

# PERSONALIZED MEDICINE AND BETTER LIFE

ANNUAL REPORT 2025

modulight





### **We Use an Environmentally Certified Printing House**

The Nordic environmental mark tells impartially about the environmental friendliness of the product and service - without forgetting the safety and quality of the product. It guides us towards responsible, environmentally conscious consumption.

The brand can only be found on the best products and services in terms of the environment and health. The Nordic environmental mark shows that the product is a good environmentally friendly choice. In order for a product or service to receive the Nordic environmental mark, it must meet the criteria based on sustainable thinking. The green symbol is available for about 60 product groups that think environmental labeling is necessary and useful. The Nordic environmental mark is a highly respected brand. There are approximately 10,000 swan-branded products in Finland.



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## Modulight in Brief

Modulight Corporation is a life sciences company that designs and manufactures laser devices for the treatment of cancer and eye diseases. The company also manufactures products for other high value-add applications such as flow cytometry, microscopy, semiconductors, quantum, and defense.

Modulight has over 25 years of experience in biomedical applications, and in designing and manufacturing lasers and optics. Since 2014, the company has focused on providing laser solutions for the life sciences and biomedicine sectors. Modulight has been involved in developing various laser-based treatment methods for oncology (cancer treatment) and ophthalmology (eye diseases) indications.

Modulight’s laser products are also used in other products where laser technology adds significant value, often related to improved functionality, performance or manufacturability of the customer’s own product or service.

Modulight seeks growth particularly in the United States. Other target markets are Europe and Asia. The company’s products are exported to all continents.

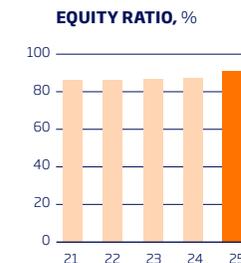
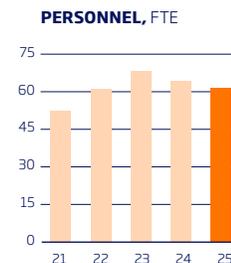


# Year 2025 in Brief

Revenue in 2025 was EUR 7.1 million, representing a record increase of 73 % compared to the previous year. At the same time, EBITDA improved by 97 %, reaching EUR -168 thousand. Profitability has further significantly improved by increased synergy between different customer accounts and products, as the same platforms are used across more customer cases, making the required configuration more streamlined and less intensive.

PPT business achieved strong triple-digit annual growth compared to 2024 and exceeded one million euros. Also significant were the signals from several of our customers about their willingness to transition to our technology, the scaling plans of existing customers, and the development of clinical trials, which in some cases has been faster than expected compared to a year ago. The number of treatment sites increased to 80 during the year, and we are approaching the milestone of 1,000 treated ophthalmic patients this year.

The R&D pipeline grew to 33 projects. The deliberate broadening of our development pipeline in recent years has enabled us to grow despite earlier delays in individual projects. The amount of positive customer feedback has continued to grow, and we have gained new business opportunities through customer referrals.



## GROUP KEY FIGURES

EUR 1,000 unless otherwise noted	1-12/2025	1-12/2024
Revenue	7,069	4,095
EBITDA	-168	-4,836
EBITDA-%	-2.4	-118.1
Operating result (EBIT)	-4,648	-8,337
Operating result (EBIT) margin, %	-65.8	-203.6
Earnings for the period	-4,604	-6,447
Earnings per share (EPS, EUR)	-0.11	-0.15
Acquisition of fixed and intangible assets	-4,311	-4,900
Free cash flow from operating activities	-4,479	-9,736
Cash and cash equivalents <sup>1)</sup>	9,653	17,407
Net debt <sup>1)</sup>	-6,862	-12,864
Gearing ratio <sup>1)</sup> , %	-15.3	-26.1
Equity ratio <sup>1)</sup> , %	90.9	87.5
Number of personnel (FTE) <sup>1)</sup>	63	66

<sup>1)</sup>The number refers to the end of the reporting period

Experience in years

26

Number of projects at year-end

33

International listed companies as customers

20+

# Highlights of 2025

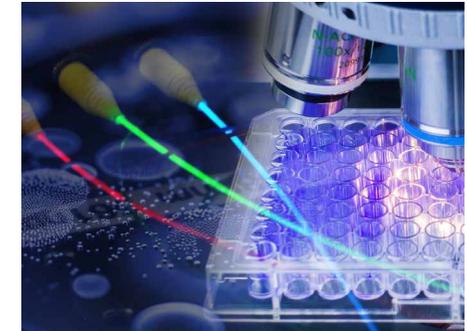
## 1Q25

Revenue and order intake continued the positive development of the previous year. The PPT business was advanced as planned, and one new indication related to the treatment of eye cancer was added to the product development pipeline.



## 3Q25

The PPT business progressed in new indications, and the number of sites utilizing it grew rapidly. Our product platform was in use by many major customers and was in pilot production with several clients.



## 2Q25

Progress in projects with existing customers and follow-up orders already accounted for a significant share of the orders received. We also won customers from a billion-euro competitor thanks to superior technology. Our location in Finland was seen as a clear positive factor in the current geopolitical environment.



## 4Q25

A few of our customers have moved into small-scale production, and the ramp-up progressed, albeit slowly. EBITDA developed in the right direction during the year, reaching 37% in the final quarter. Cancer and ophthalmic treatments progressed well, and additional opportunities were identified for our products in other high value-added applications as well.

# Record revenue growth and improved profitability

Revenue and profitability continued to improve in line with our strategy. We also concluded that strategy is right but implementation needs more time. After two flat years we had +73 % YoY revenue growth in 2025 as our R&D pipeline projects progressed. We also increased the number of these projects in which we commercialize our own products while main focus with R&D pipeline was in advancing the existing projects. We have now many very promising projects thus focusing even more on bringing them to mass production/commercial phase.

The acceleration in customer activity that began in the summer continued through the turn of the year, and our traditionally important marketing events in January were exceptionally successful. Cancer and eye treatments are progressing well, and additional opportunities for our products have been identified in other high value-added applications. Some of our customers have moved into small-scale production, and the “ramp-up” is progressing, albeit slowly. EBITDA developed in the right direction during the year, reaching 37 % in the fourth quarter.

Our R&D pipeline reached 33 projects and most importantly we made progress in advancing PPT business model which is now deployed to 80 hospitals around the world, and proceeds exceeded €1 million in 2025.

We consider the development of EBITDA to be good, although the level is not yet satisfactory.

Revenue in 2025 was EUR 7.1 million, representing an increase of 73 % compared to the previous year. This development was supported by the diversification of the customer portfolio as well as the progress and increased number of projects. I am pleased that our business has now grown for five consecutive quarters. At the same time, we achieved the highest percentage annual growth in our history and significantly improved our profitability.

In the current global situation, our own production facility is an increasingly important competitive advantage. This is reflected in a

positive momentum both in discussions with pharmaceutical companies and in negotiations with customer accounts for other high value-added applications. Our technology and unique manufacturing capabilities located in Europe have clearly gained our customers' trust in their development choices for future products. Most of our projects are such that the customer, in practice, makes a long-term commitment to us as their sole technology partner. The United States remains the company's primary focus, and our operations are developing strongly there. We have continued to develop local manufacturing. We see opportunities particularly in flow cytometry, microscopy, semiconductor industry, quantum technology, and the defense industry.



In all these sectors, we have globally significant companies as customers.

Our EBITDA rose to 37 % during Q4 and improved by 163 %, amounting to EUR 0.6 (-1.0) million. Correspondingly, the operating profit improved by 64 %, standing at EUR -0.8 (-2.2) million. Looking at both the figures for the last quarter and the full year, it can be observed that revenue growth has bolstered the result. We have analysed the profitability of our more mature products and noted that the gross margin is developing in the right direction. On one hand, this is an indication of the effectiveness of our investments, and on the other hand, it reinforces our view on the scalability of the business. Profitability has also been significantly improved by increased synergy between different customer accounts and products, as the same platforms are used across more customer cases, making the required configuration more streamlined and less intensive.

During Q3, we noted that the PPT business now generates more from certain products than the old business model would yield even



*Revenue grew at record rate of +73 % year-on-year, and EBITDA reached 37 % in the fourth quarter demonstrating good direction towards where we need to be.*

if we resold the entire installed base every year. The positive development continued in Q4, and as a result, our PPT revenue achieved strong triple-digit annual growth compared to 2024. In absolute terms, our PPT revenue exceeded one million euros in 2025. This is a new milestone in the development of our new business model, although still a small figure in absolute terms. However, more significant than the numbers in the PPT area are the signals of several customers' willingness to transition to our technology, the scaling plans of existing customers, and the development of clinical trials, which in some cases has been faster than expected compared to a year ago.

The goal of our projects is the commercialization of our own products. Our R&D pipeline grew

to 33 projects. The amount of positive customer feedback has continued to grow, and we have also gained new business opportunities through customer referrals. There are now 80 hospitals in the PPT business, and we are approaching the milestone of 1,000 treated ophthalmic patients this year.

The objective of our strategy period 2023-2025 was a return to strong and profitable growth. The record revenue growth of 73 % in 2025 can be considered a success, but in terms of profitability, we are not yet at the target level, even though we have progressed in the right direction. We believe our growth strategy is on the right track, but we still need a little more time. We have streamlined our operations and paid special attention to the sufficiency of our cash resources.

Our goal is to continue the positive development in 2026 while still acknowledging that our business is at early phase and quarterly variations are possible. The company published its updated strategy and financial targets on 20 February 2026.

The year 2025 was a time of record growth for Modulight. Our laser family team worked very hard for mutual success, increased the revenues and improved operations efficiency significantly and in Q4 returned to profitability. I would like to thank our entire staff, the Laser family, for your strong contribution to Modulight and also supportive actions. I would also like to thank our customers for their good cooperation and our shareholders and partners for their trust in Modulight. We will strive to be worthy of your trust in the years to come.

Seppo Orsila  
CEO

# Strategy and Targets for 2023-2025

During the strategy period 2023-2025, Modulight executed its strategy, achieving several of the key objectives:

- Increased and diversified the project pipeline in line with the strategy
- Launched PPT as a new business model
- Advanced several customers to Phase 3 / pilot production
- Reinforced operations in the United States and achieved growth in Asia, particularly in Japan
- Strengthened the position of the vertically integrated factory in Finland, increasingly valued by customers for its speed (time-to-market) and supply chain security
- Achieved carbon neutrality

## KEY STRATEGIC FACTORS:

1. **Geographical expansion**
2. **Extension of the offering to new indications and applications**
3. **New business models**
4. **Commercial and operational excellence**
5. **State-of-the-art laser technology expertise**

## Main Business Targets:

- At least three commercial roll outs of projects in the current R&D pipeline
- Local operations in the U.S. and focusing on selected partnerships in Europe and Asia
- Developing a pay-per-treatment model and other SaaS-based business models
- Improving treatment efficacy and accessibility with cloud-based services
- Carbon-neutral operations in 2025

## Strategic Programs:

- Sales, marketing, and operations development
- Cloud technology and cloud-based services development
- Productizing platform devices for various indications and applications
- Technology development based on the completed investment program
- Development of ESG, governance, and reporting

## Financial Targets and Dividend Policy:

- Growth: strong annual revenue growth
- Profitability: return to strong profitability in terms of operating margin (EBITDA-%)
- Dividend policy: all returns invested in organic and inorganic growth, and the company distributes little or no dividends

# Strategy and Targets for 2026-2027

## The strategy is sound but requires more time

Modulight announced on February 20, 2026 updates to its strategy and long-term targets, extending until the end of year 2027. The financial targets for revenue and EBITDA remain, and the company adds the goal to achieve positive cash flow. The company's dividend policy will remain unchanged. To achieve these goals, Modulight continues the previous strategy period with a more focused approach.

### STRATEGIC KEY FACTORS:

1. Development of existing pipeline
2. Expansion to new applications and indications
3. Scale up Pay-Per-Treatment (PPT)
4. Operations ramp-up using own factory
5. State-of-the-art laser technology

### Main business targets:

- New customers for existing products
- Platform synergies across applications
- Mass production
- Number of hospitals and usage per site
- Cloud value for customers' business users

### Strategic Programs:

- Sales excellence
- Cloud business technology
- PPT site recruitment and usage
- Productizing platforms
- Ramping up mass production

### Products:

- Life science products for oncology and ophthalmology
- Products for other high value-add applications with technology & business synergies

### Financial Targets and Dividend Policy:

- Continue strong revenue growth
- Return to strong profitability in terms of operating margin (EBITDA-%)
- Positive cash flow
- Dividend policy: all returns invested in organic and inorganic growth, and the company distributes little or no dividends

# Products

Modulight is a life sciences company that designs and manufactures laser products for the treatment of cancer and ophthalmic diseases. Leveraging the same technologies, Modulight also serves other high value-add applications, such as flow cytometry, microscopy, semiconductors, quantum, and defense.

Modulight's laser platforms and seamlessly integrated cloud service (Modulight Cloud) enable customer- and application-specific product tailoring. The company works with major pharmaceutical companies, cancer research centers, and top universities.

Modulight operates a fully owned, unique, and vertically integrated factory in Tampere, Finland.

This strengthens customers' supply chain security and shortens the time to market.

Research projects are long-term investments for Modulight's customers. Projects enable the commercialization of Modulight's own products. The product development process encompasses the entire journey from the concept stage to the active product portfolio, helping customers reduce their time to market and significantly increase the value of their end products. For customers in life sciences and biomedicine, the process usually begins with a preclinical trial phase, followed by clinical trial phase I or pilot production. This is followed by clinical trial phases II-III.

For products in other high value-add applications, the process starts with a concept phase and continues into product development. For all customers, production is initiated in the final stage, and the product is subsequently launched to the market.

Modulight uses both a project-specific billing method and, increasingly, a SaaS-based pay-per-treatment (PPT) model. In project-specific pricing, revenue recognition is primarily based on delivery stages and may sometimes be also delayed. In the PPT model, the payment flow received by Modulight becomes more stable and predictable.

