

ANNOUNCEMENT OF OFFER PRICE AND ALLOTMENT RESULTS

SUMMARY

Offer Price

- The Offer Price has been determined at HK\$18.70 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

Net Proceeds from the Global Offering

- Based on the Offer Price of HK\$18.70 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deduction of underwriting commissions and other estimated expenses payable by the Company in connection with the Global Offering and assuming the Over-allotment Option is not exercised, are estimated to be approximately HK\$1,552.4 million. The Company intends to apply such net proceeds in accordance with the purposes as set out in the section headed “Net Proceeds from the Global Offering” in this announcement.
- If the Over-allotment Option is exercised in full, the Company will receive additional net proceeds of approximately HK\$240.6 million for 13,403,000 additional Shares to be allotted and issued, after deduction of underwriting commissions and other estimated expenses payable by the Company in connection with the Global Offering.

Applications under the Hong Kong Public Offering

- The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been significantly over-subscribed. A total of 30,993 valid applications have been received under the Hong Kong Public Offering through the **White Form eIPO** service and the **CCASS EIPO** service for a total of 99,429,500 Hong Kong Offer Shares, representing approximately 11.13 times of the total number of 8,935,500 Offer Shares initially available for subscription under the Hong Kong Public Offering.
- As the number of Offer Shares validly applied for under the Hong Kong Public Offering represents less than 15 times of the number of Offer Shares initially available for subscription under the Hong Kong Public Offering, the reallocation procedures as described in the section headed “Structure of the Global Offering” in the Prospectus have not been effected.
- Out of the 30,993 valid applications, there were 5,663 successful applicants that have been allocated with the Offer Shares under the Hong Kong Public Offering. Out of 5,663 successful applicants, 4,616 of them were allotted with one board lot of Offer Shares totaling 2,308,000 Shares.

International Offering

The Offer Shares initially offered under the International Offering were moderately over-subscribed, representing approximately 4.1 times of the total number of 80,419,500 Offer Shares initially available under the International Offering. The final number of Offer Shares under the International Offering is 80,419,500 Offer Shares, representing 90.0% of the Offer Shares initially available under the Global Offering (assuming the Over-allotment Option is not exercised). There has been an over-allocation of 13,403,000 Offer Shares in the International Offering and there are a total of 103 placees under the International Offering, among which 48 placees have been allotted five or fewer board lots of the Shares for a total of 38,000 Shares.

Cornerstone Investors

- Based on the Offer Price of HK\$18.70 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) and pursuant to the Cornerstone Investment Agreements as disclosed in the section headed “Cornerstone Investors” in the Prospectus, the Cornerstone Investors have subscribed for a total of 37,819,000 Offer Shares, representing (a) approximately 7.2% of the Company’s issued share capital immediately following the completion of the Global Offering and (b) approximately 42.3% of the Offer Shares initially available under the Global Offering, in each case assuming the Over-allotment Option is not exercised. Please refer to the section headed “Cornerstone Investors” in this announcement for further details.
- Emerging Fund is an existing Shareholder of our Company and Lake Bleu Prime, Summer Healthcare, Valliance Fund and Worldwide Fund are the close associates of the existing Shareholders of our Company. They have been permitted to participate in the Cornerstone Placing pursuant to paragraph 5.2 of the Stock Exchange Guidance Letter HKEX-GL92-18 and have been granted a waiver from strict compliance with requirements under Rule 10.04 of, and a consent under paragraph 5(2) of Appendix 6 to, the Listing Rules by the Stock Exchange. Please refer to the section headed “Waivers from Strict Compliance with the Listing Rules and Exemptions from Compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance” in the Prospectus for further details.

Confirmations of Cornerstone Investors, Public Shareholders in the Hong Kong Public Offering and Placees in the International Offering

Save as disclosed in the paragraph headed “Cornerstone Investors” in this announcement, to the best knowledge of the Company, (i) each of the Cornerstone Investors is an Independent Third Party and is not a connected person of the Company (as defined in the Listing Rules), and is independent from other Cornerstone Investors; (ii) none of the Cornerstone Investors is accustomed to taking instructions from the Company or its subsidiaries, the Directors, chief executive, Controlling Shareholders, Substantial Shareholders or existing Shareholders or their respective close associates; and (iii) none of the subscription of the relevant Offer Shares by any of the Cornerstone Investors is financed directly or indirectly by the Company or its subsidiaries, the Directors, chief executive, Controlling Shareholders, Substantial Shareholders or existing Shareholders or their respective close associates, except for, in each case where applicable, certain Cornerstone Investors (namely, Emerging Fund who is an existing Shareholder and Lake Bleu Prime, Summer Healthcare, Valliance Fund and Worldwide Fund who are close associate of the existing Shareholders of the Company).

To the best knowledge, information and belief of the Directors, save as disclosed in the paragraph headed “Cornerstone Investors” in this announcement, no Offer Shares placed by or through the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers or the Underwriters under the Global Offering have been placed with any core connected persons (as defined in the Listing Rules) or directors of the Company, or to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines), or persons set out in paragraph 5(2) of the Placing Guidelines, whether in their own names or through nominees. The International Offering is in compliance with the Placing Guidelines.

