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

FORM 8-K

CURRENT REPORT

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

July 27, 2026
(Date of earliest event reported)

Fortrea Holdings Inc.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**001-41704**	**92-2796441**
(State or other jurisdiction of Incorporation)	(Commission File Number)	(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**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Exchange 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 is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 2.02 Results of Operations and Financial Condition.

On July 29, 2026, Fortrea Holdings Inc. (the "Company") issued a press release, announcing the Company's financial results for the fiscal quarter ended June 30, 2026. A copy of the press release is furnished as Exhibit 99.1 to this Current Report and is incorporated herein by reference.

Pursuant to General Instruction B.2 of Current Report on Form 8-K, the information contained in, or incorporated into, Item 2.02, including the press release attached as Exhibit 99.1, is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any registration statement or other filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference to such filing.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On July 27, 2026, the Board of Directors of the Company (the "Board") appointed David Smith, a current director on the Board, to act as Interim Chief Financial Officer and principal financial officer ("Interim CFO"). In connection with this appointment, Mr. Smith will remain on the Board but has stepped down from the Audit Committee and the Management Development and Compensation Committee of the Board. Jason Knoblauch, who was appointed as the Company's Chief Financial Officer effective July 6, 2026, has been placed on a paid leave of absence due to pending litigation, as described further below.

Mr. Smith, 60, has over 25 years of pharmaceutical industry experience and has served on the Board since 2023. Mr. Smith served as Executive Vice President and Chief Financial Officer for Charles River Laboratories International, Inc., an American pre-clinical contract research organization supporting the global pharmaceutical industry. Mr. Smith joined Charles River in April 2014 through their acquisition of the Galapagos Services Division, which was carved out from its parent company Galapagos NV, a Belgian pharmaceutical research company. Mr. Smith served as the Chief Executive Officer for that division and, on its acquisition, continued to manage its operation as Corporate Vice President at Charles River. In October that year, Mr. Smith was promoted to Corporate Senior Vice President with responsibilities for all Discovery Services at Charles River. In the following February, he was nominated as the successor to the incumbent Chief Financial Officer, formally taking the helm in August 2015, a post Mr. Smith held until his retirement in May 2022. During Mr. Smith's tenure as Chief Financial Officer, Charles River entered the S&P 500 in May 2021. Previously, Mr. Smith also served as Chief Financial Officer at Cambridge University Hospitals in the United Kingdom and Galapagos NV. He held management positions at AstraZeneca in the Netherlands, Hungary, Sweden and the U.K. and held a variety of leadership roles, including in the R&D division where he helped determine which molecules progressed through the pipeline. Mr. Smith trained as a Chartered Accountant in the U.K., with what is now called PricewaterhouseCoopers, before relocating with the firm to Dubai. Mr. Smith earned his Bachelor of Sciences Honors degree in Molecular Biophysics at the University of Leeds, U.K.

In connection with Mr. Smith's appointment as Interim CFO, the Company and Mr. Smith entered into an offer letter, dated July 27, 2026 (the "Offer Letter"). During the term of his employment as Interim CFO pursuant to the Offer Letter, the Company will pay Mr. Smith a base salary at a rate of $60,000 per month, paid in accordance with the Company's regular payroll schedule. In addition, the Company will grant Mr. Smith RSUs equal to approximately $300,000 in value within 10 business days of his start date, with the actual number of shares underlying the RSUs calculated using the fair market value of the Company's common stock within two business days prior to the date of grant. Additionally, Mr. Smith is entitled to receive similar grants for each month that he serves as Interim CFO, with such awards to be capped at an aggregate fair value of $900,000. The RSUs will vest in full on the first anniversary of the grant date, subject to Mr. Smith's continued service with the Company through each applicable vesting date, including continuing service as a director following the conclusion of his service as Interim CFO. The RSUs will be governed by the terms of the Fortrea Holdings Inc. 2023 Omnibus Incentive Plan. Mr. Smith's employment is at will, meaning that either he or the Company may terminate his employment at any time and for any reason.

