



Second Quarter 2023

Earnings Presentation

August 9, 2023

Disclaimers

Forward-Looking Statements

This presentation includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. KORE's actual results may differ from their expectations, estimates and projections and consequently, you should not rely on these forward-looking statements as predictions of future events. Forward-looking statements generally are accompanied by words such as "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," "should," "would," "plan," "predict," "potential," "seem," "seek," "future," "outlook," "target" and similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements regarding the benefits of the acquisition of Twilio's IoT assets, estimates and forecasts of revenue, adjusted EBITDA and other financial and performance metrics, future capital availability, projections regarding recent customer engagements, projections of market opportunity and conditions, the total contract value (TCV) of signed contracts and potential revenue opportunities in KORE's sales funnel, and related expectations. These statements are based on various assumptions and on the current expectations of KORE's management. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as and must not be relied on by any investor or other person as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of KORE. These forward-looking statements are subject to a number of risks and uncertainties, including general economic, financial, legal, political and business conditions and changes in domestic and foreign markets; the potential effects of COVID-19; risks related to the rollout of KORE's business and the timing of expected business milestones; risks relating to the integration of KORE's acquired companies, changes in the assumptions underlying KORE's expectations regarding its future business; our ability to negotiate and sign a definitive contract with a customer in our sales funnel; our ability to realize some or all of the Total Contract Value (TCV) of customer contracts as revenue, including any contractual options available to customers or contractual periods that are subject to termination for convenience provisions; the effects of competition on KORE's future business; and the outcome of judicial proceedings to which KORE is, or may become a party. If the risks materialize or assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There may be additional risks that KORE presently does not know or that KORE currently believes are immaterial that could also cause actual results to differ materially from those contained in the forward-looking statements. In addition, forward-looking statements reflect KORE's expectations, plans or forecasts of future events and views as of the date of this presentation. KORE anticipates that subsequent events and developments will cause these assessments to change. However, while KORE may elect to update these forward-looking statements at some point in the future, KORE specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing KORE's assessments as of any date subsequent to the date of this presentation. Accordingly, undue reliance should not be placed upon the forward-looking statements.

Use of Projections

This presentation also contains certain financial forecasts of KORE. KORE's independent auditors have not studied, reviewed, compiled or performed any procedures with respect to the projections for the purpose of their inclusion in this presentation, and accordingly, neither of them has expressed an opinion or provided any other form of assurance with respect thereto for the purpose of this presentation. These projections are for illustrative purposes only and should not be relied upon as being necessarily indicative of future results. The assumptions and estimates underlying the prospective financial information are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information. Projections are inherently uncertain due to a number of factors outside of KORE's control. Accordingly, there can be no assurance that the prospective results are indicative of future performance of KORE or that actual results will not differ materially from those presented in the prospective financial information. Inclusion of the prospective financial information in this presentation should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved.

Use of Non-GAAP Financial Measures

In addition to our results determined in accordance with GAAP, we believe the following non-GAAP measures are useful in evaluating our operational performance. We use the following non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that non-GAAP financial information, when taken collectively, may be helpful to investors in assessing our operating performance.

"EBITDA" is defined as net income (loss) before interest expense or interest income, income tax expense or benefit, and depreciation and amortization. "Adjusted EBITDA" is defined as EBITDA adjusted for unusual and other significant items that management views as distorting the operating results from period to period. Adjusted EBITDA margin represents adjusted EBITDA calculated as a percentage of revenue. Such adjustments may include stock-based compensation, integration and acquisition-related charges, tangible and intangible asset impairment charges, certain contingent liability reversals, transformation, and foreign currency transaction gains and losses. EBITDA, Adjusted EBITDA and Adjusted EBITDA margin are intended as supplemental measures of our performance that are neither required by, nor presented in accordance with, GAAP. We believe that the use of EBITDA, Adjusted EBITDA and Adjusted EBITDA margin provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing the Company's financial measures with those of comparable companies, which may present similar non-GAAP financial measures to investors. However, you should be aware that when evaluating EBITDA, Adjusted EBITDA and Adjusted EBITDA margin we may incur future expenses similar to those excluded when calculating these measures. In addition, our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Our computation of Adjusted EBITDA and Adjusted EBITDA margin may not be comparable to other similarly titled measures computed by other companies, because all companies may not calculate Adjusted EBITDA in the same fashion.

