



Munters

Q4 2022 – Investor presentation

Investor Relations

Agenda

Introduction

Q4 & FY highlights

AirTech

DataCenter Technologies

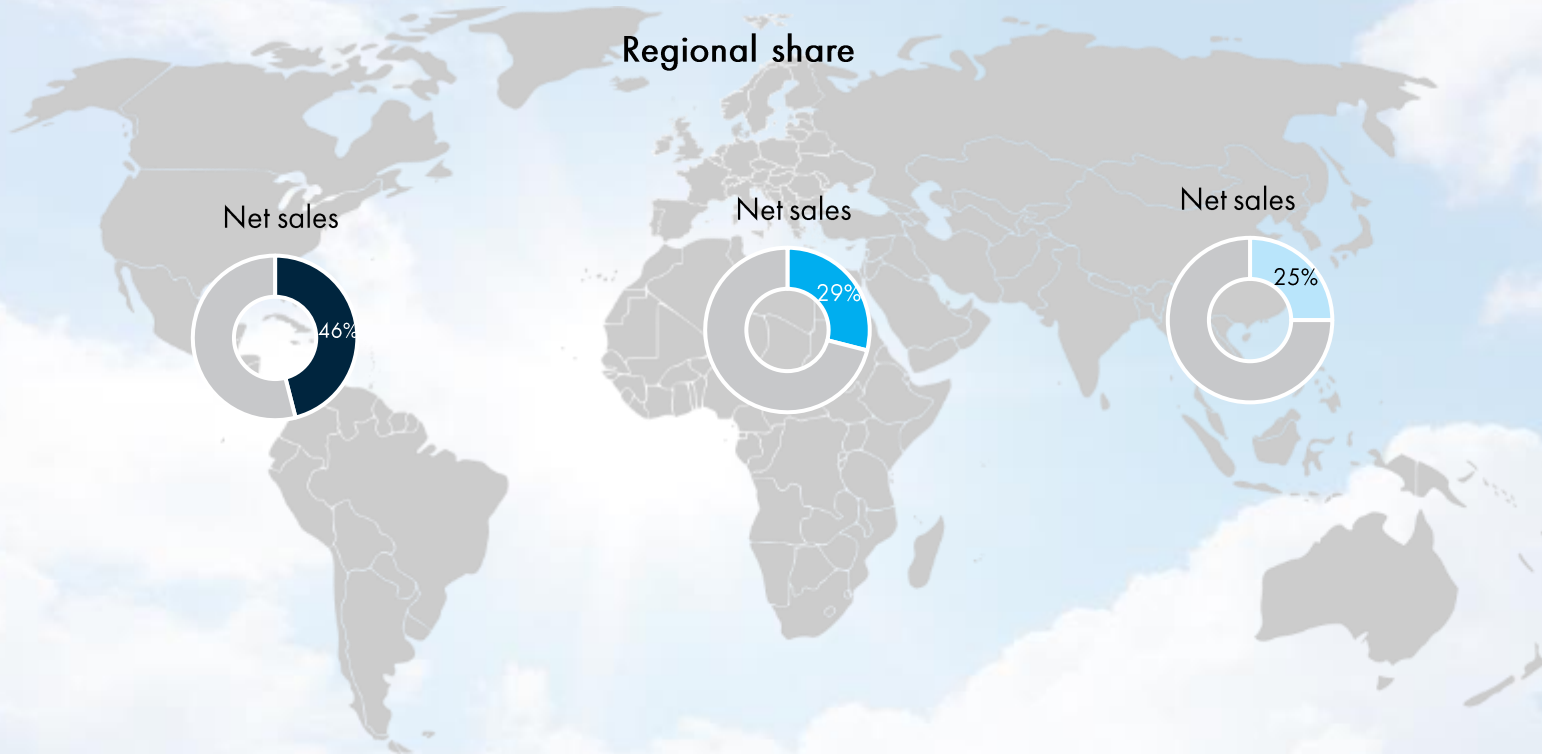
FoodTech

Customer Cases

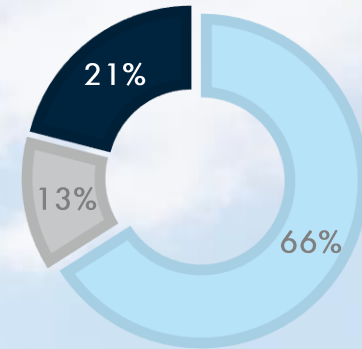


World leader in energy-efficient climate solutions

Regional share

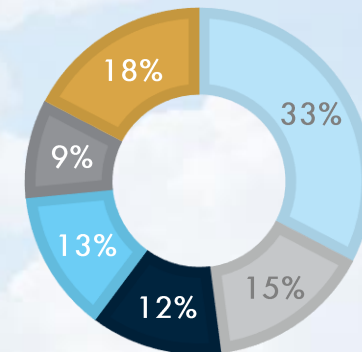


Net sales per business area



- AT- AirTech
- DCT - Data Center Technologies
- FT- FoodTech

Largest customer segments by net sales



- Industry incl battery
- Broiler
- Components
- Service
- DataCenter
- Other

Munters offers climate solutions where controlling indoor humidity, temperature and energy efficiency is mission-critical. Our solutions reduce customers' climate and environmental impact through efficient resource consumption

Sales in number of countries

>30

Sales MSEK

10,386

Number of production plants

19

Adj. EBITA margin

10.3%

Number of employees

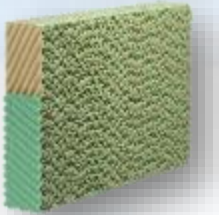
~3,940



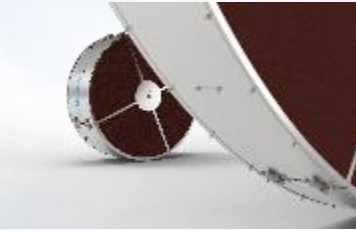
Core technologies – dehumidification and evaporative cooling

Core Technologies

Evaporative cooling pads



Rotors with desiccant drying wheel



AirTech offering

Dehumidifiers

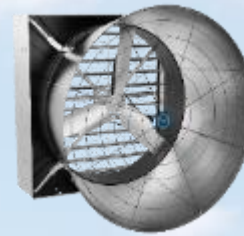


Climate systems

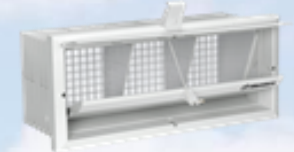


FoodTech offering

High-efficiency fans



Air inlets



DataCenter Technologies offering

Packaged air economizers



Chilled Water CRAH



SyCool



Service



Controller



Sensors and software



The above products are examples of products in the Munters offering
CRAH – Computer Room Air Handler

Munters on a journey



2019

- Two business areas: AT and FT
- CEO and CFO recruited
- Strategic review of Data Centers and Mist Elimination
- Data Centers Europe closed

2020

- New strategic priorities launched
- Organizational re-design: business areas to own full value chain
- Efficiency improvement initiatives (Working capital focus)
- Management team expanded
- Reduction of product portfolio initiated
- AT strategic review

2021

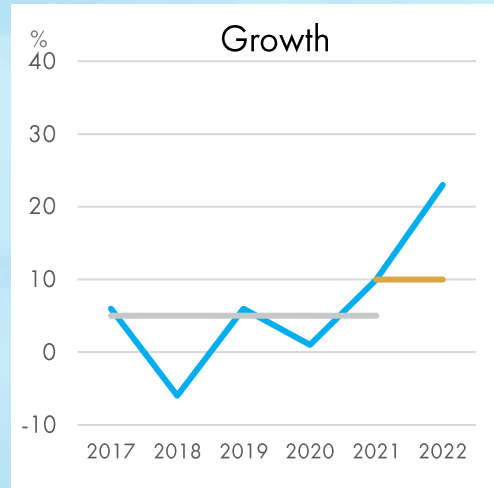
- Efficiency improvement initiatives continue
 - Secure end-to-end information/value chain efficiency across all Munters
 - Working capital focus
- Increased focus on R&D
- FT strategy review & AT delivery on strategic review
- Listed on Nasdaq Stockholm's Large Cap

2022

- AT & FT delivery on strategic review
- New business area: DCT
- Acquisition in all business areas
- Updated financial targets

Creating sustainable value

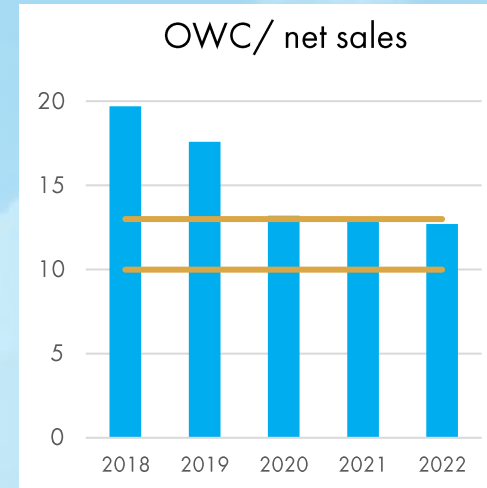
Munters' overarching target is sustainable value creation - with clear goals we steer operations and set priorities that help us reach our overarching targets.



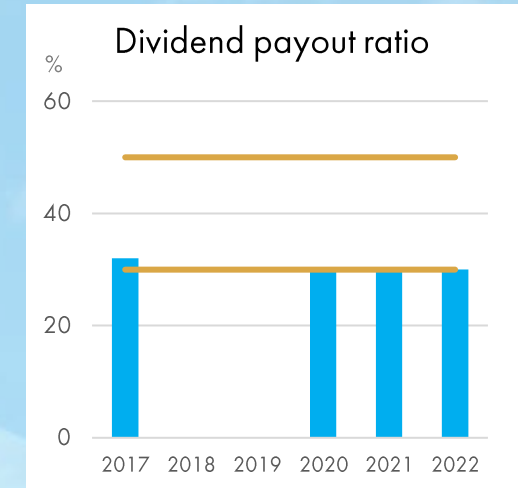
Target: Annual organic growth p.a. over a business cycle of 10%



Target: Adjusted EBITA margin of >14%



Target: Average OWC, LTM* as % of net sales for the same period



Aim: to pay an annual dividend corresponding to 40–50 percent of net income for the year

* OWC = Operating Working Capital
LTM = last twelve months

Our purpose - For customer success and a healthier planet

CDP rating

B

(2021: C)

Renewable electricity

72%

(2021: 53%)

Recycling rate

52%

(2021: 54%)

Energy efficiency**

0.62

(2021: 0.89)

Allbright
Even gender
distribution in mgmt
team placed us on
the Greenstock
Exchange List



Total Recordable
Incident rate (TRIR)

1.8

(2021: 1.7)

Percentage women in
workforce

21%

(2021: 22%)

Percentage women
leaders***

22%

(2021: 23%)



Net sales aligned to the
EU Taxonomy

37%

(2021: 35%)

Service share of net
sales

15%

(2021: 15%)

Code of conduct for
suppliers

100%

(2021: 100%)

Financial figures Dec 2022

* Reported in accordance to GHG Protocol

** Electricity consumption in production facilities relative to production value (MWh/production value SEK 000) as of LTM Q4, 2022.

