Q4 & FY 2025 Earnings Presentation

02.26.2026

Nasdaq: FTRE

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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. These statements often include words such as "believe", "expect", "approximately", "anticipate", "intend", "plan", "estimate", "seek", "will", "should", "could", "may" or the negative thereof or variations thereon or similar expressions that are predictions of or indicate future events or trends. 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; 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 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 experiences 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 (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. All such statements speak only as of the date made, and we undertake no obligation 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. The Company believes 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. The Company further believes 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, the Companynotes 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, 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.*

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Fortrea's Q4 & FY 2025 Highlights

Execution on strategy towards achieving commercial, operational & financial excellence

- ✓ FY Revenue of $2.723B & Adj. EBITDA of $189.9M, in line with FY guidance
- ✓ Solid Q4 Book-to-Bill of 1.14x; Trailing 12-month Book-to-Bill of 1.02x
- ✓ Positive Q4 & FY operating and free cash flow & improved DSO Q/Q & Y/Y
- ✓ Delivered >$150M gross & >$90M net FY savings, exceeding targets provided
- ✓ Strengthened balance sheet through debt paydown using cash on hand

Market environment showing early signs of improvement

Strong foundation to advance our transformation toward growth & margin expansion

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Executing Three-Pillar Strategy to Drive Revenue Growth & Margin Expansion

Commercial Excellence

- Continued capability enhancements
- Restructured sales force to sharpen new business “hunting” (**Reach**)
- Renewed focus & improved analytic tools for Inside Sales (**Reach**)
- Refined Biotech selling model bringing drug development & operational expertise to clients (**Relevance**)
- Revamped Development Operations with senior leadership at portfolio level (**Repeat**)

Operational Excellence

- Enhancing project management & biotech operating model with tools, training & infrastructure
- Dedicated Chief Medical Officer role to deepen scientific engagement & client partnership across CPS[1] & GCD[1]
- Welcomed proven leaders in executive roles in CPS & GCD to strengthen delivery consistency & execution
- Driving adoption of our Xcellerate platform, advancing global roll out of AI-enabled CRA Mobile App

Financial Excellence

- Delivered FY $153M gross / $93M net savings to improve underlying margin, exceeding annual targets
- Generated positive FY operating & free cash flow with improved DSO
- Strengthened balance sheet through $75.7M debt paydown using cash on hand

(1) CPS= Clinical Pharmacology Services; GCD=Global Clinical Development

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Recent Leadership Updates to Support Execution

Strengthening Scientific Leadership, Early Development & Governance

New Hires

Agnieszka (Aggie) Gallagher
General Counsel

- Leads legal strategy, governance & compliance as Corp. Secretary & Chief Compliance Officer
- 25 + years of legal & compliance leadership across life sciences, biotech, pharma, diagnostics & medtech
- Former Chief Legal Officer at Standard Biotools and General Counsel & Chief Compliance Officer at OraSure Technologies
- Prior senior roles at Alnylam, ViiV Healthcare, GSK, Sandoz, Medtronic & Pfizer

Scott Dove, PhD
President, Clinical Pharmacology Services

- Leads global Clinical Pharmacology Services & early clinical development platform
- 25 + years of drug development experience across pharma, biotech & CROs
- Former COO at Aravive; more than a decade at PPD leading early development services
- Strong technical foundation in clinical development operations & execution
- Previously served as strategic advisor to Fortrea

Dedicated Focus Leverages Scientific Expertise

Oren Cohen, MD
Chief Medical Officer

- Fully dedicated Chief Medical Officer to focus on clinical development & medical strategy
- Driving earlier & deeper scientific engagement with clients across clinical development
- 20 + years of executive medical & scientific leadership across pharma, biotech, & CROs
- World-renowned infectious disease leader with deep drug development & study design expertise
- Duke-trained physician; former NIAID Principal Investigator and academic leader

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Transformational Journey to Unlock Shareholder Value

Strengthening Business Fundamentals (2023-2025)

