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PRESS RELEASE

CARMAT announces the results of its capital increase of €55.7 million after exercise of the increase option

Paris, March 8, 2021 – 10 pm CET

CARMAT (FR0010907956, ALCAR), the designer and developer of the world's most advanced total artificial heart[1], aiming to fulfill an unmet medical need by providing a therapeutic alternative to people suffering from end-stage biventricular heart failure (the "**Company**"), today announces the results of its capital increase launched on February 26, 2021 which implemented without shareholders' preferential subscription rights by way of a public offering and with a priority subscription period, on an irreducible basis (*à titre irréductible*) only, to its existing shareholders and a global offering (the "**Offering**"), for an amount (including the issue premium) of €55.7 million, after exercise of the increase option (*clause d'extension*).

The net proceeds of the Offering, combined with the Company's current cash position, the €10 million balance of the loan granted by the European Investment Bank (for which drawing conditions are already met), and the €13 million financing from the French Health Authority that the Company announced on October 12, 2020 (but excluding the €16 million Kepler Cheuvreux equity line available until September 27, 2021), should allow CARMAT to fund its activities according to its current business plan until mid-2022

ODDO BHF SCA and H.C. Wainwright & Co., LLC acted as global coordinators, lead managers and joint bookrunners in connection with the Offering (together, the "**Placing Agents**"). Ladenburg Thalmann & Co. Inc. acted as financial advisor to Company in connection with the Offering.

Stéphane Piat, Chief Executive Officer of CARMAT, comments: *"I would like to thank all of the French, as well as international historical and new investors, who have contributed to the success of this capital increase. Thanks to the €55.7 million raised, CARMAT can now confidently focus on the commercial launch of Aeson®[1] in Europe, production ramp-up, and the expansion of our clinical plan, particularly in the United States. We now have the resources to make our unique device available to a larger number of patients suffering from end-stage heart failure, which has always been CARMAT's objective."*

Use of proceeds

The Company is planning to use the funds raised through this Offering to:

- accelerate the ramp-up of its production and start the commercialization of its artificial heart in Europe in Q2 2021 under the brand name Aeson®, given the granting of the CE marking on December 22, 2020 for approximately 45% of the net proceeds;

[1] Aeson® is composed of the implantable bioprosthesis and its portable external power supply system to which it is continuously connected.

- execute its clinical plan for approximately 15% of the net proceeds, notably including:
    - conducting in 2021 the early feasibility study (EFS) involving 10 patients in the United States, with first implants planned as soon as the end of the Q1 2021. This study was approved by the FDA (Food and Drug Administration, the U.S. health authority) in February 2021 and, if successful, would be followed by a pivotal study in the United States;
    - the initiation of the EFICAS study within the 'Forfait Innovation' framework in France, with first implants expected in Q2 2021. This study is already fully approved and will involve 52 implants;
- ensure the continuity of its activities (R&D, regulatory, quality, support functions, etc.), notwithstanding the potential delay the Company's schedule due to Covid-19, for approximately 40% of the net proceeds.

Terms of the Offering

The new shares not subscribed within the priority period as well as the new shares issued pursuant to the exercise of the increase option were subject to a global offering (the "**Global Offering**") comprised of (a) an open price public offering in France (the "**Public Offering**") primarily intended for retail investors and (b) an international private placement (the "**International Private Placement**") (i) in the European Union (including France) and in certain other countries (excluding United States, Canada, Australia and Japan); and (ii) in the United States.

The subscription price of the new shares was set by the Company's board of directors on March 8, 2021 at €24 per share, representing a discount of 13.4% on the €27.70 closing price of March 5, 2021 and of 18.0% on the €29.28 5-trading day volume weighted average price (the "**VWAP**") preceding March 8, 2021 (included).

The capital increase, of an aggregate amount of €55.7 million, issue premium included, will result in the issuance of 2,320,298 new shares, i.e. 17.8% of the Company's share capital.

In the context of the priority subscription period granted to them, the demand from the Company's existing shareholders amounted to €19.1 million, representing 34.3% of the total capital increase, of which €11.0 million excluding the subscription commitments described below. International leading investors expressed their intention to subscribe for €28.2 million in the framework of the Global Offering, representing 50.7% of the total capital increase, of which €26.3 million, excluding the subscription commitments described below. Finally, retail investors (existing shareholders wishing to subscribe beyond their equity stake within the priority period as well as new shareholders) have expressed their interest in the Offering, their demand amounting to €8.4 million.

