

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): July 21, 2020

DLH Holdings Corp.

(Exact Name of Registrant as Specified in Charter)

New Jersey
(State or Other Jurisdiction
of Incorporation)

0-18492
(Commission
File Number)

22-1899798
(I.R.S. Employer
Identification No.)

3565 Piedmont Road, NE
Building 3, Suite 700
Atlanta, GA 30305
(Address of Principal Executive Offices, and Zip Code)

(866) 952-1647
Registrant's Telephone Number, Including Area Code
Not Applicable
(Former Name or Former Address, if Changed Since Last Report)
Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---------------------|-------------------|---|
| Common Stock | DLHC | Nasdaq Capital Market |

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

Effective July 21, 2020, DLH Holdings Corp. (“DLH” or the “Company”) has made available on the investor relations page of its corporate website the presentation materials attached hereto as Exhibit 99.1, which the Company will discuss during its participation in the Noble Capital Markets’ Virtual Road Show Series on July 22, 2020 at 9:00, eastern time. A copy of the presentation materials will also be available under the “Presentations” tab on the investor relations page of DLH’s website at <https://dlhcorp.investorroom.com>.

The information contained in this Item 7.01 and Exhibit 99.1 attached hereto is being furnished, and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section. Furthermore, the information contained in this Item 7.01 and Exhibit 99.1 shall only be incorporated by reference in another filing under the Exchange Act or the Securities Act of 1933 only if and to the extent such subsequent filing specifically references the information incorporated by reference herein.

Forward-Looking Statements

All statements in this Current Report on Form 8-K, and Exhibit 99.1 to this Current Report, that do not directly and exclusively relate to historical facts constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements relate to future events or DLH’s intentions, plans, expectations and beliefs, and are subject to risks, uncertainties and other factors many of which are outside DLH’s control. You can identify forward-looking statements by words such as “expects,” “intends,” “plans,” “believes,” “anticipates,” “estimates,” and similar words or phrases. Any statements that refer to expectations, projections or other characterizations of future events or circumstances or that are not statements of historical fact should be considered forward looking statements that involve risks and uncertainties which could cause actual events or DLH’s actual results to differ materially from those indicated by the forward-looking statements. These statements reflect our belief and assumptions as to future events that may not prove to be accurate. Our actual results may differ materially from such forward-looking statements made in this release due to a variety of factors, including: the outbreak of the novel coronavirus (“COVID-19”), including the measures to reduce its spread, and its impact on the economy and demand for our services, are uncertain, cannot be predicted, and may precipitate or exacerbate other risks and uncertainties; the risk that we will not realize the anticipated benefits of an acquisition; the challenges of managing larger and more widespread operations; contract awards in connection with re-competes for present business and/or competition for new business; compliance with bank financial and other covenants; changes in client budgetary priorities; government contract procurement (such as bid protest, small business set asides, loss of work due to organizational conflicts of interest, etc.) and termination risks; the ability to successfully integrate the operations of future acquisitions; and other risks described in our SEC filings. For a discussion of such risks and uncertainties which could cause actual results to differ from those contained in the forward-looking statements, see “Risk Factors” in the Company’s periodic reports filed with the SEC, including our Annual Report on Form 10-K for the fiscal year ended September 30, 2019, as well as subsequent reports filed thereafter. The forward-looking statements contained herein are not historical facts, but rather are based on current expectations, estimates, assumptions and projections about our industry and business. Such forward-looking statements are made as of the date hereof and may become outdated over time. DLH disclaims any intention or obligation to update these forward-looking statements whether as a result of subsequent events or otherwise, except as required by law.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibit is attached to this Current Report on Form 8-K:

| <u>Exhibit Number</u> | <u>Exhibit Title or Description</u> |
|-----------------------|---|
| 99.1 | Presentation Materials* |

* Furnished herewith.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

DLH Holdings Corp.

