
**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): November 12, 2024

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.)

**28, Boulevard Raiffeisen, L-2411 Luxembourg
Grand Duchy of Luxembourg
352 2668 62-1**
(Address of principal executive offices, including zip code)
(314) 396-7343

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 November 12, 2024, Perimeter Solutions, SA (the "Company") issued a press release announcing its financial results for its fiscal quarter ended September 30, 2024. 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 (the "Securities Act") or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 7.01 Regulation FD DisclosureFinancial Results Presentation

On November 12, 2024, the Company posted on the Investor Relations page of its website at www.ir.perimeter-solutions.com a slide presentation related to its third quarter ended September 30, 2024 financial results. The information contained or incorporated in the Company's website is not part of this filing.

The information furnished under this Item 7.01, including Exhibit 99.2, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or incorporated by reference in any filing under the Securities Act 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 exhibits are being furnished as part of this Current Report on Form 8-K.

| Exhibit No. | Description |
|----------------------|---|
| 99.1 | Press release issued by Perimeter Solutions, SA on November 12, 2024. |
| 99.2 | Perimeter Solutions, SA Q3 2024 Earnings Presentation. |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document). |

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.

Date: November 12, 2024

Perimeter Solutions, SA

By: /s/ Kyle Sable
Kyle Sable
Chief Financial Officer

Perimeter Solutions Reports Third Quarter 2024 Financial Results

November 12, 2024

*Strong financial results driven by rigorous operational value driver implementation as well as normalization of key end-markets**Continued aggressive capital and operational investments to support our customers' critical missions in 2024 and beyond**Well positioned for capital allocation with >\$200M of balance sheet cash and ~1.7x LTM net leverage*

Clayton, Missouri, November 12, 2024 – Perimeter Solutions, SA (NYSE: PRM) ("Perimeter" or the "Company"), a leading provider of mission-critical firefighting products and services, as well as high-quality specialty chemicals, today reported financial results for its third quarter ended September 30, 2024.

Third Quarter 2024 Results

- Net sales increased 102% to \$288.4 million in the third quarter, as compared to \$142.7 million in the prior year quarter.
 - Fire Safety sales increased 113% to \$251.8 million, as compared to \$118.3 million in the prior year quarter.
 - Specialty Products sales increased 50% to \$36.6 million, as compared to \$24.4 million in the prior year quarter.
- Net loss during the third quarter was \$89.2 million, or \$0.61 loss per diluted share, as compared to net income of \$19.3 million, or \$0.12 earnings per diluted share in the prior year quarter.
- Adjusted EBITDA increased 177% to \$170.4 million in the third quarter, as compared to \$61.5 million in the prior year quarter.
 - Fire Safety Adjusted EBITDA increased 181% to \$157.5 million, as compared to \$56.1 million in the prior year quarter.
 - Specialty Products Adjusted EBITDA increased 137% to \$12.9 million, as compared to \$5.4 million in the prior year quarter.

Year-to-Date 2024 Results

- Net sales increased 81% to \$474.7 million during the year-to-date period, as compared to \$262.7 million in the prior-year period.
 - Fire Safety sales increased 97% to \$375.5 million, as compared to \$190.2 million in the prior year period.
 - Specialty Products sales increased 37% to \$99.2 million, as compared to \$72.5 million in the prior year period.
 - Net loss during the year-to-date period was \$150.1 million, or \$1.03 loss per diluted share, as compared to net income of \$80.7 million, or \$0.48 earnings per diluted share in the prior year period.
 - Adjusted EBITDA increased 189% to \$247.4 million in the year-to-date period, as compared to \$85.6 million in the prior year period.
 - Fire Safety Adjusted EBITDA increased 208% to \$212.9 million, as compared to \$69.2 million in the prior year period.
 - Specialty Products Adjusted EBITDA increased 111% to \$34.5 million, as compared to \$16.4 million in the prior year period.
-

Conference Call and Webcast

As previously announced, Perimeter Solutions management will hold a conference call at 8:30 a.m. ET on Tuesday, November 12, 2024 to discuss financial results for the third quarter 2024. 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://ir.perimeter-solutions.com>), accessed under the Investor Relations page. The webcast link will be made available on the Company's website prior to the start of the call; go to the investor relations page of our website to the News & Events menu and click on "Events & Presentations."

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 December 12, 2024 (11:59 p.m. ET).

