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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**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.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance on the whole or any part of the contents of this circular.

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**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)**

**MAJOR TRANSACTION**  
**GUARANTEES FOR LOAN FACILITY TO BE GRANTED TO**  
**AN ASSOCIATE**

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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 26 May 2016 at 2:00 p.m. or any adjournment thereof is set out on pages 18 and 19 of this circular. A form of proxy for use at the special general meeting is enclosed with this circular.

Whether or not you propose 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

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## DEFINITIONS

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

“Board”	the board of Directors
“CBUSPD”	重慶市北碚大學科技園發展有限公司 (Chongqing Beibei University Science Park Development Company Limited**), a company established in the PRC with limited liability, which owns 65% equity interests in Chongqing Yanke
“Chongqing Yanke”	重慶市沿科實業有限公司 (Chongqing Yanke Enterprises Co., Ltd.**), a company established in the PRC with limited liability and an associate owned as to 35% by the Company
“Coastal Realty”	沿海地產投資(中國)有限公司 (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 main board of the Stock Exchange with stock code 1124
“connected person(s)”	has the meaning ascribed to it under Chapter 14A of the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and/or its subsidiaries
“Guarantee Agreement A”	the guarantee agreement dated 15 April 2016 and entered into between the Lender and the Company as one of the guarantors in relation to the Loan Facility
“Guarantee Agreement B”	the guarantee agreement dated 15 April 2016 and entered into between the Lender and Coastal Realty as one of the guarantors in relation to the Loan Facility
“Guarantee Agreements”	the Guarantee Agreement A and the Guarantee Agreement B

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## DEFINITIONS

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“Guarantees”	the guarantees given by the Company and Coastal Realty in favour of the Lender in relation to the Loan Facility, on and subject to the terms and conditions of the Guarantee Agreements
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	5 May 2016, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Lender”	合益資產管理股份有限公司 (Heyi Asset Management Company Limited**), a company established in the PRC with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement”	the loan agreement dated 15 April 2016 and entered into between Chongqing Yanke and the Lender, in relation to the granting of the Loan Facility by the Lender to Chongqing Yanke
“Loan Facility”	the loan facility of up to RMB250 million (equivalent to approximately HK\$300 million) conditionally granted by the Lender to Chongqing Yanke
“PRC”	the People’s Republic of China, which, for the purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened and held to consider and, if thought fit, approve the Guarantee Agreements and the transactions contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares

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## DEFINITIONS

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“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“sq.m.”	square metres
“%”	per cent.

*\*\* The English translation of Chinese names or words in this circular, where indicated, are included for information purpose only and should not be regarded as the official English translation of such Chinese names or words.*

*For the purpose of this circular, unless otherwise indicated, conversion of RMB into HK\$ is calculated at the approximate exchange rate of HK\$1.20 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.*

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LETTER FROM THE BOARD

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**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

10 May 2016

*To the Shareholders*

Dear Sir or Madam,

**MAJOR TRANSACTION**  
**GUARANTEES FOR LOAN FACILITY TO BE GRANTED TO**  
**AN ASSOCIATE**

**INTRODUCTION**

On 15 April 2016 (after trading hours of the Stock Exchange), Chongqing Yanke and the Lender entered into the Loan Agreement, pursuant to which the Lender has conditionally agreed to grant the Loan Facility in the principal amount of RMB250 million (equivalent to approximately HK\$300 million) to Chongqing Yanke. Pursuant to the Loan Agreement, one of the conditions precedent to the draw down of the Loan Facility by Chongqing Yanke is the provision of guarantee by each of the Company and Coastal Realty. On 15 April 2016 (after trading hours of the Stock Exchange), the Company and Coastal Realty, as guarantors, separately entered into the Guarantee Agreements with the Lender to facilitate the granting of the Loan Facility by the Lender to Chongqing Yanke. Pursuant to the Guarantee Agreements, each of the Company and Coastal Realty will severally guarantee 100% of the liabilities of Chongqing Yanke under the Loan Agreement.