By: /s/ Kathryn M. JohnBull

Name: Kathryn M. JohnBull
Title: Chief Financial Officer

Date: July 21, 2020



Your Mission Is Our Passion

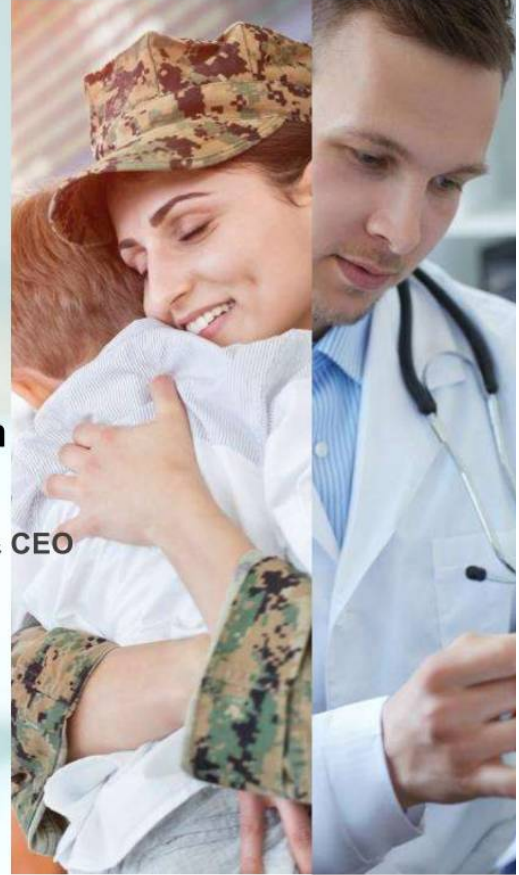
Investor Presentation

ZACH PARKER | PRESIDENT & CEO

KATHRYN JOHNBULL | CFO

JULY 21, 2020

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Forward-looking Statements

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995:

This presentation may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements relate to future events or DLH's future financial performance. Any statements that refer to expectations, projections or other characterizations of future events or circumstances or that are not statements of historical fact (including without limitation statements to the effect that the Company or its management "believes", "expects", "anticipates", "plans", "intends" and similar expressions) should be considered forward looking statements that involve risks and uncertainties which could cause actual events or DLH's actual results to differ materially from those indicated by the forward-looking statements. Forward-looking statements in this release include, among others, statements regarding estimates of future revenues, operating income, earnings, earnings per share, backlog, and cash flows. These statements reflect our belief and assumptions as to future events that may not prove to be accurate. Our actual results may differ materially from such forward-looking statements made in this release due to a variety of factors, including: the outbreak of the novel coronavirus ("COVID-19"), including the measures to reduce its spread, and its impact on the economy and demand for our services, are uncertain, cannot be predicted, and may precipitate or exacerbate other risks and uncertainties; the risk that we will not realize the anticipated benefits of an acquisition; the challenges of managing larger and more widespread operations resulting from the acquisition; contract awards in connection with re-competing for present business and competition for new business; compliance with new bank financial and other covenants; changes in client budgetary priorities; government contract procurement (such as bid protest, small business set asides, loss of work due to organizational conflicts of interest, etc.) and termination risks; the ability to successfully integrate the operations of future acquisitions; and other risks described in our SEC filings. For a discussion of such risks and uncertainties which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in the Company's periodic reports filed with the SEC, including our Annual Report on Form 10-K for the fiscal year ended September 30, 2020, as well as subsequent reports filed thereafter. The forward-looking statements contained herein are not historical facts, but rather are based on current expectations, estimates, assumptions and projections about our industry and business. Such forward-looking statements are made as of the date hereof and may become outdated over time. The Company does not assume any responsibility for updating forward-looking statements except as may be required by law.



