
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Broncus Holding Corporation, you should at once hand this circular with the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**(1) PROPOSALS FOR THE AUDITED CONSOLIDATED
FINANCIAL STATEMENTS OF THE COMPANY AND ITS
SUBSIDIARIES AND THE REPORTS OF THE DIRECTORS AND
AUDITOR FOR THE YEAR ENDED DECEMBER 31, 2021;
(2) RE-ELECTION OF RETIRING DIRECTORS;
(3) RE-APPOINTMENT OF AUDITOR;
(4) GENERAL MANDATES TO ISSUE SHARES AND
BUY BACK SHARES;
AND
(5) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Broncus Holding Corporation to be held at Room 801, 8/F, Building 8, No. 88 Jiangling Road, Xixing Street, Binjiang District, Hangzhou, China on Friday, May 13, 2022 at 2:00 p.m. is set out on pages 14 to 18 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk). Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting (i.e. before 2:00 p.m. on Wednesday, May 11, 2022) or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting at the meeting or any adjournment thereof if they so wish and in such event, the proxy shall be deemed to be revoked.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Please see page i of this circular for measures being taken to try to prevent and control the spread of the Novel Coronavirus (COVID-19) at the annual general meeting, including:

- compulsory temperature checks
- compulsory wearing of surgical face masks for each attendee
- no refreshments will be served at the annual general meeting

Any person who does not comply with the precautionary measures or is subject to any local government prescribed quarantine may be denied entry into the venue of the annual general meeting. The Company also encourages its shareholders to consider appointing the chairman of the meeting as its/his/her proxy to vote on the relevant resolutions at the annual general meeting as an alternative to attending the meeting in person.

April 22, 2022

PRECAUTIONARY MEASURES FOR ANNUAL GENERAL MEETING

In view of the ongoing Novel Coronavirus (“COVID-19”) epidemic and recent requirements, if any, for prevention and control of its spread, the Company will implement the following preventive measures at its annual general meeting (“AGM”):

- (i) Compulsory body temperature check will be conducted on every shareholder, proxy and other attendee at the entrance of the AGM venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the AGM venue and be asked to leave the AGM venue.
- (ii) Shareholders that (a) have travelled, and have been in close contact with any person who has travelled, outside of China at any time in the preceding 14 days; (b) are, and have been, in close contact with any person who is, subject to any local government prescribed compulsory quarantine (including home quarantine); (c) are, and have been, in close contact with anyone who has contracted COVID-19, has been tested preliminarily positive of COVID-19 or is suspected of contracting COVID-19; or (d) have any flu-like symptoms, may be denied entry into the AGM venue and be asked to leave the AGM venue.
- (iii) All shareholders, proxies and other attendees are required to wear surgical face masks inside the AGM venue at all times. Any person who does not comply with this requirement may be denied entry into the AGM venue and be asked to leave the AGM venue. A safe distance between seats are also recommended.
- (iv) No refreshments will be served at the AGM.

To the extent permitted under the applicable local laws and regulations, the Company reserves the right to deny entry into the AGM venue or require any person to leave the AGM venue in order to ensure the safety of the attendees at the AGM.

In the interest of all shareholders’ health and safety and consistent with recent COVID-19 guidelines for prevention and control, the Company reminds all shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. As an alternative to attending the meeting in person, shareholders are encouraged to consider appointing the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM by submitting form of proxy with voting instructions inserted.

The form of proxy is attached to this circular. Alternatively, the form of proxy can be downloaded from the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk. If you are not a registered shareholder (if your shares are held via banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy.

SPECIAL ARRANGEMENTS FOR ANNUAL GENERAL MEETING

Attendees are requested to observe and practise good personal hygiene at the times at the AGM venue. To the extent permitted under law, the Company reserves the right to deny entry into the AGM venue or require any person to leave the AGM venue so as to ensure the health and safety of the attendees at the AGM.

Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate. Shareholders should check the Company's website at www.broncus.com for future announcements and updates on the AGM arrangements.

Appointment of proxy by non-registered Shareholders: non-registered Shareholders whose Shares are held through banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited should consult directly with their banks or brokers or custodians (as the case may be) to assist them in the appointment of proxy.

