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**(1) VERY SUBSTANTIAL ACQUISITION AND
VERY SUBSTANTIAL DISPOSAL; AND
(2) RESUMPTION OF TRADING**

THE SUPPLEMENTAL AGREEMENT

Reference is made to the announcements of the Company dated 23 January 2018, 19 April 2018, 30 April 2018 and 17 May 2018, and the circular of the Company dated 30 April 2018, where, among other things, the Company announced that the Company and Affluent Ocean entered into the Disposal Agreement on 13 January 2018 in relation to the disposal of the entire equity interests in Century East Group Limited.

On 2 December 2022 (after trading hours), the Company, Affluent Ocean and Zhuhai Coastal entered into the Supplemental Agreement. Pursuant to the Supplemental Agreement, the Company has conditionally agreed to sell, and Affluent Ocean has conditionally agreed to acquire, the Disposed Interest, being 66.67% of the equity interest in Zhuhai Coastal, at a consideration of RMB120,000,000 (equivalent to approximately HK\$130,435,000) and procure the assignment of the Shareholder's Loan at a consideration of RMB760,000,000 (equivalent to approximately HK\$826,087,000).

* For identification purpose only

The aggregate consideration of RMB880,000,000 (equivalent to approximately HK\$956,522,000) shall be satisfied by Affluent Ocean by way of (1) transferring the entire equity interest in Shanghai Coastal to the Company at a consideration of RMB350,000,000 (equivalent to approximately HK\$380,435,000); (2) transferring the entire equity interest in Shenyang Zhongguang to the Company at a consideration of RMB360,000,000 (equivalent to approximately HK\$391,304,000); and (3) a payment in cash in the amount of RMB170,000,000 (equivalent to approximately HK\$184,783,000).

Upon Completion, the Group will cease to have any interest in Zhuhai Coastal and Zhuhai Coastal shall cease to be a direct non-wholly owned subsidiary of the Company. The financial information of Zhuhai Coastal will no longer be consolidated into the Group's consolidated financial statements.

Upon Completion, each of Shanghai Coastal and Shenyang Zhongguang will become a direct wholly owned subsidiary of the Company and the financial information of Shanghai Coastal and Shenyang Zhongguang will be consolidated into the financial statements of the Company.

LISTING RULES IMPLICATIONS

As one or more of the percentage ratios applicable to the Acquisition exceeds 100%, the Acquisition constitutes a very substantial acquisition for the Company and the Acquisition is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As one or more of the percentage ratios applicable to the Disposal exceeds 75%, the Disposal constitutes a very substantial disposal for the Company and the Disposal is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The SGM will be convened for the Shareholders to consider and, if thought fit, approve the Supplemental Agreement.

A circular containing, among other things, (i) further information in relation to the Supplemental Agreement; (ii) financial information on the Acquired Interest; (iii) financial information on the Disposed Interest; (iv) an independent property valuation report on the Shangchong Project; (v) an independent property valuation report on the Jianguomenwai Project; (vi) an independent property valuation report on the Sujiatun Project; (vii) the notice contemplated convening the SGM; and (viii) other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 31 March 2023 in accordance with the Listing Rules as additional time will be required to finalise certain information to be included in the circular.

The Supplemental Agreement is subject to, among other things, the approval of the Shareholders. Shareholders and potential investors in the Company should exercise caution when dealing in or investing in the securities of the Company.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been halted from 9:00 a.m. on Monday, 5 December 2022 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange from 9:00 a.m. on Wednesday, 28 December 2022.

INTRODUCTION

Reference is made to the announcements of the Company dated 23 January 2018, 19 April 2018, 30 April 2018 and 17 May 2018, and the circular of the Company dated 30 April 2018, where, among other things, the Company announced that the Company and Affluent Ocean entered into the Disposal Agreement on 13 January 2018 in relation to the disposal of the entire equity interest in Century East Group Limited at a consideration of approximately RMB3,800,000,000 (equivalent to approximately HK\$4,130,435,000).

