SOULOR

PAH: Paying Less Per PAH Share Than PAH Spent To Create Platform

- Since October 2013, Platform Specialty Products (PAH:NYSE) spent approximately $9.5bn in cash and shares to acquire several businesses with total PAH equity funding of $3.9bn. The $9.5bn spent translates to roughly $17.56 per PAH share or a 38% premium to the current price while the total equity (issued) funding (pro forma for Alent and all the dilutive shares) translates to $14.97 per share or an 18% premium to the current price. Public investors have the opportunity to pay $12.73 per share for roughly $14.97 to $17.56 of value which could be worth $21.23.

- Public shareholders also have the opportunity to buy shares of PAH for significantly less than what best in class investors have paid. Not only do the PAH Founders and management team own 16% of PAH, but they also acquired nearly $12mm of new PAH shares in the open market at the end of August 2015 at an implied price of $17.81. Permira (Private Equity) obtained nearly 9% of PAH in the sale of its Arysta business in 2014 at a price of $27.14 per share. Cevian Capital should receive approximately 7% of PAH in the sale of Alent at a price of $25.14. Pershing Square and Blue Ridge Capital acquired 9.4mm and 2.5mm shares in November 2014 at $25.59 per share.

- The market estimates the total number of PAH shares at 211mm, as per the PAH SEC filings; however, PAH has a significant number of additional share classes which drives a real dilutive total number of shares to an estimated 262mm (PF Alent). In addition, PAH's net leverage of 5.5x to 6.0x is significantly above its target of 4.5x which could lead to a share issuance to reduce leverage.

- The current number of total outstanding shares will also likely significantly increase over time as a result of the unique and innovative Series A Preferred Paid in Kind incentive scheme awarded to the co-founders. Ordinary public shareholders could be diluted by approximately 5% a year as a result of the incentive plan. However, the previous year's "hurdle" share price was $22.85, a significant premium to the current price.

- While it is difficult to forecast the 2015, 2016 or 2017 PAH operations, the executives and the management business plan is clear, consistent and proven: re-investing capital in historically proven industries and historically proven market leaders as quickly as possible to grow free cash flow and earnings in a value accretive fashion. There are numerous potential risks surrounding the indebtedness, which likely drives a significant number of public market equity investors away. However, the businesses have historically exhibited the ability to operate with leverage and the leverage covenants are very much tilted to PAH's favor (19 adjustments to EBITDA for net leverage covenant at least one of which is at management's discretion).

October 21, 2015

PLATFORM SPECIALTY PRODUCTS (PAH:NYSE)
PRICE TARGET: $15 - $21
CONSIDERATION: BUY

Market Information

Share Price $	$12.73
52 Week High	$28.44
52 Week Low	$11.96
3M Avg Vol. $mm	$17.49
Mkt Cap $bn	$3.3
Firm Value $bn	$8.2

Financials ($mm)	2012	2013	2014
Revenue	731	746	843
EBIT	115	128	125
% Margin	15.8%	17.1%	14.8%
% Growth	11.7%	10.7%	(2.3%)
Net Income	46	(181)	(30)
% Margin	6.3%	(24.3%)	(3.5%)
% Growth	NM	NM	NM
EPS	0.03	(2.10)	(1.94)
% Growth	NM	NM	NM
Div. Per Share			
Net Debt / (Cash)	577	629	1,1019
Net Debt / EBITDA	3.7x	3.6x	4.8x
ROE	NM	NM	NM
ROIC	NM	NM	NM
5 Yr Avg ROIC			NM

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PAH Valuation Considerations

PAH is the summation of several M&A transactions. As a result, we explore the net asset value per share based on the M&A and the total sources of funds:

PAH has spent $9.5bn in M&A since October 2013…

	IPO	MacDermid	CAS	Common Share Issue	Agriphar	Arysta	Arysta Eq. Issuance	Common Share Issue	Founder Shares	End of 2014	OMG	Common Share Issue	Total	Alent	PF Alent
Annoucement Date		10/10/13	4/17/14	5/21/14	8/6/14	10/20/14	10/20/14	11/10/14			6/1/15	6/17/15		7/13/15	
Close Date		10/31/13	11/3/14	5/21/14	10/1/14	2/17/15	2/17/15	11/17/14			TBD	6/29/15			
PAH Division															
Transaction Value ($mm)															
Debt / Cash funded		1,635	983		350	2,856				5,825	365		**6,190**	1,633	**7,823**
Equity funded		240	52		17	646				955	0		955	463	1,418
Derivative Liability		100			4	0				104	0		104	158	262
Total Transaction Value ($mm)		1,975	1,035		370	3,502				6,883	365		7,248	2,254	9,502
Acquired LTM EBITDA ($mm)		180	101		28	293				602	28		630	172	802
LTM Transaction multiple		11.0x	10.2x		13.3x	12.0x				11.4x	13.0x		11.5x	13.1x	11.9x
2014 Trans. Mult. Disclosed			9.7x		9.2x	11.7x									
Announced Synergies $mm			10		15	40				65	20		85	65	150
Updated Synergies $mm														150	

Source: PAH presentations, press releases and public SEC filings

PAH spent approximately $9.5bn on M&A of which $7.9bn was funded in debt.

Since the IPO, PAH has issued 211mm shares (excludes Permira Arysta shares, Alent shares to be issued, PDH shares, and founder series A Preferred shares) for a total of $2.8bn representing an implied blended price of $13.05 or a 3% premium to the current share price.

Adding back the Permira Arysta Preferred B shares, the Alent shares, the PDH shares and the Series A Preferred Shares yields a total diluted share count of 262mm. The proceeds associated with the shares is $1.2bn for a total equity sources of funds for PAH of $3.9bn. The $3.9bn of equity proceeds divided by the 262mm total diluted number of shares implies a blended PAH total equity value per share of $14.97 or an 18 premium to the current share price.

PAH Sources of Funding			Equity Funding				Debt Funding		Total
	Number of Shares	Price Per Share	Value $mm	Total Cumulative Equity $mm	Cumul Shares Issued	Cumul Blended Price	Value $mm	Total Cumulative Debt $mm	Cumulative Funding $mm
London IPO Shares	89	10.00	885	885	89	10.00			885
Warrants Converted (100%)	30	11.50	344	1,229	118	10.38			1,229
Other (Plug)	11	10.00	111	1,339	129	10.35			1,339
PAH Shares Issued for MacDermid	21	11.50	240	1,579	150	10.51			1,579
MacDermid Credit Funding							1,635	1,635	3,214
PAH Share Issuance for Chemtura	16	19.00	300	1,880	166	11.31			3,515
Chemtura Debt Funding							983	2,618	4,498
Agriphar Debt Funding							350	2,968	4,848
Arysta Debt Funding							2,856	5,825	7,704
November 2014 Common Share Issue	16	24.50	403	2,283	183	12.50			8,107
Shares issued to Founders - Preferred	10	23.16		2,283	193				
OMG Debt Funding							365	6,190	8,472
June 2015 Common Share Issuance	18	25.76	469	2,752	211	13.05			8,942
Total	**211**	**13.05**	**2,752**				**6,190**		**8,942**
Founder Shares	2	10.00	20	2,772	213				8,962
PDH Shares and Other	8	10.00	82	2,854	221				9,044
Arysta Preferred B Shares	22	27.14	600	3,454	243				9,644
Alent Equity Funding	18	25.14	463	3,917	262	14.97			10,107
Alent Debt Funding							1,633	7,823	11,740
Total	**262**	**14.97**	**3,917**				**7,823**		

Source: PAH presentations, press releases, and public SEC filings

The 211mm shares do not include the original founder shares, the PDH MacDermid shares, the Permira Series B Preferred shares or the equity which should be issued to Alent. Including the additional shares leads to a total share count of 262mm and a blended price of $14.97 per share.

The blended total share PAH share issuance price is $14.97.

At the current market price, public investors are:

1) Purchasing shares in PAH at an 15% discount to the total blended issue price for all currently issued outstanding PAH shares PF for Alent and all the dilutive shares;

2) Purchasing shares in PAH at a 50% discount to the value of the shares issued in the Alent transaction (Approximately 54mm shares issued at $25.76 per share) currently ongoing;

3) Purchasing shares in PAH at more than a 50% discount to the value of the shares issued to Permira (premier Private Equity business) in the Arysta transaction (Permira received approximately 22mm Class Series B Preferred shares valued at $27.14 per share); and,

4) Purchasing shares at nearly a 50% discount to what key investors paid in the last 12 months.

The left hand below calculates the total shares starting with the Q2 2015 reported number and highlights the dilutive shares. The right hand table highlights the share count used by an estimate of the public markets.

The Real PAH Share Count (assuming PAH were to receive a takeover offer)

	Q1 15	Q2 15
End of Period Reported Shares	192.62	210.85
Additional Shares Unaccounted For		
Series A Preferred Stock - Conversion into Common	2.00	2.00
Series B Preferred Stock - Conversion into Common Stock	11.30	22.11
PDH Conversion into Common	8.62	8.21
Options 1 for 1 to be purchased by holder	0.09	0.07
RSU - Employees	0.06	0.16
PAH Employee Stock Purchase Plan	0.00	0.00
Total Shares (Not Accounted For)	22.06	32.55
Total number of PAH shares	214.68	243.40
Plus: Alent Shares (To be issued)		18.42
Estimate of new shares issued in H2 2015 (reduce leverage multiple)		
Total number of PAH Shares	214.68	261.82

Markets Share Count, Price targets, and real implied target

	Date	Share Count	Price Target	Implied P. Target
Google Finance	10/7/15	210.86		
Yahoo Finance	10/7/15	211.19		
Wall Street Broker 1	8/14/15	210.86	27.00	21.74
Wall Street Broker 2	6/24/15	138.06	31.00	16.35
Wall Street Broker 1	6/4/15	192.62	31.00	22.81
Wall Street Broker 2	6/1/15	138.06	31.00	16.35
Average			30.00	19.31

*** Implied price target is based on multiplying broker share count by broker price target and dividding by our estimated share count of 298mm shares*

Source: PAH presentations, press releases, public SEC Filings, and additional materials

Given the equity instruments would be dilutive in an M&A transaction, public market shareholders should include all of the shares in calculating the intrinsic value per share of PAH. In addition, to the current share count, public investors today need to consider the risk or PAH executing a rights issuance or alternative share issuance to reduce its debt burden which his significantly above its target net leverage and relatively close to its term loan maximum net leverage covenant.

The table below reviews the various EBITDA figures provided by PAH, the current leverage and the impact of reducing current leverage to the target leverage via a share issuance.

How many shares could PAH issue in the near term?

	Low	Mid	High	Average Low	Average High
Net Debt Pro Forma for OMG and Alent	4,904	4,904	4,904	4,904	
EBITDA (PF for OMG and Alent)	773	814	842	814	
Implied Net Debt / EBITDA	*6.3x*	*6.0x*	*5.8x*	*6.0x*	
Target Net Leverage Multiple	4.5x	4.5x	4.5x	4.5x	
Implied potential leverage multiple reduction	1.8x	1.5x	1.3x	1.5x	
New equity raise to paydown debt		0		1,241	1,241
PAH Equity Offer Price				12.00	18.00
Implied new PAH Shares		0		103	69
Current PAH Shares		262		262	262
Implied PF PAH Shares		262		365	331
Impiled PF PAH Net Debt		4,904		3,663	3,663

Source: Proprietary analysis

The 3 EBITDA numbers are estimated: (1) $814mm was the Pro Forma 2014 EBITDA as per the PAH investor presentation regarding the Alent transaction excluding OMG and excluding all synergies; (2) the $773mm is an estimate based on the devaluation of the Brazilian Real to the USD (PAH has significant operations in Brazil); and, (3) $842mm was the Pro Forma 2014 EBITDA as per the September 2015 PAH presentation including OMG but excluding all synergies. Assuming the $814mm EBITDA would yield a 6.0x Net Leverage ratio which would require PAH to reduce net leverage by 1.5x or $1,241mm to reach its net leverage target. Assuming a PAH share price of $12 or $18 would imply PAH would need to raise between 103mm and 69mm shares.

In the October 7, 2015 press release PAH highlighted that including the reduction in the Pro Forma EBITDA the net leverage ratio would fall somewhere between 5.6x and 5.8x.

Starting with the total sources of funding (debt and equity) of $11.7bn or the total M&A spend of $9.5bn we calculate the implied equity value based on either not issuing any shares or issuing the two share amounts (103mm or 69mm) in the analysis above.

Public investors paying less for PAH shares then PAH paid to build its business

			Eq. Raise to Reduce Debt			
	No Equity Raise		Low P	High P	Low P	High P
	Funding	M&A	Funding	Funding	M&A	Funding
PAH Debt Funding	7,823					
PAH Equity Funding	3,917					
Total Funding	11,740	9,502	11,740	11,740	9,502	9,502
Total M&A Spend						
Less: Net Debt	4,904	4,904	3,663	3,663	3,663	3,663
Implied Equity Value	6,836	4,598	8,077	8,077	5,839	5,839
Total Shares Outstanding (Estimated)	262	262	365	331	365	331
Implied PAH Value per share	26.11	17.56	22.11	24.42	15.99	17.65
Current share price	12.73	12.73	12.73	12.73	12.73	12.73
Discount to M&A Value / Intrinsic Value	*(51.2%)*	*(27.5%)*	*(42.4%)*	*(47.9%)*	*(20.4%)*	*(27.9%)*

Source: Proprietary analysis

Assuming no equity issuance implies a PAH value per share of $26.11 based on the total funding or $17.56 based on the M&A spend. Assuming the total sources of funding as the starting value and a new equity raise at either $12 (Low P) or $18 (High P) per share yields an implied value of $22.11 to $24.42. Assuming the total M&A spend as the starting value and a new equity raise at either $12 (Low P) or $18 (High P) per share yields an implied value of $15.99 to $17.65.

However, it is possible that the total sources of funding or the $9.5bn of total M&A spend is not the correct way to think about value, after all PAH could significantly impair its assets (i.e. have overpaid for acquired assets).

The table below examines the PAH valuation in a highly negative scenario assuming: (1) The discounted 2014 PF EBITDA excluding synergies of $773mm; (2) the management estimated 2014 PF EBITDA excluding synergies of

$814mm; (3) the management estimated 2014 PR EBITDA including synergies of $842mm; (4) historical low EBITDA multiple of 9.0x; (5) the implied PAH EBITDA multiple based on the $814mm of EBITDA at the current price of 9.7x; (6) the blended M&A EBITDA multiple paid by PAH of 11.9x; and (7) PAH executing a share issuance at $12 per share to reduce debt (we highly doubt PAH would issue shares at $12 given the buy-in price of several shareholders and the potential for such shareholders to provide PAH with short term funding to pay down the debt and stay within the debt covenants).

