



# First Quarter 2024

## Earnings Presentation

May 15, 2024

# 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," "yet," "opportunities," "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 expected financial and other risks, 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, statements regarding expected success of alliance relationships with third parties, 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 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.

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.

## 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.

# Objectives of Our Earnings Call



Initial  
Observations



Provide financial  
performance  
overview and  
key metrics



Answer analyst  
and investor  
questions

# Initial Observations



## Strong customer relationships and focus on driving organic revenue growth

Our customers realize our value, but they want more from us and we have tremendous opportunity to expand our share of wallet doing more to drive their success



## Early days but evaluating opportunities to drive further operational improvements

Our employees have raised many opportunities to continue to improve the way we operate to increase speed, quality and strengthen our leadership position



## Well positioned to win

We have an impressive team and the best products and are very well positioned to win in the IoT space.

# Financial Highlights

## Three Months Ended March 31,

	2024		2023		Variances Increase / (Decrease)	
	Revenue (In millions USD)	%	Revenue (In millions USD)	%	Amount	%
<b>IoT Connectivity</b>	\$57.9	76%	\$43.5	70%	\$14.4	33%
<b>IoT Solutions</b>	\$18.1	24%	\$22.4	30%	(\$4.3)	-19%
<b>Total revenue</b>	<b>\$76.0</b>	<b>100%</b>	<b>\$66.0</b>	<b>100%</b>	<b>\$10.0</b>	<b>15%</b>
<b>Margin % (excluding depreciation and amortization)</b>					<b>Percentage points</b>	
<b>IoT Connectivity</b>	60.8%		65.3%		(4.5) pts.	
<b>IoT Solutions</b>	36.3%		32.0%		4.3 pts.	
<b>Overall Margin %</b>	<b>55.0%</b>		<b>54.0%</b>		<b>1.0 pts.</b>	
<b>Total Connections</b>					<b>Amount</b> <b>%</b>	
<b>Period End Connections</b>	18.3		15.1		3.2	21%
<b>Average Connections for Period</b>	18.1		15.1		3.0	20%
<b>DBNER</b>					<b>Percentage points</b>	
<b>DBNER<sup>1</sup></b>	94%		107%		(13.0) pts.	
<b>Adjusted DBNER<sup>2</sup></b>	99%		126%		(27.0) pts.	

