



Platform Specialty Products Corporation Announces Pricing and Preliminary Syndication of New Term Loan B and Revolver

November 20, 2018

WEST PALM BEACH, Fla., Nov. 20, 2018 (GLOBE NEWSWIRE) -- Platform Specialty Products Corporation (NYSE:PAH) ("Platform"), a global specialty chemicals company, announced today that it had reached agreement in principle on pricing and syndication for a 7-year \$750 million senior secured term loan B (the "Term Loan B") and a 5-year \$330 million senior secured revolving credit facility (the "Revolver" and together with the Term Loan B, the "Facilities"), subject to certain conditions. These Facilities remain subject to the closing of the previously announced sale of Platform's Agricultural Solutions segment, Arysta LifeScience, to UPL Limited (the "Arysta Sale"), as well as the finalization and execution of definitive documentation for the Facilities. The proposed Facilities, along with Platform's existing \$800 million of 5.875% senior notes due 2025, issued in 2017, are expected to represent the debt capital structure of Element Solutions Inc ("Element Solutions"), the previously announced name for the company after the Arysta Sale.

Platform's Chief Executive Officer, Rakesh Sachdev, said, "This new Term Loan B and Revolver are another strong step forward on our path to establishing a standalone Element Solutions. The Term Loan B and our existing 5.875% senior notes due 2025 are expected to form our go-forward debt capital structure and create a meaningfully improved balance sheet and leverage profile. We were pleased with the strong demand from banks and lenders and their receptivity to the new Element Solutions story. We share their excitement. In addition to allowing for debt paydown, this financing is also designed to provide for dry-powder to opportunistically fund growth initiatives or capital returns, as we deem appropriate including, but not limited to, the share repurchases already approved by our Board. We look forward to sharing more progress as we approach the announced closing of the Arysta Sale."

Subject to execution of definitive documentation with lenders, the funding of the Term Loan B and the commitments on the Revolver are expected to close concurrently with the Arysta Sale, which remains subject to receipt of the outstanding regulatory clearances and other customary closing conditions. Platform intends to use the net proceeds from the Arysta Sale and funds from the Facilities to (i) repay all of Platform's existing senior secured term loans and revolving credit facility under its current senior secured credit agreement, (ii) retire all \$1,100 million aggregate principal amount of its existing 6.5% senior notes due 2022 and all €350 million aggregate principal amount of its existing 6.0% senior notes due 2023, all issued in February 2015, (iii) fund related transaction fees and expenses, and (iv) provide excess cash to fund potential share repurchases of up to \$750 million conditioned on closing of the Arysta Sale.

The Facilities have been preliminarily rated Ba2 by Moody's Investor Service and BB by S&P Global Ratings. Both ratings are meaningful improvements to current credit ratings of the company and reflect consideration for Element Solutions' new strategy and improved leverage profile.

The new capital structure should also result in a reduction to the company's cost of capital. As contemplated, the periodic interest rate of the Term Loan B is expected to be the LIBOR base rate plus a 2.25% spread. The company is however currently exploring opportunities to capture lower cash interest rates for some or all of the Term Loan B via derivative instruments.

About Platform

Platform is a global and diversified producer of high-technology specialty chemicals and a provider of technical services. The business involves the formulation of a broad range of solutions-oriented specialty chemicals, which are sold into multiple industries, including automotive, electronics, graphic arts, and offshore oil and gas production and drilling. More information on Platform is available at www.platformspecialtyproducts.com.

Forward-looking Statements

Certain statements contained in this release are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995 as it contains "forward-looking statements" within the meaning of the federal securities laws, which include statements regarding, without limitation, statements, beliefs and expectations related to the Arysta Sale and the timing for completion of that transaction; the ability of the parties to close that transaction, including obtaining the outstanding regulatory clearances and meeting the other closing conditions; the ability of Platform to consummate the closing and funding of the Facilities; the use of proceeds from the Arysta Sale and funds from the Facilities; expected interest rate; Element Solutions' go-forward capital structure, strategy, growth initiatives and capital returns; and lower cash interest rates via derivative instruments. These statements are based on management's estimates, assumptions or expectations with respect to future events and financial performance, and are believed to be reasonable, though are inherently uncertain and difficult to predict. Actual results could differ materially from those expressed or implied in the forward-looking statements if one or more of the underlying estimates, assumptions or expectations prove to be inaccurate or are unrealized. Important factors that could cause actual results to differ materially from those suggested by the forward-looking statements include, but are not limited to, the inability of Platform to complete, finalize and/or execute definitive documentation for the Facilities and/or obtain the related binding commitments from lenders; the occurrence of any event, change or other circumstances that could give rise to the termination of the Arysta transaction; the risk that the outstanding regulatory clearances may not be obtained or may be delayed or obtained subject to conditions that are not anticipated; the risk that the transaction will not be consummated in a timely manner or by the targeted date; the risk that Platform will experience unanticipated delays or difficulties and transaction costs in consummating the transaction; the risk that any of the closing conditions to the transaction may not be satisfied in a timely manner or at all; the risk related to disruption from the transaction and the related diverting of management's attention making it more difficult to maintain business and operational relationships; the failure to realize the benefits, efficiencies and cost savings expected from the transaction or related strategic initiatives; the impact of the transaction on Platform's share price and market volatility; the effect of the announcement of the transaction on the ability of Platform to retain customers and suppliers, retain or hire key personnel, and maintain relationships with customers, suppliers and lenders; the effect of the transaction or the announcement and completion of related transactions on Platform's operating results and businesses generally; the impact of the Tax reform on Platform's businesses; the impact of any future acquisitions or additional divestitures, restructurings, refinancings, and other unusual items, including Platform's ability to raise or retire debt or equity and to integrate and obtain the anticipated benefits, results and/or synergies from these items or other related strategic initiatives; and the possibility of more attractive strategic options arising in the future. Additional information concerning these and other factors that could cause actual results to vary is, or will be, included in Platform's periodic and other reports filed with the Securities and Exchange Commission. Platform undertakes no obligation to

update any forward-looking statements, whether as a result of new information, future events or otherwise.

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