Potential Value of PAH at Various EBITDA Multiples and the Low and Mid Pro Forma EBITDA

	Low Multiple			Mid Multiple			High Multiple		
	Low	Mid	High	Low	Mid	High	Low	Mid	High
EBITDA Multiple	9.0x	9.0x	9.0x	9.7x	9.7x	9.7x	11.5x	11.5x	11.5x
EBITDA (ex synergies)	773	814	842	773	814	842	773	814	842
Implied Firm Value	6,960	7,326	7,579	7,496	7,890	8,163	8,899	9,367	9,691
Less: Net Debt	(3,663)	(3,663)	(3,663)	(3,663)	(3,663)	(3,663)	(3,663)	(3,663)	(3,663)
Implied Equity Value	3,297	3,663	3,916	3,833	4,227	4,500	5,236	5,704	6,028
PAH PF Shares	365	365	365	365	365	365	365	365	365
PAH Share Price	9.03	10.03	10.72	10.49	11.57	12.32	14.33	15.62	16.50
Premium / Discount	*(29.1%)*	*(21.2%)*	*(15.8%)*	*(17.6%)*	*(9.1%)*	*(3.2%)*	*12.6%*	*22.7%*	*29.6%*
Synergies	150	150	150	150	150	150	150	150	150
Implied EBITDA	923	964	992	923	964	992	923	964	992
PAH Share Price	12.72	13.72	14.42	14.47	15.55	16.30	19.06	20.34	21.23
Premium / Discount	*(0.1%)*	*7.8%*	*13.3%*	*13.7%*	*22.2%*	*28.1%*	*49.7%*	*59.8%*	*66.8%*

Source: Proprietary analysis

The most negative case using the discounted EBITDA (without synergies) and multiple would yield a value per share of $9.03 or a discount of 29% to the current price. Adding back 100% of the synergies would yield a value per share of $12.72 or approximately breakeven at today's price.

The second most negative case using the PF 2014 EBITDA ex synergies and the discounted multiple would yield a value per share of $10.03 or a 21% discount to the current price. Adding back the synergies would yield an 8% premium to the current price.

None of our cases assume any organic growth. The acquisition synergies, if achieved should delivery between $4 and $5 per share representing between 30% and 40% shareholder return. Should PAH achieve 100% of synergies, all of our cases yield a positive investment return.

Additional data points which are of interest:

1) The Arysta acquisition presentation: PAH forecasted $134mm and $155mm of Net Income contribution (from Arysta to PAH) in 2015 and 2016 respectively. The recent reduced guidance heavily driven by the AgroSolutions business and the two forecasts will be significantly lower in the near term; however, even achieving 50% of the earnings would deliver approximately $4 per share of value;

2) In the Arysta acquisition presentation, PAH forecasted $300mm to $330mm of EBIT contribution; and,

3) Chemtura AgroSolutions in 2011 and 2013 forecast significant long term growth (estimated nearly doubling the revenue in 5 years).

It's likely that the current price provides a significant margin of safety to public investors investing in PAH today at below a price of $13 per share. Given the timing of the synergies and the potential negative near term news (rights issuance, further Brazilian real devaluation, etc…), the near term public share price of PAH could move significantly (up and down) but giving management the chance to integrate the business over the next two years should deliver significant value above the current price.

PAH Overview (as of October 2015):

PAH is a highly levered, cash on cash return focused business driven by M&A and attractive end markets in businesses that operate on several core principles that are industry agnostic. Management highlights its paramount focus is increasing the "intrinsic value per share" (although there is no use of intrinsic value per share in the executive incentive compensation).

Management highlights it operates businesses which have:

1) Over 5% to 8% year on year organic revenue growth;

2) Opportunities to drive free cash flow growth above organic growth;
    a. 10% long term Net Income growth rate.
        i. CEO Mr. Leever has noted he would actually target 20% long term Net Income CAGR but would also seek 30%.
    b. Bolt-on acquisitions operating in PAH industries will generate EBITDA synergies of 25% to 50% of the target underlying EBITDA.

3) Market leading (#1 or #2) products;

4) Limited capex investment to generate organic growth (less than 3% - "Asset Lite");

5) High EBITDA to Free Cash Flow conversion (North of 85%);

6) Limited fixed costs (i.e. "Asset Lite");

7) High SG&A costs at over 20% of sales (partly driven by R&D representing the "High Touch" and the Moat);

8) Industry leading returns on invested capital; and,

9) Long operating history with deep customer relationships where people and technology act as a moat.

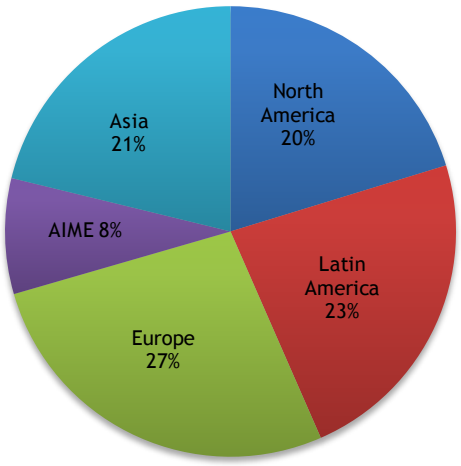
The PAH management team highlights it targets a long term 4.5x net leverage multiple which, according to management, should translate to slightly below investment grade. In addition, PAH does not intend to reduce the total quantum of debt, but rather to increase the EBITDA primarily through acquisitions and organic growth. The sizable interest expense, should in theory be paid down by the highly cash flow generative operations. During the March 2015 investor day, management spoke about running the MacDermid and Arysta businesses (separately) at over 7x net debt to EBITDA at various points in times as private entities.

One of the key drivers to PAH's acquisition plan is taking companies that have low leverage and adding leverage to those operations. For example, when PAH acquired Alent in 2015, Alent had 1x net debt to EBITDA and its credit covenants highlighted a maximum net leverage ratio of 3.0x. PAH's 4.5x leverage target theoretically would have allowed PAH to add $595mm of net leverage onto Alent immediately and reduce the equity portion of the investment. However, PAH managed to obtain credit financing of $1.9bn nearly 10x Alent's EBITDA or an incremental 9x net leverage relative to standalone Alent. The implied funding split is 80% / 20% debt / equity.

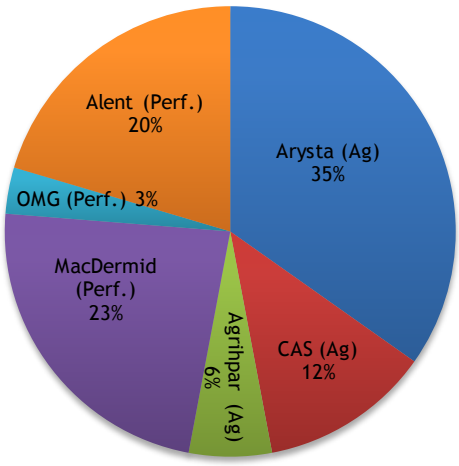
While PAH has clearly stated it's not a publicly traded LBO, the only reason it should not be compared to a Private Equity LBO business is because of the longer term time horizon, the dedication to not selling assets, and the planned re-investment of 100% of the free cash flow to growth rather than any allocation to paying down debt or cash dividends.

The chart below highlights the breakdown of Revenue by geography and EBITDA (excluding synergies) by division:

PAH Sales by Geography



PAH % EBITDA (ex synergies) by Division



Source: PAH presentations

PAH has a balanced geographical presence between North America, Latin America, Europe, AIME (Africa, India, Middle East, and Asia) and a near 50 / 50 split between the AgroSolutions (53%) and Performance Applications EBITDA.

PAH Indebtedness:

PAH indebtedness should be a concern for all public equity investors given the high level of indebtedness that PAH intends to run, 4.5x net leverage target. In a transaction heavy business, failure to accurately forecast the EBITDA could have dramatic impacts. From a public equity investor perspective, PAH covenants are very light and friendly. The Net Leverage covenant is 6.5x (Term Loans). Moody's assigned PAH debt an overall "covenant quality score" of 4.15 on a scale of 1 to 5 with 1.0 being the strongest and 5.0 the weakest. The US average score is 3.61. The EBITDA used in the covenant ratio has approximately 19 adjustments one of which is a synergy estimate which is at the discretion of management.

In October 2015, PAH announced the reduction of the EBITDA from $620 - $650mm to $550 - $570mm. In March 2015, PAH had forecast 2015 EBITDA range of $660 - $680. The management team has reduced the 2015 EBITDA forecast by nearly 20% in only 6 months and only approximately 12 months after completing the acquisitions which deliver such EBITDA. To date, PAH has not impaired the goodwill or the intangible assets on its balance sheet.

Simultaneous to the EBITDA reduction, PAH highlighted that Pro Forma for the OM and the Alent transaction, the net leverage multiple would be between 5.6x and 5.8x.

PAH Debt Overview ($mm) Reported and Adjusted for Acquisitions

	Q1 15	Q2 15	PF OM	PF Alent
USD Notes Due 2022	1,101	1,080	1,080	1,080
EUR Notes Due 2023	376	383	383	383
First Liend Sec Term Loan 2020 ($mm)	742	739	739	739
USD Incremental Loan due 2020	294	292	292	292
New Tranche B Term Loan 2020	129	122	122	122
New Tranche B2 Term Loan 2020	494	482	482	482
Euro Tranche Term Loan 2020	218	226	226	226
New Euro Tranche Term Loan 2020	87	90	90	90
Cap Lease Obligation	5	5	5	5
New:OM Acquisition Debt Financing			365	365
New: Alent Debt Financing				1,791
Total Debt	3,445	3,418	3,783	5,575
Les: Current Cash		(672)	(672)	(672)
Total: Net Debt		2,746	3,111	4,902
LTM EBITDA		550	579	841
Net Debt / EBITDA		**5.0x**	**5.4x**	**5.8x**

PAH EBITDA Overview ($mm)

	100% Consolidated		2015 Consolidation		% Change	Reported	100% PF
	PF 2013	PF 2014	%	$mm	to 2014	2015E	2015E
Agricultural							
Arysta	259	293	88%	257	(20%)	206	206
CAS	101	103	100%	103	(20%)	82	82
Agriphar	41	50	100%	50	0%	50	50
Total Agricultural	*401*	*446*		*410*		*338*	*338*
Synergies	40	80	33%	26	(10%)	24	70
PF EBITDA Agricultural	*441*	*576*		*486*		*412*	*458*
Performance Apps							
Macdermid	180	196	100%	196	(4%)	188	188
OMG	33	28	0%	0		0	29
Alent	161	172	0%	0		0	166
Total Performance Apps	*374*	*396*		*196*		*188*	*383*
Synergies	0	70	0%	0		0	50
PF EBITDA Performance Apps	374	466		196		188	433
PF Adj EBITDA Pre Synergies	775	842		606		526	721
Synergies	40	150		26		24	120
PF Adj EBITDA Post Synergies	815	992		632		**550**	**841**

Source: PAH Presentations and Estimates

The left hand table highlights the PAH debt as of Q1 2015, Q2 2015, Q2 2015 plus OM (which should close before FY 2015), and Q2 plus OM plus Alent ($4.7bn).

The right hand table highlights the PAH EBITDA by division. The two left hand columns represent a total PF consolidated estimated EBITDA including synergies for 2013 and 2014. The 2015 Consolidation columns represent the estimated amount of operations consolidated in 2015 (Arysta closed in mid February 2015 and Alent and OM will also represent limited to no earnings in 2015). The % change to 2014 column estimates the change in EBITDA in 2015 relative to 2015. The Agricultural division is estimated to be the primary driver of the decline based on the October press release and the decline in the Brazilian Real vs the USD. The Reported 2015E number is the $550mm

low end of the new PAH range. Thereafter the 100% PF 2015E column adds back the OM and Alent EBITDA as well as the synergies provided by the October press release to yield an EBITDA of $841mm.

The estimates yield the 5.6x net leverage which is the low end of the October press release 5.6x to 5.8x.

PAH Shareholders:

PAH has a concentrated strong value creative shareholder base controlling a majority of the total shares. The PAH and executives also own a significant amount of the company and are highly incentivized to create value.

PAH Shareholders - The Who's Who of Modern Day Value Investing with 60% ownership

	Common Shares	PDH Shares	Pref A Shares	Pref A Shares	Pref B Shares	Real Total	% of Total	% of PF Total	Comments
Public Owners									
Corvex (Mr. Meister)	9.4					9.4	3.9%	3.6%	- Est public market purchase in Q4 2014 at price of $23 per share
Blue Ridge Capital (John Griffin)	11.0					11.0	4.5%	4.2%	- In Nov 2014, acquired 2.5mm shares at $25.59
TOMS (Noam Gottesman)	2.0					2.0	0.8%	0.7%	- Co-Founder of GLG no public disclosure
Amici (Mr. Orlin)	4.0					4.0	1.6%	1.5%	- Acquired in Q2 2014 apprx $20 per share
Wellington Management	17.6					17.6	7.2%	6.7%	
Insider Owners									
Pershing Square (Mr. Ackman)	42.7					42.7	17.6%	16.3%	- In Nov 2014, acquired 9.4mm shares at $25.59
Nicolas Berggruen (BAH) Co-Founder	10.0		0.9	4.7		15.6	6.4%	6.0%	- Co-Founder benefits from Series A Preferred PIK Annual shares
Mariposa (Mr. Franklin Chairman)	11.1		1.3	5.3		17.7	7.3%	6.8%	- Co-Founder benefits from Series A Preferred PIK Annual shares
Daniel Leever (CEO - MacDermid - PDH shares)		6.9				6.9	2.8%	2.6%	- CEO of PAH rolled Macdermid shares into PAH
Other Former MacDermid (PDH shares)		1.3				1.3	0.5%	0.5%	
Permira					22.1	22.1	9.1%	8.4%	- Obtained in sale of Arysta at strike price of $27.14 per share
Public shares	210.8	8.2	2.2	10.1	22.1	243.4	61.8%	57.4%	
Cevian (Alent Activist Shareholder)	18.4					18.4		7.0%	- Estimate that Cevian receives entire Alent Share allotment
PF For Alent Transaction	229.3	8.2	2.2	10.1	22.1	261.8		64.5%	

Source: Sources: Corvex SEC filing Aug 2015, Blue Ridge PAH Proxy 2015, TOMS PAH Proxy, Amici PAH Proxy, Wellington PAH Proxy 2015, Pershing Square SEC filing Aug 2015, Mr. Berggruen PAH Proxy 2015, Mariposa PAH Proxy 2015, Mr. Leever PAH Proxy 2015, Permira PAH Proxy 2015

Each of the PAH Co-Founder's, Mr. Nicolas Berggruen and Mr. Martin Franklin currently own more than 6% of PAH. In addition, each has the "Founder's Shares" Series A Preferred stock which can be issued every year based on the PAH share price performance. In several growth scenarios, the founder's could obtain the equivalent of 2% to 5% of PAH shares. Mr. Daniel Leever, the CEO of PAH, also holds a significant stake in PAH having rolled in his MacDermid equity into PAH. In addition, the MacDermid senior management team rolled up their MacDermid shares into PAH instead of cashing out when PAH acquired MacDermid. The executive and management teams control approximately 16% of the business.

In addition, at the end of August 2015 several of the key executives acquired PAH shares in the open market:

1) Mr. Berggruen acquired an additional 224,100 shares for $4mm at an implied price of $17.81

2) Mr. Franklin acquired an additional 448,200 shares for $8mm at an implied price of $17.81

3) Mr. Ben Gliklich (COO) acquired 4,760 shares for $100,000 at an implied price of $20.80

Pershing Square is a publicly traded $13bn global long / short equity value investment fund run by Mr. Bill Ackman. Pershing runs a highly concentrated portfolio where currently approximately 7 investments represent 90% of the portfolio. Pershing obtained a 33% stake (apprx $635mm) in PAH when PAH was an LSE publicly traded company without any operating businesses. In other words, Pershing invested in Mr. Franklin and Mr. Berggruen and their ability to find and acquire companies with specific operating characteristics across any industry. Pershing has a historical relationship with Mr. Franklin working together in the "Justice Holdings" entity which acquired, ran and sold Burger King. Pershing also currently invested in Nomad Foods (Mr. Franklins other SPAV).