The Directors confirm that (i) no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after the Global Offering; and (ii) there will not be any new substantial Shareholder (as defined in the Listing Rules) of the Company immediately after the Global Offering.

The Directors confirm that, to the best of their knowledge, (i) none of the Offer Shares subscribed by the placees and the public has been financed directly or indirectly by any of the Directors, chief executive, Controlling Shareholders, Substantial Shareholders or existing Shareholders of the Company or any of its subsidiaries or any of their respective close associates, and (ii) none of the placees and the public who has subscribed for the Offer Shares is accustomed to taking instructions from any of the Directors, chief executive, Controlling Shareholders, Substantial Shareholders or existing Shareholders of the Company or any of its subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in his/her/its name or otherwise held by him/her/it, except for certain Cornerstone Investors (namely, Emerging Fund, Lake Bleu Prime, Summer Healthcare, Valliance Fund and Worldwide Fund).

Over-allotment Option

In connection with the Global Offering, the Company has granted to the International Underwriters the Over-allotment Option, exercisable by the Joint Representatives (for themselves and on behalf of the International Underwriters) at any time within 30 days from the last day for lodging applications under the Hong Kong Public Offering (the last day for exercise of the Over-allotment Option being Saturday, October 16, 2021), to require the Company to issue and allot up to 13,403,000 additional Shares, representing approximately 15% of the Offer Shares initially available under the Global Offering, at the Offer Price to cover over-allocations in the International Offering. There has been an over-allocation of Offer Shares in the International Offering and such over-allocation will be settled using Shares to be borrowed under the Stock Borrowing Agreement between Goldman Sachs International and Broncus Biomedical Limited. Such borrowed Shares will be covered by exercising the Over-allotment Option in full or in part, or by making purchases in the secondary market at prices that do not exceed the Offer Price, or by a combination of these means. In the event the Over-allotment Option is exercised, an announcement will be made on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.broncus.com. As of the date of this announcement, the Over-allotment Option has not been exercised.

Lock-up Undertakings

The Company, the Controlling Shareholders, the other existing Shareholders and the Cornerstone Investors have provided certain lock-up undertakings as set out in the section headed "Lock-up Undertakings" in this announcement.

Results of Allocations

- The results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Hong Kong Public Offering will be available at the times and dates and in the manner specified below:
 - in the announcement to be posted on the Company's website at www.broncus.com and the Stock Exchange's website at www.hkexnews.hk by no later than 9:00 a.m. on Thursday, September 23, 2021. Please note that the list of identification document numbers in this announcement may not be a complete list of successful applicants since only successful applicants whose identification document numbers are provided to HKSCC by CCASS Participants are disclosed. Applicants with beneficial names only but not identification document numbers are not disclosed due to personal privacy issue as elaborated below. Applicants who applied for the Offer Shares through their brokers can consult their brokers to enquire about their application results;
 - from the designated results of allocations website at www.iporesults.com.hk (alternatively: English <https://www.eipo.com.hk/en/Allotment>; Chinese <https://www.eipo.com.hk/zh-hk/Allotment>) with a "search by ID" function on a 24-hour basis from 8:00 a.m. on Thursday, September 23, 2021 to 12:00 midnight on Wednesday, September 29, 2021; and
 - from the allocation results telephone enquiry line by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. on Thursday, September 23, 2021, Friday, September 24, 2021, Monday, September 27, 2021 and Tuesday, September 28, 2021.

- The final Offer Price, the level of indications of interests in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares are also published in the announcement to be posted on Thursday, September 23, 2021 on the Company's website at www.broncus.com and the Stock Exchange's website at www.hkexnews.hk.
- This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed "Results of Applications Made by **White Form eIPO**" refer to Hong Kong identity card numbers provided by the applicants whereas those displayed in the section headed "Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS" are provided by brokers via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature.
- Since applications are subject to personal information collection statements, beneficial owner identification codes displayed in the section headed "Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS" are redacted and not all details of applications are disclosed in this announcement.

Dispatch/Collection of Share Certificates and Refund Monies

- Applicants who applied for 1,000,000 Hong Kong Offer Shares or more through the **White Form eIPO** service and who have been successfully or partially successfully allocated Hong Kong Offer Shares and are eligible to collect Share certificate(s) in person may collect Share certificate(s) from the Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong from 9:00 a.m. to 1:00 p.m. on Thursday, September 23, 2021, or such other date as notified by the Company as the date of dispatch/collection of Share certificates/e-Refund payment instructions/refund checks.
- Share certificates for Hong Kong Offer Shares allotted to applicants who applied through the **White Form eIPO** service, which are either not available for personal collection or which are available but are not collected in person within the time specified for collection are expected to be dispatched by ordinary post to the addresses specified in the relevant applications at their own risk on or before Thursday, September 23, 2021.
- Wholly or partially successful applicants who applied by giving **electronic application instructions** to HKSCC via CCASS will have their Share certificate(s) issued in the name of HKSCC Nominees Limited and deposited directly into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants who gave **electronic application instructions** on their behalf on Thursday, September 23, 2021.
- Applicants who applied through a designated CCASS Participant (other than a CCASS Investor Participant) should check the number of Hong Kong Offer Shares allocated to them and the amount of refund monies (if any) payable to them with that CCASS Participant.

