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

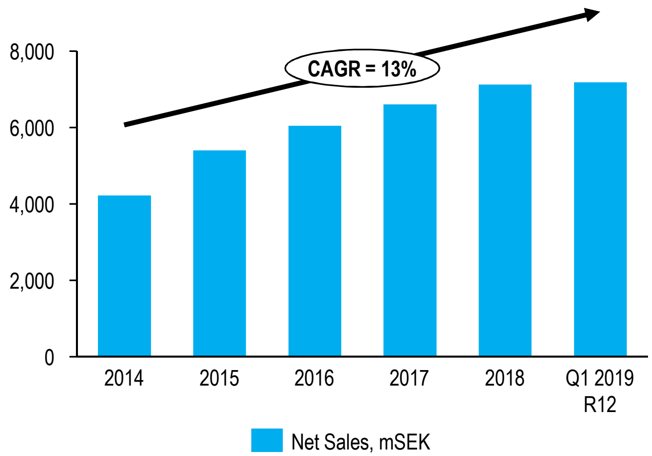
FoodTech – Sustainable solutions for demanding agricultural applications

CFO – Delivering the numbers

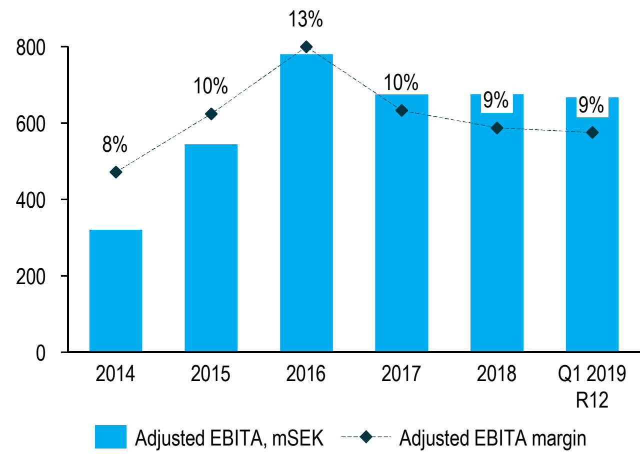
CEO wrap-up – Confident in our targets

Attractive financial profile, but we have not met our financial targets

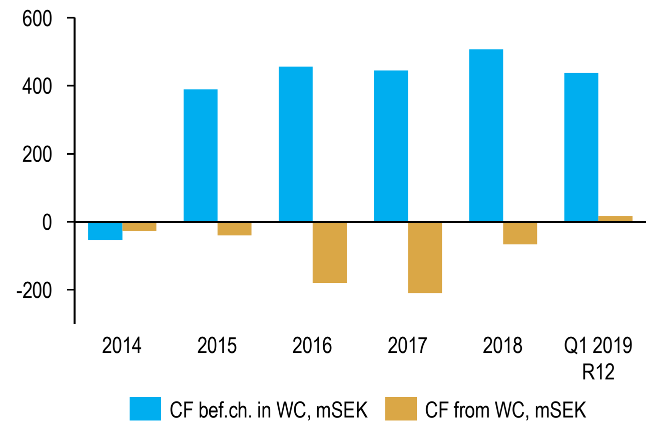
Strong Net Sales growth



Profitability negatively impacted by DC



Consistent high cash generation



- Strong Net Sales growth over period
- High cash generation
- Lower profitability caused by DC lumpiness, production inefficiencies and customer mix

