4Q & Full-Year 2023
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 2024 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.

96%

of employees' report that HealthStream's vision inspires their performance

“High-quality healthcare depends on a highly trained and engaged workforce.”

American Hospital Association, 2019

Focused on the Healthcare Industry and its Workforce

$4.5

trillion industry

17.3% of GDP

Hospital Care = approx. 1/3

Fastest growing sector of U.S. economy

HealthStream Overview

Nasdaq: HSTM

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: $802.1M (as of 8 March 2024)
- 4Q 2023 Revenues: $70.6M; Quarterly adjusted EBITDA: $16.0M
- Strong balance sheet: $71.1M cash (as of 4Q 2023); $50M unused credit facility; no debt

(All metrics are "approximate.")

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

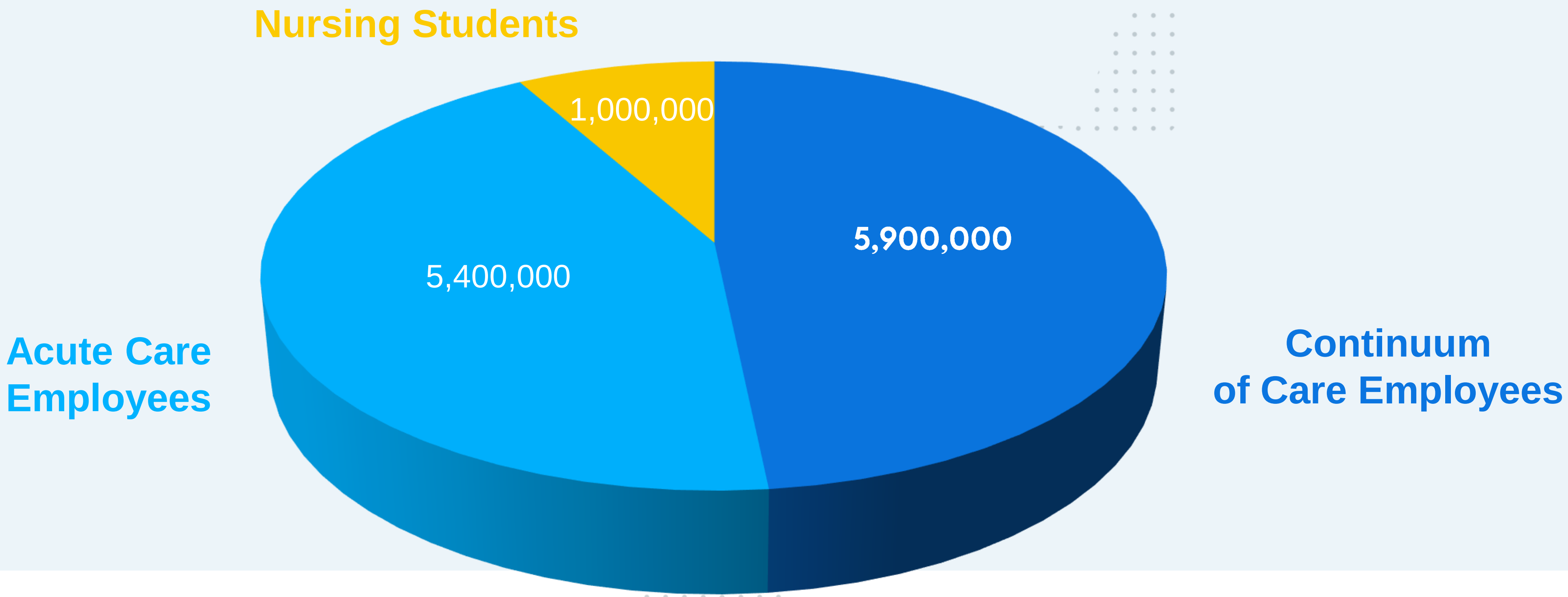
Align your workforce system-wide, forecast demand with accuracy, and support nurse well-being

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): 12,300 Individuals Focused on Healthcare Delivery

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



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

HealthStream

For Immediate Release:

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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 wide-spread 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

