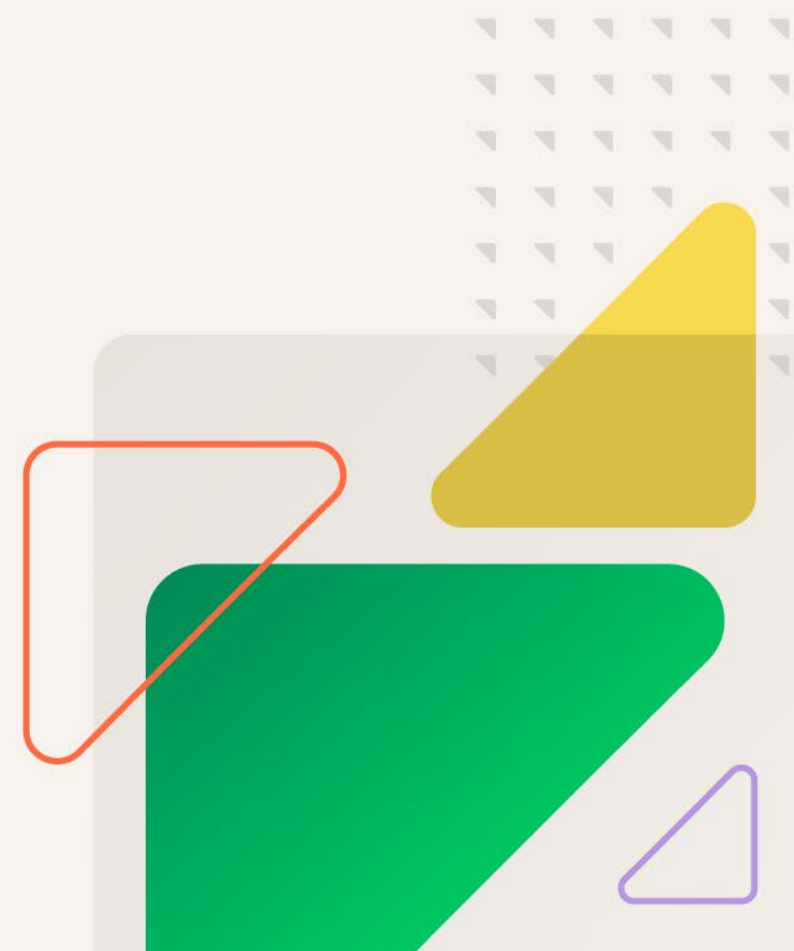




Q3 2024 Earnings Presentation

November 12, 2024



FORWARD-LOOKING STATEMENTS

This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect our current views with respect to, among other things, our operations and financial performance. Forward-looking statements include all statements that are not historical facts. These forward-looking statements relate to matters such as our industry, business strategy, goals, and expectations concerning our market position, future operations, margins, profitability, capital expenditures, liquidity and capital resources, and other financial and operating information. In some cases, you can identify these forward-looking statements by the use of words such as “anticipate,” “assume,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “future,” “will,” “seek,” “foreseeable,” “target,” “guidance,” the negative version of these words, or similar terms and phrases.

These forward-looking statements are subject to various risks, uncertainties, assumptions, or changes in circumstances that are difficult to predict or quantify. Such risks and uncertainties include, but are not limited to, the following: negative changes in external events beyond our control, including our customers’ onboarding volumes, economic drivers which are sensitive to macroeconomic cycles, such as interest rate volatility and inflation, geopolitical unrest, and uncertainty in financial markets; our operations in a highly regulated industry and the fact that we are subject to numerous and evolving laws and regulations, including with respect to personal data, data security, and artificial intelligence; inability to identify and successfully implement our growth strategies on a timely basis or at all; potential harm to our business, brand, and reputation as a result of security breaches, cyber-attacks, or the mishandling of personal data; our reliance on third-party data providers; due to the sensitive and privacy-driven nature of our products and solutions, we could face liability and legal or regulatory proceedings, which could be costly and time-consuming to defend and may not be fully covered by insurance; our international business exposes us to a number of risks; the timing, manner and volume of repurchases of common stock pursuant to our share repurchase program; the continued integration of our platforms and solutions with human resource providers such as applicant tracking systems and human capital management systems as well as our relationships with such human resource providers; our ability to obtain, maintain, protect and enforce our intellectual property and other proprietary information; disruptions, outages, or other errors with our technology and network infrastructure, including our data centers, servers, and third-party cloud and internet providers and our migration to the cloud; our indebtedness could adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry, and prevent us from meeting our obligations; the failure to realize the expected benefits of our acquisition of Sterling Check Corp.; and control by our Sponsor, “Silver Lake” (Silver Lake Group, L.L.C., together with its affiliates, successors, and assignees), and its interests may conflict with ours or those of our stockholders.

For additional information on these and other factors that could cause First Advantage’s actual results to differ materially from expected results, please see our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the Securities and Exchange Commission (the “SEC”), as such factors may be updated from time to time in our filings with the SEC, which are or will be accessible on the SEC’s website at www.sec.gov. The forward-looking statements included in this presentation are made only as of the date of this presentation, and we undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments, or otherwise, except as required by law.

NON-GAAP FINANCIAL INFORMATION

This presentation contains “non-GAAP financial measures” that are financial measures that either exclude or include amounts that are not excluded or included in the most directly comparable measures calculated and presented in accordance with accounting principles generally accepted in the United States (“GAAP”). Specifically, we make use of the non-GAAP financial measures “Adjusted EBITDA,” “Adjusted EBITDA Margin,” “Adjusted Net Income,” “Adjusted Diluted Earnings Per Share,” and “Constant Currency Revenues.”

Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Adjusted Diluted Earnings Per Share, and Constant Currency Revenues have been presented in this presentation as supplemental measures of financial performance that are not required by or presented in accordance with GAAP because we believe they assist investors and analysts in comparing our operating performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. Management believes these non-GAAP measures are useful to investors in highlighting trends in our operating performance, while other measures can differ significantly depending on long-term strategic decisions regarding capital structure, the tax jurisdictions in which we operate, and capital investments. Management uses Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Adjusted Diluted Earnings Per Share, and Constant Currency Revenues to supplement GAAP measures of performance in the evaluation of the effectiveness of our business strategies, to make budgeting decisions, to establish discretionary annual incentive compensation, and to compare our performance against that of peer companies using similar measures. Management supplements GAAP results with non-GAAP financial measures to provide a more complete understanding of the factors and trends affecting the business than GAAP results alone.

Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Adjusted Diluted Earnings Per Share, and Constant Currency Revenues are not recognized terms under GAAP and should not be considered as an alternative to net (loss) income as a measure of financial performance or cash provided by operating activities as a measure of liquidity, or any other performance measure derived in accordance with GAAP. The presentations of these measures have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP. Because not all companies use identical calculations, the presentations of these measures may not be comparable to other similarly titled measures of other companies and can differ significantly from company to company.

We define Adjusted EBITDA as net (loss) income before interest, taxes, depreciation, and amortization, and as further adjusted for loss on extinguishment of debt, share-based compensation, transaction and acquisition-related charges, integration and restructuring charges, and other non-cash charges. We define Adjusted EBITDA Margin as Adjusted EBITDA divided by total revenues. We define Adjusted Net Income for a particular period as net (loss) income before taxes adjusted for debt-related costs, acquisition-related depreciation and amortization, share-based compensation, transaction and acquisition-related charges, integration and restructuring charges, and other non-cash charges, to which we then apply the related effective tax rate. We define Adjusted Diluted Earnings Per Share as Adjusted Net Income divided by adjusted weighted average number of shares outstanding—diluted. We define Constant Currency Revenues as current period revenues translated using prior-year period exchange rates. For reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measures, see the reconciliations included at the end of this presentation. Numerical figures included in the reconciliations have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in various tables may not be arithmetic aggregations of the figures that precede them.

To facilitate comparability, we present pro forma combined company results, consisting of First Advantage and Sterling Check Corp. historical results and certain pro forma adjustments that give effect to the refinancing and share issuance related to the Sterling Acquisition as if it had occurred on 9/30/2024. The pro forma information does not constitute Article 11 pro forma information.

NOTE

This presentation contains references to historical results of Sterling Check Corp. Historical results through June 30, 2024 are from Sterling Check Corp. historical SEC filings and disclosures. Historical results for July 1, 2024 through September 30, 2024 are from Sterling Check Corp. books and records, which have not been independently verified by First Advantage.