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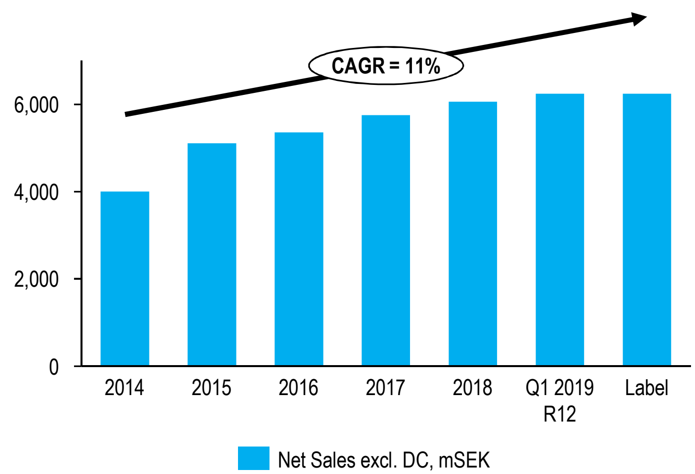
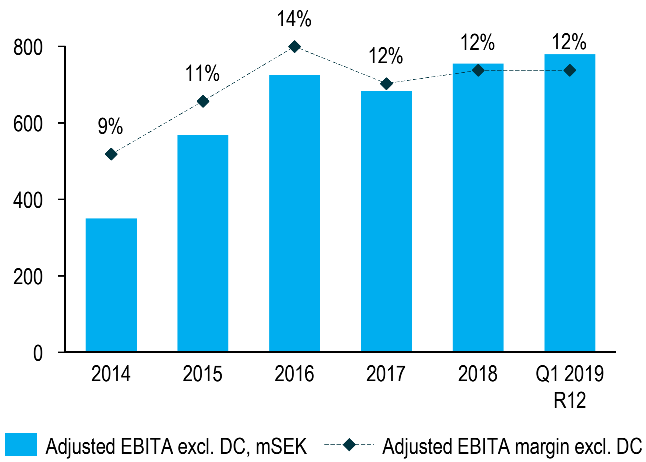
Financial profile is better when excluding Data Centers – moderate slower sales growth but firmer margin

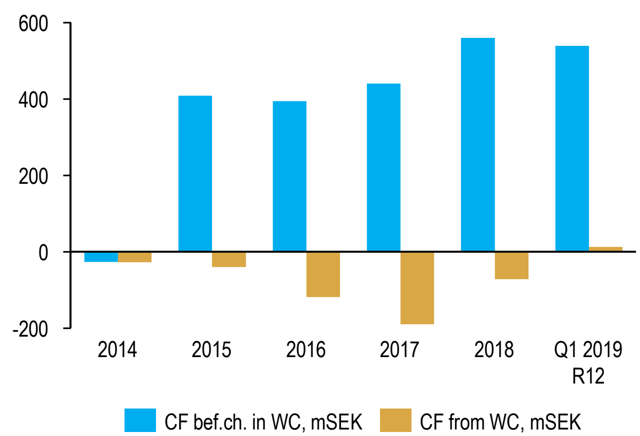
Net Sales growth 2 p.p. lower without DC



Margins 3 p.p. higher without DC (2018, Q1 2019)



Consistent high cash generation



- Large projects in DC EMEA with poor profitability and poor NWC profile, impacting overall Munters performance

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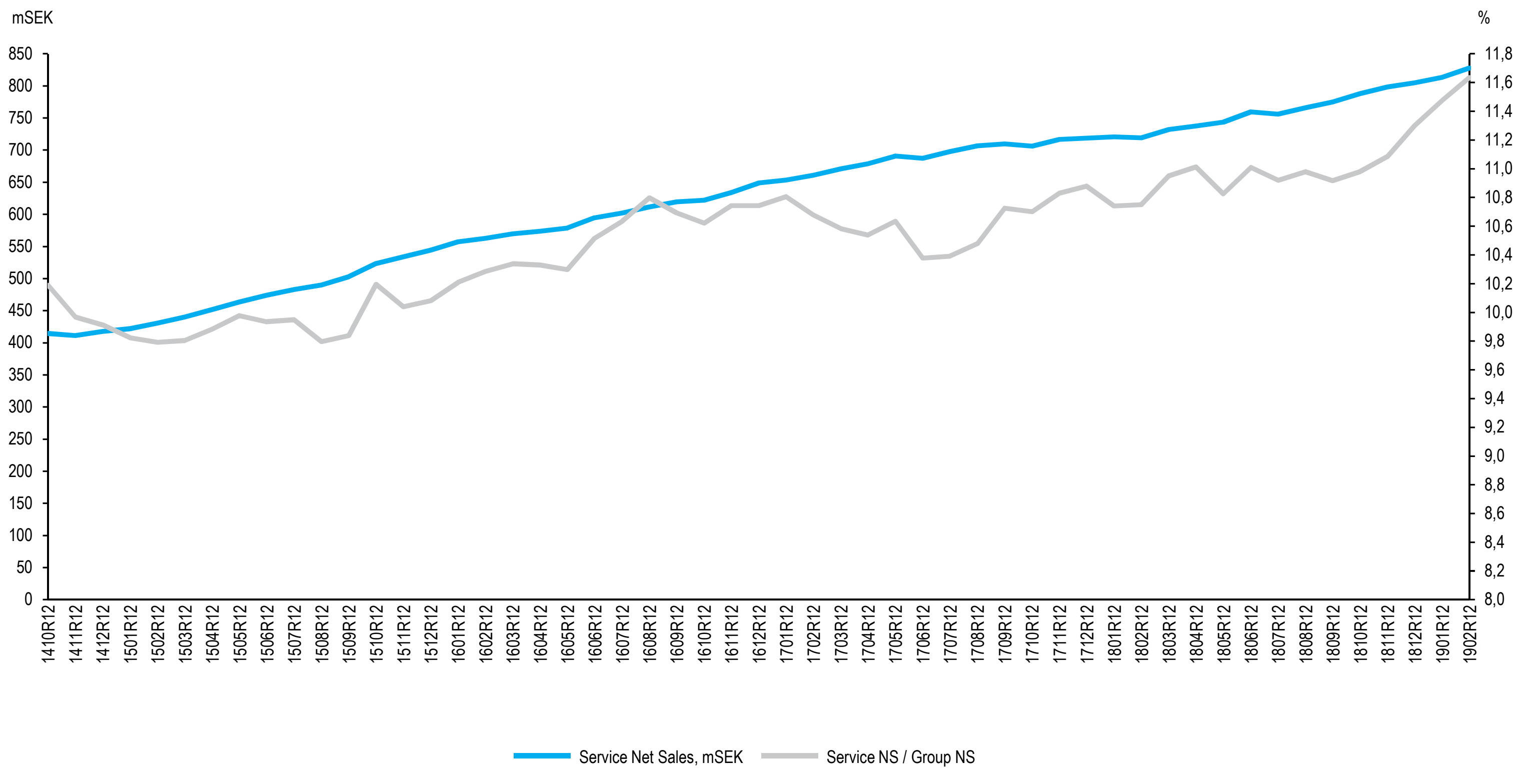
Services is a high margin activity, with large potential to be captured