In May 2015, Pershing presented an investment thesis regarding PAH at the Ira Sohn conference which highlighted:

1) *"Businesses managed by superior operators that execute value-enhancing acquisitions and shareholder-focused capital allocation have substantial Platform Value";*

2) *"Franklin's intense focus on value creating capital allocation has driven significant share price appreciation across several companies";*

3) *"Value-creating acquisition and capital allocation strategy*
    a. *Maintains high standards for quality and valuation of acquired businesses*
    b. *Focus on shareholder value creation not reported GAAP earnings*
    c. *Intelligent use of debt and equity to finance acquisitions*
    d. *Capital allocation and acquisitions are a core competency and a significant focus of senior management and the board*

4) *A decentralized organization structure allows Franklin's companies to move quickly to seize opportunities to keep costs down."*

Source: Pershing Square Presentation titled 45x presented at May 2015 Ira Sohn Conference - https://www.pershingsquareholdings.com/media/2014/09/Ira-Sohn-2015-Presentation.pdf

Pershing acquired its initial stake in PAH in 2013 and also very likely exercised all of its original PAH warrants at the end of 2013 and early 2014. We estimate Pershing's cost base for the initial 31% stake (initial shares and warrants) was $10.76. In November 2014, PAH issued additional shares to help fund the Arysta acquisition and Pershing acquired approximately 9mm additional shares at $25.59 per share. The total Pershing cost basis for the investment in PAH is likely around $14.02 per share.

Permira is a global multi-billion dollar private equity firm with a 30 year history. In October 2007, Permira acquired Arysta Life Sciences and thereafter owned and ran the business. While PAH acquired Arysta at the end of 2014 (closed February 2015), Permira did not "sell" or "cash out" its ownership value. Permira accepted $600mm in Series B Preferred PAH shares valued at $27.14 per share. In other words, Permira exchanged its ownership in pure play Arysta for an ownership in the diversified PAH alongside Mr. Franklin.

Cevian is the leading European based activist equity investor. Cevian manages over $14bn and is founded and managed by Christer Gardell.Cevian targets good companies that are out of favor and underperforming their potential. Cevian runs a concentrated portfolio of approximately 14 investments and sits on the Boards of 10 of the investments. The target investment return is 100% over 3 years and Cevian avoids the technology, biotechnology, and pharmaceuticals companies. The estimated Cevian cost basis for PAH shares is $25.14 (the PAH price used for the exchange ratio). We assume that none of the other Alent shareholders voted to take PAH shares which were worth nearly 50% less at the time of the vote than at the time the exchange ratio was set which would imply that Cevian will own nearly 7% of PAH.

Corvex is an activist hedge fund which holds approximately 40 equity positions with nearly $9bn under management. Corvex was founded by Mr. Keith Meister in December 2010 after he worked with Mr. Carl Icahn for 7 years. Corvex initially disclosed a position (6.4mm shares) in PAH in February 2015 (for the quarterly period ended December 31, 2014). Corvex's May and August 2015 SEC filings disclosed Corvex acquired additional shares in both periods. We estimate that Corvex's cost basis is $24.28 and with a higher degree of certitude over $20 per share.

Blue Ridge Capital is a global long short equity investment fund which was founded in 1996 by John Griffin after he worked for numerous years with Mr. Julian Robertson. Blue Ridge Capital focuses on companies that have competitive advantages in their industries, while shorting those thought to have fundamental problems. Blue Ridge invested in PAH before the NYSE listing and subsequently participated in PAH's equity share issuances to fund acquisitions: May 2014 issuance Blue Ridge acquired an additional 1mm shares (at approximately $19.00 per share); and, November 2014 issuance Blue Ridge acquired an additional 2mm shares (at approximately $25.59 per share). We estimate that Blue Ridge's cost basis is $14.00 per share.

TOMS Capital is an investment fund founded by Noam Gottesman in 2012 who is one of the original founders of GLG. Mr. Gottesman also co-founded Nomad Holdings with Mr. Franklin with a similar mandate to PAH which Pershing Square has invested in. Nomad recently acquired Iglo foods. As with PAH, Nomad is currently LSE listed and has a complicated capital structure (there is a similar Series A Preferred Share dividend).

In the last week of September, TOMS Capital acquired an additional 809,944 shares in PAH in the open market for $11mm at an implied price of $13.60.

Finally, in mid-September 2015 Roystone Capital which manages nearly $2bn in a value oriented style across the capital structure (debt, equity and other instruments) created by Mr. Richard Barrera acquired 953,000 shares in PAH for $16.2mm at an implied price of $17.05

Public investors have the opportunity today to acquire shares in PAH at a significant discount to the price paid by highly successful long term value creative investors and at a price close to what the founders and initial investors paid.

Founders Series A Preferred Shares Overview:

The PAH Founders Series A Preferred shares are an innovative and well thought out special compensation structure for the co-founders based on a cash on cash returns principle. However, they are structured to favor the founders relative to the ordinary shareholders in a "heads I win, tails you lose" strategy. In brief, the shares work in the following manner:

1) If the average PAH stock price over the final 10 days of the calendar year exceed the previous "hurdle price" ($22.85) an "incentive" payment in PAH Ordinary shares is made;

2) The "incentive" payment value is determined based on the difference between the average PAH stock price over the final 10 days of the calendar year and the PAH IPO price of $10.00 per share. The founders thereafter get 20% of the price difference multiplied by the original number of IPO shares;

3) The Founder preferred shares automatically convert into PAH ordinary shares on a one-for-one-basis (a) in the event of a change of control of PAH; and (b) December 31, 2010.

Series A Preferred Shares in Action

	2013	2014	2015E
IPO Price / Prev Div Price	10.00	10.00	
End of year Dividend price	11.50	22.85	15.00
Max Historical Price used	10.00	11.50	22.85
Pay dividend Yes / No (1/0)	1.00	1.00	0.00
Price Delta	1.50	12.85	15.00
20% of delta	20.0%	20.0%	20.0%
Dividend Payment per share	0.30	2.57	0.00
IPO Shares	90.53	90.53	90.53
Preferred Dividend $mm (Paid Ord. Shares)	27.16	232.66	0.00
Dividend price for share issuance	10.00	23.16	0
Implied new shares issued	2.72	10.05	0.00
Implied dilution		5.2%	0.0%
Next year max	11.50	22.85	22.85

Ordinary shareholder can be diluted by 5% a year by Pref A shares

Year	2015	2016	2017	2018	2019
IPO Price / Prev Div Price		10.00	10.00	10.00	10.00
End of Year Price	15.00	18.00	21.60	25.92	31.10
EPS CAGR Estimate		20.0%	20.0%	20.0%	20.0%
Pay Div		0.00	0.00	1.00	1.00
Price Delta		8.00	11.60	15.92	21.10
20% of delta		20.0%	20.0%	20.0%	20.0%
Dividend Payment per share		1.60	2.32	3.18	4.22
IPO Shares		90.53	90.53	90.53	90.53
Pref Div Payment ($mm)		0.00	0.00	288.25	382.11
Div Price for issuance		18.00	21.60	25.92	31.10
Implied new shares issued		0.00	0.00	11.12	12.28
Implied dilution				*4.2%*	*4.7%*
Next year max	22.85	22.85	22.85	25.92	31.10

Source: PAH documentation and proprietary future estimates

There are several problems with the way the annual incentive payment is structured:

1) IPO price as the base for the calculation in the change in the share price.

   a. Since the IPO, PAH has issued nearly 100mm new shares (Common, Series Preferred B). The newly issued shares and their price at issuance should be included in the base price for the annual dividend calculation. The base price based on the blended total equity issued would be $15.30 per share.

   b. There should be a minimum annual % increase in the base price (i.e. the IPO price currently) representing a hurdle before any payment is made. The % increase could be thought of in terms of the organic growth of the business or alternatively the cost of capital of the business. The Co-Founders should be handsomely paid for adding incremental value.

   c. Public investors should consider a mechanism that claws back any previous payments for significant future underperformance.

2) Under the current structure, public shareholders could very easily find their PAH ownership diluted by 5% a year.

3) While PAH currently has not publicly stated any intention of executing a share repurchase, there could be a risk of PAH executing a accelerated repurchase in December of a calendar year to drive up the share price used for the preferred share dividend.

Conclusion:

Public market investors have the opportunity to purchase shares in PAH at a discount to both the total M&A spend per PAH share and the total sources of funding per PAH share providing an initial margin of safety which should be magnified by the ability to achieve M&A synergies ($4 to $5 a share) and organic growth (target 10% EPS growth per year).

Not only is PAH difficult to understand and build projections for, but PAH's capital structure is also extremely complicated. With approximately 5.6x net debt to EBITDA, a below investment grade rating, a Series A Preferred share class dividend which can dilute public shareholders by 5% s year, and no intention to pay a dividend, a significant number of public market equity investors are quickly turned off from exploring PAH any further. In addition, while the market estimates 211mm shares outstanding, there are a significant number of share classes which in a takeover transaction would yield a total number of shares to an estimated 262mm.

However, the debt covenants are tilted in the favor of public market equity investors and the founders / executives / management team are all highly incentivized to deliver value through 2020. The MacDermid management team has a significant potential payout based on 2020 financials. The two co-founders will not reach the preferred share incentive target until the PAH share price is $22.85 which represents an 80% gain on the current price.

While it is difficult to forecast the 2015, 2016 or 2017 PAH operations, the executives and management business plan is clear, consistent and proven: re-investing capital in a value accretive manner in historically proven industries and historically proven market leaders as quickly as possible to grow free cash flow and earnings.

Buy PAH Shares below $13 per share.

Appendix – Risks To PAH Investment:

1) High leverage:

    a. High quantum of total debt;

    b. Variable nature of debt interest rates could drive increasing interest expense hampering operations;

        i. Additional potential analysis could include changing in interest rates to check free cash flow generation.

    c. Debt currency in USD and Euro while 23% and 21% of revenues are based in Latin American and Asia respectfully;

    d. Debt covenant from the August 2014 Seconded Amended restate credit agreement highlights;

        i. Maximum net leverage ratio of 6.5x. However, should PSP fail the maximum coverage ratio PSP has the opportunity to issue equity "right to cure" and which equity raise can be added back to the EBITDA (a multiplier effect on debt rather than using the cash to pay down the debt); and

        ii. The EBITDA in use for the calculation has at least 19 potential add backs including giving management the ability to estimate a synergies number to estimate in good faith to add back to the EBITDA for the calculation.

    e. As of January 21, 2015, Moody's assigned PAH debt an overall "covenant quality score" of 4.15 on a scale of 1 to 5 with 1.0 being the strongest and 5.0 the weakest. The US average score is 3.61.

        i. Moody's rates overall PSP as a B1 negative and in July (the most recent communication) highlighted that the Alent transaction could increase pressure on the ratings. The October 2015 downward revision of guidance may put additional pressure on Moody's to downgrade PSP.

2) Potential new share issuance to pay down debt:

    a. PAH is significantly above its target 4.5x net leverage ratio currently at between 5.5x and 6.0x. The ratio could also increase with further pressure on emerging market currencies;

    b. PAH made references to a potential share issuance to pay down debt in H2 2015; and,

    c. In October 2015 as the PAH share price fell by more than 50%, PAH changed paths and noted it did not plan to raise equity to pay down debt and would rely on EBITDA growth to drive down the multiple.

3) Departure of Agrosolutions CEO Wayne Hewett (former head of Arysta):

    a. During the March 2015 Investor Day, Mr. Wayne Hewett highlighted he was different to and did not agree with Mr. Leever on many issues.

4) Incentive compensation misalignment:

a. Founders Series A Preferred Share annual dividend value based on the IPO price rather than blended total funding value per share;

b. Proxy incentive compensation definitions does not match what management says (i.e. paid on EBITDA when management stress that EBITDA does not matter – FCF and intrinsic value per share);

c. Lack of disclosure in the proxy regarding incentive targets; and,

d. Lack of disclosure regarding the targets for the MacDermid $100mm lump sum payment in 2020

5) Inability for management to report the same financials for the same fiscal year in various presentations:

a. Chemtura 2014 EBITDA in May 5 2015 and July 14, 2015 presentations were $107mm and $103mm respectively with the $4mm of difference coming from the "Other expense, net" line.

b. Agriphar 2014 EBITDA in July 14, 2015 and September 18, 2015 presentations were $44mm and $50mm respectively.

c. Chemtura AgroSolutions 2014 EBITDA in July 14, 2015 and September 18, 2015 presentations were $107mm and $103mm respectively.

d. Arysta 2014 EBITDA in July 14, 2015 and September 18, 2015 presentations were $299mm and $293mm respectively.

e. Arysta 2013 EBITDA in December 2014 (Citi) presentation and September 18, 2015 presentations were $$294mm and $299mm.

f. Arysta 2012 EBITDA in December 2014 (Citi) presentation and September 18, 2015 presentations were $276mm and $268mm.

6) Potential inability for management to provide accurate framework for value creation:

a. In March 2015 Investor day presentation page 69, PAH provides framework for cash on cash return highlighting two scenarios (a) all cash flow used to paydown debt vs (b) all cash flow used for M&A.

i. In "Year 1" the interest expense for both scenarios is the same which cannot be accurate if one scenario pays down debt while the other does not;

ii. We recreated the all cash flow to paydown debt analysis based on the PAH inputs and plugged several inputs (change in net working capital, tax rate, capex % of sales, etc…) in order to obtain the exact same yearly EBITDA, FCF and EPS numbers (scenario 1).

iii. We re-ran the analysis assuming PAH uses all free cash flow to acquire companies with the exact same operating measures and a constant 4.5x net leverage (scenario 2) and obtained significantly higher year 5 EBITDA and FCF but slightly lower EPS?

7) Regulatory concerns.

8) Management drinking the Cool Aid:

a. "They told me what they were forecasting for Q1. And I said, "really? I mean, are you sure?" … it's scary to me that tihngs could be that good. So here we are, who knows that they year's going to be, but I can tell you as we stand here today, it looks pretty darn good." CEO Daniel Leever, March 15, 2015 Investor Day.

    i. In the 7 months following the investor day, PAH has reduced the 2015 EBITDA guidance by more than 20%.

b. "They put together great budgets. We've had no disruption in management. We managed to keep the best talent…I've always found the best way to do recruitment is in the acquisition of a company." Vice Chairman and Co-Founder Martin Franklin, March 15, 2015 Investor Day

    i. Shortly thereafter, Mr. Wayne Hewett the head of the Agrosolutions group who was previously the CEO of Arysta acquired by PAH in 2014 resigned.

    ii. 2015 Guidance reduced by over 20% since March Investor day (in 6 months).

9) Currency risk: Brazilian real is the largest risk with Arysta having significant operations in Brazil. Risk impacts reported figures and ability to use cash to pay interest expense and principal of debt.

10) Potential misalignment of shareholders:

a. Pershing Square ties to Mr. Franklin and other public companies run by Mr. Franklin such as Nomad Holdings / Foods;

    i. Pershing Square has an employee on the board of PAH and an employee on the board of Nomad Holdings / Foods.

        1. Additional analysis could look at total cash investment into each PAH and Nomad by Pershing.

b. Role of Permira over the next years.

