



PRESS RELEASE

CARMAT launches a capital increase for an amount of c. 30 million euros that has received subscription commitments totaling 22 million euros

- Global Offering aimed at specialized and strategic investors, as well as individual investors via the PrimaryBid platform
- Issue price of new shares at 10.0 euros per share
- Closing of the Primary Bid Offering on April 11, 2022 at 10 pm and of the Reserved Offering on April 12, 2022 before market opening

Paris, April 11, 2022 – 5.45 pm (CEST)

CARMAT (FR0010907956, ALCAR), the designer and developer of the world's most advanced total artificial heart, aiming to provide a therapeutic alternative to people suffering from end-stage biventricular heart failure (the "**Company**"), today announces the launch of a c. 30 million euros capital increase via the issuance of new shares at a fixed price of 10.0 euros per share aimed at specialized and strategic investors, as defined below, and at individuals (via the PrimaryBid platform) (the "**Global Offering**").

The Company is planning to use the funds raised through this Global Offering to ensure the continuity of its activities, and notably to support the restart of the production of its Aeson® artificial heart and ensure the resumption – scheduled for October 2022 – of its implants, both from a commercial standpoint and within the framework of its clinical trials.

Stéphane Piat, Chief Executive Officer of CARMAT, commented: *"The funds raised via the operation we are launching today will strengthen our financial structure and allow us to calmly ensure the resumption of implants of our Aeson® artificial heart from October 2022. Indeed, the constructive dialogue we are having with the competent authorities and the notified body DEKRA, as well as the recent restarting of our production, following the incorporation of changes enabling us to strengthen the sturdiness of the various components, give us confidence in our ability to resume our clinical trials and sales as expected and thus address the strong expectations of physicians and patients. The support of our longstanding shareholders is particularly important during this crucial period for the Company, and I would particularly like to emphasize their substantial commitment. I am also pleased that we are able to offer other investors, as well as individuals - via the PrimaryBid system - the possibility of contributing to the development of our Company and its unique technology that we more than ever feel has the potential to radically and lastingly change the care and treatment provided to patients with end-stage biventricular heart failure".*

Terms of the Offering

The Global Offering will be carried out via two distinct but concomitant operations:

- an offer via the issuance of new shares with pre-emptive rights waived for two categories of beneficiaries, namely (i) French or foreign physical persons, companies or investment funds who primarily invest, or who have invested more than €2 million over the 36 months prior to the issue in question, in the life science and technology sectors (in accordance with Resolution 17 approved by the Annual General Meeting of May 12, 2021 (the “**AGM**”) and (ii) the Company’s strategic or financial partners in France or abroad that have signed or are due to sign one or several commercial or financing partnership agreements (development, co-development, distribution, manufacturing, etc.) with the Company (or a subsidiary) and/or one or several companies that these partners control, that control these partners or that are controlled by the same people as these partners, directly or indirectly, within the meaning of article L. 233-3 of the French Commercial Code (*Code de Commerce*) (in accordance with Resolution 18 of the AGM), pursuant to article L. 225-138 of the French Commercial Code (the “**Reserved Offering**”); and
- a public offer of new shares aimed at individuals via the PrimaryBid platform, which will be carried out via an allocation proportional to demand, limited to the amount allocated to this public offer, with allocations reduced should demand exceed this limit, pursuant to article L. 225-136 of the French Commercial Code (in accordance with AGM Resolution 13) (the “**PrimaryBid Offering**”).

The size of the Global Offering will depend exclusively on the orders received for each of the operations detailed above without the possibility of reallocating the sums allocated from one to the other. It is specified that the PrimaryBid Offering for individuals is incidental to the Reserved Offering and will represent a maximum of 20% of the amount of the Global Offering. In any event, the PrimaryBid Offering will not be carried out if the capital increases within the framework of the Reserved Offering are not implemented.

The price per share of the Reserved Offering will be €10 (representing a discount of 19.7% on CARMAT’s closing price on April 11, 2022, i.e. €12.45, and a discount of 20.6% on CARMAT’s volume-weighted average price during the five trading sessions preceding the setting of the issue price, i.e. €12.59). The subscription price of the new shares offered within the framework of the PrimaryBid Offering will be the same as the price of the new shares offered within the framework of the Reserved Offering.

The definitive number of shares to be issued will be decided by the Company’s Chief Executive Officer, under and within the scope of the sub delegations of competence granted by the Company’s Board of Directors on the date of this press release, it being specified that the maximum number of new shares that may be issued within the framework of the Global Offering is 5,000,000 new shares, in accordance with the resolutions approved by the AGM. The definitive number of shares to be issued will be the subject of a subsequent press release.

The accelerated book-building process within the framework of the Reserved Offering will begin immediately and should close before the markets open tomorrow, subject to any early closing or extension. The PrimaryBid Offering will begin immediately and close at 10 pm CEST, subject to any early closing. The Company will announce the results of the Global Offering via a press release as soon as possible after the book-building ends.

The Reserved Offering will be available, within the categories of investors defined above, (i) to institutional investors in France, outside France with the exception of the United States, Canada, Australia and Japan and, solely within the categories of investors specifically provided for in Resolutions 17 and 18 mentioned above, and (ii) to certain institutional investors in the United States.

