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

FORM 10-Q

(Mark One)

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2025

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM TO**

Commission File Number 001-41027

PERIMETER SOLUTIONS, INC.
(Exact name of Registrant as specified in its Charter)

Delaware	**33-2098357**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

8000 Maryland Avenue, Suite 350
Clayton, Missouri 63105
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: (314) 396-7343

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.0001 per share	PRM	New York Stock Exchange

Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No ☐

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files). Yes x No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	x	Accelerated filer	o
Non-accelerated filer	o	Smaller reporting company	o
		Emerging growth company	o

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.☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No x

As of August 1, 2025, there were 146,452,138 shares of Common Stock, par value $0.0001 per share, outstanding.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This quarterly report on Form 10-Q for the period ended June 30, 2025 (this "Quarterly Report") contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These forward-looking statements involve risks and uncertainties and reflect our current views with respect to, among other things, future events and our financial performance. When used in this Quarterly Report, the words "believe," "may," "could," "will," "estimate," "continue," "anticipate," "intend," "expect," "indicate," "seek," "should," "would," and similar expressions are intended to identify forward-looking statements, though not all forward-looking statements contain these identifying words. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions, estimates and uncertainties that are difficult to predict. These forward-looking statements include, without limitation, statements about the following matters:

- future financial performance, financial projections or estimates used, including any growth or expansion plans and opportunities;
- our ability to expand our business;
- our beliefs regarding certain trends and growth drivers in our fire safety business, including weather and climate trends;
- our ongoing commitment to manufacturing high-quality products in an environmentally-conscious way;
- our ability to grow long-term value through, among other things, the continuing performance improvement of our existing operations, execution of a disciplined capital allocation and management of our capital structure;
- our expectations regarding future capital expenditures;
- our cash flow projections;
- our ability to maintain a leadership position in any market as well as our ability to remain an innovation leader by enhancing our products and services and investing in expansions through acquisitions;
- our expectations concerning our sources of revenue;
- our expectations about the demand for fire retardant products, equipment and services, including our ability to accurately identify key market drivers and leverage our relationships with customers and stakeholders;
- our expectations regarding the impact of tariffs and global trade policy and other significant infrequent events, such as the ongoing regional conflicts in Ukraine or the Middle East, on our business, as well as our ability to mitigate inflationary pressures;
- our expectations concerning certain of our products' ability to protect life and property as population settlement locations change;
- our expectations concerning the markets in which we currently operate and intend to expand to in the coming years, overall economic conditions and disruptive weather events;
- our expectations regarding market risk and hedging activities;
- our expectations regarding the severity of future fire seasons and the extent to which fire retardant will be used to protect property in the future;
- our expectations concerning repurchases of our Common Stock and re-establishing the limit for such repurchases under the Share Repurchase Plan (as defined below);
- our beliefs regarding future changes to the fair value of the liability-classified Advisory Amounts (as defined below) and the resulting impact on compensation expense recorded by the Company;
- our estimations regarding our future amortization expense of intangible assets;
- our expectations regarding the increase in the size and capacity of firefighting aircraft and fleets;
- our expectations regarding our future investments in fluorine-free foam technology;
- our expectations regarding the expiration of our patents;
- our beliefs regarding the sufficiency of our current sources of liquidity to fund our capital expenditures, working capital, and debt service requirements, our expectations regarding the types of future liquidity requirements and our expectations regarding the availability of future sources of liquidity;
- our beliefs regarding the assumptions and estimates used in assessing goodwill, including our beliefs regarding the methods and approaches a market participant would use;

- our ability to maintain an inventory position that is substantially balanced between our purchases and sales;
- our expectations and beliefs regarding accounting and tax matters;
- our plans to incorporate disclosure and reporting requirements pursuant to newly issued Accounting Standard Updates issued by the Financial Accounting Standards Board and our beliefs regarding their impact on our disclosures and consolidated financial statements;
- our ability to pursue intellectual property protection on product and equipment enhancements; and
- the expected outcome of litigation matters and the effect of such claims on business, financial condition, results of operations or cash flows.

Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date of this Quarterly Report, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to those summarized below:

- negative or uncertain worldwide economic conditions;
- volatility, seasonality and cyclicality in the industries in which we operate;
- our substantial dependence on sales to the U.S. Department of Agriculture ("USDA") Forest Service and the State of California and the risk of decreased sales to these customers;
- changes in the regulation of the chemical industry, a downturn in the specialty chemicals and/or fire retardant end markets or our failure to accurately predict the frequency, duration, timing, and severity of changes in demand in such markets;
- changes in customer relations or service levels;
- a small number of our customers represent a significant portion of our revenue;
- failure to continuously innovate and to provide products that gain market acceptance, which may cause us to be unable to attract new customers or retain existing customers;
- improper conduct of, or use of our products by, employees, agents, government contractors or collaborators;
- changes in the availability of products from our suppliers on a long-term basis;
- production interruptions or shutdowns, which could increase our operating or capital expenditures or negatively impact the supply of our products resulting in reduced sales;
- changes in the availability of third-party logistics suppliers for distribution, storage and transportation;
- increases in supply and raw material costs, supply shortages, long lead times for components or supply changes;
- adverse effects on the demand for our products or services due to the seasonal or cyclical nature of our business or severe weather events;
- introduction of new products, which are considered preferable, which could cause demand for some of our products to be reduced or eliminated;
- current ongoing and future litigation, including multi-district litigation and other legal proceedings;
- heightened liability and reputational risks due to certain of our products being provided to emergency services personnel and their use to protect lives and property;
- future products liabilities claims where indemnity and insurance coverage could be inadequate or unavailable to cover these claims due to the fact that some of the products we produce may cause adverse health consequences;
- compliance with export control or economic sanctions laws and regulations;
- environmental impacts and side effects of our products, which could have adverse consequences for our business;
- compliance with environmental laws and regulations;
- compliance with securities regulations and Accounting Standard Updates issued by the Financial Accounting Standards Board;
- our ability to protect our intellectual property rights and know-how;
- our ability to generate the funds required to service our debt and finance our operations;
- fluctuations in foreign currency exchange;
- potential impairments or write-offs of certain assets;

- the adequacy of our insurance coverage; and
- challenges to our decisions and assumptions in assessing and complying with our tax obligations.

For additional information regarding known material factors that could cause our actual results to differ from our projected results, please read (1) Part I, Item 1A. “Risk Factors” in the annual report on Form 10-K for the fiscal year ended December 31, 2024 (the “2024 Annual Report”); (2) Part II, “Item 1A. Risk Factors” in this Quarterly Report; (3) our reports and registration statements filed from time to time with the Securities and Exchange Commission (the “SEC”), and (4) other public announcements we make from time to time. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Except as required by law, we assume no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future.

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PART I - FINANCIAL INFORMATION
Item 1. Financial Statements

PERIMETER SOLUTIONS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)

	June 30, 2025	December 31, 2024
ASSETS	**(Unaudited)**	
Current assets:		
Cash and cash equivalents	$ 140,658	$ 198,456
Accounts receivable, net	121,416	56,048
Inventories	150,049	116,347
Prepaid expenses and other current assets	7,956	23,173
Total current assets	420,079	394,024
Property, plant and equipment, net	78,831	64,777
Operating lease right-of-use assets	30,755	17,298
Finance lease right-of-use assets	6,084	6,173
Goodwill	1,053,108	1,034,543
Customer lists, net	624,787	637,745
Technology and patents, net	186,494	173,307
Tradenames, net	85,482	87,365
Other assets, net	642	1,162
Total assets	$ 2,486,262	$ 2,416,394
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 35,902	$ 23,519
Accrued expenses and other current liabilities	31,834	30,450
Founders advisory fees payable - related party	16,046	6,677
Deferred revenue	20,182	1,842
Total current liabilities	103,964	62,488
Long-term debt, net	668,439	667,774
Operating lease liabilities, net of current portion	28,619	15,540
Finance lease liabilities, net of current portion	5,938	6,013
Deferred income taxes	142,860	152,203
Founders advisory fees payable - related party	240,307	240,083
Preferred stock	112,286	109,966
Preferred stock - related party	2,711	2,831
Other non-current liabilities	2,507	2,226
Total liabilities	1,307,631	1,259,124
Commitments and contingencies (Note 9)		
Stockholder's equity:		
Common stock, $0.0001 par value per share, 4,000,000,000 shares authorized; 171,292,585 and 169,426,114 shares issued; 145,914,429 and 147,822,633 shares outstanding at June 30, 2025 and December 31, 2024, respectively	17	17
Treasury stock, at cost; 25,378,156 and 21,603,481 shares at June 30, 2025 and December 31, 2024, respectively	(168,197)	(127,827)
Additional paid-in capital	1,916,236	1,911,035
Accumulated other comprehensive loss	(7,227)	(39,232)
Accumulated deficit	(562,198)	(586,723)
Total stockholders' equity	1,178,631	1,157,270
Total liabilities and stockholders' equity	$ 2,486,262	$ 2,416,394

See accompanying notes to condensed consolidated financial statements.

PERIMETER SOLUTIONS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE (LOSS) INCOME
(in thousands, except share and per share data)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net sales	$ 162,639	$ 127,276	$ 234,669	$ 186,320
Cost of goods sold	61,143	54,009	105,020	92,351
Gross profit	101,496	73,267	129,649	93,969
Operating expenses:				
Selling, general and administrative expense	15,967	13,906	32,266	27,368
Amortization expense	14,604	13,755	28,703	27,526
Founders advisory fees - related party	96,883	588	16,270	68,921
Other operating expense	268	—	829	—
Total operating expenses	127,722	28,249	78,068	123,815
Operating (loss) income	(26,226)	45,018	51,581	(29,846)
Other expense (income):				
Interest expense, net	9,930	10,590	19,574	21,238
Foreign currency (gain) loss	(2,096)	224	(3,255)	1,517
Other (income) expense, net	(212)	74	(69)	101
Total other expense, net	7,622	10,888	16,250	22,856
(Loss) income before income taxes	(33,848)	34,130	35,331	(52,702)
Income tax benefit (expense)	1,687	(12,480)	(10,806)	(8,206)
Net (loss) income	(32,161)	21,650	24,525	(60,908)
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustments	24,120	(989)	32,005	(6,532)
Total comprehensive (loss) income	$ (8,041)	$ 20,661	$ 56,530	$ (67,440)
(Loss) earnings per share:				
Basic	$ (0.22)	$ 0.15	$ 0.17	$ (0.42)
Diluted	$ (0.22)	$ 0.14	$ 0.16	$ (0.42)
Weighted average number of shares outstanding:				
Basic	147,055,804	145,236,526	147,779,470	145,279,938
Diluted	147,055,804	154,664,770	156,039,133	145,279,938

See accompanying notes to condensed consolidated financial statements.

PERIMETER SOLUTIONS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands, except share data)
(Unaudited)

	Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount				
Balance, December 31, 2024	169,426,114	$ 17	21,603,481	$ (127,827)	$ 1,911,035	$ (39,232)	$ (586,723)	$ 1,157,270
Stock-based compensation	—	—	—	—	2,671	—	—	2,671
Shares issued related to founders advisory fees - related party	1,837,304	—	—	—	—	—	—	—
Shares repurchased	—	—	888,454	(8,183)	—	—	—	(8,183)
Options exercised	4,100	—	—	—	41	—	—	41
Net income	—	—	—	—	—	—	56,686	56,686
Other comprehensive income	—	—	—	—	—	7,885	—	7,885
Balance, March 31, 2025	171,267,518	$ 17	22,491,935	$ (136,010)	$ 1,913,747	$ (31,347)	$ (530,037)	$ 1,216,370
Stock-based compensation	—	—	—	—	2,238	—	—	2,238
Shares repurchased	—	—	2,886,221	(32,187)	—	—	—	(32,187)
Options exercised	25,067	—	—	—	251	—	—	251
Net loss	—	—	—	—	—	—	(32,161)	(32,161)
Other comprehensive income	—	—	—	—	—	24,120	—	24,120
Balance, June 30, 2025	171,292,585	$ 17	25,378,156	$ (168,197)	$ 1,916,236	$ (7,227)	$ (562,198)	$ 1,178,631

See accompanying notes to condensed consolidated financial statements.