BACKGROUND

Pursuant to the terms and conditions of the Disposal Agreement, Shanghai Coastal and Shenyang Zhongguang were subsidiaries of Century East Group Limited, which was disposed by the Group to Affluent Ocean. However, Affluent Ocean has refused and failed to settle the entire consideration under the Disposal Agreement and up to the date of this announcement, the outstanding balance of the consideration under the Disposal Agreement amounts to RMB908,080,000 (equivalent to approximately HK\$987,044,000), as there were disputes over the valuations of certain properties included in the Disposal Agreement by Affluent Ocean.

In order to settle the outstanding obligations and liabilities of the Company and Affluent Ocean under the Disposal Agreement, the Company has agreed with Affluent Ocean to enter into the Supplemental Agreement. On 2 December 2022 (after trading hours), the Company, Affluent Ocean and Zhuhai Coastal entered into the Supplemental Agreement. Pursuant to the Supplemental Agreement, the Company has conditionally agreed to sell, and Affluent Ocean has conditionally agreed to acquire, the Disposed Interest, being 66.67% of the equity interest in Zhuhai Coastal, at a consideration of RMB120,000,000 and procure the assignment of the Shareholder's Loan at a consideration of RMB760,000,000.

The aggregate consideration of RMB880,000,000 shall be satisfied by Affluent Ocean by way of (i) transferring the entire equity interest in Shanghai Coastal to the Company at a consideration of RMB350,000,000; (ii) transferring the entire equity interest in Shenyang Zhongguang to the Company at a consideration of RMB360,000,000; and (iii) a payment in cash in the amount of RMB170,000,000. As part of the transactions contemplated under the Supplemental Agreement, the outstanding balance of the consideration under the Disposal Agreement owed by Affluent Ocean in the sum of RMB908,080,000 would be waived by the Group.

THE SUPPLEMENTAL AGREEMENT

Date : 2 December 2022

Parties : (i) the Company

(ii) Affluent Ocean

(iii) Zhuhai Coastal

Pursuant to the confirmatory nomination agreement entered into between the Company, Affluent Ocean and Coastal Greenland Development (Wuhan) Limited (“**Coastal Wuhan**”) dated 30 May 2018, the Company has nominated Coastal Wuhan to be the nominee shareholder of the Disposed Interest. Coastal Wuhan is the nominee shareholder of the Company holding the Disposed Interest on trust for the benefit of the Company and the Company is the ultimate beneficial owner of the Disposed Interest.

Assets to be disposed of

Pursuant to the Supplemental Agreement, the Company has conditionally agreed to sell, and Affluent Ocean has conditionally agreed to acquire, the Disposed Interest, being 66.67% of the equity interest in Zhuhai Coastal, at a consideration of RMB120,000,000 and procure the assignment of the Shareholder’s Loan at a consideration of RMB760,000,000.

Asset to be acquired of

The aggregate consideration of RMB880,000,000 for the Disposed Interest and the Shareholder’s Loan shall be satisfied by Affluent Ocean by way of (1) transferring the entire equity interest in Shanghai Coastal to the Company at a consideration of RMB350,000,000; (2) transferring the entire equity interest in Shenyang Zhongguang to the Company at a consideration of RMB360,000,000; and (3) a payment in cash to the Company in the amount of RMB170,000,000.

Condition precedent

The Supplemental Agreement shall be conditional upon having obtained the requisite approval from the Shareholders in relation to the transactions contemplated under the Supplemental Agreement.

Valuation

The value of the Shangchong Project in the books of Zhuhai Coastal as at 31 March 2022 was RMB2,491,932,000, whereas the unaudited net asset value of Zhuhai Coastal as at 31 March 2022 was RMB89,166,000.

The value of the Jianguomenwai Project in the books of Shanghai Coastal as at 31 December 2021 was RMB121,700,000.

The value of the Sujiatun Project in the books of Shenyang Zhongguang as at 31 December 2021 was RMB279,173,000.