Subscriptions within the framework of the capital increase, including those from the Company's existing main shareholders (Lohas SARL (Pierre Bastid), Corely Belgium SPRL (Gaspard Family), Bratya SPRL (Gaspard Family) and Santé Holdings SRL (Dr Antonino Ligresti)), which committed to participate in the Offering for a combined amount of €10 million, were allocated as follows:

	Nb. of existing shares (non-diluted basis)	% of share capital before the Offering	Subscription commitments (in euros)	Subscriptions received (in euros)	o/w on irreducible basis	o/w other	Subscriptions (number of new shares subscribed)	Stake in the capital increase (in euros)	% share capital after the Offering
Matra Défense SAS (Airbus Group)	1,670,640	12.8%	-	-	-	-	-	-	10.9%
Lohas SARL (Pierre Bastid)	1,331,479	10.2%	2,000,000	2,000,000	2,000,000	-	83,333	1,999,992	9.2%
Corely Belgium SPRL (Gaspard Family)	790,000	6.1%	1,500,000	1,500,000	1,500,000	-	62,500	1,500,000	5.6%
Bratya SPRL (Gaspard Family)	267,000	2.1%	1,500,000	1,800,000	1,030,000	770,000	75,000	1,800,000	2.2%
Santé Holding SRL (Dr Antonino Ligresti)	925,091	7.1%	5,000,000	5,000,000	3,550,000	1,450,000	208,333	4,999,992	7.4%
Prof. Alain Carpentier	548,583	4.2%	-	-	-	-	-	-	3.6%
Association Recherche Scientifique de la Fondation Alain Carpentier	115,000	0.9%	-	-	-	-	-	-	0.7%
BAD 21 SPRL	315,790	2.4%	-	-	-	-	-	-	2.1%
Cornovum	458,715	3.5%	-	-	-	-	-	-	3.0%
Therabel group	308,640	2.4%	-	-	-	-	83,333	1,999,992	2.6%
Funds managed by Truffle Capital	154,055	1.2%	-	-	-	-	-	-	1.0%
Air Liquide	76,982	0.6%	-	-	-	-	-	-	0.5%
Treasury shares	4,511	0.0%	-	-	-	-	-	-	0.0%
Free float	6,055,998	46.5%	-	-	-	-	1,807,799	43,387,176	51.3%
Total	**13,022,484**	**100.0%**	**10,000,000**	**10,300,000**	**8,080,000**	**2,220,000**	**2,320,298**	**55,687,152**	**100.0%**

To the Company's knowledge, the distribution of the Company's shareholding (on a non-diluted basis) on the date of the AMF's approval on the Prospectus was as follows:

	Existing Shares (non-diluted basis)		**Theoretical Voting Rights (non-diluted basis)**	
	Number	% of capital	Number of Voting rights	% of voting rights
Matra Défense SAS (Airbus Group)	1,670,640	12.8%	2,652,040	17.8%
Lohas SARL (Pierre Bastid)	1,331,479	10.2%	1,331,479	8.9%
Corely Belgium SPRL (Gaspard Family)	790,000	6.1%	790,000	5.3%
Bratya SPRL (Gaspard Family)	267,000	2.1%	267,000	1.8%
Santé Holding SRL (Dr Antonino Ligresti)	925,091	7.1%	925,091	6.2%
Prof. Alain Carpentier	548,583	4.2%	1,097,166	7.4%
Association Recherche Scientifique de la Fondation Alain Carpentier	115,000	0.9%	230,000	1.5%
BAD 21 SPRL	315,790	2.4%	315,790	2.1%
Cornovum	458,715	3.5%	458,715	3.1%
Therabel group	308,640	2.4%	308,640	2.1%
Funds managed by Truffle Capital	154,055	1.2%	154,055	1.0%
Air Liquide	76,982	0.6%	76,982	0.5%
Treasury shares	4,511	0.0%	0	0.0%
Free float	6,055,998	46.5%	6,291,220	42.2%
Total	**13,022,484**	**100.0%**	**14,898,178**	**100.0%**

To the Company's knowledge, the distribution of the Company's shareholding (on a non-diluted basis) following the completion of the capital increase will be as follows:

	Shares (non-diluted basis)		**Theoretical Voting Rights (non-diluted basis)**	
	Total number of shares	% of capital	Total number of voting rights	% of voting rights
Matra Défense SAS (Airbus Group)	1,670,640	10.9%	2,652,040	15.4%
Lohas SARL (Pierre Bastid)	1,414,812	9.2%	1,414,812	8.2%
Corely Belgium SPRL (Gaspard Family)	852,500	5.6%	852,500	5.0%
Bratya SPRL (Gaspard Family)	342,000	2.2%	342,000	2.0%
Santé Holding SRL (Dr Antonino Ligresti)	1,133,424	7.4%	1,133,424	6.6%
Prof. Alain Carpentier	548,583	3.6%	1,097,166	6.4%
Association Recherche Scientifique de la Fondation Alain Carpentier	115,000	0.7%	230,000	1.3%
BAD 21 SPRL	315,790	2.1%	315,790	1.8%
Cornovum	458,715	3.0%	458,715	2.7%
Therabel group	391,973	2.6%	391,973	2.3%
Funds managed by Truffle Capital	154,055	1.0%	154,055	0.9%
Air Liquide	76,982	0.5%	76,982	0.4%
Treasury shares	4,511	0.0%	0	0.0%
Free float	7,863,797	51.3%	8,099,019	47.0%
Total	**15,342,782**	**100.0%**	**17,218,476**	**100.0%**

The exercise of all securities giving access to the Company's share capital at the date of the AMF's approval on the Prospectus would result in the issuance of 1,022,285 new ordinary shares, representing 6.7% of the share capital of the Company following the completion of the capital increase.

To the Company's knowledge, no other shareholder owns, directly or indirectly, alone or in concert, more than 5% of the capital and voting rights.

Admission of new shares

The settlement and delivery of the new shares and their admission to the Euronext Growth multilateral trading facility of Euronext in Paris are expected for March 10, 2021. The new shares will be listed on the same line as the Company’s existing ordinary shares, will carry dividend rights and will be immediately fungible with the Company’s existing shares.

Abstention and lock-up commitments

The Company has agreed on a lock-up period expiring 180 calendar days following the date of settlement of the new shares, subject to certain customary exceptions set out in the *note d’opération* and to a possible waiver by the Placing Agents.

Certain directors and/or certain shareholders with a significant stake in the Company, holding 44.6% of the Company's share capital collectively, have also signed lock-up commitments taking effect on the date these commitments were signed and continuing for 180 days from the date of settlement of the new shares, subject to certain customary exceptions and, with regard to the investment funds managed by Truffle Capital, any sale of Carmat shares that are necessary in order for such funds to meet their regulatory liquidation obligations.

Availability of the Prospectus

The prospectus, which received the AMF approval n°21-047 on February 25, 2021 (the "**Prospectus**"), consists of (i) the 2020 Universal Registration Document filed with the AMF on February 24, 2021 under number D.21-0076 (the "**URD**"), (ii) a *note d'opération* (the "***Note d'Opération***") and (iii) a summary included in the *Note d'Opération*.

The Prospectus is available on the Company's website (www.carmatsa.com) and the AMF's website (www.amf-france.org).

Investors are advised to carefully consider the risk factors described in section 2 of the URD, as well as in section 2 of the *Note d'Opération* before deciding whether to invest in the new shares. Should all or any part of these risk factors materialize, CARMAT's businesses, financials, results, development or prospects may be negatively affected.

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About CARMAT: the world's most advanced total artificial heart project

A credible response to end-stage heart failure: CARMAT aims to eventually provide a response to a major public health issue associated with heart disease, the world's leading cause of death: chronic and acute heart failure. By pursuing the development of its total artificial heart, Aeson®, composed of the implantable bioprosthesis and its portable external power supply system to which it is continuously connected, CARMAT intends to overcome the well-known shortfall in heart transplants for the tens of thousands of people suffering from irreversible end-stage heart failure, the most seriously affected of the 20 million patients with this progressive disease in Europe and the United States.

The result of combining two types of unique expertise: the medical expertise of Professor Carpentier, known throughout the world for inventing Carpentier-Edwards® heart valves, which are the most used in the world, and the technological expertise of Airbus Group, world aerospace leader.

The first physiologic heart replacement therapy: given the use of highly biocompatible materials, its unique self-regulation system and its pulsatile nature, the CARMAT total artificial heart could, assuming a successful clinical development, potentially save the lives of thousands of patients each year with no risk of rejection and with an enhanced quality of life.

A project leader acknowledged at a European level: with the backing of the European Commission, CARMAT has been granted the largest subsidy ever given to an SME by Bpifrance; a total of €33 million.