PERIMETER SOLUTIONS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands, except share data)
(Unaudited)

	Ordinary Shares		Treasury Shares		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount				
Balance, December 31, 2023	165,066,195	$ 165,067	18,615,190	$ (113,407)	$ 1,701,163	$ (19,710)	$ (580,818)	$ 1,152,295
Stock-based compensation	—	—	—	—	1,742	—	—	1,742
Shares issued related to founders advisory fees - related party	1,758,464	1,758	—	—	(1,758)	—	—	—
Shares repurchased	—	—	2,969,357	(14,278)	—	—	—	(14,278)
Net loss	—	—	—	—	—	—	(82,558)	(82,558)
Other comprehensive loss	—	—	—	—	—	(5,543)	—	(5,543)
Balance, March 31, 2024	166,824,659	$ 166,825	21,584,547	$ (127,685)	$ 1,701,147	$ (25,253)	$ (663,376)	$ 1,051,658
Stock-based compensation	—	—	—	—	2,994	—	—	2,994
Shares repurchased	—	—	18,535	(139)	—	—	—	(139)
Net income	—	—	—	—	—	—	21,650	21,650
Other comprehensive loss	—	—	—	—	—	(989)	—	(989)
Balance, June 30, 2024	166,824,659	$ 166,825	21,603,082	$ (127,824)	$ 1,704,141	$ (26,242)	$ (641,726)	$ 1,075,174

See accompanying notes to condensed consolidated financial statements.

PERIMETER SOLUTIONS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
Cash flows from operating activities:		
Net income (loss)	$ 24,525	$ (60,908)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Founders advisory fees - related party (change in fair value)	16,270	68,921
Depreciation and amortization expense	34,817	32,771
Interest and payment-in-kind on preferred stock	3,666	3,528
Stock-based compensation	4,909	4,736
Non-cash lease expense	2,913	2,622
Deferred income taxes	(11,293)	(4,756)
Amortization of deferred financing costs	890	856
Foreign currency (gain) loss	(3,255)	1,517
Loss on disposal of assets	6	9
Changes in operating assets and liabilities, net of acquisitions:		
Accounts receivable	(63,460)	(57,319)
Inventories	(21,834)	2,681
Prepaid expenses and other current assets	4,687	(126)
Accounts payable	12,003	277
Deferred revenue	18,340	7,927
Income taxes payable, net	7,962	8,635
Accrued expenses and other current liabilities	(763)	5,237
Founders advisory fees - related party (cash settled)	(6,677)	(2,702)
Operating lease liabilities	(1,998)	(1,629)
Finance lease liabilities	(251)	(262)
Other, net	(563)	(597)
Net cash provided by operating activities	20,894	11,418
Cash flows from investing activities:		
Purchase of property and equipment	(17,577)	(5,196)
Purchase of intangible assets	(15,226)	—
Proceeds from short-term investments	—	5,383
Purchase of businesses, net of cash acquired	(10,000)	—
Net cash (used in) provided by investing activities	(42,803)	187
Cash flows from financing activities:		
Common stock repurchased	(40,370)	—
Ordinary shares repurchased	—	(14,417)
Proceeds from exercises of options	292	—
Principal payments on finance lease obligations	(482)	(367)
Net cash used in financing activities	(40,560)	(14,784)
Effect of foreign currency on cash and cash equivalents	4,671	(935)
Net change in cash and cash equivalents	(57,798)	(4,114)
Cash and cash equivalents, beginning of period	198,456	47,276
Cash and cash equivalents, end of period	$ 140,658	$ 43,162
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 19,698	$ 17,153
Cash paid for income taxes	$ 12,844	$ 4,448

See accompanying notes to condensed consolidated financial statements

PERIMETER SOLUTIONS, INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
(Unaudited)

1. BASIS OF PRESENTATION AND DESCRIPTION OF BUSINESS

Basis of Presentation

The accompanying condensed consolidated financial statements of Perimeter Solutions, Inc. and its subsidiaries (collectively, the “Company”) are unaudited and have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and disclosures required by U.S. GAAP for complete financial statements. In the opinion of management, all adjustments of a normal and recurring nature considered necessary for a fair presentation have been included in the accompanying condensed consolidated financial statements. The results of operations for the interim period are not necessarily indicative of the results that will be realized for the entire fiscal year. These condensed consolidated financial statements should be read in conjunction with the Company’s audited financial statements and accompanying notes thereto included in the Company’s 2024 Annual Report filed with the SEC on February 20, 2025.

Business Operations

The Company is a global solutions provider for the Fire Safety and Specialty Products industries. Approximately 79% of the Company’s 2024 annual revenues were derived in the United States, approximately 10% in Europe and approximately 6% in Canada with the remaining approximately 5% spread across various other countries. The Company’s business is organized and managed in two reporting segments: Fire Safety and Specialty Products.

The Fire Safety segment is a formulator and manufacturer of fire management products that help the Company’s customers combat various types of fires, including wildland, structural, flammable liquids and other types of fires. The Company’s Fire Safety segment also offers specialized equipment and services, typically in conjunction with its fire management products to support firefighting operations. The Company’s specialized equipment includes air base retardant storage, mixing, and delivery equipment; mobile retardant bases; retardant ground application units; mobile foam equipment; and equipment that it custom designs and manufactures to meet specific customer needs. Significant end markets include primarily government-related entities and are dependent on approvals, qualifications, and permits granted by the respective governments and commercial customers around the world.

The Specialty Products segment includes operations that develop, produce and market products for non-fire safety markets. The Company’s largest end market application for the Specialty Products segment is Phosphorus Pentasulfide (“P_2S_5”) based lubricant additives. P_2S_5 is also used in pesticide and mining chemicals applications, and emerging electric battery technologies. The Specialty Products segment also includes Intelligent Manufacturing Solutions (“IMS”), which is a manufacturer of electronic or electro-mechanical components of larger solutions. IMS has a flexible, vertically integrated production facility centered on its printed circuit board (“PCB”) line that allows it to acquire and produce a variety of product lines across a range of end markets, including large medical systems, communications infrastructure, energy infrastructure, defense systems, and industrial systems, with a substantial focus on aftermarket repair and replacement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND RECENT ACCOUNTING PRONOUNCEMENTS

Summary of Significant Accounting Policies

Principles of Consolidation

The condensed consolidated financial statements include the accounts of the Company and its subsidiaries, all of which are wholly owned, after elimination of intercompany transactions and balances.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates made by management in connection with the preparation of the accompanying condensed consolidated financial statements include the fair value of purchase consideration and assets acquired and liabilities assumed in a business combination, the useful lives of long-lived assets, the fair value of financial assets and liabilities, indefinite life intangible assets, stock options, and founder advisory fees. Actual results could differ from those estimates.

Accounting Policies

As of June 30, 2025, the Company's significant accounting policies are consistent with those discussed in Note 2, "Summary of Significant Accounting Policies and Recent Accounting Pronouncements" to its consolidated financial statements included in the Company's 2024 Annual Report.

Recently Issued and Adopted Accounting Standards

In November 2024, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2024-03, *Disaggregation of Income Statement Expenses,* which requires disclosures about specific types of expenses included in the expense captions presented on the face of the income statement as well as disclosures about selling expenses. The new guidance is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Although the ASU requires comparative disclosures for all periods presented, entities will be permitted to begin applying the guidance prospectively. Therefore, comparative disclosures are not required for reporting periods beginning before the effective date. Entities can elect to apply this ASU retrospectively to any or all prior periods presented in the financial statements. The Company is currently evaluating the impact that the adoption of this ASU will have on its disclosures.

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740): *Improvements to Income Tax Disclosures*, which requires public entities, on an annual basis, to disclose disaggregated information about a reporting entity's effective tax rate reconciliation, using both percentages and reporting currency amounts for specific standardized categories, as well as disclosure of income taxes paid disaggregated by jurisdiction. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024. The Company adopted this ASU prospectively for the annual period beginning on January 1, 2025. While the Company expects that the adoption of this standard will expand its disclosures within the "Income Taxes" note on its Form 10-K, the Company does not expect such adoption to have any impact on its financial position or results of operations.

3. BALANCE SHEET COMPONENTS

Details of certain balance sheet items are presented below (in thousands):

	June 30, 2025	December 31, 2024
Inventories:		
Raw materials and manufacturing supplies	$ 61,437	$ 65,872
Work in process	401	286
Finished goods	88,211	50,189
Total inventories	$ 150,049	$ 116,347
Prepaid Expenses and Other Current Assets:		
Advance to vendors	$ 42	$ 2,471
Prepaid insurance	2,489	3,667
Prepaid value-added taxes	978	2,552
Income tax receivable	428	11,091
Other	4,019	3,392
Total prepaid expenses and other current assets	$ 7,956	$ 23,173
Property, Plant and Equipment:		
Buildings	$ 4,073	$ 3,912
Leasehold improvements	3,242	2,975
Furniture and fixtures	547	584
Machinery and equipment	78,904	74,406
Vehicles	4,641	4,317
Construction in progress	22,549	9,721
Total property, plant and equipment, gross	113,956	95,915
Less: accumulated depreciation	(35,125)	(31,138)
Total property, plant and equipment, net	$ 78,831	$ 64,777
Accrued Expenses and Other Current Liabilities:		
Accrued bonus	$ 2,627	$ 6,216
Accrued salaries	1,963	1,514
Accrued employee benefits	1,555	1,381
Accrued interest	7,091	8,448
Accrued purchases	8,078	2,558
Accrued taxes	518	3,185
Operating lease liabilities	3,180	2,677
Finance lease liabilities	765	732
Other	6,057	3,739
Total accrued expenses and other current liabilities	$ 31,834	$ 30,450

Depreciation expense related to property, plant and equipment was $3.3 million and $6.1 million for the three and six months ended June 30, 2025, respectively, and $2.6 million and $5.2 million, for the three and six months ended June 30, 2024 respectively, substantially all of which was presented in cost of goods sold in the accompanying condensed consolidated statements of operations and comprehensive (loss) income. As of June 30, 2025 and December 31, 2024, the allowance for doubtful accounts was immaterial.

4. BUSINESS COMBINATION

On March 28, 2025, IMS acquired substantially all of the assets and technical data rights of certain product lines from a third party, which met the definition of a business, for a total purchase price of $10.0 million all in cash. The Company used the acquisition method of accounting for the transaction and has reflected the preliminary value of the acquired assets and liabilities assumed in the condensed consolidated balance sheet, including inventories, intangible assets, property, plant and equipment, goodwill and contractual liabilities. The accounting is provisional as the Company is pending valuation of certain tangible and intangible assets that is subject to final adjustment as the Company evaluates information during the measurement period. Acquisition-related costs, primarily consisting of legal and advisory fees, were recognized as an operating expense in the current period and were not material.

