

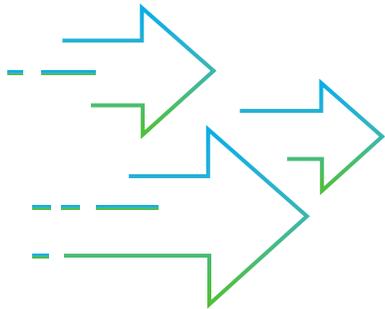


THIRD QUARTER 2023

Earnings Conference Call Presentation

November 1, 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

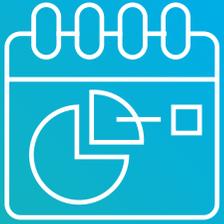
terminations or cancellations caused by competitors' protests of major contract awards received by us; our ability to generate revenue under certain of our contracts; any inability to attract, train or retain employees with the requisite skills, experience and security clearances; the loss of members 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 Third Quarter 2023 Results

- Delivered another record quarter with all-time highs for revenue, organic revenue growth, and cash flow from operations
- Record organic growth of 23%, including organic growth of over 20% in both segments for the second consecutive quarter
- Net income of \$47 million; adjusted EBITDA of \$128 million, and cash flow of \$204 million
- Four contract wins over \$100M; 13 year-to-date compared to a total of 11 contracts for the full year 2022, which was a record
- Trailing 12-month book-to-bill ratio of 1.2x on contract awards growth of 47%
- 12 consecutive quarters with a Critical Infrastructure book-to-bill ratio of 1.0x or higher
- Capitalizing on unprecedented global infrastructure spending and the increasing demand for national security solutions
- Raised FY23 guidance ranges for revenue, adjusted EBITDA, and cash flow from operations



Q3 2023 REVENUE

\$1.4 Billion

NET INCOME

\$47 Million

ADJUSTED EBITDA

\$128 Million

CASH FLOW FROM OPERATIONS

\$204 Million

BOOK-TO-BILL RATIO

1.0x Trailing 12-months of 1.2x

STRONG BALANCE SHEET

1.4x Net Debt Leverage Ratio

Q3 2023 KEY HIGHLIGHTS

Record third quarter

- Total revenue growth of 25% year-over-year; total organic growth of 23%
- Strong revenue driven by Critical Infrastructure organic growth of 24% and Federal Solutions organic growth of 23%
- Q3 2023 adjusted EBITDA of \$128M, up 24% from Q3 2022
- Total backlog of \$8.8 billion, up \$587 million, or 7%, from Q3 2022

Continuing to win large contracts and positioned for growth

- Trialing 12-month book-to-bill ratios: 1.2x for Parsons; 1.1x in Federal Solutions and 1.2x in Critical Infrastructure
- Contract awards increase 14% over Q3 2022 and up 47% on a TTM basis
- Four contract wins over \$100M in the quarter

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

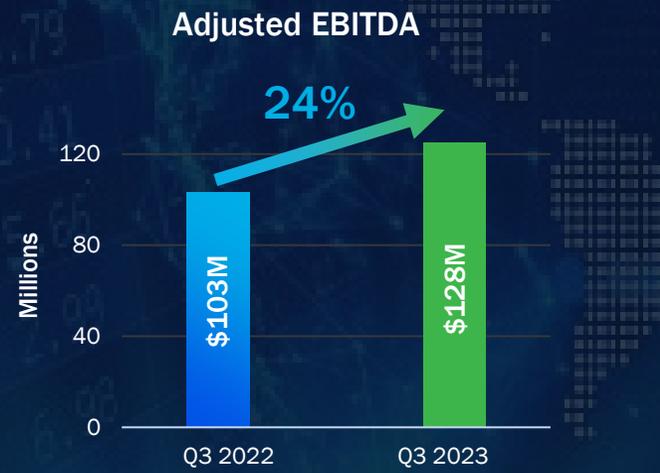


Q3 2023 FINANCIAL SUMMARY



Record revenue, organic growth, adjusted EBITDA, and cash flow from operations

- Q3 2023 total revenue of \$1.4B increased 25% year-over-year
- Organic revenue growth of 23% year-over-year
- Adjusted EBITDA of \$128M increased 24% from prior year period
- Contract awards increased 14% to \$1.4B
- Total backlog increased \$587M to \$8.8B from Q3 2022
- Q3 book-to-bill ratio of 1.0x; TTM ratio of 1.2x



