



PRESS RELEASE

CARMAT announces the success of its €60 million Reserved Offering for specialized and strategic investors

- Strengthened cash position covering CARMAT's requirements through to mid-2021¹
- Considerable support from the main current shareholders
- Entry of prestigious new shareholders providing CARMAT with long-term support

Paris, September 19, 2019 – 8 am (CEST)

CARMAT (FR0010907956, ALCAR), the designer and developer of the world's most advanced total artificial heart project, aiming to provide a therapeutic alternative for people suffering from end-stage biventricular heart failure (the "**Company**"), today announces the success of its capital raised for an aggregate gross amount of €60.0 million exclusively reserved for the categories of investors defined below (the "**Reserved Offering**"). ODDO BHF SCA acted as the sole global coordinator and bookrunner of this transaction.

The transaction, whose launch was announced on September 18, 2019, was subscribed for a total amount raised of €60.0 million at a price of €19 per share.

This Reserved Offering for investors, specialists of the healthcare and life sciences industry or strategic partners of the Company, combined with the current cash position of the Company, should allow CARMAT to achieve its strategic objectives and cover its working capital requirements through to mid-2021.

Stéphane Piat, Chief Executive Officer of CARMAT, says: *"This capital raise, which substantially reinforces our cash position, strengthens and diversifies our institutional shareholder base over the long term.*

I am delighted that so many of our longstanding shareholders have again given their support to CARMAT by participating in this capital raise. I would particularly like to thank Matra Défense SAS, Lohas S.à.r.l, Santé Holdings SRL and the Therabel group, whose considerable investments again illustrate their confidence in our project.

I would also like to welcome the arrival within CARMAT's capital structure of prominent new entrepreneur and family shareholders – CORELY BELGIUM SPRL and BRATYA SPRL (investment holding companies of the Gaspard family, which owns the LYRECO group) and BAD 21 SPRL (investment holding company of Pierre-Edouard Stérin, founder of Smartbox) – as well as numerous other institutional shareholders specializing in the healthcare and life sciences industry. Their participation and their desire to be there by

¹ As at June 30, 2019, the Company had a cash position of €15.7 million. The proceeds of the Reserved Offering, combined with this cash position (and excluding the Kepler Cheuvreux equity line and the balance of the EIB loan), should cover the financial needs of CARMAT through to mid-2021.

our side over the long term make us extremely confident that we will achieve our strategic objectives and provides us with substantial visibility for the coming years.

Bolstered by the support of these prominent investors, we will be able to pursue our strategic objectives with the aim of meeting the needs of thousands of patients suffering from end-stage biventricular heart failure in Europe and the United States”.

Use of proceeds

The funds raised will be allocated to the following strategic objectives:

- finalize the PIVOTAL study by accelerating the enrollment of patients of the second cohort in existing centers and expanding it to additional clinical centers in other countries with a view to obtaining CE marking in 2020;
- initiate a clinical feasibility study in the United States, following the conditional approval granted by the FDA (Food and Drug Administration, the US health authority); and
- transform CARMAT into an industrial and commercial company and prepare the marketing of its products, notably with:
 - the ramping up of the pace of production and the continuous improvement of manufacturing processes at the Bois-d’Arcy plant,
 - the adaptation of its organization and its IT System, and
 - the strengthening of its marketing and sales structure.

Main terms of the transaction

A total number of 3,157,895 new ordinary shares, with a nominal value of €0.04, have been issued to specialist and strategic investors. The order book was largely filled, following substantial demand from new and existing institutional investors, specialists of the healthcare and life sciences industry or strategic partners of the Company.

The current shareholders Matra Défense SAS (subsidiary of the Airbus group), Lohas S.à.r.l (family office of Pierre Bastid) and Therabel Healthcare Investment s.a (subsidiary of the Therabel pharmaceutical group), which held respectively 14.1%, 13.7% and 1.3% stakes in the Company, had pledged to subscribe to this Reserved Offering for €6.4 million, €3 million and €3.5 million respectively. Moreover, Santé Holdings SRL (family office of Dr. Antonino Ligresti), which held a 7.3% stake, had pledged to subscribe proportionately to its stake.

New entrepreneur or family investors – CORELY BELGIUM SPRL and BRATYA SPRL (investment holding companies of the Gaspard family, which owns Europe’s largest office supplies distribution group LYRECO) and BAD 21 SPRL (investment holding company of Pierre-Edouard Stérin, founder of Smartbox) – had pledged to subscribe to the Reserved Offering for €15 million, €3.6 million and €7 million respectively, reflecting their confidence in the industrial project of CARMAT and their desire to support the Company over the long term alongside its existing shareholders.

These shareholders and investors were allotted 100% of their subscription commitments as part of the Reserved Offering. Their investment represents 72% of the total amount of this offering.

