

maximus

Investor Presentation

AUGUST 2023



Creating Value to Drive Long-term Growth

WHO WE ARE

Founded in 1975, leading operator of government health and human services programs worldwide

Key services

Key government customers

HOW WE CREATE VALUE

Unmatched ability to translate public policy into operating models that achieve outcomes for government – at scale

Desirable operating model drives high cash conversion

Capital deployment strategy focused on long-term organic growth

WHAT DRIVES LONG-TERM GROWTH

Long-term demographic, political, technology, and economic trends favor our business

Meaningful barriers to entry in many markets

Organic growth through scope increases and amendments supplement new market expansion

How We Operate at Scale

Perform **2 million+**
independent benefit reviews

Manage **20 million**
citizen services cases

Handle **7 million**
contact center inquiries per month

Complete **1.8 million+**
assessments in the
U.S. and U.K. each year

Oversee **60 – 70%**
of the market
of Medicaid
managed care

Answer **43 million**
calls annually to support Federal
health insurance enrollment

Why We Win

Typical Evaluation Criteria
Are Weighted 70/30
Technical vs. Cost

Federal Contracts Are
Awarded Generally on a
“Best Value” Basis

Winning in
Our Markets

How We Adapt

Strategic IT Investments
Provide Flexibility

Best-in-Class Labor Sourcing
Capabilities & Network

Highly Variable Cost Model

Built to Adapt and Win

Proven Durability with Large Customers

HIGHLY DESIRABLE LONG-TERM RELATIONSHIPS



Maximus U.S. Federal is #1 Provider at:



Masterfile

Accurate processing of taxes in the U.S.

IT Security Implementation

Project and program management for the IRS cybersecurity organization



EDGAR

Provides free public access to corporate filings which increases the efficiency, transparency, and fairness of the securities markets



Contact Center Operations (CCO)

Serves as the primary support engagement center for Medicare and the federal exchange utilized by 33 states under the Affordable Care Act (ACA)

Financial Characteristics



Revenue

Sustainable Mid-single digit organic growth

Operating Margin

9 – 12% near term, or
10 – 14% over 3 – 5 yrs,
and before expense for
amortization of intangible assets



Long-term Customers

7+ year weighted average contract life;
our relationships last decades

Backlog of Contracts

90%+ of revenue in form of backlog
in annual revenue guidance
\$19.8B backlog as of 9/30/2022
7 YR average remaining
life of backlog

~90%



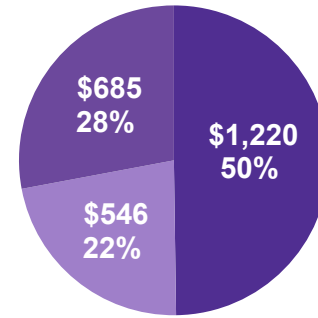
Recompete Win Rate



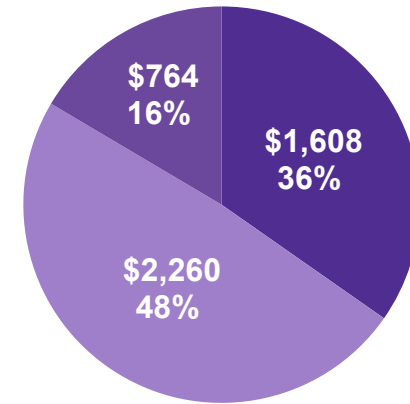
High Cash Conversion

FCF to GAAP net income
~1.3X go forward

Segment & Revenue Disaggregation

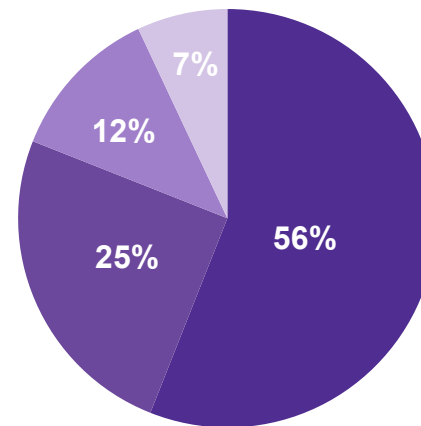


FY17 Segment Revenue (\$M)
\$2,451



FY22 Segment Revenue (\$M)
\$4,631

■ U.S. Services ■ U.S. Federal Services ■ Outside the U.S.



