



# Perimeter Solutions, Inc.

Q2 2025 Earnings

August 7, 2025



**Trusted. Solutions That Save.**

Certain statements in this presentation and discussion are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and are based on Perimeter Solutions, Inc.'s (the "Company") expectations, intentions and projections regarding the Company's future performance, anticipated events or trends and other matters that are not historical facts. Words such as "anticipate," "estimate," "seek," "expect," "forecast," "project," "plan," "intend," "believe," "may," "should," or similar expressions are intended to identify these forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding (i) estimates, beliefs and forecasts of financial, operational and performance metrics, including, but not limited to, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBITDA growth, and Free Cash Flow and capital expenditures; (ii) our goals and expectations regarding capital allocation, future investments in R&D and capital structure management, and the extent to which the foregoing support our long-term organic EBITDA growth trajectory; (iii) our long-term assumptions, including our assumptions regarding interest expense, tax-deductible depreciation and amortization, cash tax rates, capital expenditures, changes to working capital and basic shares outstanding; (iv) the opportunity to expand our business through strategic acquisitions consistent with our five target economic criteria; (v) our beliefs regarding our tolling agreement, the dispute and surrounding circumstances related thereto, including our commitment to gain control of, and implement operational changes to, the phosphorus pentasulfide plant in Sauget, Illinois at issue and its effect on our operations; (vi) our ability to deliver long-term equity value creation, including M&A-driven value creation; (vii) our expectations regarding the remainder of the fire season; (viii) our expectations regarding Intelligent Manufacturing Solutions ("IMS"), including our projections to deliver returns that exceed our targeted IRR threshold and our expectations to expand IMS' portfolio to generate returns through acquisitions and additional capital allocation; (ix) our expectations regarding the returns on our allocated capital; (x) our plans regarding the implementation of our share repurchase program; and (xi) expected capital allocation activities and priorities including, but not limited to, expectations relating to capital expenditures, mergers and acquisitions, special dividends and share repurchases, and the extent to which the foregoing drive value creation.

These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. For further information, please refer to the Company's reports and filings with the Securities and Exchange Commission. Forward-looking statements speak only as of the date of such statements and, except as required by applicable law, the Company does not undertake any obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

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

# Three Elements Achieves Purpose



## Exceptional Product Lines

### Fire Safety / Specialty Products

- Mission Critical
- Challenging Problems
- Market Leadership
- Attractive Growth

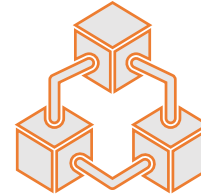


## Value Creation Strategy

### Operational Value Drivers

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

### Capital Allocation & Structure



## Decentralization

### Operating Autonomy

### Budget Accountability

### Incentive Alignment



## Our Purpose

### Fulfill Mission

### Deliver private-equity like returns (15%+)



## Fire Safety



## Specialty Products



# Q2 2025 Financial Summary

(\$000)	Q2 '24	Q2 '25	y/y	YTD '24	YTD '25	y/y
<b>Fire Safety</b>						
Revenue	98,538	120,284	22%	123,693	157,447	27%
Adjusted EBITDA	55,639	77,659	40%	55,398	87,744	58%
<i>Adjusted EBITDA Margin</i>	56%	65%		45%	56%	
<b>Specialty Products</b>						
Revenue	28,738	42,355	47%	62,627	77,222	23%
Adjusted EBITDA	9,269	13,679	48%	21,646	21,677	0%
<i>Adjusted EBITDA Margin</i>	32%	32%		35%	28%	
<b>Consolidated</b>						
Revenue	127,276	162,639	28%	186,320	234,669	26%
Adjusted EBITDA	64,908	91,338	41%	77,044	109,421	42%
<i>Adjusted EBITDA Margin</i>	51%	56%		41%	47%	
GAAP Earnings (Loss) Per Share (diluted)	0.14	(0.22)		(0.42)	0.16	
Adjusted Earnings Per Share (diluted)	0.25	0.39		0.23	0.41	

# Long-Term Assumptions

Item	Forward-Looking Assumption
Interest Expense	~\$40M annually
Tax-deductible D&A and other	~\$20-25M annually
Cash Tax Rate <sup>(1)</sup>	~20-25%
Capital Expenditures	~\$15-30M annually
Annual Change In Working Capital	~10% of revenue growth
Current Basic Shares Outstanding	~145.9M <sup>(2)</sup>

(1) Cash paid for taxes, over a multi-year period, estimated as (Adjusted EBITDA less tax-deductible D&A less interest expense) \* Cash Tax Rate

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

# Capital Allocation Priorities

## Priority

## Q2 '25

### Capex

- Support our customers' mission
- Drives Profitable New Business and Productivity

