



# Investor Presentation

**March 2025**

Dr. Georges Karam, CEO & Deborah Choate, CFO

# Safe Harbor

This presentation contains certain statements that are, or may be deemed to be, forward-looking statements with respect to the financial condition, results of operations and business of Sequans, including the impact of the recently closed Qualcomm strategic transaction on our continuing operations, revenue and expense expectations in Q1 2025 and anticipated breakeven timeline. These forward-looking statements include, but are not limited to, statements that are not historical fact. These forward-looking statements can be identified by the fact that they do not relate to historical or current facts. Forward-looking statements also often use words such as “anticipate,” “committed to”, “target,” “continue,” “estimate,” “expect,” “forecast,” “intend,” “may,” “plan,” “goal,” “believe,” “hope,” “aims,” “continue,” “could,” “project,” “should,” “will” or other words of similar meaning. These statements are based on assumptions and assessments made by Sequans in light of its experience and perception of historical trends, current conditions, future developments and other factors they believe appropriate. By their nature, forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future and the factors described in the context of such forward-looking statements in this announcement could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct, and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this announcement.

Forward-looking statements are not guarantees of future performance. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Such risks and uncertainties include, but are not limited to, potential adverse reactions or changes to business relationships resulting from the completion of the transaction; and potential negative effects of the consummation of the Qualcomm transaction on the market price of Sequans’ ADS and ordinary shares. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global, political, economic, business and competitive environments, market and regulatory forces. If any one or more of these risks or uncertainties materialize or if any one or more of the assumptions prove incorrect, actual results may differ materially from those expected, estimated or projected. Such forward-looking statements should therefore be construed in the light of such factors. A more complete description of these and other material risks can be found in Sequans’ filings with the SEC, including its annual report on Form 20-F for the year ended December 31, 2023, subsequent filings on Form 6-K and other documents that may be filed from time to time with the SEC. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this announcement. Sequans undertakes no obligation to update or revise any forward-looking statement as a result of new information, future events or otherwise, except as required by applicable law. We have not filed our Form 20-F for the year ended December 31, 2024. As a result, all financial results described in this presentation should be considered preliminary, and are subject to change to reflect any necessary adjustments or changes in accounting estimates, that are identified prior to the time we file our Form 20-F.





**Leading Semiconductors for 4G and 5G Cellular IoT**

## **Global Presence**

Headquartered in France

## **~200 Team**

80% Engineering

## **Founded in 2003, Listed on NYSE**

Ticker: SQNS

## **Top-tier IoT Industry Customer Base**

**\$36.8 M**

Revenue in 2024

**\$62.1 M**

Cash<sup>(1)</sup> and nearly no Debt<sup>(2)</sup>

1. Cash on 31 December 2024

2. Other than non-due, government funding

# Innovation, Leadership, and Value Creation Track Record



WIMAX  
2003-2011

- 2003 Co-founded by CEO, Georges Karam in France
- 2011 **#1 WIMAX market share leader**
- 2011 **listed on NYSE** (Ticker: SQNS)



