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FOR IMMEDIATE RELEASE

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Medpace Holdings, Inc. Reports Fourth Quarter and Full Year 2024 Results

- Revenue of \$536.6 million in the fourth quarter of 2024 increased 7.7% from revenue of \$498.4 million for the comparable prior-year period, representing a backlog conversion rate of 18.3%.
- Net new business awards were \$529.7 million in the fourth quarter of 2024, representing a decrease of 13.8% from net new business awards of \$614.7 million for the comparable prior-year period, which resulted in a net book-to-bill ratio of 0.99x.
- Fourth quarter of 2024 GAAP net income was \$117.0 million, or \$3.67 per diluted share, versus GAAP net income of \$78.3 million, or \$2.46 per diluted share, for the comparable prior-year period. Net income margin was 21.8% and 15.7% for the fourth quarter of 2024 and 2023, respectively.
- EBITDA was \$133.5 million for the fourth quarter of 2024, an increase of 39.3% from EBITDA of \$95.8 million for the comparable prior-year period, resulting in an EBITDA margin of 24.9%.

CINCINNATI, OHIO, February 10, 2025-- Medpace Holdings, Inc. (Nasdaq: MEDP) ("Medpace") today announced financial results for the fourth quarter and full year ended December 31, 2024.

Fourth Quarter 2024 Financial Results

Revenue for the three months ended December 31, 2024 increased 7.7% to \$536.6 million, compared to \$498.4 million for the comparable prior-year period. On a constant currency basis, revenue for the fourth quarter of 2024 increased 7.8% compared to the fourth quarter of 2023.

Backlog as of December 31, 2024 increased 3.2% to \$2,902.2 million from \$2,813.0 million as of December 31, 2023. Net new business awards were \$529.7 million, representing a net book-to-bill ratio of 0.99x for the fourth quarter of 2024, as compared to \$614.7 million for the comparable prior-year period. The Company calculates the net book-to-bill ratio by dividing net new business awards by revenue.

For the fourth quarter of 2024, total direct costs were \$358.3 million, compared to total direct costs of \$361.6 million in the fourth quarter of 2023. Selling, general and administrative (SG&A) expenses were \$45.4 million in the fourth quarter of 2024, compared to SG&A expenses of \$42.5 million in the fourth quarter of 2023.

GAAP net income for the fourth quarter of 2024 was \$117.0 million, or \$3.67 per diluted share, versus GAAP net income of \$78.3 million, or \$2.46 per diluted share, for the fourth quarter of 2023. This resulted in a net income margin of 21.8% and 15.7% for the fourth quarter of 2024 and 2023, respectively.

EBITDA for the fourth quarter of 2024 increased 39.3% to \$133.5 million, or 24.9% of revenue, compared to \$95.8 million, or 19.2% of revenue, for the comparable prior-year period. On a constant currency basis, EBITDA for the fourth quarter of 2024 increased 37.0% from the fourth quarter of 2023.

Full Year 2024 Financial Results

Revenue for the year ended December 31, 2024 increased 11.8% to \$2,109.1 million, compared to \$1,885.8 million for the year ended December 31, 2023. On a constant currency basis, revenue increased 11.8% for the year ended December 31, 2024 compared to the year ended December 31, 2023.

For the year ended December 31, 2024, net new business awards were \$2,230.0 million, representing a net book-to-bill ratio of 1.06x, compared to \$2,356.7 million for the year ended December 31, 2023.

For the full year 2024, total direct costs were \$1,452.7 million, compared to \$1,361.3 million in the full year 2023. For the full year 2024, SG&A expenses were \$180.2 million, compared to \$161.4 million for the full year 2023.

GAAP net income for the full year 2024 was \$404.4 million, or \$12.63 per diluted share, versus GAAP net income of \$282.8 million, or \$8.88 per diluted share, for the full year 2023. This resulted in a net income margin of 19.2% and 15.0% for the full year 2024 and 2023, respectively.

