Freemelt is building Europe's industrial platform for qualified advanced metal components

Freemelt is expanding its offering with manufacturing services for advanced metal components following a shift in customer demand. The market for advanced metal additive manufacturing is moving beyond technology validation, machines and development projects towards industrial deployment, qualified manufacturing capacity and resilient supply chains. Based on Freemelt's estimates, the company's expansion into manufacturing services increases its addressable market opportunity to SEK 450–560 billion, corresponding to a 20x larger market than production systems alone. Reflecting the increased market opportunity and expanded offering, Freemelt reaffirms its previously communicated ambition to reach SEK 1 billion in annual order intake by 2030 and introduces a new financial ambition to become EBITDA positive in 2028.

One industrial platform supporting two business areas – Production Systems and Manufacturing
Over the past decade, the additive manufacturing industry has focused on validating technologies, materials and applications. Today, customers in fusion, defense and other advanced industrial sectors increasingly require fast and proven access to qualified components, materials expertise and industrial supply chains that can support the move from development to serial production. In these markets, additive manufacturing is no longer primarily evaluated as a prototyping technology, but as a manufacturing solution for new and existing critical industrial applications.

This market shift creates two distinct customer needs. Some customers want to establish and control their own in-house manufacturing capability through advanced production systems. Others primarily seek access to qualified manufacturing capacity, advanced materials expertise and resilient regional supply chains without investing directly in production systems. To support customers throughout this transition, Freemelt is expanding alongside its customers and will address both needs through one industrial platform, structured around two complementary business areas: **Production Systems** and **Manufacturing**, where Manufacturing adds services for qualified advanced metal components.

Production Systems remain a core part of Freemelt's offering and targets customers, e.g. within MedTech, that want to build and control their own manufacturing capacity. As a natural extension of existing customer engagements, Freemelt is expanding its offering with manufacturing services for customers that need qualified advanced metal components, from component design, application engineering and process development to qualification, inspection and delivery. Together, these capabilities enable Freemelt to expand its role in the value chain and support customers from technology adoption to industrial deployment.

"The market is changing. Customers increasingly need access to qualified manufacturing capacity, materials expertise and reliable supply chains — not only advanced production systems. By expanding our offering with manufacturing services for advanced metal components, we are meeting this shift in demand and taking an important step towards building Europe's industrial platform for qualified advanced metal components," says Daniel Gidlund, CEO of Freemelt.

Freemelt is well positioned to execute this shift. The company's E-PBF technology and long experience in extreme materials, including tungsten and refractory metals, provide a strong foundation for qualified manufacturing of advanced metal components. This is complemented by an installed base of more than 45 systems, established industrial customer relationships and experience from demanding qualification and production programs within MedTech, fusion, defense and other advanced industrial sectors. The repositioning is therefore not based on a new technology thesis, but on expanding Freemelt's role in the value chain by leveraging existing technology, customer relationships and materials expertise.

As previously communicated in a press release earlier today, a recent example of this market shift is the contract awarded by Fusion for Energy (F4E), the European organization responsible for Europe's contribution to ITER and other major fusion programs. The contract covers the manufacture and delivery of approximately 33,000 tungsten-based fusion components for the JT-60SA fusion program, with a base value of SEK 55 million and five additional options which, if exercised, may increase the total contract value to SEK 84 million. The order illustrates how customers are increasingly seeking not only advanced production systems, but also qualified manufacturing capacity, materials expertise and industrial delivery capabilities in one of the world's most demanding technology sectors.

Expanding the addressable market opportunity

By expanding its offering with manufacturing services for qualified advanced metal components, Freemelt significantly increases its addressable market opportunity. Based on Freemelt's estimates, the market for production systems alone amounts to SEK 22–33 billion, while expansion further along the value chain into qualified component manufacturing and, over time, higher-value subsystems increases the addressable opportunity to SEK 450–560 billion, corresponding to an approximately 20x larger market opportunity.

New financial ambitions reflecting an expanded offering

Reflecting the new offering, larger addressable market and long-term growth opportunities described above, Freemelt reaffirms its previously communicated ambition to reach SEK 1 billion in annual order intake by 2030 and introduces a new financial ambition to become EBITDA positive in 2028. The ambitions are supported by a value based industrial offering, an improved gross margin profile and a revenue mix where more than half of revenues are expected to originate from recurring sources. These recurring revenues are expected to come from service and aftermarket revenues linked to the production systems, process and application development, qualification services, component manufacturing and long-term industrial customer relationships.

Freemelt intends to pursue this customer-driven expansion through an equity-light strategy, leveraging partnerships and scalable external capacity where appropriate, while maintaining financial flexibility to support the company's continued growth. The initial ramp-up of production volumes within the Manufacturing business area is expected to be supported by selected equipment investments and partners relevant for the specific customer contracts, while leveraging Freemelt's existing facilities, infrastructure and support functions, underscoring the capital-efficient nature of the expansion. While organic growth remains the primary focus, Freemelt may also evaluate selective acquisition opportunities that complement the company's industrial platform and long-term growth ambitions.

Video interview with CEO Daniel Gidlund

A video interview with Freemelt's CEO Daniel Gidlund, providing further background to the new strategy and expanded offering, will be published in connection with this press release and is available via www.freemelt.com.

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About Us

Freemelt builds Europe's industrial platform for advanced metal components. Through a combination of advanced E-PBF technology (Electron Beam Powder Bed Fusion), materials expertise and industrial manufacturing capacity, Freemelt supports customers within MedTech, defense, fusion and other advanced industrial verticals.

The company offers two complementary business lines: Production Systems and Manufacturing. Production Systems offers advanced E-PBF application development and aftermarket services to customers building inhouse additive manufacturing capacity. Manufacturing focuses on advanced metal components, supporting customers with component design, process development, qualification, inspection and industrial delivery.

By combining technology leadership with industrial manufacturing capability, Freemelt expands its footprint in the value chain. The company's ambition is to build a stronger, more resilient and recurring business while establishing a European platform for additive manufacturing in metals.

Freemelt was founded in 2017 and is listed on Nasdaq First North Growth Market. Read more at www.freemelt.com.

Attachments

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