Sterling Acquisition & Q3 2024 Highlights

Scott Staples
Chief Executive Officer



Q3 2024 Key Messages



- 1 Completed \$2.2B Sterling acquisition on October 31
- 2 Focusing efforts on our products and customers while conducting a smooth integration, maintaining customer continuity, actioning synergies, and reducing net leverage
- 3 Strong standalone Q3 2024 results, with robust AEBITDA Margins¹ over 32% and adjusted operating cash flow of \$45.3M¹; maintaining full-year 2024 standalone guidance and issuing combined company guidance

1

Combined Company At A Glance

OUR COMBINED SCALE

\$1.5B
Combined Revenue¹

\$467M
Combined Synergized
Adjusted EBITDA¹

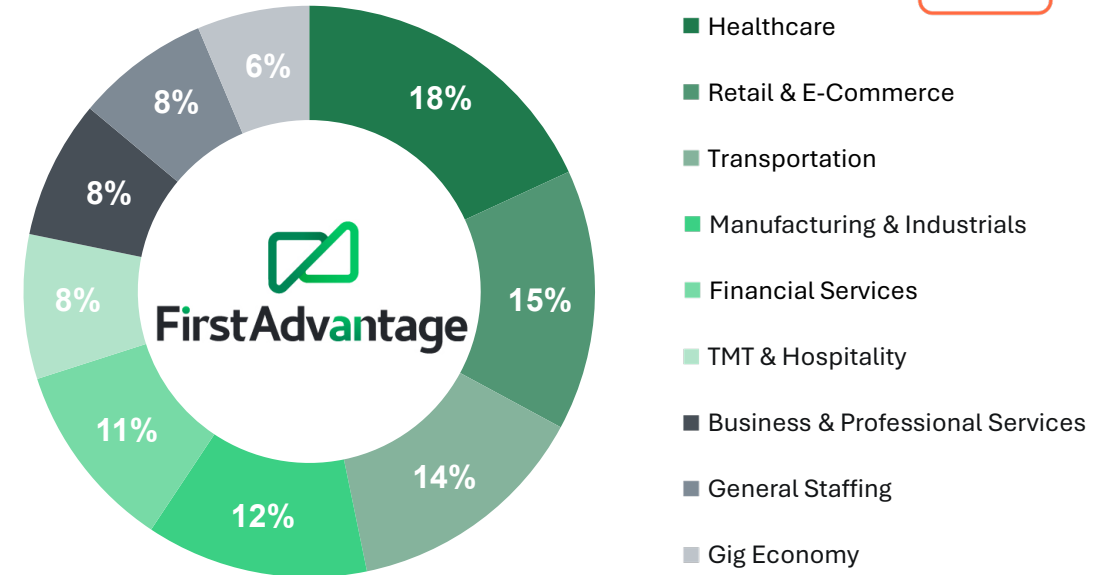
200M+
Screens Annually

96%+
Average Gross
Retention

765M+
Records in
Proprietary Databases

200+
Countries and
Territories

OUR COMBINED VERTICALS



- Greater diversification of revenue across customer segments, industries, and geographies
- Complementary international footprint
- Limited vertical overlap
- High quality and cost-effective background solutions for a diverse array of customers

Note: All metrics are approximate and as of and for the year ended December 31, 2023, unless otherwise noted.

Combined vertical breakdown chart represents each vertical as an approximate percentage of FY2023 total combined revenues for First Advantage and Sterling.

1. Combined metrics based on First Advantage and Sterling results for the twelve months ended 9/30/2024. Combined Synergized Adjusted EBITDA includes \$60M of run rate synergies, representing the mid-point of the \$50M to \$70M target run rate synergy range which is expected to be actioned within 2 years post-closing.

2

Post-Close Strategic Priorities



Executing Integration Playbook. Seamless integration process focused on customer retention, synergy realization, and operational efficiency led by a dedicated team and supported by all functional areas



Actioning Synergies. Target run rate cost synergy range of \$50M to \$70M to be actioned within 2 years post-closing, driven by reductions in third-party data costs and efficiencies across operations, product and technology, and SG&A



De-leveraging Balance Sheet. Strong Adjusted EBITDA margins and robust operating cash flows will enable expected de-leveraging to ~3x run rate Adjusted EBITDA within 24 months post-closing



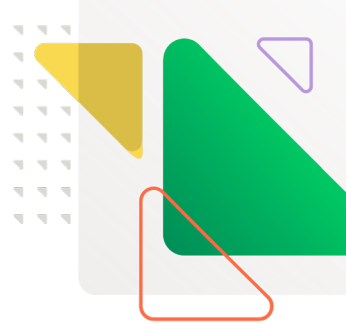
Maintaining Continuity with Customers. Ensuring a smooth transition for Sterling customers while uncovering opportunities to enhance the customer value proposition and unlock upsell and cross-sell opportunities



Driving Innovation. Technology driven innovation that provides customers with fast background checks; enabled through aligning sales, product, and technology organizations



Fostering High-Performing Culture. Fostering an environment of active participation and mutual respect that not only drives innovation and productivity but also ensures that everyone feels valued and empowered to succeed



2

The First Advantage Management Team

Beyond the senior management team, the general manager and go-to-market teams represent a blend of First Advantage's and Sterling's talent



Scott Staples
Chief Executive Officer
7 Years



Joelle Smith
President
7 Years



Douglas Nairne
Global Chief Operating Officer
3 Years



Steven Marks
Chief Financial Officer
8 Years



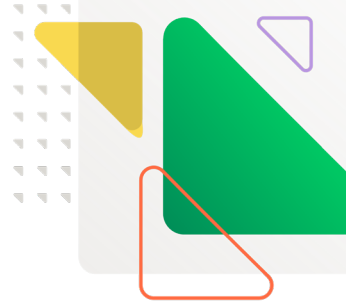
Bret Jardine
Chief Legal Officer and
Corporate Secretary
20 Years



Beth Price
Chief People and Culture Officer
19 Years

2

Unveiling the New First Advantage Brand



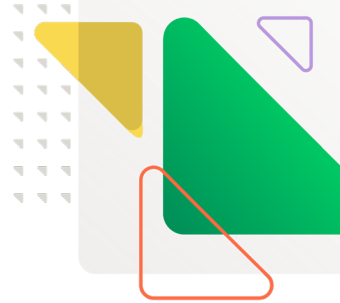
 First Advantage
+
Sterling



FirstAdvantage

2

Compelling Cost Synergies



Day 1

Next 180 Days

Year 1

Year 2



Corporate Costs

- Executive teams
- Public company costs
- Insurance
- Audit
- Tax

Internal Operations

- Harmonization of go-to-market strategy
- Internal processes and systems (HRIS, IT, CRM)
- Back-office support functions

Fulfillment Operations

- Reduce cost of serving customers
- Fulfillment optimization
- First Advantage proprietary data usage (Verified!, SmartHub)
- Vendor de-duplications

Product and Commercial

- Leverage automation capabilities
- Long-term go-to-market structure

\$10M+
Actioned Day 1

Expect to Action
50%+ Run Rate of Target in Year 1

Expect \$50M to \$70M in Run Rate Cost Synergies to be Actioned Within 2 Years

3

Strong First Advantage Standalone Q3 2024 Results, with Robust AEBITDA Margins¹ Over 32% and Adj. Operating Cash Flow² of \$45M

Revenues

\$199.1M

(0.6%)
YoY Change

Adjusted
EBITDA¹

\$64.0M

32.2%
Adj. EBITDA Margin¹

Adjusted
Net Income¹

\$38.0M

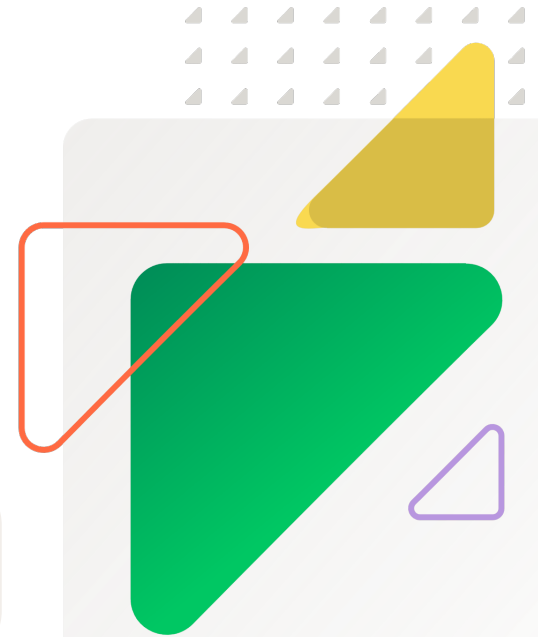
\$0.26
Adj. Diluted EPS¹

Adjusted Cash
Flow from
Operations²

\$45.3M

+31.9%
YoY Change

First Advantage standalone Q3 2024 results give confidence in achieving full-year 2024 standalone guidance





Financial Results

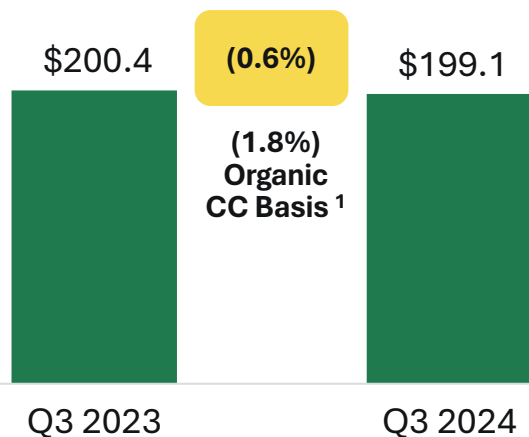
David Gamsey
Outgoing Chief Financial Officer



