



Positioned for profitable growth

Munters Capital Markets Day, 2022

Klas Forsström, President & CEO

Our factory in Tobo, Sweden produces Rotors, DH-units and systems. The factory has approx. 260 employees and is a little more than 12.000 m²



We are well-positioned with a competitive offering

MEGA MARKET TRENDS

Climate change

Digitalization

Population growth

Stricter production requirements

MUNTERS

- Unique application knowledge
- Proven energy efficient products and solutions
- Strong global market position, with local presence
- Large installed base
- Global Services offering
- Leading position in digitalization of the food production chain

CUSTOMER NEEDS

Increased resource efficiency and higher yields

Meeting their sustainability goals

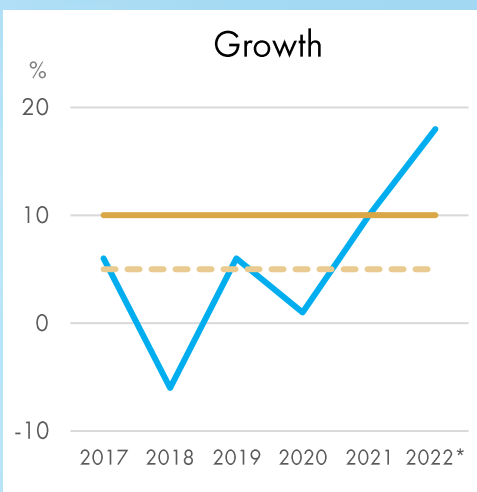
Improved animal and human health, improved machine and infrastructure lifecycle

Updated financial targets reflect growth journey

Market mega trends

Munters well-positioned towards growth markets

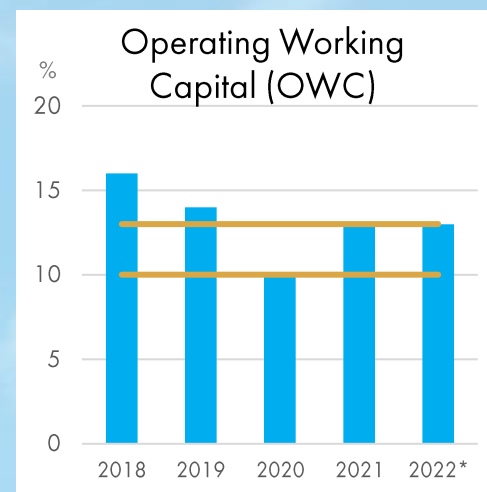
Competitive value proposition; offering leading energy-efficient, high-quality and innovative solutions



