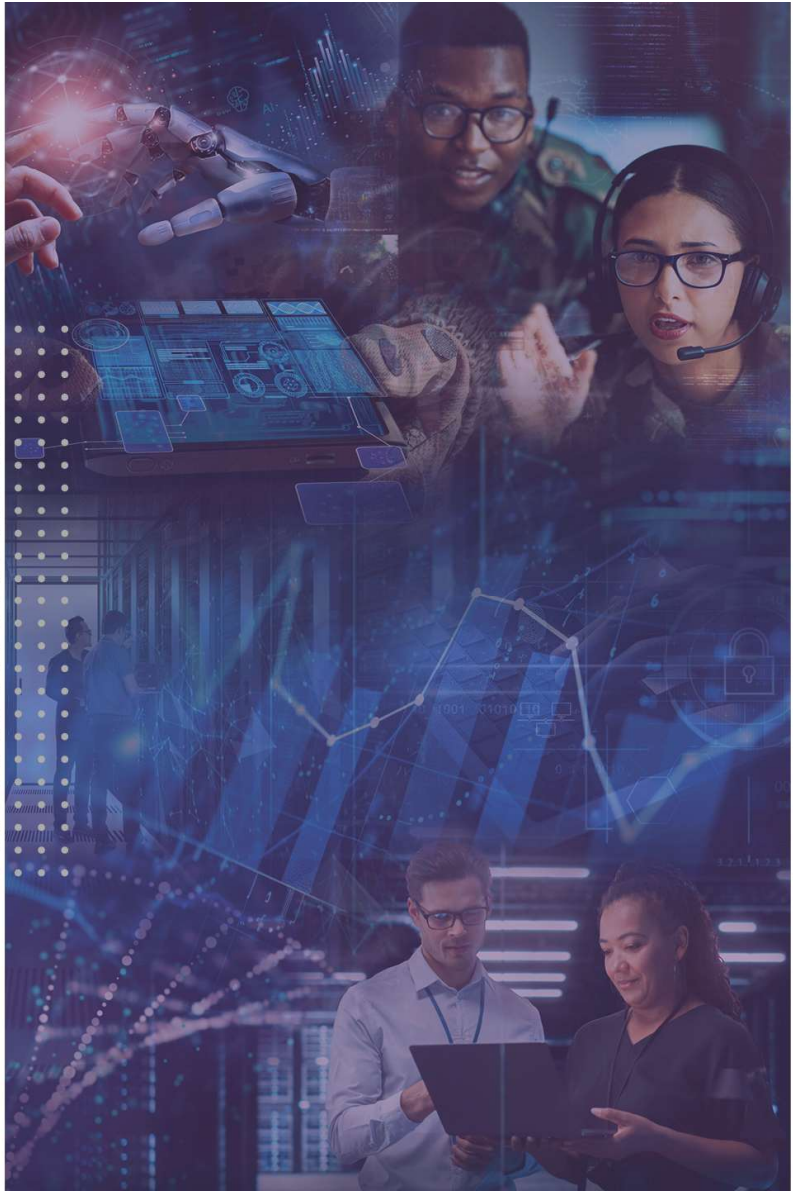




FY2025 First Quarter Earnings

Three Months Ended
12.31.24

February 6, 2025



Call Participants

Zach Parker

President and Chief Executive Officer

Kathryn JohnBull

Chief Financial Officer



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 presentation include, among others, statements regarding estimates of future revenues, operating income, earnings and cash flow. 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 presentation due to a variety of factors, including: the risk that we will not realize the anticipated benefits of acquisitions; the diversion of management’s attention from normal daily operations of the business and the challenges of managing larger and more widespread; the inability to retain employees and customers; contract awards in connection with re-competes for present business and/or competition for new business; our ability to manage our increased debt obligations; compliance with bank financial and other covenants; changes in client budgetary priorities; government contract procurement (such as bid and award protests, small business set asides, loss of work due to organizational conflicts of interest, etc.) and termination risks; the impact of inflation and higher interest rates; 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, 2024, 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.