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Agenda



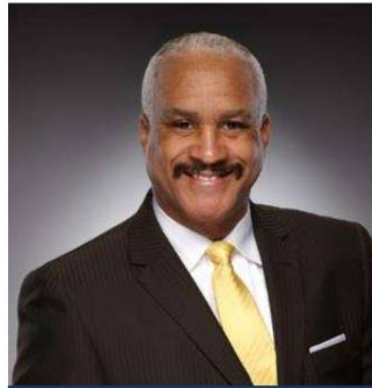
OVERVIEW



FINANCIAL HIGHLIGHTS



QUESTIONS AND ANSWERS



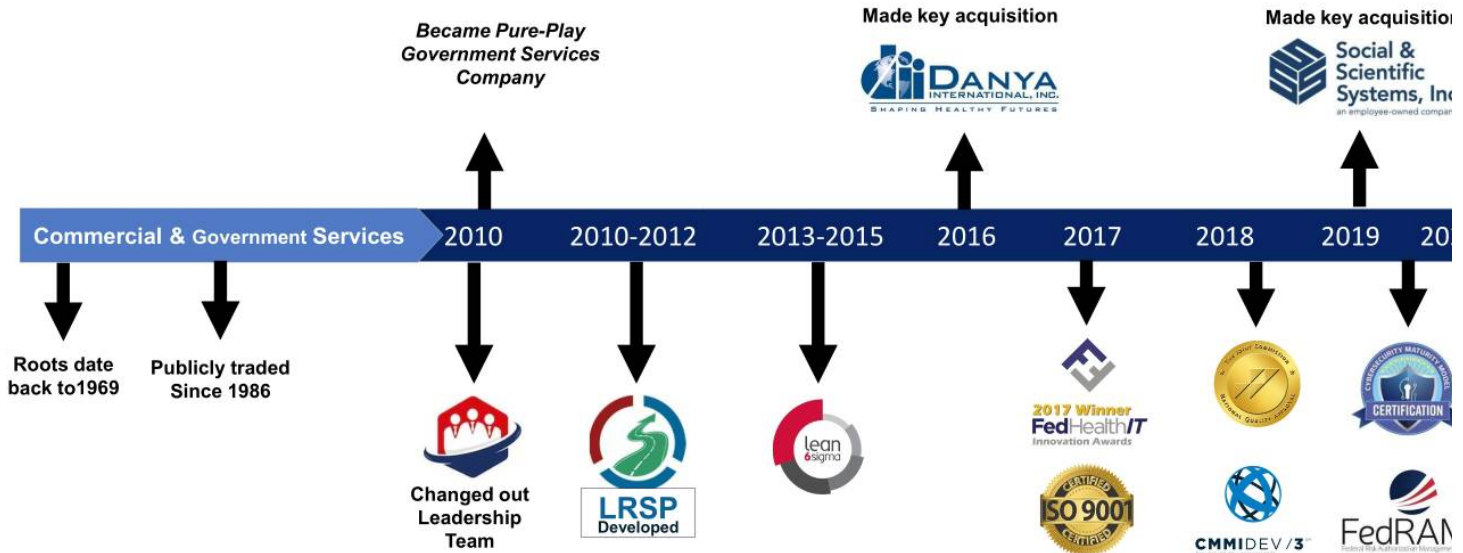
Zach Parker
President & CEO
DLH Holdings Corp.



Kathryn M. JohnBull
Chief Financial Officer,
DLH Holdings Corp.



DLH's Transformation Journey



Eight consecutive J.D. Power and Associates Overall Customer Satisfaction Recognition Awards for the VA CMOP program (supported by DLH)