5. GOODWILL AND OTHER INTANGIBLE ASSETS

The changes in the carrying amount of goodwill by reportable segment are as follows (in thousands):

	Fire Safety	Specialty Products	Total
Balance, December 31, 2024	$ 852,754	$ 181,789	$ 1,034,543
Purchase price allocation and measurement period adjustments for business combinations	—	397	397
Foreign currency translation	13,033	5,135	18,168
Balance, June 30, 2025	$ 865,787	$ 187,321	$ 1,053,108

Intangible assets and related accumulated amortization as of June 30, 2025 and December 31, 2024 are as follows (in thousands):

	June 30, 2025					
	Estimated Useful Life (in years)	Gross Value	Accumulated Impairment	Foreign Currency Translation	Accumulated Amortization	Net Book Value
Definite Lived Intangible Assets:						
Customer lists	10 to 20	$ 767,000	$ —	$ (4,516)	$ (137,697)	$ 624,787
Technology and patents (1)	4 to 20	274,426	(40,738)	(1,394)	(45,800)	186,494
Tradenames	10 to 20	104,500	—	(605)	(18,413)	85,482
Balance, June 30, 2025		$ 1,145,926	$ (40,738)	$ (6,515)	$ (201,910)	$ 896,763

(1) In May 2025, the Company settled its trade secret litigation with a subsidiary of Compass Minerals International, Inc. and simultaneously acquired related intangible assets, property, plant and equipment, and inventories. The total purchase consideration for the asset acquisition was $20.0 million in cash, of which $15.2 million was allocated to the technology-related intangible assets. The acquired technology-related intangible assets will be amortized on a straight-line basis over its estimated useful life of 4 years.

	December 31, 2024					
	Estimated Useful Life (in years)	Gross Value	Accumulated Impairment	Foreign Currency Translation	Accumulated Amortization	Net Book Value
Definite Lived Intangible Assets:						
Customer lists	10 to 20	$ 767,000	$ —	$ (10,659)	$ (118,596)	$ 637,745
Technology and patents	10 to 20	257,100	(40,738)	(4,187)	(38,868)	173,307
Tradenames	10 to 20	104,500	—	(1,393)	(15,742)	87,365
Balance, December 31, 2024		$ 1,128,600	$ (40,738)	$ (16,239)	$ (173,206)	$ 898,417

Amortization expense for definite-lived intangible assets was $14.6 million and $28.7 million for the three and six months ended June 30, 2025 respectively, and $13.8 million and $27.6 million, for the three and six months ended June 30, 2024, respectively.

Estimated annual amortization expense of intangible assets for the next five years ended December 31, and thereafter is as follows (in thousands):

	Amount
2025 remaining	$ 29,543
2026	59,166
2027	59,166
2028	59,166
2029	56,946
Thereafter	632,776
Total	$ 896,763

6. LEASES

Lease cost for the three and six months ended June 30, 2025 and 2024 is as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Operating lease cost [(1)]	$ 1,130	$ 839	$ 2,146	$ 1,752
Finance lease cost:				
Amortization of right-of-use assets	263	259	515	600
Interest on lease liabilities	125	132	252	270
Total lease cost	$ 1,518	$ 1,230	$ 2,913	$ 2,622
Reported in:				
Cost of goods sold	$ 1,339	$ 1,090	$ 2,563	$ 2,323
Selling, general and administrative expense	179	140	350	299
Total lease cost	$ 1,518	$ 1,230	$ 2,913	$ 2,622

(1) Operating lease cost does not include short-term leases or variable costs, all of which are immaterial.

As of June 30, 2025, the weighted-average remaining lease terms of the Company's operating leases and finance leases were approximately 8.6 years and 5.9 years, respectively, and the weighted-average discount rates applied were 7.0% and 7.6%, respectively.

Supplemental cash flow information related to leases for the six months ended June 30, 2025 and 2024 is as follows (in thousands):

	Six Months Ended June 30,	
	2025	2024
Cash paid for amounts included in the measurement of operating lease liabilities:		
Operating cash flows for operating leases	$ 1,998	$ 1,629
Operating cash flows for finance leases	251	262
Financing cash flows for finance leases	482	367
Right-of-use assets obtained in exchange for new lease obligations:		
Operating leases	$ 14,717	$ 273
Finance leases	458	751
Net change in operating lease right-of-use assets due to lease modifications resulting in reclassification of leases from operating to finance	$ (32)	$ —

As of June 30, 2025, the estimated future minimum payment obligations for non-cancelable operating and finance leases are as follows (in thousands):

	Operating Leases	Finance Leases
Remainder of 2025	$ 2,678	$ 624
2026	5,278	1,205
2027	5,208	1,103
2028	4,460	1,749
2029	4,493	952
Thereafter	20,983	3,291
Total lease payments	43,100	8,924
Less: imputed interest	11,301	2,221
Present value of lease liabilities	$ 31,799	$ 6,703

7. LONG-TERM DEBT AND PREFERRED STOCK

Long-term debt consists of the following (in thousands):

	June 30, 2025	December 31, 2024
Senior Notes	$ 675,000	$ 675,000
Less: unamortized debt issuance costs	(6,561)	(7,226)
Long-term debt, net	$ 668,439	$ 667,774

Maturities of long-term debt as of June 30, 2025 are as follows (in thousands):

Years Ending December 31,	Amount
2025	$ —
2026	—
2027	—
2028	—
2029	675,000
Thereafter	—
Total	$ 675,000

Revolving Credit Facility

Perimeter Holdings, LLC, a Delaware limited liability company ("Perimeter Holdings"), maintains a Revolving Credit Facility (the "Revolving Credit Facility"), which provides for a senior secured Revolving Credit Facility in an aggregate principal amount of up to $100.0 million.

The Revolving Credit Facility matures on November 9, 2026. The Revolving Credit Facility includes a $20.0 million swingline sub-facility and a $25.0 million letter of credit sub-facility. The Revolving Credit Facility allows Perimeter Holdings to increase commitments under the Revolving Credit Facility up to an aggregate amount not to exceed the greater of (i) $143.0 million and (ii) 100.00% of consolidated earnings before interest, taxes, depreciation and amortization ("EBITDA") for the most recent four-quarter period (minus the aggregate outstanding principal amount of certain ratio debt permitted to be incurred thereunder). All borrowings under the Revolving Credit Facility are subject to the satisfaction of customary conditions, including the absence of a default and the accuracy of representations and warranties, subject to customary exceptions.

Borrowings under the Revolving Credit Facility bear interest at a rate equal to (i) an applicable margin, plus (ii) at Perimeter Holdings option, either (x) Secured Overnight Financing Rate for the applicable corresponding tenor ("Term SOFR") as published by CME Group Benchmark Administration, adjusted for certain additional costs or (y) a base rate determined by reference to the highest of (a) the prime commercial lending rate published by the Wall Street Journal, (b) the federal funds rate plus 0.50%, (c) the one-month Term SOFR rate plus 1.00% and (d) a minimum floor of 1.00%. The applicable margin is 3.25% in the case of Term SOFR-based loans and 2.25% in the case of base rate-based loans, with two step downs of 0.25% each based upon the achievement of certain leverage ratios.

Solely to the extent that on the last day of the applicable fiscal quarter, the utilization of the Revolving Credit Facility (excluding cash collateralized letters of credit and up to $10.0 million of undrawn letters of credit) exceeds 40.00% of the aggregate commitments, the Revolving Credit Facility requires compliance on a quarterly basis with a maximum secured net leverage ratio of 7.50:1.00.

The Revolving Credit Facility is fully and unconditionally guaranteed by the Company and each of Perimeter Holdings' existing and future wholly-owned material restricted subsidiaries, subject to customary exceptions, and is secured by a first priority lien, subject to certain permitted liens, on substantially all of Perimeter Holdings' and each of the guarantors' existing and future property and assets, subject to customary exceptions.

Deferred financing costs incurred in connection with securing the Revolving Credit Facility are carried as a long-term asset and are amortized on a straight-line over the term of the Revolving Credit Facility and included in interest expense in the accompanying condensed consolidated statements of operations and comprehensive (loss) income.

As of June 30, 2025 and December 31, 2024, the Company did not have any outstanding borrowings under the Revolving Credit Facility and was in compliance with all covenants.

Senior Notes

Perimeter Holdings has $675.0 million principal amount of 5.00% senior secured notes due October 30, 2029 ("Senior Notes"). The Senior Notes bear interest at an annual rate of 5.00%. Interest on the Senior Notes is payable in cash semi-annually in arrears on April 30 and October 30 of each year.

The Senior Notes are general, secured, senior obligations of Perimeter Holdings; rank equally in right of payment with all existing and future senior indebtedness of Perimeter Holdings (including, without limitation, the Revolving Credit Facility); and together with the Revolving Credit Facility, are effectively senior to all existing and future indebtedness of Perimeter Holdings that is not secured by the collateral. The Senior Notes are fully and unconditionally guaranteed on a senior secured basis, jointly and severally, by all of Perimeter Holdings' existing or future restricted subsidiaries (other than certain excluded subsidiaries) that guarantee the Revolving Credit Facility. The Senior Notes contain certain covenants limiting Perimeter Holdings' ability and the ability of the restricted subsidiaries (as defined in the indenture governing the Senior Notes) to, under certain circumstances, prepay subordinated indebtedness, pay distributions, redeem stock or make certain restricted investments; incur indebtedness; create liens on the Perimeter Holdings assets to secure debt; restrict dividends, distributions or other payments; enter into transactions with affiliates; designate subsidiaries as unrestricted subsidiaries; sell or otherwise transfer or dispose of assets, including equity interests of restricted subsidiaries; effect a consolidation or merger; and change the Company's line of business. As of June 30, 2025, the Company was in compliance with all covenants.

Deferred financing costs incurred in connection with securing the Senior Notes were capitalized and are amortized using the effective interest method over the term of the Senior Notes and included in interest expense in the accompanying condensed consolidated statements of operations and comprehensive (loss) income. The unamortized portion of the deferred financing costs is included as a reduction to the carrying value of the Senior Notes which have been recorded as long-term debt, net in the accompanying condensed consolidated balance sheets.

Redeemable Preferred Stock

The Company's Certificate of Incorporation authorizes the issuance of 20 million shares of Preferred Stock which are entitled to a preferred annual cumulative right to a dividend equal to 6.50% of its nominal value. The preferred dividend will be paid 40.00% in cash and 60.00% in kind each year within three business days following the Company's annual meeting. Holders of the Preferred Stock have no voting rights (only protective rights). As of June 30, 2025, the Company had issued 10 million shares of Preferred Stock, par value $0.0001 per share, stated value $100.0 million.

The Company, under its Certificate of Incorporation, is mandatorily required to redeem the Preferred Stock at any time prior to the earliest of (i) six months following the latest maturity date of the above-mentioned Senior Notes, (ii) nine years after the date of issuance of the Preferred Stock or (iii) upon the occurrence of a change of control, as defined in the Company's Certificate of Incorporation.

Due to the fact that the shares of Preferred Stock are mandatorily redeemable, the shares of Preferred Stock are classified as a liability on the accompanying condensed consolidated balance sheets, and $1.8 million and $3.7 million of dividends on these shares of Preferred Stock were recorded as interest expense for the three and six months ended June 30, 2025, respectively, and $1.8 million and $3.5 million were recorded as interest expense for the three and six months ended June 30, 2024, respectively, in the accompanying condensed consolidated statements of operations and comprehensive (loss) income. Preferred dividends in arrears were $15.0 million and $12.8 million at June 30, 2025 and December 31, 2024, respectively.

The shares of Preferred Stock have an aggregate liquidation preference of $100.0 million, plus any accrued and unpaid dividends thereon and are senior to the Company's Common Stock with respect to dividends and with respect to dissolution, liquidation or winding up of the Company. At June 30, 2025 and December 31, 2024, the redemption price was $115.0 million and $112.8 million, respectively.

8. INCOME TAXES

The Company is subject to U.S. federal income tax, U.S. state and local tax and tax in foreign jurisdictions. The Company estimates its annual effective tax rate in recording its quarterly provision for income taxes in the various jurisdictions in which it operates.