4G IoT  
2011-2024

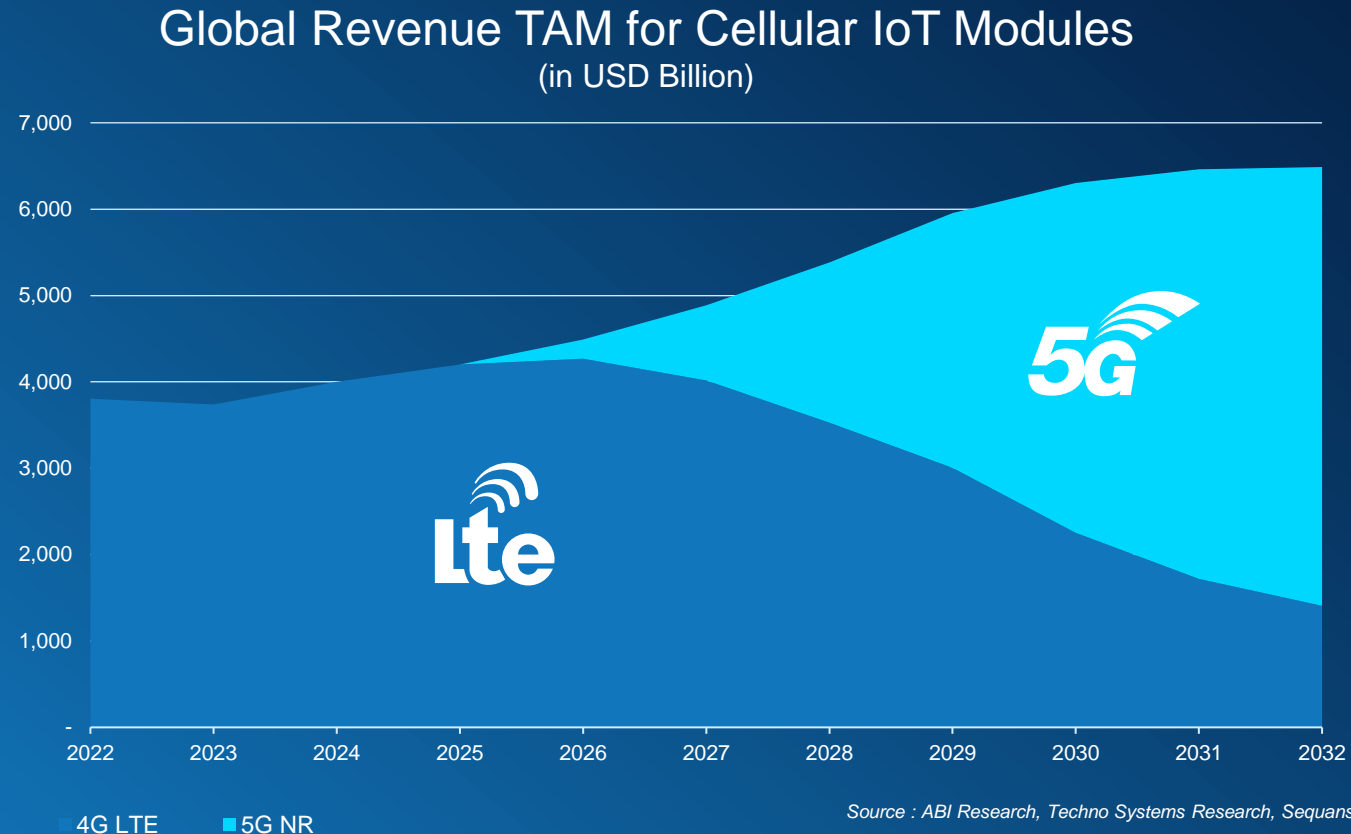
- 2011 **First 4G-LTE** only (Cat 4) chip
- 2017 **First LTE-M/NB-IoT** chip
- 2024 **First LTE Cat 1bis** certified in North America
- 2024 **Technology Asset Deal with Qualcomm for \$200M**



4G and 5G IoT  
2025+

- Strong **design pipeline** (\$450M) with Industry Leaders
- **Best-In-Class 4G portfolio**
- **Leading Innovation** in 5G (eRedCap)

# Market Opportunity: Accelerated Growth of Cellular IoT with 5G transition



As cellular networks are transitioning to 5G, IoT application providers need future proof solutions supporting 4G and 5G

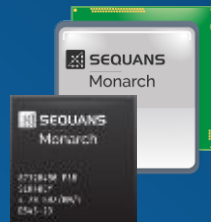
# Comprehensive 4G & 5G Portfolio Purpose Built for IoT

Low Speed, Ultra low power (1 Mbps)

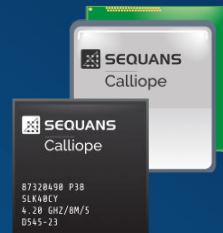
Mid Speed and Voice (10 Mbps)

Hi Speed and Voice (100 Mbps)

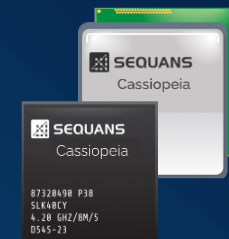
**lte**  
Shipping



**Monarch 2**  
LTE-M & NB-IoT  
Used in metering  
and asset tracking



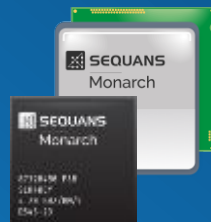
**Calliope 2**  
Leading Cat 1bis  
Used in Telematics



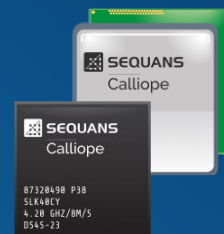
**Cassiopeia** Cat 4  
High speed for  
public and private  
networks

