



## **Pulmonx Secures \$66m in Financing to Support Commercial Acceleration of the Zephyr Valve System, a Minimally-Invasive Treatment for Severe Emphysema**

May 5, 2020

**REDWOOD CITY, Calif., May 5, 2020** — Pulmonx Corporation, a commercial-stage medical technology company that provides a minimally-invasive treatment for patients with severe emphysema, announces a \$66 million financing led by Ally Bridge Group, a leading global life science investor. The financing also attracted new investors Adage Capital Management, HealthQuest Capital, Partner Fund Management, and Rock Springs Capital, as well as existing investors. In addition, \$17 million in growth capital was secured through CIBC Innovation Banking to refinance an existing debt facility.

Proceeds from this financing will ensure that Pulmonx is well-capitalized to support the continued global commercial expansion of the Zephyr Valve System, the first FDA-approved minimally-invasive treatment option for severe emphysema, a form of COPD. The Zephyr Valve procedure, done through a simple bronchoscopy with no incision or tissue resection, is clinically proven to improve patients' breathing, exercise capacity, and quality of life, without the risks of major surgery.<sup>[1]</sup>

"Ally Bridge is pleased to support Pulmonx in this oversubscribed financing," said Frank Yu, Founder, CEO and CIO of Ally Bridge Group. "The combination of Pulmonx' Zephyr Valve System, patient assessment tools, established reimbursement programs, and global commercial footprint positions it as the world leader in interventional COPD procedures."

Emphysema is a progressive and life-threatening form of Chronic Obstructive Pulmonary Disease (COPD) and represents about 25% of all COPD patients. In the United States, COPD is the third leading cause of death and is expected to be associated with approximately \$49 billion in direct medical costs in 2020. Emphysema is a debilitating and life-threatening disease that progressively destroys lung tissue, resulting in a diminishing ability to breathe and engage in the most basic daily activities, leading to further deconditioning and to a high mortality rate. It is estimated that more than 1.2M severe emphysema patients in the US, Europe and Japan are candidates for the Zephyr Valve treatment. Medical therapy delivers limited benefit in later stage patients, and because of the high risks and limited availability, surgical options are only available for a narrow patient population.

"We are pleased to be able to accelerate our efforts to bring our landmark technology to severe emphysema patients who need it," said Glen French, CEO of Pulmonx. "The recently secured financing will ensure we are able to continue to scale our commercialization efforts to meet the global demand for our Zephyr Valve System, as well as continue R&D efforts on new minimally-invasive pulmonary treatments."

### **About Bronchoscopic Lung Volume Reduction with the Zephyr Valve**

Bronchoscopic lung volume reduction with the Zephyr Valve is a one-time procedure performed through a bronchoscope, which requires no cutting or incisions. During the procedure, an average of four valves are placed in the airways to block off a diseased portion of the lung. The target area then reduces in size and allows adjacent healthier lung tissue to expand and function more efficiently. This results in patients being able to breathe more easily and experience less shortness of breath. Many patients treated with the Zephyr Valves have reported immediate relief and the ability to go back to doing everyday tasks with greater ease within weeks of treatment. Data from four published randomized controlled clinical studies have proven that Zephyr Valve delivers significant and persistent improvement in pulmonary function, exercise capacity, breathlessness, and quality of life with less morbidity and mortality than surgical treatment options.<sup>[2],[3],[4],[5]</sup> These data have led to the inclusion of Zephyr Valves in several national and global treatment guidelines including the UK's National Institute for Health and Care Excellent (NICE) and the Global Initiative for Chronic Obstructive Lung Disease (GOLD) which gives endobronchial valves a level 'A' evidence rating, the highest rating possible.

### **About Pulmonx Corporation**

Pulmonx is the global leader in interventional procedures for the treatment of COPD. It develops and markets non-surgical technologies for the assessment and treatment of patients with severe emphysema, a progressive and life-threatening form of COPD. The Pulmonx solution, which is comprised of the Zephyr Endobronchial Valve (Zephyr Valve), the Chartis Pulmonary Assessment System (Chartis System) and the StratX Lung Analysis Platform, is designed to treat severe emphysema patients who, despite medical management, are still profoundly symptomatic and either do not want or are ineligible for surgical approaches. The technology is supported by a compelling body of clinical evidence including over 100 published scientific articles regarding the clinical benefits of Zephyr Valves. FDA granted the Zephyr Valve a 'breakthrough device' designation, and in June 2018 Pulmonx received FDA pre-market approval to commercialize our Zephyr Valve. The Zephyr Valve is now commercially available and physicians in more than 25 countries around the world routinely use the Zephyr Valves to improve the lives of patients with severe emphysema, with over 76,000 valves used to treat more than 19,000 patients worldwide to date.

In addition to the Zephyr Valve System, the Company is planning further clinical trials of AeriSeal®, a foam-based lung sealant delivered through a bronchoscope to treat the subset of advanced emphysema that cannot be treated with the Zephyr valve. For more information, visit [www.MyLungsMyLife.com](http://www.MyLungsMyLife.com).

### **About Ally Bridge Group**

Ally Bridge Group ("ABG"), founded and led by Frank Yu (previously at Goldman Sachs and Och-Ziff Capital), is a global healthcare investment firm focused on supporting the world's most innovative life science technologies benefiting many millions of human lives and leading high-impact transactions, primarily in the U.S. For more information, please visit [www.ally-bridge.com](http://www.ally-bridge.com).

## About CIBC Innovation Banking

[CIBC Innovation Banking](#) delivers strategic advice, cash management and funding to North American innovation companies at each stage of their business cycle, from start up to IPO and beyond. With offices in Atlanta, Austin, Chicago, Denver, Menlo Park, Montreal, Reston, Toronto and Vancouver, the team has extensive experience and a strong, collaborative approach that extends across CIBC's commercial banking and capital markets businesses in the U.S. and Canada.

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[1] Am J Respir Crit Care Med Vol 198, Issue 9, pp 1151–1164, Nov 1, 2018.

[2] Am J Respir Crit Care Med Vol 198, Issue 9, pp 1151–1164 (2018).

[3] Am J Respir Crit Care Med, Vol 196, Issue 12, pp 1535-1543 (2015).

[4] Am J Respir Crit Care Med, Vol 194 Issue 9, pp 1073-1082 (2016).

[5] N Engl J Med, Vol 373, Issue 24, pp 2325-2335 (2015).