

Agenda – platform for today and the future

CEO – Munters Towards Full Potential

- A strong company – but disappointing performance since IPO
- Global player in niche markets
- Full Potential Program to seize opportunities

Global Operations – Building a customer-oriented and scalable platform

AirTech – Sustainable solutions for demanding industrial applications

FoodTech – Sustainable solutions for demanding agricultural applications

CFO – Delivering the numbers

CEO wrap-up – Confident in our targets

Full Potential Program in three phases – focus on the first

PHASE 1: STABILITY
Secure stable and profitable platform



PHASE 2: PROFITABILITY
Improve performance



PHASE 3: GROWTH
Accelerate growth in attractive segments and geographies



Phase 1: Secure a stable and profitable platform

STABILITY

Secure stable
and profitable
platform



- ✓ Strengthen leadership team
- ✓ Simplify Munters structure into two decentralized Business Areas
- ✓ Drive leaner structures and cash efficiency
- ✓ Drive Data Center performance uplift through focus towards US market



New organization and leadership team in place

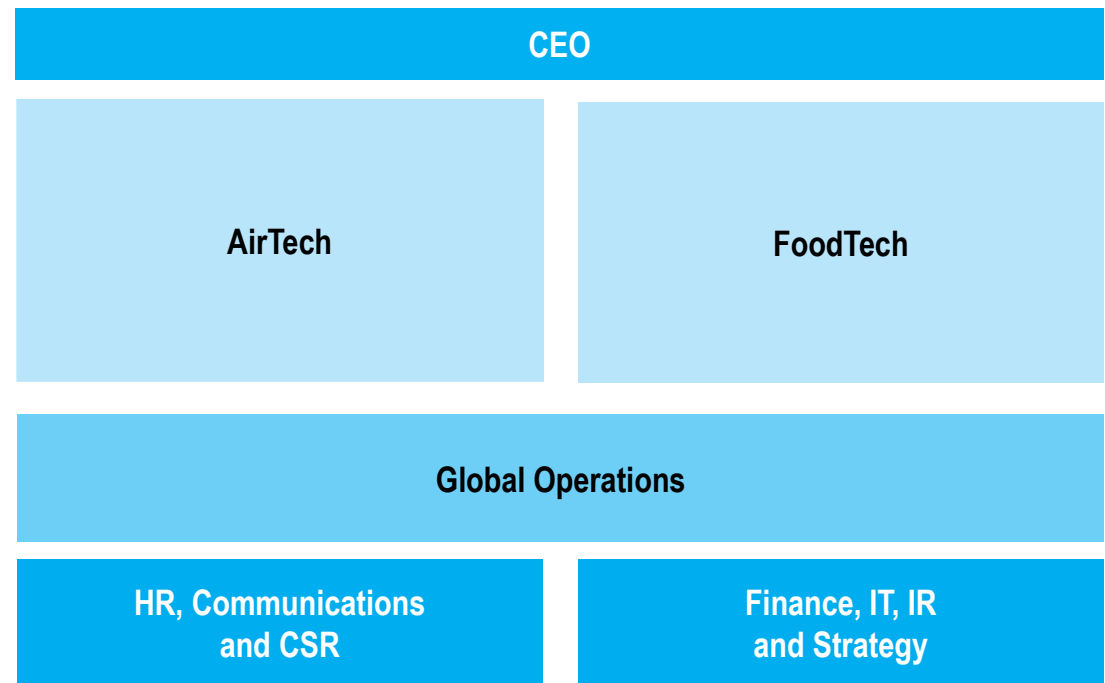
- **Klas Forsström appointed new President and CEO** effective no later than mid-October 2019
 - 20 years of senior management positions at Sandvik (including President of Sandvik Hard Materials and Sandvik Coromant.)
 - M.Sc. in Materials Physics and an MBA from Uppsala University Advanced management studies at INSEAD
- **New organization and management team in place**
 - Two strong business areas
 - New group management (6 members vs. previously 13)





2 Business Areas – under 1 vision – with a shared operations platform

“Sustainable climate solutions for demanding industrial and agricultural applications”





Governance and accountability strengthened in Business Areas

Strengthened **regional management teams**

Clarified **strategic priorities** and strengthened **accountability**

Launched **quarterly follow-up** on Business Unit level (i.e. country organization) with senior management