**5G**

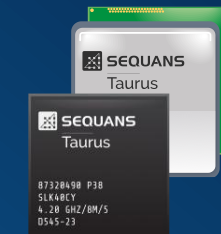
Sampling in 2026



**Monarch 3**  
Dual mode 5G  
eRedCap with  
LTE-M & NB-IoT



**Calliope 3**  
Dual mode 5G  
eRedCap with  
LTE Cat 1bis



**Taurus LT**  
Dual mode 5G  
RedCap with  
LTE Cat 4

Delivering Breakthroughs in Performance, Low-Power, Cost Efficiency and Security

# Well-Positioned to Grow in Key IoT Markets

## Leading Market Position



Smart Meters



Telematics

## Market Share Gain Opportunity



Security Systems



Healthcare



Asset Tracking



Smart City



Industrial



Space & Defense



Wearable



Payment

## Industry Leaders Trust Sequans' Technology





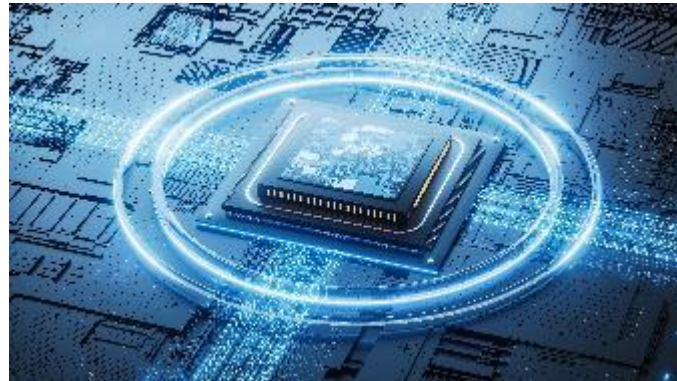
# Sequans Competitive Advantage

## Trusted Supplier



- Strong balance sheet, listed in NYSE
- Headquarter in Europe with global presence
- Endorsed by Industry Leaders in large growing IoT Markets

## Best-In-Class Product & Technology



- Robust 4G and 5G products purpose built for IoT, delivering low-power, high-performance and cost-efficiency
- Track record in innovation and IP development
- Top-tier engineering team and leadership, fully dedicated to IoT

