

SEQUANS COMMUNICATIONS

A French *société anonyme* (corporation) with stated capital of €2,467,692.56
Principal office: Les Portes de la Défense, 15-55 boulevard Charles de Gaulle - 92700 COLOMBES
Nanterre Trade and Companies Register no. B 450 249 677

**BOARD OF DIRECTORS' REPORT to the COMBINED GENERAL SHAREHOLDERS' MEETING
TO BE HELD ON JUNE 28, 2024
ON THE RESOLUTIONS UNRELATED TO THE
APPROVAL OF THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

Dear Shareholders,

We have convened this ordinary and extraordinary general shareholders' meeting, in accordance with the provisions of the law and of our Company's Bylaws, for the purpose of requesting that you vote on the following transactions:

Ordinary Matters

1. Approval of the statutory financial statements for the year ended December 31, 2023
2. Approval of the consolidated accounts for the year ended December 31, 2023
3. Appropriation of net loss for the year ended December 31, 2023
4. Agreements with related parties
5. Approval of the compensation plan for non-executive directors
6. Renewal of Mr. Georges Karam as director.
7. Renewal of Mr. Wes Cummins as director.
8. Renewal of Mr. Zvi Slonimsky as director.

Extraordinary Matters

9. Acknowledgment that equity is less than half of the share capital at December 31, 2023 and decision to continue operations despite such level of equity.
10. Issuance of stock subscription warrants to subscribe up to 2,520,000 ordinary shares (representing, to date, 630,000 ADS); establishing the conditions for exercising the stock warrants and adoption of an issuance agreement; revocation of shareholders' preemptive subscription rights in favor of Ms. Maria Marced Martin and Messrs. Wesley Cummins, Yves Maitre, Richard Nottenburg, Hubert de Pesquidoux, Dominique Pitteloud, and Zvi Slonimsky; powers to be granted to the Board of Directors.
11. Authorization granted to the Board of Directors to grant stock subscription options to employees and management of the Company and of its subsidiaries, and revocation of shareholders' preemptive subscription rights in favor of the beneficiaries of such options; conditions attached to such authorization; powers to be granted to the Board of Directors.
12. Authority delegated to the Board of Directors to issue stock subscription warrants reserved to a specific class of persons and revocation of shareholders' preemptive subscription rights in favor of such class.
13. Authorization granted to the Board of Directors to issue restricted free shares to employees and management of the Company and of its subsidiaries, and revocation of shareholders' preemptive subscription rights in favor of the holders of such restricted free shares; conditions attached to such authorization; powers to be granted to the Board of Directors.
14. Setting an overall ceiling of 12,000,000 ordinary shares (representing, to date, 3,000,000 ADS) for issues of stock subscription options, stock subscription warrants and restricted free shares granted pursuant to resolutions 11, 12 and 13 of this general shareholders' meeting.
15. Authority delegated to the Board of Directors to carry out a capital increase up to a maximum nominal amount of €1,000,000 by issuing shares and/or securities that confer rights to the Company's equity and/or to securities that confer the right to an allotment of debt securities, reserved to specific classes of persons and revocation of preemptive subscription rights in favor of such classes, and to amend the terms of any debt securities issued under this or prior delegations authorized by the shareholders.
16. Authority delegated to the Board of Directors to decide to increase the share capital by issuing shares reserved for employees and revocation of preemptive subscription rights in favor of such employees.
17. Delegation of authority to the Board of Directors to proceed to a reduction of the share capital by way of incorporation of losses into capital, with terms and timing to be decided by the Board of Directors.
18. Delegation of authority to the Board of Directors to proceed to a reduction of the share capital by buying back shares in view of their cancellation, with terms and timing to be decided by the Board of Directors.
19. Powers and formalities

This report, which completes the management report on the statutory and consolidated financial statements for the fiscal year ended December 31, 2023, concerns the other resolutions submitted as ordinary and extraordinary matters to the shareholders' meeting.

This report is also completed by the statutory auditors' special reports on the resolutions submitted to you.

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ORDINARY MATTERS

I. AGREEMENTS WITH RELATED PARTIES

We inform you that four agreements were authorized by the Board of Directors during 2023, namely:

- a private placement of ordinary shares of the Company was approved by the Board on April 3, 2023 for a capital increase of \$20 million to the benefit of thirteen investors, including (i) 272 Capital Master Fund LTD, which invested \$2,699,055,26 (Mr. Wes Cummins, member of the Board of the Company, is also the managing director of 272 Capital, LP, which manages 272 Capital Master Fund LTD), and (ii) Lynrock Lake Master Fund, LP which invested \$8,097,165,78 and consequently owns more than 10% of the voting rights of the Company ;
- a performance bonus set by the Board on July 25, 2023 in the amount of €1,000,000 for Mr. Karam, Chairman and Chief Executive Officer, in the interests of the Company and in compensation for his efforts related to the acquisition of the Company by Renesas Electronics Corporation (« Renesas »), subject to final closing of such acquisition which did not occur ;
- a commitment approved by the Board on August 15, 2023 for the Company to pay for legal fees incurred by Mr. Karam, Chairman and Chief Executive Officer, in the context of his negotiations of his terms of contemplated employment with Renesas after Renesas' proposed acquisition of the Company and in the interest of completing such acquisition; the amount of fees paid was €46,201.68 ;
- a private placement of ordinary shares of the Company was approved by the Board on September 18, 2023 for a capital increase of \$6 million to the benefit of 272 Capital Master Fund LTD (Mr. Wes Cummins, member of the Board of the Company, is also the managing director of 272 Capital, LP, which manages 272 Capital Master Fund LTD).

