



PRESS RELEASE

CARMAT announces the completion of its capital increase for a gross amount of €16.5 million, including the exercise by the Lead Manager and Bookrunner of the overallotment option for an amount of €1.5 million

- The funds raised represent 110% of the Initial Offer; the net amount of €14.9 million will contribute to the Company's short-term financing
- Together, demand and underwriting and guarantee commitments reached €18.8 million and were allocated as follows:
 - €9.2 million as part of the global offering, including €7.8 million in subscription commitments (100% allocation) and €1.4 million in guarantee commitments (24% allocation), representing 56% of the Offer
 - €7.3 million as part of the public offering, i.e. a 100% allocation, representing 44% of the Offer
- After the Offer, the Company's 12-month financing need amounts to c. €50 million (with a cash runway to end-February 2024), which could be reduced to €35 million (with a cash runway to mid-May 2024) in the case of a definitive agreement with the EIB¹



Paris, January 29, 2024 – 7 am (CET)

CARMAT (FR0010907956, ALCAR), designer and developer of the world's most advanced total artificial heart, aiming to provide a therapeutic alternative for people suffering from advanced biventricular heart failure (the "**Company**" or "**CARMAT**"), announces the completion of its capital increase by way of a public offering without preferential subscription rights for a total gross amount of €16.5 million, including the partial exercise of the overallotment option granted by the Company to the Lead Manager and Bookrunner, for a gross amount of €1.5 million.

Stéphane Piat, Chief Executive Officer of CARMAT, said: *"I would like to thank all investors, both historical and new, individual and institutional, who have contributed to the success of this capital increase, and thus demonstrated their confidence in the development of our Company. The funds raised will, in the coming weeks and months, enable us to build on the sales momentum initiated in the fourth quarter of 2023. More and more patients will thus be able to benefit from our unique therapy. We are*

¹ For further details on this agreement, please refer to the [Company's press release dated January 12, 2024](#).

more than ever determined to move forward and make Aeson® a reference therapy in the treatment of advanced biventricular heart failure."

Use of proceeds of the Offering

The Company plans to use the funds raised to strengthen its equity and finance its short-term working capital requirements; and in particular to continue the development of its production and sales, as well as its EFICAS clinical trial in France.

Following this capital increase, the Company estimates its financing needs for the next 12 months at about €50 or €35 million², depending on the outcome of its ongoing discussions with its financial creditors³ (in particular the European Investment Bank or "EIB"), which is anticipated in the first quarter of 2024.

Should a final agreement with the EIB not materialize, CARMAT's financing needs for the next 12 months would amount to c. €50 million, and the Company could fund its activities until February 22, 2024 without any further financing.

Assuming the conditional agreement in principle with the EIB is implemented, this financing need would be reduced to €35 million, and the Company's cash runway would, without any further new financing, be extended to mid-May 2024.

CARMAT anticipates to reach an agreement with its financial creditors by the end of the first quarter of 2024 and carries on working very actively to secure additional financing in the short-term, to enable the Company to further extend its cash runway.

Terms of the Offering

The Company's Chief Executive Officer decided on Sunday, January 28, 2024, to issue 3,759,399 new ordinary shares at a unit price of €3.99 (including issue premium), representing a total capital increase of €15,000,002.01 (including issue premium). This capital increase was increased by a further 382,071 new ordinary shares (together with the new shares issued in connection with the initial Offer, the "**New Shares**"), representing an additional amount of €1,524,463.29 (including share premium), following the partial exercise of the overallotment option granted by the Company to the Lead Manager and Bookrunner.

The New Shares were the subject of a global offering (the "**Offering**") comprising (a) a public offering in France, primarily aimed at individuals (the "**Public Offering**"), and (b) a global placement aimed at institutional investors (the "**Global Placement**").

