
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 14, 2021

PERIMETER SOLUTIONS, SA

(Exact name of registrant as specified in its charter)

Grand Duchy of Luxembourg
(State or other jurisdiction
of incorporation)

001-41027
(Commission
File Number)

98-1632942
(IRS. Employer
Identification No.)

12E rue Guillaume Kroll, L-1882 Luxembourg
Grand Duchy of Luxembourg
(Address of principal executive offices, including zip code)

352 2668 62-1
Registrant's telephone number, including area code

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|----------------------|--|
| Ordinary Shares, nominal value \$1.00 per share | PRM | New York Stock Exchange |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On December 14, 2021, Perimeter Solutions, SA issued a press release announcing its financial results for its fiscal quarter ended September 30, 2021. A copy of the press release is furnished as Exhibit 99.1.

The information furnished under this Item 2.02, including Exhibit 99.1, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibit is being furnished as part of this Current Report on Form8-K.

| Exhibit No. | Description |
|------------------------|---|
| 99.1 | Press release issued by Perimeter Solutions, SA on December 14, 2021. |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PERIMETER SOLUTIONS, SA

By: /s/ Barry Lederman
Name: Barry Lederman
Title: Chief Financial Officer

Date: December 14, 2021

Perimeter Solutions Reports Third Quarter 2021 Results

December 14, 2021

Listed on The New York Stock Exchange under the symbol "PRM" on November 9, 2021
Double-digit revenue and Adjusted EBITDA growth in the Fire Safety segment, both in Q3 and year-to-date
\$100M Share repurchase program authorized

Clayton, Missouri, Dec. 14, 2021 – Perimeter Solutions, SA (NYSE: PRM) (“Perimeter” or the “Company”), a global solutions provider for the fire safety and oil additives industries, today reported financial results for its third quarter ended September 30, 2021.

“We are delighted to share our first financial results as a public company,” said CEO Edward Goldberg. “Our revenue and Adjusted EBITDA grew double digits, in Fire Safety, in both the third quarter and year-to-date periods. Most importantly, we delivered on our commitment to support our customers efforts, 100% of the time, to save lives, property, and the environment. In addition, we successfully qualified and launched Phos-Chek Fortify, our new durable retardant product designed for the Prevention and Protection market. We believe Fortify is a game changer, providing season long protection for both fire prevention and fire protection.” Mr. Goldberg added “Oil Additives Adjusted EBITDA declined in the third quarter, primarily due to higher material and transportation costs during the period. We fully expect to pass through these costs, with margin recovery already underway in the fourth quarter, and our expectations for the segment unchanged.”

Third Quarter 2021 Results

- Net sales increased 12% to \$195.4 million during the third quarter, as compared to \$174.3 million in the prior-year quarter.
 - Fire Safety sales increased 14% to \$172.4 million, as compared to \$151.1 million in the prior year.
 - Oil Additives sales decreased 1% to \$23.0 million, as compared to \$23.2 million in the prior year.
- Net income during the third quarter was \$52.0 million, or \$0.98 per share, a decline of \$0.6 million from \$52.6 million, or \$0.99 per share, for the same period of 2020.
- Adjusted EBITDA increased 9% to \$100.4 million during the third quarter, as compared to \$92.2 million in the prior-year quarter.
 - Fire Safety Adjusted EBITDA increased 13% to \$97.9 million, as compared to \$86.6 million in the prior year.
 - Oil Additives Adjusted EBITDA decreased 55% to \$2.5 million, as compared to \$5.6 million in the prior year.

Year-to-Date Results

- Net sales increased 12% to \$316.5 million during the year-to-date period, as compared to \$283.8 million in the prior-year period.
 - Fire Safety sales increased 11% to \$237.3 million, as compared to \$213.9 million in the prior year.
 - Oil Additives sales increased 13% to \$79.2 million, as compared to \$69.8 million in the prior year.
- Net income during the year-to-date period was \$29.6 million, or \$0.56 per share, a decline of \$0.9 million from \$30.5 million, or \$0.58 per share, for the same period of 2020.
- Adjusted EBITDA increased 12% to \$134.6 million during the year-to-date period, as compared to \$120.0 million in the prior-year period.
 - Fire Safety Adjusted EBITDA increased 13% to \$116.7 million, as compared to \$102.8 million in the prior year.
 - Oil Additives Adjusted EBITDA increased 4% to \$17.9 million, as compared to \$17.2 million in the prior year.

Conference Call and Webcast

Perimeter management will hold a conference call at 8:30 a.m. EDT on Tuesday, December 14, 2021 to discuss third quarter 2021 operating results. The conference call can be accessed by dialing (877) 407-9764 (toll-free) or (201) 689-8551 (toll).

