PRESS RELEASE
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MODELON INTRODUCES CREDITS, APPLICATION PACKAGES, AND AI CONNECTOR TO MONETIZE AI-DRIVEN ENGINEERING

Modelon introduces new AI-based offerings: Modelon Credits, Application Packages, and the Modelon AI Connector, which are three powerful enablers for reaching and exceeding the company's previously communicated financial targets by increasing the addressable market and contributing to recurring software revenues. They are presented at today's Capital Markets Day in Stockholm, where CEO Jan Häglund and the executive team will demonstrate the customer value of AI-driven engineering, powered by Modelon's simulation software.

The first offering is ***Modelon Credits***, a mechanism for monetizing AI capabilities in Modelon Impact, Modelon's flagship simulation platform. Credits are planned to be available to the market in early 2027. Modelon Credits are consumed by customers in proportion to how much users and external AI agents use Modelon Impact, including AI-driven simulations, skills, and analyses. A basic level of Credits will be included in standard subscriptions, while additional Credits can be purchased as pre-paid add-on packages. The business model resembles what established AI services use and gives full cost transparency for customers. For Modelon, Credits represent a new revenue stream, which is expected to grow as customers increase their use of agentic AI in Modelon Impact.

The second offering is a new family of ***Application Packages***, which are built on Modelon's libraries of validated simulation models, developed over more than two decades and proven in real-world applications across many industries and markets. An Application Package, which is sold as a separate subscription, amplifies the value of AI features in Modelon Impact by providing validated simulation models, AI skills, and AI workflows that are relevant for a certain application domain. The first Application Package addresses data centers and includes Modelon's Data Center Library, which was recently expanded to new cooling technologies and data center reference models. Further packages are planned for applications such as HVAC and heat pumps, hydrogen and fuel cells, vehicle dynamics, battery and electrification, aircraft thermal management, and thermal power and storage. Like Modelon's libraries, Application Packages will be open to third parties, who can offer their own models, skills, and workflows on Modelon Impact. Modelon's portfolio of simulation libraries gives the company a unique position to monetize AI skills, and the new pricing model is expected to drive additional revenues.

The third offering is the ***Modelon AI Connector***, which allows external AI agents to use Modelon Impact as the engine for physics-based system simulations, through an interface based on the Model Context Protocol (MCP), an open industry standard. Modelon believes that within a few years, AI agents, not human engineers, will drive the design of new products. These AI agents will set up the design problem, explore the alternatives and make the trade-offs, calling on specialized Computer Aided Engineering (CAE) tools for each step, from CAD and structural analysis to system simulation. Companies that do not adapt their engineering processes to this shift risk being outpaced by competitors that bring better products to market faster. For CAE vendors the shift is equally decisive: tools that AI agents cannot use will be left out of the design process. Through the AI Connector, Modelon Impact becomes part of an agent-driven toolchain as

the engine for physics-based system simulation, powered by simulation models that have been validated with customers over more than two decades. At today's Capital Markets Day, Modelon will demonstrate the AI Connector with an external AI agent. The AI Connector is planned to be available to customers in the first half of 2027. The AI Connector will be monetized through consumption of Modelon Credits. The AI Connector opens up new markets, as engineers can use validated simulation directly from their AI agent, without having to open Modelon Impact or be simulation experts. It is expected to generate revenue for Modelon as companies across many industries demand validated physics-based system simulation as a complement to AI agents.

The new offerings amplify the value of Physical AI capabilities that Modelon has introduced in Modelon Impact during the past year. This includes an integrated AI agent, which increases the productivity of engineers looking for simulation-based results and analyses. The AI agent is complemented by Modelon Impact Code Studio, where advanced simulation users benefit from a seamless integration of Modelon Impact and a state-of-the-art code development environment. The high pace of AI deliveries has been enabled by Modelon's cloud-native architecture and web-based interfaces, which make new functionality readily available to customers across all regions and markets. The cloud platform makes it easy to scale compute, memory, and storage capacity. Demand for such capacity is expected to increase with agentic AI engineering, which is why Modelon launched Productivity Packages in the third quarter. AI integration has benefited from the underlying Modelica technology, an open standard for physics-based modeling, that is well suited for interaction with advanced large language models.

"AI agents are radically changing how engineering is done, and they need a trusted physics engine to deliver results that engineers can rely on. With Credits, Application Packages, and the AI Connector, we turn Modelon's simulation platform and libraries into new recurring revenue streams. Going forward, agent-centric engineering will shift the competitive landscape in the simulation industry in favor of best-of-breed tools, which gives specialists like Modelon an opportunity to win market share from companies whose customers are locked into an integrated suite of tools," says Jan Häglund, CEO of Modelon.

The Capital Markets Day is held today, November 10, 2026, at 13:00–15:00 CET at Redeye in Stockholm, and can be followed on-site or via live broadcast. Registration is available at https://www.lyyti.in/Capital_Markets_Day_Modelon. The live presentation and a recording will be available at https://www.redeye.se/events/1187741/capital-markets-day-modelon, and the presentation will also be made available at www.modelon.com.

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About Modelon

Modelon provides 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, AI-driven 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. Redeye Nordic Growth AB is appointed the Company's Certified Adviser.

Attachments

Modelon introduces Credits, Application Packages, and AI Connector to monetize AI-driven engineering