

Q3 2026 Earnings Presentation

Q3 2026 - 10.29.2026

Nasdaq: FTRE



Forward-looking statements & non-GAAP financial measures

Forward-Looking Statements Disclosure. *Certain information in this presentation contains “forward-looking” statements. You should not place undue reliance on these statements. Forward-looking statements include information concerning our possible or assumed future results of operations, including descriptions of our business strategies and our 2026 guidance. These statements often include words such as “believe”, “expect”, “approximately”, “anticipate”, “intend”, “plan”, “forecast”, “estimate”, “seek”, “target”, “will”, “should”, “could”, “may” or the negative thereof or variations thereon or similar expressions that are predictions of or indicate future events or trends, although not all forward-looking statements contain these identifying words. These statements are based on certain assumptions that we have made in light of our experience in the industry as well as our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate in these circumstances. As you read and consider this presentation, you should understand that these statements are not guarantees of performance or results and that actual future results may vary materially. They involve risks, uncertainties and assumptions. Many factors could affect our actual financial results and could cause actual results to differ materially from those expressed in the forward-looking statements, including among other things, our dependence on third parties generally to provide services critical to our business; our ability to successfully implement our business strategies and execute our long-term value creation strategy; risks and expenses associated with our international operations, tariff policies, trade sanctions and other trade restrictions and currency fluctuations; the 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 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 our customers; the risk that our backlog and net new business may not grow to the extent anticipated over a specified period of time or 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 if net new business awards are delayed, terminated, reduced in scope, or fail to go to contract; if we 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 from time to time in documents that we file with the U.S. Securities and Exchange Commission (the “SEC”), including any updates or amendments thereof. For a further discussion of the risks relating to our business, see the “Risk Factors” Section of our Annual Report on Form 10-K for the year ended December 31, 2025 (the “Form 10-K”), as filed with the SEC, as such factors may be amended or updated from time to time in our subsequent periodic and other filings with the SEC which are accessible on the SEC’s website at www.sec.gov.*

In light of these risks, uncertainties and assumptions, the forward-looking statements contained in this presentation might not prove to be accurate and you should not place undue reliance upon them. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the foregoing cautionary statements. 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 such statements speak only as of the date made, and we undertake no obligation, other than as may be required by law, to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Non-GAAP Financial Measures. *This presentation contains discussions of certain financial measures, such as EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Adjusted Basic and Diluted EPS, Net Debt, Net Leverage and Free Cash Flow, which are non-GAAP financial measures. Non-GAAP financial measures are presented only as a supplement to our financial statements based on GAAP. Non-GAAP financial information is provided to enhance understanding of our financial and operational performance and cash flow, 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, our results of operations as determined in accordance with GAAP. We believe these adjusted measures are useful to investors as a supplement to, but not as a substitute for, GAAP measures, in evaluating our operational performance and cash-flow. We further believe that the use of these non-GAAP financial measures provides an additional tool for investors in evaluating operating results and trends, growth, indebtedness, cash-flow and shareholder returns, as well as in comparing our financial results with the financial results of other companies. However, we note that these adjusted measures may be different from and not directly comparable to the measures presented by other companies. Because not all companies use identical calculations, our presentation of these non-GAAP financial measures may not be comparable to other similarly titled measures of other companies. For example, in calculating Adjusted EBITDA, we exclude 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. Please refer to the Appendix for relevant definitions and reconciliations of non-GAAP financial measures included herein to the most directly comparable GAAP measures.*



Fortrea’s Q3 2026 highlights

Five consecutive quarters of execution driving commercial, operational & financial excellence

Financial Highlights	Revenue \$691.5M	Adj. EBITDA ¹ \$58.0M	Book-to-Bill 1.12x TTM: 1.12x
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Profitability Improvement (YoY)

Adj. EBITDA +14% | Adj. EBITDA margin +120 bps

Portfolio Mix

Two consecutive quarters of biotech revenue growth

Expanded Clinical Pharmacology

Completed acquisition of Worldwide Clinical Trials’
Early Phase Services business in October

Updated FY 2026 Guidance

Raised midpoints; Narrowed ranges
Revenue: \$2,665-\$2,690M | Adj. EBITDA¹: \$210-\$218M

Strong foundation to advance transformation toward growth & margin expansion

¹ Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP financial measures. Please see slide 11 for a reconciliation to the most comparable GAAP number.

