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

**FORM 10-Q**

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(Mark One)

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

For the quarterly period ended March 31, 2022

OR

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, SA**

(Exact name of Registrant as specified in its Charter)

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

**98-1632942**  
(I.R.S. Employer Identification No.)

12E rue Guillaume Kroll, L-1882 Luxembourg  
Grand Duchy of Luxembourg  
352 2668 62-1

(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
Ordinary Shares, nominal value \$1.00 per share	PRM	New York Stock Exchange
Warrants for Ordinary Shares	PRMFF	OTC Markets Group Inc.

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  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  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	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

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

As of May 2, 2022, there were 163,234,542 ordinary shares, nominal value \$1.00 per share, outstanding.

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## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This quarterly report on Form 10-Q for the period ended March 31, 2022 (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:

- our expectations regarding the impact of the COVID-19 pandemic on our business;
- our expectations regarding the impact of the conflict in Ukraine on our business;
- our ability to realize the benefits from the Business Combination(as defined below);
- future financial performance, including any growth or expansion plans and opportunities;
- 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;
- cash flow projections;
- our ability to maintain a leadership position in any market;
- expectations concerning sources of revenue;
- expectations about demand for fire retardant products, equipment and services;
- the size of the markets we compete in and potential opportunities in such markets or new markets;
- expectations concerning certain of our products’ ability to protect life and property as population settlement locations change;
- expectations concerning the markets in which we will operate in the coming years and overall economic conditions;
- expectations concerning repurchases of our ordinary shares under the Share Repurchase Plan (as defined below);
- our beliefs regarding the sufficiency of our current sources of liquidity to fund our future liquidity requirements, our expectations regarding the types of future liquidity requirements and our expectations regarding the availability of future sources of liquidity;
- our expectations and beliefs regarding accounting and tax matters; 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:

- the direct and indirect adverse impact of the novel strain of coronavirus, SARS-CoV-2, which causes COVID-19 (“COVID-19”) on the global economy and the related governmental regulations and restrictions;
- the impact of the conflict in Ukraine on the global economy and our business;
- negative or uncertain worldwide economic conditions;
- volatility, seasonality and cyclicalities in the industries in which we operate;

- our ability to realize the strategic and financial benefits of the Business Combination;
- 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 petrochemical industry, a downturn in the oil additives 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;
- 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, 2021 (the "2021 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.

**PART I - FINANCIAL INFORMATION****Item 1. Financial Statements**

**PERIMETER SOLUTIONS, SA AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(in thousands, except share and per share data)

	March 31, 2022	December 31, 2021
	(Unaudited)	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 153,543	\$ 225,554
Accounts receivable, net	33,331	24,319
Inventories	117,515	110,087
Income tax receivable	17,935	816
Prepaid expenses and other current assets	9,901	14,161
Total current assets	332,225	374,937
Property, plant and equipment, net	60,773	62,247
Goodwill	1,042,280	1,041,325
Customer lists, net	743,902	753,459
Technology and patents, net	244,008	247,368
Tradenames, net	98,744	100,005
Other assets, net	1,664	2,219
Total assets	\$ 2,523,596	\$ 2,581,560
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 21,258	\$ 27,469
Accrued expenses and other current liabilities	28,542	19,025
Founders advisory fees payable - related party	29,503	53,547
Deferred revenue	825	445
Total current liabilities	80,128	100,486
Long-term debt	664,410	664,128
Deferred income taxes	304,974	298,633
Founders advisory fees payable - related party	209,109	312,242
Redeemable preferred shares	97,812	96,867
Redeemable preferred shares - related party	3,735	3,699
Other non-current liabilities	22,145	22,195
Total liabilities	1,382,313	1,498,250
Commitments and contingencies (Note 8)		
Shareholders' equity:		
Ordinary shares, \$1 nominal value per share, 4,000,000,000 shares authorized; 163,234,542 and 157,237,435 shares issued and outstanding at March 31, 2022 and December 31, 2021, respectively	163,235	157,237
Additional paid-in capital	1,684,071	1,670,033
Accumulated other comprehensive loss	(7,009)	(7,135)
Accumulated deficit	(699,014)	(736,825)
Total shareholders' equity	1,141,283	1,083,310
Total liabilities and shareholders' equity	\$ 2,523,596	\$ 2,581,560

*See accompanying notes to condensed consolidated financial statements.*

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

	Successor Three Months Ended March 31, 2022	Predecessor Three Months Ended March 31, 2021
Net sales	\$ 57,758	\$ 33,925
Cost of goods sold	44,627	24,974
Gross profit	13,131	8,951
Operating expenses:		
Selling, general and administrative expense	19,808	8,927
Amortization expense	13,855	13,249
Founders advisory fees - related party	(59,848)	—
Other operating expense	196	312
Total operating expenses	(25,989)	22,488
Operating income (loss)	39,120	(13,537)
Other expense (income):		
Interest expense, net	10,496	7,851
Unrealized foreign currency loss	880	2,798
Other expense (income), net	165	(274)
Total other expense, net	11,541	10,375
Income (loss) before income taxes	27,579	(23,912)
Income tax benefit	10,232	5,383
Net income (loss)	37,811	(18,529)
Other comprehensive income (loss), net of tax:		
Foreign currency translation adjustments	126	(966)
Total comprehensive income (loss)	\$ 37,937	\$ (19,495)
Earning (loss) per share:		
Basic	\$ 0.24	\$ (0.35)
Diluted	\$ 0.22	\$ (0.35)
Weighted average number of ordinary shares outstanding:		
Basic	160,251,199	53,045,510
Diluted	174,777,232	53,045,510

*See accompanying notes to condensed consolidated financial statements.*

**PERIMETER SOLUTIONS, SA AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**  
(in thousands, except share data)  
**(Unaudited)**

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Shareholders' Equity
	Shares	Amount				
<b>Predecessor</b>						
Balance, December 31, 2020	53,045,510	\$ 53,046	\$ 289,344	\$ (3,174)	\$ (47,794)	\$ 291,422
Net loss	—	—	—	—	(18,529)	(18,529)
Other comprehensive loss	—	—	—	(966)	—	(966)
Balance, March 31, 2021	53,045,510	\$ 53,046	\$ 289,344	\$ (4,140)	\$ (66,323)	\$ 271,927

	Ordinary Shares		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Shareholders' Equity
	Shares	Amount				
<b>Successor</b>						
Balance, December 31, 2021	157,237,435	\$ 157,237	\$ 1,670,033	\$ (7,135)	\$ (736,825)	\$ 1,083,310
Share-based compensation	—	—	5,724	—	—	5,724
Ordinary shares issued related to founders advisory fees - related party	5,952,992	5,954	7,829	—	—	13,783
Ordinary shares issued related to warrants exercised	44,115	44	485	—	—	529
Net income	—	—	—	—	37,811	37,811
Other comprehensive income	—	—	—	126	—	126
Balance, March 31, 2022	163,234,542	\$ 163,235	\$ 1,684,071	\$ (7,009)	\$ (699,014)	\$ 1,141,283

*See accompanying notes to condensed consolidated financial statements.*

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

	Successor Three Months Ended March 31, 2022	Predecessor Three Months Ended March 31, 2021
<b>Cash flows from operating activities:</b>		
Net income (loss)	\$ 37,811	\$ (18,529)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Founders advisory fees - related party (change in accounting fair value)	(59,848)	—
Depreciation and amortization expense	16,371	15,146
Interest and payment-in-kind on preferred shares	1,634	—
Share-based compensation	5,724	—
Deferred income taxes	6,239	2,183
Amortization of deferred financing costs	395	811
Amortization of acquisition related inventory step-up	9,299	—
Changes in operating assets and liabilities, net of acquisitions:		
Accounts receivable	(8,921)	11,513
Inventories	(16,782)	(10,970)
Income tax receivable	(16,150)	(7,551)
Prepaid expenses and current other assets	4,164	5,696
Other assets	599	546
Accounts payable	(6,143)	6,445
Deferred revenue	372	(22)
Accrued expenses and other current liabilities	7,833	(5,439)
Founders advisory fees - related party (cash settled)	(53,547)	—
Other liabilities	54	(11)
Net cash used in operating activities	(70,896)	(182)
<b>Cash flows from investing activities:</b>		
Purchase of property and equipment	(1,313)	(1,674)
Purchase price adjustment under Business Combination Agreement	(1,638)	—
Purchase of businesses, net of cash acquired	—	(3,607)
Net cash used in investing activities	(2,951)	(5,281)
<b>Cash flows from financing activities:</b>		
Proceeds from exercise of warrants	529	—
Repayments of long-term debt	—	(1,403)
Net cash provided by (used in) financing activities	529	(1,403)
Effect of foreign currency on cash and cash equivalents	1,307	1,717
Net change in cash and cash equivalents	(72,011)	(5,149)
Cash and cash equivalents, beginning of period	225,554	22,478
Cash and cash equivalents, end of period	\$ 153,543	\$ 17,329
<b>Supplemental disclosures of cash flow information:</b>		
Cash paid for interest	\$ 145	\$ 7,119
Cash received for income taxes	\$ 17	\$ —
<b>Non-cash investing and financing activities:</b>		
Liability portion of founders advisory fees - related party reclassified to additional paid in capital	\$ 13,783	\$ —

*See accompanying notes to condensed consolidated financial statements*



**PERIMETER SOLUTIONS, SA AND SUBSIDIARIES**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

**1. DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION**

***Organization and General***

Perimeter Solutions, SA, (“PSSA”), a public company limited by shares (*société anonyme*) was incorporated on June 21, 2021 under the laws of the Grand Duchy of Luxembourg for the purpose of effecting a business combination. PSSA is headquartered in the Grand Duchy of Luxembourg with global operations in North America, Europe, and Asia Pacific. PSSA's ordinary shares, nominal value, \$ 1.00 per share (the “Ordinary Shares”), are listed on the New York Stock Exchange (“NYSE”) and trade under the symbol “PRM.”

***Business Combination***

On November 9, 2021 (the “Closing Date”), PSSA consummated the transactions contemplated by the business combination (the “Business Combination”) with EverArc Holdings Limited, the former parent company of PSSA (“EverArc”), SK Invictus Holdings, S.à r.l., (“SK Holdings”), SK Invictus Intermediate S.à r.l., (“SK Intermediate”), doing business under the name Perimeter Solutions (“Perimeter” or “Perimeter Solutions”) and EverArc (BVI) Merger Sub Limited, incorporated in the British Virgin Islands and a wholly-owned subsidiary of PSSA (the “Merger Sub”) pursuant to a business combination agreement (the “Business Combination Agreement”) dated June 15, 2021. The term the “Company” refers to PSSA and its consolidated subsidiaries, including SK Intermediate and Perimeter after the closing of the Business Combination (the “Closing”). Upon the acquisition of SK Intermediate, PSSA was determined to be the legal and accounting acquirer (the “Successor”) and SK Intermediate was deemed to be the accounting predecessor (the “Predecessor”).

***Business Operations***

Perimeter Solutions is a global solutions provider for the fire safety and oil additives industries. Approximately 73% of the Company's 2021 annual revenues were derived in the United States, approximately 13% in Europe, approximately 7% in Canada and approximately 2% in Mexico, 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 Oil Additives.

The Fire Safety business 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 business also offers specialized equipment and services, typically in conjunction with its fire management products, to support its customers' 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. The Company's specialized service network is designed to meet the emergency resupply needs of air tanker bases and other customer locations in North America and globally. Significant end markets primarily include government-related entities and are dependent on concessions, licenses, and permits granted by the respective governments and commercial customers around the world.

The Oil Additives business produces and sells Phosphorus Pentasulfide (“P<sub>2</sub>S<sub>5</sub>”) primarily used in the preparation of lubricant additives, including a family of compounds called Zinc Dialkyldithiophosphates (“ZDDP”) that provide anti-wear protection to engine components. P<sub>2</sub>S<sub>5</sub> is also used in pesticide and mining chemicals applications. Significant end markets are primarily producers of engine oil additives.

***Global Economic Environment***

***Russia's Invasion of Ukraine***

In February 2022, Russia invaded Ukraine. While Perimeter has limited exposure in Russia and Ukraine, the Company continues to monitor any broader impact in the global economy, including with respect to inflation, supply chains and fuel prices. The full impact of the conflict on the Company's business and financial results remains uncertain and will depend on the severity and duration of the conflict and its impact on regional and global economic conditions.

### ***Inflationary Cost Environment***

During fiscal 2021 and continuing into the current fiscal year, global commodity and labor markets experienced significant inflationary pressures attributable to economic recovery and supply chain issues associated with the ongoing COVID-19 pandemic. Perimeter is subject to inflationary pressures with respect to raw materials, labor and transportation. Accordingly, the Company continues to 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 it will be successful in fully offsetting increased costs resulting from inflationary pressure.

### ***Ongoing COVID-19 Pandemic***

The pandemic caused by an outbreak of a novel strain of coronavirus, SARS-CoV-2, which causes COVID-19 that began around December 2019 introduced significant volatility to the global health and economic environment, including millions of confirmed COVID-19 cases, business slowdowns or shutdowns, government challenges and market volatility throughout 2020 and has continued into 2022.

While the ongoing impact from the COVID-19 pandemic is beginning to moderate and business conditions ease, disruptions to supply chains, transportation efficiency, raw materials and labor availability continue to persist. The exact pace and timing of the economic recovery remains uncertain and is expected to continue to be uneven depending on factors such as trends in the number of COVID-19 infections (e.g., impact of new variants of COVID-19 resurfacing), the continued efficacy of vaccines, particularly against any newly emerging variants of COVID-19 and easing of quarantines among other factors. As the consequences of the pandemic and adverse impact to the global economy continue to evolve, the future adverse impact on the Company's business and financial statements remains subject to significant uncertainty as of the date of this filing.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND RECENT ACCOUNTING PRONOUNCEMENTS**

### **Summary of Significant Accounting Policies**

#### ***Basis of Presentation***

The accompanying unaudited condensed consolidated financial statements 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 footnotes 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 2021 Annual Report.

Perimeter Solutions is an emerging growth company ("EGC") as defined in Section 2(a) of the Securities Act of 1933, as amended (the "Securities Act"), as modified by the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act") and are eligible to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not EGC. As an EGC, the Company has elected, under Section 107(b) of the JOBS Act, to take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards.

#### ***Principles of Consolidation***

The unaudited condensed consolidated financial statements include the accounts of the Company and its subsidiaries 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 unaudited condensed consolidated financial statements include the useful lives of long-lived and intangible assets, the allowance for doubtful accounts, the fair value of financial assets and liabilities, stock options, founder advisory fees, contingent earn-out liability and realizability of deferred tax assets. Actual results could differ from those estimates.

As of March 31, 2022, the Company's significant accounting policies are consistent with those discussed in Note 2 - "Summary of Significant Accounting Policies and Recent Accounting Pronouncements" in its consolidated financial statements included in the Company's 2021 Annual Report.

### **Recently Issued Accounting Standards**

In February 2016, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") No. 2016-02, Leases (Topic 842), which will require lessees to recognize a right of use asset and a lease liability on their balance sheet for all leases, including operating leases, with a term of greater than 12 months. In July 2018, the FASB issued ASU 2018-11, which adds a transition option permitting entities to apply the provisions of the new standard at its adoption date instead of the earliest comparative period presented in the consolidated financial statements. Under this transition option, comparative reporting would not be required, and the provisions of the standard would be applied prospectively to leases in effect at the date of adoption.

The Company has determined its portfolio of leased assets and is completing its review of all related contracts to determine the impact the adoption will have on its consolidated financial statements and related disclosures. Upon adoption, the Company will recognize right of use assets and lease liabilities for certain commitments related to real estate, vehicles, and field equipment that are currently accounted for as operating leases. To track these lease arrangements and facilitate compliance with this ASU, the Company is implementing a third-party lease accounting software solution and is in the process of designing processes and internal controls.

The adoption of this ASU will increase asset and liability balances on the consolidated balance sheets due to the required recognition of right of use assets and corresponding lease liabilities and will result in changes to the Company's existing accounting policies, business processes, and internal controls. The Company plans to elect the available package practical expedients provided in the standard and adopt Topic 842 as of January 1, 2022 at December 31, 2022 on its Form 10-K for the year ending December 31, 2022, using the optional transition method provided by ASU 2018-11 and continues to assess potential effects of the standard.

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments and issued subsequent amendments to the initial guidance within ASU 2019-04, ASU 2019-05 and ASU 2019-11. The amendments require an entity to replace the incurred loss impairment methodology in current U.S. GAAP with a methodology that reflects current expected credit losses and requires consideration of a broader range of reasonable and supportable information to determine credit loss estimates. The new standard is effective for the Company for annual periods beginning after December 15, 2022. The Company expects to adopt the new standard on January 1, 2023 and continues to assess potential effects of the standard.

In March 2020, the FASB issued ASU No. 2019-12, Income Taxes (Topic 740), which simplifies the accounting for income taxes by removing certain exceptions to the general principles in ASC 740. The amendments also improve consistent application of and simplify U.S. GAAP for other areas of ASC 740 by clarifying and amending existing guidance. This guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. The Company adopted ASU 2019-12 on January 1, 2021 and the adoption of this standard did not have a material impact on its consolidated financial statements and disclosures.