Independent property valuation reports on these projects will be made and will be included in the circular to be despatched to the Shareholders.

The consideration for the Disposal

The aggregate consideration for the sale and purchase of the Disposed Interest and the Shareholder's Loan is RMB880,000,000 (equivalent to approximately HK\$956,522,000), out of which RMB120,000,000 (equivalent to approximately HK\$130,435,000) is attributable to the sale and purchase of the Disposed Interest and RMB760,000,000 (equivalent to approximately HK\$826,087,000) is attributable to the sale and purchase of the Shareholder's Loan.

The consideration for the Disposal was determined after arm's length negotiations between the Company and Affluent Ocean, taking into account (a) the unaudited net assets value of Zhuhai Coastal; and (b) the future prospects of Zhuhai Coastal as set out in the paragraphs headed "REASONS FOR AND BENEFITS OF THE SUPPLEMENTAL AGREEMENT AND USE OF PROCEEDS" in this announcement.

The consideration for the Acquisition

The aggregate consideration for the sale and purchase of the Acquired Interest is RMB880,000,000 (equivalent to approximately HK\$956,522,000), out of which RMB350,000,000 (equivalent to approximately HK\$380,435,000) is attributable to the sale and purchase of the entire equity interest in Shanghai Coastal, RMB360,000,000 (equivalent to approximately HK\$391,304,000) is attributable to the sale and purchase of the entire equity interest in Shenyang Zhongguang and RMB170,000,000 (equivalent to approximately HK\$184,783,000) shall be settled by Affluent Ocean to the Company by cash.

According to the Supplemental Agreement, the RMB170,000,000 payable by Affluent Ocean to the Company shall be satisfied by Affluent Ocean in the following manner:

- (i) as to RMB50,000,000 (equivalent to approximately HK\$54,348,000) in cash to be released by the bank to the Company upon the change of the legal representative of Zhuhai Coastal to a person designated by Affluent Ocean; and
- (ii) as to the remaining RMB120,000,000 (equivalent to approximately HK\$130,435,000) by 12 post-dated cheques drawn by Affluent Ocean in favour of the Company in the amount of RMB10,000,000 each per month starting from 15 January 2023.

The consideration for the Acquisition was determined after arm's length negotiation between the Company and Affluent Ocean, taking into account (a) the net book value of the Jianguomenwai Project; (b) the net book value of the Sujiatun Project; and (c) the parties' perception on the future prospects of the Jianguomenwai Project and the Sujiatun Project as set out in the paragraphs headed "REASONS FOR AND BENEFITS OF THE SUPPLEMENTAL AGREEMENT AND USE OF PROCEEDS" in this announcement.

Completion

Upon Completion, the Group will cease to have any interest in Zhuhai Coastal and Zhuhai Coastal shall cease to be a direct non-wholly owned subsidiary of the Company. The financial information of Zhuhai Coastal will no longer be consolidated into the Group's consolidated financial statements.

Upon Completion, each of Shanghai Coastal and Shenyang Zhongguang will become a direct wholly owned subsidiary of the Company and the financial information of Shanghai Coastal and Shenyang Zhongguang will be consolidated into the financial statements of the Company.

