

An aerial photograph of a large industrial facility, likely a Munters factory, featuring a large grey building with a flat roof covered in solar panels. The facility is surrounded by greenery and a parking lot with several white vans. In the background, a cityscape and distant mountains are visible under a clear sky.

Munters to position itself for the new growth wave

Klas Forsström, CEO & President

Capital Markets Day 2024



In 2019, we embarked on a journey to strengthen our platform and refine our strategic vision for the **future**





The results of our efforts came to light in 2023, the **strongest** year in Munters history, with remarkable growth and margin improvement in all business areas



Munters today

World leader in energy-efficient climate solutions with sales of over **BSEK 14,292** in more than **45** countries

Successfully integrated **sustainability** in every aspect of the business strategy

Enhanced profitability reaching an adj. EBITA of **MSEK 1,947** and improved the margin to **13.6%**

3 business areas, **22** production plants and **4,983** employees

Market cap of **MSEK 43 348¹** with over **14 000** shareholders

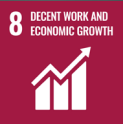
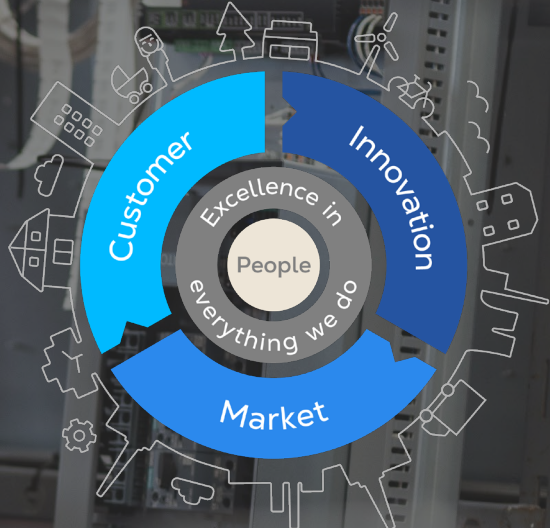
All figures as of Q1 2024, LTM