- Applicants who applied as a CCASS Investor Participant by giving **electronic application instructions** to HKSCC via CCASS should check the announcement made by the Company and report any discrepancies to HKSCC before 5:00 p.m. on Thursday, September 23, 2021 or such other date as shall be determined by HKSCC or HKSCC Nominees. Applicants who applied as a CCASS Investor Participant by giving **electronic application instructions** to HKSCC via CCASS may also check the number of Hong Kong Offer Shares allocated to them and the amount of refund monies (if any) payable to them via the CCASS Phone System and the CCASS Internet System (under the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time). Immediately following the credit of the Hong Kong Offer Shares to the CCASS Investor Participant stock accounts and the credit of refund monies to the CCASS Investor Participant bank accounts, HKSCC will also make available to the CCASS Investor Participants an activity statement showing the number of Hong Kong Offer Shares credited to their CCASS Investor Participant stock accounts and the amount of refund monies (if any) credited to their respective designated bank accounts (if any).
- Applicants who applied through the **White Form eIPO** service and paid the application monies from a single bank account will have refund monies (if any) dispatched to their application payment bank accounts in the form of e-Refund payment instructions on Thursday, September 23, 2021. Applicants who applied through the **White Form eIPO** service and paid the application monies from multiple bank accounts will have refund monies (if any) dispatched to the addresses as specified on their **White Form eIPO** applications in the form of refund check(s) by ordinary post at their own risk on or before Thursday, September 23, 2021.
- Refund monies (if any) for applicants who applied by giving **electronic application instructions** to HKSCC via CCASS are expected to be credited to their designated bank accounts or the designated bank accounts of their brokers or custodians on Thursday, September 23, 2021.
- Share certificates will only become valid certificates of title at 8:00 a.m. on Friday, September 24, 2021 provided that the Global Offering has become unconditional in all respects at or before that time and the right of termination described in the section headed "Underwriting – Underwriting Arrangements and Expenses – Hong Kong Public Offering – Grounds for Termination" in the Prospectus has not been exercised.
- The Company will not issue any temporary documents of title in respect of the Hong Kong Offer Shares and will not issue any receipt for application monies received.

Public Float

Immediately after the Global Offering and the Share Subdivision, approximately 51.38% of the total issued share capital of the Company will be held in the hands of the public, assuming the Over-allotment Option is not exercised. Hence, the number of Shares in the public hands represents no less than 25% of the total issued share capital of the Company and will have a market capitalization of at least HK\$375 million, which satisfies the minimum percentage prescribed in Rules 8.08(1) and 18A.07 of the Listing Rules. The Directors confirm that there will not be any new substantial Shareholder of the Company immediately after the Global Offering. The Directors confirm that the three largest public Shareholders do not hold more than 50% of the Shares held in public hands at the time of the Listing in compliance with Rule 8.08(3) of the Listing Rules. The Directors confirm that there will be at least 300 Shareholders at the time of the Listing in compliance with Rule 8.08(2) of the Listing Rules.

Commencement of Dealings

Assuming that the Global Offering becomes unconditional in all respects at or before 8:00 a.m. on Friday, September 24, 2021 (Hong Kong time), dealings in the Shares on the Main Board of the Stock Exchange are expected to commence at 9:00 a.m. on Friday, September 24, 2021 (Hong Kong time). The Shares will be traded in board lots of 500 Shares each. The stock code of the Shares will be 2216.

Clarification

Reference is made to the Prospectus. To fully take into account the effect of the Share Subdivision and give clearer information to the investors, the board of directors of the Company (the “Board”) wishes to clarify certain percentage calculation on pages IV23 – IV25 and IV39 of the Prospectus, details of which are set out in the paragraph headed “Clarification” below.

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could move substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.

OFFER PRICE

The Offer Price has been determined at HK\$18.70 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

NET PROCEEDS FROM THE GLOBAL OFFERING

Based on the Offer Price of HK\$18.70 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deduction of underwriting commissions and other estimated expenses payable by the Company in connection with the Global Offering and assuming the Over-allotment Option is not exercised, are estimated to be approximately HK\$1,552.4 million. The Company intends to apply such net proceeds for the following purposes:

- (i) approximately 49.9% or HK\$774.8 million will be allocated to the Company’s Core Products as follows: (A) 29.0% of net proceeds, or approximately HK\$449.6 million, to fund ongoing and planned R&D and commercial launches of InterVapor; and (B) 21.0% of net proceeds, or approximately HK\$325.3 million, to fund ongoing and planned R&D and commercial launches of RF-II;

