
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Coastal Greenland Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee, or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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MAJOR TRANSACTION: DISPOSAL OF 100% EQUITY INTERESTS IN A WHOLLY-OWNED SUBSIDIARY

A notice convening a special general meeting of the Company to be held at Suite 1712-16, 17th Floor, China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong on 30 September 2014 at 10:00 a.m. is set out on pages 17 and 18 of this circular. A form of proxy for use at the special general meeting is enclosed with this circular.

Whether or not you are able to attend the special general meeting of the Company, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the special general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the special general meeting or any adjournment thereof should you so wish.

* for identification purpose only

13 September 2014

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	4
Appendix I – Financial information of the Group	10
Appendix II – General information	12
Notice of SGM	17

DEFINITIONS

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

“Agreement”	the agreement dated 26 August 2014 entered into between the Vendors and the Purchaser in relation to the Disposal
“Announcement”	the announcement of the Company dated 26 August 2014 in relation to the Disposal
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday and public holiday) on which licensed banks are generally open for business in the PRC throughout their normal business hours
“CIH”	Coastal International Holdings Limited, a company incorporated in the British Virgin Islands with limited liability
“Coastal Realty”	Coastal Realty Investment (China) Limited, a Company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Company”	Coastal Greenland Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Stock Exchange
“Completion”	completion of the Disposal in accordance with the terms of the Agreement
“Consideration”	the total consideration for the sale and purchase of the Sale Capital under the Agreement
“Directors”	directors of the Company
“Disposal”	the disposal of the Sale Capital
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons (as defined in the Listing Rules)
“Latest Practicable Date”	12 September 2014, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Ms. Yang”	Ms. Yang Jiong Xuan, the legal owner of 10% equity interests in the Target Company holding the 10% equity interests in the Target Company for Coastal Realty
“PRC”	the People’s Republic of China
“Purchaser”	Shenzhen Qianhai Jianshengtai Engineering Services Co., Ltd., a company established in the PRC with limited liability
“Sale Capital”	100% of the registered capital of the Target Company
“Shareholder(s)”	holder(s) of the share(s) of HK\$0.10 each in the share capital of the Company
“Shanghai Coastal”	Shanghai Coastal Commercial Investment Management Co., Ltd., a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“SIL”	Shenzhen Investment Limited, a company incorporated in Hong Kong with limited liability
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
“Target Company”	Jingdian Construction Co., Ltd., a company established in the PRC with limited liability

DEFINITIONS

“Vendors”	both Shanghai Coastal and Ms. Yang
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent

For the purpose of this circular, unless otherwise indicated, conversion of RMB into HK\$ is calculated at the approximate exchange rate of HK\$1.25 to RMB1.00. 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.

LETTER FROM THE BOARD

COASTAL 沿海
COASTAL GREENLAND LIMITED
沿海綠色家園有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 1124)

Executive Directors:

Mr. Jiang Ming
Mr. Tao Lin
Mr. Cai Shaobin
Ms. Wang Hongmei

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Non-executive Directors:

Mr. Lu Jiqiang
Dr. Dai Jingming

*Head office and principal place of
business in Hong Kong:*

Suite 1712-16, 17th Floor
China Merchants Tower
Shun Tak Centre
200 Connaught Road Central
Hong Kong

Independent non-executive Directors:

Mr. Chen Xiaotian
Mr. Wong Kai Cheong
Mr. Yang Jiangang

13 September 2014

To the Shareholders

Dear Sir or Madam,

**MAJOR TRANSACTION:
DISPOSAL OF 100% EQUITY INTERESTS
IN A WHOLLY-OWNED SUBSIDIARY**

INTRODUCTION

The Company announced that on 26 August 2014 (after trading hours of the Stock Exchange), Shanghai Coastal and Ms. Yang as vendors have entered into the Agreement with the Purchaser, an Independent Third Party, in relation to the Disposal for a consideration of RMB304,530,000 (equivalent to approximately HK\$380,663,000).

The purposes of this circular are to provide you with: (i) further information regarding the Disposal; (ii) the financial information of the Group; and (iii) a notice to convene the SGM.