To enable Shareholders to participate in the AGM and to speak and observe in relation to the resolution(s) to be resolved at the AGM, Shareholders not attending the AGM in person may join a live streaming webcast of the AGM where they can both speak and see during the discussion session at the AGM via Tencent Meeting at <https://meeting.tencent.com/dm/sBjD8qXKc310>. Shareholders that intend to participate in the AGM via Tencent Meeting shall contact the Company before 2:00 p.m. on Wednesday, May 11, 2022 to obtain a passcode to join the AGM via the following means:

By email: ir@broncuschina.com

Shareholders should note that viewing the live streaming webcast of the AGM via Tencent Meeting will not be counted towards a quorum nor will they be able to cast their votes online. Shareholders who wish to vote are strongly encouraged to appoint the chairman of the AGM as their proxy to vote on the relevant resolution(s) at the AGM by completing and returning the form of proxy in accordance with the instructions therein by a time not less than 48 hours before the time appointed for the AGM (i.e. 2:00 p.m. on Wednesday, May 11, 2022), if they have not already done so.

Shareholders are reminded that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairperson of the AGM as their proxy to vote on the relevant resolution(s) at the AGM instead of attending the AGM in person, by completing and return the form of proxy attached to this circular. If any Shareholder chooses not to attend the AGM in person but has any question about any resolution or about the Company, or has any matter for communication with the Board, he/she is welcome to send such question or matter in writing to our head office and principal place of business in PRC at Room 801, 8/F, Building 8, No. 88 Jiangling Road, Xixing Street, Binjiang District, Hangzhou, China or principal place of business in Hong Kong at 40th Floor, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong. If any Shareholder has any question relating to the AGM, please contact the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited as follows:

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong
Website: www.computershare.com/hk/contact
Tel: 2862 8555
Fax: 2865 0990

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“2021 Annual Report”	the annual report of the Group for the year ended December 31, 2021
“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be convened and held at Room 801, 8/F, Building 8, No. 88 Jiangling Road, Xixing Street, Binjiang District, Hangzhou, China on Friday, May 13, 2022 at 2:00 p.m. or any adjournment thereof, the notice of which is set out on pages 14 to 18 of this circular
“Articles of Association”	the articles of association of the Company, as may be amended from time to time
“Board”	the board of Directors
“Buy-Back Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to buy back shares not exceeding 10 per cent of the number of issued Shares as at the date of passing of the relevant resolution granting the Buy-back Mandate
“Cayman Companies Act”	the Companies Act, Cap.22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands
“China” or “PRC”	the People’s Republic of China which, for the purpose of this circular only, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Company”	Broncus Holding Corporation (埜博医疗控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that the total number of Shares which may be allotted and issued under the Issue Mandate may be increased by an additional number representing such number of Shares actually bought back under the Buy-Back Mandate

DEFINITIONS

“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to exercise the power of the Company to allot, issue and deal with new Shares not exceeding 20 per cent of the number of issued Shares as at the date of passing of the relevant resolution granting the Issue Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	April 14, 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Date”	September 24, 2021, the date on which dealings in the Shares commenced on the Stock Exchange
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Nomination Committee”	the nomination committee of the Company
“Remuneration Committee”	the remuneration committee of the Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of nominal value of US\$0.000025 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs, as amended, supplemented or otherwise modified from time to time
“USD”	United States dollars, the lawful currency for the time being of the United States

LETTER FROM THE BOARD



Broncus Holding Corporation

堃博医疗控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2216)

Executive Directors:

Mr. Guowei Zhan (*Chief Executive Officer*)
Mr. Hong Xu

Non-executive Directors:

Mr. Michael Yi Wei Zhao (*Chairman*)
Mr. Zhenjun Zi
Mr. Ao Zhang

Independent Non-executive Directors:

Dr. Pok Man Kam
Professor Joseph Wan Yee Lau
Dr. Jian Ji

Registered office:

PO Box 309, Ugland House
Grand Cayman, KY1-1104
Cayman Islands

*Head office and principal place of
business in PRC:*

Room 801, 8/F, Building 8
No. 88 Jiangling Road
Xixing Street, Binjiang District
Hangzhou
China

Principal place of business in Hong Kong:

40/F, Dah Sing Financial Centre
248 Queen's Road East
Wanchai
Hong Kong

April 22, 2022

To the Shareholders

Dear Sir or Madam

- (1) PROPOSALS FOR THE AUDITED CONSOLIDATED
FINANCIAL STATEMENTS OF THE COMPANY AND ITS
SUBSIDIARIES AND THE REPORTS OF THE DIRECTORS AND
AUDITOR FOR THE YEAR ENDED DECEMBER 31, 2021;**
(2) RE-ELECTION OF RETIRING DIRECTORS;
(3) RE-APPOINTMENT OF AUDITOR;
**(4) GENERAL MANDATES TO ISSUE SHARES AND
BUY BACK SHARES;**
AND
(5) NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide Shareholders with the notice of Annual General Meeting and the following proposals to be put forward at the Annual General Meeting: (i) the audited consolidated financial statements of the Company and its subsidiaries and the reports of the Directors and auditor for the year ended December 31, 2021; (ii) the re-election of the retiring Directors; (iii) the re-appointment of auditor; and (iv) the grant to the Directors of Issue Mandate, the Buy-Back Mandate and the Extension Mandate.

LETTER FROM THE BOARD

THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES AND THE REPORTS OF THE DIRECTORS AND AUDITOR FOR THE YEAR ENDED DECEMBER 31, 2021

An ordinary resolution will be proposed at the AGM to consider and approve the audited consolidated financial statements of the Company and its subsidiaries and the reports of the Directors and auditor for the year ended December 31, 2021, the full text of which is set out in the 2021 Annual Report.

RE-ELECTION OF RETIRING DIRECTORS

Article 16.2 of the Articles of Association provides that the any Director appointed by the Board to fill a casual vacancy or as an addition to the Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that meeting. Article 16.19 of the Articles of Association provides that at every annual general meeting of the Company one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. Any Director required to stand for re-election pursuant to Article 16.2 shall not be taken into account in determining the number of Directors and which Directors are to retire by rotation. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.

Accordingly, in accordance with Article 16.19 of the Articles of Association, Mr. Michael Yi Wei ZHAO, Mr. Zhenjun ZI and Mr. Ao ZHANG shall retire by rotation at the Annual General Meeting. The retiring Directors, being eligible, have offered themselves for re-election at the Annual General Meeting. The biographical details of the retiring Directors are set out in Appendix I to this circular.

Recommendation of the Nomination Committee with respect to the Directors subject to re-election at the Annual General Meeting

The Nomination Committee has reviewed the structure and composition of the Board, the qualifications, skills, knowledge and experience, time commitment and contributions of the retiring Directors, having regard to the director nomination policy and the board diversity policy of the Company. The Nomination Committee is of the view that the retiring Directors have extensive experience in different fields and professions that are relevant to the Company's business. In addition, their respective background, experience and knowledge allow them to provide valuable and relevant insights and contribute to the diversity of the Board. Accordingly, the Nomination Committee has recommended them to the Board for re-election and the Board has endorsed the recommendations of the Nomination Committee and recommended all retiring Directors to stand for re-election at the Annual General Meeting.

LETTER FROM THE BOARD

Authorization to the Board to fix the Directors' remuneration

The authorization to the Board to fix Directors' remuneration will be proposed at the AGM to consider and approve.

RE-APPOINTMENT OF AUDITOR

An ordinary resolution will be proposed at the AGM to consider and approve the re-appointment of Ernst & Young as independent external auditor of the Company for the year of 2022, with a term of one year, and authorized the Board to determine the specific matters, including but not limited to their remuneration, in relation to such appointment. The proposed re-appointment of auditor was deliberated on and approved at the meeting of the Board held on March 29, 2022.

GENERAL MANDATE TO ISSUE SHARES

In order to ensure greater flexibility and give discretion to the Directors in the event that it becomes desirable for the Company to allot and issue new Shares, approval is to be sought for the Shareholders, pursuant to the Listing Rules, for the Issue Mandate to issue Shares. An ordinary resolution no. 4(A) will be proposed at the Annual General Meeting to grant the Issue Mandate to the Directors to exercise the powers of the Company to allot, issue and deal with new Shares not exceeding 20 per cent of the number of issued Shares as at the date of passing of the resolution in relation to the Issue Mandate. As at the Latest Practicable Date, there were 526,584,828 Shares in issue. Subject to the passing of resolution no. 4(A) and on the basis that no further Shares are issued or bought back after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to issue a maximum of 105,316,965 Shares.

In addition, subject to a separate approval of the ordinary resolution no. 4(C), the number of Shares bought back by the Company under ordinary resolution no. 4(B), if approved by the Shareholders at the Annual General Meeting, will also be added to extend the 20 per cent limit of the Issue Mandate as mentioned in the ordinary resolution no. 4(A) provided that such additional number shall not exceed 10 per cent of the issued Shares as at the date of passing of the Issue Mandate and the Buy-Back Mandate.

