

Interim Report Q2 2025



"Divio Technologies AB (publ) reports a 62% increase in net sales and 34% increase in MRR"

- Jon Levin, CEO

SUMMARY OF THE REPORT

Second quarter: 1 April to 30 June 2025

- Net sales increased by 62% to KSEK 8,231 (5,076)
- Subscription revenue increased by 31% to KSEK 6,343 (4,856)
- MRR in June was KUSD 207 (154), an increase by 34%
- EBITDA was KSEK -192 (-2,567)
- EBIT was KSEK -1,697 (-4,129)
- EPS before dilution was SEK 0.00 (-0.03)
- Cash position was KSEK 1,712 (5,326)

Year to Date: 1 January to 30 June 2025

- Net sales increased by approximately 64% to KSEK 16,684 (10,176)
- EBITDA was KSEK 150 (-6,871)
- EBIT was KSEK -2,967 (-9,980)
- EPS before dilution was SEK -0.01 (-0.07)

Significant events during the quarter

- Increased cooperation with Swiss Armed Forces
- A related party bridge loan of MSEK 2.0 was raised to secure funding during the above fundraise
- A directed fund raise, initially raising MSEK 9.6 before costs, was announced on 2025-06-27. For further information, please see the related press release

Significant events after the quarter

- Secured an exciting partnership with the global Swiss consultancy firm Zühlke
- The above directed fund raised was completed

KSEK	Second quarter (3 months)			Year to date (6 months)		
	2025	2024	%	2025	2024	%
Key Financials						
Subscription revenue	6,343	4,856	31%	12,875	9,720	32%
Professional services revenue	1,888	220	758%	3,808	456	735%
Net sales	8,231	5,076	62%	16,684	10,176	64%
Total revenue	9,162	6,983	31%	18,490	13,730	35%
Costs	-9,354	-9,550	2%	-18,340	-20,601	11%
EBITDA	-192	-2,567	93%	150	-6,871	102%
Dep. / Am.	-1,505	-1,562	4%	-3,117	-3,109	0%
EBIT	-1,697	-4,129	59%	-2,967	-9,980	70%
MRR (KUSD)	207	154	34%			
Cash position	1,712	5,326	-68%			

CEO COMMENT

During this very busy quarter, we have been working hard on several very promising sales discussions that are now in the final stages, and we are working diligently to conclude them as soon as the summer holidays are over.

Our growth for the quarter was 62% on net sales and our MRR increased by 34% driven by the large Swiss healthcare company we signed in Q3-24. This generates a neutral EBITDA year-to-date which is very good news however does not fully take us to cash neutrality, our main financial target. Hence we do have a little bit more to do and I'm confident that our persistent efforts will soon deliver tangible results in this area.

Our strategic decision to strengthen agency collaboration as an extended sales channel is clearly paying off. The number of projects generated through agencies continues to increase, and we have also entered promising discussions with several larger customers via these partnerships. This includes the recently announced partnership with a large Swiss global consultancy company, Zühlke. Divio's platform and service are filling an important gap in Zühlke's web services, further validating the unique value of our offering. For Divio, the partnership broadens Divio's offering, opening up for wider dialogues with both existing and new customers. The partnership also opens up to a large portfolio of potential customers.

We have also signed an expanded framework agreement with the Swiss Armed Forces, making it easier to onboard new projects within the organization. We have already initiated new projects under this agreement, and more is to come.

We have also recently launched a project to convert free subscriptions into paying customers. While our standard approach offers a limited free trial period, in certain cases we have extended this period for specific reasons. This means that customers who have tested our platform for a period of time and continued to be free subscribers despite having live projects. Of course, we risk losing some users, but on the other hand, we are convinced that the vast majority are satisfied with the service and will continue as paying customers, thereby contributing to a welcome MRR injection.

At the end of the quarter, we announced a capital raising of MSEK 10 to cover the liquidity deficit, which is mainly due to large advance payments from customers that apply until the end of the year. The capital raising also includes up to MSEK 8 in 12- and 14-month warrants, which, if exercised, would enable us to further invest in our growth strategy. We are very pleased that this capital raising was completed after the end of the quarter, and we thank all parties involved.

Looking ahead, we have a great deal of hard work ahead, with many promising deals to close and significant opportunities to grow with existing customers. I'm confident that we are on the verge of reaching positive cashflow, and will continue to drive steady, sustainable growth. I remain very optimistic about what lies ahead.

Our momentum is strong, and I am very excited for the next phase.