- (ii) approximately 18.5% or HK\$287.4 million will be allocated to the Company's other products and product candidates as follows: (A) 4.1% of net proceeds, or approximately HK\$64.3 million, to fund the research and development of our navigation products, including the development of next-generation navigation systems; (B) 1.5% of net proceeds, or approximately HK\$22.7 million, to fund ongoing and planned R&D, with approximately HK\$0.5 million registration and commercialization of H-Marker in China, including expansion of our distributor channels with approximately HK\$1.0 million and HK\$21.2 million, respectively; and (C) 12.9% of net proceeds, or approximately HK\$200.4 million, to fund ongoing and planned R&D of other product candidates, including approximately HK\$89.1 million on Targeted Lung Denervation (TLD) Ablation System used for COPD treatment, approximately HK\$26.9 million on percutaneous RFA probe for lung cancer treatment, and approximately HK\$84.3 million on other product candidates;
- (iii) approximately 9.2% or HK\$143.0 million will be allocated to fund the Company's continued product line expansion of the manufacturing facilities, mainly including the construction of assembly workshops, weaving workshops, purification workshops and other production workshops, investment in production equipment;
- (iv) approximately 13.2% or HK\$204.3 million, will be allocated to fund the Company's continued expansion of product portfolio through potential acquisition; and
- (v) approximately 9.2% or HK\$143.0 million is expected to be used for working capital and other general corporate purposes.

The listing expenses in connection with the Global Offering include, among others, the underwriting commission of 3.0% of the aggregate Offer Price in respect of all Offer Shares and an additional discretionary incentive fee of up to 1% of the aggregate Offer Price in respect of all Offer Shares, as disclosed in the section headed "Underwriting – Underwriting Arrangements and Expenses – Commission and Expenses and Joint Sponsors' Fee".

If the Over-allotment Option is exercised in full, the Company will receive additional net proceeds of approximately HK\$240.6 for 13,403,000 additional Shares to be allotted and issued, after deduction of underwriting commissions and other estimated expenses payable by the Company in connection with the Global Offering. The above allocation of the net proceeds will be adjusted on a pro rata basis in the event that the Over-allotment Option is exercised. For further details of the use of proceeds, please refer to the section headed "Future Plans and Use of Proceeds" in the Prospectus.

APPLICATIONS UNDER THE HONG KONG PUBLIC OFFERING

The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been significantly over-subscribed. A total of 30,993 valid applications have been received under the Hong Kong Public Offering through the **White Form eIPO** service and the **CCASS EIPO** service for a total of 99,429,500 Hong Kong Offer Shares, representing approximately 11.13 times of the total number of 8,935,500 Offer Shares initially available for subscription under the Hong Kong Public Offering.

Of the 30,993 valid applications through the **White Form eIPO** service for a total of 99,429,500 Hong Kong Offer Shares, a total of 30,945 valid applications in respect of a total 70,662,000 Hong Kong Offer Shares were for Hong Kong Offer Shares with an aggregate subscription amount based on the maximum Offer Price of HK\$18.70 per Offer Share (excluding the brokerage, SFC transaction levy and the Stock Exchange trading fee) of HK\$5 million or less (representing approximately 15.82 times of the 4,468,000 Hong Kong Offer Shares initially comprised in pool A), and a total of 48 valid applications in respect of a total of 28,767,500 Hong Kong Offer Shares were for Hong Kong Offer Shares with an aggregate subscription amount based on the maximum Offer Price of HK\$18.70 per Offer Share (excluding the brokerage, SFC transaction levy and the Stock Exchange trading fee) of more than HK\$5 million (representing approximately 6.44 times of the 4,467,500 Hong Kong Offer Shares initially comprised in pool B). The total number of successful applicants under the Hong Kong Public Offering is 5,663.

47 multiple or suspected multiple applications have been identified and rejected. No application has been rejected due to dishonored payment. No application has been rejected due to invalid application. No application for more than approximately 50% of the Hong Kong Offer Shares initially available under the Hong Kong Public Offering (being 4,467,500 Shares) has been identified.

As the number of Offer Shares validly applied for under the Hong Kong Public Offering represents less than 15 times of the number of Offer Shares initially available for subscription under the Hong Kong Public Offering, the reallocation procedures as described in the section headed “Structure of the Global Offering” in the Prospectus have not been effected.

Out of the 30,993 valid applications, there were 5,663 successful applicants that have been allocated with the Offer Shares under the Hong Kong Public Offering. Out of 5,663 successful applicants, 4,616 of them were allotted with one board lot of Offer Shares totaling 2,308,000 Shares.

The Hong Kong Offer Shares offered in the Hong Kong Public Offering were conditionally allocated on the basis set out in the paragraph headed “Basis of Allocation under the Hong Kong Public Offering” below.

INTERNATIONAL OFFERING

The Offer Shares initially offered under the International Offering were moderately over-subscribed, representing approximately 4.1 times of the total number of 80,419,500 Offer Shares initially available under the International Offering. The final number of Offer Shares under the International Offering is 80,419,500 Offer Shares, representing 90.0% of the Offer Shares initially available under the Global Offering (assuming the Over-allotment Option is not exercised). There has been an over-allocation of 13,403,000 Offer Shares in the International Offering and there are a total of 103 placees under the International Offering, among which 48 placees have been allotted five or fewer board lots of the Shares for a total of 38,000 Shares.