We also remind you that three agreements authorized by the Board of Directors and approved by the General Meeting in previous years continued during the year under review, namely

- a State Guaranteed Loan concluded with Bpifrance Financement on April 30, 2023 for an amount of 5,000,000 euros, in order to support the Company in its development projects;
- a Directors & Officers insurance policy taken out in 2011 to cover the risks associated with the listing of the Company's ordinary shares in the form of ADSs on the New York Stock Exchange (NYSE); and
- a severance indemnity decided in 2016 in favor of the Chief Executive Officer consisting of eighteen (18) months of his gross annual fixed compensation and 150% of his annual bonus, as well as the portion of the securities giving entitlement to ordinary shares in the Company that he could have acquired during the twelve (12) months following the date of termination of his term of office.

We therefore invite you to acknowledge the conclusions of the Statutory Auditors' special report and to take note of the agreements referred to in Article L. 225-40 of the French Commercial Code which are discussed therein and approve their report.

II. APPROVAL OF THE COMPENSATION PLAN FOR NON-EXECUTIVE DIRECTORS

Non-executive directors currently benefit from a compensation plan, which we wish to maintain unchanged. We propose that under the compensation plan for non-executive directors:

- (i) Each non-executive director will receive directors' fees as follows:
- | | |
|---|----------------------|
| - Basic directors' fees | US\$ 20,000 per year |
| - Special directors' fees paid in consideration for a director's membership in study committees | |
| . Member of the Audit Committee | US\$ 6,000 per year |
| . Chair of the Audit Committee | US\$ 12,000 per year |
| . Member of the Compensation Committee | US\$ 4,500 per year |
| . Chair of the Compensation Committee | US\$ 9,000 per year |
| . Member of the Governance Committee | US\$ 2,500 per year |
| . Chair of the Governance Committee | US\$ 5,000 per year |

A director may not be a member of more than two committees nor chair more than one committee.

No compensation shall be paid to Ms. Ferrere as her terms of employment prohibit her from receiving compensation for board membership.

- (ii) Each non-executive director may be reimbursed for reasonable travel expenses, upon presentation of receipts.

We request that you approve this compensation plan, unchanged since last year, which is necessary for the functioning of the Board.

III. PROPOSAL TO RENEW MR. GEORGES KARAM, MR. WES CUMMINS AND MR. ZVI SLONIMSKY

We inform you that the terms of office as directors of Mr. Georges Karam, Mr. Wes Cummins and Mr. Zvi Slonimsky will expire at the end of the ordinary annual general meeting convened to approve the financial statements for the year ending December 31, 2023.

If elected, Mr. Karam, Mr. Cummins and Mr. Slonimsky will each be appointed for a term of three (3) years, which will expire at the conclusion of the annual ordinary general shareholders' meeting convened in 2027 to approve the financial statements for the year ending December 31, 2026.

Mr. Karam, Mr. Cummins and Mr. Slonimsky have already given notice that they would accept such positions.

We request that you approve these nominations which are necessary for the functioning of the Board.

EXTRAORDINARY MATTERS

IV. **ACKNOWLEDGMENT THAT EQUITY IS LESS THAN HALF OF THE SHARE CAPITAL AT DECEMBER 31, 2023 AND DECISION TO CONTINUE OPERATIONS**

We note that as of December 31, 2023, the statutory net equity of the Company as presented in the financial statements that are the subject of Proposal 1 had fallen below half of the Company's statutory nominal capital.

Due to the level of net equity as described in the prior point, and in accordance with the provisions of Article L. 225-248 of the French Commercial Code, we submit a resolution to you to decide whether to continue the Company's activity.

We therefore request that you acknowledge that the Company's net equity position as of December 31, 2023 is less than one half of the share capital and recommend that you vote to continue the Company's activity.

V. **ISSUANCE OF STOCK SUBSCRIPTION WARRANTS TO SUBSCRIBE UP TO 2,520,000 ORDINARY SHARES (REPRESENTING, TO DATE, 730,000 ADS); ESTABLISHING THE CONDITIONS FOR EXERCISING THE STOCK WARRANTS AND ADOPTION OF AN ISSUANCE AGREEMENT; REVOCATION OF SHAREHOLDERS' PREEMPTIVE SUBSCRIPTION RIGHTS IN FAVOR OF MS. MARIA MARCED MARTIN AND MESSRS. WESLEY CUMMINS, YVES MAITRE, RICHARD NOTTENBURG, HUBERT DE PESQUIDOUX, DOMINIQUE PITTELOUD, AND ZVI SLONIMSKY**

We propose issuing a total of 2,520,000 stock warrants (« **Director Warrants** ») (to date, 730,000 ADS) to non-executive directors of the Company.

The Company believes it is desirable to associate the non-executive directors with the success of the Company via the grant of Director Warrants, which justifies the revocation of anti-dilution subscription rights. The number of Director Warrants was determined by the Company in comparing the practices of comparable public companies.

It is noted that Mr. Chittipeddi has declined to be granted Director Warrants to avoid any appearance of a conflict of interest.

Such issues are governed by Articles L. 228-91 et seq. of the French Commercial Code (*Code de Commerce*) and must be authorized by a general shareholders' meeting voting on extraordinary matters.

The subscription price for each Director Warrant will be set at €0.00001, or €3.60 for each block of 360,000 Director Warrants, and will confer the right to subscribe for one new ordinary share with a par value of €0.01 (hereinafter, "**New Share**") for a period of ten (10) years, at a price set on the date of the general shareholders' meeting and subsequent issue date of the Director Warrants.

Therefore, we propose that the purchase price of securities subscribed by exercising each Director Warrants be set by reference to the closing price of the Company's share on the NYSE on the date the shareholders' meeting issues the Director Warrants. For this purpose, we propose that you delegate to the Board of Directors the authority to certify the exercise price of the Director Warrants, with the right to subdelegate its authority in accordance with applicable statutory and regulatory requirements. Such exercise price will be equal to 1/4th the closing price of the Sequans Communications ADS on the NYSE on the issue date.

We propose that you set at 360,000 the number of Director Warrants to be issued to each director, at a subscription price of €0.00001 per Director Warrants (€25,200 in total for the 2,520,000 Director Warrants). This price must be paid at the time of subscription, either in cash, by making a cash payment or a transfer to any of the bank accounts opened in the Company's name, or by a setoff against a claim held against the Company for directors' fees.