Because of these limitations, EBITDA, Adjusted EBITDA and Adjusted EBITDA margin should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using EBITDA, Adjusted EBITDA and Adjusted EBITDA margin on a supplemental basis. You should review the reconciliation of net loss to EBITDA, Adjusted EBITDA and Adjusted EBITDA margin below and not rely on any single financial measure to evaluate our business.

"Organic revenue" is defined as GAAP revenues adjusted for the impact of foreign currency exchange and acquisitions and (a) for IoT Connectivity, exclusion of revenue of non-core customers and LTE pricing adjustments and (b) for IoT Solutions, exclusion of LTE transition revenue from our largest customer. "Organic revenue growth" is defined as the year-over-year change in organic revenue divided by organic revenue in the prior period.

We have not provided the forward-looking GAAP equivalents for the forward-looking non-GAAP financial measures Adjusted EBITDA, Adjusted EBITDA margin or a GAAP reconciliation as a result of the uncertainty regarding, and the potential variability of, reconciling items including but not limited to stock-based compensation expense, foreign currency loss or gain and acquisition and integration-related expenses. Accordingly, a reconciliation of this non-GAAP guidance metric to its corresponding GAAP equivalents is not available without unreasonable effort. However, it is important to note that material changes to reconciling items could have a significant effect on future GAAP results and, as such, we also believe that any reconciliations provided would imply a degree of precision that could be confusing or misleading to investors.

Objectives of Our Earnings Call



Review key
announcements



Provide financial
performance
overview and
key metrics



Answer analyst
and investor
questions

Key Announcements



Closing the Acquisition of Twilio's IoT Business Unit

The acquisition of Twilio's IoT business unit, which closed on June 1, 2023, accelerates KORE's journey to becoming the world's first IoT hyperscaler and creates a one-stop-shop for building, deploying, managing, and scaling IoT solutions.



Developing CSP/Retail Vertical

KORE announced improvements to our pre-configured managed solution that offers retailers, restaurants, and other multi-site companies high-bandwidth 5G connectivity through fixed wireless access (FWA), which provides internet access traditionally available only through wireline solutions.



Supporting ESG and delivering on the promise of "IoT for Good"

KORE is providing scalable global IoT connectivity to Syngenta's biodiversity sensor project which provides farmers with analytics to adapt to climate change and improve biodiversity. KORE also announced that it will reduce SIM card plastic content and waste by 50%, which will lower KORE's carbon footprint related to SIM cards by 16%.

Summary – Q2 2023 Earnings & 2023 Outlook



Q2 2023 vs. Q2 2022

- **Total revenue of \$69.5 million** vs. \$70.9 million (-2%); +5% sequentially from Q1 2023
 - **IoT Connectivity of \$48.3 million** vs. \$44.7 million (+8%); +11% sequentially from Q1 2023
 - **IoT Solutions revenue of \$21.3 million** vs. \$26.2 million (-19%); -5% sequentially from Q1 2023
- **Gross margin of 54.4%** vs. 52.6% (+180 bps); +34 bps sequentially from Q1 2023
- **Net loss of \$19.5 million, or \$0.24 per share** vs. \$10.8 million, or \$0.14 per share
- **DBNER was 99%** vs. 114% (115% vs. 109% excluding our largest customer)
- **Adjusted EBITDA of \$14.2 million** vs. \$16.8 million (-15%); +7% sequentially from Q1 2023
- **Adjusted EBITDA margin of 20.5%** vs. 23.7% (-320 bps); +30 bps sequentially from Q1 2023
- **Cash provided by (used in) operating activities of (\$0.7) million** vs. \$14.7 million



2023 Outlook

- Revenue: **\$300-\$310 million**
- Adjusted EBITDA, a non-GAAP metric, of **\$60-\$62 million** and a margin of 20%.

