

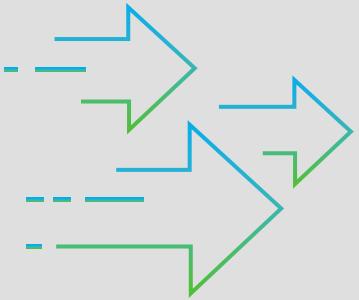


# SECOND QUARTER 2025

Earnings Conference Call Presentation

**AUGUST 6, 2025**

# FORWARD LOOKING STATEMENTS



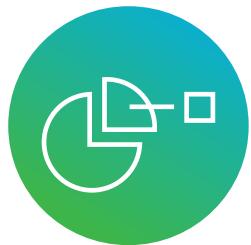
This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are based on our current 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.

# Q2 2025 HIGHLIGHTS

- Strong free cash flow, adjusted EBITDA margins, and total and organic revenue growth (excluding the confidential contract). Funded backlog at highest level since the IPO
- 13% total revenue growth and 8% organic growth excluding the company's confidential contract
- Capitalizing on unprecedented global infrastructure spending and alignment to Administration's defense priorities
- Cash flow from operations of \$160M, TTM FCF conversion of 125%
- Adjusted EBITDA margin expands 40 basis points to 9.4%, a Q2 record
- Book-to-bill ratio of 1.0x and continued streak of TTM book-to-bill ratio of 1.0x or greater in every quarter since IPO
  - Critical Infrastructure book-to-bill  $\geq 1.0x$  for 19 consecutive quarters
- Acquired CTI, enhancing the company's position across the electromagnetic spectrum
- Best employee retention since 2020
- Increasing FY25 revenue, adjusted EBITDA, and cash flow guidance ranges





## Q2 2025 REVENUE

**\$1.6 Billion**

## NET INCOME

**\$55 Million**

## ADJUSTED EBITDA

**\$149 Million**

## CASH FLOW FROM OPERATIONS

**\$160 Million**

## BOOK-TO-BILL RATIO

**1.0x      Trailing 12-months of 1.0x**

## STRONG BALANCE SHEET

**Net Debt Leverage Ratio 1.5x  
TTM FCF conversion of 125%**

# Q2 2025 KEY HIGHLIGHTS

## Solid performance in-line with Q2 expectations

- Total revenue of \$1.6B and net income of \$55M
- Adjusted EBITDA of \$149M; adjusted EBITDA margin expanded 40 basis points to 9.4%

## Continuing to win significant contracts and positioned for growth

- Backlog increased \$111M to \$8.9B; 70% is funded, highest level since IPO
- Approximately \$11B worth of contract wins that have not yet been booked into backlog
- Quarterly and trailing 12-month book-to-bill ratio of 1.0x
- Three contract wins over \$100M
- \$55B pipeline includes 114 opportunities of contracts worth \$100M or more and 14 opportunities worth \$500M or more

## Leveraging strong balance sheet to continue accretive acquisitions

- Net debt leverage ratio of 1.5x will enable Parsons to continue to make internal investments and accretive acquisitions to drive additional growth and margin expansion
- Closed strategic acquisition of CTI that strengthens Parsons' technologies across the "Invisible Battlespace" in the areas of electronic warfare, cyber, and autonomous systems and enhances the company's position in the INDOPACOM region

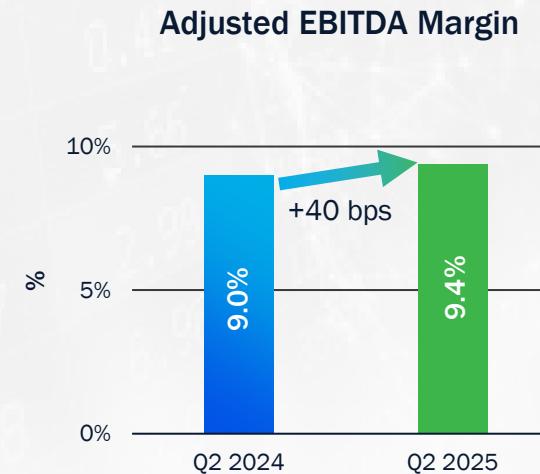
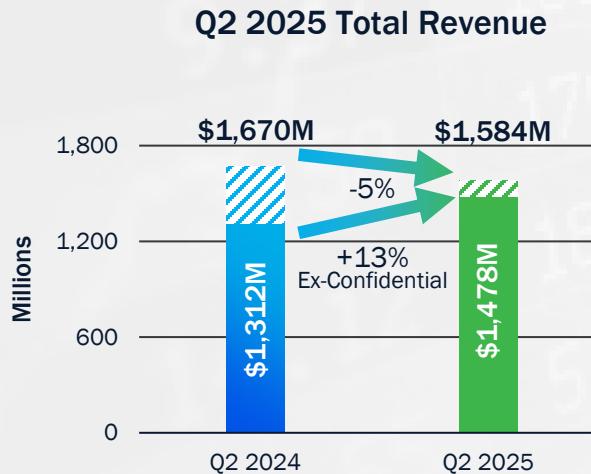
## Increasing FY25 revenue, adjusted EBITDA, and cash flow from operations guidance ranges for the CTI acquisition and tax benefits from the reconciliation bill