LETTER FROM THE BOARD

THE AGREEMENT

Date: 26 August 2014 (after trading hours of the Stock Exchange)

Parties: Vendors: Shanghai Coastal Commercial Investment Management Co., Ltd., a wholly-owned subsidiary of the Company

Ms. Yang Jiong Xuan

Purchaser: Shenzhen Qianhai Jianshengtai Engineering Services Co., Ltd.

Shanghai Coastal is a company established in the PRC with limited liability. It is a wholly-owned subsidiary of the Company and is principally engaged in investment holding. Shanghai Coastal is holding 90% equity interests in the Target Company.

Ms. Yang is the legal owner of 10% equity interests in the Target Company and is holding the 10% equity interests in the Target Company for Coastal Realty. Coastal Realty is a Company established in the PRC with limited liability. It is a wholly-owned subsidiary of the Company and is principally engaged in investment holding.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, (i) the Purchaser is a company established in the PRC with limited liability and is principally engaged in investment holding; and (ii) the Purchaser and its ultimate beneficial owner(s) are Independent Third Parties.

Assets to be disposed

Pursuant to the Agreement, the Vendors shall dispose of the Sale Capital, representing 100% of the registered capital of the Target Company, upon Completion.

Consideration

The Consideration payable for the sale and purchase of the Sale Capital is RMB304,530,000 (equivalent to approximately HK\$380,663,000).

The Consideration shall be paid by the Purchaser to the Vendors in the following manner:

- (a) RMB30,453,000 (equivalent to approximately HK\$38,066,000) equivalent to 10% of the Consideration shall be paid to the Vendors (as to RMB27,408,000 (equivalent to approximately HK\$34,260,000) to Shanghai Coastal and RMB3,045,000 (equivalent to approximately HK\$3,806,000) to Ms. Yang) at Completion; and
- (b) balance of the Consideration shall be paid to the Vendors (as to RMB246,669,300 (equivalent to approximately HK\$308,337,000) to Shanghai Coastal and RMB27,407,700 (equivalent to approximately HK\$34,260,000) to Ms. Yang) within three months upon completion of the registration of the transfer of the Sale Capital with the relevant authorities in the PRC.

LETTER FROM THE BOARD

The Consideration was determined with reference to the unaudited net asset value of the Target Company of approximately RMB254,530,000 (equivalent to approximately HK\$318,165,000) as reflected in the management accounts of the Target Company prepared in accordance with Hong Kong Financial Reporting Standards as at 31 July 2014 and a premium of approximately HK\$62,500,000.

The Consideration for the Disposal was determined after arms' length negotiations with reference to, among others, the net asset value of the Target Company as at 31 July 2014. The Directors consider that the terms and conditions of the Disposal are fair and reasonable and are on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

Condition

Completion of the Agreement is conditional upon the passing by the Shareholders at a general meeting of the Company of the ordinary resolution(s) to approve the Agreement and the transactions contemplated thereunder or the obtaining of written Shareholders' approval in lieu of holding a general meeting of the Company in accordance with the Listing Rules.

In the event that the above condition is not fulfilled on or before 31 December 2014 (or such other date that may be agreed by the parties in writing), the Agreement shall lapse and none of the parties to the Agreement shall have any further obligations towards the other thereunder except for any antecedent breaches (if any).

Completion

Completion shall take place on the third Business Day upon fulfilment of the condition precedent under the Agreement.

USE OF PROCEEDS AND EXPECTED FINANCIAL EFFECTS OF THE DISPOSAL

The Board estimates that the net proceeds from the Disposal (after deduction of relevant costs and expenses) will amount to approximately HK\$380,000,000. It is intended that the net proceeds from the Disposal will be applied towards the general working capital and business development of the Group.

Based on the unaudited net asset value of the Target Company (being approximately RMB254,530,000 (equivalent to approximately HK\$318,163,000) as reflected in the management accounts of the Target Company prepared in accordance with Hong Kong Financial Reporting Standards as at 31 July 2014), it is expected that the Company will realise a gain from the Disposal of approximately HK\$46,875,000, being the difference between the Consideration and the net asset value of the Target Company, and after taking into account the potential tax impact of approximately HK\$15,625,000, for the financial year during which the Disposal is completed and a corresponding increase in the net assets of the Group.

