

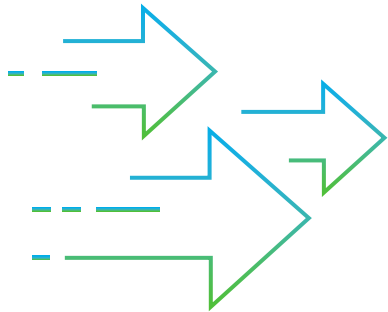


FOURTH QUARTER AND FISCAL YEAR 2024

Earnings Conference Call Presentation

February 19, 2025

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, 2024, on Form 10-K, filed on February 19, 2025, 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 execution driving consistent results

Record Q4 and FY24 results since Parsons' IPO: total revenue, net income, adjusted EBITDA, and contract awards. For FY24, also achieved record adjusted EBITDA margin and operating cash flow.

- Delivered record revenue for Q4 and fiscal year 2024: \$1.7B for Q4 and \$6.8B for FY24
 - Q4 total revenue growth of 16% and organic growth of 14%
 - FY24 total revenue growth of 24% and organic growth of 22%
 - Eight consecutive quarters of double-digit organic revenue growth
 - Organic revenue growth of more than 20% and adjusted EBITDA growth of more than 30% for second consecutive year
 - Disciplined and accretive growth drove adjusted EBITDA margin expansion of 50 bps in 2024
- Record operating cash flow of \$524M in FY24 (+28% y/y); Free Cash Flow conversion rate of 116%
- Record contract awards: \$1.7B for Q4 (+34% y/y) and \$7.0B for FY24 (+17% y/y)
- Disciplined M&A strategy continues - closed two strategic acquisitions in FY24; one after Q4 2024 ended
- Portfolio aligned to unprecedented global infra. spend and new Administration's national security priorities

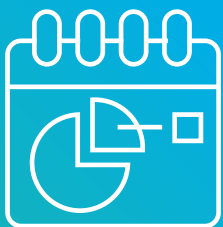


2024 FINANCIAL PERFORMANCE

Exceptional growth for all three financial guidance metrics

	2024 Guidance Mid-point*	2024 Actuals	Highlights
Total Revenue	\$6.700B	\$6.751B	24% total revenue growth and organic growth of 22% over FY23
Adjusted EBITDA	\$605M	\$605M	30% increase over the prior year
Cash Flow from Operations	\$445M	\$524M	28% increase over FY23

*FY24 guidance as of October 30, 2024. FY24 guidance increased on May 1st, July 31, and October 30, 2024.



Q4 2024 REVENUE

\$1.7 Billion

NET INCOME

\$54 Million

ADJUSTED EBITDA

\$147 Million

CASH FLOW FROM OPERATIONS

\$127 Million

BOOK-TO-BILL RATIO

1.0x Trailing 12-months of 1.0x

STRONG BALANCE SHEET

Net Debt Leverage Ratio 1.3x

Q4 2024 KEY HIGHLIGHTS

Record finish to the year

- Q4 2024 revenue growth of 16% over Q4 2023 with 14% organic growth
- Record net income increased 21% to \$54M year-over-year
- Record adjusted EBITDA increased 14% to \$147M

Continuing to win large contracts and positioned for growth

- Record contract awards increased 34% to \$1.7B
- Six contract wins over \$100M in Q4 bringing the total wins >\$100M to 15 for FY24, matching the company's quarterly and annual records from 2023
- Total backlog of \$8.9B increased 4% year-over-year
- More than \$12B worth of contract wins that have not yet been booked into backlog
- Quarterly and trailing 12-month book-to-bill ratios of 1.0x; TTM B2B \geq 1.0x since IPO

Leveraging strong balance sheet to continue accretive acquisitions

- Net debt leverage ratio of 1.3x will enable Parsons to continue to make internal investments and accretive acquisitions to drive additional growth
- Strong Q4 cash flow of \$127M with 108% free cash flow conversion of adj. net income
- Closed strategic acquisition of BCC that increases Parsons' position as an infrastructure leader while expanding its reach in the Southeastern United States

