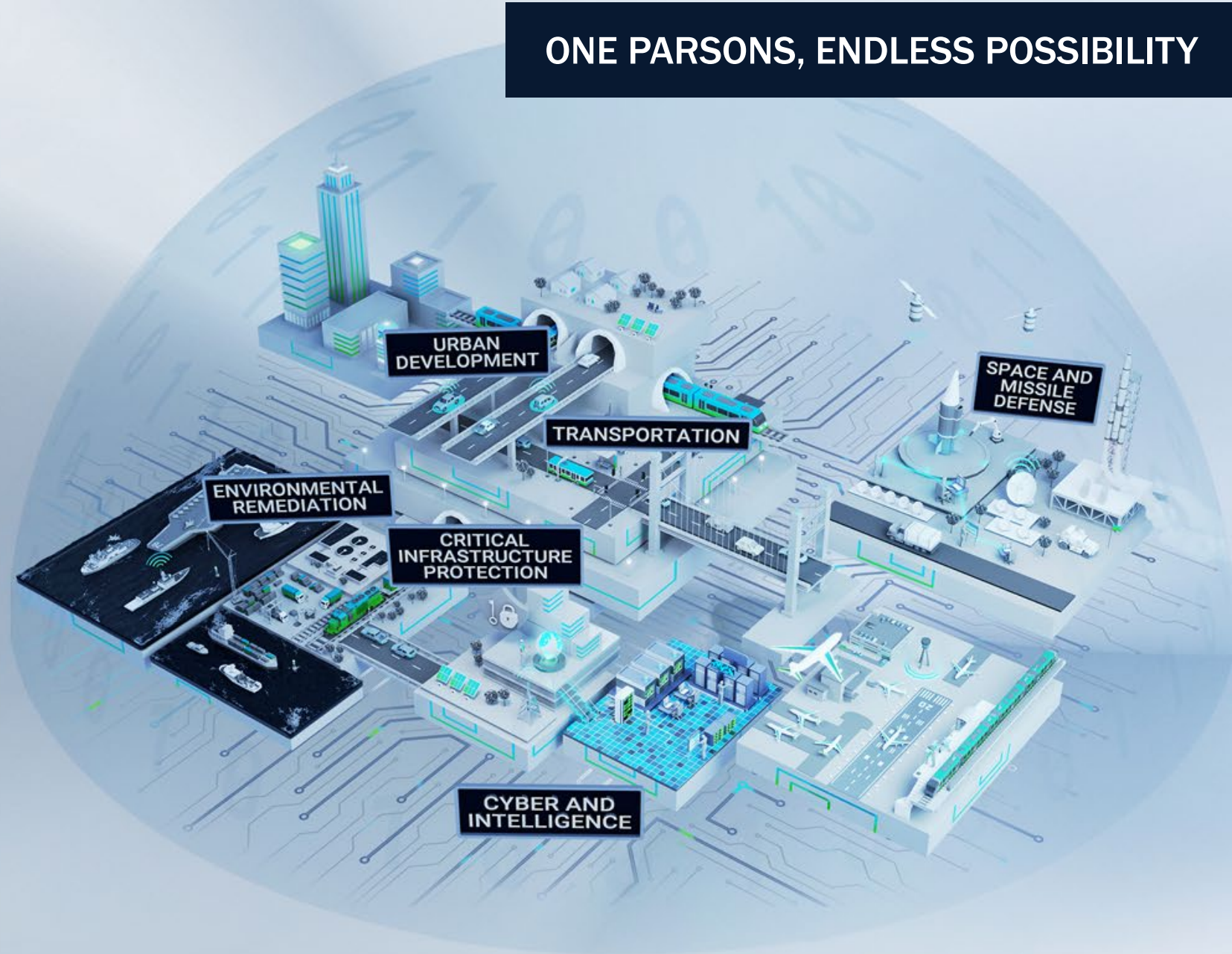




ONE PARSONS, ENDLESS POSSIBILITY

# PARSONS OVERVIEW

September 2024



# PARSONS CORPORATION

Delivering innovative solutions that make the world safer, healthier, and more connected.



## SEGMENTS



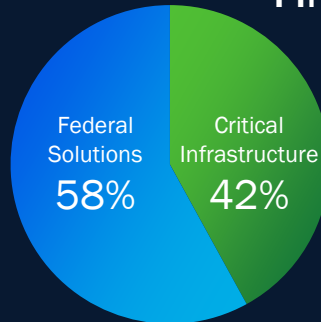
**Critical Infrastructure**  
Lead smart, sustainable infrastructure deployment



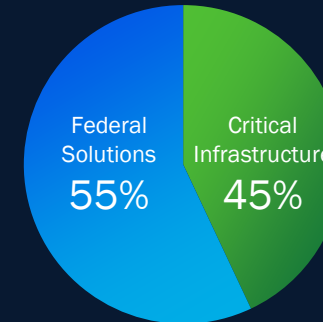
**Federal Solutions**  
Deliver information dominance across all domains

## FINANCIAL SNAPSHOT

**\$6.1B**  
Total Revenue  
(Trailing 12-months)



**\$6.3B**  
Contract Awards  
(Trailing 12-months)



## KEY FACTS AND FIGURES



**80**

Years Of History



**28%**

Revenue Growth  
(Trailing 12-months)



**31%**

Adjusted EBITDA Growth  
(Trailing 12-months)



**\$492M**

Cash Flow  
From Operations  
(Trailing 12-months)



**1.0X**

Book-To-Bill Ratio  
(Trailing 12-months)



**\$8.8B**

Backlog As Of  
6/30/2024



**~ 18.5K**

Employees



# INVESTMENT THESIS



Experienced management team that delivers on commitments



People-first culture and mission focus attracts destination employees



All six end-markets are growing, enduring, and profitable



Distinguished national security portfolio positioned to deliver solutions that outpace near-peer threats