## LIFE SCIENCES

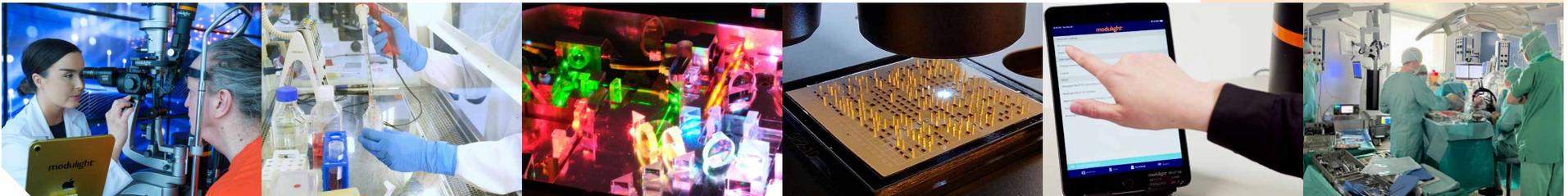
- Oncology products
- Ophthalmology products

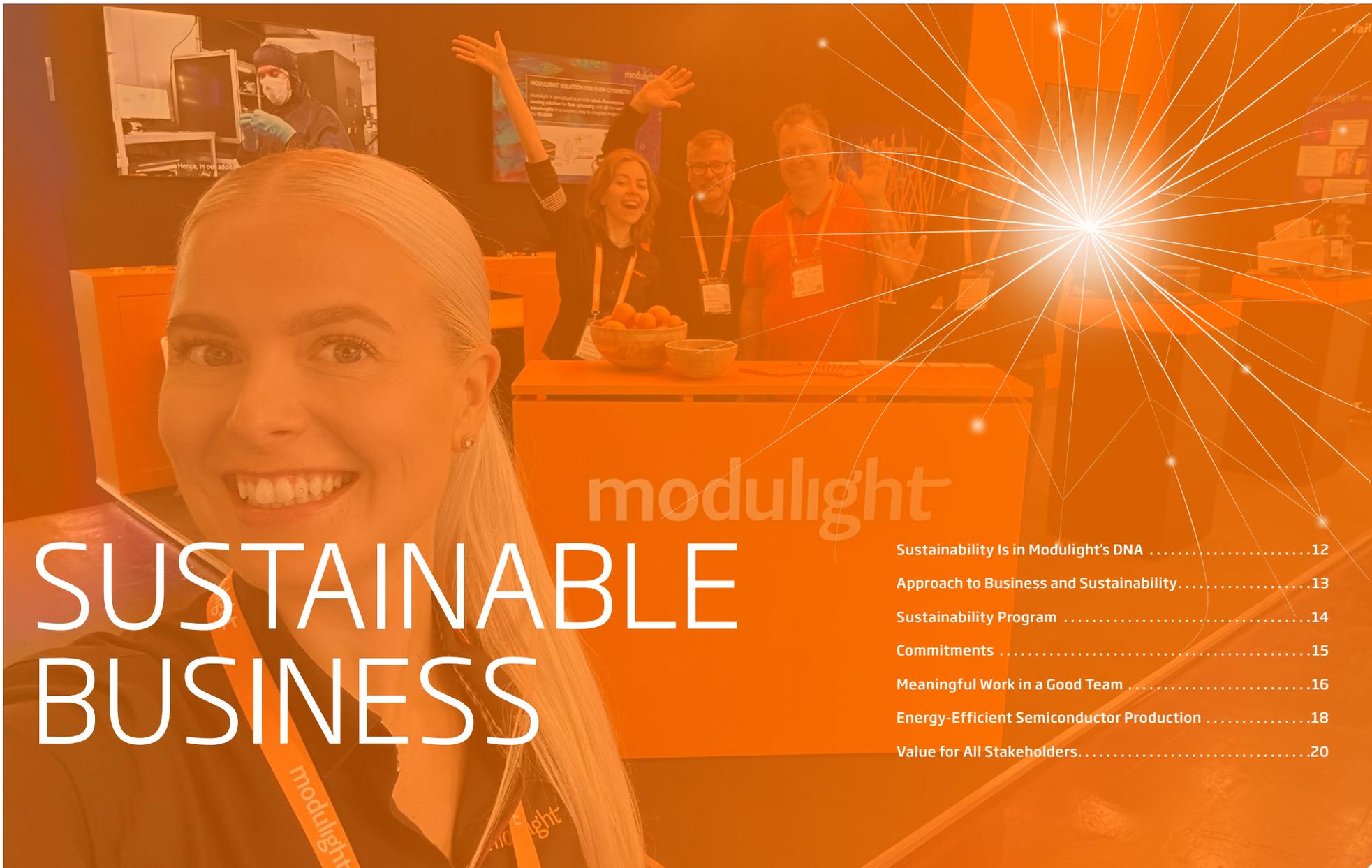
**For life sciences and biomedical applications, Modulight applies a pay-per-treatment business model.**

## OTHER HIGH VALUE-ADD APPLICATIONS

- Flow cytometry
- Microscopy
- Semiconductors
- Quantum
- Defense

**For other high value-add applications, Modulight leverages the same core laser technology used in life sciences, adapted for each use case. This approach also provides supply-chain efficiencies.**





# SUSTAINABLE BUSINESS

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## Sustainability Is in Modulight's DNA

The focus of Modulight's work is on medical technology products that improve people's health and help prevent and treat serious diseases and extend the lifespan of drugs. In addition, Modulight manufactures products for various high value-add applications such as quantum technologies. Thus, the company's handprint, i.e. the positive impact on society, is significant in relation to the company's size, and correspondingly, the footprint is small. The negative impacts of operations primarily arise from business travel, procurement and investments in financial assets.

Modulight is very ambitious in its approach to sustainability and develops its business by leveraging its corporate responsibility know-how and listening to stakeholders' needs.

Sustainability is an integral part of Modulight's strategy, and the company's core values include passion, renewal, respect, and customer satisfaction.

At Modulight, sustainable development is part of daily work and an ongoing process. The sustainability program supports systematic work, taking into account economic and social responsibility as well as environmental responsibility. Sustainability is ensured in all operations, and it is communicated and reported in an open and transparent manner.

## Approach to Business and Sustainability

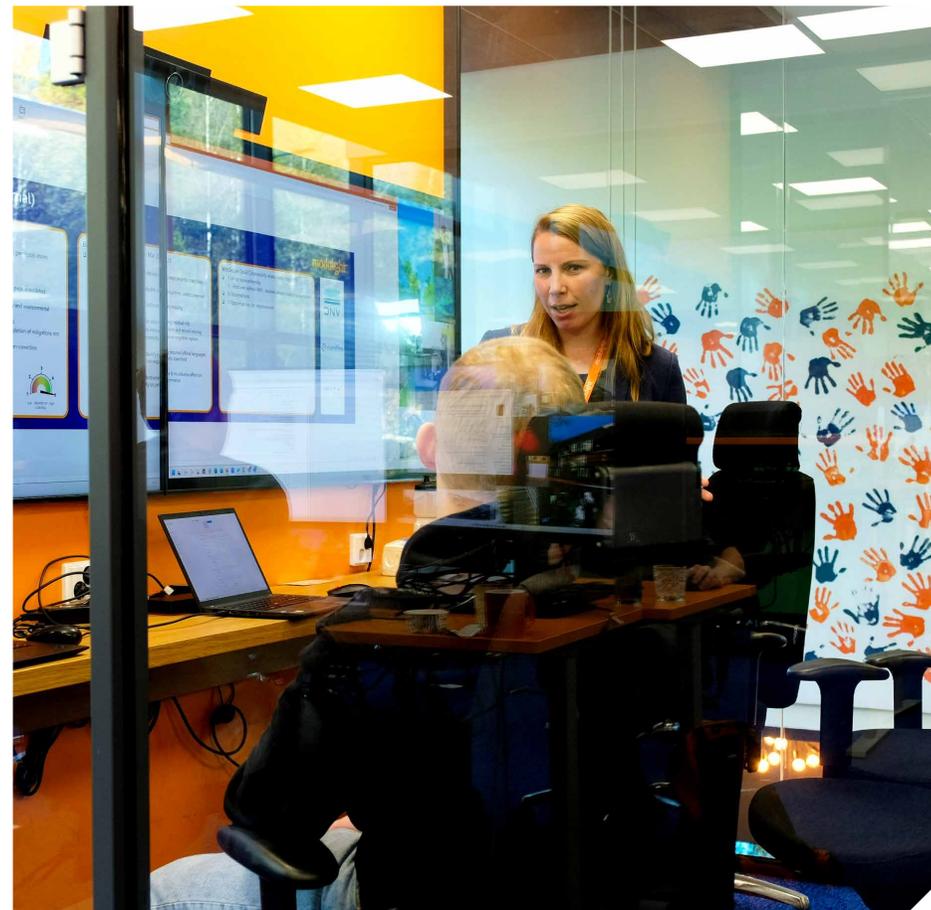
Modulight has defined its essential social, economic, and environmental responsibility themes based on the needs and expectations of its stakeholders. To promote responsibility and sustainable development, Modulight has set goals and the metrics that follow them, as well as measures to achieve the goals, and compiled the information in its sustainability program. The implementation of the program is coordinated by the Steering Group, and it is monitored by the Management Team and the Board of Directors, which is ultimately responsible for developing the business in an even more sustainable direction.

The Steering Group is also responsible for communication and reporting. Its goal is to ensure that Modulight's employees and partners have correct and sufficient information about sustainability objectives and themes, so that they can contribute to the development of products and operations. Information is shared through internal and external channels, and achievements are regularly reported to all stakeholders.

*We have defined our essential social, economic, and environmental responsibility themes based on the needs and wishes of our stakeholders.*

**Modulight's sustainability is governed by the following systems and guidelines:**

- Code of Conduct
- Management systems: ISO 9001:2015, ISO 14001:2015, ISO 13485:2016 and ISO 27001:2022
- Corporate Governance system
- Related Party Transaction Policy
- Charter of the Board of Directors
- Remuneration policy
- Personnel policy
- Disclosure policy
- Insider policy and dividend policy
- Anti-corruption policy



# Sustainability Program

THEMES	KPIS	GOALS	RESULTS 2025 (2024)
<b>Passion for Work</b>			
Team spirit	Employee satisfaction	Employee satisfaction survey result > 4 (scale 1-5)	Non-numerical assessment by occupational health service provider
Well-being at work	Employee turnover	Annual attrition below 8%, balance between work and leisure time	5.0 (10.0) %
Excellent leadership	Absences due to sickness	Sick leaves less than 3% of total working hours in a year	0.9 (0.9) % of hours worked during the year
<b>Renewal</b>			
Competence development	Education and training hours	Adequate training provision	
Innovations and continuous product development	Number of projects in product development pipeline	A growing number of projects in the product development pipeline, and sufficient patents to protect IPR rights	33 (30)
<b>Respect for Others</b>			
Respecting company culture	Employer reputation, employee diversity	Start to measure employer reputation through eNPS or similar system Offer equal opportunities and compensation	Even gender balance, more than 10 different nationalities
Responsibility outside and inside the supply chain	Suppliers' commitment to ethical guidelines	Suppliers identified as critical have signed the ethical guidelines	95 (72) % of critical suppliers have signed the ethical guidelines
Being part of the societies	Co-operation with universities and local communities, co-operation in product development	Active and mutually beneficial co-operation with reliable partners	
Liability of products	Product liability and safety	Zero medical devices related incidents	0 (0)
<b>Resource Efficiency of Production and Products</b>			
Materials, energy, waste	Energy, materials and water used, waste generated and carbon footprint	100% renewable energy, reduction in electricity and heating consumption as a percentage of revenue, Carbon neutrality by 2025	Investment in a geothermal system, 100% renewable energy (100%)
Product quality, durability and usability	Quality deviations	Reduced number of non-conformities or complaints	
Handling of toxic materials and gases	Number of accidents or close calls	No environmental accidents	0 (0)
Travelling and offices	Energy used for heating of premises	Reduce energy used for heating by 30% by 2025	Heating 342 (423) MWh
<b>Economic Responsibility</b>			
Increasing long-term value	Sales, market value and EBITDA-%	Growing market value, high-quality products	Revenue EUR 7.1 (4.1) M, EBITDA% -2.4 (-118.1), market value EUR 51 (41) M
Fair value distribution	Value distribution, taxes paid	Responsible payment of taxes and fair value distribution to external stakeholders	
Quality management	Customer and user satisfaction	High satisfaction	
Ensuring continuity	Coverage of ethical guidelines	Suppliers are trained on and comply with ethical guidelines	
Corruption or irregular behaviour	Number of flaws or inappropriate behavior	Zero tolerance for corruption	

# Commitments

We are committed to the UN's Sustainable Development Goals (SDGs), of which the following are the most important in terms of our operations:



	<p><b>3. Ensure healthy lives and promote well-being for all at all ages.</b></p> <p>Modulight is involved in the fight against cancer and in improving people's health. The company supplies laser systems and related software and services to medical and biomedical companies with more than 20 years of experience. Modulight specializes in laser-based therapies for oncology and ophthalmology.</p>
	<p><b>4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.</b></p> <p>Modulight believes in the power of education and strives to increase people's awareness of the potential of laser technology in cancer prevention and health promotion. The company offers its personnel, the Laser family, equal opportunities to develop their knowledge and skills and aims to ensure decent working conditions within its network of partners. Respect for human rights and respect for all is an uncompromising requirement.</p>
	<p><b>5. Achieve gender equality and empower all women and girls.</b></p> <p>Modulight is a diverse and international work community that offers all its employees equal development opportunities. The basic characteristics of different genders are considered when supporting training and career development. The company seeks to attract the best talent to its Leadership Team and Board of Directors.</p>
	<p><b>8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</b></p> <p>Modulight strives for sustainable and productive economic growth and employment. Its ambition is to develop technology and new innovations that serve its customers. As an employer and contractual partner, Modulight maintains high standards in terms of employees' rights.</p>
	<p><b>9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.</b></p> <p>Modulight's offering is based on strong research and product development and the ability to improve the coverage, features and quality of products and services in line with customer needs. Modulight also actively participates in international scientific and technological cooperation to promote its innovation, particularly in the fight against cancer.</p>
	<p><b>12. Ensure sustainable consumption and production patterns.</b></p> <p>Modulight develops its policies to ensure the efficient use of natural resources and to reduce its environmental impact. The company also strives to ensure that these values are implemented in its supply chain. High product quality and long product life support sustainable development.</p>

## Meaningful Work in a Good Team

Modulight is a work community with competent and enthusiastic workers and with an interest in continuous development and improvement. Modulight calls its personnel the “Laser family”, which describes the strong team spirit within the company.

