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INCREASES IN THE PRICE AND TRADING VOLUME OF THE SHARES

The Company is in the process of negotiating with an independent third party for a proposed convertible loan (the “Proposed Convertible Loan”) to be granted to the Company by the independent third party. The terms of the Proposed Convertible Loan have not been finalized as at the date of this statement and will be disclosed in an announcement as appropriate and necessary. The Proposed Convertible Loan may or may not be realized eventually. Investors are advised to exercise due caution when dealing in the shares of the Company.

This statement is made at the request of The Stock Exchange of Hong Kong Limited.

We have noted today’s increases in the price and trading volume of the shares of the Company and wish to state that we are not aware of any reasons for such increases except as stated below.

We confirm that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under rule 13.23 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), neither is the Board aware of any matter discloseable under the general obligation imposed by rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature except that the Company is in the process of negotiating with an independent third party for a proposed convertible loan (the “Proposed Convertible Loan”) to be granted to the Company by the independent third party. The terms of the Proposed Convertible Loan have not been finalized as at the date of this statement and will be disclosed in an announcement as appropriate and necessary. The Proposed Convertible Loan may or may not be realized eventually. Investors are advised to exercise due caution when dealing in the shares of the Company.

Made by the order of the Board of Coastal Greenland Limited, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

As at the date of this announcement, the Board comprises Mr. Chan Boon Teong, Mr. Jiang Ming, Mr. Tao Lin, Mr. Cheng Wing Bor and Mr. Lin Chen Hsin, as executive directors, Mr. Zheng Hong Qing, as non-executive director and Mr. Tang Lap Yan, Mr. Law Kin Ho and Mr. Wong Kai Cheong as independent non-executive directors.

By order of the Board
Coastal Greenland Limited
Cheng Wing Bor
Secretary

Hong Kong, this 30th day of May, 2005

* *For identification purpose only*