In March 2020, the FASB issued ASU No. 2020-04, Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting, and in January 2021 issued ASU No. 2021-01, Reference Rate Reform (Topic 848): Scope. These ASUs provide temporary optional expedients and exceptions to existing guidance on contract modifications and hedge accounting to facilitate the market transition from existing reference rates, such as London Interbank Offered Rate ("LIBOR") which is being phased out, to alternate reference rates, such as Secured Overnight

Financing Rate ("SOFR"). These standards are elective and are effective upon issuance for all entities through December 31, 2022. The Company continues to evaluate the optional relief guidance provided within these ASUs and the impact of adopting these standards on the Company's consolidated financial statements and disclosures.

### 3. BUSINESS ACQUISITIONS

#### Successor

##### *Business Combination – Perimeter Solutions*

Pursuant to the Business Combination Agreement, EverArc entered into an escrow agreement with SK Holdings and Wilmington Trust, N.A., a national banking association, as escrow agent, which provided that approximately \$7.6 million of the cash consideration payable pursuant to the Business Combination Agreement be held in escrow pending a determination of the post-Closing purchase price adjustments under the Business Combination Agreement.

On March 3, 2022, the post-Closing purchase price adjustments under the Business Combination Agreement were finalized. Approximately \$7.6 million held in escrow was released and an additional \$1.6 million related to the difference in estimated and actual working capital as of the Closing Date was also paid to SK Holdings.

#### Predecessor

##### *Budenheim Asset Acquisition*

On March 2, 2021, the Company purchased all of the wildfire retardant and foam assets of Budenheim Iberica, S.L.U. ("Budenheim"). The asset purchase agreement provided for approximately \$3.6 million in cash to be paid at closing. The Budenheim acquisition expands the Company's access to new markets and is expected to result in additional revenue within the Fire Safety segment. The Company performed a purchase price allocation, where the Company allocated \$3.2 million to goodwill in the predecessor entity. Other amounts allocated to the individual assets and liabilities included within the balance sheet were not material.

For segment reporting purposes, the results of operations and assets from the above acquisition have been included in the Company's Fire Safety segment since the acquisition date. For the three months ended March 31, 2021, sales, earnings related to the operations consisting of the assets and liabilities and direct costs related to Budenheim were not material. Pro forma financial information has not been presented for this acquisition as the net effects were neither significant nor material to the Company's results of operations or financial position.

#### 4. BALANCE SHEET COMPONENTS

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

	March 31, 2022	December 31, 2021
<b>Inventory:</b>		
Raw materials and manufacturing supplies	\$ 41,668	\$ 34,008
Work in process	235	213
Finished goods	75,612	75,866
Total inventory	<u>\$ 117,515</u>	<u>\$ 110,087</u>
<b>Prepaid Expenses and Other Current Assets:</b>		
Advance to vendors	\$ 1,048	\$ 2,984
Prepaid insurance	5,960	8,441
Other	2,893	2,736
Total prepaid expenses and other current assets	<u>\$ 9,901</u>	<u>\$ 14,161</u>
<b>Property, Plant and Equipment:</b>		
Buildings	\$ 3,995	\$ 4,021
Leasehold improvements	2,349	2,301
Furniture and fixtures	556	558
Machinery and equipment	50,748	50,177
Vehicles	4,597	4,579
Construction in progress	2,410	1,983
Total property, plant and equipment, gross	64,655	63,619
Less: Accumulated depreciation	(3,882)	(1,372)
Total property, plant and equipment, net	<u>\$ 60,773</u>	<u>\$ 62,247</u>
<b>Accrued Expenses and Other Current Liabilities:</b>		
Accrued bonus	\$ 1,701	\$ 7,728
Accrued salaries	1,227	900
Accrued employee benefits	563	591
Accrued interest	14,317	5,341
Accrued purchases	6,487	1,930
Accrued taxes	1,699	355
Accrued construction	27	—
Other	2,521	2,180
Total accrued expenses and other current liabilities	<u>\$ 28,542</u>	<u>\$ 19,025</u>
<b>Other Non-Current Liabilities:</b>		
LaderaTech contingent earn-out	\$ 19,979	\$ 19,979
Other	2,166	2,216
Total other non-current liabilities	<u>\$ 22,145</u>	<u>\$ 22,195</u>

Depreciation expense related to property, plant and equipment for the three months ended March 31, 2022 and 2021 was \$2.5 million and \$1.9 million, respectively, substantially all of which was presented in cost of goods sold in the accompanying condensed consolidated statements of operations and comprehensive income (loss).

The Company had an allowance for doubtful accounts, included in accounts receivable, net of \$0.9 million and \$1.0 million as of March 31, 2022 and December 31, 2021, respectively.

## 5. GOODWILL AND OTHER INTANGIBLE ASSETS

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

	Fire Safety	Oil Additives	Total
Balance, December 31, 2021	\$ 867,807	\$ 173,518	\$ 1,041,325
Purchase price adjustment under Business Combination Agreement	1,638	—	1,638
Foreign currency translation	156	(839)	(683)
Balance, March 31, 2022	<u>\$ 869,601</u>	<u>\$ 172,679</u>	<u>\$ 1,042,280</u>

Intangible assets and related accumulated amortization as of March 31, 2022 and December 31, 2021 are as follows (in thousands):

	March 31, 2022				
	Estimated Useful Life (in years)	Gross Value	Foreign Currency Translation	Accumulated Amortization	Net Book Value
<b>Definite Lived Intangible Assets:</b>					
Technology and patents	20	\$ 250,000	\$ (1,084)	\$ (4,908)	\$ 244,008
Customer lists	20	761,000	(2,132)	(14,966)	743,902
Tradenames	20	101,000	(270)	(1,986)	98,744
Balance, March 31, 2022		<u>\$ 1,112,000</u>	<u>\$ (3,486)</u>	<u>\$ (21,860)</u>	<u>\$ 1,086,654</u>

	December 31, 2021				
	Estimated Useful Life (in years)	Gross Value	Foreign Currency Translation	Accumulated Amortization	Net Book Value
<b>Definite Lived Intangible Assets:</b>					
Technology and patents	20	\$ 250,000	\$ (836)	\$ (1,796)	\$ 247,368
Customer lists	20	761,000	(2,059)	(5,482)	753,459
Tradenames	20	101,000	(268)	(727)	100,005
Balance, December 31, 2021		<u>\$ 1,112,000</u>	<u>\$ (3,163)</u>	<u>\$ (8,005)</u>	<u>\$ 1,100,832</u>

Amortization expense for definite-lived intangible assets for the three months ended March 31, 2022 and 2021 was \$3.9 million and \$13.2 million, respectively.

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

2022 remaining	\$ 41,700
2023	55,600
2024	55,600
2025	55,600
2026	55,600
Thereafter	822,554
Total	<u>\$ 1,086,654</u>

## 6. LONG-TERM DEBT AND REDEEMABLE PREFERRED SHARES

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

	March 31, 2022	December 31, 2021
Senior Notes	\$ 675,000	\$ 675,000
Less: unamortized debt issuance costs	(10,590)	(10,872)
Long-term debt	\$ 664,410	\$ 664,128

### Successor

#### *Revolving Credit Facility*

On November 9, 2021, SK Invictus Intermediate II S.à r.l., a private limited liability company governed by the laws of the Grand Duchy of Luxembourg ("SK Intermediate II"), as borrower, 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 \$0.0 million swingline sub-facility and a \$25.0 million letter of credit sub-facility. The Revolving Credit Facility allows SK Intermediate II 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.

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% 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 SK Intermediate II's 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 SK Intermediate II's 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 were \$2.3 million, which is carried as a long-term asset in the accompanying condensed consolidated balance sheets and is 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 income (loss).

As of March 31, 2022, the Company did not have any outstanding borrowings under the Revolving Credit Facility and was in compliance with all covenants, including the financial covenants.

#### *Senior Notes*

On the Closing Date, SK Intermediate II assumed \$675.0 million principal amount of 5.00% senior secured notes due October 30, 2029 ("Senior Notes") issued by EverArc Escrow S.à r.l. ("Escrow Issuer"), a newly-formed limited liability company governed by the laws of the Grand Duchy of Luxembourg and a wholly owned subsidiary of EverArc 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, commencing on April 30, 2022.

The Senior Notes are general, secured, senior obligations of SK Intermediate II; rank equally in right of payment with all existing and future senior indebtedness of SK Intermediate II (including, without limitation, the Revolving Credit Facility); and together with the Revolving Credit Facility, are effectively senior to all existing and future indebtedness of

SK Intermediate II 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 SK Intermediate II's existing or future restricted subsidiaries (other than certain excluded subsidiaries) that guarantee the Revolving Credit Facility. The Senior Notes contain certain covenants limiting SK Intermediate II's 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 SK Intermediate II's 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.

Deferred financing costs incurred in connection with securing the Senior Notes were \$1.0 million, which were capitalized and will be 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 income (loss). 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 Shares***

In connection with the Business Combination, the Company issued 10 million redeemable preferred shares of PSSA ("Redeemable Preferred Shares"), nominal value \$10 per share, valued at \$100.0 million. The Redeemable Preferred Shares are entitled to a preferred annual cumulative right to a dividend equal to 6.50% of its nominal value. The preferred dividend will generally be paid 40.00% in cash and 60.00% in kind each year within three business days following the Company's annual general meeting. Holders of the Redeemable Preferred Shares generally have no voting rights.

The Company, under its articles of association (the "Articles") is mandatorily required to redeem the Redeemable Preferred Shares 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 Redeemable Preferred Shares or (iii) upon the occurrence of a change of control, as defined in the Company's Articles. Due to the fact that the Redeemable Preferred Shares are mandatorily redeemable, the Redeemable Preferred Shares are classified as a liability in the accompanying unaudited condensed consolidated balance sheets, and \$1.6 million of dividends on these Redeemable Preferred Shares for the three months ended March 31, 2022 is recorded as interest expense in the accompanying unaudited condensed consolidated statements of operations and comprehensive income (loss). At March 31, 2022, \$1.5 million of preferred dividends were in arrears.

The Redeemable Preferred Shares have an aggregate liquidation preference of \$100.0 million, plus any accrued and unpaid dividends thereon and is senior to the Ordinary Shares with respect to dividends and with respect to dissolution, liquidation or winding up of the Company. At March 31, 2022, the redemption price was \$101.5 million.

#### ***Predecessor***

On March 28, 2018, Invictus U.S., LLC and SK Intermediate II, two wholly owned subsidiaries of SK Intermediate, entered into credit agreements providing for committed credit facilities of \$815.0 million, a substantial portion of which was used to fund the acquisition of the Company's assets.

Pursuant to the credit agreements, the Company's First Lien Credit Facility (the "First Lien") consisted of a \$545.0 million U.S. dollar term loan with a maturity of March 28, 2025, a multicurrency revolving credit facility (the "Revolver"), and a \$16.0 million extension on the original term loan. The Second Lien Credit Facility (the "Second Lien") consisted of a \$155.0 million U.S. dollar term loan with a maturity of March 28, 2026. The Revolver provided for maximum borrowings of \$100.0 million with a maturity of March 28, 2023. Interest was based on the same terms as the First Lien and was subject to a 0.50% unused commitment fee. The Revolver also contained a \$10.0 million standby letter of credit sub-facility and a \$10.0 million swing line sub-facility.

On the Closing Date, \$541.5 million outstanding under the First Lien and \$155.0 million outstanding under the Second Lien were repaid and the related unamortized debt issue costs of \$11.0 million was charged to interest expense.



## 7. 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 for the three months ended March 31, 2022 and 2021 was (37.10)% and 22.51%, respectively. 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 be benefited in certain jurisdictions that have 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 March 31, 2022 and 2021 primarily relates to net operating loss and interest deduction limitation 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. The Company did not have any uncertain tax benefits as of March 31, 2022 and 2021. As of March 31, 2022 and 2021, the Company had no accrued interest or penalties related to uncertain tax positions and no amounts had been recognized in the accompanying condensed consolidated statement of operations and comprehensive income (loss).

The Company files income tax returns in Luxembourg, U.S. federal and state jurisdictions, and other foreign jurisdictions. As of March 31, 2022, tax years 2018 through 2020 are subject to examination by the tax authorities in the U.S. The Alberta, Canada audit concluded as of January 12, 2022 and no material adjustments were identified.

## 8. 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 has a supply agreement to purchase elemental phosphorus (P4) from a supplier through 2023. The contract price is tied to the contract year cost times a multiplier, subject to a market-driven benchmark price adjustment, which is generally settled once per year. The Company did not purchase the anticipated minimum pounds of P4 for the three months ended March 31, 2022 and 2021. However, the Company has no obligation to record a liability, as there is no financial penalty owed to the vendor. Costs incurred under this supply agreement were \$14.0 million and \$9.1 million for the three months ended March 31, 2022 and 2021, respectively.

### Leases

The Company leases facilities and other machinery and equipment under long-term noncancelable operating leases through August 14, 2037. As of March 31, 2022, the future minimum rental payments required by the long-term noncancelable operating leases are as follows (in thousands):

	<b>Amount</b>
Remainder of 2022	\$ 3,020
2023	3,155
2024	2,387
2025	2,062
2026	1,954
Thereafter	3,102
<b>Total</b>	<b>\$ 15,680</b>

Minimum rental payments under operating leases are recognized on a straight-line basis over the term of the lease including any periods of free rent. Rent expense for operating leases for the three months ended March 31, 2022 and 2021 was \$1.0 million and \$0.7 million, respectively, of which \$0.9 million and \$0.6 million, respectively, was presented in cost of goods sold and \$0.1 million and \$0.1 million, respectively, was presented in selling, general, and administrative in the accompanying condensed consolidated statements of operations and comprehensive income (loss).

### 9. EQUITY

The Company's authorized share capital is \$4,100.0 million, consisting of 4.0 billion Ordinary Shares with a nominal value of \$1.00 per share and 10.0 million Redeemable Preferred Shares with a nominal value of \$10.00 per share. Each Ordinary Share entitles the holder thereof to one vote.

Due to the fact that the Redeemable Preferred Shares are mandatorily redeemable, the Redeemable Preferred Shares are classified as a liability on the accompanying unaudited condensed consolidated balance sheets.

As of March 31, 2022, there were 163,234,542 Ordinary Shares, 33,843,440 warrants and 10,000,000 Redeemable Preferred Shares issued and outstanding and the Company had not made any repurchases under its share repurchase plan.

### 10. SHARE-BASED COMPENSATION AND EMPLOYEE BENEFIT PLANS

#### 2021 Equity Plan

In connection with the Business Combination, the Company's board of directors adopted, and its shareholders approved, the 2021 Equity Incentive Plan (the "2021 Equity Plan"). A total of 31,900,000 Ordinary Shares are authorized and reserved for issuance under 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 Ordinary Shares. 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 three months ended March 31, 2022, the Company granted 175,000 performance-based non-qualified stock options ("PBNQSO") that vest based on the achievement of certain performance goals for fiscal years 2022-2026 (the "5-Year Option") to its independent directors under the 2021 Equity Plan. As of March 31, 2022 there were 8,938,754 PBNQSO's outstanding. The exercise prices of these PBNQSOs ranged from \$10.00 to \$14.00 per Ordinary Share and expire ten years from the grant date.

Non-cash share-based compensation expense recognized by the Company for the three months ended March 31, 2022 was \$5.7 million. Compensation expense is recognized based upon probability assessments of PBNQSOs 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 estimate. As of March 31, 2022, there was approximately \$45.4 million of total

unrecognized compensation expense related to non-vested PBNQSOs expected to vest, which is expected to be recognized over a weighted-average period of 2.1 years.

### ***Founder Advisory Amounts***

Upon consummation of the Business Combination, 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"), which is owned and operated by William N. Thorndike, Jr., W. Nicholas Howley, Tracy Britt Cool, Vivek Raj and Haitham Khouri ("EverArc Founders"), 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.

The Variable Annual Advisory Amount for each year through December 31, 2031 is based on the appreciation of the market price of Ordinary 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. The Fixed Annual Advisory Amount will be equal to 2,357,061 Ordinary Shares (1.5% of 157,137,410 Ordinary Shares outstanding) for each year through December 31, 2027 and valued using the period end volume weighted average closing share price for ten consecutive trading days of Ordinary Shares. Because up to 50% of the aggregate shares could be settled through a cash payment, 50% are classified as a liability and the remaining 50% is 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 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 March 31, 2022, the fair value of the Variable Annual Advisory Amount was determined to be \$308.0 million using a Monte Carlo simulation model and the fair value of the Fixed Annual Advisory Amount was calculated to be \$ 169.2 million based on the period end volume weighted average closing share price for ten consecutive trading days of Ordinary Shares of \$11.97.

For the three months ended March 31, 2022, the Company recognized a reduction in share-based compensation expense related to a decrease in fair value for liability-classified Advisory Amounts of \$59.8 million.

## **11. FAIR VALUE MEASUREMENTS**

### ***Fair Value Measurement***

The carrying value of cash and cash equivalents, 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 accrues 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 Senior Notes and Redeemable Preferred Shares also approximates fair value.