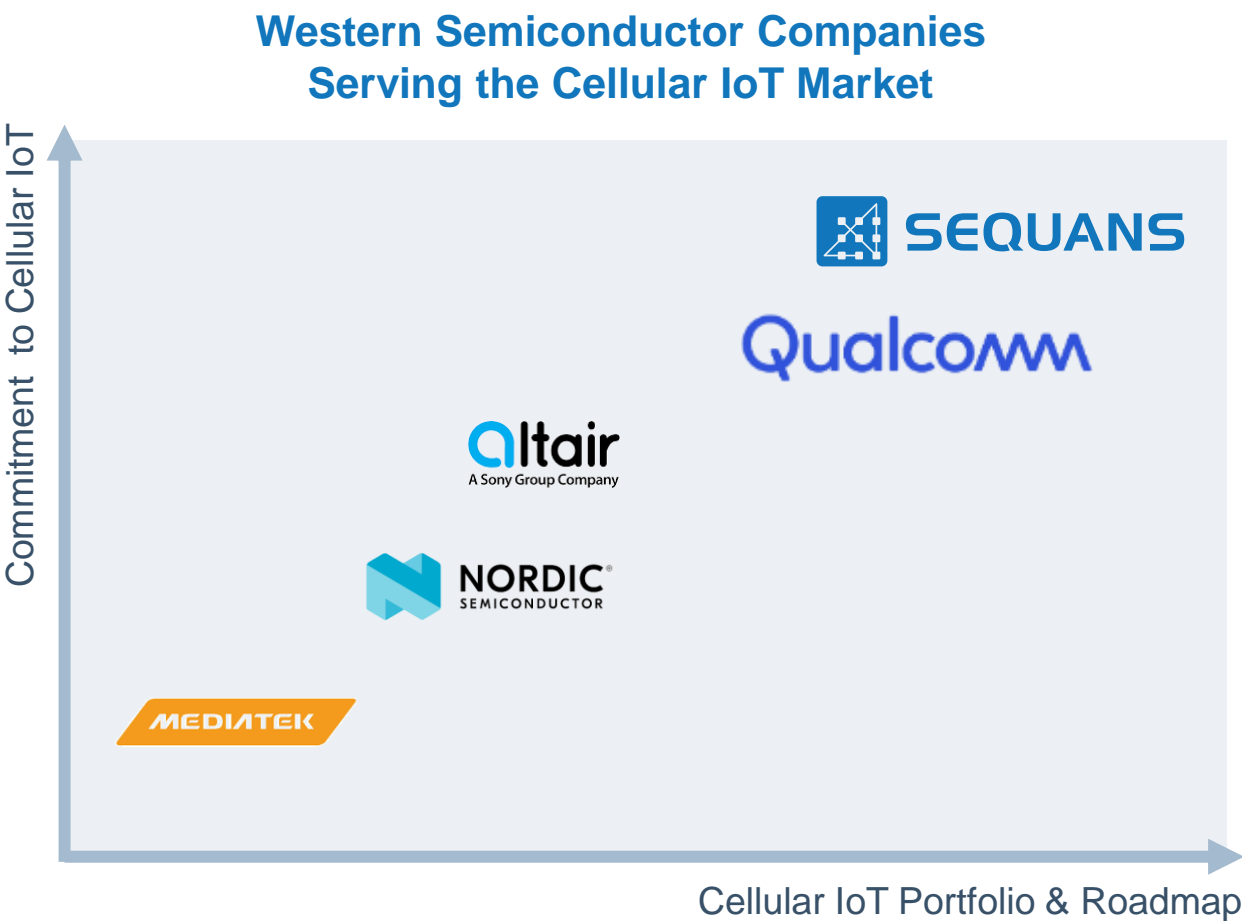
## Differentiated Services



- Ability to supply and tailor all elements needed: IP, chips, module and software
- Flexibility to support our customers with deep knowledge and comprehensive access to all technology components