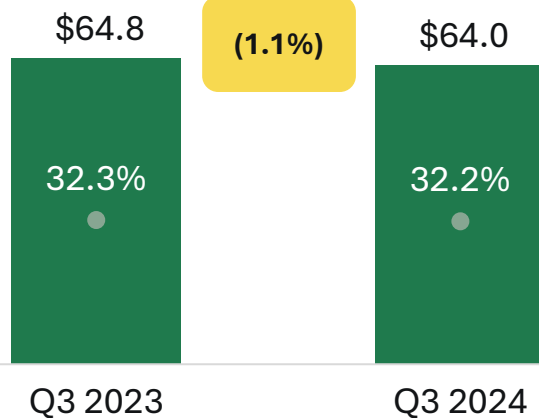
Q3 2024 Financial Results: First Advantage Standalone

(\$ in millions, except per share data and percentages)

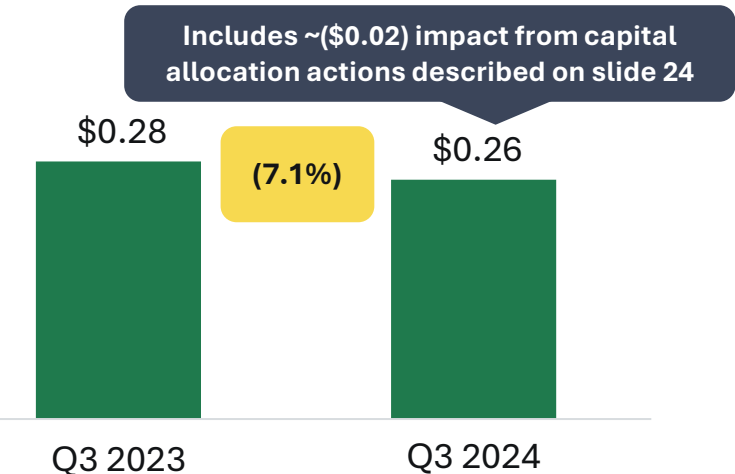
REVENUES



ADJUSTED EBITDA AND MARGIN¹



ADJUSTED DILUTED EARNINGS PER SHARE¹



- Sequential QoQ growth of 8%
- Americas segment (\$174.9M; 87% of sales) approximately flat YoY
- International segment (\$26.6M; 13% of sales) increased 3.2% YoY
- Organic constant currency decline of 1.8%
 - Infinite ID acquisition-related revenues of \$3.3M
 - Nearly no impact from currency

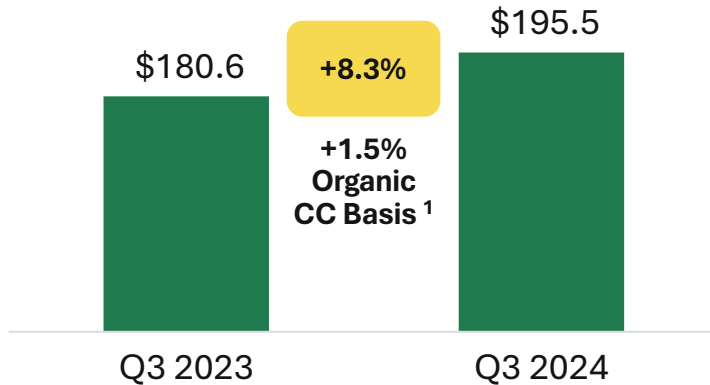
- Q3 2024 Adjusted EBITDA Margin approximately equal to prior year; up 200 basis points from Q2 2024
- Highly variable, flexible cost structure, disciplined approach to managing costs, and investments in automation remain key differentiators

- Adjusted Diluted EPS YoY decline includes ~(\$0.02) impact from capital allocation actions, including:
 - Lower interest income due to August 2023 one-time special dividend and share repurchases
 - Favorable interest rate swap expired on 2/29/24

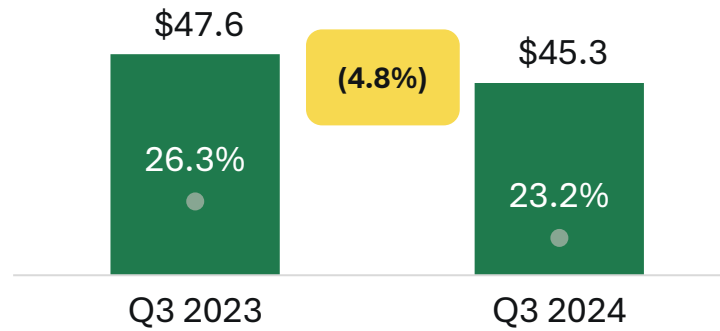
Q3 2024 Financial Results: Legacy Sterling

(\$ in millions, except per share data and percentages)

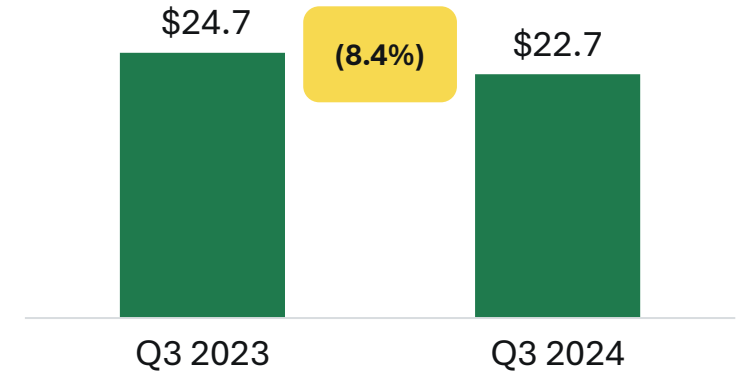
REVENUES



ADJUSTED EBITDA AND MARGIN¹



ADJUSTED NET INCOME¹



- Revenue growth accelerated QoQ due to strong momentum in new business, upsell, and cross-sell, plus narrower base declines
- Organic constant currency growth of 1.5% YoY
 - Organic constant currency growth in both US and International regions YoY
 - Vault acquisition-related revenues of \$11.8M

- Q3 2024 Adjusted EBITDA Margin contracted YoY due to Gross Margin pressure caused by revenue mix, including dilution from Vault acquisition
- Investments in automation and cost optimization initiatives helped support margins

- Q3 2024 Adjusted Net Income declined YoY due primarily to the decline in Adjusted EBITDA

Note: Historical results for July 1, 2024 through September 30, 2024 are from Sterling books and records, which have not been independently verified by First Advantage.

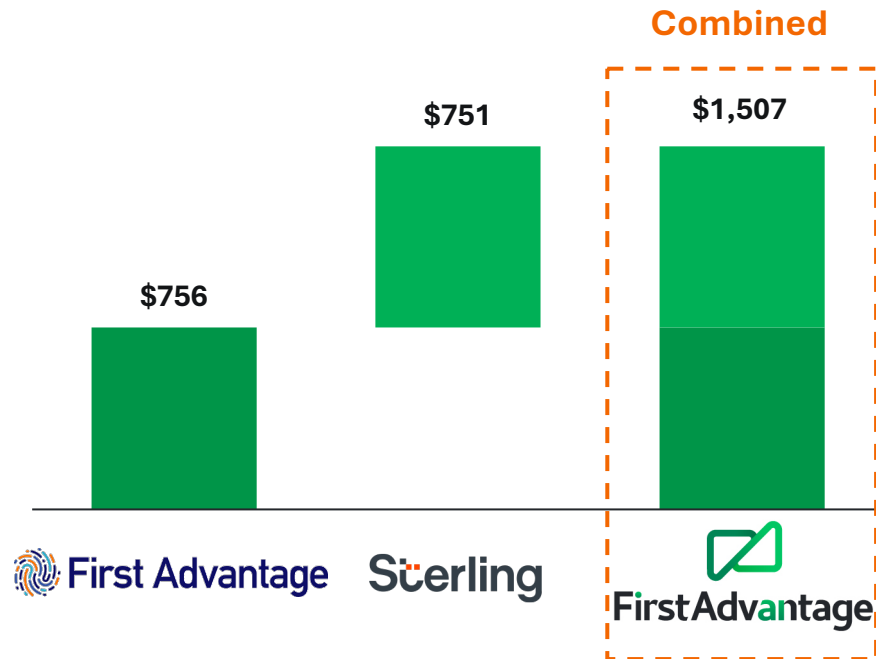
1. Non-GAAP measure. See appendix for reconciliation of Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, and Organic Constant Currency ("CC") Revenues to their most directly comparable respective GAAP measures.

