FirstAdvantage

Q4 and Full Year 2024 Earnings Presentation

February 27, 2025

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 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, including the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, which is expected to be filed after this presentation, 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," "Constant Currency Revenues," "Constant Currency Adjusted EBITDA," and "Adjusted Operating Cash Flow."

Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Adjusted Diluted Earnings Per Share, Constant Currency Revenues, and Constant Currency Adjusted EBITDA 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, Constant Currency Revenues, and Constant Currency Adjusted EBITDA 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 other 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, Constant Currency Revenues, and Constant Currency Adjusted EBITDA are not recognized terms under GAAP and should not be considered as an alternative to net income (loss) as a measure of financial performance or cash provided by (used in) operating activities as a measure of liquidity, or any other performance measure derived in accordance with GAAP.

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. We define Constant Currency Adjusted EBITDA as current period Adjusted EBITDA translated using prior-year period exchange rates.

Additionally, we use Adjusted Operating Cash Flow to review the liquidity of our operations. We define Adjusted Operating Cash Flow as cash flows from operating activities less cash costs directly associated with the Sterling acquisition. We believe Adjusted Operating Cash Flow is a useful supplemental financial measure for management and investors in assessing the Company's ability to pursue business opportunities and investments and to service its debt. Adjusted Operating Cash Flow is not a measure of our liquidity under GAAP and should not be considered as an alternative to cash flows from operating activities.

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.

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.

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 as if the acquisition of Sterling had occurred on 1/1/2023. 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 October 31, 2024 are from Sterling Check Corp. books and records.

Q4 and Full Year 2024 Highlights

Scott Staples
Chief Executive Officer

Key Messages

1. Delivered solid Q4 and FY results

2. Completed $2.2B Sterling acquisition in Q4

3. Executing post-close priorities, underpinned by FA 5.0 growth strategy
   - ✓ Deliver cost synergies
   - ✓ Deleverage balance sheet
   - ✓ Enable smooth integration with seamless customer experience
   - ✓ Continue to focus on innovation through product and technology

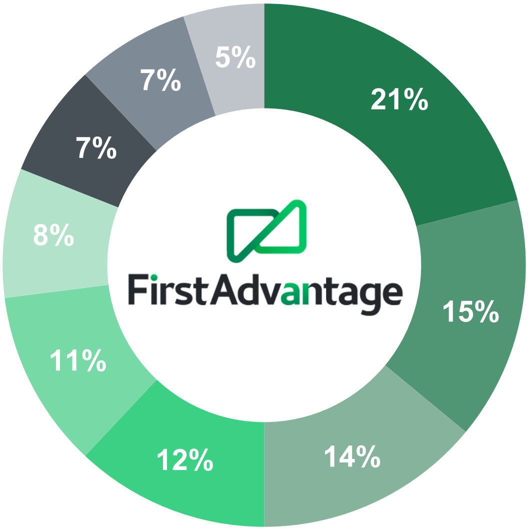
4. Introducing 2025 guidance

Company At A Glance

OUR SCALE

$1.5B Pro Forma Revenue[1]	**$397M** Pro Forma Adjusted EBITDA[1]	**$458M** Synergized Pro Forma Adjusted EBITDA[1,2]
190M Screens Annually	**96%** Average Gross Retention	**80K** Customers
900M+ Records in Proprietary Databases	**200+** Countries and Territories	**100+** ATS and HCM[3] Integrated Partners

OUR VERTICALS



- Healthcare*
- Transportation*
- Retail & E-Commerce*
- Financial Services
- Manufacturing & Industrials
- TMT & Hospitality*
- Business & Professional Services
- General Staffing*
- Gig Economy

- High quality and cost-effective background solutions
- Diversified across:
  - Customer segments
  - Industries
  - Geographies
- 12+ year average tenure of top 100 customers

All metrics are approximate and as of and for the year ended December 31, 2024, unless otherwise noted.
Vertical breakdown chart represents each vertical as an approximate percentage of FY2024 pro forma revenues, excluding SMB.
Small and Midsize Business ("SMB") represents ~5% of FY2024 pro forma revenues.
* Represents high volume hiring ("HVH") vertical; total revenue contribution from HVH verticals was 65% of FY2024 pro forma revenues, excluding SMB.

1. Non-GAAP measures. Pro forma measures assume the acquisition of Sterling had occurred 1/1/2023. See appendix for reconciliation of pro forma Revenues and pro forma Adjusted EBITDA to their most directly comparable respective GAAP measures.
2. Synergized Pro Forma Adjusted EBITDA represents $397 million of Pro Forma Adjusted EBITDA plus $65M of run rate target synergies (representing the mid-point of the $60M to $70M run rate synergy target range which is expected to be actioned within 2 years post-closing), less $4M of realized synergies already in Pro Forma Adjusted EBITDA.
3. Applicant Tracking System and Human Capital Management.

Acquisition Post-Closing Highlights

INTEGRATION PROGRESS

- Seamless customer experience with no disruptions
- Current examples:
  - Leveraged Sterling platform, as it was built for purpose, for recent large customer win
  - Identified automation opportunities to expand number of automated county courts

CUSTOMER FEEDBACK

- Customers engaged and excited to benefit from best of both worlds
- Appreciate expected benefits of improved turn-around times, new products and services, and enhanced platform functionality
- New optimized management structure well received, with customers responding positively to increased vertical focus

CONTINUED INNOVATION

- FA 5.0 strategy underpins optimized organization and supports growth
- Focus on speed, cost, and efficiency
- Investments in new products, including Digital Identity
- Integrating AI capabilities
- Streamlining workflows and automating processes

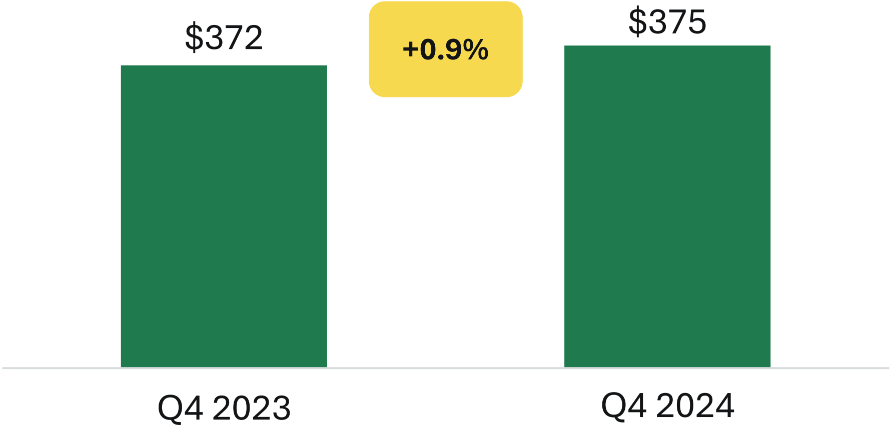
Financial Results & Outlook

Steven Marks
Chief Financial Officer

Q4 2024 Financial Results

($ in millions)