# Sequans Positioned to Capture Market Share

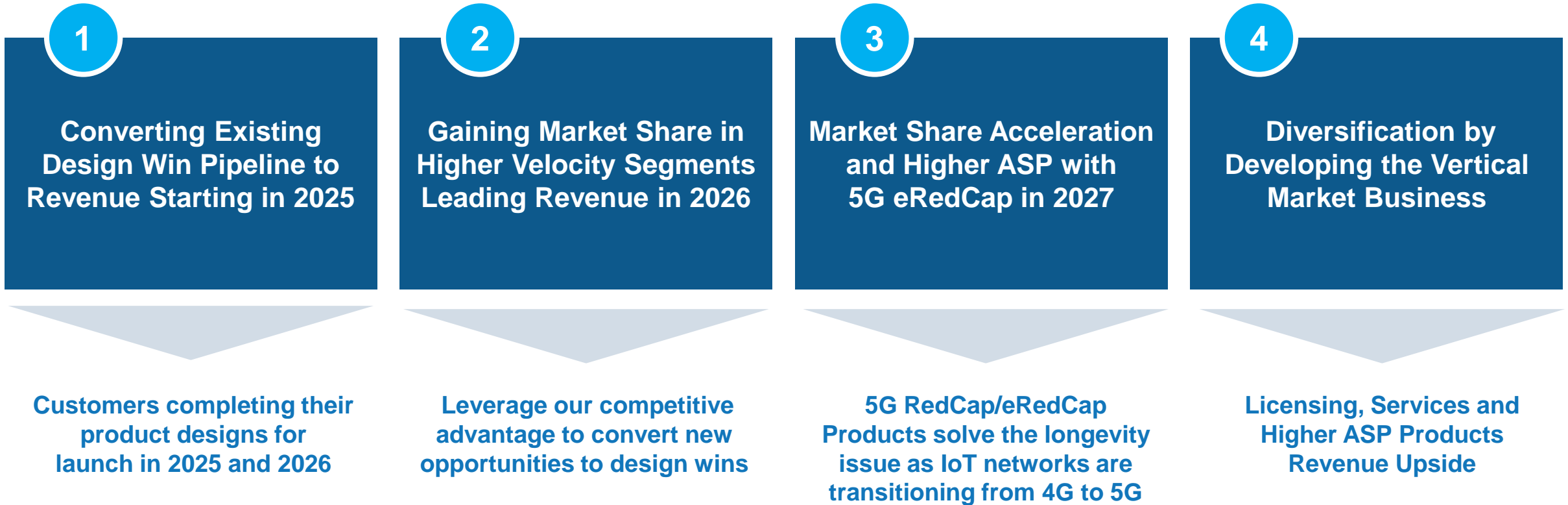


“

Unique Position Amplified  
by Current Geopolitical  
Market Dynamics

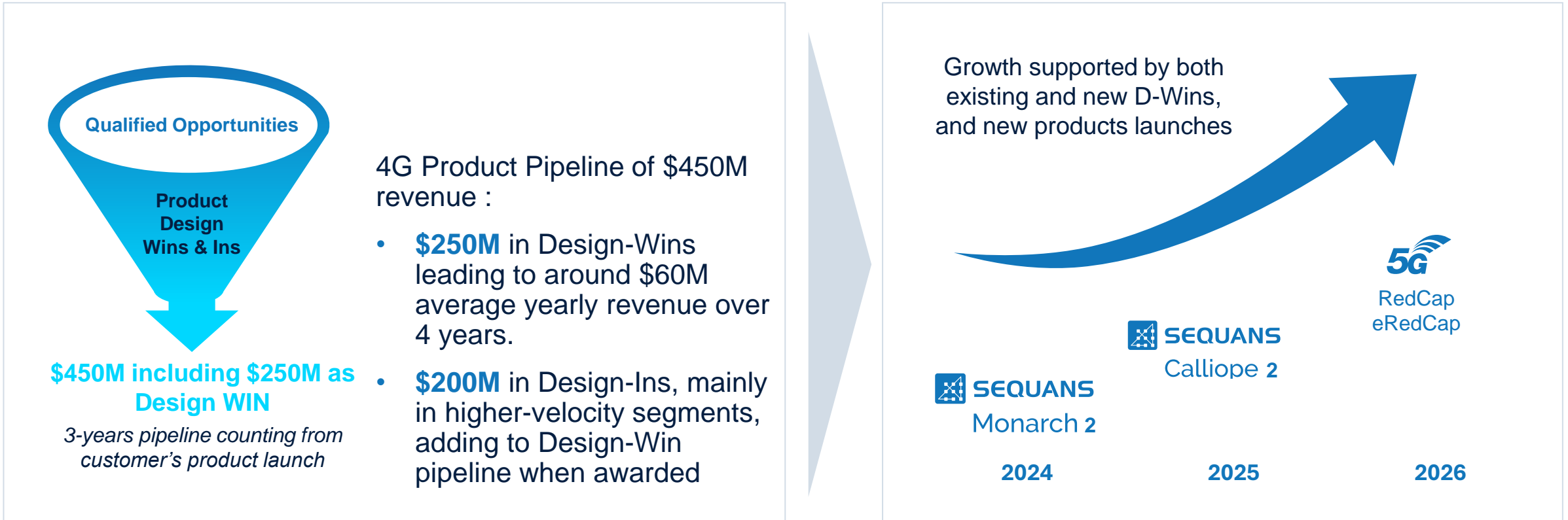
# Executing Plan to Achieve Sustained Growth

Activating Multiple Levers to Create Long-Term, Sustainable Growth



# Transforming 4G Product Design Pipeline in Revenue

Line-of-sight to 4G Product Revenue supporting break-even goal in 2026



# Financial Overview



## Revenue: \$11M Q4 2024 (incl. \$5.7 M Qualcomm licensing deal)

Product Revenue is expected to grow significantly in 2025 as existing customers move design wins into production, while Qualcomm licensing revenue will be below \$8M



## Opex : \$12.8M in Q4 2024

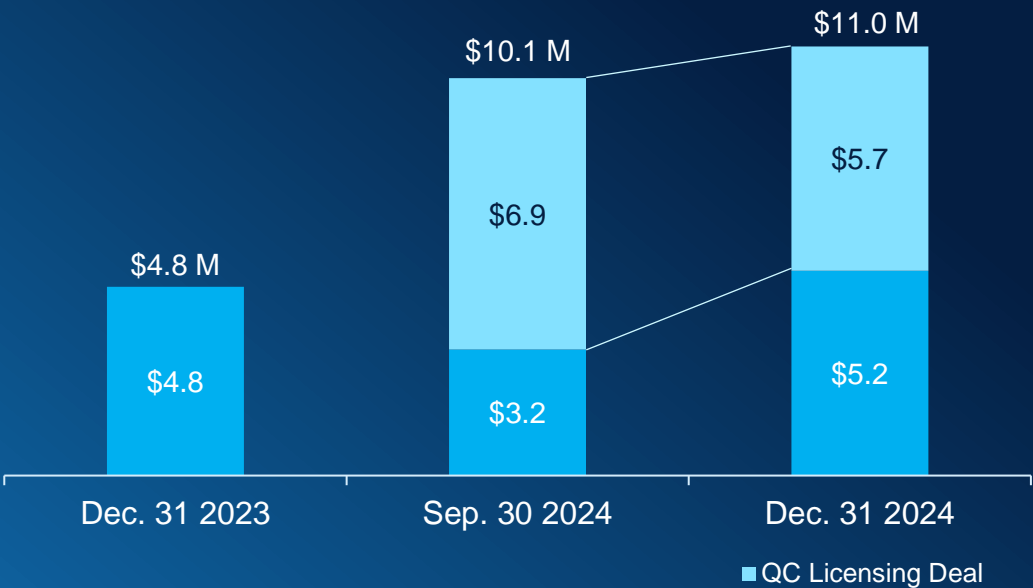
Lowering cash operating expenses to \$10 million/quarter on average from beginning Q2 2025 to support non-IFRS operating income breakeven in 2026



