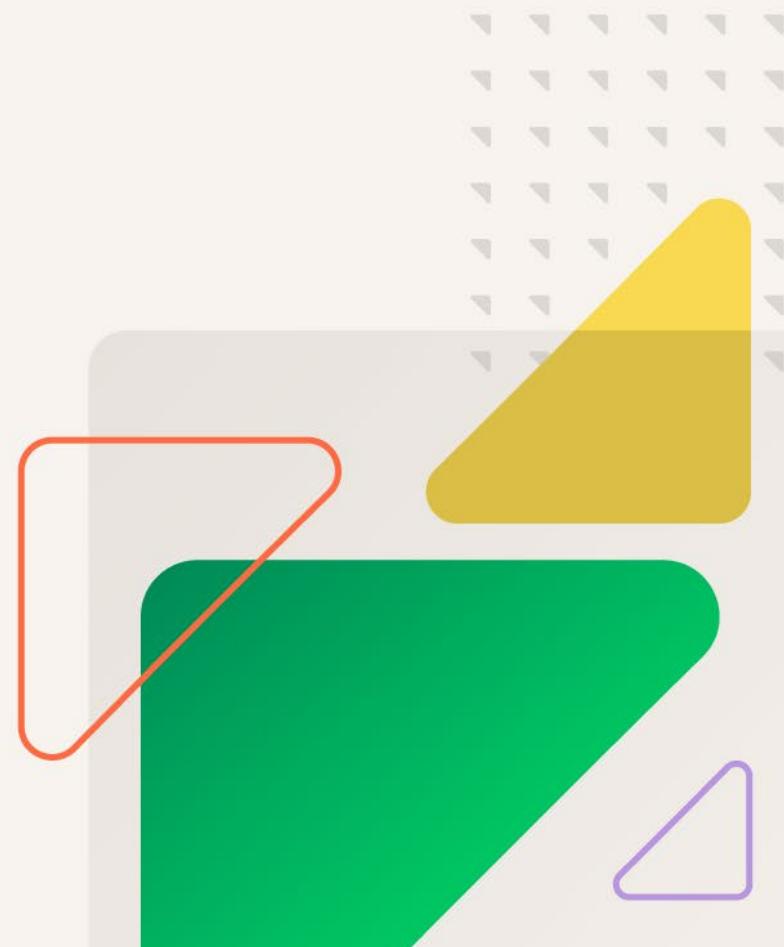




Q1 2025 Earnings Presentation

May 8, 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,” “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, global trade disputes, 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 (“AI”); 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. (“Sterling”); 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, 2024, 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,” “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 and related integration. 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 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. Historical results through June 30, 2024 are from Sterling’s historical SEC filings and disclosures. Historical results for July 1, 2024 through October 31, 2024 (date of acquisition) are from Sterling’s books and records.

Q1 2025 Highlights

Scott Staples
Chief Executive Officer



Key Messages



1 Q1 performance exceeded expectations, driven by go-to-market execution, accelerated synergy realization, and focused cost discipline

2 Executing post-close priorities, underpinned by FA 5.0 growth strategy

- ✓ Enable smooth integration with seamless customer experience
- ✓ Innovate through product and technology and accelerate go-to-market strategy
- ✓ Deliver cost synergies
- ✓ Deleverage balance sheet

3 Seeing benefits of combined business despite challenging macro environment

- ✓ Complementary vertical exposure and aligned cultural fit
- ✓ Combined capabilities accelerating go-to-market approach

4 Reaffirming full year 2025 guidance

Solid Q1 2025 Results

Revenues

\$355M

(0.2%)
YoY Change³

Adjusted EBITDA¹

\$92M

26.0%
Adj. EBITDA Margin¹

Adjusted Cash Flow from Operations²

\$33M

\$172M
Cash Balance

Adjusted Net Income¹

\$30M

\$0.17
Adj. Diluted EPS¹

Q 1 2 0 2 5 R E S U L T S

- Top- and bottom-line performance beat expectations
- Early April results give optimism
- Q1 combined upsell, cross-sell, and new logo rates performed in line with historical growth algorithm
- Retention remained high at 96%

C U S T O M E R B O O K I N G S

- Pipeline momentum continues:
 - 14 enterprise bookings in Q1 and 78 in the last twelve months
 - Record quarter for enterprise bookings (in \$), with increasing average deal size and strong package density
 - Large deals (previewed last quarter) in retail, healthcare, and Australia have been officially booked

V E R T I C A L T A K E A W A Y S

- Healthy demand in transportation, positive momentum in financial services, continued stability in healthcare, and slowdown within retail and e-commerce
- Balance across diverse verticals, customer segments, and hourly- and salaried-focused customers, provides resiliency in different macroeconomic scenarios

1. Non-GAAP measure. See appendix for reconciliation of Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, and Adjusted Diluted EPS to their most directly comparable respective GAAP measures.

2. Non-GAAP measure. The Company generated \$19.5 million of cash flow from operations, or \$33.3 million after adjusting for \$13.8 million of cash costs associated with the Sterling acquisition and related integration.

