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)

SUPPLEMENTAL ANNOUNCEMENT ON BOARD RESOLUTIONS

Reference is made to the announcement of Changsha Broad Homes Industrial Group Co., Ltd. (the "**Company**") dated June 17, 2026 in relation to, among other matters, the announcement of Board resolutions (the "**Announcement**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

SUPPLEMENT TO BOARD RESOLUTIONS

This announcement aims to supplement the Announcement with further details regarding, among other matters, the resolutions relating to the proposed removal of Ms. Shi Donghong ("**Ms. Shi**"), a non-executive director, from all administrative and executive positions held by her in the Company, and the revocation of Ms. Shi's duties (including her director title and/or legal representative status) at the subsidiary level, including the reasons for the proposed removal/revocation.

The Board wishes to clarify that the first resolution passed at the ad hoc Board meeting held on June 17, 2026 by way of on-site meeting and video conference was "to approve the initiation of procedures to remove Ms. Shi Donghong ("**Ms. Shi**"), a non-executive director, from all administrative and executive positions held by her in the Company" (the "**Resolution**"). The effect of the Resolution is merely to initiate relevant procedures, and such removal will only take effect upon approval by the shareholders' general meeting. As of the date of this announcement, Ms. Shi remains a non-executive director of the Company.

The Board passed the Resolution for the following reasons: according to the independent forensic accounting review report submitted by Acclime Corporate Advisory (Hong Kong) Limited and the corresponding recommendations on rectification measures and follow-up actions provided to the management of the Company by the independent investigation committee, further investigation is required in respect of transactions relating to the Group and Mr. Zhang Jian ("**Mr. Zhang**", Mr. Zhang has resigned as an executive director on June 16, 2026), an executive director, and Ms. Shi, a non-executive director, to ascertain whether there has been any breach of any rules and regulations, the Listing Rules of the Hong Kong Stock Exchange and/or the Takeovers and Mergers Code of the SFC. In order to cooperate with and facilitate the subsequent further investigation into Mr. Zhang and Ms. Shi, and to safeguard the interests and assets of the Company, the Board considered it necessary to suspend and initiate the procedures for the removal of Mr. Zhang and Ms. Shi from all administrative and executive positions in the Company.

MS. SHI'S RESPONSE

The Company has received a written statement dated June 18, 2026 from Ms. Shi (the "**Statement**"). In the Statement, Ms. Shi raised the following main views:

(1) She considers that the Resolution, which purports to remove her from administrative and executive positions, is in effect a disguised removal of her non-executive directorship, and constitutes circumvention of mandatory legal provisions, and that the Board has no authority to make any decision regarding the appointment or removal of directors;

(2) She claims that since March 2025, she has no longer held any administrative or executive positions in the Company, and objectively there is no administrative or executive position that could be removed, and therefore the Resolution lacks factual basis;

(3) She alleges that the Resolution and the related restrictions on the performance of duties lack factual basis, that the forensic investigation process was unfair, and that she was not provided with the full text of the forensic report, thereby restricting her right of information and her right to make representations;

(4) She raises objections regarding her resignation audit, the disclosure of the 2024 annual report, responses to regulatory enquiries, and alleges that the Company has multiple irregularities not disclosed as required by regulations.

Ms. Shi further states in the Statement that if the Board continues to implement the relevant arrangements, she will lodge complaints with the regulatory authorities and initiate legal proceedings before the people's court, seeking a judicial determination that the Resolution is void.

THE COMPANY'S RESPONSE

The Board has carefully reviewed the Statement, but does not agree with Ms. Shi's above views and allegations set out in the Statement. The Board hereby responds as follows:

(1) On the nature and legal effect of the Resolution: The Board reiterates that the Resolution merely initiates the procedures to remove Ms. Shi from all administrative and executive positions in the Company, with the aim of restricting her management authority and statutory power to represent the Company, so as to facilitate the subsequent further investigation. Ms. Shi's status as a non-executive director has not been removed thereby. Any change to her directorship status must be strictly submitted to the shareholders' general meeting for consideration and approval in accordance with the provisions of the Company Law and the Articles of Association, and the Board has a clear and full understanding of this. The Board respects and strictly complies with the relevant provisions of the Company Law and the Articles of Association regarding the appointment and removal of directors.

(2) On the factual basis for and necessity of the Resolution: The Resolution was carefully made based on the findings of the independent forensic accounting review report and the follow-up recommendations of the legal advisers. The Board fully respects and agrees with the relevant investigative methodology, chain of evidence and conclusions of the forensic report. The matters revealed in the forensic report involve transactions relating to the Group and Mr. Zhang and Ms. Shi. In order to safeguard the interests and assets of the Company, there is an urgent need to conduct further investigation to ascertain whether there has been any breach of any rules and regulations, the Listing Rules of the Hong Kong Stock Exchange and/or the Takeovers and Mergers Code of the SFC. Even though Ms. Shi has not held any administrative or executive positions since March 2025, the scope and potential impact of the transactions in which she is involved are sufficient to constitute a reasonable basis for initiating the relevant procedures. Accordingly, the Resolution has a full factual basis.

(3) On the procedural fairness of the forensic investigation: The forensic investigation was independently conducted in accordance with established procedures and regulatory requirements, and the relevant report was delivered to each director in accordance with the procedures (excluding the subjects of the investigation, Mr. Zhang and Ms. Shi). This is a reasonable arrangement based on safeguarding the independence of the investigation and avoiding conflicts of interest. In addition, pursuant to the fourth arrangement under the Resolution, the Board (excluding Mr. Zhang and Ms. Shi) will further review the forensic report and the follow-up recommendations, and assess the overall impact of the relevant events on the Group's business operations. Ms. Shi's allegations of procedural unfairness and restriction of her right of information are inconsistent with the facts, and the Board does not agree with such allegations.

(4) On other allegations and statements: The Board considers that the other allegations and statements contained in the Statement, including but not limited to those relating to the resignation audit, annual report disclosure and corporate governance matters, are inconsistent with the facts and/or represent merely Ms. Shi's personal views. The Board has handled the relevant matters in compliance with applicable laws and regulations and the Listing Rules of the Hong Kong Stock Exchange. The Board will continue to deal with subsequent matters in accordance with regulatory requirements and best practices in corporate governance.

Save as disclosed above, to the best of the directors' knowledge, information and belief, there are no other material matters relating to the removal that need to be brought to the attention of the shareholders of the Company. This announcement is a supplement to the Announcement and should be read in conjunction with the Announcement.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange was suspended from 9:00 a.m. on 21 March 2025 and will remain suspended until further notice.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

On behalf of the Board
Changsha Broad Homes Industrial Group Co., Ltd.
Li Weiping
Chairman and executive director

Changsha, June 26, 2026

As at the date of this announcement, the Board comprises Mr. Shen Dan, Ms. Wang Chunmei and Mr. Li Weiping (chairman of the Board) as executive directors; Mr. Hu Wenhan and Ms. Shi Donghong as non-executive directors; and Mr. So Chi Kai, Mr. Peng Zhen and Mr. Ding Huiming as independent non-executive directors.