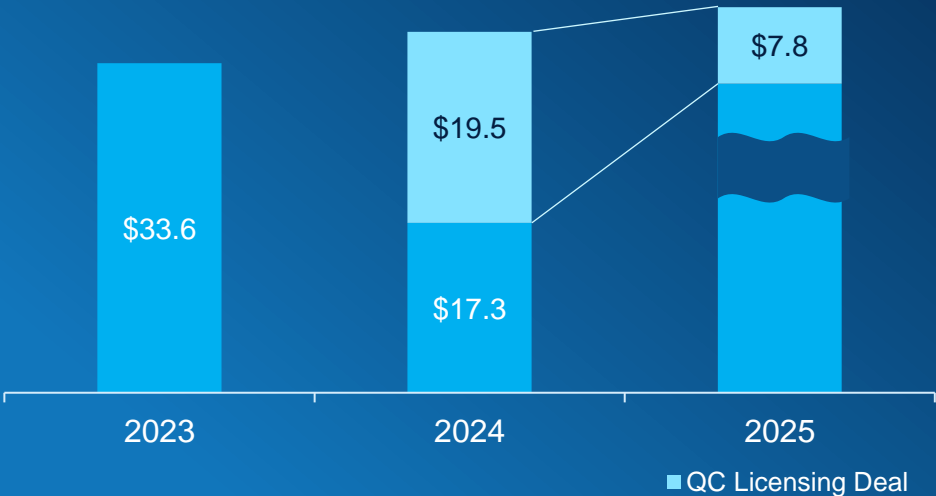
## Balance Sheet

At 31 December 2024, the cash position was \$62.1M  
Balance sheet is nearly debt-free – remaining debt is French Government grant advances, loans and other liabilities of \$5.6 M

## Quarterly Revenue Breakdown



## Annual Revenue Breakdown





# Financial Goals and Capital Allocation

Strategic Financial Management to Drive Sustainable Growth and Efficiency

## 2025 – 2026 Goals

Revenue growth by converting existing Design Win pipeline into revenue and increasing market share in high velocity segments

Target gross margin >50%

Operating income breakeven in 2026, with sustained Free Cash Flow after 2027

## Capital Allocation

Controlled spending to drive cash operating expense reduction of ~\$20M in 2025 vs. 2024

R&D spend correlated to revenue growth, product development focused on eRedCap to drive 2027+ growth

Additional tailwinds from Qualcomm Escrow release and government fundings

# Key Takeaways

## Setting the Stage for Sustainable Growth

- ✓ **Revenue Growth Primarily from Product Revenue**
  1. Pipeline of 4G Design Wins Moving to Production
  2. Gain Market Share in higher velocity IoT market segment
  3. Leverage networks transition from 4G to 5G to gain market share and increase ASP with RedCap/eRedCap products purpose-built for IoT
- ✓ **Augment Revenue with New Licensing Projects and Diversification in Vertical Markets**
- ✓ **Achieve Operating Expense Breakeven in 2026 – revenue growth and lower cash burn**

# Appendix

- Leadership Team and Board of Directors
- Income Statement
- Balance Sheet
- Non-IFRS Financial Results Reconciliation
- Capitalization Table



# Leadership Team and Board of Directors

## Leadership Team



Dr. Georges Karam  
President and CEO



Deborah Choate  
Chief Financial Officer



Bertrand Debray  
Chief of Staff



Louis (Ping Lin) Chuang  
EVP Product  
Management



Nick Taluja  
EVP Worldwide Sales  
and Support



Olivier Pauzet  
EVP Marketing  
and Strategy



Danny Kedar  
EVP of Operations



Dr. Qiuting Huang  
Chief Technology Officer

## Board of Directors



Dr. Georges Karam  
President and CEO



Wes Cummins  
Director



Yves Maitre  
Director



Maria Marced  
Director



Dr. Richard N. Nottenburg  
Director



Hubert de Pesquidoux  
Director



Dominique Pitteloud  
Director



Zvi Slonimsky  
Director



# Preliminary unaudited condensed consolidated statements of operations

(in thousands of US\$, except share and per share amounts)	Three months ended		
	Dec 31, 2024	Sept 30, 2024 <sup>(1)</sup>	Dec 31, 2023
<b>Revenue :</b>			
Product revenue	\$ 4,747	\$ 2,357	\$ 3,971
License and services revenue	6,233	7,723	802
<b>Total revenue</b>	<b>10,980</b>	<b>10,080</b>	<b>4,773</b>
<b>Cost of revenue</b>	<b>(3,506)</b>	<b>(1,767)</b>	<b>(4,190)</b>
<b>Gross profit</b>	<b>7,474</b>	<b>8,313</b>	<b>583</b>
Gain on sale of 4G intangible and tangible assets, net	—	152,891	—
Research and development expense	(7,362)	(8,603)	(6,316)
Sales and marketing expense	(2,457)	(3,359)	(2,911)
General and administrative expense	(2,982)	(5,512)	(3,969)
Impairment of 5G broadband platform intangible and tangible assets	—	(56,633)	—
<b>Operating profit (loss)</b>	<b>(5,327)</b>	<b>87,097</b>	<b>(12,613)</b>
<b>Financial income (expense):</b>			
Interest income (expense), net	549	(9,294)	(3,120)
Change in fair value of convertible debt derivative	—	—	134
Foreign exchange gain (loss)	908	(714)	(1,000)
<b>Profit (Loss) before income taxes</b>	<b>(3,870)</b>	<b>77,089</b>	<b>(16,599)</b>
<b>Income tax expense</b>	<b>1,204</b>	<b>(4,682)</b>	<b>(681)</b>
<b>Profit (Loss)</b>	<b>\$ (2,666)</b>	<b>\$ 72,407</b>	<b>\$ (17,280)</b>
<b>Attributable to :</b>			
Shareholders of the parent	(2,666)	72,407	(17,280)
Minority interests	—	—	—
Basic income (loss) per ADS	(\$0.11)	\$2.91	(\$0.71)
Diluted income (loss) per ADS	(\$0.11)	\$2.62	(\$0.71)
Weighted average number of ADS used for computing:			
— Basic <sup>(1)</sup>	25,008,543	24,891,762	24,373,331
— Diluted <sup>(1)</sup>	25,008,543	27,675,736	24,373,331