LETTER FROM THE BOARD

Shareholders should note that the above figures are for illustrative purpose only. The actual gain on the Disposal may be different from the above and will be determined based on the financial position of the Target Company on the date of completion of the Disposal and the review by the Group's auditor upon finalisation of the consolidated financial statements of the Group.

Upon Completion, the Company will not have any interest in the Target Company and the Target Company will cease to be a subsidiary of the Group. Accordingly, the profits and losses and the assets and liabilities of the Target Company will no longer be consolidated into the consolidated financial statements of the Group.

INFORMATION OF THE TARGET COMPANY

The Target Company is a company established in the PRC with limited liability. The Target Company is principally engaged in the construction and represents the entire segment of the Group's construction business. The Target Company provides construction service to the Group and an associate of the Group for certain property developments. Currently the Target Company is the main contractor for certain property developments of the Group and engaged various subcontractors for performing construction services. After Completion, the Group will evaluate and may engage new main contractor through tender for other new property developments.

As at the Latest Practicable Date, the Target Company is an indirect wholly-owned subsidiary of the Company.

According to the unaudited management accounts of the Target Company prepared in accordance with Hong Kong Financial Reporting Standards, the turnover, net profit before taxation and net profit after taxation for the financial year ended 31 March 2013 was approximately HK\$385,457,000, HK\$15,585,000 and HK\$5,001,000 respectively. According to the unaudited management accounts of the Target Company prepared in accordance with Hong Kong Financial Reporting Standards, the turnover, net profit before taxation and net profit after taxation for the financial year ended 31 March 2014 was approximately HK\$749,830,000, HK\$18,132,000 and HK\$2,844,000 respectively. The unaudited total assets of the Target Company as at 31 March 2014 was approximately HK\$650,387,000 and the unaudited net assets of the Target Company was approximately HK\$348,622,000.

The Target Company will cease to be a subsidiary of the Group after completion of the Disposal and none of the registered capital of the Target Company will be held by the Group.

REASON FOR THE DISPOSAL

The Group is principally engaged in property development, property investment, provision of property management service, project management and construction services and project investment service. The Group will cease to engage in any construction business upon Completion and shall be principally engaged in property development, property investment, provision of property management service, project management service and project investment service.

LETTER FROM THE BOARD

Due to the fact that there is keen competition in construction projects in the PRC, the profit margin on construction business is deteriorating. The Group considered that further investment in the construction business is not profitable. As the Target Company is the main contractor and the construction works are done by the third party contractors, the Disposal may enable the Group to re-allocate the financial and operational resources from the Target Company to other business segments which may generate relatively higher return. Hence, the Group intends to cease to engage in construction business and focus on the new business segment of project investment service as well as project management service.

In light of the gain from the Disposal, the Board considers that the Disposal represents a good opportunity for the Group to dispose of its equity interests in the Target Company and the proceeds from the Disposal will be applied towards the general working capital of the Group.

Taking into consideration of the aforesaid, the Directors consider that the terms and conditions of the Disposal are on normal commercial terms and are fair and reasonable and that the Disposal is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

The entering into of the Agreement and the Disposal constitute a major transaction on the part of the Company under Chapter 14 of the Listing Rules and are subject to the announcement and the Shareholders' approval requirements under Chapter 14 of the Listing Rules. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders have any material interest in the Disposal or are required to abstain from voting at a general meeting of the Company to approve the Disposal.

As set out in the Announcement, the Company intended to obtain a written approval on the Disposal from CIH and SIL, which are a closely allied group of Shareholders in accordance with the Listing Rules to dispense with such special general meeting requirement. Subsequent to the publication of the Announcement, as SIL considered that they and CIH are no longer a closely allied group, SIL did not sign the written approval on the Disposal. As such, the Company will hold a special general meeting to approve the Disposal to meet the requirements of the Listing Rules.

SGM

A notice convening the SGM to be held at Suite 1712-16, 17th Floor, China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong on 30 September 2014 at 10:00 a.m. is set out on pages 17 and 18 of this circular.