At the end of 2025, Modulight had 63 (66) employees (FTE), a decrease of 5%. Personnel turnover was 5.0% (10.0%). Sickness absence rate was below the target of 3% and was 0.9% (0.9%) of all hours worked for the year. Modulight’s personnel expenses in 2025 totaled EUR 5.9 million (2024: 6.2).

Modulight’s social responsibility emphasizes passion for work, continuous renewal and respectful treatment of everyone. Passion for work is reflected in the continuous development of the offering and operations, which in turn enables employees to take on challenging and varied assignments in projects developing health and quantum technologies.

*Modulight’s business requires special expertise, and the staff’s level of education is high.*

Respectful treatment of fellow human beings is a starting point in the working community, which cannot be compromised under any circumstances. Product safety and reliability are also considered as part of social responsibility.

The company’s excellent reputation as an employer supports recruitment, and excellent job satisfaction reduces the need for recruitment. In addition to meaningful tasks and good team spirit, well-being at work focuses on leadership and a good work-life balance. No employee survey was carried out in 2025, but employee satisfaction has been monitored, in addition to the company’s own survey, through the non-numerical assessment provided by the occupational health service provider.

Modulight’s mission in promoting cancer research and treatment brings strong relevance to the work, which is reflected in the commitment of the personnel to the company.

### Meaningful Work

Modulight’s business requires special expertise, and the personnel’s level of education is high. About 90 percent of Modulight’s employees have a university degree, and there are also several experts with doctoral dissertations in the Laser family.

On the other hand, many students have started their working career at Modulight either through a thesis or an internship. The development of personnel, the promotion of career paths and the provision of training opportunities are of great importance in ensuring the motivation and well-being of the personnel, but also in maintaining Modulight’s product development and ability to innovate.





The company's experts actively participate in health technology-related projects and industry discussions at international seminars, trade fairs, meetings, and organizations. In this way, they share their expertise and at the same time get the necessary information to develop Modulight's offering.

**The Target is Zero Accidents**

Modulight provides a safe and healthy work-place for all its employees and actively takes measures to prevent accidents and work-related illnesses. In Modulight's production, the risk of accidents is low, and special attention has been paid to working postures and ergonomics. In office work, the stress comes from demanding work and deadline pressure. All operations comply with occupational health and safety legislation and regulations.

With the goal of zero accidents at work, all potential health and safety risks are requested to be reported immediately. During 2025, there were no serious accidents at work, and the sickness absence rate was 0.9% (0.9%) of all hours worked.

Modulight supports its personnel in finding a work-life balance. As part of seeking balance, office workers are given the opportunity to hybrid work so that they can benefit from the flexibility of remote working and the social dimension of working onsite.

**Equal Opportunities for Everyone**

Modulight is proud of its diversity. There are more than ten different nationalities and a fairly even gender balance in the company. All employees are offered equal opportunities and respectful treatment.

Day-to-day activities are guided by the Code of Conduct, which is part of the induction process. The Code prohibits inappropriate behavior, discrimination, bullying and harassment.

Modulight also adheres to these principles when working with customers and partners. In case of suspicion, the company has a Whistleblowing channel where one can anonymously report inappropriate behavior.

**Product Safety**

Modulight's risk management process for medical devices has been fully implemented in accordance with the ISO 14971 standard. Designing safe and efficient products considers applicable standards, such as electrical safety and laser safety standards. Appropriate product testing is performed to ensure product compliance.



**Employees at Year-End**

**63** (66)

**Absence Due to Sickness, %**

**0.9** (0.9%)

**Personnel Expenses**

EUR **5.9** million (6.2)

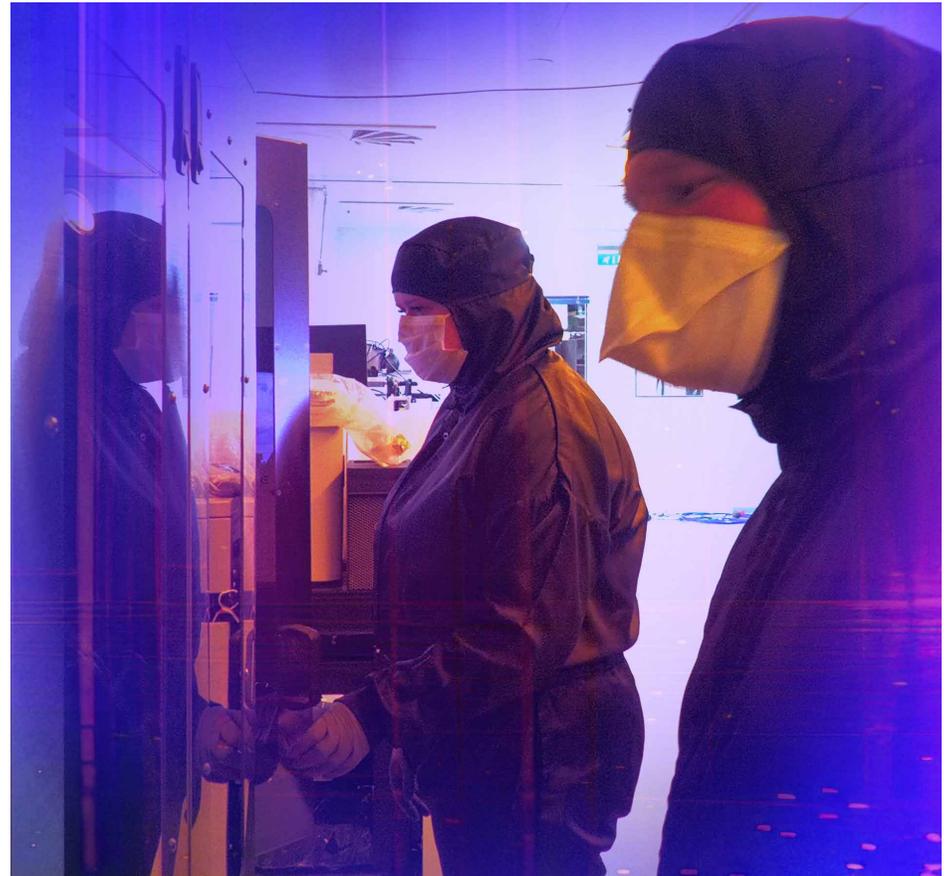
## Energy-Efficient Semiconductor Production

Modulight's environmental impact is relatively small in relation to the company's production and operations, but following the principle of continuous development, efforts are being made to reduce it relatively. As its key environmental themes, Modulight has defined the energy efficiency in products and production, high standards of material management and reducing the environmental impact of its own operations.

Modulight's production plant is located next to the office in Tampere. The production facility has been modernized and expanded. Thanks to these actions, production efficiency has improved, and the product range has expanded. Modulight has calculated its carbon footprint excluding Scope 3 emissions during the use of products. According to the calculation, total emissions in 2025 were 2,110 (1,539) t CO<sub>2</sub>e. The comparison period figures for 2024 have been harmonized to align with the 2025 calculation methodology, and therefore the emission data for that year have also been updated from the figures reported last year. The increase was primarily due to the broadening of Scope 3 emissions calculations, providing a more accurate representation of the company's overall emissions.

The majority of emissions originate from the supply chain, while emissions from Modulight's own operations account for only around 0.2% of total emissions, as the company has transitioned fully to renewable energy sources also for heating.

The energy intensity of Modulight's production, as well as the energy use over the lifecycle of its products, is low. Emissions from the company's own operations (Scope 1 and 2) mainly arise from heating of the production and office facilities, and from the fossil fuels used in company vehicles and the backup power system. Since March 2024, geothermal heating has been in use, and the electricity supply comes from wind-certified renewable electricity.



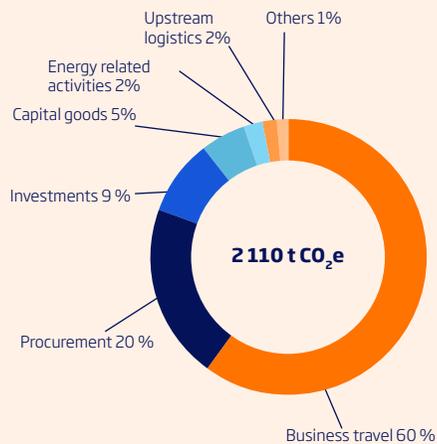
**The Amounts of Raw Materials are Small**

The raw materials used by Modulight are metals, chemicals, and semiconductors. The precious metals used, such as gold and platinum, are 100 percent recycled. Nitrogen is also used in production, both as a pure gas and in liquid form. For example, the metals used in the semiconductor process have been 100% recycled for more than 20 years.

Controlling production quality is part of reducing environmental impact. Modulight is certified to the ISO 14001 environmental standard, and

resource efficiency in production is continuously improved. Relatively little waste is generated, and recycling is also at a high level. Efforts are made to minimize the consumption of harmful chemicals, for example by reusing them as much as possible. Unusable chemicals are delivered for proper disposal when they can no longer be used. The amount of waste and effluents is very small, as they only cause less than two percent of total emissions.

**CO<sub>2</sub>e EMISSIONS IN 2025**



**Scope 1**

	tCO <sub>2</sub> e
Mobile combustion	3
Stationary combustion	1
Gases used in production	0

**Scope 2**

Electricity, market-based	0
---------------------------	---

**Scope 3**

Business travel	1,270
Procurement	431
Investments	191
Capital goods	109
Energy related activities	46
Upstream logistics	35
Employee commuting	24
Waste and wastewater	2

<b>Total</b>	<b>2,110</b>
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**Carbon neutrality in Modulight's own operations was achieved during 2025**



Actions to combat climate change are urgent to mitigate the impact of carbon dioxide emissions on the climate. In the spring of 2023, Modulight made a far-reaching and responsible decision to discontinue the use of district heating for its office and production facilities by investing in a geothermal heating system. Implementation began in early autumn, and the new geothermal system was commissioned in March 2024.

The geothermal investment has been a significant part of the company's goal to minimize emissions from its own operations and achieve carbon neutrality in Scope 1 and 2.

Geothermal heat pumps consume only a relatively small amount of electricity compared to the amount of heat energy they produce, and Modulight uses wind-certified fossil-free electricity verified through the Guarantee of Origin system. As a result, the market-based calculated emissions from heating drop to zero.

In 2022, emissions from the company's own operations amounted to 133 tCO<sub>2</sub>e, but by 2025 they had decreased by 97%, down to only 4 tCO<sub>2</sub>e before compensation. During the same period, the amount of purchased energy used for heating fell by 352 MWh, or 51%.

CASE

## Value for All Stakeholders

Modulight aims to ensure the continuity of its operations through profitable growth and to create value for all its stakeholders. The company also plays fair in sharing the benefits gained. High-quality products that meet the needs of customers are at the heart of the business. Competitive remuneration is guaranteed for the employees and fair compensation for the delivered products and services for the partners. Modulight supports the society by providing jobs and meeting its tax obligations, but also by sharing its own expertise with research and educational institutions.

To ensure growth and profitability, Modulight follows its strategy, which is based on trends in the operating environment, market expectations, and the company's own skills and resources. As a growth company, Modulight seeks to increase its value by investing its profits in its operations, thereby increasing its market value and its attractiveness as an investment target. The dividend policy is therefore very moderate.

### Standards Support Risk Management

Ensuring the quality of products and production is a significant factor in developing profitability. So is reliable management, organized in accordance with the Finnish Limited Liability

Companies Act. In its risk management, the company complies with medical equipment standards and ISO standards. This also includes data protection and privacy, which ensure that customer data or personal data is handled in accordance with the law.

### Technology Protected by Patents

Modulight's product development is also globally unique, because the company develops products and technologies at the interface of three deep areas of expertise: drugs and treatments for cancer and eye diseases, cloud-connected medical devices, and semiconductor and laser technologies. The solutions developed with

pharmaceutical companies and other customers are based on Modulight's own product platforms and technologies, which are also actively protected by patents. The IPR portfolio is mainly built around cloud-connected treatment and diagnostic devices and related technologies, including business models and analytics. The company aims to protect its technology primarily in the United States and expands protection to Europe and Asia as needed.

Modulight holds ten valid US patents. In addition to these, the company has several patent families in the evaluation phase. These active patent families are related to, for example, fluorescence imaging, optical treatment monitoring, theranostics, flow cytometry, gene sequencing, treatment accessibility, photoactivated drug delivery, and some special semiconductor processes.

### Supplier Code of Conduct

Modulight's business is based on fair competition, zero tolerance for corruption and bribery, and preventing money laundering. The company adheres to strict anti-corruption practices and careful controls. In its usual risk management, Modulight has not identified any specific risk of corruption or bribery. In addition to laws, regulations and operational guidelines, the company's operations are guided by internal Code of Conduct.

Controlling the supply chain and ensuring its ability to deliver is part of risk management and ensuring continuity. Modulight works closely with its suppliers, striving for continuous improvement.

Market Value

EUR **51** Million

Earnings per Share

**-0.11** EUR

Equity Ratio, %

**90.9**



# BOARD OF DIRECTORS' REPORT AND FINANCIAL STATEMENTS

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# Report of the Board of Directors 1.1.-31.12.2025

Modulight Corporation is a biomedical company that designs and manufactures devices that utilize laser light for the treatment of cancer and eye diseases as well as for genetics. The company also manufactures products for other high value-add applications, such as quantum computing.

Modulight has been involved in developing various laser-based treatment methods for indications in oncology (cancer treatment) and ophthalmology (treatment of eye diseases).

Modulight's products include medical devices, application systems, software, cloud services, and custom semiconductors. Modulight's products are used worldwide, and the company's customer base includes e.g. several Fortune 500 companies, international pharmaceutical companies, and well-known cancer centers and universities. Modulight was founded in 2000 and is headquartered in Tampere, Finland. On December 31, 2025, the company had 63 employees (FTE), and the company's net sales in 2025 were EUR 7.1 million. The company's share is traded on the First North Growth Market Finland marketplace maintained by Nasdaq Helsinki Ltd.