11) Potential misalignment of PAH Directors and Executives with public shareholders:

a. Founding shareholders Series A Preferred shares appear beneficial to founders (heads I win, tails you lose). The annual value of the PIK dividend is currently tied to the $10 IPO price which could be tied to the total blended issuance price of $14.97 (and change based on new share issuances).

b. No organic growth added to the base line metric (IPO price) representing the standalone power of the operations (no incremental value). Founders get paid for incremental value added.

c. Difficult to understand how Permira (Arysta) and Cevian (Alent) chose to:

    i. Accept PAH equity valued at more than double the IPO price (the base price for the Series A annual PIK dividend); and,

    ii. Accept the founders Series A annual PIK compensation without adjusting the "IPO" price for the total blended issuance price.

d. PAH Chairman Mr. Martin Franklin is the Co-Chairman of Nomad Holdings another Special Purpose Acquisition Vehicle he co-founded and Executive Chairman of Jarden Corporation (where he was CEO and Chairman from 2001 through May 2011).

    i. How does Mr. Franklin choose which acquisition target best fits Nomad or PAH?

e. Mr. Noam Gottesman who is the founder and CEO of TOMS Capital which holds 2mm shares or 1% of PAH share capital is the Co-Founder of Nomad Holdings.

12) Risk of Impairment of assets (Goodwill and intangibles on the balance sheet)

Appendix - PAH AgroSolutions (Chemtura, Agriphar, and Arysta Life Sciences) Overview:

The AgroSolutions is the world's 10th largest player in agrochemicals and provides Herbicides, Insecticides, Fungicides, Bioslutions, Seed Treatment, and other items to the agricultural landscape. The business has a presence in over 100 countries with over $200mm in every region. As part of the Asset Lite strategy, PAH does not participate in the Active Ingredient ("AI") discovery phase or the AI Manufacturing phase. PAH participates in the development phase providing innovative solutions based on existing chemistry, the government registration, the formulation and packaging, and the marketing and distribution. PAH has approximately 7,300 registrations and 345 employees dedicated to the regulatory and development.

The key drivers to the business include:

1) Increasing global population growth;

2) Decreasing arable land per capita (reduction in the amount of land capable of being ploughed and used to grow crops);

3) Emerging markets increasing wealth drives a dietary shift to beef, pork and chicken which requires additional crops; and,

4) High regulation of Agrochemicals.

PAH have sourced Phillips McDougall and the USDA to highlight that between 2003 and 2014 the estimated increase in the conventional crop protection market was 6.5% a year increasing from $28bn to an estimated $56.1bn.

In addition to the strong industry tailwinds, PAH highlighted that:

1) 38% of its products in the Value-Added Products sector should grow at nearly double the conventional crop protection rate or between 8% and 10% per year;

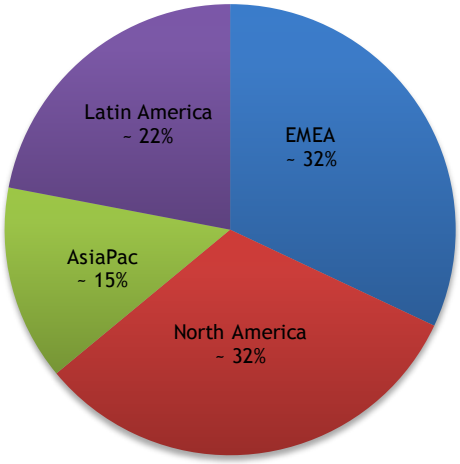
2) 8% of its products in the Bioslutions sector should grow at triple the conventional crop protection rate or between 12% and 15% per year; and,

3) 5% of its products in the Seed Treatment sector should grow at 1.5x the conventional crop protection rate or between 6% and 8% per year.

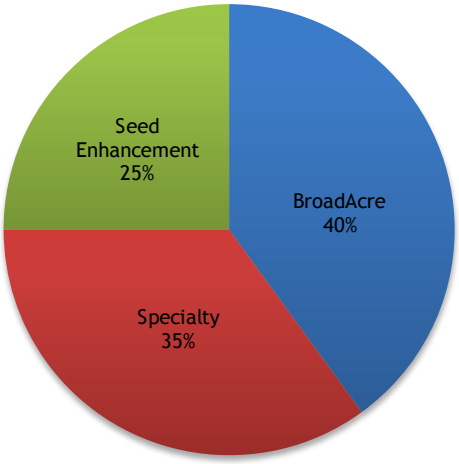
Chemtura AgroSolutions (CAS) Historical Overview:

PAH and MacDermid had no previous investment in the AgroSolutions sector until the acquisition of Chemtura's Agrosolutions business in April 2014. Chemtura Agrosolutions has more than a 40 year operating history with a presence in approximately 120 countries and over 1,500 product registrations in Insecticides, Herbicides, Fungicides, and other crop protection products. Approximately 25% and 35% of the products target the higher growth seed enhancement and specialty markets.

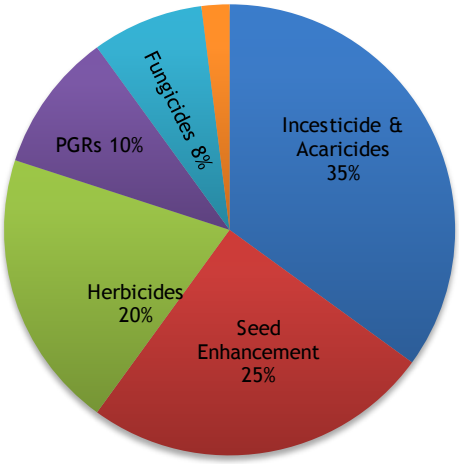
CAS Agro by Region (2014)



CAS Agro by Target Market (Sept 2011)

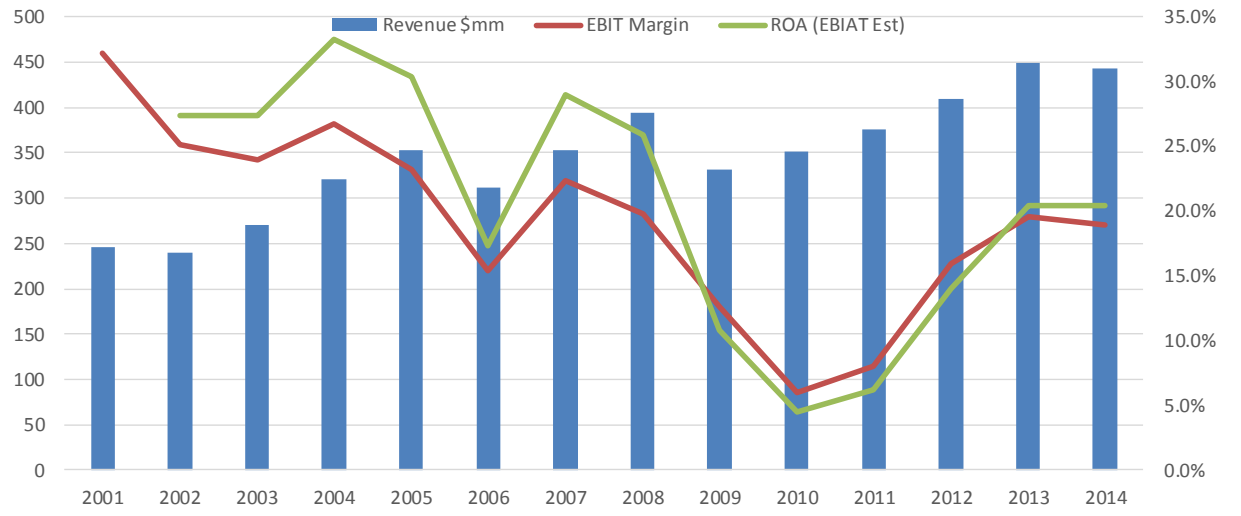


CAS Agro by Target Market (Sept 2011)



The below chart highlights Chemtura's AgroSolutions operations between 2001 and 2013:

Increasing revenues but volatile and declining margins and returns

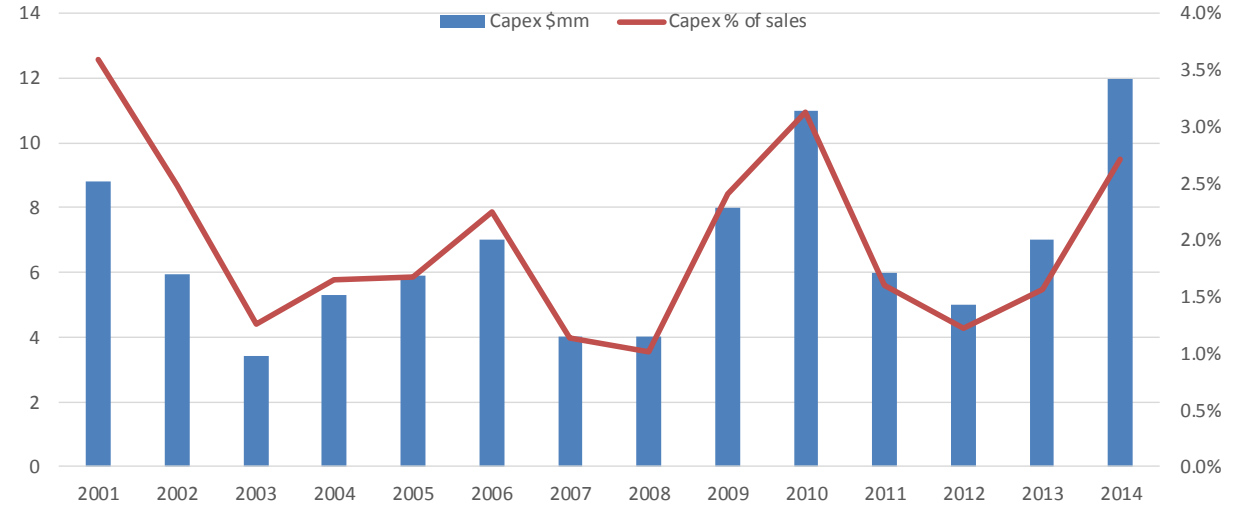


Source: Chemtura annual reports

Between 2001 and 2013, the Revenue and EBIT CAGRs were 5.2% and 0.9% respectively with an average EBIT margin and EBIAT ROE estimate of 19.3% and 20.5%. The figures highlight the volatility of the EBIT margin which appears to be dramatically impacted by a fluctuation in costs (as revenue remained fairly stable). Understanding the COGS and SG&A expenses and their drivers while ultimately honing in and maintaining a steady margin is key to the business. The topline growth should provide a margin of safety as the business shows consistent growth over a longer time frame and through various economic cycles.

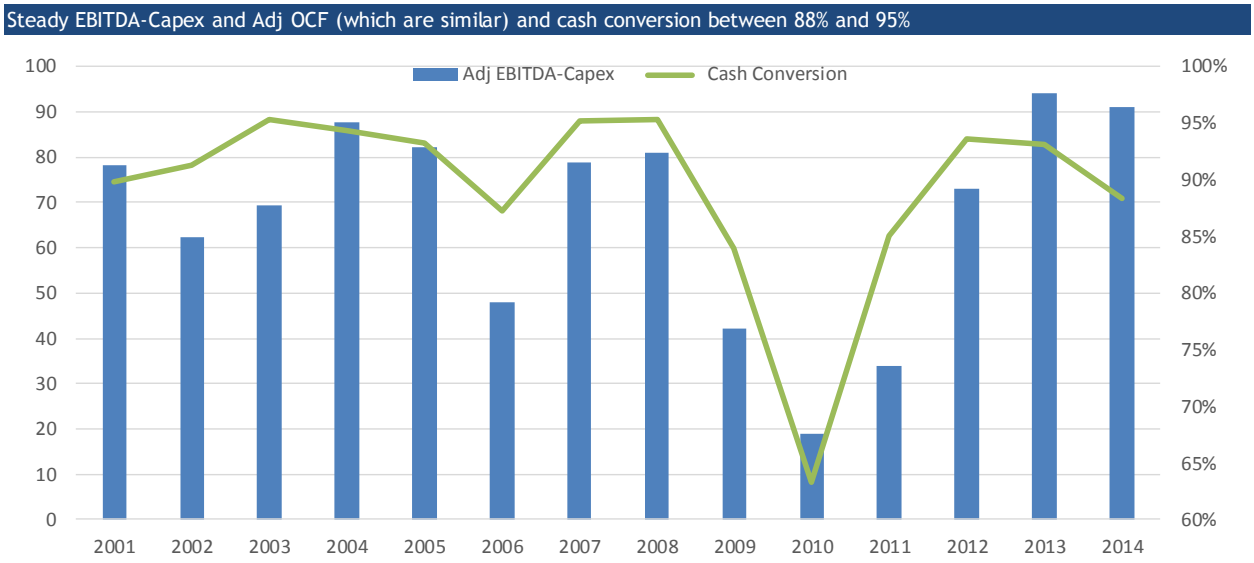
Meanwhile, the business requires limited maintenance capital expenditures:

Low capex requirements which are steady between 1% and 3% of sales



Source: Chemtura Annual Reports

Which in turn translates to high cash conversion:



Source: Chemtura Annual Reports

In September 2011, Chemtura highlighted it estimated its Agrosolutions business would ***double its top line from $376mm to approximately $750mm by 2016*** through the ability to extend registrations, attract third party products, and mixture / formulation extensions. The business launched no product introductions in 2009 and 2010 (Consolidated Chemtura bankruptcy) but launched 40, 80 and 140 products in 2011, 2012 and 2013.

In September 2013, Chemtura ***reduced its top line Agrosolutions estimate to $600mm***.

In October 2013, Chemtura announced the potential sale of the Agrosolutions business and the business performance and growth drivers. The combination of Chemtura's Agro business with Arysta and Agriphar under the PAH structure should help the business better achieve its aforementioned targets.

Key CAS Performance Drivers:

1) Expanding Global market access through strong channels: sell in 100 plus countries and positioned in high growth economies;
    a. Arysta access to additional high growth countries and increases sales force presence.

2) Broad portfolio of key crops to offer complete solutions;
    a. Combination of Arysta, Chemtura Agro, and Agriphar allows PAH to offer complete solutions to customers (explicitly mentioned in March 2015 PAH investor day).

3) Extensive supply arrangements with technology partners in addition to global manufacturing / formulation capability;
    a. PAH scale drives ability to become a better partner.

Key CAS Drivers for Growth:

1) New seed formulations to enhance yields and protect seeds and young plants from insects and disease and improve germination;
    a. PAH dedication to increasing yields.

2) Vigorous program of new product introductions;
    a. Ability of selling more products in more geographies which are complementary in addition to significantly larger global registration capability.

3) Global growth in agricultural demand; and,

4) Increased distribution revenues.

Arysta Historical Overview:

PAH announced the acquisition of Arysta Life Sciences from Permira (Private Equity) in October 2014. Permira acquired Arysta from Hong Kong based Olympus Capital Holdings (Private Equity) in 2007 (Olympus Capital acquired Arysta in 2002). As a result, it is difficult to find long term historical financials for the business, other than those provided in the PAH presentations and the Arysta initial filing for a potential IPO (limited consistent data).