Financial Highlights

(Unaudited)
Three Months Ended
June 30,

Revenue (In millions USD)	2023		2022	
	Revenue	%	Revenue	%
IoT Connectivity	\$48.3	69%	\$44.7	63%
IoT Solutions	21.3	31%	26.2	37%
Total revenue	\$69.5	100%	\$70.9	100%

(Unaudited)
Six Months Ended
June 30,

	2023		2022	
	Revenue	%	Revenue	%
IoT Connectivity	\$91.9	68%	\$88.8	64%
IoT Solutions	43.6	32%	51.1	36%
Total revenue	\$135.5	100%	\$139.9	100%

Gross Margin %	
IoT Connectivity	65.2%
IoT Solutions	29.9%
Overall Gross Margin %	54.4%

	65.4%
	30.8%
	52.6%

Period End Connections	18.5
Average Connections Count for the Period	16.5
DBNER¹	99%
Adjusted DBNER²	115%

	15.2
	15.2
	15.8
	15.1
	99%
	114%
	115%
	109%

(1) DBNER is calculated by dividing trailing twelve-month revenue by prior year trailing twelve-month revenue for the same customer cohort in both periods. Excludes revenue from both non go-forward customers, and new customers that started generating revenue after the end of the base period

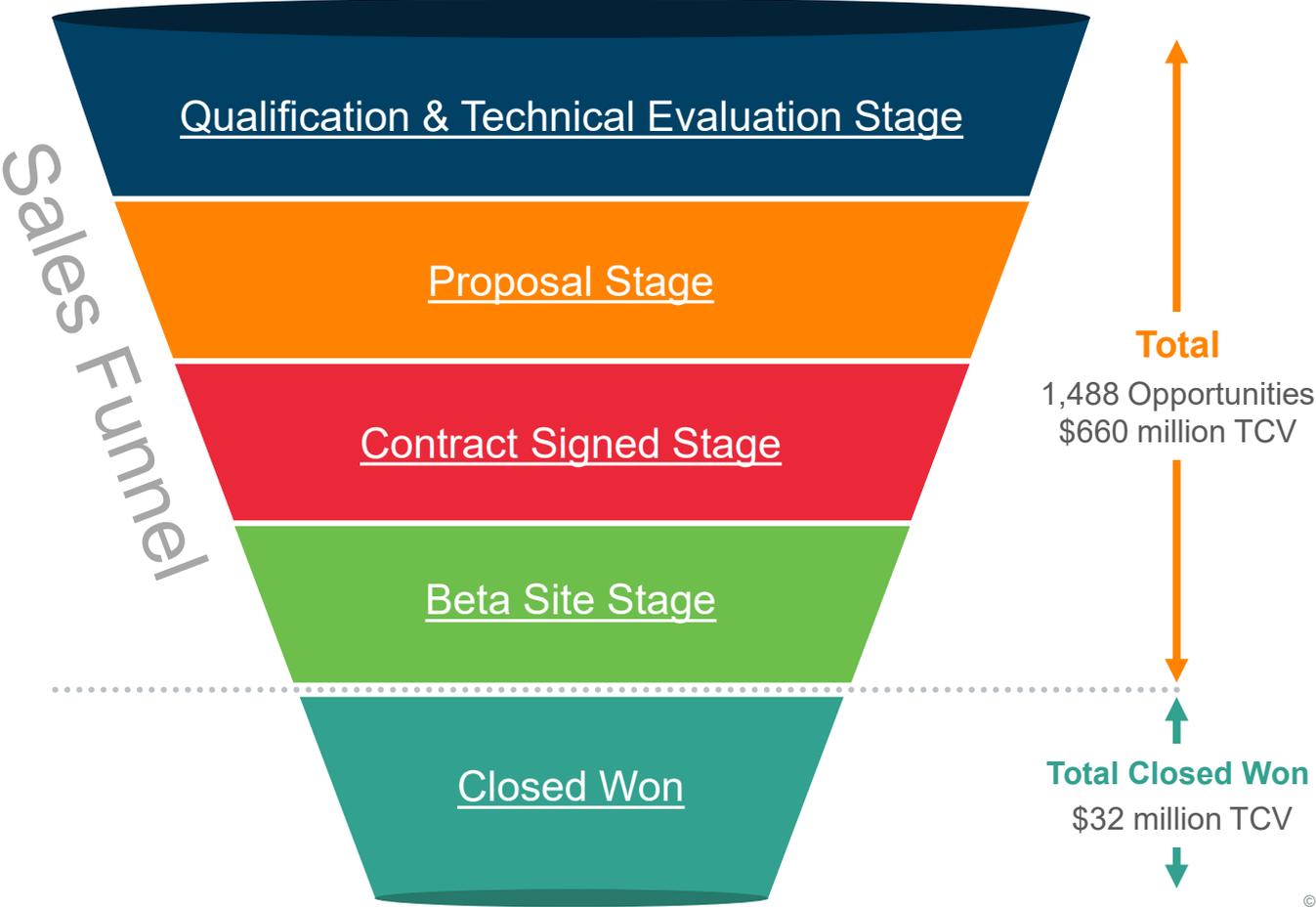
(2) Adjusted DBNER excludes our largest customer

