

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

FORM 10-Q

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

For the quarterly period ended September 30, 2026
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 001-41704

FORTREA HOLDINGS INC.

(Exact name of registrant as specified in its charter)

Delaware

92-2796441

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer
Identification No.)

8 Moore Drive Durham, North Carolina

27713

(Address of principal executive offices)

(Zip Code)

(Registrant's telephone number, including area code) **(877) 495-0816**

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value	FTRE	The NASDAQ Stock Market LLC

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 and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a 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. (Check one):

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

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

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

The registrant had outstanding 96.5 million shares of common stock as of October 27, 2026.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements (unaudited)

FORTREA HOLDINGS INC. **CONDENSED CONSOLIDATED BALANCE SHEETS** (in millions) (unaudited)

	September 30, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 220.6	\$ 174.6
Accounts receivable and unbilled services, net	641.1	589.7
Prepaid expenses and other	91.0	132.9
Total current assets	952.7	897.2
Property, plant and equipment, net	158.6	149.5
Goodwill, net	949.9	960.0
Intangible assets, net	572.0	622.0
Deferred income taxes	6.2	6.2
Other assets, net	98.8	80.8
Total assets	\$ 2,738.2	\$ 2,715.7
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 53.0	\$ 29.7
Accrued expenses and other current liabilities	372.1	395.8
Unearned revenue	525.5	473.8
Current portion of long-term debt	23.4	4.8
Short-term operating lease liabilities	9.3	9.2
Total current liabilities	983.3	913.3
Long-term debt, less current portion	1,031.9	1,048.0
Operating lease liabilities	53.8	54.0
Deferred income taxes and other tax liabilities	97.1	97.6
Other liabilities	39.8	39.3
Total liabilities	2,205.9	2,152.2
Commitments and contingent liabilities (Note 8)		
Equity		
Common stock, 96.5 and 93.1 shares outstanding at September 30, 2026 and December 31, 2025, respectively	0.1	0.1
Additional paid-in capital	2,152.6	2,116.6
Accumulated deficit	(1,419.4)	(1,383.2)
Accumulated other comprehensive loss	(201.0)	(170.0)
Total equity	532.3	563.5
Total liabilities and equity	\$ 2,738.2	\$ 2,715.7

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

FORTREA HOLDINGS INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions, except per share data)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenues	\$ 691.5	\$ 701.3	\$ 2,006.2	\$ 2,062.9
Costs and expenses:				
Direct costs, exclusive of depreciation and amortization	552.0	578.6	1,603.9	1,690.2
Selling, general and administrative expenses, exclusive of depreciation and amortization	103.8	106.8	306.4	353.4
Depreciation and amortization	20.0	19.6	59.4	58.7
Goodwill and other asset impairments	—	—	—	797.9
Restructuring and other charges	0.7	4.9	10.1	21.7
Total costs and expenses	676.5	709.9	1,979.8	2,921.9
Operating income (loss)	15.0	(8.6)	26.4	(859.0)
Other income (expense):				
Interest expense	(20.2)	(22.6)	(58.6)	(68.2)
Foreign exchange gain (loss)	1.3	(2.6)	14.5	(28.1)
Other, net	0.3	5.1	0.6	7.9
Loss before income taxes	(3.6)	(28.7)	(17.1)	(947.4)
Income tax (benefit) expense	(4.2)	(12.8)	19.1	6.3
Net income (loss)	\$ 0.6	\$ (15.9)	\$ (36.2)	\$ (953.7)
Earnings (loss) per common share				
Basic and diluted	\$ 0.01	\$ (0.17)	\$ (0.38)	\$ (10.53)

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

FORTREA HOLDINGS INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(in millions)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net income (loss)	\$ 0.6	\$ (15.9)	\$ (36.2)	\$ (953.7)
Foreign currency translation adjustments	(4.7)	(14.9)	(31.9)	113.1
Unrealized gain (loss) on derivative instruments	0.2	0.1	1.1	(0.8)
Other comprehensive (loss) income before tax	(4.5)	(14.8)	(30.8)	112.3
(Provision) benefit for income tax related to items of comprehensive income	—	—	(0.2)	0.2
Other comprehensive (loss) income, net of tax	(4.5)	(14.8)	(31.0)	112.5
Comprehensive loss	\$ (3.9)	\$ (30.7)	\$ (67.2)	\$ (841.2)

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

FORTREA HOLDINGS INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(in millions)
(unaudited)

	<u>Common Stock</u>						
	Shares	Amounts	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Equity	
Balance at December 31, 2025	93.1	\$ 0.1	\$ 2,116.6	\$ (1,383.2)	\$ (170.0)	\$ 563.5	
Net loss	—	—	—	(23.6)	—	(23.6)	
Other comprehensive loss, net of tax	—	—	—	—	(25.4)	(25.4)	
Stock compensation	—	—	11.4	—	—	11.4	
Issuance of common stock under employee stock plan	1.5	—	—	—	—	—	
Balance at March 31, 2026	94.6	0.1	2,128.0	(1,406.8)	(195.4)	525.9	
Net loss	—	—	—	(13.2)	—	(13.2)	
Other comprehensive loss, net of tax	—	—	—	—	(1.1)	(1.1)	
Stock compensation	—	—	12.6	—	—	12.6	
Issuance of common stock under employee stock plan	0.5	—	—	—	—	—	
Balance at June 30, 2026	95.1	0.1	2,140.6	(1,420.0)	(196.5)	524.2	
Net income	—	—	—	0.6	—	0.6	
Other comprehensive loss, net of tax	—	—	—	—	(4.5)	(4.5)	
Stock compensation	—	—	12.0	—	—	12.0	
Issuance of common stock under employee stock plan	1.4	—	—	—	—	—	
Balance at September 30, 2026	96.5	\$ 0.1	\$ 2,152.6	\$ (1,419.4)	\$ (201.0)	\$ 532.3	

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

FORTREA HOLDINGS INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(in millions)
(unaudited)

	<u>Common Stock</u>						
	Shares	Amounts	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Equity	
Balance at December 31, 2024	89.7	\$ 0.1	\$ 2,042.2	\$ (397.0)	\$ (282.9)	\$ 1,362.4	
Net loss	—	—	—	(562.9)	—	(562.9)	
Other comprehensive income, net of tax	—	—	—	—	44.7	44.7	
Stock compensation	—	—	14.6	—	—	14.6	
Issuance of common stock under employee stock plan	0.8	—	—	—	—	—	
Balance at March 31, 2025	90.5	0.1	2,056.8	(959.9)	(238.2)	858.8	
Net loss	—	—	—	(374.9)	—	(374.9)	
Other comprehensive income, net of tax	—	—	—	—	82.6	82.6	
Stock compensation	—	—	22.7	—	—	22.7	
Issuance of common stock under employee stock plan	0.3	—	—	—	—	—	
Balance at June 30, 2025	90.8	0.1	2,079.5	(1,334.8)	(155.6)	589.2	
Net loss	—	—	—	(15.9)	—	(15.9)	
Other comprehensive loss, net of tax	—	—	—	—	(14.8)	(14.8)	
Stock compensation	—	—	22.3	—	—	22.3	
Issuance of common stock under employee stock plan	1.4	—	—	—	—	—	
Balance at September 30, 2025	92.2	\$ 0.1	\$ 2,101.8	\$ (1,350.7)	\$ (170.4)	\$ 580.8	

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

FORTREA HOLDINGS INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions) (unaudited)

	Nine Months Ended September 30,	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (36.2)	\$ (953.7)
Adjustments to reconcile net loss to net cash provided by (used for) operating activities:		
Depreciation and amortization	59.4	58.7
Stock compensation	36.0	59.6
Credit loss expense	4.0	13.5
Operating lease right-of-use asset expense	6.2	8.6
Operating lease right-of-use asset impairment	—	1.3
Goodwill and other asset impairments	—	797.9
Deferred income taxes	1.0	(24.4)
Unrealized foreign exchange movements	(13.2)	38.8
Other, net	2.8	2.2
Changes in assets and liabilities:		
Increase in accounts receivable and unbilled services, net	(55.3)	(10.6)
Decrease in prepaid expenses and other	20.3	43.8
Increase (decrease) in accounts payable	23.7	(89.7)
Increase in unearned revenue	51.0	54.6
Decrease in accrued expenses and other	(27.0)	(16.2)
Net cash provided by (used for) operating activities	72.7	(15.6)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(25.3)	(17.7)
Proceeds from sale of business, net	—	39.6
Proceeds from sale of assets	2.0	—
Net cash (used for) provided by investing activities	(23.3)	21.9
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from revolving credit facilities	—	453.9
Payments on revolving credit facilities	—	(453.9)
Debt issuance costs	—	(0.6)
Net cash used for financing activities	—	(0.6)
Effect of exchange rate changes on cash and cash equivalents	(3.4)	7.1
Net change in cash and cash equivalents	46.0	12.8
Cash and cash equivalents at beginning of period	174.6	118.5
Cash and cash equivalents at end of period	\$ 220.6	\$ 131.3

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

FORTREA HOLDINGS INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(dollars and shares in millions, except per share data)

1. BASIS OF FINANCIAL STATEMENT PRESENTATION

Description of Business

Fortrea Holdings Inc. (“Fortrea” or the “Company”), a Delaware corporation incorporated on January 31, 2023, is a leading global contract research organization (“CRO”) providing biopharmaceutical product and medical device development solutions to pharmaceutical, biotechnology and medical device customers. The Company offers customers highly flexible delivery models that include Full Service, Functional Service Provider, and Hybrid Service structures. The Company has a rich history of providing clinical development services for more than 30 years across more than 20 therapeutic areas. The Company leverages its global scale, clinical data insights, scientific and therapeutic expertise, technology innovation (including Fortrea Intelligent Technology™), industry network and decades of experience as a standalone company and as a business unit prior to its spin-off from Labcorp Holdings Inc. to deliver tailored solutions to its customers. With what the Company believes is a distinctive market offering, Fortrea meets growing global demand for clinical development services. The Company has established access to all key markets worldwide through a strategic footprint of primary office locations in five countries (the United States, the United Kingdom, China, India and Japan) with field operations in other jurisdictions worldwide.

On March 9, 2024, the Company, together with its wholly-owned subsidiary, Fortrea Inc., entered into an Asset Purchase Agreement with Endeavor Buyer LLC, an affiliate of Arsenal Capital Partners, to sell the operations of Fortrea Patient Access Inc. and its subsidiaries and Endpoint Clinical, Inc. and its subsidiaries; collectively referred to as the Enabling Services Segment (the “Transaction”). The final adjusted purchase price for the Transaction was \$340.0, subject to customary purchase price adjustments, with \$295.0 paid at closing and \$45.0 to be paid upon achievement of certain transition-related milestones. The Transaction closed during the second quarter of 2024. The first milestone payment in the amount of \$20.0 was received in the first quarter of 2025. The second and final milestone payment in the amount of \$25.0 was received in the third quarter of 2025.

Reportable Segment

The Company manages its business in one reportable segment, Clinical Services, which provides phase I-IV clinical trials, including clinical pharmacology and comprehensive clinical development capabilities. The Company’s chief operating decision maker allocates resources and assesses performance for the Clinical Services segment. For further financial information about the segment, see Note 13, “Business Segment Information”.

Unaudited Interim Financial Information

The Company’s unaudited condensed consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) for interim financial information. Accordingly, they do not include all of the information and notes required by U.S. GAAP for complete financial statements. In the opinion of management, all adjustments necessary for a fair statement of results of operations, cash flows, and financial position have been made. Except as otherwise disclosed, all such adjustments are of a normal recurring nature. Interim results are not necessarily indicative of results for a full year. As such, the information included in this Quarterly Report on Form 10-Q should be read in conjunction with the Company’s audited consolidated and combined financial statements included in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents, accounts receivable and unbilled services.

The Company maintains cash and cash equivalents with various major financial institutions. These financial institutions are generally highly rated and geographically dispersed. The Company evaluates the relative credit standing of these financial institutions and has not sustained credit losses from instruments held at financial institutions.

FORTREA HOLDINGS INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(dollars and shares in millions, except per share data)

Substantially all of the Company's accounts receivable and unbilled services are with companies in the pharmaceutical, biotechnology and medical device industries. As of September 30, 2026, one pharmaceutical customer accounted for approximately 18.5% of the Company's combined gross accounts receivable and unbilled services. As of December 31, 2025, one pharmaceutical customer accounted for approximately 18.3% of the Company's combined gross accounts receivable and unbilled services. Additionally, for the three months ended September 30, 2026, one customer accounted for approximately 17.6% of revenues, and for the nine months ended September 30, 2026, one customer accounted for approximately 17.2% of revenues. For the three months ended September 30, 2025, one customer accounted for 19.8% of revenues, and for the nine months ended September 30, 2025, one customer accounted for approximately 18.3% of revenues. Concentrations of credit risk are mitigated due to the number of the Company's customers as well as their dispersion across many different geographic regions. Additionally, the Company applies assumptions and judgments, including historical collection experience and reasonable and supportable forecasts, for assessing collectability and determining allowances for doubtful accounts.

Recently Issued and Adopted Accounting Standards

In November 2024, the Financial Accounting Standards Board ("FASB") issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40), Disaggregation of Income Statement Expenses. The new guidance requires disclosure of certain costs and expenses in the notes to the financial statements. This guidance is effective for fiscal years beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The disclosures required under the guidance can be applied either prospectively to financial statements issued for reporting periods after the effective date or retrospectively to any or all periods presented in the financial statements. The Company is currently evaluating the impact this guidance will have on its financial statement disclosures.

In September 2025, the FASB issued ASU 2025-06, Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software. The new guidance simplifies the accounting for internally developed software by replacing the existing phase-based capitalization model with a principles-based approach that focuses on management's authorization and the probability of project completion. The guidance is effective for fiscal years beginning after December 15, 2027, including interim periods within those fiscal years. Entities may apply the guidance using a prospective, retrospective, or modified transition approach, and early adoption is permitted. The Company is currently evaluating the impact this guidance will have on its financial statements and disclosures.

In December 2025, the FASB issued ASU 2025-10, Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities. This ASU establishes guidance on the recognition, measurement, and presentation of government grants received by business entities. The guidance is intended to improve consistency and transparency by providing a comprehensive accounting framework for government grants under U.S. GAAP. The guidance is effective for fiscal years beginning after December 15, 2028, including interim periods within those fiscal years. Early adoption is permitted. The Company is currently evaluating the impact this guidance will have on its financial statements and disclosures.

2. REVENUES

The Company's revenues by geography for the three and nine months ended September 30, 2026 and 2025 are as follows:

	Three Months Ended September 30, 2026				Three Months Ended September 30, 2025			
	North America	Europe	Other	Total	North America	Europe	Other	Total
Revenues	\$ 326.0	\$ 222.2	\$ 143.3	\$ 691.5	\$ 332.7	\$ 213.2	\$ 155.4	\$ 701.3

FORTREA HOLDINGS INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(dollars and shares in millions, except per share data)

	Nine Months Ended September 30, 2026				Nine Months Ended September 30, 2025			
	North America	Europe	Other	Total	North America	Europe	Other	Total
Revenues	\$ 942.5	\$ 655.8	\$ 407.9	\$ 2,006.2	\$ 986.5	\$ 632.2	\$ 444.2	\$ 2,062.9

Revenue from the United States comprises substantially all revenue in North America.

Contract Costs

The following table provides information about contract asset balances:

	September 30, 2026	December 31, 2025
Sales commission assets	\$ 18.8	\$ 21.4
Deferred contract costs	0.2	0.4
Total	\$ 19.0	\$ 21.8

Amortization related to sales commission assets for the three months ended September 30, 2026 and 2025 was \$2.8 and \$3.0, respectively, and for the nine months ended September 30, 2026 and 2025 was \$8.9 and \$8.9, respectively. Amortization related to deferred contract costs for the three months ended September 30, 2026 and 2025 was \$— and \$0.2, respectively, and for the nine months ended September 30, 2026 and 2025 was \$0.2 and \$0.6, respectively. The Company applies the practical expedient to not recognize the effect of financing in its contracts with customers when the difference in timing of payment and performance is one year or less.

Accounts Receivable, Unbilled Services and Unearned Revenue

The following table provides information about accounts receivable, unbilled services and unearned revenue from contracts with customers:

	September 30, 2026	December 31, 2025
Accounts receivable	\$ 171.6	\$ 113.6
Unbilled services	506.1	517.3
Less: allowance for credit losses	(36.6)	(41.2)
Total	\$ 641.1	\$ 589.7
Unearned revenue	\$ 525.5	\$ 473.8

Revenue recognized during the period that was included in the unearned revenue balance at the beginning of the period was \$267.4 and \$217.9 for the nine months ended September 30, 2026 and 2025, respectively. Additionally, as of September 30, 2026, the Company had sold \$300.0 of receivables as described in the *Receivables Securitization Program* section below.

Credit Loss Rollforward

The Company estimates future expected losses on accounts receivable and unbilled services over the remaining collection period of the instrument.

FORTREA HOLDINGS INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(dollars and shares in millions, except per share data)

The rollforward for the allowance for credit losses for the nine months ended September 30, 2026 is as follows:

Allowance for credit losses as of December 31, 2025	\$	41.2
Credit loss expense		4.0
Write-offs		(8.6)
Allowance for credit losses as of September 30, 2026	\$	36.6

Performance Obligations Under Long-Term Contracts

As of September 30, 2026, approximately \$4,390.7 of revenues are expected to be recognized from remaining performance obligations. The Company expects to recognize approximately 26% of the existing performance obligations as of September 30, 2026 as revenue over the next 12 months and the remaining balance thereafter. The Company's long-term contracts generally range from one to eight years. The customer contract transaction price allocated to the remaining performance obligations differs from backlog in that it does not include wholly unperformed contracts under which the customer has a unilateral right to cancel the arrangement.