CORNERSTONE INVESTORS

Based on the Offer Price of HK\$18.70 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) and pursuant to the Cornerstone Investment Agreements as disclosed in the section headed “Cornerstone Investors” in the Prospectus, the number of Offer Shares subscribed for by the Cornerstone Investors is determined as set out below:

Cornerstone Investor	Investment Amount (US\$ in million) ⁽¹⁾	Number of Offer Shares (rounded down to nearest whole board lot of 500 Shares)	Approximate % of the Offer Shares initially available under the Global Offering		Approximate % of total Shares in issue immediately following the completion of the Global Offering and the Share Subdivision	
			Assuming the Over-allotment Option is not exercised	Assuming the Over-allotment Option is exercised in full	Assuming the Over-allotment Option is not exercised	Assuming the Over-allotment Option is exercised in full
UBS AM Singapore	25.0	10,390,000	11.6%	10.1%	2.0%	1.9%
Lake Bleu Prime	20.0	8,312,000	9.3%	8.1%	1.6%	1.5%
Snow Lake Capital	10.0	4,156,000	4.7%	4.0%	0.8%	0.8%
CEPHEI	10.0	4,156,000	4.7%	4.0%	0.8%	0.8%
Summer Healthcare Fund	10.0	4,156,000	4.7%	4.0%	0.8%	0.8%
Springhill Master Fund Limited	5.0	2,078,000	2.3%	2.0%	0.4%	0.4%
Artisan China Post-Venture Fund	5.0	2,078,000	2.3%	2.0%	0.4%	0.4%
Valliance Fund	3.0	1,246,500	1.4%	1.2%	0.2%	0.2%
Emerging Fund	2.0	831,000	0.9%	0.8%	0.2%	0.2%
Worldwide Fund	1.0	415,500	0.5%	0.4%	0.1%	0.1%
Total	91.0	37,819,000	42.3%	36.8%	7.2%	7.0%

Note:

(1) To be converted to Hong Kong dollars based on the exchange rate disclosed in the Prospectus.

Emerging Fund is an existing Shareholder of our Company and Lake Bleu Prime, Summer Healthcare, Valliance Fund and Worldwide Fund are the close associates of the existing Shareholders of our Company. They have been permitted to participate in the Cornerstone Placing pursuant to paragraph 5.2 of the Stock Exchange Guidance Letter HKEX-GL92-18 and have been granted a waiver from strict compliance with requirements under Rule 10.04 of, and a consent under paragraph 5(2) of Appendix 6 to, the Listing Rules by the Stock Exchange. Please refer to the section headed “Waivers from Strict Compliance with the Listing Rules and Exemptions from Compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance” in the Prospectus for further details.

The Offer Shares placed to the Cornerstone Investors will form part of the International Offering, and the Cornerstone Investors will not acquire any Offer Shares under the Global Offering other than pursuant to the Cornerstone Investment Agreements. The Offer Shares to be subscribed by the Cornerstone Investors will rank *pari passu* in all respect with the fully paid Shares in issue and will be counted towards the public float of the Company under Rule 8.08 of the Listing Rules. Such Offer Shares will not count towards the public float for the purpose of Rule 18A.07 of the Listing Rules. Immediately following the completion of the Global Offering, none of the Cornerstone Investors will have any Board representation in the Company and none of the Cornerstone Investors will become a Substantial Shareholder of the Company. The Cornerstone Investors do not have any preferential rights under the Cornerstone Investment Agreements compared with other public Shareholders, other than a guaranteed allocation of the relevant Offer Shares at the Offer Price.

Each of the Cornerstone Investors has agreed that it will not, whether directly or indirectly, at any time during the period of six months following the Listing Date (the “**Lock-up Period**”), dispose of any of the Offer Shares they have purchased pursuant to their respective Cornerstone Investment Agreements, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction.

Please refer to the section headed “Cornerstone Investors” in the Prospectus for further details relating to the Cornerstone Investors.

CONFIRMATIONS OF CORNERSTONE INVESTORS, PUBLIC SHAREHOLDERS IN THE HONG KONG PUBLIC OFFERING AND PLACEES IN THE INTERNATIONAL OFFERING

Save as disclosed in the paragraph headed “Cornerstone Investors” in this announcement, to the best knowledge of the Company, (i) each of the Cornerstone Investors is an Independent Third Party and is not a connected person of the Company (as defined in the Listing Rules); (ii) none of the Cornerstone Investors is accustomed to taking instructions from the Company or its subsidiaries, the Directors, chief executive, Controlling Shareholders, Substantial Shareholders or existing Shareholders or their respective close associates; (iii) none of the subscription of the relevant Offer Shares by any of the Cornerstone Investors is financed directly or indirectly by the Company or its subsidiaries, the Directors, chief executive, Controlling Shareholders, Substantial Shareholders or existing Shareholders or their respective close associates, except for, in each case where applicable, those Cornerstone Investors (namely, Emerging Fund who is an existing Shareholder and Lake Bleu Prime, Summer Healthcare, Valliance Fund and Worldwide Fund who are close associate of our existing Shareholders.