Service Net Sales 2014-2019



- **High growth of 17% CAGR** between 2014-2018:
  - Consistent growth
  - Resilient to Munters lumpiness
- **Large potential** still to be captured in service contract:
  - Large installed base
  - Still low penetration rate

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Full potential program (FPP) - 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.

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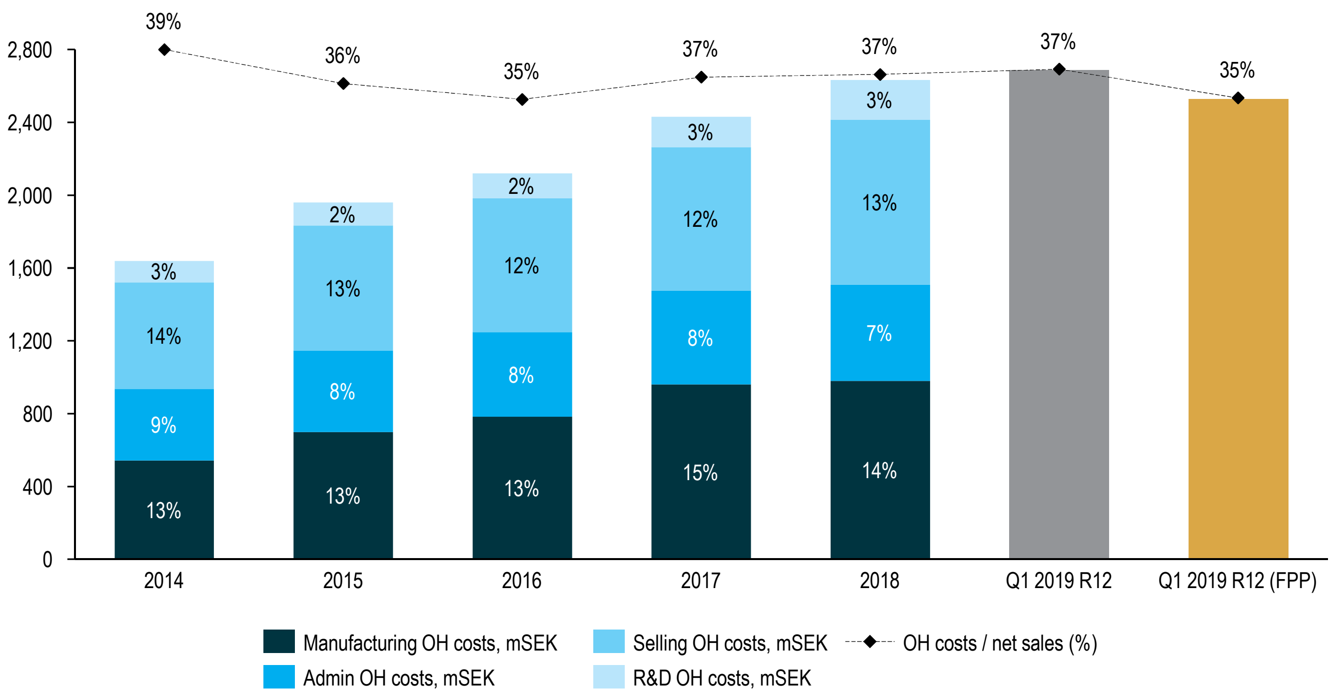
Key costs / structure and early encouraging signs from FPP