Oklahoma-based Health System with 9,000 Employees

$15.75 → **$131.38**

Annual Revenue Per Employee **in 2007**

Annual Revenue Per Employee **in 2024**

SUBSCRIPTIONS ADDED OVER TIME

- Regulatory/Compliance Library
- Learning Center
- hStream
- Nurse Residency
- EBSCO Dynamic Health
- QualityOB
- SafetyQ
- CE Unlimited
- Checklist
- Compliance Courseware
- STABLE
- Association Courseware
- CredentialStream

California-based Health System with 28,600 Employees

$6.50 → **$54.83**

Annual Revenue
Per Employee
in 2006

Annual Revenue
Per Employee
in 2024

SUBSCRIPTIONS ADDED OVER TIME

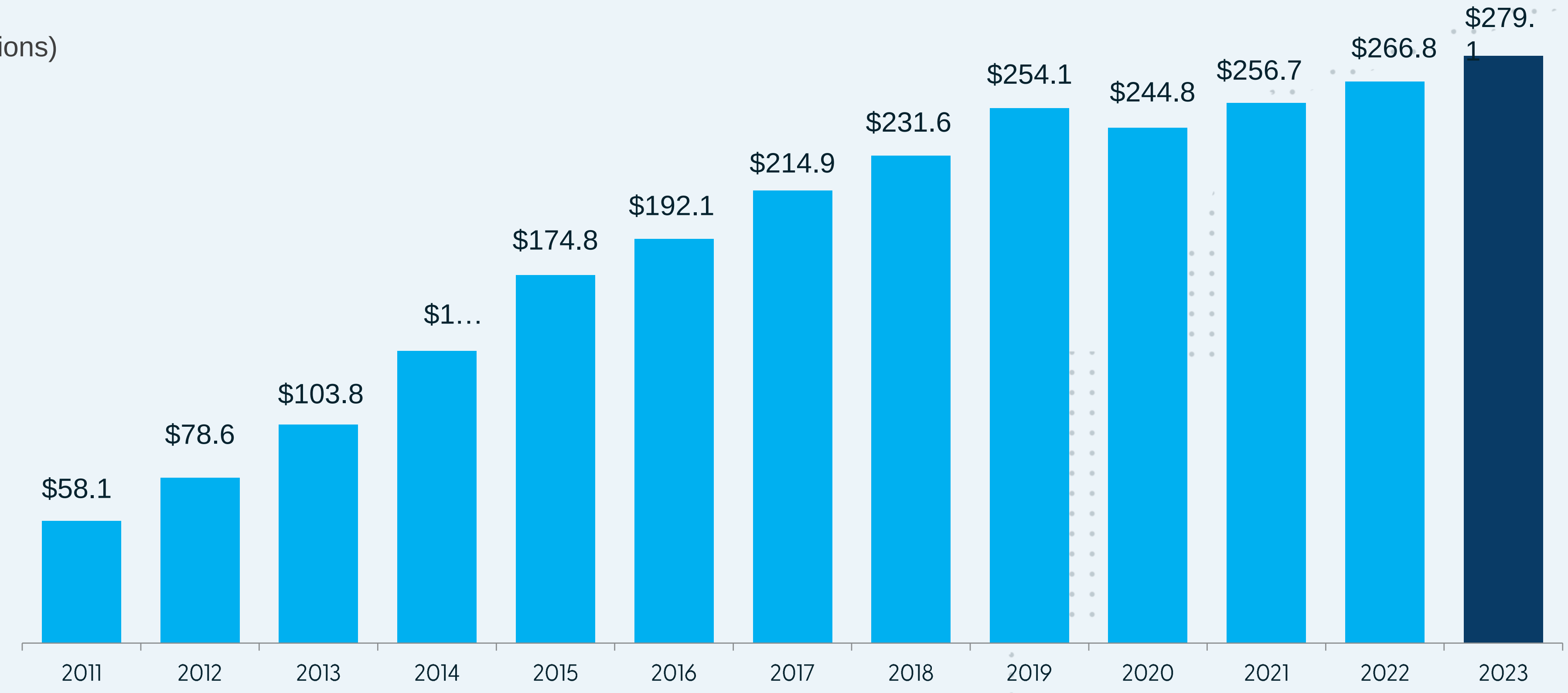
- Learning Center
- Clinical Content (3 solutions)
- SafetyQ