About Perimeter Solutions

Perimeter Solutions is a leading global solutions provider, providing high-quality firefighting products and specialty chemicals. The Company's business is organized and managed in two reporting segments: Fire Safety and Specialty Products.

The Fire Safety business consists of formulating, manufacture and sale of fire retardants and firefighting foams that assist in combating various types of fires, including wildland, structural, flammable liquids and others. 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.

The Specialty Products business produces and sells high quality Phosphorus Pentasulfide ("P₂S₅") primarily used in the preparation of lubricant additives, including a family of compounds called Zinc Dialkyldithiophosphates ("ZDDP") that provide critical anti-wear protection to engine components. P₂S₅ is also used in pesticide and mining chemicals applications.

Forward-looking Information

This press release may contain "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Forward-looking statements can be identified by words such as: "anticipate," "intend," "plan," "goal," "seek," "believe," "project," "estimate," "expect," "strategy," "future," "likely," "may," "should," "will," and similar references to future periods.

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 described from time to time by us in our filings with the Securities and Exchange Commission ("SEC"), including, but not limited to, the Company's Annual Report on Form 10-K for the year ended December 31, 2023 filed with the SEC on February 22, 2024. Shareholders, potential investors and other readers should consider these factors carefully in evaluating the 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: ir@perimeter-solutions.com

PERIMETER SOLUTIONS, SA AND SUBSIDIARIES
Condensed Consolidated Statements of Operations and Comprehensive (Loss) Income
(in thousands, except share and per share data)
(Unaudited)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|----------------------------------|-------------|---------------------------------|-------------|
| | 2024 | 2023 | 2024 | 2023 |
| Net sales | \$ 288,417 | \$ 142,658 | \$ 474,737 | \$ 262,653 |
| Cost of goods sold | 107,195 | 72,825 | 199,546 | 153,096 |
| Gross profit | 181,222 | 69,833 | 275,191 | 109,557 |
| Operating expenses: | | | | |
| Selling, general and administrative expense | 18,520 | 12,693 | 45,888 | 32,936 |
| Amortization expense | 13,765 | 13,778 | 41,291 | 41,312 |
| Founders advisory fees - related party | 184,176 | (24,544) | 253,097 | (108,806) |
| Intangible impairment | — | 40,738 | — | 40,738 |
| Other operating expense | — | — | — | 10 |
| Total operating expenses | 216,461 | 42,665 | 340,276 | 6,190 |
| Operating (loss) income | (35,239) | 27,168 | (65,085) | 103,367 |
| Other expense (income): | | | | |
| Interest expense, net | 10,054 | 10,448 | 31,292 | 30,938 |
| Gain on contingent earn-out | — | (7,665) | — | (7,273) |
| Foreign currency (gain) loss | (1,354) | 1,384 | 163 | 756 |
| Other expense (income), net | 151 | (60) | 252 | 29 |
| Total other expense, net | 8,851 | 4,107 | 31,707 | 24,450 |
| (Loss) income before income taxes | (44,090) | 23,061 | (96,792) | 78,917 |
| Income tax (expense) benefit | (45,077) | (3,779) | (53,283) | 1,810 |
| Net (loss) income | (89,167) | 19,282 | (150,075) | 80,727 |
| Other comprehensive income (loss), net of tax: | | | | |
| Foreign currency translation adjustments | 10,637 | (8,673) | 4,105 | (4,865) |
| Total comprehensive (loss) income | \$ (78,530) | \$ 10,609 | \$ (145,970) | \$ 75,862 |
| (Loss) earnings per share: | | | | |
| Basic | \$ (0.61) | \$ 0.13 | \$ (1.03) | \$ 0.52 |
| Diluted | \$ (0.61) | \$ 0.12 | \$ (1.03) | \$ 0.48 |
| Weighted average number of ordinary shares outstanding: | | | | |
| Basic | 145,222,189 | 153,694,160 | 145,247,477 | 155,958,492 |
| Diluted | 145,222,189 | 165,479,465 | 145,247,477 | 167,743,797 |

