

HealthStream.[®]

1Q 2025 Investor Presentation



Safe Harbor Statement

This presentation includes certain forward-looking statements (statements other than solely with respect to historical fact), including statements regarding expectations for the financial performance for 2025 that involve risks and uncertainties regarding HealthStream. These statements are based upon management's beliefs, as well as assumptions made by and data currently available to management. This information has been, or in the future may be, included in reliance on the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that such results or events predicted in these statements may differ materially from actual future events or results. The forward-looking statements are subject to significant uncertainties and other risks referenced in the Company's Annual Report on Form 10-K and in the Company's other filings with the Securities and Exchange Commission. Consequently, such forward-looking information should not be regarded as a representation or warranty by the Company that such projections will be realized. Many of the factors that will determine the Company's future results are beyond the ability of the Company to control or predict. Readers should not place undue reliance on forward-looking statements, which reflect management's views only as of the date hereof. The Company undertakes no obligation to update or revise any such forward-looking statements.



OUR VISION:

To improve the quality of healthcare by developing the people who deliver care.

HEALTHSTREAM CONSTITUTION



A set of documents embodying the fundamental guidance, principles, and values according to which the Company is governed

HealthStream™

96%

of employees report that HealthStream's vision inspires their performance

“

High-quality healthcare starts with a well-trained,
adequately supplied, and well-distributed
healthcare workforce.

”

National Center for Health Workforce Analysis, 2024 | data.hrsa.gov

Focused on the healthcare industry and its workforce

\$4.9
trillion industry

17.6% of GDP
Hospital Care = approx. 1/3
Fastest growing sector of U.S. economy

HealthStream Overview



MARKET LEADER

- A market leader of workforce solutions for U.S. healthcare organizations for learning, credentialing, and scheduling.
- Enterprise-level, subscription-based products, producing recurring revenues.

GROWING DEMAND

- Large and growing workforce marketplace of applications and content for healthcare organizations.
- Serves highly regulated healthcare industry, which is undergoing challenges to improve patient safety and retain their workforce.

STRONG FINANCIALS

- Market Cap: ~\$850M (as of 9 May 2025)
- 1Q 2025 Revenues: \$73.5M; Quarterly adjusted EBITDA: \$16.2M
- FY 2024 Revenues: \$291.6M; FY 2024 adjusted EBITDA: \$66.8M
- Strong balance sheet: \$113.3M cash (as of 1Q 2025); \$50M unused credit facility; no debt
- Quarterly Dividend Program

HealthStream®
Learning Center

HealthStream Learning Center
has been ranked **#1** in Best
Healthcare Software by G2.

CredentialStream®
by HealthStream®

CredentialStream has been ranked
#5 on G2's 2025 list of Top
Healthcare Software Products.



Three Primary Application Suites



Learning

Develop and engage next-level people in healthcare to deliver the highest quality of care



Credentialing

Accelerate credentialing and onboarding while speeding up your revenue cycle



Scheduling

Align your workforce system-wide, forecast demand with accuracy, and support nurse well-being

