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

If you have sold or transferred all your shares in **Changsha Broad Homes Industrial Group Co., Ltd.**, you should at once hand this circular and the enclosed form(s) 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 transferee.

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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)

**2021 MEDIUM AND LONG-TERM INCENTIVE PLAN
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

The EGM will be held at Meeting Room of Broad Academy, No. 826 Lusong Road, High-tech Development Zone, Changsha, Hunan Province at 10:00 a.m. on Friday, October 22, 2021. The notice of the EGM is set out on pages 14 to 16 of this circular.

If you intend to attend the EGM by proxy, you are required to complete and return the enclosed form of proxy according to the instructions printed thereon not less than 24 hours before the time appointed for the holding of the above-mentioned EGM (i.e., before 10:00 a.m. on Thursday, October 21, 2021). Completion and return of the form(s) of proxy will not preclude you from attending and voting in person at the EGM if you so wish. In such event, the instrument appointing a proxy shall be deemed to be revoked.

October 6, 2021

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DEFINITIONS

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

“2021 Medium and Long-Term Incentive Plan”	the 2021 medium and long-term incentive plan of the Company, including the Restricted Share Incentive Plan and the Share Option Incentive Plan to be proposed for consideration and approval by the Shareholders at the first extraordinary general meeting in 2021
“Articles of Association”	the articles of association of the Company (as amended, modified or otherwise supplemented from time to time)
“Board”	the board of Directors of the Company
“Company”	Changsha Broad Homes Industrial Group Co., Ltd. (長沙遠大住宅工業集團股份有限公司), which was established in the PRC on April 30, 2006 as a limited liability company and was converted into a joint stock company with limited liability in the PRC on December 10, 2015, the H Shares of which are listed on the Hong Kong Stock Exchange (stock code: 2163)
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	domestic unlisted ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi
“H Share(s)”	overseas listed foreign investment share(s) of the Company with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong Dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Incentive Target(s)”	the eligible persons under the 2021 Medium and Long-Term Incentive Plan, including Directors, senior management members of the Company and outstanding key business personnel that the Company considers should be motivated, excluding those who are not eligible to become Incentive Targets in accordance with the requirements of relevant laws and regulations

DEFINITIONS

“Latest Practicable Date”	September 29, 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“PRC”	the People’s Republic of China, which for the purposes of this announcement only, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Remuneration and Appraisal Committee”	the remuneration and appraisal committee of the Board
“Restricted Share Incentive Plan”	the restricted share incentive plan to be proposed by the Company for adoption at the first extraordinary general meeting in 2021, pursuant to which, the Company shall grant Restricted Shares to the Incentive Targets
“Restricted Shares”	a certain number of H Shares to be granted by the Company to the Incentive Targets at nil consideration according to the conditions stipulated in the Restricted Share Incentive Plan under the 2021 Medium and Long-Term Incentive Plan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.0 each, comprising Domestic Share(s) and H Share(s)
“Share Option(s)”	the option(s) to be granted by the Company to the Incentive Targets to purchase a certain number of H Shares of the Company pursuant to the determined exercise price and conditions in a future period according to the conditions stipulated in the Share Option Incentive Plan under the 2021 Medium and Long-Term Incentive Plan
“Share Option Incentive Plan”	the share option incentive plan to be proposed by the Company for adoption at the first extraordinary general meeting in 2021, pursuant to which, the Company shall grant Share Options to the Incentive Targets
“Shareholder(s)”	holders of the Shares of the Company
“Shareholders’ General Meeting” or “EGM”	the first extraordinary general meeting in 2021 to be convened to consider and if thought fit, approve the 2021 Medium and Long-term Incentive Plan
“%”	per cent

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Zhang Jian (*Chairman*)

Ms. Tang Fen

Ms. Shi Donghong

Mr. Zhang Kexiang

Mr. Tan Xinming

Non-executive Directors:

Mr. Zhang Quanxun

Ms. Hu Keman

Independent Non-executive Directors:

Mr. Chen Gongrong

Mr. Li Zhengnong

Mr. Wong Kai Yan Thomas

Mr. Zhao Zhengting

Registered Office:

Intersection of Lusong Road and

Dongfanghong Road

Changsha High-tech Development Zone

Changsha

Hunan

PRC

Principal Place of Business in Hong Kong:

31/F, Tower Two, Times Square

1 Matheson Street

Causeway Bay

Hong Kong

October 6, 2021

To the Shareholders

Dear Sir/Madam,

2021 MEDIUM AND LONG-TERM INCENTIVE PLAN

I. INTRODUCTION

Reference is made to the announcement of the Company dated September 28, 2021 in relation to the 2021 Medium and Long-Term Incentive Plan. On September 28, 2021, the Board considered and approved the resolution of the adoption of the 2021 Medium and Long-Term Incentive Plan.