Fortrea completes acquisition of Worldwide Clinical Trials' Early Phase Services division

Strategic investment adds dedicated bioanalytical capabilities & expands global clinical research capacity to more than 570 beds, strengthening Fortrea's Clinical Pharmacology Services business

Transaction Overview

- Acquisition completed on October 19, 2026
- All-cash transaction valued at ~\$45M
- **Acquisition expected to be accretive to adjusted EBITDA in 2027**

Strategic Rationale

- Supports Fortrea's return-to-growth strategy by expanding our Clinical Pharmacology capabilities, increasing capacity and creating new commercial opportunities



In-House Bioanalytical Capabilities

- 60,000 ft² GLP-compliant **large- and small-molecule BioA lab** (Austin, TX)
- Biospecimen storage facility (Pflugerville, TX)



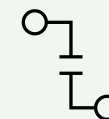
Expanded CRU* Capacity

- **200-bed** GCP-compliant CRU (San Antonio, TX)
- Global capacity > **570 beds**



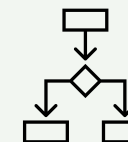
Large Cohort Studies

Expanded capacity to execute **larger, more complex studies** with access to broader volunteer populations



Integrated Early Development

Combines clinical pharmacology, BioA & CLIA safety lab capabilities to **reduce operational handoffs** and **improve study execution**



Expanded Commercial Opportunities

Creates opportunities to **deepen client relationships** and support programs from early-phase studies through later stages of clinical development

*CRU – Clinical Research Unit

Q3'26 – Key financial highlights

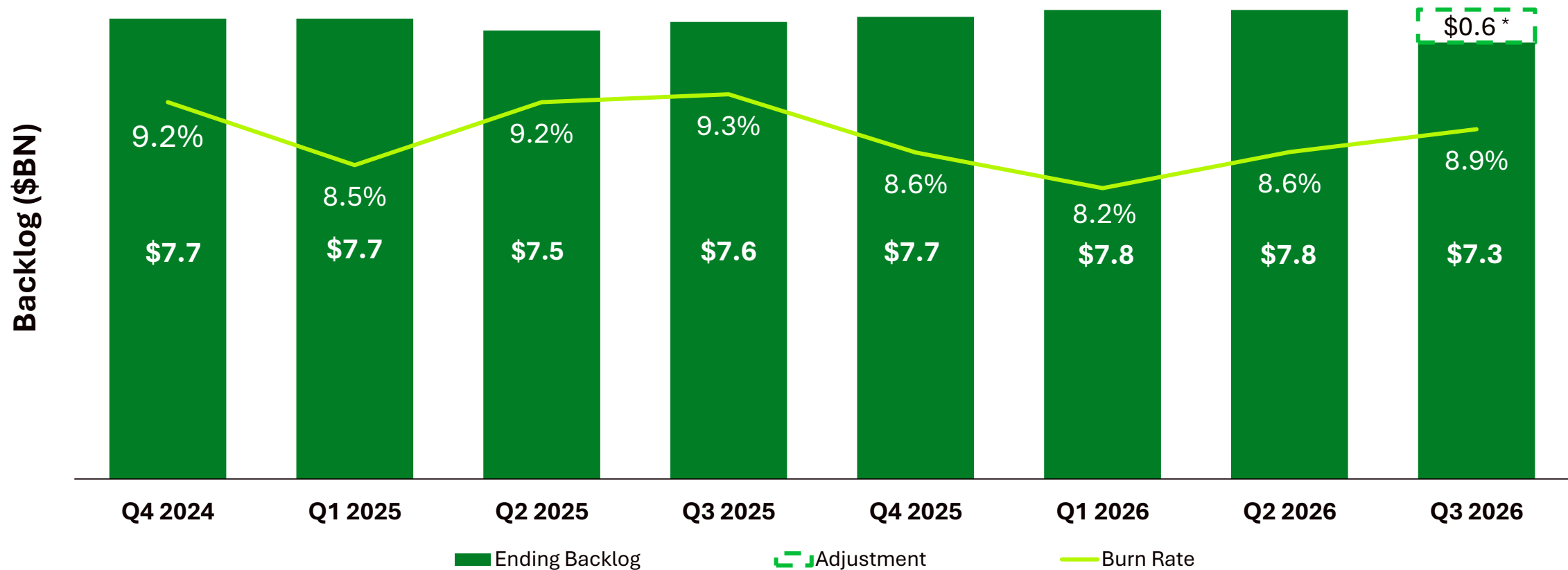
(\$ in millions, except per share data)	Q3 2026	Q3 2025	Y/Y change
Revenue	\$691.5	\$701.3	(1.4)%
Adj. EBITDA ¹	\$58.0	\$50.7	14.4%
<i>% Adj. EBITDA Margin ¹</i>	8.4%	7.2%	120 bps
Net Income (Loss)	\$0.6	\$(15.9)	n.m.
Net Income (Loss) / diluted share	\$0.01	\$(0.17)	n.m.
Adj. Net Income ¹	\$27.9	\$11.7	138.5%
Adj. Diluted EPS ¹	\$0.28	\$0.12	133.3%
Ending Backlog	\$7,316	\$7,644	(4.3)%