(1) Preliminary Q3 2024 results were revised to reflect the final allocation of the Qualcomm deal transaction proceeds, with the effect of adding \$172,000 to the net gain on sale

(2) Reflects the change in ADS to ordinary share ratio effective October 9, 2024

# Preliminary unaudited condensed consolidated statements of financial position

(in thousands of US\$, except share and per share amounts)	Twelve months ended Dec 31.	
	2024	2023
<b>Revenue :</b>		
Product revenue	\$ 12,007	\$ 8,060
License and services revenue	24,755	25,556
<b>Total revenue</b>	<b>36,762</b>	<b>33,616</b>
<b>Cost of revenue</b>	<b>(8,993)</b>	<b>(9,476)</b>
<b>Gross profit</b>	<b>27,769</b>	<b>24,140</b>
Gain on sale of 4G intangible and tangible assets, net	152,891	—
Research and development expense	(28,367)	(26,124)
Sales and marketing expense	(11,819)	(11,861)
General and administrative expense	(14,312)	(15,993)
Impairment of 5G broadband platform intangible and tangible assets	(56,633)	—
<b>Operating profit (loss)</b>	<b>69,529</b>	<b>(29,838)</b>
<b>Financial income (expense):</b>		
Interest income (expense), net	(22,869)	(11,233)
Change in fair value of convertible debt derivative	3	3,200
Impact of debt amendment	13,620	247
Foreign exchange gain (loss)	548	(692)
<b>Profit (Loss) before income taxes</b>	<b>60,831</b>	<b>(38,316)</b>
<b>Income tax expense</b>	<b>(3,791)</b>	<b>(2,674)</b>
<b>Profit (Loss)</b>	<b>\$ 57,040</b>	<b>\$ (40,990)</b>
<b>Attributable to :</b>		
Shareholders of the parent	57,040	(40,990)
Minority interests	—	—
<b>Basic income (loss) per ADS</b>	<b>\$2.30</b>	<b>(\$1.82)</b>
<b>Diluted income (loss) per ADS</b>	<b>\$2.01</b>	<b>(\$1.82)</b>
Weighted average number of ADS used for computing:		
— Basic <sup>(1)</sup>	24,829,019	22,518,400
— Diluted <sup>(1)</sup>	28,404,302	22,518,400
(1) Reflects the change in ADS to ordinary share ratio effective October 9, 2024		

(in thousands of US\$)	At Dec 31, 2024	At Dec 31, 2023
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	\$ 4,049	\$ 6,815
Intangible assets	5,558	64,300
Deposits and other receivables	3,236	801
Other non-current financial assets	353	360
<b>Total non-current assets</b>	<b>13,196</b>	<b>72,276</b>
<b>Current assets</b>		
Inventories	3,021	6,335
Trade receivables	4,355	8,115
Contract assets	122	497
Prepaid expenses	1,479	1,422
Other receivables	16,666	4,839
Research tax credit receivable	4,327	9,983
Short-term deposits	53,000	—
Cash and cash equivalents	9,093	5,705
<b>Total current assets</b>	<b>92,063</b>	<b>36,896</b>
<b>Total assets</b>	<b>\$ 105,259</b>	<b>\$ 109,172</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Issued capital, euro 0.01 nominal value, 251,408,922 shares authorized, issued and outstanding at December 31, 2024 (246,262,004 shares at December 31, 2023)	\$ 2,934	\$ 2,878
Share premium	14,513	14,568
Other capital reserves	74,811	70,261
Accumulated deficit	(36,322)	(93,362)
Other components of equity	(757)	(416)
<b>Total equity</b>	<b>55,179</b>	<b>(6,071)</b>
<b>Non-current liabilities</b>		
Government grant advances, loans and other liabilities	5,586	3,256
Lease liabilities	332	1,645
Provisions	1,340	2,222
Deferred tax liabilities	260	264
Contract liabilities	850	—
<b>Total non-current liabilities</b>	<b>8,368</b>	<b>7,387</b>
<b>Current liabilities</b>		
Trade payables	6,025	16,281
Interest-bearing receivables financing	3,817	9,544
Lease liabilities	1,233	1,471
Convertible debt	—	52,278
Convertible debt embedded derivative	—	3
Unsecured related party loan	—	8,922
Government grant advances and loans	5,546	4,606
Contract liabilities	10,051	5,852
Other current liabilities and provisions	15,040	8,899
<b>Total current liabilities</b>	<b>41,712</b>	<b>107,856</b>
<b>Total equity and liabilities</b>	<b>\$ 105,259</b>	<b>\$ 109,172</b>

