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**Changsha Broad Homes Industrial Group Co., Ltd.**

**長沙遠大住宅工業集團股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 2163)**

**ADJUSTMENT TO INVESTMENT PROJECTS TO BE FINANCED BY  
THE PROCEEDS FROM THE PROPOSED A SHARE OFFERING**

References are made to the announcements of Changsha Broad Homes Industrial Group Co., Ltd. (the “**Company**”) dated May 15, 2020, June 18, 2020 and July 8, 2020 and the circular of the Company dated June 22, 2020 (the “**Circular**”) in relation to, among others, the Proposed A Share Offering and relevant matters. Unless the context otherwise requires, capitalized terms used herein shall have the same meanings as those defined in the Circular.

As disclosed in the Circular, the proceeds from the Proposed A Share Offering, after deducting the issuance expenses, will be used to invest in the following projects:

No.	Project name	Total investment (RMB'0,000)	Proposed amount of proceeds to be used (RMB'0,000)
1	Broad Homes CPS Henan Research, Development and Production Headquarter Base Project	35,850.00	33,283.00
2	The First Phase of Assembly PC Factory Construction Project of Broad Homes Weifang Direct Company	34,350.00	30,150.00
3	Broad Homes Smart Site Research and Development Project	14,061.41	12,610.00
4	Broad Homes Mansion Exhibition Center Project	11,750.00	11,750.00
5	B-BOX Modularized Building Production Line Technology Renovation Project	41,880.00	41,880.00
6	Supplement of Working Capital	50,000.00	50,000.00
	<b>Total</b>	<u>187,891.41</u>	<u>179,673.00</u>

Based on the authorization given to the Company's board of directors (the "Board") and its authorized persons at the Extraordinary General Meeting, the H Shareholders Class Meeting and the Domestic Shareholders Class Meeting of the Company held on July 8, 2020 in relation to the Proposed A Share Offering and relevant matters and after taking account of actual conditions of investment projects to be financed by the proceeds from the Proposed A Share Offering, the Board reviewed and approved the Resolution on Adjusting the Total Investment and Proposed Amount of Proceeds to be Used of Investment Projects to be Financed by the Proceeds on September 11, 2020, pursuant to which, the total investment and proposed amount of proceeds to be used of Broad Homes Mansion Exhibition Center Project have been adjusted from RMB117,500,000 to RMB99,700,000, and minor changes have been made to the names of investment projects in line with their actual filings, that is, the project names of "Broad Homes CPS Henan Research, Development and Production Headquarter Base Project" and "B-BOX Modularized Building Production Line Technology Renovation Project" have been changed to "The First Phase of Broad Homes CPS Henan Research, Development and Production Headquarter Base Project" and "Broad Homes B-BOX Modularized Building Production Line Technology Renovation Project", respectively. Except for the above adjustments, other information on investment projects to be financed by the proceeds from the Proposed A Share Offering and their feasibility analyses contained in the Circular remain unchanged. The PRC legal advisers of the Company have confirmed that, the above adjustments do not require further approval by the Company's shareholders at general meetings and class meetings.

The following table shows the adjusted investment projects to be financed by the proceeds from the Proposed A Share Offering\*:

No.	Project name	Total investment (RMB'0,000)	Proposed amount of proceeds to be used (RMB'0,000)
1	<b><u>The First Phase of Broad Homes CPS Henan Research, Development and Production Headquarter Base Project</u></b>	35,850.00	33,283.00
2	The First Phase of Assembly PC Factory Construction Project of Broad Homes Weifang Direct Company	34,350.00	30,150.00
3	Broad Homes Smart Site Research and Development Project	14,061.41	12,610.00
4	Broad Homes Mansion Exhibition Center Project	<b><u>9,970.00</u></b>	<b><u>9,970.00</u></b>
5	<b><u>Broad Homes B-BOX Modularized Building Production Line Technology Renovation Project</u></b>	41,880.00	41,880.00
6	Supplement of Working Capital	<u>50,000.00</u>	<u>50,000.00</u>
	<b>Total</b>	<b><u><u>186,111.41</u></u></b>	<b><u><u>177,893.00</u></u></b>

\* Note: The final amount and usage of the proceeds from the Proposed A Share Offering may be adjusted depending on the issuance situation. Shareholders are advised to pay attention to the Company's subsequent disclosures (if applicable).

**Shareholders and potential investors should be aware that there is no assurance that the Proposed A Share Offering will proceed, and that the Proposed A Share Offering is subject to the approval of, among others, the CSRC and other relevant regulatory authorities. Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company. The Company will make further announcement(s) in respect of the Proposed A Share Offering pursuant to all applicable requirements under the Hong Kong Listing Rules as and when appropriate.**

On behalf of the Board  
**Changsha Broad Homes Industrial Group Co., Ltd.**  
**Zhang Jian**  
*Chairman*

Changsha, September 11, 2020

*As at the date of this announcement, the Board comprises Mr. Zhang Jian, Ms. Tang Fen, Ms. Shi Donghong, Mr. Zhang Kexiang and Mr. Tan Xinming as Executive Directors; Mr. Zhang Quanzun and Ms. Hu Keman as non-Executive Directors; and Mr. Chen Gongrong, Mr. Li Zhengnong, Mr. Wong Kai Yan Thomas and Mr. Zhao Zhengting as independent non-Executive Directors.*