*** Salary setting managers

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Customer Cases



2022 – Delivering on strategy with record growth



Strong demand resulting in record order backlog and very strong organic growth



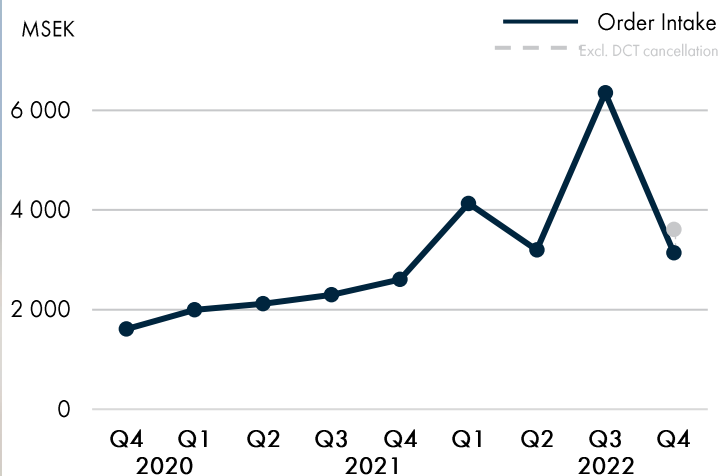
Increased capacity to meet growing demand today and in coming years



Continued investments in digitization and automation & growth by acquisitions

Q4 - A quarter with organic growth and strong underlying demand

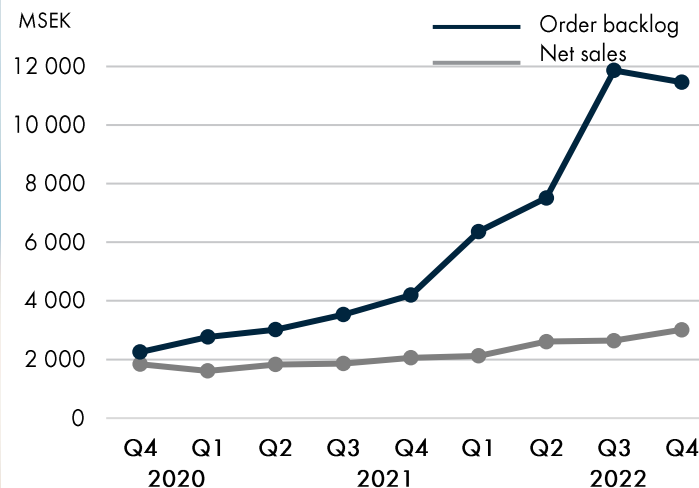
Strong underlying demand



Order intake, Q4 FX-adj. +1% (organic growth -1%):

- order intake up +20% FX-adj., excl. DCT cancellation of MSEK 465
 - Caused by a whole project being stopped or redirected and is not related to Munters as a specific supplier
- 2 large battery orders from a multinational automotive manufacture in Americas, MUSD 54

Solid organic net sales growth



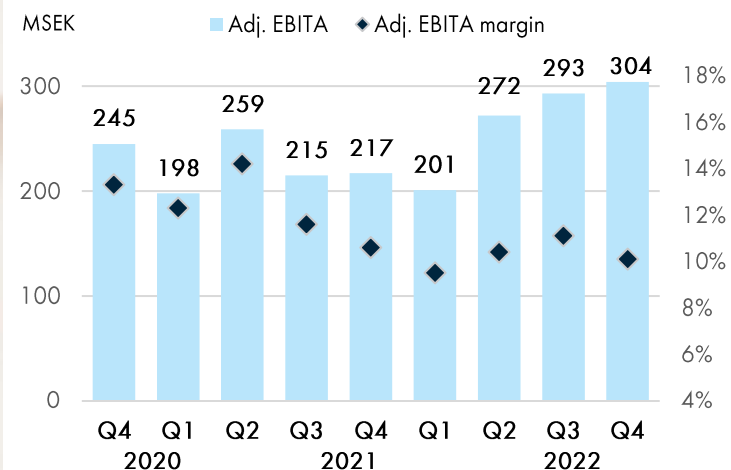
Net sales, Q4 FX-adj. +30% (organic growth +26%):

- AT and DCT showed strong growth
- offset by FT, weak market in APAC & EMEA

Order backlog, FY, FX-adj. +145% (organic growth +140%)

Book-to-bill Q4: 1.0, FY: 1.6

Investments in digitization and automation



Adj. EBITA margin Q4 10.1%, FY 10.3%:

- lower FT volumes in APAC & EMEA
- price increases offset by business mix change in DCT
- strategic investments for scalability in digitization and automation increased

Q4 - market challenges remain, slightly improved over Q3

Global market situation



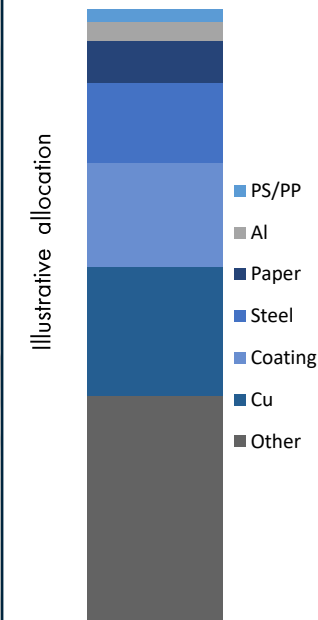
- Macroeconomic uncertainties
- Geopolitical instability, war in Ukraine
- Lingering Covid-19

Consequences of market situation

- Inflationary pressure resulting in higher input costs
- Component shortages primarily in electronics
- Weakened demand from the farming industry in EMEA
- Rising energy prices in EU & Americas
- Limited freight alternatives and high costs remain for road freight

Supply chain impact

Munters main raw materials directly/indirectly impact*



Trend commodity price development

	QoQ	YoY
Steel	-	--
Copper	+	-
Aluminium	+	-
PS/PP	+	-
Freight costs	-	-
Energy prices (EU)	-	-

Source: Munters analysis

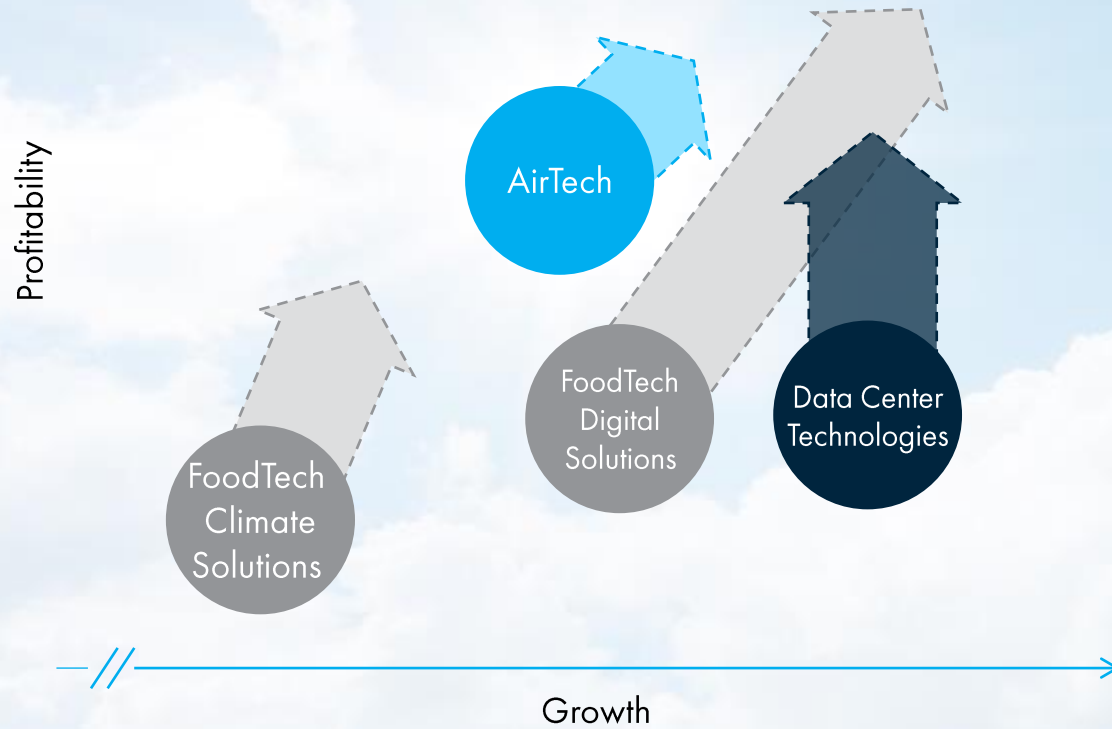
*PS - Polystyrene, PP - Polypropylene, Al - Aluminium, CU - Copper

Munters focus areas



ILLUSTRATIVE

Direction of long-term positioning – 2023 and beyond



Focus areas 2023 and beyond

AirTech

- Continued progression on profitable growth
- Service & energy efficient solutions key drivers

DCT

- Step by step improved profitability
- Expanding market leading offer

FoodTech

- Digital Solutions – growth & profitability, through SaaS ARR
- Climate Solutions – stability & profitability

Increased investments in digitization and automation

Group adj. EBITA margin impact

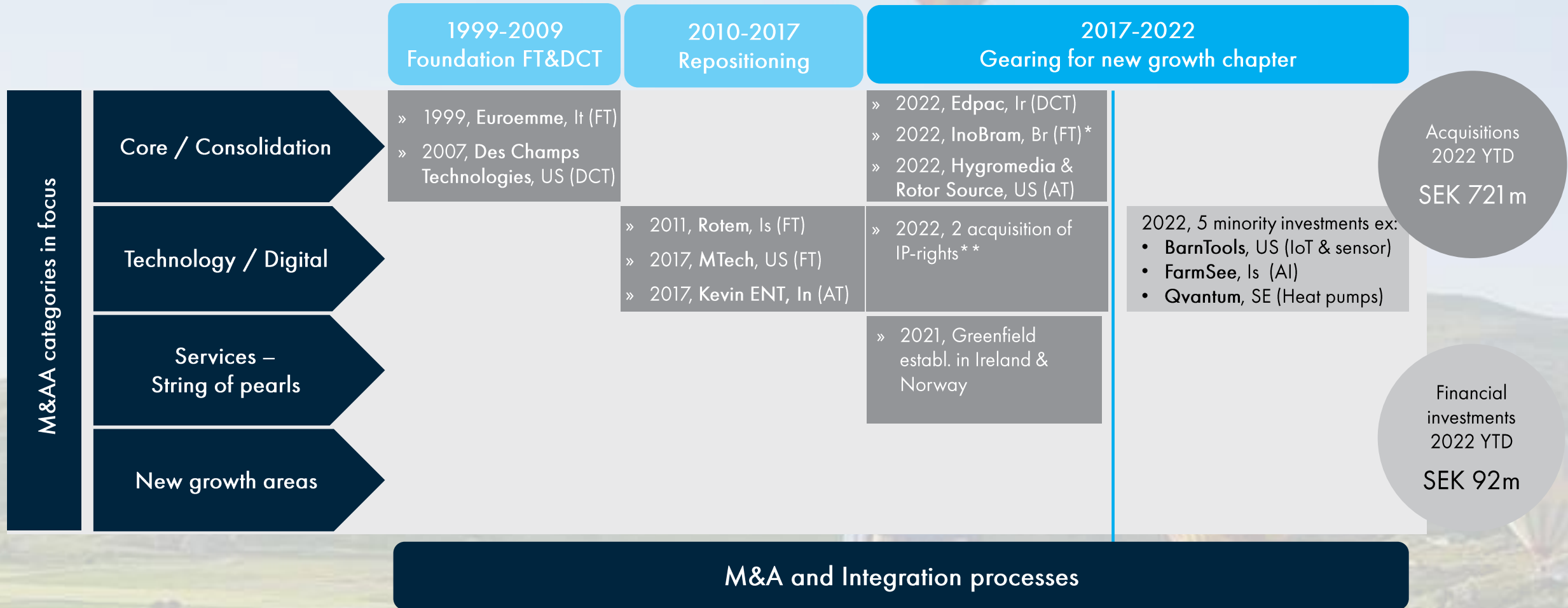
	Q4
2021 adj. EBITA %	10.6
Volume	++
Net pricing	++
Operational challenges	-
Supply chain	-
Investments	-
Business & regional mix	--
2022 adj. EBITA %	10.1