Unprecedented global infrastructure spending



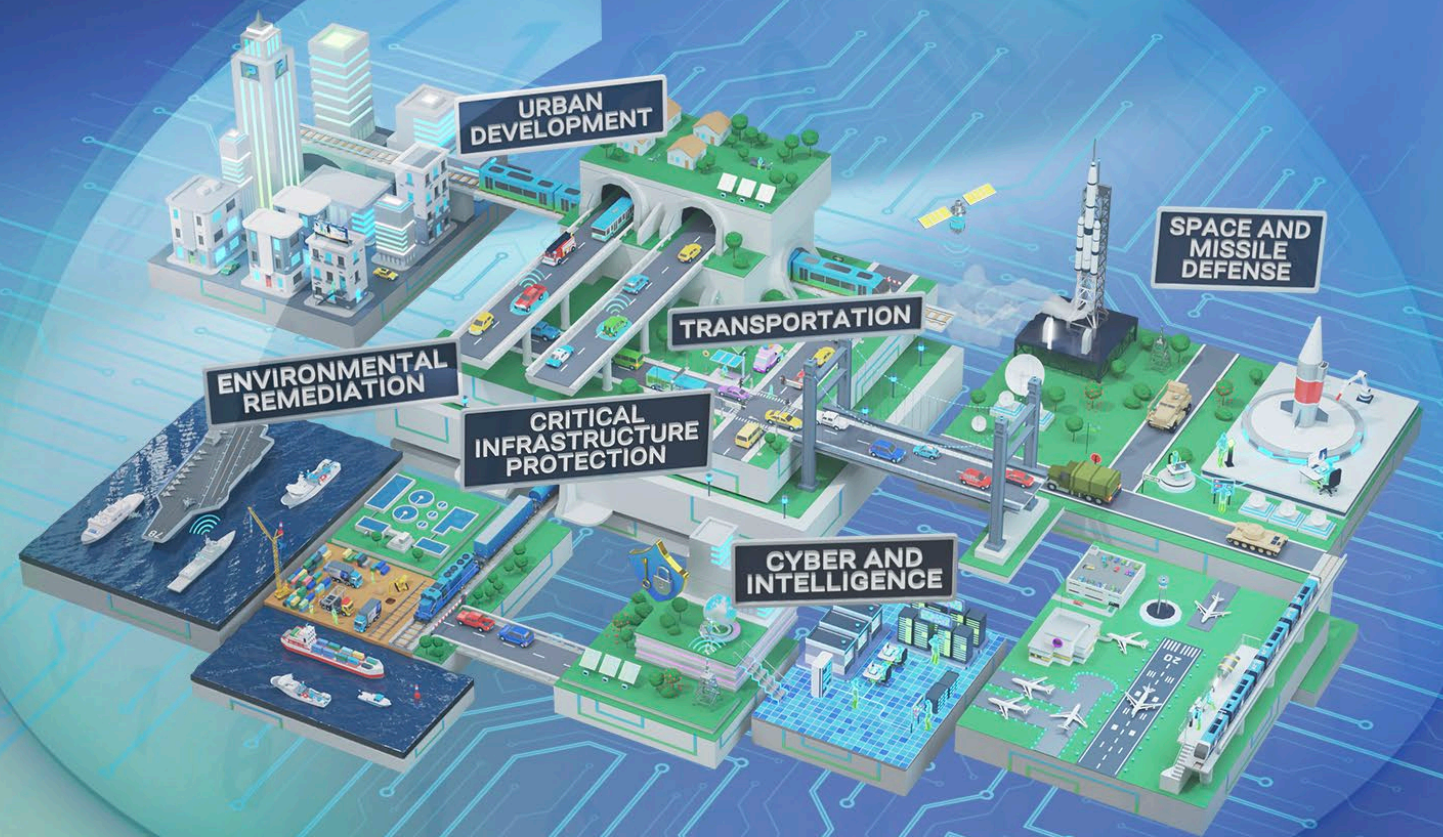
Favorable financial outlook and proven, effective capital deployment strategy



# Integrated Solutions To Our Customers' Toughest Challenges

Parsons delivers integrated solutions and technology across our critical infrastructure and national security customer bases. No other organization has the advanced capabilities, experience, and transformative global solutions under one roof that are necessary to deliver synergistically for our customers. We use our extensive experience to fuel collaboration and further innovation, which is our key to unlocking a safer, smarter, more connected, more sustainable future and enables us to imagine next.