¹ Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Adjusted Diluted EPS are non-GAAP financial measures. Please see slides 11 and 12 for a reconciliation to the most comparable GAAP number.

n.m. – Not meaningful



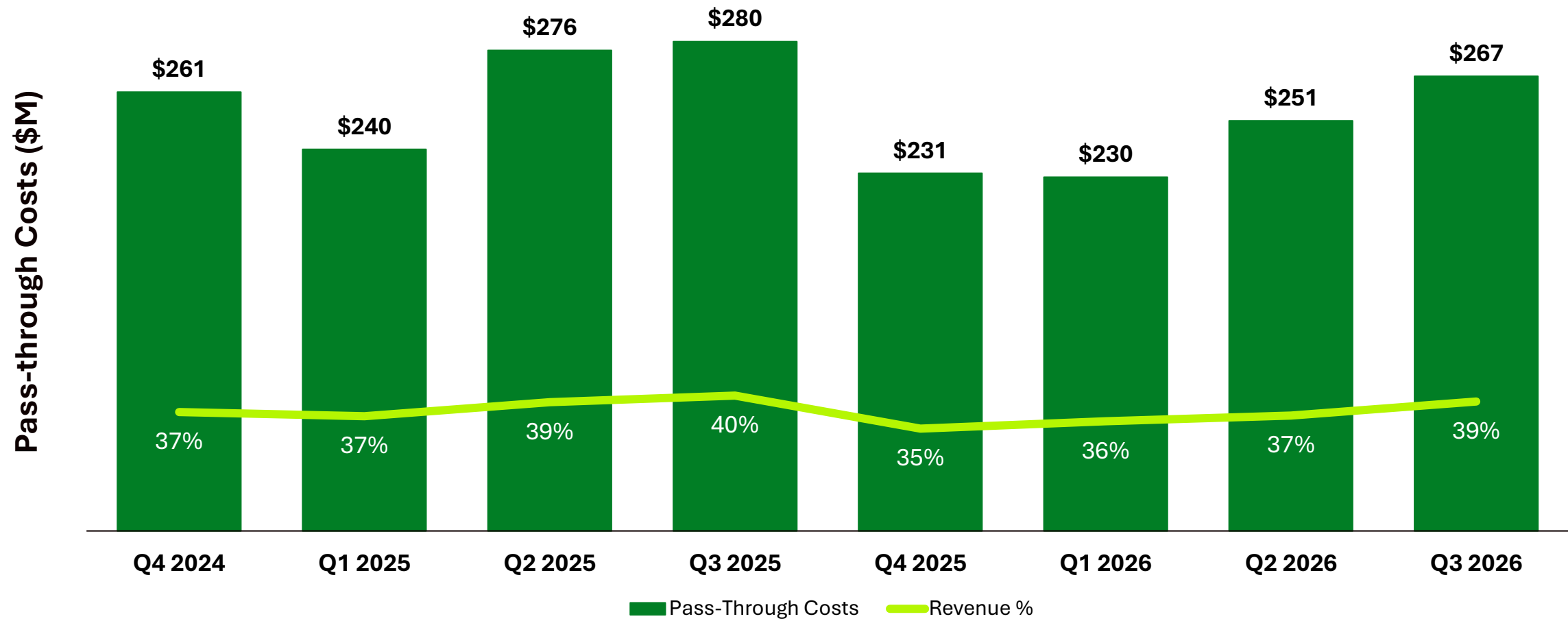
Backlog & burn rate¹ metrics



* During Q3 2026, we performed a detailed review of contracts included in our backlog. As a result, we reduced backlog by \$558M to reflect the cumulative impact of estimated scope and study delivery requirements across customer contracts, inclusive of inactive trials. The adjustment has no impact on historical financial results, current or prior 2026 guidance, or near-term revenue estimates.

¹ Burn rate defined as revenue in current period divided by opening period backlog.

Pass-through cost trend



Cash flow and liquidity profile

Cash Flow (\$ in millions)	Q3 2026	YTD Q3 2026	Debt, Leverage and Liquidity (\$ in millions)	September 30, 2026
Operating Cash Flow	\$60.8	\$72.7	Gross Debt ²	\$1,066.3
Less: CAPEX	\$(8.3)	\$(25.3)	Cash and Cash Equivalents	\$220.6
Free Cash Flow ¹	\$52.5	\$47.4	Net Debt ³	\$845.7
			Net Leverage ⁴	3.9x
			Net DSO ⁵	15 Days
			Liquidity ⁶	\$668.3

1 Free Cash Flow, a non-GAAP measure, is equal to Operating Cash Flow less Capital Expenditures.

2 Gross Debt includes long-term and current notes, term loans and revolving credit facility balance, excluding debt issuance discount and fees.