There are no arrangements or understandings between Mr. Smith and any other persons, pursuant to which he was appointed as Interim CFO, no family relationships among any of the Company's directors or executive officers and Mr. Smith, and he has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

The foregoing description of the Offer Letter is qualified in its entirety by the terms of the Offer Letter, a copy of which will be filed with the Company's Quarterly Report on Form 10-Q for the quarter ending September 30, 2026.

On July 25, 2026, the Delaware Court of Chancery granted a temporary restraining order preventing Mr. Knoblauch from working for the Company as Chief Financial Officer pending further order of the Court. The order was issued in a lawsuit filed by Mr. Knoblauch's prior employer against him and the Company alleging that Mr. Knoblauch violated certain restrictive covenants and retained confidential information belonging to his prior employer. The Company placed Mr. Knoblauch on a paid leave of absence, the duration which has not yet been determined. During his leave of absence, Mr. Knoblauch is not expected to perform any of the responsibilities of Chief Financial Officer of the Company. Mr. Knoblauch will continue to receive the same compensation package, as previously disclosed in the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on June 26, 2026, during his leave of absence.

Item 9.01 - Financial Statements and Exhibits

(d) Exhibits

Exhibit No.	Description
99.1	Press Release issued by the Company dated July 29, 2026
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

Fortrea Holdings Inc.

By: */s/ David Ross Smith*

Name: David Ross Smith

Title: Interim Chief Financial Officer

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

Date: July 29, 2026

Fortrea Reports Second Quarter 2026 Results

Four consecutive quarters of execution to drive commercial, operational and financial excellence
Increases full-year guidance

Highlights

For the three months ended June 30, 2026:

- Revenues of $678.2 million
- Book-to-bill ratio of 1.06x, resulting in 1.12x book-to-bill for the trailing 12 months
- GAAP net loss of $(13.2) million, or $(0.14) per diluted share
- Adjusted EBITDA of $58.7 million
- Adjusted net income of $22.7 million, or $0.23 per diluted share
- Cash provided by operations of $28.9 million and free cash flow of $19.9 million
- Full-year 2026 guidance increased to revenue of $2,620 million to $2,690 million and adjusted EBITDA of $205 million to $220 million

DURHAM, N.C., July 29, 2026— Fortrea (Nasdaq: FTRE) (the “Company”), a leading global contract research organization (“CRO”), today reported financial results for the second quarter ended June 30, 2026.

"Our second quarter results reflect continued progress against our strategy and disciplined execution across the business," said Anshul Thakral, CEO of Fortrea. "We delivered solid operating and financial performance, including our fourth consecutive quarter with a book-to-bill ratio above 1.0x, and raised our full-year 2026 guidance to reflect our confidence in the business. Underlying this performance is the dedication of our teams around the world, who continue to build trusted partnerships with clients and help advance important therapies for patients. We remain focused on commercial execution, operational excellence and financial discipline as we continue our strategic journey toward sustainable growth and margin expansion."

Second Quarter 2026 Financial Results

Revenue for the second quarter was $678.2 million, compared to $710.3 million in the second quarter of 2025.

Second quarter GAAP net loss was $(13.2) million and diluted loss per share was $(0.14), compared to second quarter of 2025 GAAP net loss of $(374.9) million and diluted loss per share of $(4.14), inclusive of a non-cash goodwill impairment charge of $309.1 million. Second quarter adjusted net income was $22.7 million and adjusted diluted EPS was $0.23 compared to second quarter of 2025 adjusted net income of $17.6 million and adjusted diluted EPS of $0.19. Second quarter adjusted EBITDA was $58.7 million, compared to second quarter of 2025 adjusted EBITDA of $54.9 million.

Backlog as of June 30, 2026 was $7,800 million, and the book-to-bill ratio for the quarter was 1.06x.

First Half 2026 Financial Results

Revenue for the first half was $1,314.7 million, compared to $1,361.6 million in the first half of 2025.