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you are able to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell

LETTER FROM THE BOARD

Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

The resolution approving the Disposal will be voted by way of a poll at the SGM.

RECOMMENDATION

The Directors are of the opinion that the terms of the Disposal are fair and reasonable and the Disposal is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolution to be proposed at the SGM to approve the Disposal and the transactions contemplated thereunder.

FURTHER INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board
Coastal Greenland Limited
Jiang Ming
Chairman

1. INDEBTEDNESS STATEMENT**Borrowings**

At the close of business on 31 July 2014, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group had outstanding borrowings of approximately HK\$8,022,191,000 comprising secured bank loans of approximately HK\$4,507,533,000, other secured loans of approximately HK\$3,275,908,000 and other unsecured loan of approximately HK\$238,750,000. The Group's banking facilities and other loans were secured by charges over its assets, including bank deposits, land and buildings, properties under development, completed properties for sale, equity interests of certain subsidiaries of the Group.

Contingent liabilities

As at 31 July 2014, the Group had contingent liabilities of approximately HK\$3,284,780,000 in respect of guarantees given to banks for mortgage loan facilities granted to property purchasers. The Group had also given guarantees amounting to approximately HK\$195,448,000 to banks in connection with banking facility granted to the associate, against which a counter-guaranteed was given by the associate to the Group.

Disclaimer

Save as aforesaid or as otherwise disclosed herein, the Group did not have any debt securities issued and outstanding, or authorised or otherwise created but unissued, any term loans (secured, unsecured, guaranteed or not), any other borrowings or indebtedness in the nature of borrowing including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments (whether secured or unsecured, guaranteed or not), any mortgages or charges, or other material contingent liabilities or guarantees at the close of business of 31 July 2014.

Foreign currency amounts have been translated into Hong Kong dollars at the rates of exchange prevailing at the close of business on 31 July 2014. The Directors are not aware of any material changes in the Group's indebtedness and contingent liabilities since the close of business on 31 July 2014.

2. WORKING CAPITAL

The Directors, after due and careful enquiry, are of the opinion that the working capital available to the Group is sufficient for the Group's requirements for at least the next 12 months from the date of publication of this circular in the absence of unforeseen circumstances after taking into account (i) the internal resources of the Group, (ii) the available credit facilities of the Group and (iii) net proceeds from the Disposal.

3. MATERIAL ADVERSE CHANGE

The Directors have confirmed that they were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2014, being the date to which the latest published audited accounts of the Company were made up to.

4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

In 2013 and the first half of 2014, the government continuously implemented various tightening policies, such as the restrictions on acquisition of commodity houses, the mortgage policy and the additional decree of taxation on property transactions, with a view to regulating and tempering the property market. However, due to robust demand, both the prices and the number of transactions continued to rise despite these austerity measures were in place. Property developers' appetite in the land acquisition remained strong. The Group considers that the property developers will continue to face a challenging environment because of the intense competition and a volatile real estate market.

Notwithstanding the opaque circumstances, the Group is optimistic about the real estate market which is buttressed by the government's macro-economic policy, namely 'stabilizing growth, restructuring the economy and promoting reforms'. Other long term favorable factors include steady economic growth, continuous urbanization growth leading to increasing the number of first-time home-buyers and the middle-class' desire to improve living conditions. The Group will consistently review and evaluate its business strategy in view of the evolving economic and regulatory environment. In recent years, the Group has been searching for co-investment opportunities in the development projects such that it can enlarge its property portfolio without escalating its financial burden. The Group is keen to promote its new business segment of project investment services as well as project management. The Group has a pre-eminent brand and consummate experience in the property market. It will heed its geographically well-distributed and diversified prominent property portfolio. It will continue to optimize the land reserves, ameliorate the competitiveness of its products and the project management service. Finally, the Group will strenuously appraise various sources of funding so as to consolidate its financial capability for sustainable development in the foreseeable future.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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.