Structural accomplishments:

- Fully exited TSA*
- Asset divestitures (Endpoint Clinical & Fortrea Patient Access)
- Debt & interest expense reduction
- Working capital discipline
- Reduced controllable SG&A
- Organizational right-sizing
- Transforming operations & commercial
- CEO transition
- Senior Notes partial tender offer completed

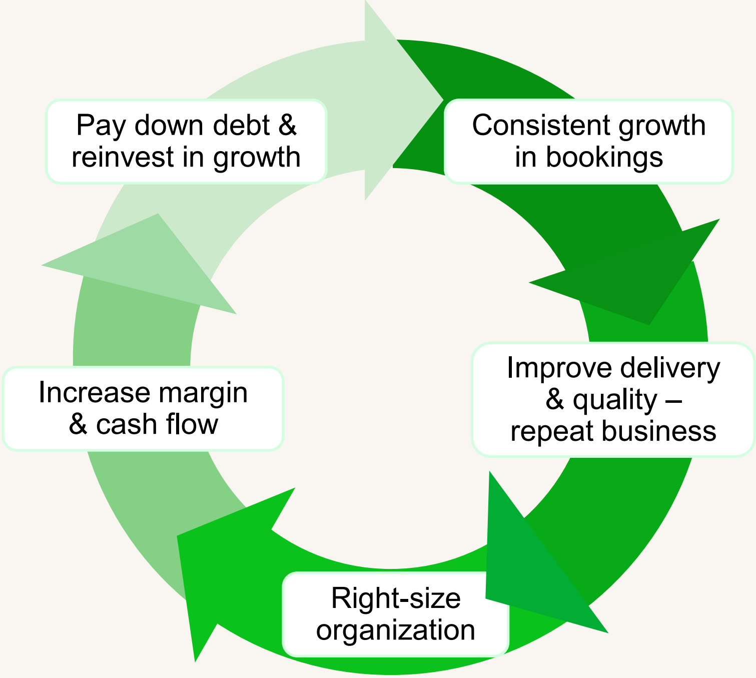
Sustained Revenue Growth & Margin Expansion (2026+)

Key Levers to Execute:

Commercial excellence
- Expand Reach, Relevance & Repeat business
- Increase pipeline & win rates

Operational excellence
- Project Management excellence
- Enhance Biotech operating model
- Digital modernization of workflow

Financial excellence
- Continued organizational right-sizing
- Drive further SG&A effectiveness
- Improve operating margins
- Capital structure optimization



** Transition Service Agreement with our former parent*

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Q4'25 / FY'25 – Key Financial Highlights
Continuing Operations

($ in millions, except per share data)	Q4 2025	Q4 2024	% Change (Y/Y)	FY25	FY24	% Change (Y/Y)
Revenue	$660.5	$697.0	(5.2)%	$2,723.4	$2,696.4	1.0%
Adj. EBITDA [1]	$54.0	$56.0	(3.6)%	$189.9	$202.5	(6.2)%
% Adj. EBITDA Margin [1]	*8.2%*	*8.0%*	*20 bps*	*7.0%*	*7.5%*	*(50 bps)*
Net Loss	$(32.5)	$(73.9)	56.0% improvement	$(986.2)	$(271.5)	263.2% deterioration
Net Loss / diluted share	$(0.35)	$(0.82)	57.3% improvement	$(10.81)	$(3.03)	256.8% deterioration
Adj. Net Income [1]	$9.2	$16.6	(44.6)%	$40.4	$30.1	34.2%
Adj. Net Income / diluted share [1]	$0.09	$0.18	(50.0)%	$0.43	$0.33	30.3%
Ending Backlog	$7,728	$7,699	0.4%			

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

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Cash Flow and Liquidity Profile

Cash Flow ($ in millions)	YTD Q4 2025
Operating Cash Flow	$113.5
Less: CAPEX	$(25.2)
Free Cash Flow [1]	$88.3

Debt, Leverage and Liquidity ($ in millions)	December 31 2025
Gross Debt [2]	$1,066.3
Cash and cash equivalents	$174.6
Net Debt [3]	$891.7
Net Leverage [4]	4.7x
Net DSO [5]	16 days
Liquidity [6]	$622.3

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 year ended December 31, 2025, was $189.9 million. Please see slide 11 for a reconciliation to the most comparable GAAP number for Q4 2025.
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.

