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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)

**PARTIAL EXERCISE OF
THE OVER-ALLOTMENT OPTION, STABILIZING ACTIONS
AND
END OF STABILIZATION PERIOD**

PARTIAL EXERCISE OF THE OVER-ALLOTMENT OPTION

The Company announces that the Over-allotment Option described in the Prospectus was partially exercised by the Joint Global Coordinators, on behalf of the International Underwriters, on Thursday, 28 November 2019, in respect of an aggregate of 167,400 H Shares (the “**Over-allotment Shares**”), representing approximately 0.14% of the total number of the Offer Shares initially available under the Global Offering to, among other things, cover the over-allocation in the International Offering. The Over-allotment Shares will be issued and allotted by the Company at HK\$9.68 per H Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Hong Kong Stock Exchange trading fee of 0.005%), being the Offer Price per H Share under the Global Offering.

The portion of the Over-allotment Option which has not been exercised by the Joint Global Coordinators (on behalf of the International Underwriters) lapsed on Thursday, 28 November 2019.

STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

The Company further announces that the stabilization period in connection with the Global Offering ended on Thursday, 28 November 2019, being the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. The stabilizing actions undertaken by China International Capital Corporation Hong Kong Securities Limited, as the stabilizing manager (the “**Stabilizing Manager**”), its affiliates or any person acting for it during the stabilization period were:

- (1) the over-allocation of an aggregate of 18,280,200 H Shares in the International Offering, representing 15% of the total number of the Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option);
- (2) successive purchases of an aggregate of 18,112,800 H Shares in the price range of HK\$8.40 to HK\$9.68 per H Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Hong Kong Stock Exchange trading fee of 0.005%) on the market during the stabilization period. The last purchase made by the Stabilizing Manager on the market during the stabilization period was on 28 November 2019 at the price of HK\$9.68 per H Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Hong Kong Stock Exchange trading fee of 0.005%); and
- (3) the partial exercise of the Over-allotment Option by the Joint Global Coordinators, on behalf of the International Underwriters, on 28 November 2019, in respect of an aggregate of 167,400 H Shares, representing approximately 0.14% of the total number of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, at the Offer Price per H Share under the Global Offering, to facilitate the delivery to the cornerstone investor which has agreed to a delayed delivery of H Shares subscribed by it under its cornerstone investment agreement.

PARTIAL EXERCISE OF THE OVER-ALLOTMENT OPTION

The Company announces that the Over-allotment Option described in the Prospectus was partially exercised by the Joint Global Coordinators, on behalf of the International Underwriters, on Thursday, 28 November 2019, in respect of an aggregate of 167,400 H Shares, representing approximately 0.14% of the total number of the Offer Shares initially available under the Global Offering before exercise of the Over-allotment Option.

The Over-allotment Shares will be issued and allotted by the Company at HK\$9.68 per H Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Hong Kong Stock Exchange trading fee of 0.005%), being the Offer Price per H Share under the Global Offering. The Over-allotment Shares will be used to, among other things, cover the over-allocation in the International Offering.

The portion of the Over-allotment Option which has not been exercised by the Joint Global Coordinators (on behalf of the International Underwriters) lapsed on Thursday, 28 November 2019.

Approval of Listing

Approval for the listing of and permission to deal in the Over-allotment Shares has already been granted by the Listing Committee of the Hong Kong Stock Exchange. Listing of and dealings in such Over-allotment Shares are expected to commence on the Main Board of the Hong Kong Stock Exchange at 9:00 a.m. on Tuesday, 3 December 2019.

Share Capital upon the Completion of the Partial Exercise of Over-allotment Option

The shareholding structure of the Company immediately before and after the completion of the partial exercise of the Over-allotment Option is as follows:

	Immediately before the partial exercise of the Over-allotment Option		Immediately after the partial exercise of the Over-allotment Option	
	Number of Shares	Approximate percentage of the Company's total issued share capital	Number of Shares	Approximate percentage of the Company's total issued share capital
Domestic Shares	365,604,000	75.00%	365,604,000	74.97%
H Shares issued pursuant to the Global Offering	121,868,000	25.00%	122,035,400	25.03%
Total	487,472,000	100%	487,639,400	100%

Use of Proceeds

The additional net proceeds of approximately HK\$1.56 million to be received by the Company from the issue and allotment of the Over-allotment Shares after deducting the underwriting commissions and other estimated expenses in connection with the exercise of the Over-allotment Option, will be used by the Company for the purposes as set out in the section headed “*Future Plans and Use of Proceeds — Use of Proceeds*” in the Prospectus. In addition, such Over-allotment Shares are subject to a lock-up of six months from the Listing Date pursuant to the terms of the relevant cornerstone investment agreement as disclosed in the Prospectus.

STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

The Company further announces that the stabilization period in connection with the Global Offering ended on Thursday, 28 November 2019, being the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. The stabilizing actions undertaken by the Stabilizing Manager, its affiliates or any person acting for it during the stabilization period were:

- (1) the over-allocation of an aggregate of 18,280,200 H Shares in the International Offering, representing 15% of the total number of the Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option);

- (2) successive purchases of an aggregate of 18,112,800 H Shares in the price range of HK\$8.40 to HK\$9.68 per H Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Hong Kong Stock Exchange trading fee of 0.005%) on the market during the stabilization period. The last purchase made by the Stabilizing Manager on the market during the stabilization period was on 28 November 2019 at the price of HK\$9.68 per H Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Hong Kong Stock Exchange trading fee of 0.005%); and
- (3) the partial exercise of the Over-allotment Option by the Joint Global Coordinators, on behalf of the International Underwriters, on 28 November 2019, in respect of an aggregate of 167,400 H Shares, representing approximately 0.14% of the total number of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, at the Offer Price per H Share under the Global Offering, to facilitate the delivery to the cornerstone investor which has agreed to a delayed delivery of H Shares subscribed by it under its cornerstone investment agreement.

PUBLIC FLOAT

Immediately after the partial exercise of the Over-allotment Option, the Company will continue to comply with the public float requirements under Rule 8.08 of the Listing Rules.

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

Changsha, 28 November 2019

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Zhang Jian, Ms. Tang Fen, Ms. Shi Donghong, Mr. Zhang Kexiang and Mr. Tan Xinming as Executive Directors; Mr. Zhang Quanxun as non-Executive Director; and Mr. Chen Gongrong, Mr. Li Zhengnong and Mr. Wong Kai Yan Thomas as Independent non-Executive Directors.