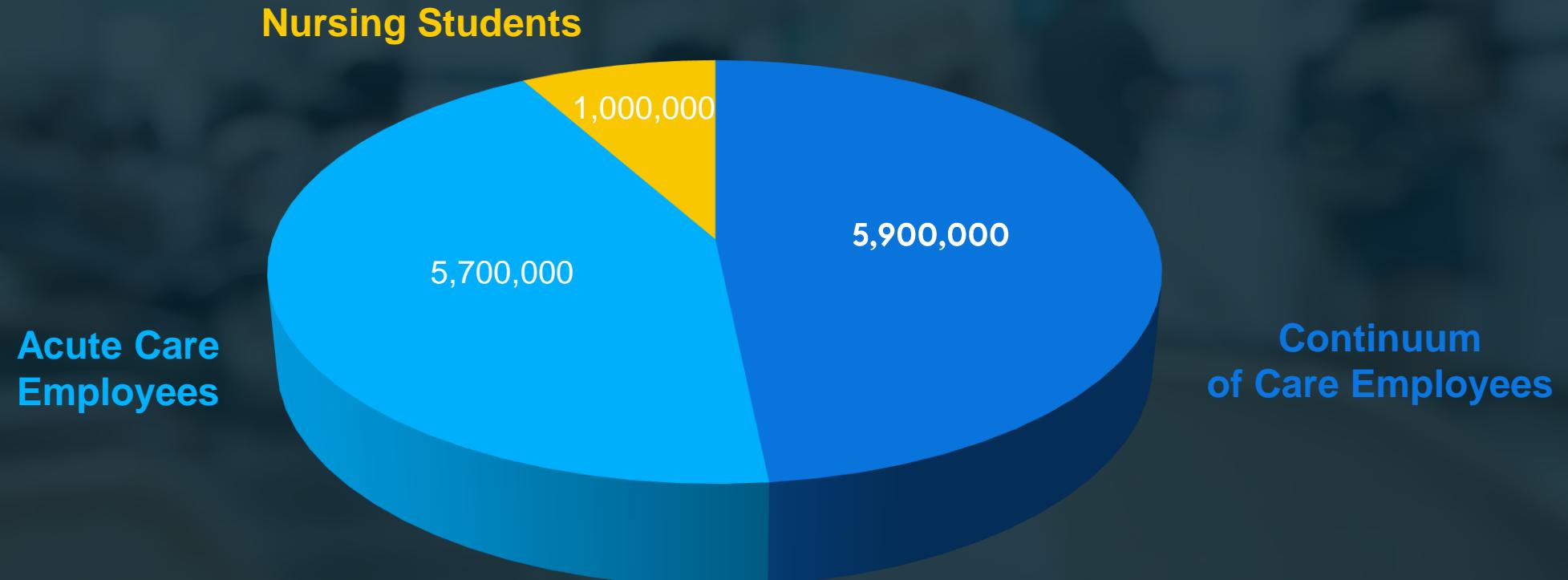
Healthcare Organizations Use HealthStream Enterprise Applications to:



- Develop Clinical Workforce
- Meet Compliance Requirements
- Increase Resuscitation Outcomes
- Manage Credentialing & Privileging
- Optimize Workforce Scheduling

Total Addressable Market (TAM): 12,600,000 Individuals Focused on Healthcare Delivery*

Total number of healthcare professionals working in provider organizations, along with pre-professionals (current nursing students)



* Sources: U.S. Bureau of Labor Statistics;
American Association of Colleges of Nursing

HealthStream Expands its Total Addressable Market

TARGETING 1,000+ NURSING SCHOOLS & 1,000,000+ NURSING STUDENTS

P R E S S R E L E A S E

For Immediate Release:

HealthStream™

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HealthStream Expands its Total Addressable Market, Targeting 1,000+ Nursing Schools & 1,000,000+ Nursing Students

NASHVILLE, Tenn. (December 5, 2023) – HealthStream (Nasdaq: HSTM), a leading healthcare technology platform for workforce solutions, announced today the expansion of its market opportunity to include the nation's approximately 1,000,000 nursing students of all levels as well as the approximately 1,000 nursing schools, along with a multitude of nursing certification and nursing associate degree programs.

The addition of nursing students has accelerated in HealthStream's network with the widespread adoption of its application, myClinicalExchange. This unique application, which was integrated with the hStream Platform in April 2023, is purchased directly by students and by their academic organization on behalf of students at an average of approximately \$30 per user per year to manage students' onboarding, rotations, and internships—and its adoption continues to grow. At its current annual growth rate of approximately 27 percent, myClinicalExchange is

High-level Growth Strategies

- Expand Customer Network;
Add new customers
- Increase the value of each account:
Provide more solutions to each
customer; Cross-sell
- Grow new revenue streams via
Partners
& PaaS capabilities
- Inorganic growth 2-3% per year



Tennessee-Headquartered Health System with 24,000+ Employees

\$6.25

Annual Revenue
Per Employee

in 2004

\$92.86

Annual Revenue
Per Employee

in 2025

SUBSCRIPTIONS ADDED OVER TIME

- hStream
- HLC
- Red Cross
- EBSCO Dynamic Health
- CE Unlimited
- Quality OB
- SafetyQ
- Video
- Association content partners