Establishing fiscal year 2025 guidance and reiterating long-term growth targets



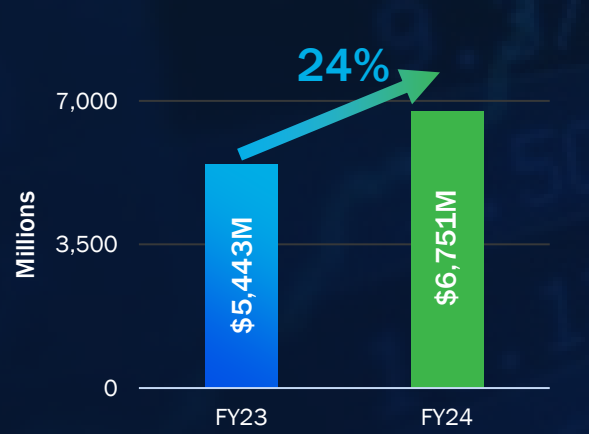
FY24 FINANCIAL SUMMARY



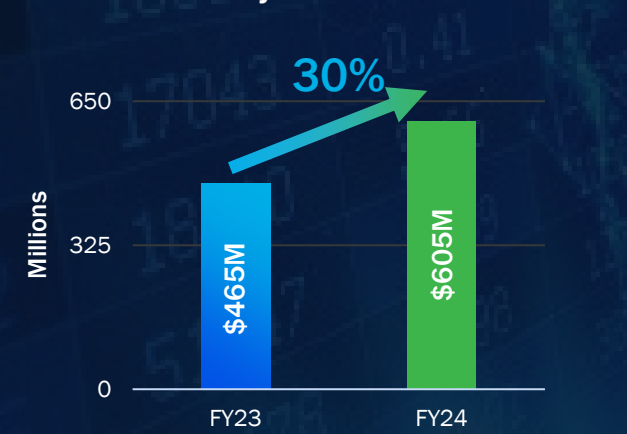
Record total revenue, net income, adjusted EBITDA, adjusted EBITDA margin, operating cash flow, and contract awards

- FY24 total revenue of \$6,751M increased 24% and 22% organically from FY23
- Adjusted EBITDA of \$605M increased 30% from prior year; adjusted EBITDA margin increased 50 bps to 9.0%
- Cash flow from operations of \$524M increased 28% from FY23
- Contract awards of \$7,039M increased 17% from FY23