EBITDA for the full year 2024 increased 32.5% to \$480.2 million, or 22.8% of revenue, compared to \$362.5 million, or 19.2% of revenue, for the prior year. On a constant currency basis, EBITDA increased 31.7% for the full year 2024 compared to the full year 2023.

A reconciliation of the Company's non-GAAP financial measures, including EBITDA and EBITDA margin to the corresponding GAAP measures is provided below.

Balance Sheet and Liquidity

The Company's Cash and cash equivalents were \$669.4 million at December 31, 2024, and the Company generated \$190.7 million in cash flow from operating activities during the fourth quarter of 2024.

During the fourth quarter of 2024, the Company repurchased 527,160 shares at an average price of \$330.43 per share for a total of \$174.2 million. As of December 31, 2024, the Company had \$134.6 million remaining under its authorized share repurchase program.

Additionally, on February 6, 2025, the Company's Board of Directors approved an increase of \$600 million to the Company's stock repurchase program. The timing, price, and volume of repurchases will be based on market conditions, relevant securities laws and other factors. The stock repurchases may be made from time to time, through solicited or unsolicited transactions in the open market, in privately negotiated transactions or pursuant to a Rule 10b5-1 plan. The program may be discontinued or amended at any time without notice.

2025 Financial Guidance

The Company forecasts 2025 revenue in the range of \$2.110 billion to \$2.210 billion, representing growth of 0.0% to 4.8% over 2024 revenue of \$2.109 billion. GAAP net income for full year 2025 is forecasted in the range of \$378.0 million to \$402.0 million. Additionally, full year 2025 EBITDA is expected in the range of \$462.0 million to \$492.0 million. Based on forecasted 2025 revenue of \$2.110 billion to \$2.210 billion and GAAP net income of \$378.0 million to \$402.0 million, diluted earnings per share (GAAP) is forecasted in the range of \$11.93 to \$12.69. This guidance assumes a full year 2025 tax rate of 18.0% to 19.0%, interest income of \$30.5 million, and 31.7 million diluted shares outstanding. This guidance does not include the potential impact of any share repurchases the Company may make pursuant to the share repurchase program after December 31, 2024.

Conference Call Details

Medpace will host a conference call at 9:00 a.m. ET, Tuesday, February 11, 2025, to discuss its fourth quarter and full year 2024 results.

To participate in the conference call, interested parties must register in advance by clicking on [this link](#). While it is not required, it is recommended you join 10 minutes prior to the event start. Upon registration, all telephone participants will receive a confirmation email detailing how to join the conference call, including the dial-in number along with a unique PIN that can be used to access the call.

To access the conference call via webcast, visit the “Investors” section of Medpace’s website at [medpace.com](https://www.medpace.com). The webcast replay of the call will be available at the same site approximately one hour after the end of the call. A supplemental slide presentation will also be available at the “Investors” section of Medpace’s website prior to the start of the call.

About Medpace

Medpace is a scientifically-driven, global, full-service clinical contract research organization (CRO) providing Phase I-IV clinical development services to the biotechnology, pharmaceutical and medical device industries. Medpace’s mission is to accelerate the global development of safe and effective medical therapeutics through its high-science and disciplined operating approach that leverages regulatory and therapeutic expertise across all major areas including oncology, cardiology, metabolic disease, endocrinology, central nervous system and anti-viral and anti-infective. Headquartered in Cincinnati, Ohio, Medpace employs approximately 5,900 people across 44 countries as of December 31, 2024.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this press release that do not relate to matters of historical fact should be considered forward-looking statements, including without limitation, statements regarding our forecasted financial results and the effective tax rate used for non-GAAP adjustment purposes. In this context, forward-looking statements often address expected future business and financial performance and financial condition, and often contain words such as “guidance,” “expect,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “see,” “will,” “would,” “target,” “forecast,” “may,” “could,” “likely,” “anticipate,” “project,” “goal,” “objective,” “potential,” “range,” “estimate,” “preliminary,” “opportunity,” “outlook,” “trend,” “can,” “might,” “drives,” “hope,” “future,” “predict” and similar expressions, and variations or negatives of these words. However, the absence of these words does not mean that a statement is not forward-looking.