REASONS FOR AND BENEFITS OF THE SUPPLEMENTAL AGREEMENT AND USE OF PROCEEDS

The purpose of entering into the Supplemental Agreement is to settle the outstanding obligations and liabilities of the Company and Affluent Ocean under the Disposal Agreement. Since the completion of the Disposal Agreement, the Company has been demanding Affluent Ocean to fulfil its payment obligations under the Disposal Agreement immediately. However, Affluent Ocean has refused to comply with its obligations thereunder as they were disputing over the valuations of certain properties included in the Disposal Agreement and the Company and Affluent Ocean have since been engaging in negotiation over the payment of outstanding balance of the consideration under the Disposal Agreement without any success. At the same time, the Company has promptly consulted its PRC legal adviser on the prospects of success, costs and time involved in resorting to litigation in order to enforce its rights under the Disposal Agreement and demand for payment of the outstanding balance of the consideration under the Disposal Agreement from Affluent Ocean. Upon obtaining the advice of its PRC legal adviser and deliberation by the Company of the cost and benefit involved, litigation represents an infeasible option for the Company because of the substantial legal costs and the prolonged time and resources it necessitates. Therefore, having also consider the opportunity to realise the value of the Disposed Interest at a reasonable price as set out in the following paragraph, the Directors consider that entering into the Supplemental Agreement to settle the outstanding obligations of Affluent Ocean under the Disposal Agreement is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Company and Affluent Ocean entered into the Disposal Agreement on 13 January 2018 in relation to the disposal of the entire equity interest in Century East Group Limited at a consideration of approximately RMB3,800,000,000 (equivalent to approximately HK\$4,130,435,000). As at the date of this announcement, the Company has received RMB2,891,920,000 (equivalent to approximately HK\$3,143,391,000) from Affluent Ocean. By entering into the Supplemental Agreement, the Company and Affluent Ocean sought to resolve all the outstanding obligations of the parties under the Disposal Agreement. Upon Completion, the Company and Affluent Ocean shall have completed all its obligations under the Disposal Agreement and the Supplemental Agreement and the outstanding balance of the consideration under the Disposal Agreement owing by Affluent Ocean in the sum of RMB908,080,000 (equivalent to approximately HK\$987,044,000) will be waived by the Company.

Having considered the current business operations of Zhuhai Coastal, the Disposal represents an opportunity to realise the value of the Disposed Interest at a reasonable price in light of a big concern of the Group on the future prospects of Zhuhai Coastal and the Shangchong Project, given a prevailing unfavourable market atmosphere has casted over the PRC property sector in general. By a reminder letter issued by the Urban Renewal Bureau of Xiangzhou District, Zhuhai City (the “**Bureau**”) to Zhuhai Coastal dated 4 November 2022, the Bureau reminded Zhuhai Coastal that it shall enter into the agreement in respect of the assignment of land use right of the Shangchong Project by 4 December 2022 pursuant to an implementation agreement dated 16 June 2022 entered into between Zhuhai Coastal and the Bureau (the “**Implementation Agreement**”). In the event that Zhuhai Coastal fails to perform in accordance with the terms and conditions of the Implementation Agreement, it shall be liable to breach of the Implementation Agreement and the Bureau may, among other things, potentially revoke the qualifications of Zhuhai Coastal to execute the Shangchong Project and all its relevant licenses, permits and approvals, and forfeit the security deposit that Zhuhai Coastal has paid to the Bureau in respect of the Shangchong Project.

As soon as the Group realised that it was no longer able to devote any further financial resources into the development of the Shangchong Project, since 2020, the Group has been actively looking for purchasers for the Disposed Interest in order to realise its investment in the Shangchong Project. However, as the property market in the PRC has not fully recovered from the collapse of the property market in the PRC in 2020, where some of the major real estate developers in the PRC were seen defaulting on their debts and struggling to complete projects, the Group was not able to procure any other interested parties to purchase the Disposed Interest and take up the Shangchong Project. Affluent Ocean was the only party interested in purchasing the Disposed Interest that the Group could obtain and therefore, in order to recoup its investment in the Shangchong Project, the Group had no other viable alternative but to dispose the Shangchong Project to Affluent Ocean.

On the other hand, the Acquisition will enable the Group to expand the Group’s property portfolio, which is in line with the Group’s strategy to maintain geographically well-diversified land portfolio. The Group does not have any immediate plans to develop the Jianguomenwai Project and Sujiatun Project and will hold both projects for medium to long-term capital appreciation.

Upon Completion, the Company will retain a total of 10 property projects completed for sale or to be scheduled for development in its portfolio which include residential and commercial projects located in Anshan, Dalian, Heilongjiang, Shenyang, Beijing and Chongqing.