- Credentialing Solution
- Competency Center
- Red Cross Pilot

- Checklist
- CE Unlimited
- Signma Clinical Leadership
- Enterprise Visibility

Revenue*

($ in millions)

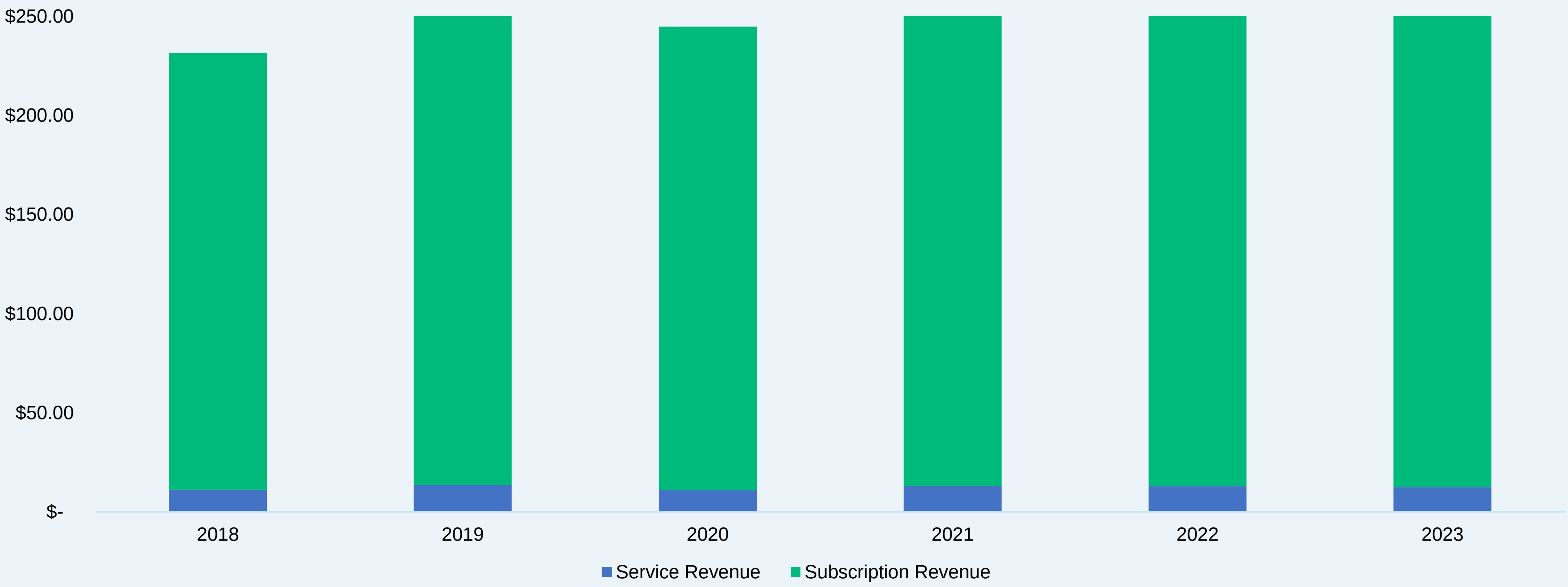


*2011-2018 Full-Year revenue metrics adjusted retroactively to exclude PX business.

HealthStream®

96% of Revenue is Subscription-based

($ in millions)