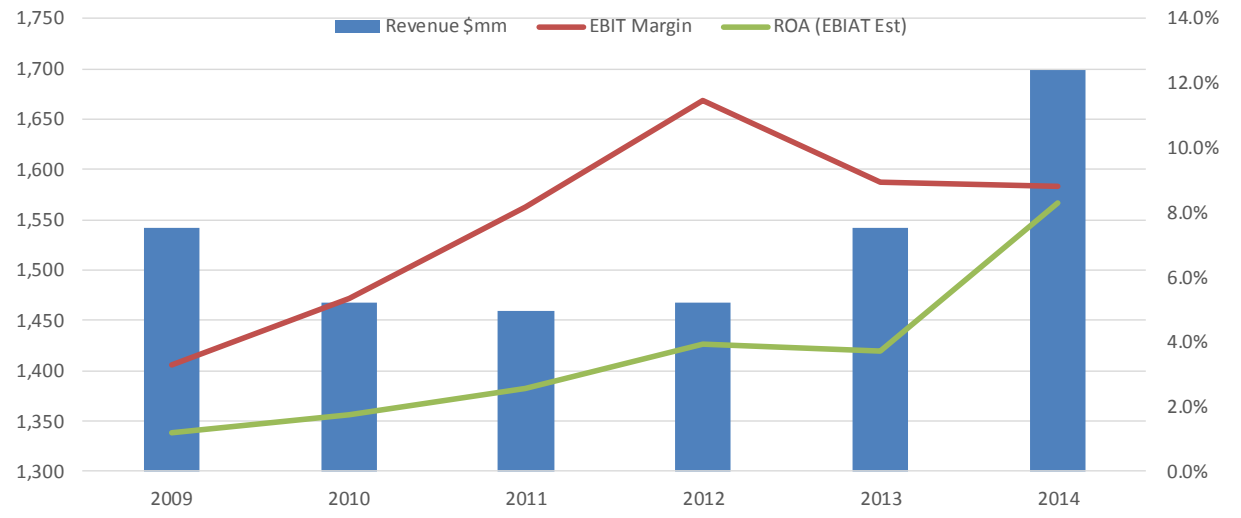
The head of Arysta, Mr Wayne Hewett initially became the head of the PAH Agrosolutions business in early 2015. Although, he departed PAH abruptly in August 2015.

Arysta is the largest PAH acquisition to date and likely the platform through which any additional Agrosolutions businesses would be acquired.

Why did Arysta fit PAH's target profile?

1) Strong competitive position in a growing sector: Global presence in growing industry with significant opportunity to outperform industry growth as a result of working in specific niche sectors. Business focuses on "segment focus" – "sales, marketing, formulations & sourcing" instead of R&D or the generic low cost segment. One could think about Arysta like a specialty pharmaceutical. In addition, the business focuses on its regulatory expertise (ability to register similar product across various geographies) to drive competitive advantages. The platform should drive better returns on the CAS and Agriphar assets.

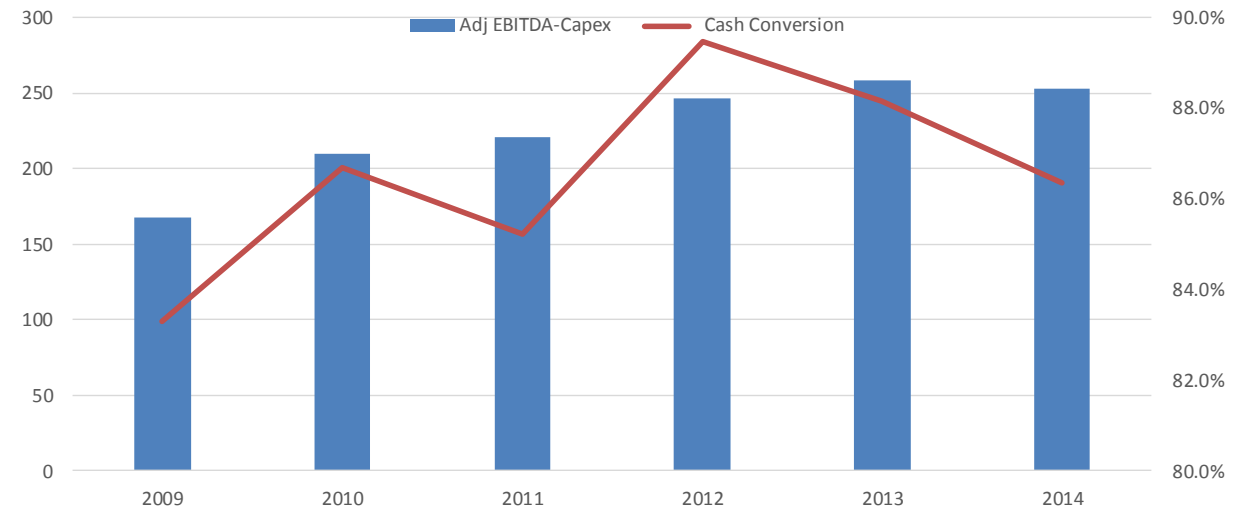
Stable Revenues, while margins and returns increase from a very low base



Source: PAH presentations and Arysta Registration document

2) Strong free cash flow: Between 2009 and 2014 Adj. EBITDA – Capex increased by 9% a year with the conversion reaching 90% in 2012 and falling slightly back down to 86% in 2014. In addition, Arysta was significantly levered (approximately 8x net debt to EBITDA) highlighting its ability to grow, generate cash and handle a significant debt load. In 2011, the Arysta Chairman noted: "the company's business model has developed to deliver short term profit and cash while maintaining investment for the mid-term."

Increasing EBITDA - Capex and Cash Conversion



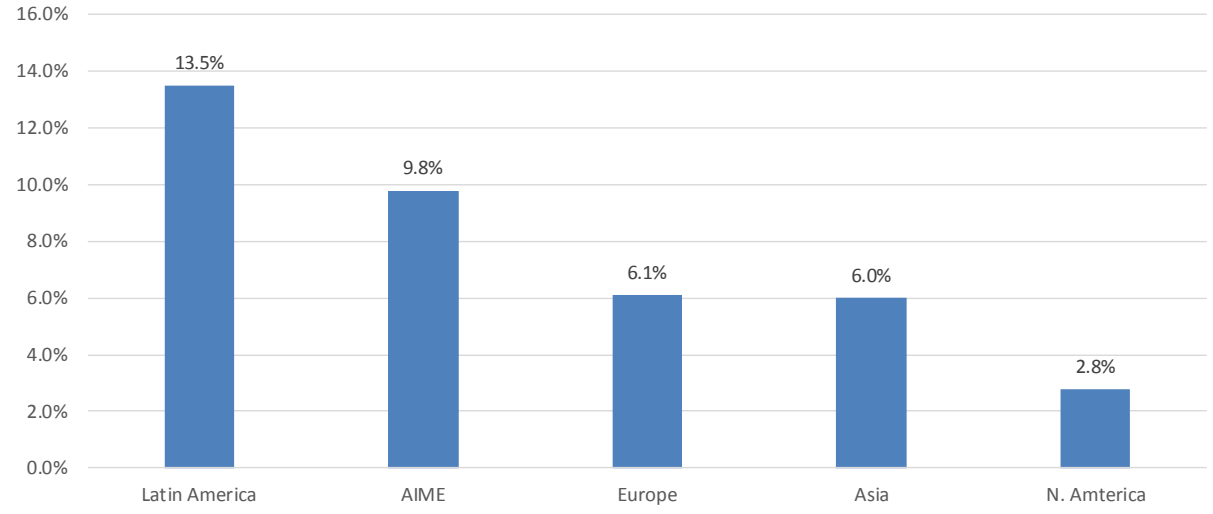
Source: PAH presentations and Arysta Registration document

3) Established company with a proven track record: Arysta Lifesciences can date its origins back to Tomen Corp (founded in 1920) and Nimichen (founded in 1943). The two merged their agrosolutions business in 2001 and Olympus Capital took over shortly thereafter in 2002.

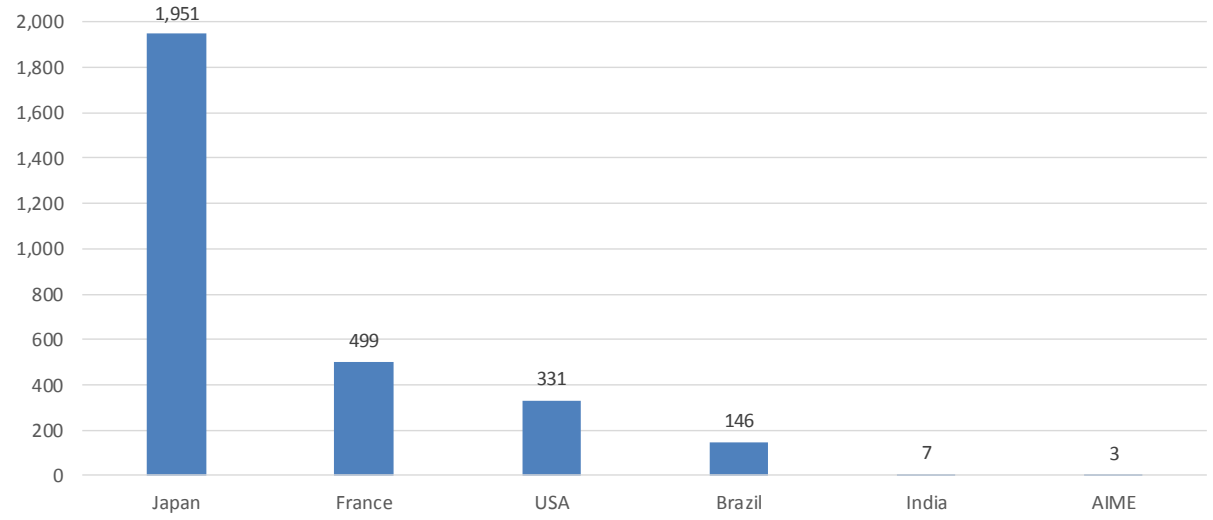
4) Experienced management team: Arysta Lifesciences was run by Wayne Hewett who had over 20 years of experience at GE and has serves on the board of home depot. At the time of the acquisition and for several months thereafter, Mr. Hewett was the head of the PAH Agrosolutions business and worked hand in hand with Mr. Leever and Mr. Franklin. However, in August Mr. Hewett abruptly resigned and shortly thereafter was named CEO of Kloeckner Pentaplast (non agrosolutions business). The departure of Mr. Hewett leaves a void at the PAH AgroSolutions business. That said, there were several Arysta CEOs under the ownership of Olympus and Permira.

5) Growth prospects: Arysta is highly geared to high growth markets and product segments. Arysta generated 37% of sales in Latin America, 15% of sales in Africa/India/Middle East, 10% of sales in Asia, 22% of sales in Europe and 10% of sales in North America.

AgChem Market Growth Rates by Region (2003 - 2013 CAGR)



AgChem Spend per Hectare - Fruit & Vegetable

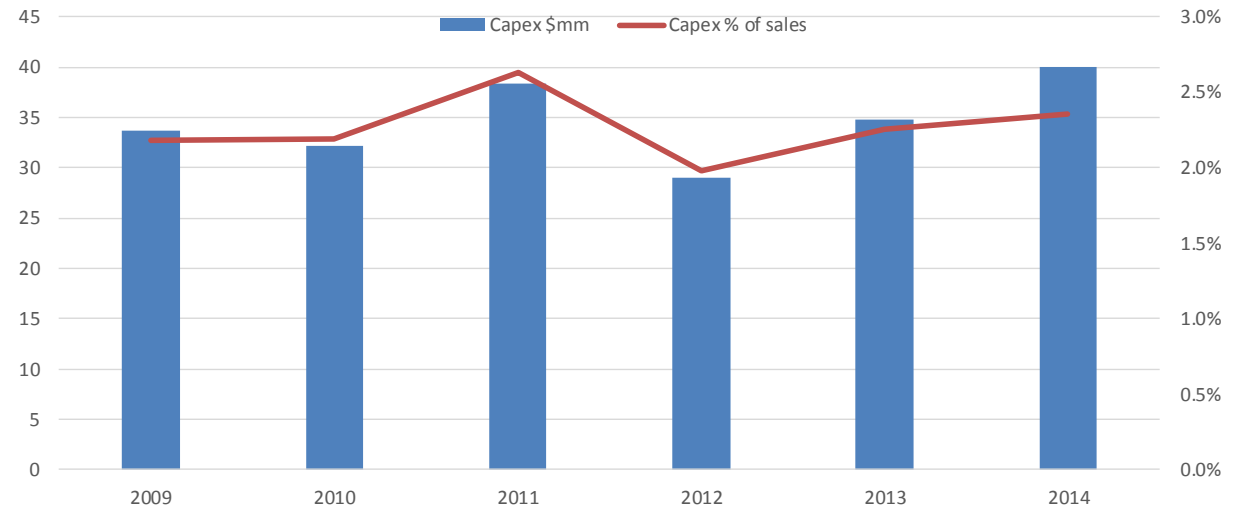


Source: Arysta presentation sourcing Phillips McDougall and Arysta

Arysta is estimated to grow faster than the general agro market as a result of its exposure to the "Value Added Products" ($25bn market) forecasted to grow at 8% to 10% and "Biosolutions" ($5bn market) forecasted to grow at 12% to 15%.

6) Limited Capital Requirements: Arysta has been run by private equity shareholders since 2002 and focused on a low capex high cash generation model. Since 2009, Arysta required between 2% and 3% capex as a % of sales. In addition, the limited Capex spend allowed for significant M&A investment. In addition, as far back as 2011 we found evidence of Arysta describing itself as " 'Asset Light' model and lean cost base providing flexibility in down-turns and supporting cash flow." (2011 Arysta Presentation)

Low capex requirements which are steady between 2% and 3% of sales



Source: PAH presentations

7) Proprietary aspects of products: Arysta avoids cash intensive research and focuses its efforts on proprietary and value added function of product formulation. Arysta key capabilities include: new product development (non R&D) and registration, formulation and packaging, and marketing and distribution. Arysta had approximately 3,700 product registrations and 199 employees dedicated to regulatory and development.

8) Investing at low price to cash flow multiples: While the Arysta headline EBITDA transaction multiple was 11.7x, it's highly likely that PAH assumes within 2 years the multiple will be 7.1x driven by the realization of synergies and the historical EBITDA growth rate.

In the PAH acquisition presentation for Arysta, PAH highlighted it targeted Arysta Adjusted EBIT and Net Income contribution to consolidated PAH operations of $300mm / $330mm and $134mm / $155mm in 2015 and 2016. The presentation also included the per share contribution of the Adj EBIT and Net Income. Based on the per share data, PAH appears to have used 209mm shares which can not include the shares issued to Permira representing $600mm of value. Alternatively said, the calculation implies that PAH receives 100% of the operating targets but only paid 80% of the publicly disclosed acquisition price.

In 2013, Arysta filed a Form F-1 as a first step in the IPO process (ultimately Arysta sold itself to PAH instead of pursuing the IPO). The document highlighted the Arysta's Net Debt / EBITDA was approximately 8.0x and highlighted the following in the risk factors:

"We are highly leveraged. Our substantial indebtedness could limit cash flow available for our operations and could hinder our ability to refinance that indebtedness or to obtain additional financing if necessary.

As of June 30, 2014, we had $1.9 billion of outstanding indebtedness. As of June 30, 2014, we also had additional undrawn borrowing capacity of $150.0 million under our revolving credit facility.