New Shares subscribed by exercising the Director Warrants will be subscribed for cash and paid in full at the time of the subscription, in cash or by a setoff against a claim held against the Company. These New Shares will be subject to all provisions of the Articles of Incorporation and Bylaws and will enjoy all rights pertaining to shares in that class, as of the date the capital increase is completed.

Exercising the 2,520,000 Director Warrants would result in an increase of stated capital in a maximum nominal amount of €25,200, on the basis of an issuance of 2,520,000 New Shares with a par value of €0.01 each.

Consequently, we request that you authorize the Board to increase stated capital by a maximum nominal amount of €25,200 for the issue proposed.

The terms and conditions governing the Director Warrants are set forth in the Director Warrants issuance agreement ("**Director Warrants Issuance Agreement**"), which is appended to these resolutions as [Attachment 1](#).

The general shareholders' meeting is requested to adopt all provisions of said Director Warrants Issuance Agreements.

We propose that you set the vesting conditions for the Director Warrants, whose subscription is reserved to each of the non-executive directors, as follows:

- Provided each non-executive director still holds the office of director or is a member of board advisory committee, the Director Warrants shall vest on the anniversary date of the grant, meaning June 28, 2025.
- The vested Director Warrants may exercise until June 28, 2034.

In accordance with Article L. 225-132 of the French Commercial Code, the decision of the shareholders' meeting to issue the Director Warrants will constitute an automatic waiver by the shareholders, in favor of the holder of the Director Warrants, of their preemptive subscription right to the shares that may be subscribed by exercising and presenting such Director Warrants. Said waiver will accrue in favor of the holder of the Director Warrants on the date they are exercised.

In consequence of these decisions with respect to Director Warrants, the general shareholders' meeting may delegate to the Board of Directors full powers to:

- (i) Inform the beneficiaries of the Director Warrants, collect the subscription price for said Director Warrants and perform all necessary formalities;

- (ii) Carry out the increase of stated capital resulting from the exercise of the Director Warrants and, in particular, to:
- collect the payments of the price pursuant to the exercise of these DIRECTOR WARRANTS;
 - if applicable, certify, at any time or at the first Board of Directors' meeting following the end of each fiscal year, the number and par value of the shares subscribed by the holders of DIRECTOR WARRANTS and the corresponding capital increases;
 - make the necessary amendments to the Company's Articles of Incorporation and Bylaws and perform all necessary formalities;
 - take in due course all measures that may be necessary to preserve the rights of the holders of Director Warrants in the cases prescribed by law and in accordance with the requirements of the issuance agreements. However, during the entire period of validity of the Director Warrants, the Company shall be entitled (i) to change its legal form or corporate purposes without obtaining the prior authorization of the Director Warrants holders and (ii) to amend the rules for distributing profits, redeem its capital and create preferred shares that result in such amendment or redemption, provided it is authorized to do so in accordance with the requirements of Article L.228-103 of the French Commercial Code and that, in consequence thereof, the Company takes the measures necessary to preserve the holders' rights, in compliance with applicable statutory and/or regulatory provisions; and
 - in general, enter into all agreements, take all measures, perform all formalities with respect to the issuance, successful issue and financial servicing of the shares issued pursuant to this authorization and make all corresponding amendments to the Company's bylaws as well as performing all necessary formalities in order to allow the Company shares to be issued hereunder to be traded on the New York Stock Exchange in the form of ADS.

The holders of the Director Warrants will benefit from the protections afforded by the statutes and regulations to holders of Director Warrants, in accordance with the requirements prescribed for this class of securities that confer equity rights, and as set forth in the Director Warrants Issuance Agreement.

Pursuant to Article L. 225-138 of the French Commercial Code, we propose that you revoke the preemptive subscription rights of existing shareholders in favor of the following designated persons:

Beneficiaries	Director Warrants	Subscriptions
Ms. Maria Marced Martin Residing at Avenue Baron de Carcer 21, 906, 11 46001 Valence - Spain	360,000 Director Warrants	€3.60
Mr. Wesley Cummins Residing at 4505 Lorraine Ave Dallas, Texas 75205 - USA	360,000 Director Warrants	€3.60
Mr. Yves Maître Residing at 21 av des Cévennes, 26250 Livron sur Drôme - FRANCE	360,000 Director Warrants	€3.60
Mr. Richard Noffenburg Residing at 11 East 29th Street, Apt 27a, New York, NY 10016 - USA	360,000 Director Warrants	€3.60
Mr. Hubert de Pesquidoux Residing at 875 Snow King Court, PO Box 10857, Jackson Hole, Wyoming 83001 - USA	360,000 Director Warrants	€3.60
Mr. Dominique Pitteloud Residing at rue Louis de Savoie 59, 1110 Morges - SWITZERLAND	360,000 Director Warrants	€3.60
Mr. Zvi Slonimsky Residing at 12, Rekanafi St., Tel-Aviv 69494, ISRAEL	360,000 Director Warrants	€3.60
Total	2,520,000 Director Warrants	€25.20

Because the exercise price of the Director Warrants is unknown as of the date of this report, we propose to fully inform the general shareholders' meeting by preparing an additional report that will describe the exact impact of the issuance of the Director Warrants on the position of holders of equity shares or securities, on the basis of the actual exercise price that will be set. This additional report will be prepared within a period of 15 days following the date of this general shareholders' meeting and will be provided to next general shareholders' meeting.

We request that you approve this grant.

VI. AUTHORIZATIONS AND DELEGATION OF AUTHORITY TO BE GRANTED TO THE BOARD OF DIRECTORS TO ISSUE STOCK SUBSCRIPTION OPTIONS, STOCK SUBSCRIPTION WARRANTS AND RESTRICTED FREE SHARES

Pursuant to a decision adopted on June 27, 2023, the ordinary and extraordinary general meeting of the Company's shareholders decided to authorize the issuance of stock subscription options, restricted free shares and stock subscription warrants.