Financial Highlights *(continued)*

	(Unaudited) Three Months Ended June 30,		(Unaudited) Six Months Ended June 30,	
(In millions USD)	2023	2022	2023	2022
Operating Expense	\$47.4	\$43.2	\$91.7	\$84.1
Operating Loss	(\$9.6)	(\$5.9)	(\$18.3)	(\$13.1)
Net Loss	(\$19.5)	(\$10.8)	(\$38.0)	(\$22.4)
Adj. EBITDA	\$14.2	\$16.8	\$27.6	\$32.1
Net Cash Provided By (Used In) Operating Activities	(\$0.7)	\$14.7	\$1.3	\$10.7
Net Cash (Used) In Investing Activities	(\$5.4)	(\$4.7)	(\$10.2)	(\$53.2)
Net Cash (Used In) Financing Activities	(\$1.3)	(\$0.9)	(\$2.7)	(\$2.5)
Cash at the end of the Period*	\$22.9	\$40.4	\$22.9	\$40.4

* Excludes restricted cash

Global Sales Pipeline as of June 30, 2023



Key Business Successes

Increasing Share of Wallet

KORE secured contracts with TCVs of over \$9 million, \$6 million, and \$1.5 million from customers in the fleet, asset tracking, and healthcare markets, respectively, as these customers consolidated carrier business on KORE to improve operational efficiency.



Cross-Selling IoT Solutions

KORE won a \$500,000 TCV engagement to support IoT Managed Services for a usage-based insurer (UBI) seeking to upgrade and improve its logistics.

Upsell / Land and Expand

Expanding on a recent win with a major restaurant chain, KORE has been selected to provide fixed wireless access (FWA) services to 650 of the customer's locations and will be upgrading these locations to 5G technology. This contract has a TCV of \$850,000.

International Opportunities

KORE won contracts with a leader in fleet AI video telematics headquartered in the UK and a leading medical equipment and remote patient monitoring provider based in France, to support their entries into the U.S. market. The contracts have a combined TCV of ~\$1.5 million.

