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KALRAY ANNOUNCES THE VERY LARGE SUCCESS OF ITS FUNDRAISING OF MORE THAN €24M

- Total demand of €28.4 million for the Fundraising, i.e., an oversubscription rate of 2.8x
- Fundraising of a total amount of around €24.4 million by issuance of a total number of 1,475,795 new ordinary shares ("the New Shares") carried out for €21.7 million from qualified investors and €2.7 million from individual investors, via the PrimaryBid platform (together the "Fundraising");
- Settlement-delivery of New Shares on December 6, 2022.

Grenoble - France, December 2, 2022 – Kalray (Euronext Growth Paris: ALKAL), a leading provider of hardware and software technologies and solutions for high-performance, data-centric computing markets, from Cloud to Edge, announces the very large success of the Fundraising of approximately €24.4 million, from qualified investors via an accelerated book-building, for €21.7 million, and individual investors for approximately €2.7 million (via the PrimaryBid platform).

Eric Baissus, Kalray CEO, says: "I would like to thank the many institutional and private investors who have mobilized on a massive scale, and have shown their confidence in KALRAY, its projects and its growth ambitions.

The private placement saw very strong demand as did the PrimaryBid offer, which attracted the interest of more than 1,400 retail investors. In particular, we are very pleased with the support of our current shareholders and for integrating more than forty new French and foreign institutional investors into our capital.

The very large success of this fundraising will enable us to continue our growth to become a global leader, particularly by proceeding with new recruitments and investing in our next generation of processors."

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MAIN TERMS OF THE FUNDRAISING

Total demand amounted to €28.4 million, 89% from institutional investors and 11% from individuals via the PrimaryBid platform, i.e., a demand for subscription of 2.8x the initial amount.

The Fundraising, for a total amount of around €24.4 million, including a share issue premium, was carried out, with no preferential subscription rights and no priority period, for 1,475,795 new ordinary shares ("The New Shares"), within the framework of:

- a capital increase of €21.7million (share issue premium included) with an offer of 1,314,278 new ordinary shares, to a select group of investors and/or qualified investors within the meaning of paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code (pursuant to the twentieth resolution of the Company's Combined General Meeting of June 27, 2022, and the decisions made by the Chairman of the Executive Board on December 1, 2022), ("Private Placement");
- a public offering of new shares (other than the offer referred to in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code) primarily intended for individual investors via the PrimaryBid platform, for an amount (issue premium included) of €2.7 million, through the issue of 161,517 new shares (pursuant to the nineteenth resolution of the Company's Combined General Meeting of June 27, 2022, and the decisions taken by the Chairman of the Executive Board on December 1, 2022) (the "PrimaryBid Offer").

The New Shares, representing approximately 22.5% of the Company's share capital, on a non-diluted basis, prior to the completion of the Fundraising, and 18.3% of the Company's share capital, on a non-diluted basis, after completion of the Fundraising, were issued yesterday evening by decision of the Chairman of the Executive Board, pursuant to the sub-delegation of competence granted on December 1, 2022, by the Company's Executive Board, with the prior approval of Kalray's Supervisory Board on that same date.

The price per share within the framework of the Private Placement and the PrimaryBid Offer is equal to €16.50, representing a premium of 19.50% versus the closing Kalray share price on December 1, 2022 (i.e., €20.50), and a premium of 18.60% compared to the average volume-weighted share price of the Kalray share over the last three trading sessions prior to setting the issue price i.e., December 1, November 30 and November 29, 2022 (i.e., €20.26).

It is specified that prior to the launch of the Fundraising, two new investors, Calao Finance and a French Tech entrepreneur via his Family Office as well as three existing shareholders, namely Definvest fund, managed by Bpifrance Investissement, Sunny Asset Management and Financière Arbevel, pledged to underwrite in the context of the Private Placement for an amount respectively of €0.2 million, €1 million, €1.5 million, €1.7 million

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and €0.8 million, accounting altogether for 21.2% of total Fundraising. These shareholders and investors have been allocated for their entire commitment in the Private Placement.

The settlement-delivery of the New Shares issued within the framework of the Fundraising and their admission to trading on Paris' Euronext Growth® market under ISIN code FR0010722819 – ALKAL will take place on December 6, 2022. The new shares will be subject to all the statutory provisions and assimilated to the existing shares upon final completion of the capital increase. Such shares will bear current dividend rights, to be admitted for trading on Euronext Growth® Paris market on the same listing line as the Company's shares that are already listed under the same ISIN code – FR0010722819 - ALKAL.

The Fundraising will not result in the publication of a prospectus subject to the approval by the French financial markets authority ("AMF")¹.

ALLOCATION OF FUNDS

The Fundraising will allow Kalray to acquire additional resources to support its strategic roadmap with two axes:

- (i) The strengthening of a first-rate team in key positions, particularly internationally, to support the Company's strong growth ambitions (sales, sales support, management team) (around 20% of the FundRaising);
- (ii) Continuing to invest in its next generation of processors, scheduled for production by 2025, to continue to meet the major technological challenges of its markets (around 80% of the FundRaising).