3. Q1 2025 vs Q1 2024 change assumes the acquisition of Sterling had occurred 1/1/2023.

Executing on Post-Close Strategic Priorities

INTEGRATION PROGRESS



- Seamless customer experience without disruptions
- Leveraging the best solutions and technologies from each business and increasing back-end automation
- Click.Chat.Call. now available to Sterling customers

CONTINUED INNOVATION



- FA 5.0 strategy underpins optimized organization and supports growth
- Focusing on speed, cost, and efficiency
- Implemented AI agents in the automation of criminal records processing
- Applying Digital Identity to counter fraud risk for customers

CUSTOMER FOCUS



COLLABORATE 2025

Annual User Conference



9 Years Hosting

Record Attendance

Only Conference of its Kind
in the Industry

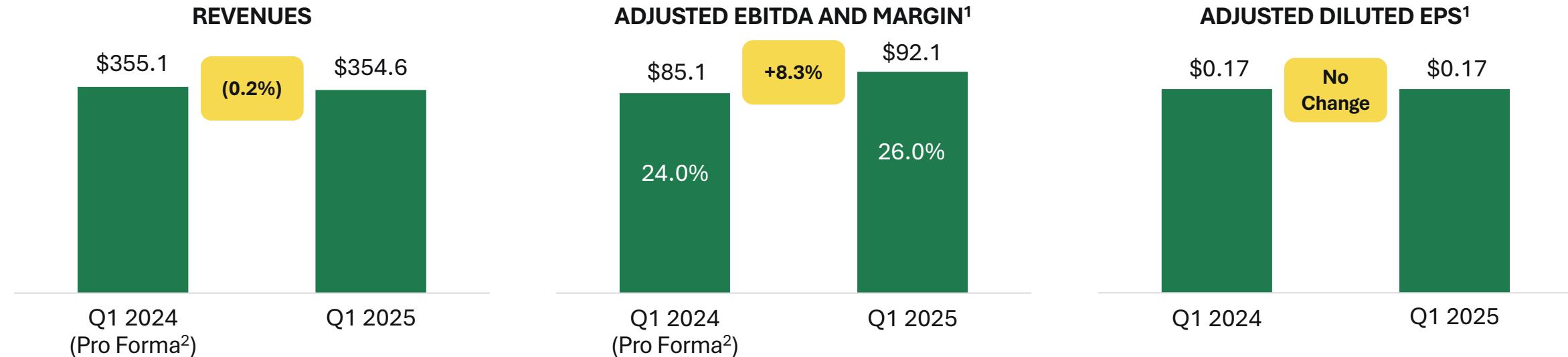
Financial Results & Outlook

Steven Marks
Chief Financial Officer



Q1 2025 Financial Results

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



- Revenues, nearly flat YoY, exceeded expectations, as volatility in base performance continued to moderate
- Pro forma constant currency revenue growth of 0.2%^{2,3}
- Combined new logo, upsell, and cross-sell contributed 9.3%
- Retention remained high at 96%

- Adjusted EBITDA Margin increased YoY due to the acceleration of synergy actioning and realization
- Deeply engrained, disciplined cost management approach within highly variable, flexible cost structure is a differentiator
- Application of these programs across the Sterling business is a priority of our integration plan