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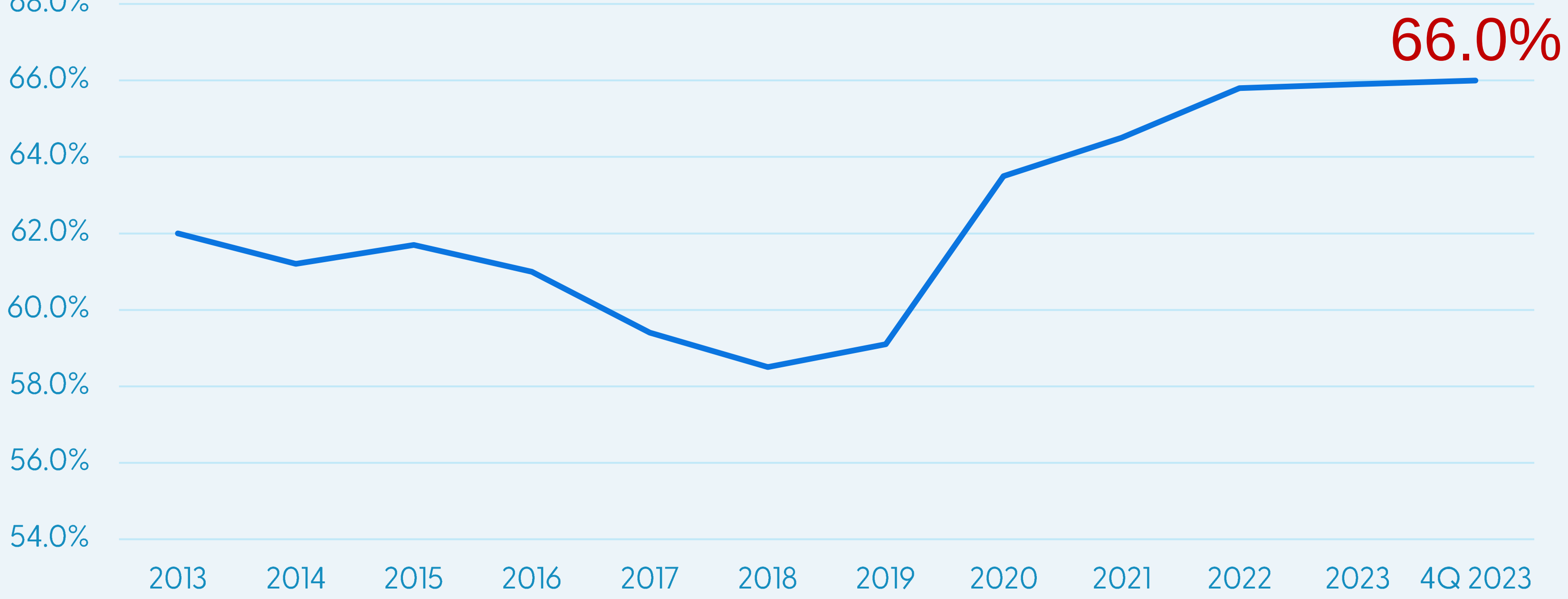
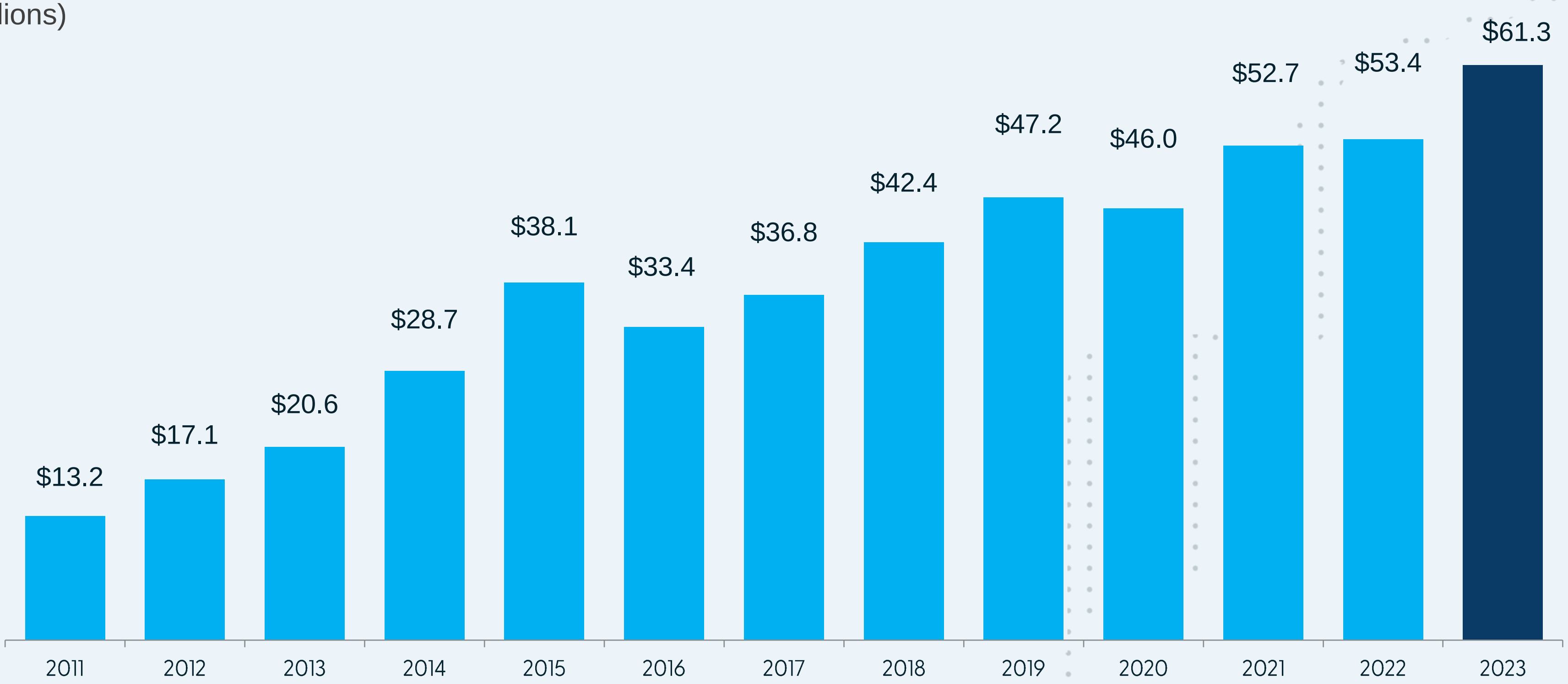
Gross Margins