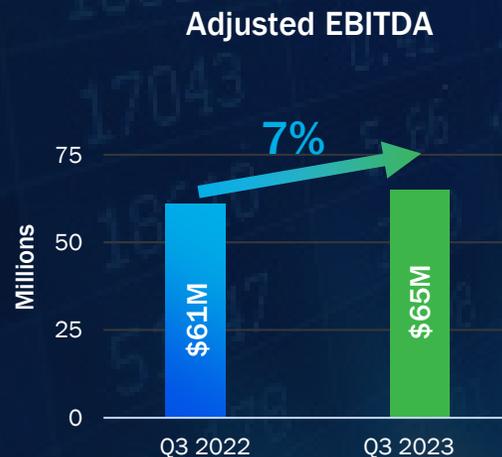


BUSINESS SEGMENT SUMMARY



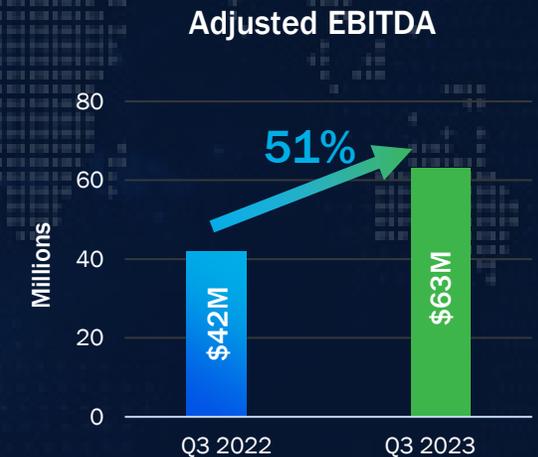
Federal Solutions

- Q3 2023 revenue increased 26% and increased 23% organically from Q3 2022
- Adjusted EBITDA increased 7% to \$65M
- Contract awards increased 12% year-over-year
- Q3 Book-to-bill ratio of 1.0x; TTM ratio of 1.1x



Critical Infrastructure

- Q3 2023 revenue increased 24% and increased 24% organically from Q3 2022
- Adjusted EBITDA increased 51% to \$63M
- Contract awards increased 17% year-over-year
- Q3 Book-to-bill ratio of 1.1x; TTM ratio of 1.2x





SIGNIFICANT CONTRACT WINS – Q3 2023



Awarded
\$160M

Awarded a \$160 million contract by the Intelligence Community to develop hardware and software solutions that enable intelligence operations. This classified contract includes a one-year base period plus six one-year option periods and represents both new and re-compete work with a customer that Parsons has supported for over two decades. The company booked \$70 million on this contract in the third quarter.



Awarded
\$150M

Awarded a seven-year, \$150 million contract by the Southern Nevada Water Authority to enhance system reliability, increase water use efficiency, and improve community health. This contract represents both new and re-compete scope, and the company booked \$47 million on this contract in the third quarter. Parsons is proud to have supported this critical customer for the past 30 years on more than 120 major projects.



Awarded
\$130M

Awarded a five-year contract with an estimated value of \$130 million on the NASA Repairs, Operations, Maintenance, and Engineering contract. As a subcontractor to a small business, Parsons will provide facilities construction management and engineering and technical services. This contract represents both new and re-compete scope, and the company plans to book approximately \$30 million on this contract in Q4 2023.



