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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

**Date of Report (Date of earliest event reported): May 9, 2023**

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**KORE Group Holdings, Inc.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-40856**  
(Commission  
File Number)

**86-3078783**  
(I.R.S. Employer  
Identification No.)

**3 Ravinia Drive NE, Suite 500  
Atlanta, GA 30346  
877- 710-5673**

(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

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Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, \$0.0001 par value per share	KORE	The New York Stock Exchange
Warrants to purchase common stock	KORE WS	The New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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**Item 2.02 Results of Operations and Financial Condition.**

On May 9, 2023, KORE Group Holdings, Inc. (the “Company”) issued a press release announcing its financial results for the first quarter ended March 31, 2023. The full text of the press release issued in connection with the announcement is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

**Item 7.01 - Regulation FD Disclosure**

On May 10, 2023, members of management of the Company will begin using the presentation attached as Exhibit 99.2 to this report in meetings with existing and prospective investors and others in connection with a non-deal roadshow. A copy of the presentation is also available in the “Investor Relations” section of the Company’s website at <http://ir.korewireless.com>.

The exhibits to this report may include certain statements concerning expectations for the future that are forward-looking statements as defined by federal securities law. It is important to note that the Company’s actual results could differ materially from those projected in such forward-looking statements. Factors that could affect those results include those mentioned in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022 and other documents that the Company has filed with the Securities and Exchange Commission. The Company does not intend to update these statements unless required by the securities laws to do so, and the Company undertakes no obligation to publicly release the result of any revisions to any such forward-looking statements that may be made to reflect events or circumstances after the date of this report or to reflect the occurrence of unanticipated events.

The information in this report is being furnished, not filed, pursuant to Regulation FD. Accordingly, the information in Items 2.02, 7.01 and 9.01 of this report and the exhibits hereto will not be incorporated by reference into any registration statement filed by the Company under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference. The furnishing of the information in this report is not intended to, and does not, constitute a determination or admission by the Company that the information in this report is material or complete, or that investors should consider this information before making an investment decision with respect to any security of the Company.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

Exhibit No.	Description
99.1	<a href="#">Press release dated May 9, 2023</a>
99.2	<a href="#">KORE Group Holdings, Inc. Presentation</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

KORE Group Holdings, Inc.

Date: May 9, 2023

By: /s/ Jack W. Kennedy Jr.  
Name: Jack W. Kennedy Jr.  
Title: Executive Vice President, Chief Legal Officer & Secretary

**KORE Reports First Quarter 2023 Results; Reiterates 2023 Guidance**

ATLANTA – May 9, 2023 – **KORE Group Holdings, Inc.** (NYSE: **KORE**, **KORE WS**) (“KORE” or the “Company”), the global pure-play Internet of Things (“IoT”) hyperscaler, and provider of IoT Connectivity, Solutions and Analytics, today reported financial and operational results for the quarter ended March 31, 2023.

**KORE: Company Highlights**

- First quarter 2023 revenue of \$66.0 million increased 5.7% sequentially from the fourth quarter of 2022 and was ahead of expectations, primarily due to stronger than expected growth in our Connected Health vertical and sequential growth of 19.7% in IoT Solutions revenue.
- Gross margin in first quarter 2023 increased over 500 basis points to 54.0% versus 48.9% in the first quarter of 2022 and was up slightly on a sequential basis from fourth quarter 2022 due to improved carrier optimization, the absence of LTE transition project revenue from our largest customer, and lower hardware sales.
- KORE’s sales funnel, which KORE defines as opportunities the KORE sales team is actively pursuing for new business, now includes over 1,400 opportunities with an estimated potential Total Contract Value (TCV)<sup>1</sup> of over \$500 million, a 15% sequential increase from fourth quarter 2022 estimated potential TCV of \$434 million.
- KORE’s eSIM solution, OmniSIM™ SAFE was selected as a winner of the M2M Product of the Year by IoT Breakthrough. OmniSIM SAFE pairs global zero-touch provisioning capabilities with our industry-leading eSIM secured by the GSMA SAFE standards. This allows KORE customers to meet the challenge of global connectivity in a carrier and device agnostic, secure manner for Massive IoT use cases.
- The Company is maintaining its 2023 revenue guidance<sup>2</sup> of a range of \$300 million to \$310 million and maintaining adjusted EBITDA, a non-GAAP metric<sup>3</sup>, guidance of \$60 million to \$62 million.

“We are off to a solid start to the year with first quarter revenue increasing sequentially from the fourth quarter and coming in above our expectations. We expect continued quarterly sequential growth through the remainder of 2023 and beyond, and year-over-year revenue growth to begin in the second half of 2023, as we will no longer face difficult comparisons from the one-time transitory items we have previously discussed,” said Romil Bahl, President and CEO of KORE. “Our global sales pipeline continues to increase both in the number of opportunities and TCV dollars, and our acquisition of Twilio’s IoT business is on track. With this backdrop, we remain confident in our 2023 revenue and adjusted EBITDA guidance.”

**Financial Performance for First Quarter 2023, Compared to the Same Period of 2022:**

- Total revenue decreased by 4.4% to \$66.0 million, compared to \$69.0 million. In Q1 2022, KORE had a significant amount of 2G/3G revenue and LTE transition project revenue from our largest customer. The LTE project revenue alone was approximately \$8.6 million, which, as expected, did not repeat in Q1 2023. Excluding LTE transition project revenue, normalized revenue increased by 9.0%.
- IoT Connectivity revenue of \$43.5 million declined by 1.3% compared to \$44.1 million in the first quarter of 2022, which was the highest Non-Core customer and 2G/3G revenue quarter in 2022, making for a difficult comparison. Excluding Non-Core customers, IoT Connectivity revenue increased 7.0%.
- IoT Solutions revenue declined by 9.7% to \$22.4 million, compared to \$24.8 million one year ago as this segment also faced a difficult year-over-year comparison, owing to the one-time LTE transition engagement at our largest customer. Excluding this one-time revenue, IoT Solutions revenue increased approximately 35% year-over-year.
- Net loss increased to \$18.5 million, or \$0.24 per share, compared to \$11.6 million, or \$0.16 per share, one year ago. The primary drivers for the increase in net loss were an increase in SG&A, including non-recurring additional audit and accounting costs of approximately \$1.0 million, and a \$3.6 million increase in interest expense.
- Adjusted EBITDA decreased by 12.8% to \$13.3 million, compared to \$15.3 million one year ago. The key drivers of the decline were increased headcount costs to invest in the Company’s growth and to enhance public company processes and systems, including SOX compliance. Additionally, and as mentioned above, the Company incurred higher-than-normal, non-recurring, professional fees associated with the 2022 year-end audit process.

<sup>1</sup> See “Key Metrics” below for more information.

<sup>2</sup> 2023 Revenue and Adjusted EBITDA guidance assumes the acquisition of Twilio’s IoT business will close on June 1, 2023.

<sup>3</sup> See “Non-GAAP Financial Measures” and “Reconciliation of Net Loss to EBITDA to Adjusted EBITDA: below for more information

The tables below summarize our revenue and specific key metrics:

(In thousands, USD) <sup>4</sup>	Three months ended March 31,			
	2023		2022	
IoT Connectivity	\$	43,545	66 %	\$ 44,135 64 %
IoT Solutions		22,430	34 %	24,843 36 %
<b>Total Revenue</b>	<b>\$</b>	<b>65,975</b>	<b>100 %</b>	<b>\$ 68,978 100 %</b>
Period End Total Connections <sup>5</sup>		<b>15.1 million</b>		<b>15.3 million</b>
Average Total Connections for the Period		<b>15.1 million</b>		<b>15.1 million</b>

#### First Quarter 2023 Key Metrics and Business Successes

- KORE's Total Connections were approximately 15.1 million as of March 31, 2023, a sequential increase of approximately 100,000 connections from the fourth quarter of 2022.
- DBNER<sup>6</sup> was 107% for the twelve month period ending March 31, 2023, compared to 122% for the twelve months ending March 31, 2022. Excluding our largest customer, DBNER was 126% vs. 114%.
- KORE added \$28 million of new business TCV in the first quarter, and the company's new business sales funnel now includes over 1,400 opportunities with an estimated potential TCV of \$501 million as of March 31, 2023.
- KORE launched MODGo™, a SaaS solution that provides visibility across IoT device deployment and helps manage logistics. In effect, MODGo makes it easy to Manage, Order, and Deploy IoT on the Go, providing organizations with a single solution for managing their entire IoT ecosystem.
- KORE was named a Leader in the 2023 Gartner Magic Quadrant for Managed IoT Connectivity Services for the fourth consecutive year.
- KORE had several notable new business wins in the first quarter including:
  - KORE was selected by a leader in the advertising technology market for its OmniSIM technology. KORE's unique eSIM solution resulted in the customer transferring 100% of its North American business to KORE, adding over \$10 million in TCV.
  - KORE secured an approximately \$2 million TCV contract to provide a comprehensive set of hardware, connectivity services, and forward and reverse logistics managed services to a new remote patient monitoring (RPM) customer.
  - KORE will provide fixed wireless access services to a major restaurant chain with over 700 locations and will upgrade these locations to 5G technology as part of a contract with a TCV of over \$1 million, and KORE has the potential to add an additional approximately \$1 million in TCV for IoT Managed Services at the same customer.

#### Maintaining 2023 Financial Outlook

For the twelve months ending December 31, 2023, assuming that the acquisition of Twilio's IoT business unit closes on June 1, 2023, the Company continues to expect the following:

- Revenue in the range of \$300 million to \$310 million; and
- Adjusted EBITDA in the range of \$60 million to \$62 million, representing a margin of approximately 20%.

Bahl concluded, "We have kicked off 2023 by continuing to deliver on our commitments. As I look to the remainder of the year, I am encouraged by our growth story becoming evident and our innovative product introductions, such as OmniSIM and, most recently, MODGo, continuing to differentiate KORE from our competitors. I am also excited by the prospect of having Twilio's IoT business become a part of KORE. As a global pure play provider of IoT connectivity, solutions, and

<sup>4</sup>Except for Total Connections

<sup>5</sup>Period end connections in Q1 '22 included approximately 0.4 million connections related to Non-Core customers, which no longer contribute to revenue at the end of Q1 '23.

<sup>6</sup>See "Key Metrics" below for definitions

analytics with over 80% recurring revenue and a robust and growing sales pipeline against a backdrop of increasing IoT adoption, KORE is well-positioned to grow through this decade of IoT.”

### Conference Call Details

KORE management will hold a conference call today (May 9, 2023) at 5:00 p.m. Eastern time (2:00 p.m. Pacific time) to discuss its financial results, business highlights, and outlook. President and CEO Romil Bahl and CFO Paul Holtz will host the call, followed by a question-and-answer session.

Webcast: ***Link***

U.S. dial-in: (877) 407-3039

International dial-in: (215) 268-9922

Conference ID: 13732888

The conference call and a supplemental slide presentation to accompany management’s prepared remarks will be available via the webcast link and for download via the investor relations section of the Company’s website, *ir.korewireless.com*

For the conference call, please dial-in 5-10 minutes prior to the start time, and an operator will register your name and organization, or you can register *here*. If you have any difficulty with the conference call, please contact KORE investor relations at (678) 392-2386. A replay of the conference call will be available approximately three hours after the conference call end time and may be accessed by calling (877) 660-6853 or (201) 612-7415 using access code 13732888.

### About KORE

KORE is a pioneer, leader, and trusted advisor delivering mission critical IoT solutions and services. We empower organizations of all sizes to improve operational and business results by simplifying the complexity of IoT. Our deep IoT knowledge and experience, global reach, purpose-built solutions, and deployment agility accelerate and materially impact our customers’ business outcomes. For more information, visit *www.korewireless.com*

### 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 and Adjusted EBITDA*

“EBITDA” is defined as net income (loss) before other non-operating expense or 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. 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 and Adjusted EBITDA 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 and Adjusted EBITDA 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 and Adjusted EBITDA 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 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 and Adjusted EBITDA 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 and Adjusted EBITDA on a supplemental basis. You should review the reconciliation of net loss to EBITDA and Adjusted EBITDA 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 and 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 these non-GAAP guidance metrics to their 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.

#### **Key Metrics**

KORE reviews a number of metrics to measure our performance, identify trends affecting our business, prepare financial projections, and make strategic decisions. The calculation of the key metrics and other measures discussed below may differ from other similarly titled metrics used by other companies, securities analysts, or investors.

#### *Number of Customer Connections*

Total Customer Connections or “Total Connections” constitutes the total of all KORE Connectivity services connections, including both CaaS and CEaaS connections, but excluding certain connections where mobile carriers license KORE’s subscription management platform from KORE. Total Connections include the contribution of eSIMs and is the principal measure used by management to assess the performance of the business on a periodic basis.