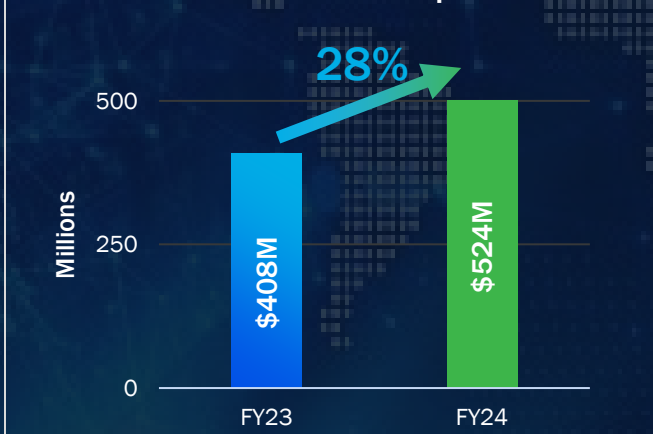
Total Revenue



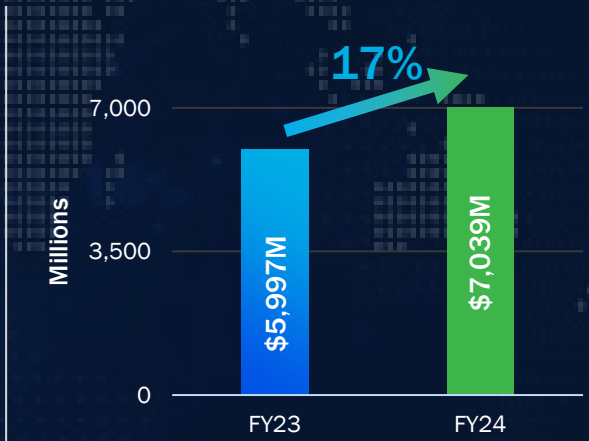
Adjusted EBITDA



Cash Flow from Operations



Contract Awards



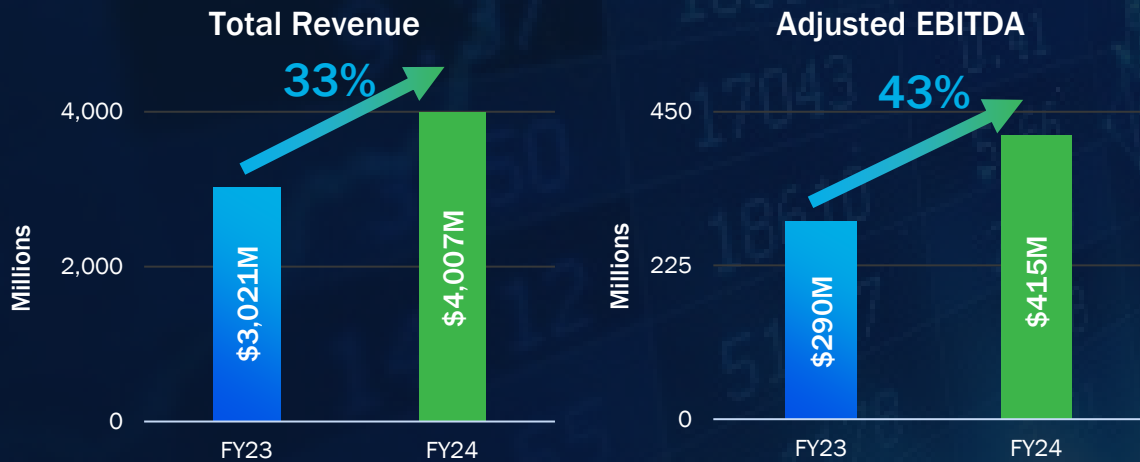


FY24 BUSINESS SEGMENT SUMMARY



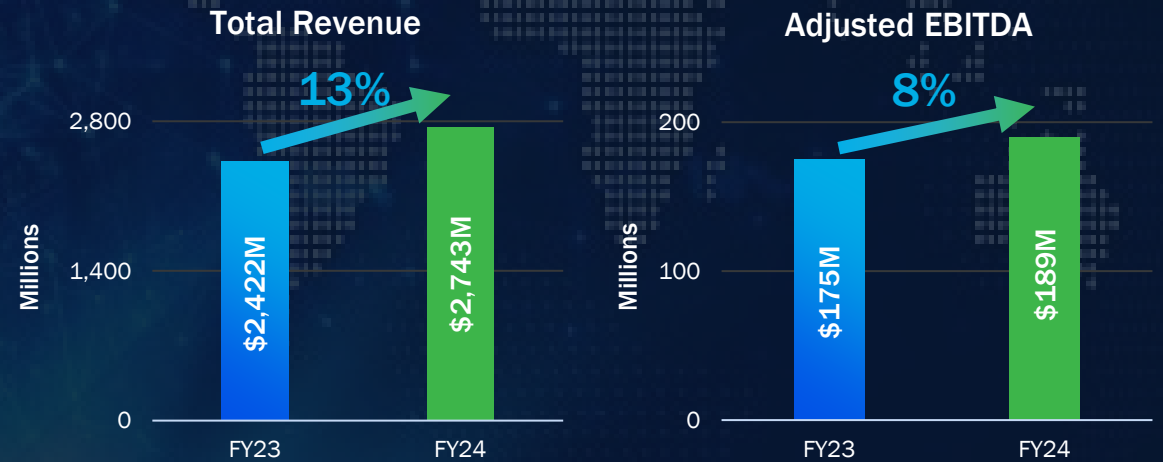
Federal Solutions

- FY24 revenue of \$4,007M increased 33% and 30% organically from FY23
- Adjusted EBITDA of \$415M increased 43% from prior year period
- Contract awards of \$3,880M increased 19% from FY23, 1.0x TTM book-to-bill ratio in FY24



Critical Infrastructure

- FY24 revenue of \$2,743M increased 13% and 12% organically from FY23
- Adjusted EBITDA of \$189M increased 8% from prior year period
- Contract awards of \$3,159M, increased 15% from FY23, 1.2x TTM book-to-bill ratio in FY24