Awarded
\$100M+

Awarded additional scope of over \$100 million for development of NEOM's THE LINE, an infrastructure project in the Kingdom of Saudi Arabia. Parsons is proud to be supporting this giga-project which is a first-of-a-kind linear smart city driven by 100% renewable energy. Parsons is contributing on all five of Saudi Arabia's giga-projects. The company booked the entire amount of this contract in the third quarter.



Awarded
\$70M+

Awarded two new contracts in the Indo-Pacific region totaling over \$70 million supporting the United States Army Corps of Engineers. Awarded a new three-year, \$44 million contract to provide the design-build of U.S. Army housing on Kwajalein Island. Also awarded a new task order for \$27 million over five years to assess munitions, explosives, and material for hazardous removal and provide construction management for the Missile Defense Agency facilities on Guam. The company booked \$54 million in total under these two contracts in the third quarter.

Additional Corporate Highlights



Acquired Sealing Technologies For Approximately \$200M

SealingTech expands Parsons' customer base across the Department of Defense and Intelligence Community, and further enhances the company's capabilities in defensive cyber operations; integrated mission-solutions powered by artificial intelligence and machine learning; edge computing and edge access modernization; critical infrastructure protection; and secure data management.

Acquired Full-Service Consulting Firm - I.S. Engineers

Parsons acquired Texas-based full-service consulting engineering firm I.S. Engineers for \$11.5 million, which specializes in transportation engineering, including roads and highways, and program management. This acquisition is consistent with Parsons' strategy of completing accretive acquisitions of companies with revenue growth and adjusted EBITDA margins exceeding 10%, while adding critical infrastructure talent and bolstering the company's portfolio in large and growing states. Texas is poised to receive nearly \$30B in total transportation funding from IIJA between 2022 and 2026.



Top National Employer by STEM Workforce Diversity Magazine

Recognized by STEM Workforce Diversity magazine for the eighth consecutive year as a top national STEM employer for minority groups, women, and people with disabilities working in science, technology, engineering, and math.



Recognized for Commitment to Recruiting, Hiring, and Supporting Veterans

Named to the "Best of the Best 2023 - Top Veteran-Friendly Companies" list by the U.S. Veterans Magazine. This award recognizes the top U.S. companies that are recruiting and providing a rewarding work culture for veterans, transitioning service members, disabled veterans and military spouses. This recognition is the latest in a string of accolades recognizing the company's efforts for being a veteran-friendly company.



Top Three Company in Four Categories by Engineering News-Record (ENR)

Recognized by Engineering News-Record as one of the top three global companies in 2023 in four categories: Professional Services, Program Management, Construction Management and Program/Construction Management for-fee. These rankings reflect our worldwide reputation and ability to successfully win and perform infrastructure programs.





FISCAL YEAR 2023 GUIDANCE: INCREASING ALL GUIDANCE RANGES

	Current FY23 Guidance	Prior FY23 Guidance	FY23 Y/Y Growth at Mid-Point
Total Revenue	\$5.175 - \$5.325B	\$4.85 - \$5.05B	+25% (+19% organic)
Adjusted EBITDA	\$440 - \$460M	\$410 - \$440M	+28%
Cash Flow from Operations	\$300 - \$340M	\$280 - \$340M	+35%

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 the impact of M&A, will preclude the company from providing, with reasonable certainty, net income guidance for fiscal year 2023.



FISCAL YEAR 2023 GUIDANCE ASSUMPTIONS

- ~ 55% 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 ~ \$30M
- GAAP effective tax rate of ~ 22%
- Adjusted net income diluted share count of ~ 106M shares, GAAP net income diluted shares of ~ 115M with convertible note
- Capital expenditures ~ 1% of total revenue
- Equity-based compensation expenses of ~ \$34M
- Depreciation and amortization expenses of ~ \$117M, which includes ~ \$73M of acquisition-related amortization
- FY23 guidance includes ~ \$15M of transaction and other expenses from prior acquisitions, but does not include future acquisitions
- **Patterns:**
 - Revenue: expect Q4 to be up ~ 18% from Q4 2022
 - Adjusted EBITDA \$: expect Q4 to be up ~ 15% from Q4 2022
 - Operating Cash Flow: expect Q4 to be up ~ 15% from Q4 2022