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## LETTER FROM THE BOARD

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The SGM will be convened and held for the Shareholders to consider and, if thought fit, to approve the Guarantee Agreements and the transactions contemplated thereunder. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders have any material interest in the Guarantees or are required to abstain from voting at the SGM of the Company to approve the Guarantee Agreements and the transactions contemplated thereunder.

The purpose of this circular is to provide you with, among other things, (i) further details of the Guarantee Agreements and the transactions contemplated thereunder; and (ii) a notice of the SGM.

### THE GUARANTEE AGREEMENTS

#### Principal terms of the Loan Agreement

*Date:* 15 April 2016 (after trading hours of the Stock Exchange)

*Parties:*

– *Lender* Heyi Asset Management Company Limited  
– *Borrower* Chongqing Yanke

*Principal amount of the Loan Facility:* RMB250 million (equivalent to approximately HK\$300 million)

*Interest:* 10.5% per annum, payable every three months in arrears from the draw down of the Loan Facility

*Repayment:* RMB50 million (equivalent to approximately HK\$60 million) of the principal amount of the Loan Facility shall be repaid on the date falling 6 months from the draw down of the Loan Facility.

The balance of the principal amount of the Loan Facility shall be repaid on the date falling 2 years from the date of the Loan Agreement.

*Security:* The Loan Facility shall be secured by:

- (i) pledge of certain assets of Chongqing Yanke, including construction in progress and relevant receivables;
- (ii) pledge of the entire equity interests in Chongqing Yanke held by CBUSPD and the Company; and
- (iii) the Guarantees

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## LETTER FROM THE BOARD

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### Principle terms of the Guarantees

*Date:* 15 April 2016 (after trading hours of the Stock Exchange)

*Parties:*

- *Guarantee* Heyi Asset Management Company Limited
- *Guarantors* the Company (pursuant to Guarantee Agreement A)  
Coastal Realty (pursuant to Guarantee Agreement B)

*Guarantee period:* The Guarantees shall become effective from the date of the Loan Agreement and expire 2 years from the repayment due date of the Loan Facility under the Loan Agreement, and the Guarantees shall cease upon Chongqing Yanke has duly fulfilled its obligations under the Loan Agreement

*Guarantee amount:* RMB250 million (equivalent to approximately HK\$300 million)

Being one of the shareholders of Chongqing Yanke and the project manager responsible for day to day operation of construction projects undertaken by Chongqing Yanke, Coastal Realty is requested by the Lender to provide guarantee under the Loan Agreement. In view of the solid financial background and listing status of the Company, the Lender also requested the provision of guarantee by the Company to further protect its interest under the Loan Agreement. The Company and Coastal Realty will severally guarantee 100% of the liabilities of Chongqing Yanke under the Loan Agreement. The principal amount of the Loan Facility is RMB250 million (equivalent to approximately HK\$300 million). The maximum exposure to liabilities guaranteed by the Company and Coastal Realty (being an aggregate amount of principal and interest payable under the Loan Agreement) is estimated to be approximately RMB295 million (equivalent to approximately HK\$354 million). The Loan Facility is to be applied to finance the construction projects undertaken by Chongqing Yanke which is expected to be completed in the third quarter of 2016. Except for the Loan Facility, Chongqing Yanke does not have an imperative funding need that requires further financial assistance by the Company for the time being. The Directors and Coastal Realty, as the project manager of Chongqing Yanke, would in any case closely monitor the financial status of Chongqing Yanke from time to time.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, the Lender, CBUSPD and their respective ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

### Consideration

Neither the Company nor Coastal Realty will receive any fee or commission from the provision of Guarantees under the Guarantee Agreements. Having considered that (i) the Guarantees are protective in nature where the realization of obligations are remote; (ii) the



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## LETTER FROM THE BOARD

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provision of guarantee that facilitate the granting of Loan Facility to Chongqing Yanke would benefit the Group through its equity interests in Chongqing Yanke; and (iii) the entire Loan Facility would be applied to finance the construction projects undertaken by Chongqing Yanke and managed by Coastal Realty, which will bring in project management fee for the Group, the Directors are of the view that the provision of Guarantees could generate future benefit to the Group through the ongoing operation of Chongqing Yanke and is justifiable at nil consideration.