¹ As of May 17 2024

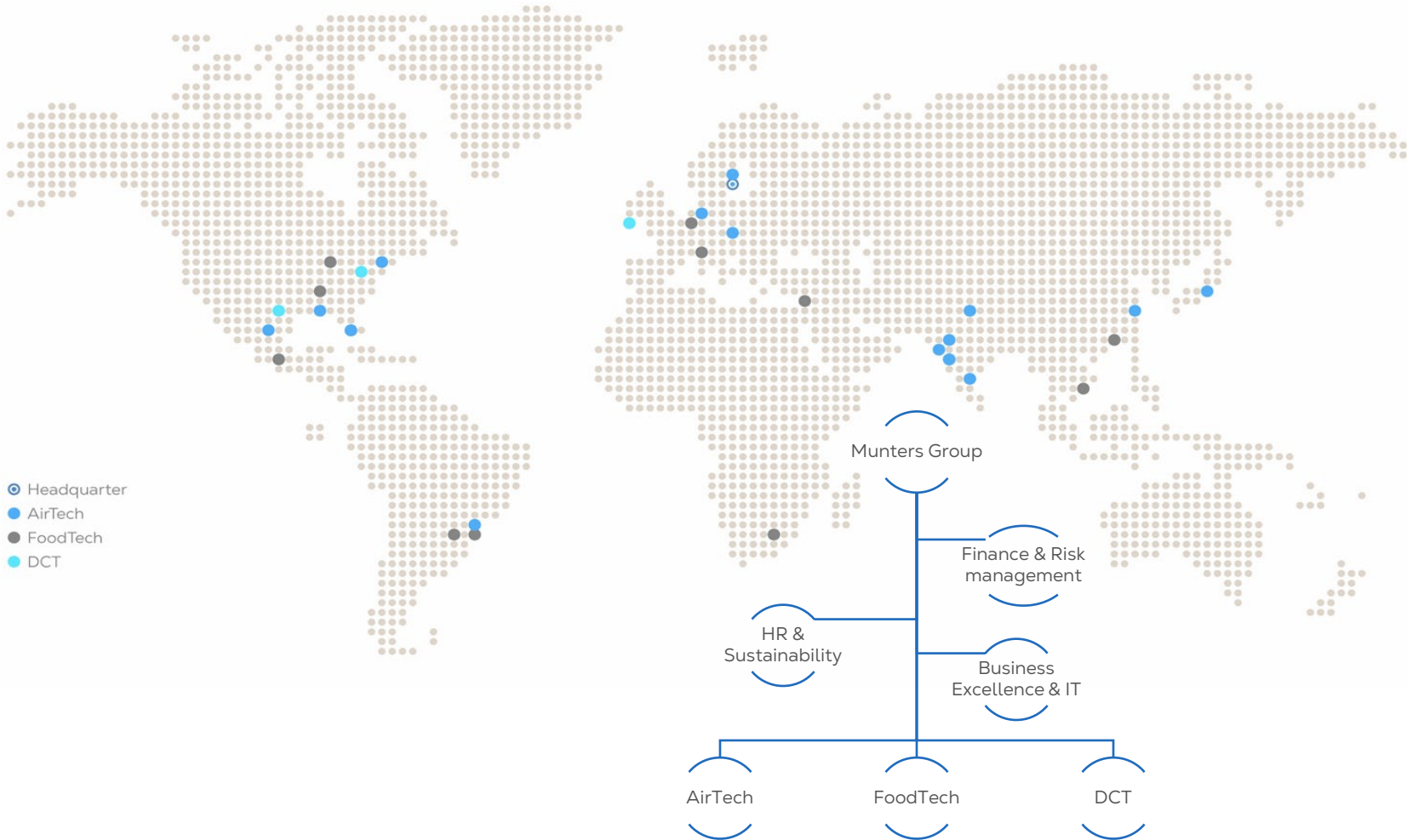


Our Purpose...

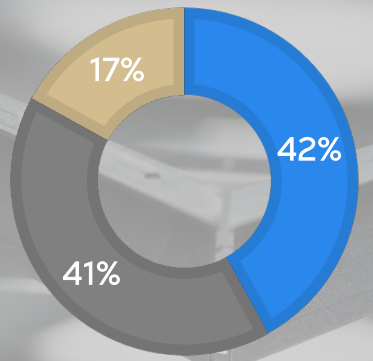
For customer success and a healthier planet



A global footprint with a decentralised organisation

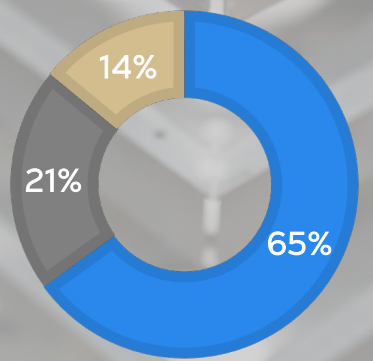


Order Intake per region



Americas EMEA APAC

Net sales per region



Americas EMEA APAC

All figures as of Q1 2024

We assist our customers in securing critical operations, production quality and to become more sustainable

State-of-the-art cooling solutions for **data centers**

Ultra dry air for **battery** production

Climate & hygiene control for **food production** industry

Dehumidification for **windmills & infrastructure**

Indoor climate solutions for **agriculture & greenhouses**



Leading supplier of **rotors & other components**

Clean Technology solutions for a healthier planet

Service offering to a broad range of customers

Constant humidity for the **pharmaceutical industry**

A leading software solution provider for **food producers**



Well-positioned to capitalize on strong megatrends & be part off the solution for a more sustainable world