APPENDIX: SUPPLEMENTAL MATERIALS

ADJUSTED EBITDA RECONCILIATION

PARSONS CORPORATION

Non-GAAP Financial Information

Reconciliation of Net Income to Adjusted EBITDA

(in thousands)

	Three Months Ended		Nine Months Ended	
	Sept 30, 2023	Sept 30, 2022	Sept 30, 2023	Sept 30, 2022
Net income attributable to Parsons Corporation	\$47,447	\$29,571	\$116,241	\$68,533
Interest expense, net	8,120	5,941	20,778	14,168
Income tax provision (benefit)	15,218	13,792	41,944	27,643
Depreciation and amortization (a)	30,154	29,578	87,202	90,668
Net income attributable to noncontrolling interests	12,364	14,024	33,617	21,685
Equity-based compensation	9,075	7,125	25,092	15,814
Transaction-related costs (b)	5,493	2,563	9,028	14,486
Restructuring (c)	-	-	546	213
Other (d)	(38)	93	2,082	1,139
Adjusted EBITDA	\$127,833	\$102,687	\$336,530	\$254,349

(a) Depreciation and amortization for the three and nine months ended September 30, 2023, is \$25.0 million and \$73.4 million, respectively, in the Federal Solutions Segment and \$5.2 million and \$13.8 million, respectively, in the Critical Infrastructure Segment. Depreciation and amortization for the three and nine months ended September 30, 2022, is \$25.3 million and \$77.4 million, respectively, in the Federal Solutions Segment and \$4.3 million and \$13.3 million, respectively, 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		Nine Months Ended	
	Sept 30, 2023	Sept 30, 2022	Sept 30, 2023	Sept 30, 2022
Federal Solutions Adjusted EBITDA attributable to Parsons Corporation	\$65,039	\$61,004	\$206,827	\$151,287
Federal Solutions Adjusted EBITDA attributable to noncontrolling interests	89	107	259	273
Federal Solutions Adjusted EBITDA including noncontrolling interests	\$65,128	\$61,111	\$207,086	\$151,560
Critical Infrastructure Adjusted EBITDA attributable to Parsons Corporation	50,188	27,545	95,481	81,020
Critical Infrastructure Adjusted EBITDA attributable to noncontrolling interests	12,517	14,031	33,963	21,769
Critical Infrastructure Adjusted EBITDA including noncontrolling interests	\$62,705	\$41,576	\$129,444	\$102,789
Total Adjusted EBITDA including noncontrolling interests	\$127,833	\$102,687	\$336,530	\$254,349



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		Nine Months Ended	
	Sept 30, 2023	Sept 30, 2022	Sept 30, 2023	Sept 30, 2022
Net income attributable to Parsons Corporation	\$47,447	\$29,571	\$116,241	\$68,533
Acquisition related intangible asset amortization	18,800	19,071	54,926	58,875
Equity-based compensation	9,075	7,125	25,092	15,814
Transaction-related costs (a)	5,493	2,563	9,028	14,486
Restructuring (b)	-	-	546	213
Other (c)	(38)	93	2,082	1,139
Tax effect on adjustments	(7,883)	(8,361)	(22,958)	(23,887)
Adjusted net income attributable to Parsons Corporation	72,894	50,062	184,957	135,173
Adjusted earnings per share:				
Weighted-average number of basic shares outstanding	104,971	103,608	104,894	103,684
Weighted-average number of diluted shares outstanding (d)	106,149	104,526	105,915	104,431
Adjusted net income attributable to Parsons Corporation per basic share	\$0.69	\$0.48	\$1.76	\$1.30
Adjusted net income attributable to Parsons Corporation per diluted share	\$0.69	\$0.48	\$1.75	\$1.29

(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.