✓ \$9.7M\*

### M&A

- Acquiror advantage from Value Drivers implementation

✓ \$20.0M

### Share Buybacks

- Repurchase shares when compelling opportunities arise

✓ \$32.2M

### Special Dividends

- Issue special dividends to sustain necessary leverage

✓ 1.7x LTM net leverage

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

\*Amount excludes \$3.1M of capex from an asset acquisition

# Attractive Debt Profile, Ample Liquidity



Debt



- **NO** financial maintenance covenants
- **1.7x net debt to LTM Adjusted EBITDA of \$312.7M**



Liquidity

- \$140.7M cash and cash equivalents (as of Q2 2025)
- \$100M revolving cashflow facility, \$0 drawn



Capitalization

- 145.9M basic shares outstanding



A firefighter in full protective gear is shown from the side, spraying a powerful stream of water from a hose onto a large fire. The fire is intense, with bright orange and yellow flames rising from a pile of debris. The background is filled with bare, dark trees, suggesting a wooded area. The entire image is overlaid with a semi-transparent red filter, and a solid red diagonal shape is on the left side.

# Appendix

**Trusted. Solutions That Save.**

## Stock Options

- Approximately 17.1M stock options granted to management, employees, and directors are outstanding as of June 30, 2025
- Vest over five years based on intrinsic share price growth

## Founders Advisory Agreement (pertaining to the EverArc Founders)

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

## Adjusted EBITDA & Adjusted EBITDA Margin

The computation of Adjusted EBITDA is defined as income (loss) before income taxes plus net interest and other financing expenses, and depreciation and amortization, adjusted on a consistent basis for certain non-recurring, unusual or non-operational items. These items include (i) restructuring and transaction related costs (ii) founder advisory fee expenses, (iii) stock compensation expense and (iv) foreign currency loss (gain). Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by net sales. To supplement the Company's consolidated financial statements presented in accordance with U.S. GAAP, Perimeter is providing a summary to show the computations of Adjusted EBITDA and Adjusted EBITDA Margin, which are non-GAAP measures used by the Company's management and by external users of Perimeter's financial statements, such as debt and equity investors, commercial banks and others, to assess the Company's operating performance as compared to that of other companies, without regard to financing methods, capital structure or historical cost basis. Adjusted EBITDA and Adjusted EBITDA Margin should not be considered alternatives to net income (loss), operating income (loss), cash flows provided by (used in) operating activities or any other measure of financial performance or liquidity presented in accordance with U.S. GAAP (in thousands).

# Non-GAAP Financial Metrics (Consolidated)

<b>Adjusted EBITDA</b>				
<b>(\$000)</b>	<b>Q2 '24</b>	<b>Q2 '25</b>	<b>YTD '24</b>	<b>YTD '25</b>
Income (loss) before income taxes	34,130	(33,848)	(52,702)	35,331
Depreciation and amortization	16,359	17,924	32,771	34,817
Interest and financing expense	10,590	9,930	21,238	19,574
Founders advisory fees - related party	588	96,883	68,921	16,270
Non-recurring expenses (1)	23	307	563	1,775
Stock-based compensation expense	2,994	2,238	4,736	4,909
Foreign currency loss (gain)	224	(2,096)	1,517	(3,255)
Adjusted EBITDA	64,908	91,338	77,044	109,421
Net Sales	127,276	162,639	186,320	234,669
Adjusted EBITDA Margin	51%	56%	41%	47%

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

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



## Adjusted Earnings Per Share & Adjusted Diluted Shares

The computation of Adjusted Earnings Per Share (“Adjusted EPS”) is defined as Adjusted Net Income (loss) divided by adjusted diluted shares. Adjusted Net Income is defined as net income (loss) plus amortization, certain non-recurring, unusual or non-operational items, and the tax impact of these non-GAAP adjustments. These adjustments include (i) restructuring and transaction related costs (ii) founder advisory fee expenses, (iii) stock compensation expense and (iv) foreign currency loss (gain). Adjusted diluted shares is the weighted average diluted shares outstanding, adjusted by adding dilution for options and warrants excluded under U.S. GAAP due to a net loss, less dilution related to Founders advisory fees. To supplement the Company’s condensed consolidated financial statements presented in accordance with U.S. GAAP, Perimeter is providing a summary to show the computations of Adjusted EPS, which is a non-GAAP measure used by the Company's management and by external users of Perimeter’s financial statements, such as debt and equity investors, commercial banks and others, to assess the Company's operating performance as compared to that of other companies, without regard to financing methods, capital structure or historical cost basis. Adjusted EPS and Adjusted Net Income should not be considered alternatives to GAAP earnings per share (“GAAP EPS”), net income (loss), operating income (loss), cash flows provided by (used in) operating activities or any other measure of financial performance or liquidity presented in accordance with U.S. GAAP (in thousands, except share and per share data).