GENERAL MANDATE TO BUY BACK SHARES

In addition, an ordinary resolution no. 4(B) will be proposed at the Annual General Meeting to approve the Buy-Back Mandate to the Directors to exercise the powers of the Company to buy back Shares representing up to 10 per cent of the number of issued Shares as at the date of passing of the resolution in relation to the Buy-Back Mandate. As at the Latest Practicable Date, there were 526,584,828 Shares in issue. Subject to the passing of resolution no. 4(B) and on the basis that no further Shares are issued or bought back after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to buy back a maximum of 52,658,482 Shares.

LETTER FROM THE BOARD

An explanatory statement required by the Listing Rules in connection with the Buy-Back Mandate is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

GENERAL MANDATE OF EXTENSION

An ordinary resolution no. 4(C) will be proposed at the Annual General Meeting to approve the Extension Mandate to the Directors to allot, issue and otherwise deal with additional shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the ordinary resolution numbered 4(A) set out in the notice convening this meeting be and is hereby extended by the addition thereto of such number of shares of the Company bought back by the Company under the authority granted pursuant to ordinary resolution numbered 4(B) set out in the notice convening this meeting, provided that such amount of shares of the Company shall not exceed 10 per cent of the total number of issued shares of the Company at the date of passing of the said resolutions.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the Shareholders' eligibility to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Tuesday, May 10, 2022 to Friday, May 13, 2022 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the Annual General Meeting, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Friday, May 6, 2022. The record date for determining the entitlement of the Shareholders to attend and vote at the Annual General Meeting will be Friday, May 13, 2022.

NOTICE OF ANNUAL GENERAL MEETING

Set out on pages 14 to 18 of this circular is the notice of Annual General Meeting at which, inter alia, ordinary resolutions will be proposed to Shareholders to consider and approve: (i) the audited consolidated financial statements of the Company and its subsidiaries and the reports of the Directors and auditor for the year ended December 31, 2021; (ii) the re-election of the retiring Directors; (iii) the re-appointment of auditor; and (iv) the grant to the Directors of Issue Mandate, the Buy-Back Mandate and the Extension Mandate.

FORM OF PROXY

A form of proxy for use at the Annual General Meeting is enclosed. Such form of proxy is also published on the website of the Stock Exchange (www.hkexnews.hk). Whether or not you intend to attend the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible but in any event not less than 48 hours before the time fixed for the holding of the Annual General Meeting (i.e. before 2:00 p.m. on Wednesday, May 11, 2022) or any adjournment thereof.

LETTER FROM THE BOARD

Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof should you so wish and in such event, the proxy shall be deemed to be revoked.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules and Article 14.1 of the Articles of Association, any vote of shareholders at a general meeting must be taken by poll except where the chairman of the general meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, each of the resolutions set out in the notice of Annual General Meeting will be voted upon by way of poll.

On a poll, every Shareholder present in person or by proxy or in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every fully paid Share of which he/she/it is the holder. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

RECOMMENDATION

The Directors consider that the proposed resolutions for (i) the audited consolidated financial statements of the Company and its subsidiaries and the reports of the Directors and auditor for the year ended December 31, 2021; (ii) the re-election of the retiring Directors; (iii) the re-appointment of auditor; and (iv) the grant to the Directors of Issue Mandate, the Buy-Back Mandate and the Extension Mandate are in the interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully
By order of the Board
Broncus Holding Corporation
ZHAO Michael Yi Wei
Chairman

The following are the particulars of the retiring Directors (as required by the Listing Rules) proposed to be re-elected at the Annual General Meeting.

As at the Latest Practicable Date, each of the following Directors, save as disclosed herein, did not have any interest in Shares within the meaning of Part XV of the SFO.

Save as disclosed herein, none of the following Director holds any position with the Company or any other member of the Group, nor has any directorships in other listed public companies in the last three years. In addition, none of the following Director has any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders (as defined in the Listing Rules) of the Company.