The Board of Directors was granted full powers to issue all of these options, restricted free shares and stock subscription warrants, set the terms and conditions and procedures applicable thereto, decide the conditions for exercising them and carry out the corresponding capital increases.

The Board proposes that you renew these authorizations for a total pool unchanged from the prior year that reflects the Company's requirements for attracting and retaining key personnel.

1) Proposal to authorize the Board of Directors to grant restricted free shares to employees and/or corporate officers

We propose granting restricted free shares to the Company's employees and/or corporate officers, pursuant to the provisions of Articles L. 225-197-1 to L. 225-197-6 of the French Commercial Code.

You may authorize the Board of Directors, if it deems appropriate, to grant restricted free shares in the Company, whether existing or to be issued at par value, on one or more occasions, subject to conditions in its discretion, to all or some of the employees and/or corporate officers of the Company and of the companies referred to in Article L. 225-197-2 of the French Commercial Code.

The number of new shares issued pursuant to this authorization of the general shareholders' meeting will not exceed 12,000,000 shares with a par value of €0.01, or a maximum nominal value of €120,000.

Furthermore, the issues of Options, Partner Warrants and free shares will be subject to an overall ceiling of 12,000,000 new shares with a par value of €0.01.

We suggest that the Board of Directors be delegated the authority to determine the beneficiaries and define all employment conditions, grant criteria, vesting and conservation periods and any other financial or performance condition.

The duration of this authorization would be thirty-eight (38) months from the date of the authorization granted by the general shareholders' meeting.

At the shareholders' meeting, you will also hear the reading of the statutory auditor's special report, which will present his opinion on the revocation of preemptive subscription rights and on the conditions for issuing the ordinary shares that may be issued.

The Board proposes that you approve the authorization.

2) Proposal to authorize the Board of Directors to grant stock subscription options

We deem it appropriate to propose that this general shareholders' meeting authorize, once again, to set up a system for granting stock subscription options ("**Options**").

Such system entitles the beneficiaries thereof (the Company's employees and/or senior corporate officers, as well as the employees of the Company's subsidiaries, within the meaning of Article L. 225-180 of the French Commercial Code) to subscribe for new shares within a certain period, for a price set on the date the Options are granted, and that will remain unchanged during the entire time of such period.

Options granted pursuant to the authorization of the general shareholders' meeting will not confer rights to a number of new shares greater than 12,000,000 shares with a par value of €0.01, resulting in a maximum nominal value of €120,000.

Furthermore, the issues of Options, Partner Warrants and restricted free shares will be subject to an overall ceiling of 12,000,000 new shares with a par value of €0.01.

Each Option will be granted free of charge and will entitle the beneficiary thereof to subscribe for one new ordinary share with a par value of €0.01 (hereinafter, "**New Share**") for a period of ten (10) years, provided the beneficiary complies with the requirements for time spent with the Company, which the Board of Directors will be entitled to establish pursuant to a delegation of authority from the general shareholders' meeting.

The rights obtained from these Options will be non-transferable until said Options are exercised.

Pursuant to applicable legal provisions, the subscription price of a security subscribed by exercising an Option (or the method for determining such price) must be set on the date of the decision of the extraordinary general shareholders' meeting, based on a report of the Board of Directors and a special report of the statutory auditor.

Consequently, we propose that this subscription price be equal to ¼ the closing price of the Sequans Communications ADS on the NYSE on the date the Options are granted by the Board of Directors.

For this purpose, authority should be delegated to the Board of Directors to certify this subscription price.

Therefore, the general shareholders' meeting may simply authorize the principle of granting the Options, decide to revoke the shareholders' preemptive subscription rights in favor of the beneficiaries of these Options and decide the procedure for determining the subscription price of the securities to be issued if said Options are exercised, and then delegate to the Board of Directors the authority to actually grant these Options, in whole or in part, set the actual price thereof, determine the beneficiaries thereof, carry out the corresponding capital increases and perform the necessary formalities in connection therewith.

We recommend that you set the duration of the period during which this authorization may be used at thirty-eight (38) months as of the date of the authorization granted by this general shareholders' meeting.

Lastly, this authorization will automatically constitute an express waiver in favor of the beneficiaries of the Options, by the shareholders, of their preemptive subscription rights to the shares that will be issued as said Options are exercised.

The Board proposes that you approve the authorization detailed above.

3) Proposal to delegate to the Board of Directors its authority to issue warrants.

We propose that you delegate to the Board of Directors your authority to issue detachable stock subscription warrant ("**Partner Warrants**") to external partners of the Company who contribute to its expansion and success.

The system proposed would offer the relevant beneficiaries the right to a grant of Partner Warrants at a specified price, which if exercised subsequently confer the right to subscribe for new ordinary shares during a certain period, at a price that will be definitively set on the date that the Partner Warrants are granted and that will remain unchanged during the entire time of such period.

This issue of Partner Warrants is governed by Articles L. 228-91 et seq. of the French Commercial Code.

The Partner Warrants that may be subscribed pursuant to the delegation of the general shareholders' meeting will not confer rights to a number of shares greater than 12,000,000 shares with a par value of €0.01, resulting in a maximum increase to nominal capital of €120,000.

Furthermore, the issues of Options, Partner Warrants and restricted free shares will be subject to an overall ceiling of 12,000,000 new shares with a par value of €0.01.

These Partner Warrants may be offered to the relevant beneficiaries, who will be entitled to subscribe for them at a price of €0.01. The price must be paid at the time of the subscription, in cash or by a setoff against a corresponding claim that the beneficiary holds against the Company.

Each Partner Warrants will entitle the holder thereof to subscribe for one (1) ordinary share with a par value of €0.01 (hereinafter, "**New Share**") during a statutory period of ten (10) years, subject to conditions that the Board of Directors may decide pursuant to a delegation of authority from the general shareholders' meeting.