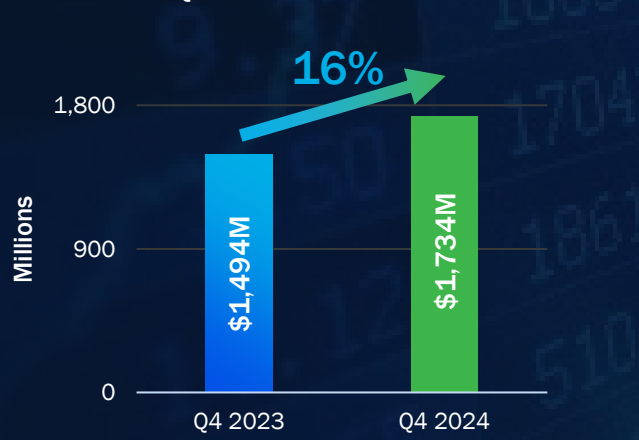
Q4 2024 FINANCIAL SUMMARY



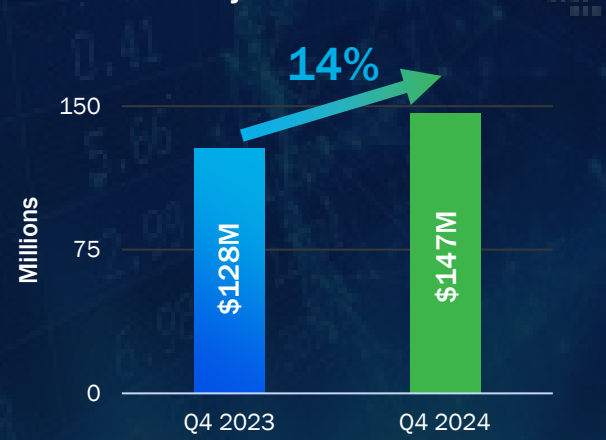
Record quarterly total revenue, net income, adjusted EBITDA, and contract awards

- Q4 2024 total revenue of \$1,734M increased 16% and 14% organically from Q4 2023
- Adjusted EBITDA of \$147M increased 14% from prior year period
- Contract awards increased 34% from Q4 2023 to \$1,672M
- Q4 2024 and TTM book-to-bill ratio of 1.0x