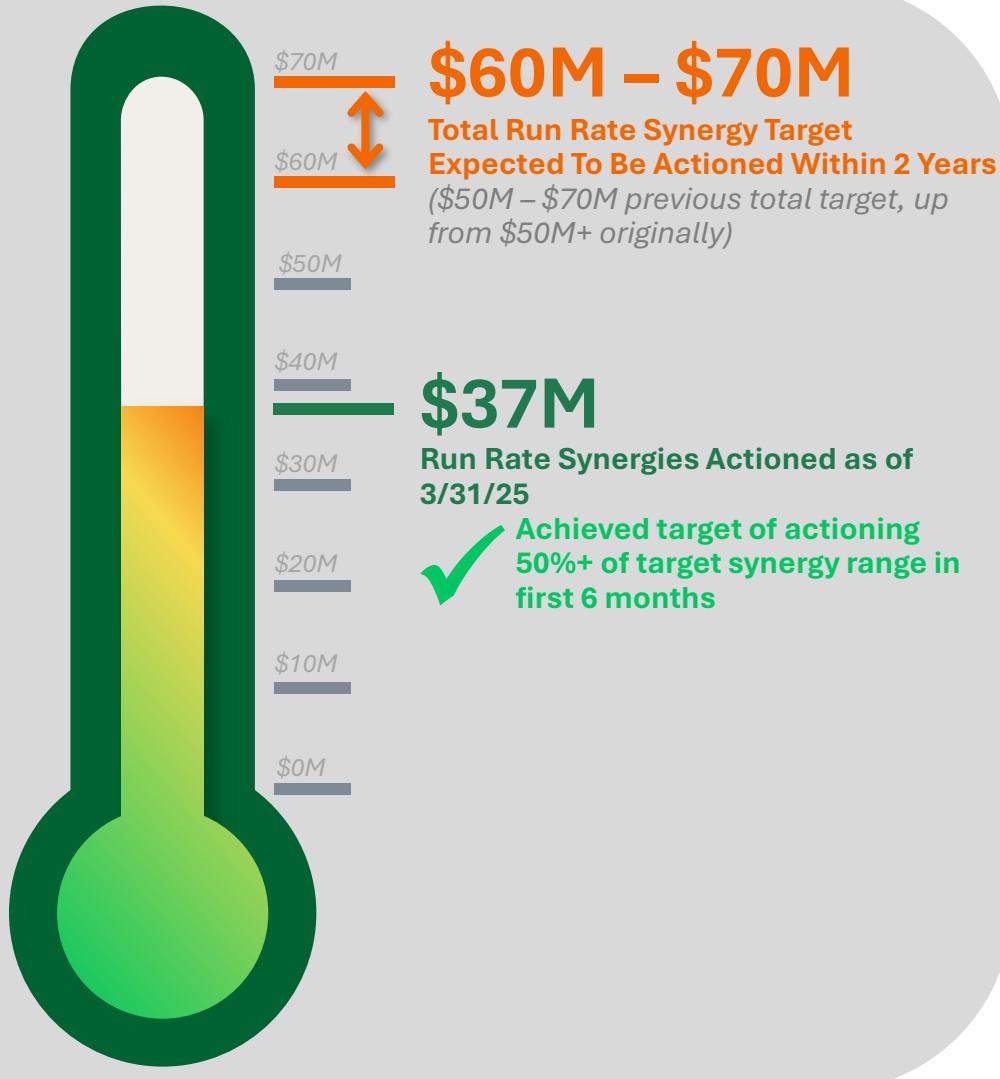
- Adjusted Diluted EPS was flat YoY
- The benefits of greater scale and synergy acceleration were offset by the incremental interest on the transaction financing and the dilutive impact of the new shares issued for the Sterling acquisition

1. Non-GAAP measure. See appendix for reconciliation of Adjusted EBITDA, Adjusted EBITDA Margin, and Adjusted Diluted Earnings Per Share to their most directly comparable respective GAAP measures.

2. Non-GAAP measure. 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 pro forma constant currency revenues to their most directly comparable respective GAAP measures.

3. Pro forma currency impact on revenues was \$1.4 million.

Delivering on Net Cost Synergies



SYNERGY PRIORITIES



Day 1: Nov 1, 2024:
Corporate
Costs



First 180 Days:
Internal
Operations



Year 1:
Fulfillment
Operations

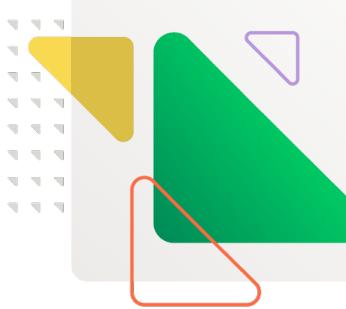


Year 2:
Product and
Commercial

SYNERGY PROGRESS



Revenue Growth Algorithm Drivers



Legacy First Advantage	2023	Q1 '24	Q2 '24	Q3 '24	Q4 '24	2024
Upsell / Cross Sell	5%	4%	5%	7%	5%	5%
New Logos	4%	5%	4%	3%	3%	4%
Gross Retention	97%	97%	96%	96%	96%	96%
Base	(12%)	(11%)	(7%)	(8%)	(8%)	(9%)

Legacy Sterling	2023	Q1 '24	Q2 '24	Q3 '24	Q4 '24	2024
Upsell / Cross Sell	5%	9%	9%	10%	11%	10%
New Logos	5%	6%	7%	7%	6%	7%
Gross Retention	96%	97%	97%	96%	96%	96%
Base	(15%)	(16%)	(14%)	(12%)	(12%)	(14%)



First Advantage	Q1 '25
Upsell / Cross Sell	5%
New Logos	4%
Gross Retention	96%
Base	(6%)

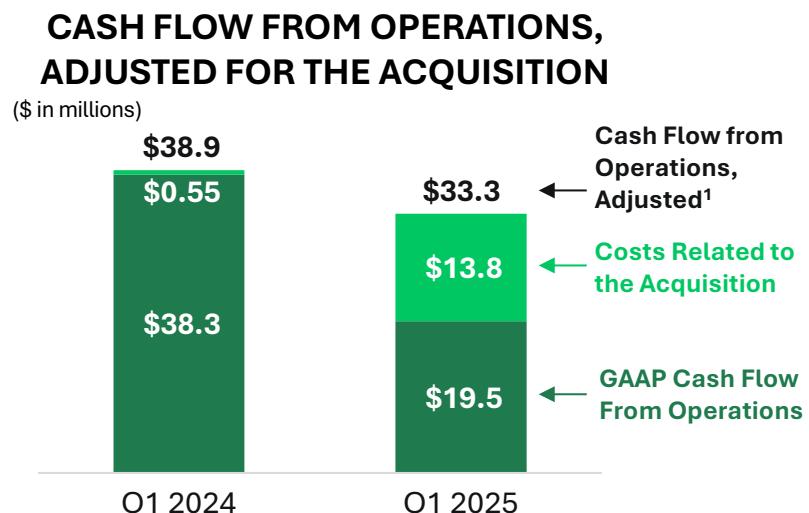
Note:

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

Cash Flow and Net Leverage

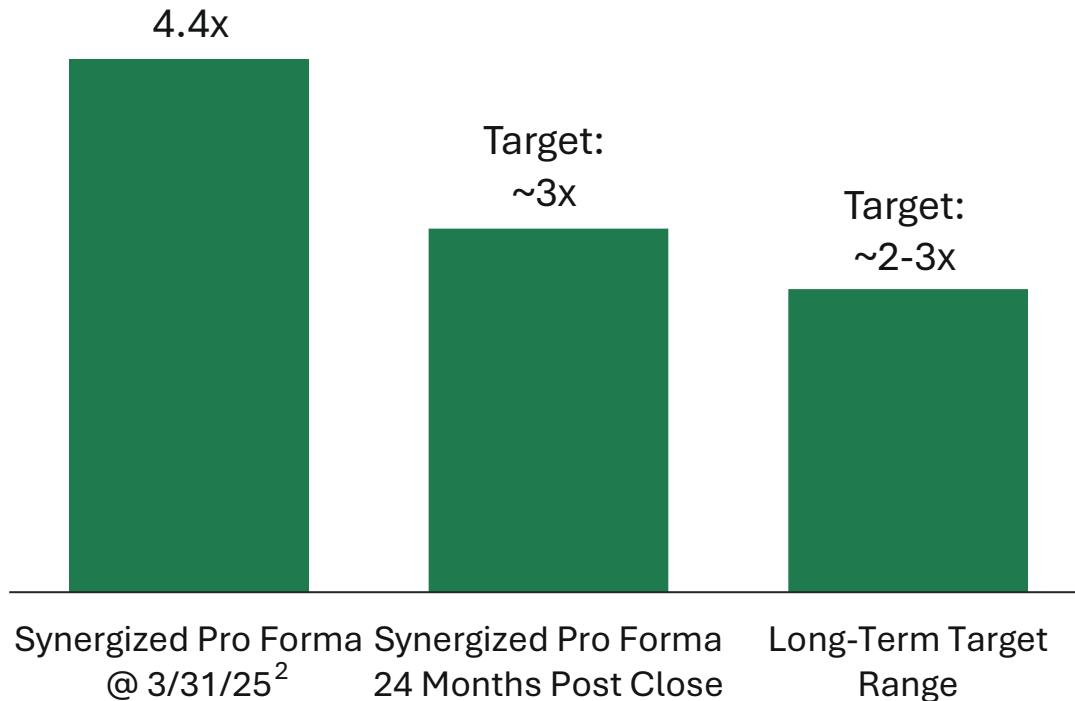
Q1 2025 Cash Flow

- Cash balance of \$172.0M at 3/31/25
- Q1 2025 Adjusted Operating Cash Flows of \$33.3M¹
 - YoY decline driven by increased debt service from acquisition-related debt and management incentive plan payments
- Closely managing working capital to support cash flow and debt pay down



Net Leverage

- Made first mandatory principal repayment of \$5.5M during Q1
- Made voluntary principal repayment of \$15M on May 7th
- Net leverage management remains a top priority

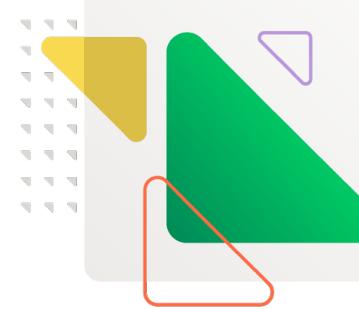


1. Non-GAAP measure. The Company generated \$19.5 million of cash flow from operations, or \$33.3 million after adjusting for \$13.8 million of cash costs associated with the Sterling acquisition and related integration.

2. Synergized pro forma net leverage is based on LTM 3/31/25 Synergized Pro Forma Adjusted EBITDA of \$457M (which represents \$404M of Pro Forma LTM 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 \$12M of realized synergies already in Pro Forma LTM Adjusted EBITDA) and net debt as of 3/31/25; calculated as $(\$2.18B \text{ Debt} - \$172M \text{ Cash and Cash Equivalents}) / \$457M \text{ LTM Synergized Pro Forma Adjusted EBITDA}$.

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.

Reaffirming Full Year 2025 Guidance



Full Year 2025 Guidance

Total Revenues	\$1.5B to \$1.6B
Adjusted EBITDA	\$410M to \$450M
<i>Adjusted EBITDA Margin</i>	<i>~27% to ~28%</i>
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.