To the best knowledge, information and belief of the Directors, save as disclosed in the paragraph headed “Cornerstone Investors” in this announcement, no Offer Shares placed by or through the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers or the Underwriters under the Global Offering have been placed with any core connected persons (as defined in the Listing Rules) or directors of the Company, or to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines), or persons set out in paragraph 5(2) of the Placing Guidelines, whether in their own names or through nominees. The International Offering is in compliance with the Placing Guidelines.

The Directors confirm that (i) no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after the Global Offering; and (ii) there will not be any new substantial Shareholder (as defined in the Listing Rules) of the Company immediately after the Global Offering.

The Directors confirm that, to the best of their knowledge, (i) none of the Offer Shares subscribed by the placees and the public has been financed directly or indirectly by any of the Directors, chief executive, Controlling Shareholders, Substantial Shareholders or existing Shareholders of the Company or any of its subsidiaries or any of their respective close associates, and (ii) none of the placees and the public who has subscribed for the Offer Shares is accustomed to taking instructions from any of the Directors, chief executive, Controlling Shareholders, substantial Shareholders or existing Shareholders of the Company or any of its subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in his/her/its name or otherwise held by him/her/it, except for certain Cornerstone Investors (namely, Emerging Fund, Lake Bleu Prime, Summer Healthcare, Valliance Fund and Worldwide Fund).

OVER-ALLOTMENT OPTION

In connection with the Global Offering, the Company has granted to the International Underwriters the Over-allotment Option, exercisable by the Joint Representatives (for themselves and on behalf of the International Underwriters) at any time within 30 days from the last day for lodging applications under the Hong Kong Public Offering (the last day for exercise of the Over-allotment Option being Saturday, October 16, 2021), to require the Company to issue and allot up to 13,403,000 additional Shares, representing approximately 15% of the Offer Shares initially available under the Global Offering, at the Offer Price to cover over-allocations in the International Offering. There has been an over-allocation of 13,403,000 Shares in the International Offering and such over-allocation will be settled using Shares to be borrowed under the Stock Borrowing Agreement between Goldman Sachs International and Broncus Biomedical Limited. Such borrowed Shares will be covered by exercising the Over-allotment Option in full or in part, or by making purchases in the secondary market at prices that do not exceed the Offer Price, or by a combination of these means. In the event the Over-allotment Option is exercised, an announcement will be made on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.broncus.com. As of the date of this announcement, the Over-allotment Option has not been exercised.

LOCK-UP UNDERTAKINGS

The Company, the Controlling Shareholders, the other existing Shareholders and the Cornerstone Investors have provided certain lock-up undertakings (the “**Lock-up Undertakings**”) in respect of the Shares. The major terms of the Lockup Undertakings are set out as follows:

Name	Number of Shares subject to the Lock-up Undertakings after Listing ⁽¹⁾	% of shareholding in the Company subject to the Lock-up Undertakings after Listing ⁽²⁾	Last day of the lock-up period
The Company (<i>subject to lock-up obligations pursuant to the Listing Rules and the Hong Kong Underwriting Agreement</i>)	N/A	N/A	March 23, 2022 ⁽³⁾
The Controlling Shareholders (<i>subject to lock-up obligations pursuant to the Listing Rules and the Hong Kong Underwriting Agreement</i>)			March 23, 2022 ⁽⁴⁾
QM12	81,412,808	15.49%	September 23, 2022 ⁽⁵⁾
BBL ⁽¹⁾	43,741,976	8.32%	
Dinova Healthcare (Hong Kong) Co., Limited ⁽¹⁾	33,112,752	6.30%	
BRS Biomedical Limited ⁽¹⁾	14,643,588	2.79%	
Dinova Healthcare Delta Fund (USD) L.P. ⁽¹⁾	12,861,524	2.45%	
Xin Nuo Tong Investment Limited ⁽¹⁾	9,125,828	1.74%	
Dinova Venture Partners GP III, L.P. ⁽¹⁾	3,460,008	0.66%	
Dinova Venture Partners GP IV, L.P. ⁽¹⁾	1,636,068	0.31%	

⁽¹⁾ for the purpose of the SFO, Mr. Zi is deemed to be interested in the Shares held by these Shareholders and is, as a party of the group of Controlling Shareholders, subject to lock-up obligations applicable to Controlling Shareholders.