## Our Core Markets



### SEGMENTS



Federal Solutions



Critical Infrastructure

### BUSINESS UNITS



Engineered Systems



Defense And Intelligence



Infrastructure North America



Infrastructure EMEA

### MARKETS



Transportation



Space And Missile Defense



Cyber And Intelligence



Critical Infrastructure Protection



Environmental Remediation



Urban Development



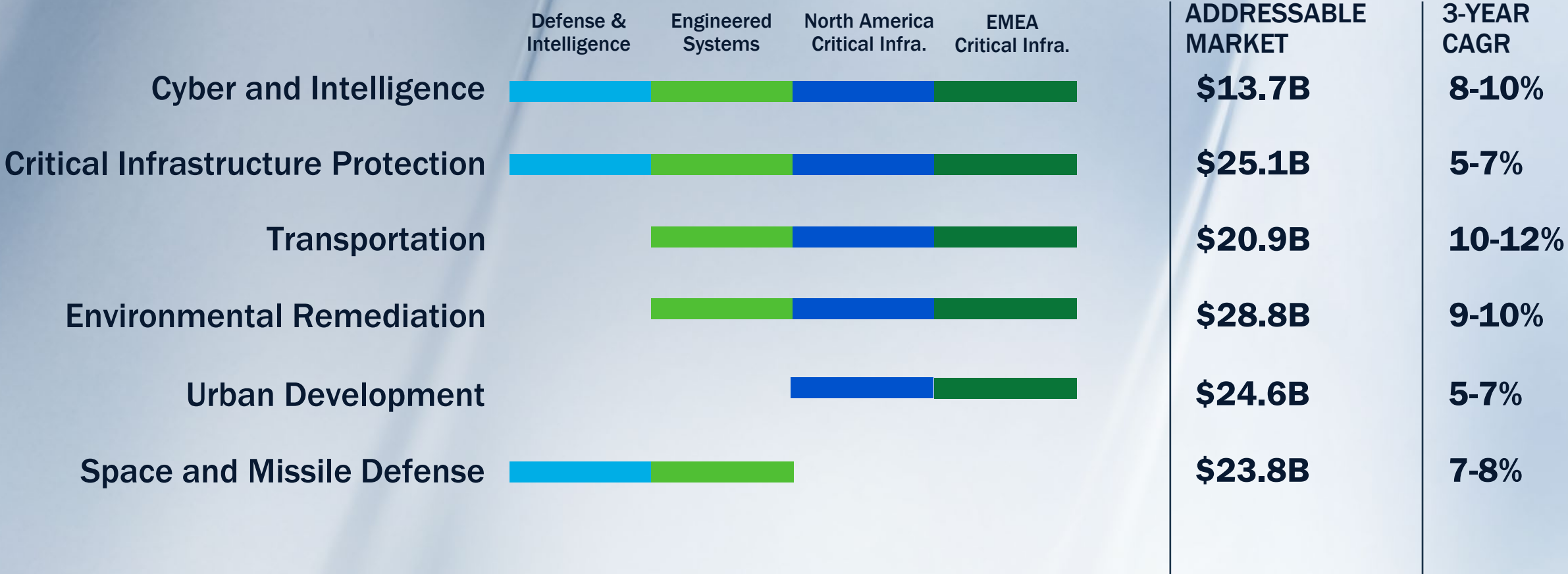
# MACROENVIRONMENT



**Parsons' Growth Driven By Addressing Emerging Challenges**



# END-MARKET PORTFOLIO ALIGNED FOR GROWTH

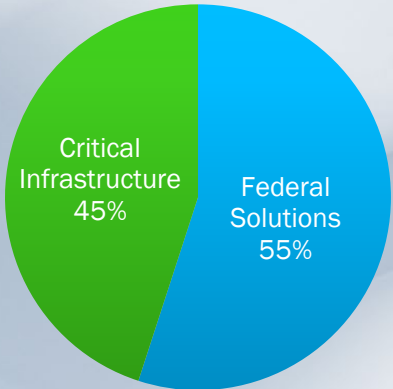


Sources: Bloomberg, Avascent/Oliver Wyman, MarketsandMarkets, Environmental Business Journal, Allied Market Research, 360iResearch, Deloitte, MEED and internal analysis