Full Potential Program brings OH down



- OH cost increases mainly driven by Services, China and R&D
- FPP will generate Run-rate savings of 160 mSEK

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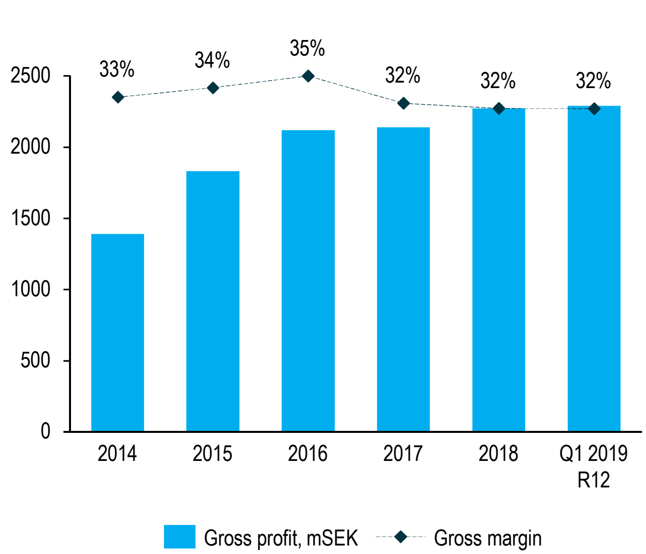
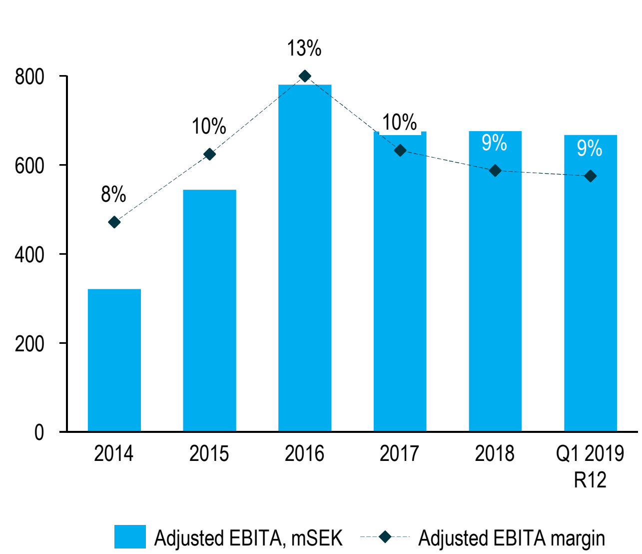
Considerations to improve gross profit and EBITA