2. DISCLOSURE OF INTERESTS**Directors' interests and short positions in the securities of the Company and its associated corporations**

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of the Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, to be notified to the Company and the Stock Exchange were as follows:

(i) Interests and short positions in shares and underlying shares of the Company

Name of Director	Note	Beneficial owner	Number of Shares held or short positions, capacity and nature of interest		Percentage of the Company's issued share capital
				Interest in controlled corporation	
Mr. Jiang Ming	(a)	–	1,531,261,978 (L)		36.58%
Mr. Tao Lin	(a)	27,000,000 (L)	1,531,261,978 (L)		37.23%
Ms. Wang Hongmei	(a)	28,344,000 (L)	1,531,261,978 (L)		37.26%
Mr. Cai Shaobin		74,701,000 (L)		–	1.78%
Mr. Chen Xiaotin		2,000,000 (L)		–	0.05%
Mr. Wong Kai Cheong		2,000,000 (L)		–	0.05%
Mr. Yang Jiangang		2,000,000 (L)		–	0.05%

L: Long position

Note:

- (a) 1,531,261,978 shares are beneficially owned by CIH, of which the entire issued voting share capital is held as to 37.58% by Mr. Jiang Ming, 5.38% by Mr. Tao Lin, 21.42% by Great Scope Investments Limited (the entire issued voting share capital of which is held by Mr. Jiang Ming) and 5.38% by Cyberich Development Limited (the entire issued voting share capital of which is held by Ms. Wang Hongmei). These 1,531,261,978 shares represent an aggregate of approximately 36.58% of the issued share capital of the Company.

(B) Interests in shares of the associated corporation of the Company

Name of director	Beneficial owner	Number of Shares held or short positions, capacity and nature of interest		Percentage of the associated corporation's issued share capital
		Interest in controlled corporation		
Mr. Jiang Ming	3,758 (L)	2,142 (L)		59% of CIH
Mr. Tao Lin	538 (L)	–		5.38% of CIH
Ms. Wang Hongmei	–	538 (L)		5.38% of CIH

L: Long position

Save as disclosed herein, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) where were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors is a director or employee of a company which had, or was deemed to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. COMPETING INTEREST

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or their respective associates had any interest in a business which competes or may compete, either directly or indirectly, with the business of the Group, or have or may have any other conflicts of interest with the Group.

4. DIRECTORS' SERVICE CONTRACTS

None of the Directors had entered or been proposed to enter into any service contract with the Company or any other member of the Group which is not determinable by the Group within one year without payment of compensation (other than statutory compensation) as at the Latest Practicable Date.

5. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, none of the Directors were materially interested in any contract or arrangement entered into by any member of the Group which was subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group. As at the Latest Practicable Date, save as disclosed in this circular, none of the Directors had any interest, directly or indirectly, in any assets which have been, since 31 March 2014 (being the date to which the latest published audited consolidated accounts of the Company were made up), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

6. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the members of the Group within the two years immediately preceding the date of this circular and are or may be material:

- (i) the conditional sale and purchase agreement entered into between Shenzhen Coastal Property Investment Limited and Shum Yip Investment (Shenzhen) Co., Ltd. and dated 16 October 2012 in relation to the acquisition of the 30% equity interest of Huizhou Shum Yip Southern Land Company Limited and the shareholder's loan in the principal amount of RMB194,830,900 (equivalent to approximately HK\$237,599,000), which represents 30% of the aggregate shareholder's loan due by Huizhou Shum Yip Southern Land Company Limited to Shum Yip Investment (Shenzhen) Co., Ltd.;
- (ii) the conditional sale and purchase agreement entered into among Suzhou Gaotong Information Services and Consultation Ltd., Coastal Realty Investment (China) Limited and Shum Yip Land Co., Ltd. and dated 16 October 2012 in relation to the disposal of the entire equity interest of Suzhou New Development Investment Co., Ltd. and the entire shareholders' loan due by Suzhou New Development Investment Co., Ltd. to Coastal Realty Investment (China) Limited in the principal amount of RMB392,068,100 (equivalent to approximately HK\$478,132,000);
- (iii) the underwriting agreement dated 17 January 2014 and entered into between the Company and CIH in relation to the underwriting of the Shares under the open offer at the subscription price of HK\$0.25 per Share with a commission of 1.5% of the aggregate subscription price in respect of the number of Shares underwritten payable by the Company to CIH;

