

[For Immediate Release]

Coastal Greenland Issues US\$40 Million Senior Notes

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To Raise Additional Fund for Project Development

(Hong Kong, 5 April 2006) – **Coastal Greenland Limited** (“Coastal Greenland” / the “Group”) (HKEx: 1124), a leading Mainland China property developer, today announced that it has entered into a subscription agreement with three institutional investors in relation to the issue and subscription of the Senior Notes of US\$40 million (equivalent to approximately HK\$312 million). Merrill Lynch Far East Limited (“Merrill Lynch”) is the placing agent.

Pursuant to the subscription agreement, the Senior Notes, which will mature on 5 August 2008, bear an annual interest rate of 9% payable half-yearly in arrear and are secured by the share charge and account charge. Prior to this agreement, on 5 August 2005, the Group issued 9% Senior Notes of US\$17.5 million (equivalent to approximately HK\$136.5 million) to Mellon HBV, a global wealth management service company that provides a variety of services to giant enterprises, companies and individuals with enormous assets. The newly issued Senior Notes are interchangeable with those held by Mellon HBV.

After deducting the relevant expenses, the issuance of the Senior Notes will generate net proceeds of approximately US\$36.53 million (equivalent to approximately HK\$285 million) for the Group to develop a planned commercial and residential project on an approximately 34,001 square meters site in Dalian, Liaoning Province.

Mr. Chan Boon Teong, Chairman of Coastal Greenland, said, “China property market is moving in a healthy direction. Driven by economic growth and urbanization, there is a huge demand for housing in the country. The issuance of the Senior Notes will provide us with funds for developing our Dalian project and tapping potential of the property market in Liaoning. Looking ahead, Coastal Greenland will continue seeking opportunities for filling up its land reserves in China.”

About Coastal Greenland Limited

Established in Hong Kong in 1990, Coastal Greenland Limited (“Coastal Greenland”) (HKEx: 1124) has been investing in the Mainland China property market for 15 years. The Group’s investment is focused mainly in a dozen cities in the city circles of six major economic zones, namely Northeastern China, the Yangtze River Delta, the Pearl River Delta, along the Bohai Bay, and Central and Western China. Coastal Greenland has received many awards for its superior product quality, including the “Top 10 Most Valuable Real Estate Company Brand in China in 2004 and 2005 ” ranked by the “China Real Estate Top 10 Research Team”. It also made the list of the most influential brands in China published by the World Brand Lab in 2005.

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