Main factors affecting adj. EBITA margin in Q4:

- Positive impact from volume increases in DCT & AT
- Price increases more than compensated for the increased raw material and freight costs in AT and FT
- Operational challenges less impact in Q4 than in Q3; actions identified for improvement on-going
- Supply chain challenges remains with some bottlenecks and component shortages, albeit lower level than in previous quarter
- Strategic investments for scalability in digitization and automation continued
- Business & regional mix had a negative impact:
 - weak market for FT in APAC & EMEA
 - a changed business mix in DCT



Inorganic strategies to boost overall growth



* subject to certain corporate and regulatory approvals
 **IP-rights - Intellectual property rights

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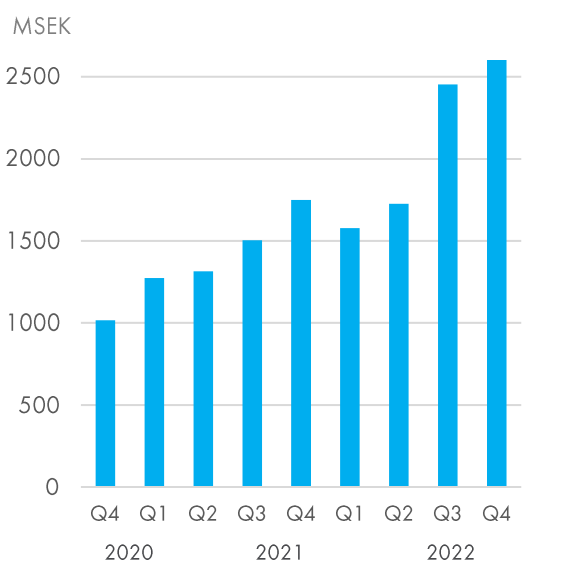
Customer Cases



Global leader in air treatment for industry

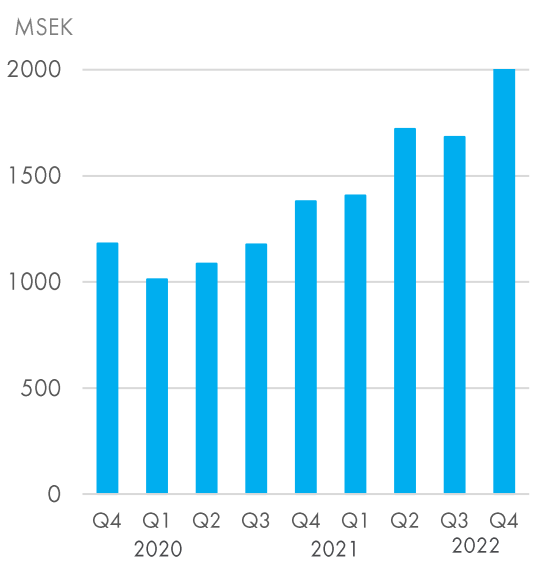
Order intake, MSEK*

8,399



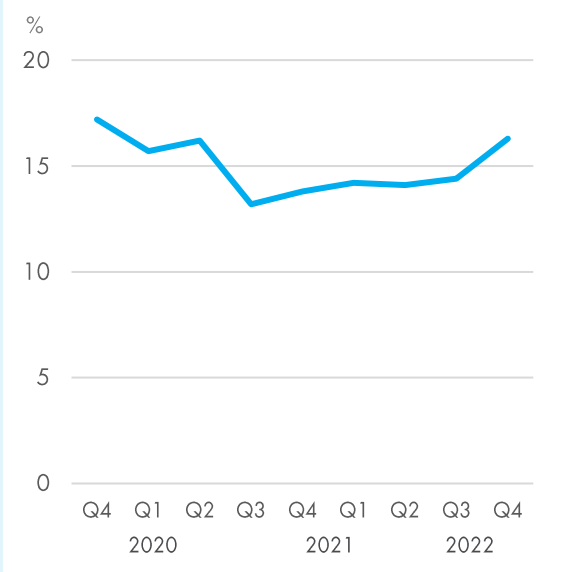
Net sales, MSEK*

6,830

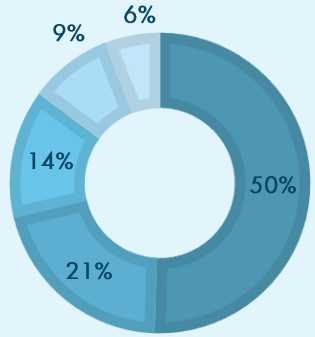


Adjusted EBITDA margin*

14.8%

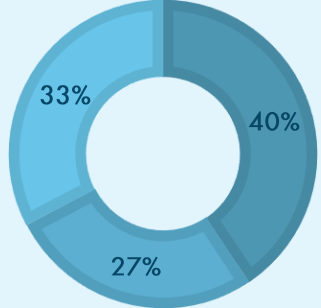


Customer segments, net sales*



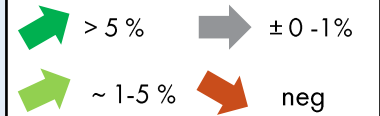
- Industry incl battery
- Services
- Components
- Clean Technologies
- Commercial

Regional distribution, net sales*











- Americas
- EMEA
- APAC

*Financial figures FY 2022



Order intake strong in all customer segments



































Customer segment	% order intake FY 2022	Market Outlook *	Comments
Industrial	59%		Overall strong outlook
...whereof battery	37%	 ***	Very strong demand driven by electrification trend and investments in new battery production facilities in all regions
...whereof food processing	7%		Continued stable market outlook
...whereof other	15%		Good demand from other industrials, regional variations
Components **	11%		Demand expected to remain strong in key markets. Some sales to battery segment through other system providers
Clean Technologies	6%		Growth driven by primarily process industries
Commercial	4%		Steady replenishment market for supermarkets
Services	20%		Growth in all regions and continued high demand for our Services

* Market outlook and comments are indicative and refer to the coming six months

** Dehumidification rotors and humidification pads sold through OEM channels

*** Market outlook for Battery is strong with growth above 10 per cent

Selection of market layers - mainly small local players

	Small (<1 BSEK)				Medium (1-2 BSEK)	Large (2-10 BSEK)	Extra Large (>10 BSEK)
Humidity Control Technologies	Dehumidification						
	 AM  AM/AS  AM  AS	 AS  AM  EU  AS	 AS  EU  AS  AS	 AM  AM  AS  EU	 AM/AS/EU  AM/AS/EU	 AS  AM  AS	
	Humidification						
	 AS	 AM	 AS		 EU/AS	 EU/AS/AM	
Clean Technologies	 EU	 EU	 EU	 EU	 AM	 AM/AS/EU	 EU/AS/AM  EU/AS/AM

★ A small business within a large company/conglomerate



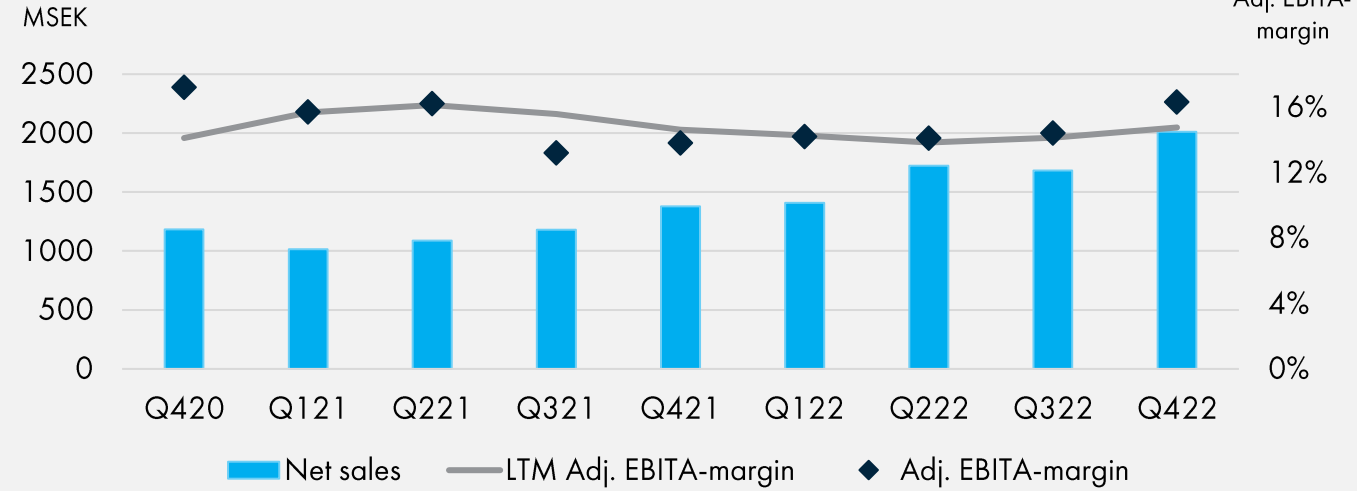
Strong growth in Battery & Services

Q4 comments:

- **OI** increased in all regions
 - Battery strong all regions, especially Americas (2 large orders, MUSD 54)
 - Services good growth, mainly Americas
- **NS** increased
 - Price increases ~ 7% of AT net sales
 - Battery & Components good growth all regions
 - CT grew strong in Americas, good growth in EMEA
 - Services growth, especially Americas & APAC. Services 24% of AT net sales
- **Adj. EBITA margin** improved, impacted by;
 - + Strong volume growth
 - + Efforts to increase manufacturing efficiency
 - + Net price increases more than compensated for higher material & freight costs
 - Continued high level of work to secure components & manage lead times

	MSEK	Q4 2022	Q4 2021	Change (%)			FY 2022	FY 2021
				Organic growth	Structural growth*	Currency effects		
Order intake		2,642	1,749	32	1	18	8,399	5,842
Order backlog		4,698	2,796				4,698	2,796
Net sales		2,013	1,380	29	2	15	6,830	4,664
Adj. EBITA		329	190				1,014	682
Adj. EBITA-margin		16.3	13.8				14.8	14.6

* Acquisitions & divestments



FY 2022: strong growth especially in the battery sub-segment, Services & CT

Munters acquires Hygromedia and Rotor Source

"With these acquisitions we strengthen our position as a leading supplier of desiccant dehumidification technology systems for numerous industrial processes"



- Hygromedia LLC - manufacturer of desiccant dehumidification media. Specializes in components, supplying desiccant rotor manufacturers in the US, Europe & Asia
- Rotor Source Inc. - supplier of rotors and cassettes to original equipment manufacturers (OEM)
- Located in Baton Rouge, La., US, about 30 employees & 2021 revenue at MUS\$ 11.5 with accretive EBITA-margin. Acquisitions took place in November 2022

- Provides us with additional channels to market
- In line with strategy to strengthen our core business
- Strengthens offering to customer within lithium-ion battery, pharmaceuticals, electronics, food processing, aerospace etc.