Name	Number of Shares subject to the Lock-up Undertakings after Listing ⁽¹⁾	% of shareholding in the Company subject to the Lock-up Undertakings after Listing ⁽²⁾	Last day of the lock-up period
All existing Shareholders (other than the Controlling Shareholders) <i>(subject to lock-up obligations pursuant to their respective lock-up undertakings in favor of the Company and the Joint Representatives (acting on behalf of all the Underwriters))</i>			
	196,758,444	37.44%	March 23, 2022 ⁽⁵⁾
Cornerstone Investors <i>(subject to lock-up obligations pursuant to the Cornerstone Investment Agreements)</i>			March 23, 2022 ⁽⁶⁾
UBS AM Singapore	10,390,000	2.0%	
Lake Bleu Prime	8,312,000	1.6%	
Snow Lake Capital	4,156,000	0.8%	
CEPHEI	4,156,000	0.8%	
Summer Healthcare Fund	4,156,000	0.8%	
Springhill Master Fund Limited	2,078,000	0.4%	
Artisan China Post-Venture Fund	2,078,000	0.4%	
Valliance Fund	1,246,500	0.2%	
Emerging Fund	831,000	0.2%	
Worldwide Fund	415,500	0.1%	

Notes:

- (1) As adjusted to reflect the Share Subdivision.
- (2) Assuming the Over-allotment Option is not exercised.
- (3) The Company may not issue any Shares on or before the indicated date without the prior written consent of the Joint Sponsors and the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules.
- (4) Each Controlling Shareholder may dispose of or transfer Shares after March 23, 2022, subject to that such Controlling Shareholder will not cease to be a Controlling Shareholder.
- (5) The Controlling Shareholders and the other existing Shareholders may dispose of Shares without any lock-up obligation after the indicated date.
- (6) Each of the Cornerstone Investors shall not dispose of any of the Offer Shares acquired in the Global Offering on or before the indicated date.

BASIS OF ALLOCATION UNDER THE HONG KONG PUBLIC OFFERING

Subject to the satisfaction of the conditions set out in the paragraph headed “Structure of the Global Offering – The Global Offering – Conditions of the Global Offering” in the Prospectus, valid applications made by the public through the **White Form eIPO** service and the **CCASS EIPO** service will be conditionally allocated on the basis set out below:

BRONCUS HOLDING CORPORATION

FINAL

BASIS OF ALLOTMENT FOR PRESS ANNOUNCEMENT

NO. OF SHARES APPLIED FOR	NO. OF VALID APPLICATIONS	BASIS OF ALLOTMENT/BALLOT	APPROXIMATE PERCENTAGE ALLOTTED OF THE TOTAL NO. OF SHARES APPLIED FOR
POOL A			
500	22,250	1,464 out of 22,250 to receive 500 Shares	6.58%
1,000	2,051	270 out of 2,051 to receive 500 Shares	6.58%
1,500	877	173 out of 877 to receive 500 Shares	6.58%
2,000	590	155 out of 590 to receive 500 Shares	6.57%
2,500	942	309 out of 942 to receive 500 Shares	6.56%
3,000	369	144 out of 369 to receive 500 Shares	6.50%
3,500	122	55 out of 122 to receive 500 Shares	6.44%
4,000	162	83 out of 162 to receive 500 Shares	6.40%
4,500	103	59 out of 103 to receive 500 Shares	6.36%
5,000	1,416	901 out of 1,416 to receive 500 Shares	6.36%
6,000	195	148 out of 195 to receive 500 Shares	6.32%
7,000	116	102 out of 116 to receive 500 Shares	6.28%
8,000	204	500 Shares plus 1 out of 204 to receive additional 500 Shares	6.28%
9,000	79	500 Shares plus 10 out of 79 to receive additional 500 Shares	6.26%
10,000	607	500 Shares plus 153 out of 607 to receive additional 500 Shares	6.26%
15,000	223	500 Shares plus 196 out of 223 to receive additional 500 Shares	6.26%
20,000	175	1,000 Shares plus 88 out of 175 to receive additional 500 Shares	6.26%
25,000	96	1,500 Shares plus 12 out of 96 to receive additional 500 Shares	6.25%
30,000	72	1,500 Shares plus 54 out of 72 to receive additional 500 Shares	6.25%
35,000	36	2,000 Shares plus 13 out of 36 to receive additional 500 Shares	6.23%
40,000	36	2,000 Shares plus 35 out of 36 to receive additional 500 Shares	6.22%
45,000	16	2,500 Shares plus 9 out of 16 to receive additional 500 Shares	6.18%
50,000	77	3,000 Shares plus 14 out of 77 to receive additional 500 Shares	6.18%
60,000	26	3,500 Shares plus 10 out of 26 to receive additional 500 Shares	6.15%
70,000	12	4,000 Shares plus 7 out of 12 to receive additional 500 Shares	6.13%
80,000	15	4,500 Shares plus 12 out of 15 to receive additional 500 Shares	6.13%
90,000	6	5,500 Shares	6.11%
100,000	47	6,000 Shares plus 9 out of 47 to receive additional 500 Shares	6.10%
200,000	25	12,000 Shares plus 10 out of 25 to receive additional 500 Shares	6.10%

30,945 Total number of Pool A successful applicants: 5,615

BASIS OF ALLOTMENT FOR PRESS ANNOUNCEMENT

NO. OF SHARES APPLIED FOR	NO. OF VALID APPLICATIONS	BASIS OF ALLOTMENT/BALLOT	APPROXIMATE PERCENTAGE ALLOTTED OF THE TOTAL NO. OF SHARES APPLIED FOR
POOL B			
300,000	30	47,000 Shares	15.67%
400,000	2	62,000 Shares	15.50%
500,000	4	77,500 Shares	15.50%
600,000	2	93,000 Shares	15.50%
800,000	1	124,000 Shares	15.50%
1,000,000	4	155,000 Shares	15.50%
1,500,000	3	232,000 Shares	15.47%
2,000,000	1	308,500 Shares	15.43%
4,467,500	1	689,000 Shares	15.42%
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48 Total number of Pool B successful applicants: 48			

The final number of Offer Shares comprising the Hong Kong Public Offering is 8,935,500 Offer Shares, representing 10.0% of the Offer Shares initially available under the Global Offering (assuming the Over-allotment Option is not exercised).