California-based Health System with 38,000 Employees

\$6.50

Annual Revenue
Per Employee

in 2006

\$55.16

Annual Revenue
Per Employee

in 2025

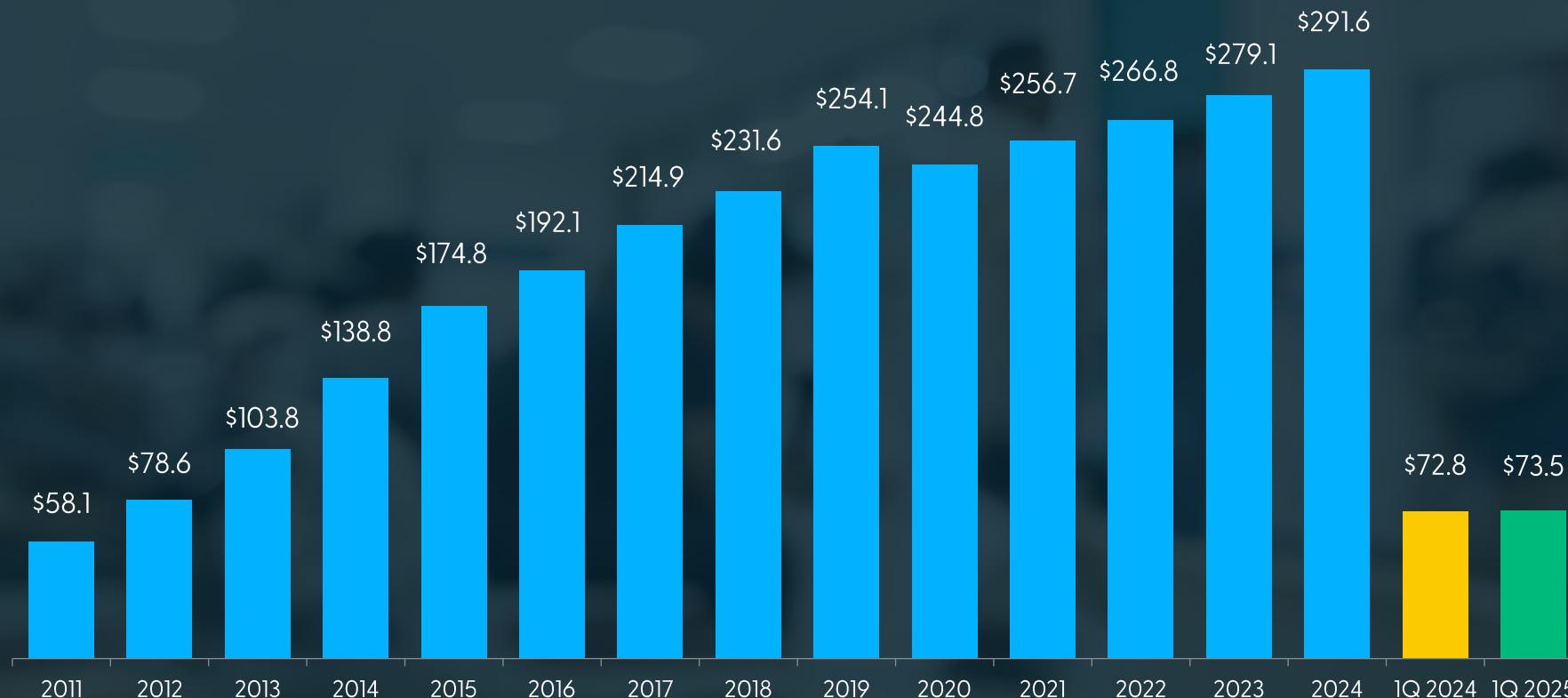


SUBSCRIPTIONS ADDED OVER TIME

- Learning Center
- Clinical Content (3 solutions)
- SafetyQ
- Credentialing Solution
- Competency Center
- Red Cross Pilot
- Checklist
- CE Unlimited
- Sigma Clinical Leadership
- Enterprise Visibility
- Quality OB
- EBSCO Dynamic Health