Closing Remarks

Scott Staples
Chief Executive Officer



Reminder: First Advantage Inaugural Investor Day



May 28, 2025

NYC and Live Webcast

Appendix

Supplemental Materials and
Reconciliations to GAAP Measures



Company At A Glance

OUR SCALE

\$1.5B
Pro Forma
Revenue¹

\$404M
Pro Forma
Adjusted EBITDA¹

\$457M
Synergized Pro Forma
Adjusted EBITDA^{1,2}

190M
Screens Annually

96%
Average Gross
Retention

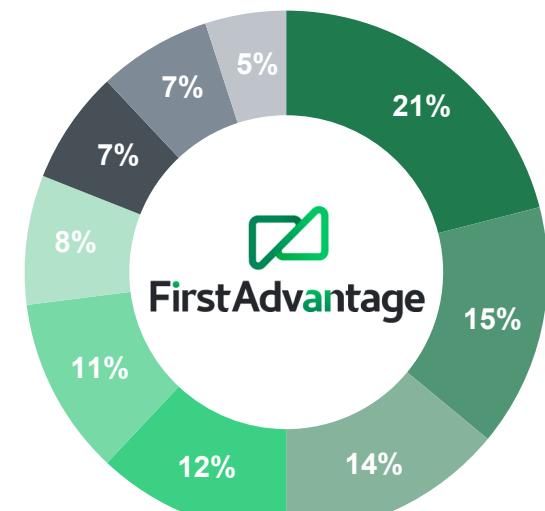
80K
Customers

900M+
Records in
Proprietary Databases³

200+
Countries and
Territories

100+
ATS and HCM⁴
Integrated Partners

OUR VERTICALS



- 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. As of LTM 3/31/25. 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 \$404M of Pro Forma LTM 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 \$12M of realized synergies already in Pro Forma LTM Adjusted EBITDA.

3. Proprietary databases are in the US only and only for US residents and products.

4. Applicant Tracking System and Human Capital Management.

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



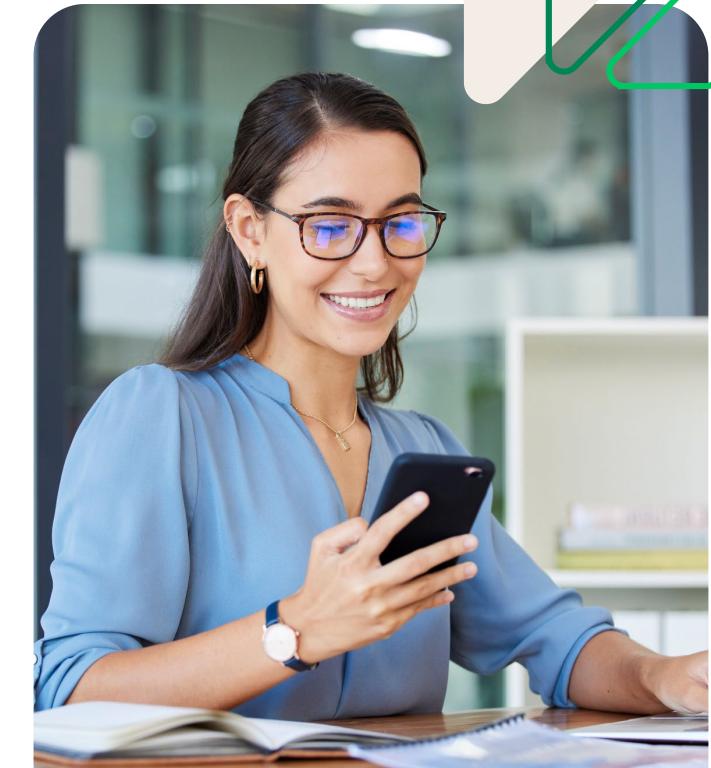
Maintaining Continuity with Customers. Enabling a smooth transition for Sterling customers while uncovering opportunities to enhance the customer value proposition and unlock upsell and cross-sell opportunities



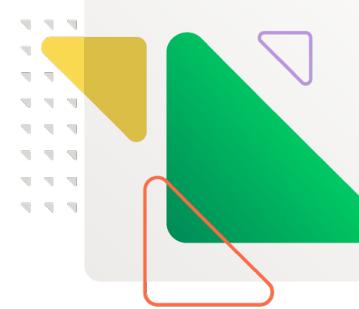
Driving Innovation. Technology driven innovation that provides customers with fast background checks; enabled through aligning sales, product, and technology organizations