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Business Overview

Overview

Founded 1969

Headquarters:
Atlanta, GA

Complementary Offices:
Silver Spring, MD

Durham, NC

Kampala, UG

Nasdaq Public Since
DLHC 1986

- ~2,000 employees
- Located in > 30 Locations in the US and overseas



Technology Enabled Services and Solutions

Healthcare Research



Disease Prevention



Program Monitoring & Evaluation



Patient Care Service



3 Market Focus Areas



Defense and Veterans Solutions



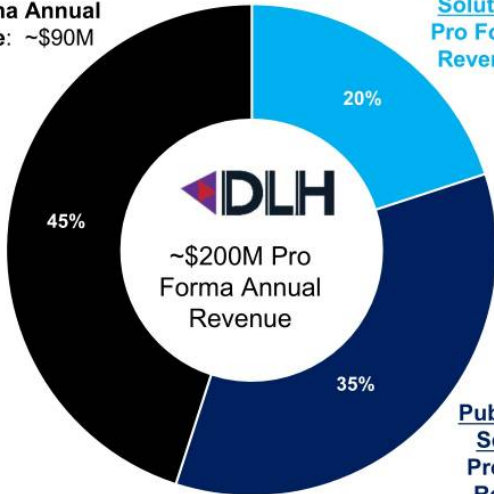
Human Services & Solutions



Public Health & Life Sciences

Strong Portfolio of Services

DOD & Veteran Health Services Market
Pro Forma Annual Revenue: ~\$90M



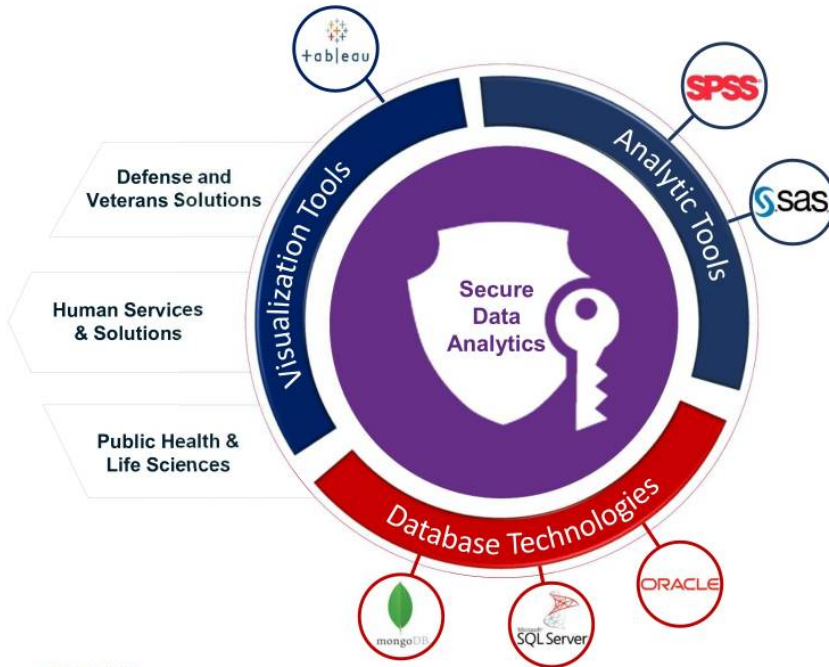
Human Services & Solutions Market
Pro Forma Annual Revenue: ~\$40M

Public Health & Life Sciences Market
Pro Forma Annual Revenue: ~\$70M

Key Federal Customers



Unique Value Proposition



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Services




Evidence-based Decision-making



Cloud Migration and Computing

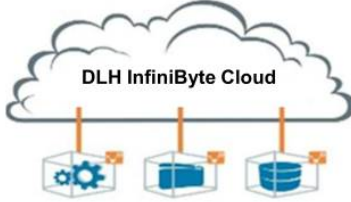
Infrastructure



FedRAMP Business and Health Systems Cybersecurity

PaaS

- Servers
- Storage
- Networking
- Virtualization
- OS
- Middleware
- Runtime



DLH InfiniByte Cloud

Organic Growth Drivers



Healthy Growth Profile

| | |
|---|---|
|  <p>Opportunities</p> | <p>As of March 31, 2020, the DLH pipeline of qualified new business opportunities was over \$1 billion</p> |
|  <p>Timing</p> | <p>An estimated \$600-\$700 million of those opportunities are expected to be decided in late FY20 or throughout FY21</p> |
|  <p>Markets</p> | <p>New opportunities are well distributed across DLH end markets, targeting existing and adjacent agencies.</p> |

Key Target Agencies


National Institutes of Health


CENTERS FOR DISEASE CONTROL AND PREVENTION



ADMINISTRATION FOR CHILDREN & FAMILIES


Substance Abuse and Mental Health Services Administration


U.S. DEPARTMENT OF HOMELAND SECURITY


Defense Health Agency


CENTERS FOR MEDICARE & MEDICAID


U.S. DEPARTMENT OF LABOR


UNITED STATES MARINE CORPS


U.S. DEPARTMENT OF VETERANS AFFAIRS


UNITED STATES ARMY



COVID-19 Impact / Opportunities

Defense & Veterans
Health Solutions



Human Services and
Solutions



Public Health and Life
Sciences



DLH TACKLING COVID-19 FOR THE VA, DOD, CDC, NIH, AND OTHERS

- Care and treatment of military
- Rx expansion for veterans
- Prospects for behavioral health

