

MODELON AB (PUBL) ANNOUNCES UPDATED FINANCIAL TARGETS

Modelon AB – a leading player in the simulation and analysis market that offers software products and complementary consulting services in industrial mathematical modeling, simulation and analysis of complex technical systems – announces updated financial targets.

Modelon's updated financial targets maintain the ambition level of the previous targets and are based on the first two years of sales and the positive market reception of the Modelon Impact platform. They also reflect the expected growth of Modelon Impact and the sales cycles in the CAE industry.

Updated financial targets (previous targets):

Growth	ARR >35% (ARR ≈35% CAGR, 100 MSEK in 2024)	Overall ARR growth shall in the medium term exceed 35% annually. Modelon Impact is expected to grow at a substantially higher rate than 35%.
Profitability	EBIT margin >20% (Long-term EBIT-margin >20%)	EBIT shall after a negative period turn positive and long-term in a mature state exceed 20%.
Operating cash flow	Positive in the short term (>0 MSEK in 2024)	Modelon seeks to attain and sustain positive cash flow from operations in the short term.

Short term = 1-3 years, Medium term = 3-5 years, Long term = >5 years

Modelon's financial targets should not be viewed as a forecast but rather as the ambition that the Board of Directors and Executive Management believe is a reasonable long-term objective for the company.

For further information, please contact:

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About Modelon

Modelon offers systems modeling and simulation software that accelerates product innovation, development and operations in a range of industries. Modelon's flagship product, Modelon Impact, is a cloud-native system simulation software platform featuring a collaborative browser-based interface and thousands of proven models and components spanning a broad range of applications. Headquartered in Lund, Sweden, and with global reach, Modelon is an expert industry leader in model-based systems engineering with a focus on leveraging open standard technologies.

Modelon AB is listed on Nasdaq First North Growth Market with ticker symbol MODEL B. Redeye AB is appointed the Company's Certified Adviser.

This information is information that Modelon AB 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 2022-11-10 14:00 CET.

Attachments

[Modelon AB \(publ\) announces updated financial targets](#)