Summary Q2 2023 Messages and 2023 Outlook



**Added ~500k
organic
connections**

Total Connections
now 18.5 million



Added **\$32 million**
of **TCV** bringing
year-to-date TCV to
\$60 million



Increased Global
Sales Pipeline to
almost 1,500
Opportunities



Recession
resistant with
80%+ Recurring
Revenues



Accelerated IoT
hyperscaler journey
with acquisition of
Twilio's IoT business

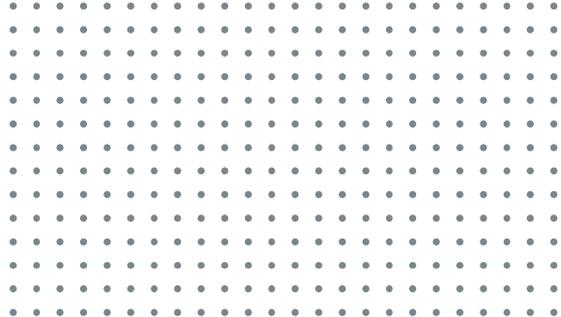
Well Positioned for Continued Growth

\$300-310mm

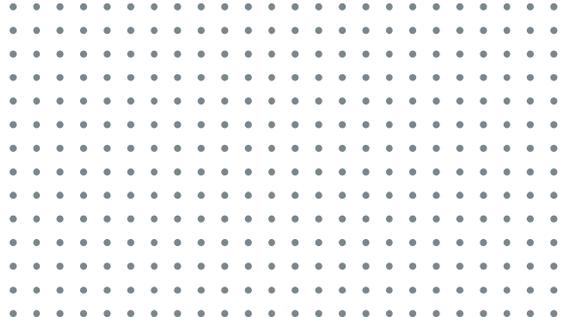
2023 Revenue
Outlook

\$60-62mm

2023 Targeted
Adjusted EBITDA

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Appendix

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Reconciliation of Net Loss to EBITDA and Adjusted EBITDA

(In millions USD)	(Unaudited) Three Months Ended June 30,		(Unaudited) Six Months Ended June 30,	
	2023	2022	2023	2022
Net loss	(\$19.5)	(\$10.8)	(\$38.0)	(\$22.4)
Net loss margin	(28.0%)	(15.2%)	(28.0%)	(16.0%)
Income tax benefit	(0.5)	(2.3)	(0.9)	(4.5)
Interest Expense	10.4	7.3	20.6	13.9
Depreciation & Amortization	14.5	13.8	28.6	26.9
EBITDA	\$4.9	\$8.0	\$10.4	\$14.0
Change in FV of warrant liabilities (non-cash)	0.0	(0.1)	0.0	(0.1)
Transformation expenses	1.7	1.9	3.6	3.5
Acquisition costs	0.8	0.0	1.8	1.4
Integration-related restructuring costs	3.1	3.8	5.3	7.7
Stock-based compensation (non-cash)	3.0	2.5	5.6	4.6
Foreign currency loss (non-cash)	0.1	0.5	0.2	0.5
Other	0.6	0.2	0.7	0.6
Adjusted EBITDA	\$14.2	\$16.8	\$27.6	\$32.1
Adjusted EBITDA Margin	20.5%	23.7%	20.3%	22.9%

Columns may not sum due to rounding

KORE business model: offering high-demand IoT services

Product line	Products	Product description	Primary pricing method
IoT Connectivity 66% of 2022 ¹ 69% of Q2 2023 ²	IoT Connectivity as a Service (CaaS)	<ul style="list-style-type: none"> IoT connectivity services offered through market leading KORE One™ IoT platform Our IoT connectivity solutions allow devices to seamlessly and securely connect anywhere in the world across any connected network, which we call our multiple devices, multiple locations, multiple carriers CaaS value prop 	Per subscriber per month for lifetime of device (7-10 years and growing) Multi-year contracts with automatic renewals
	Connectivity Enablement as a Service (CEaaS)	<ul style="list-style-type: none"> Connectivity Management Platform as a Service (or individual KORE One engine) Cellular Core Network as a Service (cloud native HyperCore) 	
IoT Solutions 34% of 2022 ¹ 31% of Q2 2023 ²	IoT Device Management Services	<ul style="list-style-type: none"> Outsourced platform-enabled services (e.g., logistics, configuration, device management) Sourcing of 3rd party devices globally, device design and selection services 	Upfront fee per device or per device per month
	IoT Security	<ul style="list-style-type: none"> KORE's SecurityPro™ SaaS platform 	Per subscriber per month
	Location Based Services (LBS)	<ul style="list-style-type: none"> KORE's PositionLogic™ SaaS platform and LBS APIs 	Per subscriber per month

Product list is being expanded e.g., through industry pre-configured solutions

IoT use cases are everywhere... deployments are complex

Sample IoT use cases



Fleet Mgmt.