Current shareholders Matra Defense SAS, Lohas SARL, Santé Holdings SRL, Corely Belgium SPRL, Bratya SPRL and BAD 21, which hold 10.7%, 9.1%, 7.3%, 6.7%, 1.5% and 1.5% stakes in the Company respectively, have pledged to subscribe 10 million euros, 3 million euros, 5 million euros, 0.7 million euros, 0.7 million euros and 0.6 million euros respectively within the framework of the Reserved Offering. Moreover, Groupe Therabel, which has a 2.5% stake in the Company, has pledged to subscribe €1 million. In exchange for this commitment, Groupe Therabel has been invited to participate in upcoming Board meetings as a permanent guest, and its appointment as a Board Member will be put to the AGM that will be held in 2023 for approval.

In addition, the company François IV SAS has pledged to subscribe €1 million within the framework of the Reserved Offering.

The subscription commitments received by the Company, as detailed above, thus represent a total of €22 million.

Settlement-Delivery of the new shares and their admission to the Euronext Growth® Paris multilateral trading facility are scheduled for April 14, 2022.

Bank Degroof Petercam SA/NV and ODDO BHF SCA are acting as global coordinators – lead managers and joint bookrunners within the framework of the Reserved Offering (together, the “**Placement Agents**”).

Within the framework of the PrimaryBid Offering, investors may only subscribe via the PrimaryBid partners mentioned on the PrimaryBid website (www.PrimaryBid.fr). The PrimaryBid Offering is not covered by an underwriting agreement. For further details, please go to the PrimaryBid website at www.PrimaryBid.fr.

The Global Offering is not subject to a prospectus requiring a visa from the AMF stock market authority.

Your attention is drawn to the risk factors associated with the Company and its activity, as described in chapter 2 of the 2020 Universal Registration Document filed with the AMF stock market authority under number D.21-0076 on February 24, 2021, which is available free of charge on the Company’s website (www.carmatsa.com) and the AMF website (www.amf-france.org). The occurrence of all or part of these risks could have a negative impact on the Company’s activity, financial situation, results, development or outlook. In that regard, it is specified firstly that the Company decided to temporarily suspended all implants of its Aeson® artificial heart on December 2, 2021 following the identification of quality issues affecting some of its prostheses and has since confirmed that it is expecting implants to resume in October 2022¹; and secondly that, in the absence of additional financing (and notably the capital increases that are the subject of this press release), the Company is financed, according to its current business plan, until July 2022.

Additionally, investors are invited to consider the following risks specific to this issue: (i) the market price of the Company’s shares may fluctuate and fall below the subscription price of the shares issued within the framework of the Offering, (ii) the volatility and liquidity of the Company’s shares may fluctuate significantly, (iii) divestments of the Company’s shares may take place on the market and have a negative effect on its share price, (iv) the Company’s shareholders could suffer potentially significant dilution resulting from any future capital increases required to provide the Company with additional financing, and (v) as these shares are not intended to be listed on a regulated market, investors will not benefit from the guarantees associated with regulated markets.

Within the framework of the Offering, the Company has signed a lock-up commitment that comes into effect on the date of the signing of the placement agreement concluded between the Company and the Placement Agents today and valid for 180 days from the date of settlement-delivery of the Offering, subject to certain customary exceptions. Certain Board Members and major shareholders, who between them hold 39.5% of the Company’s share capital, 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-delivery of the Offering with respect to the Company shares they hold, subject to certain customary exceptions.

This press release does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended, nor an offer to the public.

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About CARMAT

CARMAT is a French MedTech that designs, manufactures and markets the Aeson® artificial heart. The Company’s ambition is to make Aeson® the first alternative to a heart transplant, and thus provide a therapeutic solution to people suffering from end-stage biventricular heart failure, who are facing a well-known shortfall in available human grafts. The world’s first physiological artificial heart that is highly hemocompatible, pulsatile and self-regulated, Aeson® could save, every year, the lives of thousands of patients waiting for a heart transplant. The device offers patients quality of life and mobility thanks to its ergonomic and portable external power supply system that is continuously connected to the implanted prosthesis. Aeson® is commercially available as a bridge to transplant in the European Union and other countries that recognize CE marking. Aeson® is also currently being assessed within the framework of an Early Feasibility Study (EFS) in the United States. Founded in 2008, CARMAT is based in the

¹ [CARMAT press release of December 3, 2021](#); [CARMAT press release of March 28, 2022](#)

Paris region, with its head offices located in Vélizy-Villacoublay and its production site in Bois-d'Arcy. The Company can rely on the talent and expertise of a multidisciplinary team of more than 200 highly specialized people. CARMAT is listed on the Euronext Growth market in Paris (Ticker: ALCAR / ISIN code: FR0010907956). For more information, please go to www.carmatsa.com and follow us on [LinkedIn](#).

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Disclaimer

In France, the offer of Carmat shares described below will be made in the context of (i) two capital increases reserved to one or more specified categories of beneficiaries, pursuant to article L. 225-138 of the French commercial code and applicable regulatory provisions and (ii) a public offering primarily intended to retail investors through the PrimaryBid platform. Pursuant to article 211-3 of the General regulations of the French financial markets authority (Autorité des marchés financiers) (the "AMF") and articles 1(4) and 3 of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended (the "Prospectus Regulation"), the offer of Carmat shares will not require the publication of a prospectus approved by the AMF.

With respect to Member States of the European Economic Area, 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 Member State. Therefore, such securities may not be and shall not be offered in any Member State other than in accordance with the exemptions of Article 1(4) of Prospectus Regulation or, otherwise, in cases not requiring the publication of a prospectus under Article 3 of the Prospectus Regulation and/or the applicable regulations in such Member State.

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MIFID II Product Governance/Target Market: solely for the purposes of the requirements of article 9.8 of the EU Delegated Directive 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.

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