## Market Overview and Operating Environment

The medical markets relevant to Modulight Corporation are particularly related to oncology, ophthalmology, genetics and diagnostics. In addition, Modulight's technology can be utilized in other high-value-add applications, such as quantum computing and flow cytometry.

The total oncology market is growing significantly as the population ages in the Western countries, the incidence of cancers increases, and personalized pharmacotherapy solutions become more common in the treatment of cancer diseases. The ophthalmology treatment market is also continuing to grow as eye diseases increase due to the ageing of the population and the development of new treatments. In addition, the fields of genetics and diagnostics offer growth opportunities for Modulight, as well as new applications of the technology, such as dentistry.

The quantum computing market is just emerging. Forecasts for its growth vary significantly, but all point to remarkable growth in the industry in the next few years. Modulight monitors the market mainly through its customers and, in line with its strategy, aims to offer its products also for quantum computing to maximize synergy benefits.

## Strategy and Targets

Modulight's growth targets for the strategy period 2023-2025 are based on the following strategic actions:

1. Geographical expansion
2. Expansion of the offering to new indications and applications
3. New business models
4. Commercial and operational excellence
5. State-of-the-art laser technology expertise

The company's main business targets for the strategy period 2023-2025 are:

- At least three commercial roll-outs of projects in the current R&D pipeline
- Starting local operations in the U.S. and focusing on selected partnerships in Europe and Asia
- Developing the pay per treatment model and other SaaS-based business models
- Improving treatment efficacy and accessibility with cloud-based services
- Carbon-neutral operations in 2025

Modulight implements its strategy especially through the following programs:

- Sales, marketing and operations development
- Cloud technology and cloud-based services development
- Productizing platform devices for various indications and applications
- Technology development based on the completed investment program
- Development of ESG, governance and reporting

Modulight's financial target is strong annual growth and a return to strong profitability during the strategy period 2023-2025. The company's dividend policy remains unchanged.

- Growth: strong annual revenue growth
- Profitability: return to strong profitability in terms of EBITDA-%
- Dividend policy: all returns invested in organic and inorganic growth, and the company distributes little or no dividends

### Key Events in the Financial Period of 2025

- The total number of product development projects was 33 (30) at the end of the year.
- Net sales were EUR 7,069 (4,095) thousand.
- EBITDA was EUR -168 (-4,836) thousand.
- EBITDA margin was -2.4 (-118.1) % of net sales.
- Operating result (EBIT) was EUR -4,648 (-8,337) thousand.
- Operating result (EBIT) margin was -65.8 (-203.6) % of net sales.
- Earnings per share were EUR -0.11 (-0.15).
- The company's Board of Directors proposes that no dividend be paid for the financial year 2025.

### Financial Development

#### Revenue

The net sales for January–December 2025 were EUR 7,069 (4,095) thousand. The change in net sales from the comparison period was EUR 2,974 thousand, or 73%. Despite the positive development, net sales were further affected by delays in certain projects and the strategic transition towards pay-per-treatment (PPT) business model.

#### Profitability and Result

EBITDA for the financial year 2025 was EUR -168 (-4,836) thousand, or -2 (-118) % of net sales. Operating profit (EBIT) was EUR -4,648 (-8,337) thousand, or -66 (-204) % of net sales. The result for the financial period was EUR -4,604 (-6,447) thousand and earnings per share (EPS) was EUR -0.11 (-0.15).

Profitability was improved by a decrease in non-recurring costs related to the investment program.

### Balance Sheet, Financing and Investments

In 2025, investments in tangible and intangible assets amounted to EUR 4,311 (4,900) thousand. The decrease in capitalized investments was primarily due to decreased investments in tangible assets after the completion of the investment program.

Free cash flow from operating activities was EUR -4,479 (-9,736) thousand. Cash flow from operating activities was EUR -1,748 (-825) thousand.

The Group's cash and other cash equivalents on 31 December 2025 amounted to EUR 9,653 (17,407) thousand.

Net debt on 31 December 2025 was EUR -6,862 (-12,864) thousand and gearing was -15 (-26) %.

### KEY FIGURES, GROUP

EUR 1,000 unless otherwise noted	1-12/2025	1-12/2024	1-12/2023
Revenue	7,069	4,095	4,025
EBITDA	-168	-4,836	-8,539
EBITDA-%	-2.4 %	-118.1 %	-212.1 %
Operating result (EBIT)	-4,648	-8,337	-12,132
Operating result (EBIT) margin %	-65.8 %	-203.6 %	-301.4 %
Earnings for the period	-4,604	-6,447	-11,861
Earnings per share (EPS, EUR)	-0.11	-0.15	-0.28
Acquisition of fixed and intangible assets	-4,311	-4,900	-9,735
Free cash flow from operating activities	-4,479	-9,736	-18,274
Cash and cash equivalents <sup>1)</sup>	9,653	17,407	25,131
Net debt <sup>1)</sup>	-6,862	-12,864	-18,586
Gearing ratio <sup>1)</sup>	-15.3 %	-26.1 %	-33.4 %
Equity ratio <sup>1)</sup>	90.9 %	87.5 %	87.1 %
Headcount (FTE) <sup>1)</sup>	63	66	70

<sup>1)</sup> The figure refers to the situation at the end of the period.

The equity ratio was 91 (88) %. The return on equity in 2025 was -10 (-12) %.

Capitalized development costs were EUR 3,441 (3,407) thousand, or 23 (21) % of total operating expenses.

The total amount of trade receivables on 31 December 2025 was EUR 1,987 (1,128) thousand. The company considers the risks related to trade receivables to be reasonable.

### Personnel and Management

The number of employees (FTE) on 31 December 2025 was 63 (66), and the average number of employees in January–December 2025 was 67 (71). Personnel expenses in 2025 totaled EUR 5,908 (6,231) thousand.

On December 31, 2025, the members of Modulight Corporation's Management Team

were Jukka-Pekka Alanko (Service Director), Anca Guina (CFO), Ulla Haapanen (Marketing Director), Seppo Orsila (CEO), Kalle Palomäki (Vice President, New Product Introduction), Kati Reiman (People & Culture Director), Jari Sillanpää (Vice President, Sales), Petteri Uusimaa (Chief Technology Officer), and Ville Vilokinen (Vice President, Operations).

At the end of the financial year, the Board of Directors of Modulight Corporation consisted of Anne Koutonen (Chairman), Timur Kärki, Jyrki Liljeroos, and Seppo Orsila.

### Research and Development

Modulight develops products and technologies at the interface of three deep areas of expertise: drugs and treatments for cancer and eye diseases, cloud-connected medical devices, and semiconductor and laser technologies. In 2025, capitalized development expenses amounted to EUR 3,441 (3,407) thousand, i.e. 23 (21) % of total operating expenses.

The solutions developed together with pharmaceutical companies and top universities are based on Modulight's own product platforms and technologies, which are also actively protected by patents. Modulight builds its patent portfolio mainly around cloud-connected treatment and diagnostic devices and related technologies, including business models and analytics. The company aims to protect its technology primarily in the United States and extends the protection to Europe and Asia as needed.

The company holds ten active patents in the United States. These patents provide a strong technological foundation for the implementation of treatment-based business models and development of treatment monitoring, which are part of the company's strategy. In 2025, four new patents were added to the portfolio, covering fluorescence imaging, intra-treatment diagnostics, light-activated drug delivery, and optical treatment monitoring. Additionally, the company has a total of 19 patent families under evaluation in the United States and internationally. These active patent families relate to areas such as flow cytometry, gene sequencing, treatment usability, and specific semiconductor processes. The patent portfolio is expected to grow in the coming years as a result of the company's active innovation activities.

### Sustainable Development

The focus of Modulight's work is on medical technology products that improve people's lives and help fight serious diseases. Additionally, Modulight manufactures products for various high value-add applications, such as quantum computing. Thus, its handprint, i.e., positive impact on society is significant in relation to the company's size, and correspondingly, its footprint is small. The negative impacts of operations are mainly caused by procurement, work and business travel, and fixed asset investments.

Modulight is very ambitious in its approach to sustainability. The company develops its business in line with corporate responsibility, thus supporting sustainable development in accordance with its sustainability program.

Sustainability is ensured in all operations and is communicated and reported in an open and transparent manner. The company's own emissions from operations (Scope 1 and 2) have decreased by 97% compared to 2022, totaling just 4 t CO<sub>2</sub>e in 2025.

Modulight has identified its key sustainability themes based on the needs and wishes of its stakeholders. The sustainability themes have been divided into social, economic and environmental responsibility. In order to promote responsibility and sustainable development, Modulight has set targets and key performance indicators, as well as measures to achieve the targets, and compiled the information in its responsibility program. The implementation of the program is monitored by the Management Team and the Board of Directors, which is ultimately responsible for developing the business in a more sustainable direction.

### Social Responsibility

Modulight's social responsibility emphasizes passion for work, continuous renewal and respectful treatment of all people. Product safety and product reliability are also an important part of social responsibility.

Modulight calls its personnel the "Laser family", which describes the strong team spirit among the personnel. The company offers its employees challenging and varied tasks and the opportunity to develop their skills in an international working community. Well-being at work is the result of meaningful tasks, good team spirit and leadership, and a good work-life balance.

Modulight's number of personnel (FTE) decreased 5% (10%) in 2025 and was 63 at the end of the year (66). Personnel turnover was 5% (10%). Modulight's business requires specific skills, and competition for talent remains tough, but the company's excellent reputation as an employer supports recruitment. As a result, job satisfaction is at a high level. Modulight's personnel expenses in 2025 amounted to EUR 5.9 (6.2) million.

Modulight is proud of its diversity: there are more than ten different nationalities and a fairly even gender balance in the workforce: the share of female employees is 40% and that of male employees 60%. Efforts are being made to achieve a diverse composition of the Management Team and the Board of Directors whose competences support the needs of the company. In 2025, three of the nine members of the Management Team were women, and correspondingly, there were one woman and three men on the Board of Directors.

Modulight offers its employees equal opportunities, respectful treatment and freedom of association. Employment contracts comply with local laws and collective agreements. The company engages in constructive and regular dialogue with its employees.

### Competence Development

Personnel development, promoting career paths and providing training opportunities are essential in ensuring personnel motivation and well-being, but also in maintaining Modulight's product development and innovation capabilities.

About 90 percent of Modulight's employees have a university degree, and there are also several PhD experts in the Laser family. On the other hand, many students have started their careers at Modulight either through a thesis or an internship.

Modulight offers its personnel a wide range of training and development opportunities. A significant opportunity for skills development comes through a wide range of projects including product development.

### Working Conditions

Modulight provides a safe and healthy workplace for all its employees and actively implements measures to prevent accidents and work-related illnesses. In Modulight's production, the risk of accidents is low, and attention is paid to working postures and ergonomics. In office work, stress comes from demanding work and deadline pressure. All operations comply with occupational health and safety legislation and regulations. With the aim of zero accidents at work, all health and safety risks are requested to be immediately reported.

In 2025, there were no serious accidents at work, neither in 2024, and the number of sickness absences was 0.9% (0.9%) with the target being less than three percent of all hours worked.

### Human Rights and Equality

Modulight respects human rights and complies with the UN Universal Declaration of Human Rights, the International Labour Organisation (ILO) Declaration on Fundamental Principles



and Rights at Work and the OECD Guidelines for Multinational Enterprises. The company does not tolerate any form of inappropriate behavior, discrimination, bullying or harassment. These principles are also applied in the cooperation between Modulight and its partners.

The company's daily operations are guided by the Code of Conduct which is part of induction training. The company has up-to-date personnel information systems and databases, as well as a data protection policy. In addition to rigorous internal controls, Modulight provides a Whistleblowing channel for its stakeholders to anonymously report concerns about inappropriate behavior. In 2025, no violations of the above-mentioned laws, regulations or policies were confirmed, nor in 2024.

As part of its social responsibility, Modulight is involved in charitable activities and supports the local children's cancer clinic, local universities and junior sports teams.

### Environmental Responsibility

Energy efficiency in products and production, high standards of materials management and reducing the environmental impact of own operations are key environmental themes. Environmental impacts are mainly caused by business travel and procurement.

Modulight has calculated its carbon footprint. The calculations cover Scope 1, 2 and Scope 3 GHG emissions, excluding the products' in-use emissions. In 2025, total emissions were calculated to be 2,110 t CO<sub>2</sub>e (1,539 t CO<sub>2</sub>e).

The company's own emissions from operations (scope 1 and 2) have decreased by 97% compared to 2022.

The most significant single source of emissions was business travel, which caused CO<sub>2</sub>e emissions of 1,270 tons. Procurement was the second most significant source of emissions at 431 tons of CO<sub>2</sub>e emissions. Air travel is necessary for Modulight, as the company's main markets and customers are located abroad, particularly in the U.S., and sales success in the company's business also requires face-to-face meetings.

Efforts to reduce carbon dioxide emissions have focused on improving production energy efficiency and the energy sources used. Previously, a significant portion of emissions was caused by the heating of Modulight's property. In 2023, a major investment was initiated to transition from district heating to geothermal heating. The implementation of this investment took place in 2024, leading to a significant further reduction in Modulight's operational emissions during the year 2025. In 2025, all purchased electricity continued to consist entirely of wind-certified renewable energy. As a result, the avoided emissions amounted to 946 t CO<sub>2</sub>e compared to Finland's electricity residual mix in 2025.

Ensuring the quality of production is part of reducing environmental impacts. Modulight is certified to the ISO 14001 environmental standard, and resource efficiency in production is continuously improved. Modulight's business generates relatively little waste, and its recycling is at a high level.

All chemical waste generated in the processes is neutralized or recycled appropriately. The amount of waste and effluent is very small, as they cause less than two percent of emissions.

### Economic Responsibility

#### Governance

Modulight's corporate governance complies with the Finnish Limited Liability Companies Act and the Finnish Securities Market Association's Corporate Governance Code 2025, as well as Modulight's Articles of Association. The Corporate Governance Statement is published together with the Financial Statements, the Report of the Board of Directors and the Remuneration Report on the company's website. Further information on Modulight's corporate governance is available on the company's website.

On December 31, 2025, the members of Modulight Corporation's Management Team were Jukka-Pekka Alanko (Service Director), Anca Guina (CFO), Ulla Haapanen (Marketing Director), Seppo Orsila (CEO), Kalle Palomäki (Vice President, New Product Introduction), Kati Reiman (People & Culture Director), Jari Sillanpää (Vice President, Sales), Petteri Uusimaa (Chief Technology Officer), and Ville Vilokinen (Vice President, Operations).