Our high level of indebtedness will restrict our operations. Among other things, our indebtedness will:

1) *Limit our flexibility in planning for, or reacting to, changes in the markets in which we compete;*
2) *Place us at a competitive disadvantage relative to our competitors with less indebtedness;*
3) *Render us more vulnerable to general adverse economic, regulatory, and industry conditions;*
4) *Require us to dedicate a substantial portion of our cash flow to service our debt;*
5) *Limit our ability to obtain additional financing for working capital, capital expenditures, acquisitions, general corporate purposes, or other purposes;*
6) *Expose us to the risk of increased rates as, over the term of our debt, the interest cost on a significant portion of our indebtedness is subject to changes in interest rates; and*
7) *Limit our ability to secure adequate bank financing in the future with reasonable terms and conditions."*

Source: Arysta F-1 http://www.sec.gov/Archives/edgar/data/1618417/000093041314003946/c78669_f1.htm

Ultimately, Arysta has operated under Private Equity ownership for the last 12 years highlighting an ability to run across various economic cycles at a high leverage in fluctuating interest rate environments.

Appendix - PAH Performance Applications (MacDermid, OMG, and Alent) Overview:

PAH's Performance Applications division is made up of Assembly Materials, Surface Chemistries, and Graphics solutions.

The businesses involve the manufacture of a broad range of specialty chemicals, which are create by blending raw materials, and the incorporation of these chemicals into multi-step technological processes. These specialty chemicals and processes together encompass the products sold to customers in the electronics, metal and plastic plating, graphic arts, and offshore oil production and drilling industries. The products can be referred to as "dynamic chemistries" due to their delicate chemical compositions, which are frequently altered during customer use.

"The Specialty chemical businesses typically have close customer relationships and relatively high R&D intensity, and benefit from high barriers to entry. By contrast to bulk or commodity chemical products, ***specialty chemical products are generally tailored to meet specific customer requirements and are primarily sold based on the value they add to a customer's manufacturing process or final product****. Therefore, in the specialty chemicals industry, relationships with customers tend to be closer as compared to bulk or commodity chemicals businesses. The timely introduction of new and enhanced applications is a key driver of future growth, and higher-growth specialty chemicals players tend to benefit from underlying shifts in technology in their end-markets.*

Electronics component manufacturers are dependent on specialty chemical materials to drive their technology to the next level. For example, in the case of integrated circuit manufacturers, specialty chemical materials help

facilitate the manufacture of smaller microchips with a higher transistor density. Therefore, although ***specialty chemical materials … for a small portion of total manufacturing costs, these products are critical in supporting technological development****, ensuring product quality and allowing a customer to optimise its manufacturing processes.*

The integrated circuits and PCB products manufactured by customers are used in a wide variety of electronic devices and applications, including computers, flat screen televisions, telecommunication devices, automotive applications and other consumer and industrial products.

… also supplies protective and decorative coatings for the automotive and other industrial end-markets. In the case of automotive manufacturers, these specialty chemicals are important for manufacturing advanced features, extending product life and enhancing the appearance, and resultant perceived value, of vehicles as well as process improvements for higher throughput and/or at a lower cost."

Source: Alent 2012 Registration Statement

The key products include:

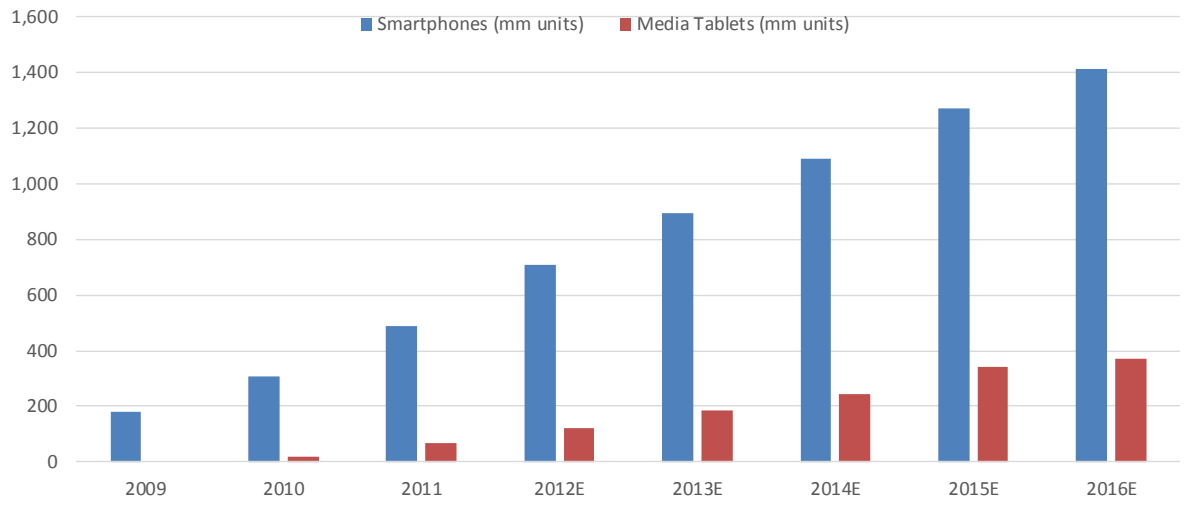
1) Surface pre-treatment and cleaning solutions;
2) Functional conversation coatings;
3) Decorative plating products;
4) Electronic plating and final finishes;
5) Circuit formation; and,
6) Production & Drilling control fluids.

The key end markets include:

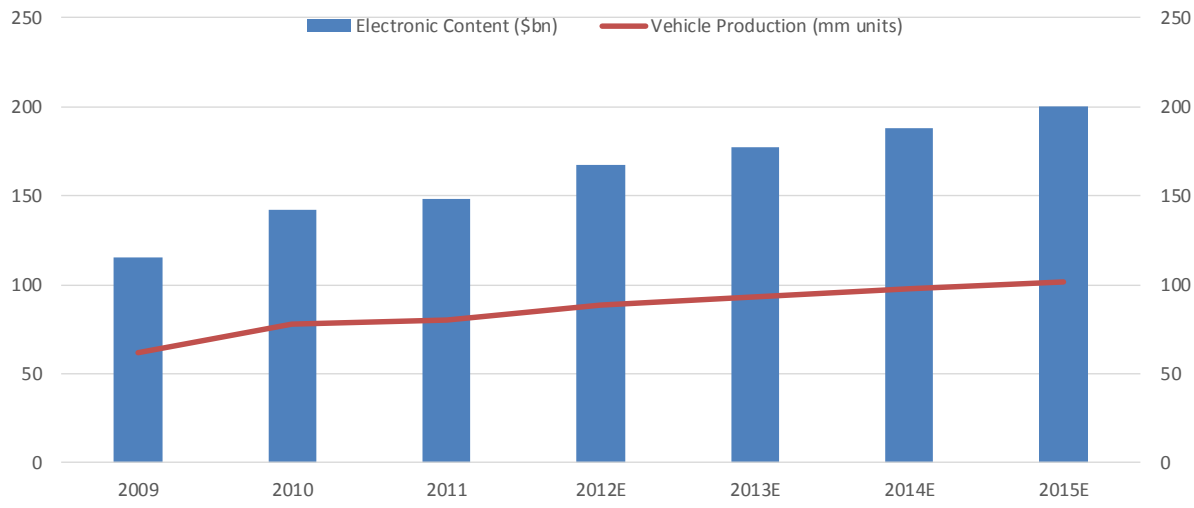
1) Automotive parts;
2) Electronics Equipment and Appliances;
3) Audio / Visual;
4) Consumer electronics;
5) Industrial parts;
6) Military;
7) Transportation equipment;
8) Telecommunications;
9) Automotive electronics; and,
10) Offshore Oil & Gas E&P.

According to Prismark as of August 2012 (sourced Alent Registration statement) the end market sales of electronics goods is expected to growth at 5.8% per year through 2016. Volume is the key driver for the Performance Applications business and not price appreciation or decline of products. Alent also sourced Gartner which highlighted 24% and 41% 2011 – 2016 CAGRs for smartphones and tablets respectively.

Smartphones and Tablets a key current driver of growth



$ value of the Automotive Electronic content expected to growth at 10% CAGR compared to Vehicle unit growth of 9%...Win Win



Source: Alent 2012 presentation sourcing Gartner for Smartphones and Tablets and Prismark partners for automotive units and electronic content

The Performance division is a market and technological leader across targeted market segments. It offers customers highly engineered and customized specialty chemicals and materials which enables applications serving fast growing segments in the electronics, automotive, and industrial segments. The product cycle requires a working relationship with customers providing a moat and a barrier to entry. Both MacDermid and Alent have significant long term relationships (over 40 years) with key customers and are integrated with their customers' developmental teams. The business is asset lite but requires R&D and significant human interaction. In 2012, Alent highlighted that the top 7 suppliers represented 80% and 65% of the key products offered (MacDermid was one of the top 7 suppliers as well).

In 2012, Alent clearly highlighted the performance application moat:

1) Selling products based on the value the products deliver to customers, not on price;

2) The value the products deliver quantified in terms of how much customer saves if he / she uses Alent product, even if Alent product costs more;
    a. Increased productivity.
    b. Increased yield.
    c. Improved reliability.

3) In depth understanding of customers' manufacturing process;

4) Products represent small proportion of total material costs but are mission critical; and,
    a. Drive stickiness of products – once qualified difficult to be displaced.

5) Value selling directed to OEMs who in turn specify the products to their direct suppliers.

Ultimately, the Performance Application division works not only with the ultimate OEM but with every other supplier to the OEM in a complicated working partnership. The products represent small portions of the total end product highlighting the limited value to attempting to switch suppliers given the required testing, review and ability to recreate the products around the world to the same specifications.

Despite the clear difference between performance applications and agrosolutions, it's interesting to find a similar client focus across the businesses when they were separate corporate entities. The AgroSolutions businesses also highlighted their benefit in terms of productivity and yield, their closeness to customers and the fact that the product represents a small portion of the customer costs but are critical to the total end product.

The Performance Graphics solutions devision supplies flexographic plates that are used in the commercial packaging and commercial printing industries. The products are used to improve print quality and printing productivity and are sold through a direct sales force.

The key products include:

1) Photopolymer printing plates;
2) Flexographic (flexo) printing plates in the market; and
3) Plate making equipment.

The key end markets include:

1) Commercial flexible packaging; and
2) Publications.

MacDermid – The Platform:

On October 10, 2013, PAH announced the acquisition of MacDermid, for $1.9bn, a global provider of high value added specialty chemicals and technical services. MacDermid began its operations in 1922.

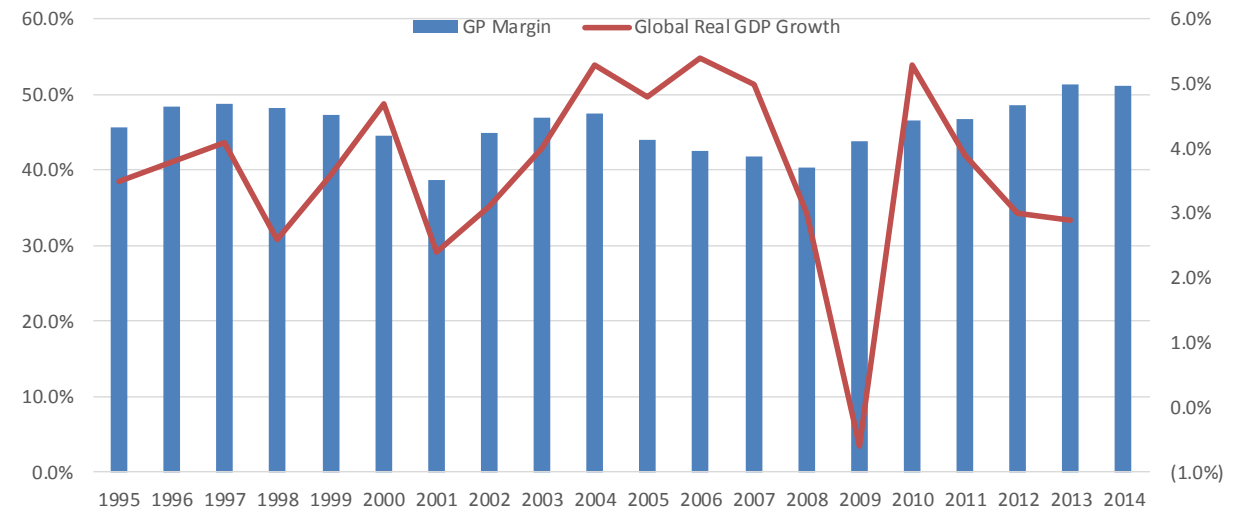
MacDermid enjoys #1 and #2 market positions in most of its businesses (in niche markets) and the primary markets include: metals and plastic finishing, electronics, oil production and drilling, and graphic arts. In 2012, MacDermid generated its sales and EBITDA across the Americas (38% EBITDA), Europe (31% EBITDA), and Asia ((31% EBITDA). The business is split into two divisions: Performance Materials (75% EBITDA) and Graphic Solutions (25% EBITDA).

The tables below review MacDermid's performance over nearly 20 years as both a public company and a private MBO'd company. Across a long timeframe, the business is able to control its gross costs as well as the SG&A costs driving real cash significant returns. The Operating cash flow less capex is consistently above the Net Income and the Net Income appears abysmal in the last 7 years but clearly is a result of choosing to operate with significant leverage. The business is clearly able to handle significant leverage regardless of the cycle. The constant low capex requirements highlight there are no hard assets driving a moat or a barrier to entry. The R&D which is expensed and the close relationship with clients drive the moat or barrier to entry. Over the longer time frame, the "Asset Lite, High Touch" is very apparent.

Why did MacDermid fit PAH's target profile?

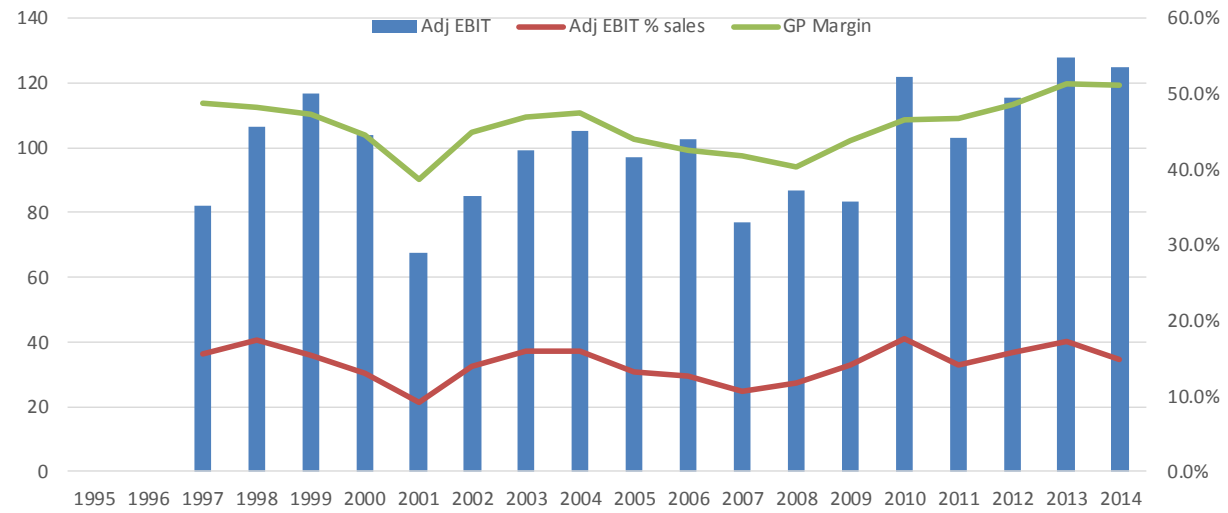
1) Strong competitive position in a growing sector: market leader with a 15% to 30% market share in all major markets in a growing sector with stable margins across cycles and the ability to handle leverage.