The conference call will also be webcast simultaneously on Perimeter’s website (<https://www.perimeter-solutions.com/en/>), accessed under the Investor Relations link. The webcast link will be made available on the Company’s website prior to the start of the call within the News & Events section of the Investor Relations website.

A slide presentation will also be available for reference during the conference call; go to the investor relations page of our website to the News & Events menu and click on "Events & Presentations."

Following the live webcast, a replay will be available on the Company's website. A telephonic replay will also be available approximately two hours after the call and can be accessed by dialing (877) 660-6853 (toll-free) or (201) 612-7415 (toll). The telephonic replay will be available until January 13, 2022.

About Perimeter

Perimeter is a leading global solutions provider for the fire safety and oil additives industries. The Fire Safety business is a formulator and manufacturer of fire management products that help our customers combat various types of fires, including wildland, structural, flammable liquids and other types of fires. Our Fire Safety business also offers specialized equipment and services, typically in conjunction with our fire management products, to support our customers' firefighting operations. Our specialized equipment includes airbase retardant storage, mixing, and delivery equipment; mobile retardant bases; retardant ground application units; mobile foam equipment; and equipment that we custom design and manufacture to meet specific customer needs. Our service network can meet the emergency resupply needs of over 150 air tanker bases in North America, as well as many other customer locations in North America and internationally. The segment is built on the premise of superior technology, exceptional responsiveness to our customers' needs, and a "never-fail" service network. The segment sells products to government agencies and commercial customers around the world. Our wildfire retardant products are the only qualified products for use by the USDA Forest Service.

Perimeter's Oil Additives business provides high quality P2S5 primarily used in the preparation of ZDDP-based lubricant additives for critical engine anti-wear solutions. P2S5 is also used in pesticide and mining chemicals applications.

Forward-looking Information

Certain statements contained in this news release, as well as other information provided from time to time by Perimeter Solutions, SA. or its employees, may contain forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Forward-looking statements give Perimeter's current expectations and projections relating to the Company's financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "anticipate," "estimate," "expect," "forecast," "project," "plan," "intend," "believe," "confident," "may," "should," "can have," "likely," "future," "optimistic" and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events.

Any such forward-looking statements are not guarantees of performance or results, and involve risks, uncertainties (some of which are beyond the Company's control) and assumptions. Although Perimeter believes any forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect Perimeter's actual financial results and cause them to differ materially from those anticipated in any forward-looking statements, including the risk factors discussed within the Risk Factors section of the Form 10-Q for the period ended September 30, 2021. Stockholders, potential investors and other readers should consider these factors carefully in evaluating the forward-looking statements.

Should one or more of the risk factors or uncertainties materialize, Perimeter's actual results may vary in material respects from those projected in any forward-looking statements. In the current environment, some of the risk factors have materialized and may or will continue to be impacted by the COVID-19 pandemic, which may cause actual results to vary from these forward-looking statements.

Any forward-looking statement made by Perimeter in this press release speaks only as of the date on which it is made. Perimeter undertakes no obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

SOURCE: Perimeter Solutions, SA.

CONTACT:

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SK INVICTUS INTERMEDIATE, S. À R.L. AND SUBSIDIARIES
Condensed Consolidated Statement of Income and Comprehensive Income

(in thousands, except share and per share data)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|-------------------------------------|------------|------------------------------------|------------|
| | 2021 | 2020 | 2021 | 2020 |
| | (unaudited) | | (unaudited) | |
| Net sales | \$ 195,414 | \$ 174,259 | \$ 316,460 | \$ 283,758 |
| Cost of goods sold | 86,081 | 76,264 | 159,895 | 145,704 |
| Gross profit | 109,333 | 97,995 | 156,565 | 138,054 |
| Operating expenses: | | | | |
| Selling, general, and administrative | 15,333 | 8,845 | 42,544 | 26,579 |
| Amortization expense | 13,276 | 12,836 | 39,818 | 38,264 |
| Other operating expense | 313 | 360 | 1,066 | 1,051 |
| Total operating expenses | 28,922 | 22,041 | 83,428 | 65,894 |
| Operating income | 80,411 | 75,954 | 73,137 | 72,160 |
| Other expense: | | | | |
| Interest expense—net | 8,065 | 9,244 | 23,951 | 33,494 |
| Loss on contingent earnout | — | — | 2,763 | — |
| Unrealized foreign currency (gain) loss | 1,634 | (2,615) | 3,892 | (2,768) |
| Other (income) expense—net | 66 | (271) | (252) | (351) |
| Total other expenses, net | 9,765 | 6,358 | 30,354 | 30,375 |
| Income before income taxes | 70,646 | 69,596 | 42,783 | 41,785 |
| Income tax expense | (18,637) | (16,966) | (13,151) | (11,242) |
| Net income | 52,009 | 52,630 | 29,632 | 30,543 |
| Other comprehensive income: | | | | |
| Foreign translation adjustments | (2,020) | 2,209 | (2,424) | (1,234) |
| Total comprehensive income | \$ 49,989 | \$ 54,839 | \$ 27,208 | \$ 29,309 |
| Net income per share: | | | | |
| Basic | \$ 0.98 | \$ 0.99 | \$ 0.56 | \$ 0.58 |
| Diluted | \$ 0.98 | \$ 0.99 | \$ 0.56 | \$ 0.58 |
| Weighted-average shares used in computing net income per share: | | | | |
| Basic | 53,045,510 | 53,045,510 | 53,045,510 | 53,045,510 |
| Diluted | 53,045,510 | 53,045,510 | 53,045,510 | 53,045,510 |