- Specialized communications
- Pandemic-related websites
- Social media outreach / metrics

- Clinical trials for therapeutics and vaccine development
- Preparedness & Response
- Environmental Implications



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New COVID-19 Public Health & Life Sciences Work



CLINICAL RESEARCH TRIALS & LABORATORY SERVICES

- Over \$15 million of new awards thus far in calendar 2020
- Conducting trials of the safety and efficacy of investigational therapeutics for the treatment of COVID-19
- Observational studies of outpatients with COVID-19
- Clinical Research Organization support services to provide infrastructure to exchange data among scientific stakeholders
- Large network consortium of partner medical centers, clinics, academic institutic
- Study of immune aging in smokers in relation to COVID susceptibility
- Investigating interactions of COVID-19 with chronic diseases including types of cancer, heart disease, lung disease, and more



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DLH Achieves FedRAMP Ready Status

Opens Door to Federal Business Opportunities for Cloud-Based Platform-As-A-Service (PaaS)

DLH InfiniByte® Cloud



Secure Data Analytics Platform



FedRAMP

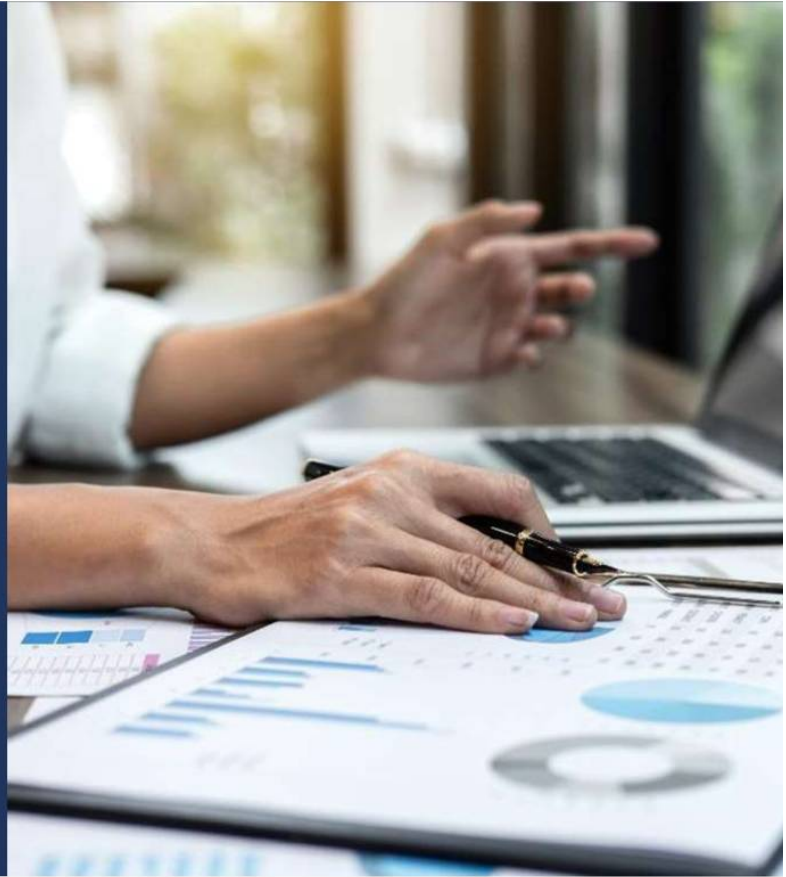
- Our new DLH InfiniByte® Cloud solution has achieved Federal Risk and Authorization Management Program (“FedRAMP”) “Ready” status.
- This achievement – approved by the General Services Administration – indicates to federal customers that DLH has undergone a security capabilities assessment and has a high likelihood of achieving FedRAMP Authorization.
- DLH’s InfiniByte® Cloud solution is now available on the FedRAMP Marketplace, the central portal for cloud offerings for federal agencies.
- The designation significantly expands opportunities for the Company, enabling it to meet the cyber security requirements of civilian agencies as well as the U.S. Department of Defense.
- Provisional status enables DLH to pursue a FedRAMP Authorization to Operate.