Target: Annual organic, currency adjusted growth of net sales of 10%



Target: Adjusted EBITA margin of >14%

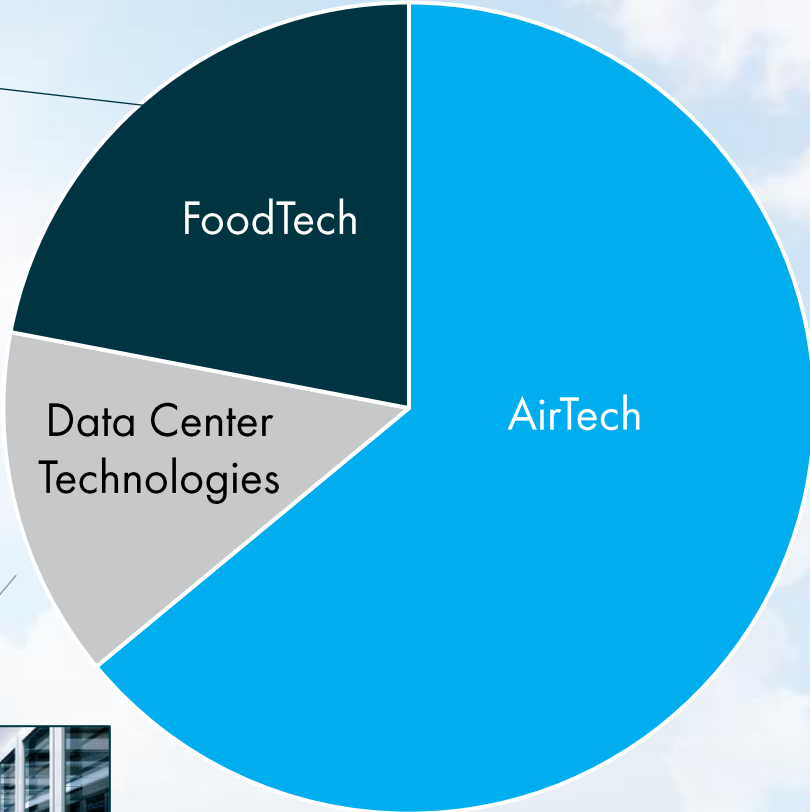


Target: Average (LTM average) OWC as % of net sales (R12) in the range of 13-10%

* Last Twelve Months (LTM) end of Sep 2022

We deliver business critical solutions to a broad range of industries

Distribution Net sales Q3, 2022



Climate solutions for Agriculture..