Combined LTM Q3 2024 Financial Results

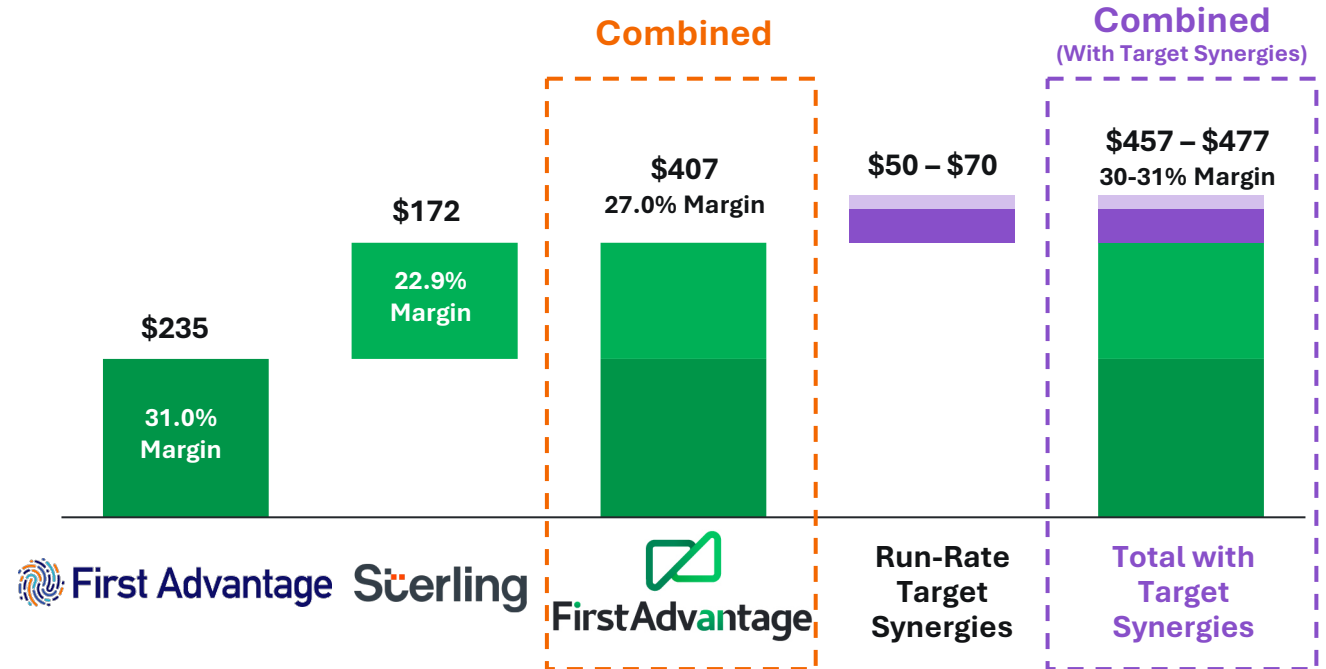


(\$ in millions, except percentages)

REVENUES



ADJUSTED EBITDA AND MARGIN¹



Acquisition of Sterling nearly doubles First Advantage revenues

Assuming target run-rate synergies are fully achieved, we expect Adjusted EBITDA margins of 30% - 31%

Organic Revenue Growth Breakdown



First Advantage	2021	2022	Q1 '23	Q2 '23	Q3 '23	Q4 '23	2023	Q1 '24	Q2 '24	Q3 '24
Upsell / Cross Sell	4%	4%	5%	4%	4%	6%	5%	4%	5%	7%
New Logos	8%	5%	4%	5%	5%	4%	4%	5%	4%	3%
Gross Retention	97%	97%	97%	97%	97%	97%	97%	97%	96%	96%
Base	26%	2%	(13%)	(13%)	(9%)	(13%)	(12%)	(11%)	(7%)	(8%)

Legacy Sterling	2021	2022	Q1 '23	Q2 '23	Q3 '23	Q4 '23	2023	Q1 '24	Q2 '24	Q3 '24
Upsell / Cross Sell	9%	5%	4%	5%	4%	8%	5%	9%	9%	10%
New Logos	12%	9%	5%	5%	5%	7%	5%	6%	7%	7%
Gross Retention	96%	96%	96%	95%	95%	96%	96%	97%	97%	96%
Base	24%	3%	(13%)	(16%)	(17%)	(13%)	(15%)	(16%)	(14%)	(12%)

Note:

Upsell / cross-sell and new logo figures represent YoY revenue growth impact.

Historical results through June 30, 2024 are from Sterling historical SEC filings and disclosures. Historical results for July 1, 2024 through September 30, 2024 are from Sterling books and records, which have not been independently verified by First Advantage.

All results shown on organic basis.



Cash Flow & Outlook

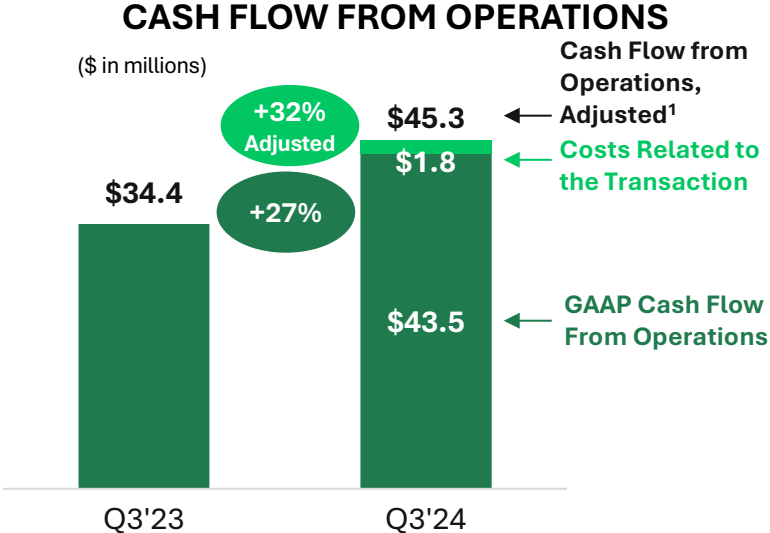
Steven Marks
Chief Financial Officer



Robust Cash Flow Will Enable De-Leveraging of Business

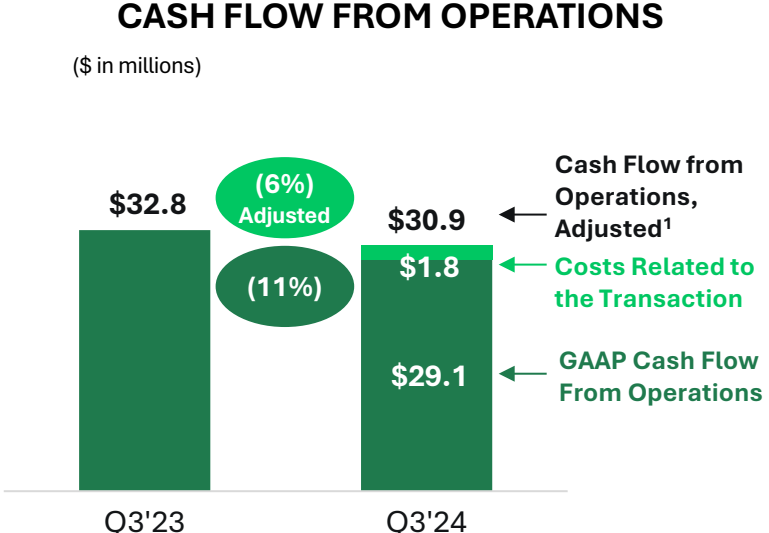
First Advantage Standalone Q3 Cash Flow

- Cash balance of \$307.4M at 9/30/2024
- Q3 2024 adjusted cash flow from operations of \$45.3M¹
- Leveraging strategies to limit First Advantage standalone cash taxes for 2024 to \$21M to \$23M, from expectation of \$32M to \$35M



Legacy Sterling Q3 Cash Flow

- Cash balance of \$75.1M at 9/30/2024
- Q3 2024 adjusted cash flow from operations of \$30.9M¹



Variable and flexible cost structure enables strong cash flow generation

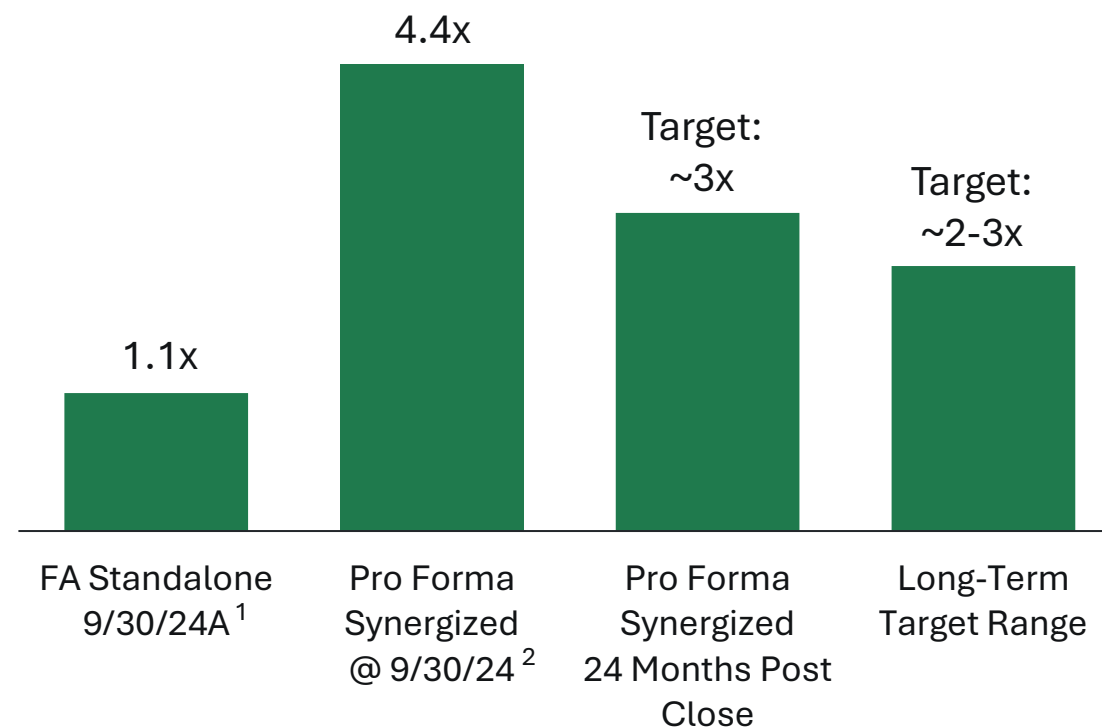
1. Non-GAAP measure. In Q3'24, FA Standalone and Legacy Sterling generated \$43.5M and \$29.1M of cash flow from operations, respectively, or \$45.3M and \$30.9M, respectively, after adjusting for \$1.8M and \$1.8M of cash costs directly associated with the transaction, respectively.