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 tables set forth the Company's liabilities that were measured at fair value on a recurring basis, by level, within the fair value hierarchy as of March 31, 2022 and December 31, 2021 (in thousands):

March 31, 2022	Fair Value Measurements Using:			Total
	Level 1	Level 2	Level 3	
<b>Liabilities:</b>				
Founders advisory fees payable - related party	\$ 84,626	\$ —	\$ 153,986	\$ 238,612
LaderaTech contingent earn-out included in other liabilities, non-current	—	—	19,979	19,979
Total liabilities	\$ 84,626	\$ —	\$ 173,965	\$ 258,591
<b>December 31, 2021</b>				
<b>Liabilities:</b>				
Founders advisory fees payable - related party	\$ 114,276	\$ —	\$ 251,513	\$ 365,789
LaderaTech contingent earn-out included in other liabilities, non-current	—	—	19,979	19,979
Total liabilities	\$ 114,276	\$ —	\$ 271,492	\$ 385,768

At March 31, 2022 and December 31, 2021, the fair value of the contingent earn-out related to the May 2020 purchase of LaderaTech, Inc. ("LaderaTech") is measured on a recurring basis using Level 3 fair value inputs. The earn-out is based on 20% of gross profits upon achieving a revenue threshold exceeding \$5.0 million through December 31, 2026 and is valued using a Monte Carlo simulation model. Significant changes in the projected revenue, projected gross margin, or discount rate would have a material impact on the fair value of the contingent consideration.

There were no material adjustments to the Company's estimated fair value of contingent earn-out as of March 31, 2022 as post-acquisition activity has remained in line with the Company's initial projections for developing the technology. See Note 10, "Share-Based Compensation" for discussion of the fair value estimation on the founders advisory fees payable - related party.

**Changes in Level 3 Liabilities**

The reconciliations for all liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) are as follows (in thousands):

<b>For the three months ended March 31, 2022:</b>	<b>Founders Advisory Fees Payable - Related Party</b>	<b>LaderaTech Contingent Earn-out</b>
<b>Successor</b>		
Fair value, beginning of period	\$ 251,513	\$ 19,979
Settlements	(40,776)	—
Reclassification from liability to equity	(10,495)	—
Change in fair value	(46,256)	—
Fair value, end of period	\$ 153,986	\$ 19,979
<b>For the three months ended March 31, 2021:</b>		
<b>Predecessor</b>		
Fair value, beginning of period		\$ 19,816
Fair value, end of period		\$ 19,816

The fair value of the LaderaTech contingent earn-out during the three months ended March 31, 2021 also included a contingency payment for the acquired technology being listed on the USDA Forest Service's Qualified Product List

("QPL"). The QPL payment was also measured on a recurring basis using Level 3 fair value inputs and was valued using a scenario-based method with inputs based upon the probability and timing of achieving the QPL listing. The Company made the QPL payment of \$3.0 million in the fourth quarter of 2021. As of March 31, 2021, the contingent earn-out had an estimated fair value of \$17.0 million and the QPL was valued at \$2.8 million.

## 12. RELATED PARTIES

### *Successor*

On November 9, 2021, in connection with the consummation of the Business Combination, the Company, EverArc and the EverArc Founder Entity entered into an Assignment and Assumption Agreement (the "Founder Assignment Agreement") pursuant to which the Company assumed, and agreed to pay, perform, satisfy and discharge in full, all of EverArc's liabilities and obligations under the Founder Advisory Agreement.

In exchange for the services provided to the Company, including strategic and capital allocation advice, the EverArc Founder Entity is entitled to receive both the Variable Annual Advisory Amount and the Fixed Annual Advisory Amount from the Company.

The Variable Annual Advisory Amount for each year through December 31, 2031 is based on the appreciation of the market price of Ordinary 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. The Fixed Annual Advisory Amount will be equal to 2,357,061 Ordinary Shares (1.5% of 157,137,410 Ordinary Shares outstanding) for each year through December 31, 2027 and valued using the period end volume weighted average closing share price for ten consecutive trading days of Ordinary Shares.

For 2021, the average price was \$13.63 per Ordinary Share, resulting in a total Variable Annual Advisory Amount for 2021 of 7,525,906 Ordinary Shares, or a value of \$102.5 million (the "2021 Variable Amount"). The EverArc Founder Entity also received the Fixed Annual Advisory Amount which was equal to 1.5% of 157,137,410 Ordinary Shares outstanding on the Closing Date: 2,357,061 Ordinary Shares or a value of \$32.1 million, based on average price of \$13.63 per Ordinary Share (the "2021 Fixed Amount" and together with the 2021 Variable Amount, the "2021 Advisory Amounts"). Per the Founder Advisory Agreement, the EverArc Founder Entity elected to receive approximately 60% of the 2021 Advisory Amounts in Ordinary Shares (5,952,992 Ordinary Shares) and approximately 40% of the Advisory Amounts in cash (\$53.5 million). The 2021 Advisory Amounts of \$134.7 million was disbursed, 60% in Ordinary Shares and 40% in cash, to the EverArc Founder Entity on February 15, 2022.

As of March 31, 2022, the Company used a Monte Carlo simulation model to calculate the fair value of the Variable Annual Advisory Amount. The Company calculated the fair value of the Fixed Annual Advisory Amounts using the period end volume weighted average closing share price of Ordinary Shares for ten consecutive trading days. These approaches resulted in fair values of \$308.0 million for the Variable Annual Advisory Amount and \$ 169.2 million for the Fixed Annual Advisory Amount, of which 50% may be paid in cash and recorded as a liability and the remaining 50% would be settled in Ordinary Shares. While the entire instrument is subject to the fair value calculation described above, the amount classified and recorded as equity remains consistent while the amount classified and recorded as a liability is updated each period. For the three months ended March 31, 2022, the Company recognized a reduction in share-based compensation expense related to a decrease in fair value for liability-classified Advisory Amounts of \$59.8 million.

The Company continues to have a purchase and sales agreement with the former owners of the original Invictus business (the "Sellers") for specific raw materials. During the three months ended March 31, 2022, the Company purchased \$0.4 million from the Sellers in the ordinary course of business. Additionally, during the three months ended March 31, 2022, the Company sold raw materials at cost of \$5.6 million to the Sellers and paid \$0.1 million to lease real property from the sellers of First Response FireRescue, LLC, River City Fabrication, LLC, and H&S Transport, LLC (collectively, "Ironman").

### *Predecessor*

During the three months ended March 31, 2021, the Company purchased \$0.2 million from the Sellers in the ordinary course of business. Additionally, during the three months ended March 31, 2021, the Company sold raw materials at cost of \$1.3 million to the Sellers. Sales of raw materials are recorded net as "the agent" since the Company does not have the following: a) primary responsibility for fulfilling the promise to provide the specified good, b) inventory risk before the

specified good is transferred to the customer, or c) discretion in establishing the prices for the specified good. This related party transaction is not at arm's length.

SK Capital Partners IV-A, L.P. and SK Capital Partners IV-A, L.P. (collectively, the "Sponsor") provided board oversight, operational and strategic support, and assistance with business development in return for a quarterly management fee. For the three months ended March 31, 2021 total management consulting fees and expenses were \$0.3 million and are presented in other operating expenses in the accompanying condensed consolidated statements of operations and comprehensive income (loss).

The Company entered into multiple lease arrangements for real property with the sellers of Ironman in 2020 that the Company continues to occupy post-acquisition. The Company paid \$0.1 million in rent and related expenses during the three months ended March 31, 2021.

### 13. REVENUE RECOGNITION

#### *Disaggregation of revenues*

Amounts recognized at a point in time primarily relate to products sold whereas amounts recognized over time primarily relate to services associated with the full-service retardant contracts. Revenues for the three months ended March 31, 2022 and 2021 are as follows (in thousands):

	<b>Successor</b>	<b>Predecessor</b>
	<b>Three Months Ended March 31, 2022</b>	<b>Three Months Ended March 31, 2021</b>
Revenues from products	\$ 55,594	\$ 33,454
Revenues from services	1,592	116
Other revenues	572	355
Total net sales	<u>\$ 57,758</u>	<u>\$ 33,925</u>

### 14. EARNING PER SHARE

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

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

	Successor	Predecessor
	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
Net income (loss)	\$ 37,811	\$ (18,529)
<b>Weighted-average shares outstanding:</b>		
Weighted average shares used in computing earning (loss) per share, basic	160,251,199	53,045,510
Founders advisory fees	14,142,366	—
Ordinary Shares equivalent of warrants	383,667	—
Weighted average shares used in computing earning (loss) per share, diluted	174,777,232	53,045,510
<b>Basic earning (loss) per share</b>	<b>\$ 0.24</b>	<b>\$ (0.35)</b>
<b>Diluted earning (loss) per share</b>	<b>\$ 0.22</b>	<b>\$ (0.35)</b>

As of March 31, 2022, 8.9 million PBNQSOs and 24.5 million Ordinary Shares issuable under the Founder Advisory Agreement were excluded from the diluted earning per share calculation as the contingencies related to such instruments had not been met. In addition, 8.1 million Ordinary Shares equivalent warrants were excluded from the diluted earning per share calculation as their effect would have been anti-dilutive.

## 15. SEGMENT INFORMATION

The Company's products and operations are managed and reported in two operating segments: Fire Safety and Oil Additives.

The Fire Safety segment manufactures and sells fire retardant and firefighting foam products, as well as specialized equipment and services typically offered in conjunction with these retardant and foam products.

The Oil Additives segment produces P<sub>2</sub>S<sub>5</sub> primarily used in the preparation of lubricant additives, including a family of compounds called ZDDP, which is considered an essential component in the formulation of engine oils – its main function is to provide anti-wear protection to engine components.

Interest income, interest expense, other income (expense) and certain corporate operating expenses are neither allocated to the segments nor included in the measures of segment performance by the chief operating decision-maker ("CODM"). The corporate category is not considered to be a segment. The CODM is the Company's CEO.

The Company's CODM uses the segment net sales and Adjusted EBITDA to assess the ongoing performance of the Company's business segments and to allocate resources. The Company defines Adjusted EBITDA as earnings before interest, taxes, depreciation and amortization, as adjusted on a consistent basis for certain non-recurring or unusual items in a balanced manner and on a segment basis. These non-recurring or unusual items may include acquisition and integration related costs, management fees and other non-recurring items.

Information related to net sales, Adjusted EBITDA, depreciation and amortization, assets and capital expenditures of the Company's operations are summarized below (in thousands):

	<b>Successor</b>	<b>Predecessor</b>
	<b>Three Months Ended March 31, 2022</b>	<b>Three Months Ended March 31, 2021</b>
<b>Net sales:</b>		
Fire safety	\$ 18,470	\$ 7,650
Oil additives	39,288	26,275
Total	<u>\$ 57,758</u>	<u>\$ 33,925</u>
<b>Adjusted EBITDA:</b>		
Fire safety	\$ (3,334)	\$ (4,646)
Oil additives	15,311	7,756
Total segment Adjusted EBITDA	11,977	3,110
Income tax (expense) benefit	10,232	5,383
Depreciation and amortization	16,371	15,146
Interest and financing expense	10,496	7,851
Founders advisory fees - related party	(59,848)	—
Transaction expenses	1,476	290
Share-based compensation expense	5,724	—
Non-cash purchase accounting impact	9,299	—
Management fees	—	312
Contingent future payments	—	625
Unrealized foreign currency loss (gain)	880	2,798
Net income (loss)	<u>\$ 37,811</u>	<u>\$ (18,529)</u>
<b>Depreciation and amortization:</b>		
Fire safety	\$ 12,778	\$ 10,738
Oil additives	3,593	4,408
Total	<u>\$ 16,371</u>	<u>\$ 15,146</u>
<b>Capital expenditures:</b>		
Fire safety	\$ 495	\$ 534
Oil additives	818	1,140
Total	<u>\$ 1,313</u>	<u>\$ 1,674</u>
	<b>March 31, 2022</b>	<b>December 31, 2021</b>
<b>Assets:</b>		
Fire safety	\$ 2,053,133	\$ 2,114,812
Oil additives	470,463	466,748
Total	<u>\$ 2,523,596</u>	<u>\$ 2,581,560</u>

Net sales by geographical area are as follows (in thousands):

	<b>Successor</b>	<b>Predecessor</b>
	<b>Three Months Ended March 31, 2022</b>	<b>Three Months Ended March 31, 2021</b>
United States	56 %	64 %
International sales <sup>1</sup>	44	36
Total net sales	<u>100 %</u>	<u>100 %</u>

1. Except for Belgium, which represented 10% and 11% of net sales for the three months ended March 31, 2022 and 2021, respectively, the Company had no other operations in any individual international country that represented 10% or more of net sales.



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

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
United States	\$ 36,541	\$ 37,159
Canada	3,374	3,512
Germany	16,440	17,199
Other foreign jurisdictions	4,418	4,377
Total property, plant and equipment, net	<u>\$ 60,773</u>	<u>\$ 62,247</u>

## 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 March 31, 2022 (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 2021 Annual Report and Part II, "Item 1A. Risk Factors" in this Quarterly 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. Such factors may be amplified by the COVID-19 pandemic and its potential impact on our business and the global economy.*

### Overview

Perimeter Solutions, S.A. ("PSSA"), a public company limited by shares (*société anonyme*) was incorporated on June 21, 2021 under the laws of the Grand Duchy of Luxembourg for the purpose of effecting a business combination. PSSA is headquartered in the Grand Duchy of Luxembourg with global operations in North America, Europe, and Asia Pacific. PSSA's ordinary shares, nominal value, \$1.00 per share (the "Ordinary Shares"), are listed on New York Stock Exchange ("NYSE") and trade under the symbol "PRM."

On November 9, 2021 (the "Closing Date"), PSSA consummated the transactions contemplated by the business combination (the "Business Combination") with EverArc Holdings Limited, the former parent company of PSSA ("EverArc"), SK Invictus Holdings, S.à r.l., ("SK Holdings"), SK Invictus Intermediate S.à r.l., ("SK Intermediate"), doing business under the name Perimeter Solutions ("Perimeter" or "Perimeter Solutions") and EverArc (BVI) Merger Sub Limited, incorporated in the British Virgin Islands and a wholly-owned subsidiary of PSSA (the "Merger Sub") pursuant to a business combination agreement (the "Business Combination Agreement") dated June 15, 2021. The term the "Company" refers to PSSA and its consolidated subsidiaries, including SK Intermediate and Perimeter, after the closing of the Business Combination (the "Closing"). Upon the acquisition of SK Intermediate, PSSA was determined to be the legal and accounting acquirer (the "Successor") and SK Intermediate was deemed to be the accounting predecessor (the "Predecessor").

We are a global solutions provider for the fire safety and oil additives industries. Approximately 73% of our 2021 annual revenues were derived in the United States, approximately 13% in Europe, approximately 7% in Canada and approximately 2% in Mexico, with the remaining approximately 5% spread across various other countries. Our business is organized and managed in two reporting segments: Fire Safety and Oil Additives.

The Fire Safety business is a formulator and manufacturer of fire management products that help our customers combat various types of fires, including wildland, structural, flammable liquids and other types of fires. Our Fire Safety business also offers specialized equipment and services, typically in conjunction with its fire management products, to support its customers' firefighting operations. Our specialized equipment includes air base retardant storage, mixing, and delivery equipment; mobile retardant bases; retardant ground application units; mobile foam equipment; and equipment that we custom design and manufacture to meet specific customer needs. Our service network can meet the emergency resupply needs of over 150 air tanker bases in North America, as well as many other customer locations globally. The segment is built on the premise of superior technology, exceptional responsiveness to our customers' needs, and a "never-fail" service network. Significant end markets primarily include government-related entities and are dependent on concessions, licenses, and permits granted by the respective governments and commercial customers around the world.

The Oil Additives business produces and sells Phosphorus Pentasulfide ("P<sub>2</sub>S<sub>5</sub>") primarily used in the preparation of lubricant additives, including a family of compounds called Zinc Dialkyldithiophosphates ("ZDDP") that provide anti-wear protection to engine components. In addition, they inhibit oxidation of the oil by scavenging free radicals that initiate oil breakdown and sludge formulation, resulting in better and longer engine function. P<sub>2</sub>S<sub>5</sub> is also used in pesticide and mining chemicals applications. Significant end markets are primarily producers of engine oil additives.

## **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 and longer fire seasons, a growing wildland urban interface, and increasing airtanker capacity. We believe that these trends are prevalent in North America, as well as globally.

We are also attempting to grow our fire prevention and protection business, which is primarily focused on high hazard industries like electrical utilities, railroads and transportation agencies. 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. Treating these areas ahead of the fire season can potentially stop ignitions from equipment failures or sparks. Our new Phos-Chek Fortify product, applied before or early in the fire season, can provide protection all season. In addition, Phos-Chek Fortify can proactively be applied to protect high value assets and critical infrastructure from the danger of wildfire.

We expect these trends to continue for the remainder of 2022 and beyond and drive growth in demand for fire retardant products. We have invested and intend to continue investing in the expansion our fire safety business through acquisitions in order to further grow our global customer base. Acquisitions for all periods presented are described in Note 3, "Business Acquisitions," in the notes to the condensed consolidated financial statements included in this Quarterly Report.

### ***Weather Conditions and Climate Trends***

Our business is highly dependent on the needs of government agencies to suppress fires. As such, 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 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.