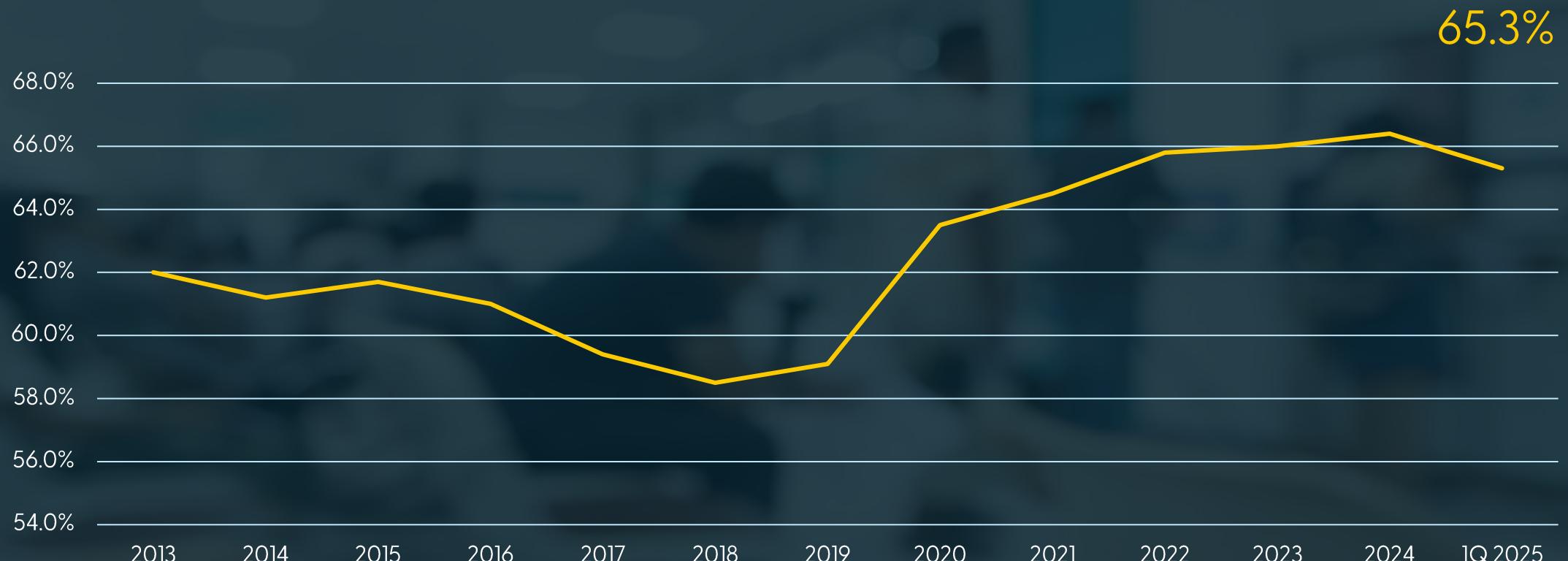
Revenue*

(\$ in millions)



*2011-2018 Full-Year revenue metrics adjusted retroactively to exclude PX business.