Pro Forma Synergized Combined Capitalization & Net Leverage



- Secured fully committed financing: 7-year term loan, ~\$2.185B
- Targeted minimum cash: \$125M
- Revolver capacity: \$250M (undrawn)
- Pro forma synergized net leverage includes mid-point of targeted run rate synergies: \$60M
- Goldman Sachs did not elect and did not receive stock as part of the acquisition
- Silver Lake ownership following the acquisition is ~52%

NET LEVERAGE



1. FA Standalone net leverage is based on 9/30/24 and LTM 9/30/24 actuals and calculated as (Debt – Cash and Cash Equivalents) / LTM Adjusted EBITDA.

2. Pro forma synergized net leverage is based on LTM 9/30/24 Adjusted EBITDA actuals, net debt as of transaction close, and \$60M mid-point of targeted run rate synergies range of \$50M to \$70M; calculated as (\$2.185B Debt - \$125M Cash and Cash Equivalents) / \$467M LTM Combined Synergized Adjusted EBITDA.

Note: Adjusted EBITDA and net leverage are non-GAAP measures. See appendix for reconciliation of Adjusted EBITDA to its most directly comparable GAAP measure.

Note: To facilitate comparability, we present pro forma combined company results, consisting of First Advantage and Sterling Check Corp. historical results and certain pro forma adjustments that give effect to the refinancing and share issuance related to the Sterling Acquisition as if it had occurred on 9/30/2024. The pro forma information does not constitute Article 11 pro forma information.

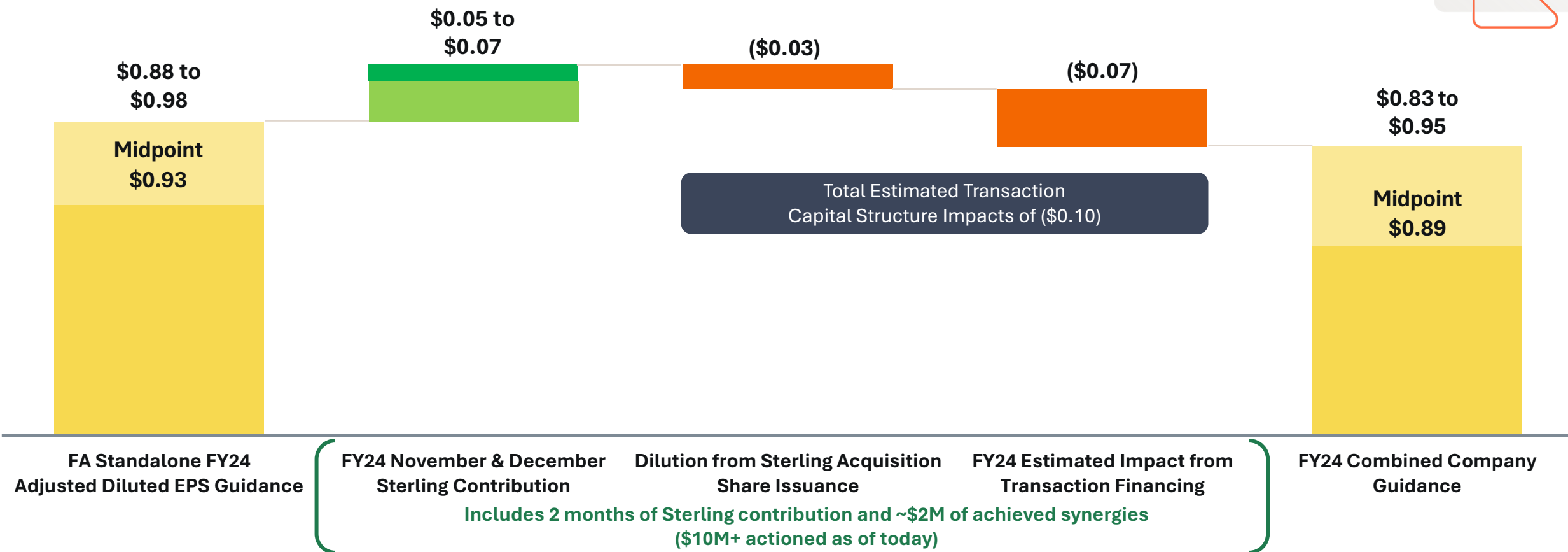
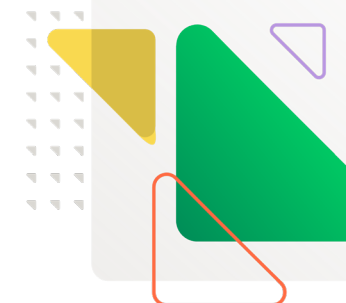
Maintaining First Advantage Standalone Full-Year 2024 Guidance and Updating to Include Sterling

	Full Year 2024 Guidance			
	First Advantage Standalone (Maintaining)	Sterling Contribution (Nov & Dec)	Estimated Transaction Capital Structure Impacts	Combined Company Guidance
(\$ in millions, except per share data)				
Total Revenues	\$750 to \$800	\$108 to \$118		\$858 to \$918
YoY % Growth	-2% to +5%			
Adjusted EBITDA	\$228 to \$248	\$22 to \$26		\$250 to \$274
Adjusted EBITDA Margin	~31%	21% to 22%		29% to 30%
Actioned Net Synergies		~\$2		~\$2
Adjusted Net Income	\$127 to \$142	\$7 to \$10	(\$12)	\$122 to \$140
Adjusted Diluted Earnings Per Share	\$0.88 to \$0.98	\$0.05 to \$0.07	(\$0.10)	\$0.83 to \$0.95

Note:

- Actual results may differ materially from First Advantage’s Full-Year 2024 Guidance as a result of, among other things, the factors described under “Forward-Looking Statements” in this presentation.
- A reconciliation of the foregoing guidance for the non-GAAP metrics of (i) Adjusted EBITDA and Adjusted Net Income to GAAP net (loss) income and (ii) Adjusted Diluted Earnings Per Share to GAAP diluted (loss) earnings per share cannot be provided without unreasonable effort because of the inherent difficulty of accurately forecasting the occurrence and financial impact of the various adjusting items necessary for such reconciliation that have not yet occurred, are out of our control, or cannot be reasonably predicted. For the same reasons, the Company is unable to assess the probable significance of the unavailable information, which could have a material impact on its future GAAP financial results.
- “YoY % Growth” compares FY 2024 “First Advantage Standalone” guidance range for total revenues to FY 2023 First Advantage standalone revenues results of \$763.8M.
- See Adjusted Diluted Earnings Per Share bridge in appendix for First Advantage Standalone and next slide for combined company.
- “Estimated Transaction Capital Structure Impacts” include dilution from Sterling acquisition share issuance and FY 2024 impact of Sterling incremental transaction financing.
- Sterling fourth quarter revenues are expected to be \$170M to \$185M.

