



Third Quarter 2024 Earnings Presentation

November 19, 2024



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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. The inclusion of the prospective financial information in this presentation should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved.

Use of Non-GAAP Financial Measures

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

"EBITDA" is defined as net income (loss) before interest expense or interest income, income tax expense or benefit, and depreciation and amortization. "Adjusted EBITDA" is defined as EBITDA adjusted for unusual and other significant items that management views as distorting the operating results from period to period. 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 measure Adjusted EBITDA 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.

"Free Cash Flow" is a non-GAAP measure defined as net cash used in operating activities - continuing operations, reduced by capital expenditures (consisting of purchases of property and equipment), purchases of intangible assets and capitalization of internal use software. We believe Free Cash Flow is an important liquidity measure of the cash that is available for operational expenses, investments in our business, strategic acquisitions, and for certain other activities such as repaying debt obligations and stock repurchases. Free Cash Flow is a key financial indicator used by management. Free Cash Flow is useful to investors as a liquidity measure because it measures our ability to generate or use cash. The use of Free Cash Flow as an analytical tool has limitations because it does not represent the residual cash flow available for discretionary expenditures. Because of these limitations, Free Cash Flow should be considered along with other operating and financial performance measures presented in accordance with GAAP.

"Non-GAAP Margin" is a non-GAAP measure defined as non-GAAP gross profit divided by revenue, expressed as a percentage. Non-GAAP gross profit is a non-GAAP measure defined as gross profit excluding certain (i) inventory adjustments that may not be indicative of ongoing operations, (ii) depreciation and (iii) amortization.

Q 3 2024 Financial Highlights

- In this year of transition, the Company continues to stabilize its financial performance as it prioritizes profitable growth and cash flow following completion of its restructuring plan
 - Overall Q3 performance and Q4 outlook on track with previous guidance for fiscal year 2024

<i>amounts in \$ millions</i>	Third Quarter		Year to Date	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Revenue				
IoT Connectivity	56.7	55.2	170.4	147.0
IoT Solutions	12.2	13.4	42.4	57.1
Total Revenue	68.9	68.6	212.8	204.1
Adj. EBITDA	13.0	14.2	39.2	41.7
Adj. EBITDA % of Revenue	18.8%	20.6%	18.4%	20.4%
Free Cash Flow			-5.1	-11.1

Columns may not sum due to rounding



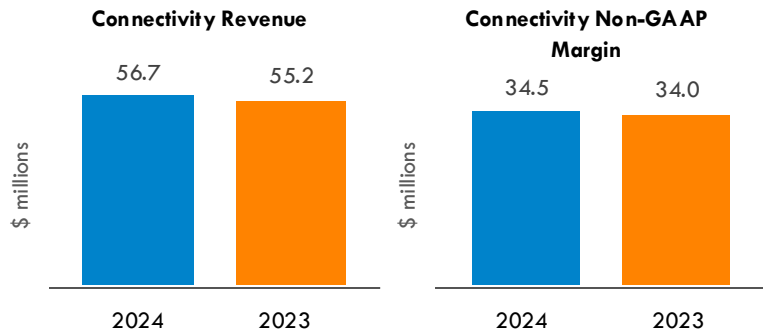
3Q 2024
Business
Update

- 1 We are winning in the market with strong growth in TCV led by new logos in IoT Connectivity
- 2 Sequential Q over Q growth in Total Connections demonstrates our increased focus in IoT Connectivity is showing early results
- 3 Customer Intimacy & Operational Excellence initiatives yielding improved customer metrics
- 4 Restructuring completed and benefits being realized