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

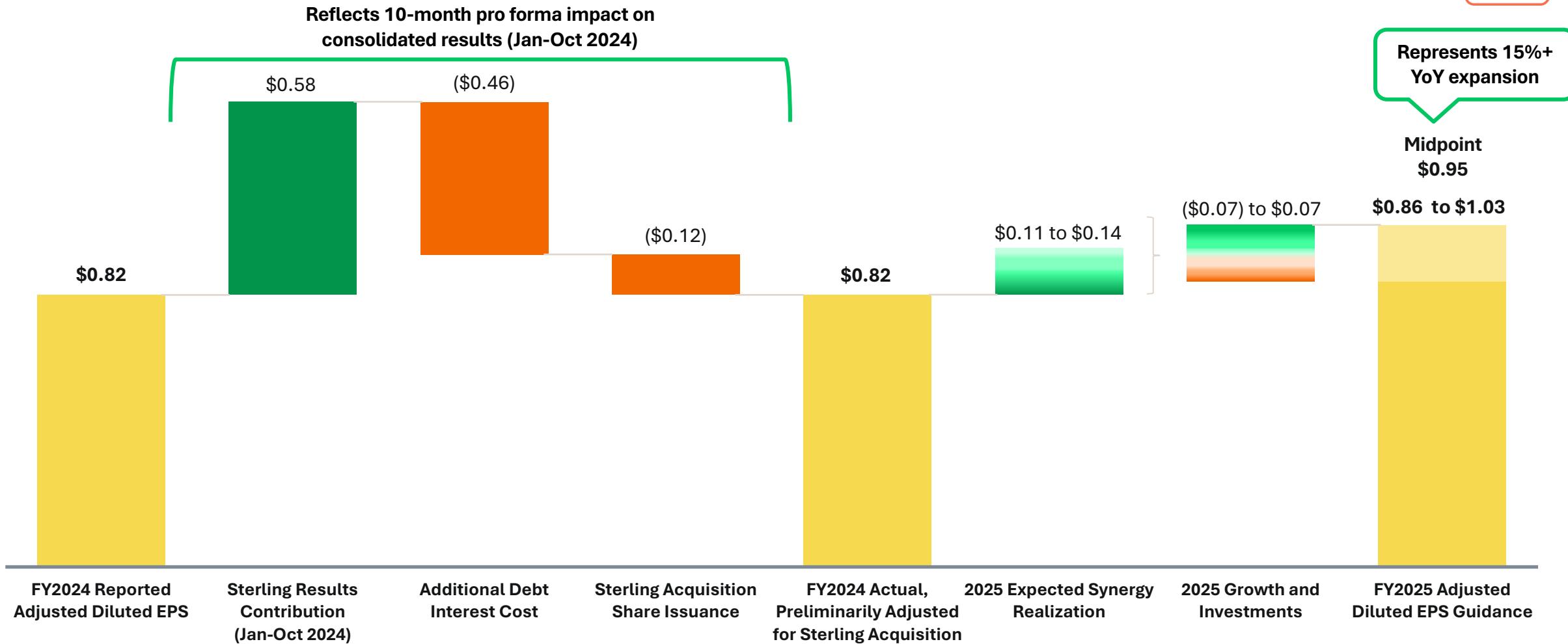
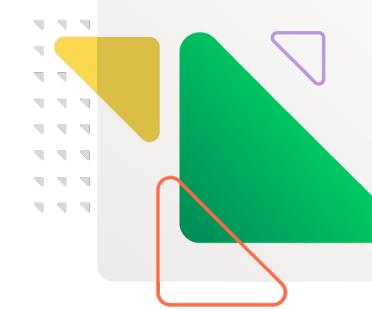


Full Year 2025 Guidance Modeling Assumptions

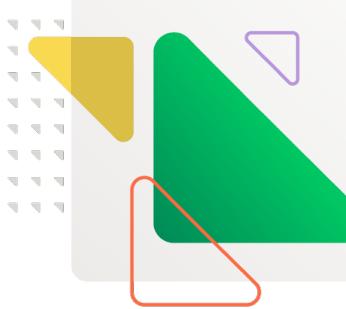


(\$ in millions; all values are approximate)	Assumption
Actioned synergies expected to be realized in 2025	\$30 – \$35
Capital expenditures, including capitalized software development	\$57 – \$64
Net interest expense, excluding amortization of financing fees and fair value gains/(losses) from interest rate swaps	\$155 – \$165
Depreciation and amortization excluding intangible amortization	\$43 – \$50
Foreign currency impact on revenues	(\$8) – \$0
Foreign currency impact on Adjusted EBITDA	(\$2) – \$0
Cash income tax payments	\$60 – \$70
Adjusted effective tax rate	24.75% – 25.75%
Fully diluted shares outstanding	~176M