First half GAAP net loss was $(36.8) million and diluted loss per share was $(0.39), compared to first half of 2025 GAAP net loss of $(937.8) million and diluted loss per share of $(10.37), inclusive of a non-cash goodwill impairment charge of $797.9 million. First half adjusted net income was $37.9 million and adjusted diluted EPS was $0.38 compared to first half of 2025 adjusted net income of $19.5 million and adjusted diluted EPS of $0.21. First half adjusted EBITDA was $105.7 million, compared to first half of 2025 adjusted EBITDA of $85.2 million.

2026 Financial Guidance

The Company increased its guidance for the full-year 2026, targeting revenues in the range of $2,620 million to $2,690 million and adjusted EBITDA in the range of $205 million to $220 million.

Earnings Call and Replay

Fortrea will host a conference call at 8:00 am ET on July 29, 2026, to review its second quarter financial results and conduct a question-and-answer session. To participate in the earnings call, participants should register online at the Fortrea Investor Relations website. To avoid potential delays, please join at least 10 minutes prior to the start of the call. The conference call can also be accessed through the following earnings webcast link. A replay of the live conference call will be available shortly after the conclusion of the event and accessible on the events and presentations section of the Fortrea website. A supplemental slide presentation will also be available on the Investor Relations website prior to the start of the call.

About Fortrea

Fortrea (Nasdaq: FTRE) is a leading global provider of clinical development solutions to the life sciences industry. We partner with emerging and large biopharmaceutical, biotechnology, medical device and diagnostic companies to drive healthcare innovation that accelerates life changing therapies to patients. Fortrea provides phase I-IV clinical trial management, clinical pharmacology and consulting services. Fortrea's solutions leverage three decades of experience spanning more than 20 therapeutic areas, a passion for scientific rigor, exceptional insights and a strong investigator site network. Our talented and diverse team working in about 100 countries is scaled to deliver focused and agile solutions to clients globally. Learn more about how Fortrea is streamlining drug development at Fortrea.com and follow us on LinkedIn, X and Bluesky.

Cautionary Statement Regarding Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including, without limitation, the Company’s 2026 financial guidance. In this context, forward-looking statements often address expected future business and financial performance and financial condition, and often contain words such as “guidance,” “expect,” “assume,” “anticipate,” “intend,” “plan,” “forecast,” “believe,” “seek,” “see,” “will,” “would,” “target,” similar expressions, and variations or negatives of these words that are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Actual results may differ materially from the Company’s expectations due to a number of factors, including, but not limited to, the following: the Company’s dependence on third parties generally to provide services critical to its businesses; the Company’s ability to successfully implement the Company’s business strategies and execute the Company’s long-term value creation strategy; risks and expenses associated with the Company’s international operations, tariff policies, trade sanctions and other trade restrictions and currency fluctuations; the Company’s customer or therapeutic area concentrations; the Company’s adoption and use of technology within its business and the risks that the Company 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 further deterioration in the macroeconomic environment, particularly within the pharmaceutical and biotechnology industry, or further changes in government regulations and funding, which could lead to defaults or cancellations by the Company’s customers; the risk that the Company’s backlog and net new business may not grow to the extent anticipated over a specified period of time or be indicative of the Company’s future revenues and that the Company might not realize all of the anticipated future revenue reflected in the Company’s backlog; the Company’s ability to generate sufficient net new business awards, or if net new business awards are delayed, terminated, reduced in scope, or fail to go to contract; if the Company underprices its contracts, overruns its cost estimates, or fails to receive approval for, or experiences delays in documentation of change orders; and other factors described from time to time in documents that the Company files with the Securities and Exchange Commission (the “SEC”). For a further discussion of the risks relating to the Company’s business, see the “Risk Factors” Section of the Company’s Annual Report on Form 10-K for the year ended December 31, 2025, as filed with the SEC, as such factors may be amended or updated from time to time in the Company’s subsequent periodic and other filings with the SEC, which are accessible on the SEC’s website at www.sec.gov. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this release and in the Company’s filings with the SEC. 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. All forward-looking statements are made only as of the date of this release and the Company does 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.