Fire severity in the United States increased significantly in 2021 and 2020, compared to 2019. This resulted in increased net sales in each of 2021 and 2020 compared to 2019, which experienced low fire activity due to cold and wet conditions in the key geographic regions, particularly the Western United States.

## ***Global Economic Environment***

### ***Russia's Invasion of Ukraine***

In February 2022, Russia invaded Ukraine. While we have limited exposure in Russia and Ukraine, we continue to monitor any broader impact in the global economy, including with respect to inflation, supply chains and fuel prices. The full impact of the conflict on our business and financial results remains uncertain and will depend on the severity and duration of the conflict and its impact on regional and global economic conditions.

### ***Inflationary Cost Environment***

During fiscal 2021 and continuing into the current fiscal year, global commodity and labor markets experienced significant inflationary pressures attributable to economic recovery and supply chain issues associated with the ongoing COVID-19 pandemic. We are subject to inflationary pressures with respect to raw materials, labor and transportation. Accordingly, we continue to take actions with our 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, we cannot provide assurance that it will be successful in fully offsetting increased costs resulting from inflationary pressure.

### ***Ongoing COVID-19 Pandemic***

The pandemic caused by an outbreak of a novel strain of coronavirus, SARS-CoV-2, which causes COVID-19 that began around December 2019 introduced significant volatility to the global health and economic environment, including

millions of confirmed COVID-19 cases, business slowdowns or shutdowns, government challenges and market volatility throughout 2020 and has continued into 2022.

While the ongoing impact from the COVID-19 pandemic is beginning to moderate and business conditions ease, disruptions to supply chains, transportation efficiency, raw materials and labor availability continue to persist. The exact pace and timing of the economic recovery remains uncertain and is expected to continue to be uneven depending on factors such as trends in the number of COVID-19 infections (e.g., impact of new variants of COVID-19 resurfacing), the continued efficacy of vaccines, particularly against any newly emerging variants of COVID-19 and easing of quarantines among other factors. As the consequences of the pandemic and adverse impact to the global economy continue to evolve, the future adverse impact on our business and financial statements remains subject to significant uncertainty as of the date of this filing.

## Results of Operations

### Three Months Ended March 31, 2022 Compared to the Three Months Ended March 31, 2021

#### Total Company

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

	Successor	Predecessor	Change	
	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021	\$	%
Net sales	\$ 57,758	\$ 33,925	\$ 23,833	70 %
Cost of goods sold	44,627	24,974	19,653	79 %
Gross profit	13,131	8,951	4,180	47 %
Operating expenses				
Selling, general and administrative expense	19,808	8,927	10,881	122 %
Amortization expense	13,855	13,249	606	5 %
Founders advisory fees - related party	(59,848)	—	(59,848)	— %
Other operating expense	196	312	(116)	(37 %)
Total operating expenses	(25,989)	22,488	(48,477)	(216 %)
Operating income (loss)	39,120	(13,537)	52,657	(389 %)
Other expense (income):				
Interest expense, net	10,496	7,851	2,645	34 %
Unrealized foreign currency loss	880	2,798	(1,918)	(69 %)
Other expense (income), net	165	(274)	439	(160 %)
Total other expense, net	11,541	10,375	1,166	11 %
Income (loss) before income taxes	27,579	(23,912)	51,491	(215 %)
Income tax benefit	10,232	5,383	4,849	90 %
Net income (loss)	\$ 37,811	\$ (18,529)	\$ 56,340	(304 %)

*Net Sales.* Net sales increased by \$23.8 million for the three months ended March 31, 2022 compared to the same period in 2021. The growth in net sales was primarily due to \$13.0 million higher sales generated by the Oil Additives segment, of which \$8.5 million was in the Americas and \$4.5 million was in Europe. Net sales in the Fire Safety segment increased by \$10.8 million, with sales of fire retardants and fire suppressants contributing \$5.5 million and \$5.3 million, respectively. Fire retardant sales increased by \$3.3 million in the Americas and \$2.4 million in Asia Pacific due to increased wildfire activity, offset by a \$0.2 million decrease in Europe due to decreased wildfire activity. Fire suppressant sales increased \$0.7 million in the Americas and \$1.5 million in Asia Pacific as a result of higher fluorine free foam concentrates sales. Fire suppressant sales in Europe increased by \$3.1 million primarily due to improved market share and geographic reach.

*Cost of Goods Sold.* Cost of goods sold increased by \$19.7 million for the three months ended March 31, 2022 compared to the same period in 2021. The increase was primarily as a result of a \$15.8 million increase in the Fire Safety segment due to an increase of \$9.3 million in amortization of inventory step-up related to Business Combination, \$4.4

million related to increased net sales and raw material and manufacturing costs and \$2.1 million in labor and share-based compensation expense. The \$3.9 million increase in the Oil Additives segment was due to a \$3.4 million increase related to increased net sales and raw material and manufacturing costs and a \$0.5 million increase in labor and share-based compensation expense.

*Selling, General and Administrative Expense.* Selling, general and administrative expense increased by \$10.9 million for the three months ended March 31, 2022 compared to the same period in 2021. The increase was primarily driven by a \$5.8 million increase in personnel related and share-based compensation expenses, \$1.6 million increase in insurance costs, \$1.4 million increase in logistics expenses, \$1.2 million increase in transaction costs and \$0.9 million increase in accounting, legal and consulting expenses.

*Founder advisory fees - related party.* The reduction in founder advisory fees - related party of \$59.8 million represents a decrease in the fair value of the liability-classified variable and fixed annual advisory amounts as of March 31, 2022, including a \$46.2 million reduction relating to the decrease in the fair value of the variable annual advisory amount and a \$13.6 million reduction relating to the decrease in the fair value of the fixed annual advisory amount. The variable annual advisory amount at the end of each reporting period is valued using a Monte Carlo simulation model and the fixed annual advisory amount is valued using a period end volume weighted average closing share price of Ordinary Shares for ten consecutive trading days.

*Interest Expense.* Interest expense increased by \$2.6 million for the three months ended March 31, 2022 compared to the same period in 2021. The increase was primarily due to dividends on the 6.50% redeemable preferred shares of PSSA ("Redeemable Preferred Shares") of \$1.6 million, included in interest expense, and higher interest rates on outstanding debt compared to the same period in 2021.

*Unrealized Foreign Currency Loss.* Unrealized foreign currency loss decreased by \$1.9 million for the three months ended March 31, 2022 compared to the same period in 2021. The decrease was primarily due to favorable foreign currency rate changes during the three months ended March 31, 2022 compared to the same period in 2021.

*Income Tax Benefit.* Income tax benefit increased by \$4.8 million for the three months ended March 31, 2022 compared to the same period in 2021. The increase is due primarily 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**

We use segment net sales and adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"), financial measures that are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), to evaluate our operating performance by segment, for business planning purposes and to allocate resources. The total segment Adjusted EBITDA in the table below represents a non-GAAP measure and provides management, investors and analysts with comparative information for evaluating the Company in relation to other similar companies providing corresponding non-U.S. GAAP financial measures or that have different financing and capital structures or tax rates. The following table provides information for our net sales and Adjusted EBITDA (in thousands):

	Successor				Predecessor		
	Three Months Ended March 31, 2022				Three Months Ended March 31, 2021		
	Fire Safety	Oil Additives	Corporate	Total	Fire Safety	Oil Additives	Total
Net sales	\$ 18,470	\$ 39,288	\$ —	\$ 57,758	\$ 7,650	\$ 26,275	\$ 33,925
Income (loss) before income taxes	\$ (38,425)	\$ 7,889	\$ 58,115	\$ 27,579	\$ (24,412)	\$ 500	\$ (23,912)
Depreciation and amortization	12,778	3,593	—	16,371	10,738	4,408	15,146
Interest and financing expense	8,395	468	1,633	10,496	7,175	676	7,851
Founders advisory fees - related party	—	—	(59,848)	(59,848)	—	—	—
Transaction expenses <sup>1</sup>	925	551	—	1,476	290	—	290
Share-based compensation expense	3,630	1,994	100	5,724	—	—	—
Non-cash purchase accounting impact <sup>2</sup>	9,299	—	—	9,299	—	—	—
Management fees <sup>3</sup>	—	—	—	—	312	—	312
Contingent future payments <sup>4</sup>	—	—	—	—	625	—	625
Unrealized foreign currency loss	64	816	—	880	626	2,172	2,798
Adjusted EBITDA	\$ (3,334)	\$ 15,311	\$ —	\$ 11,977	\$ (4,646)	\$ 7,756	\$ 3,110

(1) Adjustment to reflect non-recurring professional fees and financing costs incurred related to business combination with Perimeter Solutions.

(2) Represents the non-cash impact of purchase accounting on the cost of inventory sold. The inventory acquired received a purchase accounting step-up in basis, which is a non-cash adjustment to the cost.

(3) Adjustment to reflect fees pertaining to services provided by SK Capital Partners IV-A, L.P. and SK Capital Partners IV-B, L.P. (collectively, the Sponsor) when acting in a management capacity on strategic and other non-operational matters which do not represent expenses incurred in the normal course of our operations.

(4) Adjustment to reflect deferred consideration paid with respect to a 2019 acquisition.

Adjusted EBITDA for our Fire Safety segment increased by \$1.3 million to \$(3.3) million. The increase was primarily due to higher sales offset by higher cost of goods sold and operating expenses.

Adjusted EBITDA for our Oil Additives segment increased by \$7.6 million to \$15.3 million. The increase was primarily due to higher sales offset by higher cost of goods sold and operating expenses.

#### 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, all of which could negatively impact revenues, earnings and cash flows, and potentially our liquidity if we do not moderate our expenditures accordingly. As of March 31, 2022, our cash requirements, cash flows, indebtedness and available credit is discussed below.

We believe that our existing cash and cash equivalents of approximately \$153.5 million as of March 31, 2022, net cash flows generated from operations and availability under the Revolving Credit Facility 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 March 31, 2022, we expect our remaining fiscal year 2022 capital expenditure budget of approximately \$8.3 million, will 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 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.

**Cash Flows:**

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

	Successor Three Months Ended March 31, 2022	Predecessor Three Months Ended March 31, 2021
Cash provided by (used in):		
Operating activities	\$ (70,896)	\$ (182)
Investing activities	(2,951)	(5,281)
Financing activities	529	(1,403)
Effect of foreign currency on cash and cash equivalents	1,307	1,717
Net change in cash and cash equivalents	\$ (72,011)	\$ (5,149)

**Operating Activities**

Cash used in operating activities was \$70.9 million and \$0.2 million for the three months ended March 31, 2022 and 2021, respectively. During the three months ended March 31, 2022, the cash used in operations primarily resulted from a founders advisory fee payment of \$53.5 million and the negative impact of working capital offset by an increase in payment-in-kind of dividend on Redeemable Preferred Shares, share-based compensation expense, amortization of acquisition related inventory step-up and a net income due to change in fair value of liability classified founder advisory fees - related party. During the three months ended March 31, 2021, the cash used in operations was primarily due to a loss offset by positive working capital impact.

**Investing Activities**

Cash used in investing activities was \$3.0 million and \$5.3 million for the three months ended March 31, 2022 and 2021, respectively. During the three months ended March 31, 2022, we purchased property and equipment of \$1.3 million and paid an additional \$1.7 million to SK Holdings upon finalization of the difference in estimated and actual working capital as of the Closing Date under the Business Combination Agreement. During the three months ended March 31, 2021, we purchased property and equipment of \$1.7 million and paid \$3.6 million in cash related to the acquisitions of Budenheim Iberica, S.L.U.

**Financing Activities**

Cash provided by (used in) in financing activities was \$0.5 million and \$(1.4) million for the three months ended March 31, 2022 and 2021, respectively. During the three months ended March 31, 2022, the cash provided of \$0.5 million was primarily due to proceeds from exercise of warrants. During the three months ended March 31, 2021, the cash used related to repayments of \$1.4 million on long-term debt.

**Revolving Credit Facility**

On November 9, 2021, SK Invictus Intermediate II S.à r.l., a private limited liability company governed by the laws of the Grand Duchy of Luxembourg ("SK Intermediate II"), 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. The Revolving Credit Facility allows SK Intermediate II 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 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 certain exceptions.

Borrowings under the Revolving Credit Facility bear interest at a rate equal to (i) an applicable margin, plus (ii) at SK Intermediate II's option, either (x) London Interbank Offered Rate ("LIBOR") determined by reference to the cost of funds

for U.S. dollar deposits for the interest period relevant to such borrowing, adjusted for certain additional costs (but which will not be less than a 0.00% LIBOR floor) 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 LIBOR rate plus 1.00% and (d) a minimum floor of 1.00%. The applicable margin is 3.25% in the case of LIBOR-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 March 31, 2022, the Company did not have any outstanding borrowings under the Revolving Credit Facility and was in compliance with all covenants, including the financial covenants.

#### ***Senior Notes***

On November 9, 2021, SK Intermediate II assumed \$675.0 million principal amount of 5.00% senior secured notes due October 30, 2029 ("Senior Notes") issued by EverArc Escrow S.à r.l. ("Escrow Issuer"), a newly-formed limited liability company governed by the laws of the Grand Duchy of Luxembourg and a wholly owned subsidiary of EverArc 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, commencing on April 30, 2022.

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

For additional information about our long-term debt, refer to Note 6, "Long-Term Debt and Redeemable Preferred Shares," in the notes to the condensed consolidated financial statements included in this Quarterly Report.

#### ***Share Repurchase Plan***

On December 7, 2021, subject to the approval of our shareholders, the Company's board of directors authorized a share repurchase plan ("the Share Repurchase Plan"). Under the Share Repurchase Plan, we and our subsidiaries are authorized to repurchase up to \$100.0 million of our issued and outstanding Ordinary Shares at any time during the next 24 months or, if different, such other timeframe as approved by our shareholders. As of March 31, 2022, we had not repurchased shares under our Share Repurchase Plan.

#### ***Founder Advisory Agreement***

Upon consummation of the Business Combination, 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"), which is owned and operated by William N. Thorndike, Jr., W. Nicholas Howley, Tracy Britt Cool, Vivek Raj and Haitham Khouri ("EverArc Founders"), 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 Ordinary Shares and the remainder in cash.

For 2021, the average price was \$13.63 per Ordinary Share, resulting in a total Variable Annual Advisory Amount for 2021 of 7,525,906 Ordinary Shares, or a value of \$102.5 million (the "2021 Variable Amount"). The EverArc Founder Entity also received the Fixed Annual Advisory Amount which was equal to 1.5% of 157,137,410 Ordinary Shares outstanding on the Closing Date: 2,357,061 ordinary shares or a value of \$32.1 million, based on average price of \$13.63 per Ordinary Share (the "2021 Fixed Amount" and together with the 2021 Variable Amount, the "2021 Advisory Amounts"). Per the Founder Advisory Agreement, the EverArc Founder Entity elected to receive approximately 60% of the 2021 Advisory Amounts in Ordinary Shares (5,952,992 Ordinary Shares) and approximately 40% of the Advisory Amounts in cash (\$53.5 million). On February 15, 2022, the Company issued 5,952,992 Ordinary Shares and paid \$53.5 million in cash in satisfaction of 2021 Advisory Amounts.



As of March 31, 2022, the Company used a Monte Carlo simulation model to calculate the fair value of the Variable Annual Advisory Amount. The Company calculated the fair value of the Fixed Annual Advisory Amounts using the period end volume weighted average closing share price of Ordinary Shares for ten consecutive trading days of \$11.97. These approaches resulted in fair values of \$308.0 million for the Variable Annual Advisory Amount and \$169.2 million for the Fixed Annual Advisory Amount.

For additional information about the Founder Advisory Agreement, refer to Note 10, “Share-Based Compensation” and Note 12, “Related Parties,” in the notes to the condensed consolidated financial statements included in this Quarterly Report.

### ***Critical Accounting Estimates and Policies***

The discussion and analysis of our financial condition and results of operations are based upon our unaudited condensed consolidated financial statements which have been prepared in accordance with U.S. GAAP. As of March 31, 2022, the Company’s significant accounting policies and estimates are consistent with those discussed in Note 2 - “Summary of Significant Accounting Policies and Recent Accounting Pronouncements” of its consolidated financial statements included in the Company’s 2021 Annual Report filed on Form 10-K with the SEC on March 31, 2022. Significant estimates made by management in connection with the preparation of the accompanying unaudited condensed consolidated financial statements include the useful lives of long-lived and intangible assets, the allowance for doubtful accounts, the fair value of financial assets and liabilities, stock options, founder advisory fees, contingent earn-out liability and realizability of deferred tax assets. 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 have not engaged in hedging activities since inception and currently, do not expect to engage in any hedging activities with respect to the market risk to which we are exposed.

#### **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. We have elected to use the U.S. dollar for our Luxembourg entities. 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 adjusted LIBOR plus or base rate plus an applicable margin. At March 31, 2022, we had no borrowings outstanding under the Revolving Credit Facility. Our Senior Notes bear interest at a fixed rate and the fair value approximates the carrying value.

#### **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.

#### **Effects of Inflation**

We are subject to inflationary pressures with respect to raw materials, labor and transportation. Accordingly, we continue to take actions with our customers and suppliers to mitigate the impact of these inflationary pressures in the future. Actions to mitigate inflationary pressures with customers include contractual price escalation clauses and negotiated customer recoveries. 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 it will be successful in fully offsetting increased costs resulting from inflationary pressure.