The New Shares were allocated as follows:

- 2,314,819 New Shares were allocated to subscriptions under the Global Offering, of which 814,534 to investors who had given a subscription commitment and 352,173 to guarantors (representing a servicing rate of around 24% of the amount of their initial commitments); and
- 1,826,651 New Shares were allocated to subscriptions under the Public Offering.

In return for their guarantee commitments, the guarantors received a fee equal to €0.32 million (corresponding to 5% of their total commitment and 2% of the amount effectively called).

In accordance with Article 6 of EU Delegated Regulation 2016/1052 of March 8, 2016, Invest Securities, in its capacity as stabilizing agent, reports that no stabilization operation has been implemented, and that the stabilization period was terminated today.

² For further details, please refer to the statement on the Company's working capital, included in the Prospectus for the offering approved by the Autorité des marchés financiers (the "AMF") on January 17, 2024 under number 24-005 (the "Prospectus").

³ For further details, please refer to the Prospectus and see the Company's press release dated January 12, 2024 on the conditional agreement in principle reached with the European Investment Bank.

Breakdown of share capital and voting rights following the Offer

To the best of the Company's knowledge, its shareholder structure before and after the completion of the Offer will be as follows:

Shareholders	Before the Offer			After the Offer			After the Offer on a diluted basis ⁽²⁾		
	Number of shares	% of capital	% of voting rights ⁽¹⁾	Nombre d'actions	Number of shares	% of capital	% of voting rights ⁽¹⁾	% du capital	Number of shares
Lohas SARL	2,946,954	11.9%	10.2%	3,322,893	11.5%	10.0%	3,322,893	10.6%	9.3%
Matra Défense SAS	2,670,640	10.8%	12.6%	2,670,640	9.2%	11.0%	2,670,640	8.5%	10.3%
Sante Holdings SRL	2,518,344	10.2%	12.6%	2,894,283	10.0%	12.2%	2,894,283	9.2%	11.3%
Corely Belgium SPRL	880,000	3.6%	5.8%	880,000	3.0%	5.0%	880,000	2.8%	4.7%
Bratya SPRL	99,490	0.4%	0.7%	99,490	0.3%	0.6%	99,490	0.3%	0.6%
Pr. Alain Carpentier & Famille	491,583	2.0%	3.4%	491,583	1.7%	3.0%	491,583	1.6%	2.8%
ARSF A. Carpentier	115,000	0.5%	0.8%	115,000	0.4%	0.7%	115,000	0.4%	0.6%
Therabel Invest	679,050	2.7%	2.3%	741,706	2.6%	2.2%	747,706	2.4%	2.1%
Cornovum	458,715	1.9%	1.6%	458,715	1.6%	1.4%	458,715	1.5%	1.3%
Stéphane Piat	174,165	0.7%	1.6%	174,165	0.6%	1.4%	1,182,608	3.8%	3.5%
Treasury shares	6,474	0.0%	0.0%	6,474	0.0%	0.0%	6,474	0.0%	0.0%
Free float	13,747,621	55.5%	48.4%	17,074,557	59.0%	52.4%	18,566,021	59.1%	53.6%
TOTAL	24,788,036	100.0%	100.0%	28,929,506	100.0%	100.0%	31,435,413	100.0%	100.0%

(1) Percentage of exercisable voting rights out of 28,966,063 theoretical voting rights at 12/31/2023, the difference between the percentage of capital and voting rights being explained mainly by the existence of double voting rights.

(2) At the date of the Prospectus, there were 2,439,907 bonus shares not yet definitively allocated and 66,000 warrants outstanding. This diluted basis does not take into account the number of shares likely to be issued in connection with the equitization of the EIB loan, which cannot be precisely determined as it will depend in particular on future trends in CARMAT's share price⁴.