The purpose of this circular is to provide you with the notice of the EGM (as set out in this circular on pages 14 to 16) and reasonable information required for you to make an informed decision as to voting on the resolution to be proposed at the EGM.

LETTER FROM THE BOARD

II. MATTERS TO BE RESOLVED AT THE EGM

The resolution to be proposed for shareholders' consideration and approval includes:

1. the resolution on the 2021 Medium and Long-Term Incentive Plan.

Such resolution will be proposed at the EGM by way of a special resolution.

III. 2021 MEDIUM AND LONG-TERM INCENTIVE PLAN

1. Resolution on the 2021 Medium and Long-Term Incentive Plan

The 2021 Medium and Long-Term Incentive Plan and the relevant mandate are subject to consideration and approval by the Shareholders at the Shareholders' General Meeting by way of a special resolution.

I. Main Contents of the 2021 Medium and Long-Term Incentive Plan

Objective

The 2021 Medium and Long-Term Incentive Plan aims to further establish and improve the incentive and restrictive mechanism for the Company, and to attract, retain and motivate the Directors, senior management members of the Company and outstanding key business personnel that the Company considers should be motivated, to create corporate value and to share its value growth, thereby effectively aligning Shareholders' interests and the Company's interests with personal interests, facilitating the effective implementation of the Company's strategic objectives and ensuring the long-term stable development of the Company.

Incentive Mode

The 2021 Medium and Long-Term Incentive Plan includes the Restricted Share Incentive Plan and the Share Option Incentive Plan.

Incentive Targets

Incentive Targets include Directors, senior management members of the Company and outstanding key business personnel that the Company considers should be motivated, excluding those who are not eligible to become Incentive Targets in accordance with the requirements of relevant laws and regulations. According to the 2021 Medium and Long-Term Incentive Plan, the Board or the Remuneration and Appraisal Committee of the Board (as the case may be) will review and determine the Incentive Targets and determine the number of Restricted Shares and/or Share Options to be granted.

LETTER FROM THE BOARD

The grant to any Director, chief executive or substantial shareholders of the Company, or any of their respective associates (as defined under Rule 14A.06(2) of the Hong Kong Listing Rules), shall be subject to the prior approval of the independent non-executive Directors (excluding the independent non-executive Directors who are the proposed Incentive Targets) and shall be subject to the requirements of Chapter 14A of the Hong Kong Listing Rules. Notwithstanding the above, in the event of an award granted to a Director forms part of the relevant Director's remuneration under his/her service contract, the award granted to such Directors will be exempt from the reporting, announcement and independent Shareholders' approval requirements under Rule 14A.95 of the Hong Kong Listing Rules. The Company will also ensure compliance with the public float requirements under the Hong Kong Listing Rules.

Source and Quantity of Shares and Grant Ceiling

Under the Restricted Share Incentive Plan and the Share Option Incentive Plan, the Company will entrust the custodian to purchase a certain number of H Shares in the secondary market to be granted to the Incentive Targets.

Under the Restricted Share Incentive Plan, the total amount of H Shares to be granted to the Incentive Targets will not exceed 3 million H Shares, representing approximately 0.968% of the total number of H Shares and approximately 0.615% of the total number of issued Shares.

Under the Share Option Incentive Plan, the total number of H Share Options to be granted to the Incentive Targets will not exceed 7 million options. Each Share Option has the right to purchase one H Share of the Company at the agreed exercise price within the validity period, subject to the fulfillment of the exercise conditions. If the options are exercised in full, the Company will grant a total of 7 million H Shares to the Incentive Targets, representing approximately 2.259% of the total number of H Shares and approximately 1.435% of the total number of issued Shares. The Incentive Targets have the right to purchase H Shares of the Company at the option exercise price from 2023 to 2027, subject to the fulfillment of the exercise conditions of the Share Options.