The Company's effective tax rate was 4.98% and 30.59% for the three and six months ended June 30, 2025, respectively. The primary differences between the effective tax rate and the amount computed by applying the U.S. statutory rate of 21% are related to the impact of U.S. state taxes, permanently nondeductible compensation, withholding taxes accrued on unremitted earnings, and the impact of foreign tax rate differences.

The Company's effective tax rate was 36.57% and (15.57)% for the three and six months ended June 30, 2024, respectively. Prior to the conversion into a corporation under the laws of the State of Delaware on November 20, 2024 ("Redomiciliation Transaction"), the Company was incorporated under the laws of the Grand Duchy of Luxembourg. The primary differences between the effective tax rate and the amount computed by applying the Luxembourg statutory rate of 24.94% are related to losses not expected to result in tax benefits in certain jurisdictions that had a valuation allowance, permanently non-deductible compensation, withholding taxes accrued on unremitted earnings, and the impact of foreign tax rate differences.

In assessing the realizability of deferred tax assets, the Company considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. The Company considers the scheduled reversal of deferred tax liabilities (including the impact of available carryback and carryforward periods), projected future taxable income, and tax-planning strategies in making this assessment. While the Company expects to realize the remaining net deferred tax assets, changes in future taxable income or in tax laws may alter this expectation and result in future increases to the valuation allowance. The valuation allowance for deferred tax assets as of June 30, 2025, and December 31, 2024 primarily relates to net operating loss carryforwards that, in the judgment of the Company, are not more likely than not to be realized.

The Company evaluates its tax positions and recognizes only tax benefits that, more likely than not, will be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax position is measured at the largest amount of benefit that has a greater than 50.0% likelihood of being realized upon settlement. As of June 30, 2025, it is not expected that the Company's unrecognized tax benefits will decrease within twelve months.

On July 4, 2025, "An Act to provide for reconciliation pursuant to title II of H. Con. Res. 14" and commonly referred to as the One Big Beautiful Bill Act ("OBBBA") was enacted into law in the U.S. The OBBBA includes broad changes to U.S. tax law including full expensing of qualified capital expenditures, full expensing of domestic research and development expenditures, modification of limitation on business interest, and modifications to the international tax framework. The Company is still in the process of evaluating the OBBBA and has determined that an estimate of the financial impact cannot be made at this time.

9. COMMITMENTS AND CONTINGENCIES

Legal Proceedings

The Company is involved in various claims, actions, and legal proceedings arising in the ordinary course of business, including a number of matters related to the aqueous film forming foam litigation consolidated in the District of South Carolina multi-district litigation and other similar matters pending in other jurisdictions in the United States. The Company's exposure to losses, if any, is not considered probable or reasonably estimable at this time.

Commitments

The Company does not have any material unconditional purchase obligations as of June 30, 2025.

10. EQUITY

The Company is authorized to issue 4,020,000,000 shares of capital stock, consisting of (i) 4,000,000,000 shares of Common Stock and (ii) 20,000,000 shares of Preferred Stock. As of June 30, 2025, there were 171,292,585 and 145,914,429 shares of Common Stock issued and outstanding, respectively. Due to the fact that the shares of Preferred Stock are mandatorily redeemable, the Preferred Stock is classified as a liability on the accompanying condensed consolidated balance sheets. Refer to Note 7, "Long-Term Debt and Preferred Stock" for additional information about the Preferred Stock.

On May 7, 2025, the Board re-established the limit for Common Stock repurchases at $100.0 million. The approximate dollar value of shares that may yet be repurchased under the share repurchase plan was $78.3 million as of June 30, 2025 (the "Share Repurchase Plan"). During the three and six months ended June 30, 2025, the Company repurchased 2,886,221 and 3,774,675 shares, respectively, under its Share Repurchase Plan. During the three and six months ended June 30, 2024, the Company repurchased 18,535 and 2,987,892 shares, respectively. The repurchased shares are recorded at cost and are being held in treasury.

On August 6, 2025, the Board re-established the limit for Common Stock repurchases at $100.0 million. The Company expects to periodically re-establish the limit for Common Stock repurchases based on subsequent repurchase activity.

11. STOCK-BASED COMPENSATION

2021 Equity Plan

A total of 31,900,000 shares of Common Stock are authorized and reserved for issuance under the 2021 Equity Incentive Plan (the "2021 Equity Plan") which provides for the grant of stock options (either incentive or non-qualified), stock appreciation rights ("SARs"), restricted stock, restricted stock units ("RSUs"), performance shares, performance share units and other share-based awards with respect to the Common Stock. Shares associated with underlying awards that are expired, forfeited, or otherwise terminated without the delivery of shares, or are settled in cash, and any shares tendered to or withheld by the Company for the payment of an exercise price or for tax withholding will again be available for issuance under the 2021 Equity Plan.

During the six months ended June 30, 2025, the Company granted 3,010,500 performance-based non-qualified stock options ("PBNQSO") to its executive officers, non-employee directors and other members of senior management under the 2021 Equity Plan. The PBNQSO granted consist of two types of vesting criteria. The Company recognizes compensation costs for PBNQSO granted in the first six months of 2025 based on the estimated fair value of the awards on the date of grant. The Company estimates the grant date fair value, and the resulting stock-based compensation expense, using the Hull-White model or Monte Carlo model, as applicable. The Company records forfeitures as they are incurred. The grant date fair value of the PBNQSO is expensed proportionately for each tranche over the applicable service period. The fair value of PBNQSO is recognized as compensation expense beginning at the time in which the performance conditions are deemed probable of achievement, over the remaining requisite service period.

In February 2025, based on the Company's 2024 performance, the compensation committee verified and determined the Annual Operational Performance per Diluted Share ("AOP") for 2024 to be $25.02, which was above the maximum vesting AOP target.

As of June 30, 2025, there were 17,100,503 PBNQSO outstanding. The exercise prices of these PBNQSO ranged from $2.94 to $13.24 per share and expire ten years from the grant date.

The table below summarizes the PBNQSO activity for the six months ended June 30, 2025:

	Number of Options	Weighted-Average Exercise/ Conversion Price	Weighted-Average Remaining Contractual Life (years)	Aggregate Intrinsic Value (in thousands)
Outstanding at December 31, 2024	15,134,171	$ 8.49		
Granted	3,010,500	$ 11.76		
Exercised	(29,167)	$ 10.00		
Forfeited	(980,000)	$ 8.35		
Cancelled/Expired	(35,001)	$ 10.00		
Outstanding at June 30, 2025	17,100,503	$ 9.01	7.79	$ 84,145
Options vested and exercisable	5,820,336	$ 9.27	6.38	$ 27,059

The assumptions used to fair value the PBNQSO granted during the six months ended June 30, 2025 using the Monte Carlo model were as follows:

	June 30, 2025
Dividend yield	— %
Risk-free interest rate	4.21% to 4.57%
Expected volatility	49.00% to 50.00%
Expected term (years)	10.00
Suboptimal exercise multiple	2.50
Weighted average exercise price of options granted	$ 11.76
Weighted average fair value of options granted	$ 5.38

Non-cash stock-based compensation expense recognized by the Company for the three and six months ended June 30, 2025, was $2.2 million and $4.9 million, respectively. Non-cash stock-based compensation expense recognized by the Company for the three and six months ended June 30, 2024 was $3.0 million and $4.7 million, respectively.

Compensation expense is recognized based upon probability assessments of PBNQSO that are expected to vest in future periods. Such probability assessments are subject to revision and, therefore, unrecognized compensation expense is subject to future changes in estimates. As of June 30, 2025, there was approximately $26.2 million of total unrecognized compensation expense related to non-vested PBNQSO expected to vest, which is expected to be recognized over a weighted-average period of 1.8 years.

Founder Advisory Amounts

On November 9, 2021, the Company assumed the advisory agreement entered into on December 12, 2019 ("Founder Advisory Agreement") by EverArc Holdings Limited, a company limited by shares incorporated with limited liability in the British Virgin Islands ("EverArc"), with EverArc Founders, LLC, a Delaware limited liability company ("EverArc Founder Entity"), pursuant to which the EverArc Founder Entity, for the services provided to the Company, including strategic and capital allocation advice, is entitled to receive both a fixed amount (the "Fixed Annual Advisory Amount") and a variable amount (the "Variable Annual Advisory Amount," each an "Advisory Amount" and collectively, the "Advisory Amounts") until the years ending December 31, 2027 and 2031, respectively. Under the Founder Advisory Agreement, at the election of the EverArc Founder Entity, at least 50% of the Advisory Amounts will be paid in shares of Common Stock and the remainder in cash.

The Fixed Annual Advisory Amount will be equal to 2,357,061 shares of Common Stock (1.5% of 157,137,410 Ordinary Shares outstanding on November 9, 2021) for each year through December 31, 2027 and is valued using the period end volume weighted average closing share price of the Company's Common Stock for ten consecutive trading days. The Variable Annual Advisory Amount for each year through December 31, 2031 is based on the appreciation of the market price of the Company's Common Stock if such market price exceeds certain trading price minimums at the end of each reporting period and is valued using a Monte Carlo simulation model. Because up to 50% of the Advisory Amounts could be settled through a cash payment, 50% are classified as a liability and the remaining 50% are classified within equity. For Advisory Amounts classified within equity, the Company does not subsequently remeasure the fair value. For the Advisory Amounts classified as a liability, the Company remeasures the fair value at each reporting date. Accordingly, the Company believes that the compensation expense recorded by the Company in the future will depend upon changes in the fair value of the liability-classified Advisory Amounts.

As of June 30, 2025 and December 31, 2024, the fair value of the Fixed Annual Advisory Amount was calculated to be $96.3 million and $90.8 million, respectively, based on the period end volume weighted average closing share price for ten consecutive trading days of $13.62 and $12.85, respectively. As of June 30, 2025 and December 31, 2024, the fair value of the Variable Annual Advisory Amount, determined using a Monte Carlo simulation model, was $416.4 million and $389.3 million, respectively.

For the three and six months ended June 30, 2025, the Company recognized an increase in the compensation expense related to the founders advisory fees - related party due to an increase in fair value for liability-classified Advisory Amounts of $96.9 million and $16.3 million, respectively. For the three and six months ended June 30, 2024, the Company recognized an increase in the compensation expense related to the founders advisory fees - related party due to an increase in fair value for liability-classified Advisory Amounts of $0.6 million and $68.9 million, respectively.

12. FAIR VALUE MEASUREMENTS

Fair Value Measurement

The carrying value of cash and cash equivalents, short-term investments, accounts receivable, accounts payable, accrued expenses and other current liabilities approximates fair value due to the short-term nature of their maturities. Borrowings under the Company's Revolving Credit Facility accrue interest at a floating rate tied to a standard short-term borrowing index, selected at the Company's option, plus an applicable margin. The carrying amount of this floating rate debt approximates fair value based upon the respective interest rates adjusting with market rate adjustments. The carrying amount of the Company's Preferred Stock equals the redemption price, which approximates fair value. At June 30, 2025 and December 31, 2024, the estimated fair value of the Company's Senior Notes, calculated using Level 2 inputs, based on bid prices obtained from a broker was approximately $653.9 million and $629.5 million, respectively.