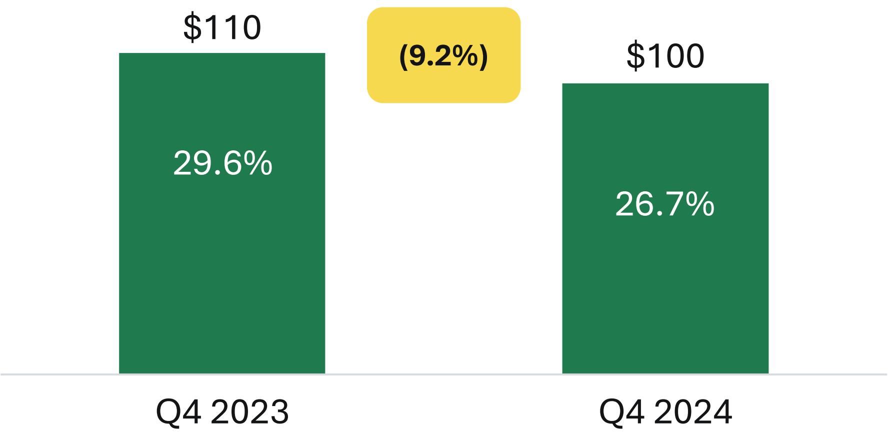
PRO FORMA REVENUES[1]



Total Company pro forma growth of 0.9% driven by new logo and upsell/cross-sell productivity and Vault contribution, with persistent base headwinds

- Legacy First Advantage growth was (4.2%)
  - First Advantage Americas segment, $172M, (5.5%) YoY
  - First Advantage International segment, $24M, +8.9% YoY
    - Constant currency growth was 7.0%[1,2]
- Legacy Sterling segment, $181M, +7.0% YoY

PRO FORMA ADJUSTED EBITDA AND MARGIN[1]



- Legacy First Advantage Adjusted EBITDA Margin of 31.9%
- Pro Forma Adjusted EBITDA Margin of 26.7% was lower YoY due to impact of Sterling results at lower margins
- Deeply engrained, disciplined cost management approach within highly variable, flexible cost structure is a differentiator
  - Application of these programs across the Legacy Sterling business is a priority of our integration plan

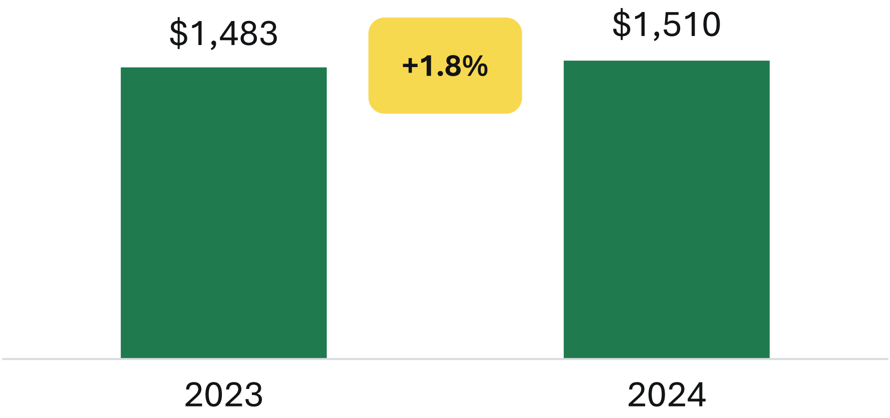
1. Non-GAAP measures. Pro forma measures assume the acquisition of Sterling had occurred 1/1/2023. See appendix for reconciliation of pro forma Revenues, pro forma Adjusted EBITDA, pro forma Adjusted EBITDA Margin, and constant currency revenues to their most directly comparable respective GAAP measures.
2. Currency impact on First Advantage International segment revenues of ($0.4) million.

FirstAdvantage

Full Year 2024 Financial Results

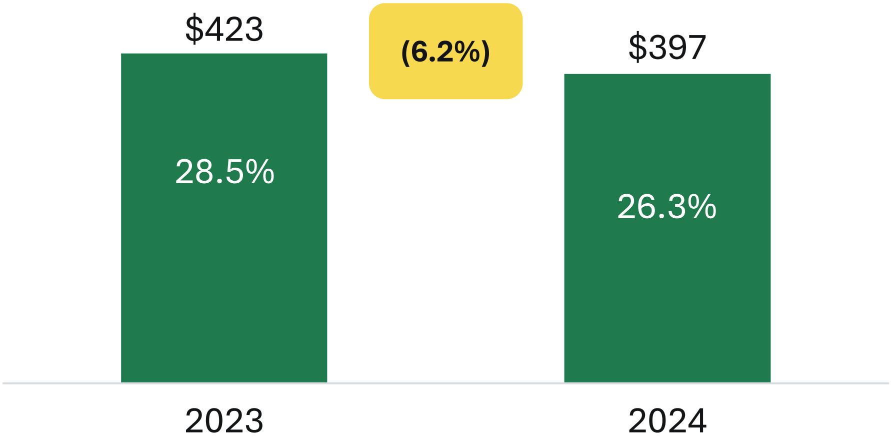
($ in millions)

PRO FORMA REVENUES[1]



- Legacy First Advantage growth was (2.2%)
- First Advantage Americas segment, $659M, (2.1%) YoY
- First Advantage International segment, $97M, approximately flat YoY
  - Constant currency growth was (0.7%)[1,2]
- Legacy Sterling segment, $763M, +6.1%