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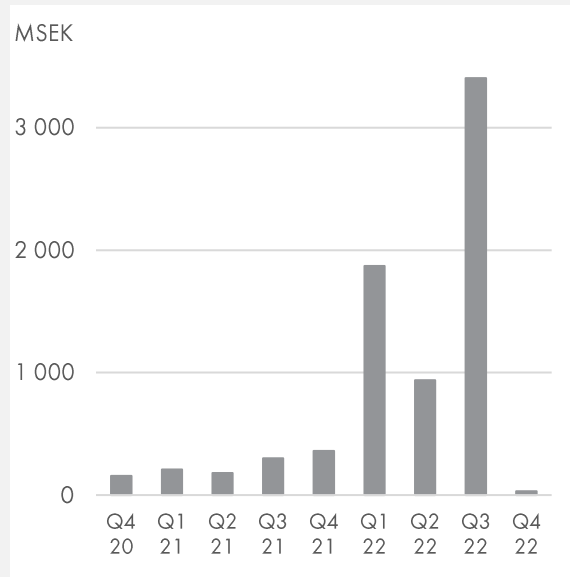
Customer Cases



Sustainable cooling solutions that facilitate digitization

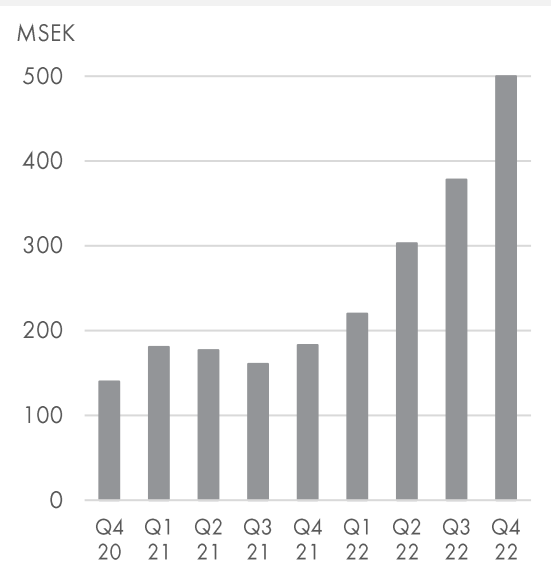
Order intake, MSEK*

6,245



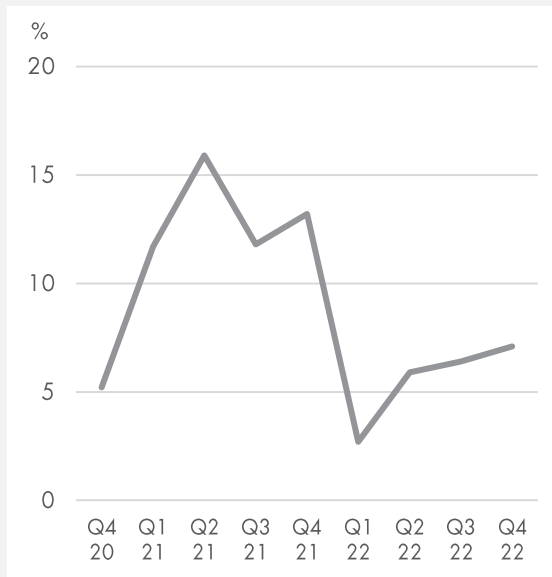
Net sales, MSEK*

1,401

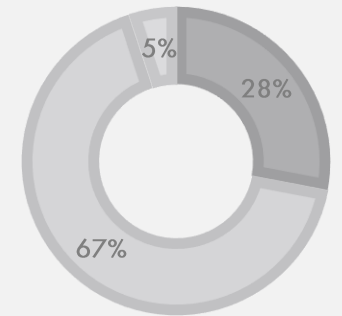


Adjusted EBITDA margin*

6.0%

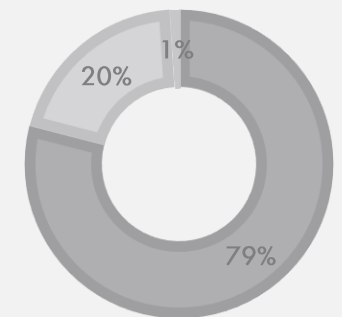


Customer distribution, net sales*



- Hyperscalers
- Colo
- Telco & enterprises





Regional distribution, net sales*






- Americas
- EMEA
- APAC

*Financial figures FY 2022

2022 strong demand in Colocation

 > 5%	 ± 0 - 1%
 ~ 1-5%	 neg

Customer Segments	% order intake FY 2022	Market Outlook *	Comments
Hyperscalers – cloud suppliers with the critical computer and network infrastructure necessary to build robust, scalable application environments	5%		Increase in cloud traffic and connectivity services continues to drive growth. Hyperscalers are recalibrating their data center design to higher density cooling as well as moving some capacity into the colocation market
Colocation – manage data centers where companies can rent out the facilities	93%		Strong demand driven by greater use of colocation sites by Enterprises and Hyperscales, specifically orders SyCool and other split systems solutions
Telco & enterprises – built, owned and operated by companies and optimized for the end user	2%		Expect to see growth related to 5G and edge computing**

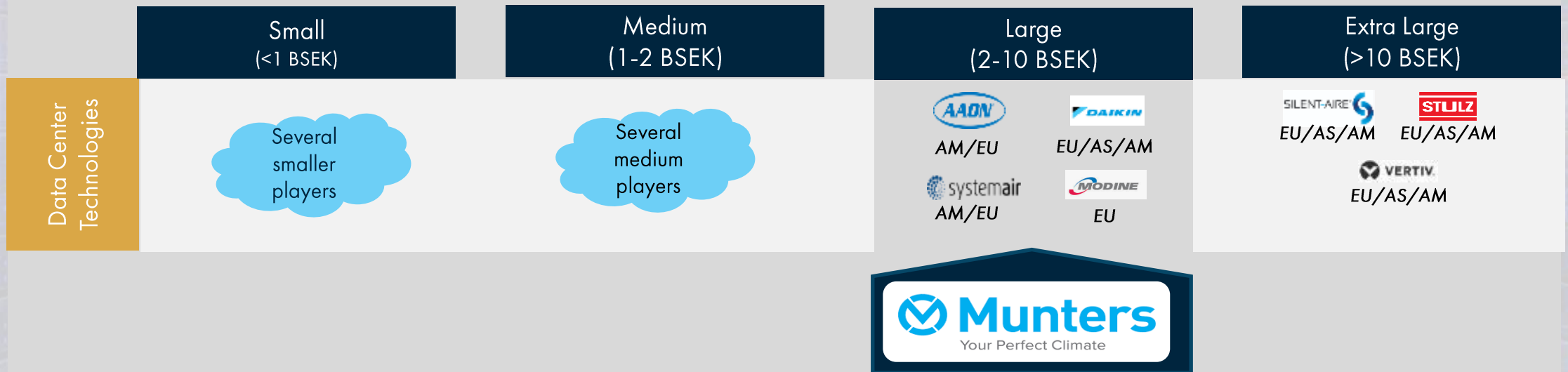
* Market outlook and comments are indicative and refer to the coming six months

** Smaller data centers in more urban environments

Selection of market players - Munters well positioned for growth

An order in DCT is generally:

- a project with a lead time of 9-15 months
- consists of several equipment deliveries



Strong net sales growth, driven by colocation in Americas

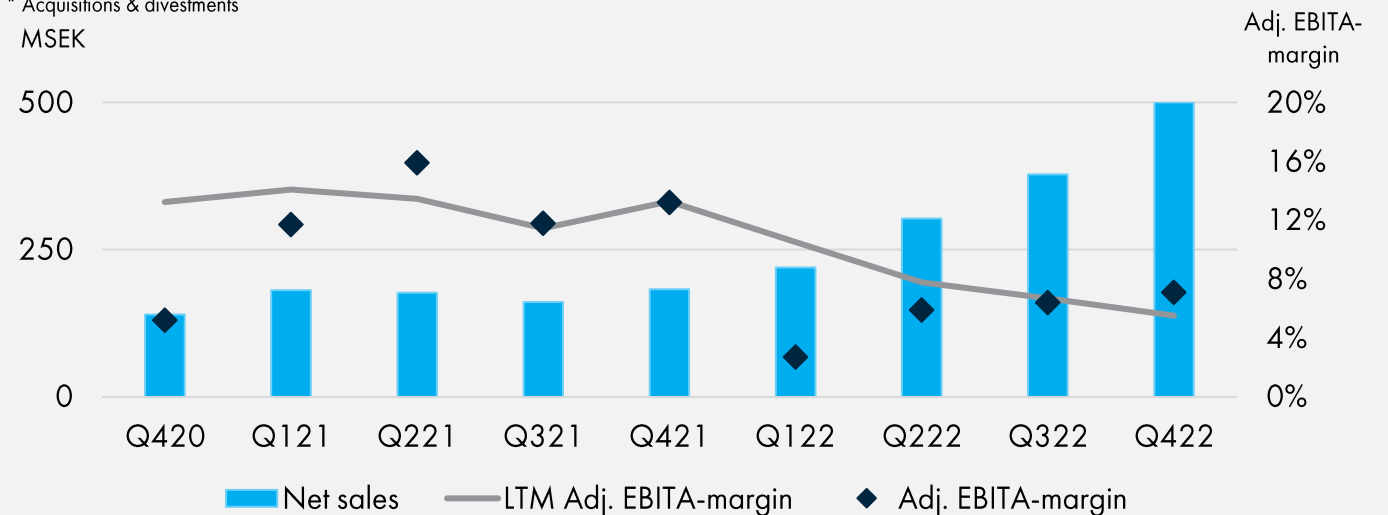
Q4 comments:

- **OI** increased +6% FX-adj., excl. cancellation of MSEK 465*
 - Excl. cancellations both Americas & EMEA grew
- **NS** strong increase
 - Strong growth in colocation customers in US
 - Price increases ~6% of DCT net sales
- **Adj. EBITA margin** declined, impacted by;
 - + Volume growth in both regions & ramp-up of production in Virginia facility
 - Different business mix compared to last year
 - Price increases still lagging increased material & freight costs

FY 2022: very strong growth in both Americas & EMEA, Munters largest orders ever received during the year

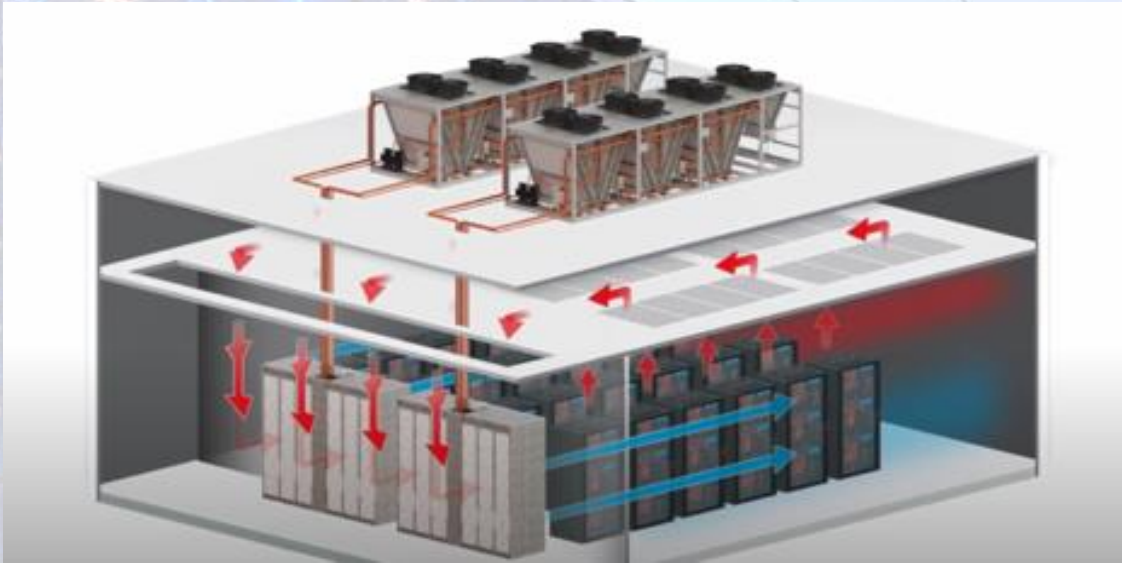
MSEK	Q4 2022	Q4 2021	Change (%)			FY 2022	FY 2021
			Organic growth	Structural growth*	Currency effects		
Order intake	30	361	-131	9	31	6,245	1,051
Order backlog	5,937	703				5,937	703
Net sales	500	183	106	26	41	1,401	702
Adj. EBITA	36	24				84	92
Adj. EBITA-margin	7.1	13.2				6.0	13.2

* Acquisitions & divestments
MSEK



* Cancellation of orders received earlier in 2022 for evaporative cooling solutions. The cancellation is caused by a whole project being stopped or redirected and is not related to Munters as a specific supplier.