Details of the property projects are as below:

Project Name	Location	Project type	GFA of the development <i>sq.m.</i>	GFA held as at 31 March 2022 <i>sq.m.</i>	Market value in existing state as at 31 March 2022 <i>RMB'000</i>	Project status	Interest attributable to the Group
Anshan Wisdom New City	Lishan District, Anshan	Residential	215,900	738	3,000	Completed for sale	100%
Anshan Coastal Xintiandi Project	Tiedong District, Anshan	Commercial	28,943	16,863	136,000	Completed for sale	100%
Dalian Coastal International Centre	Shahekou District, Dalian	Mixed use	217,200	8,163	53,600	Completed for sale	100%
Dalian Jianzhu Project	Ganjingzi District, Dalian	Residential	168,900	6,240	74,800	Completed for sale	100%
Dalian Jinzhou Project	Jinzhou District, Dalian	Medical and hygiene	123,046	123,046	182,000	To be determined*	100%
Jixi Silo City	Jiguan District, Jixi, Heilongjiang	Affordable houses	176,960	176,960 [#]	213,000	Completed for sale	86%
Beijing Bay Project	Changping District, Beijing	Residential	266,934	266,934 [#]	2,962,000	Completed for sale	40%
Chongqing Silo City	Beipei District, Chongqing	Residential	266,149	30,637	91,100	Completed for sale	35%
Sujiatun Project	Sujiatun District, Shenyang	Mixed use	1,914,900	n/a	n/a	To be determined*	100%
Jianguomenwai Project	Chaoyang District, Beijing	Office	44,900	n/a	n/a	To be determined*	65%

* *As at the date of this announcement, the properties were bare lands.*

[#] *As at 31 March 2022, GFA of approximately 170,962 sq.m. and 209,415 sq.m. of the Jixi Silo City Project and Beijing Bay Project respectively were pre-sold. Contract liabilities of RMB152,390,000 and RMB2,245,222,000 for the Jixi Silo City Project and Beijing Bay Project respectively are expected to be realised as revenue after all the required certificates of the development projects are obtained.*

With the positive boost of net cash flow from the transactions contemplated under the Supplemental Agreement, the Group expect to continue its property development on its remaining projects. Therefore, the Group does not expect the Supplemental Agreement to have any significant change to the Group's current business operations.

The Group expects to realise net proceeds from the transactions contemplated under the Supplemental Agreement of approximately RMB113,000,000 (equivalent to approximately HK\$122,826,000), after deducting the transaction costs and estimated tax impact on the Disposal, and will be used by the Group as general working capital.

Taking into account the reasons for entering into the Supplemental Agreement as set out above, the Directors believe that the terms of the Supplemental Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECTS OF THE DISPOSAL

The Company expects to record a loss as a result of the Disposal of approximately RMB88,742,000 (equivalent to approximately HK\$96,459,000), being the difference between the aggregate consideration, the unaudited net assets value of Zhuhai Coastal, the carrying amount of the Shareholder's Loan, relevant transaction costs and tax. The above figures are for illustrative purpose only. The actual loss in connection with the Disposal will be determined based on the net proceeds received, the fair value of the Acquired Interest as to be valued by independent professional valuer, the financial position of Zhuhai Coastal at Completion and subject to the review and final audit by the independent auditors of the Company.

Following the waiver of the outstanding balance of the consideration of RMB908,080,000 (equivalent to approximately HK\$987,044,000) under the Disposal Agreement, the amount of this outstanding balance will be fully written off.

INFORMATION OF THE PARTIES

The Company

The Company is principally engaged in investment holding and the Group is engaged in the principal activities of property development, property investment, project management services and project investment services.

Affluent Ocean

Affluent Ocean is a company incorporated in the British Virgin Islands with limited liability. Affluent Ocean is principally engaged in investment holding. It is a wholly owned subsidiary of Yuzhou Group Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability with the principal business activities of property development, property investment, property management and hotel operations in the PRC and Hong Kong, and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1628).

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Affluent Ocean and Yuzhou Group Holdings Company Limited, is an Independent Third Party.