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



Reported First Advantage Adjusted EBITDA



(in thousands, except percentages)	For the Quarters Ended					LTM
	Mar 31, 2024	Jun 30, 2024	Sep 30, 2024	Dec 31, 2024	Mar 31, 2025	Mar 31, 2025
	Q1	Q2	Q3	Q4	Q1	
Net (loss) income	\$ (2,908)	\$ 1,861	\$ (8,860)	\$ (100,366)	\$ (41,194)	\$ (148,559)
Interest expense, net	3,570	7,353	17,191	23,734	46,580	94,858
(Benefit) provision for income taxes	(1,388)	689	782	(4,425)	2,231	(723)
Depreciation and amortization	29,822	29,978	30,168	55,951	61,666	177,763
Loss on extinguishment of debt	—	—	—	383	—	383
Share-based compensation ⁽¹⁾	4,751	5,048	9,504	12,459	7,967	34,978
Transaction and acquisition-related charges ⁽²⁾	11,992	9,873	13,218	93,151	3,996	120,238
Integration, restructuring, and other charges ⁽³⁾	719	959	2,043	2,050	10,866	15,918
Adjusted EBITDA	\$ 46,558	\$ 55,761	\$ 64,046	\$ 82,937	\$ 92,112	\$ 294,856
Revenues	169,416	184,546	199,119	307,124	354,588	1,045,377
Net (loss) income margin	(1.7)%	1.0%	(4.4)%	(32.7)%	(11.6)%	(14.2)%
Adjusted EBITDA Margin	27.5%	30.2%	32.2%	27.0%	26.0%	28.2%

1. Share-based compensation for the quarters ended March 31, 2024, June 30, 2024, September 30, 2024, December 31, 2024, and March 31, 2025 includes approximately \$2.6 million, \$2.5 million, \$6.6 million, \$5.6 million and \$1.9 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, December 31, 2024, and March 31, 2025 include approximately \$11.1 million, \$9.2 million, \$13.2 million, \$92.3 million, and \$3.8 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 First Advantage 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. Integration, restructuring, and other charges for the three months ended March 31, 2025 include approximately \$7.8 million of expense associated with the integration of Sterling.

Pro Forma LTM First Advantage Adjusted EBITDA

(in thousands, except percentages)	Reported		Pro Forma	
	Quarters Ended		Year Ended	LTM
	Mar 31, 2025	Mar 31, 2024	Dec 31, 2024	Mar 31, 2025
	Q1	Q1	Q1	Q1
Net loss	\$ (41,194)	\$ (33,718)	\$ (139,432)	\$ (146,907)
Interest expense, net	46,580	36,671	160,181	170,090
Provision (benefit) for income taxes	2,231	(17,972)	789	20,992
Depreciation and amortization	61,666	71,516	286,226	276,376
Loss on extinguishment of debt	—	—	383	383
Share-based compensation	7,967	14,093	68,420	62,294
Transaction and acquisition-related charges	3,996	10,688	6,002	(690)
Integration, restructuring, and other charges	10,866	3,790	13,932	21,008
Adjusted EBITDA	\$ 92,112	\$ 85,068	\$ 396,500	\$ 403,544
Revenues	354,588	355,136	1,509,560	1,509,012
Net loss margin	(11.6)%	(9.5)%	(9.2)%	(9.7)%
Adjusted EBITDA Margin	26.0%	24.0%	26.3%	26.7%

To facilitate comparability, we present pro forma combined company results, consisting of First Advantage and Sterling 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.

Reported First Advantage Adjusted Net Income

(in thousands)	For the Quarters Ended	
	Mar 31, 2024 Q1	Mar 31, 2025 Q1
	\$ (2,908)	\$ (41,194)
Net loss	\$ (1,388)	\$ 2,231
(Benefit) provision for income taxes	(4,296)	(38,963)
Debt-related charges ⁽¹⁾	(3,014)	6,803
Acquisition-related depreciation and amortization ⁽²⁾	22,625	50,039
Share-based compensation ⁽³⁾	4,751	7,967
Transaction and acquisition-related charges ⁽⁴⁾	11,992	3,996
Integration, restructuring, and other charges ⁽⁵⁾	719	10,866
Adjusted Net Income before income tax effect	32,777	40,708
Less: Adjusted income taxes ⁽⁶⁾	7,991	10,222
Adjusted Net Income	\$ 24,786	\$ 30,486

Reported First Advantage Adjusted Earnings Per Share

	For the Quarters Ended	
	Mar 31, 2024 Q1	Mar 31, 2025 Q1
	\$ (0.02)	\$ (0.24)
Diluted net loss per share (GAAP)		
<i>Adjusted Net Income adjustments per share</i>		
(Benefit) provision for income taxes	(0.01)	0.01
Debt-related charges ⁽¹⁾	(0.02)	0.04
Acquisition-related depreciation and amortization ⁽²⁾	0.16	0.29
Share-based compensation ⁽³⁾	0.03	0.05
Transaction and acquisition related charges ⁽⁴⁾	0.08	0.02
Integration, restructuring, and other charges ⁽⁵⁾	0.00	0.06
Adjusted income taxes ⁽⁶⁾	(0.05)	(0.06)
Adjusted Diluted Earnings Per Share (Non-GAAP)	\$ 0.17	\$ 0.17
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)	143,591,713	172,756,497
Options and restricted stock not included in weighted average number of shares outstanding—diluted (GAAP) (using treasury stock method)	2,110,928	2,217,580
Adjusted weighted average number of shares outstanding—diluted (Non- GAAP)	145,702,641	174,974,077