During the three and nine months ended September 30, 2026, there were reductions of approximately \$— and \$3 in revenue related to performance obligations partially satisfied in previous periods. For the three months ended September 30, 2026, the change was associated with both changes in estimated effort to complete customer contract obligations of \$(6) and changes in scope or price of \$6. For the nine months ended September 30, 2026, the majority of the change was associated with changes in estimated effort to complete customer contract obligations of \$(13), partially offset by changes in scope or price of \$10.

During the three and nine months ended September 30, 2025, there were reductions of approximately \$10 and \$26 in revenue related to performance obligations partially satisfied in previous periods. For the three months ended September 30, 2025, the majority of the change was associated with changes in estimated effort to complete customer contract obligations of \$(7) and a smaller portion related to changes in scope or price of \$(3). For the nine months ended September 30, 2025, the change was associated with changes in scope or price of \$(13) and changes in estimated effort to complete customer contract obligations of \$(13).

The Company applies the practical expedient and does not disclose information about remaining performance obligations where (i) the performance obligation is part of a contract that has an original expected duration of one year or less or (ii) when the Company recognizes revenue from the satisfaction of the performance obligation in accordance with the right-to-invoice practical expedient.

Receivables Securitization Program

On May 6, 2024, the Company entered into a three-year \$300.0 accounts receivable securitization program (the "Receivables Facility"). Under this program, Fortrea Inc. conveys receivable balances to a wholly-owned, bankruptcy-remote special purpose entity ("SPE"), which in turn, may sell receivables to a third-party financial institution in exchange for cash. The facility is without recourse to the Company or any subsidiaries of the Company, other than with respect to limited indemnity obligations of Fortrea Inc., in respect to the character of the receivables sold and as to the performance of its duties as servicer and a limited performance guaranty by the Company. All unsold accounts receivable held by the SPE are pledged as collateral to secure the collectability of the sold receivables.

On February 24, 2026, the Company amended its Receivables Facility, which had been scheduled to terminate on May 6, 2027. The amended Receivables Facility is scheduled to terminate on February 23, 2029, unless terminated earlier pursuant to its terms.

As of September 30, 2026, the Company had sold \$300.0 of receivables, which were derecognized from the Company's consolidated balance sheet as described in the *Accounts Receivable, Unbilled Services and Unearned Revenue* section above. Total costs associated with the sale were \$4.2 and \$13.0 for the three and nine months ended September 30, 2026, and \$4.5 and \$13.4 for the three and nine months ended September 30, 2025, respectively, and are included within selling, general and administrative costs in the condensed consolidated statements of operations.

FORTREA HOLDINGS INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(dollars and shares in millions, except per share data)

3. RESTRUCTURING AND OTHER CHARGES

In the fourth quarters of 2024 and 2025, the Company approved restructuring plans to streamline its operations and eliminate redundant positions. These plans, which relate primarily to severance benefits, were accounted for under ASC 712, *Compensation - Nonretirement Postemployment Benefits*. Actions under these restructuring plans are expected to continue through 2026.

The following represents the Company's restructuring accrual activities for the periods indicated:

	Severance and Other Employee Costs	Facility and Other Costs	Total
Balance as of December 31, 2025	\$ 22.9	\$ 0.5	\$ 23.4
Restructuring charges	5.7	1.3	7.0
Reduction of prior restructuring accruals	(0.4)	—	(0.4)
Cash payments and other adjustments	(22.3)	(1.3)	(23.6)
Balance as of September 30, 2026	<u>\$ 5.9</u>	<u>\$ 0.5</u>	<u>\$ 6.4</u>

	Severance and Other Employee Costs	Facility and Other Costs	Total
Balance as of December 31, 2024	\$ 23.1	\$ 0.6	\$ 23.7
Restructuring charges	10.5	2.2	12.7
Cash payments and other adjustments	(22.8)	(2.2)	(25.0)
Balance as of September 30, 2025	<u>\$ 10.8</u>	<u>\$ 0.6</u>	<u>\$ 11.4</u>

The restructuring liabilities are current as of September 30, 2026 and December 31, 2025 and are included in accrued expenses and other current liabilities in the condensed consolidated balance sheets.

4. EARNINGS (LOSS) PER SHARE

Basic earnings per share is computed by dividing net earnings attributable to the Company by the weighted average number of common shares outstanding. Diluted earnings per share is computed by dividing net earnings including the impact of dilutive adjustments by the weighted average number of common shares outstanding plus potentially dilutive shares, as if they had been issued at the earlier of the date of issuance or the beginning of the period presented. Potentially dilutive common shares result primarily from the Company's outstanding stock options, restricted stock awards, restricted stock units ("RSUs"), and performance stock units ("PSUs").

The following represents the computation of basic and diluted earnings (loss) per share.

	Three Months Ended September 30,					
	2026			2025		
	Earnings	Shares	Per Share Amount	Earnings	Shares	Per Share Amount
Basic earnings (loss) per share:						
Net earnings (loss)	\$ 0.6	95.6	\$ 0.01	\$ (15.9)	91.2	\$ (0.17)
Dilutive effect of employee stock options and awards	—	5.6	—	—	—	—
Net earnings (loss) including impact of dilutive adjustments	<u>\$ 0.6</u>	<u>101.2</u>	<u>\$ 0.01</u>	<u>\$ (15.9)</u>	<u>91.2</u>	<u>\$ (0.17)</u>

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	Nine Months Ended September 30,					
	2026			2025		
	Earnings	Shares	Per Share Amount	Earnings	Shares	Per Share Amount
Basic earnings (loss) per share:						
Net earnings (loss)	\$ (36.2)	94.6	\$ (0.38)	\$ (953.7)	90.6	\$ (10.53)
Dilutive effect of employee stock options and awards	—	—	—	—	—	—
Net earnings (loss) including impact of dilutive adjustments	<u>\$ (36.2)</u>	<u>94.6</u>	<u>\$ (0.38)</u>	<u>\$ (953.7)</u>	<u>90.6</u>	<u>\$ (10.53)</u>

Diluted earnings per share represent the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock. These potential shares include dilutive stock options and unissued restricted stock awards. Potential common shares are also considered antidilutive in the event of a net loss from operations. There were no dilutive common shares for any period presented as the inclusion would be antidilutive.

The following table summarizes the potential common shares not included in the computation of diluted earnings per share because their impact would have been antidilutive:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Employee stock options and awards	0.2	5.5	0.4	5.4
Antidilutive employee stock options and awards excluded based on reporting a net loss for the period	—	2.6	4.9	1.4

5. GOODWILL

During the first and second quarters of 2025, due to sustained declines in the Company's share price and uncertainties in global macroeconomic conditions, the Company determined that indicators of impairment existed. As a result, the Company performed interim impairment tests as of March 31, 2025 and June 30, 2025.

Based upon the results of the quantitative assessment as of March 31, 2025, the Company concluded that the fair value of the Clinical Development reporting unit was less than its carrying value and recorded a goodwill impairment of \$488.8.

Based upon the results of the quantitative assessment as of June 30, 2025, the Company concluded that the fair value of the Clinical Development reporting unit was less than its carrying value and recorded a goodwill impairment of \$309.1.

For the goodwill impairment tests, the fair values of the Clinical Development and Clinical Pharmacology reporting units were computed using both income-based and market-based valuation methods. The income-based approach is based on the reporting unit's forecasted future cash flows that are discounted to the present value using the reporting unit's weighted average cost of capital. The discount rate used reflects the risks inherent in realizing the forecasted cash flows and considers the risk-free rate of return on long-term treasury securities, the risk premium associated with investing in equity securities of comparable companies, the beta obtained from the comparable companies and the cost of debt for investment grade issuers. The discount rate used for the Clinical Development reporting unit quantitative assessments as of March 31, 2025 and June 30, 2025 was 10.0% and 10.5%, respectively. The increase in the discount rate was primarily the result of macroeconomic and market factors and impacted the impairment during the second quarter of 2025 by approximately \$60.

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For the market-based approach, the Company utilizes a number of factors such as publicly available information regarding the market capitalization of the Company as well as operating results, business plans, market multiples, and present value techniques. Based upon the range of estimated values developed from the income and market-based methods, the Company determines the estimated fair value for the reporting unit. The resulting estimated fair values of the combined reporting units are reconciled to the Company's market capitalization including an estimated implied control premium. The share price used to calculate the Company's market capitalization was \$7.55 per share and \$4.94 per share as of March 31, 2025 and June 30, 2025, respectively.

The changes in the carrying amount of goodwill for the nine months ended September 30, 2026 and 2025 are as follows:

	September 30, 2026	September 30, 2025
Balance as of December 31	\$ 960.0	\$ 1,710.4
Impairment	—	(797.9)
Foreign currency impact and other adjustments to goodwill	(10.1)	45.6
Balance as of September 30	<u>\$ 949.9</u>	<u>\$ 958.1</u>

6. DEBT

The current portion of long-term debt consisted of the following:

	September 30, 2026	December 31, 2025
Current portion of senior secured term loan A due 2028	\$ 23.6	\$ 4.8
Debt issuance discount and fees	(0.2)	—
Total current portion of long-term debt	<u>\$ 23.4</u>	<u>\$ 4.8</u>

Long-term debt consisted of the following:

	September 30, 2026	December 31, 2025
7.5% senior notes due 2030	\$ 494.3	\$ 494.3
Senior secured term loan A due 2028	393.7	412.5
Senior secured term loan B due 2030	154.7	154.7
Debt issuance discount and fees	(10.8)	(13.5)
Total long-term debt	<u>\$ 1,031.9</u>	<u>\$ 1,048.0</u>

Senior Notes

On June 27, 2023, the Company issued \$570.0 aggregate principal amount of 7.50% senior notes due 2030 (the "Notes"). Interest on these notes is payable semi-annually on January 1 and July 1 of each year. Net proceeds from the offering of the Notes were \$560.2 after deducting expenses of the offering.

Credit Facilities

On June 30, 2023, Fortrea entered into a credit agreement (as amended, the "Credit Agreement") providing for (i) a senior secured revolving credit facility in the principal amount of up to \$450.0; (ii) a five-year \$500.0 first lien senior secured term A loan facility; and (iii) a seven-year \$570.0 first lien senior secured term B loan facility. The initial revolving facility includes a \$75.0 swingline sub-facility and a \$75.0 letter of credit sub-facility.

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The Company drew on the term loan A and term loan B on June 30, 2023. The net proceeds received for the term A and term B loans were \$491.8 and \$552.9, respectively after deducting underwriting discounts and other expenses. The term A and term B loans will mature on June 30, 2028 and June 30, 2030, respectively. The term loans accrue interest at a per annum rate equal to the sum of, at the option of the Company, a Base Rate or a Term SOFR Rate and the Applicable Margin as defined by the Credit Agreement. As of September 30, 2026, the effective interest rate on the term loan A and term loan B was 5.85% and 7.32%, respectively.

The revolving credit facility is permitted, subject to certain covenant restrictions, to be used for general corporate purposes, including working capital and capital expenditures. There were no balances outstanding on the Company's current revolving credit facility and there were \$2.3 in letters of credit issued under the letter of credit sublimit, resulting in \$447.7 available for borrowing as of September 30, 2026 and December 31, 2025. As of September 30, 2026, the effective interest rate on the revolving credit facility was 5.90%, assuming a one-month interest election. There is an annual agency fee associated with the Credit Agreement (\$0.1 paid in quarterly installments) and a variable commitment fee associated with the revolving credit facility based on the Company's Total Leverage Ratio as defined under the Credit Agreement. As of September 30, 2026, the commitment fee was 0.30% (per annum and paid quarterly). The credit facility matures on June 30, 2028.

Under the Credit Agreement, the Company is subject to negative covenants limiting subsidiary indebtedness and certain other covenants typical for similarly rated borrowers, and the Company is required to maintain certain net leverage and interest coverage ratios. The Company is permitted to make adjustments, such as excluding certain costs, from the calculation of leverage and interest coverage ratios for compliance purposes. On February 28, 2025, the Company entered into an amendment to modify certain financial covenants for additional flexibility under the Credit Agreement. The Company was in compliance with all covenants in the Credit Agreement at September 30, 2026 and believes it will be in compliance with all covenants for a period of at least 12 months from the date these financial statements are issued.

7. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

Summary of Derivative Instruments

The Company addresses its exposure to market risks, principally the market risk associated with changes in interest rates and foreign currency exchange rates, through a program of risk management that includes, from time to time, the use of derivative instruments such as foreign currency forward contracts and interest rate swap agreements. The Company does not hold or issue derivative instruments for trading purposes. The derivative instrument contracts are with major investment grade financial institutions and the Company does not anticipate any material non-performance by any of the counterparties. The Company does not believe that its exposure to market risk is material to the Company's financial position or results of operations.

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The fair value of the Company's interest rate swaps and foreign currency forward contracts are determined based on observable market inputs (Level 2). The table below presents the fair value of the Company's derivatives on a gross basis and the balance sheet classification of those instruments:

	Balance Sheet Classification	September 30, 2026		December 31, 2025					
		Asset	Liability	Asset	Liability				
Derivatives designated as hedging instruments:									
Interest rate swaps	Accrued expenses and other current liabilities	\$	—	\$	(0.1)	\$	—	\$	(1.2)
	Other liabilities		—		—		—		—
Derivatives not designated as hedging instruments:									
Foreign currency forward contracts	Prepaid expenses and other	\$	0.6	\$	—	\$	0.3	\$	—
	Accrued expenses and other current liabilities		—		(0.9)		—		(0.6)

The notional amounts of the Company's interest rate swaps and foreign currency forward contracts were \$150.0 and \$431.5 as of September 30, 2026 and \$150.0 and \$305.7 as of December 31, 2025, respectively.

The following table presents the pre-tax effects of cash flow hedges included in the Company's condensed consolidated statements of comprehensive loss:

	Pre-Tax Gain (Loss) Included in Other Comprehensive (Loss) Income			
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Interest rate swaps	\$ —	\$ 0.1	\$ 0.5	\$ (0.7)

The following table presents amounts reclassified out of accumulated other comprehensive loss and recognized in the condensed consolidated statements of operations:

	Statement of Operations Classification	Amounts Reclassified from Other Comprehensive (Loss) Income into Earnings			
		Three Months Ended September 30,		Nine Months Ended September 30,	
		2026	2025	2026	2025
Interest rate swaps	Interest expense	\$ 0.2	\$ —	\$ 0.6	\$ (0.1)

The estimated amount of pre-tax net losses included in other comprehensive (loss) income that is expected to be reclassified into earnings over the twelve months following September 30, 2026, is \$0.1.

Refer to Note 9, "Preferred Stock and Common Shareholders' Equity" for the impact of the Company's derivative instruments included in accumulated other comprehensive loss.

The following table presents a summary of the gains and losses for derivative contracts not designated as hedges included in the Company's condensed consolidated statements of operations:

	Statement of Operations Classification	Gain (Loss) on Derivatives Recognized in Earnings			
		Three Months Ended September 30,		Nine Months Ended September 30,	
		2026	2025	2026	2025
Foreign currency forward contracts	Foreign exchange gain (loss)	\$ 0.7	\$ 1.3	\$ —	\$ 2.3

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8. COMMITMENTS AND CONTINGENT LIABILITIES

The Company is involved from time to time in various claims and legal actions arising in the ordinary course of business. These matters may include commercial and contract disputes, employee-related matters, and professional liability claims. In accordance with FASB ASC 450, *Contingencies*, the Company establishes reserves for claims and legal actions when those matters present loss contingencies that are both probable and estimable. When loss contingencies are not both probable and estimable, the Company does not establish reserves. The outcomes of such proceedings are inherently unpredictable and subject to significant uncertainties. When the Company determines that it has a meritorious defense to any claims asserted, the Company defends itself vigorously; however the Company also considers and enters into discussions regarding settlement of disputes, and may enter into settlement agreements, if in management's judgment, it is in the best interest of the Company to do so. For the three and nine months ended September 30, 2025, the Company recorded legal expenses of \$— and \$1.9 related to the settlement of legal matters initiated prior to the Spin. Legal settlement expenses for the three and nine months ended September 30, 2026 were not significant. The Company does not believe that any liabilities resulting from claims and legal actions will have a material effect on its financial condition, results of operations or cash flows.

On July 6, 2026, Thermo Fisher Scientific Inc., Clario Holdings, Inc., and eResearch Technology, Inc. d/b/a Clario (collectively, the "Plaintiffs") filed an action in the Court of Chancery of the State of Delaware against Jason Knoblauch and the Company challenging the Company's appointment of Mr. Knoblauch as Chief Financial Officer. Plaintiffs alleged that Mr. Knoblauch's employment by the Company violated restrictive covenants and that he retained confidential information belonging to Plaintiffs. This case was settled in August 2026 with no material impact to the Company's results of operations.

On June 2, 2025, a purported shareholder class action complaint captioned Lucas Deslande v. Fortrea Holdings Inc., et al., No 1:25-cv-04630 was filed in the U.S. District Court for the Southern District of New York, naming the Company and certain of its current and former officers as defendants. The complaint alleged that defendants made omissions and misrepresentations to investors that they claimed violated certain securities laws. The Construction Industry Laborers Pension Fund and City of Pontiac Reestablished General Employees Retirement System were appointed as lead plaintiffs on September 3, 2025, filed an amended complaint on November 10, 2025, and the Company filed a motion to dismiss the amended complaint on January 28, 2026. On September 28, 2026, the court granted the Company's motion to dismiss in full, and dismissed the claims against the Company and the named individuals with prejudice.