Climate change & resource scarcity

Urbanization and an aging & growing population

Accelerating digitization & use of AI

Globalization challenges & market dynamics

Electrification



Demand for energy & water efficient products



Full battery value chain



Wind power expansion & transmission



Service to prolong life



Secure operations of infrastructure



Pharma production



Clean air & decarbonising



Food safety & efficient food value chains

Digitalization



Data Center cooling



Semiconductors & electronics



AI, Automation & connected solutions



Quality products



Increased regulation



Greater regional focus on supply chains & sustainability



We aim to be a market leader in prioritized markets and in prioritized segments



Unique application knowledge



Proven energy efficient products & solutions



Large installed base



Leading position



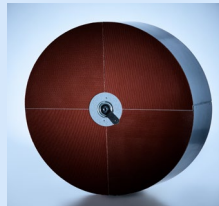
Global presence & service offering



Strengthen, develop and expand our core – dehumidification & evaporative cooling

AirTech

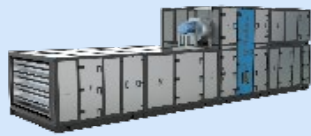
Components



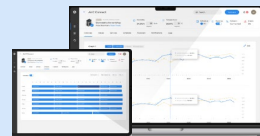
Rotors with desiccant drying wheel



Units

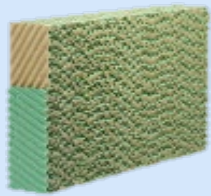


Systems



Digital connectivity

Service & Components >



Celdek

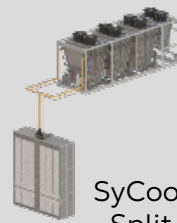
DCT



Packaged air economizers



Chilled Water CRAH



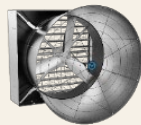
SyCool Split

Service >

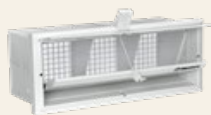


Glasdek

FoodTech



Climate solutions



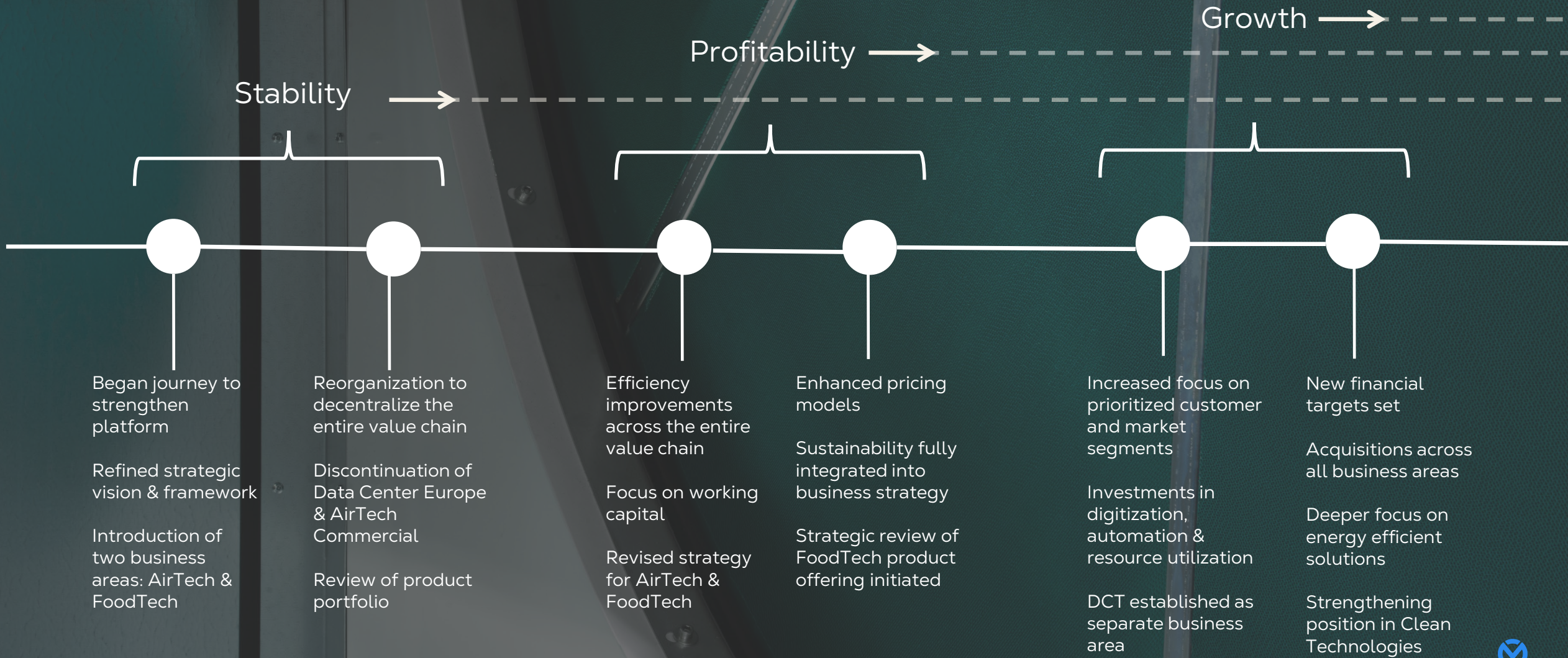
Digital solutions

Service >

End Market



Munters strategic journey



Munters strategic journey - Gearing up for the future

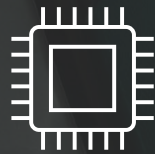
Positioning for the new growth wave



CO₂ reduction



Integrated operations



Fully digital



Talent & Leadership



For customer success
and
a healthier planet





CO₂ reduction

Strengthening our CO₂ reduction ambitions

- » Next step in future proofing the company – commitment to near-term emission reductions in line with SBTi
- » Majority of our carbon footprint comes from the utilization of our products and now we will set new targets for Scope 3
- » Further developing our unique and protected technology and innovation