3 Net Debt, a non-GAAP measure, is defined as Gross Debt less Cash.

4 Net Leverage, a non-GAAP measure, is defined as Net Debt divided by TTM Adj. EBITDA. Adj. EBITDA for the TTM ended September 30, 2026, was \$217.7 million. Please see slide 11 for a reconciliation to the most comparable GAAP number.

5 Net Days Sales Outstanding (DSO) is based on accounts receivable and unbilled services, less allowance for credit losses, and unearned revenue. Includes impact of accounts receivable sale under A/R Securitization facility signed in Q2 2024.

6 Liquidity equals cash plus available borrowing capacity under the \$450M revolving credit facility.

FY 2026 Updated guidance

Raised midpoints of revenue & adjusted EBITDA; ranges narrowed

<i>(\$ in millions)</i>	Q3 2026 Actual	YTD 2026 Actual	New FY 2026 Guidance ¹	Previous FY 2026 Guidance ¹
Revenue	\$691.5	\$2,006.2	\$2,665 - \$2,690	\$2,620 - \$2,690
Adj. EBITDA ²	\$58.0	\$163.7	\$210 - \$218	\$205 - \$220

¹ FY 2026 guidance measures (other than revenue) are provided on a non-GAAP basis without a reconciliation to the most directly comparable GAAP measure because Fortrea 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 Fortrea's ongoing operations.

² Adjusted EBITDA is a non-GAAP financial measure. Please see slide 11 for a reconciliation to the most comparable GAAP number for Q3 2026 and YTD 2026.