The Company believes that it is in compliance in all material respects with all statutes, regulations, and other requirements applicable to its drug development support services. The drug development industry is, however, subject to extensive regulation, and the courts have not interpreted many of the applicable statutes and regulations. Therefore, the applicable statutes and regulations could be interpreted or applied by a prosecutorial, regulatory, or judicial authority in a manner that would adversely affect the Company. Potential sanctions for violation of these statutes and regulations include significant civil and criminal penalties, fines, the loss of various licenses, certificates and authorizations, and/or additional liabilities from third-party claims.

Fortrea obtains insurance coverage for certain catastrophic exposures as well as those risks required to be insured by law or contract. The Company is covered by those policies but is responsible for the uninsured portion of losses related primarily to general, professional and vehicle liability, certain medical costs and workers' compensation. The self-insured retentions are on a per-occurrence basis without any aggregate annual limit. Provisions for losses expected under these programs are recorded based upon the Company's estimates of the aggregated liability of claims incurred.

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9. PREFERRED STOCK AND COMMON SHAREHOLDERS' EQUITY

The Company is authorized to issue up to 265.0 shares of common stock, par value \$0.001 per share. The Company is authorized to issue up to 30.0 shares of preferred stock, par value \$0.001 per share. There were no preferred shares outstanding as of September 30, 2026 and December 31, 2025.

Stockholder Rights Plan

On June 11, 2025, the Company's Board of Directors adopted a limited duration stockholder rights plan (the "Rights Agreement"). Pursuant to the Rights Agreement, on June 11, 2025, the Company's Board of Directors declared a dividend of one preferred share purchase right (a "Right") for each share of common stock, par value \$0.001 per share, of the Company (the "Common Shares") outstanding on June 23, 2025 to the stockholders of record on that date. Each Right entitles the registered holder to purchase from the Company one one-thousandth of a share of Series A Preferred Stock, par value \$0.001 per share, of the Company (the "Preferred Shares") at a price of \$50.00 per one one-thousandth of a Preferred Share represented by a Right, subject to adjustment.

The Rights Agreement expired in accordance with its terms at the close of business on June 10, 2026.

Accumulated Other Comprehensive Loss

The components of accumulated other comprehensive loss are as follows:

	Foreign Currency Translation Adjustments	Net Benefit Plan Adjustments	Unrealized Gain (Loss) on Derivative Instruments	Accumulated Other Comprehensive Loss
Balance at December 31, 2025	\$ (163.8)	\$ (5.3)	\$ (0.9)	\$ (170.0)
Current quarter foreign exchange adjustments	(25.9)	—	—	(25.9)
Unrealized gain on derivative instruments	—	—	0.4	0.4
Amounts reclassified from accumulated other comprehensive loss	—	—	0.2	0.2
Tax effect of adjustments	—	—	(0.1)	(0.1)
Balance at March 31, 2026	(189.7)	(5.3)	(0.4)	(195.4)
Current quarter foreign exchange adjustments	(1.3)	—	—	(1.3)
Unrealized gain on derivative instruments	—	—	0.1	0.1
Amounts reclassified from accumulated other comprehensive loss	—	—	0.2	0.2
Tax effect of adjustments	—	—	(0.1)	(0.1)
Balance at June 30, 2026	(191.0)	(5.3)	(0.2)	(196.5)
Current quarter foreign exchange adjustments	(4.7)	—	—	(4.7)
Unrealized gain on derivative instrument	—	—	—	—
Amounts reclassified from accumulated other comprehensive loss	—	—	0.2	0.2
Tax effect of adjustments	—	—	—	—
Balance at September 30, 2026	\$ (195.7)	\$ (5.3)	\$ —	\$ (201.0)

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	Foreign Currency Translation Adjustments	Net Benefit Plan Adjustments	Unrealized Gain (Loss) on Derivative Instruments	Accumulated Other Comprehensive Loss
Balance at December 31, 2024	\$ (276.0)	\$ (6.5)	\$ (0.4)	\$ (282.9)
Current quarter foreign exchange adjustments	45.2	—	—	45.2
Unrealized loss on derivative instruments	—	—	(0.7)	(0.7)
Amounts reclassified from accumulated other comprehensive loss	—	—	—	—
Tax effect of adjustments	—	—	0.2	0.2
Balance at March 31, 2025	(230.8)	(6.5)	(0.9)	(238.2)
Current quarter foreign exchange adjustments	82.8	—	—	82.8
Unrealized loss on derivative instruments	—	—	(0.1)	(0.1)
Amounts reclassified from accumulated other comprehensive loss	—	—	(0.1)	(0.1)
Tax effect of adjustments	—	—	—	—
Balance at June 30, 2025	(148.0)	(6.5)	(1.1)	(155.6)
Current quarter foreign exchange adjustments	(14.9)	—	—	(14.9)
Unrealized gain on derivative instruments	—	—	0.1	0.1
Amounts reclassified from accumulated other comprehensive loss	—	—	—	—
Tax effect of adjustments	—	—	—	—
Balance at September 30, 2025	<u>\$ (162.9)</u>	<u>\$ (6.5)</u>	<u>\$ (1.0)</u>	<u>\$ (170.4)</u>

10. INCOME TAXES

For the three months ended September 30, 2026 and 2025, the Company recognized income tax (benefit) expense of \$(4.2) and \$(12.8), respectively, which resulted in effective tax rates of 116.7% and 44.6%, respectively. The effective tax rate for the three months ended September 30, 2026 was higher than the Company's statutory tax rate primarily due to the favorable tax impact of the geographic mix of non-U.S. earnings, partially offset by valuation allowance, non-deductible compensation expenses, and withholding taxes on 2026 non-U.S. earnings that are not permanently reinvested. For the three months ended September 30, 2025, the Company's effective tax rate was higher than the Company's statutory tax rate primarily due to an increase in the Company's U.S. operating losses partially offset by non-deductible compensation expenses, Base Erosion and Anti-Abuse Tax ("BEAT"), an increase in valuation allowance and withholding taxes for 2025 non-U.S. earnings that are not permanently reinvested.

For the nine months ended September 30, 2026 and 2025, the Company recognized income tax (benefit) expense of \$19.1 and \$6.3, respectively, which resulted in effective tax rates of (111.7)% and (0.7)%, respectively. The effective tax rate for the nine months ended September 30, 2026 was lower than the Company's statutory tax rate primarily due to an increase in valuation allowance, non-deductible compensation expenses and withholding taxes for 2026 non-U.S. earnings that are not permanently reinvested. For the nine months ended September 30, 2025, the Company's effective tax rate was lower than the Company's statutory tax rate primarily due to impairment of goodwill that has no tax benefit, non-deductible compensation expenses, BEAT, an increase in valuation allowance and withholding taxes for 2025 non-U.S. earnings that are not permanently reinvested.

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11. STOCK COMPENSATION PLANS

The Company granted 0.3 and 2.6 restricted stock units, respectively, during the three and nine months ended September 30, 2026 with weighted average grant date fair values of \$17.12 and \$11.33 per share. The Company granted 0.1 and 1.0 performance stock units, respectively, during the three and nine months ended September 30, 2026 with weighted average grant date fair values of \$18.98 and \$12.45 per share.

Total stock-based compensation expense and the associated income tax benefits recognized by the Company in the condensed consolidated statements of operations were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Direct costs	\$ 7.1	\$ 17.2	\$ 23.4	\$ 46.0
Selling, general and administrative expenses	4.9	5.1	12.6	13.6
Total stock compensation expense	<u>\$ 12.0</u>	<u>\$ 22.3</u>	<u>\$ 36.0</u>	<u>\$ 59.6</u>
Income tax benefits	\$ 1.6	\$ 3.1	\$ 5.5	\$ 8.5

12. SUPPLEMENTAL CASH FLOW INFORMATION

	Nine Months Ended September 30,	
	2026	2025
Supplemental schedule of cash flow information:		
Cash paid during period for:		
Interest	\$ 60.7	\$ 74.1
Income taxes, net of refunds	12.8	15.2
Disclosure of non-cash investing activities:		
Change in accrued property, plant and equipment	0.5	—

13. BUSINESS SEGMENT INFORMATION

The following table is a summary of segment information for the three and nine months ended September 30, 2026 and 2025. The segment information is based upon the way the management of the Company organizes segments within an enterprise for making operating decisions and assessing performance. Financial information is reported on the basis that it is used internally by the chief operating decision maker (“CODM”) for evaluating segment performance and deciding how to allocate resources to segments. The Fortrea Chief Executive Officer has been identified as the CODM.

The CODM allocates resources and assesses performance based on the underlying businesses which determines the Company's operating segments. When determining the reportable segments, the Company aggregated operating segments based on their similar economic and operating characteristics. The Company reports its business in one reportable segment: Clinical Services, which provides phase I-IV clinical trials, including clinical pharmacology and comprehensive clinical development capabilities. The measure of segment profit or loss that the CODM uses to evaluate performance and allocate resources is segment operating income. The CODM uses segment operating income to monitor budget versus actual results and to make decisions about resources to be allocated to the segment and assess its performance.

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In accordance with ASU 2023-07, *Improvements to Reportable Segment Disclosures*, significant expenses included within segment operating income have been assessed and disclosed in the table below. Corporate costs not included in the segment operating income measure provided to the CODM are included within “Corporate costs not included in segment operating income.” Segment asset information is not presented because it is not used by the CODM at the segment level.

Segment operating income for the three and nine months ended September 30, 2026 and 2025 is reconciled to loss before income taxes as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenues	\$ 691.5	\$ 701.3	\$ 2,006.2	\$ 2,062.9
Less:				
Pass through costs	267.2	280.0	747.9	796.2
Direct costs	284.8	298.5	855.9	891.3
Selling, general and administrative expenses	94.6	96.9	278.0	306.6
Depreciation	5.5	4.8	15.7	14.8
Segment operating income	39.4	21.1	108.7	54.0
Corporate costs not included in segment operating income	9.2	10.0	28.5	49.5
Amortization	14.5	14.8	43.7	43.9
Goodwill and other asset impairments	—	—	—	797.9
Restructuring and other charges	0.7	4.9	10.1	21.7
Operating income (loss)	15.0	(8.6)	26.4	(859.0)
Interest expense	(20.2)	(22.6)	(58.6)	(68.2)
Foreign exchange gain (loss)	1.3	(2.6)	14.5	(28.1)
Other, net	0.3	5.1	0.6	7.9
Loss before income taxes	\$ (3.6)	\$ (28.7)	\$ (17.1)	\$ (947.4)

14. SUBSEQUENT EVENTS

On October 19, 2026, the Company acquired the Early Phase Services division of Worldwide Clinical Trials, which consists of clinical pharmacology and bioanalytical laboratory operations, for aggregate purchase consideration of approximately \$45.0, subject to customary purchase price adjustments, with \$41.0 payable at closing and the remaining \$4.0 payable as deferred consideration following the completion, expiration, or termination of certain transition services (with any unpaid amounts of the deferred consideration payable no later than the twelve-month anniversary of the closing date). The Company paid approximately \$39.0 in cash at closing using available cash on hand, subject to further adjustment based on customary purchase price adjustments.

The acquisition, which will be accounted for as a business combination, is expected to expand the Company’s early clinical development capabilities and capacity, including dedicated bioanalytical laboratory capabilities. Due to the recent acquisition date, the Company has not yet completed the valuation analyses necessary to determine the fair values of the assets acquired and liabilities assumed. Accordingly, a preliminary purchase price allocation has not been provided.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations (in millions)

The following discussion and analysis is intended to provide a summary of significant factors relevant to the financial performance and condition of Fortrea Holdings Inc., which we refer to in this discussion and analysis as “Fortrea,” the “Company,” “our” and “we”. Prior to the spin-off which was completed on June 30, 2023 (the “Spin” or “the Separation”), Fortrea existed and functioned as part of Labcorp Holdings Inc., which we refer to in this discussion and analysis as “Labcorp” or “Former Parent.” The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our audited consolidated and combined financial statements and corresponding notes included in our Annual Report on Form 10-K for the year ended December 31, 2025 (the “Form 10-K”) and our unaudited condensed consolidated financial statements and corresponding notes in Item 1. “Financial Statements.”

Cautionary Statement Concerning Forward-Looking Statements

This Form 10-Q and other materials we have filed or will file with the Securities and Exchange Commission (the “SEC”) include or will include forward-looking statements. Some of the forward-looking statements can be identified by the use of terms such as “believes,” “expects,” “may,” “will,” “should,” “could,” “seeks,” “approximately,” “intends,” “plans,” “estimates,” “anticipates,” or other comparable terms. These forward-looking statements include all matters that are not related to present facts or current conditions or that are not historical facts. They appear in a number of places throughout this Form 10-Q and include statements regarding our intentions, beliefs, or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects and growth strategies, and the industries in which we operate and include, without limitation, statements relating to our future performance.

Forward-looking statements are subject to known and unknown risks and uncertainties, many of which are beyond our control. We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and industry development may differ materially from those made in or suggested by the forward-looking statements contained in this Form 10-Q. In addition, even if our results of operations, financial condition and liquidity, and industry development are consistent with the forward-looking statements contained in this Form 10-Q, those results or developments may not be indicative of results or developments in subsequent periods. A number of important factors could cause actual results to differ materially from those contained in or implied by the forward-looking statements, including the risks and uncertainties discussed in the “Risk Factors” Section of our Form 10-K, as filed with the SEC. Factors that could cause actual results to differ from those reflected in forward-looking statements relating to our operations and business include, among other things: our dependence on third parties generally to provide services critical to our businesses; our ability to successfully implement our business strategies and execute our long-term value creation strategy; the possibility that Delaware law, our organizational documents, our stockholder rights agreement, and our existing and future debt agreements may impede or discourage a takeover; risks and expenses associated with our international operations including but not limited to currency fluctuations and trade policies; anticipated benefits of our acquisition of the Early Phase Services division of Worldwide Clinical Trials; our customer or therapeutic area concentrations; our adoption and use of technology within our business and the risks that we may not be able to capture the anticipated benefits of such technology or that such technology may have negative effects; the outcome and impact of pending or future litigation; any deterioration in the macroeconomic environment, particularly within the pharmaceutical and biotechnology industries, which could lead to defaults or cancellations by our customers; the risk that our backlog and net new business may not grow to the extent we anticipate over a specified period of time, that such measures may not be indicative of our future revenues and that we might not realize all of the anticipated future revenue reflected in our backlog; our ability to generate sufficient net new business awards, or the risk that net new business awards are delayed, terminated, reduced in scope, or fail to go to contract; the risk that we may underprice our contracts, overrun our cost estimates, or fail to receive approval for, or experience delays in documentation of change orders; and other factors described in the Form 10-K and from time to time in documents that we file with the SEC.

All forward-looking statements are made only as of the date of this Form 10-Q, and we do not undertake any obligation, other than as may be required by law, to update or revise any forward-looking statements to reflect future events or developments. Comparisons of results for current and any prior periods are not intended to express any future trends, or indications of future performance, unless expressed as such, and should only be viewed as historical data. For a further discussion of the risks relating to our business, see the “Risk Factors” section of our Annual Report on Form 10-K.

Company Overview

Fortrea, a Delaware corporation incorporated on January 31, 2023, is a leading global contract research organization (“CRO”) providing biopharmaceutical product and medical device development solutions to pharmaceutical, biotechnology and medical device customers. We offer customers highly flexible delivery models that include Full Service, Functional Service Provider (“FSP”), and Hybrid Service structures. We have a rich history of providing clinical development services for over 30 years across more than 20 therapeutic areas, first as Covance and later as Labcorp Drug Development. On June 30, 2023, we completed the Spin from Labcorp. We leverage our global scale, scientific and therapeutic expertise, clinical data insights, technology innovation (including Fortrea Intelligent Technology™), industry network and decades of experience as a standalone company and as a business unit prior to the Spin to deliver tailored solutions to our customers. With what we believe is a distinctive market offering, Fortrea meets growing global demand for clinical development services.

Our team of approximately 14,000 employees is able to conduct operations in approximately 100 countries and delivers comprehensive phase I – IV clinical trial management, clinical pharmacology, and consulting services for our customers. Our offering is scaled to deliver focused and agile solutions to customers globally, streamlining the biopharmaceutical product and medical device development process.

Backlog

Our backlog consists of anticipated future revenue from business awards that either have not started, or that are in process and have not been completed. Our backlog also reflects any cancellation or adjustment activity related to these awards. The average duration of our contracts will fluctuate from period to period based on the contracts comprising our backlog at any given time. The majority of our contracts contain early termination provisions that typically require notice periods ranging from 30 to 90 days. We adjust backlog for foreign currency fluctuations and exclude from backlog amounts that have been recognized as revenue in our statements of operations. Our backlog was \$7.3 billion as of September 30, 2026. During the quarter, in addition to ordinary course cancellations and scope reductions contracted during the period, we reduced backlog by approximately \$558 to reflect the cumulative impact of estimated changes in scope and study delivery requirements across our customer contracts. The adjustment was not driven by any recent material customer communication and is not expected to have a material impact on our near-term revenue expectations.