At the end of the financial year, the Board of Directors of Modulight Corporation consisted of Anne Koutonen (Chairman), Timur Kärki, Jyrki Liljeroos, and Seppo Orsila.

### Anti-Corruption Activities

Modulight's business is based on fair competition, zero tolerance for corruption and bribery and the prevention of money laundering. The company maintains strict anti-corruption practices and careful controls. Modulight has not identified any specific risk of corruption and bribery in its normal risk management.

In addition to laws, regulations and operating principles, the company's operations are guided by its Code of Conduct. Compliance with similar operating guidelines is also required from our partners, although they have not yet been required to sign a code of ethics. At the end of 2025, 94.7% of the vendors identified as critical have now committed to the Code.

### Resolutions of the Annual General Meeting

The Annual General Meeting of Modulight Corporation was held on May 2, 2025. The Annual General meeting adopted the company's financial statements for the financial period of January 1-December 31, 2024, and discharged the members of the Board of Directors and the CEO from liability for the financial period of January 1-December 31, 2024. Additionally, the Annual General Meeting approved the Board of Directors' proposal that the result for the year 2024 of EUR -6,079 thousand would be transferred to retained earnings and that dividends would not be paid.

The Annual General Meeting resolved that the Board of Directors consists of four members. Anne Koutonen, Timur Kärki, Jyrki Liljeroos and Seppo Orsila were re-elected as members of the Board. In the Board's inaugural meeting after the Annual General Meeting, Anne Koutonen was elected as the Chair of the Board. Anne Koutonen, Timur Kärki, Jyrki Liljeroos and Seppo Orsila were elected as members of the Remuneration Committee of the Board of Directors.

The Annual General Meeting adopted the Remuneration Report for the Governing Bodies.

Authorized Public Accounting firm Moore Idman Oy was re-elected as the auditor of the company for a term that will end at the end of the next Annual General Meeting. Jussi Savio, Authorised Public Accountant, will be the auditor with principal responsibility.

The Annual General Meeting decided to authorize the Board of Directors to decide upon the acquisition of a maximum of 4,261,693 of the company's own shares and/or accepting the same number of the company's own shares as a pledge, in one or several tranches, by using the company's unrestricted equity. The maximum total of shares that will be acquired and/or accepted as a pledge corresponds to approximately 10% of all shares in the company as of the date of the notice to the Annual General Meeting. However, the company cannot, together with its subsidiaries, own its own shares or accept them as a pledge altogether more than 10% of the company's all shares at any point in time. The shares will be repurchased otherwise than in proportion to the holdings of the shareholders

## SHARES AND SHAREHOLDERS

	Shareholder	Number of shares	% of shares and votes
1	Seppo Orsila	6,226,500	14.61 %
2	Petteri Uusimaa	6,205,500	14.56 %
3	Keskinäinen työeläkevakuutusyhtiö Varma	3,276,074	7.69 %
4	Ville Vilokkinen	3,039,750	7.13 %
5	Pekka Savolainen	2,920,422	6.85 %
6	Petri Melanen	2,173,500	5.10 %
7	Mika Saarinen	1,630,125	3.83 %
8	Pekko Sipilä	1,630,125	3.83 %
9	Mandatum Henkivakuutusosakeyhtiö	820,613	1.93 %
10	Ancuta Guina	670,320	1.57 %
11	Juha Lemmetti	544,000	1.28 %
12	Skandinaviska Enskilda Banken AB	525,118	1.23 %
13	Jyri Merivirta	500,000	1.17 %
14	Jyrki Liljeroos	460,950	1.08 %
15	Kalle Palomäki	414,855	0.97 %
16	Kati Reiman	293,580	0.69 %
17	Petri Suokas	245,300	0.58 %
18	Danske Bank A/S Helsinki Branch	256,345	0.54 %
19	Citibank Europe plc	172,742	0.41 %
20	Kaleva Mutual Insurance Company	149,957	0.35 %

Option Program	2021	2023
Authorization given by the general meeting	852,758	500,000
Option rights granted according to authorization	667,021	434,924
Option rights not granted according to authorization	185,737	65,076
Of the options granted, exercised	0	0
Unused Options	667,021	434,924
Subscription Price EUR	6.49	2.43
Subscription Period	Dec 31, 2023 - Dec 31, 2025	Dec 31, 2025 - Dec 31, 2028

via public trading arranged by Nasdaq Helsinki Oy at the market price that applies on the date of the repurchase or at a price otherwise formed on the market. Shares can be acquired and/or accepted as a pledge e.g., in order to execute a transaction or implement share-based incentive schemes or for other purposes as decided by the Board of Directors or otherwise for the purposes of further assignment, retention or cancellation. The Board of Directors is authorized to decide on all other terms and conditions that will apply to the acquisition and/or acceptance as a pledge of the company's own shares. The authorization is valid until the closing of the next Annual General Meeting, however, no longer than June 30, 2026.

The Annual General Meeting resolved to authorize the Board of Directors to resolve on the issuance of shares as well as the issuance of option rights and other special rights entitling to shares referred to in Chapter 10, section 1 of the Finnish Limited Liability Companies Act, in one or several tranches, either against payment or without payment. The number of shares to be issued, including the shares received on the basis of the option rights and other special rights, may not exceed 4,261,693 shares, which amounts to approximately 10% of all shares in the company as of the date of the notice to the Annual General Meeting. The Board of Directors may decide to either issue new shares or to assign company shares that are held by the company. The authorization remains in force until the end of the next Annual General Meeting, however not for longer than until June 30, 2026.

This authorization revokes any existing, unused authorizations to decide on a share issue and the issuance of option rights or other special rights entitling to shares.

The minutes of the Annual General Meeting can be viewed on the company's website at <https://modulight.com/agem2025/>.

### Shares and Shareholders

Modulight has one share class, and all shares carry equal voting rights and the right to dividends and company assets. The number of shares on 31 December 2025 was 42,616,936 (42,616,936). At the end of the financial year, the company held 130,939 (130,939) of its own shares.

The company's shares are traded on the First North Growth Market Finland marketplace maintained by Nasdaq Helsinki Ltd. During the financial year, the highest price of the share was EUR 1.23 (1.55) and the lowest price was EUR 1.08 (0.70). The closing price on 30 December 2025 was EUR 1.12 (0.96). On 31 December 2025, the Group's market capitalization was EUR 50,714 (40,912) thousand.

The members of the Board of Directors, the CEO and the Management Team owned 41.1 (41.0) % of the shares, and the 20 largest shareholders held 75.3 (75.2) % of the total number of shares.

The 20 largest shareholders of Modulight Corporation on 31 December 2025 are presented in the adjacent table.

Additional information about the company's shares and shareholders is available on the company's website at <https://modulight.com/stock/>.

### Option Programs

Modulight has offered its personnel stock option programs as part of the incentive and commitment program. The company had two option programs at the end of 2025. There was a total of 1,101,945 unused options on December 31, 2025. No new shares were subscribed with stock options during 2025.

Outstanding option programs are presented in the adjacent table.

### Related Party Transactions

There were no related party transactions in the financial year 2025.

### Assessment of Short-Term Risks and Uncertainties

Modulight's short-term risks and uncertainties primarily concern the company's business and industry. These risks relate, for example, to technological developments and the competitive situation, the supply chain, the availability of materials, the development of the healthcare sector, and the availability of skilled labor. In addition, there are risks associated with the company's intellectual property rights, as well as with obtaining market authorizations for products. The general global political situation may affect both customers and the company and its business significantly, and more than previously estimated.

The company operates in the medical and biomedical fields and focuses especially on the US market. Various product and patient liability issues can be a significant risk for the company.

The continued uncertainty in the global economy, especially regarding tariffs and their indirect consequences, is a clear risk for the company.

Increasing cybercrime can also be a significant and growing risk, especially since the company is now more widely recognized. The company may suffer malfunctions or outages in its information technology, network or communications systems and/or be subject to cyber security breaches.

The company is also exposed to credit and counterparty risks if its contractual parties are unable to fulfil their contractual obligations. Counterparty risk is mainly related to trade receivables and receivables related to financing instruments.

The success of Modulight's business and growth strategies also depends on the company's ability to recruit and retain skilled personnel. The availability or loss of key personnel could have a material adverse effect on Modulight's business.

### Events After the Reporting Period

The company announced on February 20, 2026, that it updates its strategy and long-term financial targets, which extend until the end of the financial year 2027.

### Outlook for 2026

Most of Modulight's customer projects are various types in the early stages of development. These projects are focused on commercializing Modulight's own products. In line with its strategy, Modulight is also transitioning from device delivery-based payments to a new treatment-session-based payment model (PPT

business model). The progress of individual projects is difficult to predict, and macroeconomic and geopolitical uncertainty continue to impact market development.

As a result, forecasting revenue is challenging, and Modulight does not provide guidance on revenue or profitability for the year 2026.

### Board of Directors' Proposal for the Distribution of Distributable Funds

The distributable equity of the Group's parent company Modulight Oyj on 31 December 2025 was EUR 33,091 (38,945) thousand. The company's Board of Directors proposes to the Annual General Meeting that no dividend be distributed for the 2025 financial year.

### Annual General Meeting 2026

The Annual General Meeting is scheduled to be held on 4 May 2026. The meeting will be convened later by the Board of Directors of Modulight Corporation.

# Financial Statements January 1 – December 31, 2025

## Consolidated income statement (FAS)

EUR 1,000	2025	2024	EUR 1,000	2025	2024
<b>REVENUE</b>	<b>7,069</b>	<b>4,095</b>	Depreciation and amortization		
Change in inventory	-349	197	Depreciation and amortization according to plan	-4,480	-3,501
Manufacturing for own use	3,441	3,407	Other operating expenses	-3,346	-4,453
Other operating income		64	<b>Operating profit (loss)</b>	<b>-4,648</b>	<b>-8,337</b>
Raw materials and services			Financial income and expenses		
Raw materials and consumables			Other interest and financial income	258	2,099
Purchases during reporting period	-1,006	-1,312	Interest and financial expenses	-214	-210
Change in inventory	180	-426	Total financial income and expenses	45	1,890
External services	-249	-176	<b>Profit (loss) before appropriations and taxes</b>	<b>-4,604</b>	<b>-6,447</b>
Total raw materials and services	-1,075	-1,914	Income taxes	-1	
Personnel expenses			<b>PROFIT (LOSS) FOR THE REPORTING PERIOD</b>	<b>-4,604</b>	<b>-6,447</b>
Wages and salaries	-4,941	-5,201			
Social security services					
Pension expenses	-859	-886			
Other social security services	-108	-144			
Total personnel expenses	-5,908	-6,231			

## Consolidated balance sheet (FAS)

EUR 1,000	Dec 31, 2025	Dec 31, 2024	EUR 1,000	Dec 31, 2025	Dec 31, 2024
<b>ASSETS</b>			<b>EQUITY AND LIABILITIES</b>		
<b>Non-current assets</b>			<b>Equity</b>		
Intangible assets			Share capital	80	80
Development expenditure	12,253	10,843	Reserve for invested unrestricted equity	75,292	75,308
Intangible rights		55	Retained earnings	-26,089	-19,659
Total intangible assets	12,253	10,898	Earnings for the reporting period	-4,604	-6,447
Fixed assets			<b>Total equity</b>	<b>44,679</b>	<b>49,282</b>
Buildings and structures	2,897	3,157	<b>Liabilities</b>		
Machinery and equipment	19,646	20,960	Non-current liabilities		
Other fixed assets	176	176	Loans from financial institutions	1,289	2,791
Total fixed assets	22,719	24,294	Total non-current liabilities	1,289	2,791
<b>Total non-current assets</b>	<b>34,972</b>	<b>35,192</b>	Current liabilities		
<b>Current assets</b>			Loans from financial institutions	1,502	1,752
Inventory			Advances received	114	451
Raw materials and consumables	1,311	1,131	Accounts payable	283	659
Finished products	842	1,190	Other liabilities	108	123
Total inventory	2,153	2,321	Accrued expenses	1,168	1,238
Receivables			Total current liabilities	3,175	4,223
Short-term receivables			<b>Total liabilities</b>	<b>4,464</b>	<b>7,014</b>
Sales receivable	1,987	1,128	<b>TOTAL EQUITY AND LIABILITIES</b>		
Other receivables	181	111		<b>49,143</b>	<b>56,296</b>
Prepayments and accrued income	196	137			
Total short-term receivables	2,365	1,376			
Cash and cash equivalents	9,653	17,407			
<b>Total current assets</b>	<b>14,171</b>	<b>21,104</b>			
<b>TOTAL ASSETS</b>	<b>49,143</b>	<b>56,296</b>			

## Consolidated cash flow statement

EUR 1,000	Dec 31, 2025	Dec 31, 2024
<b>Cash flow from operating activities</b>		
Operating profit	-4,648	-8,337
Depreciation and amortization	4,480	3,501
Net financial expenses	45	1,890
Change in working capital	-1,624	2,121
Taxes paid	-1	
<b>Cash flow from operating activities (A)</b>	<b>-1,748</b>	<b>-825</b>
<b>Cash flow from investing activities</b>		
Investments in tangible and intangible assets	-4,311	-5,009
Advance payments		109
<b>Cash flow from investing activities (B)</b>	<b>-4,311</b>	<b>-4,900</b>
<b>Cash flow from financing activities</b>		
Change in interest-bearing debts	-1,768	-2,002
Acquisition (-) / disposal (+) of treasury shares		-9
<b>Cash flow from financing activities (C)</b>	<b>-1,768</b>	<b>-2,011</b>
<b>Net cash flow (A+B+C)</b>	<b>-7,827</b>	<b>-7,736</b>
<b>Cash at the beginning of the period</b>	<b>17,407</b>	<b>25,131</b>
<b>Exchange rate differences</b>	<b>73</b>	<b>12</b>
<b>CASH AT THE END OF THE PERIOD</b>	<b>9,653</b>	<b>17,407</b>

# Notes to the Consolidated Financial Statements

## Parent company: Modulight Corporation

### Domicile: Tampere

### [Notes to the financial statements](#)

## Accounting Principles for Consolidated Financial Statements

Modulight Oyj is the parent company of the Modulight Group. The financial statements have been prepared in accordance with Finnish Accounting Standards (FAS). Modulight Oyj and the Modulight Group are domiciled in Tampere and their registered address is Hermiankatu 22, 33720 Tampere. A copy of the financial statements is available from the parent company's head office. The income statement of the subsidiary Modulight USA, Inc. has been converted into euros at the average exchange rate of the financial period, and the balance sheet at the exchange rate of the balance sheet date.