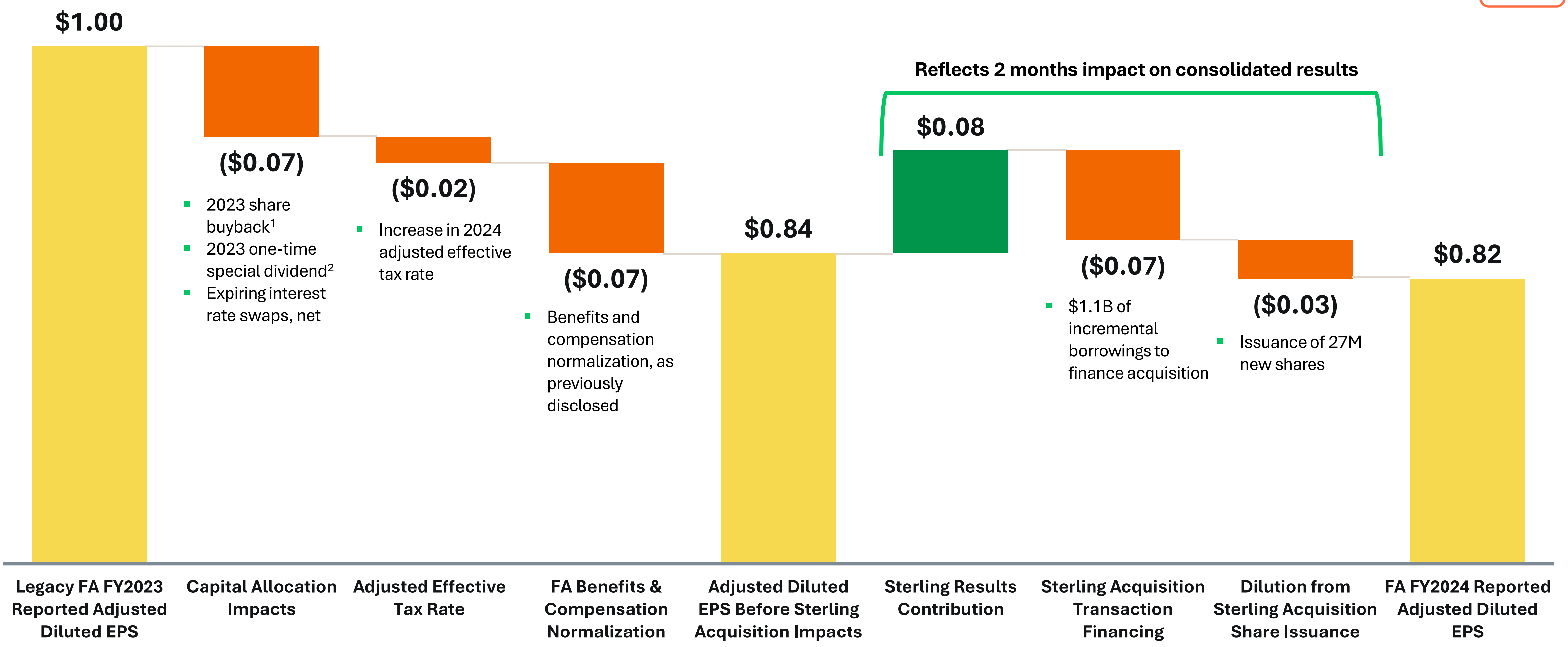
PRO FORMA ADJUSTED EBITDA AND MARGIN[1]



- Legacy First Advantage Adjusted EBITDA Margin of 30.5%, down approximately 55 basis points YoY
- Pro Forma Adjusted EBITDA Margin of 26.3% was lower YoY due to impact of Legacy Sterling results at lower margins

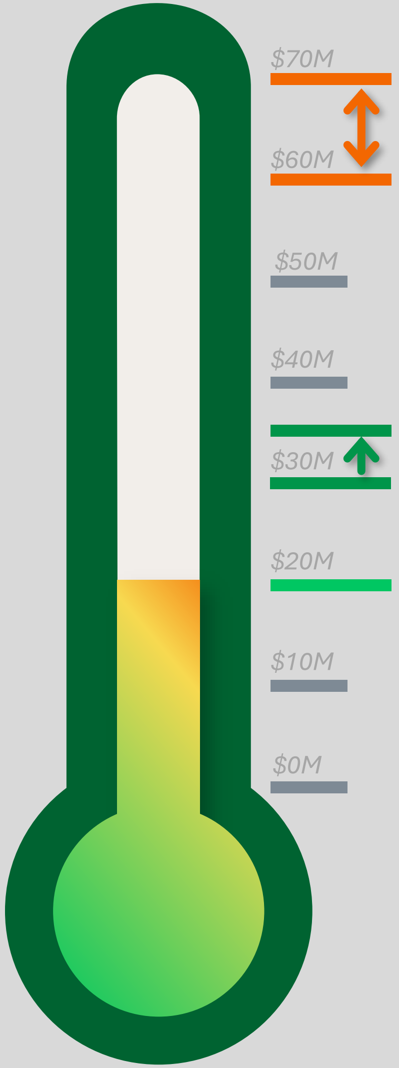
1. Non-GAAP measures. Pro forma measures assume the acquisition of Sterling had occurred 1/1/2023. See appendix for reconciliation of pro forma Revenues, pro forma Adjusted EBITDA, pro forma Adjusted EBITDA Margin, and constant currency revenues to their most directly comparable respective GAAP measures.
2. Currency impact on First Advantage International segment revenues of ($0.7) million.

2024 Adjusted Diluted Earnings Per Share Bridge



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.

Elevating Targets as We Deliver Net Cost Synergies



$60M – $70M

NEW: Total Run Rate Synergy Target Expected To Be Actioned Within 2 Years
($50M – $70M previous total target, up from $50M+ originally)

50%+ in first 6 months

ACCELERATED: % of Target Expected to be Actioned *(up from expectation to action 50%+ in year 1)*

$20M

Run Rate Synergies Actioned as of 12/31/24

SYNERGY PRIORITIES

Day 1: Nov 1, 2024: Corporate Costs

Next 180 Days: Internal Operations

Year 1: Fulfillment Operations

Year 2: Product and Commercial

SYNERGY PROGRESS

$20M
Run rate synergies actioned as of 12/31/24

$4M
Synergies realized as of 12/31/2024

Note: Run rate synergy targets represent estimated timing and value.