Pursuant to applicable legal provisions, the subscription price of a security subscribed by exercising a Partner Warrants (or the method for determining such price) must be set on the date a general shareholders' meeting authorizes the principle of granting the Partner Warrants, based on a report of the Board of Directors and a special report of the statutory auditor.

Consequently, we propose that this subscription price be equal to 1/4th the closing price of the Sequans Communications ADS on the NYSE on the date the Partner Warrants are granted by the Board of Directors.

For this purpose, authority should be delegated to the Board of Directors to certify this subscription price.

Pursuant to Article L. 225-138 of the French Commercial Code, we propose that you revoke the shareholders' preemptive subscription right in favor of persons who meet specific criteria, in this case the Company's external partners (non-executive consultants, etc.) who contribute to the Company's expansion and success.

Lastly, the general shareholders' meeting may simply delegate its authority to the Board of Directors for the purpose of deciding the issuance and effective allocation of these Partner Warrants, under the conditions it shall have defined.

We recommend that you set the duration of the period during which this delegation may be used at eighteen (18) months as of the date this general shareholders' meeting grants such delegation.

The Board proposes that you approve the delegation detailed above.

VII. DELEGATION OF AUTHORITY TO BE GRANTED TO THE BOARD OF DIRECTORS TO CARRY OUT ONE OR MORE CAPITAL INCREASES FOR A MAXIMUM NOMINAL AMOUNT OF €1,000,000 BY ISSUING ORDINARY SHARES AND/OR SECURITIES THAT CONFER EQUITY RIGHTS AND/OR SECURITIES THAT CONFER THE RIGHT TO AN ALLOTMENT OF DEBT SECURITIES, WITH SUBSCRIPTIONS RESERVED TO A SPECIFIED CLASS, REVOCATION OF PREEMPTIVE RIGHTS IN FAVOR OF SUCH CLASS AND TO AMEND THE TERMS OF ANY DEBT SECURITIES ISSUED UNDER THIS OR PRIOR DELEGATIONS AUTHORIZED BY VOTE OF THE SHAREHOLDERS

We deem it appropriate that the Board of Directors be granted a delegation of authority, as it has for the prior five years, in order to have at its disposal a mechanism to finance external growth transactions, including acquisitions, asset purchases or other financing needs.

Pursuant to this delegation of authority, the duration of which would be set at eighteen (18) months, the Board of Directors would be authorized to decide to increase stated capital, on one or more occasions, at opportune times, by issuing ordinary shares or securities that confer equity rights or securities that confer the right to an allotment of debt securities, issued for consideration or free of charge.

The shares and other securities thus issued would be paid in full at the time of the subscription, by a cash payment or a setoff against claims.

The maximum nominal amount of capital increases that may be carried out pursuant to this delegation of authority would be €1,000,000 (or the equivalent of this amount in any other currency that is legal tender), and the maximum nominal amount of securities that represent claims against the Company that may be issued would be set at €60,000,000 (or the equivalent thereof in any foreign currency).

This delegation of authority would automatically constitute an express waiver in favor of the holders of securities that confer rights to the Company's equity that may be issued pursuant to this resolution, by the shareholders, of their preemptive right to subscribe for the shares to which the securities will confer rights.

We suggest that you revoke the shareholders' preemptive subscription rights in favor of:

- any industrial partner that has a similar, complementary or related business to that of the Company;
- institutional or strategic investors
 - (i) that have, if necessary, the status of Qualified Institutional Buyers or Institutional Accredited Investors within the meaning of U.S. law or the status of qualified investors within the meaning of the European Union regulation 2017/1129 of June 14, 2017 or of an equivalent statute in the investor's country of domicile ;
 - (ii) and that invest in companies with high growth potential and have a certain number of significant references making investments in small/mid cap equities;
- or any institution that acts as a depository in connection with a public offering by the Company of American Depositary Shares (ADS) registered with the Securities and Exchange Commission.

The issue prices of the securities that may be issued pursuant to this delegation of authority will be set in accordance with market practices such as, for example, in the case of an underwritten deal by reference to the price obtained by comparing the number of securities offered for subscription with subscription requests made by investors, using "book-building" techniques as developed by professional practice in the market.

The Board of Directors will have the right to increase the number of securities issued in a public offering registered with the Securities and Exchange Commission to permit exercise of an overallotment option of up to 15% of the transaction.

It is requested that the general shareholders' meeting grant full powers to the Board of Directors to implement the delegation of authority, within the restrictions and subject to the conditions specified above and, in particular, to set the conditions for issuance and subscription, and to certify the completion of the capital increases and make the corresponding amendment to the Bylaws.

The Board of Directors will be authorized to limit a capital increase to the amount of subscriptions received, subject to such amount being at least 75% of the capital increase previously authorized by the Board of Directors.

Lastly, we propose that in the context of this delegation of authority, the Board of Directors be authorized to amend the terms of any convertible debt which has been issued in accordance with a delegation of authority accorded by a vote of the shareholders.

In accordance with Article R. 225-116 of the French Commercial Code, within a period of 15 days following each use of this delegation of authority, the Board of Directors will prepare an additional report describing the definitive terms of the transaction. Such additional report will be provided to the next general shareholders' meeting.

The Board proposes that you approve this delegation as detailed above.

VIII. AUTHORITY TO BE DELEGATED TO THE BOARD OF DIRECTORS TO DECIDE TO INCREASE STATED CAPITAL BY ISSUING SHARES RESERVED FOR EMPLOYEES, AND REVOCATION OF PREEMPTIVE SUBSCRIPTION RIGHTS IN FAVOR OF SUCH EMPLOYEES

Article L. 225-129-6 of the French Commercial Code provides:

"At the time of any decision to increase stated capital in consideration for cash contributions, except if the capital increase results from a prior issue of securities that confer equity rights, an extraordinary general meeting shall vote on a draft resolution proposing a capital increase carried out in accordance with the requirements of Articles L. 3332-18 to L. 3332-24 of the French Labor Code."