Jon Levin, CEO

FINANCIAL- AND ADDITIONAL INFORMATION

Second quarter: 1 APR 2025 TO 30 JUN 2025

REVENUE

Net sales were KSEK 8,231 (5,076), which is a 62% increase compared with the same period last year. This is mainly a result of a 31% growth in subscription revenues (from KSEK 4,856 to 6,343) and an increase in professional service revenue to KSEK 1,888 (220) driven by the large new Swiss customer signed in the latter part of 2024. Capitalized development expenses decreased from KSEK 1,907 to KSEK 930 due to the fact that more development resources were spent on onboarding the large customer mentioned above.

MRR at the end of June 2025 was KUSD 207 (154), an increase of 34% 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.

Both Net Sales and MRR was marginally down to the previous quarter (Q1-25) due to the weakening of USD relative to SEK and CHF and due to a one smaller client deciding to insourcing cloud management.

OPERATING PROFIT AND LOSS

COGS increased to KSEK 3,592 (1,914) driven by external consultancy costs related to the new large client signed last year. Other External Costs reduced to KSEK 1,061 (1,462) and Personnel costs reduced to KSEK 4,701 (6,175), both due to the efficiency programs that the Company has implemented.

EBITDA improved from KSEK -2,567 to KSEK -192. EBITDA reduced marginally compared to the previous quarter (Q1-25) due to end of quarter timing effects on COGS related to the large client signed last year. EBITDA for the year so far remained positive at KSEK 150.

Depreciation and Amortization remained flat resulting in an improvement in Operating loss (EBIT) from KSEK -4,129 to KSEK -1,697.

NET FINANCIAL ITEMS

Net financial items improved to KSEK 2,948 (-1,518) due to large unrealised FX effects on primarily intercompany loans but also on customer prepayments. Net financial items year to date was KSEK 160.

TOTAL CASH FLOW AND CASH FLOW FROM OPERATING ACTIVITIES

Total cash flow for Q2 2025 was KSEK -2,761 (-35). Cash flow from operating activities was KSEK -3,155 (1,868), 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 -1,606 (-1,903), which is capitalized development expenses that decreased. Cash flow from financing was KSEK 2,000 (0) which is a bridge loan awaiting funds from previously mentioned capital raise.

Year to Date: 1 JAN 2025 TO 30 JUN 2025

REVENUE

Net sales were KSEK 16,684 (10,176), which is a 64% increase compared with the same period last year. This is mainly a result of a 32% growth in subscription revenues (from KSEK 9,720 to 12,875) and an increase in professional service revenue to KSEK 3,808 (456) driven by the new client signed in the latter part of 2024. Capitalized development expenses decreased from KSEK 3,554 to KSEK 1,794 due to the fact that more development resources were spent on onboarding a large new customer.

OPERATING PROFIT AND LOSS

EBITDA improved from KSEK -6,871 to 150, mainly because of the increased revenues and reduced total cost levels. Operating loss (EBIT) for the first six months improved compared to the previous year, amounting to KSEK -2,967 (-9,980). 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 improved to KSEK 160 (-2,501) due to large unrealised FX effects on intercompany loans.

TOTAL CASH FLOW AND CASH FLOW FROM OPERATING ACTIVITIES

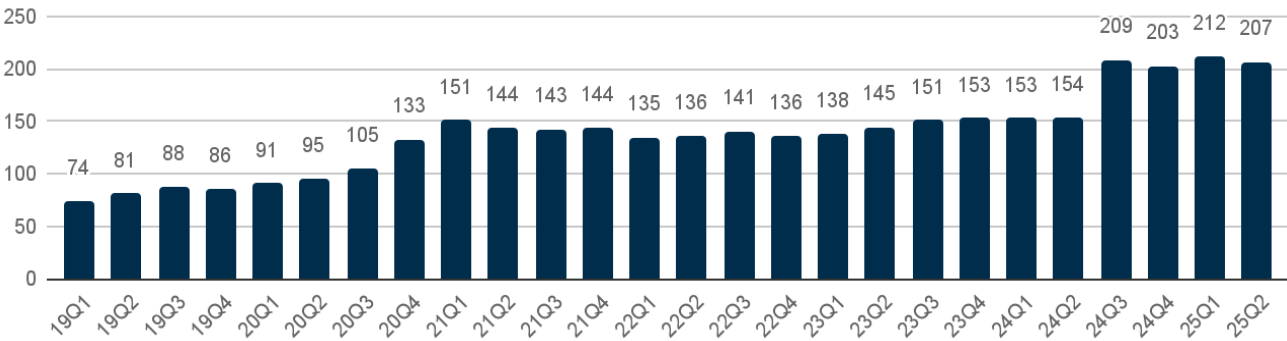
Total cash flow for H1 2025 was KSEK -7,476 (-7,283). Cash flow from operating activities was KSEK -7,030

(-3,710), 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 -2,446 (-3,573), which is capitalized development expenses that decreased. Cash flow from financing was KSEK 2,000 (0) which is a bridge loan awaiting funds from previously mentioned capital raise.