Save as disclosed herein, there is no other matter in relation to the following Directors that needs to be brought to the attention of the Shareholders and there is no other information relating to the following Directors which is required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

NON-EXECUTIVE DIRECTORS

Mr. Michael Yi Wei ZHAO, aged 55, was appointed as a Director of our Company from April 30, 2012 to June 25, 2014, and was re-appointed as a Director on September 15, 2015. Mr. Zhao was redesignated as a non-executive Director and appointed as chairman of the Board on May 6, 2021. Mr. Zhao is responsible for participating in formulating our Company's corporate and business strategies. Mr. Zhao is the chairman of the Nomination Committee and a member of the Remuneration Committee.

Mr. Zhao has around 24 years of experience in medical devices, pharmaceuticals and health care areas. Prior to founding Broncus, Mr. Zhao served as the chief executive officer from April 2010 to March 2015 and the executive director with effect from October 2011 to March 2015 in Lifetech Scientific Corporation (先健科技公司) (stock code: 1302). From 1998 to 2006, Mr. Zhao worked at Johnson & Johnson Medical (China) Ltd. (強生(中國)醫療器材有限公司), a multinational corporation in the medical industry, in a number of senior management roles. Those roles include the Sales Representative of Ethicon Suture U.S., European Project Leader for Hepacost Stents at Cordis European Office, Product Manager at Cordis Endovascular, Medical Australia, Group Marketing Manager of Cordis Franchise, Franchise Manager, Cordis, Medical China, Franchise Director and General Manager. Mr. Zhao received the Marketing Award in 2000 issued by Johnson & Johnson Medical in recognition of his outstanding performance and achievement.

Mr. Zhao obtained a bachelor's degree in science from Huntington College in Huntington, the United States in May 1990 and earned his master's degree in business administration from the University of Western Ontario in London, Canada in April 1998.

Mr. Zhao was the Secretary General of the Chinese Medical Association Arrhythmia Diagnosis and Treatment Committee.

Mr. Zhao currently holds directorship in the following major subsidiaries of our Group: Broncus Medical Inc., Uptake Medical Technology Inc. and Hangzhou Broncus Medical Co., Ltd. (杭州堃博生物科技有限公司).

As at the Latest Practicable Date, within the meaning of Part XV of the SFO, Mr. Zhao was interested in 17,341,588 Shares, representing 3.29% of the issued Shares of the Company.

Mr. Zhao had entered into a service agreement with the Company for a term of three years commencing from May 6, 2021 and is subject to retirement by rotation and re-election in accordance with the Articles of Association. Mr. Zhao is entitled to a director's remuneration of USD96,000 per annum and a discretionary bonus which have been determined by the Remuneration Committee and the Board with reference to his performance, duties and responsibilities with the Company, the remuneration policy of the Company, the operating results of the Group and the prevailing market condition.

Mr. Zhenjun ZI, aged 51, was appointed as a Director of our Company on February 18, 2014. He was re-designated as a non-executive Director on May 6, 2021. He is primarily responsible for participating in formulating our Company's corporate and business strategies.

Mr. Zi has over 19 years of industry experience. Mr. Zi has been an executive director and the general manager of Venus Medtech (Hangzhou) Inc. (杭州啟明醫療器械股份有限公司), a company listed on the Hong Kong Stock Exchange (stock code: 2500), since November 2012 was primarily responsible for the overall management, business strategies, regulatory approvals and commercial suitability of products. Prior to that, Mr. Zi worked at Lifetech Scientific Corporation (先健科技公司) (stock code: 1302) in roles including Technical Project Manager and Business Development and Strategic Planning Director from January 2003.

Mr. Zi received his master's degree in science in applied chemistry from Hefei University of Technology in Hefei, China, in April 1998.

Mr. Zi currently holds directorship in major subsidiaries of our Group including Broncus Medical Inc. and Uptake Medical Technology Inc.

As at the Latest Practicable Date, within the meaning of Part XV of the SFO, Mr. Zi was interested in 120,788,244 Shares, representing 22.94% of the issued Shares of the Company.

Mr. Zi had entered into a service agreement with the Company for a term of three years commencing from May 6, 2021 and is subject to retirement by rotation and re-election in accordance with the Articles of Association. Mr. Zi will not receive any director's remuneration which have been determined by the Remuneration Committee and the Board.

Mr. Ao ZHANG, aged 37, was appointed as a Director of our Company on April 29, 2021 and re-designated as a non-executive Director on May 6, 2021. He is primarily responsible for participating in formulating our Company's corporate and business strategies.