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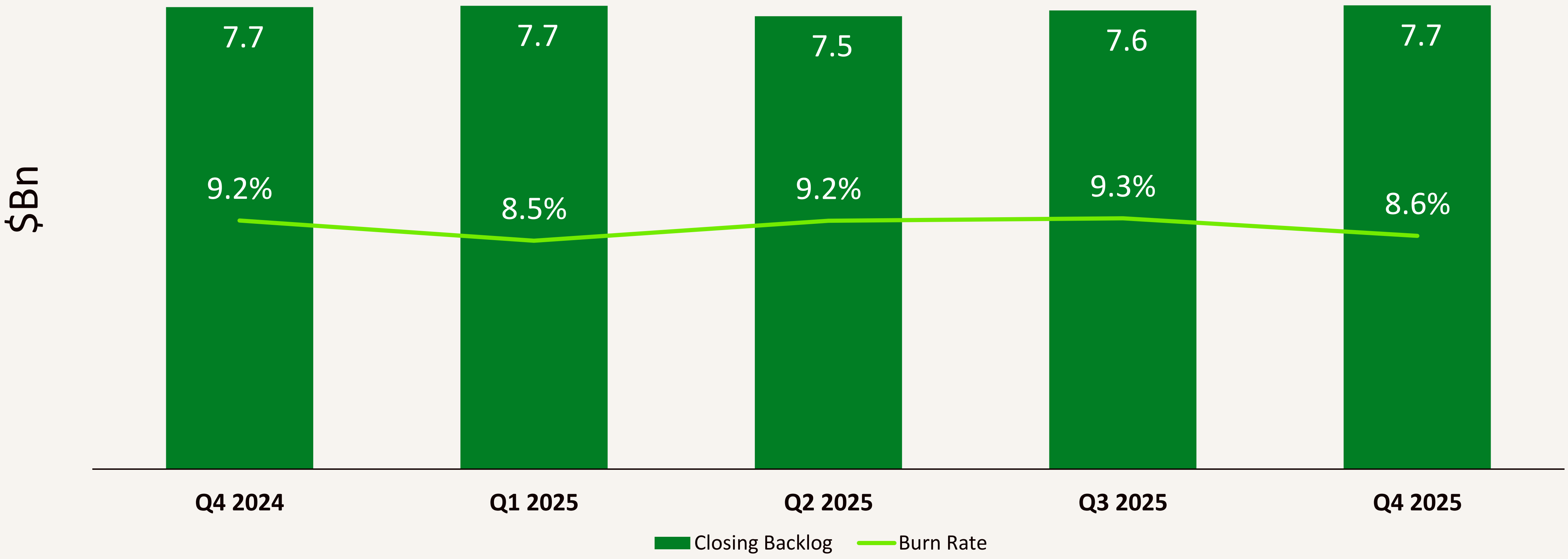
Backlog & Burn Rate Metrics



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2026 Financial Guidance

($ in millions)	FY’25 Actuals	FY’26 Guidance [1]
Revenue	$2,723.4	$2,550 - $2,650
Adj. EBITDA[2]	$189.9	$190 - $220

1 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 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, stock-based compensation and other items not reflective of Fortrea’s ongoing operations. FY 26 guidance is based on exchange rates in effect as of December 31, 2025.

2 Adjusted EBITDA is a non-GAAP financial measure. Please see slide 11 for a reconciliation to the most comparable GAAP number for Q4 2025.