- (iv) the conditional sale and purchase agreement entered into between Shenzhen Coastal Property Investment Limited and Xiamen Yi Tao Trading Limited and dated 18 June 2014 in relation to the disposal of the 40% of the registered capital of Changsha Xinhongxin Real Estate Development Co., Limited for a consideration of RMB59,200,000 (equivalent to HK\$74,000,000);
- (v) the conditional sale and purchase agreement entered into between the Shanghai Coastal Greenland Real Estate Ltd Property Investment Limited and Xiamen Yi Tao Trading Limited and dated 28 July 2014 in relation to the disposal of the 25% of the registered capital of Beijing Ziguang Yan Hai Lian He Investment Co., Limited for a consideration of RMB95,000,000 (equivalent to HK\$118,750,000);
- (vi) the loan agreement dated 25 August 2014 and entered into between Coastal Greenland Development (Wuhan) Co., Ltd., Nanjing Yuan Ding Enterprise Co., Ltd. and Bank of Shanghai Company Limited in relation to the provision of the entrusted loan in the principal amount of RMB200,000,000 (equivalent to approximately HK\$250,000,000); and
- (vii) the Agreement.

7. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries were engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened by or against the Company or any of its subsidiaries.

8. GENERAL

- (a) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (b) The head office and principal place of business in Hong Kong of the Company is situated at Suite 1712-16, 17th Floor, China Merchants Tower, Shun Tak Centre, 200 Connaught Road, Central, Hong Kong.
- (c) The branch share registrar and the transfer office of the Company in Hong Kong is Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (d) The company secretary of the Company is Mr. Cheng Wing Bor, who is a member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants, United Kingdom.
- (e) In the event of inconsistency, the English text of this circular shall prevail over the Chinese text thereof.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours on Business Days at the office of the Company at Suite 1712-16, 17th Floor, China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong from the date of this circular up to and including the date of the SGM:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the material contracts referred to in the paragraph headed “Material contracts” in this Appendix;
- (c) the annual reports of the Company and its subsidiaries for the two financial years ended 31 March 2013 and 31 March 2014;
- (d) the interim report of the Company and its subsidiaries for the six months ended 30 September 2013; and
- (e) this circular.

NOTICE OF SGM

COASTAL 沿海
COASTAL GREENLAND LIMITED
沿海綠色家園有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 1124)

NOTICE IS HEREBY GIVEN that a special general meeting (the “**SGM**”) of Coastal Greenland Limited (the “**Company**”) will be held at Suite 1712-16, 17th Floor, China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong on 30 September 2014 at 10:00 a.m. to consider and, if thought fit, pass with or without modification, the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT:

- (a) the conditional agreement dated 26 August 2014 (the “**Agreement**”) (copy of which, signed by the Chairman of the meeting for the purposes of identification, has been produced to the meeting marked “A”) entered into among Shanghai Coastal Commercial Investment Management Co., Ltd. and Ms. Yang Jiong Xuan as vendors and Shenzhen Qianhai Jianshengtai Engineering Services Co., Ltd. as purchaser in relation to, among others, the disposal of 100% of the registered capital of Jingdian Construction Co., Ltd. for an aggregate consideration of RMB304,530,000 (equivalent to approximately HK\$380,663,000) and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and
- (b) any one or more of the directors of the Company be and is/are hereby authorised to take all steps necessary or expedient in his/their opinion to implement and/or give effect to the Agreement and the transactions contemplated thereunder.”

By order of the Board
Coastal Greenland Limited
Jiang Ming
Chairman

Hong Kong, 13 September 2014

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place of
business in Hong Kong:*
Suite 1712-16, 17th Floor
China Merchants Tower
Shun Tak Centre
200 Connaught Road Central
Hong Kong

NOTICE OF SGM

Notes:

1. A member entitled to attend and vote at the SGM is entitled to appoint one or more proxy or proxies to attend and, subject to the provisions of the bye-laws of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the SGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, at the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the SGM or any adjournment thereof, should he so wish.
3. In the case of joint holders of shares of the Company, any one of such holders may vote at the SGM, either personally or by proxy, in respect of such shares as if he was solely entitled thereto, but if more than one of such joint holders are present at the SGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.