Revenue Growth Breakdown

Legacy First Advantage	2021	2022	Q1 ’23	Q2 ’23	Q3 ’23	Q4 ’23	2023	Q1 ’24	Q2 ’24	Q3 ’24	Q4 ’24	2024
Upsell / Cross Sell	4%	4%	5%	4%	4%	6%	5%	4%	5%	7%	5%	5%
New Logos	8%	5%	4%	5%	5%	4%	4%	5%	4%	3%	3%	4%
Gross Retention	97%	97%	97%	97%	97%	97%	97%	97%	96%	96%	96%	96%
Base	26%	2%	(13%)	(13%)	(9%)	(13%)	(12%)	(11%)	(7%)	(8%)	(8%)	(9%)

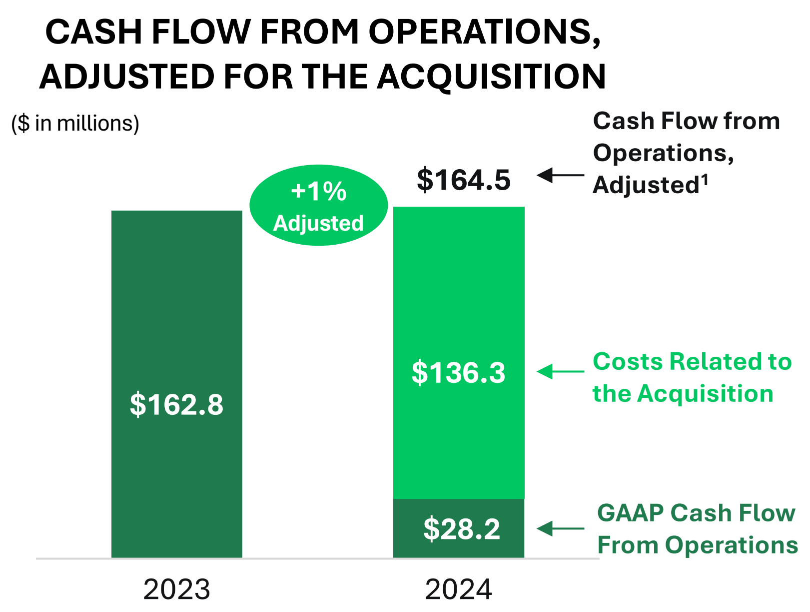
Legacy Sterling	2021	2022	Q1 ’23	Q2 ’23	Q3 ’23	Q4 ’23	2023	Q1 ’24	Q2 ’24	Q3 ’24	Q4 ’24	2024
Upsell / Cross Sell	9%	5%	4%	5%	4%	8%	5%	9%	9%	10%	11%	10%
New Logos	12%	9%	5%	5%	5%	7%	5%	6%	7%	7%	6%	7%
Gross Retention	96%	96%	96%	95%	95%	96%	96%	97%	97%	96%	96%	96%
Base	24%	3%	(13%)	(16%)	(17%)	(13%)	(15%)	(16%)	(14%)	(12%)	(12%)	(14%)

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 October 31, 2024 are from Sterling books and records.
All results shown on organic basis and exclude the first twelve months of revenue contribution for each historical acquisition made by either First Advantage or Sterling.

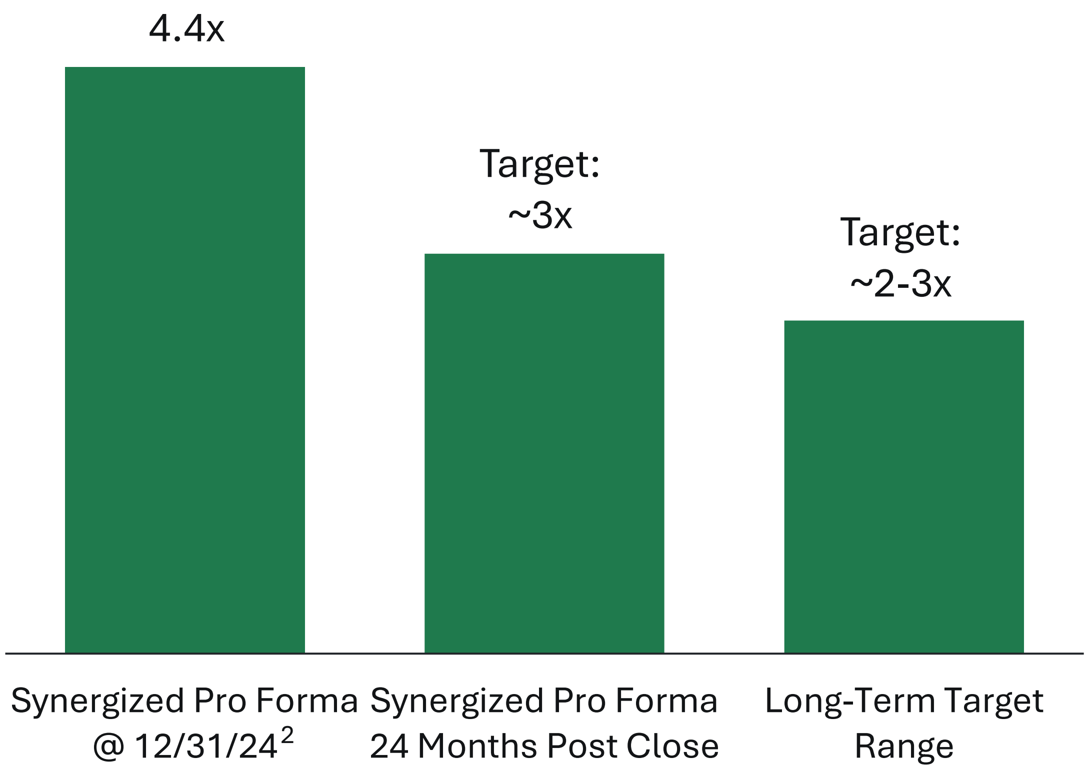
Cash Flow and Leverage

2024 Cash Flow

- Cash balance of $168.7M at 12/31/2024
- 2024 Adjusted Operating Cash Flows of $164.5M[1]
- Proactively managed working capital to support cash flow through acquisition closing and year end



Net Leverage



1. Non-GAAP measure. In FY 2024, First Advantage generated $28.2M of cash flow from operations, or Adjusted Operating Cash Flows of $164.5M after adjusting for $136.3M of cash costs directly associated with the transaction.
2. Synergized pro forma net leverage is based on LTM 12/31/24 synergized pro forma Adjusted EBITDA, net debt as of 12/31/24, and the $65M mid-point of run rate synergy target range of $60M to $70M less $4M of realized synergies already in pro forma Adjusted EBITDA; calculated as ($2.185B Debt - $169M Cash and Cash Equivalents) / $458M LTM Synergized Adjusted EBITDA.

Note: Adjusted EBITDA and net leverage are non-GAAP measures. Pro forma measures assume the acquisition of Sterling had occurred 1/1/2023. See appendix for reconciliation of Adjusted EBITDA to its most directly comparable GAAP measure.

