

WL Ross Holding Corp. acquired Nexeo Solutions from TPG Capital for \$1.64bn



Deutsche Bank served as the lead Equity Capital Markets Advisor, Term Loan Lead Arranger and ABL Lead Arranger for WL Ross Holding Corp. ("WLRH") on its \$1.64bn acquisition of Nexeo Solutions ("Nexeo")

In June 2014, Deutsche Bank acted as the lead left bookrunner on WLRH's \$500mm IPO, which is the largest post-financial crisis US SPAC

Illustrative PF Valuation^(a)

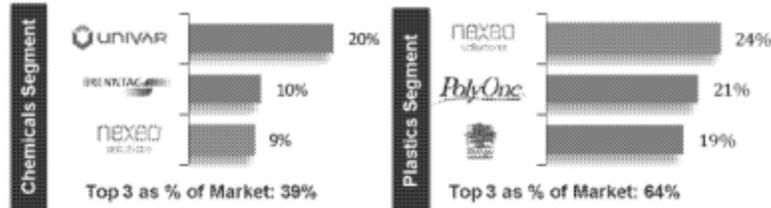
PF shares (mm)	82.4
Total equity value	\$823.7
PF net debt	818.0
Pro-forma enterprise value	\$1,641.7
Enterprise value / CY 2016E Adj.	8.3x

Transaction overview

- On March 21, 2016, WL Ross Holding Corp. and Nexeo announced the signing of a definitive merger agreement, whereby WLRH will acquire Nexeo at an enterprise value of \$1.64bn, representing 8.3x CY2016E Adjusted EBITDA of \$198 million
 - Transaction vote occurred on June 8, 2016 and closed on June 9, 2016
- On May 18, 2016, upsized its debt from \$630mm term loan to \$655mm
- Drew \$113 million from a \$575 million ABL facility; representing a PF leverage ratio of 4.4x net debt to CY2015A EBITDA
- Nexeo Solutions is a leading global distributor of chemicals, plastics and environmental services, and is owned by TPG Capital
 - TPG will retain a ~41% pro forma equity stake and remain invested
- After the deal, Wilbur Ross will become the Chairman of the public Nexeo
- To align interests and prevent day 1 dilution, 12.5mm founder shares were restructured to vest 50% at \$12.50 per share and 50% at \$15.00 per share
 - WLRH's sponsor warrants also exchanged into 2.2mm common shares
- This represents the largest post-financial crisis de-SPAC transaction
- Third largest chemical deal of the year and solidifies DB's leading chemical distribution franchise after leading the Univar IPO in 2015

Market positioning and growth opportunities

Leading Player in Fragmented and Consolidating Market with Only Handful of Global Players



Defensible Market Position Poised to Realize Growth



(a) Shares outstanding and pro forma total equity value include 5.7mm TPG deferred shares. Source: Public filings, Bloomberg, Wall Street Research.

Company and business highlights

- Nexeo Solutions is a leading global chemicals distributor that distributes 23,000+ products for 1,300+ suppliers and repackages them for 27,500+ customers at 170 locations through its 2,450 employees
- 2Q16LTM operating revenue of \$3.6bn and adjusted EBITDA from continuing operations up ~26% Y-o-Y to \$189mm
 - Projected FY2016E EBITDA of \$195mm and FY2017E EBITDA of \$213mm, with continued meaningful top-line growth
- Nexeo is well-positioned for growth and has potential to be a platform for consolidation through accretive M&A opportunities since the industry remains fragmented and the chemical distributions space remains underpenetrated
- Significant margin expansion opportunity through cost reduction, mix enhancement and scalability
- Nexeo is currently a public filer and has 10K, 10Q filings on EDGAR
- Low exposure to the oil & gas sector and FX
- Average length of supplier and customer relationships of 20+ years
- Industry leader with an entrenched global footprint that can boast of next day service to 99% of customers with 99% on-time delivery

Investment highlights

- #1 Plastics and #3 Chemicals Distributor in North America
- Attractive Industry Structure with Favorable Growth Trends
- Diversified Product Offerings to Broad Range of End-Markets
- Extensive Distribution Network and Leading Logistical Capabilities
- Asset-Light High Touch Business Model – Strong Free Cash Flow Generation of 87.2% and Robust Operating Leverage
- Highly Actionable Organic and Acquisition Growth Initiatives
- Experienced management team

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