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Net Income to Adjusted EBITDA Reconciliation (Non-GAAP)
Continuing Operations

($ in millions)	Three Months Ended December 31, 2025	Three Months Ended December 31, 2024	Years Ended December 31, 2025	Years Ended December 31, 2024
Adjusted EBITDA from continuing operations:				
Net loss from continuing operations	**$(32.5)**	**$(73.9)**	**$(986.2)**	**$(271.5)**
Income tax (benefit) expense	(3.1)	(1.0)	3.2	(3.5)
Interest expense, net	23.2	21.9	91.4	123.8
Depreciation and amortization [1]	19.3	20.8	78.0	85.3
EBITDA from continuing operations	**6.9**	**(32.2)**	**(813.6)**	**(65.9)**
Foreign exchange (gain) loss	(1.2)	3.6	26.9	10.6
Goodwill and other asset impairments [2]	-	-	797.9	-
Restructuring and other charges [3]	25.3	27.9	49.1	51.2
Stock based compensation	14.8	15.3	74.4	57.2
Disposition-related costs [4]	1.1	6.1	10.0	13.4
One-time spin related costs [5]	1.3	32.1	24.7	130.0
Customer matter [6]	-	0.8	-	6.0
Enabling Services Segment costs [7]	-	-	-	7.3
CEO transition related costs	-	-	5.1	-
Other [8]	5.8	2.4	15.4	(7.3)
Adjusted EBITDA from continuing operations	**$54.0**	**$56.0**	**$189.9**	**$202.5**
Adjusted EBITDA Margin from continuing operations:				
Revenue from continuing operations	$660.5	$697.0	$2,723.4	$2,696.4
Adjusted EBITDA Margin from continuing operations	8.2%	8.0%	7.0%	7.5%

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

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Net Income to Adjusted Net Income Reconciliation (Non-GAAP)
Continuing Operations

($ in millions, except per share data)	Three Months Ended December 31, 2025	Three Months Ended December 31, 2024	Years Ended December 31, 2025	Years Ended December 31, 2024
Adjusted net income from continuing operations:				
Net loss from continuing operations	$(32.5)	$(73.9)	$(986.2)	$(271.5)
Foreign exchange (gain) loss	(1.2)	3.6	26.9	10.6
Amortization [1]	14.4	15.2	58.3	60.8
Goodwill and other asset impairments [2]	-	-	797.9	-
Restructuring and other charges [3]	25.3	27.9	49.1	51.2
Stock based compensation	14.8	15.3	74.4	57.2
Disposition-related costs [4]	1.1	6.1	10.0	13.4
One-time spin related costs [5]	1.3	32.1	24.7	130.0
Customer matter [6]	-	0.8	-	6.0
Enabling Services Segment costs [7]	-	-	-	7.3
CEO transition related costs	-	-	5.1	-
Other [8]	5.8	2.4	15.4	(7.3)
Income tax impact of adjustments [9]	(19.8)	(12.9)	(35.2)	(27.6)
Adjusted net income from continuing operations	**$9.2**	**$16.6**	**$40.4**	**$30.1**
Basic shares	92.8	89.7	91.2	89.5
Adjusted basic earnings per share from continuing operations	$0.10	$0.18	$0.44	$0.34
Diluted shares	97.1	90.2	93.3	90.3
Adjusted diluted earnings per share from continuing operations	$0.09	$0.18	$0.43	$0.33

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

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Reconciliation of Non-GAAP Measures Notes (slides 11 and 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 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 to reduce overcapacity, align resources and facilities, and restructure certain operations.
4. 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. As part of working with a customer, the Company agreed to make concessions and provide discounts and other consideration to the customer as part of a multi-party solution. There were no related adjustments during 2025 as the agreed upon amounts had been satisfied.
7. These adjustments remove the impact of certain Enabling Services costs not included in discontinued operations. The Enabling Services Segment was sold in the second quarter of 2024.
8. 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, and amortization of implementation costs deferred in connection with cloud computing arrangements.
9. 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.

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