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Financial Highlights

Kathryn JohnBull | CFO



A History of Growth...



Growth driven by performance excellence, customer engagement and acquired capabilities



*TTM is the trailing twelve months ending March 31, 2020

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And Expanding Value

Historical EBITDA



An experienced team leading thoughtful integration and leveraging combined capabilities

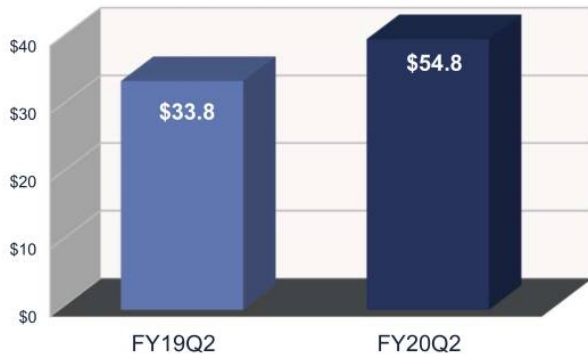


*TTM is the trailing twelve months ending March 31, 2020

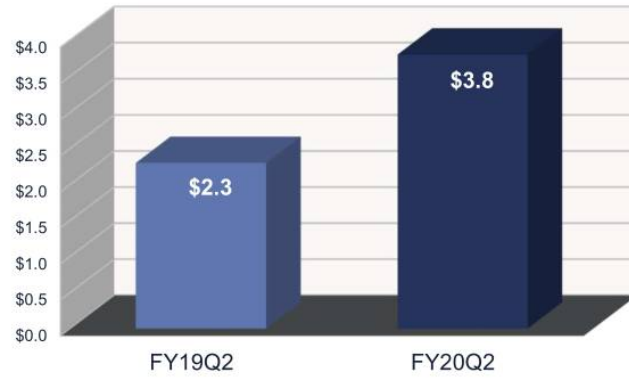
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Fiscal Q2 Results (Three Months Ended 3/31/2020)

Revenue



Operating Income



Debt Paydown Strategy in Place

| | 6/7/2019 | 9/30/2019 | 3/31/2020 |
|-------------------|-----------------|-----------------|-------------------|
| Debt Balance* | \$70 M | \$56 M | \$55 M |
| Less cash on hand | \$1.9 | \$1.8 | \$1.1 |
| Net Debt | \$68.1 M | \$54.2 M | \$53.9 M** |

*\$70M originally, after acquisition of S3

**3/31/20 balances reflect delays from financial system integration

Increased operating cash flow anticipated in subsequent quarters leading to a projected year-end debt balance of \$42 to \$45 million.

Net Debt is a non-GAAP metric used by investors and lenders and management believes it provides relevant and useful information to investors and other users of our financial data. Net Debt is calculated by subtracting cash and cash equivalents from the sum of current and long-term debt

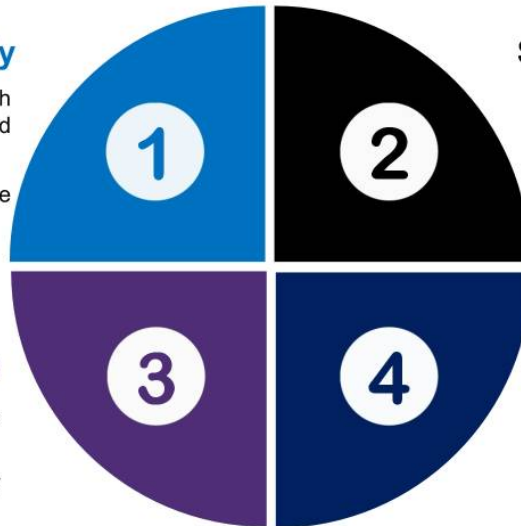


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Our Four Levers of Value Creation

Revenue Stream Stability

- Focus on Federal agencies with critical missions and sustained bipartisan support
- Optimize workforce and service delivery



Sustainable Margin Expansion

- Concentrate capture effort on projects that align with core competencies to expand operating income margins
- Pursue excellence across key dimensions of agility and cost efficiency