# Q2 2025 FINANCIAL SUMMARY



**Strong free cash flow, adjusted EBITDA margins, and total and organic revenue growth across the business excluding the confidential contract**

- Q2 2025 total revenue of \$1,584M decreased 5% from Q2 2024
- Total revenue excluding the company's confidential contract increased 13% and 8% organically
- Adjusted EBITDA of \$149M decreased 1% from prior year period
- Adjusted EBITDA margin expands 40 bps to 9.4%, a Q2 record
- Q2 2025 book-to-bill ratio of 1.0x



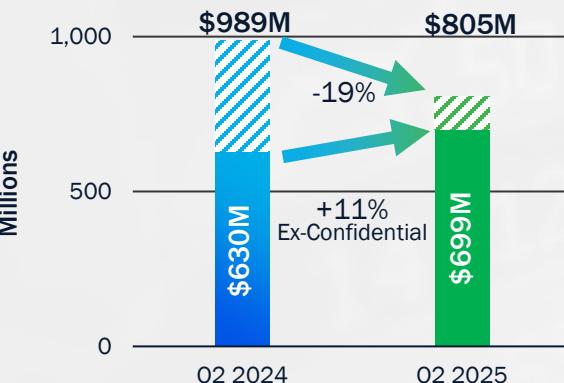
# BUSINESS SEGMENT SUMMARY



## Federal Solutions

- Q2 2025 total revenue of \$805M decreased 19% from prior year period
- Q2 2025 revenue growth of 11% and 8% on an organic basis excluding the company's confidential contract
- Adjusted EBITDA margin of 8.3%; impacted by contract mix and increased investments for B&P activity on strategic pursuits and key personnel

### Total Revenue



### Adjusted EBITDA



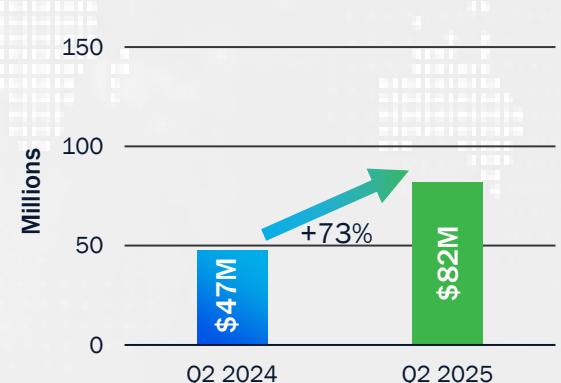
## Critical Infrastructure

- Q2 2025 revenue increased 14% and 8% organically from Q2 2024
- Adjusted EBITDA of \$82M increased 73% from prior year period
- Q2 2025 adjusted EBITDA margin of 10.5%, a Q2 record for the segment
- Book-to-bill ratio of 1.1x

### Total Revenue



### Adjusted EBITDA



# WELL ALIGNED WITH ADMINISTRATION PRIORITIES



## FAA Modernization

**\$12.5B under reconciliation bill**

- Long-standing partnership with FAA (4+ decades)—proven FAA experience working in the National Airspace System
- Engineering News-Record's #1 Program Management Firm for 2025; consistent delivery of multi-billion-dollar federal and commercial transformation programs
- Expertise in program management, aviation, advanced technology, and systems integration
- Strengthened pursuit team by partnering with IBM and other subject matter experts



## Golden Dome

**\$25B under reconciliation bill**

- Long-standing partnership with the Missile Defense Agency (4+ decades)
- Delivering capabilities that directly align with Golden Dome - engineering, analysis, and modeling and simulation on a vendor-agnostic basis, while also offering critical non-kinetic solutions such as cyber and electronic warfare



## Border Security and Enforcement

**\$160B+ under reconciliation bill**

- Decades of experience in border security projects worldwide - enhancing capabilities to predict illicit activity, detect and track illegal border crossings, identify and classify incursions, and prevent weapons of mass destruction
- Currently supporting the Defense Threat Reduction Agency, Customs and Border Protection, Federal Aviation Administration and Department of Energy
- Providing engineering, program management, infrastructure upgrades, integrated command and control, remote sensing surveillance systems, situational awareness systems, and common operating picture systems



## Munitions Production

**\$25B under reconciliation bill**

- Currently involved in modernizing several of the largest Army ammunition plants, including Holston and Radford
- Awarded \$176 million Army Corps of Engineers contract for the new Ammonium Nitrate Solution Tank farm at Holston