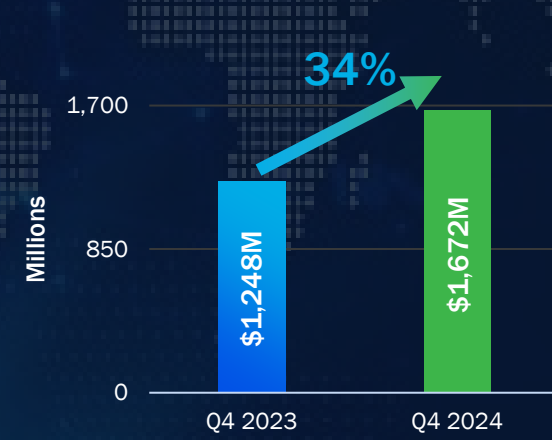
Q4 2024 Total Revenue



Adjusted EBITDA



Contract Awards



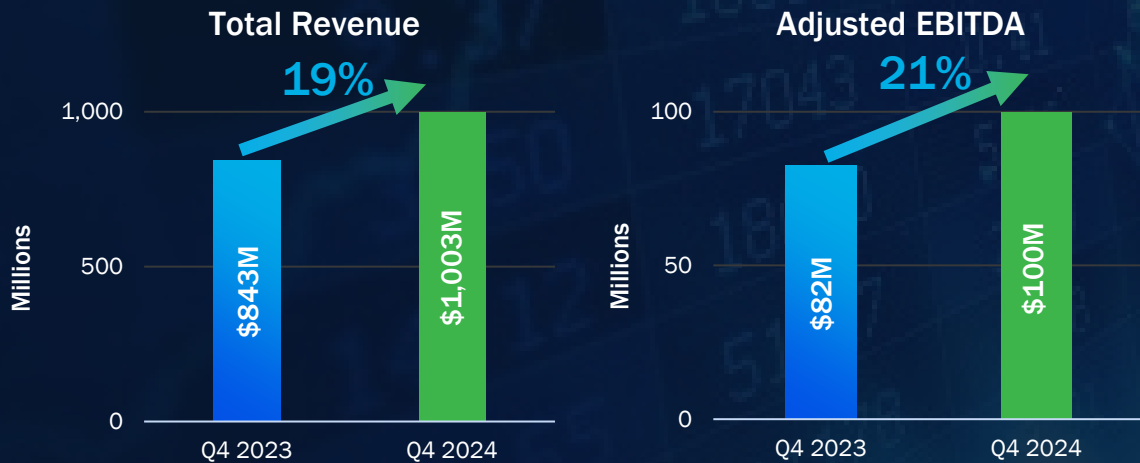


Q4 2024 BUSINESS SEGMENT SUMMARY



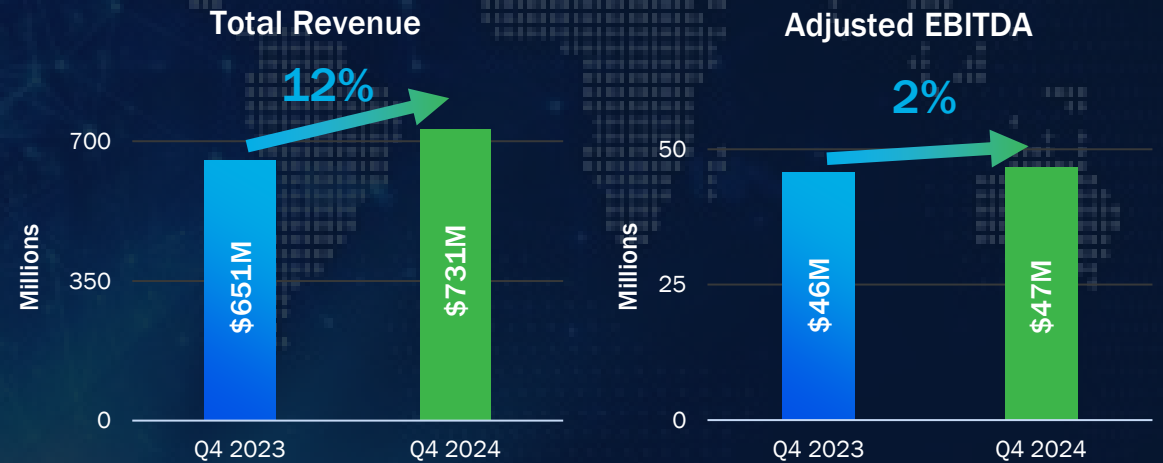
Federal Solutions

- Q4 2024 revenue increased 19% and 17% organically from Q4 2023
- Adjusted EBITDA of \$100M increased 21% from prior year period
- Contract awards grew 26% year-over-year



Critical Infrastructure

- Q4 2024 revenue increased 12% and 9% organically from Q4 2023
- Adjusted EBITDA of \$47M increased 2% from prior year period
- Contract awards grew 41% year-over-year



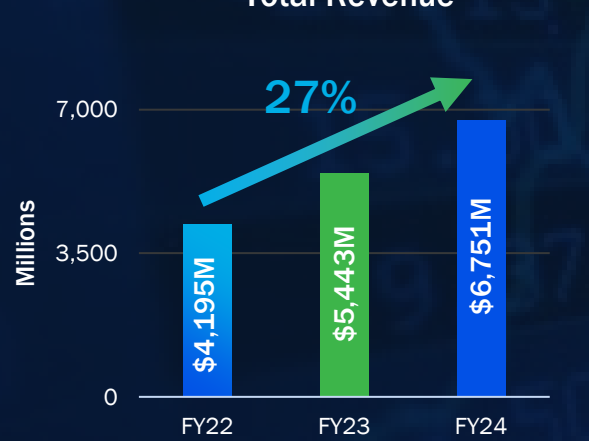


DELIVERING CONSISTENT GROWTH

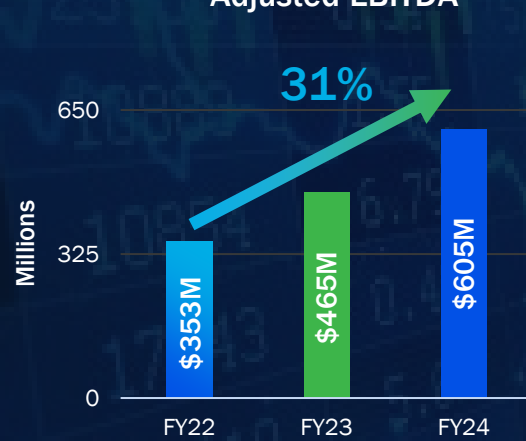


Delivered organic revenue growth of more than 20% and adjusted EBITDA growth of more than 30% for the second consecutive year