PERIMETER SOLUTIONS, SA AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(in thousands, except share and per share data)

| | September 30, 2024 | December 31, 2023 |
|--|--------------------|-------------------|
| | (Unaudited) | |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 223,053 | \$ 47,276 |
| Accounts receivable, net | 97,566 | 39,593 |
| Inventories | 108,366 | 145,652 |
| Prepaid expenses and other current assets | 9,732 | 18,493 |
| Total current assets | 438,717 | 251,014 |
| Property, plant, and equipment, net | 61,552 | 59,402 |
| Operating lease right-of-use assets | 14,966 | 16,339 |
| Finance lease right-of-use assets | 6,322 | 6,064 |
| Goodwill | 1,036,481 | 1,036,279 |
| Customer lists, net | 646,136 | 674,786 |
| Technology and patents, net | 171,393 | 180,653 |
| Tradenames, net | 85,760 | 89,568 |
| Other assets, net | 978 | 1,317 |
| Total assets | \$ 2,462,305 | \$ 2,315,422 |
| Liabilities and Shareholders Equity | | |
| Current liabilities: | | |
| Accounts payable | \$ 23,082 | \$ 21,639 |
| Accrued expenses and other current liabilities | 65,040 | 30,710 |
| Founders advisory fees payable - related party | 15,148 | 2,702 |
| Deferred revenue | 8,792 | — |
| Total current liabilities | 112,062 | 55,051 |
| Long-term debt, net | 667,447 | 666,494 |
| Operating lease liabilities, net of current portion | 13,582 | 14,908 |
| Finance lease liabilities, net of current portion | 6,094 | 5,547 |
| Deferred income taxes | 253,956 | 253,454 |
| Founders advisory fees payable - related party | 294,865 | 56,917 |
| Redeemable preferred shares | 108,934 | 105,799 |
| Redeemable preferred shares - related party | 2,805 | 2,764 |
| Other liabilities | 2,377 | 2,193 |
| Total liabilities | 1,462,122 | 1,163,127 |
| Commitments and contingencies | | |
| Shareholders' equity: | | |
| Ordinary shares, \$1 nominal value per share, 4,000,000,000 shares authorized; 166,843,819 and 165,066,195 shares issued; 145,240,338 and 146,451,005 shares outstanding at September 30, 2024 and December 31, 2023, respectively | 166,844 | 165,067 |
| Treasury shares, at cost; 21,603,481 and 18,615,190 shares at September 30, 2024 and December 31, 2023, respectively | (127,827) | (113,407) |
| Additional paid-in capital | 1,707,664 | 1,701,163 |
| Accumulated other comprehensive loss | (15,605) | (19,710) |
| Accumulated deficit | (730,893) | (580,818) |
| Total shareholders' equity | 1,000,183 | 1,152,295 |
| Total liabilities and shareholders' equity | \$ 2,462,305 | \$ 2,315,422 |

PERIMETER SOLUTIONS, SA AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(in thousands)
(Unaudited)

| | Nine Months Ended September 30, 2024 | |
|--|---|------------------|
| | 2024 | 2023 |
| Cash flows from operating activities: | | |
| Net (loss) income | \$ (150,075) | \$ 80,727 |
| Adjustments to reconcile net (loss) income to net cash provided by (used in) operating activities: | | |
| Founders advisory fees - related party (change in fair value) | 253,097 | (108,806) |
| Depreciation and amortization expense | 49,215 | 48,493 |
| Interest and payment-in-kind on preferred shares | 5,292 | 5,094 |
| Share-based compensation | 8,048 | (130) |
| Non-cash lease expense | 3,875 | 3,353 |
| Deferred income taxes | 663 | (11,302) |
| Intangible impairment | — | 40,738 |
| Amortization of deferred financing costs | 1,291 | 1,243 |
| Gain on contingent earn-out | — | (7,273) |
| Foreign currency loss | 163 | 756 |
| Loss on disposal of assets | 13 | 3 |
| Changes in operating assets and liabilities, net of acquisitions: | | |
| Accounts receivable | (57,880) | (46,216) |
| Inventories | 37,373 | 2,674 |
| Prepaid expenses and current other assets | 1,571 | 4,966 |
| Accounts payable | 1,375 | (17,999) |
| Deferred revenue | 8,792 | 1,169 |
| Income taxes payable, net | 21,510 | (8,784) |
| Accrued expenses and other current liabilities | 16,151 | 9,024 |
| Founders advisory fees - related party (cash settled) | (2,702) | (4,655) |
| Operating lease liabilities | (2,426) | (3,206) |
| Financing lease liabilities | (374) | (172) |
| Other, net | (597) | 69 |
| Net cash provided by (used in) operating activities | <u>194,375</u> | <u>(10,234)</u> |
| Cash flows from investing activities: | | |
| Purchase of property and equipment | (9,071) | (6,630) |
| Proceeds from short-term investments | 5,383 | — |
| Net cash used in investing activities | <u>(3,688)</u> | <u>(6,630)</u> |
| Cash flows from financing activities: | | |
| Ordinary shares repurchased | (14,420) | (37,247) |
| Principal payments on finance lease obligations | (544) | (251) |
| Net cash used in financing activities | <u>(14,964)</u> | <u>(37,498)</u> |
| Effect of foreign currency on cash and cash equivalents | 54 | (627) |
| Net change in cash and cash equivalents | 175,777 | (54,989) |
| Cash and cash equivalents, beginning of period | 47,276 | 126,750 |
| Cash and cash equivalents, end of period | <u>\$ 223,053</u> | <u>\$ 71,761</u> |
| Supplemental disclosures of cash flow information: | | |
| Cash paid for interest | \$ 20,286 | \$ 19,971 |
| Cash paid for income taxes | \$ 31,414 | \$ 20,562 |
| Non-cash activities: | | |
| Warrants exercised | \$ 230 | \$ — |