### **Condition precedent**

Guarantee Agreements are conditional upon the passing by the Shareholders at a special general meeting of the Company of the ordinary resolution(s) to approve Guarantee Agreements and the transactions contemplated thereunder.

### **FINANCIAL EFFECTS OF THE PROVISION OF GUARANTEES**

The obligations of the Company and Coastal Realty under the Guarantees will constitute contingent liabilities of the Company in its financial statements. As at the Latest Practicable date, the assets pledged by Chongqing Yanke, including construction in progress and relevant receivables amounted to approximately RMB461.2 million, is sufficient to cover the maximum exposure of RMB295 million (being an aggregate amount of principal and interest payable under the Loan Agreement). The Directors are of the view that the risk of default of payment by Chongqing Yanke is remote given the coverage of the pledge and it is unlikely that the Company and/or Coastal Realty would be requested to realize their obligations. In case of default by Chongqing Yanke, the Lender would take possession of the pledged assets as repayment for the Loan Facility before the Guarantees are being called upon for realization. Accordingly, the Company does not propose to make provisions for such contingent liabilities in its financial statements. The Company considers that the Guarantees will not have any material adverse effect on the Company's financial position.

### **REASONS FOR AND BENEFIT OF THE GUARANTEES**

The Directors consider that the provision of the Guarantees by the Company and Coastal Realty will facilitate Chongqing Yanke to obtain the Loan Facility which enables timely progression of the construction projects undertaken by Chongqing Yanke. In view of the solid financial background and listing status of the Company, the Lender recognized the credibility of the Company and requested the provision of guarantee by the Company to protect its interest under the Loan Agreement. Provision of guarantee by CBUSPD is not required by the Lender due to the fact that it is a private company and is not responsible for day to day operation of Chongqing Yanke. Despite that the guarantees provided by the Company and Coastal Realty represent 100% of the liabilities of Chongqing Yanke under the Loan Agreement which is not in proportion to the Company's equity interests in Chongqing Yanke, having considered that (i) the terms of the Guarantee Agreements are determined after arms' length negotiations; (ii) the Loan Facility shall also be secured by pledge of certain assets of Chongqing Yanke and pledge of the entire equity interests in Chongqing Yanke held by CBUSPD and the Company; (iii) the

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## LETTER FROM THE BOARD

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Loan Facility would enable timely progression of the construction projects undertaken by Chongqing Yanke which could have positive impacts on the returns to the Group through its equity interests in Chongqing Yanke; and (iv) financial return to the Group as the Group is the project manager of Chongqing Yanke and will receive project management service fee from the construction projects which represents 4% of turnover of Chongqing Yanke, the Directors are of the view that the provision of Guarantee could generate future benefit to the Group through the ongoing operation of Chongqing Yanke and the terms and conditions of the Guarantees are fair and reasonable and are on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

Coastal Realty as the project manager of Chongqing Yanke would closely monitor the use and repayment of Loan Facility and allocate the financial resources in accordance with the progress of construction projects undertaken by Chongqing Yanke.

### INFORMATION OF THE PARTIES

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

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.

The Lender is a company established in the PRC with limited liability. It is principally engaged in assets management and consultancy services.

CBUSPD is a company established in the PRC with limited liability. It is principally engaged in project investment and related services.

Chongqing Yanke is an associate owned as to 35% by the Company and as to 65% by CBUSPD. Chongqing Yanke is principally engaged in a residential property development project in Beipei District, Chongqing, the PRC.