We do not believe that, as a sole measure, our backlog is a consistent indicator of future revenue because it has been, and likely will continue to be, affected by a number of factors, including the variable size and duration of projects, many of which are performed over several years, and changes to the scope of work during the course of projects. Additionally, projects may be canceled or delayed by the customer or regulatory authorities. We generally do not have a contractual right to the full amount of the contract award reflected in our backlog. If a customer cancels a contract, we generally will be reimbursed for the costs we have incurred. For a further discussion of the risks relating to our business, see the “Risk Factors” section of our Annual Report on Form 10-K.

RESULTS OF OPERATIONS

Three and Nine Months Ended September 30, 2026 compared with Three and Nine Months Ended September 30, 2025

The following tables present the financial measures that management considers to be the most significant indicators of the Company's performance. The Company defines organic growth as the change in revenues and direct costs excluding the year over year impact of foreign currency translation.

Revenues

	Three Months Ended September 30,		Change	Nine Months Ended September 30,		Change
	2026	2025		2026	2025	
Revenues	\$ 691.5	\$ 701.3	(1.4)%	\$ 2,006.2	\$ 2,062.9	(2.7)%

The Company's revenues for the three months ended September 30, 2026 were \$691.5, a decrease of 1.4% from revenues of \$701.3 in the corresponding period in 2025. The change in revenues was due to a decrease in organic revenues of 1.4%, driven by lower clinical development revenues, resulting primarily from lower pass through costs, as well as lower demand for our functional service provider business, which more than offset revenues from net new business. These decreases were partially offset by an increase in our clinical pharmacology business, including higher pass through costs.

The Company's revenues for the nine months ended September 30, 2026 were \$2,006.2, a decrease of 2.7% from revenues of \$2,062.9 in the corresponding period in 2025. The change in revenues was due to a decrease in organic revenues of 3.1%, partially offset by favorable foreign currency translation of 0.4%. The 3.1% decrease in organic revenues was due to lower clinical development revenues, resulting primarily from lower pass through costs, as well as lower demand for our functional service provider business, which more than offset revenues from net new business. These decreases were partially offset by an increase in our clinical pharmacology business, including higher pass through costs.

Direct Costs, Exclusive of Depreciation and Amortization

	Three Months Ended September 30,		Change	Nine Months Ended September 30,		Change
	2026	2025		2026	2025	
Direct costs	\$ 552.0	\$ 578.6	(4.6)%	\$ 1,603.9	\$ 1,690.2	(5.1)%
Direct costs as a % of revenues	79.8 %	82.5 %		79.9 %	81.9 %	

Direct costs consist primarily of payroll and related benefits for project-related employees, reimbursable expenses (pass through costs), information technology costs, and other direct costs.

Direct costs decreased 4.6% during the three months ended September 30, 2026 as compared with the corresponding period in 2025. The change in direct costs was due to a decrease in organic direct costs of 4.5% and favorable foreign currency translation of 0.1%. Direct costs decreased as a percentage of revenues to 79.8% during the three months ended September 30, 2026 as compared to 82.5% in the corresponding period in 2025. The 4.5% decrease in organic direct costs was primarily due to lower pass through and stock-based compensation costs, as well as lower personnel costs, including the benefit of restructuring actions. These decreases were partially offset by a year over year increase in variable compensation expense and the impact of merit wage increases.

Direct costs decreased 5.1% during the nine months ended September 30, 2026 as compared with the corresponding period in 2025. The change in direct costs was due to a decrease in organic direct costs of 6.1%, partially offset by unfavorable foreign currency translation of 1.0%. Direct costs decreased as a percentage of revenues to 79.9% during the nine months ended September 30, 2026 as compared to 81.9% in the corresponding period in 2025. The 6.1% decrease in organic direct costs was primarily due to lower pass through and stock-based compensation costs, as well as lower personnel costs, including the benefit of restructuring actions. These decreases were partially offset by a year over year increase in variable compensation expense and the impact of merit wage increases.

Selling, General and Administrative Expenses, Exclusive of Depreciation and Amortization

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	2025	Change	2026	2025	Change
Selling, general and administrative expenses	\$ 103.8	\$ 106.8	(2.8)%	\$ 306.4	\$ 353.4	(13.3)%

Selling, general and administrative expenses consist primarily of administrative payroll and related benefit charges, information technology costs, other facility charges, advertising and promotional expenses, administrative travel and credit loss provisions.

Selling, general and administrative expenses decreased by 2.8% during the three months ended September 30, 2026 as compared with the corresponding period in 2025. The decrease was primarily due to lower personnel costs, including the benefit of restructuring actions, as well as lower credit loss provisions. These decreases were partially offset by a year over year increase in variable compensation expense and the impact of merit wage increases.

Selling, general and administrative expenses decreased by 13.3% during the nine months ended September 30, 2026 as compared with the corresponding period in 2025. The decrease was primarily due to lower information technology and personnel costs, including the benefit of restructuring actions, as well as lower credit loss provisions. These decreases were partially offset by a year over year increase in variable compensation expense and the impact of merit wage increases.

Depreciation Expense

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	2025	Change	2026	2025	Change
Depreciation expense	\$ 5.5	\$ 4.8	14.6 %	\$ 15.7	\$ 14.8	6.1 %

The change in depreciation expense for the three and nine months ended September 30, 2026, as compared to the corresponding periods in 2025, was not significant.

Amortization Expense

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	2025	Change	2026	2025	Change
Amortization of intangibles and other assets	\$ 14.5	\$ 14.8	(2.0)%	\$ 43.7	\$ 43.9	(0.5)%

The change in amortization of intangibles and other assets for the three and nine months ended September 30, 2026, as compared to the corresponding periods in 2025, was not significant.

Goodwill and Other Asset Impairments

	Three Months Ended September 30,			Change	Nine Months Ended September 30,			Change
	2026	2025			2026	2025		
Goodwill and other asset impairments	\$ —	\$ —		nm	\$ —	\$ 797.9		nm

There were no goodwill and other asset impairments for the three and nine months ended September 30, 2026. Goodwill impairment for the three and nine months ended September 30, 2025 was \$— and \$797.9, respectively. The impairment for the nine months ended September 30, 2025 was specific to the Clinical Development reporting unit.

Restructuring and Other Charges

	Three Months Ended September 30,			Change	Nine Months Ended September 30,			Change
	2026	2025			2026	2025		
Restructuring and other charges	\$ 0.7	\$ 4.9		(85.7)%	\$ 10.1	\$ 21.7		(53.5)%

The decline in restructuring expense for the three and nine months ended September 30, 2026, as compared to the corresponding periods in 2025, was primarily due to the planned progression of the Company's restructuring programs, which resulted in lower restructuring charges.

Interest Expense

	Three Months Ended September 30,			Change	Nine Months Ended September 30,			Change
	2026	2025			2026	2025		
Interest expense	\$ 20.2	\$ 22.6		(10.6)%	\$ 58.6	\$ 68.2		(14.1)%

The decrease in interest expense for the three and nine months ended September 30, 2026, as compared with the corresponding periods in 2025, was due to lower average debt outstanding during the first three quarters of 2026, driven by the repurchase of \$75.7 of senior secured notes in 2025 and no borrowings on the revolving credit facility during the first three quarters of 2026, as well as lower effective interest rates on term loan A and term loan B.

Foreign Exchange Gain (loss)

	Three Months Ended September 30,			Change	Nine Months Ended September 30,			Change
	2026	2025			2026	2025		
Foreign exchange gain (loss)	\$ 1.3	\$ (2.6)		(150.0)%	\$ 14.5	\$ (28.1)		(151.6)%

The change in foreign exchange gain (loss) for the three and nine months ended September 30, 2026 compared to the foreign exchange gain (loss) for three and nine months ended September 30, 2025, was primarily due to the fluctuations in the U.S. Dollar against the British Pound and Euro.

Other, net

	Three Months Ended September 30,			Change	Nine Months Ended September 30,			Change
	2026	2025			2026	2025		
Other, net	\$ 0.3	\$ 5.1		(94.1)%	\$ 0.6	\$ 7.9		(92.4)%

The decline in other, net for the three and nine months ended September 30, 2026, as compared with the corresponding periods in 2025, was primarily due to income recognized in the prior-year periods related to services provided under transition services agreements that terminated in 2025, as well as accretion income associated with contingent consideration from the Enabling Services divestiture which was received in 2025.

Income Tax (Benefit) Expense

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Income tax (benefit) expense	\$ (4.2)	\$ (12.8)	\$ 19.1	\$ 6.3
Income tax (benefit) expense as a % of loss before tax	116.7 %	44.6 %	(111.7)%	(0.7)%

For the three months ended September 30, 2026, the Company's effective tax rate was 116.7% compared to 44.6% for the corresponding period in 2025. For the nine months ended September 30, 2026, the Company's effective tax rate was (111.7)% compared to (0.7)% for the corresponding period in 2025. The fluctuations in the quarter-to-date and year-to-date periods were primarily due to goodwill impairment with no associated tax benefit and BEAT for the three and nine months ended September 30, 2025 and the impact of valuation allowance primarily related to expected interest deductibility limitations for the three and nine months ended September 30, 2026.

Liquidity, Capital Resources and Financial Position

The Company manages cash flow to fund and invest in operational growth, capital expenditures, and credit facility repayments. In connection with the Spin, we incurred indebtedness in an aggregate principal amount of \$1,640.0, which consists of borrowings under senior secured term loan facilities and senior secured notes. We have also entered into a senior secured revolving credit facility, which consists of a five-year facility in the principal amount of up to \$450.0 as further discussed in Note 6, "Debt" to our condensed consolidated financial statements. As of September 30, 2026, there was no balance outstanding on the Company's revolving credit facility and there were \$2.3 in letters of credit issued under the letter of credit sublimit, resulting in \$447.7 available for borrowing. The maximum revolver borrowing outstanding was \$— and \$138.0 during the nine months ended September 30, 2026 and 2025, respectively.

On May 6, 2024, we entered into a three-year \$300.0 accounts receivable securitization program (the "Receivables Facility"). Under this program, Fortrea Inc. conveys receivable balances to a wholly-owned, bankruptcy-remote special purpose entity, which in turn, may sell receivables to a third-party financial institution in exchange for cash. As of September 30, 2026, the Company had sold \$300.0 of receivables, which were derecognized from the Company's consolidated balance sheet.

On February 24, 2026, we amended our Receivables Facility, which had been scheduled to terminate on May 6, 2027. The amended Receivables Facility is scheduled to terminate on February 23, 2029, unless terminated earlier pursuant to its terms.

On October 19, 2026, we completed the acquisition of the Early Phase Services division of Worldwide Clinical Trials for aggregate purchase consideration of approximately \$45.0, subject to customary purchase price adjustments, with \$41.0 payable at closing and the remaining \$4.0 payable as deferred consideration following the completion, expiration, or termination of certain transition services (with any unpaid amounts of the deferred consideration payable no later than the twelve-month anniversary of the closing date). We paid approximately \$39.0 in cash at closing using available cash on hand, subject to further adjustment based on customary purchase price adjustments.

We believe our existing cash and cash flows generated from operations, plus existing credit facilities, will be sufficient to cover the needs of our current and planned operations for at least the next 12 months. From time to time, we routinely evaluate strategic opportunities, including potential acquisitions, joint ventures or investments in complementary businesses. We may also access capital markets through the issuance of debt or equity, which we may use in connection with the acquisition of complementary businesses or other significant assets, or for other strategic opportunities, or general corporate purposes.

Cash Flows for the Nine months ended September 30, 2026 and 2025

In summary, the Company's cash flows were as follows:

	Nine Months Ended September 30,	
	2026	2025
Net cash provided by (used for) operating activities	\$ 72.7	\$ (15.6)
Net cash (used for) provided by investing activities	(23.3)	21.9
Net cash used for financing activities	—	(0.6)
Effect of exchange rate changes on cash and cash equivalents	(3.4)	7.1
Net change in cash and cash equivalents	\$ 46.0	\$ 12.8

Cash and Cash Equivalents

Cash and cash equivalents at September 30, 2026 and 2025 totaled \$220.6 and \$131.3, respectively. Cash and cash equivalents consist of highly liquid instruments, such as commercial paper, time deposits and other money market instruments, which have maturities when purchased of three months or less.

Cash Flows from Operating Activities

During the nine months ended September 30, 2026, the Company's operations provided \$72.7 of cash as compared to \$15.6 of cash used by operations during the nine months ended September 30, 2025. The increase in cash provided of \$88.3 for the nine months ended September 30, 2026 was primarily due to an improvement in net loss excluding non-cash income and expense items, as well as a decrease in cash used for accounts payable and interest. These cash increases were partially offset by a decrease in cash received from accounts receivable and prepaid expenses and other assets, as well as higher use of cash for accrued expenses.

Cash Flows from Investing Activities

Net cash used for investing activities for the nine months ended September 30, 2026 was \$23.3 as compared to net cash provided by investing activities of \$21.9 for the nine months ended September 30, 2025. The \$45.2 increase in net cash used for investing activities for the nine months ended September 30, 2026 was primarily due to receipt of the first and second milestone payments related to the sale of the Enabling Services segment during the nine months ended September 30, 2025 and a period over period increase in capital expenditures. Capital expenditures were \$25.3 and \$17.7 for the nine months ended September 30, 2026 and 2025, respectively. Capital expenditures for the nine months ended September 30, 2026 were 1.3% of revenues, primarily in connection with projects to support growth in the Company's core businesses. The Company also intends to continue to pursue selective investments in key therapeutic areas, business areas and geographies to drive growth and to improve efficiency of the Company's operations. Such expenditures are expected to be funded by cash flow from operations.

Cash Flows from Financing Activities

Net cash used for financing activities for the nine months ended September 30, 2026 was \$— compared to cash used for financing activities of \$0.6 for the nine months ended September 30, 2025. Cash used for financing activities for the nine months ended September 30, 2025 was not significant.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet financing other than short term operating leases and letters of credit.

Critical Accounting Policies and Estimates

We have chosen accounting policies that management believes are appropriate to accurately and fairly report our operating results and financial position in conformity with U.S. GAAP. We apply these accounting policies in a consistent manner. The Company's critical accounting policies are summarized in Note 2, "Summary of Significant Accounting Policies" to the consolidated and combined financial statements included in the Annual Report on Form 10-K.

The application of these accounting policies requires that we make estimates and assumptions about future events and apply judgments that affect the reported amounts of assets, liabilities, revenues, expenses, contingent assets and liabilities, and related disclosures. These estimates, assumptions and judgments are based on historical experience, current trends and other factors believed to be reasonable under the circumstances. Management evaluates these estimates and assumptions on an ongoing basis. If actual results ultimately differ from previous estimates, the revisions are included in results of operations when the actual amounts become known.

The accounting policies that involve the most significant estimates, assumptions and management judgments used in preparation of the condensed consolidated financial statements, or are the most sensitive to change due to outside factors, are discussed in Management's Discussion and Analysis in the Form 10-K.

Item 3. Quantitative and Qualitative Disclosures about Market Risk (in millions)

Market risk is the potential loss arising from adverse changes in market rates and prices, such as foreign currency exchange rates, interest rates and other relevant market rate or price changes. In the ordinary course of business, we are exposed to various market risks, including changes in foreign currency exchange and interest rates, and we regularly evaluate the exposure to such changes. We address our exposure to market risks, principally associated with changes in foreign currency exchange rates and interest rates, through a program of risk management that may include, from time to time, the use of derivative financial instruments such as foreign currency forward contracts, cross currency swaps and interest rate swap agreements in an effort to manage or hedge some of our risk. We do not hold or issue derivative financial instruments for trading purposes. Refer to Note 7, "Derivative Instruments and Hedging Activities" to the condensed consolidated financial statements for information on how the Company utilizes derivative financial instruments.

Foreign Currency Exchange Rates

Approximately 17.1% and 15.5% of our revenues for the nine months ended September 30, 2026 and 2025, respectively, were denominated in currencies other than the U.S. dollar ("USD"). Our financial statements are reported in USD and, accordingly, fluctuations in exchange rates will affect the translation of revenues and expenses denominated in foreign currencies into USD for purposes of reporting our condensed consolidated financial results. In the nine months ended September 30, 2026 and the year ended December 31, 2025, the most significant currency exchange rate exposure was the Euro and British Pound. Excluding the impacts from any outstanding or future hedging transactions, a hypothetical change of 10% in average exchange rates used to translate all foreign currencies to USD would have increased or decreased our operating income for the nine months ended September 30, 2026 by approximately \$45. Gross currency translation adjustments recorded as a separate component of stockholders' equity were \$(31.9) and \$113.1 for the nine months ended September 30, 2026 and September 30, 2025, respectively. We do not have significant operations in countries in which the economy is considered to be highly inflationary.

We earn revenue from service contracts over a period of several months to many years. Accordingly, exchange rate fluctuations during this period may affect our profitability with respect to such contracts. We are also subject to foreign currency transaction risk for fluctuations in exchange rates during the period of time between the consummation and cash settlement of transactions. We enter into foreign currency forward contracts with external counterparties to hedge certain foreign currency transactions with exposure predominantly to the Euro and British Pound. These contracts do not qualify for hedge accounting under U.S. GAAP and the changes in fair value are recorded directly to earnings.

Interest Rate Risk

The level of our interest rate risk is dependent on our debt exposure and is sensitive to changes in the general level of interest rates. Historical fluctuations in interest rates have not been significant for us; however, this may vary in the future as we have incurred certain indebtedness concurrent with the Spin and may incur additional indebtedness in the future.