Gross margin flat since IPO



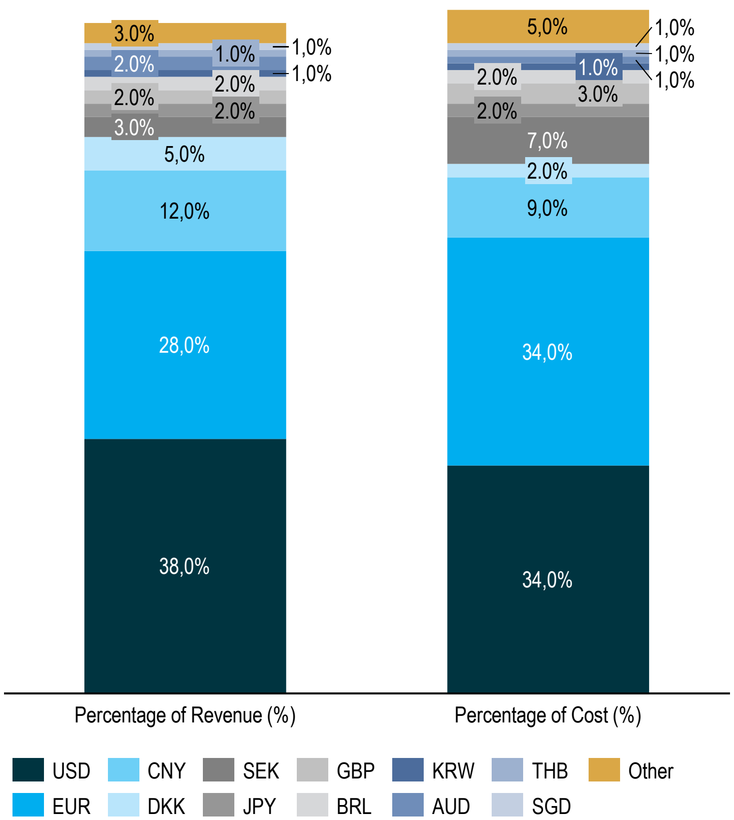
Adjusted EBITA down since IPO



- Low performance mainly driven by DC, but improvement potential across the Group
- Different initiatives under implementation in order to improve gross margin and EBITA:
    - Pricing initiatives
    - Capture of service potential
    - Procurement and Cost Out programmes
    - Operations stability
    - Scalability

Currency exposure largely naturally hedged

Currency Transaction exposure (2018)



Currency Sensitivity Table

`	Estimated effect on EBIT	
SEK +10% compared with	**mSEK**	**%**
USD	-54.0	-11%
CNY	-27.6	-6%
DKK	-28.1	-6%
KRW	-6.5	-1%
THB	-5.0	-1%
AUD	-4.9	-1%
SGD	-1.5	0%
CAD	-1.0	0%
TRY	-2.3	0%
CZK	3.1	1%
ILS	6.8	1%
MXN	8.6	2%
EUR	28.1	6%
Other currencies	-3.3	-1%
Sum	**-87.7**	**-18%**

- Good balance between sales and expenses in the various currencies (natural hedges)
- Minimal hedging of transaction exposure applied
- Currency exposures occur in USD, EUR and CNY
- Significant net exposures are hedged
- Operating exposure in USD and EUR is mainly hedge through Group financing arrangements

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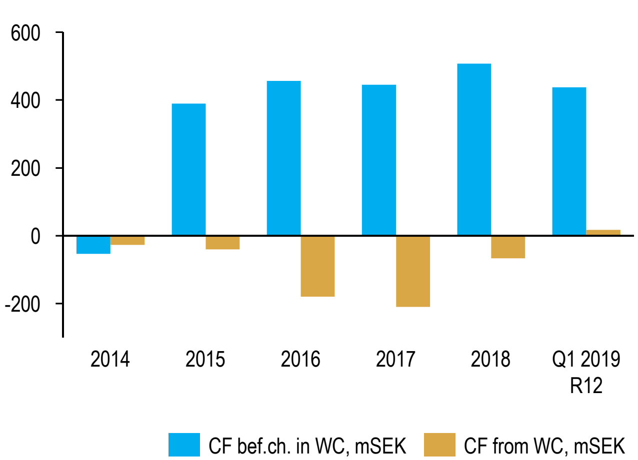
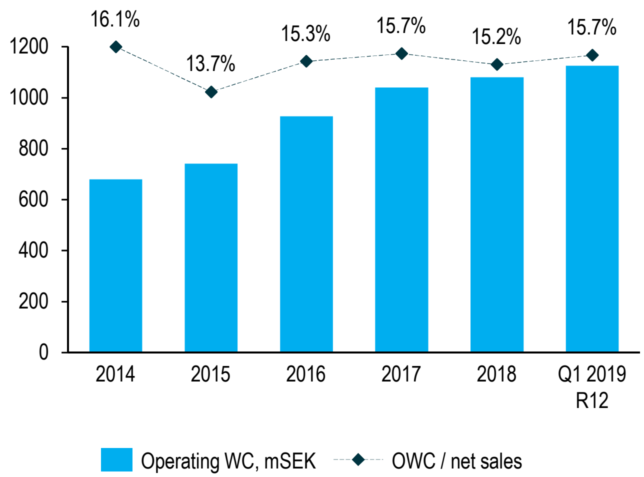
Very strong cash flow dynamics