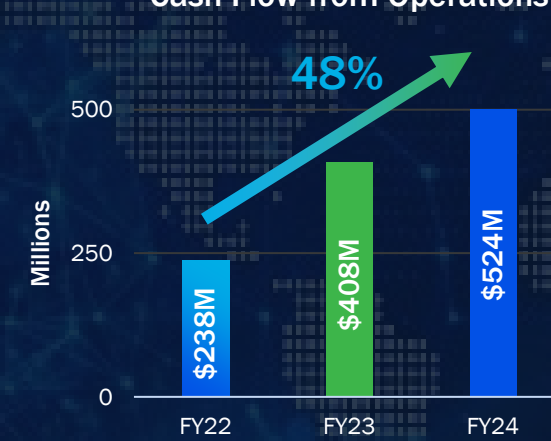
Total Revenue



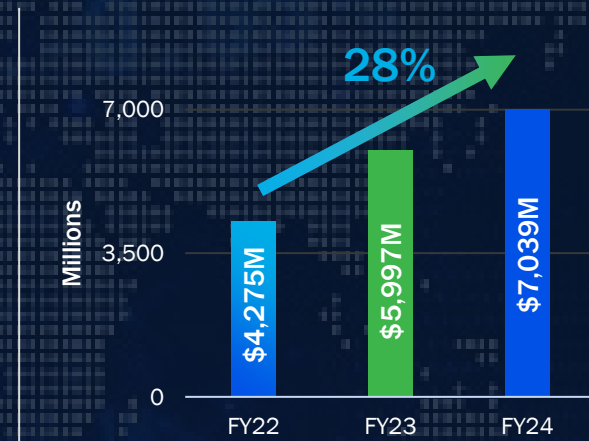
Adjusted EBITDA



Cash Flow from Operations



Contract Awards





SIGNIFICANT CONTRACT WINS



Awarded
\$275M+

Awarded two new, three-year contracts in Saudi Arabia totaling over \$275 million. The company booked the first option period on both awards in the fourth quarter of 2024.



Awarded
\$242M

Booked a portion of an option year contract with a confidential customer for \$242 million.



Project Value
\$1.2B

Awarded a new lead design contract for the Newark AirTrain Replacement Program – Guideway and Stations project. The company is a subcontractor on the \$1.2 billion project. As the lead designer, Parsons will be responsible for designing 2.5 miles of elevated guideway, along with three new stations.



Awarded
\$122M

Awarded an option period totaling \$122 million by the Department of State. On this contract, Parsons installs integrated security systems for 270 US overseas diplomatic missions. This work also includes Counter-Unmanned Aircraft Systems, biometrics, emergency alarms, mass notification systems, and alarm annunciation systems. The company booked \$84 million on this contract in the fourth quarter of 2024.



SIGNIFICANT CONTRACT WINS (CONTINUED)



Awarded
\$104M

Awarded an option year totaling \$104 million on the company's General Services Administration C5ISR, exercise, operations, and information services contract. On this program, Parsons designs, develops, trains and deploys scalable machine learning solutions to extract actionable intelligence from vast amounts of data and delivers it to Intelligence analysts and warfighters.



Awarded
\$96M

Awarded a two-year, follow-on cybersecurity contract valued at \$96 million. On this contract, Parsons provides a wide range of services focused on identifying, mitigating, and reducing cyber risks to ensure mission resilience and operational readiness. The company booked \$78 million on this contract in the fourth quarter of 2024.



Awarded
\$200M+

After the fourth quarter of 2024 ended, the company was also awarded a follow-on project and construction management contract in Dubai valued at over \$200 million. This win highlights the strength of Parsons' entire Middle East portfolio and the acceleration in its UAE business.



Awarded
\$125M

After the fourth quarter of 2024 ended, the company was awarded an additional \$125 million ceiling value modification that was added to Parsons cyber threat hunt forward program which came through the company's Sealing Tech acquisition.

ADDITIONAL CORPORATE HIGHLIGHTS



Acquired BCC Engineering for Approximately \$230M

During the fourth quarter, the company announced and closed its acquisition of BCC Engineering in an all-cash transaction valued at \$230 million. BCC is a full-service engineering firm that provides planning, design, and management services for transportation, civil, and structural engineering projects in Florida, Georgia, Texas, South Carolina and Puerto Rico. This acquisition strengthens Parsons' position as an infrastructure leader while expanding the company's reach in the Southeastern United States, an area where the Infrastructure Investment and Jobs Act provided approximately \$100 billion in Federal Highway Administration formula dollars for fiscal years 2022-2026.