#### *DBNER*

DBNER (Dollar Based Net Expansion Rate) tracks the combined effect of cross-sales of IoT Solutions to KORE’s existing customers, its customer retention and the growth of its existing business. KORE calculates DBNER by dividing the revenue for a given period (“given period”) from existing go-forward customers by the revenue from the same customers for the same period measured one year prior (“base period”). The revenue included in the current period excludes revenue from (i) customers that are non go-forward customers, meaning customers that have either communicated to KORE before the last day of the current period their intention not to provide future business to KORE or customers that KORE has determined are transitioning away from KORE based on a sustained multi-year time period of declines in revenue and (ii) new customers that started generating revenue after the end of the base period. For example, to calculate our DBNER for the trailing 12 months ended March 31, 2023, we divide (i) revenue, for the trailing 12 months ended March 31, 2023, from go-forward customers that started generating revenue on or before March 31, 2022, by (ii) revenue, for the trailing 12 months ended March 31, 2022, from the same cohort of customers. For the purposes of calculating DBNER, if KORE acquires a company during the given period or the base period, then the revenue of a customer before the acquisition but during either the given period or the base period is included in the calculation. Further, it is often difficult to ascertain which customers should be deemed not to be go-forward customers for purposes of calculating DBNER. Customers are not required to give notice of their intention to transition off of the KORE platform, and a customer’s exit from the KORE platform can take months or longer, and total connections of any particular customer can at any time increase or decrease for any number of reasons, including pricing, customer satisfaction or product fit – accordingly, a decrease in total connections may not indicate that a customer is intending to exit the KORE platform, particularly if that decrease is not sustained over a period of several quarters. DBNER would be lower if it were calculated using revenue from non go-forward customers.

As of March 31, 2023, and March 31, 2022, DBNER excludes connections from non go-forward customers, the vast majority of which are connections from Non-Core Customers. KORE defines “Non-Core Customers” to be customers that management has judged to be lost as a result of the integration of Raco Wireless, Wyless and other acquisitions completed during in the 2014-2017 period, but which continue to have some connections (and account for some revenue) each year with KORE. Non-Core Customers are a subset of non go-forward customers.

DBNER is used by management as a measure of growth at KORE’s existing customers (i.e., “same store” growth). It is not intended to capture the effect of either new customer wins or the declines from non go-forward customers on KORE’s total revenue growth. This is because DBNER excludes new customers which started generating revenue after the base period, and also excludes any customers which are non go-forward customers on the last day of the current period. Revenue increases from new customer wins, and a decline in revenue from non go-forward customers are also important factors in assessing KORE’s revenue growth, but these factors are independent of DBNER.

#### *Total Contract Value (TCV)*

Total Contract Value (TCV) represents KORE’s estimated value of a revenue opportunity. TCV for an IoT Connectivity opportunity is calculated by multiplying by forty the estimated revenue expected to be generated during the twelfth month of production. TCV for an IoT Solutions opportunity is either the actual total expected revenue opportunity, or if it is a longer-term “programmatically recurring revenue” program, calculated for the first 36 months of the delivery period.

**Cautionary Note on Forward-Looking Statements**

This press release includes certain statements that are not historical facts but are forward-looking statements for purposes of the safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. 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 proposed acquisition of Twilio’s IoT business and its expected consummation, as well as its timing and benefits, 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, including the expected acquisition of Twilio’s IoT business, 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 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 press release. 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 press release. Accordingly, undue reliance should not be placed upon the forward-looking statements.

**KORE Investor Contact**

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**KORE Group Holdings, Inc. and Subsidiaries**  
**Consolidated Statements of Operations**  
(In thousands USD, except share and per share amounts) (unaudited)

	Three Months Ended	
	March 31,	
	2023	2022
<b>Revenue</b>		
Services	\$ 47,550	\$ 47,543
Products	18,425	21,435
<b>Total revenue</b>	<b>65,975</b>	<b>68,978</b>
<b>Cost of revenue</b>		
Cost of services	16,543	17,550
Cost of products	13,774	17,723
<b>Total cost of revenue (exclusive of depreciation and amortization shown separately below)</b>	<b>30,317</b>	<b>35,273</b>
<b>Operating expenses</b>		
Selling, general and administrative	30,200	27,717
Depreciation and amortization	14,125	13,175
<b>Total operating expenses</b>	<b>44,325</b>	<b>40,892</b>
<b>Operating loss</b>	<b>(8,667)</b>	<b>(7,187)</b>
Interest expense, including amortization of deferred financing costs, net	10,195	6,624
Change in fair value of warrant liability	(3)	(27)
<b>Loss before income taxes</b>	<b>(18,859)</b>	<b>(13,784)</b>
Income tax benefit	(369)	(2,212)
<b>Net loss</b>	<b>\$ (18,490)</b>	<b>\$ (11,572)</b>
<b>Loss per share:</b>		
Basic	\$ (0.24)	\$ (0.16)
Diluted	\$ (0.24)	\$ (0.16)
<b>Weighted average number of shares outstanding:</b>		
Basic	76,524,735	74,040,261
Diluted	76,524,735	74,040,261

**KORE Group Holdings, Inc. and Subsidiaries**  
**Consolidated Balance Sheets**  
(In thousands USD, except share and per share amounts)

	March 31, 2023	December 31, 2022
	(unaudited)	
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ 30,600	\$ 34,645
Accounts receivable, net respectively	48,055	44,538
Inventories, net	8,774	10,051
Income taxes receivable	424	502
Prepaid expenses and other current assets	12,625	13,484
<b>Total current assets</b>	<b>100,478</b>	<b>103,220</b>
<b>Non-current assets</b>		
Restricted cash	361	362
Property and equipment, net	12,137	11,899
Intangibles assets, net	183,252	192,504
Goodwill	369,870	369,706
Operating lease right-of-use assets	9,501	10,019
Deferred tax assets	54	55
Other long-term assets	876	971
<b>Total assets</b>	<b>\$ 676,529</b>	<b>\$ 688,736</b>
<b>Liabilities and stockholders' equity</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 23,264	\$ 17,835
Accrued liabilities	15,850	15,793
Current portion of operating lease liabilities	1,649	1,811
Income taxes payable	1,212	207
Deferred revenue	7,732	7,817
Current portion of long-term debt and other borrowings, net	5,370	5,345
<b>Total current liabilities</b>	<b>55,077</b>	<b>48,808</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	23,272	25,248
Warrant liability	30	33
Non-current portion of operating lease liabilities	8,961	9,275
Long-term debt and other borrowings, net	413,090	413,910
Other long-term liabilities	11,404	10,790
<b>Total liabilities</b>	<b>\$ 511,834</b>	<b>\$ 508,064</b>
Commitments and contingencies		
<b>Stockholders' equity</b>		
Common stock, voting; par value \$0.0001 per share; 315,000,000 shares authorized, 76,289,741 and 72,027,743 shares issued and outstanding at March 31, 2023 and December 31, 2022, respectively	\$ 8	\$ 8
Additional paid-in capital	437,677	435,292
Accumulated other comprehensive loss	(6,262)	(6,390)
Accumulated deficit	(266,728)	(248,238)
<b>Total stockholders' equity</b>	<b>164,695</b>	<b>180,672</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 676,529</b>	<b>\$ 688,736</b>

**KORE Group Holdings, Inc. and Subsidiaries**  
**Consolidated Statements of Cash Flows**

	Three Months Ended March 31,	
	2023	2022
<b>Cash flows from operating activities</b>		
Net loss	\$ (18,490)	\$ (11,572)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities		
Depreciation and amortization	14,125	13,175
Amortization of deferred financing costs	625	587
Non-cash reduction to the operating lease right-of-use assets	539	587
Deferred income taxes	(1,994)	(3,296)
Non-cash foreign currency loss (gain)	(395)	(3)
Stock-based compensation	2,570	2,050
Allowance for credit losses	(129)	55
Change in fair value of warrant liability	(3)	(27)
Change in operating assets and liabilities, net of operating assets and liabilities acquired:		
Accounts receivable	(3,227)	(2,635)
Inventories	1,302	4,994
Prepaid expenses and other current assets	926	1,591
Accounts payable and accrued liabilities	5,589	(8,511)
Deferred revenue	(108)	132
Income taxes payable	1,079	(213)
Operating lease liabilities	(496)	(894)
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 1,912</b>	<b>\$ (3,980)</b>
<b>Cash flows used in investing activities</b>		
Additions to intangible assets	(3,814)	(2,790)
Additions to property and equipment	(1,025)	(635)
Payments for acquisitions, net of cash acquired	—	(45,078)
<b>Net cash used in investing activities</b>	<b>\$ (4,839)</b>	<b>\$ (48,503)</b>
<b>Cash flows from financing activities</b>		
Repayment of term loan	(788)	(788)
Repayment of other borrowings—notes payable	(536)	(118)
Equity financing fees	—	(126)
Payment of deferred financing costs	—	(452)
Payment of financing lease obligations	—	(66)
<b>Net cash used in financing activities</b>	<b>\$ (1,324)</b>	<b>\$ (1,550)</b>
Effect of exchange rate changes on cash	202	(26)
Change in cash and restricted cash	(4,049)	(54,059)
<b>Cash and restricted cash, beginning of period</b>	<b>35,007</b>	<b>86,343</b>
<b>Cash and restricted cash, end of period</b>	<b>\$ 30,961</b>	<b>\$ 32,284</b>

(In thousands USD) (unaudited)

**KORE Group Holdings, Inc. and Subsidiaries**  
**RECONCILIATION OF NET LOSS TO EBITDA TO ADJUSTED EBITDA**  
(In thousands USD) (unaudited)

<i>(In thousands, USD)</i>	<b>Three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>Net loss</b>	<b>\$ (18,490)</b>	<b>\$ (11,572)</b>
Income tax benefit	(369)	(2,212)
Interest expense	10,195	6,624
Depreciation and amortization	14,125	13,175
<b>EBITDA</b>	<b>5,461</b>	<b>6,015</b>
Change in Fair value of warrant liability (non-cash)	(3)	(27)
Transformation expenses	1,864	1,565
Acquisition and integration-related restructuring costs	3,207	5,293
Stock-based compensation (non-cash)	2,570	2,050
Foreign currency loss (non-cash)	112	(3)
Other	117	395
<b>Adjusted EBITDA</b>	<b>\$ 13,328</b>	<b>\$ 15,288</b>



# Company Presentation

May 2023



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## 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. 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 EBITDA or a GAAP reconciliation as a result of the uncertainty regarding, and the potential variability of, reconciling items. 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.

"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.

"Organic Gross Profit" is defined as GAAP gross profit adjusted for the impact of foreign currency exchange and acquisitions and (a) for IoT Connectivity, exclusion of revenue and costs associated with non-core customers and LTE pricing adjustments and (b) for IoT Solutions, exclusion of LTE transition revenue and costs from our largest customer. "Organic Gross Profit Margin" is defined as Organic Gross Profit divided by Organic Revenue for that period.

"Organic Normalized Adjusted EBITDA" is defined as Adjusted EBITDA, adjusted for the items outlined in Organic Revenue and Organic Gross Profit, in addition to further adjustments for (i) burdening certain historical periods for go-forward public company related costs to the extent these costs were not already incurred, and (ii) removing \$1mm of one-time costs related to non-recurring audit expenses in Q1 '2023.

"Organic Normalized Adjusted EBITDA Margin" is defined as Organic Normalized Adjusted EBITDA divided by Organic Revenue for that period

# Today's Presenters

**Romil Bahl**

President & CEO, KORE  
Previous Experience



**Romil Bahl** has been serving as KORE's CEO since October 2017. He brings over 30 years of SaaS, information technology, professional services and IoT experience in high-growth environments. Prior to KORE, Romil served as President and CEO of Lochbridge, a leading technology consulting and solutions provider in the IoT and digital enablement space (sold to DMI in 2017). Romil earned an MBA from The University of Texas at Austin and a Bachelor of Engineering degree from the Directorate of Marine Engineering & Technology in Kolkata, West Bengal, India

**Paul Holtz**

EVP, CFO & Treasurer, KORE  
Previous Experience



**Paul Holtz** has been serving as KORE's CFO since March 2022, after serving as interim CFO since November 2021. He joined KORE in March 2017 and has extensive public company experience in the technology and SaaS space. Prior to joining KORE, Paul served in various finance & operations roles at BlackBerry. Paul received his bachelor's degree in Business Administration and Accounting from Wilfrid Laurier University and is a member of the Chartered Professional Accountants of Canada



# KORE at a Glance

Leading global, independent provider of **mission critical IoT solutions**

## Who We Are

- Market leader in enabling end-to-end IoT solutions for enterprises
- **Trusted advisor**, enabling our customers to **Build, Deploy, Manage and Scale** their IoT solutions
- Blue chip customer base including market leading Fortune 500 enterprises and innovative solutions providers across high growth verticals such as connected health, industrial IoT, asset monitoring, fleet management and comms. services

## Why We Win

- ✓ Proprietary IP-based services: **IoT Connectivity, Solutions & Analytics**
- ✓ Market leading IoT knowledge and experience to help navigate the complex IoT ecosystem
- ✓ Global independent **IoT connectivity and solutions enabler** with an integrated network of key partners
- ✓ Deep vertical expertise in our top 3 verticals

## Key Attributes



### Global Scale (as of 12/31/22)

<b>190+</b> Countries Coverage	<b>45</b> Carrier Integrations	<b>15.0mm</b> Connections
<b>3,600+</b> Customers	<b>600+</b> Full-Time Employees	



### Significant Visibility & Profitability<sup>1</sup>

<b>\$268mm</b> 2022A Revenue	<b>\$63mm</b> 2022A Adjusted EBITDA	<b>91%+</b> Annual Recurring Gross Margin
<b>12.7%</b> 2020A-2022A Organic Connectivity Revenue CAGR	<b>95%+</b> Revenue Visibility Through 2023E <sup>2</sup>	



<sup>1</sup> As reported metrics, unless otherwise noted

<sup>2</sup> Revenue visibility excludes the impact of the Twilio IoT business acquisition and is based on the installed base which includes customers which had a signed contract with KORE by the end of 2022, normalized for non-core customers from the acquisitions of Raco and Wyless

# KORE Business Model: Offering High Demand IoT Services

Product Line	Products	Product Description	Primary Pricing Method
<b>IoT Connectivity</b>  66.0% of Q1'23A	<b>IoT Connectivity as a Service (CaaS)</b>	<ul style="list-style-type: none"> <li>IoT connectivity services offered through market leading IoT platform 'KORE One'</li> <li>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, and multiple carriers CaaS value prop</li> </ul>	<b>Per subscriber per month for lifetime of device (7-10 years and growing)</b>
	<b>Connectivity Enablement as a Service (CEaaS)</b>	<ul style="list-style-type: none"> <li>IoT Connectivity Management Platform as a Service (or individual KORE One engine)</li> <li>Cellular Core Network as a Service (cloud native HyperCore)</li> </ul>	<b>Multi-year contracts with automatic renewals</b>
<b>IoT Solutions</b>  34.0% of Q1'23A	<b>IoT Device Management Services</b>	<ul style="list-style-type: none"> <li>Outsourced platform-enabled services (e.g., logistics, configuration, device management)</li> <li>Sourcing of 3rd party devices globally, device design and selection services</li> </ul>	<b>Upfront fee per device or per device per month</b>
	<b>IoT Security</b>	<ul style="list-style-type: none"> <li>KORE's SecurityPro™ SaaS platform</li> </ul>	<b>Per subscriber per month</b>
	<b>Location Based Services (LBS)</b>	<ul style="list-style-type: none"> <li>KORE's PositionLogic™ SaaS platform and LBS APIs</li> </ul>	<b>Per subscriber per month</b>

*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

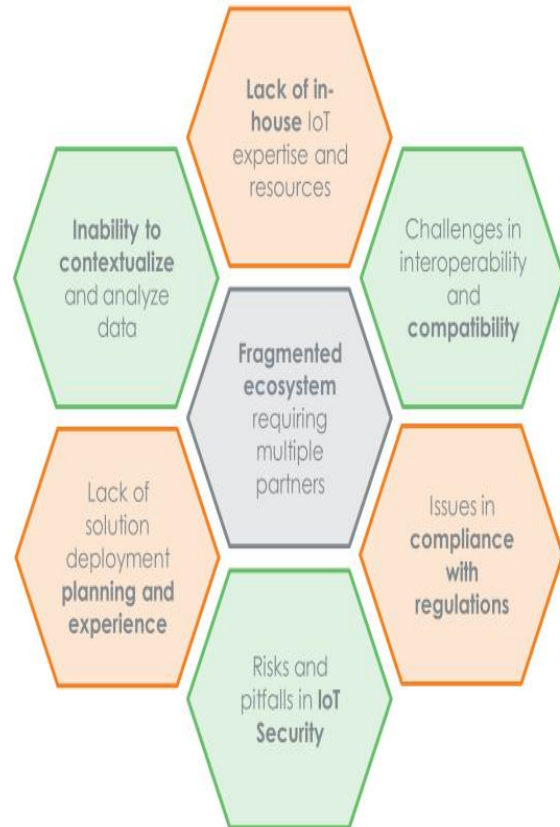


Smart City  
Lighting  
Systems



Smart Meters

## Top Challenges in IoT Deployments



# Successful IoT Deployments Require 7 Key Steps

1 IoT Strategy & End-to-end Security	2 Technology Evaluation, Selection, Dev	3 Connectivity, Device, Data Management	4 Deployment (forward logistics)	5 Operations Management & Support	6 Sustainment (reverse logistics)	7 Analytics & 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 IoT 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 Management & 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 13485, 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

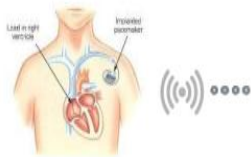


Delivery: ■ KORE Internal ■ KORE & Partner Hybrid ■ Partner



# Customer Case Study: Customer #1

Customer #1 is a multinational medical devices company. KORE works with the cardiac monitoring (pacemakers and related devices) division, which is a market leader in this line of products. It has been a KORE customer for >10 years



Cardiac Device



Bedside Monitor

...



KORE CaaS

...



Physician Portal

## KORE Solution: IoT Enablement of Cardiac Devices

- Helped **design a custom connectivity device** which works with a large number of cellular networks globally; contracted manufacturing with a global contract manufacturer
- KORE is an **extension of the customer's supply chain**, configuring & handling 200-300K devices per year with facilities which are:
  - ✓ ISO 13485 / 9001 certified
  - ✓ FDA Registration 21 CFR Part 820 compliant
  - ✓ HIPAA (U.S.) and GDPR (EU) compliant

## KORE Global Connectivity

- Provided a **global connectivity package** to provide connectivity across a large number of countries
- Acting as a **trusted advisor** for customer with transition of 2G/3G devices to LTE (in 2021/22)
- **1.2mm+** subscribers and growing fast, leading to significant CaaS revenue stream for 7-10 years per device
- Upsell to **eSIM** highly likely given global footprint of services

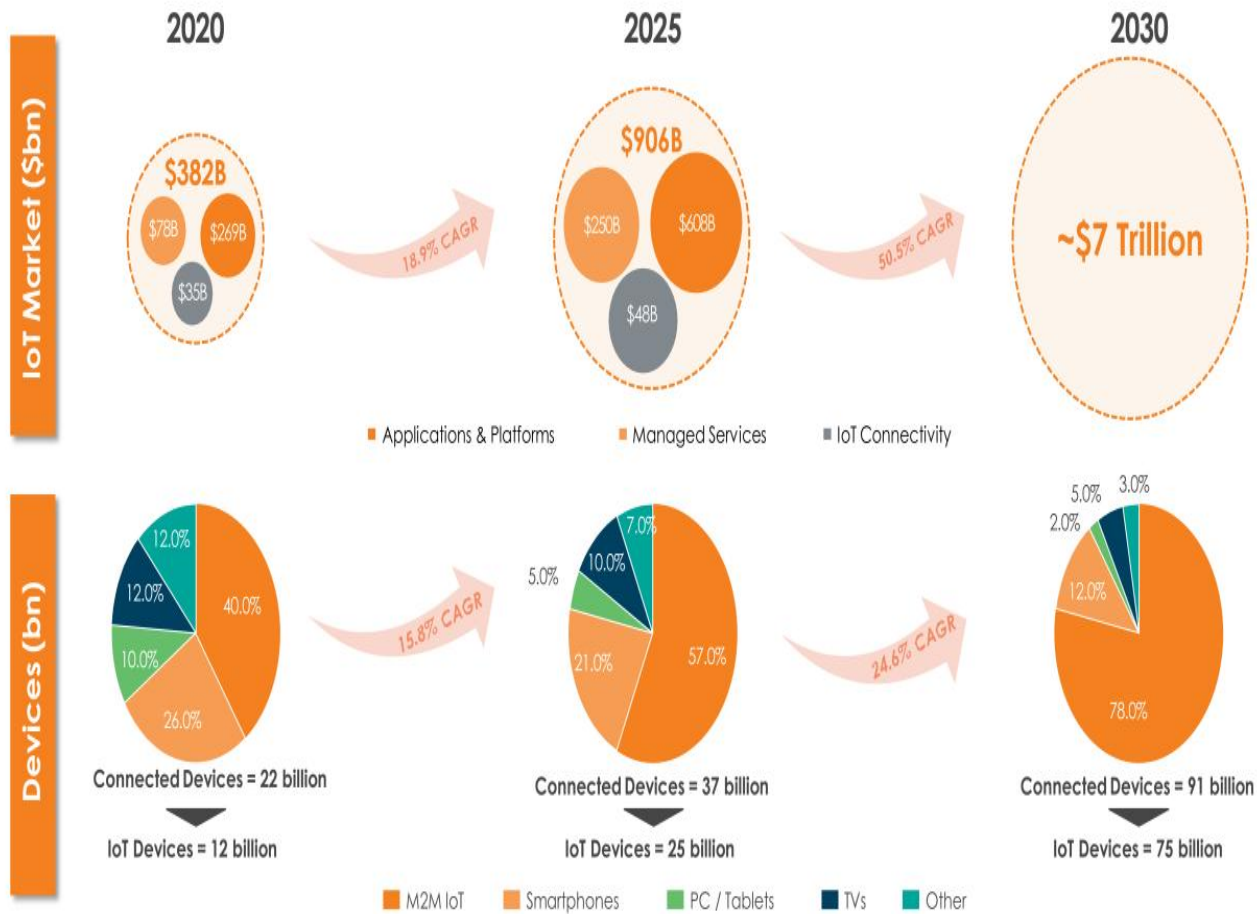
# Customer Use Case: Cardiac Rhythm Monitoring

KORE's solution enables global deployment and management of regulated medical equipment

1	IoT Strategy & End-to-end Security	2	Technology Evaluation, Selection, Dev	3	Connectivity, Device & Data Management	4	Deployment (forward logistics)	5	Operations Management & Support	6	Sustainment (reverse logistics)	7	Analysis & Optimization
1.1	Business Outcomes / Business Case	2.1	Architecture	3.1	Network Design Roaming Footprint Updates	4.1	Demand Forecast Supply Chain	5.1	Technical Support Tier 2	6.1	Advanced Manage Services	7.1	Data Cleaning & Normalization
1.2	Security by Design (entire stack)	2.2	IoT Connectivity / Network Strategy	3.2	Secured Data Exchange	4.2	Order Management Patient Order Desk	5.2	Tier 3 – Network & Systems Support	6.2	Migration Planning and Implementation	7.2	Data Storage, Retrievals & Replays
1.3	Partner Strategy	2.3	IoT Platform / Cloud Selection	3.3	Subscription Lifecycle Integration	4.3	Firmware Validation Software Load Remote Config Updates	5.3	Regional Outage Monitoring & Escalation	6.3	Returns Handling Sanitizing, Testing FDA Reporting	7.3	Data Enrichment & Contextualization
1.4	Proof of Concept	2.4	Application Design / Development	3.4	Wireless Managed Services	4.4	Supply Chain Management & Global Documentation	5.4	Quality Management ISO 13485	6.4	Advance Exchange / SWAP	7.4	Data Visualization
1.5	Global / Regional Footprint	2.5	Hardware Customization, Certifications – Gen 9	3.5	Hierarchical Account Setup & Management	4.5	Site Services	5.5	FDA Title 21 Part 820 EU MDD/MDR WEEE 2012/19/EU HIPAA/GDPR	6.5	Site Maintenance	7.5	AIoT – Descriptive, Prescriptive, Predictive
1.6	Organizational Governance	2.6	Develop, Test, Prototype & Pilot	3.6	Device Management, Diagnostics & Troubleshooting	4.6	Global Import / Export Management- Direct-to-Patient/DC Packaging/Labeling	5.6	OPCO Billing Reconciliation & Reporting	6.6	OEM Warranty Management	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	Final Testing & Validation Recording Track & Trace	5.7	Change / Release Management	6.7	End-of-Life Management	7.7	Transmission/Outage Analytics/Alerting




Delivery: ■ KORE Service Delivery

# KORE is Well Positioned in the Early Innings of an Exciting Growth Opportunity in IoT



Source: GSMA (IoT Revenue: State of the Market 2020); Ericsson (Mobility Report 2020); Cisco Annual Internet Report Highlights Tool 2020; IDC (Worldwide 5G Connections Forecast, 2019-2023) and KORE Forecasts

# 5G Will Drive Significant New Use Cases in Mission Critical Applications Across KORE's Target Industries

Industry Vertical		2023E-2028E Market CAGR	Internet of Things Use Cases			
<b>KORE</b>	Industrial	26%	 IoT & Consumer Service Providers	 Carrier IoT Business Units	 Enterprise Connectivity	 Private Networking
<b>KORE</b>	Fleet	22%	 Smart Utilities / Meters	 Smart Cities / Buildings	 Smart Factories	 Industrial IoT
<b>KORE</b>	Assets	17%	 Stolen Vehicle Recovery	 Fleet Tracking / Telematics	 Usage Based Insurance	 Connected Car
<b>KORE</b>	Connected Health	15%	 Remote Patient Monitoring	 Clinical Trials	 Medical Alert Monitoring	 Medical Equipment Diagnostics
<b>KORE</b>	Communication Services	13%	 Home / Business Security	 Offender Tracking	 Alcohol Monitoring	 Critical Asset Management

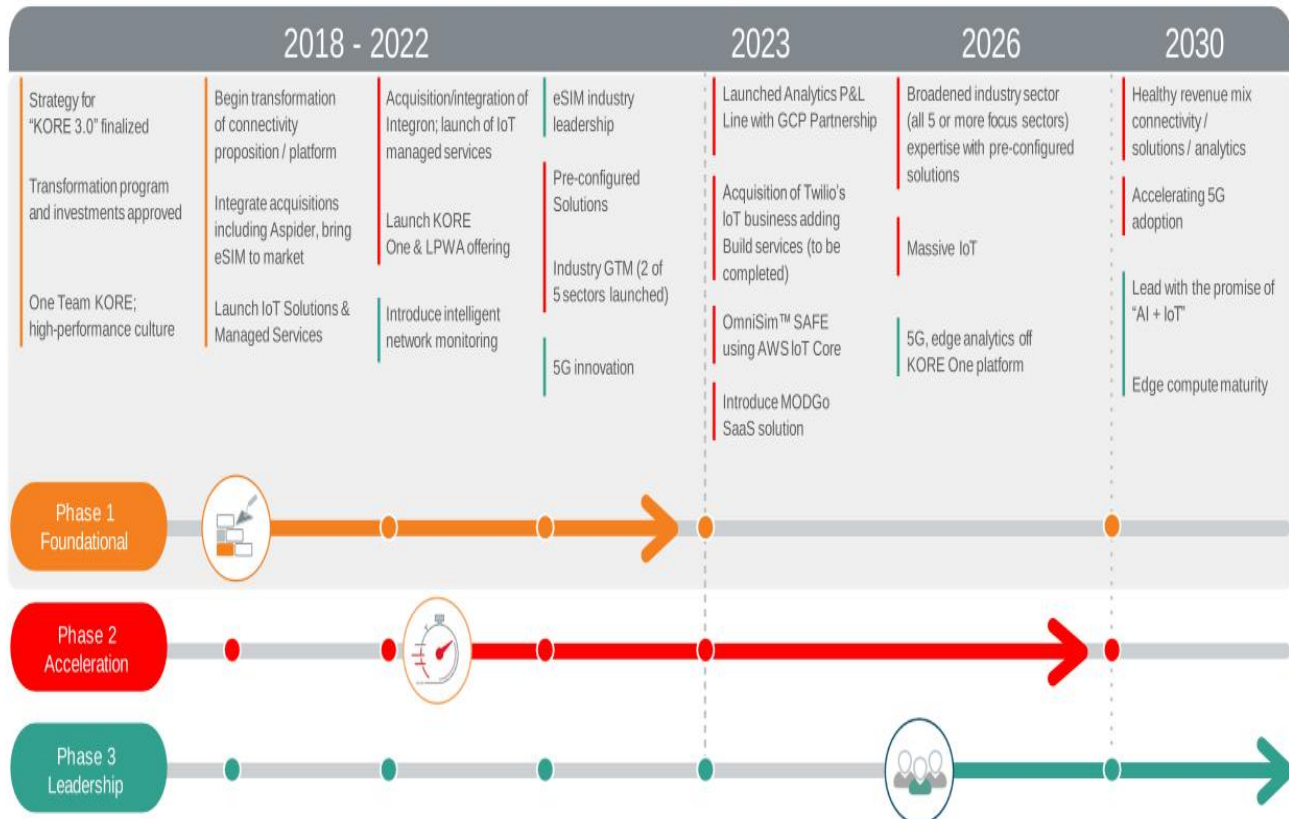


# Positioned for the Decade of IoT

As the only Pure-Play IoT Company



Evolution Roadmap



**KORE**

# Past M&A wins Coupled with Strong Future M&A Pipeline

KORE has a successful track record of executing and integrating strategic, deleveraging acquisitions

## Recent M&A Transactions—Strategic Impact

 <b>I N T E G R O N</b>	<ul style="list-style-type: none"> <li>• <b>Furthered our strategy as a leader in IoT Managed Services</b></li> <li>• <b>Expanded presence in Healthcare &amp; Life Sciences markets</b></li> <li>• Accretive deal, has had a de-levering effect</li> <li>• Rapid, successful integration resulted in ~25.0% growth in 2020</li> <li>• Differentiates KORE with respect to carriers and other pure-play providers</li> <li>• Date Acquired: Nov 2019</li> </ul>
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 <b>B M P</b> BUSINESS MOBILITY PARTNERS	<ul style="list-style-type: none"> <li>• <b>Positions KORE as the leader in technology enablement within the Life Sciences vertical</b></li> <li>• <b>Accelerates digital customer acquisition with the combination of SIMON IoT and the global scale and reach of KORE</b></li> <li>• Strengthened KORE's IoT managed services capabilities and enhanced presence in Connected Health, the Company's largest vertical</li> <li>• Date Acquired: Feb 2022</li> </ul>
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## Illustrative M&A Pipeline

Target	Location	Solution Offerings	Est. Revenue (\$mm)
Company A	US	IoT Solutions	\$8
Company B	South America	IoT Solutions	\$19
Company C	US	IoT Solutions	\$10
Company D	Europe	IoT Solutions	\$12
Company E	Europe	IoT Solutions	\$27
Company F	US	IoT Connectivity	\$12
Company G	UK	IoT Solutions	\$40
Company H	US	IoT Solutions	\$53
Company I	US	IoT Connectivity	\$230
Company J	Asia-Pacific	IoT Solutions	\$5



# KORE's Acquisition of Twilio's IoT Business Creates IoT Hyperscaler

## Transaction Overview

- KORE signed a definitive agreement to acquire Twilio's IoT division to **accelerate its growth strategy**, and focus on offering customers a unified, seamless method of launching IoT services
- **Twilio will receive 10mm shares of KORE common stock** (~11.5% of issued and outstanding shares); expected close June 1, 2023<sup>1</sup>
- Combined entity will be **the largest independent provider of IoT connectivity outside of China**, with only five large Mobile Network Operators having more connections

## Strategic Rationale

- ✓ **Add strong capabilities** for digital consumption of IoT
- ✓ Addition of new types of Connectivity customers, particularly in the **high-upside "connected product" space**
- ✓ Strong synergies via the combination of KORE OmniSIM and Twilio Super SIM to **create market-leading IoT connectivity product**
- ✓ Twilio's investment in Device Builder helps **add "Build" capability**
- ✓ **Expands KORE's one-stop-shop** for the IoT lifecycle



## Combined Company Highlights

- ✓ Market expansion to developer community
- ✓ Digital solution to customer connectivity procurement
- ✓ \$15mm of savings to Build capability internally and 2-year time to market
- ✓ Strong human capital talent
- ✓ Faster growth vs. KORE stand-alone
- ✓ Twilio IoT business brings recurring Connectivity revenue
- ✓ Expected 50% gross profit margin on Twilio's IoT business



<sup>1</sup> Subject to downward adjustment to the extent share consideration exceeds \$28mm at close

# Senior Management has Positioned KORE for Long-Term Success in the Exciting Growth Market of IoT

- ✓ Transformed from being an IoT connectivity provider to a Company that offers a **broad array of technology-driven services to deliver end-to-end IoT solutions**: *Connectivity, Solutions, and Analytics*
- ✓ **One-time headwinds created by 2G and 3G sunsets are largely in rear-view mirror**, positioning KORE to showcase industry leading organic growth, approaching 20% by 2025
- ✓ **High quality new business sales pipeline** is the largest it has been in Company's history and represents opportunity to **grow new business TCV for 5th year in a row**
- ✓ **Massive upsell and cross-sell opportunities** that are underpinned by eSIM product which is helping take wallet share at existing connectivity customers, with a **quick ramp to revenue**
- ✓ KORE's **strengthened financial profile and product suite** will enable the Company to **capitalize on the approaching 'Decade of IoT'** with 75-80 billion devices connected by 2030
- ✓ Delivering a variety of mission-critical IoT solutions, including some that **enable customers to improve their sustainability footprint and ESG profile** ("IoT for Good")
- ✓ **Attacking multiple organic growth vectors and track record of executing accretive M&A**, highlighted by BMP & Simon acquisition (early 2022) and the Integron acquisition (late 2019)





# Key Company Highlights

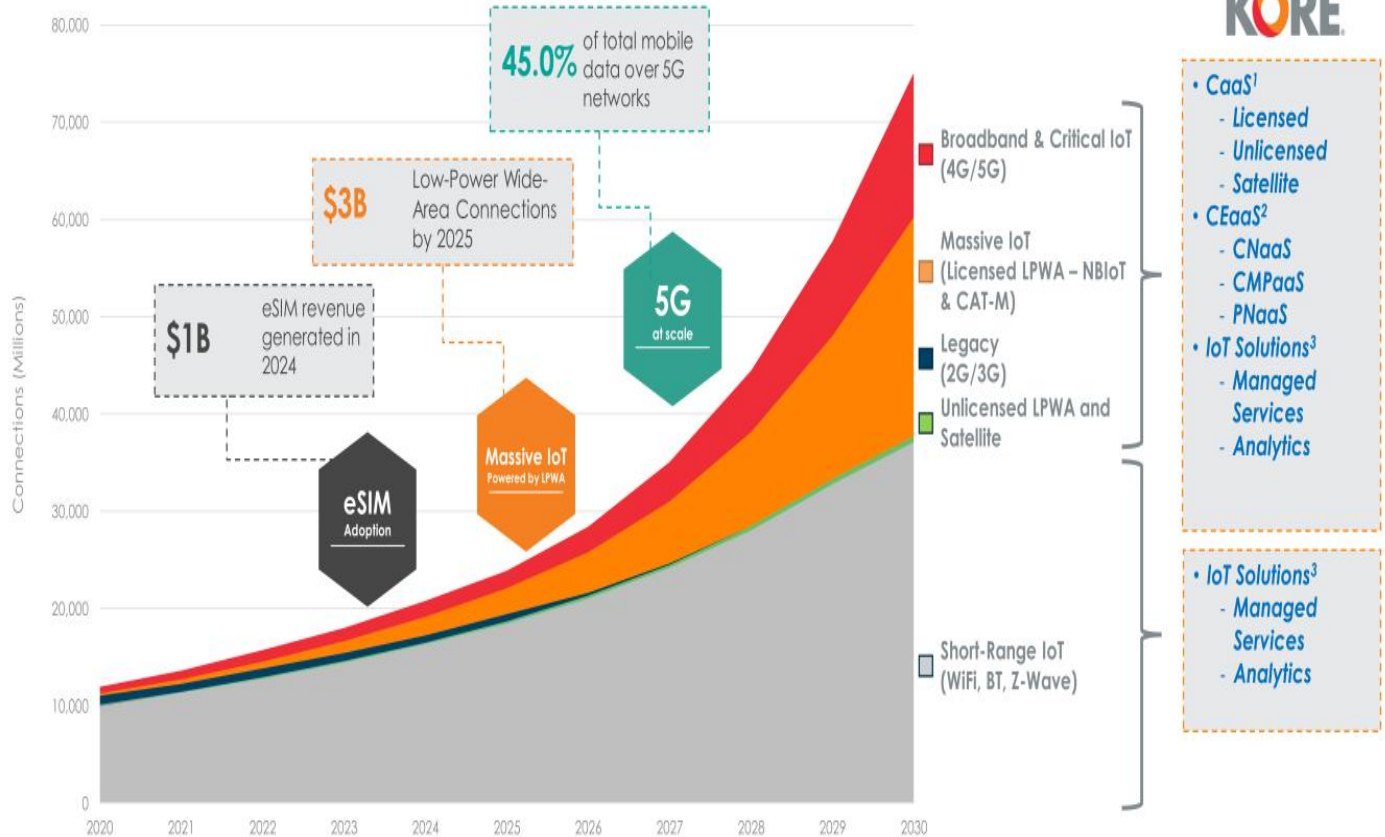


# Key Company Highlights

- 1 **Large and growing market** with increasing demand for IoT connectivity and solutions over the next decade
- 2 **Leading independent IoT solution provider** backed by extensive IP that creates **high barriers to entry**
- 3 **Strong recurring revenue, gross profit, and earnings profile** that is resilient to macroeconomic cycles
- 4 **Well-diversified revenue across blue-chip customer base** with truly global coverage
- 5 IoT solutions that **improve customers' ESG profile**
- 6 **High quality sales pipeline** supported by attainable growth initiatives
- 7 **Strong leadership team** with a proven track record

# ① Large and Growing Market with Increasing Demand for IoT Connectivity and Solutions Over the Next Decade

IoT connections by technology



**KORE**

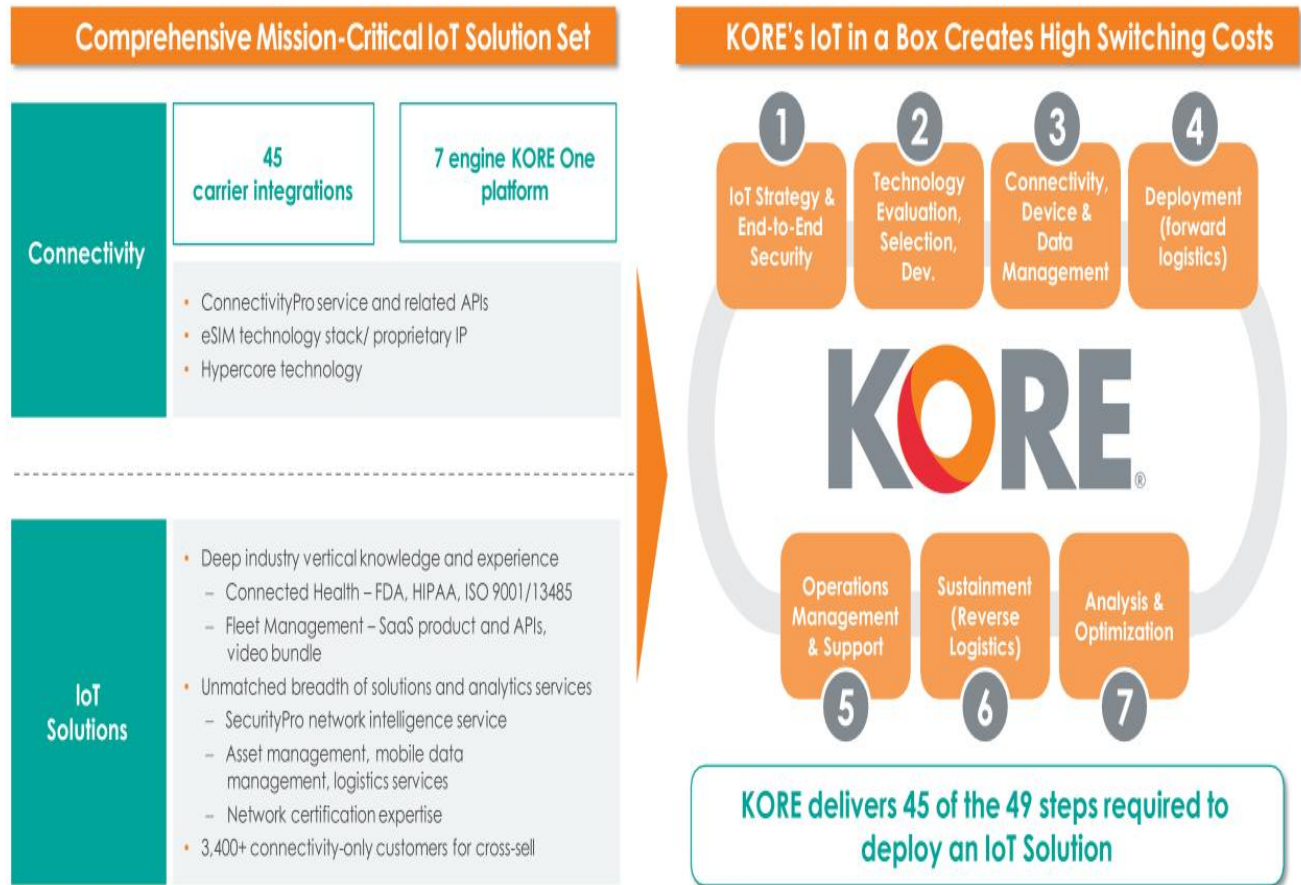
Source: Cisco Annual Internet Report Highlights Tool 2020, GSMA (IoT Revenue: State of the Market 2020), Ericsson (Mobility Report 2020), KORE Forecasts

<sup>1</sup> CaaS = Connectivity as a Service - managed connectivity services offering for connecting IoT device

<sup>2</sup> CEaaS = Connectivity Enablement as a Service - includes managed Core Network as a Service (CNaaS), Private Networking as a Service (PNaaS) and Connectivity Management Platform (CMPaaS)

<sup>3</sup> IoT Solutions = IoT managed services including IoT product design, supply chain, configuration, connectivity, and reverse logistics for customers

## ② Leading Independent IoT Solution Provider Backed by Extensive IP that Creates High Barriers to Entry



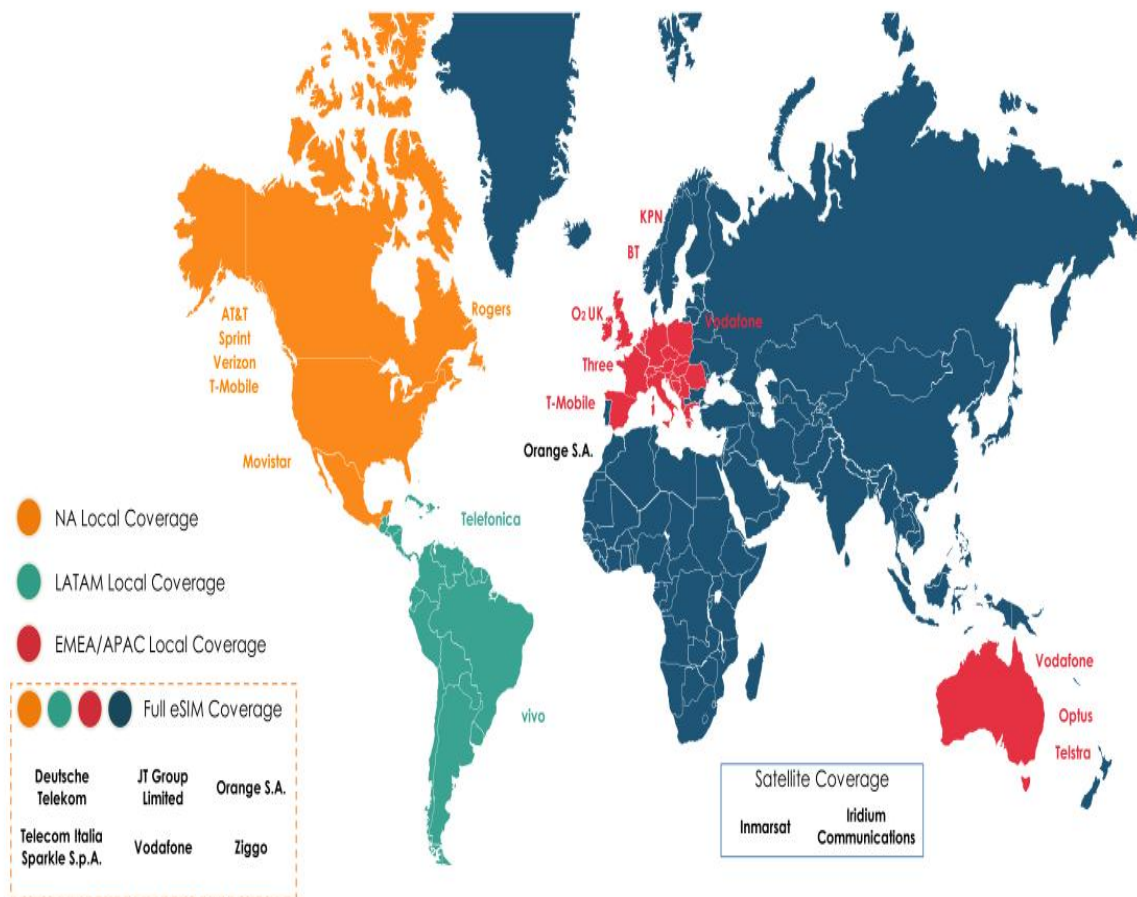


### ③ Strong Recurring Revenue, Gross Profit, and Earnings Profile that is Resilient to Macroeconomic Cycles



<sup>1</sup> Recurring revenue includes all IoT Connectivity and Analytics revenue along with programmatic IoT Solutions revenue  
<sup>2</sup> Represents gross profit from only recurring revenue

## ④ Well-diversified Revenue Across Blue-chip Customer Base with Truly Global Coverage

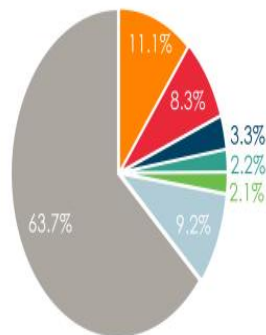


## ④ Well-diversified Revenue Across Blue-chip Customer Base with Truly Global Coverage

No customer represents more than 6.0% of total gross profit for 2022

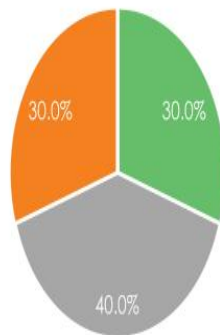
- Outside of Customer 1, a KORE customer for 10+ years, and Customer 2, no customer contributes more than 4.0% of total revenue
- Customer 1's revenue contribution in 2022 is elevated due to a large LTE transition project, which is now complete
- Excluding the large LTE transition project, Customer 1 was ~7.0% of 2022 revenue

Revenue by Customers<sup>1</sup>



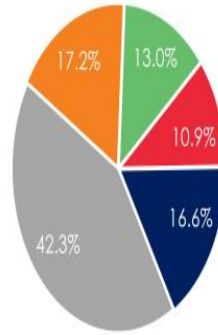
Customer 1 Customer 2  
Customer 3 Customer 4  
Customer 5 Customers 6-10

Cross-Selling Among Top 10 Customers<sup>1</sup>



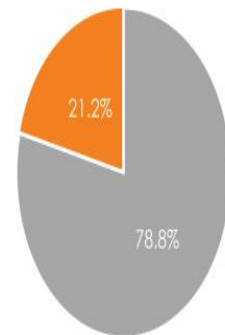
1 Solution  
2 Solutions  
>2 Solutions

Serving Customers Across Recession Resilient Markets<sup>1</sup>



Connected Health Fleet Management  
Asset Monitoring Communication Services  
Industrial IoT & Other

Revenue by Region<sup>1</sup>



US  
Rest of World

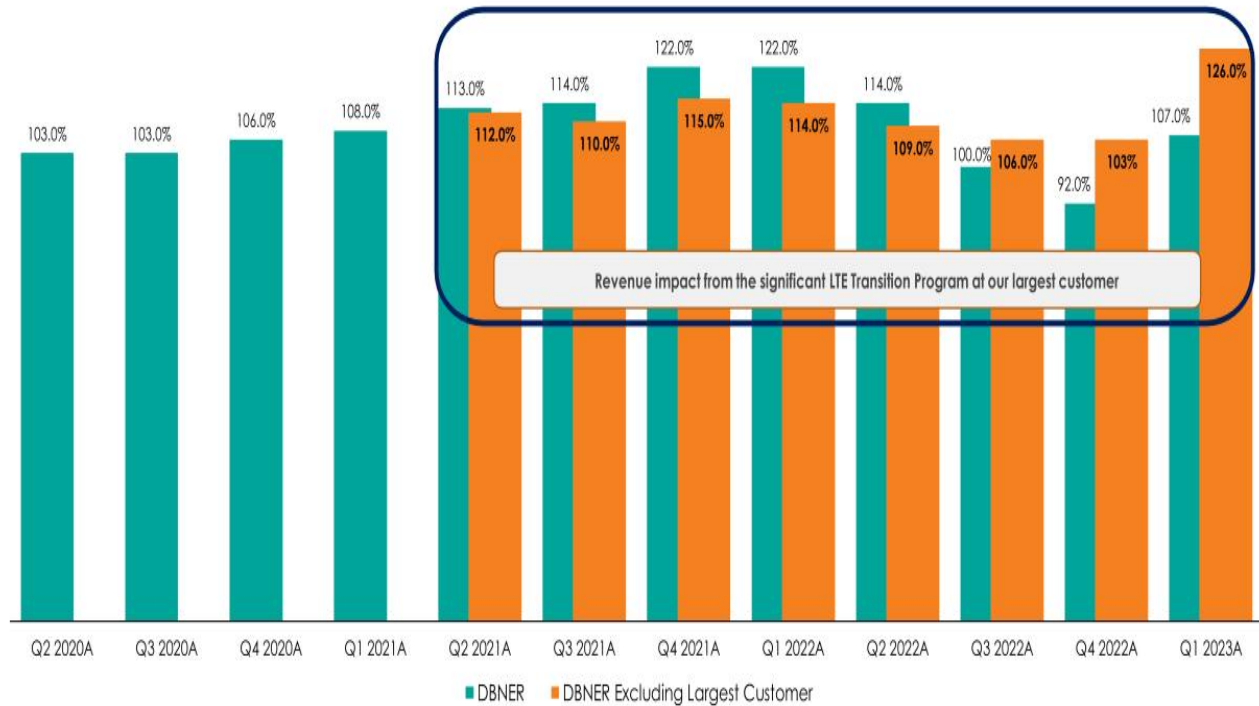
Customer 1 & 2 represent 6.0% and 4.8% of total gross profit, respectively, for 2022

## ④ Well-diversified Revenue Across Blue-chip Customer Base with Truly Global Coverage

Long track record of customer retention

### LTM Dollar-based Net Retention Rate ("DBNER")<sup>1</sup>

- Existing customer base stickiness demonstrated by DBNER
- Short-term revenue bump from large LTE Transition Program at our largest customer temporarily impacting DBNER growth



<sup>1</sup> 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

## 5 IoT Solutions that Improve Customers' ESG Profile

KORE's focus as a company is to make it easy for customers to leverage and scale IoT capabilities that help solve major environmental and social issues

### How KORE Helps Customers Meet Their ESG Goals

- ✓ Making healthcare accessible across the world
- ✓ eSIM technology provides secure and globally connected solutions for smart grid applications
- ✓ Decreasing plastic waste related to SIM cards
- ✓ Reducing water usage with soil sensors and smart meters
- ✓ Improving driver safety and reducing fuel consumption in fleet vehicles
- ✓ Ensuring ethical supply chain practices
- ✓ Maintaining compliance with health and safety regulations

### Future ESG Opportunities

- ✓ Lowering operating costs by reducing average Mean Time to Failure (MTTF) of industrial machinery via connected sensors
- ✓ Monitoring of waste collection bins to optimize route planning for collection vehicles
- ✓ Optimization of Building Management Systems to automate commercial building HVAC systems and water usage
- ✓ Monitoring employees' work conditions to ensure compliance with labor laws and human rights standards
- ✓ Measuring water quality to detect accidental discharge of effluent into a water system

*KORE is a force multiplier in driving environmentally friendly energy savings at scale for customers*





## 5 IoT Solutions that Improve Customers' ESG Profile

KORE partnered with GroundWorx to help their customers decrease water usage by 30.0% or more

### The Challenge Faced by Industries

- Sustainable water management is a continuous challenge for agriculture, turf management companies, hotels and resorts globally
- Solutions are needed to manage water and electricity usage to reduce resource strain while lowering overall costs

### KORE and GroundWorx Partnership

- GroundWorx is a wireless innovations and water conservation company
- KORE developed firmware, assisted with device certification and **provided global connectivity** for GroundWorx's soil sensors
- This collaboration enables organizations worldwide **to easily manage water and electricity usage, reducing strain on resources and reducing costs**
- The soil sensor collects data to report on soil moisture, temperature, and salinity and integrates with irrigation systems, **allowing users to water only when needed**

### Customer Testimonials

“In exploring options, the ease of use, installation, and comprehensive readings were key drivers in adopting the GroundWorx solution. The GroundWorx method of “dig and drop” installation and immediate pairing to smartphone devices allowed Lucky Charm Farms to continue operations with no shutdown during implementation and quickly reap the benefits of the system.

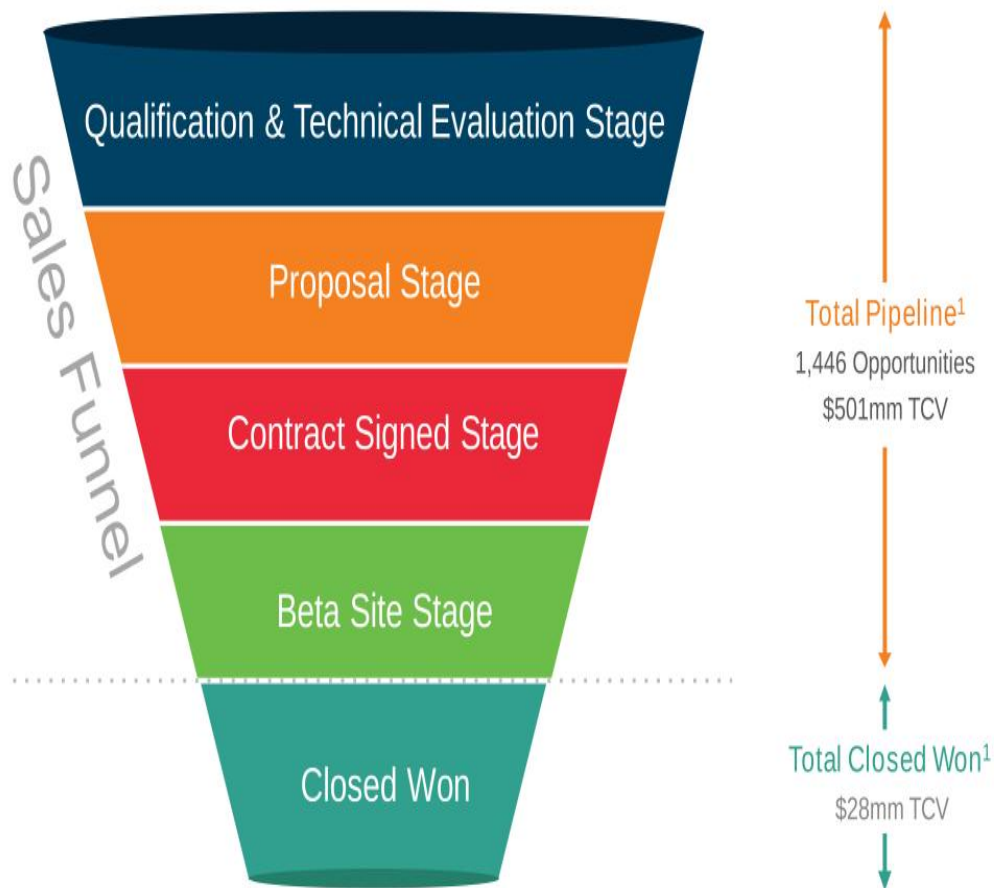
**John Haskett**  
Lucky Charm Farms

“The price for potable water has probably increased 300.0% in 10 years, the challenge is providing the best quality course and playing conditions while using the right amount of water. Immediately the data derived from GroundWorx can be leveraged to make informed watering decisions, such as when to skip irrigation cycles, which has realistically saved millions of gallons of water per month

**David Yanez**  
Fairmont Grand Del Mar Golf Course

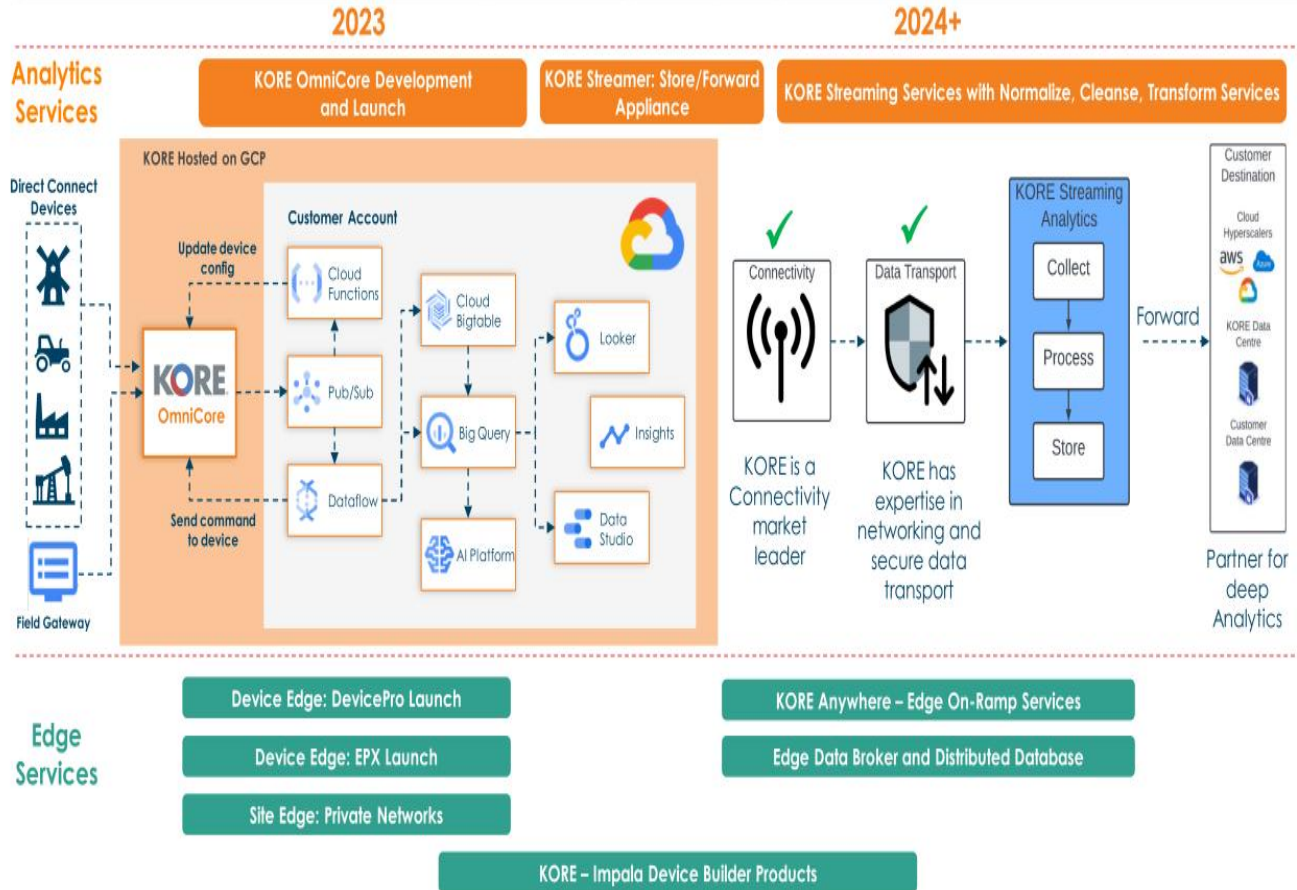


## ⑥ High Quality Sales Pipeline Supported by Attainable Growth Initiatives



## 6 High Quality Sales Pipeline Supported by Attainable Growth Initiatives

### Analytics and Edge Computing Roadmap





## 7 Strong Leadership Team with a Proven Track Record

### Management Team



**Romil Bahl**  
President and Chief  
Executive Officer  
Joined KORE: 2017



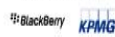
**Louise Winstone**  
EVP and Chief Human  
Resources Officer  
Joined KORE: 2019



**Sundar Somasundaram**  
SVP,  
Fleet Management  
Joined KORE: 2018



**Paul Holtz**  
EVP, Chief Financial Officer and  
Treasurer  
Joined KORE: 2017



**Bryan Lubel**  
EVP, Connected Health  
Joined KORE: 2019



**Steven Jones**  
SVP,  
Carrier Management  
Joined KORE: 2019



**Tushar Sachdev**  
Chief Technology Officer and  
EVP, Analytics  
Joined KORE: 2018



**Jack Kennedy**  
EVP and Chief Legal Officer  
Joined KORE: 2021



**Gideon Rogovsky**  
SVP, Americas  
Joined KORE: 2019



### Board of Directors



**Timothy M. Donahue**  
Chairman of the Board



**Rob P. MacInnis**  
Director



**Mark Neporent**  
Director  
Appointed to Board: 2022



**Romil Bahl**  
President and Chief  
Executive Officer and Director



**Michael K. Palmer**  
Director



**H. Paulett Eberhart**  
Director  
Appointed to Board: 2022



**Cheemin Bo-Linn**  
Director



**Tomer Yosef-Or**  
Director



**James Geisler**  
Director  
Appointed to Board: 2022  
Independent

Logos represent previous experience for Management Team and current affiliation for Board of Directors



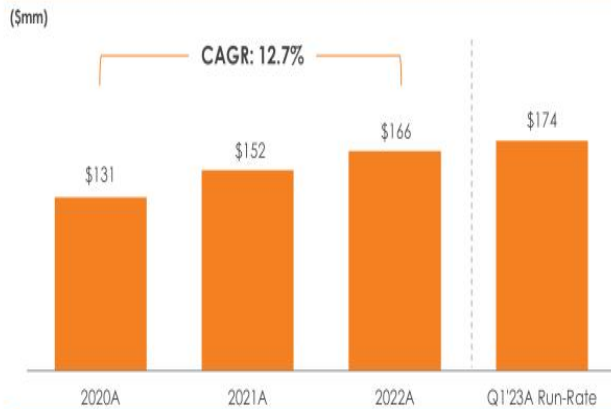


# Financial Overview



# Accelerating Long-Term Organic Growth

## IoT Connectivity: Organic Revenue<sup>1</sup>



## IoT Solutions: Organic Revenue<sup>1</sup>



## Commentary

- KORE has experienced strong organic growth since 2020
  - IoT Connectivity growth has been driven primarily by existing customers
  - IoT Solutions growth has been driven by the organic growth of Connected Health revenues
- Organic growth is expected to continue / accelerate and is supported by an enhanced new business opportunity pipeline and long-term market tailwinds
- KORE continues to target, on an unadjusted basis, mid-to-high single-digit organic growth in 2023 and double this growth in 2024 when we do not have the ~\$24 million headwind

**KORE is positioned to be a 20% top line grower with an EBITDA margin in excess of 20% by 2025 (Rule of 40)**



<sup>1</sup> Adjusted for constant currency, acquisitions, one-time customer churn, and 2G / 3G sunsetting

# Future Revenue to Represent Organic Revenue with Few One-time Adjustments

IoT Connectivity							IoT Solutions						
(\$mm)	2020A	2021A	2022A	LTM Q1'23A	Q4'22A Run-Rate	Q1'23A Run-Rate	(\$mm)	2020A	2021A	2022A	LTM Q1'23A	Q4'22A Run-Rate	Q1'23A Run-Rate
Total Revenue as Reported	\$159	\$169	\$176	\$175	\$175	\$174	Total Revenue as Reported	\$55	\$79	\$93	\$90	\$75	\$90
Less: Non-Core Customers (incl. 2G/3G sunseting) <b>A</b>	(\$21)	(\$16)	(\$11)	(\$8)	(\$9)	-	Less: Largest Customer LTE Transition <b>B</b>	-	(\$24)	(\$12)	(\$3)	-	-
Total Revenue (ex Non-Core)	\$138	\$153	\$165	\$168	\$166	\$174	Total Revenue (ex Largest Customer)	\$55	\$56	\$81	\$87	\$75	\$90
Less: Constant Currency (CC) Adjustment <b>C</b>	(\$2)	(\$3)	\$0	\$1	\$2	-	Less: Constant Currency (CC) Adjustment <b>C</b>	(\$0)	(\$1)	(\$0)	\$0	\$0	-
Total Revenue (ex Non-Core, CC)	\$136	\$150	\$165	\$168	\$168	\$174	Total Revenue (ex Largest Customer, CC)	\$55	\$54	\$81	\$87	\$75	\$90
Less: Estimated LTE Pricing Adj. <b>D</b>	(\$8)	(\$5)	(\$1)	(\$0)	(\$0)	-	Add: BMP Acquisition	\$19	\$23	\$4	-	-	-
Total Revenue (ex Non-Core, CC, LTE)	\$128	\$145	\$164	\$168	\$167	\$174	Total Organic Revenue	\$74	\$78	\$85	\$87	\$75	\$90
Add: BMP Acquisition	\$3	\$6	\$2	-	-	-	% YoY Organic Revenue Growth <sup>1</sup>	-	5.3%	9.6%	10.1%	-	19.1%
Total Organic Revenue	\$131	\$152	\$166	\$168	\$167	\$174							
% YoY Organic Revenue Growth <sup>1</sup>	-	16.1%	9.3%	6.3%	-	4.1%							

## Organic Revenue Adjustments

- A** Includes customers inherited from acquisitions and standalone KORE customers that have left over time due to 2G/3G technology sunseting
- B** Reflects the one-time replacement of remote patient 2G/3G monitoring devices with 4G/5G technology with the largest healthcare customer
- C** Maintained flat currency rates
- D** Adjustment to remove the effect of pricing differences between 2G/3G and 4G/5G technologies by holding 4G/5G pricing constant

**Strong organic growth demonstrated by LTM Q1'23A YoY and Q1'23A Run-Rate QoQ performance**



Source: Company financials

<sup>1</sup> Q1'23A Run-Rate represents QoQ growth and LTM Q1'23A represents YoY performance versus LTM Q1'22A

# Q1 '23 Performance Update

(\$mm)	Period Ended		
	Q1 '23A	Δ YoY <sup>2</sup>	Δ QoQ <sup>3</sup>
IoT Connectivity	44	(1.3%)	(0.3%)
IoT Solutions	22	(9.7%)	19.7%
<b>A Reported Revenue</b>	<b>\$66</b>	<b>(4.4%)</b>	<b>5.7%</b>
<b>B Reported Gross Profit</b>	<b>\$36</b>	<b>5.8%</b>	<b>5.5%</b>
% Margin	54.0%	518 bps	(9 bps)
<b>C Reported Adj. EBITDA</b>	<b>\$13</b>	<b>(12.8%)</b>	<b>(14.9%)</b>
% Margin	20.2%	(195 bps)	(488 bps)
<b>Organic Revenue<sup>1</sup></b>	<b>\$66</b>	<b>7.0%</b>	<b>8.7%</b>
<b>D Organic Normalized Adj. EBITDA<sup>1</sup></b>	<b>\$14</b>	<b>21.9%</b>	<b>(1.1%)</b>
% Margin	21.7%	266 bps	(216 bps)



<sup>1</sup> Please see pages 32 and 43 for detail on the calculation of Organic Revenue and Organic Normalized Adj. EBITDA

<sup>2</sup> As compared to Q1 '22A metrics

<sup>3</sup> As compared to Q4 '22A metrics

## Commentary

- A** Q1 '23A reported revenue increased 5.7% from Q4 '22A primarily due to stronger than expected growth in the Connected Health vertical and sequential growth of 19.7% in IoT Solutions revenue. Recurring Revenue, on a dollar basis, increased 5.7% YoY
- Q1 '23A IoT Connectivity revenue decreased due to the expected decline in revenue from Non-Core Customers and overall price reductions due to migration of 2G/3G connections to LTE, which were completed at the end of 2022. These declines in IoT Connectivity revenue were offset by organic growth from existing customers
  - Q1 '23A IoT Solutions revenue decreased by \$2.4mm compared to Q1 '22A. The decline in revenue was primarily from KORE's largest customer and the conclusion of their one-time LTE transition project in early 2022
- B** Reported Gross Margin in Q1 '23A increased over 500bps to 54.0% versus 48.9% in Q1 '22A and was up slightly on a sequential basis from Q4 '22A due to improved carrier optimization, the absence of LTE transition project revenue from our largest customer, and a lower mix of hardware sales. Recurring Gross Profit, on a dollar basis, increased 6.8% YoY
- C** Reported Adj. EBITDA declined marginally in Q1 '23A due to elevated Opex that offset the improved operating performance of the business
- The increase in Opex was driven by \$2.5mm higher SG&A expenses largely related to increased headcount related costs, offset by savings in directors' and officers' insurance
- D** Organic Normalized Adj. EBITDA demonstrated strong YoY growth of 21.9%
- This metric is adjusted for the organic performance of the business, in addition to further adjusting by (i) burdening historical quarters for go-forward public company related costs, and (ii) removing \$1mm of one-time costs related to non-recurring audit expenses in Q1 '23A. (See slide 43 for further detail)
  - QoQ impacted by typical Q1 Opex increases from items like payroll taxes and timing of regular year end audit field work



# Financial Performance Summary



<sup>1</sup> Green bars represent organic / organic-normalized metrics while orange bars represent total reported metrics

<sup>2</sup> Please see pages 32 and 43 for detail on the calculation of Organic Revenue, Organic Gross Profit, and Organic Normalized Adj. EBITDA

<sup>3</sup> Recurring Gross Profit calculated based on reported Gross Profit

<sup>4</sup> Green bars represent Free Cash Flow calculated as Organic Normalized Adj. EBITDA – full reported CapEx. Orange bar represents Free Cash Flow calculated as Reported Adj. EBITDA – full reported CapEx

# Key Company Highlights

## 1 Large and growing market with increasing demand for IoT connectivity and solutions over the next decade

- Accelerating digital transformation and the increasing emphasis on a connected environment continues to drive rapid growth in the IoT market
- \$3 billion Low Power Wide Area connections by 2025
- 45% of total mobile data will be over 5G networks by 2027

## 2 Leading independent IoT solution provider backed by extensive IP that creates high barriers to entry

- Market leader in enabling end-to-end IoT by delivering 45 of the 49 steps required to deploy an IoT solution
- KORE's IoT-in-a-box establishes high barriers to entry

## 3 Strong recurring revenue, gross profit, and earnings profile that is resilient to macroeconomic cycles

- 82%+ annual recurring revenue
- 91%+ annual recurring gross profit

## 4 Well-diversified revenue across blue-chip customer base with truly global coverage

- Extensive coverage across North America, LATAM and EMEA regions serving customers in critical sectors (Connected Health, Communication Services, etc.)
- No customer represents more than 6.0% of total gross profit for 2022
- Long track record of customer retention with Q1 2023A DBNER of 126.0%<sup>1</sup>

## 5 IoT solutions that improve customers' ESG profile

- Force multiplier in driving environmentally friendly energy savings at scale for customers
- KORE partnered with GroundWorx to help decrease water usage by more than 30.0%

## 6 High quality sales pipeline supported by attainable growth initiatives

- Robust sales funnel with 1,400+ opportunities representing \$500mm+ in TCV
- Well-defined product roadmap for analytics services and edge computing

## 7 Strong leadership team with a proven track record

- Best-in-class management team with deep domain expertise and proven track record of execution



<sup>1</sup> 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 impact from the significant LTE Transition Program at our largest customer



# Appendix





# Ample Opportunities to Upsell and Cross-Sell Solutions Across Segments

## Upsell Opportunities

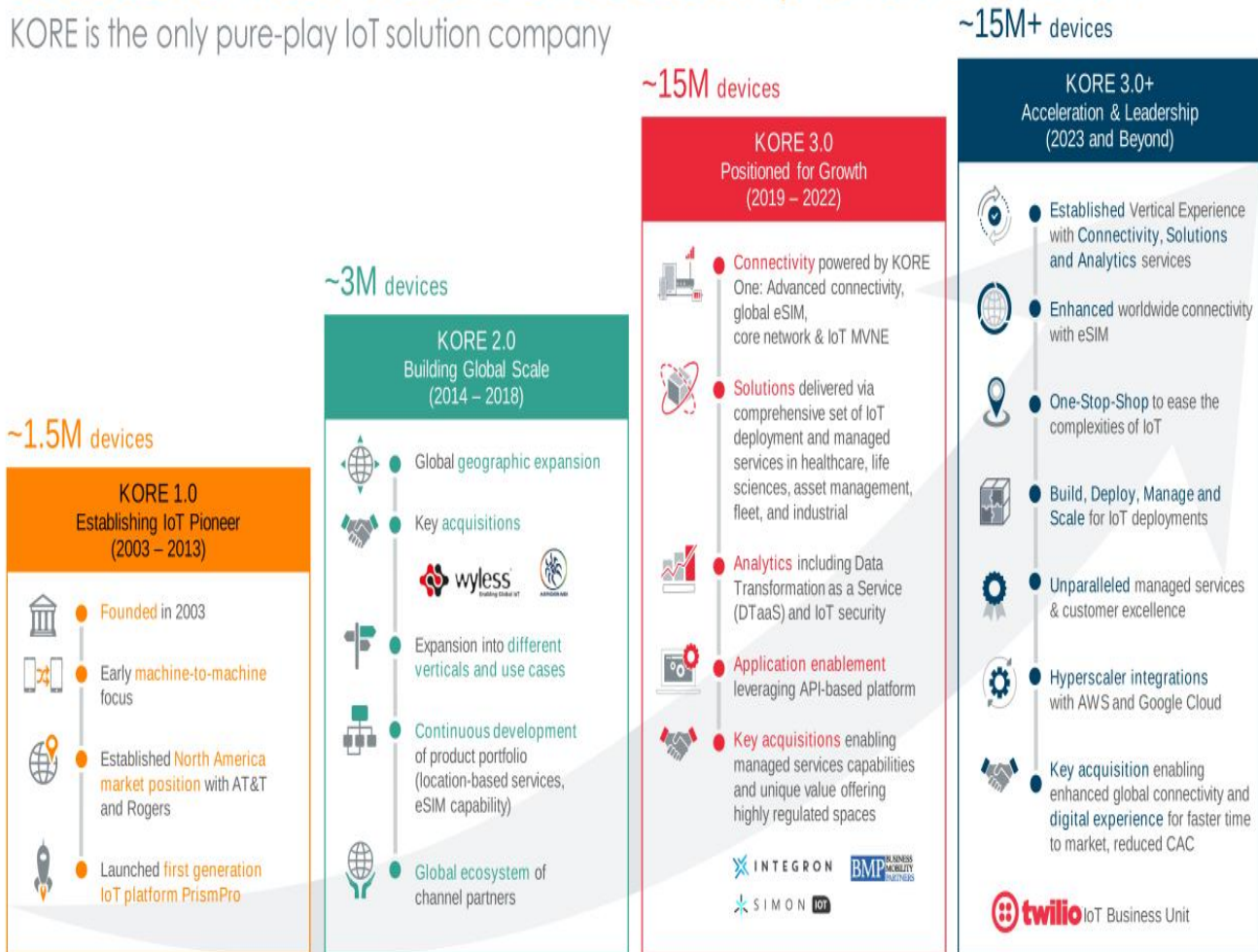
- KORE has the opportunity to upsell its solutions suite with majority of its customers
- IoT Connectivity
  - Customers buy additional connectivity as they deploy more solutions and ship more products
  - Existing customers are upsold our multi-IMSI and eSIM offerings
  - Twilio's Super SIM represents a new upsell opportunity for our existing customers
- IoT Solutions
  - Customers buy additional services and leverage KORE's managed services in new geographies as they expand globally
  - Existing customers typically use 10+ partners and represent a significant upsell opportunity as our solution can eliminate the need for multiple partners