CO₂ reduction targets for 2030:

- » Net zero Scope 1 and 2
- » Reduce Scope 3 - aligned with the Paris Agreement 1.5°C

**BUSINESS
AMBITION FOR 1.5°C**





Ambition – a digital organisation & customer offering

Digital Ambitions
Clustered around:



Customers

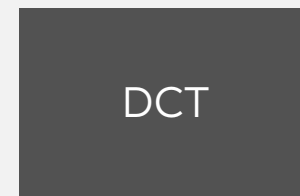
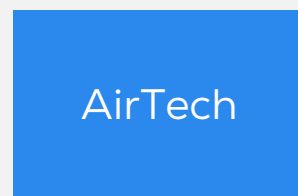


Optimization



Organization

Differentiated business models in the business areas



”Spearhead in fully digital”

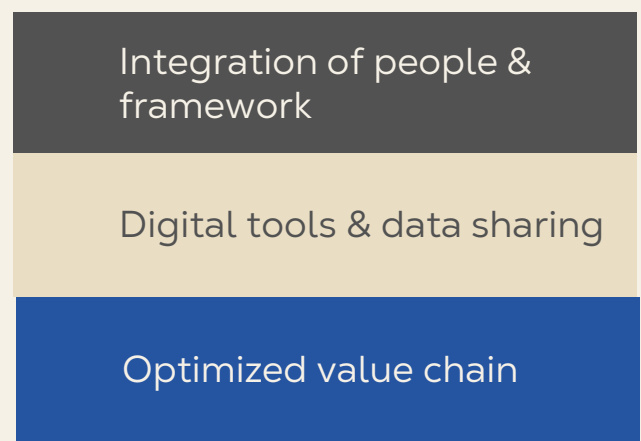


Security



Technology

Integrated operations - better decision-making and improved overall efficiency



Agile ways of working

- Increase Efficiency
- Reduce Costs
- Improve Safety
- Enhance Decision-Making

↗ Strong focus on improving the working capital

↗ Acquisitions and integrations across all business areas

📈 Began the journey to strengthen platform

🔗 Reorganization to decentralize the entire value chain

🔧 Efficiency improvements across the entire value chain

🔗 Review of product portfolio

🔗 Accelerating Munters Production System (MPS) - built on Lean & WCM practices

🔗 Enhanced focus on pricing models & sustainability