The Company uses valuation approaches that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Company determines fair value based on assumptions that market participants would use in pricing an asset or a liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

- Level 1 inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.
- Level 2 inputs: Other than quoted prices in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.
- Level 3 inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

Liabilities by Hierarchy Level

The following table sets forth the Company's liabilities that were measured at fair value on a recurring basis, by level, within the fair value hierarchy as of June 30, 2025 and December 31, 2024 (in thousands):

	Fair Value Measurements Using:			
June 30, 2025	**Level 1**	**Level 2**	**Level 3**	**Total**
Liabilities:				
Founders advisory fees payable - related party	$ 48,138	$ —	$ 208,215	$ 256,353
December 31, 2024				
Liabilities:				
Founders advisory fees payable - related party	$ 52,098	$ —	$ 194,662	$ 246,760

The fair value of the founders advisory fees payable - related party is based on the appreciation of the market price of shares if such market price exceeds certain trading price minimums at the end of each reporting period and is valued using a Monte Carlo simulation model, which requires the input of subjective assumptions, including the fair value of the underlying Common Stock, the risk-free interest rate, the expected equity volatility, and the expected term of the Founder Advisory Agreement. See Note 11, "Stock-Based Compensation" for discussion of the fair value estimation on the founders advisory fees payable - related party.

Changes in Level 3 Liabilities

The reconciliation for the portion of founders advisory fees payable - related party which is measured at fair value on a recurring basis using significant unobservable inputs (Level 3) is as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	**2024**	**2025**	**2024**
Fair value, beginning of period	$ 125,262	$ 93,136	$ 194,662	$ 35,647
Founders advisory fees - related party, change in fair value	82,953	(3,819)	13,553	53,670
Fair value, end of period	$ 208,215	$ 89,317	$ 208,215	$ 89,317

13. RELATED PARTIES

As discussed in Note 11, "Stock-Based Compensation," the Company assumed, and agreed to pay, perform, satisfy and discharge in full, all of EverArc's liabilities and obligations under the key terms and conditions of the Founder Advisory Agreement previously executed between EverArc and EverArc Founder Entity.

For 2024, the average price of the Company's Common Stock was $12.85 per share. The EverArc Founder Entity was entitled to receive the Fixed Annual Advisory Amount of 2,357,061 shares of Common Stock or a value of $30.3 million, based on average price of $12.85 per share of Common Stock (the "2024 Fixed Amount"). The EverArc Founder Entity was not entitled to receive the Variable Annual Advisory Amount for 2024, as the average price of $12.85 per share of Common Stock for 2024 was lower than the previous highest average price of $13.63 per Ordinary Share established in 2021. Per the Founder Advisory Agreement, the EverArc Founder Entity elected to receive approximately 78% of the 2024 Fixed Amount in Common Stock (1,837,304 shares of Common Stock) and approximately 22% of the 2024 Fixed Amount in cash ($6.7 million). On February 18, 2025, the Company issued 1,837,304 shares of Common Stock and paid $6.7 million in cash in satisfaction of the 2024 Fixed Amount.

14. REVENUE RECOGNITION

Disaggregation of revenues

Amounts for products sold are recognized at a point in time, whereas amounts for contract services associated with full-service and portable retardant are recognized over time. Revenues for the three and six months ended June 30, 2025 and 2024 are presented below (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenues from products	$ 130,773	$ 94,736	$ 199,489	$ 152,617
Revenues from services	31,844	32,434	35,143	33,517
Other revenues	22	106	37	186
Total net sales	$ 162,639	$ 127,276	$ 234,669	$ 186,320

15. (LOSS) EARNINGS PER SHARE

Basic (loss) earnings per share represents income available to common or ordinary shareholders divided by the weighted average number of Common Stock or Ordinary Shares outstanding during the reported period. Diluted (loss) earnings per share is based upon the weighted-average number of shares outstanding during the period plus additional weighted-average potentially dilutive share equivalents during the period when the effect is dilutive.

Basic and diluted weighted average shares outstanding and (loss) earnings per share were as follows (in thousands, except share and per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net (loss) income	$ (32,161)	$ 21,650	$ 24,525	$ (60,908)
Weighted-average shares outstanding:				
Weighted average shares used in computing (loss) earnings per share, basic	147,055,804	145,236,526	147,779,470	145,279,938
PBNQSO	—	—	1,188,480	—
Founders advisory fees	—	9,428,244	7,071,183	—
Weighted average shares used in computing (loss) earnings per share, diluted	147,055,804	154,664,770	156,039,133	145,279,938
Basic (loss) earnings per share	$ (0.22)	$ 0.15	$ 0.17	$ (0.42)
Diluted (loss) earnings per share	$ (0.22)	$ 0.14	$ 0.16	$ (0.42)

The number of anti-dilutive securities not included in the calculation of diluted (loss) earnings per share were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
PBNQSO	1,511,730	245,004	235,000	245,004
Founders advisory fees	7,071,183	—	—	9,428,244
Warrants	—	8,460,860	—	8,460,860
Total	8,582,913	8,705,864	235,000	18,134,108

16. SEGMENT INFORMATION

The Company’s products and operations are managed and reported in two operating segments: Fire Safety and Specialty Products. The Fire Safety segment provides fire retardants and firefighting foams, as well as specialized equipment and services typically offered in conjunction with the Company’s retardant and foam products. The Specialty Products segment includes operations that develop, produce and market products for non-fire safety markets. The Company’s largest end market application for the Specialty Products segment is Phosphorus Pentasulfide (“P_2S_5”) based lubricant additives. P_2S_5 is also used in pesticide and mining chemicals applications, and emerging electric battery technologies. The Specialty Products segment also includes IMS, which is a manufacturer of electronic or electro-mechanical components of larger solutions. IMS has a flexible, vertically integrated production facility centered on its printed circuit board (“PCB”) line that allows it to acquire and produce a variety of product lines across a range of end markets, including large medical systems, communications infrastructure, energy infrastructure, defense systems, and industrial systems, with a substantial focus on aftermarket repair and replacement.

The chief operating decision-maker (“CODM”) is the Company's CEO. The CODM uses Segment Adjusted EBITDA for each segment predominantly in the annual budget and forecasting process. The CODM considers budget/forecast-to-actual variances on a quarterly basis when making decisions about the allocation of operating and capital resources to each segment.

Segment Adjusted EBITDA is defined as income (loss) before income taxes plus net interest and other financing expenses, and depreciation and amortization, adjusted on a consistent basis for certain non-recurring, unusual or non-operational items. These items include (i) restructuring and transaction related costs (ii) founder advisory fee expenses, (iii) stock-based compensation expense and (iv) foreign currency loss (gain).

Interest income, interest expense, other income (expense) and certain corporate operating expenses are not included in the measures of segment performance reviewed by the CODM. The corporate category is not considered to be a segment.

Information related to net sales, Segment Adjusted EBITDA, depreciation and amortization, purchases of property and equipment, and purchases of intangible assets are summarized below (in thousands):

	Three Months Ended June 30, 2025		
	Fire Safety	Specialty Products	Total
Net sales:			
Product	$ 88,543	$ 42,230	$ 130,773
Services and others	31,741	125	31,866
Total net sales	$ 120,284	$ 42,355	$ 162,639
Less:			
Adjusted cost of goods sold	$ 33,632	$ 24,367	$ 57,999
Adjusted selling, general and administrative expense	8,993	4,309	13,302
Segment Adjusted EBITDA	$ 77,659	$ 13,679	$ 91,338
Less:			
Depreciation and amortization			17,924
Interest and financing expense			9,930
Founders advisory fees - related party			96,883
Non-recurring expenses			307
Stock-based compensation expense			2,238
Foreign currency gain			(2,096)
Loss before income taxes			$ (33,848)
Depreciation and amortization	$ 13,620	$ 4,304	$ 17,924
Purchases of property and equipment	$ 10,409	$ 2,355	$ 12,764
Purchase of intangible assets	$ 15,226	$ —	$ 15,226

	Three Months Ended June 30, 2024		
	Fire Safety	Specialty Products	Total
Net sales:			
Product	$ 65,998	$ 28,738	$ 94,736
Services and others	32,540	—	32,540
Total net sales	$ 98,538	$ 28,738	$ 127,276
Less:			
Adjusted cost of goods sold	$ 34,680	$ 16,672	$ 51,352
Adjusted selling, general and administrative expense	8,219	2,797	11,016
Segment Adjusted EBITDA	$ 55,639	$ 9,269	$ 64,908
Less:			
Depreciation and amortization			16,359
Interest and financing expense			10,590
Founders advisory fees - related party			588
Non-recurring expenses			23
Stock-based compensation expense			2,994
Foreign currency loss			224
Income before income taxes			$ 34,130
Depreciation and amortization	$ 12,798	$ 3,561	$ 16,359
Purchases of property and equipment	$ 1,685	$ 1,958	$ 3,643

	Six Months Ended June 30, 2025		
	Fire Safety	Specialty Products	Total
Net sales:			
Product	$ 122,575	$ 76,914	$ 199,489
Services and others	34,872	308	35,180
Total net sales	$ 157,447	$ 77,222	$ 234,669
Less:			
Adjusted cost of goods sold	$ 52,214	$ 46,987	$ 99,201
Adjusted selling, general and administrative expense	17,489	8,558	26,047
Segment Adjusted EBITDA	$ 87,744	$ 21,677	$ 109,421
Less:			
Depreciation and amortization			34,817
Interest and financing expense			19,574
Founders advisory fees - related party			16,270
Non-recurring expenses			1,775
Stock-based compensation expense			4,909
Foreign currency gain			(3,255)
Income before income taxes			$ 35,331
Depreciation and amortization	$ 26,385	$ 8,432	$ 34,817
Purchases of property and equipment	$ 13,671	$ 3,906	$ 17,577
Purchase of intangible assets	$ 15,226	$ —	$ 15,226

	Six Months Ended June 30, 2024		
	Fire Safety	Specialty Products	Total
Net sales:			
Product	$ 89,990	$ 62,627	$ 152,617
Services and others	33,703	—	33,703
Total net sales	$ 123,693	$ 62,627	$ 186,320
Less:			
Adjusted cost of goods sold	$ 51,532	$ 35,447	$ 86,979
Adjusted selling, general and administrative expense	16,763	5,534	22,297
Segment Adjusted EBITDA	$ 55,398	$ 21,646	$ 77,044
Less:			
Depreciation and amortization			32,771
Interest and financing expense			21,238
Founders advisory fees - related party			68,921
Non-recurring expenses			563
Stock-based compensation expense			4,736
Foreign currency loss			1,517
Loss before income taxes			$ (52,702)
Depreciation and amortization	$ 25,688	$ 7,083	$ 32,771
Purchases of property and equipment	$ 2,478	$ 2,718	$ 5,196

Total segment assets reconciled to consolidated amounts are as follows (in thousands):

	June 30, 2025		
	Fire Safety	Specialty Products	Total
Segment assets	$ 154,683	$ 240,622	$ 395,305
Cash and cash equivalents			140,658
Goodwill			1,053,108
Customer lists, net			624,787
Technology and patents, net			186,494
Tradenames, net			85,482
Tax assets			428
Total consolidated assets			$ 2,486,262

	December 31, 2024		
	Fire Safety	Specialty Products	Total
Segment assets	$ 83,677	$ 189,912	$ 273,589
Cash and cash equivalents			198,456
Goodwill			1,034,543
Customer lists, net			637,745
Technology and patents, net			173,307
Tradenames, net			87,365
Tax assets			11,389
Total consolidated assets			$ 2,416,394

Net sales by geographical area are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
United States	71%	78%	70%	75%
Canada	13%	6%	9%	4%
Other international sales [(1)]	16%	16%	21%	21%
Total net sales	100%	100%	100%	100%

(1) The Company did not have net sales in excess of 10% in any other countries for the three and six months ended June 30, 2025, and June 30, 2024.