Long-Term Cash Flow Growth

- Expand EBITDA and balance sheet optimization
- Drive working capital efficiency and free cash flow
- Utilize long-term tax shield

Balanced Capital Deployment

- Drive growth – organic and through M&A
- Appropriate allocation of debt and financing



Q&A Session

Zach Parker | President and CEO
Kathryn JohnBull | CFO



Appendix

Non-GAAP Reconciliations:

This document contains non-GAAP financial information. Management uses this information in its internal analysis of results and believes this information may be informative to investors in gauging the quality of our financial performance, identifying trends in our results, and providing meaningful period-to-period comparisons. These measures should be used in conjunction with, rather than instead of, their comparable GAAP measures. A reconciliation of non-GAAP measures to the comparable GAAP measures presented in this document follows.



Fiscal 2020 Results (\$000s)

| | Three Months Ended | | Six Months Ended | |
|--|--------------------|-----------------|------------------|-----------------|
| | March 31, | | March 31, | |
| | 2020 | 2019 | 2020 | 2019 |
| Revenue | \$ 54,798 | \$ 33,756 | \$ 107,036 | \$ 67,508 |
| Cost of Operations: | | | | |
| Contract costs | 42,941 | 26,250 | 84,281 | 52,706 |
| General and administrative costs | 6,260 | 4,477 | 12,174 | 8,653 |
| Acquisition costs | — | 143 | — | 143 |
| Depreciation and amortization | 1,760 | 560 | 3,619 | 1,123 |
| Total operating costs | 50,961 | 31,430 | 100,074 | 62,625 |
| Income from operations | 3,837 | 2,326 | 6,962 | 4,883 |
| Interest expense, net | 906 | 544 | 1,846 | 721 |
| Income before income taxes | 2,931 | 1,782 | 5,116 | 4,162 |
| Income tax expense | 855 | 517 | 1,488 | 1,207 |
| Net income | \$ 2,076 | \$ 1,265 | \$ 3,628 | \$ 2,955 |
| Net income per share - basic | \$ 0.17 | \$ 0.11 | \$ 0.30 | \$ 0.25 |
| Net income per share - diluted | \$ 0.16 | \$ 0.10 | \$ 0.28 | \$ 0.23 |
| Weighted average common shares outstanding | | | | |
| Basic | 12,299 | 12,036 | 12,193 | 11,999 |
| Diluted | 13,003 | 13,087 | 12,886 | 13,030 |



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Trending EBITDA Reconciliation

| <i>Amounts in \$000s</i> | Twelve Months Ended | | | | | | | TTM* |
|-------------------------------------|---------------------|---------------|-----------------|-----------------|-----------------|------------------|------------------|------------------|
| | September 30, | | | | | | | |
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | |
| Net (loss)/income | \$ (159) | \$ 5,357 | \$ 8,728 | \$ 3,384 | \$ 3,288 | \$ 1,836 | \$ 5,324 | \$ 5,995 |
| (i) Interest expense/other (income) | 407 | 4 | (744) | 823 | 1,228 | 1,116 | 2,473 | 3,599 |
| (ii) (Benefit)/provision for taxes | - | (4,597) | (5,488) | (938) | 2,114 | 5,830 | 2,171 | 2,453 |
| (iii) Depreciation and amortization | 121 | 106 | 55 | 1,244 | 1,754 | 2,242 | 3,956 | 6,452 |
| EBITDA | \$ 369 | \$ 870 | \$ 2,551 | \$ 4,513 | \$ 8,384 | \$ 11,024 | \$ 13,924 | \$ 18,499 |

*TTM is the trailing twelve months ending March 31, 2020



**CORPORATE HEADQUARTERS
ATLANTA HQ**

3565 Piedmont Road, NE
Building 3 | Suite 700
Atlanta, GA 30305

**NATIONAL CAPITAL
REGION HQ**

8757 Georgia Avenue
Suite 1200
Silver Spring, MD 20910

**RESEARCH TRIANGLE
DURHAM, NORTH CAROLINA
OFFICES**

4505 Emperor Boulevard
Suite 400
Durham, NC 27703



Your Mission Is Our Passion