.. and Greenhouses



Digital solutions for Farmers and Food producers



Cooling solutions for Data Centers



Dry air for Battery production



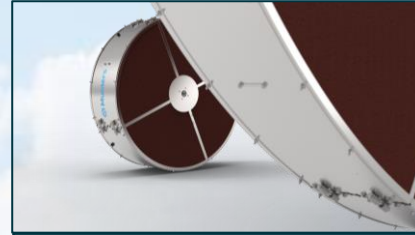
Dehumidification for Infrastructure



Constant humidity solutions for the Pharmaceutical industry



Climate & hygiene control for the Food production industry



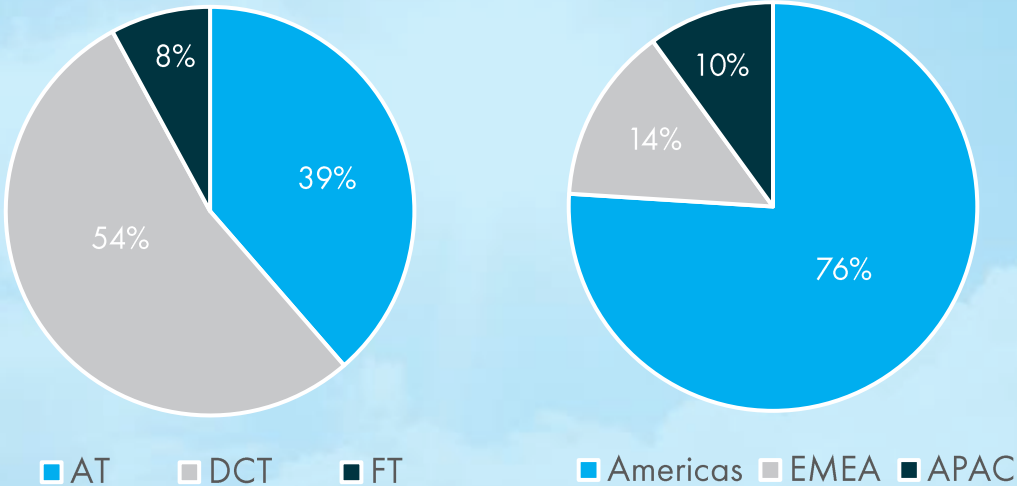
Rotors and other components



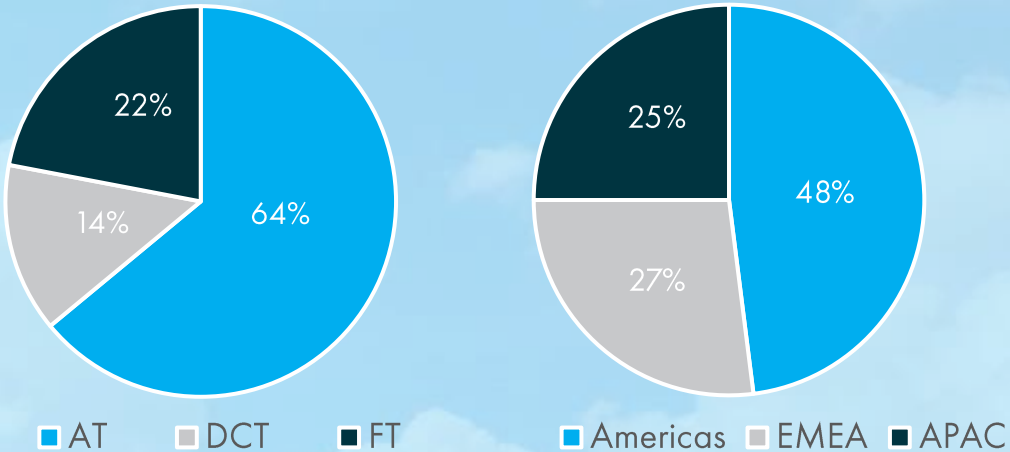
Service offering

Dual mix - change in regions and business areas

Distribution Order Intake Q3, 2022



Distribution Net sales Q3, 2022



AT - AirTech
DCT - Data Center Technologies
FT - FoodTech

Delivering on our strategy for sustainable growth



- Launch of three-phase plan to capture Munters' full potential – **Stability, Profitability & Growth**
- CEO & CFO recruited
- Two business areas: AT & FT
- Strategic review of Data Centers & Mist Elimination
- Data Centers Europe closed

- New strategic priorities launched
- Organizational re-design: business areas to own full value chain
- Efficiency improvement initiatives
- Management team expanded
- Reduction of product portfolio initiated
- AT strategic review
- Sustainability fully integrated into the Munters strategy

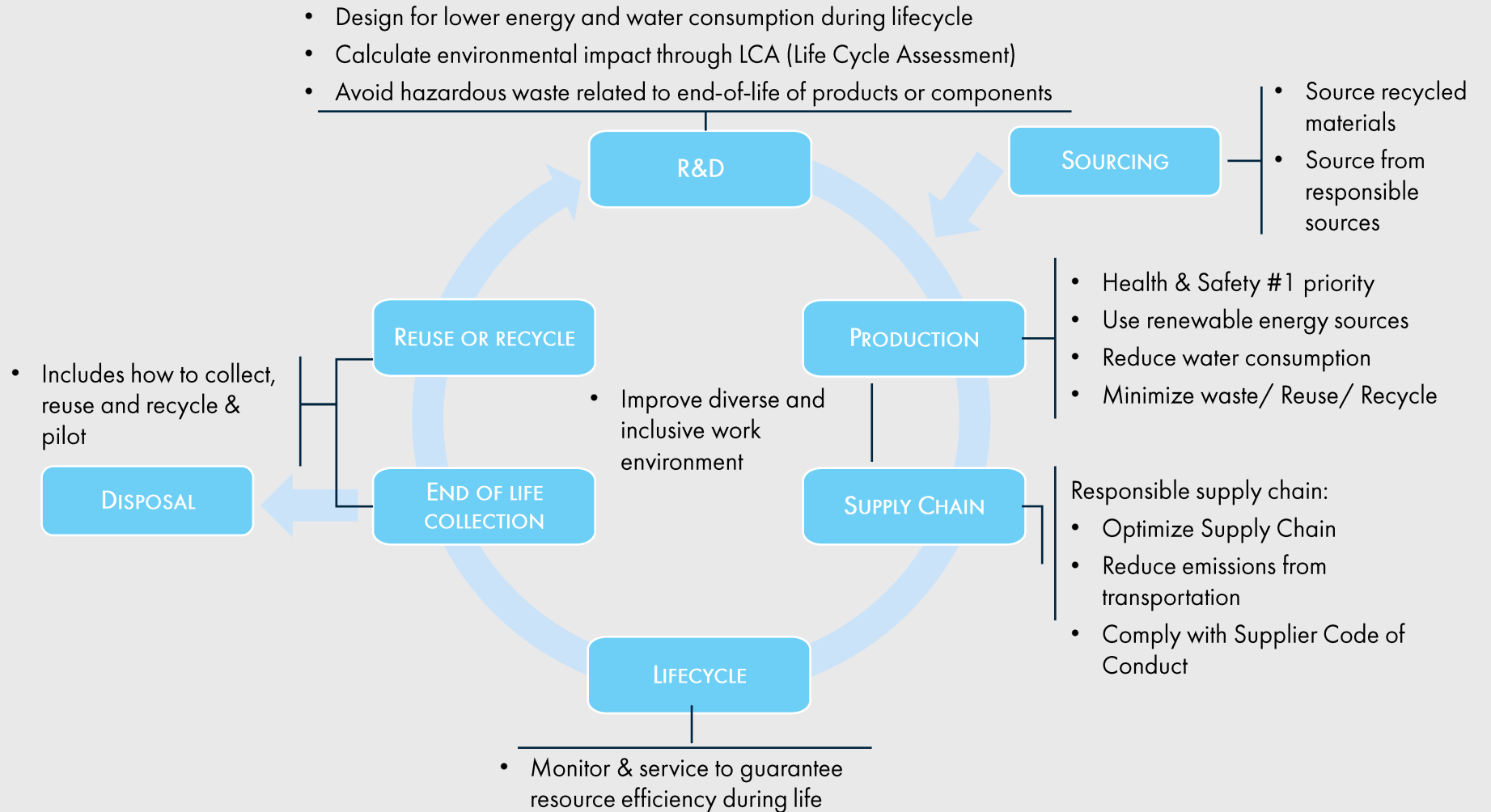
- Efficiency improvement initiatives continue
 - Secure end-to-end information/value chain efficiency across all Munters
 - Working capital focus
- Increased focus on R&D
- FT strategy review & AT delivery on strategic review
- Listed on Nasdaq Stockholm's Large Cap