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 not audited by the company's auditors.

GROUP STRUCTURE PER 30 JUN 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 30 June 2025 was 333,840,085 of which 750,000 were series A shares with 10x voting rights. The average number of shares in Q2 was 333,840,085 before dilution.

WARRANTS

Divio Technologies AB (publ) has three 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.

UPCOMING ISSUE OF SHARES, WARRANTS AND CONVERTIBLE LOAN

Divio Technologies AB (publ) announced on the 27th of June 2025 that it will carry out a directed MSEK 5.6 share issue of 40M shares and to enter into a MSEK 4 convertible loan, totalling MSEK 9.6 before costs. The investors in the share issue and the convertible loan will receive two new series of warrants that could generate up to MSEK 8.2 before costs in two tranches over the next 24 months.

To secure funding during this fund raise, the company entered into a MSEK 2.0 bridge loan with Levin Invest AB, a related party to Divio.

The share issue and convertible loan have been completed post quarter end and the bridge loan has subsequently been repaid. Costs related to this fund raise will be booked in the Q3-2025 quarter.

For more information, please see press release dated 2025-06-27 on divio.com/investors.

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

	Second quarter (3M)		Year to date (6M)		FY (12M)
	2025	2024	2025	2024	2024
Number of shares					
Shares at end of period BD	333,840,085	186,190,114	333,840,085	186,190,114	333,840,085
Shares at end of period AD	336,840,085	189,890,114	336,840,085	189,890,114	336,840,085
Average number of shares BD	333,840,085	186,190,114	333,840,085	186,190,114	204,646,360
Average number of shares AD	336,840,085	189,890,114	336,840,085	189,890,114	208,171,360

BD = Before Dilution, AD = After Dilution

INCOME STATEMENT GROUP, SUMMARISED

KSEK	Second quarter (3M)		Year to date (6M)		FY (12m)
	2025	2024	2025	2024	2024
Profit and loss					
Subscription revenues	6,343	4,856	12,875	9,720	21,698
Professional services	1,888	220	3,808	456	3,500
Capitalized development	930	1,907	1,794	3,554	6,519
Other revenue	0	0	13	0	4
Total revenue	9,162	6,983	18,490	13,730	31,720
Cost of goods sold	-3,592	-1,914	-6,862	-3,523	-10,280
Other external costs	-1,061	-1,462	-2,268	-3,819	-5,953
Personnel	-4,701	-6,175	-9,211	-13,259	-24,300
Depreciation / Amortization	-1,505	-1,562	-3,117	-3,109	-6,372
Operating profit	-1,697	-4,129	-2,967	-9,980	-15,185
Net financial items	2,948	-1,518	160	-2,501	-595
Earning before tax	1,251	-5,647	-2,807	-12,480	-15,780
Taxes on earnings	-13	-2	-13	-24	-112
Profit for the period	1,238	-5,648	-2,820	-12,504	-15,892
EPS before dilution (SEK)	0.00	-0.03	-0.01	-0.07	-0.08
EPS after dilution (SEK)	0.00	-	-	-	-

BALANCE SHEET GROUP, SUMMARISED (part 1 of 2)

	Second quarter (End of Period)		FY (EoP)
	2025	2024	2024
KSEK			
Assets			
Fixed assets			
<i>Immaterial fixed assets</i>			
Activated development	14,948	16,293	16,571
Other immaterial fixed assets	0	0	0
Total immaterial fixed assets	14,948	16,293	16,571
<i>Material fixed assets</i>			
Equipment	139	237	210
Total material fixed assets	139	237	210
<i>Financial assets</i>			
Other financial assets	18	13	18
Total financial assets	18	13	18
Total fixed assets	15,105	16,542	16,799
<i>Current assets</i>			
Trade receivables	4,048	530	4,430
Other current receivables	937	371	1,893
Total current assets	4,985	901	6,323
Cash and cash equivalents	1,712	5,326	9,273
Total assets	21,801	22,757	32,395