Note on Non-GAAP Financial Measures

This release includes information based on financial measures that are not recognized under generally accepted accounting principles in the United States ("GAAP"), such as Adjusted EBITDA, Adjusted Net Income, Adjusted Basic and Diluted EPS, and Free Cash Flow. Non-GAAP financial measures are presented only as a supplement to the Company’s financial statements based on GAAP. Non-GAAP financial information is provided to enhance understanding of the Company’s financial performance, but none of these non-GAAP financial measures are recognized terms under GAAP, and non-GAAP measures should not be considered in isolation from, or as a substitute analysis for, the Company’s results of operations as determined in accordance with GAAP.

The Company uses non-GAAP measures in its operational and financial decision making and believes that it is useful to exclude certain items in order to focus on what it regards to be a more meaningful indicator of the underlying operating performance of the business. For example, in calculating Adjusted EBITDA, the Company excludes all the amortization of intangible assets associated with acquired customer relationships and backlog, databases, non-compete agreements and trademarks, trade names and other from non-GAAP expense and income measures, as such amounts can be significantly impacted by the timing and size of acquisitions. Although the Company excludes amortization of acquired intangible assets from the Company's non-GAAP expenses, the Company believes that it is important for investors to understand that revenue generated from such intangibles is included within revenue in determining net income attributable to the Company. Internal management reports feature non-GAAP measures which are also used to prepare strategic plans and annual budgets and review management compensation. The Company also believes that investors may find non-GAAP financial measures useful for the same reasons, although investors are cautioned that non-GAAP financial measures are not a substitute for GAAP disclosures.

The non-GAAP financial measures are not presented in accordance with GAAP. Please refer to the schedules attached to this release for relevant definitions and reconciliations of non-GAAP financial measures contained herein to the most directly comparable GAAP measures. The Company's full-year 2026 guidance measures (other than revenue) are provided on a non-GAAP basis without a reconciliation to the most directly comparable GAAP measure because the Company is unable to predict with a reasonable degree of certainty certain items contained in the GAAP measures without unreasonable efforts. Such items include, but are not limited to, acquisition-related expenses, restructuring and related expenses, goodwill impairment, stock-based compensation and other items not reflective of the Company's ongoing operations.

Non-GAAP measures are frequently used by securities analysts, investors and other interested parties in their evaluation of companies comparable to the Company, many of which present non-GAAP measures when reporting their results. Non-GAAP measures have limitations as an analytical tool. They are not presentations made in accordance with GAAP, are not measures of financial condition or liquidity and should not be considered as an alternative to profit or loss for the period determined in accordance with GAAP or operating cash flows determined in accordance with GAAP. Non-GAAP measures are not necessarily comparable to similarly titled measures used by other companies. As a result, you should not consider such performance measures in isolation from, or as a substitute analysis for, the Company's results of operations as determined in accordance with GAAP.

Fortrea Contacts

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Revenues	$ 678.2	$ 710.3	$ 1,314.7	$ 1,361.6
Costs and expenses:				
Direct costs, exclusive of depreciation and amortization	539.0	576.8	1,051.9	1,111.6
Selling, general and administrative expenses, exclusive of depreciation and amortization	102.1	124.8	202.6	246.6
Depreciation and amortization	19.6	19.6	39.4	39.1
Goodwill and other asset impairments	—	309.1	—	797.9
Restructuring and other charges	2.7	10.3	9.4	16.8
Total costs and expenses	663.4	1,040.6	1,303.3	2,212.0
Operating income (loss)	14.8	(330.3)	11.4	(850.4)
Other income (expense):				
Interest expense	(19.3)	(23.3)	(38.4)	(45.6)
Foreign exchange gain (loss)	3.5	(19.9)	13.2	(25.5)
Other, net	(0.2)	2.8	0.3	2.8
Loss before income taxes	(1.2)	(370.7)	(13.5)	(918.7)
Income tax expense	12.0	4.2	23.3	19.1
Net loss	$ (13.2)	$ (374.9)	$ (36.8)	$ (937.8)
Earnings (loss) per common share				
Basic and diluted	$ (0.14)	$ (4.14)	$ (0.39)	$ (10.37)

FORTREA HOLDINGS INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(dollars and shares in millions)
(unaudited)

