



NEWS RELEASE

Crane Holdings, Co. Names Aaron W. Saak CEO of Crane NXT

2022-10-20

- Crane NXT Scheduled to Become Independent Company in early April 2023 following Completion of Previously Announced Separation Transaction

STAMFORD, Conn.--(BUSINESS WIRE)-- Crane Holdings, Co. ("Crane," NYSE: CR), a diversified manufacturer of highly engineered industrial products, today announced the appointment of Aaron W. Saak to the position of President and CEO of Crane NXT, a premier Industrial Technology business. Crane had previously announced it will form Crane NXT as part of its planned separation into two independent, publicly traded companies through a transaction currently expected to be completed in early April 2023.

James L. L. Tullis, Chairman of the Board, commented: "We are excited to appoint Aaron as President and CEO of Crane NXT. Aaron has a proven track record of driving innovation to accelerate long-term growth and delivering strong operational results. His experience in forming high-performance teams and his passion for driving breakthrough innovation make him a perfect fit for this role and an excellent steward of Crane's culture."

Max Mitchell, Crane President and CEO, added: "Aaron has a long and successful record of managing large and complex enterprises. He is adept at scaling businesses and integrating technology into product offerings to create the most efficient and effective solutions for customers. In his most recent role as President of Gilbarco Veeder-Root, Aaron was intimately involved with point-of-sale systems, cashless payment systems, media solutions, and merchandising and support services, areas that are core to many of Crane NXT's current growth strategies. He also has a track record of identifying and integrating acquisitions focused on new technologies and diversification into adjacent high-growth markets. As a leader, Aaron is known for his ability to build strong teams with a high degree of

entrepreneurial spirit and collaboration. I am highly confident that his background and experience will help Crane NXT continue to execute on its extremely strong and profitable core business, while concurrently pursuing new growth opportunities.”

Mr. Saak said: “I am delighted and honored to have the opportunity to lead Crane NXT’s accomplished executive team. Crane NXT is composed of businesses with strong legacies and track records, along with a deep team of talented professionals. I look forward to helping the organization pursue a focused growth strategy leveraging NXT’s differentiated and proprietary technology in both existing and new markets.”

Mr. Saak has served as President and CEO of Mobility Solutions and President of Gilbarco Veeder-Root (GVR), a subsidiary of Vontier Corporation, the global technology leader in retail fueling systems, payment technology, and related solutions, with approximately \$2 billion in revenue, 6,000 employees and sales in over 40 countries. During his tenure, he developed and executed a strategy focused on driving growth within the core business, diversifying and expanding into emerging markets, and adding new technologies to prepare the organization for the future. He successfully completed multiple acquisitions focused on diversifying into higher growth, recurring revenue business models, while consistently driving sales growth and margin expansion.

Prior to joining GVR, Mr. Saak spent eight years at Tyco International in roles of progressive responsibility, including a tenure as Vice President and General Manager for the SimplexGrinnell division, a multi-billion revenue business with over 100 offices across the U.S., where he orchestrated and managed a major organizational transformation. Mr. Saak’s career also included ten years at General Electric with continuous expansion of responsibilities.

Mr. Saak holds a B.S. in Ceramic Engineering from the University of Illinois at Urbana-Champaign, an M.S. in Industrial Engineering and Management Science from Northwestern University, and a Ph.D. in Material Science and Engineering from Northwestern University.

Update on Previously Announced Separation

On March 30, 2022, Crane announced that its Board of Directors had unanimously approved a plan to pursue a separation into two independent, publicly-traded companies to optimize investment and capital allocation, accelerate growth, and unlock shareholder value.

Rich Maue, Crane Senior Vice President and Chief Financial Officer, commented: “We are on-track to complete the separation as planned at the beginning of April 2023. Our carve-out financials are complete, we have a clearly defined plan for the organizational design of both post-separation companies, and we continue to make substantial progress in building the corporate teams for both companies. We expect the Form 10 Registration Statement for the separation to be available publicly before the end of the year, and we will continue to provide additional details

and updates in the coming months.”

Upon completion, Crane shareholders will benefit from ownership in two focused and simplified businesses that are both leaders in their respective industries and well-positioned for continued success:

- Crane NXT will be a premier Industrial Technology business, with substantial global scale, a best-in-class margin profile, and strong free cash flow generation. This year, the Payment and Merchandising Technologies (“PMT”) business that will become Crane NXT is expected to achieve approximately \$1.4 billion in sales with a pre-corporate Adjusted EBITDA margin approaching 30%.

In addition to its market leading brands, Crane NXT will differentiate itself through its technology leadership, positioning it to leverage long-term secular drivers including automation, security and productivity, across several high-growth adjacent markets.

After the separation, Crane NXT will be positioned to drive earnings growth through continued investment in the business and value-enhancing bolt-on acquisitions. Its balance sheet and strong free cash flow will also allow it to support both significant acquisitions and capital return to shareholders that is expected to include a competitive dividend. Crane NXT's shares are expected to be listed on the NYSE under the ticker symbol “CXT”. The executives currently leading Crane's PMT business will continue to serve in senior positions with Crane NXT under the leadership of Mr. Saak.