BALANCE SHEET GROUP, SUMMARISED (part 2 of 2)

	Second 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	93,665	95,307	93,673
Retained profits (losses)	-121,798	-104,513	-106,516
This year's profit (loss)	-2,820	-12,504	-15,890
Total equity	2,430	-3,091	4,650
<i>Non-current liabilities</i>			
Reserves	0	0	0
Total non-current liabilities	0	0	0
<i>Current liabilities</i>			
Trade payables	6,840	2,110	7,545
Other current liabilities	12,531	23,738	20,199
Total current liabilities	19,371	25,848	27,745
Total equity and liabilities	21,801	22,757	32,395

CASH FLOW GROUP, SUMMARISED

	Second quarter (3M)		Year to date (6M)		FY (12m)
	2025	2024	2025	2024	2024
KSEK					
Cash flow					
Cash flow from operating activities					
Result after financial items	1,238	-5,648	-2,820	-12,504	-15,891
Adj for non-cash items	-616	3,057	4,312	5,011	4,791
Changes in current assets	-590	8,759	1,099	290	-5,030
Changes in current liabilities	-3,187	-4,299	-9,620	3,493	4,852
Cash flow from operating activities	-3,155	1,868	-7,030	-3,710	-11,278
Cash flow from investing activities					
Activated development costs	-1,606	-1,903	-2,417	-3,566	-6,573
Changes in financial assets	0	0	-30	-7	7
Cash flow from investing activities	-1,606	-1,903	-2,446	-3,573	-6,566
Cash flow from financing activities					
Rights issue	-	-	-	-	14,396
Proceeds from debt issuance	2,000	-	2,000	-	2 000
Repayment of loans	-	-	-	-	-2 000
Cash flow from financing activities	2,000	0	2,000	0	14,396
Total cash flow for the period	-2,761	-35	-7,476	-7,283	-3,448
Cash at the beginning of the period	4,419	5,356	9,273	12,637	12,637
Exchange rate differences	54	5	-85	-28	84
Cash at the end of the period	1,712	5,326	1,712	5,326	9,274

CHANGE IN EQUITY GROUP, SUMMARISED

	Second quarter (3M)		Year to date (6M)		FY (12m)
	2025	2024	2025	2024	2024
KSEK					
Change in equity					
Equity at the beginning of the period	3,377	1,077	3,377	7,709	7,709
New share issue	-	-	-	-	13,131
Currency translation differences	-2,184	1,480	1,874	1,704	-298
Profit (loss)	1,238	-5,648	-2,820	-12,504	-15,892
Equity at the end of the period	2,430	-3,091	2,430	-3,091	4,650

INCOME STATEMENT PARENT COMPANY, SUMMARISED

	Second quarter (3M)		Year to date (6M)		FY (12m)
	2025	2024	2025	2024	2024
KSEK					
Profit and loss					
Revenue	1,444	1,918	3,238	3,544	7,309
Total revenue	1,444	1,918	3,238	3,544	7,309
Other external costs	-160	-751	-624	-1,293	-1,969
Personnel	-1,220	-1,219	-2,482	-2,328	-5,018
Depreciation / Amortization	0	0	0	0	0
Operating profit	64	-52	132	-77	322
Net financial items	-1	0	-1	1	-109
Earnings before tax	64	-52	131	-76	-109
Taxes on earnings	0	0	0	0	-90
Profit for the period	64	-52	131	-76	123

BALANCE SHEET PARENT COMPANY, SUMMARISED

(part 1 of 2)

	Second 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	36,564	20,017	34,564
Other financial assets	18	13	18
Total financial assets	66,850	50,298	64,850
Total fixed assets	66,850	50,298	64,850
<i>Current assets</i>			
Current financial receivables from group companies	8,956	10,608	5,718
Other current receivables	218	316	329
Total current assets	9,174	10,923	6,047
Cash and cash equivalents	494	294	4,151
Total assets	76,518	61,516	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	93,665	95,307	93,673
Retained profits (losses)	-54,995	-55,111	-55,111
This year's profit (loss)	131	-76	123
Total equity	72,184	58,738	72,069
<i>Current liabilities</i>			
Trade payables	16	308	155
Other current liabilities	4,317	2,469	2,824
Total current liabilities	4,333	2,778	2,978
Total equity and liabilities	76,518	61,516	75,048

OTHER INFORMATION

UPCOMING FINANCIAL EVENTS

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)

12 Aug 2026

Interim Report Q2 (1 Apr - 30 Jun)

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 Aug 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.