(1) Gross margin excludes depreciation and amortization expense.
(2) 4Q 2023 as of 20 February 2024

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.

Medium Term (~3-year) Objectives

Revenue	Gross Margin	Adj. EBITDA Margin
Target 7-10%	**Target** 65-68%	**Target** 21-24%

HealthStream®

Capital Allocation Approach

Invest internally

- hStream platform
- Scheduling product line
- Accelerate legacy to SaaS migrations
- Build content – higher margins

Invest through M&A

- Healthcare workflow technologies
- Expand market share
- Acquire content

Return to Shareholders

- Share Buybacks
- Dividends

Cash Dividend Program: Quarterly Dividend Increase!

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[1] 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

New:
Quarterly dividend increase of 12% announced Feb. 19, 2024

Independent Research Coverage

CANACCORD Genuity

Initiated July 2015

CRAIG-HALLUM CAPITAL GROUP LLC

Initiated October 2010

RAYMOND JAMES®

Initiated January 2020

JMP

Initiated December 2023

William Blair & Company

Initiated November 2011

Barrington Research

Initiated June 2016

BARCLAYS

Initiated January 2024

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HealthStream®

Exciting Products: Highlights

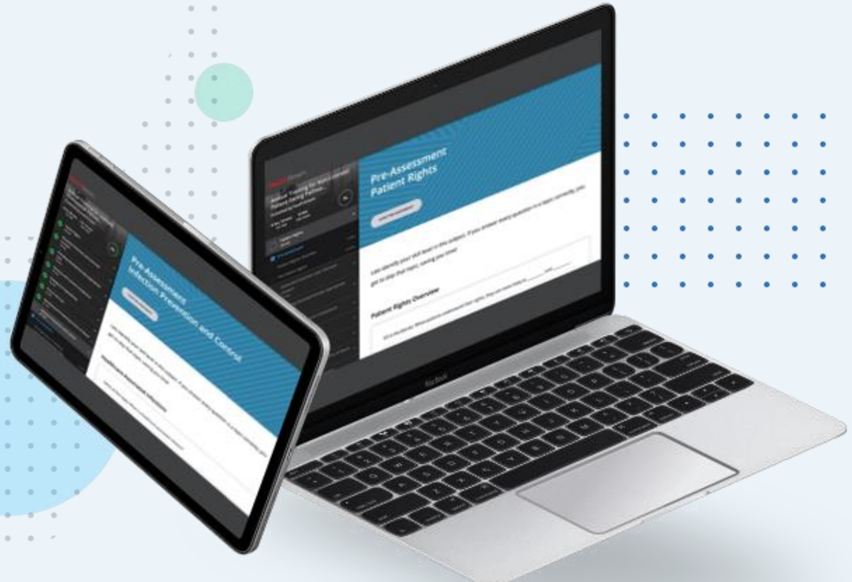
Leading the Market: Safety & Compliance Education