Zhuhai Coastal

Zhuhai Coastal is a company established in the PRC and is principally engaged in property development. As at the date of this announcement and immediately prior to Completion, is owned directly as to 66.67% by the Company and the remaining 33.33% by Hengqin Coastal Creative Exhibition Technology Company Limited* (橫琴沿海創展科技有限公司), the ultimate beneficial owner of which is Mr. Zhang Guoyi, an Independent Third Party. The sole material asset of Zhuhai Coastal is the Shangchong Project.

The unaudited net loss (both before and after taxation and extraordinary items) attributable to Zhuhai Coastal for the two financial years immediately preceding the date of the Supplemental Agreement were as follows:–

	For the year ended 31 March	
	2022	2021
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>Approximately</i>	<i>Approximately</i>
	(unaudited)	(unaudited)
Net loss (before taxation)	5,510	1,765
Net loss (after taxation)	5,510	1,765

The unaudited net asset value of Zhuhai Coastal as at 31 March 2022 was RMB89,166,000.

INFORMATION OF THE ACQUIRED INTEREST

Shanghai Coastal

Shanghai Coastal is a company established in the PRC with limited liability and is principally engaged in property development and investment holding. The material assets of Shanghai Coastal are the Jianguomenwai Project and 65% equity interest in Beijing Tianlun Huanyu Investment Management Company Limited* (北京天倫寰宇投資管理有限公司), a dormant company established in the PRC with limited liability.

The unaudited net loss (both before and after taxation and extraordinary items) attributable to Shanghai Coastal for the two financial years immediately preceding the date of the Supplemental Agreement were as follows:–

	For the year ended 31 December	
	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>Approximately</i>	<i>Approximately</i>
	(unaudited)	(unaudited)
Net loss (before taxation)	–	–
Net loss (after taxation)	–	–

The unaudited net asset value of Shanghai Coastal as at 31 December 2021 was RMB10,053,000.

Shenyang Zhongguang

Shenyang Zhongguang is a company established in the PRC with limited liability and is principally engaged in property development. The sole material asset of Shenyang Zhongguang is the Sujiatun Project.

The unaudited net loss (both before and after taxation and extraordinary items) attributable to the Shenyang Zhongguang for the two financial years immediately preceding the date of the Supplemental Agreement were as follows:–

	For the year ended 31 December	
	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>Approximately</i>	<i>Approximately</i>
	(unaudited)	(unaudited)
Net loss (before taxation)	25,327	5,778
Net loss (after taxation)	25,327	5,778

The unaudited net asset value of Shenyang Zhongguang as at 31 December 2021 was RMB301,036,000.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the percentage ratios applicable to the Acquisition exceeds 100%, the Acquisition constitutes a very substantial acquisition for the Company and the Acquisition is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As one or more of the percentage ratios applicable to the Disposal exceeds 75%, the Disposal constitutes a very substantial disposal for the Company and the Disposal is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The SGM will be convened for the Shareholders to consider and, if thought fit, approve the Supplemental Agreement.

A circular containing, among other things, (i) further information in relation to the Supplemental Agreement; (ii) financial information on the Acquired Interest; (iii) financial information on the Disposed Interest; (iv) an independent property valuation report on the Shangchong Project; (v) an independent property valuation report on the Jianguomenwai Project; (vi) an independent property valuation report on the Sujiatun Project; (vii) the notice contemplated convening the SGM; and (viii) other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 31 March 2023 in accordance with the Listing Rules as additional time will be required to finalise certain information to be included in the circular.