(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

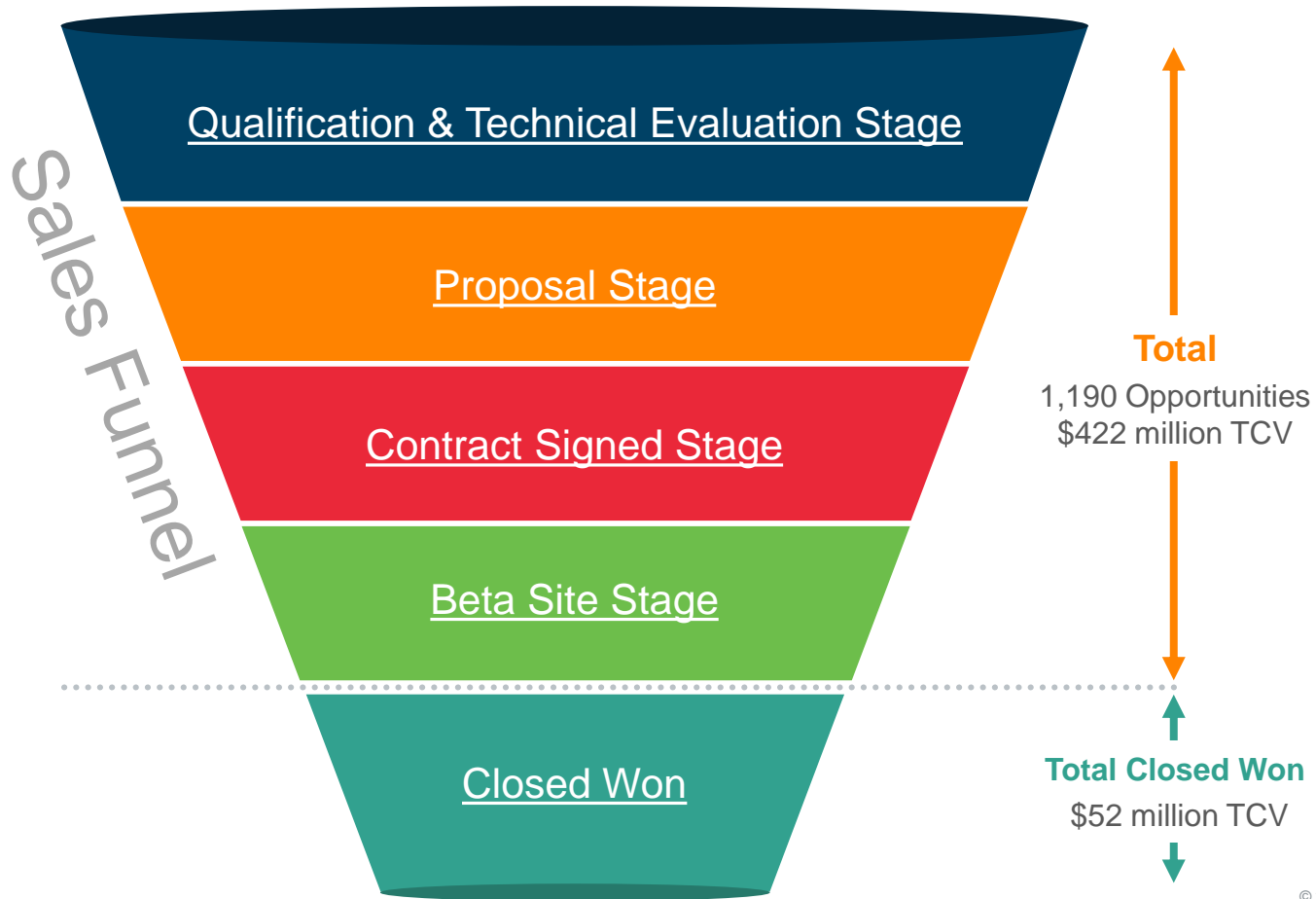
(2) Adjusted DBNER excludes our largest customer

# Financial Highlights *(continued)*

	Three Months Ended March 31,		Variances	
	2024	2023	Increase / (Decrease)	
<b>(In millions USD)</b>				
<b>Total Revenue</b>	\$76.0	\$66.0	\$10.0	15.2%
<b>Operating Expense</b>	\$49.1	\$44.3	\$4.8	10.8%
<b>Operating Loss</b>	(\$7.4)	(\$8.7)	\$1.3	-14.9%
<b>Net Loss</b>	(\$17.6)	(\$18.5)	\$0.9	-4.9%
<b>Adj. EBITDA</b>	<b>\$14.8</b>	<b>\$13.3</b>	<b>\$1.4</b>	<b>10.7%</b>
<b>Adj. EBITDA Margin (%)</b>	<b>19.4%</b>	<b>20.2%</b>	<b>(0.8) pts.</b>	
<b>Net Cash Provided By/(Used In) Operating Activities</b>	\$1.9	\$1.9	\$0.0	0.0%
<b>Net Cash (Used In) Investing Activities</b>	(\$4.7)	(\$4.8)	\$0.1	-2.1%
<b>Net Cash Provided By/(Used In) Financing Activities</b>	(\$1.2)	(\$1.3)	\$0.1	-8.3%
<b>Cash at the end of the Period*</b>	<b>\$23.0</b>	<b>\$30.6</b>	<b>(\$7.6)</b>	<b>-33.0 %</b>