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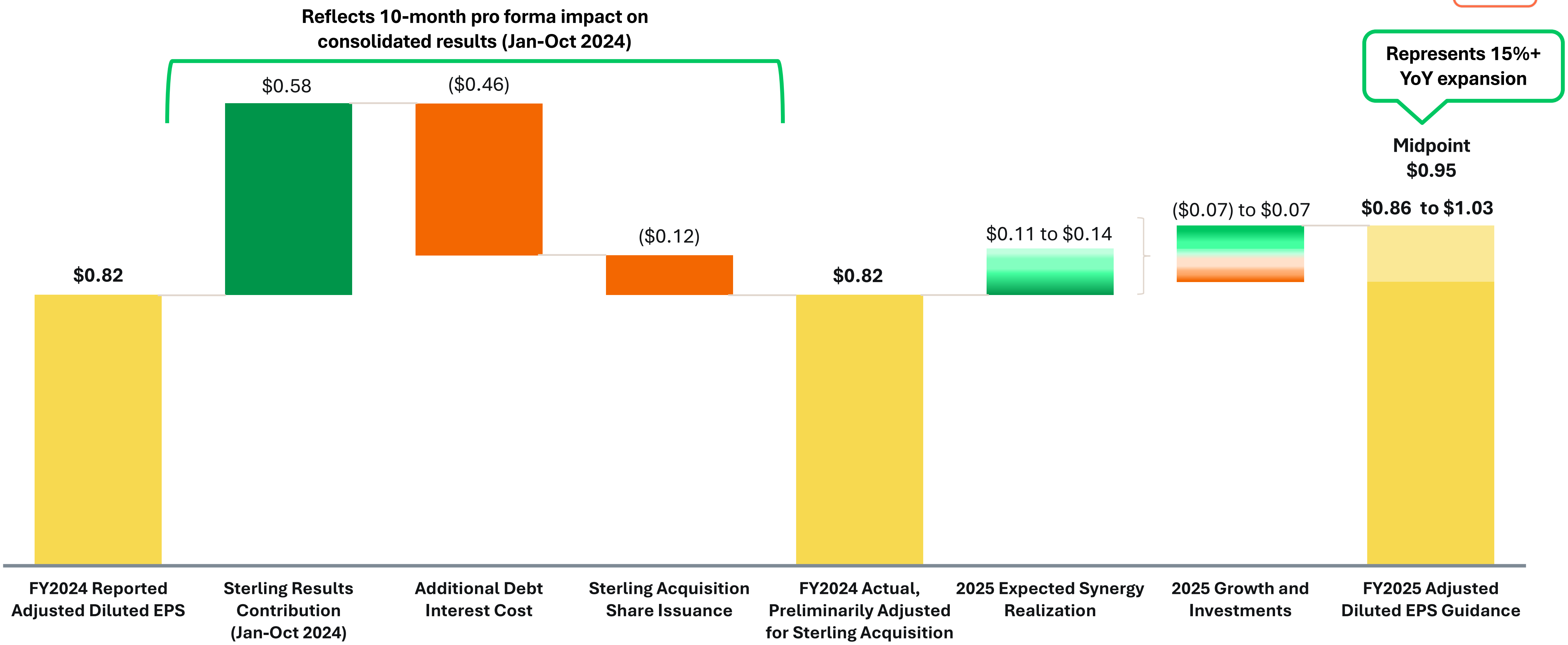
Introducing Full Year 2025 Guidance

	Full Year 2025 Guidance
Total Revenues	**$1.5B to $1.6B**
Adjusted EBITDA	**$410M to $450M**
Adjusted EBITDA Margin	***~27% to ~28%***
Adjusted Net Income	**$152M to $182M**
Adjusted Diluted Earnings Per Share	**$0.86 to $1.03**

Note:
- Actual results may differ materially from First Advantage's Full Year 2025 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.
- See Adjusted Diluted Earnings Per Share bridge in this presentation.

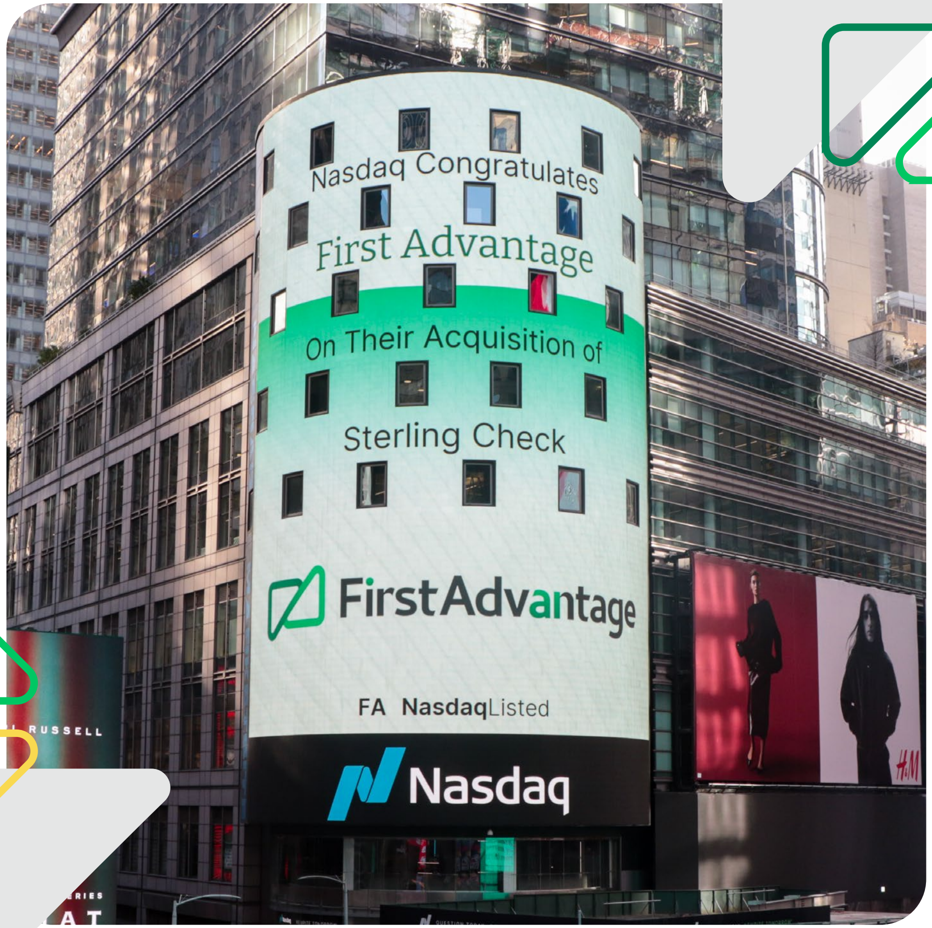
Full Year 2025 Guidance Details: Adjusted Diluted Earnings Per Share Bridge



