

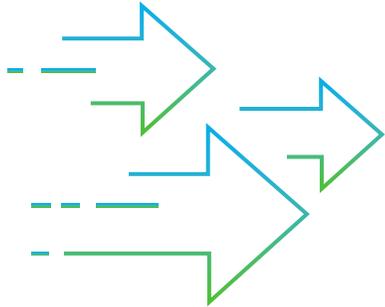


FIRST QUARTER 2023

Earnings Conference Call Presentation

May 3, 2023

FORWARD LOOKING STATEMENTS



This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are based on our current expectations, beliefs, and assumptions, and are not guarantees of future performance. Forward-looking statements are inherently subject to uncertainties, risks, changes in circumstances, trends and factors that are difficult to predict, many of which are outside of our control. Accordingly, actual performance, results and events may vary materially from those indicated in the forward-looking statements, and you should not rely on the forward-looking statements as predictions of future performance, results or events. Numerous factors could cause actual future performance, results and events to differ materially from those indicated in the forward-looking statements, including, among others: the impact of COVID-19; any issue that compromises our relationships with the U.S. federal government or its agencies or other state, local or foreign governments or agencies; any issues that damage our professional reputation; changes in governmental priorities that shift expenditures away from agencies or programs that we support; our dependence on long-term government contracts, which are subject to the government's budgetary approval process; the size of addressable markets and the amount of government spending on private contractors; failure by us or our employees to obtain and maintain necessary security clearances or certifications; failure to comply with numerous laws and regulations; changes in government procurement, contract or other practices or the adoption by governments of new laws, rules, regulations and programs in a manner adverse to us; the termination or nonrenewal of our government contracts, particularly our contracts with the U.S. government; our ability to compete effectively in the competitive bidding process and delays,

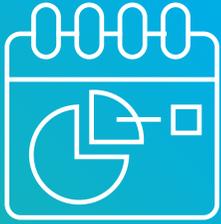
contract terminations or cancellations caused by competitors' protests of major contract awards received by us; our ability to generate revenue under certain of our contracts; any inability to attract, train or retain employees with the requisite skills, experience and security clearances; the loss of members of senior management or failure to develop new leaders; misconduct or other improper activities from our employees or subcontractors; our ability to realize the full value of our backlog and the timing of our receipt of revenue under contracts included in backlog; changes in the mix of our contracts and our ability to accurately estimate or otherwise recover expenses, time and resources for our contracts; changes in estimates used in recognizing revenue; internal system or service failures and security breaches; and inherent uncertainties and potential adverse developments in legal proceedings including litigation, audits, reviews and investigations, which may result in material adverse judgments, settlements or other unfavorable outcomes. These factors are not exhaustive and additional factors could adversely affect our business and financial performance. For a discussion of additional factors that could materially adversely affect our business and financial performance, see the factors including under the caption "Risk Factors" in our Annual Report with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the fiscal year ended December 31, 2022, on Form 10-K, filed on February 17, 2023, and our other filings with the Securities and Exchange Commission. All forward-looking statements are based on currently available information and speak only as of the date on which they are made. We assume no obligation to update any forward-looking statement made in this presentation that becomes untrue because of subsequent events, new information or otherwise, except to the extent we are required to do so in connection with our ongoing requirements under federal securities laws.



MAJOR MESSAGES

Strong First Quarter 2023 Results

- Highest quarterly revenue and organic growth in our history
- Record Q1 adjusted EBITDA and operating cash flow results
- Contract award activity increased approximately 50% year-over-year in both segments
- 10 consecutive quarters with a C.I. book-to-bill ratio of 1.0x or higher
- Three contract wins over \$100M; three additional wins over \$100M after Q1 2023 ended
- Continued strong hiring and retention
- Enhanced Parsons' Critical Infrastructure capabilities through IPKeys acquisition
- Continued recognition for ESG commitment
- Well-positioned in two growing, enduring and profitable segments
- Raised FY23 guidance ranges for revenue, adjusted EBITDA, and cash flow from operations



Q1 2023 REVENUE

\$1.2 Billion

NET INCOME

\$26 Million

ADJUSTED EBITDA

\$90 Million

CASH FLOW USED IN OPERATIONS

\$9 Million

BOOK-TO-BILL RATIO

1.2x Trailing 12-months of 1.1x

STRONG BALANCE SHEET

1.4x Net Debt Leverage Ratio

Q1 2023 KEY HIGHLIGHTS

Record start to the year

- Delivered strong results with record quarterly revenue and organic growth
- Total revenue growth of 24% year-over-year; total organic growth of 12%
- Strong revenue driven by Critical Infrastructure organic growth of 18% and Federal Solutions organic growth of 6%
- Record Q1 adjusted EBITDA of \$90M, up 22% from Q1 2022
- Record Q1 operating cash flow increased \$17M year-over-year

