



Divio Technologies AB (publ) Q3 Updated

Divio continues the expansion of its sales team with the addition of four new sales representatives to reach the MRR targets for 2022. In Q3 2021 MRR lands at USD 144,000

Divio has ramped up sales activities during the quarter. We have had many good dialogues with partners and companies in the Nordic countries and Switzerland, and we have signed several smaller agreements with excellent growth potential. Having found an effective way to approach customers, we have decided to expand the sales team from two to six senior sales representatives, of which two will be based in Sweden and two in Switzerland. We have selected Sweden and Switzerland as our go-to market countries due to our strong presence and efficient networks. The Swiss team will also target the large southern Germany market.

Sales conversion with large enterprises is a slow process, but the situation is currently very promising. Many of our dialogues are now in the final phase, and we rarely lose at that stage. During 2021 we have so far signed four partnership programs and 33 customers.

With a highly experienced team, a well-filled sales pipeline and additional sales power, we are well-positioned for strong growth in our monthly recurring revenue (MRR) during 2022. We have therefore set ambitious goals.

I would also like to mention that we will complete our ISO-certification efforts by the end of the year and be certified during the first quarter of 2022. Having independent recognition of the security and compliance of our platform is as important for sales as a strengthened sales team. Compliance and security are increasingly crucial factors for most companies using cloud hosting solutions, and for our target group in particular. These issues have increased in importance during 2021 and will continue to do so.

Our subscription business model means that MRR (Monthly Recurring Revenue) is our most important KPI. Going forward, we have decided to present MRR in USD – our primary sales currency – in order to increase transparency.

	2018				2019				2020				2021			
(KUSD)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
MRR	38	41	54	71	74	81	88	86	91	95	105	133	151	144	143	0
ARR	456	492	648	852	888	972	1,056	1,032	1,092	1,140	1,260	1,596	1,812	1,728	1,716	0

We have grown by 36% on a year-on-year basis, even with a very small sales team, which shows the strength of our offering and model. Quarter over quarter performance down 5% due to cyclical support usage in key contracts and we have not signed any significant new contracts over the quarter. However, this is set to change with the expanded sales team. I am confident that our focus and strategy will result in accelerated revenue growth.

Our shareholders are extremely important to us. As part of our continued investor relations focus, we have initiated a corporation with Aktiespararna, which includes four commissioned equity analyses per year: two events and two digital interviews. We have also initiated work to enhance our investor relations information on the Divio website, improving speed of access, transparency and relevance.

Up until the next quarterly report, we will continue to publish market updates and updated MRR figures after each quarter, with the aim of increasing the market's awareness of our intensive focus and our progress as one of the most innovative and promising cloud management companies.

This disclosure contains information that Divio is obliged to make public pursuant to the EU Market Abuse Regulation (EU nr 596/2014). The information was submitted for publication, through the agency of the contact person, on 14th of October 2021 17:35.

Press enquiries

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About Divio Technologies

Divio Technologies AB (Publ) is the 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.