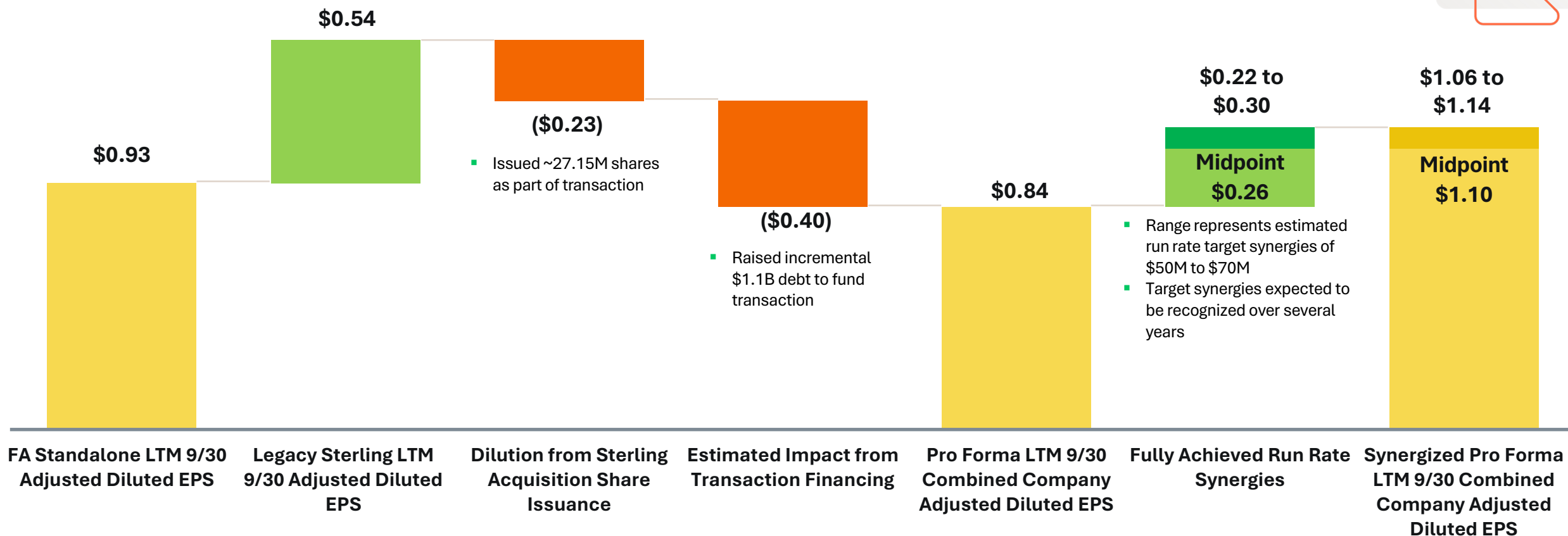
Combined Company Full-Year 2024 Guidance Details: Adjusted Diluted Earnings Per Share Bridge



Achieving the \$60M mid-point of the targeted run rate synergy range would add ~\$0.26 cents of incremental EPS to the updated guidance amount for Adjusted Diluted EPS¹

1. \$0.26 assumes \$60M of run rate synergies, representing the mid-point of the \$50M to \$70M target run rate synergy range, is achieved at 12/31/24. Full value of target run rate synergies is expected to be actioned within 2 years post-closing.

Synergized Pro Forma Combined Company LTM 9/30/24: Adjusted Diluted Earnings Per Share Bridge



After achieving targeted run rate synergies, the Sterling acquisition creates Adjusted Diluted EPS accretion in the range of 15%+

Note: To facilitate comparability, we present pro forma combined company results, consisting of First Advantage and Sterling Check Corp. historical results and certain pro forma adjustments that give effect to the refinancing and share issuance related to the Sterling Acquisition as if it had occurred on 9/30/2024. The pro forma information does not constitute Article 11 pro forma information.



Closing Remarks

Scott Staples
Chief Executive Officer





Appendix

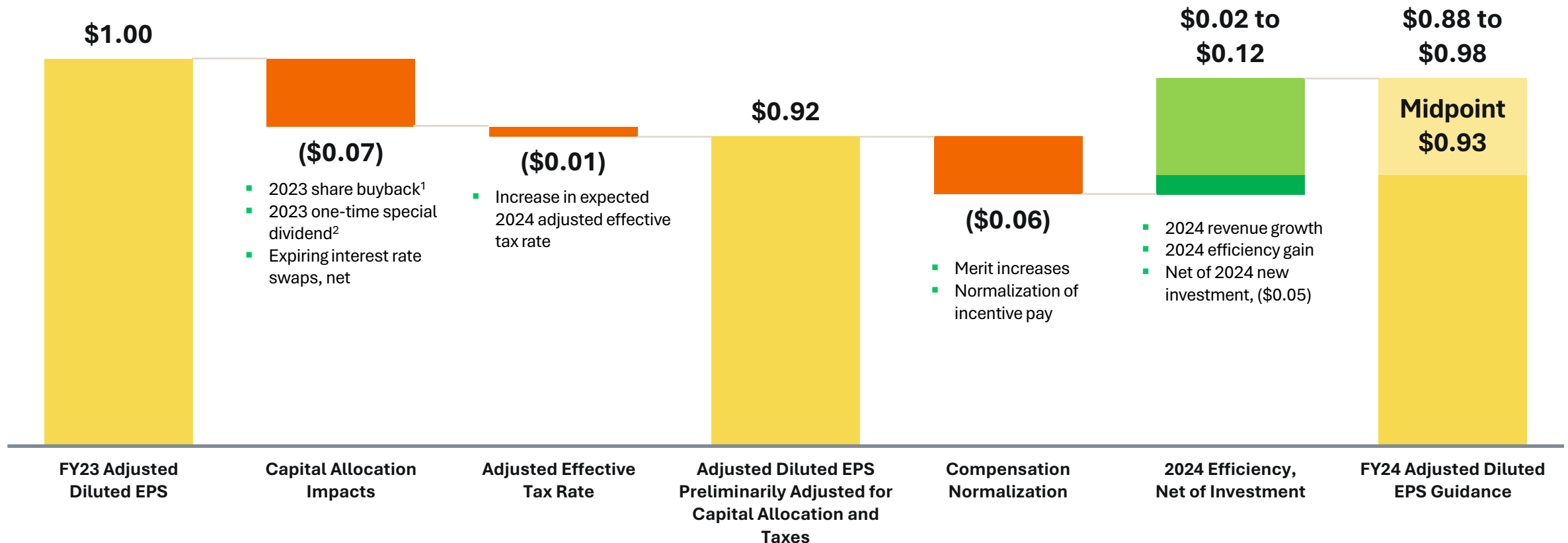
Supplemental Materials and
Reconciliations to GAAP Measures



First Advantage Standalone Full-Year 2024 Guidance

Details: Adjusted Diluted Earnings Per Share Bridge

- 2024 Adjusted Diluted EPS guidance of \$0.88 to \$0.98 represents a decline of (\$0.02) to (\$0.12) compared to 2023 results
- Excluding the (\$0.08) combined impact of the share repurchases in 2023, the 2023 one-time special dividend, expiring interest rate swaps (net), and increase in expected 2024 adjusted effective tax rate, 2024 Adjusted Diluted EPS guidance would reflect growth of (\$0.04) to +\$0.06



1. 2023 share buyback represents the benefit from the lower share count offset by lower interest income due to lower cash balances.
 2. 2023 One-time special dividend represents lower interest income due to lower cash balances.

Dedicated to our Sustainability Efforts



2023 Sustainability Report Highlights

Employee Engagement and Inclusion

- Supported and expanded ERGs
- Achieved 79% favorability rating on Global Employee Engagement Survey
- In annual DE&I Survey, sense of belonging saw 79% category favorability
- Completed inclusivity and diversity training for 314 leaders
- Hosted 40 customers to participate in unconscious bias training at annual customer conference, Collaborate
- Developed Train the Trainer new leader assimilation program

Corporate Responsibility

- Launched online Global Privacy Center
- Recognized 438 leaders who graduated from FA's SOAR management development program
- Partnered with over 100 diverse suppliers

Climate

- Published inaugural climate disclosures in alignment with standards provided by the Task Force on Climate-Related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB)

Awards & Recognition



Note: All information is approximate and as of and for the year ended December 31, 2023, unless otherwise noted.

Access the Full First Advantage 2023 Sustainability Report On Our Website

<https://investors.fadv.com/esg>



First Advantage Standalone Adjusted EBITDA

	For the Quarters Ended							LTM
	Mar 31, 2023 Q1	Jun 30, 2023 Q2	Sep 30, 2023 Q3	Dec 31, 2023 Q4	Mar 31, 2024 Q1	Jun 30, 2024 Q2	Sep 30, 2024 Q3	Sep 30, 2024
<i>(in thousands, except percentages)</i>								
Net income (loss)	\$ 1,925	\$ 9,782	\$ 10,773	\$ 14,813	\$ (2,908)	\$ 1,861	\$ (8,860)	\$ 4,906
Interest expense, net	8,681	3,887	7,557	12,915	3,570	7,353	17,191	41,029
Provision (benefit) for income taxes	681	3,968	4,881	1,653	(1,388)	689	782	1,736
Depreciation and amortization	31,866	32,056	32,419	33,132	29,822	29,978	30,168	123,100
Share-based compensation ⁽¹⁾	2,058	3,601	4,790	4,816	4,751	5,048	9,504	24,119
Transaction and acquisition-related charges ⁽²⁾	1,071	1,190	1,571	532	11,992	9,873	13,218	35,615
Integration, restructuring, and other charges ⁽³⁾	2,278	1,487	2,800	373	719	959	2,043	4,094
Adjusted EBITDA	\$ 48,560	\$ 55,971	\$ 64,791	\$ 68,234	\$ 46,558	\$ 55,761	\$ 64,046	\$ 234,599
Revenues	175,520	185,315	200,364	202,562	169,416	184,546	199,119	755,643
Net income (loss) margin	1.1%	5.3%	5.4%	7.3%	(1.7)%	1.0%	(4.4)%	0.6%
Net (loss) Year/Year Growth	(85.2)%	(31.3)%	(37.4)%	(26.5)%	(251.1)%	(81.0)%	(182.2)%	(88.5)%
Adjusted EBITDA Margin	27.7%	30.2%	32.3%	33.7%	27.5%	30.2%	32.2%	31.0%
Adjusted EBITDA Year/Year Growth	(9.4)%	(8.0)%	0.9%	(2.9)%	(4.1)%	(0.4)%	(1.1)%	(2.1)%