# Non-GAAP Financial Metrics (Consolidated)

## Adjusted Earnings Per Share - QTD

	Three Months Ended June 30,	
	2025	2024
(\$000)		
GAAP net (loss) income	\$ (32,161)	\$ 21,650
Adjustments:		
Amortization	14,604	13,755
Founders advisory fees - related party	96,883	588
Non-recurring expenses (1)	307	23
Stock-based compensation expense	2,238	2,994
Foreign currency (gain) loss	(2,096)	224
Tax impact of non-GAAP adjustments (2)	(22,631)	(3,441)
Adjusted net income	<u>\$ 57,144</u>	<u>\$ 35,793</u>

	Three Months Ended June 30,	
	2025	2024
Shares used in computing GAAP Earnings Per Share (diluted)	147,055,804	154,664,770
Options (3)	1,276,730	-
Shares underlying Founders fixed advisory fees (4)	-	(9,428,244)
Shares underlying Founders variable advisory fees (5)	-	-
Shares used in computing Adjusted Earnings Per Share (diluted)	<u>148,332,534</u>	<u>145,236,526</u>
GAAP (Loss) Earnings Per Share (diluted)	\$ (0.22)	\$ 0.14
Adjusted Earnings Per Share (diluted)	\$ 0.39	\$ 0.25

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

(2) The tax impact of non-GAAP adjustments reflects the total income tax expense commensurate with the non-GAAP measure of profitability.

(3) The Company adds back the dilutive impact of options if amounts were excluded for purposes of GAAP EPS due to a GAAP net loss during the period.

(4) As of June 30, 2025 and 2024, a maximum of 2.4 million shares were expected to be issued within 12 months under the Founders fixed advisory fee.

(5) Based on period end market prices, no shares were issuable under the Founders variable advisory fee.

# Non-GAAP Financial Metrics (Consolidated)

## Adjusted Earnings Per Share - YTD

	Six Months Ended June 30,	
	2025	2024
(\$000)		
GAAP net income (loss)	\$ 24,525	\$ (60,908)
Adjustments:		
Amortization	28,703	27,526
Founders advisory fees - related party	16,270	68,921
Non-recurring expenses (1)	1,775	563
Stock-based compensation expense	4,909	4,736
Foreign currency (gain) loss	(3,255)	1,517
Tax impact of non-GAAP adjustments (2)	(11,694)	(8,632)
Adjusted net income	<u>\$ 61,233</u>	<u>\$ 33,723</u>

	Six Months Ended June 30,	
	2025	2024
Shares used in computing GAAP Earnings Per Share (diluted)	156,039,133	145,279,938
Options (3)	-	-
Shares underlying Founders fixed advisory fees (4)	(7,071,183)	-
Shares underlying Founders variable advisory fees (5)	-	-
Shares used in computing Adjusted Earnings Per Share (diluted)	<u>148,967,950</u>	<u>145,279,938</u>
GAAP Earnings (Loss) Per Share (diluted)	\$ 0.16	\$ (0.42)
Adjusted Earnings (Loss) Per Share (diluted)	\$ 0.41	\$ 0.23

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

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# Non-GAAP Financial Metrics (Consolidated)

## Last Twelve Months (“LTM”) Adjusted EBITDA

(\$000)	LTM 6/30/2025
Income before income taxes	41,170
Depreciation and amortization	67,764
Interest and financing expense	38,797
Founders advisory fees - related party	145,657
Non-recurring expenses	8,590
Stock-based compensation expense	13,022
Foreign currency gain	(2,329)
Adjusted EBITDA	312,671

## Net Debt to LTM Adjusted EBITDA

(\$000)	6/30/2025
Senior Notes	675,000
Less: Cash and cash equivalents	140,658
Net Debt	534,342
LTM Adjusted EBITDA	312,671
Net Debt to LTM Adjusted EBITDA	1.7

## Free Cash Flow

(\$000)	Q2 '25	YTD '25
Net cash (used in) provided by operating activities	(2,852)	20,894
Purchase of property and equipment	<u>(12,764)</u>	<u>(17,577)</u>
Free cash flow	<u>(15,616)</u>	<u>3,317</u>

A grayscale photograph of a firefighter in silhouette, wearing a helmet and holding a hose, spraying water into a smoky, forested area. The scene is hazy with smoke or steam rising from the ground. A large red diagonal stripe runs from the top left corner towards the bottom left.

# Thank You!



NOTICE: Although the information and recommendations set forth herein (hereinafter "Information") are presented in good faith and believed to be correct as of the date hereof, Perimeter Solutions/Solberg/Auxquimia (the "Company") makes no representations or warranties as to the completeness or accuracy thereof. Information is supplied upon the condition that the persons receiving same will make their own determination as to its suitability for their purposes prior to use. In no event will the Company be responsible for damages of any nature whatsoever resulting from the use or reliance upon Information or the product to which Information refers. Nothing contained herein is to be construed as a recommendation to use any product, process, equipment or formulation in conflict with any patent, and the Company makes no representation or warranty, express or implied, that the use thereof will not infringe any patent. NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESSED OR IMPLIED, OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OF ANY OTHER NATURE ARE MADE HEREUNDER WITH RESPECT TO INFORMATION OR THE PRODUCT TO WHICH INFORMATION REFERS.