

John Crane Deep Dive

Customer-led growth



Sook Won Moon, VP Sales and Aftermarket, John Crane

- John Crane - 26 years in multiple roles including:

- VP Sales and Aftermarket

- Global Director of Projects

- Key account & Project manager across EMEA & AP

- BSc Chemistry - ChungNam National University



Executive summary

We operate in attractive growth markets

Our customers demand and value engineering capability and product reliability – often in harsh operating environments

We have a leading position in a technically advanced market

We deliver for our global customers from first fit through to aftermarket servicing

Our extensive service offering enhances our aftermarket proposition, and we provide lifetime (25+ years) support across the installed base

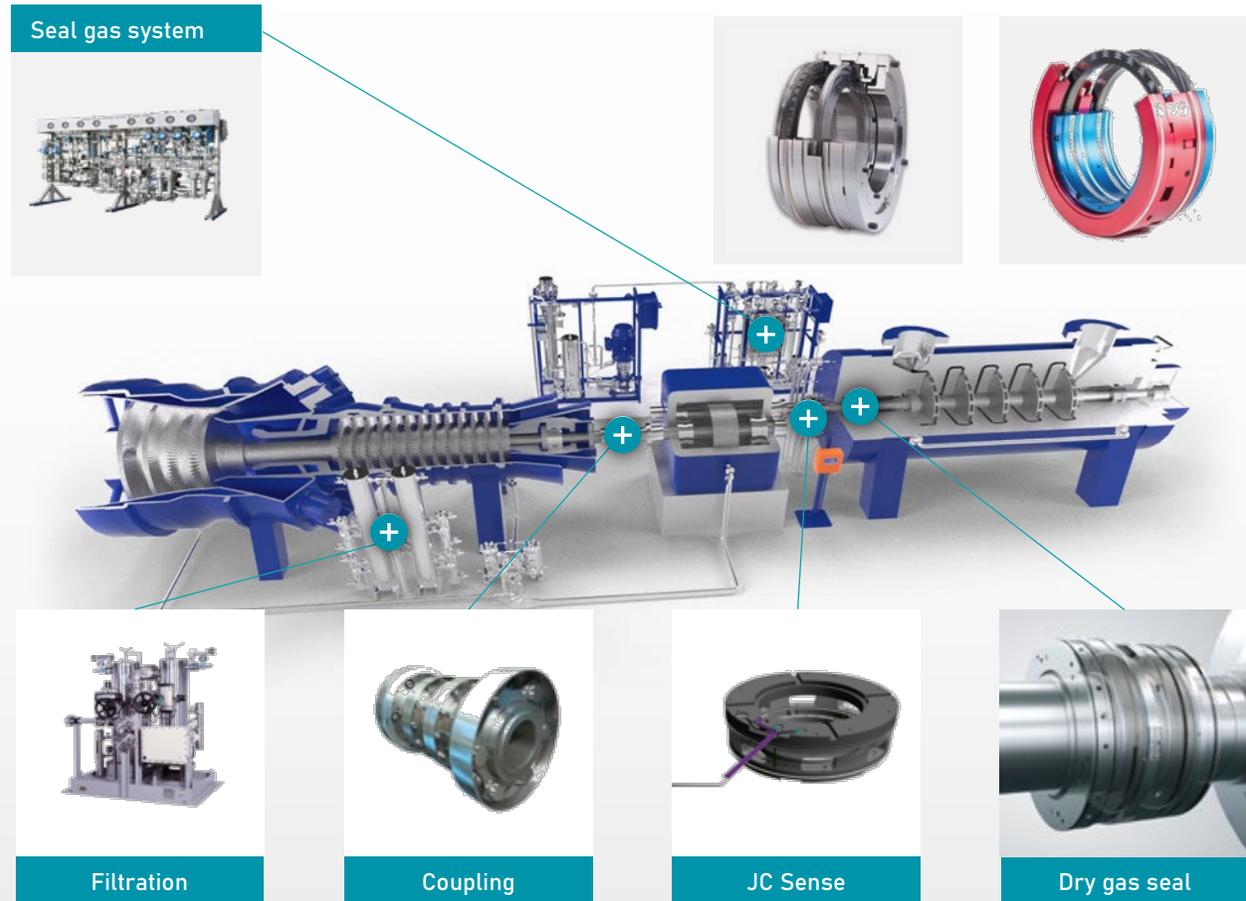
Our technology leadership positions us well for future growth opportunities



Providing mission-critical technologies and services

What is a mechanical seal?

- Highly engineered device combined with rotating and stationary parts, sealing gas or fluid in critical applications to prevent leakage
- Embedded deep into a pump, agitator or compressor
- Primary safety mechanism – a seal tells you when something is wrong
- Allows a customer to optimise pump and compressor operation
- Increases plant reliability and uptime



Providing mission-critical technologies and services

Why is it difficult to do?

- Required to operate across a range of:
 - Speeds: up to 200 m/s
 - RPM: up to 50,000
 - Temperatures: (195)⁰C to 350⁰C
 - Pressures: up to 450 bar(g)

Why is it important?