- 1) Share-based compensation for the quarters ended June 30, 2023, September 30, 2023, December 31, 2023, March 31, 2024, June 30, 2024, and September 30, 2024, includes approximately \$1.5 million, \$2.6 million, \$2.6 million, \$2.6 million, \$2.5 million and \$6.6 million of incrementally recognized expense, respectively, associated with the May 2023 vesting modification and retirements of the Company's CFO and President, Americas.
- 2) Represents charges incurred related to acquisitions and similar transactions, primarily consisting of change in control-related costs, professional service fees, and other third-party costs. Transaction and acquisition related charges for the quarters ended March 31, 2024, June 30, 2024, and September 30, 2024, include approximately \$11.1 million, \$9.2 million, and \$13.2 million of expense, respectively, associated with the acquisition of Sterling, primarily consisting of legal, regulatory, and diligence professional service fees. Also includes insurance costs incurred related to the initial public offering.
- 3) Represents charges from organizational restructuring and integration activities, non-cash, and other charges primarily related to nonrecurring legal exposures, foreign currency (gains) losses, (gains) losses on the sale of assets, and other non-recurring items.

First Advantage Standalone Constant Currency Revenues

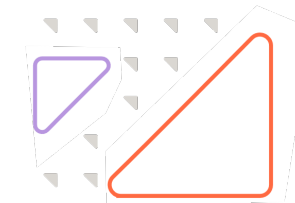
For the Quarter Ended Sep 30, 2024

<i>(in thousands)</i>	Americas	International	Eliminations	Total revenues
Revenues, as reported (GAAP)	\$ 174,905	\$ 26,624	\$ (2,410)	\$ 199,119
Foreign currency translation impact ⁽¹⁾	89	(216)	11	(116)
Constant currency revenues	\$ 174,994	\$ 26,408	\$ (2,399)	\$ 199,003
Inorganic revenues	2,290	—	—	2,290
Organic constant currency revenues	\$ 172,704	\$ 26,408	\$ (2,399)	\$ 196,713
Organic constant currency revenues growth	(1.9)%	2.3%	61.4%	(1.8)%

(1) Constant currency revenue is calculated by translating current period amounts using prior-year period exchange rates.

First Advantage Standalone LTM Adjusted Operating Cash Flow

<i>(in thousands, except percentages)</i>	LTM	
	Sep 30, 2023	Sep 30, 2024
Operating cash flow, as reported (GAAP)	\$ 176,008	\$ 170,602
Cost paid related to the Sterling acquisition	—	11,198
Adjusted operating cash flow	\$ 176,008	\$ 181,800
Operating cash flow (decline)		(3.1)%
Adjusted operating growth		3.3%



First Advantage Standalone Adjusted Net Income

(in thousands)	For the Quarters Ended	
	Sep 30, 2023	Sep 30, 2024
	Q3	Q3
Net income (loss)	\$ 10,773	\$ (8,860)
Provision for income taxes	4,881	782
Income (loss) before provision for income taxes	15,654	(8,078)
Debt-related charges ⁽¹⁾	2,532	10,057
Acquisition-related depreciation and amortization ⁽²⁾	25,660	22,646
Share-based compensation ⁽³⁾	4,790	9,504
Transaction and acquisition-related charges ⁽⁴⁾	1,571	13,218
Integration, restructuring, and other charges ⁽⁵⁾	2,800	2,043
Adjusted Net Income before income tax effect	53,007	49,390
Less: Adjusted income taxes ⁽⁶⁾	12,972	11,400
Adjusted Net Income	\$ 40,035	\$ 37,990

First Advantage Standalone Adjusted Diluted Earnings Per Share

	For the Quarters Ended	
	Sep 30, 2023	Sep 30, 2024
	Q3	Q3
Diluted net income (loss) per share (GAAP)	\$ 0.07	\$ (0.06)
<i>Adjusted Net Income adjustments per share</i>		
Provision for income taxes	0.03	0.01
Debt-related charges ⁽¹⁾	0.02	0.07
Acquisition-related depreciation and amortization ⁽²⁾	0.18	0.15
Share-based compensation ⁽³⁾	0.03	0.06
Transaction and acquisition-related charges ⁽⁴⁾	0.01	0.09
Integration, restructuring, and other charges ⁽⁵⁾	0.02	0.01
Adjusted income taxes ⁽⁶⁾	(0.09)	(0.08)
Adjusted Diluted Earnings Per Share (Non-GAAP)	\$ 0.28	\$ 0.26
Weighted average number of shares outstanding used in computation of Adjusted Diluted Earnings Per Share:		
Weighted average number of shares outstanding—diluted (GAAP and Non-GAAP)	144,733,357	144,096,312
Options and restricted stock not included in weighted average number of shares outstanding—diluted (GAAP) (using treasury stock method)	—	2,492,320
Adjusted weighted average number of shares outstanding—diluted (Non-GAAP)	144,733,357	146,588,632

- 1) Represents the non-cash interest expense related to the amortization of debt issuance costs for the 2021 February refinancing of the Company's First Lien Credit Facility. This adjustment also includes the impact of the change in fair value of interest rate swaps, which represents the difference between the fair value gains or losses and actual cash payments and receipts on the interest rate swaps.
- 2) Represents the depreciation and amortization expense related to intangible assets and developed technology assets recorded due to the application of ASC 805. As a result, the purchase accounting related depreciation and amortization expense will recur in future periods until the related assets are fully depreciated or amortized, and the related purchase accounting assets may contribute to revenue generation. *Business Combinations*
- 3) Share-based compensation for the quarter ended September 30, 2023 includes approximately \$2.5 million of incrementally recognized expense associated with the May 2023 vesting modification. Share-based compensation for the quarter ended September 30, 2024 includes approximately \$6.6 million of incrementally recognized expense associated with the May 2023 vesting modification and retirements of the Company's CFO and President, Americas.
- 4) Represents charges incurred related to acquisitions and similar transactions, primarily consisting of change in control-related costs, professional service fees, and other third-party costs. Transaction and acquisition related charges for the quarter ended September 30, 2024 includes approximately \$13.2 million of expense associated with the acquisition of Sterling, primarily consisting of legal, regulatory, and diligence professional service fees. The three months ended September 30, 2024 and 2023 also include insurance costs incurred related to the initial public offering.
- 5) Represents charges from organizational restructuring and integration activities, non-cash, and other charges primarily related to nonrecurring legal exposures, foreign currency (gains) losses, (gains) losses on the sale of assets, and other non-recurring items.
- 6) Effective tax rates of approximately 24.5% and 23.1% have been used to compute Adjusted Net Income and Adjusted Diluted Earnings Per Share for the quarters ended September 30, 2023 and 2024, respectively.

Sterling Check Corp. Adjusted EBITDA

	For the Quarters Ended					LTM
	Sep 30, 2023	Dec 31, 2023	Mar 31, 2024	Jun 30, 2024	Sep 30, 2024	Sep 30, 2024
<i>(in thousands, except percentages)</i>	Q3	Q4	Q1	Q2	Q3	
Net income (loss)	\$ 2,354	\$ (3,384)	\$ (7,955)	\$ (6,232)	\$ (20,178)	\$ (37,749)
Income tax provision (benefit)	3,952	7,398	(9,018)	7,094	14,220	19,694
Interest expense, net	9,305	9,330	10,312	10,143	9,745	39,530
Depreciation and amortization	15,875	15,736	15,770	15,820	15,795	63,121
Stock-based compensation	9,783	7,466	9,342	11,703	11,535	40,046
Transaction expenses ⁽¹⁾	2,238	2,381	16,988	4,120	11,302	34,791
Restructuring ⁽²⁾	4,018	2,574	3,201	1,566	342	7,683
Technology Transformation ⁽³⁾	256	254	375	455	300	1,384
Settlements impacting comparability ⁽⁴⁾	—	131	—	1,000	—	1,131
Other ⁽⁵⁾	(225)	30	(505)	615	2,228	2,368
Adjusted EBITDA	47,556	41,916	38,510	46,284	45,289	171,999
Revenues	180,566	169,416	185,999	200,528	195,516	751,459
Net income (loss) margin	1.3%	(2.0)%	(4.3)%	(3.1)%	(10.3)%	(5.0)%
Adjusted EBITDA Margin	26.3%	24.7%	20.7%	23.1%	23.2%	22.9%