Connected Blood Sugar Monitors



Home Security



Connected Gas Tank Monitors



Offender Trackers



Connected Alcohol Monitors

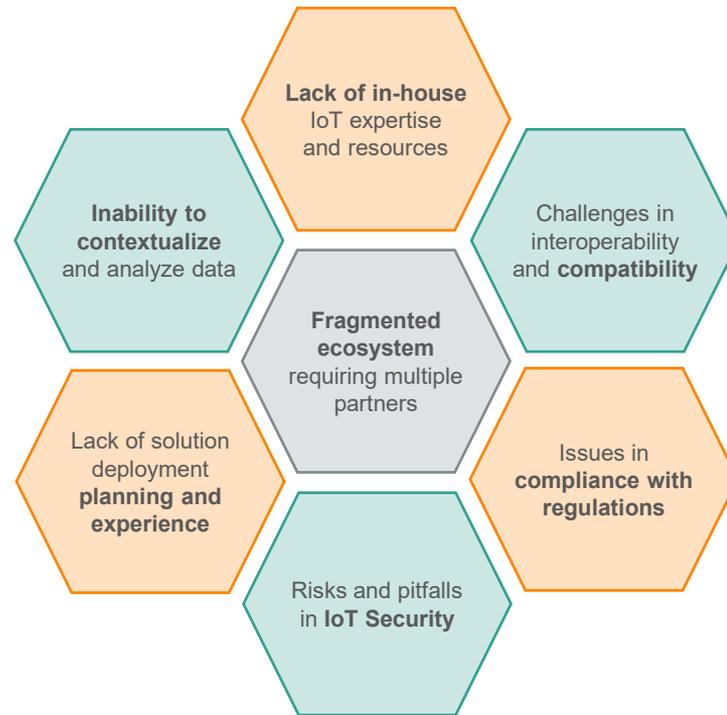


Smart City Lighting Systems



Smart Meters

Top challenges in IoT deployments



KORE is building the world's first pure-play IoT enabler

What
we do for
customers...



How
we do it...

Connectivity.
Solutions.
Analytics.

Building a Pure Play IoT Company



Regional GTM: Americas, EAP



Customer IoT Journey

1 IoT Strategy & End-to-end Security	2 Technology Evaluation, Selection, Dev	3 IoT Connectivity, Device & Data Management	4 Deployment (forward logistics)	5 Operations Management & Support	6 Sustainment (reverse logistics)	7 Analysis & AIoT
1.1 Business Outcomes / Business Case	2.1 Architecture	3.1 Network(s) Selection / Carrier Contracts	4.1 Forecast Management	5.1 Technical Support Tier 1 & 2	6.1 Asset Management	7.1 Data Cleansing & Normalization
1.2 Security by Design (entire stack)	2.2 Connectivity / Network Strategy	3.2 Secured Data Exchange	4.2 Supply Chain and Inventory Management	5.2 Tier 3 – Network & Systems Support	6.2 Site Maintenance	7.2 Data Storage, Retrievals & Replays
1.3 Partner Strategy	2.3 IoT Platform / Cloud Selection	3.3 Subscription Lifecycle Integration	4.3 Order and Configuration Management	5.3 Remote Device Management	6.3 Reverse Logistics / Asset Recovery	7.3 Data Contextualization & LBS
1.4 Proof of Concept	2.4 Application Design / Development	3.4 Usage Optimization & Fraud Mgmt.	4.4 Forward Logistics / Shipping	5.4 Network Mgmt. & Orchestration	6.4 Advanced Exchange	7.4 Data Visualization
1.5 Global / Regional Footprint	2.5 Device / Module Selection, Validation & Certification	3.5 Sales & Distribution Setup	4.5 Global Import / Export Management	5.5 MDM Platform Management	6.5 OEM Warranty Management	7.5 AIoT – Descriptive, Prescriptive, Predictive
1.6 Organizational Governance	2.6 Develop, Test, Prototype & Pilot	3.6 Device Management, Diagnostics & Troubleshooting	4.6 Quality Management (ISO 13458, 9001)	5.6 Regulatory Compliance	6.6 Migration Services	7.6 Security & Deep Network Monitoring using Metadata
1.7 Business Continuity / Disaster Recovery	2.7 Deployment Process Design	3.7 Deployment Setup & Optimization	4.7 Site Services	5.7 Change Management	6.7 End of Life Management	7.7 Application Integration & Device Feedback