🔗 Investments in digitization, automation & resource utilization

🔗 Deeper innovation focus on energy efficient solutions

- ↗ Focus growth
- 🔗 Ways of working
- 🔧 Operational excellence

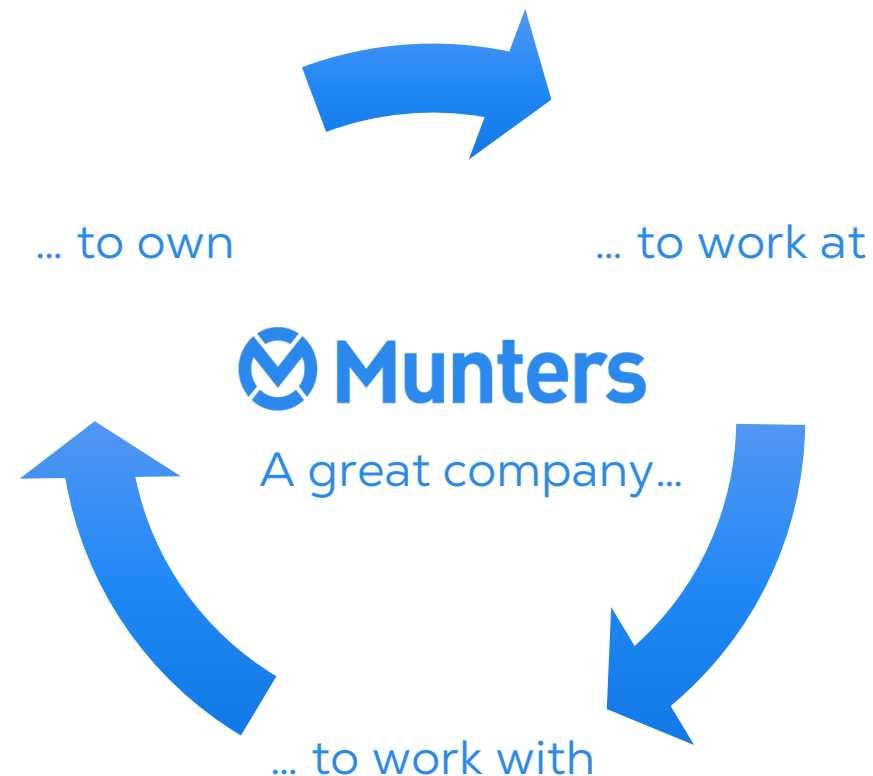




Good leadership –
the foundation of
engaged & high-
performing teams

Our values

- Sustainable value creation
- Passion for results
- There is always a better way
- Team spirit



Targets & ambitions



Service ambition updated to reflect strategic direction

Previous service ambition has been revised and extended to reflect Munters strategic focus and business model:

- Service: After market service, incl. installations and Software (SaaS)
- Components

Previous ambition

Service 30% of net sales

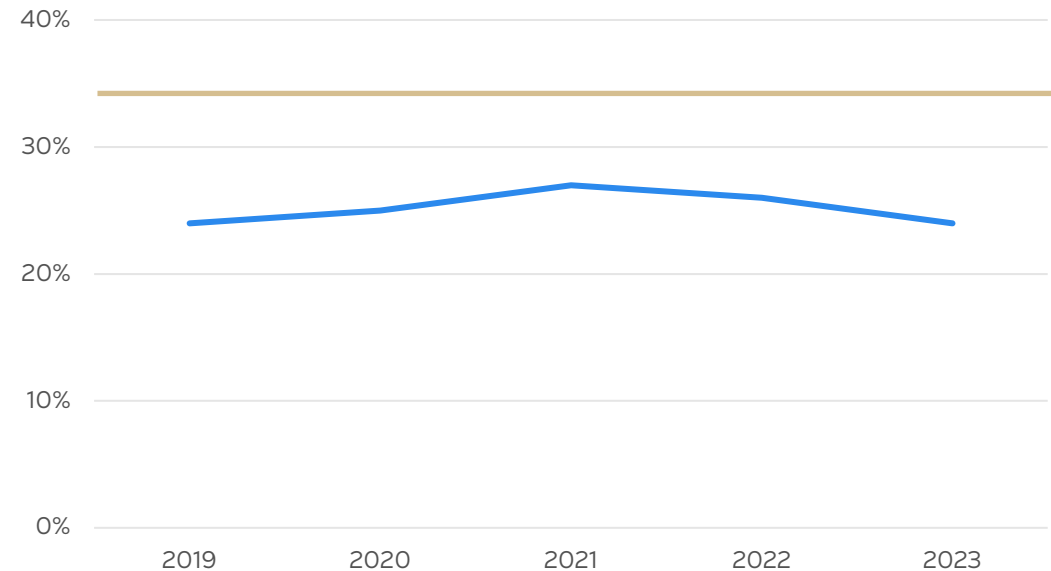


New ambition:

Service, Software & Components
>1/3 of net sales



Service & Software and Components



Net sales target updated to reflect next growth wave

Old target:

organic net sales target of 10%



Updated target:

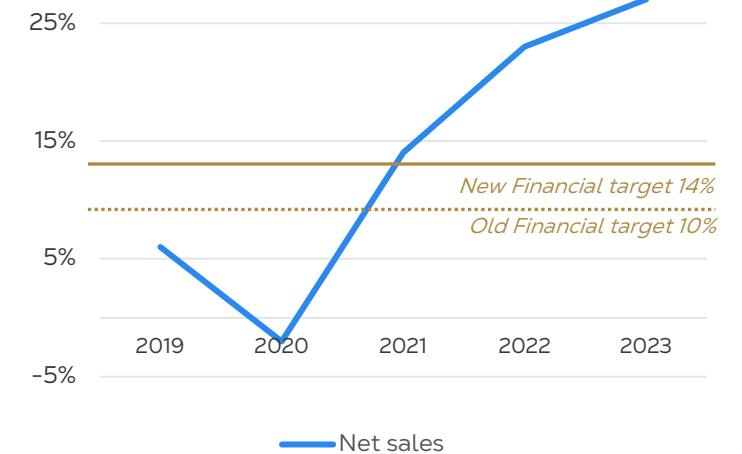
average annual total net sales growth of

>14%

How to reach it?