Gross Profit Margin is steady through various economic cycles



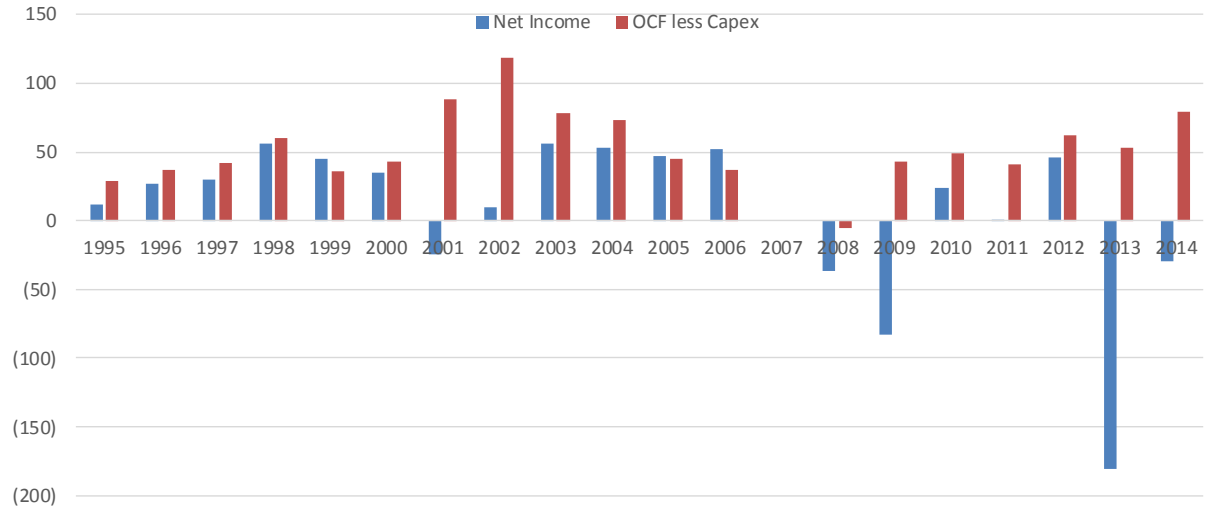
Source: MacDermid and PAH historical annual reports, registration statements (Pre 2001, MacDermid had March year end. The chart assumes March 2001 figures for the 2000 number and so on to 1995 to be closer to ongoing period)

Steady and increasing gross profit and EBIT margins drives stable EBIT over a nearly 20 years



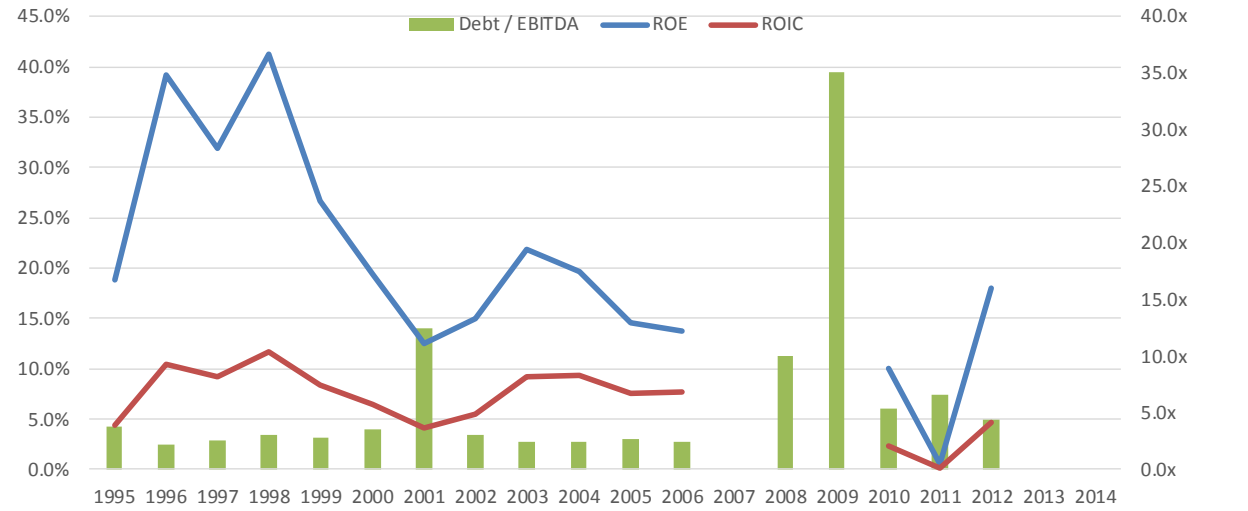
Source: MacDermid and PAH historical annual reports, registration statements (Pre 2001, MacDermid had March year end. The chart assumes March 2001 figures for the 2000 number and so on to 1995 to be closer to ongoing period)

Relationship between Net Income and Operating Cash Flow less Capex: OCF less Capex significantly higher than Net Income



Source: MacDermid and PAH historical annual reports, registration statements (Pre 2001, MacDermid had March year end. The chart assumes March 2001 figures for the 2000 number and so on to 1995 to be closer to ongoing period)

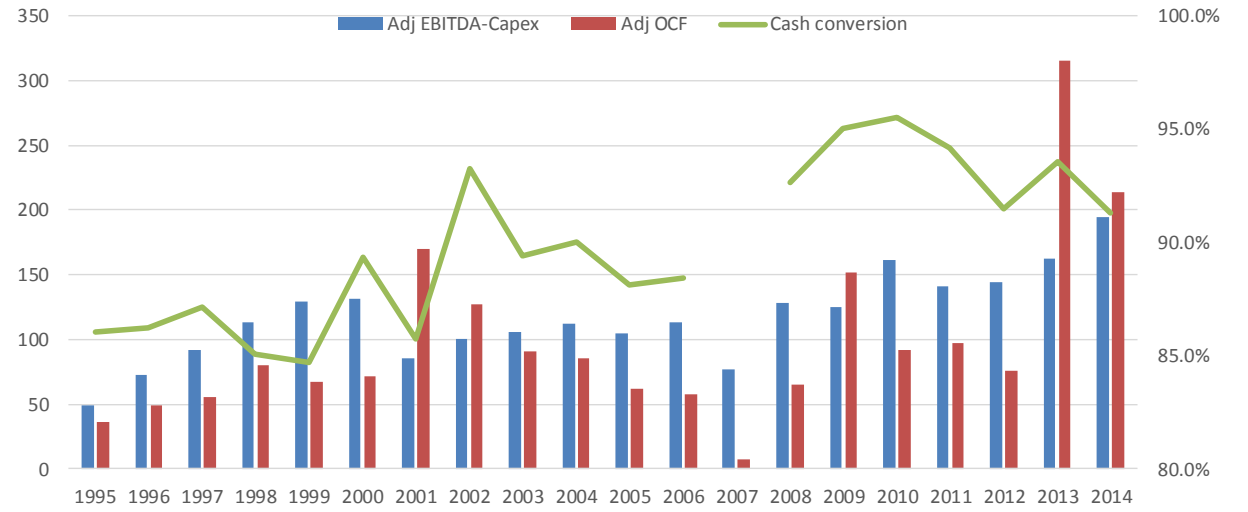
A high returns business which can sustain high leverage to drive growth



Source: MacDermid and PAH historical annual reports, registration statements (Pre 2001, MacDermid had March year end. The chart assumes March 2001 figures for the 2000 number and so on to 1995 to be closer to ongoing period)

2) Strong free cash flow: From 2002 through 2006, MacDermid generated on average $80mm of Operating cash flow. From 2009 through 2013 in a global recession as a leveraged private company, MacDermid generated $50mm of Operating cash flow per year.

Consistently high cash conversion which dramtically increased post MBO in 2007



Source: MacDermid and PAH historical annual reports, registration statements. (Pre 2001, MacDermid had March year end. The chart assumes March 2001 figures for the 2000 number and so on to 1995 to be closer to ongoing period)
Adjustments: Add back restructuring and impairment expenses

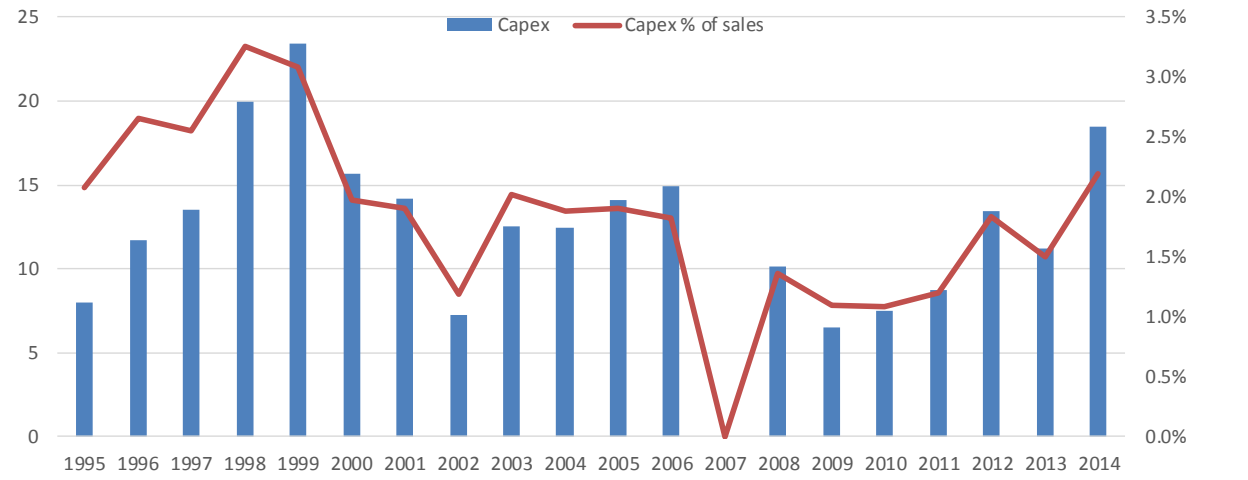
3) Established Company with proven track record: 90 year history of process and know how as both a public and a private company driving strong customer relationships;

4) Experienced management team: Mr. Daniel Leever, the CEO of MacDermid, joined MacDermid in 1982, became CEO in 1990 and Chairman in 1998. Mr. Leever participated in the take private of MacDermid in 2007 and rolled over all his equity. Dan's father Mr. Harold Leever joined MacDermid in 1938 and was the CEO from 1959 to 1982.

5) Growth prospects: Between 2002 and 2014, MacDermid EBITDA grew at a 5.8% CAGR.

6) Limited capital requirements: Between 2002 and 2012, MacDermid average Capex as % of sales was 1.5% and between 2002 and 2007, MacDermid only completed one small acquisition for $90mm.

Extremely low Capex requirements across 20 years - Assets are not the Moat



Source: MacDermid and PAH historical annual reports, registration statements. (Pre 2001, MacDermid had March year end. The chart assumes March 2001 figures for the 2000 number and so on to 1995 to be closer to ongoing period)

7) Proprietary aspects of products: Over 750 patents and dynamic chemistries is an industry with complex chemical compositions

8) Investing at low price to cash flow multiples: PAH acquired MacDermid at 11.0x EBITDA. While at first glance the multiple may appear high, taking into account the synergies achieved by adding on other M&A implies a significantly lower multiple.

Alent – "Asset Lite and Cash Generative" (2012 Investor Day) The Most Recent Acquisition:

Alent is the most recent acquisition announced by PAH on July 13, 2015 and has not yet closed.

PAH paid $2.3bn (13.1x LTM EBITDA) for Alent financed in cash (78%) and stock (22%). The 22% stock portion was guaranteed by the majority owner of Alent, Cevian. Cevian guarantees to undertake the entire 22% stock portion at the fixed exchange ratio should no public shareholder take-up the stock portion (In September the Alent shareholders voted to approve the transaction). The stock portion would be adjusted pro-rata for any shareholders who took up the option. The exchange ratio was set in July 2015 at 0.31523 PAH shares based on a PAH price of $24.76 (nearly a 90% premium to the current PAH stock price).

One of the key drivers of the transaction is PAH's net leverage threshold of 4.5x relative to Alent's at 1.0x (march 2015 Alent presentation).

Alent was spun out of the Cookson Group (now called Vesuvius PLC VSVS.LSE) in 2012 to form a pure play supplier of advanced materials and electronics assembly materials. Alent is a leading global supplier of specialty chemicals (advanced surface treatment plating chemicals and electronics assembly materials) used in the global electronics production industry, the automotive industry, and other industrial markets.

Alent clearly describes its business in its 2012 registration document (bold is added):

"Alent operates in the Electronics Materials segment of the Electronics value chain providing highly engineered and intermediate materials to customers. Engineered materials are formulated or processed materials which perform specific functions or have particular process characteristics, e.g. photo resist, die attach, conductive adhesive and thermal interface, while intermediate materials are refined or processed raw materials which possess electronic grade purity or properties, e.g. metals, glass, ceramics and polymers."

Alent Industry Diagram

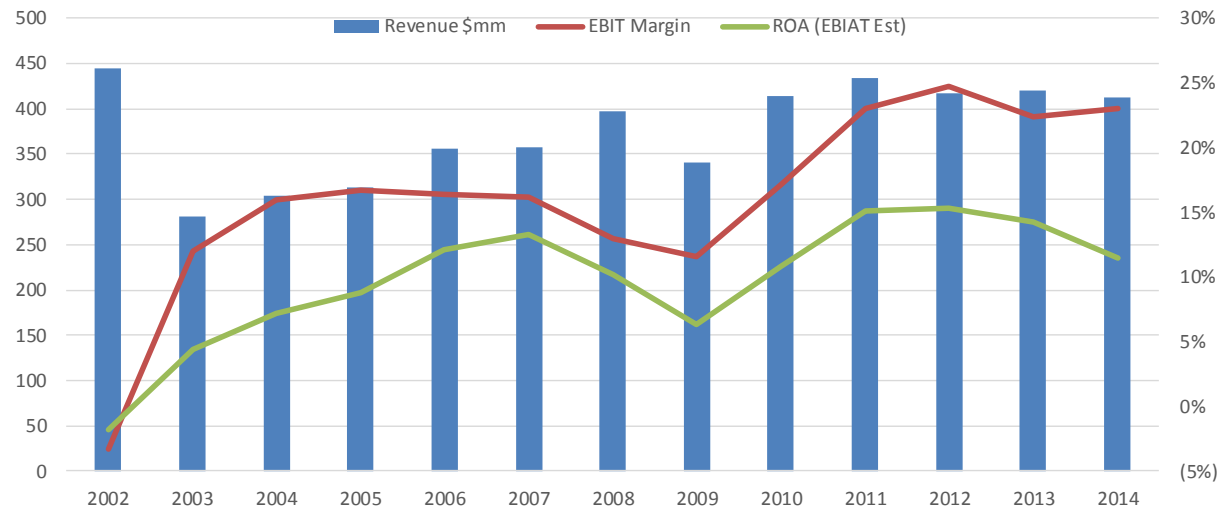
Total Electronic Equip Market $1,650bn	Computers $500bn			Communications $450bn			Other Electronics $700bn		
Assembly Service $1,235bn		Merchant				Captive			
Electronic Components $687bn	Semi-Conductors $302bn		Interconnect Substrates $58bn	Passives $33bn	Displays $119bn	Energy $40bn	Other Devices $135bn		
Electronic Materials $146bn	Fab Materials $24bn Wafers, Gases, Photomasks, Wet. Chem, Targets / Pre Cursors	Packaging Materials $13bn Leadframe Metal Bonding wire Molding Compound Die Attach	Interconnect Materials $20bn Laminate, Ceramics, Photo Resist Wet Chemicals, Drilling Materials	Passive Materials $4bn Dielectrics Electrodes Terminations Magnetics Separators	Display Materials $36bn Glass, Films, Color Filters, Phosphors Shadow Masks Targets Thick Film	Energy Materials $34bn Silicon Substrates, Anodes, Cathodes, Separators	Other Materials $7bn Metal Foils, Composites Glass & Metal Substrates, Magnetic Film, Targets	Assembly Materials $6bn Solder Materials, Thermal Materials, Adhesives, Encapsulants	Alent Markets $64bn
Raw and Industrial Materials $44bn	Polysilicon Polymers	Copper Gold Polymers	Cu Foll Glass-Cloth Polymers Pl Film	Al Foll Inorganics Metal-Powders	Films Metals Inorganics	Polysilicon Metals Inorganics	Copper Inorganics Films Metals	Tin Polymers	

Source: Alent Registration Statement which sourced Prismark

Why did Alent fit PAH's target profile?