CEO key updates

Fiscal 2025 Q1



Recent C6ISR award provides key to future wins; OASIS award yields immediate and long-term benefit

- DLH transformation contributes to critical win, positioning company with assets for future growth and expansion
- Operating at the intersection of complex surveillance, security, and health differentiates DLH from competition
- Prime position on OASIS contracting vehicle enriches DLH pipeline for FY25 and beyond

New administration and DOGE brings expanded opportunity and some risk for DLH




- DLH solutions have focused on improved productivity and efficiency; Government cost-saving
- Development of recent fraud, waste, and abuse expertise and proprietary SPOT-m™ tools bode well
- DLH technology-based innovations and value propositions for defense & cyber align well with the administration
- No direct nor indirect material impact from Executive Orders issued to date

Revenue from recent and prospective new contract awards will offset revenue erosion from contract “unbundling” for government directed small business set-asides

- Revenue \$90.8 million
- EBITDA \$9.9 million, EBITDA margin 11.0%
- \$167.0 million total debt reflects borrowing to meet short-term capital needs

Transformed growth pipeline

Enhanced capabilities, competitive differentiators accelerate organic growth trajectory

-  Digital Transformation & Cybersecurity (“DTC”)
-  Systems Engineering & Integration (“SEI”)
-  Science, Research & Development (“SRD”)

Cross-Cutting Capabilities Leveraged to Create Solutions Across All Markets



Record pipeline of new business opportunities
>\$4.0B in qualified opportunities

Go-to-market tool kit built to address **complex, mission-critical** challenges

Numerous potential single-award signature contracts with values of **over \$100M** each

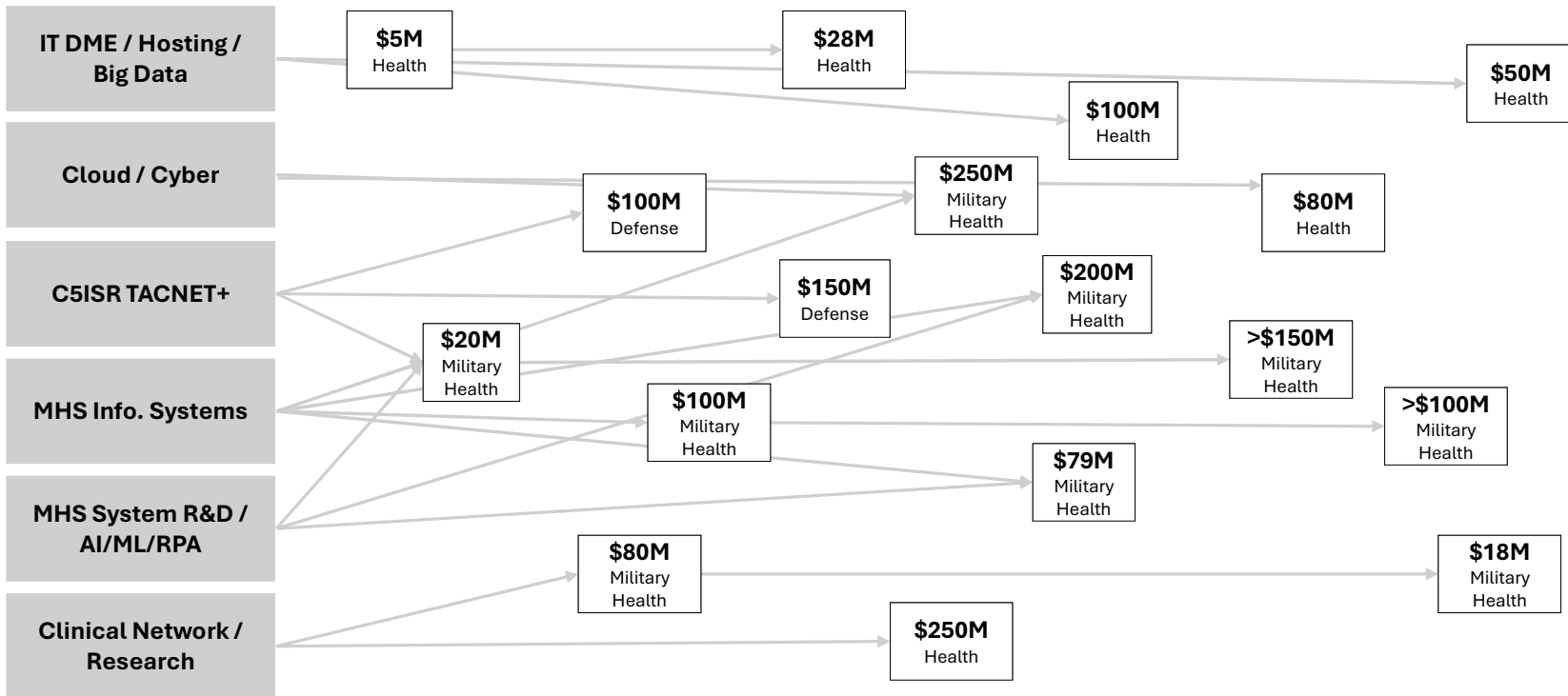
Elevated Pwin for opportunities with expected award decisions between **FY25-26**

Qualified new business roadmap

Leveraging recent awards and capabilities to win complex, mission-critical work

Capability Areas	FY2025 (13 items qualified, total value of \$0.7B)	FY2026 (26 items qualified, total value of \$1.9B)
------------------	--	--

Representative Opportunities from Across Our Qualified Pipeline: *Current as of February 2025. Pipeline status and values are dynamic and will change.*



A vertical purple bar on the left side of the slide.