- Crane Company will be a leading global provider of mission-critical, highly engineered products and solutions, with differentiated technology, respected brands, and leadership positions in its markets. After the separation, Crane Company will include the Aerospace & Electronics and Process Flow Technologies global growth platforms, as well as the Engineered Materials segment.

This year, these businesses are expected to generate approximately \$1.9 billion in annual sales with a pre-corporate Adjusted EBITDA margin of approximately 18.5%. The company will be well-positioned to accelerate organic growth in its large and attractive end markets, benefit from favorable secular trends, and apply its proven processes to drive growth through new product development and commercial excellence. Crane Company is expected to have a strong, well-capitalized balance sheet underpinning a capital deployment strategy focused on supporting the company's organic and inorganic strategic growth objectives, while providing a dividend in-line with peers.

Crane Company will be led by Max Mitchell, who will continue to serve as President and Chief Executive Officer, with Rich Maue continuing to serve as Chief Financial Officer. The company intends to continue to be listed on the NYSE under its current ticker symbol, “CR”.

Transaction Details

The separation is expected to occur through a tax-free distribution of the Aerospace & Electronics, Process Flow Technologies, and Engineered Materials businesses to the Company's shareholders. Payment & Merchandising Technologies will be renamed Crane NXT concurrent with the separation, and the Aerospace & Electronics, Process Flow Technologies, and Engineered Materials businesses will be named Crane Company. Upon completion of the separation, shareholders as of the record date will own 100% of the equity in both of the publicly traded companies.

The separation is subject to the satisfaction of customary conditions and final approval of the separation by Crane Holdings, Co.'s Board of Directors. Shareholder approval is not required.

Upcoming Third Quarter Earnings Release and Conference Call

As previously announced, Crane will issue its third quarter earnings release on Monday, October 24, 2022 after close of market by public distribution and the Crane website at www.craneco.com. The conference call to discuss third quarter financial results will be held on Tuesday, October 25, 2022 at 10:00 A.M. (Eastern). All interested parties may listen to a live webcast of the call, along with slides that accompany the call, both accessible from the Company's website. An archived webcast will also be available to replay this conference call directly from the Company's website under Investors, Events & Presentations.

About Crane Holdings, Co.

Crane Holdings, Co. is a diversified manufacturer of highly engineered industrial products. Founded in 1855, Crane provides products and solutions to customers across end markets including aerospace, defense, chemical and petrochemical, water and wastewater, payment automation, and banknote security and production, as well as for a wide range of general industrial and consumer applications. The Company has four business segments: Aerospace & Electronics, Process Flow Technologies, Payment & Merchandising Technologies, and Engineered Materials. Crane has approximately 11,000 employees in the Americas, Europe, the Middle East, Asia and Australia. Crane is traded on the New York Stock Exchange (NYSE:CR). For more information, visit www.craneco.com.

Forward-Looking Statements Disclaimer

This press release contains forward-looking statements within the meaning of the federal securities laws. Forward-looking statements include all statements that are not historical statements of fact and those regarding our intent, belief, or expectations, including, but not limited to: statements regarding Crane's and the ultimate spin-off company's ("SpinCo") portfolio composition and their relationship following the business separation; the anticipated

timing, structure, benefits, and tax treatment of the separation transaction; benefits and synergies of the separation transaction; strategic and competitive advantages of each of Crane and SpinCo; future financing plans and opportunities; and business strategies, prospects and projected operating and financial results. In addition, there is also no assurance that the separation transaction will be completed, that Crane's Board of Directors will continue to pursue the separation transaction (even if there are no impediments to completion), that Crane will be able to separate its businesses or that the separation transaction will be the most beneficial alternative considered. We caution investors not to place undue reliance on any such forward-looking statements.

Words such as "anticipate(s)," "expect(s)," "intend(s)," "believe(s)," "plan(s)," "may," "will," "would," "could," "should," "seek(s)," and similar expressions, or the negative of these terms, are intended to identify such forward-looking statements. These statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could lead to actual results differing materially from those projected, forecasted or expected. Although we believe that the assumptions underlying the forward-looking statements are reasonable, we can give no assurance that our expectations will be attained.