SK INVICTUS INTERMEDIATE, S. À R.L. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(in thousands, except share and per share data)

| | As of September 30, 2021 (unaudited) | As of December 31, 2020 |
|---|---|-------------------------------|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 39,581 | \$ 22,478 |
| Accounts receivable, net of allowance for doubtful accounts of \$987 and \$1,044 as of September 30, 2021 and December 31, 2020, respectively | 97,107 | 28,896 |
| Inventories (1) | 64,792 | 58,784 |
| Income tax receivable | — | 11,457 |
| Prepaid expenses and other current assets | 7,973 | 11,406 |
| Total current assets | 209,453 | 133,021 |
| Property, plant, and equipment—net | 48,496 | 48,235 |
| Goodwill | 486,375 | 482,041 |
| Customer lists—net | 271,390 | 304,308 |
| Existing technology and patents—net | 126,967 | 135,928 |
| Other intangible assets—net | 33,232 | 33,464 |
| Other assets | 863 | 1,209 |
| Total assets | <u>\$ 1,176,776</u> | <u>\$ 1,138,206</u> |
| Liabilities and Shareholders' Equity | | |
| Current liabilities: | | |
| Current portion of long-term debt, net of unamortized debt issuance costs | \$ 5,610 | \$ 6,723 |
| Accounts payable | 22,840 | 9,869 |
| Deferred revenue | 1,117 | 286 |
| Accrued expenses and other current liabilities | 21,296 | 16,045 |
| Total current liabilities | 50,863 | 32,923 |
| Long-term debt, less current portion, net of unamortized debt issuance costs | 679,540 | 680,548 |
| Deferred income taxes | 106,792 | 112,162 |
| Other liabilities | 20,951 | 21,151 |
| Total liabilities | <u>\$ 858,146</u> | <u>\$ 846,784</u> |
| Commitments and contingencies | | |
| Shareholders' equity: | | |
| Common stock, \$1 par value per share; 53,045,510 shares authorized as of September 30, 2021 and December 31, 2020; 53,045,510 shares issued and outstanding as of September 30, 2021 and December 31, 2020 | 53,046 | 53,046 |
| Additional paid-in capital | 289,344 | 289,344 |
| Accumulated other comprehensive loss | (5,598) | (3,174) |
| Accumulated deficit | (18,162) | (47,794) |
| Total shareholders' equity | 318,630 | 291,422 |
| Total liabilities and shareholders' equity | <u>\$ 1,176,776</u> | <u>\$ 1,138,206</u> |

(1) Amounts include \$542 and \$2,505 of inventory purchased from the former owners of the original Invictus business as of September 30, 2021 and December 31, 2020, respectively.

SK INVICTUS INTERMEDIATE, S. À R.L. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(in thousands)