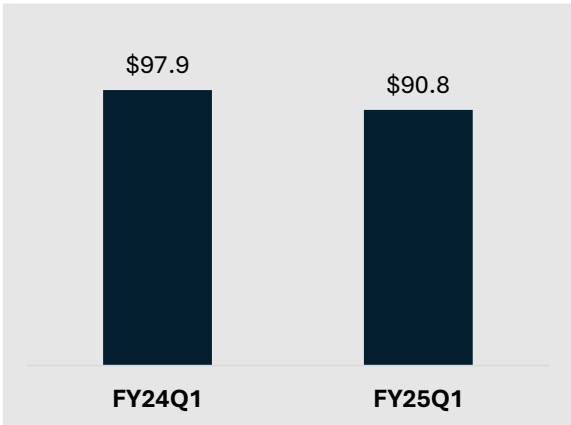
Financials

Kathryn JohnBull, Chief Financial Officer

Q1 FY25 results

\$ millions

Revenue



\$63.2 million TPS ¹	\$56.7 million TPS
---------------------------------	--------------------

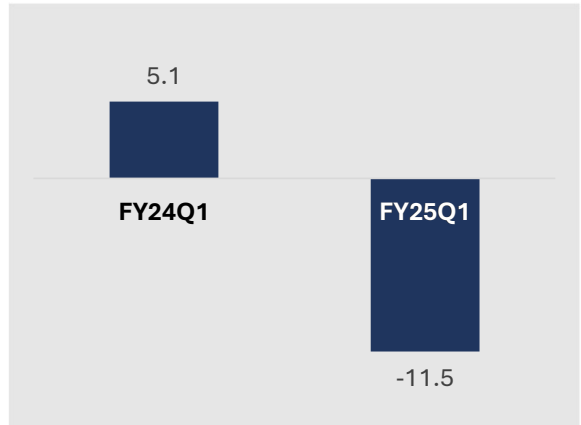
- + Contribution from new contract awards
- ↔ Service delivery timing
- Small business unbundling

EBITDA



- + Scaled variable indirect costs
- Small business unbundling

Cash from Operations



- Short-term collections lag (expected to resolve in Q2)

¹Revenue from Technology-Powered Solutions excludes that from the VA CMOP program

Capital allocation

Focused on debt reduction and organic growth

Total debt of \$167.0 million as of December 31, 2024

- Increased borrowing to meet short-term capital needs
- Short term lag in collections expected to unwind in Q2
- Remain confident that 50 – 55% of EBITDA will convert to debt reduction by fiscal year end

Amended credit facility provides flexibility

- Modified financial covenants as company transitions through VA small-business conversion
- Borrowing capacity available to satisfy working capital needs and focused, acquisitive growth opportunities

Continued investment in organic growth

- Pipeline of qualified, new business opportunities of approximately \$4 billion
- Diverse mix of existing and new customers whose budgets are expected to be aligned with new administration's priorities



Your Mission is Our Passion



A solid purple vertical bar positioned to the left of the word "Appendix".

Appendix



Non-GAAP Reconciliations

This document contains non-GAAP financial information including EBITDA and EBITDA as a percent of revenue which are not recognized measurements under accounting principles generally accepted in the United States, or GAAP, and when analyzing our performance investors should (i) evaluate each adjustment in our reconciliation to the nearest GAAP financial measures and (ii) use the aforementioned non-GAAP measures in addition to, and not as an alternative to, revenue, operating income and net income as measures of operating results, each as defined under GAAP. We have defined these non-GAAP measures as follows:

“EBITDA” represents net income excluding depreciation and amortization, interest expense, and provision for or benefit from income taxes

"EBITDA as a percent of revenue" is EBITDA for the measurement period divided by revenue for the same period.

(in thousands)	Three Months Ended		
	December 31,		
	2024	2023	Change
Net income	\$1,115	\$2,151	\$(1,036)
Depreciation and amortization	4,307	4,253	54
Interest expense, net	4,133	4,658	(525)
Provision for income tax expense	389	10	379
EBITDA	\$9,944	\$11,072	\$(1,128)
Net income Margin on Revenue	1.2%	2.2%	
EBITDA Margin on Revenue	11.0%	11.3%	