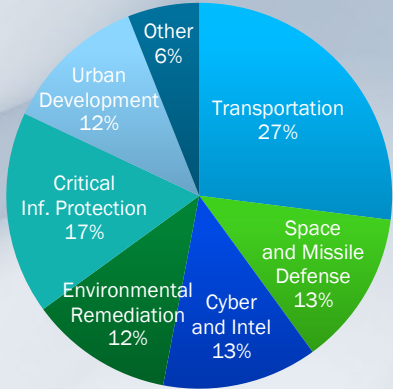


# BALANCED, STABLE PORTFOLIO

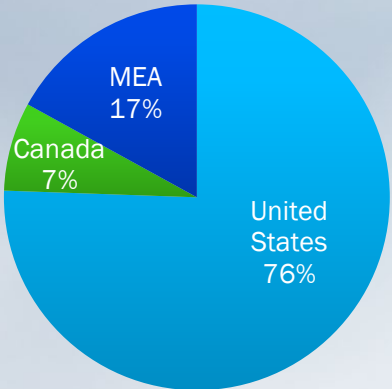
Unique & Complementary Advantages



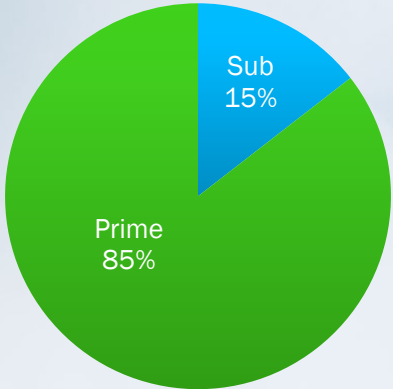
Balanced Portfolio



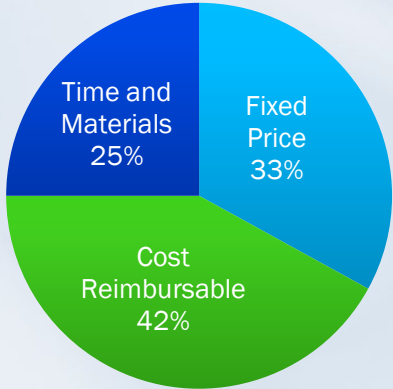
Focus on Key Markets



Global Footprint



Priming Contracts



Higher Margin

Based on 2023 Actuals



# GROWTH STRATEGY

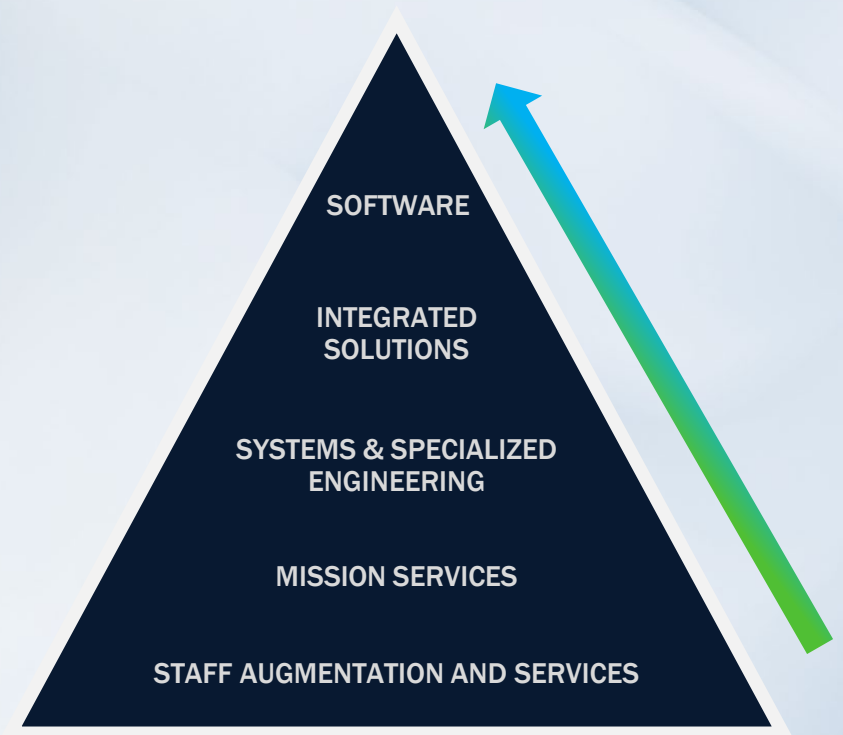
Invest in **software and integrated solutions** to move up the value chain and win larger, more profitable contracts

Create an exquisite federal company that delivers operationally relevant **cyber, space and missile defense solutions**

Be the “**build back smarter**” pioneer exploiting digital technology to upgrade our **global infrastructure**

Leverage unique portfolio and deep market understanding to ensure **critical infrastructure protection for transportation, utility, water, and facility sectors** to defend against evolving threats