In particular, we face the market risks associated with interest rate movements on our variable rate debt. We entered into a variable-to-fixed interest rate swap with respect to some of our floating rate debt in August 2023. At September 30, 2026, we had \$572.0 outstanding related to our variable rate debt. Excluding the impacts from any outstanding or future variable-to-fixed interest rate swap transactions, a hypothetical 1% increase in interest rates would result in increased interest expenses of \$5.7. We expect to continue to be exposed to an element of market risk from changes to interest rates, including on any refinancing of debt. We expect to regularly assess market risks and to establish policies and business practices to protect against the adverse effects of these exposures. See Note 6, “Debt” to the condensed consolidated financial statements.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)), are our controls and other procedures that are designed to ensure that information required to be disclosed by us in our reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. Internal controls over financial reporting, no matter how well designed, have inherent limitations, including the possibility of human error and the override of controls. Therefore, even those systems determined to be effective can provide only “reasonable assurance” with respect to the reliability of financial reporting and financial statement preparation and presentation. Further, because of changes in conditions, the effectiveness of our internal controls may vary over time. We review our disclosure controls and procedures and our internal control over financial reporting on an on-going basis and may from time to time make changes aimed at enhancing their effectiveness to ensure that our systems evolve with our business.

Our management, with the participation of our chief executive officer and chief financial officer, evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2026. Based on this evaluation, our chief executive officer and our chief financial officer have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective to accomplish their objectives at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting that occurred during the three months ended September 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

See Note 8, “Commitments and Contingent Liabilities” to the condensed consolidated financial statements, which is incorporated herein by reference.

Item 1A. Risk Factors

There have been no material changes to the risk factors described in our Annual Report on Form 10-K for the year ended December 31, 2025, as filed with the SEC on February 26, 2026 (our “Annual Report”). For a discussion of the risks relating to our business, see the Part I, Item 1A “Risk Factors” section of our Annual Report and the “Cautionary Statement Concerning Forward-Looking Statements” set forth in Part I, Item 2 of this Form 10-Q.

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

During the three months ended September 30, 2026, none of our directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted or terminated any contract, instruction or written plan that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act or any non-Rule 10b5-1 trading arrangement for the purchase or sale of our securities within the meaning of Item 408 of Regulation S-K.

On October 23, 2026, the Company’s Management Development and Compensation Committee (“MDCC”) approved a modification to the compensation of Anshul Thakral, the Company’s Chief Executive Officer, to entitle Mr. Thakral to reimbursement for costs associated with his use of private aviation in an amount up to 50 flight hours per year (capped at \$300,000 per year). There is no tax gross-up for any imputed income in connection with this aviation benefit.

Also on October 23, 2026, the MDCC agreed to a modification with Jason Knoblauch, the Company’s Chief Financial Officer, of his offer letter dated June 22, 2026, the material terms of which were disclosed in a Current Report on Form 8-K filed with the SEC on June 26, 2026 (the “Form 8-K”). In exchange for the Company indemnifying Mr. Knoblauch for legal fees related to claims brought by his prior employer and the lapse of forfeiture provisions relating to compensation from his prior employer, Mr. Knoblauch waived his entitlement to the cash inducement award of \$1,250,000 previously disclosed in the Form 8-K.

Item 6. Exhibits

The exhibits below are filed or furnished as a part of this report and are incorporated herein by reference.

EXHIBIT NO.	DESCRIPTION	Filed Herewith	INCORPORATED BY REFERENCE			
			FORM	File No.	Exhibit	Filing Date
10.1	Offer letter effective as of July 6, 2026, between Fortrea Holdings Inc. and Jason Knoblauch.		10-Q	001-41704	10.1	29-Jul-26
10.2	Employee Transition Agreement and General Release, dated as of July 14, 2026, between Fortrea Holdings Inc. and Jill McConnell.	X				
10.3	Consulting Agreement, dated as of September 8, 2026, between Fortrea Holdings, Inc. and Jill McConnell.	X				
10.4	Offer letter, dated as of July 27, 2026, between Fortrea Holdings Inc. and David Smith.	X				
31.1	Certification of Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	X				
31.2	Certification of Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	X				
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	X				
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	X				
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.	X				
101.SCH	Inline XBRL Taxonomy Extension Schema Document.	X				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.	X				
101.DEF	Inline XBRL Taxonomy Extension Definition Document.	X				
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.	X				
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.	X				
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL Instance document included in Exhibit 101.	X				

SIGNATURES

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

Fortrea Holdings Inc.

By: /s/ Jason Knoblauch

Name: Jason Knoblauch

Title: Chief Financial Officer

(On behalf of the Registrant and as Principal
Financial Officer)

Date: October 29, 2026

Transition Agreement and General Release July 14, 2026

Re: Employment Transition Agreement and General Release

Dear Jill,

On behalf of Fortrea Inc. (the “**Company**”), I write to offer you (the “**Employee**”) the following Transition Agreement and General Release (the “**Agreement**”).

Mutual Agreement Regarding Role Transition and Separation of Employment

- A.** The Employee served as Chief Financial Officer of the Company.
- B.** The Employee is a participant in the Fortrea Inc. Master Senior Executive Severance Plan (the “**Plan**”), which defines, among other things, the terms “Good Reason” and “Cause.”
- C.** The Company and the Employee have mutually agreed the Employee’s responsibilities transitioned so that she ceased to be Chief Financial Officer effective as of July 6, 2026 (the “**Role Transition Date**”).
- D.** Following the Role Transition Date, the parties have mutually agreed that the Employee’s employment shall continue through September 8, 2026 (the “**Continued Employment End Date**”), subject to the terms and conditions set forth herein.
- E.** In consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Agreement

1.0 Definitions. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan. The definitions of “Good Reason” and “Cause” as set forth in the Plan are incorporated herein by reference. “**Consulting Agreement**” means the Consulting Agreement to be entered into between the Employee and the Company dated as of the date of this Agreement, which provides for consulting services by the Employee from September 8, 2026 through March 8, 2027.

2.0 Continued Employment.

2.1 Effective as of the Role Transition Date, the parties have mutually agreed that the Employee’s responsibilities as Chief Financial Officer shall transition; *provided, however*, that the Employee shall remain employed by the Company at the same base pay and benefits from the effective date of this Agreement through the Continued Employment End Date, unless (a) the Employee earlier voluntarily resigns or (b) the Employee’s employment is terminated by the Company for Cause (as defined in the Plan).

2.2 Effective as of the Role Transition Date, the Employee shall be deemed to have resigned from her position as Chief Financial Officer and any related officer positions with the Company and its affiliates, except as may otherwise be mutually agreed between the Employee and the Company. The Employee shall execute any documents reasonably requested by the Company to effectuate such resignations and title change. For the avoidance of doubt, the Employee’s resignation from her CFO position shall not

affect her continued employment through the Continued Employment End Date or her eligibility for the benefits set forth in Section 3.0.

2.3 Notwithstanding the mutual nature of this arrangement, the Company's sole basis to terminate the Employee's employment during the period between the effective date of this Agreement and the Continued Employment End Date and thereby be relieved of its obligation to enter into the Separation Agreement and General Release described in Section 3.3 below is a termination for Cause as defined in the Plan. Any termination of the Employee's employment by the Company without Cause during such period shall not relieve the Company of its obligation to execute the Separation Agreement and General Release in accordance with Section 3.3.

3.0 Consideration. In exchange for the Employee's execution and non-revocation of this Agreement and the releases and waivers set forth herein, the Company agrees to provide the following:

3.1 Continued employment at the Employee's current base pay and benefits through the Continued Employment End Date, subject to the Employee's earlier voluntary resignation or a termination for Cause;

3.2 A cash payment of One Thousand Dollars (\$1,000.00), less applicable taxes and withholdings, payable on the Company's next regular payroll date following the Effective Date of this Agreement; and

3.3 If the Employee remains employed by the Company on the Continued Employment End Date, the Company shall enter into a Separation Agreement and General Release with the Employee in substantially the form attached hereto as **Exhibit A** provided the Employee has first signed the Separation Agreement and General Release and the time in which she can revoke her signature has passed without her revoking her signature.

4.0 Release of Claims.

4.1 General Release. The Employee, on behalf of herself and her heirs, assigns, transferees and representatives, hereby releases and forever discharges the Company, and its predecessors, successors, parents, subsidiaries, affiliates, assigns, representatives and agents, as well as all of their present and former directors, officers, employees, agents, shareholders, representatives, attorneys and insurers (collectively, the “**Releasees**”), from any and all claims, causes of action, demands, damages or liability of any nature whatsoever, known or unknown, which the Employee has or may have which arise out of her employment with the Company or its affiliates, or which concern or relate in any way to any acts or omissions done or occurring prior to and including the date the Employee signs this Agreement, including, but not limited to, claims arising under the Equal Pay Act; Title VII of the Civil Rights Act of 1964; 42 U.S.C. § 1981 *et seq.*; the Americans with Disabilities Act; the Family and Medical Leave Act; the Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”); the Worker Adjustment and Retraining Notification Act; the Genetic Information Nondiscrimination Act of 2008 (GINA); any and all claims for discrimination, wrongful termination and/or retaliation; claims for breach of contract, express or implied; claims for breach of the covenant of good faith and fair dealing; claims for compensation, including but not limited to wages, bonuses, or commissions except as otherwise contained herein; claims for benefits or fringe benefits, including, but not limited to, claims for severance pay and/or termination pay, except as otherwise contained herein; claims for, or relating to equity awards (except that nothing in this Agreement shall affect (i) the Employee’s claims to vested benefits in any Company qualified and non-qualified benefit or incentive plans in accordance with the terms of the applicable award agreement(s) and applicable plan documents, and (ii) the Employee’s rights with respect to restricted stock units and performance share units, as modified by this Agreement and the Consulting Agreement); claims arising in tort, including, but not limited to, claims for invasion of privacy, negligent or intentional infliction of emotional distress, fraud, negligent or intentional misrepresentation, and defamation; claims for quantum meruit and/or unjust enrichment; and any and all other claims arising under any other federal, state, local or foreign laws, as well as any and all other common law legal or equitable claims; *provided, however*, that this release does not include any claims arising under the Age Discrimination in Employment Act (“**ADEA**”) or any other federal, state, or local statute prohibiting age discrimination, which claims shall be addressed in the Separation Agreement and General Release attached hereto as Exhibit A.

4.2 Waiver of Good Reason. The Employee expressly and irrevocably waives any right she may have to resign for “Good Reason” as defined in the Plan, including, but not limited to, any Good Reason claim arising from: (a) any notice relating to this Agreement or the role transition; (b) the transition of her title as Chief Financial Officer; (c) the change or transition of her duties; or (d) any other event related to or arising from the foregoing. The Employee further waives any future right to resign for Good Reason under the Plan in connection with any of the foregoing events or for any other reason arising up to the date the Employee signs this Agreement or arising from the events contemplated herein.

4.3 Acknowledgment. The Employee acknowledges and agrees that: (a) she is fully aware of the transition of her Chief Financial Officer title and the change in her duties prior to signing this Agreement; (b) the events described in Section 4.2 above, including the mutually agreed transition of her Chief Financial Officer title, and the agreed change in her duties, would otherwise constitute “Good Reason” under the Plan when such events take effect on the Role Transition Date; and (c) by signing this Agreement she is knowingly and voluntarily waiving any right to treat such events as a basis for resignation for Good Reason or to claim any benefits thereunder.

4.4 No Waiver of Future Claims. Nothing in this Agreement waives or releases any claims that may arise after the date the Employee signs this Agreement, other than (a) claims arising under Section 4.2 above, and (b) Good Reason claims arising from the role transition contemplated by this Agreement, which claims are waived as set forth in Sections 4.2 and 4.3 above notwithstanding that such events will occur after the date of this Agreement.

4.5 Waiver of Additional Prorated PSU Vesting. The Employee acknowledges that, pursuant to the Consulting Agreement, she will be entitled to continued vesting of restricted stock units during the consulting term and will receive a pro rata portion of her performance share units as of the Termination Date (September 8, 2026), as set forth in the Consulting Agreement. In exchange for the consideration provided in this Agreement and the Consulting Agreement, the Employee irrevocably waives all rights to any additional prorated vesting of performance share units (PSUs) after September 8, 2026, including without limitation any such rights that may otherwise arise or be claimed under any applicable equity incentive plan (including the Fortrea Holdings Inc. 2023 Omnibus Incentive Plan), any award agreement, or any other governing plan document. This waiver applies notwithstanding any contrary language in any plan, award agreement, or governing document, and the Employee confirms that the treatment of her PSUs in the Consulting Agreement constitutes the exclusive treatment of such awards.

4.6 Non-Waivable Claims. Notwithstanding the foregoing, this release does not apply to any statutory or other claims that are prohibited from waiver by federal, state, or local law.

4.7 No Prior Actions. The Employee represents that she has not initiated any action or charge against any of the Releasees with any federal, state, or local court, administrative agency, or other adjudicatory body. The Employee knowingly and intentionally waives any rights to any additional recovery that might be sought on her behalf by any other person, entity, local, state, or federal government or agency thereof. The Employee does not give up her rights to any monetary award from a government-administered whistleblower award program, such as that offered by the Securities and Exchange Commission pursuant to Section 21F of the Securities Exchange Act of 1934.

4.8 No Waiver of Indemnification. Nothing in this Agreement, including the Release in Section 4.1 above, waives, invalidates or releases the indemnification obligations found in Articles VIII and IX of Fortrea's Certificate of Incorporation, or any other indemnification obligations owed by the Company to the Employee as of the Effective Date of this Agreement.

5.0 Representations by the Employee.

5.1 The Employee represents and acknowledges that: (a) she has carefully read this Agreement and fully understands its terms and conditions; (b) she is voluntarily entering into this Agreement of her own free will; (c) she has not been coerced, threatened, or otherwise pressured into signing this Agreement; and (d) she understands that this Agreement contains a release of claims and a waiver of rights.

5.2 The Employee further represents that she has received all wages, compensation, and benefits to which she is entitled through the date of this Agreement, except for any payments due under this Agreement.

6.0 Confidentiality.

6.1 The Employee understands and agrees that this Agreement may be filed publicly with a court, regulatory body, or governmental agency, and that upon such filing, the terms of this Agreement will become a matter of public record. Notwithstanding the foregoing, the Employee agrees not to disclose to anyone (other than counsel, accountants, immediate family members, or as required in connection with a public filing) the substance of any pre-signing discussions or negotiations relating to this Agreement, except as otherwise permitted under Section 6.8.

6.2 The parties acknowledge that during the course of the Employee's employment with the Company, she was given access, on a confidential basis, to Confidential Information (as defined below) which the Company has for years collected, developed, and/or discovered through a significant amount of effort and at great expense. The parties acknowledge that the Confidential Information of the Company is not generally known or easily obtained in the Company's trade, industry, business, or otherwise and that maintaining the secrecy of the Confidential Information is extremely important to the Company's ability to compete with its competitors.

6.3 The Employee agrees that for a period of seven (7) years from the date of this Agreement, the Employee shall not, without the prior written consent of the Company, divulge to any third party or use for her own benefit, or for any purpose other than the exclusive benefit of the Company, any Confidential Information of the Company; provided, however, that nothing herein contained shall restrict the Employee's ability to make such disclosures as such disclosures may be required by law; and further providing that nothing herein contained shall restrict the Employee from divulging information that is readily available to the general public as long as such information did not become available to the general public as a direct or indirect result of the Employee's breach of this section of this Agreement.

6.4 The term "**Confidential Information**" in this Agreement shall mean information that is not readily and easily available to the public or to persons in the same business, trade, or industry of the Company, or any of its affiliates for whom the Employee has performed services, and that concerns the Company's Trade Secrets, prices, pricing methods, costs, profits, profit margins, suppliers, methods, procedures, processes or combinations or applications thereof developed in, by, or for the Company's business, research and development projects, data, business strategies, marketing strategies, sales techniques, customer lists, customer information, employee evaluations, employee performance information, or any other information concerning the Company or its business that is not readily and easily available to the public or to those persons in the same business, trade, or industry of the Company. The term "**Trade Secrets**" as used in this Agreement shall mean proprietary information, including a formula, pattern, compilation, program, device, method, technique, or process, which is marked in writing as a 'trade secret' at the time of disclosure, that: (i) gives its owner an opportunity to obtain an advantage over competitors who do not know or use it; (ii) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means or by reverse engineering by other persons who can obtain economic value from its disclosure or use; and (iii) is the subject of reasonable efforts, under the circumstances, by its owner to maintain its secrecy. The term "**customer information**" as used in this Agreement shall mean information that is not readily and easily available to the public or to those persons in the same business, trade, or industry and that concerns the course of dealing between the Company and its customers or potential customers solicited by the Company, customer preferences, particular contracts or locations of customers, negotiations with customers, and any other information concerning customers obtained by the Company that is not readily and easily available to the public or to those in the business, trade, or industry of the Company.

6.5 The Employee acknowledges that all information, the disclosure of which is prohibited hereby, is of a confidential and proprietary character and of great value to the Company, and upon the execution of this Agreement (or as soon thereafter as is reasonably practicable), the Employee shall forthwith deliver up to the Company all records, memoranda, data, and documents of any description that refer to or relate in any way to such information and shall return to the Company any of its equipment and property which may then be in the Employee's possession or under the Employee's personal control.

6.6 The Employee hereby agrees that any failure to fully and completely comply with this provision shall entitle the Company to seek damages for a demonstrated breach of the confidentiality provision, to include recoupment of monies paid hereunder.