- AT & FT delivering on strategic review
- Organizational re-design:
 - strategic operations integrated into the business areas
 - DCT new business area
- Delivering on the M&A agenda in all business areas

Working towards a full circularity approach

Key sustainability areas:

- Offer sustainable and energy-efficient solutions
- Net zero emissions target from operations by 2030
- Increase diversity and ensure inclusive & safe workplace environment
- Ensure high ethics and respect for human rights throughout the value chain



Examples of actions taken in recent years



Development Q2 2022 vs FY 2021

| | |
|---|---|
| » Electricity from renewable sources | ● |
| » Recycling rate | ● |
| » Energy efficiency*** | ● |
| » Code of conduct for suppliers | ● |
| » Percentage women employees & leaders vs target **** | ● |
| » Total Recordable Incident rate (TRIR) | ● |

● Positive progress towards target
● Neutral progress towards target

A selection of Sustainability goals

* Reported in accordance to Green House Gas Protocol. Categories air travel and waste
 ** Life Cycle Analysis
 *** Electricity consumption in production facilities relative to production value (MWh/production value SEK 000) as of LTM Q2, 2022. The production value is at comparable FX rate to 2021 but not adjusted for inflation
 **** Salary setting managers

Our purpose:

For customer success and a healthier planet

Customers

Help our customers succeed and become more sustainable by supplying high-quality climate solutions

People

Employees are the hub of our business, their safety and health is a priority

Innovation

Curiosity and an ambition to create pioneering technologies are part of our DNA

Excellence in everything we do

Aim to increase efficiency and quality in everything we do and reduce our climate impact

Markets

Our resources are focused on strengthening our position in prioritized areas where we can be a market leader and growing the service business



Markets



Ambition - Market leader in prioritized markets and segments

| Focus areas | Actions 2021-2022 | Beyond |
|-----------------------------|---|--|
| Grow in prioritized markets | <ul style="list-style-type: none">• Growth achieved in:<ul style="list-style-type: none">• Services• Battery segment• DCT• Digital solutions in FoodTech | <ul style="list-style-type: none">• Market position 1-3 in prioritized markets• Higher degree of data driven products and solutions |
| M&A | <ul style="list-style-type: none">• Investments into digitalization journey• Delivering on the M&A agenda in all business areas | <ul style="list-style-type: none">• Services represent more than 30% of net sales (incl. SaaS business in FoodTech) |





Well-crafted M&A strategy

M&A strategic areas



Core/Consolidation

- Acquisition targets that further strengthen our core
- Strengthening geographical presence
- Market consolidation