Preferred acquirer and integrator of selective and accretive assets



**High-Value Solutions Evolution**





# MARKET-LEADING CAPABILITIES

## CYBER AND INTELLIGENCE



Offensive/  
Defensive

Cyber tools,  
platforms, and  
operations

Converged cyber,  
electronic warfare,  
information  
operations

Cyber Resiliency for  
Critical  
Infrastructure

## SPACE AND MISSILE DEFENSE



Launch Vehicle  
Integration

Space Domain  
Awareness

Hypersonics

Integrated Air and  
Missile Defense

Ground Systems

Assured Position,  
Navigation, and  
Timing

## TRANSPORTATION



Intelligent  
Transportation  
Systems

Aviation

Rail and transit

Bridges

Roads & Highways

Tunnels

## CRITICAL INFRASTRUCTURE PROTECTION



Electronic Security  
Systems

Identity/Biometrics

Counter-unmanned  
aircraft systems

Countering  
Weapons of Mass  
Destruction

Cyber Resiliency

Biosurveillance

## ENVIRONMENTAL REMEDIATION



Mine reclamation

Water and  
wastewater  
treatment

PFAS Remediation

Oil plugging &  
abandonment

## URBAN DEVELOPMENT



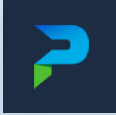
Owner's Engineer

Program and  
Construction  
Management

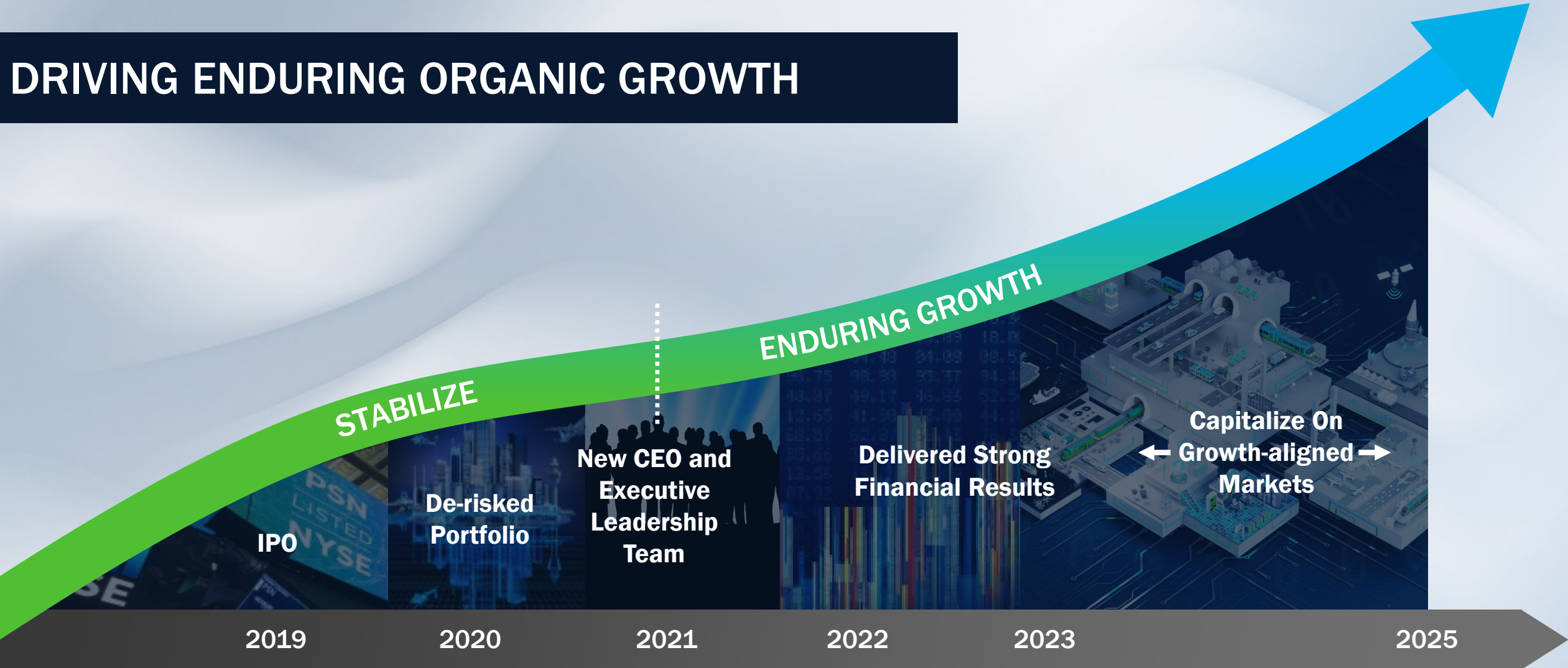
Planning and  
Design

Advisory

Risk Management



# DRIVING ENDURING ORGANIC GROWTH



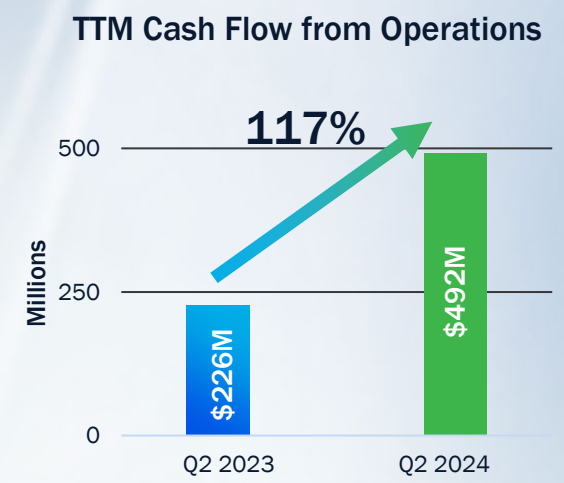
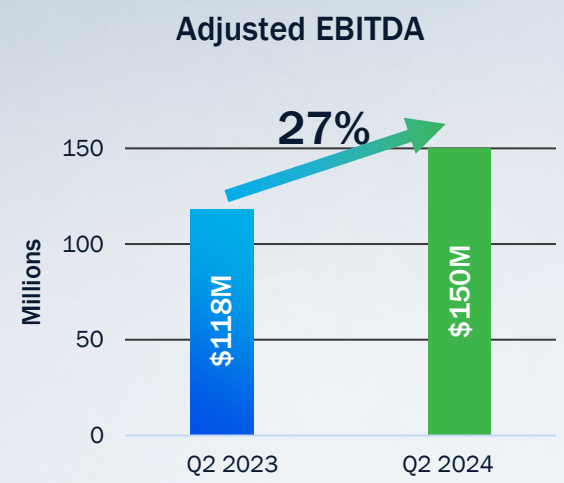
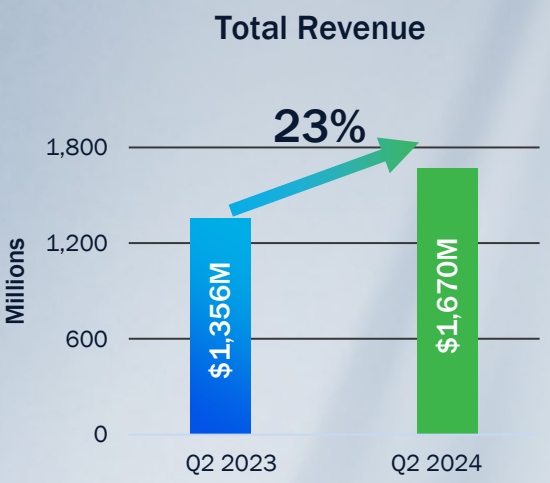


# Q2 FY24 FINANCIAL SUMMARY



## Record revenue, adjusted EBITDA, and cash flow from operations

- Q2 2024 total revenue of \$1.7B increased 23% year-over-year
- Organic revenue growth of 22% year-over-year
- Adjusted EBITDA of \$150M increased 27% from prior year period; adjusted EBITDA margin increases to 9.0%
- Cash flow from operations increased \$138M to \$161M
- Trailing twelve-month operating cash flow of \$492M increases 117% over the prior twelve-month period





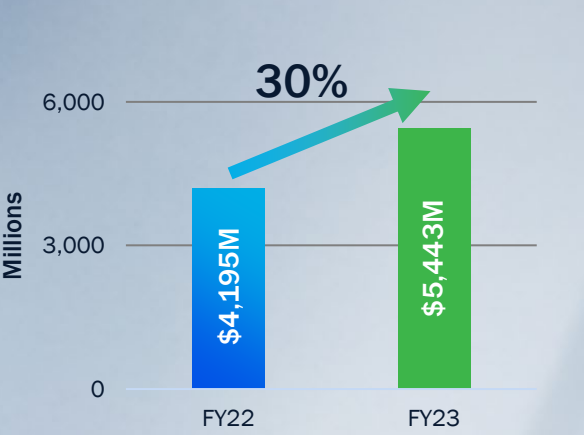
# FY23 FINANCIAL SUMMARY



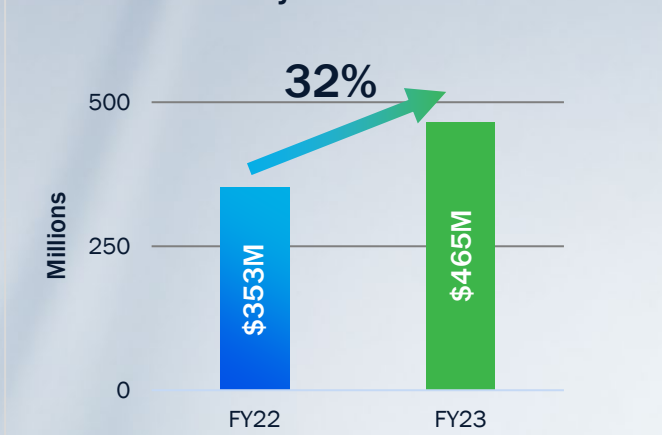
## Record total revenue, organic revenue, adjusted EBITDA, operating cash flow, and contract awards