Property, plant and equipment, net by geographical area consisted of the following (in thousands):

	June 30, 2025	December 31, 2024
United States	$ 58,875	$ 46,580
Germany	13,678	12,643
Other foreign jurisdictions	6,278	5,554
Total property, plant and equipment, net	$ 78,831	$ 64,777

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto included in Part I, Item 1 of this quarterly report on Form 10-Q for the quarter ended June 30, 2025 (this "Quarterly Report"). This Quarterly Report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, such statements are subject to the "safe harbor" created by those sections and involve risks and uncertainties. Forward-looking statements are based on our management's beliefs and assumptions and on information available to our management as of the date hereof. As a result of many factors, such as those set forth under "Item 1A. Risk Factors" included in our 2024 Annual Report, our actual results may differ materially from those anticipated in these forward-looking statements, accordingly, you should not place undue reliance on these forward-looking statements. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

Overview

Perimeter Solutions, Inc. ("we," "us," "our," or the "Company") is a global solutions provider for the Fire Safety and Specialty Products industries. Approximately 79% of our 2024 annual revenues were derived in the United States, approximately 10% in Europe and approximately 6% in Canada with the remaining approximately 5% spread across various other countries. Our business is organized and managed in two reporting segments: Fire Safety and Specialty Products.

The Fire Safety segment is a formulator and manufacturer of fire management products that help the Company's customers combat various types of fires, including wildland, structural, flammable liquids and other types of fires. The Company's Fire Safety segment also offers specialized equipment and services, typically in conjunction with its fire management products to support firefighting operations. The Company's specialized equipment includes air base retardant storage, mixing, and delivery equipment; mobile retardant bases; retardant ground application units; mobile foam equipment; and equipment that it custom designs and manufactures to meet specific customer needs. Significant end markets include primarily government-related entities and are dependent on approvals, qualifications, and permits granted by the respective governments and commercial customers around the world.

The Specialty Products segment includes operations that develop, produce and market products for non-fire safety markets. The Company's largest end market application for the Specialty Products segment is Phosphorus Pentasulfide ("P_2S_5") based lubricant additives. P_2S_5 is also used in pesticide and mining chemicals applications, and emerging electric battery technologies. The Specialty Products Segment also includes Intelligent Manufacturing Solutions ("IMS"), which is a manufacturer of electronic or electro-mechanical components of larger solutions. IMS has a flexible, vertically integrated production facility centered on its printed circuit board ("PCB") line that allows it to acquire and produce a variety of product lines across a range of end markets, including large medical systems, communications infrastructure, energy infrastructure, defense systems, and industrial systems, with a substantial focus on aftermarket repair and replacement.

We operate five business units within our two reporting segments. The business unit structure is meant to promote decentralized execution and accountability, and maintain the geography and product-specific focus and granularity necessary to drive continued improvement in our key operational value drivers. Our key operational value drivers are profitable new business, pricing our products and services to the value they provide, and continued productivity improvements. Each business unit has a business unit manager, who is responsible for achieving targeted financial and operational results.

Our focus is on maintaining our existing customers, expanding their utilization of our products and services, growing our business in the emerging technologies markets and growth through business acquisitions. When analyzing changes in the Results of Operations section below, we define our base business as our existing operations plus operations of an acquired business once it has been owned for a full four quarters after the date of acquisition.

Known Trends and Uncertainties

Growth in Fire Safety

We believe that our Fire Safety segment benefits from several secular growth drivers, including increasing fire severity, as measured by higher acres burned, longer fire seasons and a growing wildland urban interface resulting in a need for higher quantity of retardant use per acre and thereby necessitating an increase of the airtanker capacity. We believe that these trends are prevalent in North America, as well as globally, and we expect these trends to continue and drive growth in demand for fire retardant products.

We are also working to grow our fire prevention and protection business, which is primarily focused on expanding use of ground-applications for long-term fire retardant. This includes use of ground assets in response to active fires (protection), as well as proactive treatments around critical infrastructure and known high-risk areas (prevention). The protection business expands on our existing aerial support to enhance the ability of customers to effectively fight active fires. Fire prevention products can be used to prevent fire ignitions and protect property from potential fire danger by providing proactive retardant treatment in high-risk areas such as roadways, and critical infrastructure like electrical utilities and railroads. Treating these areas ahead of the fire season can potentially stop ignitions from equipment failures or sparks.

Weather Conditions and Climate Trends

Our financial condition and results of operations are significantly impacted by weather as well as environmental and other factors affecting climate change, which impact the number and severity of fires in any given year. Historically, sales of our products have been higher in the summer season in the northern hemisphere of each fiscal year due to weather patterns which are generally correlated to a higher prevalence of wildfires. This is in part offset by the disbursement of our operations in both the northern and southern hemispheres, where the summer seasons alternate.

Global Economic Environment

In recent years, the global economy and labor markets have experienced significant inflationary pressures attributable to ongoing economic recovery and supply chain issues, in part due to the impacts of the conflicts in Ukraine and the Middle East. While the Company has limited exposure in regions with active conflicts, it continues to monitor and take actions with its customers and suppliers to mitigate the impact of these inflationary pressures in the future. Actions to mitigate inflationary pressures with suppliers include aggregation of purchase requirements to achieve optimal volume benefits, negotiation of cost-reductions and identification of more cost competitive suppliers. While these actions are designed to offset the impact of inflationary pressures, the Company cannot provide assurance that they will be successful in fully offsetting increased costs resulting from inflationary pressure. In addition, interest payments for borrowings under the Company’s revolving credit facility are based on variable rates, and any continued increase in interest rates may reduce the Company’s cash flow available for other corporate purposes.

Additionally, amid broader volatility in the global economy, certain raw materials and components used in our manufacturing processes may be subject to the recently announced tariffs on imported goods by the United States, Canada, and other countries. However, tariffs have not had, and we do not currently expect tariffs to have, a material impact on our financial position or results of operations, as substantially all of the Company’s products sold in the United States are supported by domestic manufacturing capabilities. The Company prioritizes sourcing raw materials domestically and continues to maintain alternative supply sources. Although the ultimate impact of tariff policies, coupled with broader macroeconomic challenges, remains uncertain, the Company is actively monitoring developments to identify necessary actions to maintain its competitiveness and adapt to changing economic conditions.

Results of Operations

Three Months Ended June 30, 2025 Compared to the Three Months Ended June 30, 2024

Consolidated

The following table sets forth our results of operations for each of the periods indicated (in thousands):

	Three Months Ended June 30,		Change	
	2025	2024	$	%
Net sales	$ 162,639	$ 127,276	$ 35,363	28%
Cost of goods sold	61,143	54,009	7,134	13%
Gross profit	101,496	73,267	28,229	39%
Operating expenses				
Selling, general and administrative expense	15,967	13,906	2,061	15%
Amortization expense	14,604	13,755	849	6%
Founders advisory fees - related party	96,883	588	96,295	16377%
Other operating expense	268	—	268	—%
Total operating expenses	127,722	28,249	99,473	352%
Operating (loss) income	(26,226)	45,018	(71,244)	(158%)
Other expense (income):				
Interest expense, net	9,930	10,590	(660)	(6%)
Foreign currency (gain) loss	(2,096)	224	(2,320)	(1036%)
Other (income) expense, net	(212)	74	(286)	(386%)
Total other expense, net	7,622	10,888	(3,266)	(30%)
(Loss) income before income taxes	(33,848)	34,130	(67,978)	(199%)
Income tax benefit (expense)	1,687	(12,480)	14,167	(114%)
Net (loss) income	$ (32,161)	$ 21,650	$ (53,811)	(249%)

Net Sales. Net sales increased by $35.4 million for the three months ended June 30, 2025, compared to the same period in 2024. Net sales in the Fire Safety segment increased by $21.7 million, representing higher fire retardant sales of $19.0 million and higher fire suppressant sales of $2.7 million. Fire retardant sales increased $16.0 million in North America and increased $3.0 million in other geographies. The increase in U.S. fire retardant sales was driven by a return to normalized fire activity during the three months ended June 30, 2025, as compared to mild fire activity during the three months ended June 30, 2024. Net sales in the Specialty Products segment increased $13.7 million, including a $9.3 million increase in revenue due to recently acquired businesses, and a $4.4 million increase in the base business. The Company considers that revenue attributable to base business includes revenue from an acquired business that has been owned for a full four quarters after the date of acquisition.

Cost of Goods Sold. Cost of goods sold increased $7.1 million for the three months ended June 30, 2025 compared to the same period in 2024. The decrease in the Fire Safety segment of $0.7 million was primarily due to a $2.0 million decrease in material, manufacturing and freight costs offset by a $1.3 million increase in personnel related expenses. The $7.8 million increase in the Specialty Products segment was primarily due to $6.1 million from recently acquired businesses.

Selling, General and Administrative Expense. Selling, general and administrative expense increased by $2.1 million for the three months ended June 30, 2025 compared to the same period in 2024. The increase was primarily due to a $1.4 million increase in personnel related and stock-based compensation expenses.

Founder Advisory Fees - related party. Founder advisory fees - related party represents the change in the fair value of the liability-classified Fixed Annual Advisory Amount and Variable Annual Advisory Amount (collectively, the “Annual Advisory Amounts”). The increase in the fair value of the Annual Advisory Amounts for the three months ended June 30, 2025 of $96.9 million was primarily due to an increase in the Company’s average price per share from $9.67 at March 31, 2025 to $13.62 as of June 30, 2025. The increase in the fair value of the Annual Advisory Amount for the three months ended June 30, 2024 of $0.6 million was primarily due to an increase in the average price per share from $6.81 as of March 31, 2024, to $7.75 as of June 30, 2024.

Income Tax Benefit (Expense). Income tax benefit was $1.7 million for the three months ended June 30, 2025, compared to income tax expense of $12.5 million in the same period in 2024. The change is primarily due to changes in earnings in jurisdictions that were not covered by a valuation allowance and the impact of non-deductible compensation and accrued withholding taxes on the annualized effective tax rate.

Six Months Ended June 30, 2025 Compared to the Six Months Ended June 30, 2024

Consolidated

The following table sets forth our results of operations for each of the periods indicated (in thousands):

	Six Months Ended June 30,		Change	
	2025	2024	$	%
Net sales	$ 234,669	$ 186,320	$ 48,349	26%
Cost of goods sold	105,020	92,351	12,669	14%
Gross profit	129,649	93,969	35,680	38%
Operating expenses				
Selling, general and administrative expense	32,266	27,368	4,898	18%
Amortization expense	28,703	27,526	1,177	4%
Founders advisory fees - related party	16,270	68,921	(52,651)	(76%)
Other operating expense	829	—	829	—%
Total operating expenses	78,068	123,815	(45,747)	(37%)
Operating income (loss)	51,581	(29,846)	81,427	(273%)
Other expense (income):				
Interest expense, net	19,574	21,238	(1,664)	(8%)
Foreign currency (gain) loss	(3,255)	1,517	(4,772)	(315%)
Other expense, net	(69)	101	(170)	(168%)
Total other expense, net	16,250	22,856	(6,606)	(29%)
Income (loss) before income taxes	35,331	(52,702)	88,033	(167%)
Income tax expense	(10,806)	(8,206)	(2,600)	32%
Net income (loss)	$ 24,525	$ (60,908)	$ 85,433	(140%)

Net Sales. Net sales increased by $48.3 million for the six months ended June 30, 2025, compared to the same period in 2024. Net sales in the Fire Safety segment increased by $33.7 million, representing higher fire retardant sales of $36.5 million, offset by lower fire suppressant sales of $2.8 million. Fire retardant sales increased $30.2 million in North America and $6.3 million in other geographies. The increase in U.S. fire retardant sales was driven by an increase in fire activity during the six months ended June 30, 2025, as compared to mild fire activity during the six months ended June 30, 2024. Net sales in the Specialty Products segment increased $14.6 million, including a $16.9 million increase in revenue due to recently acquired businesses, offset by a $2.3 million decrease in the base business due to unplanned plant downtime. The Company considers that revenue attributable to base business includes revenue from an acquired business that has been owned for a full four quarters after the date of acquisition.