### LISTING RULES IMPLICATIONS

The entering into of the Guarantee Agreements and the transactions contemplated thereunder 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 Guarantees or are required to abstain from voting at a special general meeting of the Company to approve the Guarantee Agreements and the transactions contemplated thereunder.

### 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 26 May 2016 at 2:00 p.m. is set out on pages 18 and 19 of this circular.

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## LETTER FROM THE BOARD

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A form of proxy for use at the SGM is enclosed with this circular. Whether or not you propose 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 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 Guarantee Agreements and the transactions will be voted by way of a poll at the SGM.

### RECOMMENDATION

The Directors are of the opinion that the terms of the Guarantees are fair and reasonable and the Guarantees are 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 Guarantees Agreements 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. FINANCIAL INFORMATION OF THE GROUP**

The financial information of the Group for the six months ended 30 September 2015 and two years ended 31 March 2015 are disclosed in the interim report of the Company for the six months ended 30 September 2015 and annual reports of the Company for the two years ended 31 March 2015 respectively, all of which are published on the website of the Stock Exchange at <http://www.hkexnews.hk>, and the website of the Company at <http://www.irasia.com/listco/hk/coastal/> Quick links to the interim report and annual reports of the Company published on the website of the Stock Exchange are set out below. There was no qualified opinion issued for the audited financial information of the Group for the two years ended 31 March 2015.

Interim report of the Company for the six months ended 30 September 2015:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2015/1230/LTN20151230329.pdf>

Annual reports of the Company for the two years ended 31 March 2015:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0730/LTN20150730670.pdf>

<http://www.hkexnews.hk/listedco/listconews/SEHK/2014/0729/LTN20140729704.pdf>

**2. INDEBTEDNESS****Borrowings**

At the close of business on 31 March 2016, 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\$7,617,525,000 comprising secured bank loans of approximately HK\$4,450,168,000, other secured loans of approximately HK\$2,687,309,000 and other unsecured loan of approximately HK\$480,048,000. 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 March 2016, the Group had contingent liabilities of approximately HK\$2,859,099,000 in respect of guarantees given to banks for mortgage loan facilities granted to property purchasers.

**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 March 2016.

Foreign currency amounts have been translated into Hong Kong dollars at the rates of exchange prevailing at the close of business on 31 March 2016. The Directors are not aware of any material changes in the Group's indebtedness and contingent liabilities since the close of business on 31 March 2016.

**3. 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) the Guarantees.

**4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP**

For the year ended 31 March 2015, the Group recorded revenue of approximately HK\$2,166,795,000 (2014: HK\$2,780,503,000) and incurred a loss of HK\$524,088,000 (2014: profit of HK\$60,431,000). Among the operating activities engaged by the Group, property development represented the largest segment contributing approximately 97.9% of the total revenue for the year ended 31 March 2015 (2014: 85.4%). The decrease in revenue was mainly attributable to drop in amount of properties being completed and delivered to purchasers as compared with the previous year. The overall loss for the year ended 31 March 2015 was solely derived from the loss in property development which was resulted from the decline in property price level in the PRC property market during the year. For the six months ended 30 September 2015, the revenue of the Group decreased from approximately HK\$541,935,000 to HK\$309,566,000, representing a decrease of approximately 42.9% as compared with the corresponding period in previous year. The plunge in revenue during the period was in line with decrease in total GFA delivered by the Group from 57,119 sq.m. to 31,660 sq.m. for the six months ended 30 September 2014 and 2015 respectively. The gross profit margin for the period was approximately 6.6% which was lower than the gross profit margin for last corresponding period's 15.2%. The decrease was mainly due to a lower level of selling price attained for the properties completed and delivered to purchasers during the period.