- FY23 total revenue of \$5.4B increased 30% and 23% organically from FY22
- Adjusted EBITDA of \$465M increased 32% from prior year
- Cash flow from operations of \$408M increased 72% from FY22
- Contract awards of \$6.0B increased 40% from FY22

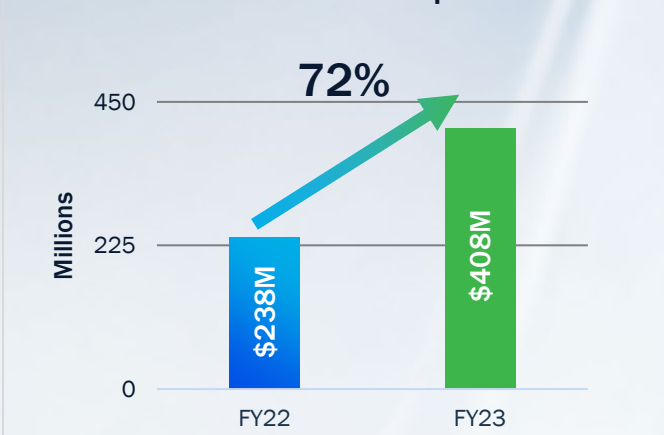
Total Revenue



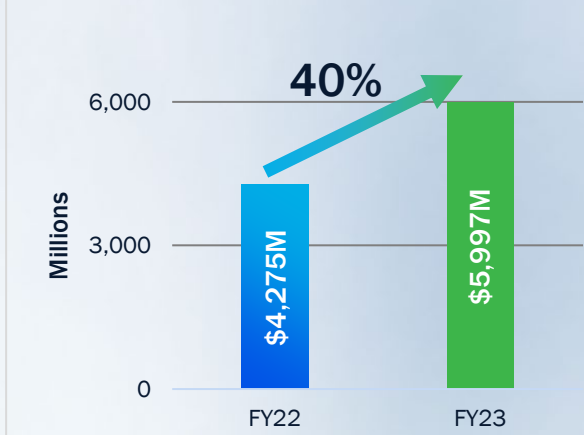
Adjusted EBITDA

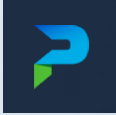


Cash Flow from Operations



Contract Awards



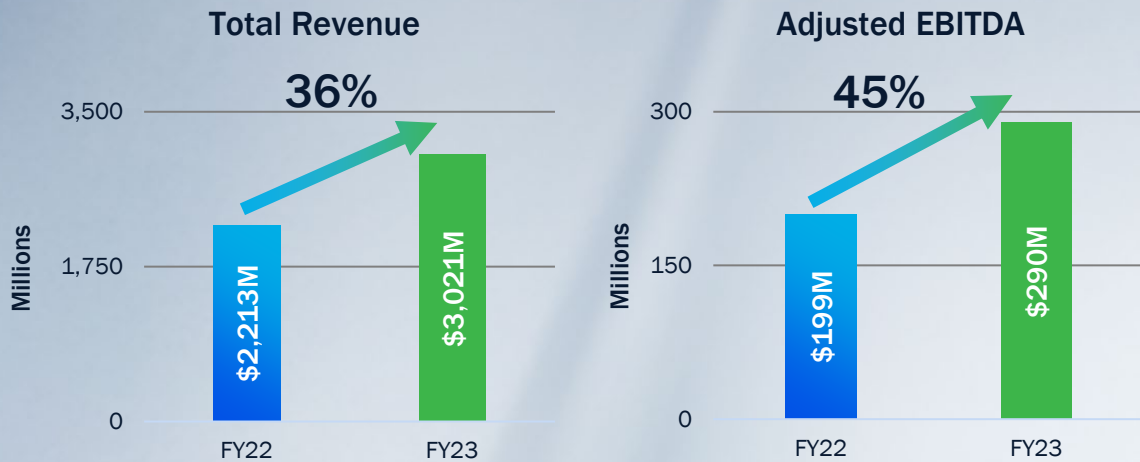


# FY23 BUSINESS SEGMENT SUMMARY



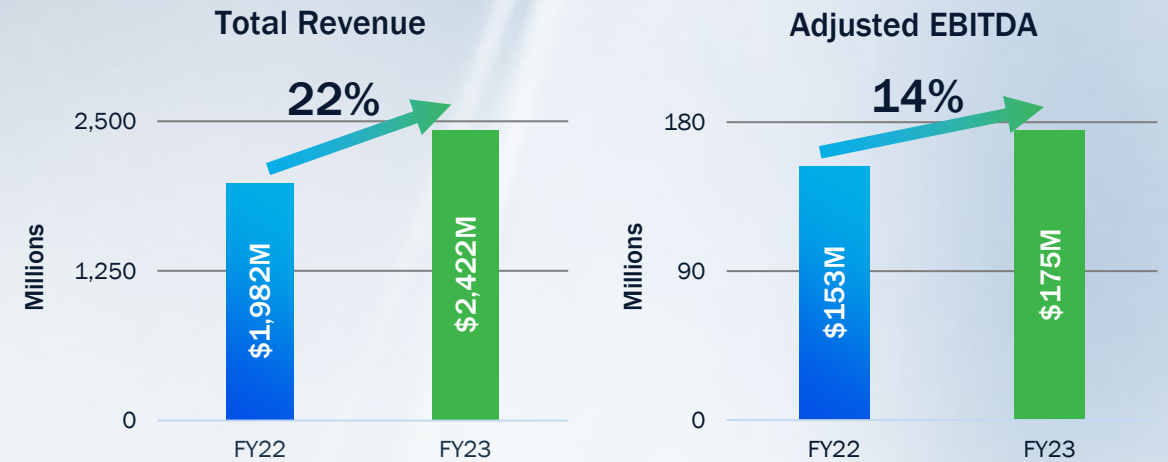
## Federal Solutions

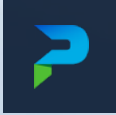
- FY23 revenue of \$3.0B increased 36% and 25% organically from FY22
- Adjusted EBITDA of \$290M increased 45% from prior year period
- Contract awards of \$3.3B increased 70% from FY22, 1.1x TTM book-to-bill ratio in FY23