| | As of September 30, 2021 | As of September 30, 2020 |
|---|--------------------------------|--------------------------------|
| | (unaudited) | |
| Cash flows from operating activities: | | |
| Net income | \$ 29,632 | \$ 30,543 |
| Adjustments to reconcile net income to net cash provided by (used in) operating activities: | | |
| Depreciation and amortization expense | 45,593 | 43,371 |
| Deferred income taxes | (5,195) | (6,884) |
| Amortization of deferred financing costs | 2,432 | 2,649 |
| Loss on contingent earnout | 2,763 | — |
| Changes in operating assets and liabilities, net of acquisitions: | | |
| Accounts receivable | (68,211) | (65,763) |
| Inventories | (5,554) | 15,529 |
| Income tax receivable | 11,457 | 6,528 |
| Prepaid expenses and other current assets | 3,104 | (2,490) |
| Other assets | 346 | 592 |
| Accounts payable, | 12,971 | (1,613) |
| Deferred revenue | 831 | 831 |
| Accrued expenses and other current liabilities | 2,448 | 7,831 |
| Other liabilities | (200) | 576 |
| Net cash provided by operating activities | <u>32,417</u> | <u>31,700</u> |
| Cash flows from investing activities: | | |
| Purchase of property and equipment | (5,149) | (5,695) |
| Purchase of businesses, net of cash acquired | (7,464) | (1,970) |
| Net cash used in investing activities | <u>(12,613)</u> | <u>(7,665)</u> |
| Cash flows from financing activities: | | |
| Proceeds from revolving credit facility | 19,500 | 72,100 |
| Repayments of revolving credit facility | (19,500) | (93,700) |
| Repayment of long-term debt | (4,211) | (4,208) |
| Net cash used in financing activities | <u>(4,211)</u> | <u>(25,808)</u> |
| Effect of foreign currency on cash and cash equivalents | <u>1,510</u> | <u>(3,381)</u> |
| Net change in cash and cash equivalents | 17,103 | (5,154) |
| Cash and cash equivalents at the beginning of year | <u>22,478</u> | <u>9,822</u> |
| Cash and cash equivalents at the end of year | <u>\$ 39,581</u> | <u>\$ 4,668</u> |
| Supplemental disclosures of cash flow information: | | |
| Cash paid for interest | \$ 21,502 | \$ 37,877 |
| Cash paid for income taxes | 7,092 | 4,885 |

Non-GAAP Financial Metrics

Adjusted EBITDA

The computation of adjusted EBITDA is defined as net income plus income tax expense, net interest and other financing expenses, and depreciation and amortization, adjusted on a consistent basis for certain non-recurring, unusual or non-operational items in a balanced manner and on a segment basis. These items may include operational restructuring charges, unrealized loss (gain) on foreign currency translation, loss on contingent earnout, deferred future payments, and other non-recurring or non-operational items. Management fees also are excluded from the Company's calculation of adjusted EBITDA as these fees relate to the services provided by SK Capital Partners IV-A, L.P. and SK Capital Partners IV-B, L.P. (collectively, the "Sponsor") when acting in a management capacity on strategic and other non-operational matters and do not represent expenses incurred in the normal course of our operations.

Adjusted EBITDA margin is defined as adjusted EBITDA divided by sales. To supplement the Company's condensed consolidated financial statements presented in accordance with U.S. GAAP, Perimeter provides a summary to show the computation of adjusted EBITDA, and reconciliation to net income, taking into account certain charges and gains that were recognized during the periods presented.

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|-------------------------------------|-----------|------------------------------------|-----------|
| | 2021 | 2020 | 2021 | 2020 |
| Net income | \$ 52,009 | \$ 52,630 | \$ 29,632 | \$ 30,543 |
| Income tax expense | 18,637 | 16,966 | 13,151 | 11,242 |
| Depreciation and amortization | 15,212 | 14,592 | 45,593 | 43,371 |
| Interest and financing expense | 8,065 | 9,244 | 23,951 | 33,494 |
| Restructuring charges (a) | 3,855 | 445 | 12,805 | 690 |
| Loss on contingent earnout (b) | — | — | 2,763 | — |
| Management fees (c) | 313 | 344 | 937 | 969 |
| Deferred future payments (d) | 625 | 625 | 1,875 | 2,500 |
| Unrealized foreign currency (gain) loss | 1,634 | (2,615) | 3,892 | (2,768) |
| Adjusted EBITDA | \$100,350 | \$ 92,231 | \$134,599 | \$120,041 |
| Net Sales | \$195,414 | \$174,259 | \$316,460 | \$283,758 |
| Adjusted EBITDA margin | 51% | 53% | 43% | 42% |

- (a) Adjustment to reflect non-recurring expenses incurred related to business combination with Perimeter Solutions.
- (b) Adjustment to reflect changes in contingent consideration to prior owners of LaderaTech, an acquired business in 2020.
- (c) Adjustment to reflect fees pertaining to services provided by SK Capital Partners IV-A, L.P. and SK Capital Partners IV-B, L.P. (collectively, the "Sponsor") when acting in a management capacity on strategic and other non-operational matters which do not represent expenses incurred in the normal course of our operations.
- (d) Adjustment to reflect deferred compensation resulting from the Ironman Acquisition in 2019.