Closing Remarks

Scott Staples
Chief Executive Officer

Save the Date: First Advantage Investor Day



May 28, 2025

NYC and Live Webcast

Appendix

Supplemental Materials and
Reconciliations to GAAP Measures

Full Year 2025 Guidance Modeling Assumptions

($ in millions; all values are approximate)	Assumption
Actioned synergies expected to be realized in 2025	$25 – $30
Capital expenditures, including capitalized software development	$57 – $64
Net interest expense, excluding amortization of financing fees and fair value gains/(losses) from interest rate swaps	$155 – $165
Depreciation and amortization excluding intangible amortization	$43 – $50
Foreign currency impact on revenues	($5) – $0
Foreign currency impact on Adjusted EBITDA	($1) – $0
Cash income tax payments	$60 – $70
Adjusted effective tax rate	24.5% – 25.5%
Fully diluted shares outstanding	~176M

Note: Actual results may differ materially from First Advantage's Full Year 2025 Guidance as a result of, among other things, the factors described under "Forward-Looking Statements" in this presentation.

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 $60M 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

Deleveraging Balance Sheet. Strong Adjusted EBITDA margins and robust operating cash flows will enable expected deleveraging to target of ~3x synergized pro forma Adjusted EBITDA within 24 months post-closing

Maintaining Continuity with Customers. Enabling 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

Glossary of Terms

- **General**
  - Pro Forma: refers to non-GAAP measures that assume the acquisition of Sterling had occurred on 1/1/2023
  - Synergized Pro Forma: refers to Pro Forma results adjusted to include the impact of run rate target synergies; less realized synergies already included within Pro Forma results
  - Reported: refers to results as reported, on a non-Pro Forma basis
- **Company**
  - Legacy First Advantage: refers to First Advantage Corporation and its subsidiaries, as it existed prior to the Sterling acquisition, encompassing its core business operations, established workforce, existing processes, and the technology systems in place
  - First Advantage Americas: refers to the United States, Canada, and Latin America for the Legacy First Advantage business
  - First Advantage International: means all geographical regions outside of the United States, Canada, and Latin America for the Legacy First Advantage business
  - Legacy Sterling: refers to Sterling Check Corp. and its subsidiaries, as it existed prior to the transaction with First Advantage Corporation, encompassing its core business operations, established workforce, existing processes, and the technology systems in place
  - Vault: refers to Vault Workforce Screening (“Vault”), a U.S. clinic management platform, which Legacy Sterling acquired on 1/2/2024
- **Synergies**
  - Run Rate Synergy Target: refers to the total amount of synergies the Company expects to achieve from the Sterling acquisition within the specified time frame
  - Actioned Synergies: refers to the run rate amount of synergies the Company has executed as a result of the Sterling acquisition
  - Realized Synergies: refers to the amount of synergies reflected in the Company’s results from the Actioned Synergies
- **Cash Flow**
  - Adjusted Operating Cash Flow: refers to cash flows from operating activities less cash costs directly associated with the Sterling acquisition

Reported First Advantage Adjusted EBITDA

(in thousands, except percentages)	For the Quarters Ended								Year Ended	
	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	Dec 31, 2024 Q4	Dec 31, 2023	Dec 31, 2024
Net income (loss)	$ 1,925	$ 9,782	$ 10,773	$ 14,813	$ (2,908)	$ 1,861	$ (8,860)	$ (100,366)	$ 37,293	$ (110,273)
Interest expense, net	8,681	3,887	7,557	12,915	3,570	7,353	17,191	23,734	33,040	51,848
Provision (benefit) for income taxes	681	3,968	4,881	1,653	(1,388)	689	782	(4,425)	11,183	(4,342)
Depreciation and amortization	31,866	32,056	32,419	33,132	29,822	29,978	30,168	55,951	129,473	145,919
Loss on extinguishment of debt	—	—	—	—	—	—	—	383	—	383
Share-based compensation [1]	2,058	3,601	4,790	4,816	4,751	5,048	9,504	12,459	15,265	31,762
Transaction and acquisition-related charges [2]	1,071	1,190	1,571	532	11,992	9,873	13,218	93,151	4,364	128,234
Integration, restructuring, and other charges [3]	2,278	1,487	2,800	373	719	959	2,043	2,050	6,938	5,771
Adjusted EBITDA	**$ 48,560**	**$ 55,971**	**$ 64,791**	**$ 68,234**	**$ 46,558**	**$ 55,761**	**$ 64,046**	**$ 82,937**	**$ 237,556**	**$ 249,302**
Revenues	175,520	185,315	200,364	202,562	169,416	184,546	199,119	307,124	763,761	860,205
Net income (loss) margin	**1.1%**	**5.3%**	**5.4%**	**7.3%**	**(1.7)%**	**1.0%**	**(4.4)%**	**(32.7)%**	**4.9%**	**(12.8)%**
Net (loss) Year/Year Growth	**(85.2)%**	**(31.3)%**	**(37.4)%**	**(26.5)%**	**(251.1)%**	**(81.0)%**	**(182.2)%**	**(777.6)%**	**(42.3)%**	**(395.7)%**
Adjusted EBITDA Margin	**27.7%**	**30.2%**	**32.3%**	**33.7%**	**27.5%**	**30.2%**	**32.2%**	**27.0%**	**31.1%**	**29.0%**
Adjusted EBITDA Year/Year Growth	**(9.4)%**	**(8.0)%**	**0.9%**	**(2.9)%**	**(4.1)%**	**(0.4)%**	**(1.1)%**	**21.5%**	**(4.6)%**	**4.9%**

1. Share-based compensation for the quarters ended June 30, 2023, September 30, 2023, December 31, 2023, March 31, 2024, June 30, 2024, September 30, 2024, and December 31, 2024 includes approximately $1.5 million, $2.6 million, $2.6 million, $2.6 million, $2.5 million, $6.6 million, and $5.6 million of incrementally recognized expense, respectively, associated with the May 2023 vesting modification and 2024 retirements of the Company's former CFO and former 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, September 30, 2024, and December 31, 2024 include approximately $11.1 million, $9.2 million, $13.2 million, and $92.3 million of expense, respectively, associated with the acquisition of Sterling, primarily consisting of legal, regulatory, and diligence professional service fees, compensation expense attributable to converted Sterling equity awards, post-combination restructuring expenses, success-based banking fees, and other one-time transaction costs. 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.