## Critical Infrastructure

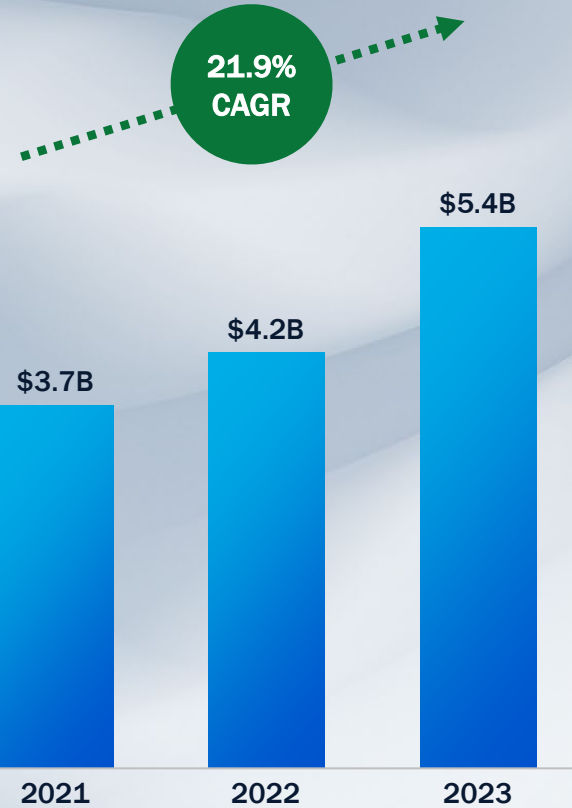
- FY23 revenue of \$2.4B increased 22% (essentially all organic) from FY22
- Adjusted EBITDA of \$175M increased 14% from prior year period
- Contract awards of \$2.7B, increased 16% from FY22, 1.1x TTM book-to-bill ratio in FY23





# STRONG BUSINESS MOMENTUM

## REVENUE



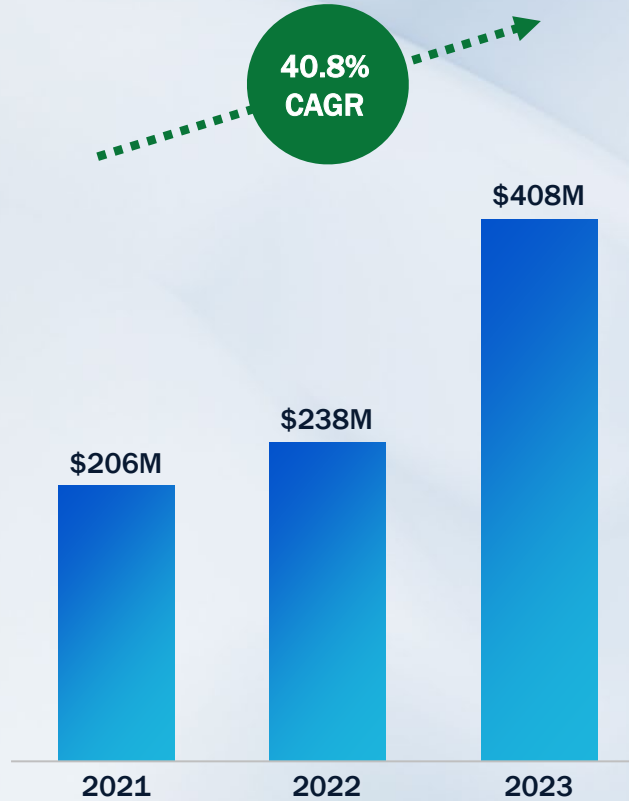
Revenue growth momentum

## ADJUSTED EBITDA<sup>(1)</sup>



Increasing profitability in core operations while de-risking portfolio

## CASH FLOW FROM OPS



Strong cash generation

(1) Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP financial measures. For a description of Adjusted EBITDA and Adjusted EBITDA margin and a reconciliation of Adjusted EBITDA and Adjusted EBITDA margin, please see the Appendix.



# FISCAL YEAR 2024 GUIDANCE

	2023 Actuals	2024 Guidance	Growth at Mid-Point
Total Revenue	\$5.4B	\$6.35 - \$6.55B	+19% (18% organic)
Adjusted EBITDA	\$465M	\$555 - \$595M	+24% (40 bps)
Cash Flow from Operations	\$408M	\$395 - \$455M	4%*

\*2024 free cash flow conversion is expected to be approximately 100% of adjusted net income

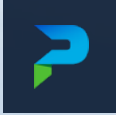
### Top Line Drivers

- \$8.8B of total backlog
- Both segments poised for increased spending
- Hiring and retention momentum
- Low recompetete rate (~ 3%)
- Strong contract win rates
- Growth on existing contracts
- \$13B in contract wins not included in total backlog