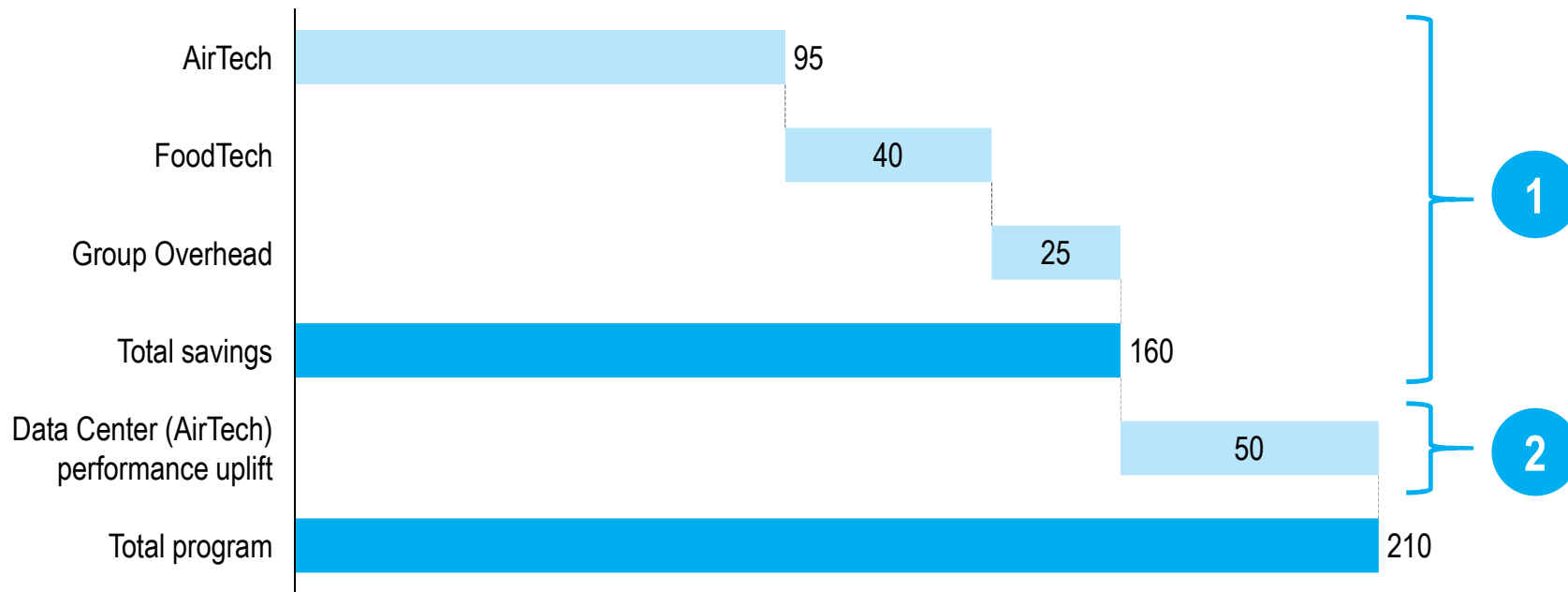
Strengthened team in **key positions**, e.g. new Sales VPs AirTech Americas and EMEA

More **result-oriented** and **effective** Business Area organizations



Full program target EBITA improvement of 210 mSEK run-rate 2019E

Full Potential Program EBITA run-rate impact (mSEK)