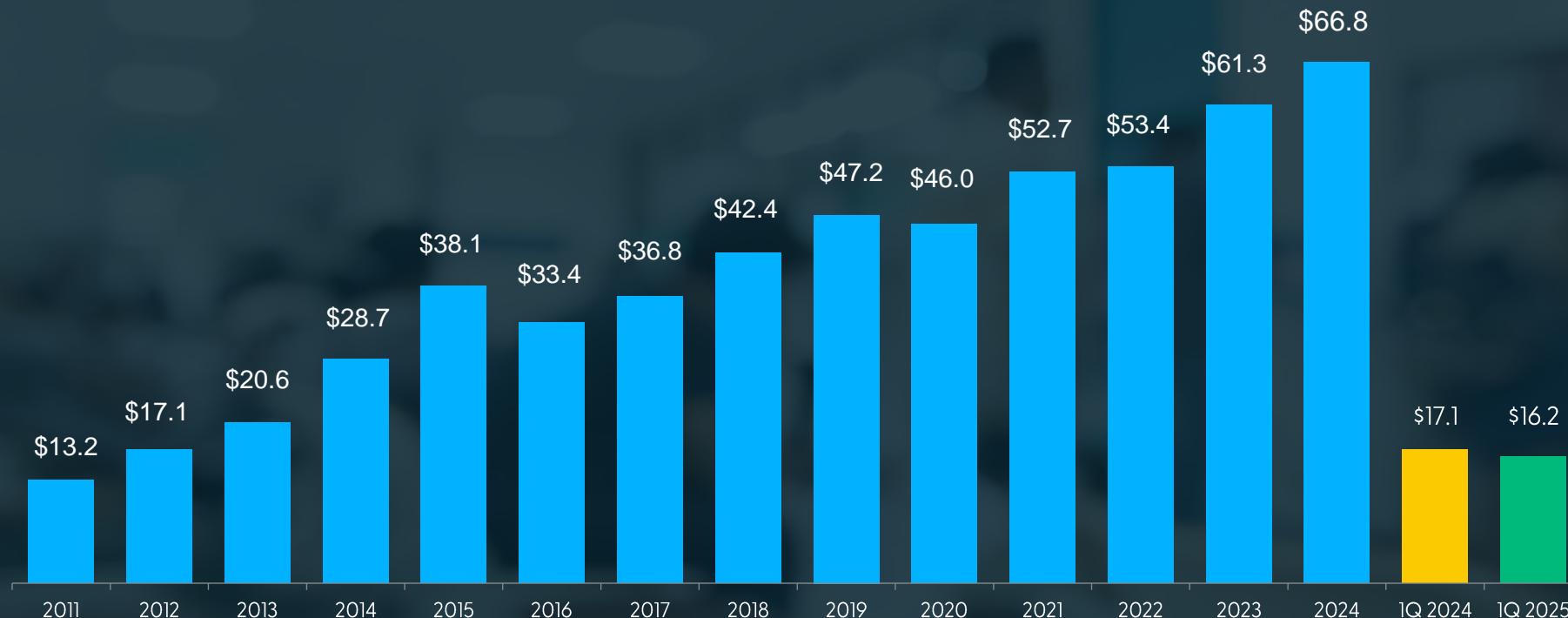
Gross Margins



(1) Gross margin excludes depreciation and amortization expense.

Adjusted EBITDA*

(\$ in millions)



* (1) Adjusted EBITDA is a non-GAAP measure. See "Disclaimers: Financial Information." A reconciliation of Adjusted EBITDA to net income, the corresponding GAAP financial measure, is provided in the Appendix hereto.

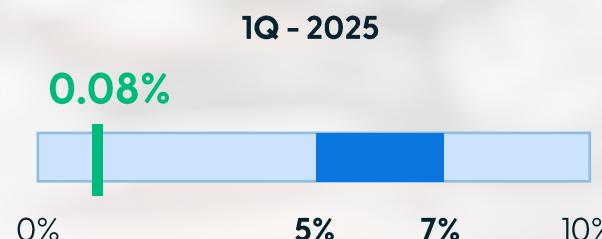
(2) 2011-2018 Full-Year Adjusted EBITDA metrics adjusted retroactively to exclude PX business.

ANNOUNCED SEPTEMBER 2022

Medium Term (~3-year) Objectives

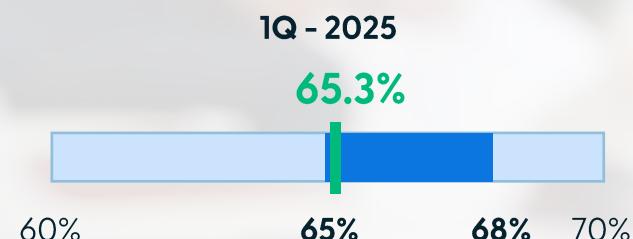
Organic Revenue

5-7%



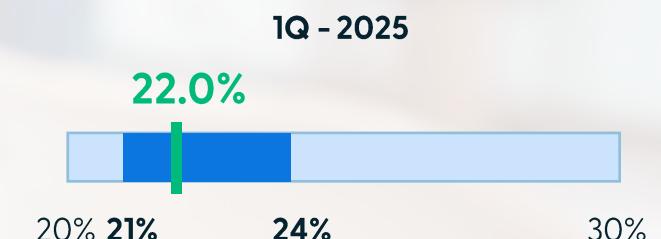
Gross Margin

65-68%



Adj. EBITDA Margin

21-24%



Cash Dividend Program: 2nd quarterly dividend increase since launch

HealthStream Announces Fourth Quarter and Full-Year 2023 Results
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February 19, 2024

HealthStream.

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HealthStream Announces Fourth Quarter & Full-Year 2023 Results; Increases Quarterly Dividend

NASHVILLE, Tenn. (February 19, 2024)—HealthStream, Inc. (the "Company") (Nasdaq: HSTM), a leading healthcare technology platform for workforce solutions, announced today results for the fourth quarter and full-year ended December 31, 2023.