Total number of Shares mentioned above have been reserved for core senior management talents that shall be motivated as recognized by the Board in the future, including those newly joined and promoted key personnel.

Restricted Share Incentive Plan

Grant of Restricted Shares

The Company will, at its discretion, select qualified individuals as Incentive Targets and arrange to determine the number of Restricted Shares to be granted at one time in line with the Company's future business development planning cycle.

The Restricted Share Incentive Plan does not constitute a share option scheme under Chapter 17 of the Hong Kong Listing Rules, but rather a discretionary plan of the Company.

LETTER FROM THE BOARD

Grant Price

The grant will be made at nil consideration, and the Incentive Targets need not make any payment. The payment for purchase of Restricted Shares will be made by the Company.

Incentive Cycle

After being approved at the Shareholders' General Meeting, the Board or the Remuneration and Appraisal Committee of the Board (as the case may be) will identify the Incentive Targets and implement the grants in 2022, the vesting of which will begin in 2023. The lock-up period of Restricted Shares shall start from the date on which the Restricted Shares are granted to the Incentive Targets till December 31, 2022.

Vesting

After the expiration of the lock-up period of Restricted Shares and commencing from January 1, 2023, the persons authorized by the Board or the Remuneration and Appraisal Committee of the Board (as the case may be) will determine whether vesting may occur according to the following conditions:

- (a) The Company does not have any of the following circumstances: the Company's auditor issuing an adverse opinion or unable to express an opinion on the Company's audit report; and the Company having been penalized by the securities regulatory authorities or other relevant authorities due to material violations;
- (b) The overall performance of the Company meets the Board's expectation after assessment; and
- (c) The performance of the relevant Incentive Targets are appraised as competent during the lock-up period of Restricted Shares.

During the lock-up period of the Restricted Shares, the Incentive Targets shall not exercise the voting rights of the Restricted Shares granted, and shall not transfer and make use of the Restricted Shares for any debts guarantee or repayment.

LETTER FROM THE BOARD

Termination of Vesting

When an Incentive Target encounters any of the following circumstances, the Company can in principle recall the Restricted Shares that have been granted but not yet vested:

- (a) Voluntary resignation or termination during the employment or labor service contract period;
- (b) No renewal of employment or labor service contract after expiration for personal reasons;
- (c) Dismissal due to substandard performance, individual's negligence or violation of laws and regulations;
- (d) Job duties change resulting from incompetence, substandard assessment results, breach of laws, leakage of the Company's confidential information, negligence or dereliction of duty that seriously damages the interests or reputation of the Company and its subsidiaries; and
- (e) Not eligible to become an Incentive Target in accordance with the requirements of the relevant laws and regulations.

Share Option Incentive Plan

Grant of Share Options

The Company will, at its discretion, select qualified individuals as Incentive Targets and arrange to determine the number of Share Options to be granted on a one-off or multiple basis in line with the Company's future business development planning cycle. During such cycle, annual adjustments will be made according to the achievements of the performance targets of the Company and the Incentive Targets.

The Share Option Incentive Plan does not constitute a share option scheme under Chapter 17 of the Hong Kong Listing Rules, but rather a discretionary plan of the Company.

Exercise Price

The option exercise price is determined by the Board. The Incentive Targets may purchase the H Shares of the Company at the option exercise price from January 1, 2023 to December 31, 2027, subject to the fulfillment of the exercise conditions.

LETTER FROM THE BOARD

Incentive Cycle and Exercise Conditions

After being approved at the Shareholders' General Meeting, the Board or the Remuneration and Appraisal Committee of the Board (as the case may be) will identify the Incentive Targets and grant Share Options at the end of 2022. The Share Options are valid from the date of granting of Share Options to the Incentive Targets till December 31, 2027. The lock-up period of Share Options shall start from the date of granting Share Options to Incentive Targets to December 31, 2022.

Exercise

After the expiration of lock-up period of Share Options, the Board or the Remuneration and Appraisal Committee of the Board (as the case may be) may, from January 1, 2023 to December 31, 2027, determine whether the Incentive Targets have the right to exercise the Share Options granted to them according to the following conditions:

- (a) The Company does not have any of the following circumstances: the Company's auditor issuing an adverse opinion or unable to express an opinion on the Company's audit report; and the Company having been penalized by the securities regulatory authorities or other relevant authorities due to material violations;
- (b) The overall performance of the Company meets the Board's expectation after assessment; and
- (c) The performance of the relevant Incentive Targets are appraised as competent during the lock-up period of Share Options.