1) Strong competitive position in a growing sector: market leader in Assembly Materials and Surface Chemistries (#1 and #2 respectively) where the top 7 suppliers control 80% and 65% of each respective market. Alent has strong customer relationships working hand in hand with OEMs to produce process critical customized products which are technical and specific. Alent has a long track history of working with customers making it even harder to displace.

Revenues (GBP mm) are lumpy but margins and returns are steady and high

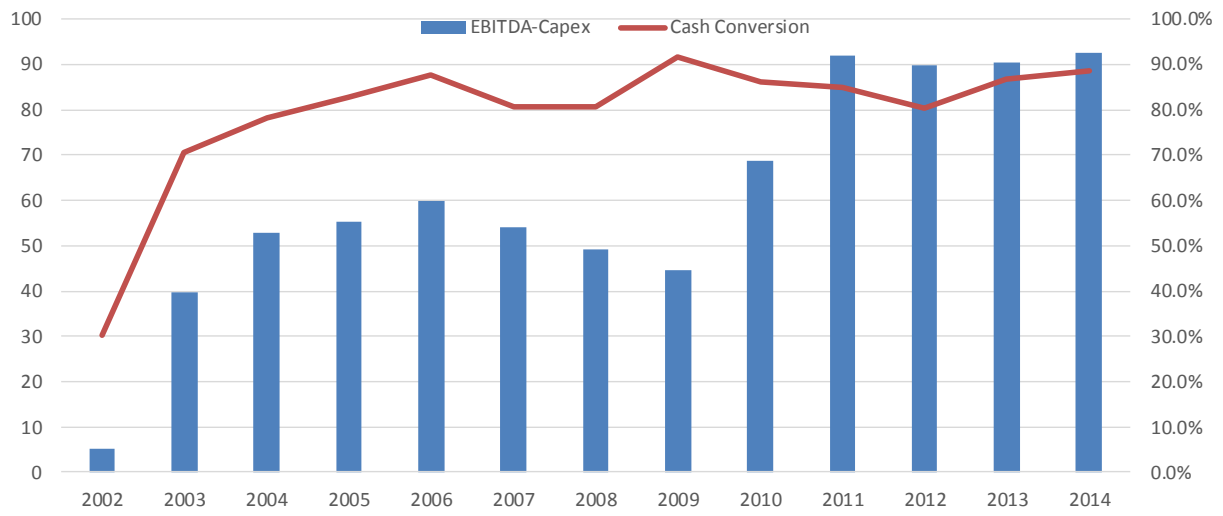


Source: Alent and Cookson Group historical annual reports, registration statements
Note: Alent managed to keep a low tax rate between 2009 and 2014 between 16.2% and 23.5%. The tax rate for the ROA estimate is 23% at the high end for conservativeness

What happened in 2002 / 2003? It's likely that the consumer slowdown in 2002 and 2003 reduced consumer spend on disposable spend and electronics. A similar slowdown in 2015 or beyond could happen, except for one potentially large mitigant: "Connectivity". The Alent (and total performance application division) products are more deeply ingrained across the basic services which the population engages in. Automotive vehicles contain significantly more electronic content than those from 10 years ago. Telephones are mobile and transactions are mobile and seamless. A consumer spend slowdown could have a negative impact on the business, but very likely not to the same extent as it did in the early 2000s.

2) Strong free cash conversion: While the EBITDA – Capex appears slightly cyclical, the % cash conversion (EBITDA – Capex) / EBITDA remains very steady and very high highlighting the ability to turn on and off capital expenditures with market environment.

Slightly cylical EBITDA - Capex (GBP mm) but cash conversion remains high across all time periods



Source: Cookson Group and Alent historical annual reports, registration statements

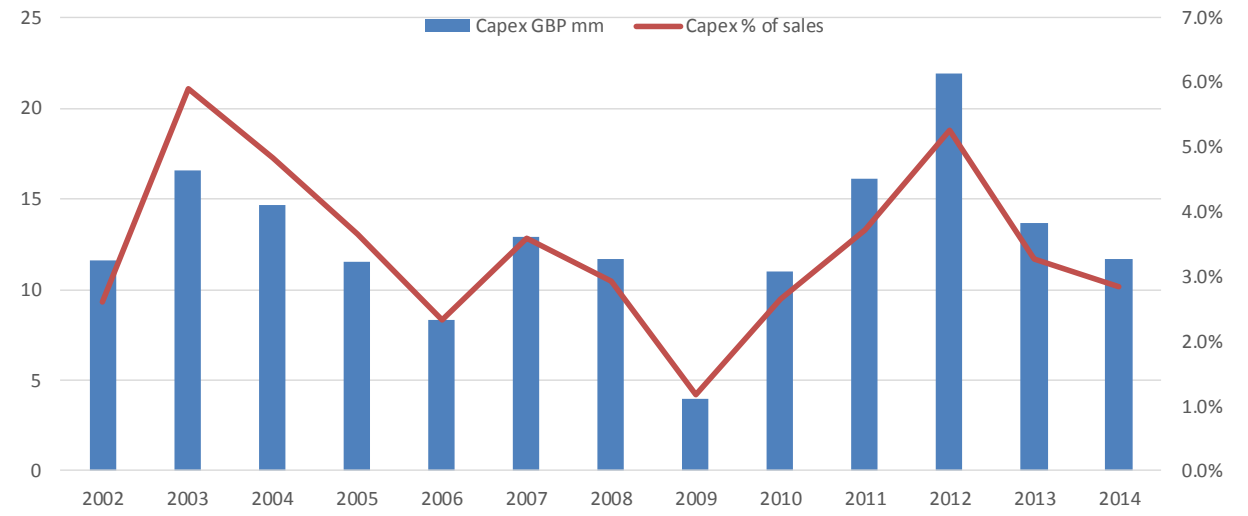
3) Established Company with proven track record: Original incarnation of Alent dates back to Alpha and Enthone. Alpha was founded in 1957 originally as a fasteners company which developed into washers, coatings, platings, stamping, and nut and bolt assembly. Enthone was founded in 1930 as a chemical company which was acquired by Cookson Group in 1999 and merged with Alpha;

4) Experienced management team: Mr. Andrew Heath was named the Alent CEO in late 2014 after the sudden departure of Mr. Steve Corbett, the former CEO who had led the Performance Materials division of Cookson between 2004 and 2012 (spin off of Alent). There are rumours that Cevian, the activist fund which owned 20% of Alent was partly behind the departure of Mr. Corbett. Cevian undertook to take up the full PAH share issuance in the transaction (currently we do not know if any other shareholder took up the PAH shares especially given the PAH share price decline between the transaction announcement and the transaction vote). Shortly after his appointment, Mr. Heath agreed to sell Alent to PAH. The CFO Mr. David Egan joined Alent recently as well. However, a significant portion of the divisional and operational management teams have been with Alent for a long period including Rick Reagan and Rick Ertmann who have both been at the company or division for over 13 years.

5) Growth prospects: Between 2006 and 2014, the Alent (previously the Electronics division within Cookson) EBITDA grew at a 6.3% CAGR. Going back to 2003, the 2003 – 2014 EBITDA CAGR was 9.8%, however the 2003 EBITDA was a trough after the 2001 / 2002 electronics consumer demand decline. The combination of MacDermid and Alent should drive incremental growth and also provide significant opportunities to reduce costs and drive further margin improvements.

6) Limited capital requirements: 13 year average Capex as % of sales of 3.4% with the ability to cut capex in economic downturn.

Low Capex (GBP mm) requirements which are steady between 2% and 4% of sales with a 13 Year Average of 3.4%



Source: Alent and Cookson historical annual reports, registration statements

7) Proprietary aspects of products: Highly technical specifications that require extensive qualification process which in turn creates a high switching costs to customers. Alent benefits from extensive know how and intellectual property which have a low substitution risk. The R&D cycle is very high in Alent (and MacDermid) however, there is a substantial premium to each's ability to work hand in hand with the various customers to ensure the success of the R&D. Alent targeted 1/3 of its sales to come from products developed within the last 3 years. As of 2012, Alent had 500 issued patents and 360 pending applications.

In the 2012 Investor Presentation page 57, Alent highlighted all of its technology used in the Apple iPhone 4S which we list below highlighting the number of various partners with which Alent works with to ultimately create one product. The fast paced R&D cycle and the collaboration with various partners creates high switching costs.

a) Apple A5 800MHz Dual Core Processor/512MB
b) Qualcomm RTR8605 Multi-Brand RF Transceiver
c) Skyworks SKY77464 Power Amplifier
d) Avago ACPM-7181 GSM WCDMA PA
e) TriQuint TQM9M9030 Dual Duplexer Bank
f) TriQuint TQM666052 WCDMA PA Duplexer
g) TI 343S0538 Touchscreen Controller
h) STMicro AGD8 2135 Gyroscope
i) STMicro 8134 33DH Three-Axis Accelerometer
j) Apple 338S0973 Power Magnet IC
k) Qualcomm PM8028 Power Management IC
l) Murata SWSS1830010 WiFi / Bluetooth Module
m) Toshiba THGVX1GD2GLA08 16GB MLC NAND Flash Memory

8) Investing at low price to cash flow multiples: PAH acquired Alent at a headline transaction EBITDA multiple of 13.9x. However, at the current PAH price (the exchange ratio was fixed at PAH price of $25.14) the transaction multiple falls to 11.7x and assuming the synergies are achieved the transaction multiple falls to below 9.0x. Please note the Alent transaction has not closed, however, the shareholder vote was recently approved and only one regulatory requirement is outstanding. PAH estimates a close in early 2016.

Ultimately Alent benefits from:

1) Market Leadership positions as a result of differentiating products and solutions;

2) Technology and fast R&D cycle providing innovation and growth;

3) Participation in high growth markets;

4) Global footprint close to customers;

5) Longstanding and collaborative customer relationships; and

6) Value added sales strategy targeting OEMs.

Appendix - The Original Platform Acquisition Holdings: Asset Light, High Tough - A Value Investor Checklist:

PAH was incorporated in April 2013 and listed on the London Stock Exchange shortly. PAH was founded by Mr. Nicolas Berggruen and Mr. Martin Franklin. Mr. Berggruen and Mr. Franklin have over 20 years of experience working together and building up businesses via M&A such as Jarden, Liberty Acquisition Holdings, Justice Holdings and other vehicles. The two founded PAH as a standalone acquisition vehicle with no assets other than cash to pursue M&A in any industry or geographic region:

1) Company formed to undertake an acquisition of a target company or business which is expected to have an Enterprise value of between $750mm and $2.5bn, though a target with smaller or larger Enterprise Value may be considered;

2) Following the completion of the initial acquisition, the objective of the Company will be to operate the acquired business and implement an operating strategy with a view to generating value for Shareholders through operational improvements as well as potentially through additional “bolt-on” acquisitions;

3) The Company’s efforts in identifying a prospective target company or business will not be limited to a particular industry or geographic region.

The targets were selected based on the following investment criteria:

1) Strong competitive industry position. The Company will, but is not required to, seek to acquire a company or business that operates within one or more industries that have strong fundamentals. The factors the Company will consider include the potential target's growth prospects, competitive dynamics, level of consolidation, need for capital investment and barriers to entry. The Company will, but is not required to, focus on companies or businesses that have leading market positions in the industries in which they operate, analysing the strengths and weaknesses of target companies or businesses relative to their competitors, focusing on product quality, customer loyalty, cost impediments associated with customers switching to competitors, patent protection and brand positioning. It will, but is not required to, seek to acquire a company or business that demonstrates advantages when compared to its competitors, which may help to protect its market position and profitability and deliver strong free cash flow;

2) A company with strong free cash flow characteristics. The Company will, but is not required to, seek to acquire a company or business that has a history of strong, stable free cash flow generation. It will focus on companies or businesses that have, among other things, relatively predictable, recurring revenue streams and an emphasis on low working capital and capital expenditure requirements;

3) An established company or business with a proven track record. The Company will, but is not required to, seek to acquire an established company or business with sound historical financial performance. It will typically focus on companies or businesses with a history of strong operating and financial results and it does not intend to acquire a start-up company or business;

4) Experienced management team. The Company will, but is not required to, seek to acquire a company or business that has a strong, experienced management team, focusing on management teams with a proven track record of driving revenue growth, enhancing profitability and generating strong free cash flow. The Company expects that the operating expertise of the Founders will complement, not replace, that of the target management team;

5) Diversified customer and supplier base. The Company will, but is not required to, seek to acquire a company or business that has a diversified customer and supplier base. The Company believes that companies or businesses with a diversified customer and supplier base are generally better able to endure economic downturns, industry consolidation, changing business preferences and other factors that may negatively impact their customers, suppliers and competitors;

6) Growth potential;

7) Brand recognition and potential;

8) Experience and skill of management team and availability of additional personnel;

9) Capital requirements;

10) Stage of development of the business and its products or services;

11) Existing distribution or other sales arrangements and potential for expansion;

12) Degree of current or potential market acceptance of the products or services;

13) Proprietary aspects of products and the extent of intellectual property or other protection for products formulas;

14) Impact of regulation and potential future regulation on the business;

15) Regulatory environment of the industry;

16) Seasonal sales fluctuations and the ability to offset these fluctuations through other business combinations, introduction of new products, or product line extensions; and,

17) The limited amount of working capital; and,

18) Investing at low price to cash flow multiples.

Source: Platform Acquisition Holdings UK Registration Statement (April 2013)

Source Documentation: All Publicly Available Online

1) PAH Website
2) PAH SEC Filings
3) PAH Investor Presentations
4) PAH Investor Earnings Calls
5) Chemtura SEC Filings
6) Chemtura Investor Presentations
7) Cookson Group Annual Reports
8) Cookson Group Investor Presentations
9) Alent Annual Reports
10) Alent Investor Presentations
11) MacDermid Group SEC Filings
12) MacDermid Inc SEC Filings
13) SEC Filings for various investment funds (13F filings)
14) General Internet

Disclosures and Notices