Mr. Zhang has around 9 years of experience in healthcare investments. Mr. Zhang has worked at Suzhou Qiyuan Equity Investment Management Partnership Enterprise (Limited Partnership) since January 2015 and is currently a Principal. Mr. Zhang served as a vice president and was responsible for the healthcare investment area at WI Harper Group, a venture capital firm focusing on early to growth stage companies across the United States, Greater China, and Asia Pacific, from June 2013 to December 2014. Prior to that, he worked as an investment associate at CEC Capital Group (formerly known as China eCapital Corporation) (易凱資本有限公司), a investment bank with a core focus on the healthcare, consumer and technology, media and telecom sectors, from May 2010 to May 2013.

Mr. Zhang obtained a bachelor's degree in biomedical engineering from Tsinghua University in Beijing, China in July 2007 and received his master of science degree in medical and radiological sciences from the University of Edinburgh in Edinburgh, the United Kingdom in December 2008 and a master of science degree in risk management and financial engineering from Imperial College London in London, the United Kingdom in November 2009.

Mr. Zhang currently holds directorship in major subsidiaries of our Group including Broncus Medical Inc. and Uptake Medical Technology Inc.

Mr. Zhang had entered into a service agreement with the Company for a term of three years commencing from May 6, 2021 and is subject to retirement by rotation and re-election in accordance with the Articles of Association. Mr. Zhang will not receive any director's remuneration which have been determined by the Remuneration Committee and the Board.

The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Buy-back Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the total number of Shares in issue was 526,584,828 Shares. Subject to the passing of the resolution granting the Buy-back Mandate and on the basis that no further Shares are issued or bought back after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to buy back a maximum of 52,658,482 Shares which represent 10 per cent of the total number of issued Shares during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the Cayman Companies Act or the Articles of Association; or (iii) the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting prior to the next annual general meeting of the Company.

REASONS AND FUNDING OF BUY BACK

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to buy back its Shares on the Stock Exchange. Such buy back may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share and will only be made when the Directors believe that such a buy back will benefit the Company and the Shareholders as a whole.

Share buy backs must be funded out of funds legally available for the purpose in accordance with the Articles of Association and the laws of the Cayman Islands. Under the laws of the Cayman Islands, any share buy back by the Company may be made out of profits or share premium or out of the proceeds of a fresh issue of Shares made for the purpose of the buy back and if authorised by the Article of Association and subject to the Cayman Companies Act out of capital. In the case of any premium payable on the buy back, out of profits of the Company or out of the Company's share premium account before or at the time the Shares are bought back or if authorised by the Articles of Association and subject to the Cayman Companies Act out of capital.

The Directors would only exercise the power to buy back in circumstances where they consider that the buy back would be in the best interests of the Company. The Directors consider that if the Buy-back Mandate was to be exercised in full at the current prevailing market value, it may not have a material adverse impact on the working capital and/or the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at December 31, 2021, being the date to which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

GENERAL

To the best of their knowledge, having made all reasonable enquiries, none of the Directors nor any of their close associates, as defined in the Listing Rules, currently intend to sell any Shares to the Company or its subsidiaries, in the event that the Buy-back Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Buy-back Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the Articles of Association.

No core connected person of the Company has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Buy-back Mandate is exercised.

If as a result of a buy back of Shares by the Company pursuant to the Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date and to the best of knowledge and belief of the Company, the following Shareholders, acting in concert, together with Mr. Zhenjun ZI, a non-executive Director, are collectively interested in 37.99% of the total issued share capital. Details of the shareholding are listed below:

Name of Shareholder	Number of Shares held	Approximate percentage (%) of issued share capital as at Latest Practicable Date	Approximate percentage (%) of issued share capital if the Repurchase Mandate is fully exercised
QM12 Limited ("QM12")	81,412,808	15.46	17.18
Broncus Biomedical Limited	43,741,976	8.31	9.23
Dinova Venture Partners GP III, L.P.	3,460,008	0.66	0.73
Xin Nuo Tong Investment Limited	9,172,328	1.74	1.94
Dinova Healthcare (Hong Kong) Co., Limited	33,112,752	6.29	6.99
BRS Biomedical Limited	14,643,588	2.78	3.09
Dinova Healthcare Delta Fund (USD) L.P	12,861,524	2.44	2.71
Dinova Venture Partners GP IV, L.P.	1,636,068	0.31	0.35
	<u>200,041,052</u>	<u>37.99</u>	<u>42.21</u>

Notes:

- (1) For the purpose of the SFO, Mr. Zi is deemed to be interested in the Shares held by the Shareholders (except QM12) in the above table.
- (2) Mr. Zi has vested 2,160,000 Shares which were granted to him pursuant to the RSU Scheme of the Company and have not been transferred to Mr. Zi as the Company has not received the payment of consideration from him as of the Latest Practicable Date.