- Organic growth fueled by new & upcoming growth areas
- Supported by active M&A agenda

Net sales growth



Adjusted EBITA target unchanged

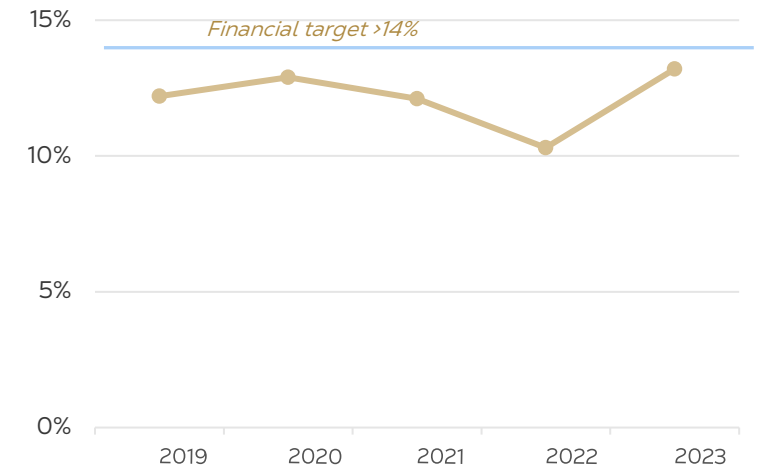
An adj. Ebita margin of

>14%

How to reach it?

- Driving strategic initiatives to enhance margins
- Management of different business models
- Continuing to invest strategically to create long-term sustainable growth

Adj. EBITA margin



OWC/Net sales target unchanged

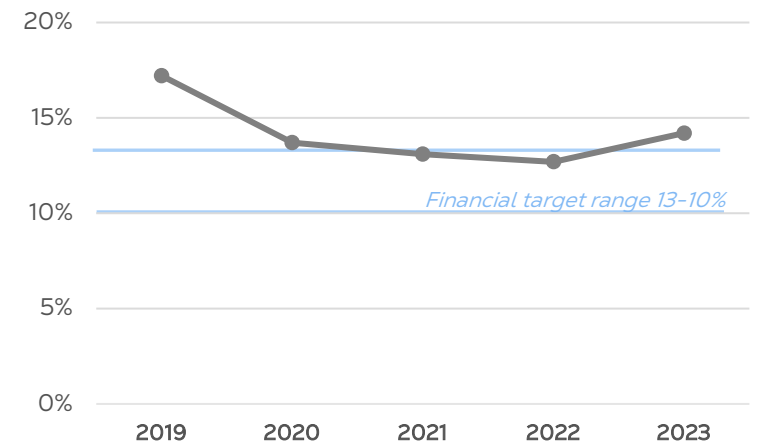
OWC/ net sales in the range

13-10%

How to reach it?

- Continued focus on strong cash flow management practices
- Commercial and operational excellence

OWC/net sales



Average OWC (Operating Working Capital) last twelve months as % of net sales for the same period



Financial and Sustainability targets – aligning and setting a strategic goal agenda

Mid-term financial targets

Growth  Average annual total net sales growth >14% over a business cycle

Profit  Adjusted EBITA margin > 14%


OWC/NS*  Average OWC of net sales in the range of 13–10%

Dividend Policy Annual dividend corresponding to 30–50% of net income for the year

Sustainability targets 2030

E  **Reduce CO₂e**
Scope 1 & 2: net zero,
Scope 3: aligned with Paris Agreement 1.5°C