### **Changes in Group Structure**

There have been no changes in the Group structure during the financial year.

### **Internal Transactions and Margins**

Intra-group transactions, intra-group receivables and liabilities, intra-group profit distribution and intra-group margin have been eliminated. All Group companies have been consolidated in the

consolidated financial statements. The consolidated financial statements have been prepared using the acquisition cost method.

## Valuation Principles and Methods

### **Valuation Principles for Non-Current Assets**

Development costs included in non-current assets consisted mainly of product development costs related to products being developed for commercial use. Development costs have been capitalized prudently. The condition for capitalization is that the capitalized item is likely to generate income at least equal to the capitalized amount after the end of the capitalization period.

Tangible assets in the balance sheet are valued at acquisition cost less planned depreciation.

### **Valuation Principles for Current Assets**

The value of the inventory is presented at the acquisition value or at lower fair value.

Cash and cash equivalents include assets in the parent company's bank accounts. Loans from financial institutions are divided into current and non-current liabilities in the balance sheet based on their projected payment date. Interest expense is recognized as an expense in the period in which it is incurred.

Accounts receivable, accrued income and other receivables included in financial assets are valued at their nominal value or to its lower probable value. Receivables are recognized as credit losses based on a case-by-case risk assessment, when there is sufficient evidence that the claim will not be received on the original terms.

### **Conversion Rate of Financial Statements of a Foreign Subsidiary**

The profit and loss statements of foreign subsidiaries have been converted into euros at the average exchange rate of the financial period, and the balance sheets at the exchange rate of the balance sheet date.

### **Foreign Currency Items**

Exchange rate differences are presented in the income statement under financial income and expenses. Foreign currency liabilities and receivables open at the balance sheet date have been adjusted to the exchange rate at the balance sheet date if the value of the liability exceeds the book value or the value of the receivable is below book value.

## Principles for Accruals

### **Revenue Model**

The company's revenue model can be roughly divided in four phases that have similar elements in both business areas, Life Sciences and other high value-add applications.

With respect to customers in the medical and biomedical fields, the first phase is usually the preclinical trial phase, which is followed by the clinical trial phase I or pilot production. The following phases are clinical trial phases II and III, and the last phase of the model is launching an active product portfolio on the market, which the company strives for. The commercial commissioning stage is considered to have been rendered as the company's revenue exceeds EUR 10 million for this product/client.

With respect to products in the other high value-add applications, the revenue model typically consists of the proof of concept (POC), pilot production, product development, market launch, and production.

In each of the phases, the company's customer strategy is to cover the entire process from proof of concept to active product portfolio, which may significantly help its customers to decrease their

time to market and increase the value of their product. This is due to a variety of factors, including the company's current product platforms and solutions, the company's agile product development process that is based on its own production, the earlier approvals granted by the relevant authority for the company's platform solutions, and the company's full service offering and cloud-based service model. The company believes that cloud services can be applied to both product areas even though they have been initially designed for medical and biomedical applications.

The company's intention is that clients in the medical and biomedical fields benefit from a shorter time-to-market when using the company's existing product platforms and CE mark or the approvals that the FDA has previously granted to the platforms.

In terms of products in other high value-add applications, the proof-of-concept phase can utilize existing products and product platforms for initial testing, which aim to create cost and time savings for the customers. The customers are usually companies that seek long-term competitive advantages in the field of laser technology.

In the preclinical phase, the company typically charges a fixed fee per project, which may include equipment and services. In this phase, the fixed fee per project is approximately between EUR 10,000 and EUR 150,000 for universities and between EUR 100,000 and EUR 1,000,000 for early-stage medical research and other high value-add projects.

In the clinical phase I, the company typically delivers a full offering to the customer, including e.g., testing and documentation related to device approvals, installation of research equipment, and training of research personnel. Again, the intention of the company is that customers will benefit from shorter time to market when using the company's CE mark, FDA approvals, and functionalities of the device platforms already developed.

The pilot phase of the products in the other high value-add applications typically involves initial testing of the product within the customer's product or process. This phase can be preceded or followed by a separate, more extensive development phase in which the product or technology is developed together with the customer, and which may contain separate phases of moving to production. In phase I and pilot production, the company typically charges a fixed fee per project that is based on the completion of intermediate objectives jointly agreed upon. The fixed fee per project is approximately between EUR 500,000 and even more than EUR 5,000,000. The company also usually charges a service fee equal to approximately 25 % of the customer's cumulative device purchases.

In clinical trial phases II-III, the company typically aims to offer the full product and service package to customers to help them approve and qualify the product to commercial production. This usually includes final product requirements, production ramp up plans, software and services plans, and distribution plans for commercial roll out. With regard to its products that have reached phases II-III, the company has typically

charged a fixed fee per project that includes devices and services in different forms. The product development projects contain similar elements but they usually focus on developing certain product characteristics or technologies that are required by the customer as part of the customer's product. Product development projects also typically involve preparation and production ramp up, development of business and service models, and management of new product versions. Based on the estimate of the company's management, the fixed fee per project is approximately between EUR 2 million and EUR 30 million. These phases also include a service fee that is based on the number of devices in the field but may also include other service elements. The license/service fee equals approximately 25 % of the customer's cumulative investments.

In the active product portfolio go-to-market phase, customer-specific products are intended to be in active use. These products can either be new products or product lifetime extensions through the introduction of new laser components or features. The company expects that in certain cases, commercial introduction could be carried out using product platforms already in the market by activating new products in the cloud service. The company aims to offer the full value chain, including cloud-based business services that may in the medical and biomedical fields involve e.g., pay per treatment fees, licensing of the treatment or device, or monitoring and usage control of drugs or consumables, and analytic services aimed at improving the treatment result. The services regarding other high value-add

applications may also contain installation and maintenance agreements, fees that are based on the use or utilization rate, and analytics related to improvement of quality or product usage. In this phase, the company's revenue would be based on a share of the drug or treatment fee or the utilization rate of other high value-add applications. The company's management estimates that installation and service fees would equal to approximately 25 % to 35 % of the customer's cumulative investments, in addition to which the company expects to earn 2 % to 20 % of the customer's revenue from licensing.

Especially in the medical and biomedical sector, the company is moving to a pay-per-treatment (PPT) model, where its customers pay for treatments performed instead of purchasing the device. According to the company's estimate, depending on the indication and market area, the price of one treatment session will be approximately EUR 1,000-10,000, which typically corresponds to approximately 1-10 % of the total cancer treatment costs. In the PPT model, revenue recognition is delayed compared to device sales, but the company estimates that it is more even in nature, and invoicing is typically done on a monthly or quarterly basis based on the number of treatments performed. In addition to pay-per-treatment pricing, the PPT business model can also have other components, such as monthly invoicing for device maintenance and services. The company aims to switch to a PPT model with its customers already in the clinical trial phase.

**Depreciation According to Plan**

Fixed assets have been valued at acquisition cost less planned depreciation. Depreciation of development costs begins when income starts to accrue from the capitalised item or when there is a change in expected income expectations. Depreciation of tangible assets begins at the time of their introduction.

Depreciation according to plan is calculated on the basis of the economic life as follows:

	Depreciation method	Depreciation period
Development costs	Straight line	5
Buildings and structures	Straight line	10-40
Machinery and equipment	Straight line	2-15

There have been no changes in the depreciation principles during the financial year.

**Notes Related to Subsidiaries and Associates****Companies Consolidated in the Consolidated Financial Statements (Group Structure December 31, 2025)**

Name	Domicile	Ownership-%
Modulight Oyj	Finland	Parent company
Modulight USA, Inc.	United States	100
Modulight China Export A Oy	Finland	100
Leapteck Photonics Oy	Finland	100

**Notes to the Consolidated Income Statement****Revenue by Market Area**

% of total revenue	2025	2024
Finland	5	20
Rest of the world	95	80
Total	100	100

**Material Items in Other Operating Income**

EUR 1,000	2025	2024
Subsidies and grants received	0	64
Total	0	64

**Manufacturing for Own Use**

EUR 1,000	2025	2024
Manufacturing for own use, intangible assets	3,441	3,407
Total	3,441	3,407

**Salaries, Fees, Pension Expenses and Other Personnel Expenses for the Financial Year**

EUR 1,000	2025	2024
Salaries and fees	4,941	5,201
Pension expenses	832	859
Voluntary pensions	27	27
Other personnel expenses	108	144
Total	5,908	6,231

The Group's statutory and voluntary pension cover is managed by external pension insurance companies. Voluntary pensions are defined contribution plans that are expensed in the year in which they accrue. In a defined contribution plan, the Group's legal obligation is limited to the amount that has been agreed to be paid into the plan.

Average number of employees during the financial year (FTE)	2025	2024
White-collar	59	67
Blue-collar	4	4
Total	63	71

**Management Salaries and Fees**

EUR 1,000	2025	2024
CEO, Board of Directors, Management Team	1,274	1,358

**Totals of Interest Income, Financial Income, Interest Expenses and Financial Expenses**

<b>EUR 1,000</b>	<b>2025</b>	<b>2024</b>
Interest expenses	-84	-106
Other financial income	258	2,096
Other financial expenses	-129	-100
<b>Total</b>	<b>45</b>	<b>1,890</b>

**Notes to the Consolidated Balance Sheet Assets****Intangible Assets**

<b>Development costs (EUR 1,000)</b>	<b>2025</b>	<b>2024</b>
Acquisition cost 1 Jan	24,504	21,380
Additions for the financial year	3,441	3,496
Deductions for the financial year		
<b>Acquisition cost 31 Dec</b>	<b>27,945</b>	<b>24,876</b>
Depreciation according to plan		
Accumulated depreciation 1 Jan	-13,661	-12,465
Depreciation for the financial year	-2,030	-1,514
<b>Accumulated depreciation 31 Dec</b>	<b>-15,692</b>	<b>-13,978</b>
<b>Book value in the financial statements 31 Dec</b>	<b>12,253</b>	<b>10,898</b>

Capitalized development costs consist of eight product development projects, all of which have begun depreciation. No new product development expenses were capitalized for new projects during the financial year.

<b>Intangible rights (EUR 1,000)</b>	<b>2025</b>	<b>2024</b>
Acquisition cost 1 Jan	372	283
Additions for the financial year		89
Deductions for the financial year		
<b>Acquisition cost 31 Dec</b>	<b>372</b>	<b>372</b>
Depreciation according to plan		
Accumulated depreciation 1 Jan	-317	-283
Depreciation for the financial year	-55	-34
<b>Accumulated depreciation 31 Dec</b>	<b>-372</b>	<b>-317</b>
<b>Book value in the financial statements 31 Dec</b>	<b>0</b>	<b>55</b>

**Tangible Assets**

<b>Buildings and structures (EUR 1,000)</b>	<b>2025</b>	<b>2024</b>
Acquisition cost 1 Jan	6,900	6,811
Additions for the financial year		89
Deductions for the financial year		
<b>Acquisition cost 31 Dec</b>	<b>6,900</b>	<b>6,900</b>
Depreciation according to plan		
Accumulated depreciation 1 Jan	-3,743	-3,485
Depreciation for the financial year	-260	-258
<b>Accumulated depreciation 31 Dec</b>	<b>-4,003</b>	<b>-3,743</b>
<b>Book value in the financial statements 31 Dec</b>	<b>2,897</b>	<b>3,157</b>

<b>Machinery and equipment (EUR 1,000)</b>	<b>2025</b>	<b>2024</b>
Acquisition cost 1 Jan	29,301	27,877
Additions for the financial year	820	1,424
Deductions for the financial year		
Acquisition cost 31 Dec	<b>30,121</b>	29,301
Depreciation according to plan		
Accumulated depreciation 1 Jan	-8,341	-6,611
Depreciation for the financial year	-2,134	-1,730
Accumulated depreciation 31 Dec	<b>-10,475</b>	-8,341
Book value in the financial statements 31 Dec	<b>19,646</b>	20,960

<b>Other fixed assets (EUR 1,000)</b>	<b>2025</b>	<b>2024</b>
Acquisition cost 1 Jan	176	285
Additions for the financial year		
Deductions for the financial year		-109
Acquisition cost 31 Dec	176	176
Book value in the financial statements 31 Dec	<b>176</b>	176

Other fixed assets consist of prepayments for fixed asset investments.

#### **Material Items Included in Other Receivables**

<b>EUR 1,000</b>	<b>2025</b>	<b>2024</b>
Business Finland	129	
VAT receivables	53	111
Total	<b>181</b>	111

#### **Material Items Included in Prepayments and Accrued Income**

<b>EUR 1,000</b>	<b>2025</b>	<b>2024</b>
Cost accruals	155	56
Prepayments	41	81
Total	<b>196</b>	137

#### **Material Items Included in Financial Securities**

<b>EUR 1,000</b>	<b>2025</b>	<b>2024</b>
Cash and bank receivables	9,653	17,407
In total	<b>9,653</b>	17,407

Fund units consist of liquid and low-risk investments in short-term funds.