FY22 Service Revenue Breakdown

■ Program Operations
 ■ Clinical Services
 ■ Employment & Other
 ■ Technology Solutions

Strategy Focused on Leveraging Successful Foundation and Strong Technology Portfolio

Strategic Growth Pillars

Customer Services, Digitally Enabled

Elevate Customer Experience (CX) to achieve higher levels of satisfaction, performance, and outcomes through intelligent automation and cognitive computing

Future of Health

Help governments meet rising demand for health services by growing our clinical capabilities to improve the health of people and their communities

Advanced Technologies for Modernization (Technology Services)

Further our credibility as a technology leader enabling the transformation of government programs to be resilient, dynamic, integrated, and equitable

Delivery Strategies

Maximus enables governments to respond to complex technology, health, and social challenges they face in delivering their largest and most critical programs

Business Process Services (BPS)

Technology Consulting Services (TCS)

OUR PEOPLE | Driving the Strategic Plan's Success

Attract, retain, develop, and empower people who share our passion, commitment, and expertise to address government's toughest challenges

Customer Services, Digitally Enabled

Objectives

- Expand Maximus' leadership in delivering outcomes-focused government-to-customer interactions
- Leverage understanding of intersections of policy and consumer needs
- Capitalize on government's commitment to a better Customer Experience (CX)

Examples of Our Success Thus Far

Area	Proof Point
TX Intelligent Document Processing	50% of Medicaid enrollment forms are automatically processed Our solution interprets handwriting with 99%+ accuracy
MI Robotic Process Automation (RPA)	RPA automates ~8,000 premium refund requests each month
Company-wide RPA	97 bots automated 4.3M transactions
Digital Documents Technology	61% of applications and forms completed within 5 days Previously, no applications completed within 5 days
Industry Awards	Our Digital Solutions and Creative Agency won 28 industry and agency awards

How This Supports Our Strategy

Organic & New Business Growth

- ✓ Digital Solutions = Competitive Differentiation
- ✓ Catalyst for Contract Amendments

Margin Improvement

- ✓ Achievement of Service Levels
- ✓ Quality Improvement & Error Reduction

Future of Health

- Expanding our commitment to help governments satisfy the rising demand for health services
- Includes the delivery of health services directly (i.e., via clinicians or other health professionals) or indirectly (i.e., analytics, infection control)

What makes this strategic & how will we win?

Strong track record of delivering complex programs with a clinical dimension

Significant “open space” exists to further **expand our assessment business**

Independence and conflict-free status area **competitive advantage**

What This Means:

In Scope

- ✓ Assessments & Appeals
- ✓ Care Navigation, Integration & Access
- ✓ Tech-enabled Telecare & Assessments
- ✓ Chronic Disease Prevention
- ✓ Veterans, Military Staff & Families Counseling
- ✓ Mental Health Provision

Out of Scope

- ✗ Hospital Facilities Management
- ✗ Staffing Hospitals & Providing Acute Care
- ✗ Prescribing Medications

Technology Services Powering Strategy Update

- Leverage our deep relationships, program knowledge, and **#1 provider position** in key agencies
- Deliver technology-driven business transformation of government missions with a strategic near-term focus on:
 - Modernization enabled via **secure hybrid cloud solutions**
 - Transformation enabled via **information intelligence and hyper-automation**

What makes this strategic & how will we win?