Prior to the fundraising, on the basis of its planned operating revenues and expenses, the Company estimated being able to finance its operations over a period of at least twelve (12) months. The Company's analysis remains unchanged following the Fundraising, with the amount of the offer enabling the financing of its investments related to the next generation of its products and the strengthening of its teams.

IMPACT OF THE FUNDRAISING ON KALRAY SHAREHOLDING

Kalray's share capital will comprise 8,047,187 shares subsequent to the settlement-delivery of the New Shares.

Subsequent to the Fundraising, the breakdown of KALRAY's capital is now as follows (on a non-diluted basis):

¹In any event, the PrimaryBid Offer will total less than 8 million euros (€8 million).

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Shareholders	Before the Fundraising		After the Fundraising	
	Number of shares and voting rights	% of capital and voting rights	Number of shares and voting rights	% of capital and voting rights
CEA Investissement*	315,416	4.80%	315,416	3.92%
Shareholders acting in concert	762,821	11.61%	762,821	9.48%
MBDA	111,016	1.69%	111,016	1.38%
SAFRAN Corporate Ventures*	318,383	4.84%	318,383	3.96%
PENGPAL France	357,142	5.43%	357,142	4.44%
ALLIANCE Ventures*	241,467	3.67%	241,467	3.00%
DEFINVEST (Bpifrance)	155,549	2.37%	246,458	3.06%
NXP*	503,461	7.66%	503,461	6.26%
Public float	3,806,137	57.92%	5,191,023	64.51%
TOTAL	6,571,392	100.00%	8,047,187	100.00%

*members of the Supervisory Board

On the basis of the post-Fundraising share capital, the interest of a shareholder who held 1.00% of KALRAY's capital prior to the capital increase and who did not subscribe to it now stands at 0.82%.

ABSTENTION AND LOCK-UP COMMITMENTS

Within the framework of the Fundraising, the Company has signed an abstention commitment for a period of 180 days. The latter is effective from the settlement-delivery of the Fundraising, subject to certain customary exceptions and excluding the issue of new shares on conversion of bonds convertible into shares issued in April and September 2022 and currently outstanding, thereby restricting the Company's ability to issue new shares during the same period.

Chairman of the Executive Board, Eric Baissus, has signed a lock-up commitment for 180 days from the date of settlement-delivery of the Fundraising in respect of 90% of his shareholding (i.e., 0.5% of the share capital on a non-diluted basis before FundRaising), subject to certain customary exceptions. Several financial investors of Kalray who sit on the Company's Supervisory Board—specifically Safran Corporate Ventures, CEA Investissement, Definvest, NXP, and long-standing investors acting in concert—collectively account for 31.28% of the share capital on a non-diluted basis before FundRaising. This group of investors has signed a lock-up commitment for 180 days on 100% of their shareholding from the date of settlement-delivery of the Fundraising, subject to certain customary exceptions.

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FINANCIAL INTERMEDIARIES

GILBERT DUPONT (SOCIETE GENERALE GROUP) AND PORTZAMPARC (BNP PARIBAS GROUP) acted as Global Coordinators as well as joint Lead Managers and Book builders.

Within the framework of the PrimaryBid Offer, investors were only able to subscribe via the PrimaryBid platform (<https://primarybid.fr/>) or through PrimaryBid partners listed on the PrimaryBid website.

RISK FACTORS

Investors are reminded of Company- and business-related risk factors, as outlined in Kalray's annual Financial Report published on March 31, 2022. The document is accessible free of charge from the Kalray website (Financial Documents | Kalray (kalrayinc.com)).

Additionally, investors are advised to consider the following risks pertaining to the Fundraising: (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 Fundraising, (ii) the volatility and liquidity of the Company's shares may fluctuate considerably, (iii) divestments of the Company's shares may take place on the market and negatively impact its share price, and (iv) the Company's shareholders could suffer potentially significant dilution resulting from any future capital increases required to provide the Company with additional financing.

ABOUT KALRAY

Kalray is a leading provider of hardware and software technologies and solutions for high-performance, data centric computing markets, from cloud to edge.

Kalray provides a full range of products to enable smarter, more efficient, and energy-wise data-intensive applications and infrastructures. Its offers include its unique patented DPU (Data Processing Unit) processors and acceleration cards as well as its leading-edge software-defined storage and data management offers. Separated or in combination, Kalray's high-performance solutions allow its customers to improve the efficiency of data centers or design the best solutions in fast-growing sectors such as AI, Media & Entertainment, Life Sciences, Scientific Research, Edge Computing, Automotive and others.

Founded in 2008 as a spin-off of the well-known French CEA research lab, with corporate and financial investors such as Alliance Venture (Renault-Nissan-Mitsubishi), NXP Semiconductors or Bpifrance, Kalray is dedicated through technology, expertise, and passion to offer more: more for a smart world, more for the planet, more for customers and developers. www.kalrayinc.com

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DISCLAIMER

In France, the offer of Kalray shares described below has been made in the context of (i) an offer made to a select group of investors and/or qualified investors within the meaning of paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code and (ii) a public offer 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 Kalray 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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