Consequently, and in order to comply with these provisions, we inform you that due to the fact that the issuance authorization proposals described above are being submitted to an extraordinary general shareholders' meeting, the Board of Directors is required to submit to said general shareholders' meeting a proposal to carry out a capital increase for cash reserved to the Company's employees, in accordance with the requirements of Articles L. 3332-18 to L. 3332-24 of the French Labor Code (*Code du Travail*).

We propose that, pursuant to the aforementioned statutory obligation, the general shareholders' meeting delegate to the Board of Directors its authority to decide to increase stated capital, on one or more occasions, up to a maximum of 3% of stated capital on the date of the Board of Directors' decision, by issuing shares or securities that confer equity rights, reserved to members of one or more employee savings plans (or any other membership plan for which applicable statutory and regulatory provisions permit reserving a capital increase under equivalent conditions) that may be set up within all or some of the French and foreign companies within the Company's consolidation scope or combination of accounts, with the right to subdelegate such authority in accordance with legal requirements.

The duration of this delegation of authority would be set at twenty-six (26) months.

The issue price of the new shares or securities that confer equity rights would be determined in accordance with applicable statutory and regulatory requirements.

The general shareholders' meeting would grant the Board of Directors full powers to implement this delegation of authority.

However, we inform you that we are not in favor of the adoption of this resolution.

IX. DELEGATION OF AUTHORITY TO BE GRANTED TO THE BOARD OF DIRECTORS TO CARRY OUT A REDUCTION OF CAPITAL BY INCORPORATION OF LOSSES

We deem it appropriate that the Board of Directors be granted a delegation of authority to carry out a reduction of nominal capital by the incorporation of losses.

Pursuant to this delegation of authority, the Board of Directors would be authorized to:

- decide to eliminate totally or partially the amount of accumulated deficit by incorporating such deficit into additional paid-in capital account such that the additional paid-in capital account is reduced to a limit of €0;
- decide then, if any accumulated deficit remains, to incorporate the remaining deficit in to the nominal capital account such that the nominal capital account is reduced to a limit of the legal minimum nominal capital;
- decide that any reduction of the nominal capital account will result in a corresponding reduction of the nominal value per ordinary share of the Company.

The Board of Directors shall have full powers to implement this delegation of authority to:

- determine the exact amount of the reduction of the accumulated deficit;
- determine the exact amount of the reduction of the nominal capital account of the Company;
- determine the new nominal value per ordinary share of the Company;
- acknowledge and finalize the reduction of nominal capital and the balance of the retained earnings;
- modify the Company by-laws Article 6 "Share Capital" and perform all required formalities.

This delegation is valid for twelve (12) months, expiring on the date of the shareholders' meeting called to approve the financial statements for the year ending December 31, 2024.

The Board proposes that you approve this authorization.

X. DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS TO PROCEED TO A REDUCTION OF THE SHARE CAPITAL BY BUYING BACK SHARES IN VIEW OF THEIR CANCELLATION

We deem it appropriate that the Board of Directors be granted a delegation of authority to carry out a reduction of share capital by buying back shares in view of their cancellation.

Pursuant to this delegation of authority, the Board of Directors would be authorized to:

- decide, if it sees fit, to reduce the Company's share capital on one or more successive occasions, by buying back its own shares with a view of their cancellation;
- set the maximum nominal amount of each share capital reduction operation at 246,262 euros, i.e. 10% of amount of the share capital, and the maximum number of shares to be bought back at 24,626,200 shares (or 6,156,550 ADS), i.e. 10% of

the share capital of 246,262,004 shares as at the date of this general shareholders' meeting, it being specified that this 10% limit applies to an amount of share capital which may be adjusted by the Board of Directors to take into account of transactions affecting the share capital subsequent to this general shareholders' meeting.

The Board of Directors shall have full powers to implement this delegation of authority to:

- set the total maximum nominal amount each share capital reduction operation as detailed above.
- set the unit buyback price for the Company's shares for each share capital reduction operation, price which will be payable in cash,
- make an offer to all shareholders to buy back the shares for each share capital reduction operation,
- implement each share buyback offer, carry out the transaction and, in this respect
 - set the final terms and conditions of the share capital reduction,
 - in the light of the buyback offer (i) set the final amount of the share capital reduction, (ii) in accordance with Article L. 225-155 of the French Commercial Code, proceed, for each selling shareholder, with the proportional reduction of the number of shares presented in excess of the limit of the amount of the capital reduction or reduce the capital by the amount of the bought back shares, (iii) proceed with the cancellation of the bought back shares, the shares being cancelled with all the rights attached to them, including the right to the profit for the financial year in progress on the date of buyback, and (iii) record the definitive completion of the corresponding capital reduction,
 - deduct the difference between the nominal value of the shares cancelled and their buyback price, in order of priority, from "share, merger and contribution premium", then "available reserves", or, failing this, "retained earnings",
 - amend the Company by-laws Article 6 "Share Capital" accordingly,
 - carry out all formalities relating to the buyback offer and the share capital reduction,
 - more generally, do all that is necessary, take all measures and carry out all formalities required to complete this delegation of authority.

This delegation is valid for twelve (12) months, expiring on the date of the shareholders' meeting called to approve the financial statements for the year ending December 31, 2024.

The Board proposes that you approve this authorization.

* * *

The proposals submitted to you encompass the main points of this report. We request that you approve them, with the exception of the capital increase reserved for employees, and that you grant full powers to the Board to ensure completion of these transactions, in the Company's interest.