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. These items include (i) severance costs, and integration and restructuring related costs (ii) founder advisory fee expenses, (iii) stock compensation expense and (iv) foreign currency loss (gain). To supplement the Company's condensed consolidated financial statements presented in accordance with U.S. GAAP, Perimeter is providing a summary to show the computations of Adjusted EBITDA, which is a non-GAAP measure used by the Company's management and by external users of Perimeter's financial statements, such as investors, commercial banks and others, to assess the Company's operating performance as compared to that of other companies, without regard to financing methods, capital structure or historical cost basis. Adjusted EBITDA should not be considered an alternative to net income (loss), operating income (loss), cash flows provided by (used in) operating activities or any other measure of financial performance or liquidity presented in accordance with U.S. GAAP (in thousands).

| (Unaudited) | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|----------------------------------|------------------|---------------------------------|------------------|
| | 2024 | 2023 | 2024 | 2023 |
| (Loss) income before income taxes | \$ (44,090) | \$ 23,061 | \$ (96,792) | \$ 78,917 |
| Depreciation and amortization | 16,444 | 16,276 | 49,215 | 48,493 |
| Interest and financing expense | 10,054 | 10,448 | 31,292 | 30,938 |
| Founders advisory fees - related party | 184,176 | (24,544) | 253,097 | (108,806) |
| Intangible impairment | — | 40,738 | — | 40,738 |
| Non-recurring expenses ¹ | 1,834 | 22 | 2,397 | 1,942 |
| Share-based compensation expense (benefit) | 3,312 | 1,749 | 8,048 | (130) |
| Gain on contingent earn-out | — | (7,665) | — | (7,273) |
| Foreign currency (gain) loss | (1,354) | 1,384 | 163 | 756 |
| Adjusted EBITDA | <u>\$ 170,376</u> | <u>\$ 61,469</u> | <u>\$ 247,420</u> | <u>\$ 85,575</u> |

(1) Adjustment to reflect non-recurring expenses; severance costs, and integration and restructuring related costs.



Perimeter Solutions SA

Q3 2024 Earnings

November 12, 2024

Trusted. Solutions That Save.



Disclaimer



Certain statements in this presentation and discussion are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and are based on Perimeter Solutions, SA's (the "Company") expectations, intentions and projections regarding the Company's future performance, anticipated events or trends and other matters that are not historical facts. Words such as "anticipate," "estimate," "expect," "forecast," "project," "plan," "intend," "believe," "may," "should," or similar expressions are intended to identify these forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding (i) estimates and forecasts of financial, operational and performance metrics, including, but not limited to, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBITDA growth, the number of acres burned ex-Alaska, our compounded annual growth rate ("CAGR") and capital expenditures; (ii) our growth expectations, opportunities and strategies and potential positive impact to our financial and operational results; (iii) our long-term assumptions; (iv) the opportunity to expand our business through strategic acquisitions consistent with our five target economic criteria; (v) our expectations related to historical volume drivers persisting into the future; (vi) our ability to deliver long-term equity value creation, including M&A-driven value creation; (vii) our expectations related to trends driving the global wildfire business; (viii) our expectations regarding the 2024 fire season; (ix) our Fire Safety financial results; (x) our beliefs regarding our customers' posture towards aerial attacks; (xi) our expectations regarding the conversion to, and growing use of, fluorine-free technologies; (xii) our plans to upgrade airbases prior to the 2025 fire season; (xiii) our beliefs regarding the domestication from Luxembourg to Delaware; (xiv) our beliefs regarding the productivity benefits of our new and proprietary retardant mixing system; (xv) our ability to sustainably drive our long-term earnings power; (xvi) our expectations regarding the growth of our Fire Retardants product line; (xvii) our expectations regarding the expansion of our fluorine-free installed bases; (xviii) our expectations regarding the demand profile of our Specialty Products product line; and (xix) expected capital allocation activities and priorities including, but not limited to, expectations relating to capital expenditures, acquisitions, dividends and share repurchases, and the extent to which the foregoing drive value creation. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. For further information, please refer to the Company's reports and filings with the Securities and Exchange Commission. Forward-looking statements speak only as of the date of such statements and, except as required by applicable law, the Company does not undertake any obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