RESULTS OF ALLOCATIONS

The results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Hong Kong Public Offering will be available at the times and dates and in the manner specified below:

- in the announcement to be posted on the Company’s website at www.broncus.com and the Stock Exchange’s website at www.hkexnews.hk by no later than 9:00 a.m. on Thursday, September 23, 2021. Please note that the list of identification document numbers in this announcement may not be a complete list of successful applicants since only successful applicants whose identification document numbers are provided to HKSCC by CCASS Participants are disclosed. Applicants with beneficial names only but not identification document numbers are not disclosed due to personal privacy issue as elaborated below. Applicants who applied for the Offer Shares through their brokers can consult their brokers to enquire about their application results;
- from the designated results of allocations website at www.iporesults.com.hk (alternatively: English <https://www.eipo.com.hk/en/Allotment>; Chinese <https://www.eipo.com.hk/zh-hk/Allotment>) with a “search by ID” function on a 24-hour basis from 8:00 a.m. on Thursday, September 23, 2021 to 12:00 midnight on Wednesday, September 29, 2021; and

- from the allocation results telephone enquiry line by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. on Thursday, September 23, 2021, Friday, September 24, 2021, Monday, September 27, 2021 and Tuesday, September 28, 2021.

The final Offer Price, the level of indications of interests in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares are also published in the announcement to be posted on Thursday, September 23, 2021 on the Company's website at www.broncus.com and the Stock Exchange's website at www.hkexnews.hk.

This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed "Results of Applications Made by **White Form eIPO**" refer to Hong Kong identity card numbers provided by the applicants whereas those displayed in the section headed "Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS" are provided by brokers via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature.

Since applications are subject to personal information collection statements, beneficial owner identification codes displayed in the section headed "Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS" are redacted and not all details of applications are disclosed in this announcement.

SHAREHOLDING CONCENTRATION ANALYSIS

We set out below the analysis of shareholding concentration in the Global Offering:

- subscription of final International Offer Shares of the top 1, 5, 10, 20 and 25 of the placees out of the final International Offer Shares, total Offer Shares and total issued share capital of the Company upon Listing:

Placee(s)	Subscription	Number of Shares held upon Listing	Subscription as % of International Offering (assuming no exercise of the Over-allotment Option)	Subscription as % of International Offering (assuming the Option is exercised in full)	Subscription as % of total Offer Shares (assuming no exercise of the Over-allotment Option)	Subscription as % of Offer Shares (assuming the Option is exercised in full)	% of total issued share capital upon Listing (assuming no exercise of the Over-allotment Option)	% of total issued share capital upon Listing (assuming the Option is exercised in full)
Top 1	12,000,000	12,000,000	14.92%	12.79%	13.43%	11.68%	2.28%	2.23%
Top 5	47,202,000	47,202,000	58.69%	50.31%	52.83%	45.94%	8.98%	8.76%
Top 10	69,270,000	69,270,000	86.14%	73.83%	77.52%	67.41%	13.18%	12.85%
Top 20	84,041,000	84,041,000	104.50%	89.57%	94.05%	81.79%	15.99%	15.59%
Top 25	87,987,000	87,987,000	109.41%	93.78%	98.47%	85.63%	16.74%	16.32%

- subscription and number of Shares held by the top 1, 5, 10, 20 and 25 of all the Shareholders out of the final International Offer Shares, total Offer Shares and total issued share capital of the Company upon Listing:

Shareholder(s)	Subscription	Number of Shares held upon Listing	Subscription as % of International Offering (assuming no exercise of the Over- allotment Option)	Subscription as % of International Offering (assuming the Over- allotment Option is exercised in full)	Subscription as % of total Offer Shares (assuming no exercise of the Over- allotment Option)	Subscription as % of Offer Shares (assuming the Over- allotment Option is exercised in full)	% of total issued share capital upon Listing (assuming no exercise of the Over- allotment Option)	% of total issued share capital upon Listing (assuming the Over- allotment Option is exercised in full)
Top 1	0	118,581,744	0.00%	0.00%	0.00%	0.00%	22.56%	22.00%
Top 5	8,312,000	289,892,056	10.34%	8.86%	9.30%	8.09%	55.15%	53.78%
Top 10	24,468,000	355,815,472	30.43%	26.08%	27.38%	23.81%	67.69%	66.01%
Top 20	51,358,000	434,556,948	63.86%	54.74%	57.48%	49.98%	82.68%	80.62%
Top 25	61,014,000	459,476,808	75.87%	65.03%	68.28%	59.38%	87.42%	85.24%

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could move substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.