



Sterling to Offer Market Leading Clinical Solutions Through Acquisition of Vault Workforce Screening

January 2, 2024 at 8:00 AM EST

Extensive Clinical Network and Flexible Service Model to Meet Hiring Demands in Healthcare and Other Regulated Industries

INDEPENDENCE, Ohio, Jan. 02, 2024 (GLOBE NEWSWIRE) -- Sterling Check Corp. (NASDAQ: STER) ("[Sterling](#)"), a leading global provider of background screening and identity services, today announced that it has acquired Vault Workforce Screening ("Vault"), a leading U.S. clinic management platform. The acquisition brings a network of 17,000 clinics and a flexible service model to enhance Sterling's existing drug and health services. This will enable Sterling to deliver additional market leading screening solutions for employers in healthcare, transportation, and other regulated industries where staffing challenges are most acute, decreasing time-to-hire and improving employee retention.

As part of Sterling's strategy to in-source key components of its supply chain, the acquisition of Vault will accelerate and strengthen Sterling's financial model and revenue growth. Vault's proprietary service model, including Medical Review Officer (MRO) services and emergency/after-hours scheduling, will bring increased flexibility and control over delivery of drug and clinical services. This will enhance Sterling's suite of pre- and post-employment drug and health solutions, benefiting both Sterling and Vault clients.

"The acquisition of Vault extends Sterling's drug and health testing capabilities with a broader range of clinical options, delivery channels, and service models," says Josh Peirez, Chief Executive Officer of Sterling. "This acquisition builds scale within the attractive healthcare and industrials verticals, enabling Sterling to better meet hiring demands and drive growth, consistent with our long-term strategy to expand through organic revenue growth and strategic M&A. We are also particularly pleased to acquire a strategic asset at an acquisition multiple in line with our typical tuck-in M&A range."

The acquisition is expected to contribute \$40 to 50 million of annualized revenue to Sterling and be accretive to Sterling's Adjusted EPS in 2024. Sterling expects to realize significant financial synergies related to vendor consolidation and pricing optimization, enhanced fulfillment capabilities, and operational efficiencies.

"This sale allows Vault and Sterling to combine the very best service and delivery of occupational health tests and exams with the broadest possible menu of employment screening products," said Claire Cochrane, Vault Health, Inc. Co-founder. "Sterling is a great fit for Vault as the business continues its rapid growth, offering Vault's clients the most comprehensive background and identity products and expanding Vault's service area to address an expanding global marketplace."

Vault's expert management team and employees will transition to Sterling as the integration process moves forward and build upon the company's proven model of providing deep market expertise and unrivaled client service.

About Sterling

Sterling (NASDAQ: STER) — a leading provider of background and identity services — offers background and identity verification to help over 50,000 clients create people-first cultures built on a foundation of trust and safety. Sterling's tech-enabled services help organizations across all industries establish great environments for their workers, partners, and customers. With operations around the world, Sterling conducted more than 110 million searches in the twelve months ending December 31, 2022. Visit us at www.sterlingcheck.com.

Contacts

Investors: Judah Sokel | IR@sterlingcheck.com

Media: Katelyn Brower | Katelyn.Brower@sterlingcheck.com