These forward-looking statements are largely based on management’s current expectations and projections about future events and financial trends that we believe may affect, among other things, our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause our financial condition, actual results, performance (including share price performance), or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, the following: the potential loss, delay or non-renewal of our contracts, or the non-payment by customers for services we have performed; the failure to convert backlog to revenue at our present or historical conversion rate(s); the failure to maintain or generate new business awards; fluctuation in our results between fiscal quarters and years; the risks and uncertainties related to disruptions to or reductions in business operations or prospects due to pandemics, epidemics, widespread health emergencies, or outbreaks of infectious diseases; decreased operating margins due to increased pricing pressure or other factors; our failure to perform our services or operate our business in accordance with contractual requirements, government regulations and ethical considerations; the impact of underpricing our contracts, overrunning our cost estimates or failing to receive approval for or experiencing delays with documentation of change orders; the failure of third parties to provide us critical support services; our failure to increase our market share, grow our business, successfully execute our growth strategies or manage our growth effectively; the impact of a failure to retain key executives or other personnel or recruit qualified personnel; the risks associated with our information systems infrastructure, including potential cybersecurity breaches and other disruptions which could compromise patient information or our information; risks from use of machine learning and generative artificial intelligence (“AI”), including risks from insufficient human oversight of AI or lack of controls and procedures monitoring AI use; adverse results from customer or therapeutic area concentration; the risks associated with doing business internationally, including the effects of tariffs and trade wars; the risks associated with the Foreign Corrupt Practices Act and other anti-corruption laws; future net losses; the impact of changes in tax laws and regulations; our failure to attract suitable investigators and patients to our clinical trials; the liability risks associated with our research and development services, including risks of liability resulting from harm to patients; inadequate insurance coverage for our operations and indemnification obligations; fluctuations in exchange rates; general economic conditions, including inflation, in the markets in which we and our customers operate, including financial market conditions; the impact of unfavorable economic conditions, including conditions caused by the uncertain international economic environment and current and future international conflicts; the impact of a natural disaster or other catastrophic event; negative outsourcing trends in the biopharmaceutical industry and a reduction in aggregate expenditures and research and development budgets; our inability to compete effectively with other CROs; the impact of healthcare reform; the impact of consolidation in the biopharmaceutical industry; our failure to comply with federal, state and foreign healthcare laws; the effect of current and proposed laws and regulations regarding the protection of personal data; our potential involvement in costly intellectual property lawsuits; actions by regulatory authorities or customers to limit the scope of indications related to or withdraw an approved drug, biologic or medical

device from the market; and the impact of industry-wide reputational harm to CROs. Moreover, we operate in a very competitive and rapidly changing environment in which new risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all important factors on our business or the extent to which any factor, or combination of such factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make.

These and other important factors discussed under the caption “Risk Factors” in Item 1A, Part I of our Annual Report on Form 10-K filed with the Securities and Exchange Commission, or SEC, and our other reports filed with the SEC could cause actual results to differ materially from those indicated by the forward-looking statements made in this press release. We cannot guarantee that any forward-looking statement will be realized. Achievement of anticipated results is subject to substantial risks, uncertainties and inaccurate assumptions. If known or unknown risks or uncertainties materialize or if underlying assumptions prove inaccurate, actual results could vary materially from past results and those anticipated, estimated or projected. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this release and in our filings with the SEC. Any such forward-looking statements represent management’s estimates as of the date of this press release. While we may elect to update such forward-looking statements at some point in the future, we disclaim any obligation to do so, even if subsequent events, developments or circumstances cause our views to change. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this press release.