#### **Item 4. Controls and Procedures.**

##### **Evaluation of Disclosure Controls and Procedures**

As required by Rule 13a-15(b) under the Exchange Act, at March 31, 2022, PSSA has evaluated, under the supervision and with the participation of the Company's management, including PSSA'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 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.

As described further in our 2021 Annual Report, PSSA's principal executive officer and principal financial officer had concluded that as of December 31, 2021, the design and implementation of our disclosure controls and procedures were not effective, due to the existence of material weaknesses. These material weaknesses around control environment and control activities continued to exist at March 31, 2022. These material weaknesses include:

- SK Intermediate's continued material weaknesses related to a lack of appropriately designed and implemented controls (i) to maintain segregation of duties between the creation, posting and approval of journal entries and (ii) to ensure the assumptions made in connection with estimates used to value intangible assets acquired in business combinations are sufficiently reviewed.
- We did not appropriately design and implement management review controls at a sufficient level of precision around complex accounting areas and disclosure including business combinations and income taxes. These deficiencies were attributed to an insufficient number of qualified resources and inadequate oversight and accountability over the performance of controls.
- We failed to properly design and implement controls over the business combination specifically related to the presentation of the statement of cash flows, equity issuance costs, transaction costs and the determination of purchase consideration.
- We failed to properly design and implement controls related to the forecasting of the repatriation of earnings with respect to APB 23.

We have begun the process of, and we are focused on, designing and implementing effective internal control measures to improve our internal control over financial reporting and remediate the material weaknesses. Our internal control remediation efforts include the following:

- We hired an additional qualified accounting resource.
- We engaged outside resources to assist with the design and implementation of a system of risk-based internal controls that aligns to and is measured against the framework issued to the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control-Integrated Framework (2013) ("COSO 2013").

**Changes in Internal Control Over Financial Reporting**

As of March 31, 2022, the Company is continuing to implement the remediation measures described in its 2021 Annual Report and is engaged in the process of the design and implementation of PSSA's internal controls over financial reporting in a manner commensurate with the scale of PSSA's operations post-Business Combination.

## PART II

### **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. Our exposure to losses, if any, is not considered probable or reasonably estimable at this time.

### **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 2021 Annual Report.

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

Not Applicable.

### **Item 3. Defaults Upon Senior Securities**

Not Applicable.

### **Item 4. Mine Safety Disclosures.**

Not Applicable.

### **Item 5. Other Information.**

None.

**Item 6. Exhibits**

<b>Exhibit Number</b>	<b>Description</b>
<a href="#"><u>10.1†*</u></a>	<a href="#"><u>Separation Agreement, dated May 2, 2022, by and between the Company and Barry Lederman.</u></a>
<a href="#"><u>10.2†*</u></a>	<a href="#"><u>Employment Agreement, dated April 29, 2022, by and between the Company and Charles Kropp.</u></a>
<a href="#"><u>31.1*</u></a>	<a href="#"><u>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.</u></a>
<a href="#"><u>31.2*</u></a>	<a href="#"><u>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.</u></a>
<a href="#"><u>32.1**</u></a>	<a href="#"><u>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.</u></a>
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.

† Management contract or compensatory plan or arrangement.

**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, SA

Date: May 9, 2022

By: /s/ Edward Goldberg  
Edward Goldberg  
Chief Executive Officer and Director  
(Principal Executive Officer)

Date: May 9, 2022

By: /s/ Charles Kropp  
Charles Kropp  
Chief Financial Officer  
(Principal Financial Officer and Principal Accounting Officer)

## Separation and Release Agreement

Entered into as of May 2, 2022, Effective as of May 6, 2022

This Separation and Release Agreement (this "Agreement") is entered into as of the date first set forth above by and among Perimeter Solutions, SA, a public company limited by shares duly incorporated and validly existing under the laws of the Grand Duchy of Luxembourg, having its registered office at 12E, rue Guillaume Kroll, L-1882 Luxembourg, Grand Duchy of Luxembourg and registered with the *Registre de Commerce et des Sociétés, Luxembourg* (Luxembourg Trade and Companies Register) under number B 256.548 (the "Parent"), Perimeter Solutions LP, a Delaware limited partnership (the "Company"), and Barry Lederman (the "Executive").

WHEREAS, Executive has been employed by the Company as its Chief Financial Officer pursuant to that certain Employment Agreement, dated October 1, 2021 (the "Employment Agreement"), pursuant to which, among other things, (i) the Company agreed to make certain severance payments upon certain types of terminations; and (ii) the Executive agreed to certain non-compete, non-solicit and non-disclosure covenants;

WHEREAS, the Parent and Executive entered into that certain Letter Agreement, dated June 15, 2021 (the "Letter Agreement"), pursuant to which, among other things, the Executive agreed to certain non-compete, non-solicit and non-disclosure covenants;

WHEREAS, the Parent and Executive entered into that certain Option Agreement, dated as of November 8, 2021 (the "Option Agreement"), and together with the Employment Agreement and Letter Agreement, the "Existing Agreements"), under the Parent's 2021 Equity Incentive Plan (the "Plan"), pursuant to which the Executive was granted a nonqualified stock option to purchase up to 1,029,167 ordinary shares of the Parent, subject to the achievement of certain performance and other vesting conditions (the "Option");

WHEREAS, the parties have mutually agreed that the Executive's employment with the Company and its Affiliates will terminate effective as of May 6, 2022 (the "Separation Date"), and that the Company shall provide Executive with the severance payments that are described in Section 6(b) of the Employment Agreement;

WHEREAS, in light of Executive's service with the Company and its Affiliates through the Separation Date and certain additional covenants of the Executive set forth in this Agreement, the Parent desires to adjust certain vesting and exercisability provisions under the Option Agreement; and

WHEREAS, the parties desire to enter into this Agreement to reflect their mutual undertakings, promises, and agreements following the termination of the Executive's employment with the Company and payments and benefits to the Executive as a result of such termination.

NOW, THEREFORE, in consideration of the foregoing and of the respective covenants and agreements set forth below, the parties hereto agree as follows:

1. Separation Date; Effect of Separation.
  - a. Executive's employment with the Company and any of its Affiliates (as defined in the Employment Agreement) shall terminate effective as of the Separation Date and the Executive shall therefore be relieved of all of his duties, responsibilities, and authorities

for the Company and its Affiliates effective as of the Separation Date. Prior to the Separation Date, Executive shall perform such duties as may be reasonably requested by the Company or Parent to help facilitate a smooth transition following such termination.

- b. Effective as of the Separation Date, the Executive shall resign, and does hereby resign, from all other positions, if any, Executive held with the Company and its Affiliates. As of the Separation Date, the Executive shall also experience an involuntary separation from service from the Company and its affiliates within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder (“Section 409A”).

2. Termination of Employment Agreement; Continuing Obligations; Non-Disparagement.

- a. The Executive acknowledges and agrees that the Employment Agreement will terminate without further action of the parties effective as of the Separation Date and that, therefore, as of that date, the Company and its Affiliates will have no further liabilities, obligations, or duties to the Executive, and the Executive forfeits all remaining rights and benefits, under the Employment Agreement, except as provided in this Agreement. Notwithstanding the previous sentence, the Executive further acknowledges and agrees that all of the post-termination rights and obligations of the parties which continue by their terms under the Employment Agreement, including without limitation under Sections 6 (Severance Payments) (without duplication to the separation benefits set forth in Section 3 of this Agreement), 7 (Non-Competition; Non-Solicitation), 8 (Nondisclosure of Proprietary Information), 9 (Injunctive Relief), 10 (Whistleblower Protections), 11 (Survival), 12 (Binding on Successors), 13 (Governing Law), 14 (Validity), 15 (Notices), 19 (No Inconsistent Actions), 20 (Arbitration) of the Employment Agreement, shall continue in full force and effect according to their terms notwithstanding the termination of the Executive’s employment with the Company, the termination of the Employment Agreement, or the execution of this Agreement (the “Continuing Employment Agreement Obligations”).
- b. The Executive acknowledges and agrees that nothing in this Agreement shall in any way limit the covenants of the Executive set forth in the Letter Agreement, including without limitation under Sections 2 (Covenant Not to Compete), 3 (Non-Solicitation and No Hire), and 4 (Covenant of Confidentiality), which shall continue in full force and effect according to their terms notwithstanding the termination of the Executive’s employment with the Company, the termination of the Employment Agreement, or the execution of this Agreement (the “Continuing Letter Agreement Obligations”).
- c. The Executive agrees and covenants that the Executive shall not at any time make, publish, or communicate to any person or entity or in any public forum any defamatory, maliciously false, or disparaging remarks, comments, or statements concerning the Parent or any of its Affiliates or their businesses, or any of their employees, officers, or directors and their existing and prospective customers, suppliers, investors, and other associated third parties, now or in the future (together with the Continuing Employment Agreement Obligations and Continuing Letter Agreement Obligations, the “Continuing Obligations”). This Section 2(c) does not in any way restrict or impede the Employee from exercising protected rights, including those described in Section 10 (Whistleblower Protections) of the Employment Agreement, to the extent that such rights cannot be waived by agreement. This Section 2(c) also does not prevent the Employee from complying with any applicable law or regulation or a valid order of a court of competent jurisdiction or an authorized government agency, provided that such compliance does not exceed that required by the law, regulation, or order. The Employee shall promptly



provide written notice of any such order to the Company in accordance with the notice provisions of the Employment Agreement.

- d. The Executive acknowledges and agrees that Executive has fully complied with such Continuing Obligations at all times before Executive signs this Agreement and that Executive intends to, and shall, fully comply with such Continuing Obligations after he signs this Agreement.

3. Separation Benefits.

- a. Accrued Obligations. In accordance with Section 6(a) of the Employment Agreement, the Company shall pay the Executive any unpaid Annual Base Salary (as defined in the Employment Agreement) that has accrued as of the Date of Termination, any unreimbursed expenses due to the Executive in accordance with the Company's expense reimbursement policy and an amount equal to compensation for accrued but unused sick days and vacation days (the "Accrued Obligations"). The Accrued Obligations shall be paid in accordance with the Company's regular payroll practices.
- b. COBRA. In accordance with Section 6(a) of the Employment Agreement, if the Executive elects to continue health plan coverage in accordance with the requirements of applicable law (e.g., COBRA coverage), at the applicable monthly cost charged for such coverage, the Company may require the Executive to complete and file any election forms that are generally required of other employees to obtain COBRA coverage; and the Executive's COBRA coverage may be terminable in accordance with applicable law.
- c. Severance Payments. As described in Section 6(b) of the Employment Agreement, the Company shall pay to the Executive, an amount equal to the sum of (the "Severance Amount"):
  - i. \$481,250 (representing 1.25 times the Executive's Annual Base Salary),
  - ii. \$192,500 (representing 1.0 times the Executive's target bonus for the fiscal year in which the Separation Date falls), and
  - iii. 15.0 times the difference of (A) the Monthly COBRA Continuation Coverage Rate (as defined in the Employment Agreement) determined as of the Separation Date for the Executive's applicable health and welfare plan coverages as in effect on such date, less (B) the monthly cost to Executive that is being charged for such coverage as of the Separation Date.

The Severance Amount shall be payable in substantially equal installments over the 15-month period following the later of the Separation Date and Effective Date (as defined below), commencing no later than thirty (30) days following such date and in accordance with the Company's regular payroll practices. Notwithstanding the foregoing, and in accordance with Section 6(d) of the Employment Agreement, in the event that any portion of the amount payable under this Section 3(c) shall be treated as deferred compensation subject to Code Section 409A, that portion (and only that portion) which would otherwise have been paid prior to the six (6) month anniversary of the Separation Date shall not be paid until the 181st day following the Separation Date.

d. Accelerated Vesting and Other Adjustments to Retained Options.

- i. Notwithstanding the vesting, forfeiture or other provisions of the Plan or the Option Agreement, (a) the Parent shall, as of the later of the Separation Date and Effective Date (as defined below), immediately vest the Bridge Option (as

defined in the Option Agreement) with respect to a total of 29,167 ordinary shares of the Parent (the “ Retained Bridge Option”); and (b) up to 20% of the 5-Year Option (as defined in the Option Agreement) (i.e., up to 200,000 ordinary shares of the Parent covered by the 5-Year Option) shall remain eligible to become vested based on actual performance for fiscal year 2022, as calculated in accordance with the terms of the Option Agreement; provided, however, that the amount vested, if any, for fiscal year 2022 shall not be eligible for any of the adjustments set forth in Sections 4(a)(Y) or 4(a)(Z) of the Option Agreement (the “ Retained 5-Year Option”, and together with the Retained Bridge Option, the “ Retained Options”). For the avoidance of doubt, the portion of the Retained 5-Year Option that becomes vested, if any, shall be considered final following the verification by the Committee (as defined in the Option Agreement) of the AOP (as defined in the Option Agreement) for fiscal year 2022, and if such AOP is less than the maximum AOP target, the amount vested shall not be eligible to any upward adjustments for future performance and the unvested portion of the Retained 5-Year Option shall immediately be deemed forfeited by the Executive and cancelled by the Company. The remainder of the Option shall be immediately forfeited in accordance with their terms.

- ii. In addition, and notwithstanding any other provision of the Plan or the Option Agreement, (a) the Parent shall and hereby does permit the vested Retained Options to be exercised at any time during the 36-month period following the Separation Date (but not thereafter) by the Executive or his guardian or legal representative (or by his estate or the person who acquires the Retained Options by will or the laws of descent and distribution or otherwise by reason of the Executive’s death if he dies during such period); and (b) the Executive shall have no dividend equivalent rights of any kind with respect to the Retained Options.
  - iii. The Executive acknowledges and agrees that the Executive has no rights in any employment-related equity or equity-related interests in the Parent or its Affiliates other than the Executive’s rights in (i) the Retained Options in accordance with the terms of the Plan, the Option Agreement and this Agreement and (ii) the ordinary shares or preferred shares of Parent that are held directly or indirectly by Executive as of the date hereof. If Parent declares a dividend on its ordinary shares or preferred shares and Executive holds such shares on the applicable record date, Parent shall pay or cause to be paid such dividend to Executive in a manner reasonably consistent with the other holders of ordinary shares or preferred shares.
4. Return of Property. By the Separation Date, the Employee must return all property of the Parent or any of its Affiliates, including identification cards or badges, access codes or devices, keys, laptops, computers, telephones, mobile phones, hand-held electronic devices, credit cards, electronically stored documents or files, physical files, and any other property of the Parent or its Affiliates in the Executive’s possession. Executive further acknowledges and agrees that Executive no longer has access to and does not claim ownership of any of the cloud storage or social media accounts of the Parent or its Affiliates.
  5. Release of Claims. In consideration of the performance by the Parent and the Company of their obligations under the Employment Agreement and this Agreement, the Executive hereby releases and forever discharges as of the date hereof the Parent, the Company and their respective Affiliates and all present, former and future managers, directors, officers, employees, successors and assigns of the Parent, Company and their respective affiliates and direct or indirect owners (collectively, the “ Released Parties”) to the extent provided in this Section 5 (this “ General

Release”). The Released Parties are intended to be third-party beneficiaries of this General Release, and this General Release may be enforced by each of them in accordance with the terms hereof in respect of the rights granted to such Released Parties hereunder.

- a. Executive understands that any payments or benefits paid or granted to Executive under Section 3 of this Agreement (other than the Accrued Obligations) represent, in part, consideration for signing this General Release and are not salary, wages or benefits to which Executive was already entitled. Executive understands and agree that Executive will not receive certain of the payments and benefits specified in Section 6 of the Agreement (other than the Accrued Obligations) unless Executive executes this General Release and do not revoke this General Release within the time period permitted hereafter. Such payments and benefits will not be considered compensation for purposes of any employee benefit plan, program, policy or arrangement maintained or hereafter established by the Company or its affiliates.
- b. Except as provided in Sections 5(d) and 5(e) below and except for the provisions of the Agreement which expressly survive the termination of Executive’s employment with the Company, Executive knowingly and voluntarily (for Executive, Executive’s heirs, executors, administrators and assigns) releases and forever discharges the Company and the other Released Parties from any and all claims, suits, controversies, actions, causes of action, cross-claims, counter-claims, demands, debts, compensatory damages, liquidated damages, punitive or exemplary damages, other damages, claims for costs and attorneys’ fees, or liabilities of any nature whatsoever in law and in equity, both past and present (through the date that this General Release becomes effective and enforceable) and whether known or unknown, suspected, or claimed against the Company or any of the Released Parties which Executive, Executive’s spouse, or any of Executive’s heirs, executors, administrators or assigns, may have, which arise out of or are connected with Executive’s employment with or service for, or Executive’s separation or termination from, the Company, Parent or their affiliates (including, but not limited to, any allegation, claim or violation, arising under: Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967, as amended (including the Older Workers Benefit Protection Act); the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990; the Family and Medical Leave Act of 1993; the Worker Adjustment Retraining and Notification Act; the Employee Retirement Income Security Act of 1974; any applicable Executive Order Programs; the Fair Labor Standards Act; or their state or local counterparts; the New Jersey Law Against Discrimination, the New Jersey Conscientious Employee Protection Act, the New Jersey Family Leave Act, the New Jersey Security and Financial Empowerment Act, the New Jersey Wage Payment Law, the New Jersey Wage and Hour Law, or retaliation claims under the New Jersey Workers' Compensation Law; any amendments or implementing regulations of the foregoing; or under any other federal, state or local civil or human rights law, or under any other local, state, or federal law, regulation or ordinance that may be legally waived and released; or under any public policy, contract or tort, or under common law; or arising under any policies, practices or procedures of the Company, Parent or their affiliates; or any claim for wrongful discharge, breach of contract, infliction of emotional distress, defamation; or any claim for costs, fees, or other expenses, including attorneys’ fees incurred in these matters) (all of the foregoing collectively referred to herein as the “Claims”). For the avoidance of doubt, the identification of specific statutes or laws in this Section 5(b) is for purposes of example only, and the omission of any specific statute or law shall not limit the scope of this General Release in any manner.