Customer rescopes data center projects and design

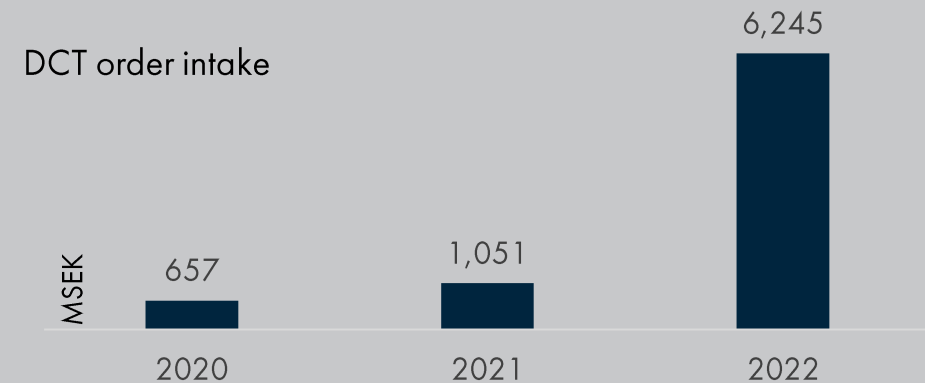


SyCool Split

- Energy efficient, thermosiphon-based dry cooling solutions for data centers
- Minimizing environmental impact of data centers through free cooling without the use of water.
- Winner of Mission Critical magazine's 2021 Top Tier Product Award for Thermal Management Solutions.

Order cancellation for DCT in Q4:

- DCT cancellation for orders received during 2022
 - Cancelled: evaporative cooling solutions, ~MSEK 465
- Cancellation caused by whole project being stopped or redirected, not related to Munters as a specific supplier
- Order intake increased +6% FX-adj., excl. DCT cancellation
- Strong demand in Americas & EMEA



Technology shift ongoing in the cooling market

Our highly energy-efficient SyCool Split system uses zero water.



DataCenter Magazine says “Munters has a pivotal impact on the sustainability of the entire industry at large”

Source: DataCenter Magazine

FACTS

- Operators and colocation require critical cooling technology to become more efficient, competitive and sustainable.
- Improving cooling technologies is critical to ensure the data center industry achieves its sustainability targets
- This demand has driven an exceptional degree of innovation from data center cooling companies across the world

Munters SyCool

- Recognized across the industry for our innovation & exceptional sustainability standards, with solutions precisely designed for mission-critical processes
- Enable customers to reduce their resource consumption, carbon emission & improve operational efficiencies
- Winner of Mission Critical’s Top Tier Product Award for Thermal Management Solutions in 2021

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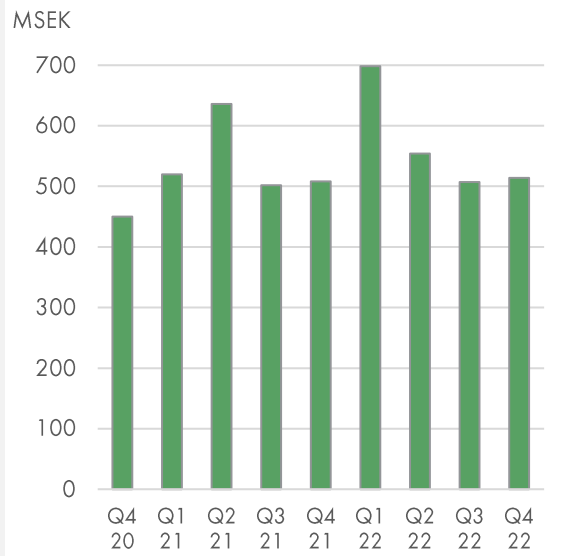


A world leader in climate control systems for food production

FoodTech is one of the world's leading suppliers of climate control systems for livestock farming and greenhouses, as well as software to control and optimize the entire food production value chain.

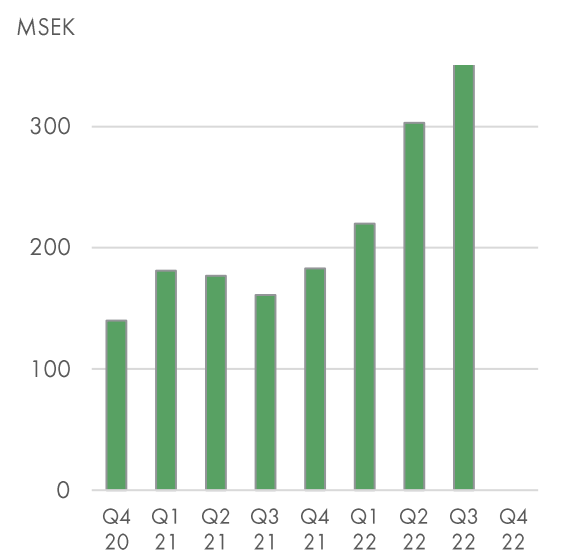
Order intake, MSEK*

2,242



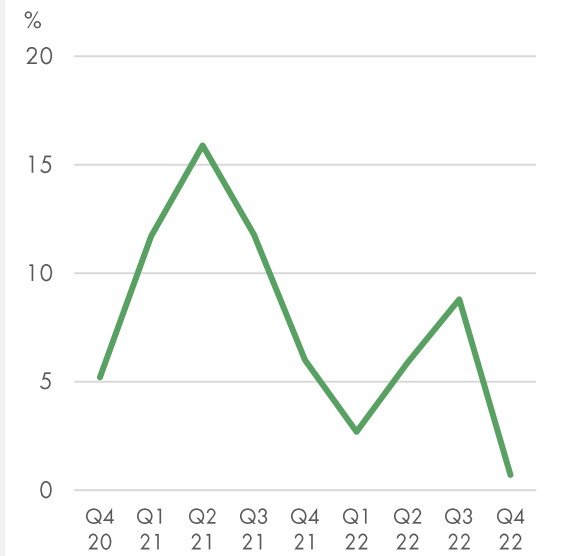
Net sales, MSEK*

2,211

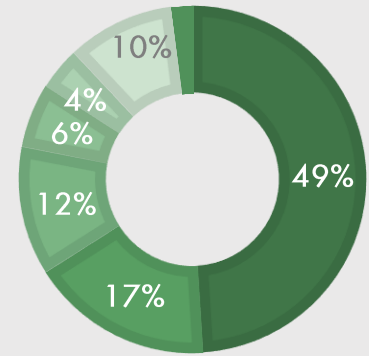


Adjusted EBITDA-margin*

5.8%

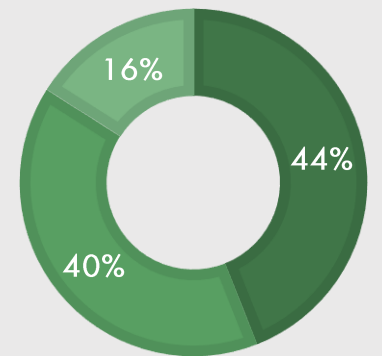


Customer segments, net sales*



- Broiler
- Layer
- Dairy
- Other
- Swine
- Greenhouse
- Digital Solutions

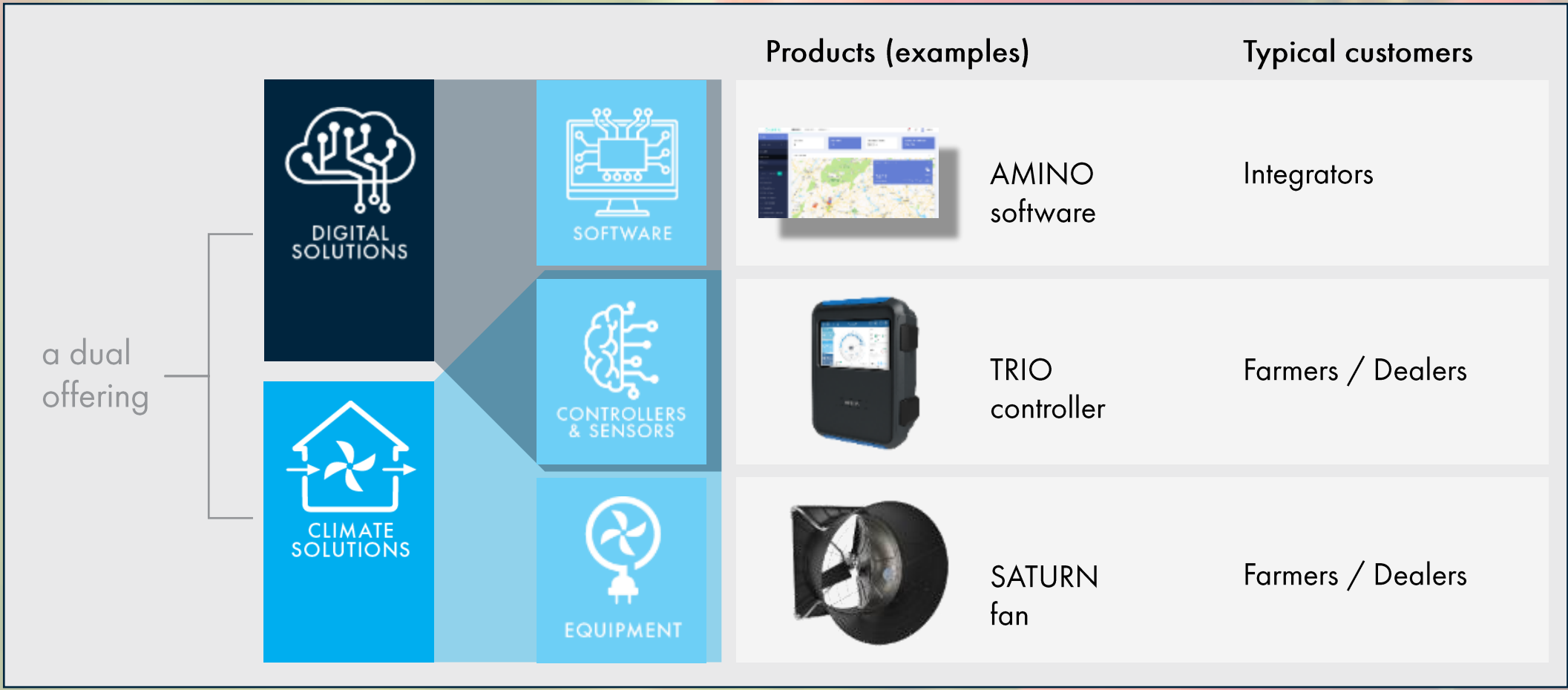
Regional distribution, net sales*



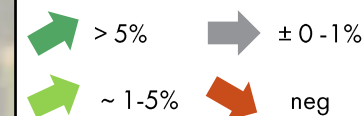
- Americas
- EMEA
- APAC

*Financial figures FY 2022

FoodTech has a leading dual offering to our customers































FoodTech stands on two pillars, climate solutions and digital solutions



Challenging market in Climate Solutions

Customer segment	% order intake FY 2022	Market Outlook *	Comments
Climate Solutions	77%		Mixed market development - growth in Americas, slow down in EMEA and weak demand in APAC, especially China
...whereof Broiler	46%		Continued strong demand in Americas. EMEA slower due to high food prices and energy costs
...whereof Swine	13%		Weak development in APAC and EMEA
...whereof Layer	9%		Cage-free regulation driving long-term demand; EMEA investments on hold due to high raw material costs
...whereof Greenhouse	5%		Growth driven by increased demand
...whereof Dairy	4%		Strong milk prices continue to support investments in Americas
Digital Solutions	23%		Strong trend in all regions with increased data usage through IoT and software aiming at increasing yield and improving animal welfare and sustainability