China's economy is facing the challenge of consolidation amidst uncertainties in the global market. In response to the sluggish economic outlook, the Central Government has taken measures to release more liquidity into the market and has made positive adjustments to the policies so as to maintain a stable development of the property market. Furthermore, with the continuation of implementation of the urbanization policy by the Central Government and the continual growth in gross domestic product, it is expected that the real estate industry in China will be heading into a healthy direction. The Group expect that the lowering of the RMB interest rate, the possible further loosening up of control measures on property sector, the ongoing urbanisation and the continued increase in the household income are the major drivers that will boost the end users' demand for quality properties in the coming years. Concurrently, the Group will leverage on its experience and expertise in property development business with respect to the property market development.

The Group has a well established brand and seasoned experience in the property market. It will optimise its operations with its geographically well-distributed and diversified prominent property portfolio and will continue to enrich its land reserves and ameliorate the competitiveness of its products. Also, the Group will continuously explore different funding opportunities so as to enhance its financial capability.

## 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		76,701,000 (L)		–	1.83%
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 Coastal International Holdings Limited (“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.

**(ii) 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 Issuers 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 2015 (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 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);
- (ii) 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);
- (iii) 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);

- (iv) the conditional sale and purchase agreement entered into on 14 April 2015 between Coastal Realty Investment (China) Limited, Shenzhen Chuangzhixin Investment Management Company Limited and Jinzhong City Gaosheng Shunxin Investment Enterprises (Limited Partnership), Beijing Meilehong Investment Consultancy Company Limited and Beijing Zhongzhou Huayuan Project Investment Management Company Limited in relation to the acquisition of 81% of the registered and paid up capital of Hengxiang Real Estate Development Company Limited by Coastal Realty Investment (China) Limited for an aggregate consideration of RMB602,700,000 (equivalent to approximately HK\$746,840,000);
- (v) the agreement dated 11 January 2016 entered into between Shanghai Coastal Commercial Investment Management Co. Ltd., Ms. Yang Jiong Xuan, Jingdian Construction Co. Ltd. and Fujian Province Huiwu Construction Engineering Company Limited in respect of the disposal of 100% equity interest of Jingdian Construction Co. Ltd. for no cash consideration; and
- (vi) the Guarantee Agreements.

## **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 annual reports of the Company for the years ended 31 March 2014 and 31 March 2015 and the interim report of the Company for the six months ended 30 September 2015, respectively;
- (c) the material contracts referred to in the paragraph headed “Material Contracts” in this appendix;
- (d) circular issued pursuant to the requirements set out in Chapters 14 and/or 14A which has been issued since 31 March 2015; and
- (e) this circular.

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## NOTICE OF SGM

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**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 26 May 2016 at 2:00 p.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 15 April 2016 (the “**Guarantee Agreement A**”) (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 between Heyi Asset Management Company Limited (the “**Lender**”) as guarantee and the Company as guarantor in relation to, among others, the provision of guarantee for 100% of the liabilities of 重慶市沿科實業有限公司 (for identification purposes only, Chongqing Yanke Enterprises Co., Ltd.) (“**Chongqing Yanke**”) under the loan facility (the “**Loan Facility**”) in the principal amount of up to RMB250 million and the transactions contemplated thereunder be and are hereby approved;
- (b) the conditional agreement dated 15 April 2016 (the “**Guarantee Agreement B**”, together with the Guarantee Agreement A, the “**Guarantee Agreements**”) (copy of which, signed by the Chairman of the meeting for the purposes of identification, has been produced to the meeting marked “**B**”) entered into between the Lender as guarantee and Coastal Realty Investment (China) Limited as guarantor in relation to, among others, the provision of guarantee for 100% of the liabilities of Chongqing Yanke under the Loan Facility and the transactions contemplated thereunder be and are hereby approved; and
- (c) 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/her/their opinion to implement and/or give effect to the Guarantee Agreements and the transactions contemplated thereunder.”

By order of the Board  
**Coastal Greenland Limited**  
**Jiang Ming**  
*Chairman*

Hong Kong, 10 May 2016

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## NOTICE OF SGM

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*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

*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.