

Dear Shareholders,

In 2022, we demonstrated that Munters has carved out a strong position in attractive emerging markets. We grew by 41 percent, more than 20 percent organically, and continued this strong growth in the first quarter of this year.

At the same time, during the year we improved our efficiency through a series of initiatives and our operating capacity was expanded with new production plants in Europe and the US.

All in all, the result in 2022 and also the strong result in the first quarter of this year is the result of fantastic collaboration and high engagement among our employees.

The demand for our products is increasingly driven by a strong focus on sustainability among our customers. In discussions with most customers today, lower emissions, more efficient energy use and lower resource consumption are key issues. The majority also operate in markets driven by the megatrends of electrification and digitization, where our solutions and products are business-critical for customers.

Our energy-efficient solutions are meeting customer demand, evidenced by the high order intake in 2022. In AirTech, we received several major orders in the battery segment and the largest order was signed within Data Center Technologies. FoodTech also won several strategically important contracts within Digital Solutions.

Our offer stands out compared to competitors through its high quality. Our ambition is for new product generations to offer our customers even higher energy efficiency and customer benefit than before. Continuous innovation is therefore essential in order to maintain and strengthen our position. Therefore, in 2022 we continued to increase investments in product development as well as development of service and software. This resulted in several new products being launched.

FoodTech presented the Saturn FIVE fan and the ROTEM TRIO controller. Here in the picture you see the Saturn FIVE fan.

AirTech launched a version of the FA6 dehumidifier for the Asian market.

During the year, AirTech delivered several major orders to the battery segment, where the DSS Pro dehumidification solution, launched in 2021, is at the heart of the offering. This product can be installed either indoors or outside and provides significantly lower energy consumption than previous product generations.

Another example of a successful, innovative product is SyCool Split for data centers, which was launched in 2021. SyCool Split makes it possible to cool without water, which is a big benefit in areas where water is in short supply. A product that is identified by the industry as one of the biggest innovations in data center cooling. The strong demand for

SyCool Split is one of the reasons why we have chosen to increase transparency and report Data Center Technologies as a separate business area as of 2022.

To further assist customers with their sustainability work and improve our product development process, we now require a life cycle analysis for all new products. The analysis increases our understanding of the products' carbon footprint and how we can reduce it. It also better enables us to help customers in their work to cut their energy and resource consumption.

Our service offering also increasingly contributes to a long product life and improves both the efficiency of our customers while at the same time contributing to a stronger and more even profitability and cash flow for us.

In 2022, we completed several strategic acquisitions. Ireland-based Edpac, which manufactures data center cooling equipment and air handling systems, strengthens our presence in the key European market for data center cooling, and in the autumn we acquired Hygromedia and RotorSource i USA. These acquisitions strengthen Munters position as a leading supplier of dehumidification systems and components, primarily in the North American market, which creates the opportunity for further growth.

We also completed a number of minority investments in companies that give us access to cutting-edge technology. I want to wish all our new employees and partners a warm welcome to Munters!

For us at Munters, a strong driving force is that we can contribute on a daily basis to a more sustainable society through our climate-smart solutions. Creating a more sustainable society requires that we look at the entire life cycle of our products, how we act and contribute in society and how we can reduce our climate impact and use of resources. In every part of the Group, we are taking our climate impact into consideration, and the goal is to be net zero from our operations by 2030. I am pleased with and proud of the improvements and progress that were made during the year, i.e. total market-based Scope 1–2 emissions were reduced by 31 per cent.

We have also maintained a continuous focus on internal efficiency and how we can improve our digital information flows and processes. Back in 2019, we initiated some projects to improve our scalability and lay the foundation for profitable growth. As part of this initiative, we are increasing modularization, reducing the number of components in our products and further digitizing our offering. The products we launched in 2021 and 2022 are good examples of this work, and I look forward to **building on this progress**. New products and services strengthen both our customers and create opportunities for increased profitable growth for us.

Looking back at 2022, we can say that it was a year defined by global uncertainty. The war in Ukraine led to the obvious decision to immediately suspend our business ties to Russia. The war and the continuing impact of the pandemic, especially in Asia, led to further supply chain constraints with delayed projects and deliveries. For our employees, 2022 was therefore a challenging year since we had to manage material shortages and delivery delays at the same time as demand grew substantially. I want to thank all our employees for their dedicated and valuable efforts in 2022. It is a true privilege to lead a company with such competent and motivated employees.

The robust demand for our products and solutions is driven by strong market trends such as digitization and electrification as well as an increased focus on sustainability by our customers. Our overarching purpose – for customer success and a healthier planet – is our lead star, and sustainability is integrated in our strategy and everything we do. By reacting to market opportunities effectively and innovatively, we continue to strengthen our position. In December 2022, we raised our financial targets for both net sales growth and EBITA. I am confident about Munters continued ability to deliver profitable growth.

I say to you, our shareholders, the same as I say to our employees. Munters best days are still ahead of us!

Klas Forsström
President and CEO