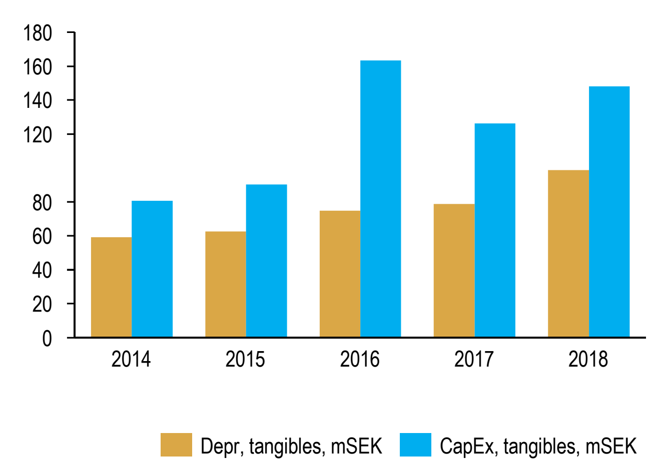
High cash generation



Increased focus on reducing NWC



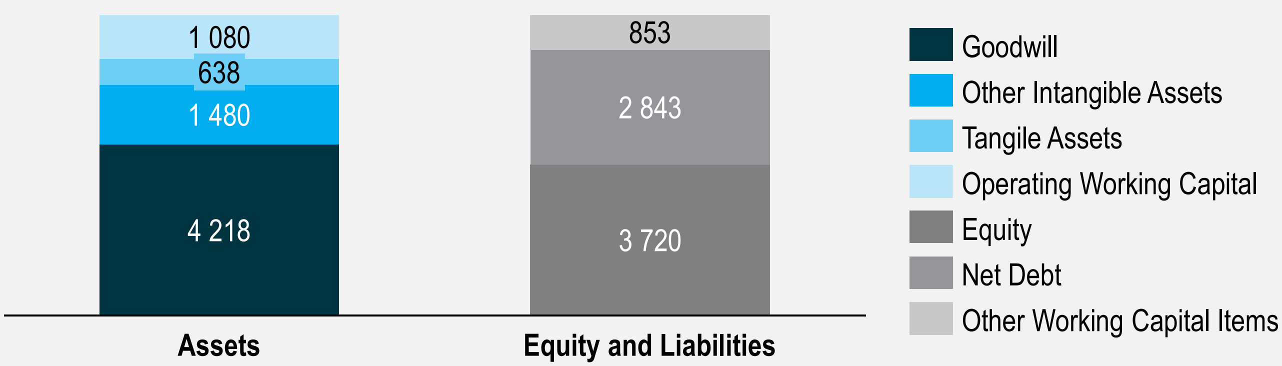
Munters is CapEx light, low CapEx levels in FPP



- Growth in DC and China as increased NWC
- FPP focus on reducing NWC

Capital structure allocations priorities

Current capital structure, mSEK



Facility`	US Term Loan	EUR multicurrency RCF
Commitment	250 000 000 USD	185 000 000 EUR
Temporary increase of commitment	n.a.	19 MEUR (from 1st of April to 31st of Dec 2019)
Base rate	3m US Libor	3m EURIBOR (floor at 0%)
Current margin (bps)	250	230
Commitment Fee (%)	n.a.	35 % of applicable margin on RCF facility on unutilized amount
Covenant – Net debt Leverage ratio	Net Debt / LTM Adjusted EBITDA	

Key priorities for Capital Allocation

1. Achieve strong balance sheet – deleverage
2. Organic growth and cash flow to fund investments in the business
3. Reinstate dividend as FCF grows
4. Disciplined and selective M&A

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Financial targets

Growth	5%	"Munters' objective is to achieve an annual organic revenue growth of 5%, supplemented by selective acquisitions"
EBITA margin	14%	"Munters' mid-term target is to have an adjusted EBITA margin of 14%"
Capital structure	1.5-2.5x	"Munters' target is to maintain a ratio of net debt to adjusted EBITDA of 1.5-2.5x, and may temporarily exceed this level e.g. as a result of acquisitions"
Dividend policy	30-50%	"Munters aims to pay an annual dividend corresponding to 30-50% of the net profit for the period. The pay-out decision will be based on the Company's financial position, investment needs, acquisitions and liquidity position"

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CEO wrap-up – Confident in our targets

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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

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Questions & Answers