Executed in Colombes

On April 30, 2024

THE BOARD OF DIRECTORS

Attachment 1

Director Warrants Issuance Agreement

Dated June 28, 2024

(1) **SEQUANS COMMUNICATIONS S.A. (the "Company")**

(2) **THE HOLDER OF DIRECTOR WARRANTS**

Summary

PREAMBLE: PRESENTATION OF THE ISSUANCE AGREEMENT

Title 1. SUBSCRIPTION AND FEATURES OF DIRECTOR WARRANTS

Article 1.	Holder of Director Warrants
Article 2.	Allotment and subscription of Director Warrants
Article 3.	Features and period of validity of Director Warrants – Conditions of exercise
Article 4.	Setting of the subscription price for shares covered by the Director Warrants
Article 5.	Termination of the mandate of non-executive Board Member of the Company - Exceptions

Title 2. RIGHT OF EXERCISE – SUSPENSION – FORMALITIES – SHARES SUBSCRIBED

Article 6.	Suspension of the rights to exercise the Director Warrants
Article 7.	Conditions of exercise of Director Warrants
Article 8.	Delivery and form of shares
Article 9.	Rights and availability of shares

Title 3. REPRESENTATION OF HOLDERS - PROTECTION – AMENDMENT OF THE ISSUANCE AGREEMENT

Article 10.	Representation of Holders
Article 11.	Protection of Holders – Rights of the Company
Article 12.	Binding effect – Amendment of the issuance agreement – Term – Jurisdiction

WHEREAS:

In a decision taken on June 28, 2024, a combined general shareholders' meeting (the "CGM") of the Company voted in favour of the issuance of a total number of 2,520,000 stock warrants ("Director Warrants"), at a subscription price of 0,00001 euro per Director Warrants (i.e. 3.60 euros for 360,000 Director Warrants), allocated as follows:

- Mr. Wesley Cummins	360,000 Director Warrants
- Mr. Yves Maître	360,000 Director Warrants
- Ms. Maria Marced Martin	360,000 Director Warrants
- Mr. Richard Nottenburg	360,000 Director Warrants
- Mr. Hubert de Pesquidoux	360,000 Director Warrants
- Mr. Dominique Pitteloud	360,000 Director Warrants
- Mr. Zvi Slonimsky	360,000 Director Warrants

Each Director Warrant subscribed gives the Holder the right to purchase one ordinary share of the Company at a fixed exercise price.

The CGM delegated to the Board of Directors the power (i) to record the exercise price equal to the closing market value on the issuance date of the Director Warrants, (ii) to ascertain the completion of the capital increase relating to the subscription of the Director Warrant, (iii) increase share capital by a maximum nominal amount of €12,600 with respect to 2,520,000 Director Warrants, and subsequently (iv) to record the successive increases in share capital as a result of the exercise of the Director Warrants, and to carry out all formalities required as a result thereof.

The Board of Directors, in their meeting of June 28, 2024, did record the exercise price and ascertain the increase of the share capital.

The CGM, having eliminated the preferred subscription right of shareholders to the Director Warrants, fully reserved subscription of these Director Warrants for the subscribers designated by the CGM.

The purpose of this Director Warrants issuance agreement (the "**Issuance Agreement**") is to define the terms and conditions governing the Director Warrants issued to each Holder with a vesting period.

THE PARTIES AGREE AS FOLLOWS

Title 1. SUBSCRIPTION AND FEATURES OF Director Warrants

Article 1. Holder of Director Warrants

The Holder is a physical person being a non-executive member of the Company's Board of Directors, designated by the CGM.

The number of Director Warrants allocated to each Holder is 360,000, as provided in the recitals.

Article 2. Allotment and subscription of Director Warrants.

The Director Warrants proposed to the Holders shall be subscribed at the price of 0.00001 euro per Director Warrant (i.e. 3.60 euros for the 360,000 Director Warrants allotted to each Holder), price which shall be paid on subscription, either by mean of a payment in cash or by way of a set-off with a debt.

The number of Director Warrants allotted to Holder shall be indicated in an Individual Notification Letter sent to him/her by the Chairman; the subscription of such shall be done no later than 10 days from the receipt of the aforesaid letter, by returning to the Company

- the Director Warrants subscription form duly signed,
- as well as a copy of this Issuance Agreement attached to said letter, after the Holder has duly executed said copies.

FAILURE TO COMPLY WITH THIS MAJOR FORMALITY WITHIN THE APPLICABLE PERIOD – EXCEPT IN THE EVENT OF FORCE MAJEURE - SHALL RENDER THE DIRECTOR WARRANTS ISSUED IMMEDIATELY AND AUTOMATICALLY VOID.

Article 3. Features and period of validity of Director Warrants – Conditions of exercise

Provided they are subscribed for by the Holder, Director Warrants are granted for a period of 10 years as from June 28, 2024, date of their issuance by the CGM.

Director Warrants will vest on the first anniversary of their issuance, i.e. June 28, 2025, provided that the Holder still is a Director or is a member of the Strategic Advisory Board on that date (the "**Vesting Period**"), and must be exercised within the aforementioned **maximum period of 10 years**. For the sake of clarity, the Holder is entitled to exercise at any time and without restriction all or part of his/her fully vested Director Warrants as from June 28, 2024 until June 27, 2034 as documented in the Individual Notification Letter.

Exercising a Director Warrant entitles the Holder to subscribe for one ordinary share of the Company's share capital.

This number of shares cannot be modified during the Director Warrants period of validity, except in the event of an adjustment in the subscription price and any other adjustments in accordance with applicable laws and regulations.

Any Director Warrant that is not exercised by the expiry of the aforementioned 10-year period shall be null and void.

Article 4. Setting of the exercise price for shares covered by the Director Warrants

The CGM decided that the exercise price for shares to be issued pursuant to an exercise of the Director Warrants shall be equal, based on the current share/ADS ratio, to 1/4th of the closing price on the New York Stock Exchange of a Company ADS on June 28, 2024.

This subscription price – with respect to this Director Warrants Issuance Agreement - is set in the amount of USD ● per share (ADS); the counter value in Euros shall be determined on the exercise date of the Director Warrants. The par value of each share is EUR 0.01.

This price may not be changed during the Director Warrants period of validity, except in the event of adjustments in accordance with applicable laws and regulations.

Article 5. Termination of the mandate of non-executive Board member of the Company - Exceptions

5.1 In the event the Holder no longer holds his/her mandate as non-executive Board member of the Company on the first anniversary of issuance, the Holder shall lose any and all rights with regard to his/her Director Warrants which shall all become null and void, subject to clause 5.2.