Fourth Quarter 2023

- Revenues of \$70.6 million, up 3% from \$68.5 million in the fourth quarter of 2022
- Operating income of \$4.3 million, up 38% from \$3.1 million in the fourth quarter of 2022
- Net income of \$4.6 million, up 87% from \$2.5 million in the fourth quarter of 2022
- Earnings per share (EPS) of \$0.15 per share (diluted), up from \$0.08 per share (diluted) in the fourth quarter of 2022
- Adjusted EBITDA of \$16.0 million, up 17% from \$13.6 million in the fourth quarter of 2022
- Board of Directors has declared a quarterly cash dividend of \$0.028 per share, an increase of 12% over the previous quarter's dividend of \$0.025 per share

**Quarterly
dividend
increase of
10.7%
announced
Feb. 24,
2025.**

Exciting Products: Highlights

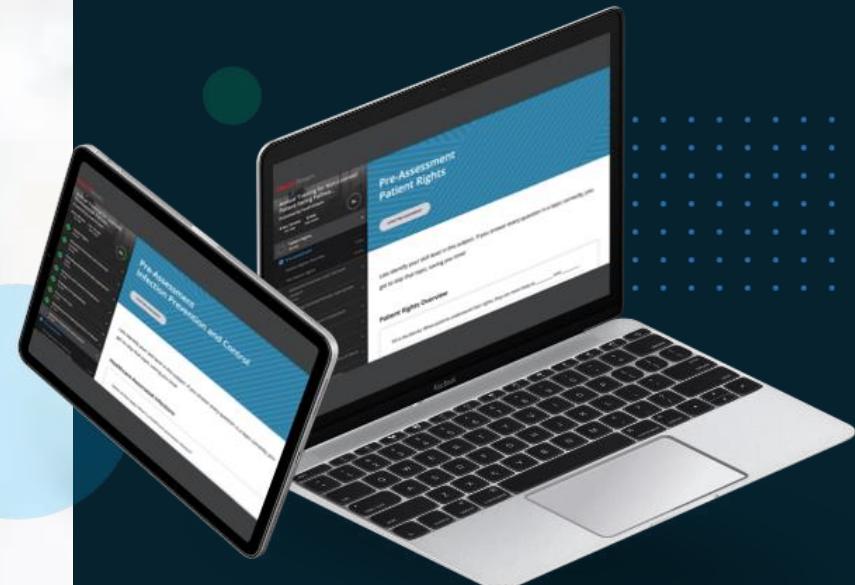
Safety & Compliance Training: Leading the Market

Highest Rated in Healthcare by G2

- ✓ High margin SaaS-based compliance training solutions; includes HealthStream-developed software, content, and reporting
- ✓ Helps organizations meet OSHA & Joint Commission training requirements of every employee, every year
- ✓ **3+ year**, enterprise-wide, subscription-based contracts

HealthStream®
SafetyQ

HealthStream®
ComplyQ

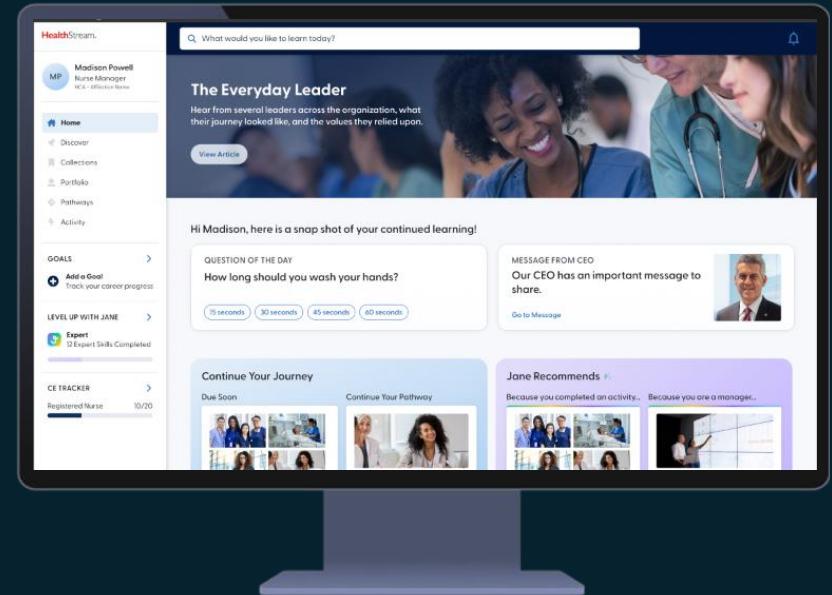


HealthStream Learning Experience™: New AI-driven Application

Optimizing Healthcare Professionals' Learning Journey

- ✓ Empower individuals with curated skills and professional pathways
- ✓ Engage the healthcare workforce with social features and mentoring
- ✓ Retain Staff with Career Mobility and Personalized Experiences