After the above conditions are met, the Incentive Targets may acquire the H Shares corresponding to the Share Options after payment of the exercise prices through the Company or the custodians selected by the Company.

The Incentive Targets shall not exercise the voting rights of Share Options corresponding to the H Shares of the Company before the exercises of Share Options, and shall not transfer and make use of the Share Options for any debts guarantee or repayment.

LETTER FROM THE BOARD

Termination of Share Options

When an Incentive Target encounters any of the following circumstances, the Company can in principle recall the Share Options that have been granted but not yet exercised:

- (a) Voluntary resignation or termination during the employment or labor service contract period;
- (b) No renewal of employment or labor service contract after expiration for personal reasons;
- (c) Dismissal due to substandard performance, individual's negligence or violation of laws and regulations;
- (d) Job duties change resulting from incompetence, substandard assessment results, breach of laws, leakage of the Company's confidential information, negligence or dereliction of duty that seriously damages the interests or reputation of the Company and its subsidiaries; and
- (e) Not eligible to become an Incentive Target in accordance with the requirements of the relevant laws and regulations.

Adjustment of 2021 Medium and Long-Term Incentive Plan

Adjustments of Number of Shares

If the Company carries out conversion of capital reserve into share capital, distribution of bonus Shares, subdivision of Shares, allotment of Shares or capital reduction during the period from the grant date of Restricted Shares to the ending date of the Restricted Shares lock-up period or from the grant date of Share Options to date when the Share Options become exercisable under the 2021 Medium and Long-Term Incentive Plan, the Board or the Remuneration and Appraisal Committee of the Board (as the case may be) will adjust the number of Restricted Shares and Share Options to be granted accordingly pursuant to the provisions of the 2021 Medium and Long-Term Incentive Plan.

Adjustments of Exercise Price of Share Options

If the Company carries out distribution of dividends, conversion of capital reserve into share capital, distribution of bonus Shares, subdivision of Shares, allotment of Shares or capital reduction before the exercise of Share Options, the Board or the Remuneration and Appraisal Committee of the Board (as the case may be) will adjust the exercise price of Share Options accordingly pursuant to the provisions of the 2021 Medium and Long-Term Incentive Plan.

LETTER FROM THE BOARD

Management of 2021 Medium and Long-Term Incentive Plan

According to the Articles of Association, the 2021 Medium and Long-Term Incentive Plan shall be approved by the Board and implemented after being approved at the Shareholders' General Meeting by way of a special resolution.

The date on which the Board or the Remuneration and Appraisal Committee of the Board (as the case may be) approves the formal grant of Restricted Shares and Share Options to the Incentive Targets in accordance with the incentive plan must be a trading day. The grant date shall not fall within the following period:

- (a) from any time when the Company possesses inside information to the date of publishing such inside information;
- (b) from the 60th day prior to the publication of annual results to the date of publication or from the end of relevant financial period to the date of publication, whichever is shorter;
- (c) from the 30th day prior to the publication of interim/quarterly results (if applicable) to the date of publication or from the end of relevant financial period to the date of publication, whichever is shorter; and
- (d) other restrictions as required by the relevant laws and regulations of the PRC and Hong Kong.

On the premise that the 2021 Medium and Long-Term Incentive Plan is approved at the Shareholders' General Meeting, and in order to facilitate the day-to-day management of the incentive plan, it is recommended that the Shareholders authorize the Board or the Remuneration and Appraisal Committee of the Board (as the case may be) and their further authorized persons (including but not limited to selected custodians) to fully implement all the necessary matters in relation to the 2021 Medium and Long-Term Incentive Plan based on the principle of maximizing the interests of Shareholders and in accordance with the provisions of the incentive plan and the terms of custody contract.