- c. Executive represents that Executive has made no assignment or transfer of any right, claim, demand, cause of action, or other matter covered by Section 5(b) above.
- d. Executive agrees that this General Release does not waive or release any rights or claims that Executive may have under the Age Discrimination in Employment Act of 1967 which arise after the date Executive executes this General Release. Executive acknowledges and agrees that Executive's separation from employment with the Company in compliance with the terms of the Agreement shall not serve as the basis for any claim or action (including, without limitation, any claim under the Age Discrimination in Employment Act of 1967).
- e. Executive hereby waives all rights to sue or obtain equitable, remedial or punitive relief from any or all Released Parties of any kind whatsoever in respect of any Claim, including, without limitation, reinstatement, back pay, front pay, and any form of injunctive relief. Notwithstanding the above, Executive further acknowledges that Executive is not waiving and is not being required to waive any right that cannot be waived under law, including the right to file an administrative charge or participate in an administrative investigation or proceeding, including with the Equal Employment Opportunity Commission ("EEOC"); provided, however, that Executive disclaims and waives any right to share or participate in any monetary award resulting from the prosecution of such EEOC charge or investigation or proceeding. Additionally, Executive is not waiving (i) any right to the Accrued Obligations or any severance benefits to which Executive is entitled under the Agreement or (ii) any claim relating to any right of indemnification under the Company's organizational documents or otherwise.
- f. In signing this General Release, Executive acknowledges and intends that it shall be effective as a bar to each and every one of the Claims hereinabove mentioned or implied. Executive expressly consents that this General Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims (notwithstanding any state or local statute that expressly limits the effectiveness of a general release of unknown, unsuspected and unanticipated Claims), if any, as well as those relating to any other Claims hereinabove mentioned or implied. Executive acknowledges and agrees that this waiver is an essential and material term of this General Release and that without such waiver the Company would not have agreed to the terms of the Agreement. Executive further agrees that in the event Executive should bring a Claim seeking damages against the Company, or in the event Executive should seek to recover against the Company in any Claim brought by a governmental agency on Executive's behalf, this General Release shall serve as a complete defense to such Claims to the maximum extent permitted by law. Executive further agrees that Executive is not aware of any pending claim of the type described in Section 2 above as of the execution of this General Release.
- g. I agree that neither this General Release, nor the furnishing of the consideration for this General Release, shall be deemed or construed at any time to be an admission by the Company, any Released Party or Executive of any improper or unlawful conduct.
- h. Executive agrees that if Executive violates this General Release by suing the Company or the other Released Parties, Executive will pay all costs and expenses of defending against the suit incurred by the Released Parties, including reasonable attorneys' fees.
- i. Executive represents that Executive is not aware of any claim by Executive other than the claims that are released by this General Release. Executive acknowledges that Executive may hereafter discover claims or facts in addition to or different than those which Executive now knows or believes to exist with respect to the subject matter of the release

set forth in Section 5(b) above and which, if known or suspected at the time of entering into this General Release, may have materially affected this General Release and Executive's decision to enter into it.

- j. Notwithstanding anything in this General Release to the contrary, this General Release shall not relinquish, diminish, or in any way affect any rights or claims arising out of any breach by the Company or by any Released Party of the Agreement after the date hereof.
- k. Whenever possible, each provision of this General Release shall be interpreted in, such manner as to be effective and valid under applicable law, but if any provision of this General Release is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this General Release shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
- l. **BY SIGNING THIS AGREEMENT AND AGREEING TO THIS GENERAL RELEASE, EXECUTIVE REPRESENTS AND AGREES THAT:**
  - i. EXECUTIVE HAS READ IT CAREFULLY;
  - ii. EXECUTIVE UNDERSTANDS ALL OF ITS TERMS AND KNOWS THAT EXECUTIVE IS GIVING UP IMPORTANT RIGHTS, INCLUDING BUT NOT LIMITED TO, RIGHTS UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967, AS AMENDED, TITLE VII OF THE CIVIL RIGHTS ACT OF 1964, AS AMENDED; THE EQUAL PAY ACT OF 1963, THE AMERICANS WITH DISABILITIES ACT OF 1990; AND THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED;
  - iii. EXECUTIVE VOLUNTARILY CONSENTS TO EVERYTHING IN IT;
  - iv. EXECUTIVE HAS BEEN ADVISED TO CONSULT WITH AN ATTORNEY BEFORE EXECUTING IT AND EXECUTIVE HAS DONE SO OR, AFTER CAREFUL READING AND CONSIDERATION, EXECUTIVE HAS CHOSEN NOT TO DO SO OF EXECUTIVE'S OWN VOLITION;
  - v. EXECUTIVE HAS HAD AT LEAST 21 DAYS FROM THE DATE OF EXECUTIVE'S RECEIPT OF THIS RELEASE TO CONSIDER IT, AND THE CHANGES MADE SINCE EXECUTIVE'S RECEIPT OF THIS RELEASE ARE NOT MATERIAL OR WERE MADE AT EXECUTIVE'S REQUEST AND WILL NOT RESTART THE REQUIRED 21-DAY PERIOD;
  - vi. EXECUTIVE UNDERSTANDS THAT EXECUTIVE HAS SEVEN (7) DAYS AFTER THE EXECUTION OF THIS RELEASE TO REVOKE IT AND THAT THIS RELEASE SHALL NOT BECOME EFFECTIVE OR ENFORCEABLE UNTIL THE REVOCATION PERIOD HAS EXPIRED;
  - vii. EXECUTIVE HAS SIGNED THIS GENERAL RELEASE KNOWINGLY AND VOLUNTARILY AND WITH THE ADVICE OF ANY COUNSEL RETAINED TO ADVISE EXECUTIVE WITH RESPECT TO IT; AND
  - viii. EXECUTIVE AGREES THAT THE PROVISIONS OF THIS GENERAL RELEASE MAY NOT BE AMENDED, WAIVED, CHANGED OR MODIFIED EXCEPT BY AN INSTRUMENT IN WRITING SIGNED BY AN

AUTHORIZED REPRESENTATIVE OF THE COMPANY AND BY EXECUTIVE.

6. Miscellaneous Provisions.

- a. Binding on Successors. This Agreement shall be binding upon and inure to the benefit of the Company, Parent, the Executive and their respective successors, assigns, personnel and legal representatives, executors, administrators, heirs, distributees, devisees, and legatees, as applicable.
- b. Governing Law. This Agreement shall be governed, construed, interpreted and enforced in accordance with the substantive laws of Delaware.
- c. Validity. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.
- d. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same agreement. The signatures to this Agreement need not all be on a single copy of this Agreement, and may be electronic signatures (e.g., DocuSign) or copies on portable document format (.pdf) rather than originals, and in each case shall be fully effective as though all signatures were originals on the same copy.
- e. Amendments; Waivers. This Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by the Executive and duly appointed officer of the Company. By an instrument in writing similarly executed, the Executive or the Company or Parent may waive compliance by the other party or parties with any provision of this Agreement that such other party was or is obligated to comply with or perform; provided, however, that such waiver shall not operate as a waiver of, or estoppel with respect to, any other or subsequent failure. No failure to exercise and no delay in exercising any right, remedy or power hereunder shall preclude any other or further exercise of any other right, remedy or power provided herein or by law or in equity.
- f. No Inconsistent Actions. The parties hereto shall not voluntarily undertake or fail to undertake any action or course of action inconsistent with the provisions or essential intent of this Agreement. Furthermore, it is the intent of the parties hereto to act in a fair and reasonable manner with respect to the interpretation and application of the provisions of this Agreement.
- g. Arbitration. Except as expressly provided elsewhere in this Agreement, any dispute arising out of, relating to, or having any connection with, this Agreement, including any question regarding its existence, validity, interpretation, performance, breach or termination, and any tort or other extra-contractual or statutory claims arising out of or relating to its negotiation, execution or performance, shall be exclusively and finally settled by arbitration in accordance with the Rules of the International Court of Arbitration of the International Chamber of Commerce (the "ICC Rules") by one or more arbitrators appointed in accordance with the ICC Rules; provided, however, that nothing in this Section 6(g) shall prohibit: (i) a party from instituting litigation to enforce any final award in any court of competent jurisdiction; or (ii) the Company from seeking a restraining order or injunction in any court of competent jurisdiction to prevent any continuation of any violation of the Continuing Obligations and the Executive hereby consents that such restraining order or injunction may be granted without the necessity of the Company's posting any bond. The seat of the arbitration shall be in St. Louis,

Missouri. The language of the arbitration shall be English. The parties undertake to carry out any award of the tribunal without delay, and waive their right to refer any question of law and any right of appeal on the law or merits to a court of law or other judicial authority, insofar as such waiver may be validly made. The parties agree that an arbitral tribunal appointed under this Agreement may exercise jurisdiction with respect to this Agreement and any amendments or exhibits or schedules hereto (except as otherwise expressly provided therein), and that any disputes involving more than one of such agreements, exhibits or schedules shall proceed as a consolidated arbitration in accordance with Article 10 of the ICC Rules. The arbitrator selected pursuant to this Section 6(g) shall award to the prevailing party, if any, the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the arbitration and, if the arbitrator determines a party to be the prevailing party under circumstances where the prevailing party won on some but not all of the claims and counterclaims, the arbitrator may award the prevailing party an appropriate percentage of the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the arbitration and the enforcement of its rights under this Agreement.

- h. Tax Treatment; Right to Consult a Tax Advisor. The payments and benefits provided under this Agreement are intended to be exempt from Section 409A and this Agreement shall be interpreted and administered in a manner consistent with that intent. Notwithstanding any contrary provision in this Agreement, the Individual shall be solely responsible for any risk that the tax treatment of the benefits under by this Agreement may be affected by Section 409A, which may impose significant adverse tax consequences on them, including accelerated taxation, a 20% additional tax, and interest. Because of the potential tax consequences, the Individual has the right, and is encouraged by this paragraph, to consult with a tax advisor of his choice before signing this Agreement.
- i. Expiration Date. The Company's offer of this Agreement shall expire after a period of 21 days after the date the Executive first received this Agreement for consideration (the "Expiration Date"). Changes to this Agreement, whether material or immaterial, do not restart the running of the consideration period. The Individual may accept the offer at any time before the Expiration Date by signing this Agreement in the space provided below and delivering it to the attention of the General Counsel of the Company.
- j. Limited Revocation Right; Effect of Revocation. After signing this Agreement, the Executive shall have a period of seven days to reconsider and revoke his acceptance of this Agreement in his discretion (the "Revocation Period"). If the Executive chooses to revoke his acceptance of this Agreement, he must do so by providing written notice to the Company's Chief Executive Officer and General Counsel on or before the seventh day after signing this Agreement, in which case this Agreement shall not become effective or enforceable and the Executive shall not receive the separation benefits set forth in Sections 3(c) and 3(d) of this Agreement.
- k. Effective Date. This Agreement shall become effective and enforceable upon the expiration of seven days after the Executive signs it (the "Effective Date"), provided that the Executive signs the Agreement on or before the Expiration Date and does not revoke his acceptance of the Agreement during the Revocation Period.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties have executed this Agreement on the date and year first above written.

**PERIMETER SOLUTIONS S.A.**

By: \_\_\_\_\_  
Name: Edward Goldberg  
Title: Chief Executive Officer

**PERIMETER SOLUTIONS LP**

By: \_\_\_\_\_  
Name: Edward Goldberg  
Title: Chief Executive Officer

**EXECUTIVE**

\_\_\_\_\_  
Barry Lederman

Address:

Email address:  
Barry.Lederman@perimeter-solutions.com  
Barry.Lederman@perimeter-solutions.com



**EMPLOYMENT AGREEMENT**

THIS AGREEMENT, signed as of April 29<sup>th</sup> and effective as of May 6, 2022 (this "Agreement") is made by and between Perimeter Solutions, SA, a public company limited by shares duly incorporated and validly existing under the laws of the Grand Duchy of Luxembourg, having its registered office at 12E, rue Guillaume Kroll, L-1882 Luxembourg, Grand Duchy of Luxembourg and registered with the *Registre de Commerce et des Sociétés, Luxembourg* (Luxembourg Trade and Companies Register) under number B 256.548 (the "Parent"), Perimeter Solutions LP, a Delaware limited partnership (the "Company"), and Charles W Kropp (the "Executive").

**RECITALS:**

WHEREAS, the Company desires to retain the services and employment of the Executive, and the Executive desires to provide his or her services to and be employed by the Company, in each case subject to and upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and of the respective covenants and agreements set forth below, the parties hereto agree as follows:

1. Certain Definitions

(a) "Affiliates" shall mean any entity, individual, firm, or corporation, directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with the Company.

(b) "Annual Base Salary" shall have the meaning set forth in Section 4(a).

(c) "Board" shall mean the Board of Directors of the Parent.

(d) "Business" shall mean the business of serving as a global solutions provider for the fire safety and oil additives industries and any other business or operations conducted and operated by the Company and/or any of its Affiliates during the Term.

(e) "Cause" shall mean either of the following: (i) the repeated failure by the Executive, after written notice from the Board, substantially to perform his or her material duties and responsibilities as an officer or employee or director of the Company or any of its Affiliates, as applicable (other than any such failure resulting from incapacity due to reasonably documented physical or mental illness), or (ii) any willful misconduct by the Executive that has the effect of materially injuring the Business, including, without limitation, the disclosure of material secret or confidential information of the Company or any of its Affiliates.

(f) "COBRA" shall mean the Consolidated Omnibus Budget Reconciliation Act of 1985, as may be amended from time to time.

(g) "Code" shall mean the Internal Revenue Code of 1986, as amended. Reference to a Section of the Code includes all rulings, regulations, notices, announcements, decisions, orders and other pronouncements that are issued by the United States Department of the Treasury, the Internal Revenue Service, or any court of competent jurisdiction that are lawful and pertinent to the interpretation, application or effectiveness of such Section.

(h) "Company" shall have the meaning set forth in the preamble hereto.

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- (i) “Compensation Committee” shall mean the Compensation Committee of the Board whose members shall be appointed by the Board from time to time.
- (j) “Competitor” shall mean any corporation, partnership, firm, proprietorship or other business organization that engages in any Competitive Activity.
- (k) “Competitive Activities” shall mean any activity or service that competes with the Business; provided that it shall not include the passive ownership of securities of entities which are listed on a national securities exchange or traded in the national over-the-counter market in an amount which shall not exceed two percent (2%) of the outstanding shares of any such entity.
- (l) “Date of Termination” shall mean (i) if the Executive’s employment is terminated by reason of his or her death, the date of his or her death, and (ii) if the Executive’s employment is terminated pursuant to Sections 5(a)(ii) - (vi), the date specified in the Notice of Termination.
- (m) “Disability” shall mean the Executive’s absence from employment with the Company due to: (i) his or her inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which, with a very high degree of medical certainty, can be expected to result in death or to last for a continuous period of not less than twelve months; or (ii) such medically determinable physical or mental impairment, which, with a high degree of medical certainty, can be expected to result in death or to last for a continuous period of not less than twelve months, and for which the Executive is receiving income replacement benefits for a period of not less than three months under an accident and health plan covering the Company’s employees.
- (n) “Effective Date” shall mean the date of this Agreement.
- (o) “Equity Compensation Agreements” shall mean any written agreements between the Parent and the Executive pursuant to which the Executive holds or is granted any equity incentive awards, including, without limitation, agreements evidencing options granted under any equity incentive plan adopted or maintained by the Parent for Company employees generally, and any management deferred compensation or similar plans of the Parent.
- (p) “Exchange Act” shall mean the Securities Exchange Act of 1934, as amended.
- (q) “Executive” shall have the meaning set forth in the preamble hereto.
- (r) “Good Reason” shall mean the occurrence of any of the following: (i) a material diminution in the Executive’s title, duties or responsibilities without Cause and without his or her prior written consent, (ii) a reduction of the Executive’s base salary or target annual bonus opportunity or a reduction in other benefits or perquisites that is material in the aggregate (except where such reduction is in connection with a diminution in role for Cause), without his or her prior written consent, (iv) any relocation of more than forty (40) miles of Executive’s primary work place as of the Effective Date without his or her prior written consent, or (iv) any material breach of (x) this Agreement by the Company, or (y) the Equity Compensation Agreements by the Parent.
- (s) “Notice of Termination” shall have the meaning set forth in Section 5(b).
- (t) “Payment Period” shall have the meaning set forth in Section 6(b).
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(u) “Person” shall have the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a “group” as defined in Section 13(d) thereof.