Strongly committed, prestigious founders and shareholders: Matra Défense SAS (subsidiary of the Airbus Group), Professor Alain Carpentier, the Centre Chirurgical Marie Lannelongue, Truffle Capital, a leading European venture capital firm, ALIAD (Air Liquide's venture capital investor), CorNovum (an investment holding company held 50-50 by Bpifrance and the French State), the family offices of Pierre Bastid (Lohas), of Dr. Antonino Ligresti (Santé Holdings S.R.L.), of the Gaspard family (Corely Belgium SPRL and Bratya SPRL) and of M. Pierre-Edouard Stérin (BAD 21 SPRL), Groupe Therabel as well as the thousands of institutional and individual shareholders who have placed their trust in CARMAT.

For more information: *www.carmatsa.com*

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DISCLAIMER

*With respect to Member States of the European Economic Area other than France, no action has been taken or will be taken to permit a public offering of the securities referred to in this press release requiring the publication of a prospectus in any such Member State. Therefore, such securities will only be offered in any such Member State (i) to qualified investors as defined in Regulation (EU) 2017/1129 of the European Parliament and European Council of 14 June 2017, as amended (the "**Prospectus Regulation**") or (ii) in accordance with the other exemptions of Article 1(4) of Prospectus Regulation.*

*This press release and the information it contains are being distributed to and are only intended for persons who are (x) outside the United Kingdom or (y) in the United Kingdom who are qualified investors (as defined in the Prospectus Regulation as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018) and are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), (ii) high net worth entities and other such persons falling within Article 49(2)(a) to (d) of the Order ("high net worth companies", "unincorporated associations", etc.) or (iii) other persons to whom an invitation or inducement to participate in investment activity (within the meaning of Section 21 of the Financial Services and Market Act 2000) may otherwise lawfully be communicated or caused to be communicated (all such persons in (y)(i), (y)(ii) and (y)(iii) together being referred to as "**Relevant Persons**"). Any invitation, offer or agreement to subscribe, purchase or otherwise acquire securities to which this press release relates will only be engaged with Relevant Persons. Any person who is not a Relevant Person should not act or rely on this press release or any of its contents.*

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*MIFID II Product Governance/Target Market: solely for the purposes of the requirements of Article 9.8 of the Delegated Directive (EU) 2017/593 relating to the product approval process, the target market assessment in respect of the shares of Carmat has led to the conclusion in relation to the type of clients criteria only that: (i) the type of clients to whom the shares are targeted is eligible counterparties and professional clients and retail clients, each as defined in Directive 2014/65/EU, as amended ("**MiFID II**"); and (ii) all channels for distribution of the shares of Carmat to eligible counterparties and professional clients and retail clients are appropriate. Any person subsequently offering, selling or recommending the shares of Carmat (a "**distributor**") should take into consideration the type of clients assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the shares of Carmat and determining appropriate distribution channels.*

*UK MIFIR product governance / Retail investors, professional investors and ECPs target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the shares of Carmat has led to the conclusion that: (i) the target market for the shares of Carmat is retail clients, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"), and eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the shares of Carmat are appropriate. Any person subsequently offering, selling or recommending the shares of Carmat (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the shares of Carmat (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.*

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Any decision to subscribe for or purchase the shares or other securities of Carmat must be made solely based on information publicly available about Carmat. Such information is not the responsibility of H.C. Wainwright and Oddo BHF Corporates & Markets and has not been independently verified by H.C. Wainwright and Oddo BHF Corporates & Markets.

Aeson® is an active implantable medical device commercially available in Europe ONLY, CARMAT SA., CE0344. The Aeson® TAH is intended to replace ventricles of native heart and is indicated as a bridge to transplant in patients suffering from end-stage biventricular heart failure (INTERMACS classes 1-4) who are not amenable to maximal medical therapy or LVAD and are likely to undergo heart

transplant in the 180 days following device implantation. The decision to implant and the surgical procedure must be executed by Health Care professionals trained by the manufacturer. Carefully read the documentation (clinician manual, patient manual & alarm booklet) for characteristics and information necessary for patient selection and good use (contraindications, precautions, side effects).

In the USA, Aeson® is currently exclusively available within the framework of clinical trials.

This press release contains forward-looking statements that relate to the Company's objectives. Such forward-looking statements are based solely on the current expectations and assumptions of the Company's management and involve risk and uncertainties. The Company's objectives as mentioned in this press release may not be achieved due to any of these risks and uncertainties. No guarantee can be given as to any of the events anticipated by the forward-looking statements, which are subject to inherent risks, including those described in its universal registration document filed with the AMF on February 24, 2021 under number D.21-0076, as well as changes in economic conditions, the financial markets or the markets in which Carmat operates.