- 1) Consists of transaction expenses related to M&A, associated earn-outs, one-time public company transition expenses and ancillary non-recurring public company expenses and fees associated with financing transactions. For the three months ended September 30, 2023, costs consisted primarily of \$1.5 million of M&A related costs for the acquisitions of Socrates and A-Check and \$0.7 million of costs of one-time public company transition expenses and ancillary non-recurring public company expenses. For the three months ended December 31, 2023, costs consisted of M&A related costs for the acquisitions of Socrates, A-Check, and Vault. For the three months ended March 31, 2024, costs consisted of \$10.3 million of transaction costs and professional fees to support the merger with First Advantage, \$4.0 million due to an out-of-period adjustment to the earn-out liability for the EBI acquisition, and the remaining \$2.7 million related to M&A activity for the acquisitions of Vault, A-Check, and Socrates. For the three months ended June 30, 2024, costs consisted of \$3.7 million of transaction costs and professional fees to support the merger with First Advantage, \$3.1 million related to M&A activity for the acquisitions of Vault, A-Check, and Socrates, offset by a \$2.7 million gain as a result of reassessing the estimated fair value of contingent consideration. For the three months ended September 30, 2024, costs consisted of \$9.0 million of transaction costs and professional fees to support the merger with First Advantage and \$2.3 million related to M&A activity for the acquisitions of Vault, A-Check, and Socrates.
- 2) Consists of restructuring-related costs, including executive recruiting and severance charges, and lease termination costs and disposal of fixed assets related to our real estate consolidation efforts. Beginning in 2020, Sterling began executing a virtual-first strategy, closing offices and reducing office space globally. In 2022, Sterling began executing on a restructuring program to realign senior leadership and functions with the goal of elevating our go-to-market strategy and accelerating our technology and product innovation. At the end of 2022, Sterling also launched Project Nucleus which we expect to drive meaningful cost savings and efficiency gains in our cost of revenues. For the three months ended September 30, 2023, costs consisted of \$3.4 million of restructuring-related charges and \$0.6 million in connection with executing against our real estate consolidation program. For the three months ended December 31, 2023, costs consisted of \$2.2 million of restructuring-related charges and \$0.4 million in connection with executing against our real estate consolidation program. For the three months ended March 31, 2024, costs include \$3.0 million of restructuring-related charges and \$0.2 million of fixed asset disposals in connection with office closures. For the three months ended June 30, 2024, costs include \$1.6 million of restructuring-related charges. For the three months ended September 30, 2024, costs include \$0.3 million of restructuring-related charges.
- 3) Includes costs related to technology modernization, as well as costs related to decommissioning of on-premise production systems and redundant fulfillment systems of acquired companies and the migration to our platform. Sterling believes that these costs are discrete and non-recurring in nature, as they relate to a one-time restructuring and decommissioning of our on-premise production systems and corporate technological infrastructure and the move to a managed service provider, decommissioning redundant fulfillment systems and modernizing internal functional systems. As such, they are not normal, recurring operating expenses and are not reflective of ongoing trends in the cost of doing business. The significant majority of these are related to the last two phases of Project Ignite, a three-phase strategic investment initiative launched in 2019 to create an enterprise-class global platform, with the remainder related to an investment made to modernize internal functional systems in preparation for our public company infrastructure. Phase two of Project Ignite was completed in 2022 and phase three of Project Ignite was completed in the first quarter of 2023. For the three months ended September 30, 2023, \$0.3 million related to decommissioning of the redundant production and fulfillment systems of A-Check and the redundant fulfillment systems of Socrates. For the three months ended December 31, 2023, \$0.3 million related to decommissioning of the redundant production and fulfillment systems of A-Check and the redundant fulfillment systems of Socrates. For the three months ended March 31, 2024, \$0.4 million related to decommissioning of the redundant production and fulfillment systems of A-Check, the redundant fulfillment systems of Socrates, the redundant production systems of Vault and integrating the fulfillment systems of Vault with Sterling to enhance the delivery of drug and health services. For the three months ended June 30, 2024, \$0.5 million related to decommissioning of the redundant production and fulfillment systems of A-Check and the redundant production systems of Vault and integrating the fulfillment systems of Vault with Sterling to enhance the delivery of drug and health services. For the three months ended September 30, 2024, \$0.3 million related to decommissioning of the redundant production and fulfillment systems of A-Check and the redundant production systems of Vault and integrating the fulfillment systems of Vault with Sterling to enhance the delivery of drug and health services.
- 4) Consists of non-recurring settlements and the related legal fees impacting comparability. For the three months ended December 31, 2023, costs include \$0.1 million, net of insurance recovery, for a class action case settled during the period. For the three months ended June 30, 2024, costs include legal settlements totaling \$1.0 million for certain settled legal litigation in the year or anticipated settlements based on claims existing as of the end of the reporting period. For the three months ended September 30, 2024, the Company did not incur costs related to non-recurring settlements and legal fees impacting comparability. These legal settlement related costs were discrete and non-recurring in nature and Sterling does not expect them to occur in future periods.
- 5) Consists of gains or losses on foreign currency transactions and impairment of capitalized software.

Note: Historical results through June 30, 2024 are from Sterling Check Corp. historical SEC filings and disclosures. Historical results for July 1, 2024 through September 30, 2024 are from Sterling Check Corp. books and records, which have not been independently verified by First Advantage.

Sterling Check Corp. Adjusted Net Income and Adjusted Earnings Per Share

<i>(in thousands, except share and per share amounts)</i>	For the Quarters Ended	
	Sep 30, 2023	Sep 30, 2024
	Q3	Q3
Net income (loss)	\$ 2,354	\$ (20,178)
Income tax provision	3,952	14,220
Income before income taxes	6,306	(5,958)
Amortization of acquired intangible assets	10,621	10,616
Stock-based compensation	9,783	11,535
Transaction expenses ⁽¹⁾	2,238	11,302
Restructuring ⁽²⁾	4,018	342
Technology transformation ⁽³⁾	256	300
Other ⁽⁴⁾	(225)	2,228
Adjusted Net Income before income tax effect	32,997	30,365
Income tax effect ⁽⁵⁾	8,263	7,713
Adjusted Net Income	\$ 24,734	\$ 22,652
Net income (loss) per share—diluted	\$ 0.03	\$ (0.22)
Adjusted Earnings Per Share—diluted	\$ 0.26	\$ 0.24
Weighted average number of shares outstanding used in computation of Adjusted Diluted Earnings Per Share:		
Weighted average number of shares outstanding—diluted (GAAP)	93,651,691	93,050,472
Options not included in weighted average number of shares outstanding—diluted (GAAP) (using treasury stock method)	—	3,185,716
Weighted average number of shares outstanding—diluted (non-GAAP)	93,651,691	96,236,188

- 1) Consists of transaction expenses related to M&A, associated earn-outs, costs related to the preparation of the IPO, one-time public company transition expenses and fees associated with financing transactions.
- 2) Consists of restructuring-related costs, including executive recruiting and severance charges, and lease termination costs and disposal of fixed assets related to our real estate consolidation efforts. Beginning in 2020, we began executing a virtual-first strategy, closing offices and reducing office space globally. In 2022, we began executing on a restructuring program to realign senior leadership and functions with the goal of elevating our go-to-market strategy and accelerating our technology and product innovation. At the end of 2022, we also launched Project Nucleus which we expect to drive meaningful cost savings and efficiency gains in our cost of revenues.
- 3) Includes costs related to technology modernization, as well as costs related to decommissioning of on-premise production systems and redundant fulfillment systems of acquired companies and the migration to our platform. Sterling believes that these costs are discrete and non-recurring in nature, as they relate to a one-time restructuring and decommissioning of our on-premise production systems and corporate technological infrastructure and the move to a managed service provider, decommissioning redundant fulfillment systems and modernizing internal functional systems. As such, they are not normal, recurring operating expenses and are not reflective of ongoing trends in the cost of doing business. The significant majority of these are related to the last two phases of Project Ignite, a three-phase strategic investment initiative launched in 2019 to create an enterprise-class global platform, with the remainder related to an investment made to modernize internal functional systems in preparation for our public company infrastructure. Phase two of Project Ignite was completed in 2022 and phase three of Project Ignite was completed in the first quarter of 2023.
- 4) Consists of gains or losses on foreign currency transactions and impairment of capitalized software.
- 5) Normalized effective tax rates of 25.4% and 25.0% have been used to compute Adjusted Net Income for the three months ended September 30, 2024 and 2023, respectively. As of December 31, 2023, Sterling had net operating loss carryforwards of approximately \$15.7 million for federal income tax purposes and deferred tax assets of approximately \$5.6 million related to state and foreign income tax loss carryforwards available to reduce future income subject to income taxes. The amount of actual cash taxes we pay for federal, state, and foreign income taxes differs significantly from the effective income tax rate computed in accordance with US GAAP, and from the normalized rate shown above.

Sterling Check Corp. Organic Constant Currency Revenues

<i>(in thousands)</i>	Sep 30, 2024
	Q3
Revenues, as reported (GAAP)	\$ 195,516
Foreign currency translation impact ⁽¹⁾	300
Constant currency revenues	\$ 195,816
Inorganic revenues	11,821
Organic constant currency revenues	\$ 183,995
Organic constant currency revenues growth (decline)	1.5%

1) Constant currency revenue is calculated by translating current period amounts using prior-year period exchange rates.