(v) “Restricted Territory” shall mean anywhere in the world where the Company (directly or indirectly through any of its Affiliates) conducts its Business during the Term.

(w) “Specified Employee” shall have the meaning set forth in Code Section 409A.

(x) “Term” shall have the meaning set forth in Section 2.

2. Employment. The Company shall employ the Executive, for the period set forth in this Section 2, in the position(s) set forth in Section 3 and upon the other terms and conditions herein provided. The term of employment under this Agreement (the “Term”) shall commence on the Effective Date and shall continue until terminated pursuant to Section 5.
3. Position and Duties. During the Term, the Executive shall serve as CFO of the Company and any reasonably corresponding officer position of the Parent to the extent appointed by the Board, in each case with such customary responsibilities, duties and authority as may from time to time be assigned to the Executive by the Chief Executive Officer or the Board or the board of directors of the Company. During the Term, the Executive shall devote substantially all his or her working time and efforts to the business and affairs of the Company and its Affiliates; provided, that it shall not be considered a violation of the foregoing for the Executive to (i) with the prior consent of the Board (which consent shall not unreasonably be withheld), serve on corporate, industry, civic or charitable boards or committees, and (ii) manage his or her personal investments, so long as none of such activities significantly interferes with the Executive’s duties hereunder.

#### 4. Compensation and Related Matters

(a) Annual Base Salary. During the Term (commencing as of the first pay period following the Effective Date), the Executive shall receive a base salary at a rate of \$300,000 per annum, payable in accordance with the Company’s normal payroll practices, which shall be reviewed by the Compensation Committee annually and may be increased, but not decreased, upon such review (the “Annual Base Salary”).

(b) Bonus. For each fiscal year during the Term, the Executive shall be eligible to participate in any annual cash bonus plan of the Company or Parent, as applicable, in effect from time to time. The Executive’s target bonus for fiscal year 2022 and thereafter will be 50% of the Executive’s Annual Base Salary and may be pro rated based on time in position.

(c) Long Term Incentive Compensation. During the Term, the Executive shall be entitled to participate in the 2021 Equity Incentive Plan or any other equity incentive plan adopted by the Parent.

(d) Benefits. During the Term, the Executive shall be entitled to participate in the other employee benefit plans, programs and arrangements of the Company or Parent, as applicable, now (or, to the extent determined by the Board or Compensation Committee, hereafter) in effect which are applicable to the senior officers of the Company or Parent generally, as applicable, subject to and on a basis consistent with the terms, conditions and overall administration thereof (including the right of the Company or Parent to amend, modify or terminate such plans).

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(e) Expenses. Pursuant to any customary policies of the Company in force at the time of payment, the Executive shall be reimbursed for all expenses properly incurred by the Executive on the Company's behalf in the performance of the Executive's duties hereunder.

(f) Vacation. The Executive shall be entitled to an amount of annual vacation days, and to compensation in respect of earned but unused vacation days, in an amount not less than twenty (20) days (not including paid holidays) or such higher amount in accordance with the Company's vacation policy as in effect from time to time applicable to senior officers of the Company or Parent generally.

5. Termination.

(a) The Executive's employment hereunder may be terminated by the Company or the Executive, as applicable, without any breach of this Agreement only under the following circumstances and in accordance with subsection (b):

(i) Death. The Executive's employment hereunder shall terminate upon his or her death.

(ii) Disability. If the Company determines in good faith that the Executive has incurred a Disability, the Company may give the Executive written notice of its intention to terminate the Executive's employment. In such event, the Executive's employment with the Company shall terminate effective on the 30th day after receipt of such notice by the Executive, provided that within such 30-day period the Executive shall not have returned to full-time performance of his or her duties. The Executive shall continue to receive his or her Annual Base Salary until the 90th day following the date of the Notice of Termination.

(iii) Termination for Cause. The Company may terminate the Executive's employment hereunder for Cause.

(iv) Resignation for Good Reason. The Executive may terminate his or her employment hereunder for Good Reason.

(v) Termination without Cause. The Company may terminate the Executive's employment hereunder without Cause.

(vi) Resignation without Good Reason. The Executive may resign his or her employment hereunder without Good Reason.

(b) Notice of Termination. Any termination of the Executive's employment by the Company or by the Executive under this Section 5 (other than termination pursuant to subsection (a)(i)) shall be communicated by a written notice from the Chief Executive Officer of the Company or the Executive to the other indicating the specific termination provision in this Agreement relied upon (and, in the case of Resignation for Good Reason, setting forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under Section 5(a)(iv)), and specifying a Date of Termination which, in the case of Resignation for Good Reason or Resignation without Good Reason pursuant to Section 5(a)(iv) or 5(a)(vi), respectively, shall be at least 90 days following the date of such notice (a "Notice of Termination"). In the event of the Executive's Resignation for Good Reason pursuant to Section 5(a)(iv), the Company shall have the right, if the basis for such Good Reason is curable, to cure the same within 30 days following the receipt of the Notice of Termination, and Good Reason shall not be deemed to exist if the Company cures the event giving rise to Good Reason within such 30 day period. The Executive shall continue to receive his or her Annual Base Salary, annual

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bonus and all other compensation and perquisites referenced in Section 4 through the Date of Termination.

6. Severance Payments.

(a) Termination for any Reason. In the event the Executive's employment with the Company is terminated for any reason, the Company shall pay the Executive (or his or her beneficiary in the event of his or her death) any unpaid Annual Base Salary that has accrued as of the Date of Termination, any unreimbursed expenses due to the Executive in accordance with the Company's expense reimbursement policy and an amount equal to compensation for accrued but unused sick days and vacation days. The Company shall permit the Executive to elect to continue health plan coverage in accordance with the requirements of applicable law (e.g., COBRA coverage), at the applicable monthly cost charged for such coverage (the "Monthly COBRA Coverage Continuation Rate"). The Company may require the Executive to complete and file any election forms that are generally required of other employees to obtain COBRA coverage; and the Executive's COBRA coverage may be terminable in accordance with applicable law. The Executive shall also be entitled to accrued, vested benefits under the Company's benefit plans and programs as provided therein. The Executive shall be entitled to the additional payments and benefits described below only as set forth herein.

(b) Termination without Cause, Resignation for Good Reason or Termination by Reason of Death or Disability. Subject to Sections 6(c) and (d) and the restrictions contained herein, in the event of the Executive's Termination without Cause (pursuant to Section 5(a)(v)), Resignation for Good Reason (pursuant to Section 5(a)(iv)) or termination by reason of death or Disability (pursuant to Section 5(a)(i) or (ii), respectively), the Company shall pay to the Executive the amounts described in subsection (a). In addition, subject to Sections 6(c) and (d) and the restrictions contained herein, and in the case of Termination without Cause (pursuant to Section 5(a)(v)), Resignation for Good Reason (pursuant to Section 5(a)(iv)) or Disability (pursuant to Section 5(a)(ii)), subject to the Executive's execution and non-revocation of a release in the form attached hereto as Exhibit A (the "Release") no later than thirty (30) days following the Date of Termination, the Company shall pay to the Executive (or his or her beneficiary in the event of his or her death) an amount equal to the "Severance Amount" described below. For purposes of this Agreement the Severance Amount is equal to the sum of:

(i) 1.25 times the Executive's Annual Base Salary,

(ii) 1.0 times the Executive's target bonus for the fiscal year in which the Date of Termination falls, determined in accordance with Section 4(b); and

(iii) 15.0 times the difference of (A) the Monthly COBRA Continuation Coverage Rate determined as of the Date of Termination for the Executive's applicable health and welfare plan coverages as in effect on such date, less (B) the monthly cost to Executive that is being charged for such coverage as of the Date of Termination.

The Severance Amount as so determined shall be payable to the Executive (or his or her beneficiary) in substantially equal installments over the 18-month period following the Date of Termination (the "Payment Period") commencing no later than thirty (30) days following the execution and non-revocation of the Release, in accordance with the Company's regular payroll practices. The first installment payment shall include all amounts that would have otherwise been paid to the Executive during the period beginning on the Date of Termination and ending on the first installment payment date. Notwithstanding the foregoing, in the event that the end of the thirty (30) day notice and revocation period for the Release would result in the first installment payment occurring in the taxable year following the year in which the Date of

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Termination occurs, the first installment payment shall be made in the taxable year following the year in which the Date of Termination occurs.

(c) Benefits Provided Upon Termination of Employment. If the Executive's termination or resignation does not constitute a "separation from service," as such term is defined under Code Section 409A, the Executive shall nevertheless be entitled to receive all of the payments and benefits that the Executive is entitled to receive under this Agreement on account of his or her termination of employment. However, the payments and benefits that the Executive is entitled to under this Agreement shall not be provided to the Executive until such time as the Executive has incurred a "separation from services" within the meaning of Code Section 409A.

(d) Payments on Account of Termination to a Specified Employee. Notwithstanding the foregoing provisions of Sections 6(a) or 6(b), in the event that the Executive is determined to be a Specified Employee at the time of his or her termination of employment under this Agreement (or, if later, his or her "separation from service" under Code Section 409A), to the extent that a payment, reimbursement or benefit under Section 6(b) is considered to provide for a "deferral of compensation" (as determined under Code Section 409A), then such payment, reimbursement or benefit shall not be paid or provided until six months after the Executive's separation from service, or his or her death, whichever occurs first. Any payments, reimbursements or benefits that are withheld under this provision for the first six months shall be payable in a lump sum on the 181st day after such termination of employment (or, if later, separation from service). The restrictions in this Section 6(d) shall be interpreted and applied solely to the minimum extent necessary to comply with the requirements of Code Section 409A(a)(2)(B). Accordingly, payments, benefits or reimbursements under Section 6(b) or any other part of this Agreement may nevertheless be provided to Executive with the six-month period following the date of Executive's termination of employment under this Agreement (or, if later, his or her "separation from service" under Code Section 409A), to the extent that it would nevertheless be permissible to do so under Code Section 409A because those payments, reimbursements or benefits are (i) described in Treasury Regulations Section 1.409A-1(b)(9)(iii) (i.e., payments within the limitations therein that are being made on account of an involuntary termination or termination for good reason, within the meaning of the Treasury Regulations), or (ii) described in Treasury Regulation Section 1.409A-1(b)(4) (i.e., payments which are treated as short-term deferrals within the meaning of the Treasury Regulations), or (iii) benefits described in Treasury Regulations Section 1.409A-1(b)(9)(v) (e.g. health care benefits).

(e) Notwithstanding any other provision of this Agreement or any other plan, arrangement or agreement to the contrary, if any of the payments or benefits provided or to be provided by the Company or its affiliates to the Executive or for the Executive's benefit pursuant to the terms of this Agreement or otherwise ("Covered Payments") constitute parachute payments ("Parachute Payments") within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the "Code") and would, but for this Section 6(e) be subject to the excise tax imposed under Section 4999 of the Code (or any successor provision thereto) or any similar tax imposed by state or local law or any interest or penalties with respect to such taxes (collectively, the "Excise Tax"), then prior to making the Covered Payments, a calculation shall be made comparing (i) the Net Benefit (as defined below) to the Executive of the Covered Payments after payment of the Excise Tax to (ii) the Net Benefit to the Executive if the Covered Payments are limited to the extent necessary to avoid being subject to the Excise Tax. Only if the amount calculated under (i) above is less than the amount under (ii) above will the Covered Payments be reduced to the minimum extent necessary to ensure that no portion of the Covered Payments is subject to the Excise Tax (that amount, the "Reduced Amount"). "Net Benefit" shall mean the present value of the Covered Payments net of all federal, state, local, foreign income, employment and excise taxes. Any such reduction shall be made in accordance with Section 409A of the Code and the following: (x) the Covered Payments which do not constitute

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nonqualified deferred compensation subject to Section 409A of the Code shall be reduced first; and (y) all other Covered Payments shall then be reduced as follows: (A) cash payments shall be reduced before non-cash payments; and (B) payments to be made on a later payment date shall be reduced before payments to be made on an earlier payment date. Any determination required under this Section 6(e), including whether any payments or benefits are Parachute Payments, shall be made by the Company in its sole discretion. The Executive shall provide the Company with such information and documents as the Company may reasonably request in order to make a determination under this Section 6(e). The Company's determination shall be final and binding on the Executive.

7. Competition; Non-solicitation.

(a) During the Term and, following any termination of Executive's employment, for a period equal to (i) the Payment Period, in the case of a termination of employment for which payments are made pursuant to Section 6(b) hereof, or (ii) 24 months from the date of such termination in the event of a voluntary termination of employment by the Executive without Good Reason, or a termination by the Company for Cause, the Executive shall not, and shall cause each of his or her affiliates not to, anywhere in the Restricted Territory, directly or indirectly engage in any Competitive Activities. The Executive acknowledges that the Company and/or its Affiliates conducted its Business throughout the Restricted Territory and the Executive provided services to the Company and/or its Affiliates throughout the Restricted Territory. The Executive shall be deemed to be engaged in Competitive Activities if such Restricted Party or any of his or her affiliates (i) serves as a shareholder, owner, officer, director, member, manager, trustee or partner of, or consults with, advises or assists in any way, whether or not for consideration, any Competitor; or (ii) endorses the services of any Competitor, solicits customers, provides or otherwise serves as an intermediary for any such Competitor or loans money or renders any other form of financial assistance to any such Competitor.

(b) During the Term and for a period of two (2) years following any termination of the Executive's employment, the Executive shall not, and shall cause each of his or her affiliates not to, directly or indirectly: (i) solicit or transact any business with, or assist any third party in soliciting or transacting any business with, any Persons who are, or were in the past twelve (12) months, customers or suppliers of the Business; (ii) cause any customers or suppliers referred to in clause (i) to cease doing business with or to terminate its business relationship with the Company or any of its Affiliates; or (iii) solicit for employment or hire any employees of the Company or any of its Affiliates, unless such employee's employment has been terminated by the Parent or any of its affiliates, as the case may be, at least six (6) months before any such solicitation or hiring.

(c) In the event a court of competent jurisdiction determines that the provisions in this Section 7 are excessively broad as to duration, geographical scope or activity, it is expressly agreed that this Section 7 shall be construed so that the remaining provisions shall not be affected, but shall remain in full force and effect, and any such overbroad provisions shall be deemed, without further action on the part of any Person, to be modified, amended and/or limited, but only to the extent necessary to render the same valid.

8. Nondisclosure of Proprietary Information.

(a) Except as required in the faithful performance of the Executive's duties hereunder or pursuant to subsection (c), the Executive shall, in perpetuity, maintain in confidence and shall not directly, indirectly or otherwise, use, disseminate, disclose or publish, or use for his or her benefit or the benefit of any person, firm, corporation or other entity any confidential or proprietary information or trade secrets of or relating to the Company and its Affiliates, including, without

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limitation, information with respect to their operations, processes, products, inventions, business practices, finances, principals, vendors, suppliers, customers, potential customers, marketing methods, costs, prices, contractual relationships, regulatory status, compensation paid to employees or other terms of employment, except for such information which is or becomes publicly available other than as a result of a breach by the Executive of this Section 8, or deliver to any person, firm, corporation or other entity any document, record, notebook, computer program or similar repository of or containing any such confidential or proprietary information or trade secrets. The parties hereby stipulate and agree that as between them the foregoing matters are important, material and confidential proprietary information and trade secrets and affect the successful conduct of the businesses of the Company and its Affiliates (and any of their successors or assignees).

(b) Upon termination of the Executive's employment with the Company for any reason, the Executive shall promptly deliver to the Company all correspondence, drawings, manuals, letters, notes, notebooks, reports, programs, plans, proposals, financial documents, or any other documents concerning the customers, business plans, marketing strategies, products or processes of the Company and any of its Affiliates and/or which contain proprietary information or trade secrets.

(c) The Executive may respond to a lawful and valid subpoena or other legal process but shall give the Company the earliest possible notice thereof, shall, as much in advance of the return date as possible, make available to the Company and its counsel the documents and other information sought and shall assist such counsel in resisting or otherwise responding to such process.

9. Injunctive Relief. It is recognized and acknowledged by the Executive that a breach of the covenants contained in Sections 7 and 8 may cause irreparable damage to the Company and its goodwill, the exact amount of which will be difficult or impossible to ascertain, and that the remedies at law for any such breach will be inadequate. Accordingly, the Executive agrees that in the event of a breach of any of the covenants contained in Sections 7 and 8, in addition to any other remedy which may be available at law or in equity, the Company shall be entitled to seek specific performance and injunctive relief.

10. Whistleblower Protection.

(a) Nothing in this Agreement or any other agreement between the parties or any policy of the Company or any of its Affiliates shall prohibit or restrict any party or their respective attorneys from: (i) making any disclosure of relevant and necessary information or documents in any action, investigation, or proceeding relating to this Agreement, or as required by law or legal process, including with respect to possible violations of law; (ii) participating, cooperating or testifying in any action, investigation or proceeding with, or providing information to, any governmental agency or legislative body, any self-regulatory organization, and/or pursuant to the Sarbanes-Oxley Act; or (iii) accepting any U.S. Securities and Exchange Commission awards. In addition, nothing in this Agreement or any other agreement among the parties or any policy of the Company or any of its Affiliates prohibits or restricts the any such party from initiating communications with, or responding to any inquiry from, any regulatory or supervisory authority regarding any good faith concerns about possible violations of law or regulation.