Selection of market players within Climate Solutions

Fans	 EU/AS/AM  EU/AS/AM	 EU  EU	 EU  EU/AS/AM  China  EU/AS	Fans
Cooling	 EU/AS/AM  AS		 AM  AS  Middle East  AM	Cooling
Inlets	 EU/AS/AM  EU		 EU  EU  AM	Inlets
Controllers	 EU  EU/AS/AM  EU/AS/AM	 EU/AS/AM	 EU/AS/AM  EU/AS/AM  AM/AS  EU/AS/AM	Controllers
Other			 EU	Other

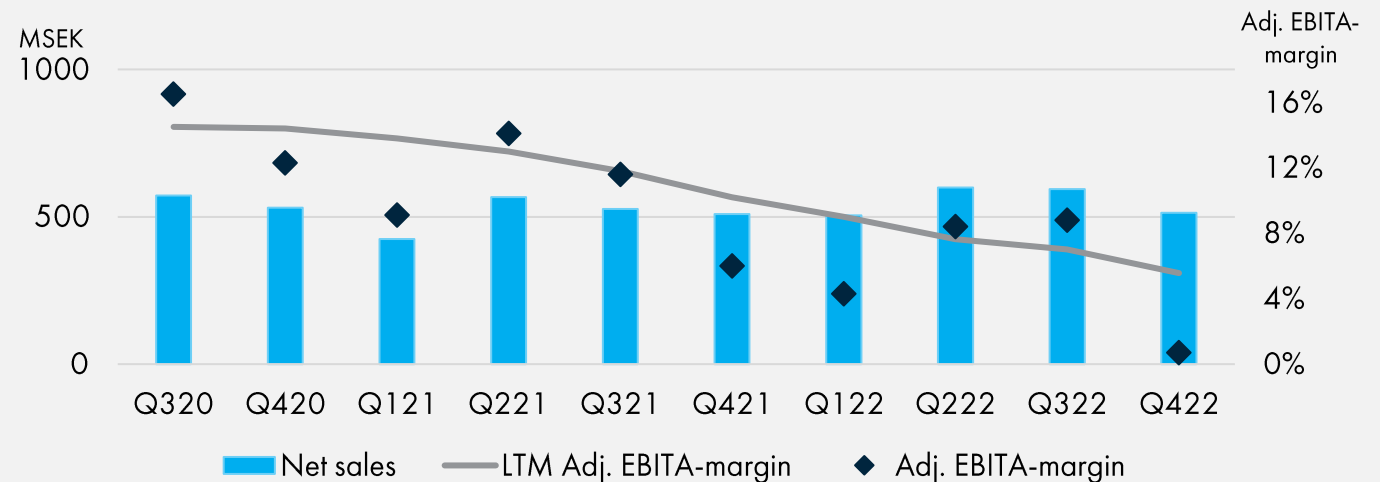
Stable net sales in challenging markets

Q4 comments:

- **OI** declined
 - EMEA & China continued weak markets
 - Americas grew: DS* up, CS** flat
- **NS** declined
 - Price increases ~8% of FT net sales
 - Americas: DS growth, CS flat with growth in broiler & layer
 - EMEA declined due to the overall weak market demand
- **Adj. EBITA margin** declined, impacted mainly by;
 - + Price increases cont. offset higher material & freight costs
 - + Cont. actions to consolidate manufacturing footprint & gain operational efficiency benefits in China
 - Cont. lower volumes in China & EMEA
 - Activities to resolve operational challenges & lower volumes in EMEA
 - Cont. high investments in Digital Solutions

FY 2022: DS grew in US, large SaaS deals signed.
CS weak development in APAC & EMEA

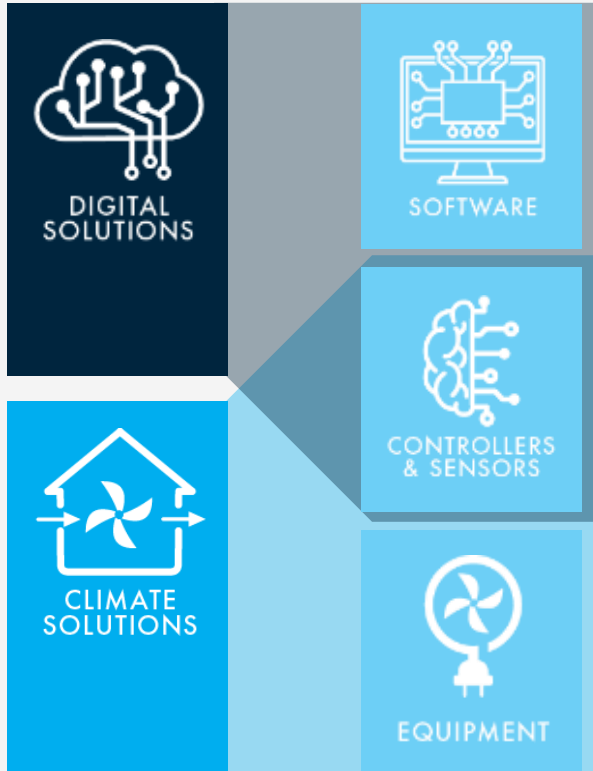
MSEK	Q4 2022	Q4 2021	Change (%)			FY 2022	FY 2021
			Organic growth	Structural growth	Currency effects		
Order intake	483	508	-17	-	12	2,242	2,166
Order backlog	828	700				828	700
Net sales	514	509	-11	-	12	2,211	2,028
of which SaaS	33	23	44			119	86
of which SaaS ARR	133	93	44			133	93
Adj. EBITA	4	31				128	210
Adj. EBITA-margin	0.7	6.0				5.8	10.4



*Digital Solutions, ** Climate Solutions

FoodTech on a challenging market

A dual offering



Market situation

- **Americas:** stable situation with pockets of growth for equipment, strong growth for DS
- **EMEA:** Weak market due to war in Ukraine & inflationary pressure
- **APAC:** Weak market mainly due to weak swine market in China

FoodTech 2022

Climate Solutions:

- Price adjustments more than offset volume decrease
- Adjustment of European business – reduction of employees in Germany & Italy
- Adjustment of APAC – consolidated Chinese operations into one unit, strengthened sales hub Vietnam

Digital Solutions:

- Strong progression, Q4 increase SaaS ARR* 44%
- High investments in developing the offering, hiring rate high

Agenda

Introduction

Q4 & FY highlights

AirTech

Data Center Technologies

FoodTech

Customer Cases



Good growth in the battery segment

FACTS

Lithium-ion battery production

optimal battery quality & performance achieved through manufacturing:

- in highly controlled environments - characterized by ultra-low humidity levels, a critical requirement for high-spec battery production

Benefits of Munters' climate control systems (dry rooms):

- engineered to meet the most demanding production requirements
- built to maximise manufacturing uptime and reliability
- achieving Ultra-Low dew points for superior battery product life, quality, and yield
- savings on energy consumption and operating costs such as energy-efficient Green PowerPurge*



"The two orders received in Q4 confirm our strategy and purpose - for customers' success and contributing to a sustainable society"

Two large orders received in Q4

- Q4 - to a multinational automotive manufacturer
- Total value ~ MUSD 54 (incl. systems developed specifically for battery segment & field service)
- Deliveries: Q3 2023 - Q4 2024

Our largest battery order ever:

- July 2022 - large US car manufacturer
- Total value ~MUSD 65 (including Munters climate control systems and field service work)
- Deliveries: Q2 - Q4 2024
- Combining modularized products and customer specific solutions

Morrow's 1st battery cell production plant Norway

- Oct. 2022 - order Morrow Batteries & Equans (battery factory construction contractor)
- Deliveries: estimated completed 2024
- Energy-efficient dehumidification solutions, ensuring high uptime and production reliability at ultra-low dew points

Munters solutions support carbon capture processes



Benefits

- Carbon capture - the process of removing CO₂ from large emission sources* by safely capturing and storing in underground geological formations
- Technology solution applicable for large facilities in many industries

Customer case

- Cement, steel and the chemical industry emit high levels of CO₂ when broken down and no green substitute exists
- Clean Technologies by Munters with Mass Transfer and gas-liquid separation solutions are critical parts of the carbon capture process
- Customer estimates a yearly reduction of CO₂ emissions by > 400,000 tons by the solution

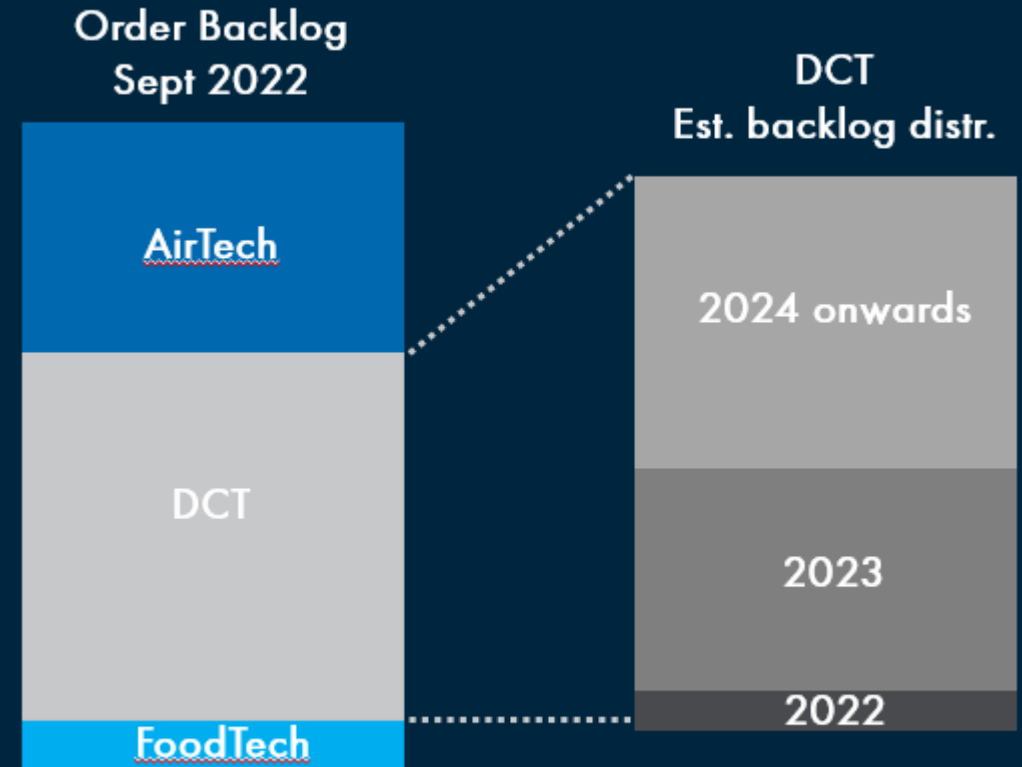
Munters role*

- Munters gas-liquid separator to be used where liquids and gases need to be separated
- Munters equipment features an advanced type of inlet distributor (IDM) that introduces liquid mixtures into a vessel or a column
- The IDM liquid removal capacity has an efficiency of ~90% and evenly distributes the onward gas flow

Record orders confirm our strong position and offer

DCT very strong backlog of BSEK 6.7, some large orders received:

- **March 2022** - order received from leading data center colocation operator in US.
 - Total value ~ MUSD 115 (incl. SyCool Split & field service work)
 - Deliveries starting in Q4 2022 through Q1 2024
- **July 2022** - **multiple orders** to a US-based colocation data center company
 - Value of ~ MUSD 64 (incl. standard chilled water computer room air handlers (CRAHs), at multiple data centers in the US)
 - Deliveries from Q4 2024 to Q1 2025
- **July 2022** - **largest SyCool Split order ever** to a leading Data Center colocation provider, US
 - Value of ~ MUSD 176 (incl. SyCool Split systems & field service work)
 - Deliveries throughout all 2024



Strategic investments for growth in Digital Solutions



Munters invests in technology companies and start-ups with the aim to accelerate innovation within digitalization, technology and sustainability



- Investment and strategic partnership in Barntools based in Iowa, US
- Barntools offer wireless IoT* - solutions and sensors to farmers and food producers within poultry and pork industries
- Customers receive reliable monitoring, real-time visibility and data management



- Investment and strategic partnership in Farmsee based in Tel Aviv, Israel
- FarmSee offers AI** camera-based weighing sensors with continuous tracking of each individual pig in a farm
- The solution enables significant reductions in production costs and improvements in animal welfare



*IoT= Internet of Things
**AI=Artificial Intelligence

MTech Systems secures important SaaS contract

- MTech Systems, a company within FoodTech, to deliver its Software-as-a-Service (SaaS) solution with an order value of about MUSD 19 to a major US integrator
- FoodTech's strategy is to connect the entire food production value chain with innovative software and precision farming equipment
- MTech's advanced information management tool consolidates numerous supply-chain operations, from farms to food production facilities
- Contributing to improved animal and human health as well as reduced energy consumption

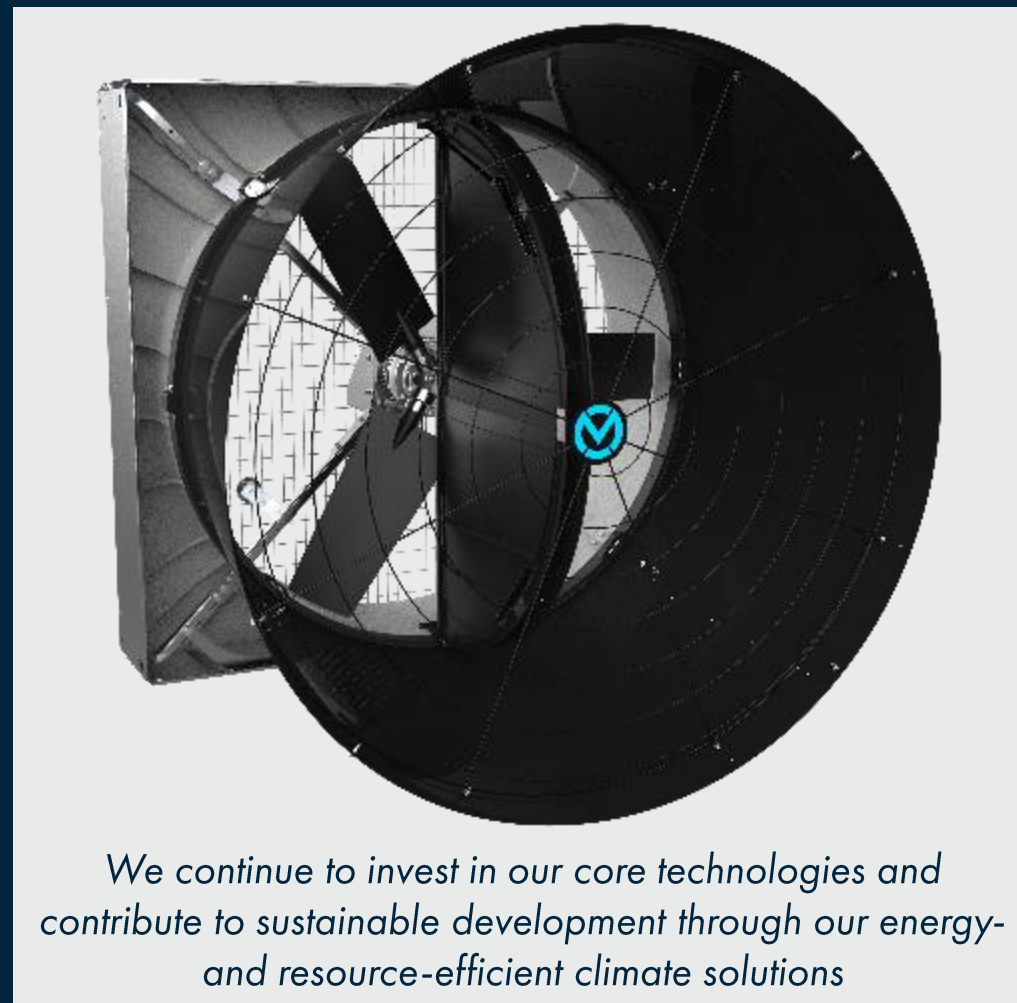


FoodTech – contributing to feeding the world in a sustainable way

New product launch of Saturn FIVE ...

... following Saturn ONE introduced two years ago

- Saturn series - lasts longer, use less components and reduce running costs while ensuring a healthy environment for animals
- Modular - fully flexible configuration to meet the needs of any farm
- Sustainable - increases airflow while reducing operating costs, maintenance and energy consumption. Saves up to 60% on electricity costs
- Reliable - long service life and corrosion resistance features with Munters Protect, stainless steel and composite materials



Appendix

Strong service growth in 2022

Ambition: Share of service long-term to represent 30 percent of Group net sales

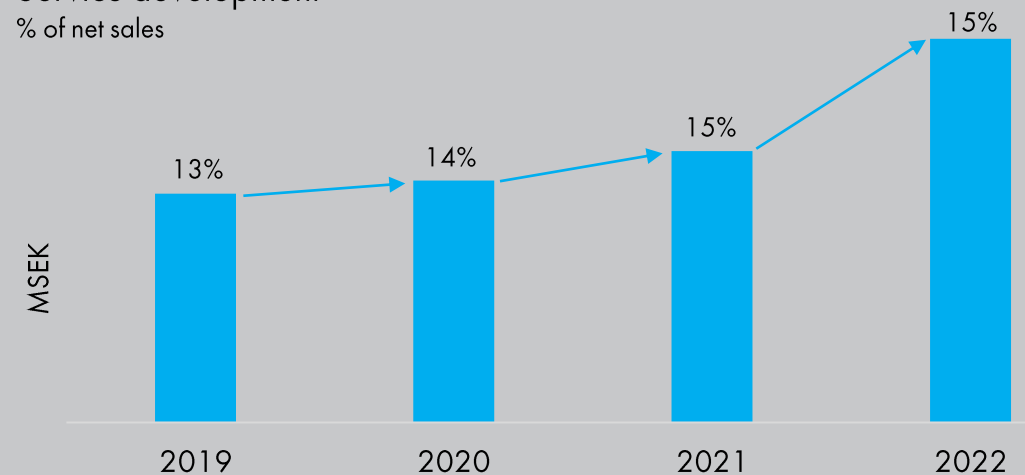
- **AirTech** – generates majority of Service net sales
- **DCT** – minor Service sales, as main part of business Greenfield installations

Not reported as part of Service today:

- **FoodTech** – SaaS (Software-as-a-Service) business
Q4 NS: 6% at MSEK 33
Q4 SaaS ARR*: +44% at MSEK 133



Service development
% of net sales



Munters Service Offering – with our customers all the way


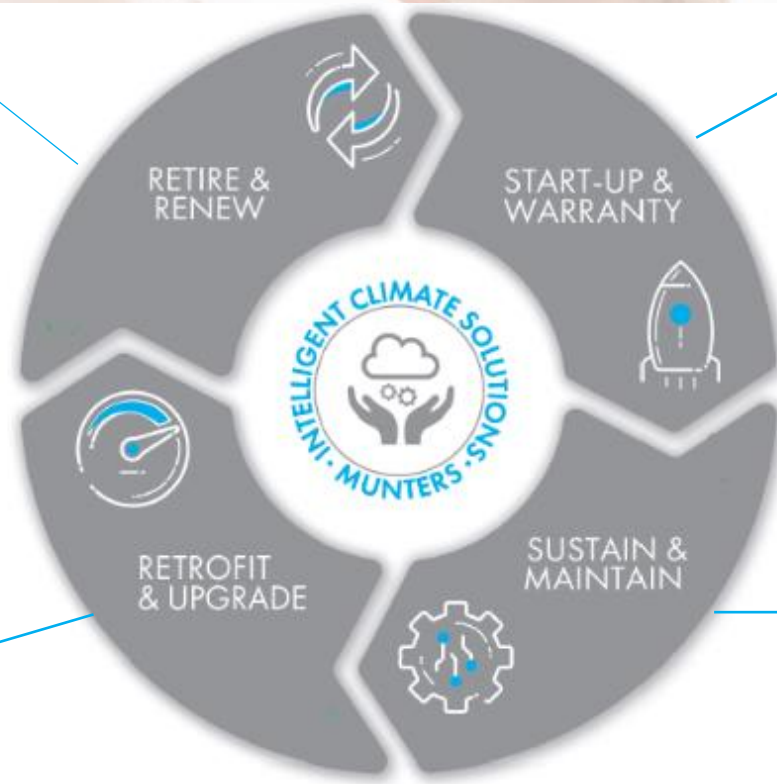
REVIEW & RENEW

- Smooth transition to new product
- Decommissioning



RETROFIT & UPGRADE

- Controls Upgrade
- Rotor Replacement
- Rotor Energy Recoverv
- Fan Upgrade
- Remote Assist
- EC Cool

START-UP & WARRANTY

- Installation Support/Assembly Supervision
- Startup services & Guaranteed performance
- Primacaire™
- Training



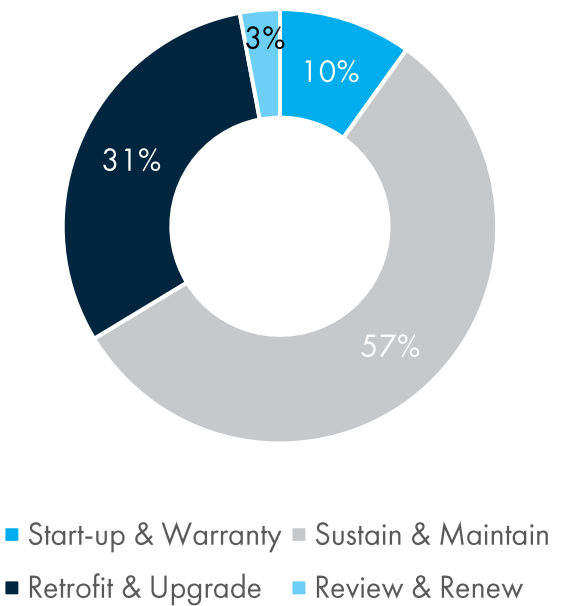
SUSTAIN & MAINTAIN

- ServiceCaire™
- Rotor Performance Check
- Energy Audit
- Reconditioning/Repairs
- Remote Assist
- Spare Parts



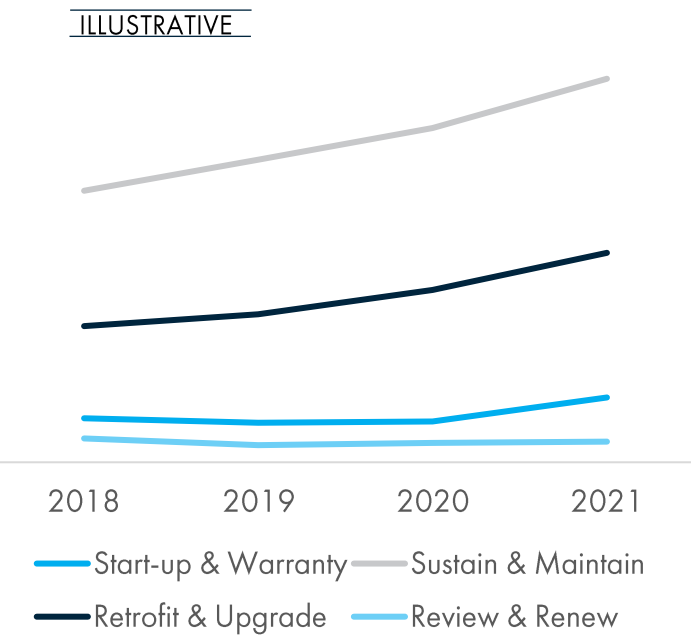
Service ensures quality & efficiency throughout product lifetime