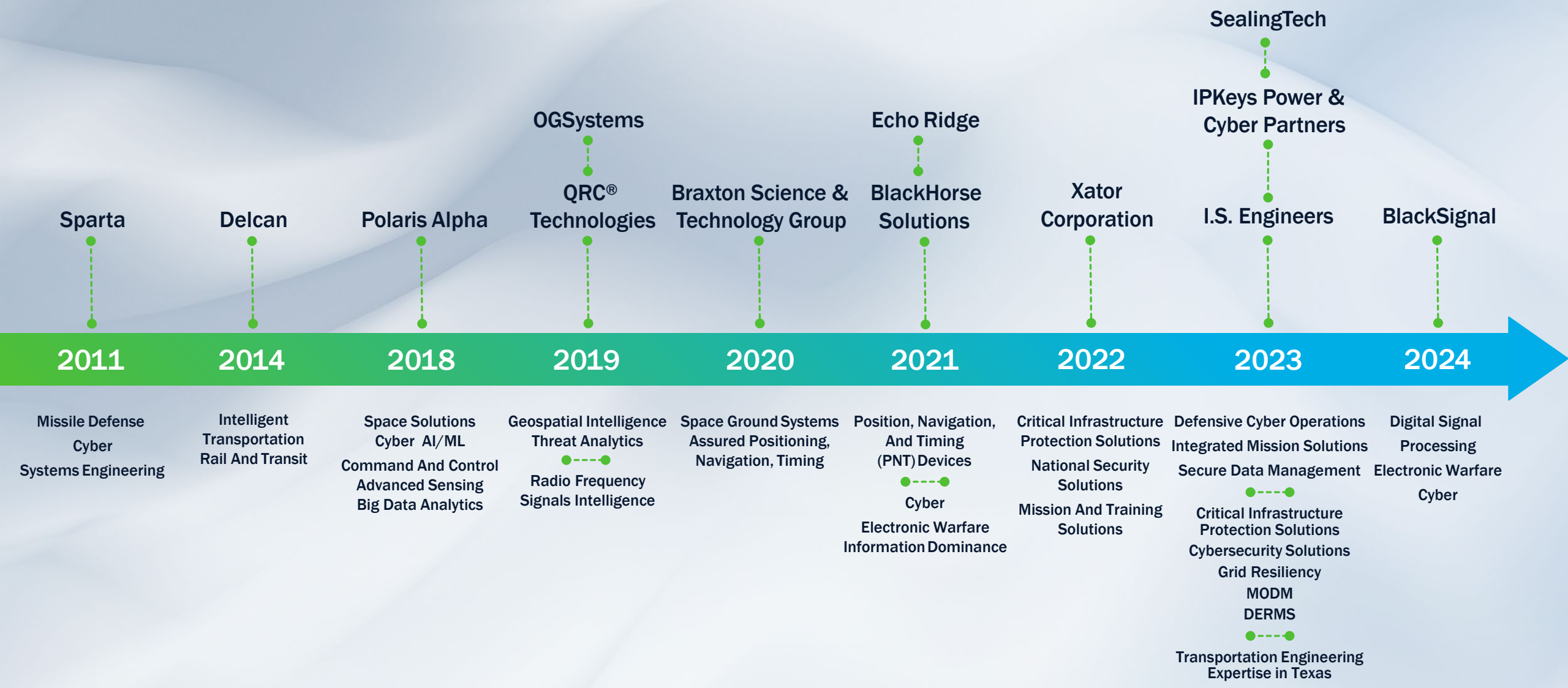
### Bottom Line Drivers

- Operating leverage – revenue outpacing cost growth
- Higher equity in earnings from improved JV performance
- Supply vs. Demand in a growing global infrastructure spend
- Growth in high margin markets
- Bid discipline
- Stronger 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 2024.



# M&A SUPPORTS AN INTEGRATED SOLUTIONS STRATEGY





# FINANCIAL SUMMARY

## AWARDS

- Recent strong award activity, low recompetes, \$8.8B in total backlog, significant un-booked contract wins, strong win rates

## REVENUE

- Strong execution and tailwinds from global infrastructure demand and Federal Solutions alignment to national defense strategy

## ADJUSTED EBITDA/MARGIN

- Expected margin expansion due to favorable market conditions and improved operational performance

## OPERATING CASH FLOW

- Strong cash generation with free cash flow conversion of approximately 100% of adjusted net income

## BALANCE SHEET

- Cash conversion and low leverage provides ample capacity to invest, including accretive M&A



# CORPORATE RESPONSIBILITY: A BUSINESS ENABLER



## ENVIRONMENTAL

- 25% Reduction in Greenhouse Gas Emissions (scopes 1 and 2) from 2019-2022 vs goal of 20% by 2025
- Net-zero commitment by 2045
- 100% Renewable energy in 2028
- Reducing and optimizing office space



## SOCIAL

- 52% of supplier spend with Diverse suppliers
- ~20% of US workforce are Military Veterans
- > 35,000 Volunteer hours in 2023, a company record
- Thriving DEI Council and seven employee business resource groups



## GOVERNANCE

- 15 Consecutive years named to World's Most Ethical Companies list
- 45% Board of Directors diversity
- 38% Executive Leadership Team diversity
- Incentive compensation tied to ESG metrics



- Transportation
- Environmental Remediation
- Urban Development

>\$2.7B ESG Portfolio

# INDUSTRY RECOGNITION



## WORLD-CLASS SAFETY

15 OSHA VPP Star Sites



## MARKET LEADERSHIP

Consistently named to ENR's top 10 lists



## ALWAYS ETHICAL

Among the World's Most Ethical Companies for 15 consecutive years



## BUILT-IN QUALITY

ISO 9001, ISO 14001, ISO 27001 certified work processes



## ELITE INNOVATION

Named a top innovator by InformationWeek



## PROJECT EXCELLENCE

Multiple quality awards



## CULTIVATING DIVERSITY

STEM Workforce Diversity Magazine: Top 50 Employer



## SUPPORTING WOMEN

One of Woman Engineer's top employers



## CHAMPIONING MINORITIES

Named a top employer by Minority Engineer



## EHS EMINENCE

Winner of the prestigious Robert W. Campbell Award



## SERVING THOSE WHO SERVED

Military Times Best Places for Vets



## A PLACE FOR EVERYONE

Recognized by the Human Rights Campaign among the Best Places to Work for LGBTQ+ Equality



## PUTTING OUR PEOPLE FIRST

Honored by Forbes as one of the World's Best Employers



## IMAGINE NEXT

All six end-markets are growing, enduring, and profitable

Unprecedented global infrastructure spending

Distinguished national security portfolio positioned to deliver solutions that outpace near-peer threats

Demonstrated M&A track record

Experienced management team that delivers on commitments

Favorable financial outlook and proven, effective capital deployment strategy