LETTER FROM THE BOARD

II. Relevant mandate of the 2021 Medium and Long-Term Incentive Plan

According to the Articles of Association, the 2021 Medium and Long-Term Incentive Plan is subject to consideration and approval at the Shareholders' General Meeting of the Company. The Board proposes to seek Shareholders' approval at the Shareholders' General Meeting to authorize the Board or the Remuneration and Appraisal Committee of the Board (as the case may be) and their further authorized persons, to do all such acts and things as they deem necessary, appropriate or desirable in connection with the implementation and administration of the 2021 Medium and Long-Term Incentive Plan, including but not limited to the following matters:

- (a) Entrusting qualified custodians to purchase no more than 3 million H Shares and 7 million H Shares in the secondary market as the sources of Shares under the Restricted Share Incentive Plan and Share Option Incentive Plan, respectively, pursuant to the 2021 Medium and Long-Term Incentive Plan;
- (b) Determining the Incentive Targets to be rewarded, their qualification requirements, grant date, number of Shares or options to be granted, grant method and exercise price as well as related restrictive conditions according to the provisions of Restricted Share Incentive Plan and Share Option Incentive Plan;
- (c) Reviewing and determining whether the exercise or vesting conditions of Incentive Targets for Restricted Shares or Share Options are met;
- (d) Handling all the matters necessary for granting the Restricted Shares and Share Options to the Incentive Targets when they meet the conditions for granting;
- (e) Adjusting the number of Restricted Shares and Share Options pursuant to the methods stipulated in the incentive plan when the Company converts its capital reserve into share capital, distributes bonus Shares and allots Shares;
- (f) Adjusting the exercise price pursuant to the methods stipulated in the Share Option Incentive Plan when the Company converts its capital reserve into share capital, distributes bonus Shares, allots Shares and distribute dividends; and
- (g) Executing, managing, adjusting and revising the 2021 Medium and Long-Term Incentive Plan and implementing other necessary or appropriate matters (including but not limited to recalling the Restricted Shares that have not been vested and Share Options that have not been exercised from the Incentive Targets), excluding those matters that are subject to approval at the Shareholders' General Meetings in accordance with relevant laws and regulations, the Articles of Association and the provisions of the 2021 Medium and Long-Term Incentive Plan.

The above authorization is valid from the date of approval at the Shareholders' General Meeting to the end of the validity period of the 2021 Medium and Long-Term Incentive Plan.

LETTER FROM THE BOARD

III. Others

Mr. Zhang Jian, the Shareholder and the Chairman of the Company, personally commits to offer no more than 10 million Shares of the Company as identical incentives in the form of personal gift, and such Shares will be provided out of the Shares (H Shares or Domestic Shares) of the Company directly or indirectly held by Mr. Zhang Jian personally, and the incentive time shall be the same as the 2021 Medium and Long-Term Incentive Plan of the Company.

This proposal has been approved by the Board, and shall be submitted to the EGM for consideration and approval by way of a special resolution.

IV. EGM

The EGM will be held at Meeting Room of Broad Academy, No. 826 Lusong Road, High-tech Development Zone, Changsha, Hunan Province at 10:00 a.m. on Friday, October 22, 2021 for the purpose of considering and, if thought fit, passing resolution regarding the above matters. The notice of the EGM is set out in this circular on pages 14 to 16.

As set out in the notice of the EGM, in order to ascertain Shareholders' entitlement to attend the EGM, the register of members of the Company will be closed from Tuesday, October 19, 2021 to Friday, October 22, 2021 (both days inclusive). Shareholders whose names appear on the register of members of the Company at the opening of business on Friday, October 22, 2021 are entitled to attend and vote at the EGM.

If you intend to attend the EGM by proxy, you are required to complete and return the enclosed form(s) of proxy according to the instructions printed thereon not less than 24 hours before the respective time appointed for the holding of the above-mentioned EGM (i.e. before 10:00 a.m. on Thursday, October 21, 2021). Completion and return of the form(s) of proxy will not preclude you from attending and voting in person at the relevant meetings if you so wish. In such event, the instrument appointing a proxy shall be deemed to be revoked.

V. VOTING BY POLL

Pursuant to relevant requirements of the Hong Kong Listing Rules, voting at the EGM will be taken by poll. The announcements of poll results of the above-mentioned meetings will be published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.bhome.com.cn).

To the best of the Directors' knowledge, information and belief, none of the Shareholders will be required to abstain from voting at the EGM according to the relevant laws and regulations.