2.8 Million Subscriptions

- 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



Enhanced Life-Saving Training

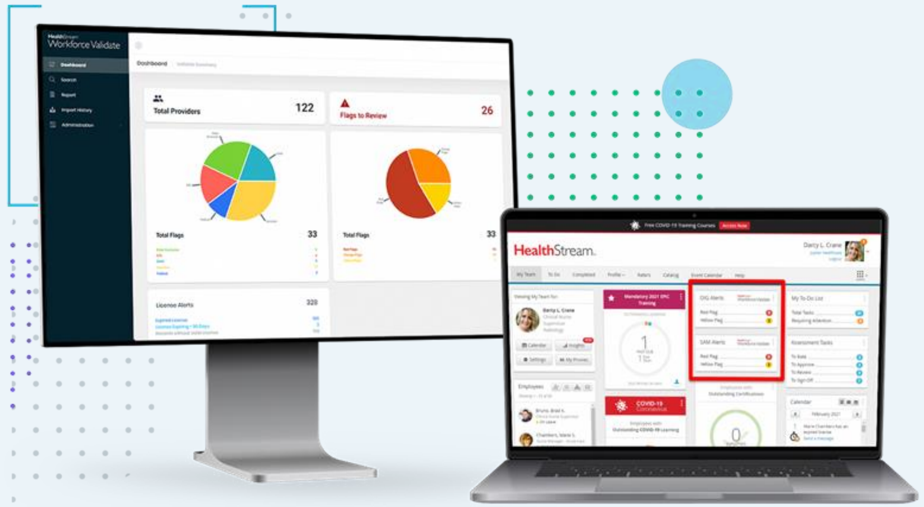
1M+ certifications since 2019 launch

- Resuscitation Training for physicians, nurses and clinical staff for critical life-saving skills
- Launched January 2019 and now adopted in all 50 states
- **1M+** certifications issued through the HealthStream network since launch

Credentialing Solutions: Best in Class Application Suite

Shortening Time to Revenue for Physicians

- 1st provider centric solution
- Rated #1 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



NurseGrid by HealthStream

NurseGrid: #1 Most Adopted App for Nurses

528,000+ 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

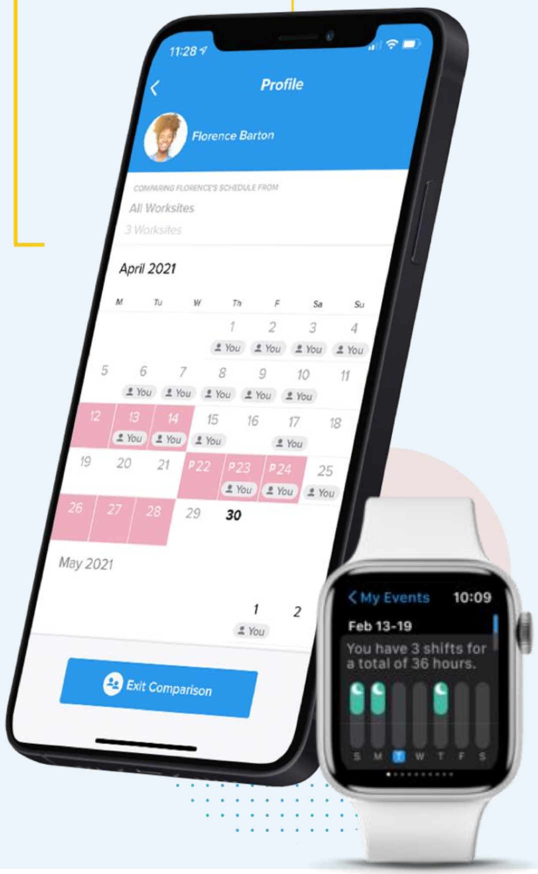
1 in 6

U.S. Nurses actively use NurseGrid

#1 RATED APP BY NURSES

4.9/5 80k+ Reviews

Free in Apple Store



hStream™

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

Components of the hStream Subscription

Applications & Content

My Team

My Portfolio

Content

Member Benefits

Discounts

Collaboratives

Platform Services

Identity

APIs

License Service

75+

WORLD CLASS PARTNERSHIPS

20K+

COURSE LIBRARY

hStream™

Content Marketplace