Amount and percentage of the dilution immediately resulting from the Offering

For guidance purposes, the impact of the Offering on the stake of a shareholder holding 1% of the Company's share capital prior to the Offering and not subscribing to it, and on the portion of the Company's shareholders' equity per share would be as follows (based on 24,788,036 shares outstanding and unaudited shareholders' equity of -€17.54 million as of November 30, 2023):

	Portion of capital		Portion of shareholders' equity per share	
	Non-diluted basis	Diluted basis	Non-diluted basis	Diluted basis
Before the Offering	1.00%	0.91%	-0.708	-0.597
After the issuance of 4,141,470 New Shares	0.86%	0.79%	-0.091	-0.044

* At the date of Prospectus, 2,439,907 bonus shares and 66,000 warrants were outstanding. This diluted basis does not take into account the number of shares likely to be issued in connection with the equitization of the EIB loan, which cannot be precisely determined as it will depend in particular on future trends in CARMAT's share price.

Lock-up commitment by the Company - No commitment to retain shares

CARMAT continues its development and intends to keep open the possibility of implementing other initiatives aimed at securing additional financing and alleviating its cash flow constraints.

In this context, the Company has granted Invest Securities, the Lead Manager and Bookrunner, a lock-up commitment until March 15, 2024, subject to certain customary exceptions, and the issuance by the Company of securities in connection with the planned "equitization" of the EIB loan.

It is specified that no lock-up commitment has been asked for in the context of the Offering neither from the Company's existing shareholders nor from investors who have committed to subscribing to the Offering.

Settlement and delivery of the New Shares

Settlement and delivery of the New Shares and their admission to trading on the Euronext Growth multilateral trading facility in Paris are scheduled on January 31, 2024.

⁴ For further details of this potential equitization, please refer to the Company's press release dated January 12, 2024. The attention of investors is drawn to the fact that the implementation of the "equitization" mechanism (extinguishment of liabilities through spread issues of shares to be sold within a short period of time) on all or part of the tranches of the loan (representing a maximum of €48 million including interest) is likely to result in significant dilution and downward pressure on the share price.

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.

Availability of the prospectus

The Public Offer has been the subject of a prospectus approved by the French Financial Markets Authority (*Autorité des marchés financiers* - the “**AMF**”) on January 17, 2024 under number 24-005 (the “**Prospectus**”). This prospectus comprises: (i) the Company's 2022 universal registration document filed with the AMF on April 21, 2023 under number D.23-0323 (the “**2022 URD**”); (ii) an amendment to the 2022 URD filed with the AMF on January 17, 2024 under number D.23-0323-A1 (the “**Amendment**”); (iii) a securities note (the “**Note d’Opération**”); and (iv) a summary of the Prospectus included in the *Note d’Opération*.

The Prospectus is available online on the CARMAT (www.carmatsa.com) and AMF (www.amf-france.org) websites. The approval of the Prospectus should not be taken as an endorsement by the AMF of the securities offered.

Risk Factors

Investors are invited to carefully consider the risk factors described in chapter 2 “Risk Factors” of the 2022 URD, and in particular the “Funding risk”, “Risk of operational and financial unviability”, “Risk associated with production quality” and “Risk associated with the supply of materials and components” sections, as updated in chapter 4 of the Amendment and chapter 3 “Risk Factors associated with the Offering” of the *Note d’Opération*.

Partners in the transaction



Lead Manager and Bookrunner



Advisor

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 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 and follow us on [LinkedIn](https://www.linkedin.com/company/carmat).

CARMAT
Stéphane Piat
Chief Executive Officer

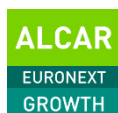
Pascale d'Arbonneau
Chief Financial Officer
Tel.: +33 1 39 45 64 50
contact@carmatsas.com

Alize RP
Press Relations

Caroline Carmagnol
Tel.: +33 6 64 18 99 59
carmat@alizerp.com

NewCap
Financial Communication
& Investor Relations

Dusan Oresansky
Tel.: +33 1 44 71 94 92
carmat@newcap.eu



Name: **CARMAT**
ISIN code: **FR0010907956**
Ticker: **ALCAR**

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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 is an advertisement and not a prospectus within the meaning of the Prospectus Regulation.

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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.

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