To supplement the financial measures prepared in accordance with generally accepted accounting principles in the United States ("GAAP"), we have included the following non-GAAP financial information in this presentation: adjusted EBITDA and adjusted EBITDA margin. The reconciliations of these non-GAAP measures to the most directly comparable financial measures calculated and presented in accordance with GAAP can be found in the Appendix to this presentation. Because these non-GAAP financial measures exclude certain items as described herein, they may not be indicative of the results that the Company expects to recognize for future periods. As a result, these non-GAAP financial measures should be considered in addition to, and not a substitute for, financial information prepared in accordance with GAAP.

Our Objective



Exceptional Businesses

Retardants/Suppressants/ Specialty Products

- Mission Critical Function
- Market Leadership Positions
- Challenging Markets to Serve
- Attractive Growth Profiles



Value Creation Strategy

Operational Value Drivers

- Profitable New Business
- Productivity & Cost Improvement
- Value-based Pricing

Capital Allocation and Capital Structure



Our Goal

Fulfill our Mission

**Deliver private-equity like
returns (15%+) with
public market liquidity**

Our Product Lines



Fire Retardants (48%)⁽¹⁾



Function

- Retardant slows, stops and prevents wildfire, typically applied via airtankers



Leadership

- Market leader with a comprehensive fully-integrated solution delivered globally



Challenges

- Critical: success measured in lives
- Complex: unpredictable demand profiles and challenging operating environments
- Integrated: asset base and service capabilities built over decades at high-\$



Growth Expectation

- Mid- to high-single digit volume growth



Fire Suppressants (22%)⁽¹⁾

- Foam primarily used to fight flammable liquid fires (airports, refineries, etc.)

- Market leader in fluorine-free foams that are rapidly becoming industry standard

- Critical: life-saving products
- Complex: emergency response demand requires never fail global service network
- Integrated: hardware, consumables and after-market service bundled together

- Expanding fluorine-free installed base



Specialty Products (30%)⁽¹⁾

- P₂S₅ reduces wear / improves durability in lubricating oils, and other niche uses

- Market leader with >50% OECD capacity

- Critical: vital to product, no substitutes
- Complex: difficult chemistry, highly regulated global supply chain / delivery
- Integrated: product plus proprietary and patented delivery system/hardware

- Stable volume demand profile

LTM Revenue of **\$534.2M** and Adjusted EBITDA of **\$258.6M** (~48% Adjusted EBITDA Margin)

(1) %s denote share of Consolidated Revenue as of latest public disclosure, 12/31/2023

Retardants: Extreme Criticality



Fulfilling the mission requires 100% reliability, 100% of the time



Deployed globally, including:



Retardants: Extreme Complexity

Never fail performance requirement in highly variable and unpredictable environments

Stringent performance requirements...

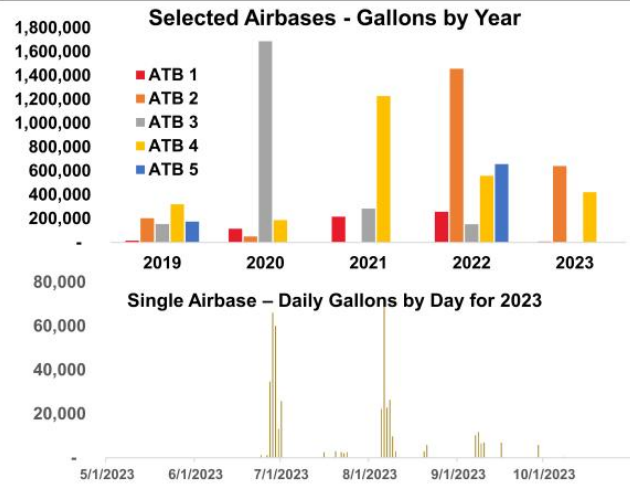
- "Ready delivery status is defined as the ability to begin pumping and loading operations within **3 minutes** after an order is placed."
- "Contractor must deliver retardant as specified herein within **24 hours** of receipt of an order."