Pro Forma 2024 First Advantage Adjusted EBITDA

(in thousands, except percentages)	Historical		Pro Forma	
	Period Ended Oct 31, 2024	Year Ended Dec 31, 2024	Adjustments for the Twelve Months Ended Dec 31, 2024	Year Ended Dec 31, 2024
	Legacy Sterling	Reported First Advantage		First Advantage
Net (loss) income	$ (43,549)	$ (110,273)	$ 14,390	$ (139,432)
Interest expense, net	33,320	51,848	75,013	160,181
Provision (benefit) for income taxes	367	(4,342)	4,764	789
Depreciation and amortization	52,623	145,919	87,684	286,226
Loss on extinguishment of debt	—	383	—	383
Share-based compensation	36,658	31,762	—	68,420
Transaction and acquisition-related charges	59,619	128,234	(181,851)	6,002
Integration, restructuring, and other charges	8,161	5,771	—	13,932
Adjusted EBITDA	**$ 147,198**	**$ 249,302**	**$ —**	**$ 396,500**
Revenues	650,284	860,205	(929)	1,509,560
Net (loss) income margin	**(6.7)%**	**(12.8)%**	**n/a**	**(9.2)%**
Net (loss) Year/Year Growth	**n/a**	**(395.7)%**	**n/a**	**(28.9)%**
Adjusted EBITDA Margin	**22.6%**	**29.0%**	**n/a**	**26.3%**
Adjusted EBITDA Year/Year Growth	**n/a**	**4.9%**	**n/a**	**(6.2)%**

(in thousands, except percentages)	Historical		Pro Forma	
	One Month Ended Oct 31, 2024	Dec 31, 2024 Q4	Adjustments for the Three Months Ended Dec 31, 2024	Dec 31, 2024 Q4
	Legacy Sterling	Reported First Advantage		First Advantage
Net (loss) income	$ (9,184)	$ (100,366)	$ 77,285	$ (32,265)
Interest expense, net	3,122	23,734	6,993	33,849
(Benefit) provision for income taxes	(11,929)	(4,425)	25,583	9,230
Depreciation and amortization	5,238	55,951	10,273	71,462
Loss on extinguishment of debt	—	383	—	383
Share-based compensation	4,078	12,459	—	16,537
Transaction and acquisition-related charges	27,209	93,151	(120,134)	226
Integration, restructuring, and other charges	(1,427)	2,050	—	623
Adjusted EBITDA	**$ 17,107**	**$ 82,937**	**$ —**	**$ 100,044**
Revenues	68,242	307,124	(92)	375,274
Net (loss) income margin	**(13.5)%**	**(32.7)%**	**n/a**	**(8.6)%**
Net (loss) Year/Year Growth	**n/a**	**(777.6)%**	**n/a**	**35.3%**
Adjusted EBITDA Margin	**25.1%**	**27.0%**	**n/a**	**26.7%**
Adjusted EBITDA Year/Year Growth	**n/a**	**21.5%**	**n/a**	**(9.2)%**

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 as if the acquisition of Sterling had occurred on January 1, 2023. The pro forma information does not constitute Article 11 pro forma information.

Pro Forma 2023 First Advantage Adjusted EBITDA

(in thousands, except percentages)	Historical: Year Ended Dec 31, 2023 — Sterling	Historical: Year Ended Dec 31, 2023 — First Advantage	Pro Forma: Adjustments for the Twelve Months Ended Dec 31, 2023	Pro Forma: Year Ended Dec 31, 2023 — First Advantage
Net (loss) income	$ (116)	$ 37,293	$ (233,234)	$ (196,057)
Interest expense, net	36,233	33,040	99,278	168,551
Provision (benefit) for income taxes	12,367	11,183	(76,444)	(52,894)
Depreciation and amortization	62,853	129,473	102,510	294,836
Share-based compensation	34,650	15,265	—	49,915
Transaction and acquisition-related charges	12,878	4,364	107,890	125,132
Integration, restructuring, and other charges	26,159	6,938	—	33,097
Adjusted EBITDA	**$ 185,024**	**$ 237,556**	**$ —**	**$ 422,580**
Revenues	719,640	763,761	(551)	1,482,850
Net (loss) income margin	**(0.0)%**	**4.9%**	**n/a**	**(13.2)%**
Adjusted EBITDA Margin	**25.7%**	**31.1%**	**n/a**	**28.5%**

(in thousands, except percentages)	Historical: Dec 31, 2023 Q4 — Sterling	Historical: Dec 31, 2023 Q4 — First Advantage	Pro Forma: Adjustments for the Three Months Ended Dec 31, 2023	Pro Forma: Dec 31, 2023 Q4 — First Advantage
Net (loss) income	$ (3,384)	$ 14,813	$ (35,282)	$ (23,853)
Interest expense, net	9,330	12,915	24,663	46,908
Provision (benefit) for income taxes	7,398	1,653	(11,564)	(2,513)
Depreciation and amortization	15,736	33,132	26,096	74,964
Share-based compensation	7,466	4,816	—	12,282
Transaction and acquisition-related charges	2,381	532	(3,913)	(1,000)
Integration, restructuring, and other charges	2,989	373	—	3,362
Adjusted EBITDA	**$ 41,916**	**$ 68,234**	**$ —**	**$ 110,150**
Revenues	169,416	202,562	(137)	371,841
Net (loss) income margin	**(2.0)%**	**7.3%**	**n/a**	**(6.4)%**
Adjusted EBITDA Margin	**24.7%**	**33.7%**	**n/a**	**29.6%**

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 as if the acquisition of Sterling had occurred on January 1, 2023. The pro forma information does not constitute Article 11 pro forma information.