S  **Gender equity**
30% women in workforce & women leaders

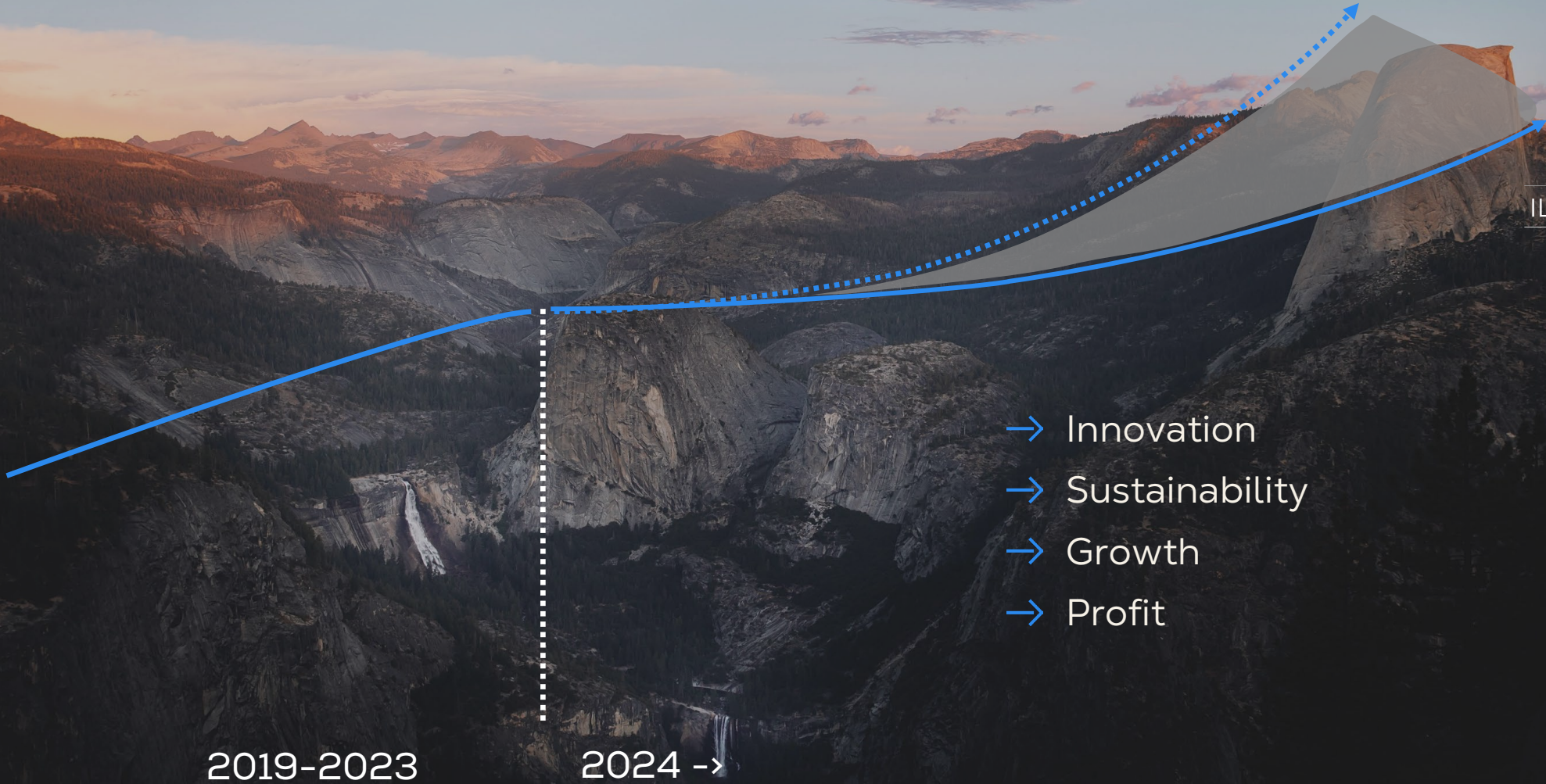
G  **Code of Conduct**
Continuous improvements in compliance with Code of Conducts**

* Average OWC (operating working capital) last twelve months as % of net sales for the same period

** 100% compliance for the Employee Code of Conduct (CoC), 100% compliance for the Supplier CoC (Direct material) and continuous increasing compliance for the Customer CoC



Shifting into the second gear...