- Seal failure results in downtime and potentially significant cost implications
- Safety critical
- Reduces environmental impact



LNG mega-trains



Pharmaceuticals & bio-chemicals

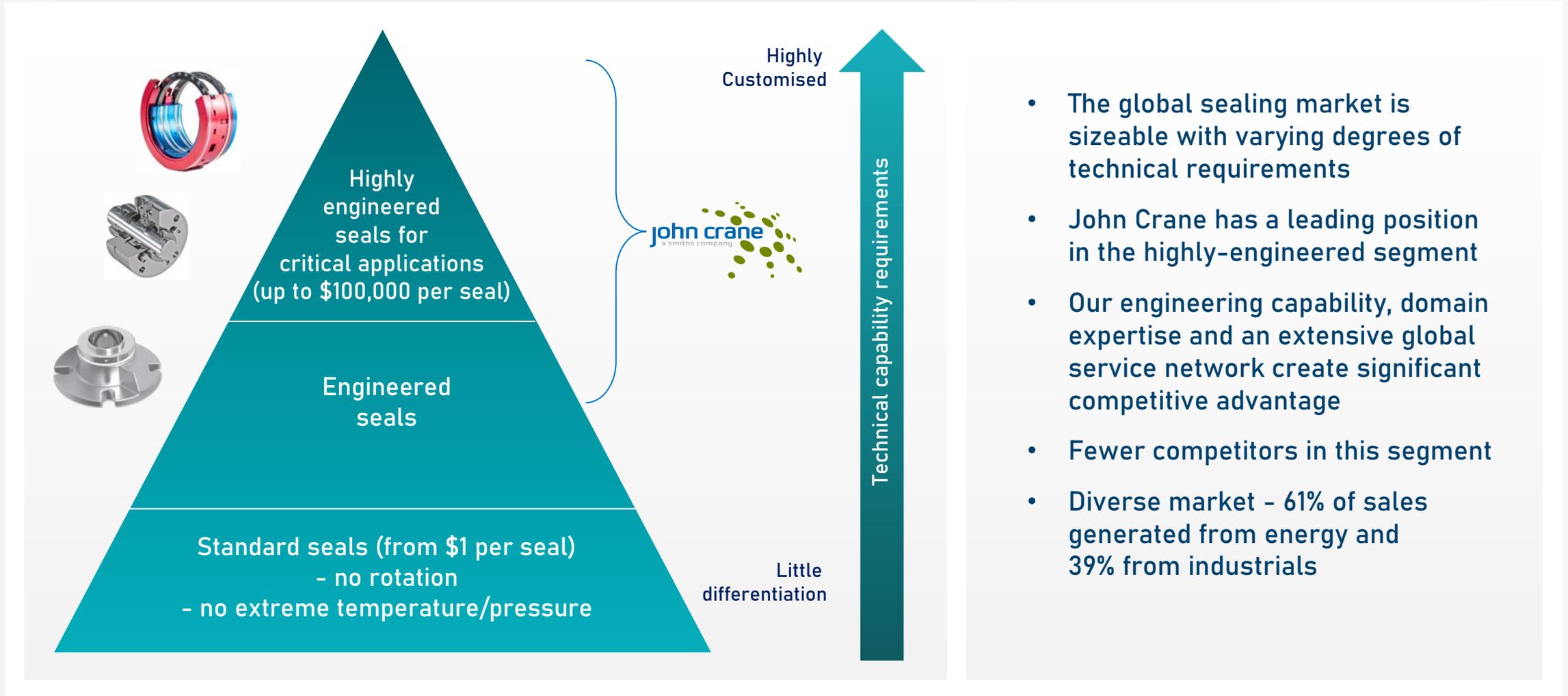


Cryogenic applications



Mining & minerals

John Crane has a leading position in a technically advanced market



How we win



Gaining market share in OE supports recurring aftermarket revenue stream



John Crane – engaged from beginning to end with multiple customers



- Work with multiple players during the feasibility, design and build phase of a capital project cycle
- Early engagement with OEMs and EPCs in design phase maximises value for both parties
- Provide products meeting customer specification requirements, with technical support

- Prime contracting relationship with end users/OEMs through a 25+ year product lifecycle
- >90% recurrent, and growing success in expanding market share with existing customers
- Aftermarket margins are ~ 1.75x OE margins

Success in capturing original equipment sales secures 25+ years of aftermarket

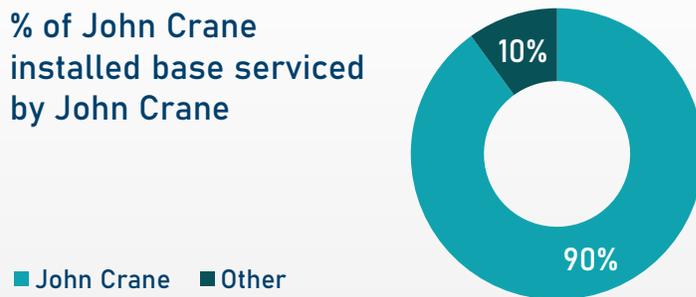
Original equipment purchasing criteria - why customers select John Crane

- 100+ years of industry experience and reputation
- Product technology leadership and in-field reliability
- Engineering to order capability and history of technological development
- Longstanding and deep customer relationships
- Global presence and largest installed base demonstrates significant in-field domain expertise



Secures 25+ years of attractive aftermarket revenue

% of John Crane installed base serviced by John Crane



% of lifetime value of order (indicative), OE vs aftermarket



Long-term, recurring aftermarket and service revenue

Aftermarket purchasing criteria - why customers select John Crane

- Service quality and responsiveness of support, underpinned by a network of 160+ service centres and industry-leading service engineers
- Engineering capability and product reliability
- Customer references, experience and reputation
- Total cost of ownership – increase efficiency and productivity, lower downtime



Added value services

- Upgrades and retrofits to reduce emissions
- Long-term maintenance and reliability service programmes
- Expanded services including digital solutions – condition monitoring, asset management



Closing remarks

We have attractive growth opportunities across all end markets

Our distinct customer proposition delivers a sustainable, competitive advantage

We support our customers' reliability goals, increase plant safety and help them to reduce their carbon footprint

Our aftermarket offer is “sticky” – for the entire lifecycle of a project – and we invest in expanding our service offer to meet customer needs

Our product reliability, service support and domain expertise set us apart