The Supplemental Agreement is subject to, among other things, the approval of the Shareholders. Shareholders and potential investors in the Company should exercise caution when dealing in or investing in the securities of the Company.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been halted from 9:00 a.m. on Monday, 5 December 2022 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange from 9:00 a.m. on Wednesday, 28 December 2022.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the meanings:

“Acquired Interest”	the entire equity interest in Shanghai Coastal and Shenyang Zhongguang
“Acquisition”	the acquisition of the Acquired Interest pursuant to the terms and conditions of the Supplemental Agreement
“Affluent Ocean”	Affluent Ocean International Limited (裕海國際有限公司), a company incorporated in the British Virgin Islands with limited liability and an indirect wholly owned subsidiary of Yuzhou Group Holdings Company Limited
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Coastal Greenland Limited* (沿海綠色家園有限公司), a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1124)
“Completion”	completion of the Disposal and the Acquisition in accordance with the terms and conditions of the Supplemental Agreement
“connected person”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Disposed Interest and the assignment of the Shareholder’s Loan pursuant to the terms and conditions of the Supplemental Agreement

“Disposal Agreement”	the agreement dated 13 January 2018 entered into between the Company and Affluent Ocean in relation to the disposal of entire equity interests in Century East Group Limited, as supplemented by a supplemental agreement dated 19 April 2018 between the same parties
“Disposed Interest”	the 66.67% of the equity interest in Zhuhai Coastal
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and any of its connected persons (as defined in the Listing Rules) or their respective associates
“Jianguomenwai Project”	the commercial use project located at the north of 1A Jianguomenwai Avenue, Chaoyang District, Beijing, the PRC, the 65% equity interest of which is held by Shanghai Coastal
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC

“Shangchong Project”	the residential use project located at Shangchong Village, Xiangzhou District, Zhuhai City, the PRC, the 100% equity interest of which is held by Zhuhai Coastal
“Shanghai Coastal”	Shanghai Coastal Commercial Investment Management Company Limited* (上海沿商投資管理有限公司), a company established in the PRC with limited liability and a direct wholly owned subsidiary of Affluent Ocean immediately prior to Completion
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s) of the Company
“Shareholder’s Loan”	the money owed by Zhuhai Coastal to the Company in the sum of RMB807,734,000 as at 31 March 2022
“Shenyang Zhongguang”	Shenyang Zhongguang North Film and Television City Company Limited* (瀋陽中廣北方影視城有限公司), a company established in the PRC with limited liability and a direct wholly owned subsidiary of Affluent Ocean immediately prior to Completion
“SGM”	the special general meeting of the Company to be convened and held to consider and, if thought fit, approve the Supplemental Agreement and the transactions contemplated thereunder
“sq.m.”	square metre(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sujiatun Project”	the residential project with ancillary commercial area located at Beishanwei Road, Chenxiangtun Town, Sujiatun District, Shenyang, Liaoning Province, the PRC, the 100% equity interest of which is held by Shenyang Zhongguang

“Supplemental Agreement”	the supplemental agreement to the Disposal Agreement dated 2 December 2022 entered into among the Company, Affluent Ocean and Zhuhai Coastal in relation to, among other things the Disposal and the Acquisition
“Zhuhai Coastal”	Zhuhai Coastal Greenland Real Estate Company Limited* (珠海市沿海綠色家園房地產開發有限公司), a company established in the PRC with limited liability and as at the date of this announcement directly owned as to 66.67% by the Company and 33.33% by Hengqin Coastal Creative Exhibition Technology Company Limited* (橫琴沿海創展科技有限公司)
“%”	per cent.

For the purpose of this announcement, unless otherwise indicated, conversion of RMB into HK\$ is calculated at the approximate exchange rate of HK\$1 to RMB0.92. This exchange rate is for illustration purpose only and does not constitute a representation that any amounts have been, could have been, or may be exchanged at this or any other rate at all.

By order of the Board
Coastal Greenland Limited
Jiang Ming
Chairman

Hong Kong, 23 December 2022

As at the date of this announcement, the Board comprises Mr. Jiang Ming, Dr. Li Ting, Mr. Lin Chen Hsin and Ms. Tong Xinhua as executive Directors, Mr. Qiu Guizhong and Mr. Zhou Xiya as non-executive Directors and Mr. Wong Kai Cheong, Mr. Yang Jiangan and Mr. Huang Xihua as independent non-executive Directors.

* *For identification purpose only*