HealthStream® Learning Experience



Resuscitation Suite: Enhanced Life-Saving Training

~1.5M certifications since 2019 launch

- ✓ Resuscitation Training for physicians, nurses and clinical staff for critical life-saving skills
- ✓ Launched January 2019 and now adopted in all 50 states
- ✓ **~1.5M** certifications issued through the HealthStream network since launch

HealthStream®



Credentialing Solutions: Best in Class Application Suite

Shortening Time to Revenue for Physicians

- ✓ 1st provider-centric solution
- ✓ Rated top Credentialing Software on prestigious G2 site
- ✓ **Industry first:** Solution that accelerates entire physician onboarding process
- ✓ **Industry first:** Solution for Health Plans within Hospitals
- ✓ **Industry first:** National benchmarks for credentialing, privileging, and enrollment

HealthStream® CredentialStream



Nursegrid®: #1 Most Adopted App for Nurses

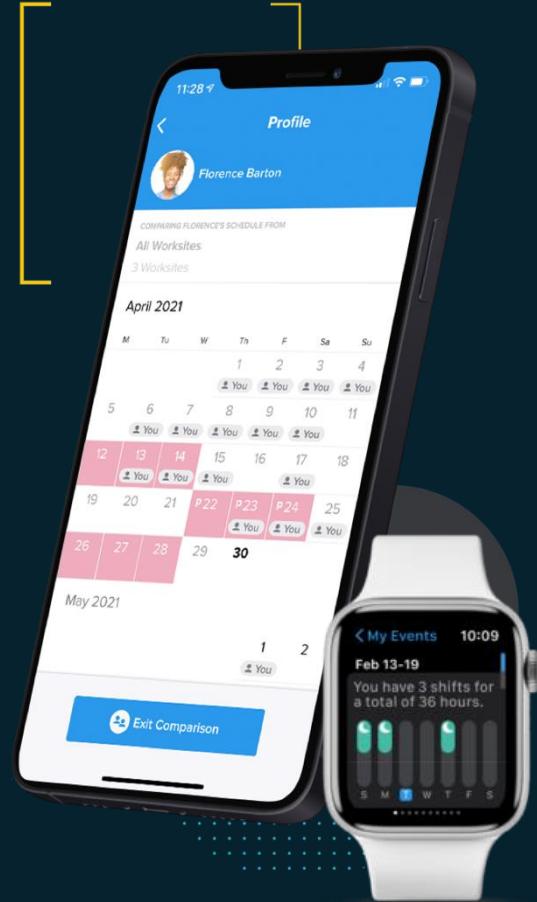
635,000+ Monthly Active Users

- ✓ Manage their work and personal calendar
- ✓ Coordinate shift swaps, open shifts
- ✓ Connect with nurse colleagues & see who is working when
- ✓ Store credentials and work history

1 in 6
U.S. Nurses actively
use NurseGrid

#1 RATED APP BY NURSES
4.9/5 
130k Reviews
Free in Apple Store

Nursegrid®





The platform that **connects** everything in the HealthStream ecosystem and includes exclusive applications, services, discounts, content, and other benefits

Components of the hStream Platform Subscription

Free Applications & Content



My Team



My Portfolio



Content

Compelling Member Benefits



Discounts



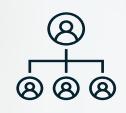
Collaboratives



Identity



APIs



License Service

Robust Platform Services

Independent Research Coverage

CANACCORD Genuity

Initiated July 2015



CRAIG-HALLUM
CAPITAL GROUP LLC

Initiated October 2010

JMP

Initiated December 2023

William Blair & Company[®]

Initiated November 2011

Barrington Research[™]

Initiated June 2016



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