Appendix



Net income to adjusted EBITDA reconciliation (non-GAAP)

(\$ in millions)	Trailing Twelve Months Ended September 30, 2026	Three Months Ended September 30,		Nine Months Ended September 30,	
		2026	2025	2026	2025
Adjusted EBITDA:					
Net income (loss)	\$(68.7)	\$0.6	\$(15.9)	\$(36.2)	\$(953.7)
Income tax expense (benefit)	16.0	(4.2)	(12.8)	19.1	6.3
Interest expense	81.8	20.2	22.6	58.6	68.2
Depreciation and amortization ¹	78.7	20.0	19.6	59.4	58.7
EBITDA	107.8	36.6	13.5	100.9	(820.5)
Foreign exchange (gain) loss	(15.7)	(1.3)	2.6	(14.5)	28.1
Goodwill and other asset impairment ²	-	-	-	-	797.9
Restructuring and other charges ³	38.0	1.4	6.3	12.7	23.8
Stock based compensation	50.8	12.0	22.3	36.0	59.6
Acquisition and disposition-related costs ⁴	3.9	2.8	2.3	2.8	8.9
One-time spin related costs ⁵	2.3	-	3.0	1.0	23.4
CEO transition related costs	-	-	0.3	-	5.1
Receivables securitization yield expense	17.3	4.2	4.5	13.0	13.4
Cloud Computing Arrangements ⁶	4.6	1.2	0.9	3.6	2.1
Other ⁷	8.7	1.1	(5.0)	8.2	(5.9)
Adjusted EBITDA	\$217.7	\$58.0	\$50.7	\$163.7	\$135.9
Adjusted EBITDA Margin:					
Revenue	\$2,666.7	\$691.5	\$701.3	\$2,006.2	\$2,062.9
Net income (loss) margin	(2.6%)	0.1%	(2.3%)	(1.8%)	(46.2%)
Adjusted EBITDA Margin	8.2%	8.4%	7.2%	8.2%	6.6%

Refer to slide 13 for the notes related to the Net Income to Adjusted EBITDA Reconciliation.



Net income to adjusted net income reconciliation (non-GAAP)

(\$ in millions, except per share data)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Adjusted net income:				
Net income (loss)	\$0.6	\$(15.9)	\$(36.2)	\$(953.7)
Foreign exchange (gain) loss	(1.3)	2.6	(14.5)	28.1
Amortization ¹	14.5	14.8	43.7	43.9
Goodwill and other asset impairments ²	-	-	-	797.9
Restructuring and other charges ³	1.4	6.3	12.7	23.8
Stock based compensation	12.0	22.3	36.0	59.6
Acquisition and disposition-related costs ⁴	2.8	2.3	2.8	8.9
One-time spin related costs ⁵	-	3.0	1.0	23.4
CEO transition related costs	-	0.3	-	5.1
Receivables securitization yield expense	4.2	4.5	13.0	13.4
Cloud Computing Arrangements ⁶	1.2	0.9	3.6	2.1
Other ⁷	1.1	(5.0)	8.2	(5.9)
Income tax impact of adjustments ⁸	(8.6)	(24.4)	(4.5)	(15.4)
Adjusted net income	\$27.9	\$11.7	\$65.8	\$31.2
Basic shares	95.6	91.2	94.6	90.6
Adjusted basic earnings per share	\$0.29	\$0.13	\$0.70	\$0.34
Diluted shares	101.2	93.8	99.6	92.0
Adjusted diluted earnings per share	\$0.28	\$0.12	\$0.66	\$0.34

Refer to slide 13 for the notes related to the Net Income to Adjusted Net Income Reconciliation.



Reconciliation of non-GAAP measures notes (slides 11–12)

1. Includes amortization of intangible assets acquired as part of business acquisitions.
2. The goodwill impairments occurred during the first half of 2025 and primarily resulted from declines in the Company's share price. The second quarter of 2025 was also impacted by a market-driven increase to the discount rate.
3. 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.
4. Acquisition-related costs include transaction, integration, and other direct and incremental costs incurred in connection with acquisitions. Disposition-related costs are short-term incremental costs to support the transition services agreement associated with the sale of the Enabling Services Segment.
5. Represents one-time or incremental costs required to implement capabilities to exit the transition services agreement with the Company's former parent.
6. Represents amortization of implementation costs deferred in connection with cloud computing arrangements.
7. Includes adjustments to estimated contingent consideration on a sale of a facility, income related to services provided under transition services agreements, certain legal expenses related to specifically identified litigation matters, including the shareholder litigation and the CFO transition-related litigation, settlements related to litigation initiated prior to the spinoff of the Company as a standalone company, and non-recurring business advisory consulting costs.
8. 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.