	June 30, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	$ 168.6	$ 174.6
Accounts receivable and unbilled services, net	654.4	589.7
Prepaid expenses and other	100.6	132.9
Total current assets	923.6	897.2
Property, plant and equipment, net	156.2	149.5
Goodwill, net	950.3	960.0
Intangible assets, net	586.8	622.0
Deferred income taxes	6.2	6.2
Other assets, net	91.8	80.8
Total assets	$ 2,714.9	$ 2,715.7
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 54.2	$ 29.7
Accrued expenses and other current liabilities	380.8	395.8
Unearned revenue	502.7	473.8
Current portion of long-term debt	17.1	4.8
Short-term operating lease liabilities	8.9	9.2
Total current liabilities	963.7	913.3
Long-term debt, less current portion	1,037.2	1,048.0
Operating lease liabilities	54.3	54.0
Deferred income taxes and other tax liabilities	97.0	97.6
Other liabilities	38.5	39.3
Total liabilities	2,190.7	2,152.2
Commitments and contingent liabilities		
Equity:		
Common stock, 95.1 and 93.1 shares outstanding at June 30, 2026 and December 31, 2025, respectively	0.1	0.1
Additional paid-in capital	2,140.6	2,116.6
Accumulated deficit	(1,420.0)	(1,383.2)
Accumulated other comprehensive loss	(196.5)	(170.0)
Total equity	524.2	563.5
Total liabilities and equity	$ 2,714.9	$ 2,715.7

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

	Six Months Ended June 30,	
	2026	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (36.8)	$ (937.8)
Adjustments to reconcile net loss to net cash provided by (used for) operating activities:		
Depreciation and amortization	39.4	39.1
Stock compensation	24.0	37.3
Credit loss expense	4.0	9.0
Operating lease right-of-use asset expense	4.1	6.0
Operating lease right-of-use asset impairment	—	1.2
Goodwill and other asset impairments	—	797.9
Deferred income taxes	0.9	(16.8)
Unrealized foreign exchange movements	(8.7)	37.7
Other, net	2.5	2.3
Changes in assets and liabilities:		
Increase in accounts receivable and unbilled services, net	(70.0)	(77.5)
Decrease in prepaid expenses and other	17.5	24.5
Increase (decrease) in accounts payable	24.6	(46.8)
Increase in unearned revenue	28.7	23.2
Decrease in accrued expenses and other	(18.3)	(1.7)
Net cash provided by (used for) operating activities	11.9	(102.4)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(17.0)	(10.4)
Proceeds from sale of business, net	—	19.0
Proceeds from sale of assets	2.0	—
Net cash (used for) provided by investing activities	(15.0)	8.6
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from revolving credit facilities	—	316.4
Payments on revolving credit facilities	—	(266.4)
Debt issuance costs	—	(0.6)
Net cash provided by financing activities	—	49.4
Effect of exchange rate changes on cash and cash equivalents	(2.9)	7.1
Net change in cash and cash equivalents	(6.0)	(37.3)
Cash and cash equivalents at beginning of period	174.6	118.5
Cash and cash equivalents at end of period	$ 168.6	$ 81.2

RECONCILIATION OF NON-GAAP MEASURES

FORTREA HOLDINGS INC.
NET INCOME TO ADJUSTED EBITDA RECONCILIATION
(in millions)
(unaudited)

	Trailing Twelve Months Ended June 30,	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2026	2025	2026	2025
Adjusted EBITDA:					
Net loss	$ (85.2)	$ (13.2)	$ (374.9)	$ (36.8)	$ (937.8)
Income tax expense	7.4	12.0	4.2	23.3	19.1
Interest expense, net	84.2	19.3	23.3	38.4	45.6
Foreign exchange (gain) loss	(11.8)	(3.5)	19.9	(13.2)	25.5
Depreciation and amortization (a)	78.3	19.6	19.6	39.4	39.1
Goodwill and other asset impairments	—	—	309.1	—	797.9
Restructuring and other charges (b)	42.9	3.5	10.7	11.3	17.5
Stock based compensation	61.1	12.6	22.7	24.0	37.3
Disposition-related costs (c)	3.4	—	2.8	—	6.6
One-time spin-related costs (d)	5.3	0.7	10.4	1.0	20.4
CEO transition related costs	0.3	—	4.8	—	4.8
Other (e)	24.5	7.7	2.3	18.3	9.2
Adjusted EBITDA	$ 210.4	$ 58.7	$ 54.9	$ 105.7	$ 85.2

(a) Includes amortization of intangible assets acquired as part of business acquisitions.