\* Excludes restricted cash

# Global Sales Pipeline as of March 31, 2024



# Key Business Successes

## 1. Providing full Connectivity as a Service (CaaS) in Telematics

KORE secured an agreement through one of our channel partners, capturing 100% wallet share with one of the world's leading telematics providers. KORE's ability to deliver a seamless, global solution was crucial in securing this agreement. Estimated TCV is \$8.7mm



## 2. Cross-Selling IoT Solutions with the KORE One-Stop-Shop

KORE continues to progress in the launch preparation of the large CHTS opportunity mentioned in the last earnings call. Project launch is anticipated later this calendar year. Estimated TCV is \$25.8mm



## 3. New market and use case entry

KORE secured an agreement in a new market and a new use case focused on communication between coaches and player for both in game and practice environments. KORE provides connectivity leveraging the SuperSIM® offering. Estimated TCV is \$1.6mm

## 4. International Opportunities

KORE secured a win with a Global IoT Product and Development Company specializing in the design of custom embedded systems. This includes OmniSIM™ Reach for a deployment of KORE's global connectivity. Estimated TCV is \$1mm



# Summary Q1 2024 Messages and Full Year 2024 Outlook



**Double-digit IoT Connectivity growth** to accelerate in 2024 driving full-year guidance



**Added \$52 million of Closed Won TCV** in the quarter, a company record



**Increased sales momentum** with streamlined sales structure and improved macro



**Increased focus on cost discipline in 2024**, resulting in margin expansion



**Clear visibility to double-digit adjusted EBITDA** from increased sales and profit focus

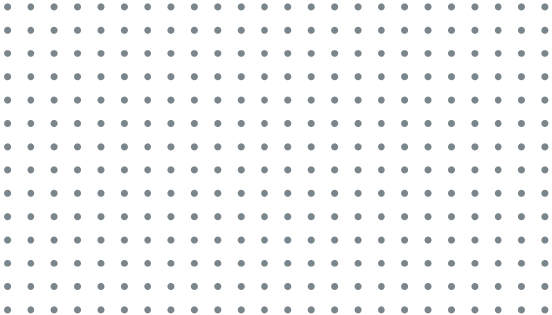
**Well Positioned for Continued Growth**

**\$300mm-305mm**

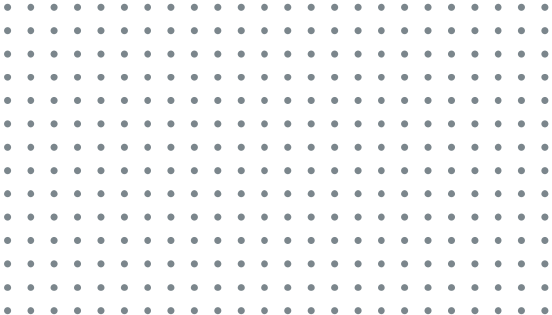
2024 Revenue Outlook

**\$64mm-66mm**

2024 Targeted Adjusted EBITDA



# Appendix



# Reconciliation of Net Loss to EBITDA and Adjusted EBITDA

Three Months Ended March 31,		
(In millions USD)	2024	2023
<b>Net loss</b>	(\$17.6)	(\$18.5)
Income tax benefit	(\$0.4)	(\$0.4)
Interest Expense, net	\$12.6	\$10.2
Depreciation & Amortization	\$13.6	\$14.1
<b>EBITDA</b>	<b>\$8.2</b>	<b>\$5.5</b>
Change in fair value of warrant liability	(\$2.3)	(\$0.0)
Transformation expenses	—	\$1.9
Acquisition costs	—	\$3.2
Integration-related restructuring costs	\$4.6	—
Stock-based compensation	\$2.7	\$2.6
Foreign currency loss	\$1.3	\$0.1
Other <sup>(1)</sup>	\$0.2	\$0.1
<b>Adjusted EBITDA</b>	<b>\$14.8</b>	<b>\$13.3</b>

(1) "Other" adjustments are comprised of adjustments for certain indirect or non-income based taxes.