## Pacific Deterrence

**\$12B under reconciliation bill**

- Long-standing operations in the INDOPACOM region (3 decades)
- Extensive portfolio in the region, including significant infrastructure work in Guam and Kwajalein Island, along with important mission-critical cyber and electronic warfare programs in the region
- Awarded a counter-nuclear smuggling detection and deterrence task order from the Department of Energy for the INDOPACOM region in Q2



# SIGNIFICANT CONTRACT WINS



## Awarded \$176M

Awarded a \$176 million single-award contract by the United States Army Corps of Engineers Norfolk District to provide design-build delivery services for a new Ammonium Nitrate Solution Tank Farm at Holston Army Ammunition Plant. The four-year contract is new work for the company.

## Awarded \$138M

Awarded a \$138 million task order under the Defense Threat Reduction Agency's Assessment, Exercise, Modeling and Simulation, and Support multiple-award IDIQ contract vehicle for cyber operations. The company booked \$13 million on this contract during the second quarter.

## Awarded \$134M

Received an additional \$134 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 \$75M

Awarded a \$75 million recompete single-award delivery order contract by the United States Army Corps of Engineers Middle East District to provide construction management services. Parsons is the managing partner of the joint venture. The company booked \$45 million during the quarter.

## Awarded \$70M

Awarded a \$70 million follow-on contract by the General Services Administration for solutions that include C5ISR, exercises, operations, and information services for Department of Defense Combatant Commands.

## ADDITIONAL CORPORATE HIGHLIGHTS



### Acquired Chesapeake Technology International for \$89M

Parsons announced and closed its acquisition of Chesapeake Technology International, an all-domain technology solutions provider, powered by cutting-edge products that enhance the warfighters' ability to sense, evaluate and deliver effects within the invisible battlespace, in an all-cash transaction valued at \$89 million. This transaction is consistent with Parsons' strategy of completing accretive acquisitions with revenue growth and adjusted EBITDA margins of at least 10%, while adding critical intellectual property that strengthens the company's existing portfolio.

### Top Program Management Company in the World by Engineering News-Record (ENR)

Recognized by Engineering News-Record as the top Program Management firm worldwide on ENR's annual list of Top 50 Program Management Firms. In addition, Parsons was ranked in the top three in each of the following lists: Professional Services, Construction Management, and Program/Construction Management for Fee. These rankings reflect the company's worldwide reputation and ability to successfully win and execute infrastructure programs.

### Delivering Project Excellence

Parsons was recognized for delivering project excellence on three major infrastructure programs. The I-270 North Design-Build Project received the Engineering Excellence Award from the American Council of Engineering Companies of Missouri. Additionally, Parsons' work on Phase 1 of the I-80/Gilman Street Interchange Improvement Project in Berkely, California was honored with a 2025 Engineering Excellence Award from the American Council of Engineering Companies of California. Finally, the Deer Creek Sanitary Tunnel and Pump Station project in St. Louis, Missouri received the 2025 Honor Award in the Water and Wastewater category from the American Council of Engineering Companies of Missouri.

# INCREASING FISCAL YEAR 2025 GUIDANCE

	Current FY25 Guidance	Prior FY25 Guidance	Growth at Mid-Point
<b>Total Revenue</b>	<b>\$6,480 - \$6,680M</b>	<b>\$6,450 - \$6,650M</b>	<b>-3% (-6% organic)</b>
Adjusted EBITDA	\$595 - \$635M	\$590 - \$630M	+2% (30 bps)
Cash Flow from Operations	\$400 - \$440M	\$380 - \$420M	-20%*

\*2025 free cash flow conversion is expected to be 85% of adjusted net income given timing of collections and a change in our 401-K match benefit

## Top Line Drivers

- Ramp up of recent contract wins
- \$8.9B of total backlog (70% funded)
- \$11B in contract wins not included in total backlog
- Both segments poised for increased spending
- Hiring and retention momentum
- Low re-compete risk (less than 3% in 2H 2025)
- Strong contract win rates
- On-contract growth

## Bottom Line Drivers

- Strong program execution
- Demand in a growing global infrastructure spend
- Improved equity in earnings
- Bid discipline
- Growth in high margin markets
- Growth on margin accretive contracts
- 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.