Non-GAAP Financial Measures

Certain financial measures presented in this press release, such as EBITDA and EBITDA margin, are not recognized under generally accepted accounting principles in the United States of America, or U.S. GAAP. Management uses EBITDA and EBITDA margin or comparable metrics as a measurement used in evaluating our operating performance on a consistent basis, as a consideration to assess incentive compensation for our employees, for planning purposes, including the preparation of our internal annual operating budget, and to evaluate the performance and effectiveness of our operational strategies.

EBITDA and EBITDA margin have important limitations as analytical tools and you should not consider them in isolation, or as a substitute for, analysis of our results as reported under U.S. GAAP. See the condensed consolidated financial statements included elsewhere in this release for our U.S. GAAP results. Additionally, for reconciliations of EBITDA and EBITDA margin to our closest reported U.S. GAAP measures, refer to the appendix of this press release.

We believe that EBITDA and EBITDA margin are useful to provide additional information to investors about certain material non-cash and non-recurring items. While we believe these financial measures are commonly used by investors to evaluate our performance and that of our competitors, because not all companies use identical calculations, this presentation of EBITDA and EBITDA margin may not be comparable to other similarly titled measures of other companies and should not be considered as an alternative to performance measures derived in accordance with U.S. GAAP. EBITDA is calculated as net income attributable to Medpace Holdings, Inc. before income tax expense, interest expense, net, depreciation and amortization. EBITDA margin is calculated by dividing EBITDA by Revenue, net for each period. Our presentation of EBITDA and EBITDA margin should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

MEDPACE HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

<i>(Amounts in thousands, except per share amounts)</i>	(Unaudited)			
	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2024	2023	2024	2023
Revenue, net	\$ 536,589	\$ 498,401	\$ 2,109,054	\$ 1,885,842
Operating expenses:				
Direct service costs, excluding depreciation and amortization	167,522	164,291	682,095	638,249
Reimbursed out-of-pocket expenses	190,750	197,304	770,654	723,088
Total direct costs	358,272	361,595	1,452,749	1,361,337
Selling, general and administrative	45,433	42,514	180,184	161,352
Depreciation	7,145	6,422	27,808	24,129
Amortization	361	550	1,443	2,199
Total operating expenses	411,211	411,081	1,662,184	1,549,017
Income from operations	125,378	87,320	446,870	336,825
Other income (expense), net:				
Miscellaneous income (expense), net	621	1,543	4,056	(655)
Interest income (expense), net	7,883	1,844	24,996	(488)
Total other income (expense), net	8,504	3,387	29,052	(1,143)
Income before income taxes	133,882	90,707	475,922	335,682
Income tax provision	16,864	12,409	71,536	52,872
Net income	<u>\$ 117,018</u>	<u>\$ 78,298</u>	<u>\$ 404,386</u>	<u>\$ 282,810</u>
Net income per share attributable to common				
Basic	\$ 3.78	\$ 2.55	\$ 13.06	\$ 9.20
Diluted	\$ 3.67	\$ 2.46	\$ 12.63	\$ 8.88
Weighted average common shares outstanding:				
Basic	30,945	30,719	30,957	30,722
Diluted	31,873	31,825	32,014	31,841

MEDPACE HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(Amounts in thousands, except share amounts)

