

1. WHAT IS A CONTINGENT EQUITY LINE?

- It is a financing facility made available to CARMAT that is exercisable - or not - by drawdown at the Company's discretion.
- Each time the contingent equity line is used (a "drawdown"), CARMAT carries out the equivalent of a small capital increase subscribed to by its chosen financial intermediary, Kepler Cheuvreux.
- The shares subscribed to by Kepler Cheuvreux during each drawdown are then put on the market or sold to investors, as it is not the purpose of this financial institution to remain a CARMAT shareholder.

2. WHAT ARE THE TERMS OF THIS CONTINGENT EQUITY LINE?

- This equity line concerns a maximum of 200,000 shares (or just 4.81% of the current share capital) over a two-year period.
- CARMAT can call on this equity line on the dates and for the quantities that it feels are the most appropriate regarding its financing requirements and the prevailing market conditions, each drawdown being limited to 35,000 shares (or 0.84% of the share capital).
- Use of this contingent equity line is optional, and CARMAT may decide to use just part of it, or indeed to not use it at all.

3. HOW IS A DRAWDOWN EXECUTED, AND WHEN CAN IT BE TRIGGERED?

- CARMAT sends Kepler Cheuvreux a drawdown notification, and the shares are then subscribed to by Kepler Cheuvreux on a contractual basis notably tied to the average share's price and liquidity at that time.
- The contingent equity line may be exercised at almost any time by CARMAT, apart from regulatory lock-up periods.
- The result of each drawdown will be published online on the CARMAT website.

4. WHY OPT FOR THIS TYPE OF FINANCING?

The Company does indeed have the necessary resources to finance its activity for around a year. However, this contingent equity line enables CARMAT to diversify the project's financing tools in a way that is:

- Flexible: the Company can decide when to carry out a drawdown and for how much, depending on the project's pace.
- Secure: Kepler Cheuvreux is committed to subscribe to shares throughout the 2-year programme.
- Economical: only the necessary amount of capital is raised, without the costs associated with a traditional capital increase.

5. WHY CARRY OUT AN OPERATION WITHOUT PRE-EMPTIVE SUBSCRIPTION RIGHTS ("PSR")?

- CARMAT is acting on delegation of authority granted by shareholders on June 4, 2013 and is taking into account existing resources and the best interests of its shareholders.
- The Company did not wish to carry out a major financial operation, but rather obtain a flexible financing solution enabling it to raise funds as and when required vis-à-vis the progress made by its artificial heart project. This solution offers a lower discount and removes the market risk that could result in the failure of a traditional rights issue.

6. WHAT WILL THE CONSEQUENCES BE FOR CURRENT SHAREHOLDERS?

Apart from its substantial flexibility, the advantages of this programme also include the guarantees and protection it provides for shareholders:

- The potential dilution for shareholders is limited, with the total number of new shares restricted to 200,000 CARMAT shares or 4.81% of its share capital. Should the entire contingent equity line be drawn upon, a shareholder who currently owns 1% of the Company's share capital would thus still own more than 0.95%.
- The experience of other companies shows an insignificant impact on the share price, given the modular nature of each drawdown and a discount limited to 7%.
- The best interests of both Kepler Cheuvreux and the Company's shareholders are totally aligned with each other.