Cost of Goods Sold. Cost of goods sold increased $12.7 million for the six months ended June 30, 2025 compared to the same period in 2024. The increase in the Fire Safety segment of $0.9 million was primarily due to a $2.4 million increase in personnel related expenses, offset by a $1.5 million decrease in material, manufacturing and freight costs. The $11.8 million increase in the Specialty Products segment was primarily due to $11.0 million from recently acquired businesses.

Selling, General and Administrative Expense. Selling, general and administrative expense increased by $4.9 million for the six months ended June 30, 2025 compared to the same period in 2024. The increase was primarily due to a $4.8 million increase in personnel related and stock-based compensation expenses.

Founder Advisory Fees - related party. Founder advisory fees - related party represents the change in the fair value of the liability-classified Fixed Annual Advisory Amount and Variable Annual Advisory Amount (collectively, the "Annual Advisory Amounts"). The increase in the fair value of the Annual Advisory Amounts for the six months ended June 30, 2025 of $16.3 million was primarily due to an increase in the Company's average price per share from $12.85 at December 31, 2024 to $13.62 as of June 30, 2025. The increase in the fair value of the Annual Advisory Amount for the six months ended June 30, 2024 of $68.9 million was primarily due to an increase in the average price per share from $4.51 as of December 31, 2023, to $7.75 as of June 30, 2024.

Foreign Currency (gain) loss. Foreign currency gain of $3.3 million for the six months ended June 30, 2025 reflects weakening of the U.S. dollar, primarily against the Euro. Foreign currency loss of $1.5 million for the six months ended June 30, 2024 reflects strengthening of the U.S. dollar, primarily against the Euro.

Income Tax Expense. Income tax expense was $10.8 million for the six months ended June 30, 2025, compared to income tax expense of $8.2 million in the same period in 2024. The change is primarily due to changes in earnings in jurisdictions that were not covered by a valuation allowance and the impact of non-deductible compensation and accrued withholding taxes on the annualized effective tax rate.

Business Segments

Segment Adjusted EBITDA is defined as income (loss) before income taxes plus net interest and other financing expenses, and depreciation and amortization, adjusted on a consistent basis for certain non-recurring, unusual or non-operational items. These items include (i) restructuring and transaction related costs (ii) founder advisory fee expenses, (iii) stock-based compensation expense and (iv) foreign currency loss (gain). We use Segment Adjusted EBITDA to evaluate operating performance by segment for business planning purposes and to allocate resources. The following tables provide information for our net sales and Segment Adjusted EBITDA (in thousands) for the three and six months ended June 30, 2025 compared to the same periods in 2024:

	Three Months Ended June 30, 2025			Three Months Ended June 30, 2024		
	Fire Safety	Specialty Products	Total	Fire Safety	Specialty Products	Total
Net sales	$ 120,284	$ 42,355	$ 162,639	$ 98,538	$ 28,738	$ 127,276
Segment Adjusted EBITDA	$ 77,659	$ 13,679	$ 91,338	$ 55,639	$ 9,269	$ 64,908

Adjusted EBITDA for our Fire Safety segment increased by $22.0 million during the three months ended June 30, 2025 compared with the same period in 2024. The increase was primarily due to higher net sales, as described above.

Adjusted EBITDA for our Specialty Products segment increased by $4.4 million during the three months ended June 30, 2025 compared with the same period in 2024. The increase was primarily due to higher net sales, as described above.

	Six Months Ended June 30, 2025			Six Months Ended June 30, 2024		
	Fire Safety	Specialty Products	Total	Fire Safety	Specialty Products	Total
Net sales	$ 157,447	$ 77,222	$ 234,669	$ 123,693	$ 62,627	$ 186,320
Segment Adjusted EBITDA	$ 87,744	$ 21,677	$ 109,421	$ 55,398	$ 21,646	$ 77,044

Adjusted EBITDA for our Fire Safety segment increased by $32.3 million during the six months ended June 30, 2025 compared with the same period in 2024. The increase was primarily due to higher net sales, as described above.

Adjusted EBITDA for our Specialty Products segment was relatively flat during the six months ended June 30, 2025 compared with the same period in 2024 for the reasons described above.

The following table provides a reconciliation of financial measures that are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") to Non-GAAP measures. The Company believes that these non-GAAP financial measures are useful to investors because they provide investors with a better understanding of the Company's past financial performance and future results. The Company's management uses these non-GAAP financial measures when it internally evaluates the performance of its business and makes operating decisions, including internal operating budgeting, performance measurement, and discretionary compensation. Segment 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 June 30, 2025			Three Months Ended June 30, 2024		
	Fire Safety	Specialty Products	Total	Fire Safety	Specialty Products	Total
(Loss) income before income taxes	$ (27,068)	$ (6,780)	$ (33,848)	$ 30,377	$ 3,753	$ 34,130
Depreciation and amortization	13,620	4,304	17,924	12,798	3,561	16,359
Interest and financing expense	6,180	3,750	9,930	9,897	693	10,590
Founders advisory fees - related party	83,319	13,564	96,883	507	81	588
Non-recurring expenses (1)	123	184	307	14	9	23
Stock-based compensation expense	2,007	231	2,238	2,067	927	2,994
Foreign currency (gain) loss	(522)	(1,574)	(2,096)	(21)	245	224
Segment Adjusted EBITDA	$ 77,659	$ 13,679	$ 91,338	$ 55,639	$ 9,269	$ 64,908

(1) For the three months ended June 30, 2025, $0.2 million was related to acquisition costs and $0.1 million was related to other non-recurring costs.

(Unaudited)	Six Months Ended June 30, 2025			Six Months Ended June 30, 2024		
	Fire Safety	Specialty Products	Total	Fire Safety	Specialty Products	Total
Income (loss) before income taxes	$ 31,810	$ 3,521	$ 35,331	$ (54,034)	$ 1,332	$ (52,702)
Depreciation and amortization	26,385	8,432	34,817	25,688	7,083	32,771
Interest and financing expense	12,134	7,440	19,574	20,011	1,227	21,238
Founders advisory fees - related party	13,992	2,278	16,270	59,273	9,648	68,921
Non-recurring expenses (1)	357	1,418	1,775	389	174	563
Stock-based compensation expense	3,583	1,326	4,909	3,516	1,220	4,736
Foreign currency (gain) loss	(517)	(2,738)	(3,255)	555	962	1,517
Segment Adjusted EBITDA	$ 87,744	$ 21,677	$ 109,421	$ 55,398	$ 21,646	$ 77,044

(1) For the six months ended June 30, 2025, $0.8 million was related to acquisition costs, $0.4 million was related to the Redomiciliation Transaction and $0.6 million was related to restructuring and other non-recurring costs. For the six months ended June 30, 2024, $0.5 million was related to the Redomiciliation Transaction and other non-recurring Luxembourg related costs, and $0.1 million was related to other non-recurring costs.

Liquidity and Capital Resources

We have historically funded our operations primarily through cash flows from operations, borrowings under our revolving credit facility, and the issuance of debt and equity securities. However, future cash flows are subject to a number of variables, including the length and severity of the fire season, growth of the wildland urban interface and the availability of air tanker capacity, and higher costs from inflation, all of which could negatively impact revenues, earnings and cash flows, and potentially our liquidity if we do not moderate our expenditures accordingly.

We believe that our existing cash and cash equivalents of $140.7 million, net cash flows generated from operations and availability under the Revolving Credit Facility as of June 30, 2025 will be sufficient to meet our current capital expenditures, working capital, and debt service requirements for at least 12 months from the filing date of this Quarterly Report. As of June 30, 2025, we expect our remaining fiscal year 2025 capital expenditure budget to cover both our maintenance and growth capital expenditures. We may also utilize borrowings under other various financing sources available to us, including the issuance of equity and/or debt securities through public offerings or private placements, to fund our acquisitions, the Annual Advisory Amounts and long-term liquidity needs. Our ability to complete future offerings of equity or debt securities and the timing of these offerings will depend upon various factors including prevailing market conditions and our financial condition.

We have the following financing arrangements in place to, among other things, fund our operations and supplement our liquidity position.

Revolving Credit Facility

On November 9, 2021, a wholly owned subsidiary of the Company entered into a five-year revolving credit facility (the “Revolving Credit Facility”), which provides for a senior secured revolving credit facility in an aggregate principal amount of up to $100.0 million. The Revolving Credit Facility matures on November 9, 2026. The Revolving Credit Facility includes a $20.0 million swingline sub-facility and a $25.0 million letter of credit sub-facility. All borrowings under the Revolving Credit Facility are subject to the satisfaction of customary conditions, including the absence of a default and the accuracy of representations and warranties, subject to certain exceptions.

Borrowings under the Revolving Credit Facility bear interest at a rate equal to (i) an applicable margin, plus (ii) at Perimeter Holding LLC’s option, either (x) Secured Overnight Financing Rate for the applicable corresponding tenor (“Term SOFR”) as published by CME Group Benchmark Administration, adjusted for certain additional costs or (y) a base rate determined by reference to the highest of (a) the prime commercial lending rate published by the Wall Street Journal, (b) the federal funds rate plus 0.50% (c) the one-month Term SOFR rate plus 1.00% and (d) a minimum floor of 1.00%. The applicable margin is 3.25% in the case of Term SOFR-based loans and 2.25% in the case of base rate-based loans, with two step downs of 0.25% each based upon the achievement of certain leverage ratios.

As of June 30, 2025, the Company did not have any outstanding borrowings under the Revolving Credit Facility and was in compliance with all covenants.

Senior Notes

On November 9, 2021, a wholly owned subsidiary of the Company assumed $675.0 million principal amount of 5.00% senior secured notes due October 30, 2029 (the “Senior Notes”), under an indenture dated as of October 22, 2021 (“Indenture”). The Senior Notes bear interest at an annual rate of 5.00%. Interest on the Senior Notes is payable in cash semi-annually in arrears on April 30 and October 30 of each year.

The Senior Notes are general, secured, senior obligations of Perimeter Holdings, LLC; rank equally in right of payment with all existing and future senior indebtedness of Perimeter Holdings, LLC (including, without limitation, the Revolving Credit Facility); and together with the Revolving Credit Facility, are effectively senior to all existing and future indebtedness of Perimeter Holdings, LLC that is not secured by the collateral.

For additional information about our long-term debt, refer to Note 7, “Long-Term Debt and Preferred Stock,” in the notes to the condensed consolidated financial statements included in this Quarterly Report.

Share Repurchase Plan

Under our share repurchase plan (the “Share Repurchase Plan”), we are authorized to repurchase, from time-to-time, shares of our Common Stock through open market purchases, in privately negotiated transactions or in such other manner as permitted by the securities laws and as determined by management at such time and in such amounts as management may decide. The Share Repurchase Plan does not obligate us to repurchase any specific number of shares and may be modified, suspended or discontinued at any time. The timing, manner, price and amount of any repurchases are determined by management in its discretion and depend on a variety of factors, including legal requirements, price and economic and market conditions.

On May 7, 2025, the Board re-established the limit for Common Stock repurchases at $100.0 million. The approximate dollar value of shares that may yet be repurchased under the Share Repurchase Plan was $78.3 million as of June 30, 2025. We repurchased 2,886,221 and 3,774,675 shares during the three and six months ended June 30, 2025. For the comparable period in 2024, we repurchased 18,535 and 2,987,892 shares, respectively. The repurchased shares were recorded at cost and are being held in treasury.