Acquired TRS Group for Approximately \$36M

After the fourth quarter ended, Parsons announced and closed its acquisition of TRS Group, an environmental solutions firm that specializes in remediation technology, in an all-cash transaction valued at \$36 million. TRS is an industry leader in PFAS, thermal, and holistic environmental remediation, having cleaned hazardous and toxic substances from soil, groundwater, and fire suppression systems for global clients. This transaction benefits both Parsons' Federal Solutions and Critical Infrastructure segments.



Honored as Contractor of the Year

Recognized as "Contractor of the Year" at the 22nd Annual Greater Washington Government Contractor Awards, where the company won the "Contractor of the Year, greater than \$300 million" category. The annual event, presented by the Northern Virginia Chamber of Commerce and the Professional Services Council, is the premier event honoring the leadership, innovation, and commitment to excellence of the people and businesses of the government contracting community.



Named the 8th Most Trusted Company in America 2025

Named the 8th Most Trusted Company in America 2025 according to Forbes' listing of the Most Trusted Companies in America. Forbes' list combines data on a wide range of factors across four categories: employee trust, customer trust, investor trust, and media sentiment.



2024 Best Project Award in the Road/Highway Category

Parsons Kicking Horse Canyon Phase 4 project was awarded the prestigious 2024 Best Project Award in the Road/Highway category by Engineering News-Record. The project's design incorporated state-of-the-art technologies and used innovative methods such as accelerated bridge construction and viaducts to navigate difficult conditions, ensuring minimal disruption and efficient progress despite identified challenges. This award recognizes the project's outstanding engineering, innovative design, and exceptional teamwork.

FISCAL YEAR 2025 GUIDANCE

	2024 Actuals	2025 Guidance	Growth at Mid-Point
Total Revenue	\$6.8B	\$7.0 - \$7.5B	+7% (5% organic)
Adjusted EBITDA	\$605M	\$640 - \$710M	+12% (30 bps)
Cash Flow from Operations	\$524M	\$420 - \$480M	-14%*

*2025 free cash flow conversion is expected to be approximately 86% of adjusted net income

Top Line Drivers

- \$8.9B of total backlog (66% funded)
- Both segments poised for increased spending
- Hiring and retention momentum
- Low re-compete risk (less than 5%)
- Strong contract win rates
- On-contract growth
- Over \$12B in contract wins not included in total backlog

Bottom Line Drivers

- Operating leverage – revenue outpacing cost growth
- Higher equity in earnings
- Supply vs. Demand in a growing global infrastructure spend
- Growth in high margin markets
- Bid discipline
- Strong program execution
- Potential accretive M&A

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 2025.

REITERATING LONG-TERM GROWTH TARGETS

	Long-term Growth Targets	Highlights
Organic Revenue Growth	Mid- single-digit or better organic growth	Growth is off a revenue base that is \$1.3 billion higher than fiscal year 2023
Total Revenue Growth	Mid- single-digit or better organic growth + M&A	Growth is off a revenue base that is \$1.3 billion higher than fiscal year 2023
Adjusted EBITDA Margin Expansion	Average 20 - 30 bps/year	Continual margin improvement opportunity. Adjusted EBITDA expansion also off a higher revenue base
Free Cash Flow Conversion	≥100%	Robust free cash flow generation to fund future organic and inorganic investment opportunities
Capital deployment priorities: M&A and share repurchases to increase shareholder value		