6.7 The U.S. Defend Trade Secrets Act of 2016 (the "**DTSA**") provides that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, the DTSA provides that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

6.8 Notwithstanding the restrictions set forth in Section 6.0 and its subparts, the Employee may disclose information protected under Section 6.0 and its subparts if and only if such is (i) lawfully required by any government agency; (ii) otherwise required to be disclosed by law (including legally required financial reporting) and/or by court order; (iii) necessary in any legal proceeding in order to enforce any provision of this Agreement; (iv) made to the Securities and Exchange Commission regarding securities law issues or other government agency regarding a regulatory matter; or (v) made in connection with a required public filing of this Agreement with a court, regulatory body, or governmental agency. The Employee further agrees that, except in the case of a required public filing or disclosure to a government agency, she will notify the Company in writing within five (5) calendar days of the receipt of any subpoena, court order, administrative order or other legal process requiring disclosure of information subject to Section 6.0 and sub-parts thereto. Nothing in this Agreement prevents the Employee from providing, without prior notice to the Company, information to governmental authorities regarding possible legal violations or otherwise testifying or participating in any investigation or proceeding by any governmental authorities regarding possible legal violations.

7.0 Return of Company Property. Within ten (10) days after the Continued Employment End Date or earlier separation from employment, the Employee shall return all Company documents and property in her possession or control, including, but not limited to, any cell phones, laptops, electronic storage media, and other equipment.

8.0 Nondisparagement.

8.1 The Employee will not (except as required by law) communicate to anyone, whether by word or deed, whether directly or through any intermediary, and whether expressly or by suggestion or innuendo, any statement, whether characterized as one of fact or of opinion, that is intended to cause or that reasonably would be expected to cause any person to whom it is communicated to have (i) a lowered opinion of the Company or any affiliates, including a lowered opinion of any products manufactured, sold, or used by, or any services offered or rendered by the Company or its affiliates; and/or (ii) a lowered opinion of the Company's creditworthiness or business prospects. The Employee's obligation in this regard extends to the reputation of the Company and any other person or entity described in Section 4.1 of this Agreement. This Section shall not be construed as prohibiting the Employee from communicating truthful information (a) in any formal or informal proceeding with a government agency or investigator, (b) in any litigation against the Company including, but not limited to, qui tam lawsuits whether the government decides to intervene or declines to intervene and the relator moves forward pursuing its claims, (c) as required by law, such as in response to a duly-issued subpoena, or (d) any action to enforce the terms of this Agreement or right not waived under Section 4.0 and subparts thereunder.

8.2 The Company agrees that its senior executives and members of its Board of Directors shall not (except as required by law) communicate to anyone, whether by word or deed, whether directly or through any intermediary, and whether expressly or by suggestion or innuendo, any statement, whether characterized as one of fact or of opinion, that is intended to cause or that reasonably would be expected to cause any person to have a lowered opinion of the Employee's professional reputation or business capabilities. This Section shall not be construed as prohibiting truthful statements (a) in any legal, regulatory, or administrative proceeding, (b) as required by law or fiduciary duty, (c) in response to inquiries from governmental authorities, or (d) in SEC filings or other required disclosures.

8.3 Upon request for reference or any other inquiry pertaining to the Employee's work for the Company that is directed to Peter Neupert, Chair of the Company's Board of Directors, or the Company's Chief Executive Officer or General Counsel, the Company shall confirm only the Employee's job title and dates of employment.

9.0 Miscellaneous.

9.1 Binding Effect. This Agreement is binding on, and shall inure to the benefit of, the parties hereto and their heirs, representatives, transferees, principals, executors, administrators, predecessors, successors, parents, subsidiaries, affiliates, assigns, agents, directors, officers, and employees.

9.2 Entire Agreement. This Agreement, together with the Plan (to the extent incorporated by reference herein), the Consulting Agreement, and the Separation Agreement and General Release attached hereto as Exhibit A (upon its execution), constitutes the complete agreement between the parties with respect to the subject matter hereof. Any and all prior agreements, representations, negotiations, and understandings among the parties, oral or written, express or implied, with respect to the subject matter hereof are hereby superseded and merged herein.

9.3 Amendment. This Agreement may not be revised or modified without the mutual written consent of the parties.

9.4 Severability. If any provision of this Agreement shall be determined to be invalid or unenforceable by a court of competent jurisdiction, that part shall be ineffective to the extent of such invalidity or unenforceability only, without in any way affecting the remaining parts of said provision or the remaining provisions of this Agreement.

9.5 Governing Law; Jurisdiction. This Agreement shall be construed in accordance with and governed by the laws of the State of North Carolina, without regard to its conflict of laws principles. The parties agree that any action, special proceeding, or other proceeding with respect to this Agreement shall be brought exclusively in the federal or state courts of the State of North Carolina. The parties irrevocably consent to the jurisdiction of the federal and state courts of North Carolina and waive any objection based on lack of personal jurisdiction, improper venue, or forum non conveniens.

9.6 Notices. Notices required under this Agreement shall be served by certified mail, return receipt requested, or by express delivery by a nationally recognized delivery service company such as Federal Express as follows:

If to the Company:

Fortrea Inc.
8 Moore Drive
Durham, NC 27709
Attention: Chief Administrative Officer

If to the Employee:

Jill McConnell

Consistent with the requirements of this Section, each party shall notify the other party of any change of address for the receipt of a notice under this Agreement.

9.7 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Electronic signatures shall be deemed valid and binding to the same extent as original signatures.

9.8 Effective Date. This Agreement shall become effective upon execution by both parties.

If you agree with the foregoing, please sign below and return two (2) originals to me. You should retain one (1) original copy of this Agreement for your records.

[Signature Page Follows]

[Signature Page to Transition Agreement]

Sincerely,

/s/ Anshul Thakral

Name: Anshul Thakral

Title: Chief Executive Officer

Agreed to and accepted:

/s/ Jill McConnell

Name: Jill McConnell

Date: July 14, 2026

Exhibit A

Separation Agreement and General Release September 8, 2026

Re: Employment Separation Agreement and General Release

Dear Jill,

On behalf of Fortrea Inc. (the “**Company**”), I write to offer you (the “**Employee**”) the following Special Severance Agreement (the “**Agreement**”). As used in this Agreement, “**Transition Agreement**” means the Transition Agreement entered into between the Company and the Employee dated July 14, 2026.

1.0 Termination of Employment

1.1 Effective as of September 8, 2026 (the “**Termination Date**”), the Company and the Employee mutually agree that the Employee’s employment with the Company and/or its affiliates shall terminate; she shall perform no further services for the Company or its affiliates and her status as an employee and officer (if applicable) of the Company and its affiliates shall cease on that date. As a material condition of the Company’s obligations under this Agreement, to the extent the Employee is not automatically removed on or after the Termination Date or has not resigned or been removed before the Termination Date, by signing this Agreement the Employee shall immediately and voluntarily be deemed to have resigned from all officer, board, committee, or other positions of the Company or any of the Company’s subsidiaries or other affiliates effective as of the Termination Date. The Employee and the Company further agree that the relationship created by this Agreement is purely contractual and that no employer-employee relationship is intended, nor shall such be inferred from the performance of obligations under this Agreement. The Employee further agrees that any payments and/or benefits payable pursuant to this Agreement are contingent upon the Employee’s execution and fulfillment of her obligations under this Agreement. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Fortrea Inc. Master Senior Executive Severance Plan (the “**Plan**”).

2.0 Severance Pay

2.1 In consideration for the covenants, promises and agreements herein and in particular the Employee’s release of claims as well as covenants not to solicit, not to compete and not to disclose confidential information, the Company will pay the Employee severance in a total amount of \$1,017,500.00, less applicable taxes and withholdings (hereafter referred to as “**Severance Pay**”), which equals one times the Employee’s Base Salary of \$550,000.00 plus the Employee’s target annual bonus for 2026 of \$467,500.00. The Severance Pay shall be paid in two (2) installments, with the first installment of \$508,750.00, less taxes and withholding, made payable within thirty (30) days following the effectiveness of this Agreement and the second installment of \$508,750.00, less taxes and withholding, made payable within thirty (30) days following the one (1)-year anniversary of the effectiveness of this Agreement, subject to the terms and conditions of the Plan.

2.2 The Company shall not be responsible for making any payments under this Agreement and the Plan if the Employee has not complied in all material respects with the terms and conditions of this Agreement.

3.0 Benefits

3.1 The Employee and any of her dependents may be eligible to elect continued health care coverage under the welfare plans sponsored by the Company or its affiliate, as applicable, as provided in the applicable provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“**COBRA**”), which provides generally that certain employees and their dependents may elect to continue coverage under employer-sponsored group health plans for a period of at least eighteen (18) months under certain conditions, including payment by the Employee of the “applicable premium” as defined in Section 604 of the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. §§ 1001 *et seq.* (“**ERISA**”). In the event the Employee elects continuation of coverage under COBRA for herself and her dependents, the Company will pay the applicable premium for such coverage (medical, dental, optical and prescription coverage for dependents) for twelve (12) months. To be clear, the COBRA reimbursement will not include the applicable premium for any Section 125, health flexible spending, dependent care and health savings account or similar plans. The Employee shall be responsible for, and will be required to pay, the applicable premium for any COBRA coverage beyond the twelve (12) month period.

3.2 The Employee shall be eligible for such benefits under the existing qualified plans of the Company and/or its affiliates as are provided under the circumstances (taking into account termination of employment as of the Termination Date) pursuant to the terms of the plan documents governing each of these plans. Except as otherwise provided herein or in the terms of any documents governing any employee benefit plan maintained by the Company or its affiliate, the Employee will cease to be a participant in and will no longer have any coverage or entitlement to benefits, accruals, or contributions under any of the employee benefit plans of the Company or its affiliates effective upon the termination of her employment. The Employee agrees that the payments made to her by the Company pursuant to this Agreement do not constitute compensation for purposes of calculating the amount of benefits that the Employee may be entitled to under the terms of any retirement plan or for the purposes of accruing any benefit, receiving any allocation of any contribution, or having the right to defer any income in any profit-sharing or other employee pension benefit plan, including any cash or deferred arrangement.

3.3 Additionally, the Employee shall be entitled to receive a stipend in the form of a lump sum for medical coverage, less taxes and withholding (the “**Medical Coverage Stipend**”), as well as reimbursement for outplacement services with such reimbursement for outplacement services capped at \$3,000 (subject to applicable taxes and withholdings). For purposes of calculating the Medical Coverage Stipend, the Company will annually set the amount of the Medical Coverage Stipend based on the average annual cost of coverage under the Company’s medical plan on a per employee basis.

3.4 The Employee also understands that her equity awards are governed by the terms and conditions of the applicable incentive plan or successor or predecessor plans and individual equity award agreements, except as expressly modified by this Agreement, the Transition Agreement, and the Consulting Agreement (as defined in the Transition Agreement). Nothing in this Agreement alters, changes, or amends the terms and conditions of said equity awards, award agreements or incentive plan, except as expressly provided herein and in the Transition Agreement and Consulting Agreement with respect to continued vesting of restricted stock units and treatment of performance share units.

3.5 The Employee shall submit for reimbursement any and all unpaid business expenses to the Company within thirty (30) days of the Termination Date. The Company will reimburse said expenses provided that they are consistent with, and reimbursable under, the Company’s travel and entertainment expense policy. The Company will not be responsible for reimbursing the Employee for any business expenses submitted after said thirty (30)-day period.

3.6 This Agreement shall never be construed as an admission by the Company or its affiliates of any liability, wrongdoing or responsibility on its part or on the part of any other person or entity described in Section 4.1 of this Agreement. The Company and its affiliates expressly deny any such liability, wrongdoing or responsibility.

4.0 Release

The Employee, on behalf of herself and her heirs, assigns, transferees and representatives, hereby releases and forever discharges the Company, and its predecessors, successors, parents, subsidiaries, affiliates, assigns, representatives and agents, as well as all of their present and former directors, officers, employees, agents, shareholders, representatives, attorneys and insurers (collectively, the “**Releasees**”), from any and all claims, causes of action, demands, damages or liability of any nature whatsoever, known or unknown, which the Employee has or may have which arise out of her employment or cessation of employment with the Company or its affiliate, or which concern or relate in any way to any acts or omissions done or occurring prior to and including the date of this Agreement, including, but not limited to, claims arising under the Equal Pay Act; Title VII of the Civil Rights Act of 1964; 42 U.S.C. § 1981 *et seq.*; the Americans with Disabilities Act; the Family and Medical Leave Act; ERISA; the Worker Adjustment and Retraining Notification Act; the Age Discrimination in Employment Act; the Genetic Information Nondiscrimination Act of 2008 (GINA); any and all claims for discrimination, wrongful termination and/or retaliation; claims for breach of contract, express or implied; claims for breach of the covenant of good faith and fair dealing; claims for compensation, including but not limited to wages, bonuses, or commissions except as otherwise contained herein; claims for benefits or fringe benefits, including, but not limited to, claims for severance pay and/or termination pay, except as otherwise contained herein; claims for, or relating to equity awards (except that (i) nothing in this Agreement shall prohibit the Employee from exercising any vested equity awards or affect the Employee’s claims to vested benefits in any Company qualified and non-qualified benefit or incentive plans in accordance with the terms of the applicable award agreement(s) and applicable plan documents, and (ii) the Employee’s rights with respect to restricted stock units and performance share units under the Consulting Agreement are expressly preserved); claims for unaccrued vacation pay; claims arising in tort, including, but not limited to, claims for invasion of privacy, negligent or intentional infliction of emotional distress, fraud, negligent or intentional misrepresentation, and defamation; claims for quantum meruit and/or unjust enrichment; and any and all other claims arising under any other federal, state, local or foreign laws, as well as any and all other common law legal or equitable claims.

4.2 The Employee represents that she has not initiated any action or charge against any of the Releasees with any Federal, State or local court, administrative agency, or other adjudicatory body. The Employee knowingly and intentionally waives any rights to any additional recovery that might be sought on her behalf by any other person, entity, local, state or federal government or agency thereof, including specifically and without limitation, the United States Department of Labor, the Equal Employment Opportunity Commission and comparable State agencies. The Employee does not give up her rights to any monetary award from a government-administered whistleblower award program, such as that offered by the Securities and Exchange Commission pursuant to Section 21F of the Securities Exchange Act of 1934.

4.3 The Employee is hereby advised that: (i) she should consult with an attorney (at her own expense) prior to executing this Agreement; (ii) she is waiving, among other things, any age discrimination claims under the Age Discrimination in Employment Act, provided, however, she is not waiving any claims that may arise after the date this Agreement is executed; (iii) she has twenty-one (21) days within which to consider the execution of this Agreement, before signing it; and (iv) for a period of seven (7) days following the execution of this Agreement, she may revoke this Agreement by delivering written notice (by the close of business on the seventh day) to the Company in accordance with Section 10.7 herein.

4.4 Notwithstanding the provisions of Section 4.1, said release does not apply to any and all statutory or other claims that are prohibited from waiver by Federal, State or local law.

4.5 The parties agree that the Company has no prior legal obligation to make the additional payments set forth above in Sections 2.0 and 3.0 (including the sub-parts thereto) and that it has been exchanged for the promises of the Employee stated in this Agreement. It is specifically understood and agreed that the additional payments, and each of them, are good and adequate consideration to support the waivers, releases and obligations contained herein, including, without limitation, Sections 4.0, 5.0, 6.0, 7.0, and 8.0, and their respective sub-parts, and that all of the payments set forth in Sections 2.0 and 3.0 (including the sub-parts thereto) are of value in addition to anything to which the Employee already was entitled prior to the execution of this Agreement.

4.6 No Waiver of Indemnification. Nothing in this Agreement, including the Release in Section 4.1 above, waives, invalidates or releases the indemnification obligations found in Articles VIII and IX of Fortrea's Certificate of Incorporation, or any other indemnification obligations owed by the Company to the Employee as of the Effective Date of this Agreement.

4.7 Waiver of Additional Prorated PSU Vesting. The Employee acknowledges that, pursuant to the Consulting Agreement, she will be entitled to continued vesting of restricted stock units during the consulting term and will receive a pro rata portion of her performance share units as of the Termination Date (September 8, 2026), as set forth in the Consulting Agreement. In exchange for the consideration in this Agreement and under the Consulting Agreement, the Employee irrevocably waives all rights to any additional prorated vesting of performance share units (PSUs) after September 8, 2026, including without limitation any such rights that may otherwise arise or be claimed under any applicable equity incentive plan (including the Fortrea Holdings Inc. 2023 Omnibus Incentive Plan), any award agreement, or any other governing plan document. This waiver applies notwithstanding any contrary language in any plan, award agreement, or governing document, and the Employee confirms that the treatment of her PSUs as set forth in the Consulting Agreement constitutes the exclusive treatment of such awards.

5.0 Confidentiality

5.1 The Employee understands and agrees that this Agreement may be filed publicly with a court, regulatory body, or governmental agency, and that upon such filing, the terms of this Agreement will become a matter of public record. Notwithstanding the foregoing, the Employee agrees not to disclose to anyone (other than counsel, accountants, immediate family members, or as required in connection with a public filing) the substance of any pre-signing discussions or negotiations relating to this Agreement, except as otherwise permitted under Section 5.8.

5.2 The parties acknowledge that during the course of the Employee's employment with the Company, she was given access, on a confidential basis, to Confidential Information (as defined below) which the Company has for years collected, developed, and/or discovered through a significant amount of effort and at great expense. The parties acknowledge that the Confidential Information of the Company is not generally known or easily obtained in the Company's trade, industry, business, or otherwise and that maintaining the secrecy of the Confidential Information is extremely important to the Company's ability to compete with its competitors.