(b) Restructuring and other charges represent amounts incurred in connection with the elimination of redundant positions, organizational realignment initiatives, and other actions taken to reduce overcapacity, align resources and facilities, and restructure certain operations.

(c) Disposition-related costs are short-term incremental costs to support the transition services agreement associated with the sale of the Enabling Services Segment.

(d) Represents one-time or incremental costs required to implement capabilities to exit the transition services agreement with the Company’s former parent.

(e) Includes adjustments to estimated contingent consideration on a sale of a facility, income related to services provided under transition services agreements, settlements related to litigation initiated prior to the spinoff of the Company as a standalone company, the yield expense incurred on amounts received under the Company’s Receivables Securitization Program, non-recurring business advisory consulting services and amortization of implementation costs deferred in connection with cloud computing arrangements.

FORTREA HOLDINGS INC.
NET INCOME TO ADJUSTED NET INCOME RECONCILIATION
(in millions, except per share data)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Adjusted net income:				
Net loss	$ (13.2)	$ (374.9)	$ (36.8)	$ (937.8)
Foreign exchange (gain) loss	(3.5)	19.9	(13.2)	25.5
Amortization (a)	14.6	14.6	29.2	29.1
Goodwill and other asset impairments	—	309.1	—	797.9
Restructuring and other charges (b)	3.5	10.7	11.3	17.5
Stock based compensation	12.6	22.7	24.0	37.3
Disposition-related costs (c)	—	2.8	—	6.6
One-time spin-related costs (d)	0.7	10.4	1.0	20.4
CEO transition related costs	—	4.8	—	4.8
Other (e)	7.7	2.3	18.3	9.2
Income tax impact of adjustments (f)	0.3	(4.8)	4.1	9.0
Adjusted net income	$ 22.7	$ 17.6	$ 37.9	$ 19.5
Basic shares	94.8	90.6	94.2	90.4
Diluted shares	99.4	91.1	98.8	91.1
Adjusted basic EPS	$ 0.24	$ 0.19	$ 0.40	$ 0.22
Adjusted diluted EPS	$ 0.23	$ 0.19	$ 0.38	$ 0.21

(a) Includes amortization of intangible assets acquired as part of business acquisitions.

(b) Restructuring and other charges represent amounts incurred in connection with the elimination of redundant positions, organizational realignment initiatives, and other actions taken to reduce overcapacity, align resources and facilities, and restructure certain operations.

(c) Disposition-related costs are short-term incremental costs to support the transition services agreement associated with the sale of the Enabling Services Segment.

(d) Represents one-time or incremental costs required to implement capabilities to exit the Transition Services Agreement with former parent.

(e) Includes adjustments to estimated contingent consideration on a sale of a facility, income related to services provided under Transition Services Agreements, settlements related to litigation initiated prior to the Spin, the yield expense incurred on amounts received under the Company’s Receivables Securitization Program, non-recurring business advisory consulting services and amortization of implementation costs deferred in connection with cloud computing arrangements.

(f) Income tax impact of adjustments represents the amount of additional tax expense that the Company estimates it would record if it used Non-GAAP results instead of GAAP results in the calculation of its provision.

FORTREA HOLDINGS INC.
NET CASH PROVIDED BY OPERATING ACTIVITIES TO FREE CASH FLOW RECONCILIATION
(in millions)
(unaudited)

	Three Months Ended June 30, 2026	Six Months Ended June 30, 2026
Net cash provided by operating activities	$ 28.9	$ 11.9
Capital expenditures	(9.0)	(17.0)
Free cash flow	$ 19.9	$ (5.1)