1. Represents the non-cash interest expense related to the amortization of debt issuance costs for the February 2021 and October 2024 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 three months ended March 31, 2024 and 2025 includes approximately \$2.6 million and \$1.9 million, respectively of incrementally recognized expense associated with the May 2023 modification of the vesting terms of outstanding unvested and unearned performance-based options, restricted stock units, and restricted stock awards.
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. The three months ended March 31, 2024 include approximately \$11.1 million of expense associated with the acquisition of Sterling, as well as incremental professional service fees incurred related to the First Advantage initial public offering and the subsequent one-time compliance efforts. Transaction and acquisition related charges for the three months ended March 31, 2025 include approximately \$3.8 million of expense associated with the acquisition of Sterling.
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. Integration, restructuring, and other charges for the three months ended March 31, 2025 include approximately \$7.8 million of expense associated with the integration of Sterling.
6. Effective tax rates of approximately 24.4% and 25.1% have been used to compute Adjusted Net Income and Adjusted Diluted Earnings Per Share for the three months ended March 31, 2024 and 2025, respectively.

Pro Forma 2024 First Advantage Adjusted EBITDA

^(in thousands, except percentages)	^{For the Quarter Ended March 31, 2024}				^(in thousands, except percentages)	^{Historical}				^{Pro Forma}		
	^{Reported}		^{Pro Forma}			^{Period Ended} ^{Oct 31, 2024}		^{Year Ended Dec} ^{31, 2024}		^{Adjustments} ^{for the} ^{Twelve Months}		
	^{First} ^{Advantage}	^{Legacy} ^{Sterling}	^{Adjustments}	^{First} ^{Advantage}		^{Reported}	^{First} ^{Advantage}	^{Ended} ^{Dec 31, 2024}	^{First} ^{Advantage}			
^{For the Quarter Ended March 31, 2024}												
Net loss	\$ (2,908)	\$ (7,955)	\$ (22,855)	\$ (33,718)	Net (loss) income	\$ (43,549)	\$ (110,273)	\$ 14,390	\$ (139,432)			
Interest expense, net	3,570	10,312	22,789	36,671	Interest expense, net	33,320	51,848	75,013	160,181			
Benefit for income taxes	(1,388)	(9,018)	(7,566)	(17,972)	Provision (benefit) for income taxes	367	(4,342)	4,764	789			
Depreciation and amortization	29,822	15,770	25,924	71,516	Depreciation and amortization	52,623	145,919	87,684	286,226			
Share-based compensation	4,751	9,342	—	14,093	Loss on extinguishment of debt	—	383	—	383			
Transaction and acquisition-related charges	11,992	16,988	(18,292)	10,688	Share-based compensation	36,658	31,762	—	68,420			
Integration, restructuring, and other charges	719	3,071	—	3,790	Transaction and acquisition-related charges	59,619	128,234	(181,851)	6,002			
Adjusted EBITDA	\$ 46,558	\$ 38,510	\$ —	\$ 85,068	Integration, restructuring, and other charges	8,161	5,771	—	13,932			
Revenues	169,416	185,999	(279)	355,136	Adjusted EBITDA	\$ 147,198	\$ 249,302	\$ —	\$ 396,500			
Net loss margin	(1.7)%	(4.3)%	n/a	(9.5)%	Revenues	650,284	860,205	(929)	1,509,560			
Adjusted EBITDA Margin	27.5%	20.7%	n/a	24.0%	Net loss margin	(6.7)%	(12.8)%	n/a	(9.2)%			
					Adjusted EBITDA Margin	22.6%	29.0%	n/a	26.3%			

To facilitate comparability, we present pro forma combined company results, consisting of First Advantage and Sterling 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 First Advantage Constant Currency Revenues

	For the Quarter Ended
	Mar 31, 2025
(in thousands, except percentages)	Q1
Revenues, as reported (GAAP)	\$ 354,588
Pro forma foreign currency translation impact ⁽¹⁾	1,423
Pro forma constant currency revenues	\$ 356,011
Proforma constant currency revenues growth ⁽²⁾	0.2%

1. Constant currency revenue is calculated by translating current period amounts using prior-year period exchange rates.. The foreign currency translation impact of First Advantage and Sterling on a stand-alone basis was \$0.6M and \$0.8M, respectively.
2. To facilitate comparability, we present pro forma combined company results, consisting of First Advantage and Sterling 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.

Reported First Advantage Adjusted Operating Cash Flow

	For the Quarters Ended	
	Mar 31, 2024	Mar 31, 2025
	Q1	Q1
<i>(in thousands, except percentages)</i>		
Cash flows from operating activities, as reported (GAAP)	\$ 38,329	\$ 19,471
Cost paid related to the Sterling acquisition and integration	548	13,844
Adjusted Operating Cash Flow	\$ 38,877	\$ 33,315
Cash flow from operating activities Year/Year Growth		(49.2)%
Adjusted Operating Cash Flow Year/Year Growth		(14.5)%