Services

- Acquisition of small and medium sized local service companies
- Accelerate growth in service organization



Technology/Digital

- Broaden & strengthen product offering
- New technologies to accelerate digitalization / digital transformation of our offering



New growth areas

- Accelerate growth for Munters with new growth areas



Customers



Ambition - Become the customers' preferred partner

| Focus areas | Actions 2021-2022 | Beyond |
|---------------------|--|---|
| Customer value | <ul style="list-style-type: none">• Increased investments into developing and enhancing offering for increased customer value | <ul style="list-style-type: none">• Improved resource efficiency and maximizing yield from Munters solutions |
| Pricing strategies | <ul style="list-style-type: none">• Value based selling incl. pricing strategies in place in all BAs | <ul style="list-style-type: none">• Commercial excellence throughout the value chain |
| Go-to-market models | <ul style="list-style-type: none">• Go-to-market models evaluated and strengthened:<ul style="list-style-type: none">• ie, SaaS, Services, DCT• Expanded channels to market | <ul style="list-style-type: none">• Value selling integrated part of Munters culture – delivering minimum additional annual +0.5-1.0% net price change over inflation |



Our customers need reliable partners who can help them minimize the use of resources



CUSTOMER NEEDS

Increased resource efficiency and higher yields

Meeting their sustainability goals

Improved animal and human health, improved machine and infrastructure lifecycle

Examples of won orders:



AirTech

- 2 orders of climate control systems for multinational automotive manufacturer
- Combined value of MUSD 54 (appr. MSEK 560)
- Delivered to facilities in the US and Canada



Data Center Technologies

- Order from a leading Data Center colocation operator, US
- Value of MUSD 176 (appr BSEK 1.8)
- Delivered during 2024



FoodTech

- Software-as-a-Service (SaaS) contract
- Value of MUSD 4.3 (appr. MSEK 46)
- SaaS solution - Amino platform
- Project to commence in Q2 2023, completion Q2 2024

CUSTOMERS APPRECIATE MUNTERS

Deep application knowledge

Understanding of their business & strong relationship

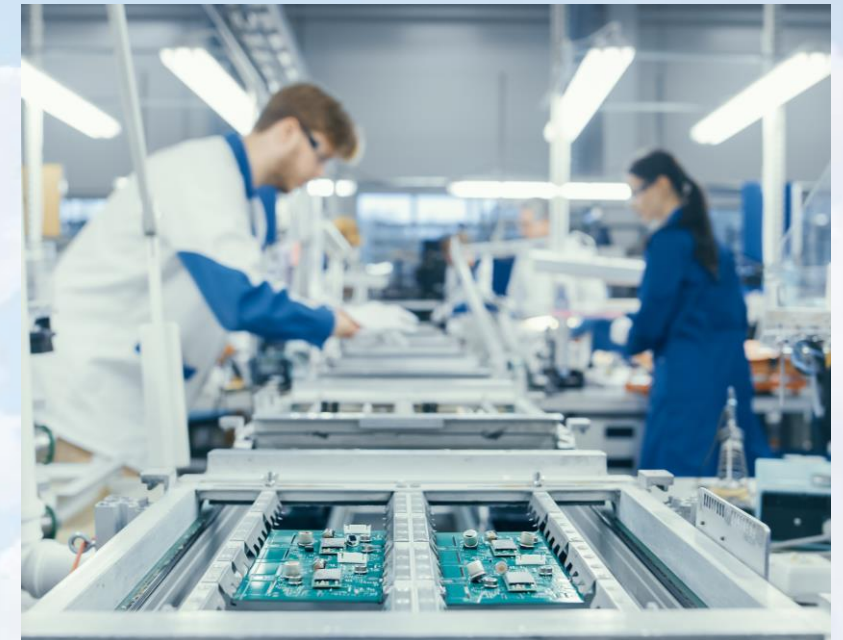
High-quality products, service offering and engaged people