	As Of December 31,	
	2024	2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 669,436	\$ 245,449
Accounts receivable and unbilled, net	296,443	298,400
Prepaid expenses and other current assets	63,350	49,979
Total current assets	<u>1,029,229</u>	<u>593,828</u>
Property and equipment, net	123,615	120,589
Operating lease right-of-use assets	128,649	144,801
Goodwill	662,396	662,396
Intangible assets, net	34,366	35,809
Deferred income taxes	100,357	74,435
Other assets	22,254	24,970
Total assets	<u>\$ 2,100,866</u>	<u>\$ 1,656,828</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 32,528	\$ 31,869
Accrued expenses	307,807	292,961
Advanced billings	710,585	559,860
Other current liabilities	53,633	40,441
Total current liabilities	<u>1,104,553</u>	<u>925,131</u>
Operating lease liabilities	126,234	142,122
Deferred income tax liability	1,800	2,404
Other long-term liabilities	42,734	28,221
Total liabilities	<u>1,275,321</u>	<u>1,097,878</u>
Commitments and contingencies		
Shareholders' equity:		
Preferred stock - \$0.01 par-value; 5,000,000 shares authorized; no shares issued and outstanding at December 31, 2024 and 2023, respectively	—	—
Common stock - \$0.01 par-value; 250,000,000 shares authorized at December 31, 2024 and 2023, respectively; 30,630,799 and 30,752,292 shares issued and outstanding at December 31, 2024 and 2023, respectively	306	308
Treasury stock - 70,073 and 70,573 shares at December 31, 2024 and 2023, respectively	(12,235)	(12,322)
Additional paid-in capital	844,050	802,681
Retained earnings (accumulated deficit)	8,167	(221,645)
Accumulated other comprehensive loss	(14,743)	(10,072)
Total shareholders' equity	<u>825,545</u>	<u>558,950</u>
Total liabilities and shareholders' equity	<u>\$ 2,100,866</u>	<u>\$ 1,656,828</u>

MEDPACE HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in thousands)

	Twelve Months Ended December 31,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 404,386	\$ 282,810
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	27,808	24,129
Amortization	1,443	2,199
Stock-based compensation expense	25,514	20,516
Noncash lease expense	23,124	19,646
Deferred income tax benefit	(26,632)	(25,117)
Other	(4,009)	2,705
Changes in assets and liabilities:		
Accounts receivable and unbilled, net	2,242	(48,282)
Prepaid expenses and other current assets	(12,090)	2,986
Accounts payable	(2,965)	1,051
Accrued expenses	16,882	82,080
Advanced billings	150,725	97,131
Lease liabilities	(21,407)	(18,873)
Other assets and liabilities, net	23,794	(9,607)
Net cash provided by operating activities	<u>608,815</u>	<u>433,374</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Property and equipment expenditures	(36,548)	(36,648)
Other	8,240	2,019
Net cash used in investing activities	<u>(28,308)</u>	<u>(34,629)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from stock option exercises	15,858	11,378
Repurchases of common stock	(169,867)	(144,020)
Proceeds from revolving loan	—	105,000
Payments on revolving loan	—	(155,000)
Net cash used in financing activities	<u>(154,009)</u>	<u>(182,642)</u>
EFFECT OF EXCHANGE RATES ON CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	(2,511)	1,081
INCREASE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	423,987	217,184
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH — Beginning of period	245,449	28,265
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH — End of period	<u>\$ 669,436</u>	<u>\$ 245,449</u>

MEDPACE HOLDINGS, INC. AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP MEASURES (UNAUDITED)

(Amounts in thousands)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2024	2023	2024	2023
RECONCILIATION OF GAAP NET INCOME TO EBITDA				
Net income (GAAP)	\$ 117,018	\$ 78,298	\$ 404,386	\$ 282,810
Interest (income) expense, net	(7,883)	(1,844)	(24,996)	488
Income tax provision	16,864	12,409	71,536	52,872
Depreciation	7,145	6,422	27,808	24,129
Amortization	361	550	1,443	2,199
EBITDA (Non-GAAP)	\$ 133,505	\$ 95,835	\$ 480,177	\$ 362,498
Net income margin (GAAP)	21.8 %	15.7 %	19.2 %	15.0 %
EBITDA margin (Non-GAAP)	24.9 %	19.2 %	22.8 %	19.2 %

FY 2025 GUIDANCE RECONCILIATION (UNAUDITED)

(Amounts in millions, except per share amounts)

	Forecast 2025			
	Net Income		Net income per diluted share	
	Low	High	Low	High
Net income and net income per diluted share (GAAP)	\$ 378.0	\$ 402.0	\$ 11.93	\$ 12.69
Income tax provision	84.5	90.5		
Interest income, net	(30.5)	(30.5)		
Depreciation	29.1	29.1		
Amortization	0.9	0.9		
EBITDA (Non-GAAP)	\$ 462.0	\$ 492.0		