...across vast geographies...



Map based on actual July 2024 North America activity.

...amidst highly unpredictable environments



Retardants: Our Mission



Only Perimeter's comprehensive, fully integrated-solution, built over 60 years, can fulfill our customers' critical mission



**Perimeter is the market leader in fluorine free foams,
which are rapidly becoming the industry standard**

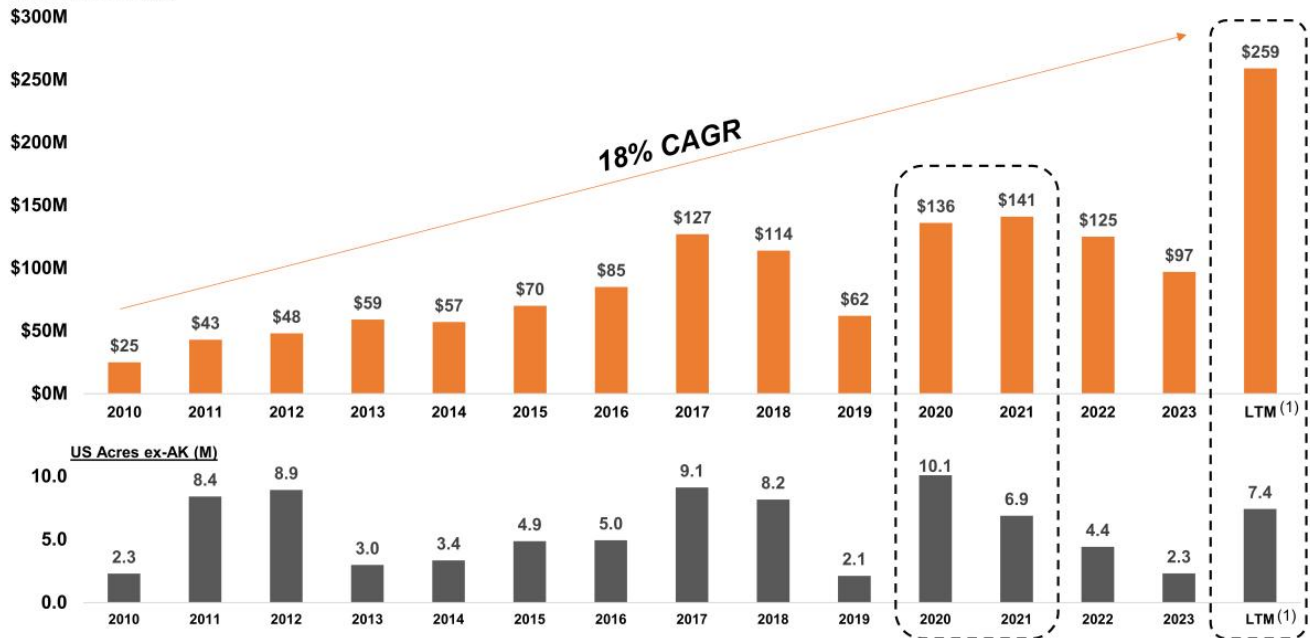
Specialty Products: Our Mission



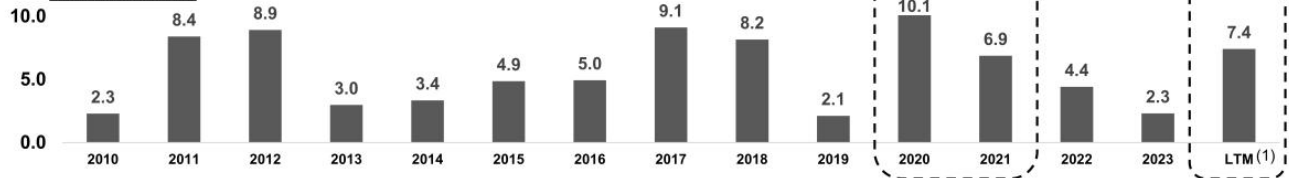
Perimeter owns >50% of OECD capacity in a highly specialized niche market

Adjusted EBITDA Growth Track-Record

Adjusted EBITDA (\$M)



US Acres ex-AK (M)