ILLUSTRATIVE

- Innovation
- Sustainability
- Growth
- Profit

2019-2023

2024 ->



Aligned for profitable growth



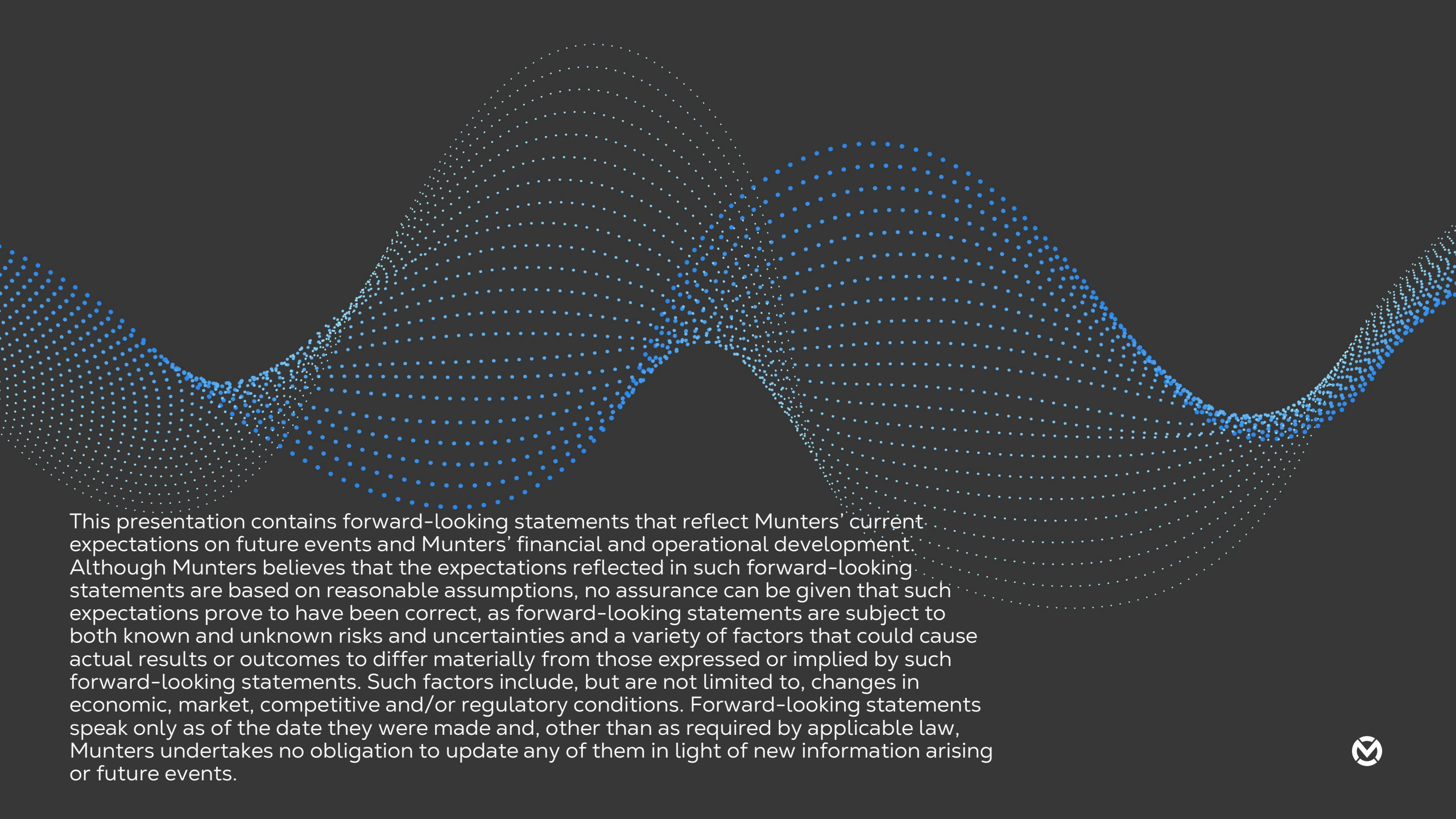
Well positioned for growth in markets driven by megatrends



Continuing on the successful path for sustainable growth



Delivering world-class energy-efficient solutions improving customer impact



This presentation contains forward-looking statements that reflect Munters' current expectations on future events and Munters' financial and operational development. Although Munters believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, no assurance can be given that such expectations prove to have been correct, as forward-looking statements are subject to both known and unknown risks and uncertainties and a variety of factors that could cause actual results or outcomes to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to, changes in economic, market, competitive and/or regulatory conditions. Forward-looking statements speak only as of the date they were made and, other than as required by applicable law, Munters undertakes no obligation to update any of them in light of new information arising or future events.