Of the ~\$80B in overall annual Federal IT spend, ~\$40B is addressable by Maximus and expected to annually at 8% from FY22 - FY26

Well-positioned to **expand** our existing federal footprint

While not an immediate priority, non-federal technology markets represent **attractive growth paths**

What This Means:

Prioritized

- ✓ Cloud Adoption and Modernization
- ✓ Development Modernization & Enhancement Initiatives
- ✓ Data Management & Analytics Services
- ✓ Data Science & AI/ML Solutions
- ✓ RPA & IoT Solutions

Deprioritized

- ✗ Enterprise Network Operations Management
- ✗ Enterprise IT Operations Management
- ✗ NOC & SOC Services
- ✗ PMO & CIO Services
- ✗ IT Service Desk & Helpdesk Services

Capital Allocation Strategy

HIGHER PRIORITY

LOWER PRIORITY



**Internal Organic
Growth Initiatives**



**Maintain Growing
Dividend**



**Disciplined
M&A**

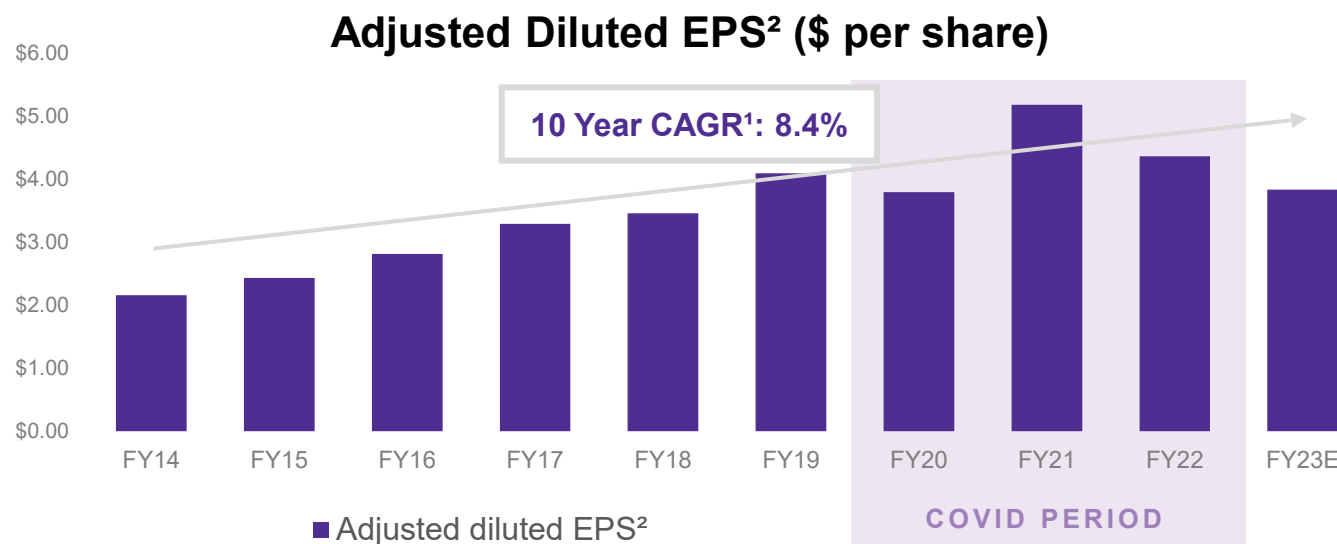
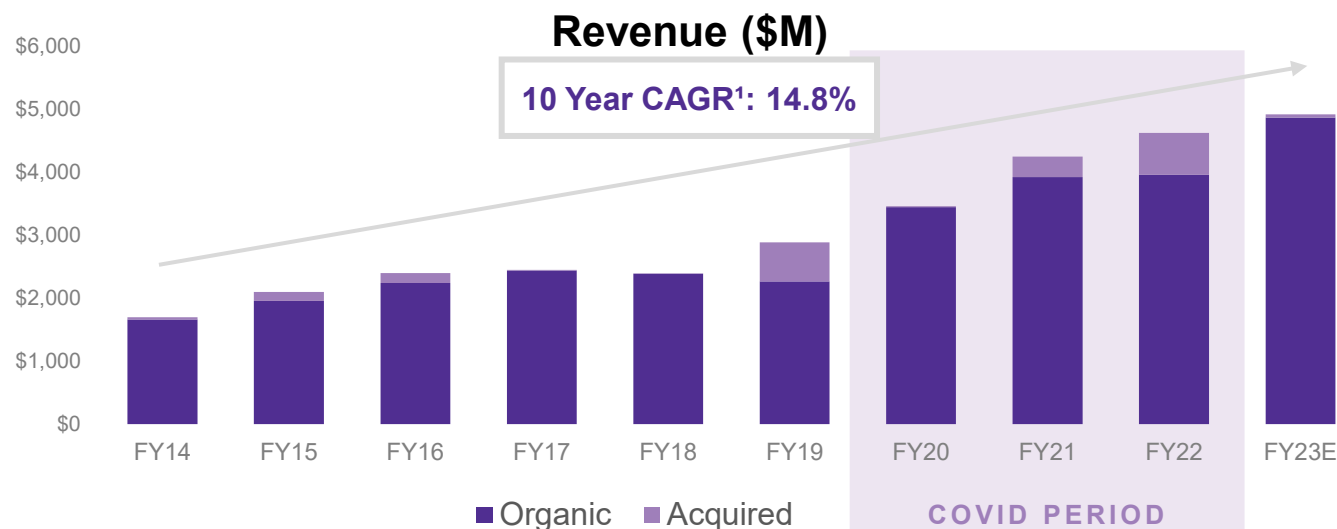


