

DIVIO

Interim Report Q3 2025

"Divio Technologies AB (publ) reports 52% increase in net sales and positive EBITDA"

SUMMARY OF THE REPORT

Third quarter: 1 July to 30 September 2025

- Net sales increased by 52% to KSEK 8,336 (5,481)
- Subscription revenue increased by 22% to KSEK 6,382 (5,213)
- MRR at the end of September was KUSD 213 (209), an increase of 2%
- EBITDA was KSEK 90 (-1,934)
- EBIT was KSEK -1,384 (-3,540)
- EPS before dilution was SEK -0.01 (0.00)
- Cash position was KSEK 8,298 (1,201)

Year to Date: 1 January to 30 September 2025

- Net sales increased by approximately 64% to KSEK 25,019 (15,656)
- EBITDA was KSEK 240 (-8,804)
- EBIT was KSEK -4,351 (-13,520)
- EPS before dilution was SEK -0.02 (-0.07)

Significant events during the quarter

- Divio announces a strategic partnership with Swiss global transformation partner Zühlke.
- Divio closes SEK 9.6m equity and convertible debt financing.

Significant events after the quarter

- Divio announces SEK 700,000 enhanced collaboration with Swiss Healthcare Company.
- Divio concludes its cooperation with Fredrik Wallmark as CFO, and board member Niklas Koresaar assumes the role of Interim CFO.

KSEK	Third quarter (3 months)			Year to date (9 months)		
	2025	2024	%	2025	2024	%
Key Financials						
Subscription revenue	6,382	5,213	22%	19,257	14,932	29%
Professional services revenue	1,954	268	630%	5,762	724	696%
Net sales	8,336	5,481	52%	25,019	15,656	60%
Total revenue	9,117	7,227	26%	27,607	20,958	32%
Costs	-9,027	-9,161	1%	-27,368	-29,762	8%
EBITDA	90	-1,934	105%	240	-8,804	103%
Dep. / Am.	-1,474	-1,607	8%	-4,591	-4,716	3%
EBIT	-1,384	-3,540	61%	-4,351	-13,520	68%
MRR (KUSD)	213	209	2%			
Cash position	8,298	1,201	591%			

CEO COMMENT

Quarter

Q3 2025 was a highly productive quarter for Divio. We achieved a 52% increase in net sales, but more importantly, our EBITDA reached break-even, both for the quarter and year-to-date. This is a result of our efforts within sales, but also of our reorganization to accommodate our new Agency strategy. I can safely say that we now have our strongest ever delivery team, allowing us to both optimise our platform for the Agency Strategy and facilitate an increase in sales via partners and agencies.

Our operating cash flow remained negative in the quarter as revenues related to the 2023 customer prepayment were recognised without corresponding cash inflows. It's therefore very good news that this prepayment period comes to an end in December, allowing us a more normalised cash flow going forward. As these customer prepayments distorted our cashflow numbers, we are internally tracking Cash EBITDA (EBITDA adjusted for capitalized development costs) as a measurement for cash neutrality. For Q3, our Cash EBITDA indicated a shortfall of approximately SEK 230,000 per month, representing USD 24,000 MRR equivalent to an 8% gap compared to net revenues. This demonstrates we are getting ever closer to the cash breakeven goal, but still have a bit of work to do.

During the quarter, we have made significant progress in our Agency strategy, as further described below. I am also very pleased to report that we have now signed an expanded work scope with a major healthcare client, adding approximately SEK 700,000 in high-margin revenue in Q4. While we do not consider this part of our MRR. It is yet another strong example of the follow-on sales potential within our existing customer base.

Early in the quarter, we successfully closed an equity and warrant issue, raising SEK 9.6 million to address our cash needs. We are particularly pleased with this achievement, given the current challenging market for small companies seeking capital, and that we were able to avoid a highly dilutive and disruptive rights issue.

I extend my renewed thanks to Fredrik for his invaluable contributions and commitment as CFO over the past few years. We are also very pleased to have Niklas on board as interim CFO. He is currently focused on mapping out and taking over numerous operational support functions. This will allow the rest of the management team, without

distractions, to focus more on sales and help us identify the ideal profile for a long-term CFO/administrative staff member.

Agency Strategy

During the quarter, we have worked very hard on our new agency strategy, and I would like to take the opportunity to present our initiatives and progress in this report.

Back in the days, Divio began as a web agency, building and managing client websites. We soon realized the need to automate complex management of infrastructures, especially if you run many different web applications, leading to the creation of the Divio platform. This platform addresses the more intricate aspects of web pages, ensuring 100% uptime while continuously adapting to changes, upgrades, data usage, certification, and security threats. These technical challenges are increasingly complex, often requiring highly specialized third-party tools on top of your own tech. For instance, Divio currently integrates with over 20 external tool providers on its platform. These were significant challenges, especially for organizations with limited access to specialized operational tech teams.

Over time, we have explored various sales strategies — some with clear successes, others less so. Our earlier, broad market approach proved ineffective for a still relatively small player like us. It diluted our focus, made it difficult to build brand awareness, and ultimately resulted in a cumbersome sales process that limited organic growth.

We have therefore now chosen to focus on agencies — a natural step for us. Our platform originated from our own experience as an agency, and we understand the growing complexity of managing digital infrastructures. This is a major challenge for agencies, which often lack the dedicated resources to handle it efficiently.

By leveraging our origins and addressing this increasing pain point for agencies, we are positioning ourselves to fill a clear market gap where few, if any, alternatives exist. An additional benefit of this approach is that agencies not only use our platform internally but also extend it to their own clients, amplifying our reach and value proposition.

We are in the process of rolling out this new strategy, initially focusing on becoming the leading provider in Switzerland, with a view to expanding into the rest of the

DACH region and Scandinavian countries. This will involve a gradual sales approach, where agencies typically begin with test projects, then use our platform for internal work, and finally deploy it for external projects.

Given this, Monthly Recurring Revenue (MRR) growth is not the most accurate immediate measure of our success. Instead, we track our progress internally using other Key Performance Indicators (KPIs). For example, the number of active agencies has increased significantly from 12 at the start of this rollout to 44. Notably, two of these agencies are already discussing an upgrade to our Enterprise model, which starts at USD 3,200 in MRR. Another positive is that the number of projects each Agency is running on our platform is starting to increase.

I am very proud of these achievements, especially considering the relatively limited sales effort involved. While these are still early figures, they provide a strong foundation for continuing to implement this strategy and begin converting these gains into substantial MRR. This approach will lead to a much more gradual and stable MRR growth moving forward, which makes me both very excited and optimistic about the future.

Jon Levin
CEO

FINANCIAL INFORMATION

THIRD QUARTER: 1 JUL 2025 TO 30 SEP 2025

Revenue (Q3)

Net sales were KSEK 8,336 (5,481), which is a 52% increase compared with the same period last year. This is driven by a 22% increase in subscription revenues to SEK 6,382 (5,213) and a 630% increase in professional service revenue to KSEK 1,954 (268), driven by the large new Swiss healthcare company signed in the latter part of 2024. Capitalized development expenses decreased by 55% to KSEK 781 (1,748) due to staff costs optimization effects, and more development resources were spent on supporting the large customer mentioned above.

MRR at the end of September 2025 was KUSD 213 (209), an increase of 2% compared to the same quarter last year (see graph below).

Both Net Sales and MRR remained flat compared to the previous quarter (Q2-25).

Operating profit and loss (Q3)

COGS increased by 36% to KSEK 3,161 (2,324), driven by external consultancy costs related to the new large client signed last year. Personnel costs reduced 21% to KSEK 4,631 (5,845) due to the efficiency programs that the Company has implemented. Other external Costs increased by 25% to KSEK 1,236 (992), driven by costs related to the debt element of the recent capital raise.

EBITDA improved to KSEK 90 (-1,934) due to revenue growth and reduced salary costs. Depreciation and Amortization reduced by 8% to 1,474 (-1,607), resulting in a 61% improvement in Operating loss (EBIT) to KSEK -1,384 (-3,540).

Net financial items (Q3)

Net financial items reduced to KSEK -1,386 (2,935) due to large unrealised FX effects on primarily SEK-nominated intercompany loans in our Swiss subsidiary. (These FX effects are not eliminated in group accounting as the Swedish parent company, technically, does not see any FX gains as we report the accounts in SEK). Net financial items also include interest rate costs and related fees of KSEK 373 (0).

Cash flow and cash balance (Q3)

Cash flow from operating activities amounted to KSEK -595 (-4,467), primarily reflecting short-term timing differences in working capital. Cash flow from investing activities was KSEK -721 (-1,742), relating mainly to capitalized development expenses that decreased compared with the prior year. Cash flow from financing activities amounted to KSEK 7,801 (2,000), mainly driven by proceeds from the rights issue and new debt issuance. Total cash flow for Q3 2025 was KSEK 6,485 (-4,208).

Cash at the end of the period was KSEK 8,298 (1,201), compared with KSEK 1,709 (5,326) at the beginning of the quarter.

YEAR TO DATE: 1 JAN 2025 TO 30 SEPT 2025

Revenue (YtD)

Net sales were KSEK 25,019 (15,656), which is a 60% increase compared with the same period last year. This is a result of a 29% growth in subscription revenues (from KSEK 14,932 to 19,257) and an increase in professional service revenue to KSEK 5,762 (724) driven by the new client signed in the latter part of 2024. Capitalized development expenses decreased from KSEK 5,303 to KSEK 2,575 due to the fact that more development resources were spent on onboarding a large new customer.

Operating profit and loss (YtD)

EBITDA improved to KSEK 240 (-8,804), mainly because of the increased revenues and reduced total cost levels. Operating loss (EBIT) for the first nine months improved compared to the previous year, amounting to KSEK -4,351 (-13,520).

Net financial items (YtD)

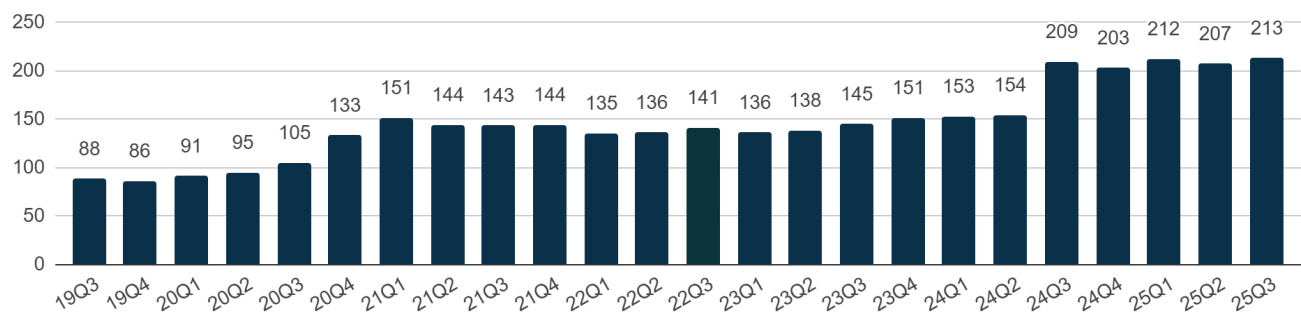
Net financial items reduced to KSEK -1,225 (434) due to unrealised FX effects on intercompany loans.

Cash flow (YtD)

Cash flow from operating activities amounted to KSEK -8,212 (-8,035), mainly reflecting higher operating losses

and movements in working capital. Cash flow from investing activities was KSEK -2,512 (-5,331), corresponding to capitalized development expenses that decreased compared with the prior year. Cash flow from financing activities amounted to KSEK 9,801 (2,000), primarily driven by proceeds from the rights issue and new debt issuance completed during the period. Total cash flow for the period was KSEK -923 (-11,366).

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 2024. The quarterly reports are unaudited.

Group Structure

The Divio Group holds its parent company, Divio Technologies AB (publ), in Sweden, with 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 based on 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 see the "Risk Factors" section in the Company Description on Divio.com.

2025 issue of shares, loans, and warrants

Divio Technologies AB (publ) announced on the 27th of June 2025 a MSEK 5.6 directed share issue of 40m

shares and a MSEK 4.0 convertible loan, totalling MSEK 9.6 before costs. For every SEK 1 subscribed in the directed share issue, the investor received 2.5 warrants of series TO5B and 2.5 warrants of series TO6B. For each (1) subscribed convertible in the convertible loan, the subscriber received 2.5 warrants of series TO5B and 2.5 warrants of series TO6B. The share issue and convertible loan were completed during the quarter. For more information, please see the press release dated 2025-06-27.

To secure funding during this fundraising, the company entered into a MSEK 2.0 bridge loan with Levin Invest AB, a related party to Divio, of which MSEK 1.0 plus due interest and fees was paid during the quarter. The loan carries 2% in upfront fees and 15% p.a. interest.

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 30 September 2025 was 373,840,085, of which 750,000 were series A shares with 10x voting rights.

Warrants

Divio Technologies AB (publ) has three active series of warrants per the closing date:

- "Incentive Program 2023/2026" was issued to key employees in 2023. The number of options subscribed for was 3,000,000.
- Warrants of Series TO5B entitle the holder to subscribe for one (1) new Class B share in Divio during the period from 1 July 2026 to 15 July 2026. The subscription price per share upon exercise of the warrants is SEK 0.16, and 23,999,991 warrants were issued. Upon full exercise of all TO5B warrants, the Company may receive up to approximately MSEK 3.9 before deduction of transaction-related costs.
- Each warrant of series TO6B entitles the holder to subscribe for one (1) new Class B share in Divio during the period from 1 July 2027 to 15 July 2027. The subscription price per share upon exercise of the warrants is SEK 0.18, and 23,999,991 warrants were issued. Upon full exercise of all TO6B warrants, the Company may receive up to approximately MSEK 4.3 before deduction of transaction-related costs.

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
TO5B	2025 – 2026	0.16	2026-07-15	23,999,991	–	23,999,991	23,999,991
TO6B	2025 – 2027	0.18	2027-07-15	23,999,991	–	23,999,991	23,999,991

	Third quarter (3M)		Year to date (9M)		FY (12M)
	2025	2024	2025	2024	2024
Number of shares					
Shares at end of period BD	373,840,085	186,190,114	373,840,085	186,190,114	333,840,085
Shares at end of period AD	455,330,466	189,890,114	455,330,466	189,890,114	336,840,085
Average number of shares BD	373,840,085	186,190,114	347,173,418	186,190,114	204,646,360
Average number of shares AD	455,330,466	189,890,114	376,336,879	189,890,114	208,171,360

BD = Before Dilution, AD = After Dilution

INCOME STATEMENT GROUP, SUMMARISED

KSEK	Third quarter (3M)		Year to date (9M)		FY (12M)
	2025	2024	2025	2024	2024
Profit and loss					
Subscription revenues	6,382	5,213	19,257	14,932	21,697
Professional services	1,954	268	5,762	724	3,500
Capitalised development	781	1,748	2,575	5,303	6,519
Other revenue	0	-1	13	-1	4
Total revenue	9,117	7,227	27,607	20,958	31,720
Cost of goods sold	-3,161	-2,324	-10,022	-5,846	-10,280
Other external costs	-1,236	-992	-3,504	-4,812	-5,953
Personnel	-4,631	-5,845	-13,841	-19,104	-24,300
Depreciation / Amortization	-1,474	-1,607	-4,591	-4,716	-6,372
Operating costs	-10,501	-10,768	-31,958	-34,478	-46,905
Operating profit	-1,384	-3,540	-4,351	-13,520	-15,185
Net financial items	-1,386	2,935	-1,225	434	-595
Earning before tax	-2,769	-606	-5,576	-13,086	-15,780
Taxes on earnings	-1	1	-15	-23	-112
Profit for the period	-2,770	-605	-5,591	-13,109	-15,892
EPS before dilution (SEK)	-0.01	0.00	-0.02	-0.07	-0.08
EPS after dilution (SEK)	-	-	-	-	-

BALANCE SHEET GROUP, SUMMARISED (part 1 of 2)

	Year to date (9M)		FY (12M)
	2025	2024	2024
KSEK			
Assets			
Subscribed for but not paid in capital	-	-	
Fixed assets			
<i>Immaterial fixed assets</i>			
Activated development	14,118	16,707	16,571
Other immaterial fixed assets	0	0	0
Total Immaterial fixed assets	14,118	16,707	16,571
<i>Material fixed assets</i>			
Equipment	0	0	0
Computers	117	216	210
Total material fixed assets	117	216	210
Shares in Group companies	0	0	0
Non-current financial receivables from group companies	0	0	0
Other financial assets	0	13	18
Total financial assets	0	13	18
Total fixed assets	14,234	16,935	16,799
Trade receivables	1,284	4,600	4,430
Current financial receivables from group companies	0	0	0
Other current receivables	695	897	1,893
Total current assets	1,978	5,497	6,323
Cash and cash equivalents	8,298	1,201	9,273
Total assets	24,511	23,633	32,395

BALANCE SHEET GROUP, SUMMARISED (part 2 of 2)