(1) LTM Adjusted EBITDA and US Acres Burned ex-AK through 9/30/2024

Priority

Capex

- Support our customers' mission
- Drive Profitable New Business and Productivity through high-return projects

M&A

- Acquiror advantage stems from Value Drivers implementation

Share Buybacks

- Repurchase shares when presented with compelling opportunities

Special Dividends

- Issue special dividends to sustain leverage vital for 15-20% equity returns

We drive value creation through thoughtful capital allocation and active capital structure management

Q3 and YTD 2024 Financial Summary



| (\$000) | Q3 '23 | Q3 '24 | y/y | YTD '23 | YTD '24 | y/y |
|-------------------------------|---------|---------|------|---------|---------|------|
| Fire Safety | | | | | | |
| Revenue | 118,280 | 251,845 | 113% | 190,164 | 375,538 | 97% |
| Adjusted EBITDA | 56,038 | 157,479 | 181% | 69,209 | 212,877 | 208% |
| <i>Adjusted EBITDA Margin</i> | 47% | 63% | | 36% | 57% | |
| Specialty Products | | | | | | |
| Revenue | 24,378 | 36,572 | 50% | 72,489 | 99,199 | 37% |
| Adjusted EBITDA | 5,431 | 12,897 | 137% | 16,366 | 34,543 | 111% |
| <i>Adjusted EBITDA Margin</i> | 22% | 35% | | 23% | 35% | |
| Consolidated | | | | | | |
| Revenue | 142,658 | 288,417 | 102% | 262,653 | 474,737 | 81% |
| Adjusted EBITDA | 61,469 | 170,376 | 177% | 85,575 | 247,420 | 189% |
| <i>Adjusted EBITDA Margin</i> | 43% | 59% | | 33% | 52% | |

Long-Term Assumptions

| Item | Assumption |
|----------------------------------|------------------------------------|
| Interest Expense | ~\$40M annually |
| Tax-deductible D&A | ~\$10M annually |
| Tax Rate | ~26% ⁽¹⁾ |
| Capital Expenditures | ~\$10-15M annually |
| Change In Working Capital | ~10-20% of the Δ in revenue |
| Current Basic Shares Outstanding | ~145.2M ⁽²⁾ |

(1) Excluding impacts from purchase accounting, transaction related costs, and certain loss jurisdictions.

(2) As of the end of the current reported period.

Attractive Debt Profile, Ample Liquidity



Debt



- **NO** financial maintenance covenants
- Ending **1.7x net debt to Adjusted EBITDA**



Liquidity

- \$223.1M cash (as of Q3 2024)
- \$100M revolving cashflow facility, \$0 drawn



Capitalization

- 145.2M basic shares outstanding

Appendix



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Diluted Share Count

| Category | Q3-24 Shares (M) |
|--|------------------|
| Wtd. Avg Basic Shares Outstanding | 145.2 |
| 1 Performance-Based Options and Warrants | 0.0 |
| 2 Fixed Annual Advisory Shares | 0.0 |
| 3 Variable Annual Advisory Shares | 0.0 |
| Wtd. Avg Diluted Shares Outstanding | 145.2 |

Dilutive impact of performance-based stock options and warrants (no impact for Q3-24 due to net loss during the period)

Dilutive impact of shares issuable under the Fixed Annual Advisory Amount between Q1 2024 and Q1 2028 (no impact for Q3-24 due to net loss during the period)

Dilutive impact of shares issuable under the Variable Annual Advisory Amount (no impact for Q3-24 due to net loss during the period)

Stock Options

- Approximately 15.1M stock options granted to management, employees, and directors are outstanding
- Vest over five years based on intrinsic share price growth

Founders Advisory Agreement (pertaining to the EverArc Founders)

- Fixed Annual Advisory Amount equal to 1.5% of 157,137,410 Ordinary Shares outstanding at Business Combination, paid annually until the year ending 12/31/2027
- Variable Annual Advisory Amount based on the appreciation of the market price of Ordinary Shares if such market price exceeds certain trading price minimums, paid annually until the year ending 12/31/2031
- Fixed and Variable Annual Advisory Amounts apply solely to 157,137,410 Ordinary Shares outstanding at Business Combination
- At least 50% of the Fixed and Variable Annual Advisory Amounts will be paid in Ordinary Shares and remainder in cash, with any cash portion intended to cover taxes