**Share
Repurchases**

Maintain 2.0x – 3.0x Target Leverage Ratio

Appendix

Historical Financial Performance



- Historical revenue growth primarily organic growth and supplemented by strategic acquisitions
- Strong temporary COVID response work bolstered FY21
- Earnings faced greater headwinds resulting from COVID impacts

FY23 Guidance

- Revenue: \$4.875B - \$4.975B
- Adjusted² operating income: \$387M – \$401M, or \$409M - \$432M ex. cybersecurity incident³
- Adjusted² diluted EPS: \$3.74 - \$3.94, or \$4.00 - \$4.20 ex. cybersecurity incident³
- Free cash flow: \$190M - \$230M, or \$212M - \$252M ex. cybersecurity incident³

¹Source: *10 year calculations use FY13 figures and adjusted EPS. FY13 revenue was \$1,236M and adjusted EPS was \$1.71

²Excludes expense for amortization of intangible assets

³Expense of \$22.1 million for best estimate of investigation and remediation costs of a cybersecurity incident in June 2023

How We Are Paid

Firm, Fixed Price

Appropriate if program is well-established with known volumes

HIGHER RISK
HIGHER MARGIN

Performance-Based (Fixed Price Per Unit)

Activity based: per call, per assessment, per enrollment

Outcomes based: per job placement, per job sustainment, per completed eligibility determination

Membership based: per member per month

Time & Materials

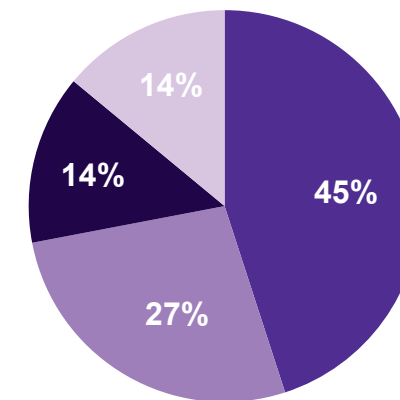
Labor rate per hour plus reimbursement of non-labor costs

Cost Plus

Reimbursed for direct & indirect expenditures

Profit rate is contractual, may include an award fee component (*based on performance*)

LOWER RISK
LOWER MARGIN



FY22 Revenue Breakdown

- Performance-based
- Cost-plus
- Fixed price
- Time and materials



M&A Evaluation Criteria



Our primary goal is to accelerate organic growth through revenue synergies

New customers | New capabilities | Increase scale in strategic areas



Strong cultural fit



Sustainable growth and margins



We evaluate the financial model with DCF, IRR, EPS accretion, comparables – no single metric