PRESS RELEASE
20 July 2026 15:36:00 CEST

MODELON AB (PUBL) ANNOUNCES UPDATED FINANCIAL TARGETS

Modelon AB, a leading provider of modeling and simulation technology for the design and analyses of industrial systems, announces updated financial targets.

Modelon's updated financial targets reflect the company's ambition to grow annual recurring revenues, reach positive free cash flow, and achieve robust long-term operating profit margins.

Modelon's operating results have improved since H2 2024, albeit at a slower rate than needed to reach cash flow break-even in 2026. We expect further profitability and cash flow improvements through growth of recurring software revenues, leading to positive cash flow from Q1 2028. Multi-year deals and additional research grants could further accelerate our path to positive cash flow.

	Updated financial targets	Previous targets
Revenue	Annual Recurring Revenue growth above 20 percent.	(unchanged)
Cash flow	Free Cash Flow positive from Q1 2028.	Free Cash Flow positive from 2026.
Operating Profit	Long-term Operating Profit Margin above 20 percent.	(unchanged)

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

For further information, please contact:

Jan Häglund, CEO
jan.haglund@modelon.com

Investor Relations: ir@modelon.com

About Modelon

Modelon provides systems modeling and simulation software that accelerates product innovation, development and operations in a range of industries. Modelon's flagship product, Modelon Impact, is a cloud-native, AI-driven system simulation software platform featuring a collaborative browser-based interface and thousands of proven models and components spanning a broad range of applications. Headquartered in Lund, Sweden, and with global reach, Modelon is an expert industry leader in model-based systems engineering with a focus on leveraging open standard technologies.
Modelon AB is listed on Nasdaq First North Growth Market with ticker symbol MODEL. Redeye Nordic Growth AB is appointed the Company's Certified Adviser.

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 2026-07-20 15:36 CEST.

Attachments

Modelon AB (publ) announces updated financial targets