# Preliminary unaudited reconciliation of non-IFRS financial results

(in thousands of US\$, except share and per share amounts)	Three months ended		
	Dec 31, 2024	Sept 30, 2024 <sup>(3)</sup>	Dec 31, 2023
<b>IFRS profit (loss) as reported</b>	<b>\$ (2,666)</b>	<b>\$ 72,407</b>	<b>\$ (17,280)</b>
<b>Add back</b>			
Non-cash stock-based compensation expense according to IFRS 2 <sup>(1)</sup>	480	682	1,958
Non-cash change in the fair value of convertible debt embedded derivative	—	—	(134)
Non-cash interest on convertible debt and other financing <sup>(2)</sup>	62	7,510	1,707
<b>Non-IFRS profit (loss) adjusted</b>	<b>\$ (2,124)</b>	<b>\$ 80,471</b>	<b>\$ (13,749)</b>
<i>IFRS basic profit (loss) per ADS as reported <sup>(3)</sup></i>	<i>(\$0.11)</i>	<i>\$2.91</i>	<i>(\$0.71)</i>
<b>Add back</b>			
Non-cash stock-based compensation expense according to IFRS 2 <sup>(1)</sup>	\$0.02	\$0.03	\$0.08
Non-cash change in the fair value of convertible debt embedded derivative	\$0.00	\$0.00	(\$0.01)
Non-cash interest on convertible debt and other financing <sup>(2)</sup>	\$0.00	\$0.30	\$0.08
<i>Non-IFRS basic profit (loss) per ADS <sup>(3)</sup></i>	<i>(\$0.08)</i>	<i>\$3.23</i>	<i>(\$0.56)</i>
<i>IFRS diluted profit (loss) per ADS <sup>(3)</sup></i>	<i>(\$0.11)</i>	<i>\$2.62</i>	<i>(\$0.71)</i>
<b>Add back</b>			
Non-cash stock-based compensation expense according to IFRS 2 <sup>(1)</sup>	\$0.02	\$0.02	\$0.08
Non-cash change in the fair value of convertible debt embedded derivative	\$0.00	\$0.00	(\$0.01)
Non-cash interest on convertible debt and other financing <sup>(2)</sup>	\$0.01	\$0.28	\$0.08
<i>Non-IFRS diluted profit (loss) per ADS <sup>(3)</sup></i>	<i>(\$0.08)</i>	<i>\$2.91</i>	<i>(\$0.56)</i>

(1) Included in the IFRS profit (loss) as follows:

Cost of product revenue	\$ 18	\$ 22	\$ 48
Research and development	228	(333)	600
Sales and marketing	(41)	355	439
General and administrative	275	638	871

(2) Related to the difference between contractual and effective interest rates

(3) Preliminary Q3 2024 results were revised to reflect the final allocation of the Qualcomm deal transaction proceeds, with the effect of adding \$172,000 to the net gain on sale

(4) Reflects the change in ADS to ordinary share ratio effective October 9, 2024

# Capital - fully diluted as of December 31, 2024

December 31, 2024	Total issued shares/ADS	Shares 251,408,922	ADS 25,140,892
<b>Fully Diluted, assuming all warrants/SO exercised:</b>			
Concord Warrants, €0.20/ADS exer price, exp 02/2034		9,392,986	939,299
Nokomis Warrants, \$10.30/ADS exer price, exp 08/2026		594,680	59,468
Nokomis Warrants, \$8.082/ADS exer price, exp 08/2026		1,244,820	124,482
Harbert Warrants, \$13.40/ADS exer price, exp 10/2028		816,716	81,672
Unvested RSA		25,726,709	2,572,671
Stock options/warrants (most out of the money)		9,422,816	942,282
	<b>Fully diluted shares/ADS</b>	<b>298,607,649</b>	<b>29,860,765</b>





**SEQUANS**

# THANK YOU!

**Investor Relations:**  
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