

[Divio Technologies AB resolves to carry a compensational share issue to guarantors and raises SEK 2 million in additional directed issue](#)