(b) Pursuant to 18 U.S.C. § 1833(b), the Executive will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret of the Company or its Affiliates that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to the Executive's attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a

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complaint or other document that is filed under seal in a lawsuit or other proceeding. If the Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Executive may disclose the trade secret to the Executive's attorney and use the trade secret information in the court proceeding, if the Executive files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order. Nothing in this Agreement or any other agreement between the parties or any policy of the Company or any of its Affiliates is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section.

11. Survival. The expiration or termination of the Term shall not impair the rights or obligations of any party hereto which shall have accrued hereunder prior to such expiration.
  12. Binding on Successors. This Agreement shall be binding upon and inure to the benefit of the Company, Parent, the Executive and their respective successors, assigns, personnel and legal representatives, executors, administrators, heirs, distributees, devisees, and legatees, as applicable.
  13. Governing Law. This Agreement shall be governed, construed, interpreted and enforced in accordance with the substantive laws of Delaware.
  14. Validity. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.
  15. Notices. Any notice, request, claim, demand, document or other communication hereunder to any party shall be effective upon receipt (or refusal of receipt) and shall be in writing and delivered personally or sent by telex, telecopy, or certified or registered mail, postage prepaid, as follows:
    - (a) If to the Company or Parent, to:  
  
Perimeter Solutions LP  
8000 Maryland Ave, Suite 350, Clayton, MO 63105  
Attn: General Counsel  
[Noriko.Yokozuka@perimeter-solutions.com](mailto:Noriko.Yokozuka@perimeter-solutions.com)
    - (b) If to the Executive, to him or her at the address set forth below under his or her signature; or at any other address as any party shall have specified by notice in writing to the other party in accordance with this Section 14.
  16. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same agreement. The signatures to this Agreement need not all be on a single copy of this Agreement, and may be electronic signatures (e.g., DocuSign) or copies on portable document format (.pdf) rather than originals, and in each case shall be fully effective as though all signatures were originals on the same copy.
  17. Entire Agreement; Prior Employment Agreement. The terms of this Agreement, together with the Equity Compensation Agreements, are intended by the parties to be the final expression of their agreement with respect to the employment of the Executive by the Company and may not be contradicted by evidence of any prior or contemporaneous agreement. The parties further intend that this Agreement, and the aforementioned contemporaneous documents, shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial, administrative, or other legal proceeding to vary the terms of this Agreement.
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18. Amendments; Waivers. This Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by the Executive and the Chief Executive Officer. By an instrument in writing similarly executed, the Executive or the Company or Parent may waive compliance by the other party or parties with any provision of this Agreement that such other party was or is obligated to comply with or perform; provided, however, that such waiver shall not operate as a waiver of, or estoppel with respect to, any other or subsequent failure. No failure to exercise and no delay in exercising any right, remedy or power hereunder shall preclude any other or further exercise of any other right, remedy or power provided herein or by law or in equity.
  19. No Inconsistent Actions. The parties hereto shall not voluntarily undertake or fail to undertake any action or course of action inconsistent with the provisions or essential intent of this Agreement. Furthermore, it is the intent of the parties hereto to act in a fair and reasonable manner with respect to the interpretation and application of the provisions of this Agreement.
  20. Arbitration. Except as expressly provided elsewhere in this Agreement, any dispute arising out of, relating to, or having any connection with, this Agreement, including any question regarding its existence, validity, interpretation, performance, breach or termination, and any tort or other extra-contractual or statutory claims arising out of or relating to its negotiation, execution or performance, shall be exclusively and finally settled by arbitration in accordance with the Rules of the International Court of Arbitration of the International Chamber of Commerce (the “ICC Rules”) by one or more arbitrators appointed in accordance with the ICC Rules; provided, however, that nothing in this Section 20 shall prohibit: (i) a party from instituting litigation to enforce any final award in any court of competent jurisdiction; or (ii) the Company from seeking a restraining order or injunction in any court of competent jurisdiction to prevent any continuation of any violation of the provisions of Section 7 or 8 of this Agreement and the Executive hereby consents that such restraining order or injunction may be granted without the necessity of the Company’s posting any bond. The seat of the arbitration shall be in St. Louis, Missouri. The language of the arbitration shall be English. The parties undertake to carry out any award of the tribunal without delay, and waive their right to refer any question of law and any right of appeal on the law or merits to a court of law or other judicial authority, insofar as such waiver may be validly made. The parties agree that an arbitral tribunal appointed under this Agreement may exercise jurisdiction with respect to this Agreement and any amendments or exhibits or schedules hereto (except as otherwise expressly provided therein), and that any disputes involving more than one of such agreements, exhibits or schedules shall proceed as a consolidated arbitration in accordance with Article 10 of the ICC Rules. The arbitrator selected pursuant to this Section 20 shall award to the prevailing party, if any, the costs and attorneys’ fees reasonably incurred by the prevailing party in connection with the arbitration and, if the arbitrator determines a party to be the prevailing party under circumstances where the prevailing party won on some but not all of the claims and counterclaims, the arbitrator may award the prevailing party an appropriate percentage of the costs and attorneys’ fees reasonably incurred by the prevailing party in connection with the arbitration and the enforcement of its rights under this Agreement.
  21. Indemnification and Insurance; Legal Expenses. During the Term and so long as the Executive has not breached any of his or her obligations set forth in Sections 7 and 8, the Company and Parent shall indemnify the Executive to the fullest extent permitted by the laws of Delaware and Luxembourg, respectively, as in effect at the time of the subject act or omission, and shall advance to the Executive reasonable attorneys’ fees and expenses as such fees and expenses are incurred (subject to an undertaking from the Executive to repay such advances if it shall be finally determined by a judicial decision which is not subject to further appeal that the Executive was not entitled to the reimbursement of such fees and expenses) and Executive shall be entitled to the protection of any insurance policies the Company and/or Parent shall maintain generally for the benefit of their respective directors and officers (“Directors and Officers Insurance”) against all
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costs, charges and expenses incurred or sustained by Executive in connection with any action, suit or proceeding to which Executive may be made a party by reason of his or her being or having been a director, officer or employee of the Company or any of its Affiliates or his or her serving or having served any other enterprise as a director, officer or employee at the request of the Company (other than any dispute, claim or controversy arising under or relating to this Agreement). The Company and/or Parent will maintain during the Term for the benefit of the Executive (in his or her capacity as an officer and/or director of the Company and Parent, as applicable) Directors and Officers Insurance providing customary benefits to the Executive.

(SIGNATURE PAGE FOLLOWS)

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IN WITNESS WHEREOF, the parties have executed this Agreement on the date and year first above written.

**PERIMETER SOLUTIONS S.A.**

By: \_\_\_\_\_  
Name:  
Title:

**PERIMETER SOLUTIONS LP**

By: \_\_\_\_\_  
Name:  
Title:

**EXECUTIVE**

\_\_\_\_\_  
Charles W Kropp

Address:  
Email address:

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**Exhibit A**  
**Form of Release**

**GENERAL RELEASE**

I, [\_\_\_\_], in consideration of and subject to the performance by Perimeter Solutions LP, a Delaware limited partnership (together with its subsidiaries, the “Company”), of its obligations under the Employment Agreement dated as of [\_\_\_\_], 2022 (the “Agreement”), do hereby release and forever discharge as of the date hereof the Company, Perimeter Solutions, SA, a public company limited by shares duly incorporated and validly existing under the laws of the Grand Duchy of Luxembourg (“Parent”), and their respective affiliates and all present, former and future managers, directors, officers, employees, successors and assigns of the Company, Parent and their respective affiliates and direct or indirect owners (collectively, the “Released Parties”) to the extent provided below (this “General Release”). The Released Parties are intended to be third-party beneficiaries of this General Release, and this General Release may be enforced by each of them in accordance with the terms hereof in respect of the rights granted to such Released Parties hereunder. Terms used herein but not otherwise defined shall have the meanings given to them in the Agreement.

Section 1. My employment or service with the Company and its affiliates terminated as of [\_\_\_\_], and I hereby resign from any position as an officer, member of the board of managers or directors (as applicable) or fiduciary of the Company, Parent or their affiliates (or reaffirm any such resignation that may have already occurred). I understand that any payments or benefits paid or granted to me under Section 6 of the Agreement (other than the accrued obligations described in Section 6(a) (the “Accrued Obligations”)) represent, in part, consideration for signing this General Release and are not salary, wages or benefits to which I was already entitled. I understand and agree that I will not receive certain of the payments and benefits specified in Section 6 of the Agreement (other than the Accrued Obligations) unless I execute this General Release and do not revoke this General Release within the time period permitted hereafter. Such payments and benefits will not be considered compensation for purposes of any employee benefit plan, program, policy or arrangement maintained or hereafter established by the Company or its affiliates.

Section 2. Except as provided in Sections 4 and 5 below and except for the provisions of the Agreement which expressly survive the termination of my employment with the Company, I knowingly and voluntarily (for myself, my heirs, executors, administrators and assigns) release and forever discharge the Company and the other Released Parties from any and all claims, suits, controversies, actions, causes of action, cross-claims, counter-claims, demands, debts, compensatory damages, liquidated damages, punitive or exemplary damages, other damages, claims for costs and attorneys’ fees, or liabilities of any nature whatsoever in law and in equity, both past and present (through the date that this General Release becomes effective and enforceable) and whether known or unknown, suspected, or claimed against the Company or any of the Released Parties which I, my spouse, or any of my heirs, executors, administrators or assigns, may have, which arise out of or are connected with my employment with or service for, or my separation or termination from, the Company, Parent or their affiliates (including, but not limited to, any allegation, claim or violation, arising under: Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967, as amended (including the Older Workers Benefit Protection Act); the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990; the Family and Medical Leave Act of 1993; the Worker Adjustment Retraining and Notification Act; the Employee Retirement Income Security Act of 1974; any applicable Executive Order Programs; the Fair Labor Standards Act; or their state or local counterparts; or under any other federal, state or local civil or human rights law, or under any other local, state, or federal law, regulation or ordinance; or under any public policy, contract or tort, or under common law; or arising under any

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policies, practices or procedures of the Company, Parent or their affiliates; or any claim for wrongful discharge, breach of contract, infliction of emotional distress, defamation; or any claim for costs, fees, or other expenses, including attorneys' fees incurred in these matters) (all of the foregoing collectively referred to herein as the "Claims").

Section 3. I represent that I have made no assignment or transfer of any right, claim, demand, cause of action, or other matter covered by Section 2 above.

Section 4. I agree that this General Release does not waive or release any rights or claims that I may have under the Age Discrimination in Employment Act of 1967 which arise after the date I execute this General Release. I acknowledge and agree that my separation from employment with the Company in compliance with the terms of the Agreement shall not serve as the basis for any claim or action (including, without limitation, any claim under the Age Discrimination in Employment Act of 1967).

Section 5. I agree that I hereby waive all rights to sue or obtain equitable, remedial or punitive relief from any or all Released Parties of any kind whatsoever in respect of any Claim, including, without limitation, reinstatement, back pay, front pay, and any form of injunctive relief. Notwithstanding the above, I further acknowledge that I am not waiving and am not being required to waive any right that cannot be waived under law, including the right to file an administrative charge or participate in an administrative investigation or proceeding, including with the Equal Employment Opportunity Commission ("EEOC"); provided, however, that I disclaim and waive any right to share or participate in any monetary award resulting from the prosecution of such EEOC charge or investigation or proceeding. Additionally, I am not waiving (i) any right to the Accrued Obligations or any severance benefits to which I am entitled under the Agreement or (ii) any claim relating to any right of indemnification under the Company's organizational documents or otherwise.

Section 6. In signing this General Release, I acknowledge and intend that it shall be effective as a bar to each and every one of the Claims hereinabove mentioned or implied. I expressly consent that this General Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims (notwithstanding any state or local statute that expressly limits the effectiveness of a general release of unknown, unsuspected and unanticipated Claims), if any, as well as those relating to any other Claims hereinabove mentioned or implied. I acknowledge and agree that this waiver is an essential and material term of this General Release and that without such waiver the Company would not have agreed to the terms of the Agreement. I further agree that in the event I should bring a Claim seeking damages against the Company, or in the event I should seek to recover against the Company in any Claim brought by a governmental agency on my behalf, this General Release shall serve as a complete defense to such Claims to the maximum extent permitted by law. I further agree that I am not aware of any pending claim of the type described in Section 2 above as of the execution of this General Release.

Section 7. I agree that neither this General Release, nor the furnishing of the consideration for this General Release, shall be deemed or construed at any time to be an admission by the Company, any Released Party or myself of any improper or unlawful conduct.

Section 8. I agree that if I violate this General Release by suing the Company or the other Released Parties, I will pay all costs and expenses of defending against the suit incurred by the Released Parties, including reasonable attorneys' fees.

Section 9. I represent that I am not aware of any claim by me other than the claims that are released by this General Release. I acknowledge that I may hereafter discover claims or facts in addition to or different than those which I now know or believe to exist with respect to the subject matter of the release set forth in paragraph 2 above and which, if known or suspected at the time of entering into this General Release, may have materially affected this General Release and my decision to enter into it.

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Section 10. I represent and warrant that I have returned all property of the Company and its affiliates, including identification cards or badges, access codes or devices, keys, laptops, computers, telephones, mobile phones, hand-held electronic devices, credit cards, electronically stored documents or files, physical files, and any other property of the Company or its affiliates in my possession. I further represent and warrant that I no longer have access to and do not claim ownership of any cloud storage or social media accounts of the Company or any of its affiliates.

Section 11. Notwithstanding anything in this General Release to the contrary, this General Release shall not relinquish, diminish, or in any way affect any rights or claims arising out of any breach by the Company or by any Released Party of the Agreement after the date hereof.

Section 12. Whenever possible, each provision of this General Release shall be interpreted in, such manner as to be effective and valid under applicable law, but if any provision of this General Release is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this General Release shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

BY SIGNING THIS GENERAL RELEASE, I REPRESENT AND AGREE THAT:

- (a) I HAVE READ IT CAREFULLY;
- (b) I UNDERSTAND ALL OF ITS TERMS AND KNOW THAT I AM GIVING UP IMPORTANT RIGHTS, INCLUDING BUT NOT LIMITED TO, RIGHTS UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967, AS AMENDED, TITLE VII OF THE CIVIL RIGHTS ACT OF 1964, AS AMENDED; THE EQUAL PAY ACT OF 1963, THE AMERICANS WITH DISABILITIES ACT OF 1990; AND THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED;
- (c) I VOLUNTARILY CONSENT TO EVERYTHING IN IT;
- (d) I HAVE BEEN ADVISED TO CONSULT WITH AN ATTORNEY BEFORE EXECUTING IT AND I HAVE DONE SO OR, AFTER CAREFUL READING AND CONSIDERATION, I HAVE CHOSEN NOT TO DO SO OF MY OWN VOLITION;
- (e) I HAVE HAD AT LEAST [21][45] DAYS FROM THE DATE OF MY RECEIPT OF THIS RELEASE TO CONSIDER IT, AND THE CHANGES MADE SINCE MY RECEIPT OF THIS RELEASE ARE NOT MATERIAL OR WERE MADE AT MY REQUEST AND WILL NOT RESTART THE REQUIRED [21][45]-DAY PERIOD;
- (f) I UNDERSTAND THAT I HAVE SEVEN (7) DAYS AFTER THE EXECUTION OF THIS RELEASE TO REVOKE IT AND THAT THIS RELEASE SHALL NOT BECOME EFFECTIVE OR ENFORCEABLE UNTIL THE REVOCATION PERIOD HAS EXPIRED;
- (g) I HAVE SIGNED THIS GENERAL RELEASE KNOWINGLY AND VOLUNTARILY AND WITH THE ADVICE OF ANY COUNSEL RETAINED TO ADVISE ME WITH RESPECT TO IT; AND
- (h) I AGREE THAT THE PROVISIONS OF THIS GENERAL RELEASE MAY NOT BE AMENDED, WAIVED, CHANGED OR MODIFIED EXCEPT BY AN INSTRUMENT IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE COMPANY AND BY ME.

SIGNED: DATED:

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

I, Edward Goldberg, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Perimeter Solutions, SA;
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: May 9, 2022

By: /s/ Edward Goldberg  
Edward Goldberg  
Chief Executive Officer and Director  
(Principal Executive Officer)



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

I, Charles Kropp, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Perimeter Solutions, SA;
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: May 9, 2022

By: /s/ Charles Kropp  
Charles Kropp  
Chief Financial Officer  
(Principal Financial Officer and  
Principal Accounting Officer)

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, Edward Goldberg, Chief Executive Officer of Perimeter Solutions, SA (the "Registrant"), and Charles Kropp, 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 March 31, 2022 (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; and
2. information contained in the Annual Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

PERIMETER SOLUTIONS, SA

Date: May 9, 2022

By: /s/ Edward Goldberg  
Edward Goldberg  
Chief Executive Officer and Director  
(Principal Executive Officer)

Date: May 9, 2022

By: /s/ Charles Kropp  
Charles Kropp  
Chief Executive 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.