In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Buy-Back Mandate, the shareholding of the above Shareholders would collectively increase to approximately 42.21% of the issued share capital of the Company, such increase would give rise to an obligation to make a mandatory offer in accordance with Rule 26 the Takeovers Code. The Company has no intention to repurchase Shares to such extent as such that an obligation to make a general offer under the Takeovers Code will be triggered.

The Listing Rules prohibit a company from making buy back on the Stock Exchange if the result of the buy back would be that less than 25 per cent (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to buy back shares which would result in less than the prescribed minimum percentage of Shares in public hands.

SHARE BUY BACK MADE BY THE COMPANY

No buy back of Shares (whether on the Stock Exchange or otherwise) have been made by the Company in the six months preceding the Latest Practicable Date.

SHARE PRICES

The highest and lowest traded prices for Shares recorded on the Stock Exchange during the period from the Listing Date up to the Latest Practicable Date were as follows:

Month	Highest traded prices HK\$	Lowest traded prices HK\$
2021		
September (<i>from the Listing Date</i>)	18.00	12.20
October	14.60	10.12
November	11.66	9.66
December	10.36	7.84
2022		
January	9.03	6.32
February	6.61	4.01
March	4.73	2.52
April (<i>up to the Latest Practicable Date</i>)	3.26	2.52

NOTICE OF ANNUAL GENERAL MEETING



Broncus Holding Corporation

堃博医疗控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2216)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of Broncus Holding Corporation (the “**Company**”) will be convened and held at Room 801, 8/F, Building 8, No. 88 Jiangling Road, Xixing Street, Binjiang District, Hangzhou, China on Friday, May 13, 2022 at 2:00 p.m. for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company:

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditor for the year ended December 31, 2021.
2. (a) To re-elect the following retiring directors of the Company:
 - (i) Mr. Michael Yi Wei ZHAO as non-executive director;
 - (ii) Mr. Zhenjun ZI as non-executive director; and
 - (iii) Mr. Ao ZHANG as non-executive director.
- (b) To authorise the board of directors of the Company to fix the remuneration of the directors of the Company.
3. To re-appoint Ernst & Young as the auditor of the Company, to hold office until the conclusion of the next annual general meeting of the Company, and to authorize the board of directors of the Company to fix their remuneration.
4. To consider and, if thought fit, to pass (with or without amendments) the following resolutions as ordinary resolutions:
 - (A) “**That:**
 - (i) subject to paragraph (iii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional

NOTICE OF ANNUAL GENERAL MEETING

shares of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers be and is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the directors of the Company during the Relevant Period (as hereinafter defined) pursuant to paragraph (i) above, otherwise than pursuant to (1) a Rights Issue (as hereinafter defined) or (2) the grant or exercise of any option under the option scheme of the Company or any other option, scheme or similar arrangements for the time being adopted for the grant or issue to the directors, officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (3) any scrip dividend or similar arrangements providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (4) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed the aggregate of 20 per cent of the total number of issued shares of the Company as at the date of passing this resolution and the said approval shall be limited accordingly;
- (iv) for the purpose of this resolution:
 - (a) “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (1) the conclusion of the next annual general meeting of the Company;
 - (2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; or

NOTICE OF ANNUAL GENERAL MEETING

- (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and
- (b) “Rights Issue” means an offer of shares of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the directors of the Company to holders of shares of the Company whose names appear on the register of members on a fixed record date in proportion to their holdings of shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”
- (B) “That:
- (i) subject to paragraph (ii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back shares of the Company on The Stock Exchange of Hong Kong Limited or on any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited under the Code on Share Buy-backs and, subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), be and is hereby generally and unconditionally approved;
- (ii) the aggregate number of shares of the Company, which may be bought back pursuant to the approval in paragraph (i) above shall not exceed 10 per cent of the total number of issued shares of the Company as at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (iii) subject to the passing of each of the paragraphs (i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) and (ii) of this resolution which had been granted to the directors of the Company and which are still in effect be and are hereby revoked; and

NOTICE OF ANNUAL GENERAL MEETING

(iv) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; or
 - (c) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.”
- (C) **“That** conditional upon the resolutions numbered 4(A) and 4(B) set out in the notice convening this meeting being passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and otherwise deal with additional shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the ordinary resolution numbered 4(A) set out in the notice convening this meeting be and is hereby extended by the addition thereto of such number of shares of the Company bought back by the Company under the authority granted pursuant to ordinary resolution numbered 4(B) set out in the notice convening this meeting, provided that such amount of shares of the Company shall not exceed 10 per cent of the total number of issued shares of the Company at the date of passing of the said resolutions.”

