



Smarter, faster clinical communication

Strategic Plan Call | 02.17.22

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, and the outcome of Spok's strategic alternatives review, 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

- Fiscal Year 2021 Financial Highlights
- Overview of New Strategic Business Plan
- Capital Allocation
- 2022-2023 Outlook
- Wrap Up
- Q&A

Fiscal Year 2021 Financial Highlights

(Dollars in millions)

Full Year 2021 Guidance		Full Year 2021 Results	
Total Revenue	\$ 138.0 to \$ 151.0	Total Revenue	\$ 142.2
Wireless	\$ 77.0 to \$ 81.0	Wireless	\$ 78.8
Software	\$ 61.0 to \$ 70.0	Software	\$ 63.3
Adjusted Operating Expenses	\$ 151.0 to \$ 157.0	Adjusted Operating Expenses	\$ 154.3
Capital Expenditures	\$ 3.5 to \$ 5.5	Capital Expenditures	\$ 4.4

- Achieved full year 2021 financial guidance for revenue, adjusted operating expenses and capital expenditures
- Cash, cash equivalents and short-term investments balance of \$59.6 million at December 31, 2021, and no debt
- Costs of approximately \$2.0 million related to the strategic alternatives review process

New Strategic Business Plan Focused on Cash Flow Generation

- 01 Maximize revenue and cash generation from established lines of business: the Spok Care Connect Suite, including Spok Mobile and Wireless Services

- 02 Discontinuation of Spok Go® and elimination of all associated costs

- 03 Expanding on the Company's already-disciplined expense management by streamlining its management structure, rationalizing external costs, reducing capital expenditures and consolidating offices

- 04 Strategic review process remains ongoing; Board is open to all potential alternatives to maximize value

Prioritizing Returning Capital to Shareholders

01

Quarterly dividend to increase 150% from \$ 0.125 per share to \$ 0.3125 per share (or \$ 1.25 annually); first quarterly dividend declared on 2/16/2022, record date of 3/16/2022, and payment date of 3/30/2022

02

Board authorization of \$10 million share repurchase program of common stock, allowing Spok to return additional capital to shareholders by opportunistically repurchasing the Company's shares

03

Ongoing evaluation of the capital allocation strategy with the goal of maximizing shareholder value

2022 Financial Outlook

- Fiscal year 2022 to be a transition year for the Company given the implementation time required to shift to a cash flow model (anticipated completion by the end of 2022)

Total Revenue:	\$ 126.0 to \$ 139.2
Wireless Revenue	\$ 71.6 to \$ 77.0
Software Revenue	\$ 54.4 to \$ 62.2
Adj. Operating Expenses ⁽¹⁾	\$ 118.8 to \$ 128.6
Capital Expenditures	\$ 3.4 to \$ 4.2

(Dollars in millions)

⁽¹⁾ Adjusted operating expenses exclude depreciation, amortization, accretion, goodwill and capitalized software development impairment charges, and severance and restructuring costs and includes capitalized software development costs



Restructuring Costs Related to New Business Plan

Total Restructuring:	\$ 6.4 to \$ 10.2
Severance and Personnel Costs	\$ 5.0 to \$ 6.6
Contractual Terminations and Exit Costs	\$ 1.4 to \$ 3.6

(Dollars in millions)



Preliminary 2023 Outlook

- The Company expects to be cash flow positive by Q3 2022, reaching full run rate by the end of 2022
- Wireless revenue will continue along current trends and software revenue will stabilize in 2022/2023 as the Company re-focuses development efforts on the Spoke Care Connect Suite
- On a pro-forma basis, annualized cost savings are expected to be \$40.6 to \$44.6 million compared to annualized adjusted operating expenses in Q4 2021
- At the \$1.25 annual dividend level, Spok expects to fund approximately 80% of the dividend through cash from operations and the remainder from cash of hand
- The Company has \$55.8 million in deferred tax assets, excluding the impact of the current valuation allowance, that will mitigate the Company's Federal income tax liabilities for the foreseeable future


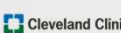




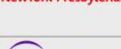
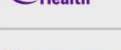

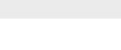





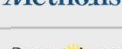






Longstanding Customer Relationships

TOP 10 CHILDREN'S HOSPITALS

	Customer	Wireless	Software	Tenure (Yrs)
1	 Boston Children's Hospital	✓	✓	35
2	 Children's Hospital of Philadelphia	✓	✓	22
3	 Texas Children's Hospital	✓	✓	19
4	 Cincinnati Children's	✓		12
5	 Children's Hospital Los Angeles	✓	✓	25
6	 Children's Hospital Colorado Foundation	✓	✓	36
7	 Children's National	✓	✓	23
8	 NATIONWIDE CHILDREN'S	✓	✓	33
9	 UPMC CHILDREN'S HOSPITAL OF PITTSBURGH	✓	✓	31
10	 Lucile Packard Children's Hospital Stanford	✓	✓	18

TOP 20 ADULT HOSPITALS

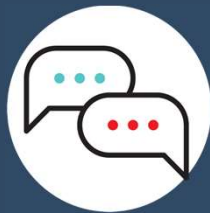
	Customer	Wireless	Software	Tenure (Yrs)
1	 MAYO CLINIC Rochester		✓	12
2	 Cleveland Clinic	✓	✓	28
3	 Harbor-UCLA MEDICAL CENTER	✓	✓	14
4	 JOHNS HOPKINS MEDICINE	✓	✓	25
5	 MASSACHUSETTS GENERAL HOSPITAL	✓		28
6	 CEDARS-SINAI	✓		21
7	 NewYork-Presbyterian	✓	✓	34
8	 NYU Langone Health	✓	✓	20
9	 UCSF Medical Center	✓	✓	16
10	 Northwestern Memorial Hospital	✓	✓	26
11	 MICHIGAN MEDICINE UNIVERSITY OF MICHIGAN		✓	14
12	 Stanford HEALTH CARE STANFORD MEDICINE	✓	✓	18
13	 Penn Medicine Penn Presbyterian Medical Center	✓	✓	42
14	 BRIGHAM HEALTH BRIGHAM AND WOMEN'S HOSPITAL	✓		19
15	 MAYO CLINIC Phoenix		✓	4
16	 HOUSTON Methodist	✓		27
17 Tie	 BARNES JEWISH Hospital		✓	3
17 Tie	 Mount Sinai	✓	✓	30
19	 RUSH UNIVERSITY MEDICAL CENTER	✓	✓	18
20	 VANDERBILT UNIVERSITY MEDICAL CENTER		✓	11

Wrap Up



Trusted Partner

Significant market position with long-standing relationships with the nation's leading healthcare providers



Best in-class Paging Network

Largest in the United States that continues to generate strong results



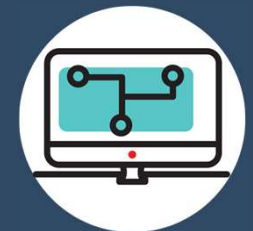
Valuable and Critical Service

Delivering clinical information to care teams when and where it matters the most to improve patient outcomes



Spok Care Connect

Suite of products with a viable maintenance revenue stream



Stable Revenue Base

Stable 80%+ recurring revenue base from legacy wireless business and software maintenance contracts

Q&A

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