Legacy First Advantage Constant Currency Revenues

(in thousands, except percentages)	For the Quarter Ended Dec 31, 2024 First Advantage Americas	First Advantage International	Elimininations	Total revenues
Revenues, as reported (GAAP)	$ 172,349	$ 24,020	$ (2,313)	$ 194,056
Foreign currency translation impact [(1)]	126	(415)	22	(267)
Constant currency revenues	**$ 172,475**	**$ 23,605**	**$ (2,291)**	**$ 193,789**
Inorganic revenues	—	—	—	—
Organic constant currency revenues	**$ 172,475**	**$ 23,605**	**$ (2,291)**	**$ 193,789**
Organic constant currency revenues growth	(5.4)%	7.0%	27.7%	(4.3)%

(in thousands, except percentages)	For the Year Ended Dec 31, 2024 First Advantage Americas	First Advantage International	Elimininations	Total revenues
Revenues, as reported (GAAP)	$ 658,758	$ 96,854	$ (8,475)	$ 747,137
Foreign currency translation impact [(1)]	165	(663)	64	(434)
Constant currency revenues	**$ 658,923**	**$ 96,191**	**$ (8,411)**	**$ 746,703**
Inorganic revenues	8,431	—	—	8,431
Organic constant currency revenues	**$ 650,492**	**$ 96,191**	**$ (8,411)**	**$ 738,272**
Organic constant currency revenues growth	(3.4)%	(0.7)%	36.9%	(3.3)%

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

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Legacy Sterling Constant Currency Revenues

(in thousands, except percentages)	Interim Period Three Months Ended Dec 31, 2024	Annual Period Year Ended Dec 31, 2024
Revenues (GAAP)	$ 181,310	$ 763,352
Foreign currency translation impact [(1)]	(73)	(599)
Constant currency revenues	**$ 181,237**	**$ 762,753**
Inorganic revenues	10,451	49,709
Organic constant currency revenues	**$ 170,786**	**$ 713,044**
Organic constant currency revenues growth	0.8%	(0.9)%

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

Reported First Advantage Adjusted Operating Cash Flow

(in thousands, except percentages)	Interim Periods Quarter Ended Dec 31, 2023 Q4	Interim Periods Quarter Ended Dec 31, 2024 Q4	Annual Periods Year Ended Dec 31, 2023	Annual Periods Year Ended Dec 31, 2024
Cash flows from operating activities, as reported (GAAP)	$ 56,740	$ (85,666)	$ 162,820	$ 28,196
Cost paid related to the Sterling acquisition	—	125,107	—	136,311
Adjusted Operating Cash Flow	**$ 56,740**	**$ 39,441**	**$ 162,820**	**$ 164,507**
Cash flow from operating activities Year/Year Growth		(251.0)%		(82.7)%
Adjusted Operating Cash Flow Year/Year Growth		(30.5)%		1.0%

FirstAdvantage

Reported First Advantage Adjusted Net Income

	Interim Periods		Annual Periods	
	Quarter Ended		Year Ended	
(in thousands)	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024
Net income (loss)	$ 14,813	$ (100,366)	$ 37,293	$ (110,273)
Provision (benefit) for income taxes	1,653	(4,425)	11,183	(4,342)
Income (loss) before provision for income taxes	16,466	(104,791)	48,476	(114,615)
Debt-related charges[(1)]	5,812	(6,232)	12,845	549
Acquisition-related depreciation and amortization[(2)]	26,044	45,079	102,659	112,966
Share-based compensation[(3)]	4,816	12,459	15,265	31,762
Transaction and acquisition-related charges[(4)]	532	93,151	4,364	128,234
Integration, restructuring, and other charges[(5)]	373	2,050	6,938	5,771
Adjusted Net Income before income tax effect	54,043	41,716	190,547	164,667
Less: Adjusted income taxes[(6)]	11,480	11,531	44,759	40,953
Adjusted Net Income	**$ 42,563**	**$ 30,185**	**$ 145,788**	**$ 123,714**

1. Represents the non-cash interest expense related to the amortization of debt issuance costs for the 2021 February and 2024 October 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 incremental intangible and developed technology assets recorded due to the application of ASC 805, *Business Combinations*. 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.
3. Share-based compensation for the quarters ended December 31, 2023 and 2024, includes approximately $2.6 million and $3.5 million, respectively, of incrementally recognized expense associated with the May 2023 vesting modification. Share-based compensation for the years ended December 31, 2023 and 2024, include approximately $6.6 million and $13.1 million, respectively, of incrementally recognized expense associated with the May 2023 vesting modification. Share-based compensation for the quarter and year ended December 31, 2024 also includes approximately $2.1 million and $4.2 million, respectively of incrementally recognized expense associated with the retirements of the Company's former Chief Financial Officer and former 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 and year ended December 31, 2024 include approximately $92.3 million and $125.7 million of expense, respectively, associated with the acquisition of Sterling, primarily consisting of legal, regulatory, and diligence professional service fees, compensation expense attributable to converted Sterling equity awards, post-combination restructuring expenses, success-based banking fees, and other one-time transaction costs. Also includes 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 21.2% and 27.6% have been used to compute Adjusted Net Income for the quarters ended December 31, 2023 and 2024, respectively. Effective tax rates of approximately 23.5% and 24.9% have been used to compute Adjusted Net Income for the years ended December 31, 2023 and 2024, respectively. As of December 31, 2024, we had net operating loss carryforwards of approximately $15.3 million for federal income tax purposes available to reduce future income subject to income taxes. As a result, the amount of actual cash taxes we may pay for federal income taxes differs significantly from the effective income tax rate computed in accordance with GAAP and from the normalized rate shown above.

Reported First Advantage Adjusted Diluted Earnings Per Share

	Interim Periods		Annual Periods	
	Quarter Ended		Year Ended	
	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024
Diluted net income (loss) per share (GAAP)	$ 0.10	$ (0.62)	$ 0.26	$ (0.74)
Adjusted Net Income adjustments per share				
Provision (benefit) for income taxes	0.01	(0.03)	0.08	(0.03)
Debt-related charges[1]	0.04	(0.04)	0.09	0.00
Acquisition-related depreciation and amortization[2]	0.18	0.27	0.70	0.75
Share-based compensation[3]	0.03	0.08	0.10	0.21
Transaction and acquisition-related charges[4]	0.00	0.56	0.03	0.85
Integration, restructuring, and other charges[5]	0.00	0.02	0.05	0.05
Adjusted income taxes[6]	(0.08)	(0.07)	(0.31)	(0.27)
Adjusted Diluted Earnings Per Share (Non-GAAP)	**$ 0.29**	**$ 0.18**	**$ 1.00**	**$ 0.82**
Weighted average number of shares outstanding used in computation of Adjusted Diluted Earnings Per Share:				
Weighted average number of shares outstanding—diluted (GAAP)	144,969,753	162,774,306	146,226,096	148,582,226
Options and restricted stock not included in weighted average number of shares outstanding—diluted (GAAP) (using treasury stock method)	—	3,178,548	—	2,606,405
Adjusted weighted average number of shares outstanding—diluted (Non-GAAP)	144,969,753	165,952,854	146,226,096	151,188,631

1. Represents the non-cash interest expense related to the amortization of debt issuance costs for the 2021 February and 2024 October 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.
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