Innovation



Ambition- create pioneering technologies delivering outstanding customer value

| Focus areas | Actions 2021 - 2022 | Beyond |
|--|---|---|
| <p>Focused R&D investments</p> | <ul style="list-style-type: none"> • Focus on prioritized areas yielded innovative products in for example launch of DSS Pro, SyCool Split, and Amino • Significant reduction of SKUs and components – major step towards standardization • Digitalization journey on-going • Global centers of excellence • LCAs* standard for all new products | <ul style="list-style-type: none"> • Continue to modularize core product offering • Deliver on digital development plan of connected value chains for customers • Significantly increase amount of new products sold as % of net sales |
| <p>Product portfolio alignment and adjustment</p> | | |
| <p>Innovation process and manufacturing technology alignment</p> | | |



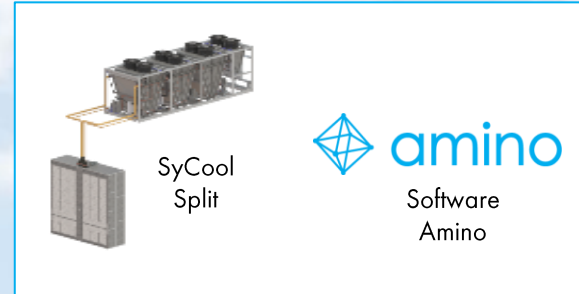
*SKU – Stock keeping units, LCA – Life Cycle Analysis



Pioneering technologies & new innovations in our DNA

Digitalizing
our offerings

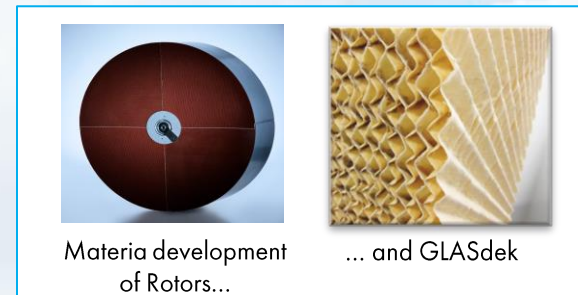
Create new pioneering technologies



Upgraded & improved offerings



Modularizing, improving and developing more sustainable core product offerings & ways to the market



The above products are examples of products in the Munters offering





Excellence in everything we do

Ambition - Aim to increase efficiency and quality in everything we do and reduce our climate impact

| Focus areas | Actions 2021-2022 | Beyond |
|---|--|---|
| Best practices processes | <ul style="list-style-type: none"> • Decentralized governance model • Ways-of-working and commercial excellence improved in many areas, enabling efficiency gains and increased transparency | <ul style="list-style-type: none"> • Aligned processes and ways-of-working |
| Lean and quality focus throughout the whole value chain | <ul style="list-style-type: none"> • Working capital management significantly enhanced | <ul style="list-style-type: none"> • Digital platform to support the above as well as scalability |
| Optimize manufacturing footprint | <ul style="list-style-type: none"> • Increased focus on ESG throughout value chain • Optimized footprint to serve prioritized markets | <ul style="list-style-type: none"> • Optimized working capital and footprint • Value chain climate impact |



People



Ambition- Be the employer of choice

| Values | 2021-2022 | Beyond |
|------------------------------|---|--|
| Sustainable value creation | <ul style="list-style-type: none">• Leadership program focusing on central strategic projects• Internal mentoring program to promote development, cross-functional collaboration, team spirit and employee development | <ul style="list-style-type: none">• Evolve collaboration and learning |
| Passion for results | <ul style="list-style-type: none">• Participated in local initiatives to reduce the spread of coronavirus | <ul style="list-style-type: none">• High level of employee engagement |
| There is always a better way | <ul style="list-style-type: none">• External web-based whistleblower unit provided | <ul style="list-style-type: none">• Inclusive & equal work environment with focus on diversity |
| Team spirit | <ul style="list-style-type: none">• Joined UN's Gender Equality Program | <ul style="list-style-type: none">• A safe & healthy place to work |



Positioned for profitable growth



Record orders until end September confirm our strong position and offer



Well-positioned for strong growth in markets driven by climate change



Clear strategy set for value-creating growth



We deliver energy-efficient solutions that improves our customers climate impact