Non-GAAP Financial Metrics (Consolidated)



| Adjusted EBITDA | | | | |
|--|---------------|----------------|----------------|----------------|
| (\$000) | Q3 '23 | Q3 '24 | YTD '23 | YTD '24 |
| Income (loss) before income taxes | 23,061 | (44,090) | 78,917 | (96,792) |
| Depreciation and amortization | 16,276 | 16,444 | 48,493 | 49,215 |
| Interest and financing expense | 10,448 | 10,054 | 30,938 | 31,292 |
| Founders advisory fees - related party | (24,544) | 184,176 | (108,806) | 253,097 |
| Intangible impairment | 40,738 | - | 40,738 | - |
| Non-recurring expenses | 22 | 1,834 | 1,942 | 2,397 |
| Share-based compensation | 1,749 | 3,312 | (130) | 8,048 |
| Gain on contingent earn-out | (7,665) | - | (7,273) | - |
| Foreign currency loss (gain) | 1,384 | (1,354) | 756 | 163 |
| Adjusted EBITDA | <u>61,469</u> | <u>170,376</u> | <u>85,575</u> | <u>247,420</u> |
| Net Sales | 142,658 | 288,417 | 262,653 | 474,737 |
| Adjusted EBITDA Margin | 43% | 59% | 33% | 52% |

Reconciliation of Non-GAAP Information



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. These items include (i) severance costs, and integration and restructuring related costs (ii) founder advisory fee expenses, (iii) stock compensation expense and (iv) foreign currency loss (gain). To supplement the Company's condensed consolidated financial statements presented in accordance with U.S. GAAP, Perimeter is providing a summary to show the computations of Adjusted EBITDA, which is a non-GAAP measure used by the Company's management and by external users of Perimeter's financial statements, such as investors, commercial banks and others, to assess the Company's operating performance as compared to that of other companies, without regard to financing methods, capital structure or historical cost basis. Adjusted EBITDA should not be considered an alternative to net income (loss), operating income (loss), cash flows provided by (used in) operating activities or any other measure of financial performance or liquidity presented in accordance with U.S. GAAP (in thousands).

| | Twelve Months Ended | | Year Ended | | | |
|--|----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | September 30, 2024 ("LTM") | December 31, 2023 | December 31, 2022 | December 31, 2021 | December 31, 2020 | December 31, 2019 |
| Net sales | \$ 534,192 | \$ 322,108 | \$ 360,505 | \$ 362,338 | \$ 339,577 | \$ 239,310 |
| (Loss) income before income taxes | (114,126) | 61,583 | 97,227 | (653,544) | 34,732 | (59,711) |
| Depreciation and amortization | 65,577 | 64,855 | 65,795 | 61,379 | 58,117 | 58,025 |
| Interest and financing expense | 41,732 | 41,378 | 42,585 | 45,439 | 42,017 | 51,655 |
| Restructuring charges | - | - | - | - | 2,379 | 3,821 |
| Founders advisory fees - related party | 253,422 | (108,481) | (117,302) | 652,990 | - | - |
| Intangible impairment | - | 40,738 | - | - | - | - |
| Non-recurring expenses ¹ | 4,501 | 4,046 | 6,885 | 10,425 | - | - |
| Share-based compensation expense | 9,774 | 1,596 | 14,649 | 4,977 | - | - |
| Non-cash purchase accounting impact ² | - | - | 24,796 | 6,125 | - | - |
| (Gain) loss on contingent earn-out | - | (7,273) | (12,706) | 3,163 | - | - |
| Management fees ³ | - | - | - | 1,073 | 1,281 | 1,366 |
| Contingent future payments ⁴ | - | - | - | 4,375 | 3,125 | 3,749 |
| Foreign currency (gain) loss | (2,248) | (1,655) | 3,462 | 5,032 | (5,640) | 2,684 |
| Adjusted EBITDA | \$ 258,632 | \$ 96,787 | \$ 125,391 | \$ 141,434 | \$ 136,011 | \$ 61,589 |

- (1) Adjustment to reflect non-recurring expenses; severance costs, fees related to internal audit support, professional fees and integration costs including expenses related to the business combination with Perimeter Solutions.
- (2) Represents the non-cash impact of purchase accounting on the cost of inventory sold. The inventory acquired received a purchase accounting step-up in basis, which is a non-cash adjustment to the cost.
- (3) Adjustment to reflect fees pertaining to services provided by 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. These fees did not continue following the closing of the business combination with Perimeter Solutions.
- (4) Adjustment to reflect deferred consideration paid with respect to a 2019 acquisition.



Thank You!



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