

MODELON LAUNCHES COST REDUCTIONS AND NEW ORGANIZATION TO DRIVE GROWTH AND PROFITABILITY

Modelon AB (publ), a leading provider of system simulation software, today announces reductions in operating expenses of 25 MSEK on an annual basis, with full effect from the first quarter of 2025. Restructuring costs of up to 8 MSEK are booked in the third quarter of 2024.

A new organization, effective October 1, 2024, aligns all customer-facing functions towards growth of recurring software revenues. The development of Modelon Impact, the company's flagship product, is consolidated into fewer sites and teams. The efficiency program reduces overhead costs and external consultants, as well as headcount in certain functions.

"During my first three months as CEO of Modelon, I have seen many new business opportunities in meetings with customers, and I have been impressed by our employees' level of dedication and competence. While this gives me confidence, I also note that we need to accelerate ARR growth and the path to profitability. A leaner organization allows us to get product innovations faster to the market, and I look forward to working with the new management team to implement change," said Jan Häglund, CEO.

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About Modelon

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

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

This information is information that Modelon AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2024-09-25 14:00 CEST.

Attachments

[Modelon launches cost reductions and new organization to drive growth and profitability](#)