LETTER FROM THE BOARD

VI. RECOMMENDATIONS

The Board (including the independent non-executive Directors) are of the opinion that, the resolution as set out in the notice of the EGM for Shareholders' consideration and approval is in the interests of the Company and the Shareholders as a whole, and therefore, recommended Shareholders to vote in favour of the resolution to be proposed at the EGM.

VII. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Shareholders and potential investors should note that the implementation of the 2021 Medium and Long-Term Incentive Plan may not be materialised. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the Shares of the Company.

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

NOTICE OF EXTRAORDINARY GENERAL MEETING



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Changsha Broad Homes Industrial Group Co., Ltd. (the “**Company**”) will be held at Meeting Room of Broad Academy, No. 826 Lusong Road, High-tech Development Zone, Changsha, Hunan Province at 10:00 a.m. on Friday, October 22, 2021 (the “**EGM**”), for the purpose of considering and approving the following resolution:

SPECIAL RESOLUTION:

1. To consider and approve the resolution on the 2021 Medium and Long-Term Incentive Plan.

On behalf of the Board

Changsha Broad Homes Industrial Group Co., Ltd.

Zhang Jian

Chairman

October 6, 2021

As at the date of this notice, the Board comprises Mr. Zhang Jian, Ms. Tang Fen, Ms. Shi Donghong, Mr. Zhang Kexiang and Mr. Tan Xinming as Executive Directors; Mr. Zhang Quanxun 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.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. CLOSURE OF REGISTER OF MEMBERS TO DETERMINE ENTITLEMENT TO ATTEND THE EGM

In order to ascertain shareholders' entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, October 19, 2021 to Friday, October 22, 2021 (both days inclusive). Shareholders whose names appear on the register of members of the Company at the opening of business on Friday, October 22, 2021 are entitled to attend and vote at the EGM. In order to qualify for attending and voting at the EGM, all duly completed transfer documents accompanied by the relevant share certificates of H shareholders whose transfer has not been registered shall be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong for registration before 4:30 p.m. on Monday, October 18, 2021.

2. APPOINTMENT OF PROXIES

A shareholder entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote on his/her behalf. A proxy need not be a shareholder of the Company, but he/she must attend the EGM in person to represent the relevant shareholder.

The instrument appointing a proxy must be in writing under the hand of a shareholder or his/her attorney duly authorized in writing. If the shareholder is a corporation, that instrument must be executed either under its common seal or under the hand of its director(s) or duly authorized attorney. If that instrument is signed by an attorney of the shareholder, the power of attorney authorizing that attorney to sign or other authorization document must be notarized.

In order to be valid, the form of proxy, the notarized power of attorney or other authorization document (if any) must be delivered to the H share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong (for H shareholders), or the headquarters and principal place of business of the Company at No. 248 Yinshuang Road, Yuelu District, Changsha, Hunan Province, the PRC (for domestic shareholders) not less than 24 hours before the time appointed for the holding of the EGM (i.e. no later than 10:00 a.m. on Thursday, October 21, 2021) or any adjournment thereof (as the case may be) by hand or by post. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM if you so wish.

3. VOTING BY POLL

All resolutions at the general meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). Therefore, the resolution as set out in the notice of the EGM will be taken by poll. The announcement of poll results will be published on the website of the Company (www.bhome.com.cn) and the HKExnews website of the Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) in accordance with the Listing Rules.

NOTICE OF EXTRAORDINARY GENERAL MEETING

4. MISCELLANEOUS

- (1) The EGM is expected to last for no more than half a day. Shareholders or their proxies attending the EGM shall be responsible for their own travelling and accommodation expenses.
- (2) Shareholders or their proxies shall produce their identity proof when attending the EGM (and any adjournment thereof).
- (3) The H share registrar of the Company:

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong
(for lodging transfer documents)
17M Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong (for lodging form of proxy)
Tel: (852) 2862 8555
Fax: (852) 2865 0990
- (4) The headquarters and principal place of business of the Company:

No. 248 Yinshuang Road, Yuelu District, Changsha, Hunan Province, the PRC
Contact department: Board secretary office
Tel: (86) 0731 8891 1595
Fax: (86) 0731 8891 1595
Contact person: Huang Fengchun
- (5) Unless otherwise indicated, capitalised terms used in this notice and the above resolution shall have the same meanings as those defined in the circular of the Company dated October 6, 2021.