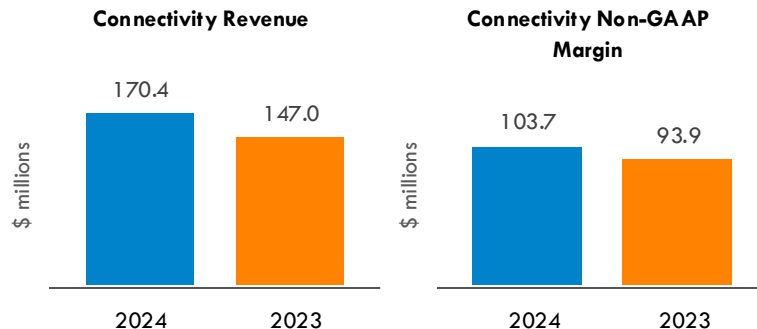
Q3 2024 IoT Connectivity Highlights

IoT Connectivity continues to grow in revenue, non-GAAP margin and connections

Three Months Ending September 30,



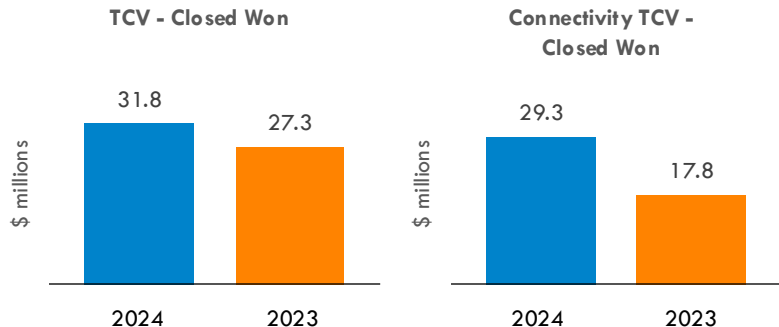
Nine Months Ending September 30,



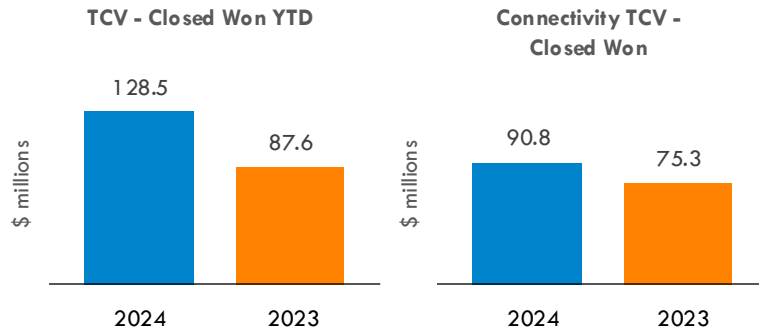
Q3 2024 Sales Momentum in IoT Connectivity

Strong quarter with TCV \$32 million with 91% in IoT Connectivity driving further growth in Connections

Three Months Ending September 30,



Nine Months Ending September 30,



Q3 2024 New Business Wins



GLOBAL HIGH VALUE ASSET MONITORING

KORE secured an agreement to provide global Connectivity and device management to support direct access to industrial products and solutions delivered into over 70 countries. The customer will be using the Connectivity to provide a better level of service for their customers, predictive maintenance and to secure new revenue streams.

Estimated TCV is \$3.7mm



LARGE HEALTHCARE WIN

KORE has been selected to support a large healthcare provider in delivering Connectivity for failover solutions for urgent care facilities and hospitals including remote patient kiosk systems. KORE was able to secure this win against several competitors in the market.

Estimated TCV is \$3.3mm



SMART AGRICULTURE USE CASE

KORE secured an agreement in the smart agriculture sector helping our customer reduce infrastructure and manpower to corral livestock and to train cattle routes to improve overall yields and reduce total costs. KORE is providing global Connectivity.

Estimated TCV is \$6.0mm



REMOTE PATIENT MONITORING WIN

KORE secured a win with a leading Remote Patient Monitoring company to provide Connectivity throughout the US. The company chose KORE to ensure that they had full redundancy of networks to provide a reliable patient experience.

Estimated TCV is \$1.0mm

Restructuring Plan Completed

Delivered on restructuring objectives and on-track to deliver savings and customer benefits

Workforce Realignment

- **25% reduction** in headcount complete
- Additional savings expected from entity rationalization
- Accelerated Connectivity development initiatives

Product Rationalization

- Sunsetting non-core products
- Re-balanced resource allocation
- Focus on areas of strength within Connectivity

Enhanced Customer Intimacy

- Launched initiatives to streamline customer support
- Improvement in automated on-boarding
- Implemented tools for customer self-service



\$20mm Annual Run-Rate Savings

\$5mm In-Period Savings in 2024 (restructuring actioned in Q3'24)

2024 Financial Highlights

	Three Months Ended September 30,						Nine Months Ended September 30,					
	2024		2023		Variance Incr / (Decr.)		2024		2023		Variance Incr / (Decr.)	
		%		%	Amount	%		%		%	Amount	%
Revenue (In millions USD)												
IoT Connectivity	\$56.7	82%	\$55.2	80%	\$1.5	3%	\$170.4	80%	\$147.0	70%	\$23.3	16%
IoT Solutions	\$12.2	18%	\$13.4	20%	(\$1.3)	-9%	\$42.4	20%	\$57.1	30%	(\$14.7)	-26%
Total Revenue	\$68.9	100%	\$68.6	100%	\$0.3	0%	\$212.8	100%	\$204.1	100%	\$8.6	4%
Non-GAAP Margin %\					Basis Points					Basis Points		
IoT Connectivity	60.9%		61.7%		(80)		60.9%		63.9%		(300)	
IoT Solutions	37.1%		26.9%		1,020		37.2%		30.0%		720	
Overall Margin %	56.7%		54.8%		190		55.9%		54.4%		150	
Key Metrics					Amount	%					Amount	%
Average Connections for Period	18.6 million		18.7 million		-0.1 million	-1%	18.4 million		16.8 million		1.6 million	10%
ARPU	\$1.01		\$0.98		\$0.03	3%	na		na		na	
					Basis Points					Basis Points		
DBNER ¹	95%		96%		(100)		95%		96%		(100)	
	September 30, 2024		June 30, 2024		March 31, 2024		December 31, 2023					
Total Number of Connections at period end	18.8 million		18.5 million		18.3 million		18.5 million					

(1) ARPU is calculated by dividing the total IoT Connectivity Revenue during the period by the total number of connections during that same period.

(2) 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

Columns may not sum due to rounding

2024 Financial Highlights (continued)

(\$ in millions)	Three Months Ended September 30,				Nine Months Ended September 30,			
	2024	2023	Variances		2024	2023	Variances	
			Incr. / (Decr.)				Incr. / (Decr.)	
			Amount	%			Amount	%
Total Revenue	\$68.9	\$68.6	\$0.3	0.4%	\$212.8	\$204.1	\$8.6	4.2%
Operating Expense	\$43.8	\$125.5	(\$81.7)	-65.1%	\$208.3	\$217.2	(\$8.9)	-4.1%
Operating Loss	(\$5.6)	(\$87.9)	\$82.3	-93.6%	\$89.7	\$106.1	(\$16.4)	-15.5%
Net Loss	(\$19.4)	(\$95.4)	\$76.0	-79.7%	\$120.6	\$133.4	(\$12.8)	-9.6%
Adj. EBITDA	\$13.0	\$14.2	(\$1.2)	-8.3%	\$39.2	\$41.7	(\$2.5)	-6.0%
Adj. EBITDA Margin (%)	18.8%	20.6%	(180) basis pts.		18.4%	20.4%	(210) basis pts.	
Net Cash Provided By Operating Activities					\$7.1	\$4.5	\$2.6	36.4%
Net Cash Used In Investing Activities					(\$12.2)	(\$15.6)	(\$3.4)	21.8%
Net Cash Used In Financing Activities					(\$3.4)	(\$3.8)	(\$0.4)	11.0%
Cash at the end of the Period*					\$18.6	\$19.8	(\$1.2)	-6.5%

* Excludes restricted cash

Near Term Priorities and 2024 Outlook



Customer Intimacy

- Expansion of self-service capabilities for customers
- Investment in people training and new automation tools
- Launch of interactive customer satisfaction surveys



Profitable Growth

- Upsell and cross sell with our existing customers
- Focus on key verticals and use cases
- Product portfolio convergence & acceleration



Operational Excellence

- Reduce cost to serve
- Investments in KORE network to support growth & security
- Improved Carrier margins by leveraging economies of scale

Setting a solid foundation to drive long-term growth

2024 Revenue
Outlook

\$280mm-285mm

2024 Targeted
Adjusted EBITDA

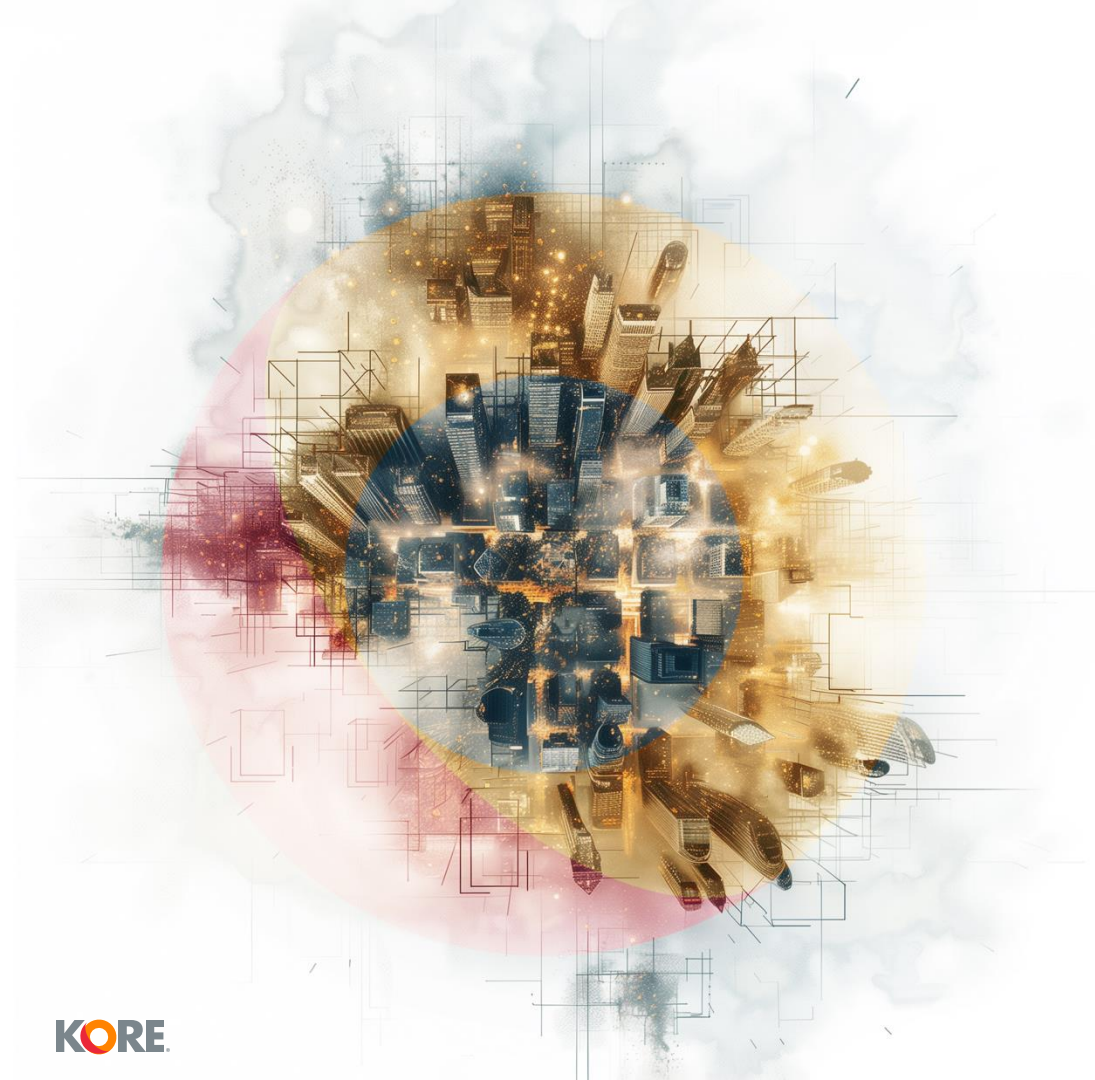
\$54mm-55mm



Third Quarter 2024 Earnings Q&A

November 19, 2024





Appendix

Reconciliation of Net Loss to EBITDA and Adjusted EBITDA

<i>(in thousands)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Net loss	\$ (19,408)	\$ (95,361)	\$ (120,628)	\$ (133,350)
Income tax benefit	(412)	(3,093)	(2,486)	(3,957)
Interest expense, net	13,059	10,615	38,349	31,217
Depreciation and amortization	14,214	14,457	42,243	43,094
EBITDA	7,453	(73,382)	(42,522)	(62,996)
Goodwill impairment	—	78,255	65,864	78,255
Change in fair value of warrant liability	337	(14)	(6,349)	(14)
Transformation expenses	—	1,876	—	5,434
Acquisition costs	—	—	—	1,776
Integration-related restructuring costs	5,574	3,011	14,262	8,333
Stock-based compensation	532	3,435	7,202	9,010
Foreign currency loss	(1,003)	781	1,199	1,018
Other ⁽¹⁾	93	197	(494)	910
Adjusted EBITDA	\$ 12,986	\$ 14,159	\$ 39,162	\$ 41,726

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

Columns may not sum due to rounding

Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow

<i>(in thousands)</i>	Nine Months Ended September 30,	
	2024	2023
Net cash provided by operating activities	\$ 7,066	\$ 4,493
Purchases of property and equipment	(1,944)	(3,410)
Additions to intangible assets	(10,233)	(12,186)
Free cash flow	\$ (5,111)	\$ (11,103)

Columns may not sum due to rounding

Reconciliation of GAAP Margin and Non-GAAP Margin

(\$ in thousands)	Three Months Ended September 30,				Nine Months Ended September 30,			
	2024		2023		2024		2023	
IoT Connectivity	\$	%	\$	%	\$	%	\$	%
Revenue	\$ 56,721		\$ 55,169		\$170,377		\$147,042	
Cost of revenue, excluding depreciation and amortization	22,153		21,151		66,638		53,122	
Depreciation and amortization in cost of revenue ⁽¹⁾	12,458		11,435		35,520		36,551	
Gross profit \$ / margin %	\$ 22,110	39.0 %	\$ 22,583	40.9 %	\$ 68,219	40.0 %	\$ 57,369	39.0 %
Exclude: Inventory adjustments	—		—		—		—	
Exclude: Depreciation and amortization	12,458		11,435		35,520		36,551	
Non-GAAP profit \$ / margin %	\$ 34,568	60.9 %	\$ 34,018	61.7 %	\$103,739	60.9 %	\$ 93,920	63.9 %
IoT Solutions								
Revenue	\$ 12,199		\$ 13,464		\$ 42,386		\$ 57,102	
Cost of revenue, excluding depreciation and amortization	8,566		9,845		27,539		39,907	
Depreciation and amortization in cost of revenue ⁽¹⁾	1,345		895		3,230		3,129	
Gross profit \$ / margin %	\$ 2,288	18.8 %	\$ 2,724	20.2 %	\$ 11,617	27.4 %	\$ 14,066	24.6 %
Exclude: Inventory adjustments	886		103		886		103	
Exclude: Depreciation and amortization	1,345		895		3,230		3,129	
Non-GAAP profit \$ / margin %	\$ 4,519	37.0 %	\$ 3,722	27.6 %	\$ 15,733	37.1 %	\$ 17,298	30.3 %
Overall profit \$ / margin %	\$ 24,398	35.4 %	\$ 25,307	36.9 %	\$ 79,836	37.5 %	\$ 71,435	35.0 %
Non-GAAP profit \$ / margin %	\$ 39,087	56.7 %	\$ 37,740	55.0 %	\$119,472	56.2 %	\$111,218	54.5 %

Columns may not sum due to rounding