Delivery: ■ KORE Internal ■ KORE & Partner Hybrid ■ Partner

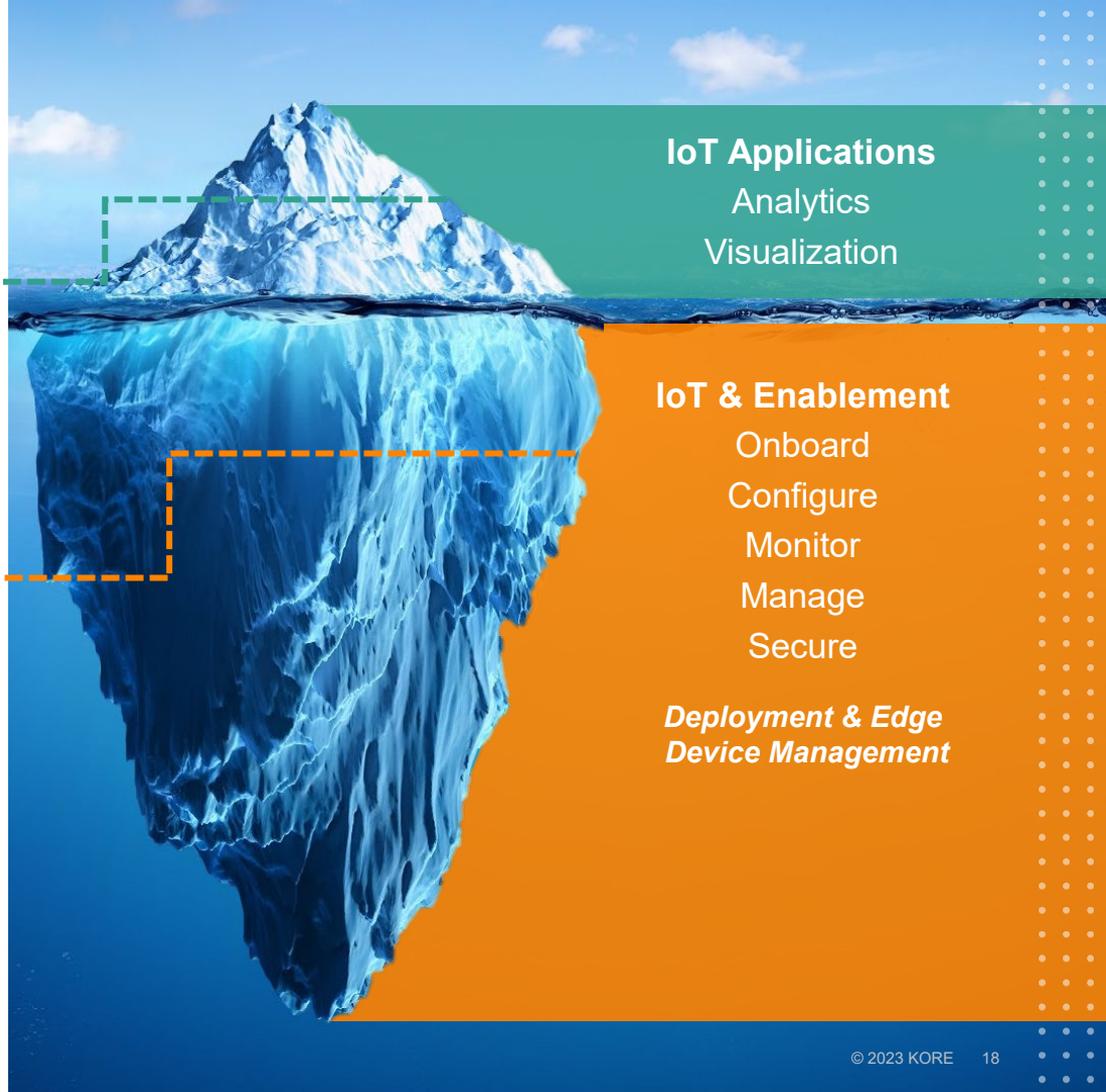
KORE is the only pure play IoT enabler

Enterprises

KORE's customers deliver end-to-end industry solutions. Unencumbered by solution management and deployment complexities, these customers can focus on their end customer experience

KORE

KORE fully delivers 44 of the 49 steps required to deploy an IoT Solution, and partners with others to deliver another 5 steps. KORE can help manage partners who will be accountable for the remaining 5 areas to provide a holistic IoT solution



IoT Applications

Analytics

Visualization

IoT & Enablement

Onboard

Configure

Monitor

Manage

Secure

*Deployment & Edge
Device Management*