5.3 The Employee agrees that for a period of seven (7) years from the date of this Agreement, the Employee shall not, without the prior written consent of the Company, divulge to any third party or use for her own benefit, or for any purpose other than the exclusive benefit of the Company, any Confidential Information of the Company; provided, however, that nothing herein contained shall restrict the Employee's ability to make such disclosures as such disclosures may be required by law; and further providing that nothing herein contained shall restrict the Employee from divulging information that is readily available to the general public as long as such information did not become available to the general public as a direct or indirect result of the Employee's breach of this section of this Agreement.

5.4 The term “**Confidential Information**” in this Agreement shall mean information that is not readily and easily available to the public or to persons in the same business, trade, or industry of the Company, or any of its affiliates for whom the Employee has performed services, and that concerns the Company’s Trade Secrets, prices, pricing methods, costs, profits, profit margins, suppliers, methods, procedures, processes or combinations or applications thereof developed in, by, or for the Company’s business, research and development projects, data, business strategies, marketing strategies, sales techniques, customer lists, customer information, employee evaluations, employee performance information, or any other information concerning the Company or its business that is not readily and easily available to the public or to those persons in the same business, trade, or industry of the Company. The term “**Trade Secrets**” as used in this Agreement shall mean proprietary information, including a formula, pattern, compilation, program, device, method, technique, or process, which is marked in writing as a ‘trade secret’ at the time of disclosure, that: (i) gives its owner an opportunity to obtain an advantage over competitors who do not know or use it; (ii) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means or by reverse engineering by other persons who can obtain economic value from its disclosure or use; and (iii) is the subject of reasonable efforts, under the circumstances, by its owner to maintain its secrecy. The term “**customer information**” as used in this Agreement shall mean information that is not readily and easily available to the public or to those persons in the same business, trade, or industry and that concerns the course of dealing between the Company and its customers or potential customers solicited by the Company, customer preferences, particular contracts or locations of customers, negotiations with customers, and any other information concerning customers obtained by the Company that is not readily and easily available to the public or to those in the business, trade, or industry of the Company.

5.5 The Employee acknowledges that all information, the disclosure of which is prohibited hereby, is of a confidential and proprietary character and of great value to the Company, and upon the execution of this Agreement (or as soon thereafter as is reasonably practicable), the Employee shall forthwith deliver up to the Company all records, memoranda, data, and documents of any description that refer to or relate in any way to such information and shall return to the Company any of its equipment and property which may then be in the Employee’s possession or under the Employee’s personal control.

5.6 The Employee hereby agrees that any failure to fully and completely comply with this provision shall entitle the Company to seek damages for a demonstrated breach of the confidentiality provision, to include recoupment of monies paid hereunder.

5.7 The U.S. Defend Trade Secrets Act of 2016 (the “**DTSA**”) provides that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, the DTSA provides that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

5.8 Notwithstanding the restrictions set forth in Section 5.0 and its subparts, the Employee may disclose information protected under Section 5.0 and its subparts if and only if such is (i) lawfully required by any government agency; (ii) otherwise required to be disclosed by law (including legally required financial reporting) and/or by court order; (iii) necessary in any legal proceeding in order to enforce any provision of this Agreement; (iv) made to the Securities and Exchange Commission regarding securities law issues or other government agency regarding a regulatory matter; or (v) made in connection with a required public filing of this Agreement with a court, regulatory body, or governmental agency. The Employee further agrees that, except in the case of a required public filing or disclosure to a government agency, she will notify the Company in writing within five (5) calendar days of the receipt of any subpoena, court order, administrative order or other legal process requiring disclosure of information subject to Section 5.0 and sub-parts thereto. The Employee may also disclose the contents of Section 6.0 and its sub-parts and only those contents to any subsequent employer. Nothing in this Agreement prevents the Employee from providing, without prior notice to the Company, information to governmental authorities regarding possible legal violations or otherwise testifying or participating in any investigation or proceeding by any governmental authorities regarding possible legal violations.

6.0 Non-Solicitation/Non-Compete

6.1 For a period of twelve (12) months from the Termination Date, the Employee shall not become an owner in, shareholder with more than a two percent (2%) equity interest in, investor in, or an employee, contractor, consultant, advisor, representative, officer, director, or agent of, a trade or business that offers products and services that are the same or substantially similar to the products and services provided by the Company in any geographic market in which the Company conducts business (“**Competitor**”), as evidenced by the books and records of the Company; provided, however, that the duties and responsibilities of said employment or engagement as an owner in, shareholder with more than two percent (2%) equity interest in, investor in, contractor, consultant, advisor, representative, officer, director or agent are (i) the same, similar, or substantially related to current duties and responsibilities or duties or responsibilities performed by the Employee while employed by the Company at any time during a six (6) month period prior to Termination Date and (ii) related to or concerning the Competitor’s business activities in the Restricted Territory (as defined below). The parties agree and affirm that their intention with respect to Section 6.1 is that the Employee’s activities shall be limited only for the twelve (12) month period after the separation of employment for any reason. The provisions calling for a “look back” of six (6) calendar months prior to the separation of employment are intended solely as a means of identifying the duties and responsibilities that will define the restricted activities covered by Section 6.1 and are not intended to nor shall they, under any circumstances, be construed to define the length or term of any such restriction. For purposes of Section 6.1, the term “**Restricted Territory**” means the geographic area that was part of the Employee’s duties and responsibilities within the six (6) month period prior to the date of the Employee’s termination of employment. If a court of competent jurisdiction determines that the Restricted Territory as defined herein is too restrictive, then the parties agree that said court may reduce or limit the Restricted Territory to the largest acceptable area so as to enable the enforcement of Section 6.1.

6.2 For a period of twelve (12) months following the Termination Date, the Employee will not, either directly or indirectly, or on behalf of any person, business, partnership, or other entity, call upon, contact, or solicit any customer or customer prospect of the Company, or any representative of the same, with a view toward the sale or providing of any service or product competitive with the Company's business; provided, however, the restrictions set forth in this Section shall apply only to customers or prospects of the Company, or representatives of the same, with which during the past 12 month period the Employee had contact or who were known by the Employee to be customers or prospects, or representatives of the same, of the Company. The parties agree and affirm that their intention with respect to Section 6.2 of this Agreement is that the Employee's activities be limited only for a twelve (12) month period after the Termination Date for any reason. The provisions calling for a "look back" of twelve (12) months prior to the Termination Date are intended solely as a means of identifying the clients to which such restrictions apply and are not intended to nor shall they, under any circumstances, be construed to define the length or term of any such restriction.

6.3 For a period of twelve (12) months following the Termination Date, the Employee shall not directly or indirectly through a subordinate, co-worker, peer, or any other person or entity contact, solicit, encourage or induce any officer, director or employee of the Company, its affiliates or their subsidiary companies to work for or provide services to the Employee and/or any other person or entity.

6.4 The Employee acknowledges and agrees that the restrictions set forth herein are necessary for the reasonable and proper protection of the Company; are reasonable in respect to subject matter, length of time, geographic scope, customer scope, and scope of activity to be restrained; and are not unduly harsh and oppressive so as to deprive the Employee of her livelihood or to unduly restrict the Employee's opportunity to earn a living after termination of the Employee's employment with the Company. The Employee further acknowledges and agrees that if any restrictions set forth in this Agreement are found by any court of competent jurisdiction to be unenforceable or otherwise against public policy, the restriction shall be interpreted to extend only over the maximum period of time or other restriction as to which it would otherwise be enforceable.

6.5 The Employee acknowledges and agrees that because the violation, breach, or threatened breach of this Agreement would result in immediate and irreparable injury to the Company, the Company shall be entitled, without limitation of remedy, to (i) temporary and permanent injunctive and other equitable relief restraining the Employee from activities constituting a violation, breach or threatened breach of this Section and its sub-parts to the fullest extent allowed by law; (ii) all such other remedies available at law or in equity, including without limitation the recovery of damages, reasonable attorneys' fees and costs; and (iii) withhold any further rights, payments or benefits under this Agreement which become due and owing after the occurrence of said violation, breach, or threatened breach, including, without limitation, any rights or claims under Sections 2.0 and 3.0 and the sub-parts thereto.

7.0 Return of Company Property

7.1 The Employee agrees that within ten (10) days after the later of the Termination Date, she will return any and all Company documents and any copies thereof, in any form whatsoever, including computer records or files, containing secret, confidential and/or proprietary information or ideas, and any other Company property (including, but not limited to, any cell phones, laptops, notepads, iPads, printers, electronic storage media and/or other computer equipment) in the Employee's possession or control.

8.0 Duty to Cooperate and of Loyalty/Nondisparagement

8.1 Without limitation as to time, the Employee agrees to cooperate and make all reasonable and lawful efforts to assist the Company in addressing any issues which may arise concerning any matter with which she was involved during her employment with the Company, including, but not limited to, cooperating in any litigation arising therefrom. The Employee will also be compensated for expenses directly incurred solely in connection with such services, provided, however, that the expenses are both fair and reasonable and consistent with Company policy on expense reimbursement. For avoidance of doubt, expenses directly incurred solely in connection with such services would include expenses such as travel, photocopying or other expense incurred solely for the benefit of the Company but would not include such indirect and overhead expenses such as but not limited to phone, computer, internet, office supplies, or rent.

8.2 The Employee will not (except as required by law) communicate to anyone, whether by word or deed, whether directly or through any intermediary, and whether expressly or by suggestion or innuendo, any statement, whether characterized as one of fact or of opinion, that is intended to cause or that reasonably would be expected to cause any person to whom it is communicated to have (i) a lowered opinion of the Company or any affiliates, including a lowered opinion of any products manufactured, sold, or used by, or any services offered or rendered by the Company or its affiliates; and/or (ii) a lowered opinion of the Company's creditworthiness or business prospects. The Employee's obligation in this regard extends to the reputation of the Company and any other person or entity described in Section 4.1 of this Agreement. This Section shall not be construed as prohibiting the Employee from communicating truthful information (a) in response to assistance requested under Section 8.1 of this Agreement, (b) in any formal or informal proceeding with a government agency or investigator, (c) in any litigation against the Company including, but not limited to, qui tam lawsuits whether the government decides to intervene or declines to intervene and the relator moves forward pursuing its claims, (d) as required by law, such as in response to a duly-issued subpoena, or (e) any action to enforce the terms of this Agreement or right not waived under Section 4.0 and subparts thereunder.

8.3 The Company agrees that its senior executives and members of its Board of Directors shall not (except as required by law) communicate to anyone, whether by word or deed, whether directly or through any intermediary, and whether expressly or by suggestion or innuendo, any statement, whether characterized as one of fact or of opinion, that is intended to cause or that reasonably would be expected to cause any person to have a lowered opinion of the Employee's professional reputation or business capabilities. This Section shall not be construed as prohibiting truthful statements (a) in any legal, regulatory, or administrative proceeding, (b) as required by law or fiduciary duty, (c) in response to inquiries from governmental authorities, or (d) in SEC filings or other required disclosures.

8.4 Upon request for reference or any other inquiry pertaining to the Employee's work for the Company that is directed to Peter Neupert, Chair of the Company's Board of Directors, or the Company's Chief Executive Officer or General Counsel, the Company shall confirm only the Employee's job title and dates of employment.

9.0 Section 409A of the Code

9.1 Notwithstanding any provisions of this Agreement to the contrary, if the Employee is a “specified employee” (within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the “**Code**”) and determined pursuant to procedures adopted by the Company or its affiliate) at the Termination Date and if any portion of the payments or benefits to be received by the Employee would be considered deferred compensation under Section 409A of the Code, amounts that would otherwise be payable pursuant to this Agreement during the six (6)-month period immediately following the Employee’s Termination Date and benefits that would otherwise be provided pursuant to this Agreement (the “**Delayed Benefits**”) during the six (6)-month period immediately following the Employee’s Termination Date (such period, the “**Delay Period**”) shall instead be paid or made available on the earlier of (i) the first business day of the seventh month following the Termination Date or (ii) the Employee’s death (the applicable date, the “**Permissible Payment Date**”). The Company shall also reimburse the Employee for the after-tax cost incurred by the Employee in independently obtaining any Delayed Benefits (the “**Additional Delayed Payments**”).

9.2 With respect to any amount of expenses eligible for reimbursement under Sections 3.1, 3.5 and 9.1, such expenses shall be reimbursed by the Company within thirty (30) calendar days following the date on which the Company receives the applicable invoice from the Employee but in no event later than December 31 of the year following the year in which the Employee incurs the related expenses; provided, that with respect to reimbursement relating to the Additional Delayed Payments, such reimbursement shall be made on the Permissible Payment Date. In no event shall the reimbursements or in-kind benefits to be provided by the Company in one taxable year affect the amount of reimbursements or in-kind benefits to be provided in any other taxable year, nor shall the Employee’s right to reimbursement or in-kind benefits be subject to liquidation or exchange for another benefit.

9.3 It is the intention of the parties that payments or benefits payable under this Agreement not be subject to the additional tax imposed pursuant to Section 409A of the Code. To the extent such potential payments or benefits could become subject to such Section, the Company may amend this Agreement with the goal of giving the Employee the economic benefits described herein in a manner that does not result in such tax being imposed.

9.4 For purposes of Section 409A of the Code the Employee’s right to receive any “installment” payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments.

10.0 Miscellaneous

10.1 This Agreement is binding on, and shall inure to the benefit of, the parties hereto and their heirs, representatives, transferees, principals, executors, administrators, predecessors, successors, parents, subsidiaries, affiliates, assigns, agents, directors, officers and employees.

10.2 This Agreement, together with the Transition Agreement and the Consulting Agreement, constitutes the complete agreement between, and contains all of the promises and undertakings by the parties. The Employee agrees that the only considerations for signing this Agreement are the terms stated herein above and that no other representations, promises, or assurances of any kind have been made to her by the Company, its attorneys, or any other person as an inducement to sign this Agreement. Any and all prior agreements, representations, negotiations and understandings among the parties, oral or written, express or implied, with respect to the subject matter hereof are hereby superseded and merged herein. Notwithstanding the foregoing, the restrictive covenants herein do not supersede the restrictive covenants in other types of agreements between Employee and the Company, which would be separately enforceable pursuant to the terms thereof.

10.3 This Agreement may not be revised or modified without the mutual written consent of the parties.

10.4 The parties acknowledge and agree that they have each had sufficient time to consider this Agreement and consult with legal counsel of their choosing concerning its meaning prior to entering into this Agreement. In entering into this Agreement, no party has relied on any representations or warranties of any other party other than the representations or warranties expressly set forth in this Agreement. The Employee acknowledges that she has read this Agreement and that she possesses sufficient education and experience to fully understand the terms of this Agreement as it has been written, the legal and binding effect of this Agreement, and the exchange of benefits and payments for promises hereunder, and that she has had a full opportunity to discuss or ask questions about all such terms.

10.5 Except as otherwise provided in this Section, if any provision of this Agreement shall be determined to be invalid or unenforceable by a court of competent jurisdiction, that part shall be ineffective to the extent of such invalidity or unenforceability only, without in any way affecting the remaining parts of said provision or the remaining provisions of this Agreement; provided that, if any provision contained in this Agreement shall be adjudicated to be invalid or unenforceable because such provision is held to be excessively broad as to duration, geographic scope, activity or subject, such provision shall be deemed amended by limiting and reducing it so as to be valid and enforceable to the maximum extent compatible with the applicable laws of such jurisdiction, and such amendment only to apply with respect to the operation of such provision in the applicable jurisdiction in which the adjudication is made. If as a result of litigation brought by the Employee or as a result of any defense asserted by the Employee Section 6.0 or any of its sub-parts of this Agreement is deemed invalid or unenforceable, in whole or in part, by a court of competent jurisdiction, this entire Agreement shall be null and void, and any consideration paid hereunder shall be repaid immediately by the Employee upon receipt of notice thereof.

10.6 The Employee agrees that because she has rendered services of a special, unique, and extraordinary character, damages may not be an adequate or reasonable remedy for breach of her obligations under this Agreement. Accordingly, in the event of a breach or threatened breach by the Employee of the provisions of this Agreement, the Company shall be entitled to (i) an injunction restraining the Employee from violating the terms hereof, or from rendering services to any person, firm, corporation, association, or other entity to which any confidential information, trade secrets, or proprietary materials of the Company have been disclosed or are threatened to be disclosed, or for which the Employee is working or rendering services, or threatens to work or render services; (ii) all such other remedies available at law or in equity, including without limitation the recovery of damages, reasonable attorneys' fees and costs, and (iii) withhold any further payments under this Agreement which become due and owing after the occurrence of said violation, breach or threatened breach. Nothing herein shall be construed as prohibiting the Company from pursuing any other remedies available to it for such breach or threatened breach of this Agreement, including the right to terminate any payments to the Employee pursuant to this Agreement or the recovery of damages from the Employee. The Employee agrees that the issuance of the injunction described in this Section may be without the posting of any bond or other security by the Company.

10.7 Notices required under this Agreement shall be served by certified mail, return receipt requested, or by express delivery by a nationally recognized delivery service company such as Federal Express as follows:

If to the Company:

Fortrea Inc.
8 Moore Drive
Durham, NC 27709
Attention: Chief Administrative Officer

If to the Employee:

Jill McConnell

Consistent with the requirements of this Section, each party shall notify the other party of any change of address for the receipt of a notice under this Agreement.

