



First Quarter 2023 Earnings

05.04.23

# Safe Harbor Statement

*Statements contained in this presentation which are not historical fact, such as statements regarding Spok's future operating and financial performance, future dividend payments and the outcome of the Company's strategic alternatives review, are forward-looking statements for purposes of the safe harbor provisions under the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve risks and uncertainties that may cause Spok's actual results to be materially different from the future results expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from those expectations include, but are not limited to, risks related to Spok's new strategic business plan, including its ability to maximize revenue and cash generation from its established businesses and return capital to shareholders, risks related to the COVID-19 pandemic and its effect on our business and the economy, other economic conditions such as recessionary economic cycles, higher interest rates, inflation and higher levels of unemployment, declining demand for paging products and services, continued demand for our software products and services, our dependence on the U.S. healthcare industry, our ability to develop additional software solutions for our customers and manage our development as a global organization, the ability to manage operating expenses, particularly third-party consulting services and research and development costs, future capital needs, competitive pricing pressures, competition from traditional paging services, other wireless communications services and other software providers, many of which are substantially larger and have much greater financial and human capital resources, changes in customer purchasing priorities or capital expenditures, government regulation of our products and services and the healthcare and health insurance industries, reliance upon third-party providers for certain equipment and services, unauthorized breaches or failures in cybersecurity measures adopted by us and/or included in our products and services, the effects of changes in accounting policies or practices, our ability to realize the benefits associated with our deferred tax assets, future impairments of our long-lived assets, amortizable intangible assets and goodwill, the effects of our limited-duration shareholder rights plan, as well as other risks described from time to time in our periodic reports and other filings with the Securities and Exchange Commission. Although Spok believes the expectations reflected in the forward-looking statements are based on reasonable assumptions, it can give no assurance that its expectations will be attained. Spok disclaims any intent or obligation to update any forward-looking statements.*

# Agenda

- ✓ **Business Overview**
- ✓ **First Quarter 2023 Financial Highlights**
- ✓ **2023 Financial Outlook**
- ✓ **Wrap Up**



# Business Overview

Vince Kelly  
CEO



# Strategic Goal: Run the business profitably and generate cash

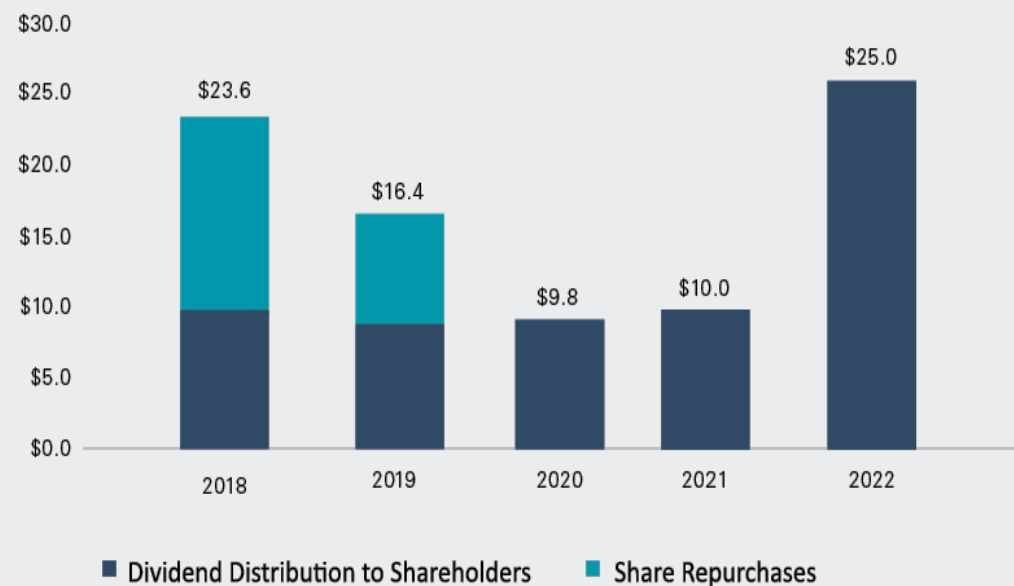
## Returning capital to shareholders is our goal as well as our legacy

- Nearly \$655 million returned to stockholders since 2004
- 2022 capital return - \$25 million
- 2023 capital return forecast - \$25 million

## Focus on maximizing cash over the long-term

- Incremental investments in wireless and software solutions
- Stabilizing and then growing revenue
- Efficient expense management
- Shareholder friendly capital allocation

**Cash Returned to Stockholders**  
**Dividends and Share Repurchases**  
(dollars in millions)





# First Quarter 2023 Highlights

- Company executing on strategic business plan generating \$3.1 million of GAAP net income, and \$6.9 million of adjusted EBITDA
- First Quarter software operations bookings increased 8.9% as momentum continued in the quarter
- Wireless revenue growth sequentially & YoY
- Wireless average revenue per unit continues upward trends, up to \$7.59, or 4.8%, with units in service down less than 1% on a sequential basis and only 3.2% from the prior year period





# First Quarter 2023 Financial Results

Calvin Rice  
Chief Financial Officer

# First Quarter 2023 Financial Results

<i>(Dollars in millions)</i>	<u>For the Three Months Ended March 31,</u>	
	2023	2022
Total Revenue	\$33.2	\$33.8
<i>Wireless</i>	\$19.0	\$18.8
<i>Software</i>	\$14.2	\$15.0
Adjusted EBITDA <sup>(1)</sup>	\$6.9	\$(2.1)

- Year-to-date capital returned to stockholders totaled \$6.9 million in the form of the Company's regular quarterly dividend
- Cash and equivalents balance of \$29.5 million at March 31, 2023, and no debt





# 2023 Financial Outlook



# 2023 Financial Outlook

	<u>Prior Guidance</u>		<u>Current Guidance</u>	
<i>(Dollars in millions)</i>	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>
<b><u>Total Revenue:</u></b>	<b>\$129.0</b>	<b>\$136.5</b>	<b>\$131.0</b>	<b>\$137.5</b>
Wireless Revenue	<b>\$71.5</b>	<b>\$74.5</b>	<b>\$73.0</b>	<b>\$75.5</b>
Software Revenue	<b>\$57.5</b>	<b>\$62.0</b>	<b>\$58.0</b>	<b>\$62.0</b>
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$24.0</b>	<b>\$26.0</b>	<b>\$24.5</b>	<b>\$26.5</b>



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