# FISCAL YEAR 2025 GUIDANCE ASSUMPTIONS

- ~ 52% 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 ~ \$45M
- GAAP effective tax rate of ~ 21%
- Net income attributable to noncontrolling interests of ~ \$70M
- Tax effect on adjustments ~ (-\$32M) for full-year
- Adjusted net income diluted share count of ~ 108.5M shares
- GAAP diluted share count of ~ 109.7M shares
- CapEx of ~ \$70M (approximately 1% of total revenue)
- Equity-based compensation expenses of ~ \$43M
- D&A expenses of ~ \$113M, which includes ~ \$68M of acquisition-related amortization
- FY25 guidance includes ~\$21M of transaction and other expenses - does not include future acquisitions

## PATTERNS

**Revenue:** approximately 6% sequential growth (Q2 2025 to Q3 2025) and then an additional sequential increase to get to guidance mid-point of \$6,580M

**Adjusted EBITDA \$:** expect Q3 2025 to be ~ 24% of 2025's full-year AEBITDA and then a sequential increase in Q4 2025 to get to guidance mid-point of \$615M

**Operating Cash Flow:** expect Q3 2025 to be ~ 32% of 2025's full-year operating cash flow and a modest sequential increase in Q4 2025 to get to guidance mid-point of \$420M

# APPENDIX: SUPPLEMENTAL MATERIALS

# ADJUSTED EBITDA RECONCILIATION

PARSONS CORPORATION

Non-GAAP Financial Information

Reconciliation of Net Income to Adjusted EBITDA  
(in thousands)



	Three Months Ended		Six Months Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
<b>Net income attributable to Parsons Corporation</b>	<b>\$55,230</b>	<b>\$69,172</b>	<b>\$121,433</b>	<b>\$108,922</b>
Interest expense, net	11,501	9,183	21,605	21,029
Income tax expense	18,690	22,415	37,667	35,739
Depreciation and amortization (a)	28,592	24,440	55,995	48,971
Net income attributable to noncontrolling interests	15,259	11,547	30,843	26,790
Equity-based compensation	11,519	10,647	18,622	23,303
Convertible debt repurchase loss	-	-	-	18,355
Transaction-related costs (b)	5,135	2,302	8,836	5,188
Restructuring (c)	2,361	-	2,361	-
Other (d)	844	524	545	3,026
<b>Adjusted EBITDA</b>	<b>\$149,131</b>	<b>\$150,230</b>	<b>\$297,907</b>	<b>\$291,323</b>

(a) Depreciation and amortization for the three and six months ended June 30, 2025, is \$20.1 million and \$39.6 million, respectively in the Federal Solutions Segment, and \$8.5 million and \$16.4 million, respectively in the Critical Infrastructure Segment. Depreciation and amortization for the three and six months ended June 30, 2024, is \$19.5 million and \$39.3 million, respectively in the Federal Solutions Segment and \$4.9 million and \$9.7 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		Six Months Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
<b>Federal Solutions Adjusted EBITDA attributable to Parsons Corporation</b>	<b>\$67,072</b>	<b>\$102,781</b>	<b>\$142,604</b>	<b>\$195,322</b>
Federal Solutions Adjusted EBITDA attributable to noncontrolling interests	11	41	62	90
<b>Federal Solutions Adjusted EBITDA including noncontrolling interests</b>	<b>\$67,083</b>	<b>\$102,822</b>	<b>\$142,666</b>	<b>\$195,412</b>
 Critical Infrastructure Adjusted EBITDA attributable to Parsons Corporation	 66,193	 35,612	 124,380	 68,575
Critical Infrastructure Adjusted EBITDA attributable to noncontrolling interests	15,855	11,796	30,861	27,336
<b>Critical Infrastructure Adjusted EBITDA including noncontrolling interests</b>	<b>\$82,048</b>	<b>\$47,408</b>	<b>\$155,241</b>	<b>\$95,911</b>
 Total Adjusted EBITDA including noncontrolling interests	 \$149,131	 \$150,230	 \$297,907	 \$291,323

# 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		Six Months Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
<b>Net income attributable to Parsons Corporation</b>	<b>\$55,230</b>	<b>\$69,172</b>	<b>\$121,433</b>	<b>\$108,922</b>
Acquisition related intangible asset amortization	17,054	13,741	33,435	27,449
Equity-based compensation	11,519	10,647	18,622	23,303
Convertible debt repurchase loss	-	-	-	18,355
Transaction-related costs (a)	5,135	2,302	8,836	5,188
Restructuring (b)	2,361	-	2,361	-
Other (c)	844	524	545	3,026
Tax effect on adjustments	(7,865)	(6,347)	(16,406)	(21,397)
<b>Adjusted net income attributable to Parsons Corporation</b>	<b>84,278</b>	<b>90,039</b>	<b>168,826</b>	<b>164,846</b>
<b>Adjusted earnings per share:</b>				
Weighted-average number of basic shares outstanding	106,997	106,303	106,914	106,170
Weighted-average number of diluted shares outstanding (d)	108,202	107,536	108,328	107,523
Adjusted net income attributable to Parsons Corporation per basic share	\$0.79	\$0.85	\$1.58	\$1.55
Adjusted net income attributable to Parsons Corporation per diluted share	\$0.78	\$0.84	\$1.56	\$1.53

(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 2025 due to bond hedge.