5.2 In the event the Holder, whose mandate as non-executive Board member of the Company is terminated for whatever reason, is appointed member of the Strategic Advisory Board on or before the date of termination of the aforesaid mandate, all rights with regard to his/her Director Warrants shall remain in force as if the Holder was a Board member of the Company.

In the event the Holder no longer holds his/her position as member of the Strategic Advisory Board on the first anniversary of issuance, the Holder shall lose any and all rights with regard to his/her Director Warrants which shall become null and void.

5.3. Notwithstanding the provisions of article 5.1 and 5.2 above,

- in the event of death of the Holder, all Director Warrants subscribed by the Holder and not yet exercisable would nevertheless become exercisable by his/her heirs or beneficiaries from the effective death date, notwithstanding the Vesting Period set forth under article 3 above, allowing said heirs or beneficiaries to exercise any and all remaining Director Warrants, provided that such exercise occurs within a period of 6 months following the aforesaid death.
- should the Company be subject to an acquisition by a third party, all Director Warrants subscribed by the Holder and not yet exercisable would nevertheless become exercisable from the effective date of such change of control, notwithstanding the Vesting Period set forth under article 3 above, allowing said Holder to exercise any and all remaining Director Warrants, provided that such exercise occurs within a period of 90 days following the aforesaid acquisition.

Title 2. RIGHT OF EXERCISE – SUSPENSION – FORMALITIES – SHARES SUBSCRIBED

Article 6. Suspension of the rights to exercise Director Warrants

If necessary, the Board of Directors may suspend the right to exercise the Director Warrants. In particular, a suspension may be ordered whenever a transaction concerning the Company's share capital requires knowing in advance the exact number of shares that make up share capital or in the event that one of the financial transactions requiring an adjustment is carried out.

In such case, the Company shall inform the Holders of the Director Warrants, indicating the date of the suspension and the date on which the right to exercise Director Warrants will be re-established. Such suspension may not exceed 3 months.

If the right to exercise a Director Warrant expires during a period in which rights are suspended, the period for exercising the Director Warrants shall be extended by 3 months.

Article 7. Conditions of exercise of Director Warrants

All requests for exercising Director Warrants, documented by the signature of the corresponding subscription certificate, shall be sent to the Company, and must be accompanied by a cheque or a money transfer made out to the Company's order in an amount corresponding to the number of shares subscribed. Alternatively, Director Warrants may be exercised via any on-line equity incentives system which may be put in place by the Company.

Shares subscribed must be, at the time of subscription, either fully paid up in cash or by way of a set-off with a debt. Failure to do so renders the subscription of shares null and void.

Article 8. Delivery and form of shares

Shares acquired by exercising Director Warrants are registered in the books of the Company as registered shares.

Article 9. Rights and availability of shares

The ordinary shares shall be subject to all provisions of the by-laws and shall enjoy all rights pertaining to shares of such class as from the date the increase in share capital is completed.

These shares shall be immediately transferable.

Title 3. REPRESENTATION OF HOLDERS – PROTECTION – AMENDMENT OF THE ISSUANCE AGREEMENT

Article 10. Representation of Holders of Director Warrants

Pursuant to the provisions of Article L. 228-103 of the French Commercial Code, the Holders of Director Warrants are grouped into a body with legal personality protecting their joint interests (the "Masse"). General meetings of Holders meet at the registered office or in any other location of the *department* of the registered office or of bordering *departments*.

The Masse will appoint one or more representatives of the body, at the request of the Board of Directors. The representative(s) of the Masse will be governed by applicable legal and regulatory provisions. The representative of the masse will receive no remuneration for his/her duties.

Article 11. Protection of Holders – Rights of the Company

11.1 Holders will enjoy the protection reserved by law and regulations for holders of securities giving access to the capital. The Company will provide the Holders, or their representative, with the information set out by the law and regulations.

- 11.2 During the entire period of validity of the Director Warrants, the Company will have the option of changing its form or object, without obtaining prior authorisation from the Holders of Director Warrants. In addition, the Company shall be entitled to change the rules for distributing profits, write down its capital, or create preferred shares entailing such modification or writing down, subject to the prior authorisation to be delivered pursuant the terms of Article L. 228-103 of the French Commercial code and provided that the Company accordingly take the measures necessary to maintain the rights of the Holders, in compliance with applicable legal and/or regulatory provisions.
- 11.3 Subject to the powers expressly reserved by law for the general meeting of shareholders and, as the case may be, for the general meeting and for the representative of the body of Holders, the Board of directors will be empowered to take any measure relating to the protection and adjustment of the rights of Holders as provided for by the law and regulations, in particular by Article L. 228-99 of the French Commercial Code.
- 11.4 The Issuance Agreement and the conditions for the subscription or allotment of equity securities determined at the time of the issuance may only be amended by the extraordinary general meeting of shareholders of the Company, with the authorisation of the Holders obtained under the conditions provided for by law, in particular by Article L. 228-103 of the French Commercial Code.

Article 12. Binding effect – Amendment of the issuance agreement – Term – Jurisdiction

- 12.1 The Holders are automatically subject to this Issuance Agreement, through this subscription or acquisition of Director Warrants.
- 12.2 This Issuance Agreement becomes effective on the date of effective subscription of the Director Warrants and ends on the first of the following dates: (a) the expiry date of the Director Warrants, (b) the date on which all the Director Warrants have been exercised or waived. In addition, it will cease to be binding on each Director Warrant Holder on the date on which such holder ceases to hold any Director Warrants.
- 12.3 This Issuance Agreement is subject to French law. Any dispute relating to this Issuance Agreement or relating to the application of the terms and conditions of the Director Warrants will be referred to the relevant court of the district of the *Cour d'appel* of the registered office of the Company.

SEQUANS COMMUNICATIONS _____

Mr/Ms. _____

(the "Holder")

(The Holder shall initialize each page, sign the last page and write down: "read and approved")