## Cross-Sell Opportunities

- Massive cross-sell opportunity across existing customer base
  - 3,400+ connectivity-only customers
  - 23 of KORE's top 30 customers are only IoT Connectivity customers
- Opportunity to sell KORE's IoT solutions to Twilio's multi-year connectivity customers
- KORE successfully delivered its IoT solutions to a connectivity-only customer MobileHelp
  - KORE helped MobileHelp manage its 2G/3G transition for 40,000+ devices going back to 2009
  - Cross-functional teams ensured successful migration in key areas such as advanced notification, module selection and device certification
- ~\$100mm pipeline for cross-sell opportunities

# Successful Track Record of Leadership and Innovation

KORE is the only pure-play IoT solution company



**KORE**

# 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 45 of the 49 steps required to deploy an IoT Solution, and partners with others to deliver another 4 steps. KORE can help manage partners who will be accountable for the remaining 4 areas to provide a holistic IoT solution

### IoT Applications

Analytics  
Visualization

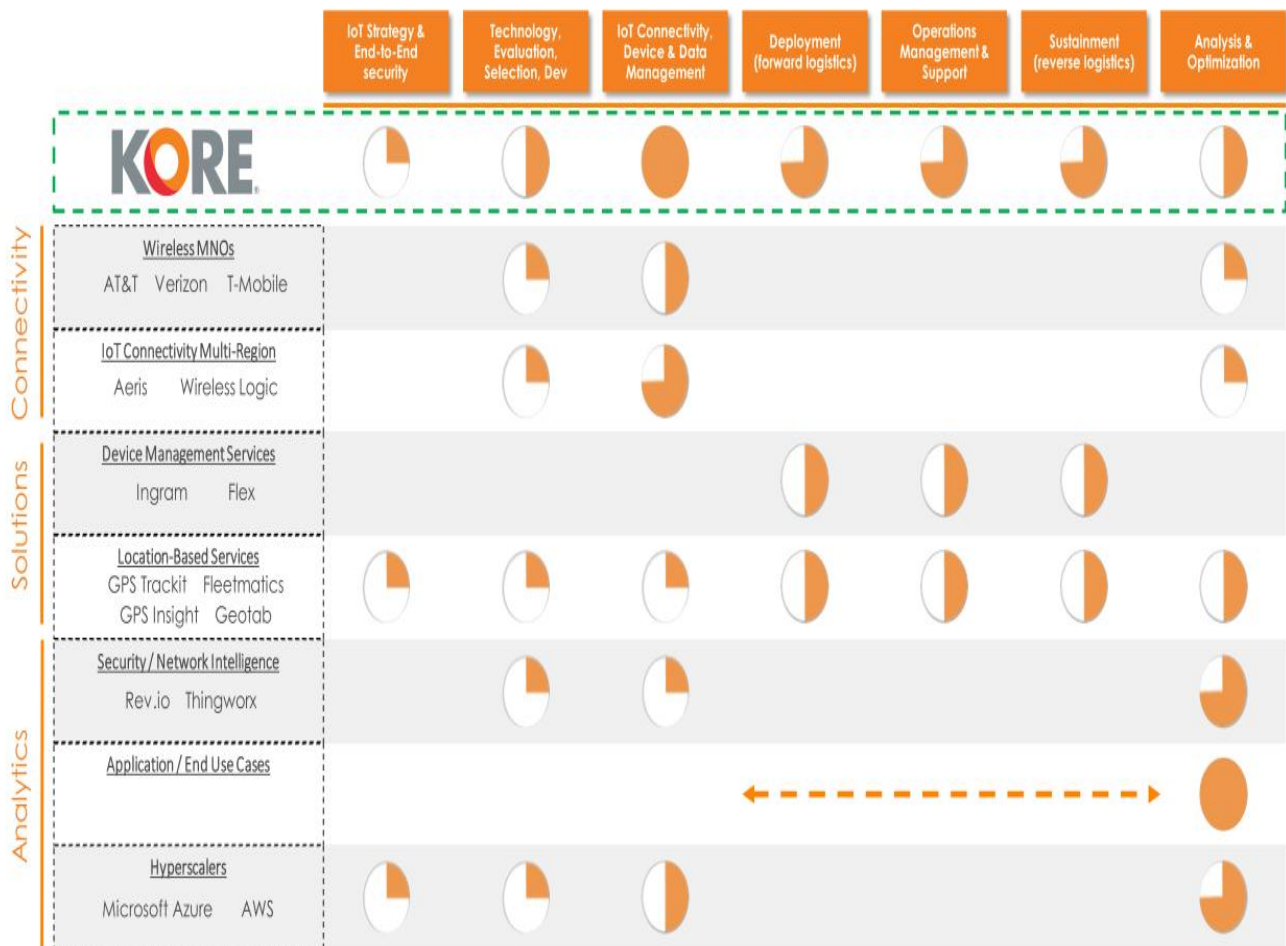
### IoT & Enablement

Onboard  
Configure  
Monitor  
Manage  
Secure

*Deployment & Edge  
Device Management*



# KORE's Comprehensive Offering is Without Peer in Today's Market





# Strong Organic Financial Profile

\$mm	2020A	2021A	2022A	LTM Q1'23A
Period End Connections (mm)	11.8	14.6	15.0	-
Total Revenue as Reported	214	248	268	265
% YoY Growth	3.8%	16.2%	8.1%	1.3%
Total Gross Profit as Reported	115	127	139	141
% Margin	53.9%	51.2%	51.9%	53.2%
Total Adj. EBITDA as Reported	57	61	63	61
% Margin	26.8%	24.5%	23.4%	22.9%
Organic Revenue <sup>1</sup>	204	229	251	255
% YoY Growth	-	12.2%	9.4%	7.6%
Organic Gross Profit	104	120	132	136
% Margin	51.1%	52.3%	52.5%	53.3%
Organic Normalized Adj. EBITDA <sup>1</sup>	36	44	53	56
% Margin	17.5%	19.0%	21.3%	22.0%

## 2021A vs. 2020A As Reported Commentary

### Revenue:

- IoT Connectivity: revenue increase driven by growth with existing customers. Growth partially offset by (1) decrease of revenue from non-core customers (customers lost from integration of old acquisitions) and (2) migration of customers from 2G/3G technologies to LTE
- IoT Solutions: revenue growth driven by increase in product deployments for its largest customer's LTE transition project

### Gross Margin:

- Contracted slightly due to increased COGS from the LTE transition project in which one-time, project specific discounts were offered, and increases in shipping and labor costs

### EBITDA Margin:

- Contraction due to shift in revenue mix from increased revenues in IoT Solutions

## 2022A vs. 2021A As Reported Commentary

### Revenue:

- Exceeded original projection of \$457mm in combined 2021 and 2022 revenue (\$517mm actual) in face of disruptions in customers' supply chains, forced churn from the 2G/3G sunsets, a rising cost environment and FX rate headwinds

### Gross Margin:

- Expanded 700 bps YoY due to continued optimization of carrier costs and the absence of lower margin LTE transition project volumes with KORE's largest customer



<sup>1</sup> Please see pages 32 and 43 for detail on the calculation of Organic Revenue and Organic Normalized Adj. EBITDA

# LTM Adjusted EBITDA Reconciliation

\$mm	LTM Q1'23A	Notes
<b>Net Income</b>	<b>(\$113)</b>	
Depreciation & Amortization	55	
Interest Expense	35	
Tax Benefit	(9)	
<b>Reported EBITDA</b>	<b>(\$31)</b>	
<i>Non-Cash &amp; Certain Other Adjustments:</i>		
① Stock-Based Compensation	11	① <b>Stock-Based Compensation:</b> Represents non-cash stock-based compensation
② Goodwill Impairment Loss	58	② <b>Goodwill Impairment Loss:</b> Represents GAAP required impairment of Goodwill entirely due to the sustained decline in KORE share price and market capitalization
③ Other Adjustments	1	③ <b>Other Adjustments:</b> Represents other non-cash expenses incurred by the Company including FX gains / losses
④ Investments & Transformation Expenses	9	④ <b>Transformation Expenses:</b> Related to the implementation of strategic transformation plan, which include the cost of a re-write of our core technology platform, expenses incurred to design certain new IoT Solutions and "go-to-market" capabilities. These expenses will be completed in 2023
⑤ Acquisition & Integration-related Restructuring Costs	14	⑤ <b>Acquisition &amp; Integration-related Restructuring Costs:</b> Represents legal, accounting, advisory, and other professional services costs associated with acquisitions. In both 2021 and 2022, acquisition and integration-related restructuring cost also included incremental legal and finance costs related to the preparation of the Company going public and initial setup of our SOX 404 program
<b>LTM Adj. EBITDA<sup>1</sup></b>	<b>\$61</b>	
<i>Memo: LTM Adj. EBITDA (excl. one-time Q1 '23 Audit Costs)</i>	<i>\$62</i>	



# Organic Gross Profit and Organic Normalized Adj. EBITDA Reconciliation

Organic Gross Profit (IoT Connectivity)					Organic Gross Profit (IoT Solutions)				
(\$mm)	2020A	2021A	2022A	LTM Q1'23A	(\$mm)	2020A	2021A	2022A	LTM Q1'23A
IoT Connectivity Gross Profit as Reported	\$95	\$103	\$113	\$114	IoT Solutions Gross Profit as Reported	\$21	\$24	\$26	\$27
Less: Non-Core Customers (incl. 2G/3G sunseting)	(13)	(10)	(7)	(5)	Less: Largest Customer LTE Transition	-	(5)	(2)	(1)
IoT Connectivity Gross Profit (ex Non-Core)	\$82	\$93	\$106	\$109	IoT Solutions Gross Profit (ex Largest Customer)	\$21	\$19	\$24	\$27
Less: Constant Currency (CC) Adjustment	(1)	(2)	0	0	Less: Constant Currency (CC) Adjustment	(0)	(0)	0	0
IoT Connectivity Gross Profit (ex Non-Core, CC)	\$81	\$91	\$106	\$110	IoT Solutions Gross Profit (ex Largest Customer, CC)	\$20	\$19	\$24	\$27
Less: Estimated LTE Pricing Adj.	(5)	(3)	(0)	(0)	Add: BMP Acquisition	6	9	1	-
IoT Connectivity Gross Profit (ex Non-Core, CC, LTE)	\$76	\$88	\$105	\$109	Total IoT Solutions Organic Gross Profit	\$27	\$28	\$25	\$27
Add: BMP Acquisition	2	4	1	-	% IoT Solutions Organic Gross Profit Margin	36.0%	35.8%	29.8%	30.5%
Total IoT Connectivity Organic Gross Profit	\$78	\$92	\$106	\$109					
% IoT Connectivity Organic Gross Profit Margin	59.7%	60.7%	64.1%	65.1%					

Organic Normalized Adj. EBITDA				
(\$mm)	2020A	2021A	2022A	LTM Q1'23A
Total Organic Gross Profit	\$104	\$120	\$132	\$136
Less: Reported Net OPEX	(58)	(66)	(77)	(80)
Total Adj. EBITDA	\$46	\$54	\$55	\$55
Less: Public Company Cost (PC CO) Adjustment <sup>1</sup>	(8)	(6)	(1)	(0)
Total Adj. EBITDA (ex. PC CO)	\$38	\$47	\$54	\$55
Less: BMP Acquisition (BMP)	(2)	(4)	(1)	-
Total Adj. EBITDA (ex. PC CO, BMP)	\$36	\$44	\$53	\$55
Add: One-time Audit Revisions	-	-	-	1
Total Organic Normalized Adj. EBITDA	\$36	\$44	\$53	\$56
% Organic Normalized Adj. EBITDA Margin	17.5%	19.0%	21.3%	22.0%



<sup>1</sup> This adjusts for burdening certain historical periods for go-forward public company related costs to the extent these costs were not already incurred

# Current Capitalization

(\$mm)	As of March-23	Net Levg.	Maturity	Rate	Floor	Ratings <sup>1</sup>
Cash	\$31					
\$30mm Revolving Credit Facility	--		Sept-24	S+550 <sup>2</sup>	0.0%	B2 / B
1 <sup>st</sup> Lien Term Loan B	302		Dec-24	S+550	0.0%	B2 / B
<b>1<sup>st</sup> Lien Debt</b>	<b>\$302</b>	<b>4.5x</b>				
Unsecured Convertible Notes	120		Sept-28	5.5%	--	NR / NR
Capital Lease Obligations	2		--	--	--	NR / NR
<b>Total Debt</b>	<b>\$424</b>	<b>6.5x</b>				<b>Corp: B3 / B-</b>
<b>Credit Statistics</b>						
LTM 3/31/2023 Adj. EBITDA <sup>3</sup>	\$61					
Net 1 <sup>st</sup> Lien Leverage	4.5x					
Net Total Leverage	6.5x					



<sup>1</sup> Ratings as of May 9<sup>th</sup>

<sup>2</sup> S + 550 bps + 10 bps CSA, subject to one 0.25% stepdown upon achievement of Total Leverage Ratio of 5.00x; 50 bps undrawn fee, with stepdown to 37.5 bps at 1<sup>st</sup> Lien Net Leverage Ratio < 4.50x

<sup>3</sup> Reported Adj. EBITDA

