



## PRESS RELEASE

### **CARMAT completes a €7 million capital increase with several historical financial shareholders**

- Extension of the Company's cash runway to early 2024
- Active work on other financing solutions and measures to extend this horizon
- Confirmation of Aeson®'s early sales momentum

#### **Paris, October 16, 2023 - 07:00 am (CEST)**

CARMAT (FR0010907956, ALCAR), designer and developer of the world's most advanced total artificial heart, aimed at providing a therapeutic alternative for patients suffering from advanced biventricular heart failure (the "**Company**" or "**CARMAT**"), today announced the completion of a capital increase for a total amount of €7 million, subscribed in its vast majority by several of its historical financial shareholders ("**Capital Increase**").

**Stéphane Piat, Chief Executive Officer of CARMAT**, comments: *"As the early momentum of Aeson® sales has been confirming in recent weeks, I am delighted by the confidence in our project, demonstrated by three of our long-standing shareholders (Lohas, Santé Holdings and Therabel Invest). Their financial support will enable us to continue the deployment of our strategic plan over the coming months, and particularly to support the acceleration of our sales and our EFICAS clinical trial in France. We are also very actively working on other financing solutions and measures which, combined with a strict financial discipline, should enable us to further extend our financial visibility. We are confident in the robustness and safety of our artificial heart, and in its strong potential, and are determined to lead CARMAT to commercial success and profitability, with the support of our teams, shareholders and partners, for the benefit of patients suffering from advanced biventricular heart failure."*

#### **Use of proceeds from the Capital Increase**

As announced at the time of publication of its 2023 half-year results, the Company anticipates:

- growth in European sales, with revenue of around €4 to 6 million in the 2<sup>nd</sup> half of 2023, followed by a sharp increase in 2024;
- production capacity of 500 hearts per year by the end of 2023;
- 30 operational centers for commercial implants by the end of 2023;
- ramp-up of implants in the EFICAS study in France;
- US "PMA" application by the end of 2026.

To date, the early sales momentum has been confirmed, with a pace of one implant per week achieved over the past three weeks.

The Company plans to use the proceeds of the Capital Increase to support its activities over the coming months, and more specifically to develop its sales and continue its clinical trials.

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Given its sales forecasts and efforts to control costs, CARMAT estimates its financing horizon to the beginning of 2024.

Meanwhile, the Company intends to implement rigorous financial discipline, and is very actively working on other financing solutions and measures, in order to strengthen its financial structure and alleviate its cash constraints.

Based on its business plan, the Company estimates that it will have to secure around €50 million in additional financing to cover its operations and investments until the end of October 2024<sup>1</sup>, amount to which should be added €14.7 million corresponding to the first tranche of the EIB<sup>2</sup> loan (principal and interest), which is due on January 31, 2024.

### **Main terms of the Capital Increase**

The Board of Directors of CARMAT, making use of the delegation of authority granted to it under the Resolution 16 of the Company's Combined General Meeting of May 11, 2023 (rights issue in favor of categories of persons meeting specified characteristics (i.e. individuals, French or foreign companies or investment funds investing on a regular basis, or having invested more than 2 million euros over the 36 months preceding the issue in question, in the life sciences and technologies sector)) (the "**AGM**") and in accordance with articles L. 225-138 et seq. of the French Commercial Code, decided on October 15, 2023 to carry out a capital increase of €7.0 million, through the issue of 1,944,442 new shares with a par value of €0.04 each (the "**New Shares**") at a price of €3.60 and set the period for subscribing and paying in funds at one week.

The subscription price corresponds to the closing price on October 13, 2023. It represents 94.1% of the volume-weighted average price of CARMAT shares over the 5 trading days prior to the pricing of the issue.

The existing shareholders Lohas SARL, Santé Holdings SRL and Therabel Invest SARL, holding respectively 8.3%, 8% and 2.4% of the share capital, subscribed to the Capital Increase for an amount of 3.75 million euros, 2.5 million euros and 500,000 euros respectively. Olivier Revol also participated to the round for an amount of 250,000 euros.

It is specified that the subscribers who are also directors on CARMAT's Board of Directors did not take part in the vote on the Capital Increase at the Board of Directors' meeting on October 15, 2023.

### **Impact of the issue on the breakdown of share capital**

The new shares represent approximately 8.5% of the Company's share capital, on a non-diluted basis, before completion of the Capital Increase and 7.8% of the Company's share capital, on a non-diluted basis, after completion of the Capital Increase.