## Notes to Liabilities in the Consolidated Balance Sheet

### Changes in Equity Items

<b>Restricted equity (EUR 1,000)</b>	<b>2025</b>	<b>2024</b>
Share capital 1 Jan	80	80
Share capital 31 Dec	80	80
Total restricted equity 31 Dec	<b>80</b>	80
<b>Unrestricted equity (EUR 1,000)</b>	<b>2025</b>	<b>2024</b>
Reserve for invested unrestricted equity 1 Jan	75,308	75,317
Increases in the invested unrestricted equity fund	-16	-9
Reserve for invested unrestricted equity 31 Dec	<b>75,292</b>	75,308
Profit (loss) for the previous financial years 1.1.	-26,106	-19,671
Exchange rate differences	17	12
Profit (loss) for the previous financial years 31 Dec	<b>-26,089</b>	-19,659
Profit for the financial period	-4,604	-6,447
Total non-restricted equity 31 Dec	<b>44,599</b>	49,202
Total equity 31 Dec	<b>44,679</b>	49,282

### Material Items Included in Other Liabilities

<b>EUR 1,000</b>	<b>2025</b>	<b>2024</b>
Withholding debt	101	119
Other liabilities	7	4
In total	<b>108</b>	123

## Material Items Included in Accrued Expenses

<b>EUR 1,000</b>	<b>2025</b>	<b>2024</b>
Accruals for salaries	187	169
Holiday pay accrual	670	626
Cost accruals	312	444
In total	<b>1,168</b>	1,238

## Long-Term Debt

Liabilities maturing after more than five years:

<b>EUR 1,000</b>	<b>2025</b>	<b>2024</b>
Loans from financial institutions	<b>0</b>	0

## Other Notes

### Collateral Provided and Other Off-Balance Sheet Liabilities

Liabilities secured by mortgages on real estate and/or corporate mortgages:

<b>Collateral provided (EUR 1,000)</b>	<b>2025</b>	<b>2024</b>
Collateral provided for own debt		
Loans from financial institutions	2,791	4,543
Mortgages granted	4,246	4,246
Mortgages on company assets granted	1,973	1,973
Collateral other than for own debt		
Mortgage as security for land rent <sup>1)</sup>	23	23
Total securities provided	<b>6,242</b>	6,242

<sup>1)</sup> The company has leased the land under a lease that expires on November 30, 2050. The amount of rent is tied to the cost of living index, and for 2025 the rent was EUR 14,371.

<b>Other off-balance-sheet liabilities (EUR 1,000)</b>	<b>2025</b>	<b>2024</b>
Leasing liabilities		
Payable in the next financial year	8	0
Payable later	4	0
<b>Total other off-balance-sheet liabilities</b>	<b>12</b>	<b>0</b>

## Company Shares

The share capital of the parent company of the group, Modulight Oyj, as of December 31, 2025, was divided into 42,616,936 shares. All shares carry equal voting rights and entitlement to the company's assets and dividends. At the end of the financial year, the company held a total of 130,939 (130,939) of its own shares. During the financial year, no new own shares were acquired.

## Notes on Auditor's Fees (Moore Idman Oy)

<b>EUR 1,000</b>	<b>2025</b>	<b>2024</b>
Audit fees	27	25
<b>Total auditor fees</b>	<b>27</b>	<b>25</b>

## Calculation Formulas for Key Figures

<b>Key figures</b>	<b>Definition</b>	<b>Reason for the use</b>
Growth of revenue, %	(Revenue for the period - revenue for the previous reference period) / Revenue for the previous period	Revenue growth is an indicator to measure the growth of the company.
EBITDA	Operating result before depreciation and amortization	EBITDA is an indicator to measure the operational performance of the company.
EBITDA, %	EBITDA / Revenue	Operating margin is an indicator to measure the operational performance of the company.
Operating result	Operating result as presented in the income statement	Operating result is an essential indicator for the understanding of the company's financial performance.
Operating result, %	Operating result / Revenue	Operating result is an essential indicator for the understanding of the company's financial performance.
Earnings per share	Earnings for the period / weighted average number of outstanding shares during the period	Indicator describes the distribution of operating result to individual shares.
Acquisition & scrapping of fixed and intangible assets	Acquisition & scrapping of fixed and intangible assets as presented in the statement of cash flow	Indicator produces more information on the cash flow needs for operational investments.
Free cash flow from operating activities	EBITDA - Acquisitions & scrapping of fixed and intangible assets as presented in the statement of cash flow	Indicator gives information of the cash flow which the company is able to generate after operational investments.
Net debt	Interest-bearing debt - Cash and cash equivalents (at the end of the period)	Net debt is an indicator to measure the total external debt financing of the company.
Gearing ratio	(Interest-bearing debt - Cash and cash equivalents (at the end of the period)) / Equity	Indicator for the management to track the company's level of equity.
Equity ratio	Equity / Total assets	Indicator for the proportion of the company's assets that have been financed with equity.
Return on equity, %	100 x Earnings for the period / Adjusted average equity	Indicator for the company's ability to generate profits in relation to equity belonging to the owners.

## List of Accounting Books

Diary and general ledger in computer printouts  
Purchase and sales ledger in computer printouts  
All types of documents in paper copy

# Financial Statements of the Parent Company

## January 1 – December 31, 2025

### Parent Company Income Statement (FAS)

EUR 1,000	2025	2024
<b>REVENUE</b>	<b>7,066</b>	<b>4,095</b>
Change in inventory	-349	197
Manufacturing for own use	3,441	3,407
Other operating income		64
Raw materials and services		
Raw materials and consumables		
Purchases during financial year	-1,004	-1,315
Change in inventory	180	-429
External services	-249	-176
Total raw materials and services	-1,073	-1,919
Personnel expenses		
Wages and salaries	-4,665	-4,953
Social security expenses		
Pension expenses	-859	-886
Other social security expenses	-94	-129
Total personnel expenses	-5,618	-5,967

EUR 1,000	2025	2024
Depreciation, amortization and reduction in value		
Depreciation and amortization according to plan	-4,480	-3,501
Other operating expenses	-3,443	-4,363
<b>Operating profit (loss)</b>	<b>-4,456</b>	<b>-7,987</b>
Financial income and expenses		
Other interest income and financial income	244	2,091
Interest and other financial expenses	-216	-183
Total financial income and expenses	28	1,908
<b>Profit (loss) before appropriations and taxes</b>	<b>-4,427</b>	<b>-6,079</b>
Income taxes		
<b>PROFIT (LOSS) OF THE FINANCIAL YEAR</b>	<b>-4,427</b>	<b>-6,079</b>

## Parent Company Balance Sheet (FAS)

EUR 1,000	31.12.2025	31.12.2024
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets		
Development expenditure	12,253	10,843
Intangible rights		55
Total intangible assets	12,253	10,898
Fixed assets		
Buildings	2,897	3,157
Machinery and equipment	19,646	20,960
Other fixed assets	185	181
Total fixed assets	22,728	24,299
<b>Total non-current assets</b>	<b>34,981</b>	<b>35,197</b>
<b>Current assets</b>		
Inventory		
Raw materials and consumables	1,311	1,131
Finished products	842	1,190
Total inventory	2,153	2,321
Sales receivables		
Short-term receivables		
Accounts receivable	1,890	1,077
Receivables, group companies	1,718	587
Other receivables	153	115
Prepayments and accrued income	142	131
Total short-term receivables	3,903	1,910
Cash and cash equivalents	9,629	17,397
<b>Total current assets</b>	<b>15,685</b>	<b>21,628</b>
<b>TOTAL ASSETS</b>	<b>50,667</b>	<b>56,825</b>

EUR 1,000	31.12.2025	31.12.2024
<b>LIABILITIES</b>		
<b>Equity</b>		
Share capital	80	80
Reserve for invested unrestricted equity	75,292	75,308
Retained earnings	-25,521	-19,442
Earnings from the period	-4,427	-6,079
<b>Total equity</b>	<b>45,424</b>	<b>49,868</b>
<b>Liabilities</b>		
Non-current liabilities		
Loans from financial institutions	1,289	2,791
Total non-current liabilities	1,289	2,791
Current liabilities		
Loans from financial institutions	1,502	1,752
Advances received	114	405
Accounts payable	274	648
Other liabilities	896	123
Accrued expenses	1,168	1,238
Total current liabilities	3,954	4,166
<b>Total liabilities</b>	<b>5,243</b>	<b>6,957</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>50,667</b>	<b>56,825</b>

# Notes to the Parent Company's Financial Statements

## Domicile: Tampere, Finland

### Notes to the financial statements

## Accounting Principles

Modulight Oyj is the parent company of Modulight Group. The financial statements have been prepared in accordance with Finnish Accounting Standards (FAS). Modulight Oyj and Modulight Group are domiciled in Tampere, Finland, and their registered address is Hermiankatu 22, 33720 Tampere, Finland.

Copies of the financial statements are available at the headquarters of the parent company.

## Principles for Valuation

### Non-Current Assets

Development costs included in non-current assets consisted mainly of product development costs related to products being developed for commercial use. Development costs have been capitalized prudently. The condition for capitalization is that the capitalized item is likely to generate income at least equal to the capitalized amount after the end of the capitalization period.

Tangible assets in the balance sheet are valued at acquisition cost less planned depreciation.

### Current Assets

The value of the inventory is presented at the acquisition value or at lower fair value.

Loans from financial institutions are divided into current and non-current liabilities in the balance sheet based on their projected payment date.

Interest expense is recognized as an expense in the period in which it is incurred.

Accounts receivable, accrued income and other receivables included in financial assets are valued at their nominal value or to its lower probable value. Receivables are recognized as credit losses based on a case-by-case risk assessment, when there is sufficient evidence that the claim will not be received on the original terms.

## Principles for Accruals

### Revenue Model

The company's revenue model can be roughly divided in four phases that have similar elements in both business areas, Life Sciences and other high value-add applications. With respect to customers in the medical and biomedical fields, the first phase is usually the preclinical trial phase, which is followed by the clinical trial phase I or pilot production. The following phases are clinical

trial phases II and III, and the last phase of the model is launching an active product portfolio on the market, which the company strives for. The commercial commissioning stage is considered to have been rendered as the company's revenue exceeds EUR 10 million for this product/customer.

With respect to products in the other high value-add applications, the revenue model typically consists of the proof of concept (POC), pilot production, product development, market launch, and production.

In each of the phases, the company's customer strategy is to cover the entire process from proof of concept to active product portfolio, which may significantly help its customers to decrease their time to market and increase the value of their product. This is due to a variety of factors, including the company's current product platforms and solutions, the company's agile product development process that is based on its own production, the earlier approvals granted by the relevant authority for the company's platform solutions, and the company's full service offering and cloud-based service model. The company believes that cloud services can be applied to both product areas even though they have been initially designed for medical and biomedical applications.

The company's intention is that clients in the medical and biomedical fields benefit from a shorter time-to-market when using the company's existing product platforms and CE mark or the approvals that the FDA has previously granted to the platforms.

In terms of products in other high value-add applications, the proof-of-concept phase can utilize existing products and product platforms for initial testing, which aim to create cost and time savings for the customers. The customers are usually companies that seek long-term competitive advantages in the field of laser technology.

In the preclinical phase, the company typically charges a fixed fee per project, which may include equipment and services. In this phase, the fixed fee per project is approximately between EUR 10,000 and EUR 150,000 for universities and between EUR 100,000 and EUR 1,000,000 for early-stage medical research and other high value-add projects.

In the clinical phase I, the company typically delivers a full offering to the customer, including e.g., testing and documentation related to device approvals, installation of research equipment, and training of research personnel. Again, the intention of the company is that customers will benefit



from shorter time to market when using the company's CE mark, FDA approvals, and functionalities of the device platforms already developed.

The pilot phase of the products in the other high value-add applications typically involves initial testing of the product within the customer's product or process. This phase can be preceded or followed by a separate, more extensive development phase in which the product or technology is developed together with the customer, and which may contain separate phases of moving to production. In phase I and pilot production, the company typically charges a fixed fee per project that is based on the completion of intermediate objectives jointly agreed upon. The fixed fee per project is approximately between EUR 500,000 and even more than EUR 5,000,000. The company also usually charges a service fee equal to approximately 25 % of the customer's cumulative device purchases.

In clinical trial phases II-III, the company typically aims to offer the full product and service package to customers to help them approve and qualify the product to commercial production. This usually includes final product requirements, production ramp up plans, software and services plans, and distribution plans for commercial roll out.

With regard to its products that have reached phases II-III, the company has typically charged a fixed fee per project that includes devices and services in different forms. The product development projects contain similar elements but they usually focus on developing certain product characteristics or technologies that are required by the customer as part of the customer's product. Product development projects also typically involve preparation and production ramp up, development of business and service models, and management of new product versions. Based on the estimate of the company's management, the fixed fee per project is approximately between EUR 2 million and EUR 30 million. These phases also include a service fee that is based on the number of devices in the field but may also include other service elements. The license/service fee equals approximately 25 % of the customers' cumulative investments.

In the active product portfolio go-to-market phase, customer-specific products are intended to be in active use. These products can either be new products or product lifetime extensions through the introduction of new laser components or features. The company expects that in certain cases, commercial introduction could be carried out

using product platforms already in the market by activating new products in the cloud service.

The company aims to offer the full value chain, including cloud-based business services that may in the medical and biomedical fields involve e.g., pay-per-treatment fees, licensing of the treatment or device, or monitoring and usage control of drugs or consumables, and analytic services aimed at improving the treatment result. The services regarding other high value-add applications may also contain installation and maintenance agreements, fees that are based on the use or utilization rate, and analytics related to improvement of quality or product usage. In this phase, the company's revenue is based on a share of the drug or treatment fee or the utilization rate of other high value-add applications. The company's management estimates that installation and service fees equal to approximately 25 % to 35 % of the customer's cumulative investments, in addition to which the company expects to earn 2 % to 20 % of the customer's revenue from licensing.

Especially in the medical and biomedical sector, the company is moving to a pay-per-treatment (PPT) model, where its customers pay for treatments performed instead of purchasing the device. According to the company's esti-

mate, depending on the indication and market area, the price of one treatment session will be approximately EUR 1,000-10,000, which typically corresponds to approximately 1-10 % of the total cancer treatment costs. In the PPT model, revenue recognition is delayed compared to device sales, but the company estimates that it is more even in nature, and invoicing is typically done on a monthly or quarterly basis based on the number of treatments performed. In addition to pay-per-treatment pricing, the PPT business model can also have other components, such as monthly invoicing for device maintenance and services. The company aims to switch to a PPT model with its customers already in the clinical trial phase.

### Depreciation According to Plan

Fixed assets have been valued at acquisition cost less planned depreciation. Depreciation of development costs begins when income starts to accrue from the capitalised item or when there is a change in expected income expectations. Depreciation of tangible assets begins at the time of their introduction.

Depreciation according to plan is calculated on the basis of the economic life as follows:

	Depreciation method	Depreciation period (years)
Development costs	Straight line	5
Buildings and structures	Straight line	10-40
Machinery and Equipment	Straight line	2-15

There have been no changes in the depreciation principles during the financial year.