Continuing to win large contracts and positioned for growth

- Three contract wins over \$100M
- 1.2x book-to-bill ratio with 1.1x in Federal Solutions and 1.3x in Critical Infrastructure
- Hiring and retention momentum continued in Q1 2023
- Increased contract awards by approximately 50% in both segments
- Total backlog of \$8.4B, up \$186M from Q4 2022

Strong balance sheet

- 1.4x net debt leverage will enable Parsons to make additional organic and M&A investments to drive growth and expand margins

Increasing FY23 total revenue, adjusted EBITDA, and cash flow guidance

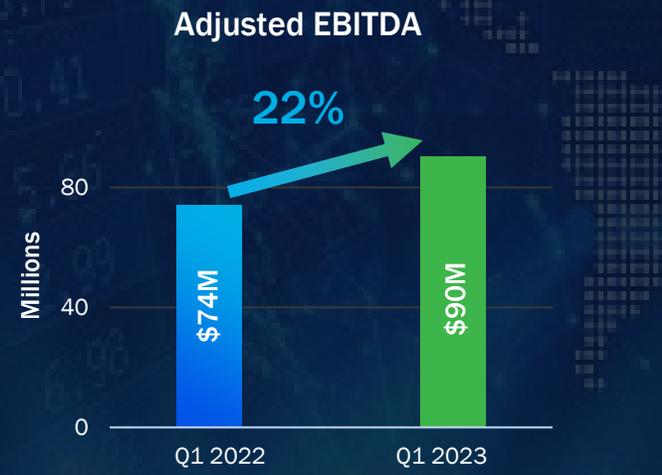


Q1 2023 FINANCIAL SUMMARY



Record quarterly revenue and organic growth; record first quarter adjusted EBITDA and strong contract award activity

- Q1 2023 total revenue of \$1,173M increased 24% year-over-year and 12% organically from Q1 2022
- Adjusted EBITDA of \$90M increased 22% from prior year period
- Contract awards increased 51% to \$1,382M
- Total backlog increased \$186M from Q4 2022 to \$8.4B
- Q1 book-to-bill ratio of 1.2x; TTM ratio of 1.1x



BUSINESS SEGMENT SUMMARY



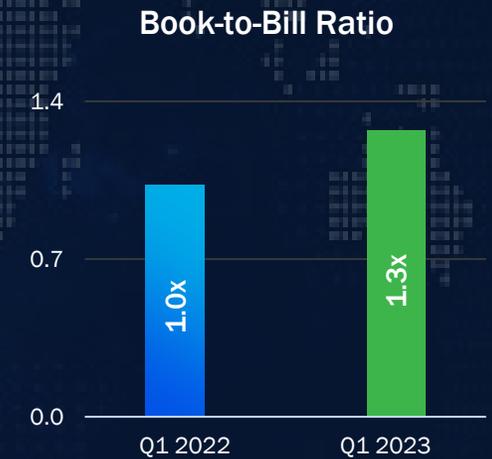
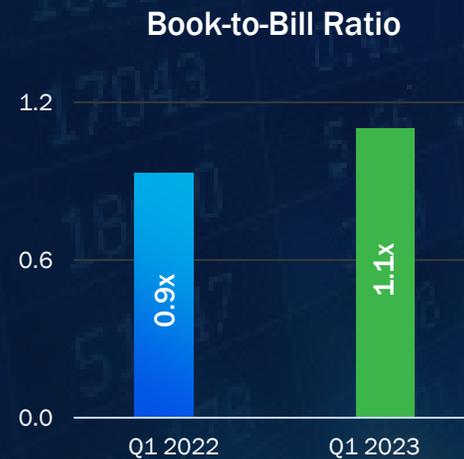
Federal Solutions

- Q1 2023 revenue increased 29% and increased 6% organically from Q1 2022
- Contract awards increased 52% year-over-year
- Book-to-bill ratio of 1.1x



Critical Infrastructure

- Q1 2023 revenue increased 18% (all organic) from Q1 2022
- New contract awards increased 49% year-over-year
- Book-to-bill ratio of 1.3x





SIGNIFICANT CONTRACT WINS – Q1 2023



Awarded
\$750M

Awarded a new three-year \$750 million State Department humanitarian support contract. Led by Xator, the \$750 million ceiling single-award contract includes a one-year base period of \$250 million and two one-year option periods valued at \$250 million each. The company booked the first year of this contract for \$250 million.