Risks and uncertainties that could cause actual results to differ materially from our expectations include, but are not limited to: changes in global economic conditions (including inflationary pressures) and geopolitical risks, including macroeconomic fluctuations that may harm our business, results of operation and stock price; the continuing effects from the coronavirus pandemic on our business and the global and U.S. economies generally; information systems and technology networks failures and breaches in data security, theft of personally identifiable and other information, non-compliance with our contractual or other legal obligations regarding such information; our ability to source components and raw materials from suppliers, including disruptions and delays in our supply chain; demand for our products, which is variable and subject to factors beyond our control; governmental regulations and failure to comply with those regulations; fluctuations in the prices of our components and raw materials; loss of personnel or being able to hire and retain additional personnel needed to sustain and grow our business as planned; risks from environmental liabilities, costs, litigation and violations that could adversely affect our financial condition, results of operations, cash flows and reputation; risks associated with conducting a substantial portion of our business outside the U.S.; being unable to identify or complete acquisitions, or to successfully integrate the businesses we acquire, or complete dispositions; adverse impacts from intangible asset impairment charges; potential product liability or warranty claims; being unable to successfully develop and introduce new products, which would limit our ability to grow and maintain our competitive position and adversely affect our financial condition, results of operations and cash flow; significant competition in our markets; additional tax expenses or exposures that could affect our financial condition, results of operations and cash flows; inadequate or ineffective internal controls; specific risks relating to our reportable segments, including Aerospace & Electronics, Process Flow Technologies, Payment & Merchandising Technologies and Engineered Materials; the ability and willingness of Crane and SpinCo to meet and/or perform their obligations under any contractual

arrangements that are entered into among the parties in connection with the separation transaction and any of their obligations to indemnify, defend and hold the other party harmless from and against various claims, litigation and liabilities; and the ability to achieve some or all the benefits that we expect to achieve from the separation transaction.

Readers should carefully review Crane's financial statements and the notes thereto, as well as the section entitled "Risk Factors" in Item 1A of Crane's Annual Report on Form 10-K for the year ended December 31, 2021 and the other documents Crane and its subsidiaries file from time to time with the SEC. Readers should also carefully review the "Risk Factors" section of the registration statement relating to the business separation, which is expected to be filed by SpinCo with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements.

These forward-looking statements reflect management's judgment as of this date, and Crane assumes no (and disclaims any) obligation to revise or update them to reflect future events or circumstances.

We make no representations or warranties as to the accuracy of any projections, statements or information contained in this document. It is understood and agreed that any such projections, targets, statements and information are not to be viewed as facts and are subject to significant business, financial, economic, operating, competitive and other risks, uncertainties and contingencies many of which are beyond our control, that no assurance can be given that any particular financial projections ranges, or targets will be realized, that actual results may differ from projected results and that such differences may be material. While all financial projections, estimates and targets are necessarily speculative, we believe that the preparation of prospective financial information involves increasingly higher levels of uncertainty the further out the projection, estimate or target extends from the date of preparation. The assumptions and estimates underlying the projected, expected or target results are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the financial projections, estimates and targets. The inclusion of financial projections, estimates and targets in this press release should not be regarded as an indication that we or our representatives, considered or consider the financial projections, estimates and targets to be a reliable prediction of future events.

This press release does not constitute an offer to sell, or a solicitation of an offer to buy, securities for sale.

Non-GAAP Explanation

Crane Holdings, Co. reports its financial results in accordance with U.S. generally accepted accounting principles ("GAAP"). This press release includes certain non-GAAP financial measures, including pre-corporate Adjusted EBITDA margin, that are not prepared in accordance with GAAP. Crane Holdings, Co. calculates "pre-corporate

Adjusted EBITDA margin” as pre-corporate Adjusted EBITDA (earnings before interest, tax, depreciation and amortization expenses, before corporate overhead expense which includes director compensation, securities laws compliance costs, audit and professional fees, and other public company costs, and before Special Items which include transaction related expenses such as tax charges, professional fees and incremental corporate costs related to the proposed separation and other potential corporate transactions), divided by sales. These non-GAAP measures are an addition, and not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP and should not be considered as an alternative to operating income, net income or any other performance measures derived in accordance with GAAP.

We believe that pre-corporate Adjusted EBITDA margin on a forward-looking or projected basis provides useful supplemental information to investors about Crane Company and Crane NXT after the proposed separation transaction by presenting a prospective view of each post-separation company's underlying profitability that is not influenced by: depreciation and amortization related to historical acquisition and capital investment activity, and which may not be representative of future levels of capital investment and acquisition activity post-separation; corporate costs which will be influenced by the corporate structure of each post-separation company that will be determined by management teams and Boards of Directors that have not yet been fully established; and, Special Items primarily related to separation transaction costs that are not related to the underlying and ongoing operations of the post-separation company's businesses.

Our management uses certain forward looking non-GAAP measures to evaluate projected financial and operating results. However, there are a number of limitations related to the use of these non-GAAP measures and their nearest GAAP equivalents. For example, other companies may calculate non-GAAP measures differently, or may use other measures to calculate their financial performance, and therefore our non-GAAP measures may not be directly comparable to similarly titled measures of other companies. Reconciliations of forward-looking and projected non-GAAP measures, such as pre-corporate Adjusted EBITDA margin, to the closest corresponding GAAP measure are not available without unreasonable efforts due to the high variability, complexity and low visibility with respect to the charges excluded from these non-GAAP measures, which could have a potentially significant impact on our future GAAP results.

Jason D. Feldman
Vice President, Investor Relations
203-363-7329
www.craneco.com

Source: Crane Holdings, Co.