STABILITY – Secure stable and profitable platform

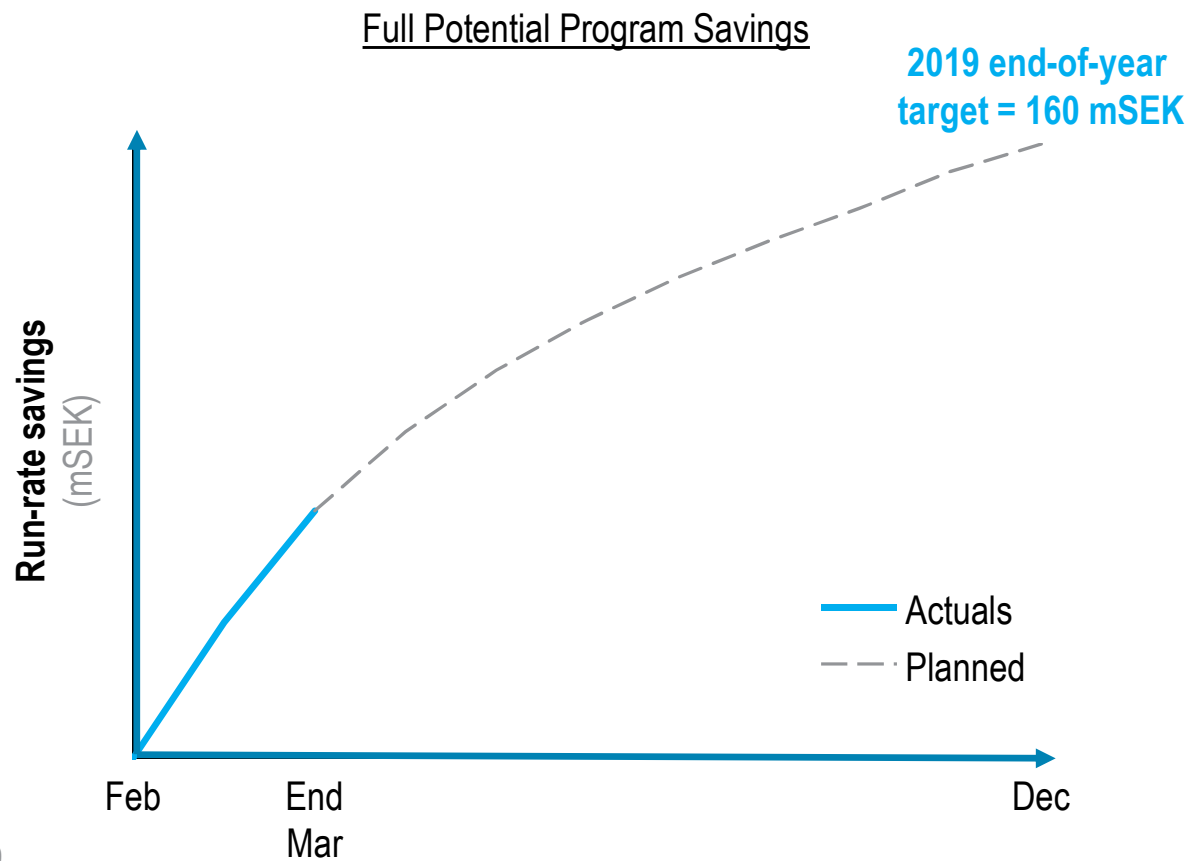
Full impact expected in 2020

Program	2019 adj. EBITA impact	2020 adj. EBITA impact – equals ongoing annual run-rate	One-time costs	Cash pay-back time
Total program impact	mSEK +105	mSEK +210	mSEK -350 costs (60% during H1 and 40% during H2 2019)	Approx. 2 years

Timing and ultimate cost of program may vary from current estimates based on final timetable and subject to information and consultation with the relevant employee representative bodies.



Savings progressing according to plan



- FTE reductions and other cost savings according to plan
- One-time costs of 61 mSEK according to plan



Data Center profit uplift progressing according to plan

Europe

- **Union consultations ongoing** according to the so-called “Renault process” regarding intended **closure of Dison plant**
- Production in the Dison factory following schedule with minor and manageable delays

Americas

- **Order backlog in Americas is 139%** higher than at the end of Q1 last year
- Orders come for a wider range of customers and from a wider range of solutions – which caters for **more stability** in the business
- Production in the first quarter following schedule