Awarded
\$214M

Received an additional \$214 million to continue overseeing the implementation of remediation projects on the Giant Mine program in Canada, which is one of the largest mine reclamation projects in the world.



Awarded
\$164M

Awarded a new \$164 million four-year contract by the Army Corps of Engineers to deliver a new Explosive Decomposition Chamber facility at Holston Army Ammunition Plant. This follows Parsons' award of the Radford Army Ammunition Plant for a new Energetic Waste Incinerator / Contaminated Waste Processor. These strategic wins are part of the Army's larger and broader 15-year and more than \$16 billion Ammunition Plant Modernization Plan to modernize the United States' depots, arsenals, and ammunition plants.



Awarded
\$94M

Awarded a \$94 million recompetete contract to provide command, control, communications, computers, and capabilities development support services to the United States Cyber Command. The period of performance is one 12-month base period with four 12-month options.



Awarded
\$75B

Awarded prime positions on several multiple-award IDIQ vehicles including a \$75 billion ceiling contract with the Department of Health and Human Services Administration for the provision and operation of Influx Care Facilities.



SIGNIFICANT CONTRACT WINS - After Q1 2023 Closed



Awarded
\$1.8B

After the first quarter closed, the company was awarded the recomplete Technical Support Services Contract 5 by the Federal Aviation Administration (FAA). The \$1.8 billion ceiling value contract will support the FAA's Aviation System Capital Investment Plan and includes a base period of four years and two three-year option periods. Parsons has been the prime contractor for this work for more than two decades and supported this critical customer for more than four decades. With the Infrastructure Investment and Jobs Act, the FAA has \$5 billion of additional funding for facilities-related work.



Awarded
\$1.2B

After the end of Q1 2023, the company was awarded a new five-year single-award contract in the federal solutions segment from the General Services Administration with a potential value of \$1.2 billion. This contract supports the Department of Defense and its strategic partners in delivering global quick reaction capabilities leveraging advanced technology solutions across the all-domain battlespace.



Awarded
>\$100M

After the first quarter closed, the company was awarded a new four year single-award contract for a transportation project valued at more than \$100 million.

ESG Highlights



Named One of the World's Most Ethical Companies for 14 Consecutive Years

Named by Ethisphere as one of the 2023 World's Most Ethical Companies. The company has been honored with this recognition for 14 consecutive years.



Top 50 Employer by Minority Engineer Magazine

Recognized as a top 50 employer by Minority Engineer Magazine. This publication selects the top companies in the country for which they would most like to work or whom they believe would provide a positive working environment for engineers who are members of minority groups.



Named Large Company of the Year for Diversity, Equity, and Inclusion

Recognized by the Los Angeles Business Journal as the Diversity, Equity, and Inclusion Large Company of the Year.



Recognized for Attracting, Hiring, and Promoting Growth Opportunities for Minorities

Recognized by The American Council of Engineering Companies of New York for our initiatives that attract, hire, and promote personal and professional growth opportunities for women, people of color, LGBTQ+ persons and other underrepresented people in the engineering industry in New York.



FISCAL YEAR 2023 GUIDANCE: INCREASING ALL GUIDANCE RANGES

	Current FY23 Guidance	Prior FY23 Guidance	FY23 Y/Y Growth at Mid-Point
Total Revenue	\$4.5 - \$4.7B	\$4.375 - \$4.575B	+10% (+5% organic)
Adjusted EBITDA	\$375 - \$415M	\$365 - \$405M	+12%
Cash Flow from Operations	\$275 - \$335M	\$270 - \$330M	+28%

Net income guidance is not presented as the company believes volatility associated with interest, taxes, depreciation, amortization and other matters affecting net income, including but not limited to one-time and nonrecurring events and impact of M&A, will preclude the company from providing accurate net income guidance for fiscal year 2023.



FISCAL YEAR 2023 GUIDANCE ASSUMPTIONS

- ~ 54% of total revenue to be generated from Federal Solutions segment at the mid-point
- Adjusted EBITDA margin of ~ 8.6% at the mid-point of the revenue guidance, up 20bps from 2022
- Net interest expense of ~ \$25-\$26M
- GAAP effective tax rate of ~ 25.5%
- Adjusted net income diluted share count of ~ 106M shares, GAAP net income diluted shares of ~ 115M with convertible note; includes share repurchases of ~ \$20M
- Capital expenditures ~ 1% of total revenue
- Equity-based compensation expenses of ~ \$30M
- Depreciation and amortization expenses of ~ \$114M, which includes ~ \$70M of acquisition-related amortization
- FY23 guidance includes ~ \$10M of transaction and other expenses from prior acquisitions, but does not include future acquisitions
- **Patterns:**
 - Revenue: expect Q2 to be up ~ 10% from Q2 2022. We expect sequential improvement in Q3 and then down sequentially in Q4, in-line with guidance mid-point
 - Adjusted EBITDA \$: expect Q2 2023 to be up ~ 20% from Q2 2022. We expect sequential improvement in Q3 and then down sequentially in Q4, in-line with guidance mid-point
 - Operating Cash Flow: expect Q2 2023 to be up ~ 20% from Q2 2022. We expect sequential improvements throughout the balance of the year