	Year to date (9M)		FY (12M)
	2025	2024	2024
KSEK			
Equity and liabilities			
<i>Equity</i>			
Share capital	37,384	18,619	33,384
Share premiums	94,651	95,293	93,673
Retained profits (losses)	-121,242	-108,128	-106,516
This year's profit (loss)	-5,591	-13,109	-15,892
Total Equity	5,202	-7,325	4,650
<i>Non-current liabilities</i>			0
Reserves	0	0	0
Total Non-current liabilities	0	0	0
<i>Current liabilities</i>			
Trade payables	6,441	6,095	7,545
Current liabilities to group companies	0	0	0
Overdraft	0	0	0
Other current liabilities	12,868	24,863	20,199
Total current liabilities	19,309	30,958	27,745
Total Equity and liabilities	24,511	23,633	32,395

CASH FLOW GROUP, SUMMARISED

	Third quarter (3M)		Year to date (9M)		FY (12M)
	2025	2024	2025	2024	2024
KSEK					
Cash flow					
Cash flow from operating activities					
Result after financial items	-2,770	-605	-5,591	-13,109	-15,892
Adj for non-cash items	2,606	-2,114	6,307	2,852	4,798
Changes in current assets	3,069	-4,580	4,259	-4,269	-5,032
Changes in current liabilities	-3,500	2,833	-13,188	6,491	4,826
Cash flow from operating activities	-595	-4,467	-8,212	-8,035	-11,299
Cash flow from investing activities					
Activated development costs	-717	-1,748	-2,499	-5,331	-6,571
Changes in financial assets	-4	7	-14	0	7
Investments in other fixed tangible assets	0	0			
Cash flow from investing activities	-721	-1,742	-2,512	-5,331	-6,563
Cash flow from financing activities					
Rights issue	4,801	0	4,801	0	14,396
Proceeds from debt issuance	4,000	2,000	6,000	2,000	2,000
Repayment of loans	-1,000	0	-1,000	0	-2,000
Cash flow from financing activities	7,801	2,000	9,801	2,000	14,396
Total cash flow for the period	6,485	-4,208	-923	-11,366	-3,466
Cash at the beginning of the period	1,709	5,326	9,273	12,637	12,637
Exchange rate differences	104	83	-51	-70	102
Cash at the end of the period	8,298	1,201	8,298	1,201	9,273

CHANGE IN EQUITY GROUP, SUMMARISED

	Third quarter (3M)		Year to date (9M)		FY (12M)
	2025	2024	2025	2024	2024
KSEK					
Change in Equity					
Equity at the beginning of the period	2,430	-3,091	4,650	7,709	7709
Equity part of convertible loan	185	-	185	-	-
Share option adjustments				-14	-14
New share issue, net costs	4,801	-	4,801	0	13,131
Currency translation differences	556	-3,630	1,156	-1,939	-312
Profit (loss)	-2,770	-605	-5,591	-13,109	-15,892
Equity at the end of the period	5,202	-7,325	5,202	-7,325	4,650

INCOME STATEMENT PARENT COMPANY, SUMMARISED

KSEK	Year to date (9M)	
	2025	2024
Profit and loss		
Revenue	5,098	5,151
Total revenue	5,098	5,151
Other external costs	-1,151	-1,660
Personnel	-3,752	-3,347
Operating profit	195	144
Earnings before tax	-178	145
Taxes on earnings	0	0
Profit for the period	-178	145

BALANCE SHEET PARENT COMPANY, SUMMARISED

KSEK	Year to date (9M)	
	2025	2024
Assets		
Total Immaterial fixed assets	0	0
Total financial assets	70,832	52,985
Total fixed assets	70,832	52,985
Total current assets	11,385	10,503
Cash and cash equivalents	2,140	189
Total assets	84,356	63,677
Equity and liabilities		
Share capital	37,384	18,619
Share premiums	94,651	95,293
Retained profits (losses)	-54,988	-55,111
This year's profit (loss)	-178	145
Total Equity	76,869	58,945
Total current liabilities	7,488	4,732
Total Equity and liabilities	84,356	63,677

OTHER INFORMATION

UPCOMING FINANCIAL EVENTS

Interim Q4 Report:	11 Feb 2026
Interim Q1 Report:	12 May 2026
AGM:	26 Jun 2026
Interim Q2 Report	12 Aug 2026
Interim Q3 Report	19 Nov 2026

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 12 Nov 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.