### Foreign Currency Items

Exchange rate differences are presented in the income statement under financial income and expenses. Foreign currency liabilities and receivables open at the balance sheet date have been adjusted to the exchange rate at the balance sheet date if the value of the liability exceeds the book value or the value of the receivable is estimated below it.

## Notes Related to Subsidiaries and Associates

### Holdings in Other Companies (Group structure December 31, 2025)

Name	Domicile	Ownership-%
Modulight Oyj	Finland	Parent company
Modulight USA, Inc.	United States	100
Modulight China Export A Oy	Finland	100
Leaptek Photonics Oy	Finland	100

## Notes to the Income Statement

### Revenue by Market Area

% of total revenue	2025	2024
Finland	5	20
Rest of the world	95	80
Total	100	100

### Material Items Included in Other Operating Income

EUR 1,000	2025	2024
Subsidies and grants received		64
Total		64

### Manufacturing for Own Use

EUR 1,000	2025	2024
Manufacturing for own use, intangible assets	3,441	3,407
Total	3,441	3,407

### Salaries, Fees, Pension Expenses and Other Personnel Expenses

EUR 1,000	2025	2024
Salaries and fees	4,665	4,953
Pension expenses	859	859
Voluntary pensions	27	27
Other personnel expenses	67	129
Total	5,618	5,967

The company's statutory and voluntary pension cover is managed by external pension insurance companies. Voluntary pensions are defined contribution plans that are expensed in the year in which they accrue. In a defined contribution plan, the Group's legal or actual obligation is limited to the amount that has been agreed to be paid in the plan.

<b>Average number of employees during the financial year (FTE)</b>	<b>2025</b>	<b>2024</b>
Staff	62	66
Employees	4	4
<b>Total</b>	<b>66</b>	<b>70</b>

### **Management Salaries and Fees**

<b>EUR 1,000</b>	<b>2025</b>	<b>2024</b>
CEO, Board of Directors, Management Team	1,274	1,358

### **Totals of Interest Income, Financial Income, Interest Expenses and Financial Expenses**

<b>EUR 1,000</b>	<b>2025</b>	<b>2024</b>
Interest expenses	-84	-106
Other financial income	244	2,091
Other financial expenses	-132	-77
<b>Total</b>	<b>28</b>	<b>1,908</b>

## **Notes to Assets in the Balance Sheet**

### **Intangible Assets**

<b>Development costs (EUR 1 000)</b>	<b>2025</b>	<b>2024</b>
Acquisition cost 1 Jan	24,504	21,097
Additions for the financial year	3,441	3,407
Deductions for the financial year		
Acquisition cost 31 Dec	<b>27,945</b>	24,504
Depreciation according to plan		
Accumulated depreciation 1 Jan	-13,661	-12,182
Depreciation for the financial year	-2,030	-1,480
Accumulated depreciation 31 Dec	<b>-15,692</b>	-13,661
Book value in the financial statements 31 Dec	<b>12,253</b>	10,843

Capitalized development costs consist of eight product development projects, all of which have begun depreciation. No new product development expenses were capitalized for new projects during the financial year.

<b>Intangible rights (EUR 1 000)</b>	<b>2025</b>	<b>2024</b>
Acquisition cost 1 Jan	372	283
Additions for the financial year		89
Deductions for the financial year		
Acquisition cost 31 Dec	<b>372</b>	372
Depreciation according to plan		
Accumulated depreciation 1 Jan	-317	-283
Depreciation for the financial year		-34
Accumulated depreciation 31 Dec	<b>-317</b>	<b>-317</b>
Book value in the financial statements 31 Dec	<b>0</b>	55

**Tangible Assets**

<b>Buildings and structures (EUR 1,000)</b>	<b>2025</b>	<b>2024</b>
Acquisition cost 1 Jan	6,900	6,811
Additions for the financial year		89
Deductions for the financial year		
Acquisition cost 31 Dec	<b>6,900</b>	6,900
Depreciation according to plan		
Accumulated depreciation 1 Jan	-3,743	-3,485
Depreciation for the financial year	-260	-258
Accumulated depreciation 31 Dec	<b>-4,003</b>	-3,743
Book value in the financial statements 31 Dec	<b>2,897</b>	3,157

<b>Machinery and equipment (EUR 1,000)</b>	<b>2025</b>	<b>2024</b>
Acquisition cost 1 Jan	29,301	27,877
Additions for the financial year	820	1,424
Deductions for the financial year		
Acquisition cost 31 Dec	<b>30,121</b>	29,301
Depreciation according to plan		
Accumulated depreciation 1 Jan	-8,341	-6,611
Depreciation for the financial year	-2,134	-1,730
Accumulated depreciation 31 Dec	<b>-10,475</b>	-8,341
Book value in the financial statements 31 Dec	<b>19,646</b>	20,960

<b>Other fixed assets (EUR 1,000)</b>	<b>2025</b>	<b>2024</b>
Acquisition cost 1 Jan	181	290
Additions for the financial year	4	
Deductions for the financial year		-109
Acquisition cost 31 Dec	<b>185</b>	181
Book value in the financial statements 31 Dec	<b>185</b>	181

Other fixed assets include prepayments for fixed asset investments (EUR 176 thousand) and shares in subsidiaries (EUR 9 thousand).

**Receivables from Group Companies**

Current Receivables

<b>EUR 1,000</b>	<b>2025</b>	<b>2024</b>
Modulight USA, Inc.	930	587

Intra-group liabilities and receivables have been consolidated and are presented on a net basis.

**Material Items Included in Other Receivables**

<b>EUR 1,000</b>	<b>2025</b>	<b>2024</b>
Business Finland	129	
VAT receivables	25	115
Total	<b>153</b>	115

**Material Items Included in Prepayments and Accrued Income**

<b>EUR 1,000</b>	<b>2025</b>	<b>2024</b>
Cost accruals	106	56
Prepayments	36	75
Total	<b>142</b>	131

**Material Items Included in Financial Securities**

<b>EUR 1,000</b>	<b>2025</b>	<b>2024</b>
Cash and bank receivables	9,629	17,397
In total	<b>9,629</b>	17,397

## Notes to Liabilities in the Balance Sheet

### Changes in Equity Items and Distributable Funds

<b>Restricted equity (EUR 1,000)</b>	<b>2025</b>	<b>2024</b>
Share capital 1 Jan	80	80
Share capital 31 Dec	80	80
Total restricted equity 31 Dec	<b>80</b>	80
<b>Unrestricted equity (EUR 1,000)</b>		<b>2024</b>
Reserve for invested unrestricted equity 1 Jan	75,308	75,317
Increases in the invested unrestricted equity fund		
Decreases in the invested unrestricted equity fund	-16	-9
Reserve for invested unrestricted equity 31 Dec	<b>75,292</b>	75,308
Profit (loss) for the previous financial years 1 Jan	-19,442	-19,442
Profit (loss) for the previous financial years 31 Dec	<b>-25,521</b>	-19,442
Profit (loss) of the financial period	-4,427	-6,079
Total non-restricted equity 31 Dec	<b>45,344</b>	49,788
Total equity 31 Dec	<b>45,424</b>	49,868
<b>Calculation of distributable funds (EUR 1,000)</b>	<b>2025</b>	<b>2024</b>
Total non-restricted equity 31 Dec	45,344	49,788
Activated development costs in the balance sheet 31 Dec	-12,253	-10,843
Distributable funds 31 Dec	<b>33,091</b>	38,945
<b>Other Liabilities</b>		
<b>EUR 1,000</b>	<b>2025</b>	<b>2024</b>
Withholding tax debt	102	119
Other liabilities	6	4
In total	<b>108</b>	123

### Material Items Included in Accrued Expenses

<b>EUR 1,000</b>	<b>2025</b>	<b>2024</b>
Accruals for salaries	187	169
Holiday pay accrual	670	626
Cost accruals	312	444
In total	<b>1,168</b>	1,238

### Long-Term Debt

Liabilities maturing after more than five years

<b>EUR 1,000</b>	<b>2025</b>	<b>2024</b>
Loans from financial institutions	0	0

## Other Notes

### Collateral Provided and Other Off - Balance Sheet Liabilities

Liabilities secured by mortgages on real estate and / or corporate mortgages:

<b>Collateral provided (EUR 1 000)</b>	<b>2025</b>	<b>2024</b>
Collateral provided for own debt		
Loans from financial institutions	2,791	4,543
Mortgages granted	4,246	4,246
Mortgages	1,973	1,973
Collateral other than for own debt		
Mortgage as security for land rent <sup>1)</sup>	23	23
Total securities provided	<b>6,242</b>	6,242

<sup>1)</sup> The company has leased the land under a lease that expires on November 30, 2050. The amount of rent is tied to the cost of living index, and for 2025, the rent was EUR 14,371.

<b>Other off-balance-sheet liabilities (EUR 1,000)</b>	<b>2025</b>	<b>2024</b>
Leasing liabilities		
Payable in the next financial year	8	0
Payable later	3	0
Total other off-balance-sheet liabilities	<b>12</b>	0

## Company Shares

As of December 31, 2025, the company's share capital was divided into 42,616,936 shares. All shares carry equal voting rights and entitlement to the company's assets and dividends. At the end of the financial year, the company held a total of 130,939 (130,939) of its own shares. During the financial year, no own shares were acquired.

### Notes on Auditor's Fees (Moore Idman Oy)

<b>EUR 1,000</b>	<b>2025</b>	<b>2024</b>
Audit fees	24	25
Total auditor fees	<b>24</b>	<b>25</b>

## List of Accounting Books

Diary and general ledger in computer printouts  
Purchase and sales ledger in computer printouts  
All types of documents in paper copy

# Signatures on the Financial Statements and the Report of the Board of Directors

In Tampere, March 13, 2026

Anne Koutonen  
Chairman of the Board

Timur Kärki  
Member of the Board

Jyrki Liljeroos  
Member of the Board

Seppo Orsila  
Member of the Board  
CEO

Auditor's note:  
An audit report has been issued today.

In Tampere, March 13, 2026

**Moore Idman Oy**  
Audit firm

Jussi Savio  
Authorized Public Accountant

# Auditor's Report (Translation of the Finnish Original)

## To the Annual General Meeting of Modulight Corporation

## Report on the Audit of Financial Statements

### Opinion

We have audited the financial statements of Modulight Oyj (business identity code 1603878-3) for the year ended 31.12.2025. The financial statements comprise the balance sheets, the income statements and notes for the group as well as for the parent company and cash flow statement for the group.

In our opinion, the financial statements give a true and fair view of the group's and the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

### Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statu-

tory requirements. The Board of Directors and the Managing Director are also responsible for internal control that they deem necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an

auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve

collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related

disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient amount of appropriate audit evidence regarding the financial information of the entities or business units within the group, as a basis for forming the audit opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit, and we remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Other Reporting Requirements

#### *Other information*

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions.

If, based on the work we have performed, we conclude that there is a material misstatement of the report of the Board of Directors, we are required to report that fact. We have nothing to report in this regard.

Tampere 13.3.2026

Moore Idman Oy  
Audit Firm

Jussi Savio  
Certified Public Accountant

## Board of Directors



**Anne Koutonen**

Chairman of the Board, 2024-  
Member of the Board, 2023-  
Born 1962  
M.Sc. (Business Administration)



**Timur Kärki**

Member of the Board, 2021-  
Born 1971  
M.Sc. (Tech.)



**Jyrki Liljeroos**

Member of the Board, 2017-  
Born 1955  
Degree in Business Administration  
(University of Uppsala)



**Seppo Orsila**

Member of the Board, 2000-  
CEO 2019-  
Born 1975  
M.Sc. (Tech.), MBA

# Leadership Team



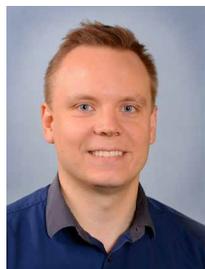
## Seppo Orsila

CEO 2019-  
Member of the  
Management Team 2000-  
Born 1975  
M.Sc. (Tech.), MBA



## Anca Guina

CFO 2024-  
Member of the  
Management Team 2006-  
Born 1974  
M.Sc. (Tech.), MBA



## Jukka-Pekka Alanko

Service Director 2024-  
Member of the  
Management Team 2020-  
Born 1984  
M.Sc. (Tech.)



## Ulla Haapanen

Marketing Director 2023-  
Member of the  
Management Team 2019-  
Born 1976  
B.Sc. (Natural Sciences)



## Kalle Palomäki

VP, New Product  
Introduction 2024-  
Member of the  
Management Team 2021-  
Born 1975  
D.Sc. (Tech.),  
MBA (Intl. Finance)



## Kati Reiman

People & Culture Director  
2022-  
Member of the  
Management Team 2019-  
Born 1978  
Bachelor of Business  
Administration



## Jari Sillanpää

VP, Sales 2024-  
Member of the  
Management Team 2020-  
Born 1969  
M.Sc. (Tech.)



## Petteri Uusimaa

Chief Technology Officer  
2019-  
Member of the  
Management Team 2000-  
Born 1969  
D.Sc. (Tech.)



## Ville Vilokkinen

VP, Operations 2024-  
Member of the  
Management Team 2005-  
Born 1975  
M.Sc. (Tech.)

# Information for Shareholders

Modulight Corporation has one class of shares, and all shares have the same voting rights and the right to a dividend and the company's assets. The company's share is traded on the First North Growth Market Finland marketplace maintained by Nasdaq Helsinki Ltd under the trading ID MODU.

## Dividend policy

All returns are invested in organic and inorganic growth, and the company distributes little or no dividends.

## Distribution of distributable funds

Modulight's Board of Directors proposes to the Annual General Meeting that no dividend be paid for the financial year 2025.

## Annual General Meeting

The Annual General Meeting is scheduled to be held on 4 May 2026. The meeting will be convened later by the Board of Directors of Modulight Corporation.

## Financial reporting in 2026

In 2026, Modulight will publish the following financial reports:

- Interim report January-March 2026: 24 April 2026
- Half-year financial report January-June 2026: 21 August 2026
- Interim report January-September 2026: 23 October 2026

The financial reports are available on the company's website from the time of publication at <https://modulight.com/reports-presentations/>. The company has a 30-day silent period before the publication of interim reports and financial statements bulletins.

## Investor relations

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