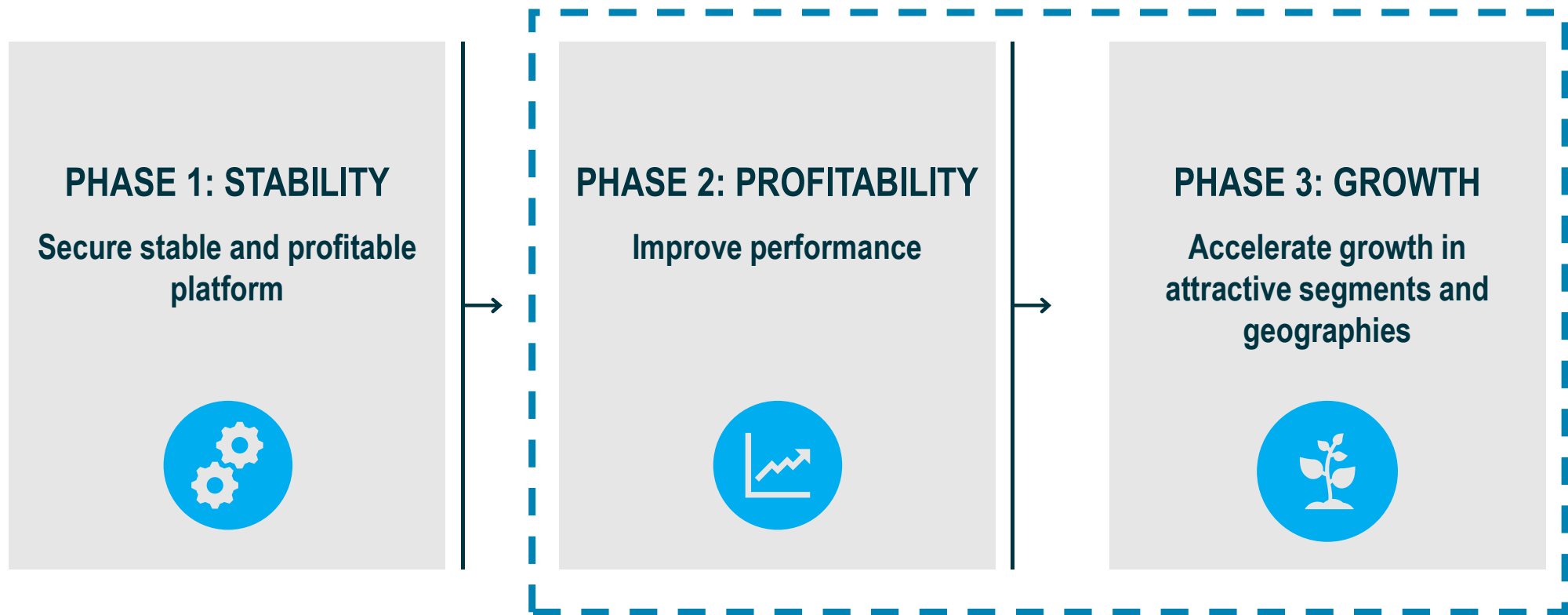
Strategic alternatives for ME and DC being evaluated

	Data Center	Mist Elimination
Underlying market growth?	✓ 10-15% expected CAGR in years to come	✓ Up to 10% expected CAGR in years to come
Competitiveness of Munters business?	✓ Leading technological solution and one of the leading players in economizer solutions	✓ Leading technological solutions and the leader in FGD and Marine markets
Munters being the “best” owner for the business?	? A range of operational issues over the last years	? Business of limited scale and relatively non-adjacent from rest of Munters

We will only invest in businesses where we optimise our deployment of capital – to be determined if DC and ME fulfil that criteria



Full Potential Program – starting to look into future phases



Our aspiration for 2021

- **World leading** position in selected **growing markets** where the Perfect industrial and agricultural Climate is mission-critical
- **Customer** see us as the most **innovative** partner of **energy-efficient** solutions – built around deep **application expertise**, leading technologies, a combined service and equipment offering and new generations of **digital solutions**
- **Effective organization** with clear governance and **focus on the customer** – securing stability in performance over time
- **Employees** with a **passion** for creating the **Perfect Climate** for our customers – and for being part of solving some of the worlds biggest challenges



We are confident we can deliver on our financial targets

- We operate in **attractive markets** driven by strong **sustainability** oriented global trends
- We pursue **leading positions** in selected market segments
- We have a plan to turn around the company short-term with the **Full Potential Program** – and a **strategy for long-term** profitable growth



Net Sales growth of 5%

Adjusted EBITA Margin of 14% mid-term

Net Debt/adjusted EBITDA ratio of 1.5-2.5

Dividends of 30-50% of Net Income