Thus, a shareholder holding 1% of the issued capital before the transaction will hold 0.92% of the capital after the transaction.

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<sup>1</sup> I.e., 12 months starting from the Capital Increase that is the subject of this press release.

<sup>2</sup> Under the terms of an agreement entered into on December 17, 2018, the Company has taken out a loan with the EIB for €30 million, paid in 3 tranches of €10 million on January 31, 2019, May 4, 2020 and October 29, 2021. Each tranche to be repaid, in principal and interest, 5 years after it is disbursed to the Company.

To the best of the Company's knowledge, the breakdown in share ownership before and after completion of the Capital Increase is as follows:

	Before the Capital Increase (on a non-diluted basis)		After the Capital Increase (on a non-diluted basis)	
	Number of shares	% of capital	Number of shares	% of capital
Matra Défense SAS (Groupe Airbus)	2,670,640	11.7%	2,670,640	10.8%
Lohas SARL (Pierre Bastid)	1,905,288	8.3%	2,946,954	11.9%
Santé Holdings SRL (Dr Antonino Ligresti)	1,823,900	8.0%	2,518,344	10.2%
Corely Belgium SPRL (Famille Gaspard)	880,000	3.9%	880,000	3.6%
Bratya SPRL (Famille Gaspard)	230,000	1.0%	230,000	0.9%
Pr. Alain Carpentier & Famille	491,583	2.2%	491,583	2.0%
Association Recherche Scientifique Fondation Alain Carpentier	115,000	0.5%	115,000	0.5%
Therabel Invest SàRL	540,162	2.4%	679,050	2.7%
Cornovum	458,715	2.0%	458,715	1.9%
François IV SAS	319,898	1.4%	319,898	1.3%
Self-retention	7,565	0.03%	7,565	0.03%
Floating	13,400,843	58.7%	13,470,287	54.3%
<b>Total</b>	<b>22,843,594</b>	<b>100.0%</b>	<b>24,788,036</b>	<b>100.0%</b>

### Admission of new shares

Settlement-delivery of the new shares and their admission to trading on the Euronext Growth® Paris multilateral trading facility under ISIN code FR0010907956 are expected to take place no later than October 23, 2023, on the same quotation line as the Company's existing ordinary shares. The new shares will carry dividend rights and will be immediately assimilated to the Company's existing ordinary shares, will be of the same class and fungible with the existing shares, and will carry all the rights attached to the shares.

Following settlement-delivery, CARMAT's share capital will amount to 991,521.44 euros, divided into 24,788,036 shares.

The Capital Increase does not give rise to a prospectus subject to the approval of the *Autorité des marchés financiers* (the "AMF").

### Risk factors relating to the Capital Increase

The public's attention is drawn to the risk factors relating to the Company and its business, presented (i) in Chapter 2 of its 2022 universal registration document filed with the *Autorité des marchés financiers* on April 21, 2023, available free of charge on the Company's website ([www.carmatsa.com](http://www.carmatsa.com)) and the AMF's website ([www.amf-france.org](http://www.amf-france.org)) and (ii) in section 2.4 of the half-yearly financial report for the six months ended June 30, 2023 published on the Company's website on September 25, 2023. Investors are also invited to consider the Company's need to strengthen its capital base or to raise additional financing, in

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particular to meet commitments made to its lenders. The occurrence of any or all of these risks could have an adverse effect on the Company's business, financial situation, results, development or prospects.

In addition, investors are invited to consider the following specific risks:

- the market price of the Company's shares could fluctuate and fall below the subscription price of the shares issued as part of the Capital Increase;
- the volatility and liquidity of the Company's shares could fluctuate significantly;
- sales of the Company's shares could occur on the market and have an unfavorable impact on the Company's share price;
- the Company's shareholders could suffer potentially significant dilution as a result of any future capital increases made necessary by the Company's search for financing; and
- as the securities are not intended to be listed on a regulated market, investors will not benefit from the guarantees associated with regulated markets.

This press release does not constitute a prospectus under Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, as amended, or 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 advanced 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 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 circa 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](http://www.carmatsa.com) and follow us on [LinkedIn](#).

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In France, the offer of CARMAT shares described below has been made within the framework of a capital increase reserved for investors falling within the category of beneficiaries defined in the sixteenth resolution of the Company's General Meeting of May 11, 2023, in accordance with article L. 225-138 of the French Commercial Code and applicable regulatory provisions. 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 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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