The new shares, which represent approximately 33% of the Company’s share capital, on a non-diluted basis, prior to the Reserved Offering, were issued yesterday evening on decisions of the Company’s chief executive officer under and within the limits of the subdelegations of competence granted by the Company’s board of directors on September 18, 2019 and on the basis of article L. 225-138 of the French commercial code (*code de commerce*) in accordance with resolutions 16 and 17 of the Company’s extraordinary general meeting of March 28, 2019 (the “**Shareholders’ Meeting**”).

The issue price of the new shares was set at €19 per share, representing a discount of 11.2% on CARMAT’s closing price on September 18, 2019, i.e. €21.30, and a discount of 16.0% on CARMAT’s volume-weighted average price on the Euronext Growth market during the five trading sessions preceding the setting of the issue price (i.e. September 12 to 18, 2019, inclusive), i.e. €22.61, in accordance with the aforementioned resolutions 16 and 17.

As an indication, a shareholder with a 1% stake in CARMAT prior to the launch of the Reserved Offering will now have a stake of 0.75%.

To the Company's knowledge, the breakdown in share ownership before and after the Reserved Offering is the following:

CARMAT shareholders (on a non-diluted basis)	Before the Reserved Offering		After the Reserved Offering	
	Number of shares	% of capital	Number of shares	% of capital
Matra Défense SAS (Airbus group)	1,333,798	14.1%	1,670,640	13.3%
Lohas SARL	1,291,959	13.7%	1,449,853	11.5%
Santé Holdings SRL	688,881	7.3%	925,091	7.4%
Prof. Alain Carpentier	548,583	5.8%	548,583	4.4%
Alain Carpentier Foundation				
Scientific Research Association	115,000	1.2%	115,000	0.9%
Cornovum	458,715	4.9%	458,715	3.6%
Funds managed by Truffle Capital	356,024	3.8%	356,024	2.8%
Therabel group	125,000	1.3%	309,210	2.5%
Air Liquide	76,982	0.8%	76,982	0.6%
CORELY BELGIUM SPRL	0	0.0%	789,473	6.3%
BRATYA SPRL	0	0.0%	189,473	1.5%
BAD 21 SPRL	0	0.0%	368,421	2.9%
Treasury shares	2,795	0.0%	2,795	0.0%
Free float	4,429,897	47.0%	5,325,269	42.3%
Total	9,427,634	100.0%	12 585 529	100.0%

Admission of new shares

The settlement-delivery of the new shares and their admission to the Euronext Growth Paris organized multilateral trading system are scheduled for September 20, 2019. 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.

This Reserved Offering is not subject to a prospectus requiring a visa from the AMF (*Autorité des Marchés Financiers*, the French financial market authority).

Abstention and lock-up commitments

In the context of the Reserved Offering, the Company has signed a lock-up commitment valid for 180 days from the date of settlement-delivery of the Reserved Offering, subject to certain customary exceptions. Certain directors and/or certain shareholders with a significant stake in the Company, together holding 47.3% of the Company's share capital, have also signed lock-up commitments taking effect on the date these commitments were signed and continuing for 90 days from the date of settlement-delivery of the Reserved Offering with respect to the Company's shares they hold, subject to certain customary exceptions.

Risk Factors

The attention of the public is drawn to the risk factors associated with the Company and its activity presented in Chapter 2 of the 2018 *document de référence* filed with the AMF under number D.19-0135 on March 12, 2019, which is available free of charge on the Company's website (www.carmat.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. The risk factors presented in that document are the same today.



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, composed of the implantable bioprosthesis and its portable external power supply system to which it is 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 physiological artificial heart: given its size, the use of highly biocompatible materials, its unique self-regulation system and its pulsatile nature, the CARMAT total artificial heart could, assuming the clinical trials are successful, potentially save the lives of thousands of patients each year with no risk of rejection and with a good 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) and of Dr. Antonino Ligresti (Santé Holdings S.R.L.), 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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This press release and the information contained herein do not constitute an offer to sell or subscribe to, or a solicitation of an offer to buy or subscribe to, shares in CARMAT ("the Company") in any country. 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. Potential risks and uncertainties include, without limitation, whether the Company will be successful in implementing its strategies, whether there will be continued growth in the relevant market and demand for the Company's products, new products or technological developments introduced by competitors, and risks associated with managing growth. The Company's objectives as mentioned in this press release may not be achieved for any of these reasons or due to other 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 the Document de Référence registration document filed with the Autorité des Marchés Financiers under number D.19-0135 on March 12, 2019, as well as changes in economic conditions, the financial markets or the markets in which CARMAT operates. In particular, no guarantee can be given concerning the Company's ability to finalize the development, validation and industrialization of the prosthesis and the equipment required for its use, to manufacture the prostheses, satisfy the requirements of the ANSM, enroll patients, obtain satisfactory clinical results, perform the clinical trials and tests required for CE marking and to obtain the CE mark. CARMAT products are currently exclusively used within the framework of clinical trials.