By order of the Board
Broncus Holding Corporation
ZHAO Michael Yi Wei
Chairman

Hong Kong, April 22, 2022

Registered office:
PO Box 309, Umland House
Grand Cayman, KY1-1104
Cayman Islands

Principal place of business in Hong Kong:
40/F, Dah Sing Financial Centre
248 Queen’s Road East
Wanchai
Hong Kong

*Head office and principal place of
business in PRC:*
Room 801, 8/F, Building 8
No. 88 Jiangling Road
Xixing Street, Binjiang District
Hangzhou
China

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (i) A shareholder entitled to attend and vote at the above meeting is entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it; a proxy need not be a shareholder of the Company.

In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.

- (ii) In order to be valid, a form of proxy must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting (i.e. before 2:00 p.m. on Wednesday, May 11, 2022) or any adjournment thereof. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish.
- (iii) For the purpose of determining the shareholders' eligibility to attend and vote at the above meeting to be held on Friday, May 13, 2022, the register of members of the Company will be closed from Tuesday, May 10, 2022 to Friday, May 13, 2022 (both days inclusive), during which period no transfers of shares will be registered. In order to qualify for attending and voting at the above meeting, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, May 6, 2022. The record date for determining the entitlement of the Shareholders to attend and vote at the meeting will be Friday, May 13, 2022.
- (iv) In respect of ordinary resolution numbered 2(a) above, Mr. Michael Yi Wei ZHAO, Mr. Zhenjun ZI and Mr. Ao ZHANG shall retire and, being eligible, have offered themselves for re-election as directors of the Company. The biographical details of the retiring directors are set out in Appendix I to the circular of the Company dated April 22, 2022.
- (v) In respect of ordinary resolution numbered 4(B) above, the directors of the Company wish to state that they will exercise the powers conferred by the general mandate to buy back shares of the Company in circumstances where they consider that the buy back would be in the best interest of the Company and its shareholders. An explanatory statement containing the information necessary to enable shareholders of the Company to make an informed decision on whether to vote for or against the resolution to approve the general mandate to buy back shares of the Company, as required by the Listing Rules, is set out in Appendix II to the circular of the Company dated April 22, 2022.
- (vi) To enable Shareholders to participate in the AGM and to speak and observe in relation to the resolution(s) to be resolved at the AGM, Shareholders not attending the AGM in person may join a live streaming webcast of the AGM where they can both speak and see during the discussion session at the AGM via Tencent Meeting at <https://meeting.tencent.com/dm/sBjD8qXKc310>. Shareholders that intend to participate in the AGM via Tencent Meeting shall contact the Company before 2:00 p.m. on Wednesday, May 11, 2022 to obtain a passcode to join the AGM via the following means:

By email: ir@bronuschina.com

Shareholders should note that viewing the live streaming webcast of the AGM via Tencent Meeting will not be counted towards a quorum nor will they be able to cast their votes online. Shareholders who wish to vote are strongly encouraged to appoint the chairman of the AGM as their proxy to vote on the relevant resolution(s) at the AGM by completing and returning the form of proxy in accordance with the instructions therein by a time not less than 48 hours before the time appointed for the AGM (i.e. 2:00 p.m. on Wednesday, May 11, 2022), if they have not already done so.

Shareholders are reminded that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairperson of the AGM as their proxy to vote on the relevant resolution(s) at the AGM instead of attending the AGM in person, by completing and return the form of proxy attached to this circular. If any Shareholder chooses not to attend the AGM in person but has any question about any resolution or about the Company, or has any matter for communication with the Board, he/she is welcome to send such question or matter in writing to our head office and principal place of business in PRC at Room 801, 8/F, Building 8, No. 88 Jiangling Road, Xixing Street, Binjiang District, Hangzhou, China or principal place of business in Hong Kong at 40th Floor, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong.