FROST & SULLIVAN

KORE Wireless

2022
COMPETITIVE STRATEGY LEADER

Global Internet of Things Professional Services Industry

FROST & SULLIVAN

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. KORE Wireless excels in many of the criteria in the IoT professional services space.

AWARD CRITERIA

Strategy Innovation	Customer Impact
Strategy Effectiveness	Price/Performance Value
Strategy Execution	Customer Purchase Experience
Competitive Differentiation	Customer Ownership Experience
Executive Team Alignment	Customer Service Experience
Stakeholder Integration	Brand Equity

A Market Snapshot

While the Internet of Things' (IoT) adoption has grown into a strategic imperative, successful deployment is complex. Many companies struggle with legacy infrastructure interoperability, a lack of in-house experience, a high failure rate of IoT initiatives, data security, and implementation decisions. IoT providers can help advance IoT plans by delivering managed services that provide innovative technologies to enhance solutions and outcomes. IoT-managed services provide an additional revenue stream for providers such as telecommunication and information technology companies. Additionally, the IoT ecosystem structure encourages partnerships and collaborations among providers, allowing for a broader client reach, which further promotes and hastens go-to-market strategies. For IoT-managed services to function effectively, a ubiquitous connectivity network capable of meeting IoT-related standards is mandatory. Regional disparities persist, and providers and clients find it difficult to access an equitable infrastructure with requisite bandwidth and secure wireless networks.

"Becoming a publicly-traded company well-positions KORE to serve large enterprises and organizations by strengthening its brand recognition. The move also bolsters its financial performance and enables the flexibility necessary to continue its growth strategy via expansion and M&A. Moreover, this transformation positions KORE to capitalize on the acceleration toward an increasingly intelligent and connected world, powering real-time information and improved business decisions."

- Samantha Fisher
Best Practices Research Analyst

Frost & Sullivan estimates the global IoT professional services market will reach $166.71 billion in 2025, with a compound annual growth rate of about 24.0% from 2017 to 2025.[1] Industrial and manufacturing constitute the predominant segment during the forecast period.

Best-in-class Strategies Drive Competitive Differentiation

Founded in 2003 and headquartered in Atlanta, Georgia, KORE Wireless (KORE) is a provider of frictionless IoT solutions and services. The company provides value to customers via its unique capabilities and robust portfolio of connectivity solutions and analytics services designed to overcome IoT adoption challenges.

KORE's primary mission is to simplify IoT complexity via its expertise and management capabilities, identifying and fulfilling client needs from inception. Continuous efforts on company-wide transformation improve upon existing products and services and pave its IoT professional services roadmap. In 2017, the company further strengthened its value proposition and commitment to its customers by executing a multi-year, strategic transformation plan to transition from a "connectivity only" player to a market-leading, global IoT enabler that provides connectivity solutions and analytics. The key focal points for this transformation included building out its platform, KORE One, strengthening its IoT solutions portfolio, and strategically repositioning itself in the market, which includes mergers and acquisitions (M&A). As a result, KORE completed multiple acquisitions, such as Business Mobility Partners and SIMON IoT, to double down on its solutions and strengthen its portfolio.[2] More importantly, as of 2022, KORE One is considered a best-of-breed, industry-leading platform for IoT subscription and network management, providing the company with a competitive edge in the market.

KORE taps into available growth opportunities by leveraging its aggressive innovation and comprehensive expertise to build out its product portfolio and extend its presence and visibility to new customers and market verticals. KORE delivered key solutions in 2021 that represent a significant mileage marker for its growth in industries such as healthcare, industrial, and telecommunications. The company went public on the New York Stock Exchange in 2021 through a merger with Cerberus Telecom Acquisition Corporation.[3] Becoming a publicly-traded company well-positions KORE to serve large enterprises and organizations by strengthening its brand recognition. The move also bolsters its financial performance and enables the flexibility necessary to continue its growth strategy via expansion and M&A. Moreover, this transformation empowers KORE to capitalize on the acceleration toward an increasingly intelligent and connected world, powering real-time information and improved business decisions.

Frost & Sullivan believes KORE is uniquely prepared for today's demands and exceptionally positioned for tomorrow's needs. The company's clear strategic vision and execution underpin its partner of choice status and sustainable growth for years to come.

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[1] *Leveraging Vertical and IoT Expertise Improves Outcomes for the Global IoT-managed Services Market* (Frost & Sullivan, January 2021)
[2] KORE Wireless. "KORE Doubles Down on Connected Health with Acquisition of Business Mobility Partners & Simon IoT." Press release. February 2022. https://www.korewireless.com/company/news/kore-acquisition-business-mobility-partners-simon-iot
[3] KORE Wireless. "KORE Debuts on NYSE After Closing Merger with Cerberus Telecom Acquisition Corp." Press release. October 2021. https://www.korewireless.com/company/news/kore-debuts-on-nyse-merger-cerberus-telecom-acquisition

Building Trust through a Customer-centric Approach

With its customer-centric corporate philosophy, KORE operates on the central tenet that its success depends on customer satisfaction. This philosophy permeates the company's daily practices. Since one of the company's imperatives is to simplify IoT deployment, KORE developed the "7 by 7": a list of seven critical touchpoints a business must complete to achieve successful IoT implementation and deployment. There are seven additional requirements within each of these seven areas (totaling 49) that further complicate IoT projects. The purpose of the 7 by 7 is to demonstrate the complex requirements new adopters must address should they decide to pursue IoT deployments without assistance. KORE's combined experience, technology, and robust partner ecosystem serve as a strong value proposition as it handles 44 of the 49 steps, with the remaining five addressed by KORE/partner hybrid or partner-only options. A KORE IoT expert can address almost every pain point in the deployment and maintenance process, enabling customers to focus on their use cases in their respective verticals.

> *"KORE continues to deliver rewarding and valuable user experiences via its commitment to innovation excellence, which ensures its portfolio remains up-to-date with best-in-class technology that complements and addresses customer needs. KORE's validation system, for example, differentiates from the competition as being fully automated, ensuring identity and security of the kits.*
>
> *- Carina Gonçalves*
> *Industry Principal, Information Communication Technology*

KORE's broad partnership portfolio enables it to reduce costs and increase efficiency throughout IoT deployment, gaining an advantage over its competitors. As carrier integrations take more than two years to complete, KORE is well-positioned with its 44 carrier integrations and proprietary network technologies. The company has eight global data centers to scale IoT applications; its local presence also enables it to obtain accurate information in different geographies about inadequate infrastructure, physical impediments, and environmental limitations that can impact IoT deployments. Additionally, KORE has 12 offices in eight countries; however, its operational headquarters in New York and the Netherlands service the globe with its full managed services suite for lifecycle management, deploying endpoints where the customer needs them. The company's 19 years of experience and geographic coverage make it the most reliable in the IoT professional service market compared to the competition.

KORE meets with clients to assess their specific needs and develop tailored solutions with roadmaps for seamless execution. This foundational approach establishes ongoing trust with customers for long-lasting relationships extending throughout the product lifecycle.

A Promising Outlook for 2022 and Beyond

Since its inception, KORE's sterling reputation and customer-centric framework led to its coveted preferred partner status. Over the years, it added new customers to its established base. As of 2022, the company reports customers in various industries, including fleet and transportation (e.g., fleet management software providers), healthcare (e.g., device manufacturers, payors, and contract research organizations), telecommunications service providers, and industrial (e.g., manufacturers and industrial

automation providers).[4]

Despite the ongoing challenges resulting from the COVID-19 pandemic, KORE remains committed to its transformation efforts. In 2021, the company saw many product and service launches designed to attract new business and better serve its existing client base. For example, the company launched a new industry practice, Connected Health, and expanded its existing Fleet Management with new products and services. It also continues its thought leadership and presence in IoT connectivity via KORE One and its proprietary OmniSIM™ and Core Network as a Service (CNaaS) offerings. KORE strategically focuses on several industry verticals and launches pre-configured solutions that address these key markets.

- **CNaaS** enables enterprises to manage their connectivity and build their connectivity services. KORE built this solution on its network-independent, multi-tenant Mobile Virtual Network Enabler platform, resulting in flexibility and self-sufficiency for enterprises.
- **OmniSIM™** is designed to provide network access globally in two packages. **OmniSIM Reach** provides high connectivity and coverage to 500 networks in 215 countries; **OmniSIM Rush** cost-effectively offers KORE's best-in-class connectivity to more than 60 networks in 34 countries in the United States and Europe. OmniSIM's zero-touch provisioning streamlines these packages, resulting in high coverage and bandwidth performance for IoT solutions.
- **KORE Developer Portal** is a self-service development solution that provides users with IoT building blocks (e.g., fully documented application programming interfaces) with capabilities such as Internet protocol whitelisting, multiple languages, and live testing. The portal also offers tutorials, collaboration opportunities, and data regarding subscriptions.
- **Industrial IoT** provides global connectivity to the industrial sector for technologies like smart utilities (meters), smart cities (buildings), smart factories, and field service automation over various networks and protocols.

KORE continues to deliver rewarding and valuable user experiences via its commitment to innovation excellence, which ensures its portfolio remains up-to-date with best-in-class technology that complements and addresses customer needs. KORE's validation system, for example, differentiates from the competition as being fully automated, ensuring identity and security of the kits. Even processing high data volumes, KORE offers on-demand configuration to the customer in a simple and agile way, through flexible work cells. This plug-and-play feature requires less internal training and third-party information technology services. Frost & Sullivan commends KORE for its ongoing technological advancement and company evolution.

Since embarking on its transformation journey in 2017, the company has grown to more than 6,500 active customers, including market-leading Fortune 500 enterprises and 3,400 connectivity-only customers. The company continues to broaden its scope and strengthen its brand equity by adding solutions and analytics that address a wider breadth of customer needs. KORE witnessed significant benefits from its strategic approach with 2021 revenue totaled to $248 million, which exceeds previous estimates of $240 million, representing a 16.1% increase as compared to 2020.[5] The company expects

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[4] KORE Wireless. *Form 10-K*. Investor relations. https://ir.korewireless.com/all-sec-filings/content/0001193125-21-330607/d225090d10q.htm

[5] Kore Wireless. "KORE Reports Fourth Quarter and Full Year 2021 Results." Press Release. 29 March 2022. Accessed 30 March 2022. https://www.korewireless.com/company/news/kore-reports-fourth-quarter-and-full-year-2021-results

2022 revenue to surpass this amount, aiming for the $260 million to $265 million range.[6] Another strategic goal for the company is a 50/50 product mix for its connectivity and services, which it continues to focus on with its expansion of its Managed Services department. As of Q4 2021, KORE reported growth in its new IoT Solutions business sector, totaling to 32% of overall revenue, which is an increase over 2020's 26% in the same area.

Additionally, KORE is expanding its robust partner ecosystem to help clients meet various other needs and manage core connectivity, device, and data requirements. Frost & Sullivan believes that the company is well-positioned to drive the IoT professional services space into its next growth phase, capturing market share and sustaining its leadership in the coming years.

Conclusion

Frost & Sullivan believes that innovation and growth opportunities drive future success; many factors contribute, yet having a competitive strategy is critical. KORE Wireless (KORE) understands this core concept and is leading the Internet of Things (IoT) professional services market due to its focused strategies, helping it outpace competitors. The company strengthened its value proposition and commitment to its customers by executing a multi-year, strategic transformation plan to transition from a connectivity-only player to a holistic IoT services provider, which includes building out its technology and expanding its services via a firm mergers and acquisitions strategy. Since then, KORE has grown into a leading vendor with its portfolio of end-to-end IoT capabilities, proprietary technology, and robust partner ecosystem, identifying it as a formidable partner in the market. Overall, KORE develops and implements its strategies with customers in mind, securing its position as a trusted partner and market leader. For its strong overall performance, KORE Wireless earns Frost & Sullivan's 2022 Global Competitive Strategy Leadership Award in the IoT professional services market.

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[6] Ibid.

What You Need to Know about the Competitive Strategy Leadership Recognition

Frost & Sullivan's Competitive Strategy Leadership Award recognizes the company with a stand-out approach to achieving top-line growth and a superior customer experience.

Best Practices Award Analysis

For the Competitive Strategy Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Strategy Innovation

Strategy Effectiveness: Effective strategy balances short-term performance needs with long-term aspirations and overall company vision

Strategy Execution: Company strategy utilizes Best Practices to support consistent and efficient processes

Competitive Differentiation: Solutions or products articulate and display unique competitive advantages

Executive Team Alignment: Executive team focuses on staying ahead of key competitors via a unified execution of its organization's mission, vision, and strategy

Stakeholder Integration: Company strategy reflects the needs or circumstances of all industry stakeholders, including competitors, customers, investors, and employees

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

About Frost & Sullivan

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The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.

Learn more.

Key Impacts:

- **Growth Pipeline:** *Continuous Flow of Growth Opportunities*
- **Growth Strategies:** *Proven Best Practices*
- **Innovation Culture:** *Optimized Customer Experience*
- **ROI & Margin:** *Implementation Excellence*
- **Transformational Growth:** *Industry Leadership*

The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- Mega Trend (MT)
- Business Model (BM)
- Technology (TE)
- Industries (IN)
- Customer (CU)
- Geographies (GE)