10.8 This Agreement shall be construed in accordance with and governed by the laws, except choice of law provisions, of the State of North Carolina. The parties further agree that any action, special proceeding or other proceeding with respect to this Agreement shall be brought exclusively in the federal or state courts of the State of North Carolina. The Employee and Company irrevocably consent to the jurisdiction of the Federal and State courts of North Carolina and that the Employee hereby consents and submits to personal jurisdiction in the State of North Carolina. The Employee and Company irrevocably waive any objection, including an objection or defense based on lack of personal jurisdiction, improper venue or forum non conveniens which either may now or hereafter have to the bringing of any action or proceeding in connection with this Agreement. The Employee acknowledges and recognizes that in the event that she has breached this Agreement, the Company may initiate a lawsuit against her in North Carolina, that the Employee waives her right to have that lawsuit be brought in a court located closer to where she may reside, and that the Employee will be required to travel to and defend herself in North Carolina.

The effective date of this Agreement shall be the day after expiration of the seven (7) day revocation period set forth in Section 4.3 of this Agreement.

If you agree with the foregoing, please sign below and return two (2) originals to me. You should retain one (1) original copy of this Agreement for your records.

Sincerely,

Name: Anshul Thakral
Title: Chief Executive Officer

Agreed to and accepted:

Name: Jill McConnell
Date:

CONSULTING AGREEMENT

This Consulting Agreement (this “**Agreement**”) is made by and between Jill McConnell (“**Consultant**”) and Fortrea Inc. (the “**Company**”) (each a “**Party**” and jointly referred to as the “**Parties**”):

WHEREAS, Consultant’s employment terms with the Company were set forth in the offer letter dated May 21, 2023 (Revised) (the “**Offer Letter**”);

WHEREAS, Consultant served as Chief Financial Officer of the Company pursuant to the Offer Letter;

WHEREAS, Consultant received restricted stock units that as of September 8, 2026 will remain unvested as follows: 4,284 restricted stock units granted March 13, 2024, 30,567 restricted stock units granted March 7, 2025, and 88,450 restricted stock units granted March 6, 2026 (collectively, the “**RSUs**”) and received performance-based restricted stock units as follows: 11,477 Target Performance Share Units granted March 13, 2024, 71,341 Target Performance Share Units granted March 20, 2025, 66,667 Target Performance Share Units granted March 6, 2026 and 82,047 Target Performance Share Units granted March 19, 2026 (collectively, the “**PSUs**”), and in connection with those grants, the Company and Consultant entered into RSU Award Agreements and PSU Award Agreements, as applicable (collectively, the “**Award Agreements**”);

WHEREAS, Consultant’s employment with the Company will end effective September 8, 2026 (the “**Termination Date**”) and Consultant and the Company are Parties to a General Release (the “**General Release**”) that Consultant will execute on or after the Termination Date;

NOW THEREFORE, in consideration of the promises made herein, the Parties hereby agree as follows:

1. **Consulting Term and Nature of Services.** Beginning immediately following the Termination Date, provided Consultant executes and does not revoke the General Release, and continuing through March 8, 2027, unless earlier terminated under this Agreement (the “**Consulting Term**”), Consultant shall serve as a special consultant to the Company and will perform such reasonable duties mutually agreed to in writing between Consultant and the Company’s Chief Executive Officer or his designee (the “**Consulting Arrangement**”). During the Consulting Term, Consultant shall be expected to commit no more than two (2) hours per week towards the performance of her duties under this Agreement.

(a) **Compensation for Consulting Services.** For the Consulting Term, the benefits set forth in this Agreement shall be deemed full compensation for the delivery of services by Consultant, regardless of the number of hours spent by Consultant on such consulting services. Consultant shall not receive any cash compensation for the Consulting Arrangement.

(b) **Independent Contractor Status.** The Parties hereby acknowledge and agree that Consultant's provision of services under the Consulting Arrangement shall be provided strictly as an independent contractor. Nothing in this Agreement shall be construed to render Consultant an employee, co-venturer, agent, or other representative of the Company during the Consulting Term. Consultant understands that she must comply with all tax laws applicable to a self-employed individual, including the filing of any necessary tax returns and the payment of all income and self-employment taxes. The Company shall not be responsible for, and shall not obtain, worker's compensation, disability benefits insurance, or unemployment security insurance coverage for Consultant. Consultant is not eligible for, nor entitled to, and shall not participate in, any of the Company's benefit plans. Consistent with Consultant's duties and obligations under this Consulting Arrangement, Consultant shall, at all times, maintain sole and exclusive control over the manner and method by which Consultant performs services. Nothing in this Agreement shall be construed as preventing Consultant from seeking employment with or rendering services for any entity that is not the Company during the Consulting Term, as long as such activity does not violate any of Consultant's obligations to Company in the form of confidentiality, non-solicitation, non-competition, or other types of restrictions provided for under any agreement between the Parties.

(c) **Termination of Consulting Term.** The Company may terminate the Consulting Term and this Agreement immediately with written notice to Consultant if Consultant has engaged in any of the following conduct: (i) Consultant's material breach of Consultant's obligations under the General Release, any confidentiality, non-solicitation, non-compete or other restrictive covenant agreement executed by Consultant, or the Award Agreements; or (ii) conviction of or entering of a guilty plea or plea of no contest with respect to a felony, a crime of moral turpitude or any other crime with respect to which imprisonment is a possible punishment. The Company may also terminate the Consulting Term and this Agreement if Consultant has shown willful inattention to or engaged in misconduct in the performance of the services under this Agreement, provided that the Company provides Consultant fourteen (14) days advance written notice of such conduct and the opportunity to cure any defects resulting from such conduct. The Consulting Term will otherwise expire on March 8, 2027. Consultant may terminate the Consulting Term and this Agreement at any time with written notice to the Company.

2. **Consideration.** Subject to the terms and conditions of this Agreement:

(a) **Service Provider Status and Continued Vesting.** Conditioned upon Consultant's fulfillment of Consultant's obligations under the Consulting Arrangement and continued compliance with all other terms of this Agreement, Consultant shall qualify as a "Service Provider" as that term is defined in the Fortrea Holdings Inc. 2023 Omnibus Incentive Plan (the "**Plan**"). As a result of such continued Service Provider status, Consultant's unvested RSUs granted pursuant to the Award Agreements shall continue to vest in accordance with their existing vesting schedules during the Consulting Term. For the avoidance of doubt, the Consultant's PSUs shall not become additionally vested as a result of the service she renders during the Consulting Term.

(b) **Vesting of Equity Awards.** On March 8, 2027 (the “*Acceleration Date*”), provided that the Company has not terminated this Agreement pursuant to Section 1(c), Consultant’s then-unvested RSUs shall have their vesting accelerated as provided in the applicable Award Agreement and the Plan as follows: 4,428 RSUs granted on March 13, 2024 (constituting the balance of the RSUs granted under such award), 15,284 RSUs granted March 7, 2025 (constituting the balance of the RSUs granted under such award) and 29,483 RSUs granted March 6, 2026 (constituting one of the two then-unvested tranches of RSUs granted under such award) will become fully vested on the Acceleration Date, and the shares underlying the RSUs will be issued within 60 days of that date (all such acceleration, the “*Acceleration Benefit*”). For the avoidance of doubt, notwithstanding anything to the contrary in the applicable Award Agreements or the Plan, the pro rata portion of each PSU due to Consultant by their terms as of the Termination Date, a total of 64,651 Target Performance Share Units, will have their vesting determined as of the Vesting Date (as that term is defined in each Award Agreement) and paid following the Vesting Date as provided in the Award Agreement, and the Consultant understands and agrees that the Consultant’s service under the Consulting Arrangement will not increase such number of Target Performance Share Units.

(c) **Forfeiture Upon Cause Termination.** For the avoidance of doubt, if the Company terminates this Agreement pursuant to Section 1(c) before the Acceleration Date, Consultant shall not be entitled to the Acceleration Benefit, and any unvested equity awards shall be treated in accordance with the terms of the Award Agreements and the Plan.

3. **Notices.** Any notices required under this Agreement shall be sent by certified mail, return receipt requested, or by express delivery through a nationally recognized delivery service company such as Federal Express, as follows:

If to the Company:

Fortrea Inc.
8 Moore Drive
Durham, NC 27709
Attention: Anshul Thakral

With a copy to:

Smith, Anderson, Blount, Dorsett, Mitchell & Jernigan, L.L.P.
150 Fayetteville Street, Suite 2800
Raleigh, North Carolina 27601
Attention: Gerald F. Roach

If to Consultant:

Jill McConnell

4. **Governing Law and Interpretation.** This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina.

5. **Amendment.** This Agreement may not be modified, altered, or changed except by a writing signed by both Parties that specifically refers to this Agreement.

6. **Entire Agreement.** This Agreement, and any Stock Agreements entered into by Consultant and the Company, represent the entire agreement and understanding between the Company and Consultant concerning the subject matter of this Agreement and Consultant's relationship with the Company and supersede and replace all prior agreements and understandings between the Parties concerning the subject matter of this Agreement and Consultant's relationship with the Company. For the avoidance of doubt, the Parties expressly agree that the General Release and any confidentiality, non-solicitation, non-compete or other restrictive covenant agreement executed by Consultant remain in full force and effect and are not modified in any way by this Agreement.

7. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument. Any Party may execute this Agreement by signing any such counterpart.

Waiver of Breach. A waiver of any breach of this Agreement shall not constitute a waiver of any other provision of this Agreement or any subsequent breach of this Agreement.

IN WITNESS WHEREOF, each of the Parties has executed this Agreement, in the case of the Company by a duly authorized officer, as of the date written below each Party's signature.

COMPANY:

FORTREA INC.

By: /s/ Anshul Thakral

Name: Anshul Thakral

Title: Chief Executive Officer

Date: July 14, 2026

By: /s/ Jill McConnell

Name: Jill McConnell

Date: July 14, 2026

July 27, 2026

David Smith
Fortrea Holdings, Inc.
8 Moore Drive
Durham, NC 27709

Dear David:

Fortrea Holdings, Inc. (“**Company**”) is pleased to extend an offer of employment to you on the following terms and conditions (“**Offer Letter**”):

1. **Position.** We are pleased to offer you the position of interim Chief Financial Officer of the Company (“**Interim CFO**”). In your capacity as Interim CFO, you will also serve as the principal financial officer of the Company. You will report to the Chief Executive Officer of the Company and, as appropriate, to the Audit Committee of the Board of Directors of the Company (“**Board**”). You will carry out and perform the lawful orders, directions, and policies given to you by the Chief Executive Officer and the Board. You will devote as much time and attention as is reasonably required to fulfill your responsibilities to the Company under this Offer Letter and will use good faith efforts to discharge your responsibilities under this Offer Letter to the best of your ability. You will continue to serve as a member of the Board, although you will not be considered an independent director during the term of your employment as Interim CFO, and your membership on the Board is subject to applicable provisions in the Company’s governance documents and policies, including shareholder approval (when applicable). For the avoidance of doubt, other than the consideration set forth in Section 3 of this Offer Letter, you will receive no additional consideration for your service on the Board during your employment as Interim CFO.

2. **Start Date.** If you accept this offer, your employment with the Company will begin on July 27, 2026, or promptly upon approval by the Board of Directors if such approval is not obtained by July 27, 2026 (“**Start Date**”). This Offer Letter does not create an express or implied employment contract, or a promise of employment for any specific period of time. All employment with the Company is at-will employment, which may be terminated by you or the Company at any time for any reason. No person with the Company has the authority to create any oral agreement modifying the terms of the at-will employment relationship or to make any express or implied promises regarding employment on which you should rely. Any changes to the at-will employment relationship must be in writing from the Board.

3. **Compensation and Benefits.**

a. **Base Salary.** The initial base pay will be at a rate of \$60,000 per month paid no less frequently than monthly. If you work for less than a full calendar month during any pay period (including the first or last month of employment), the monthly base pay for such period shall be prorated based on the ratio of the number of days actually worked to the total number of calendar days in that month.

b. **Equity Award.** In consideration of your accepting this employment, the Company will make grants of Restricted Stock Units (“**RSUs**”) under the Company’s 2023 Omnibus Incentive Plan (“**Plan**”), with the initial grant of RSUs to have an aggregate fair value of approximately \$300,000 and be made within 10 business days of the date hereof. For the second and third month that you serve as Interim CFO, the Company will make an additional grant of RSUs with an aggregate fair value of approximately \$300,000 for each full month that you serve or, if less than a full month, prorated based on the ratio of the number of days actually worked to the total number of calendar days in that month, and such grants shall be made on or around November 15, 2026. The actual number of shares underlying the RSUs will be calculated using the fair market value of the Company’s common stock within two business days prior to the date of grant, and the total value of all grants pursuant to this Offer Letter shall not exceed an aggregate fair market value at grant of \$900,000 (i.e.: up to three RSU grants). Each RSU grant will vest in full on the first anniversary of the grant date, subject to your continued service with the Company through each applicable vesting date, including continuing service as a director following conclusion of your service as Interim CFO. The grants will be subject to the terms of the Plan and related grant agreement, which you will be required to execute..

c. **Benefits.** You will be able to participate in the Company’s benefit plans to receive the benefits for which you are eligible, upon commencement of your employment, commensurate with your position subject to the terms of each benefit plan. These benefits may be modified or changed at the sole discretion of the Board, and the provision of such benefits to you in no way changes or impacts your status as an at-will employee.

d. **Business Expenses.** The Company shall pay or reimburse you for all business and travel expenses reasonably and necessarily incurred by you in the performance of your duties, consistent with the Company’s expense reimbursement policies then in effect.

e. **Master Senior Executive Severance Plan.** You acknowledge and agree that, notwithstanding your service as Interim CFO, the terms of the Fortrea Inc. Master Senior Executive Severance Plan (the “**Severance Plan**”) shall not apply to your employment and any termination thereof, and you hereby waive any claim to severance under the Severance Plan.

4. **Outside Service on Board.** You may, subject to policies and procedures applicable to Board members then in effect including any applicable governance documents or policies, (a) serve on corporate, civic, or charitable boards or committees, (b) manage personal investments (subject to the Fortrea Insider Trading Policy), and (c) with the prior approval of the Board, serve as an employee for other companies where you are currently an employee, if any, so long as these activities, whether individually or in the aggregate, do not interfere or conflict with your performance of your responsibilities under this Offer Letter.

5. **Successors.** This Offer Letter is personal to you and will not be assignable by you otherwise than by will or the laws of descent and distribution. This Offer Letter will inure to the benefit of, and be enforceable by, your legal representatives. This Offer Letter will inure to the benefit of and be binding upon the Company and its successors and assigns.

6. **Governing Law.** This Offer Letter shall be construed, interpreted, and governed in accordance with and by North Carolina law and the applicable provisions of federal law. All claims, controversies, and causes of action arising out of or relating to this Offer Letter or your employment as Interim CFO, whether sounding in contract, tort, or statute, shall be governed by the laws of the state of North Carolina, including its statutes of limitations, except for applicable federal law, without giving effect to any North Carolina conflict-of-laws rule that would result in the application of the laws of a different jurisdiction. Nothing in this Offer Letter shall be construed to limit, exclude, or waive any rights you may have under applicable UK employment legislation.

7. **Withholding.** The Company will be entitled to withhold (or to cause the withholding of) the amount, if any, of all taxes of any applicable jurisdiction required to be withheld by an employer with respect to any amount paid to you as a Company employee or pursuant to this Offer Letter. The Company, in its sole and absolute discretion, will make all determinations as to whether it is obligated to withhold any taxes hereunder and the amount thereof.

8. **Section 409A.** The parties intend that payments and benefits provided pursuant to this Offer Letter be exempt from or comply with Section 409A of the Internal Revenue Code and the regulations and guidance promulgated thereunder and, accordingly, to the maximum extent permitted, this offer will be interpreted to be in compliance therewith.

9. **Complete Agreement.** This Offer Letter sets forth the entire agreement of the parties regarding its subject matter and supersedes all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, by any officer, employee, or representative of any party regarding the subject matter of this Offer Letter.

10. **Miscellaneous.** This Offer Letter may be executed in any number of counterparts, each of which will constitute an original and all of which together will constitute one agreement. Original signatures transmitted and received via facsimile or other electronic transmission are true and valid signatures for all purposes under this Offer Letter and will bind the parties to the same extent as that of an original signature.

Please sign below to confirm your acceptance of this Offer Letter.

Sincerely,

FORTREA HOLDINGS, INC.

/s/ Dr. Amrit Ray

Name: Dr. Amrit Ray

Chair, Management Development and

Title: Compensation Committee

Agreed to and accepted:

/s/ David Smith

Name: David Smith

Date: July 28, 2026

**CERTIFICATION OF PERIODIC REPORT UNDER SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Anshul Thakral, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Fortrea Holdings Inc. (the “registrant”);
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; and
 - (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: October 29, 2026

/s/ Anshul Thakral

Anshul Thakral

President and Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF PERIODIC REPORT UNDER SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Jason Knoblauch, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Fortrea Holdings Inc. (the “registrant”);
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; and
 - (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: October 29, 2026

/s/ Jason Knoblauch

Jason Knoblauch

Chief Financial Officer

(Principal Financial Officer)

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

I, Anshul Thakral, Chief Executive Officer of Fortrea Holdings Inc. (the “Company”), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) the Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2026 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date: October 29, 2026

/s/ Anshul Thakral

Anshul Thakral

President and Chief Executive Officer

(Principal Executive Officer)

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

I, Jason Knoblauch, Chief Financial Officer of Fortrea Holdings Inc. (the “Company”), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) the Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2026 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date: October 29, 2026

/s/ Jason Knoblauch

Jason Knoblauch

Chief Financial Officer

(Principal Financial Officer)