On August 6, 2025, the Board re-established the limit for Common Stock repurchases at $100.0 million. The Company expects to periodically re-establish the limit for Common Stock repurchases based on subsequent repurchase activity.

Founder Advisory Agreement

On November 9, 2021, the Company assumed the advisory agreement entered into on December 12, 2019 by EverArc (“Founder Advisory Agreement”) with EverArc Founders, LLC, a Delaware limited liability company (“EverArc

Founder Entity"), pursuant to which the EverArc Founder Entity, for the services provided to the Company, including strategic and capital allocation advice, is entitled to receive both a fixed amount (the "Fixed Annual Advisory Amount") and a variable amount (the "Variable Annual Advisory Amount," each an "Advisory Amount" and collectively, the "Advisory Amounts") until the years ending December 31, 2027 and 2031, respectively. Under the Founder Advisory Agreement, at the election of the EverArc Founder Entity, at least 50% of the Advisory Amounts will be paid in shares of Common Stock and the remainder in cash.

For 2024, the average price of the Company's Common Stock was $12.85 per share. The EverArc Founder Entity was entitled to receive the Fixed Annual Advisory Amount of 2,357,061 shares of Common Stock or a value of $30.3 million, based on average price of $12.85 per share of Common Stock (the "2024 Fixed Amount"). The EverArc Founder Entity was not entitled to receive the Variable Annual Advisory Amount for 2024, as the average price of $12.85 per share of Common Stock for 2024 was lower than the previous highest average price of $13.63 per Ordinary Share established in 2021. Per the Founder Advisory Agreement, the EverArc Founder Entity elected to receive approximately 78% of the 2024 Fixed Amount in Common Stock (1,837,304 shares of Common Stock) and approximately 22% of the 2024 Fixed Amount in cash ($6.7 million). On February 18, 2025, the Company issued 1,837,304 shares of Common Stock and paid $6.7 million in cash in satisfaction of the 2024 Fixed Amount.

For additional information about the Founder Advisory Agreement, refer to Note 11, "Stock-Based Compensation," Note 12 "Fair Value Measurements" and Note 13, "Related Parties," in the notes to the condensed consolidated financial statements included in this Quarterly Report.

Cash Flows:

The summary of our cash flows is as follows (in thousands):

	Six Months Ended June 30,	
	2025	**2024**
Cash provided by (used in):		
Operating activities	$ 20,894	$ 11,418
Investing activities	(42,803)	187
Financing activities	(40,560)	(14,784)
Effect of foreign currency on cash and cash equivalents	4,671	(935)
Net change in cash and cash equivalents	$ (57,798)	$ (4,114)

Operating Activities

Net cash provided by operating activities was $20.9 million and $11.4 million for the six months ended June 30, 2025 and 2024, respectively. For the six months ended June 30, 2025, the primary components of operating cash flows were net income of $24.5 million, non-cash charges of $48.9 million and net operating asset investments of $52.5 million. For the six months ended June 30, 2024, the primary components of operating cash flows were a net loss of $60.9 million, non-cash charges of $110.2 million and net operating asset investments of $37.9 million.

Investing Activities

Cash used in investing activities was $42.8 million for the six months ended June 30, 2025. During the six months ended June 30, 2025, we purchased property and equipment of $17.6 million, purchased intangible assets of $15.2 million, and purchased a business for $10.0 million. Cash provided by investing activities was $0.2 million for the six months ended June 30, 2024. During the six months ended June 30, 2024, we received cash from the maturity of Euro denominated certificate of deposit of $5.4 million, offset by the purchase of property and equipment of $5.2 million.

Financing Activities

Cash used in financing activities was $40.6 million and $14.8 million for the six months ended June 30, 2025 and 2024, respectively. During the six months ended June 30, 2025, we repurchased shares of outstanding Common Stock for $40.4 million, received proceeds from exercises of options of $0.3 million and made $0.5 million in principal payments on finance lease obligations. During the six months ended June 30, 2024, we repurchased outstanding Ordinary Shares for $14.4 million and made $0.4 million in principal payments on finance lease obligations.

Critical Accounting Estimates and Policies

The discussion and analysis of our financial condition and results of operations are based upon our condensed consolidated financial statements which have been prepared in accordance with U.S. GAAP. Our significant accounting policies and estimates are consistent with those discussed in Note 2, "Summary of Significant Accounting Policies and Recent Accounting Pronouncements" of our consolidated financial statements included in our 2024 Annual Report filed on Form 10-K with the SEC on February 20, 2025. Significant estimates made by management in connection with the preparation of the accompanying condensed consolidated financial statements include the fair value of purchase consideration and assets acquired and liabilities assumed in a business combination, the useful lives of long-lived assets, the fair value of financial assets and liabilities, indefinite life intangible assets, stock options, and founder advisory fees. We are not presently aware of any events or circumstances that would require us to update our estimates, assumptions or revise the carrying value of our assets or liabilities. Our estimates may change, however, as new events occur and additional information is obtained. As a result, actual results may differ significantly from our estimates, and any such differences may be material to our financial statements. For information on the impact of recently issued accounting pronouncements, see Note 2, "Summary of Significant Accounting Policies and Recent Accounting Pronouncements" in the notes to the condensed consolidated financial statements included in this Quarterly Report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risk from changes in foreign currency exchange rates, short-term interest rates and price fluctuations of certain material commodities in the ordinary course of our business. We do not engage in significant hedging activities with respect to the market risks to which we are exposed. From time to time, we may enter into limited arrangements to manage specific risk exposures. However, such activity is not material to our overall risk profile or financial results.

Foreign Currency Risk

Foreign currency exchange risks are attributable to sales to foreign customers and purchases from foreign suppliers not denominated in a location's functional currency, foreign plant operations, intercompany indebtedness, intercompany investments and include exposures to the Euro, Canadian dollar, Norwegian krone and Australian dollar. Transactions that are paid in a foreign currency are remeasured into U.S. dollars and recorded in the consolidated financial statements at prevailing currency exchange rates. A reduction in the value of the U.S. dollar against currencies of other countries could result in the use of additional cash to settle operating, administrative and tax liabilities.

Interest Rate Risk

For variable rate debt, interest rate changes generally do not affect the fair market value of such debt, but do impact future earnings and cash flows, assuming other factors are held constant. We are subject to market risk exposure related to changes in interest rates on borrowings under the Revolving Credit Facility. Interest on borrowings under the Revolving Credit Facility is based on Term SOFR plus or base rate plus an applicable margin. At June 30, 2025, we had no borrowings outstanding under the Revolving Credit Facility.

In addition, on November 9, 2021, the Company issued 10 million shares of 6.50% Preferred Stock, valued at $100.0 million. The holders of Preferred Stock are entitled to a preferred annual cumulative right to a dividend equal to 6.50%. The shares of Preferred Stock are mandatorily redeemable on occurrence of certain events as defined in the Business Combination Agreement, but no later than April 30, 2030. If we fail to timely redeem the shares of Preferred Stock, the dividend on the shares of Preferred Stock will permanently increase to the interest rate currently being paid (whether default or not) under the Revolving Credit Facility plus 10.00%.

Commodity Price Risk

Our realized margins depend on the differential of sales prices over our total supply costs. Generally, we attempt to maintain an inventory position that is substantially balanced between our purchases and sales, including our future delivery obligations. However, market, weather or other conditions beyond our control may disrupt our expected supply of product, and we may be required to obtain supply at increased prices that cannot be passed through to our customers. For example, some of our material supply contracts follow market prices, which may fluctuate through the year, while our product sales prices may be fixed on a quarterly or annual basis, and therefore, fluctuations in our material supply may not be passed through to our customers and can produce an adverse effect on our margins.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15(b) under the Exchange Act, at June 30, 2025, the Company has evaluated, under the supervision and with the participation of the Company's management, including the Company's principal executive officer and principal financial officer, the effectiveness of the design and operation of its disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act). Our controls and procedures are designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the SEC, and that the information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including the principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. Based upon this evaluation, the Company's principal executive officer and principal financial officer have concluded that the Company's disclosure controls and procedures were effective as of June 30, 2025.

Changes in Internal Control Over Financial Reporting

There were no changes to the Company's internal control over financial reporting (as defined in Rule 13a-15(f) and Rule 15d-15(f) under the Exchange Act) during the quarter ended June 30, 2025 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

We are involved in various claims, actions, and legal proceedings arising in the ordinary course of business, including a number of matters related to the aqueous film forming foam litigation consolidated in the District of South Carolina multi-district litigation and other similar matters pending in other jurisdictions in the United States. We do not believe that such claims, actions, and legal proceedings will have a material adverse effect upon our results of operations or financial position.

Item 1A. Risk Factors

There have been no material changes to the Company's risk factors disclosed in Part I, Item 1A. "Risk Factors" of the Company's 2024 Annual Report.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Under the Share Repurchase Plan, we are authorized to repurchase, from time-to-time, shares of our Common Stock through open market purchases, in privately negotiated transactions or in such other manner as permitted by the securities laws and as determined by management at such time and in such amounts as management may decide. The Share Repurchase Plan does not obligate us to repurchase any specific number of shares and may be modified, suspended or discontinued at any time. The timing, manner, price and amount of any repurchases are determined by management in its discretion and depend on a variety of factors, including legal requirements, price and economic and market conditions.

Below is a summary of Common Stock repurchases for the quarter ended June 30, 2025.

	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in millions) (1)
April 1, 2025 - April 30, 2025	1,071,885	$ 9.70	1,071,885	$ 78.6
May 1, 2025 - May 31, 2025	1,443,727	$ 11.90	1,443,727	$ 82.8
June 1, 2025 - June 30, 2025	370,609	$ 12.28	370,609	$ 78.3
Total	2,886,221		2,886,221	

(1) On May 7, 2025, the Board re-established the limit for Common Stock repurchases at $100.0 million.

Item 3. Defaults Upon Senior Securities

Not Applicable

Item 4. Mine Safety Disclosures.

Not Applicable.

Item 5. Other Information

10b5-1 Trading Plans

During the three months ended June 30, 2025, none of our officers (as defined in Rule 16a-1(f) of the Exchange Act) or directors adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

Exhibit Number	Description
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101).

* Filed herewith.
** Furnished herewith.

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, thereunto duly authorized**.**

		Perimeter Solutions, Inc.
Date: August 7, 2025	By:	/s/ Haitham Khouri
		Haitham Khouri Chief Executive Officer and Director (Duly Authorized Officer)
Date: August 7, 2025	By:	/s/ Kyle Sable
		Kyle Sable Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

Exhibit 31.1

Certification of Principal Executive Officer
pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Haitham Khouri, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Perimeter Solutions, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2025

By: /s/ Haitham Khouri
Haitham Khouri
Chief Executive Officer and Director
(Duly Authorized Officer)

Exhibit 31.2

Certification of Principal Financial Officer
pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Kyle Sable, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Perimeter Solutions, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2025

By: /s/ Kyle Sable
Kyle Sable
Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In accordance with 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, Haitham Khouri, Chief Executive Officer of Perimeter Solutions, Inc. (the “Registrant”), and Kyle Sable, Chief Financial Officer of the Registrant, each hereby certifies that, to the best of his knowledge on the date hereof:

1. the Registrant’s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2025 (the “Quarterly Report”), to which this Certification is attached as Exhibit 32.1, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Perimeter Solutions, Inc.

Date: August 7, 2025

By: /s/ Haitham Khouri
Haitham Khouri
Chief Executive Officer and Director
(Duly Authorized Officer)

Date: August 7, 2025

By: /s/ Kyle Sable
Kyle Sable
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

This certification accompanies the Quarterly Report on Form 10-Q pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Registrant for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Registrant specifically incorporates it by reference.