APPENDIX: SUPPLEMENTAL MATERIALS



ADJUSTED EBITDA RECONCILIATION

PARSONS CORPORATION

Non-GAAP Financial Information Reconciliation of Net Income to Adjusted EBITDA

(in thousands)

	Three Months Ended	
	March 31, 2023	March 31, 2022
Net income attributable to Parsons Corporation	\$25,553	\$20,667
Interest expense, net	5,665	3,873
Income tax provision (benefit)	11,503	8,119
Depreciation and amortization (a)	28,359	30,509
Net income attributable to noncontrolling interests	9,723	3,176
Equity-based compensation	6,703	3,898
Transaction-related costs (b)	1,618	2,398
Restructuring (c)	546	213
Other (d)	721	1,395
Adjusted EBITDA	\$90,391	\$74,248

(a) Depreciation and amortization for the three months ended March 31, 2023, is \$24.0 million in the Federal Solutions Segment and \$4.4 million in the Critical Infrastructure Segment. Depreciation and amortization for the three months ended March 31, 2022, is \$26.2 million in the Federal Solutions Segment and \$4.3 million in the Critical Infrastructure Segment.

(b) Reflects costs incurred in connection with acquisitions and other non-recurring transaction costs, primarily fees paid for professional services and employee retention.

(c) Reflects costs associated with and related to our corporate restructuring initiatives.

(d) Includes a combination of gain/loss related to sale of fixed assets, software implementation costs, and other individually insignificant items that are non-recurring in nature.



ADJUSTED EBITDA ATTRIBUTABLE TO NCI

PARSONS CORPORATION

Non-GAAP Financial Information

Computation of Adjusted EBITDA Attributable to Noncontrolling Interests

(in thousands)

	Three Months Ended	
	March 31, 2023	March 31, 2022
Federal Solutions Adjusted EBITDA attributable to Parsons Corporation	\$56,148	\$42,638
Federal Solutions Adjusted EBITDA attributable to noncontrolling interests	85	117
Federal Solutions Adjusted EBITDA including noncontrolling interests	\$56,233	\$42,755
Critical Infrastructure Adjusted EBITDA attributable to Parsons Corporation	24,357	28,315
Critical Infrastructure Adjusted EBITDA attributable to noncontrolling interests	9,801	3,178
Critical Infrastructure Adjusted EBITDA including noncontrolling interests	\$34,158	\$31,493
Total Adjusted EBITDA including noncontrolling interests	\$90,391	\$74,248



ADJUSTED NET INCOME ATTRIBUTABLE TO PARSONS

PARSONS CORPORATION

Non-GAAP Financial Information

Reconciliation of Net Income Attributable to Parsons Corporation to Adjusted

Net Income Attributable to Parsons Corporation

(in thousands, except per share information)

	Three Months Ended	
	March 31, 2023	March 31, 2022
Net income attributable to Parsons Corporation	\$25,553	\$20,667
Acquisition related intangible asset amortization	18,009	20,090
Equity-based compensation	6,703	3,898
Transaction-related costs (a)	1,618	2,398
Restructuring (b)	546	213
Other (c)	721	1,395
Tax effect on adjustments	(7,349)	(6,672)
Adjusted net income attributable to Parsons Corporation	45,801	41,989
Adjusted earnings per share:		
Weighted-average number of basic shares outstanding	104,805	103,769
Weighted-average number of diluted shares outstanding (d)	105,837	104,548
Adjusted net income attributable to Parsons Corporation per basic share	\$0.44	\$0.40
Adjusted net income attributable to Parsons Corporation per diluted share	\$0.43	\$0.40

(a) Reflects costs incurred in connection with acquisitions and other non-recurring transaction costs, primarily fees paid for professional services and employee retention.

(b) Reflects costs associated with and related to our corporate restructuring initiatives.

(c) Includes a combination of gain/loss related to sale of fixed assets, software implementation costs, and other individually insignificant items that are non-recurring in nature.

(d) Excludes dilutive effect of convertible senior notes due to bond hedge.