Service split 2021



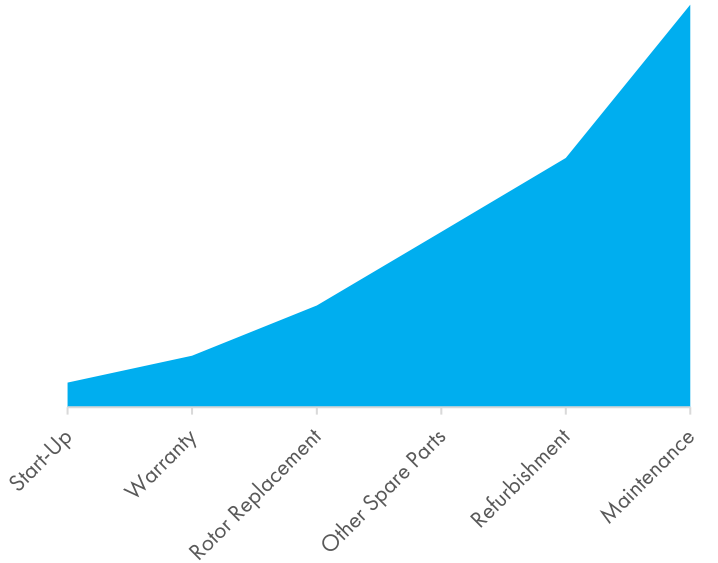
Spare parts major part of Retrofit & Upgrade

Service development



Service growth above Group net sales in recent years

Life Cycle Value on Equipment



Munters well positioned for growth

Strong organic net sales growth & underlying demand

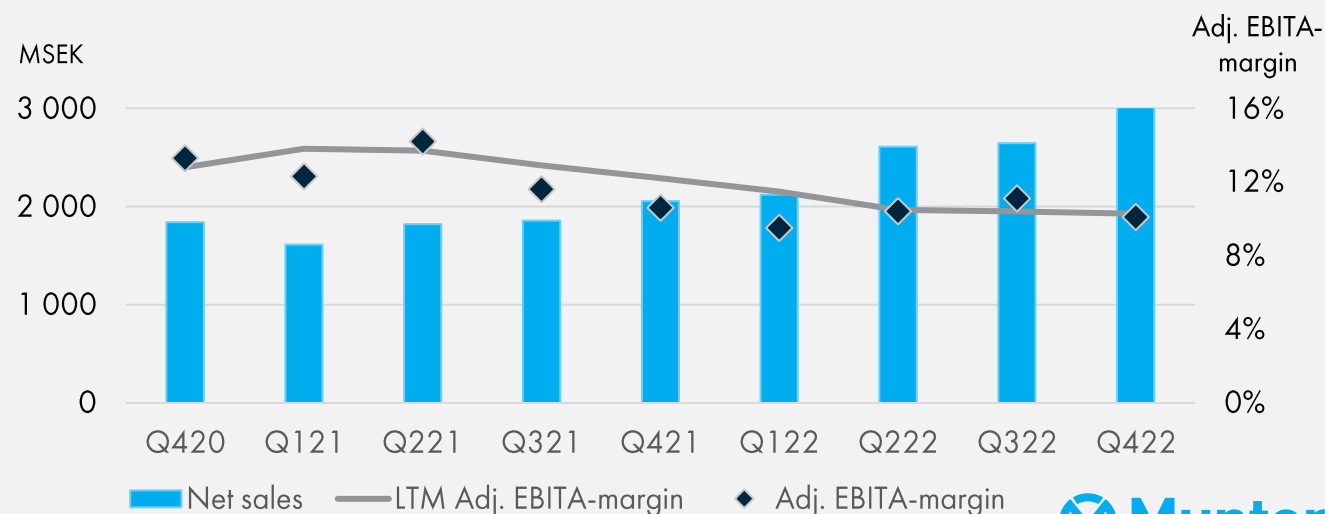
Q4 comments:

- **OI** strong (+20% FX-adj. excl. DCT cancellation):
 - AT strong, 2 large battery orders
 - DCT underlying good demand excl. cancelled orders
 - FT, China & EMEA remained weak, partly offset by good growth in Americas
- **NS** increased, mainly:
 - Price increases ~8% of net sales
 - DCT and battery in AT
 - FT flat, Americas up offset by weak China & EMEA
 - Services 16% of total net sales
- **Adj. EBITA margin** lower mainly due to:
 - FT lower volumes in China & EMEA
 - DCT business mix change & increased costs
 - Increased investments in digitization & automation
 - Offset by improved AT margin

FY 2022: record order intake, strong growth and continued investments to ensure growth

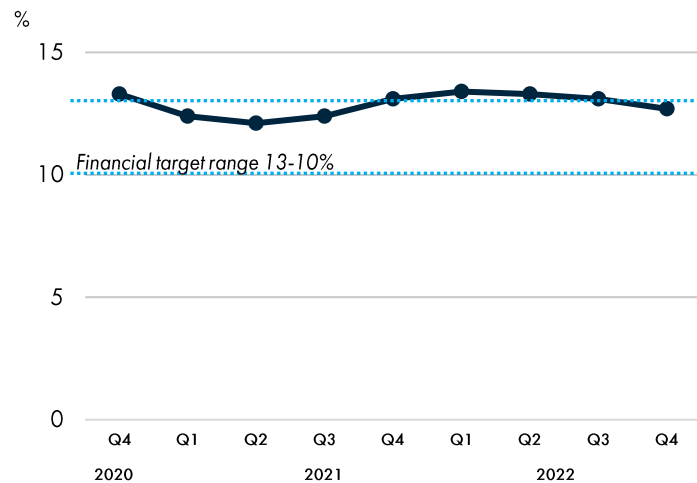
MSEK	Q4 2022	Q4 2021	Change (%)			FY 2022	FY 2021
			Organic growth	Structural growth*	Currency effects		
Order intake	3,143	2,605	-1	2	19	16,830	9,013
Order backlog	11,463	4,198	140	5	28	11,463	4,198
Net sales	3,011	2,057	26	4	16	10,386	7,348
Adj. EBITA	304	217				1,070	889
Adj. EBITA-margin	10.1	10.6				10.3	12.1

* Acquisitions & divestments

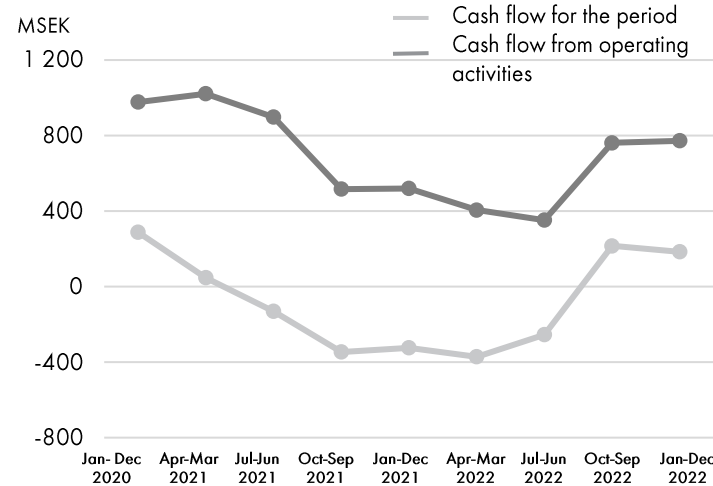


Strong focus on cash flow management

OWC/net sales



Cash flow development, LTM *

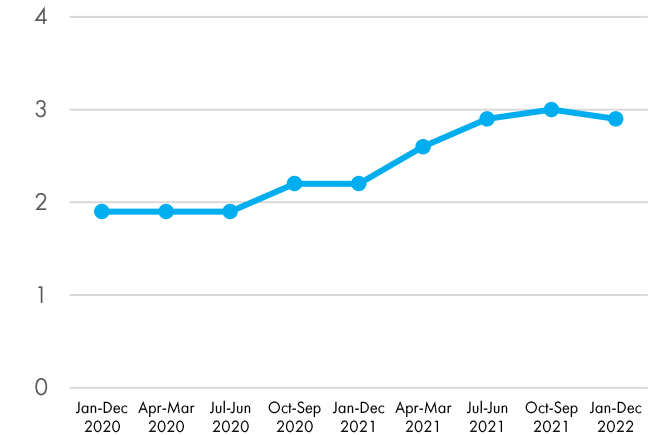


Cash flow from operating activities:

- Q4 slightly higher:
 - higher operating earnings
 - positive impact from working capital MSEK 189 (232), mainly driven by the growth
- FY 2022 higher:
 - driven by increased operating earnings
 - partly offset by changes in working capital MSEK -84 (-175), mainly driven by the growth

Development of leverage

Net debt / adj. EBITDAx, LTM



Leverage ratio change mainly driven by:

- Q4 - improved operating earnings and OWC, offset by acquisitions of Hygromedia & Rotor Source
- FY – increased mainly due to acquisitions, IFRS 16 leases, partly offset by increased operating earnings



Measures for strategy implementation on track

	2020	2021	Status Q4 2022	Focus 2023
AirTech	<ul style="list-style-type: none"> • Strategy implementation measures • Total costs and expenses about MSEK 200 • Full year positive impact on EBITA, approx. MSEK 70 in 2023 		<ul style="list-style-type: none"> • Realized costs and expenses of about MSEK 180 • Approx. 75% of savings realized • Implementation according to plan, finalization in Q1 2023 	<ul style="list-style-type: none"> • All implementations initiated and will be closed during the year
FoodTech	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Strategy implementation measures • Total costs and expenses about MSEK 140 • Full year positive impact on EBITA of approx. MSEK 50 in 2023 	<ul style="list-style-type: none"> • Realized costs and expenses of about MSEK 110 • Approx. 50% of savings realized • Implementation according to plan 	<ul style="list-style-type: none"> • Continued acceleration of Digital Solutions • Growth in new markets & through solution sales • Operational efficiency for equipment scalability

*These programmes were started in 2020 and 2021, DCT is not included



Increasing investments to capture market opportunities

Commercial excellence

Digitalization

Innovation

Manufacturing excellence

Investing in people



Create a scalable business to capture growth and become more efficient and profitable

2022	2023	2024
Increased corporate costs: <ul style="list-style-type: none">• ERP project• Rollout of HCM system	Increased corporate costs: <ul style="list-style-type: none">• ERP roll out• Cont. rollout of HCM system	Finalization of various digitalisation initiatives
<ul style="list-style-type: none">• Digitalising & automizing process<ul style="list-style-type: none">• Pricing strategies• Innovation• LEAN & best in practice manufacturing		

Balanced market approach – setting ourselves up for growth

History

Today

Future

Step- by-step growth

Step 1

- Refocus on North American market
- Strengthen market position - new product launches and broadening of customer base
- Build a stable manufacturing base
- Create solid recurring revenues

Step 2

- Acquisition of European EDPAC
 - Several cooling solutions transferred
 - Smaller scale, shorter production runs
 - Broader product portfolio
 - Targeted customers
- Strengthen market position

Step 4

- Grow through expansion of customer base and with existing customers
- Ensure production capacity