FISCAL YEAR 2025 GUIDANCE ASSUMPTIONS

- ~ 56% of total revenue to be generated from Federal Solutions segment at the mid-point
- Adjusted EBITDA margin of ~ 9.3% at the mid-point of the revenue guidance, up 30bps from 2024
- Net interest expense of ~ \$40M
- GAAP effective tax rate of ~ 23%
- Net income attributable to noncontrolling interests of ~ \$70M
- Tax effect on adjustments ~ (-\$31M) for full-year
- Adjusted net income diluted share count of ~ 109.5M shares
- CapEx of ~ \$60M (less than 1% of total revenue)
- Equity-based compensation expenses of ~ \$47M
- D&A expenses of ~ \$113M, which includes ~ \$68M of acquisition-related amortization
- FY25 guidance includes ~\$16M of transaction and other expenses - does not include future acquisitions
- **Patterns:**
 - Revenue: mid- single-digit year-over-year growth in Q1 and then sequential revenue \$ increases through Q4 to get to guidance mid-point of \$7.25B
 - Adjusted EBITDA \$: expect Q1 2025 to be ~ 21% of 2025's full-year AEBITDA. From Q1 onward, we expect sequential improvements through Q4 to get to guidance mid-point of \$675M
 - Operating Cash Flow: expect typical seasonality with negative operating cash flow in Q1 of approximately \$50M and then positive cash flow throughout the year to get to guidance mid-point of \$450M



APPENDIX: SUPPLEMENTAL MATERIALS

ADJUSTED EBITDA RECONCILIATION

PARSONS CORPORATION

Non-GAAP Financial Information

Reconciliation of Net Income to Adjusted EBITDA

(in thousands)

	Three Months Ended		Twelve Months Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Net income attributable to Parsons Corporation	\$54,180	\$44,908	\$235,053	\$161,149
Interest expense, net	10,323	8,528	40,154	29,306
Income tax provision expense	18,729	14,194	76,986	56,138
Depreciation and amortization (a)	25,738	32,771	99,251	119,973
Net income attributable to noncontrolling interests	15,184	13,149	55,612	46,766
Equity-based compensation	16,938	11,059	61,492	36,151
Inducement expense	-	-	18,355	-
Transaction-related costs (b)	8,180	2,985	17,138	12,013
Restructuring (c)	-	698	-	1,244
Other (d)	(2,653)	(149)	912	1,933
Adjusted EBITDA	\$146,619	\$128,143	\$604,953	\$464,673

(a) Depreciation and amortization for the three and twelve months ended December 31, 2024, is \$18.9 million and \$77.5 million, respectively, in the Federal Solutions Segment and \$6.9 million and \$21.7 million, respectively in the Critical Infrastructure Segment. Depreciation and amortization for the three and twelve months ended December 31, 2023, is \$27.8 million and \$101.2 million, respectively in the Federal Solutions Segment and \$4.9 million and \$18.7 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		Twelve Months Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Federal Solutions Adjusted EBITDA attributable to Parsons Corporation	\$99,925	\$82,423	\$415,338	\$289,250
Federal Solutions Adjusted EBITDA attributable to noncontrolling interests	35	62	160	321
Federal Solutions Adjusted EBITDA including noncontrolling interests	\$99,960	\$82,485	\$415,498	\$289,571
Critical Infrastructure Adjusted EBITDA attributable to Parsons Corporation	31,319	32,304	132,901	127,785
Critical Infrastructure Adjusted EBITDA attributable to noncontrolling interests	15,340	13,354	56,554	47,317
Critical Infrastructure Adjusted EBITDA including noncontrolling interests	\$46,659	\$45,658	\$189,455	\$175,102
Total Adjusted EBITDA including noncontrolling interests	\$146,619	\$128,143	\$604,953	\$464,673



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		Twelve Months Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Net income attributable to Parsons Corporation	\$54,180	\$44,908	\$235,053	\$161,149
Acquisition related intangible asset amortization	14,814	21,632	55,591	76,558
Equity-based compensation	16,938	11,059	61,492	36,151
Inducement expense	-	-	18,355	-
Transaction-related costs (a)	8,180	2,985	17,138	12,013
Restructuring (b)	-	698	-	1,244
Other (c)	(2,653)	(149)	912	1,933
Tax effect on adjustments	(6,429)	(7,600)	(35,842)	(30,558)
Adjusted net income attributable to Parsons Corporation	85,030	73,533	352,699	258,490
Adjusted earnings per share:				
Weighted-average number of basic shares outstanding	106,465	105,285	106,274	104,992
Weighted-average number of diluted shares outstanding (d)	108,355	106,680	108,052	106,165
Adjusted net income attributable to Parsons Corporation per basic share	\$0.80	\$0.70	\$3.32	\$2.46
Adjusted net income attributable to Parsons Corporation per diluted share	\$0.78	\$0.69	\$3.26	\$2.43

(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.