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CGL
沿海綠色家園®

沿海綠色家園有限公司

COASTAL GREENLAND LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 01124)

ANNOUNCEMENT MADE PURSUANT TO RULE 13.09 OF THE LISTING RULES TERMINATION OF THE FRAMEWORK AGREEMENT

On 23 April 2008, the Company announced that Coastal Realty entered into the Framework Agreement with Shanghai Fenghwa on 8 April 2008 to record the principles to which the Proposed Transaction may proceed.

The Stock Exchange has indicated to the Company that the requirements under PN 15 relating to the separate listing of assets should apply to the Proposed Transaction. The Company has made a formal PN 15 application for the Proposed Transaction to the Stock Exchange on 13 May 2008. Following various discussions among the Company, its advisers and the Stock Exchange, the Company has determined that the Proposed Transaction (on the current terms set forth in the Framework Agreement) would not likely be able to satisfy the requirements of PN 15. Accordingly, on 11 December 2008, Coastal Realty and Shanghai Fenghwa entered into an agreement to terminate the Framework Agreement.

The Company will make further announcements to keep Shareholders informed of any progress of the matter as and when appropriate.

Shareholders and prospective investors of the Company should note that the Proposed Transaction will not proceed on the current terms set forth in the Framework Agreement. Accordingly, Shareholders and prospective investors of the Company should exercise caution when dealing in the securities of the Company.

INTRODUCTION

On 23 April 2008, the Company announced that Coastal Realty, a wholly-owned subsidiary of the Company, entered into the Framework Agreement with Shanghai Fenghwa on 8 April 2008 to record the principles to which the Proposed Transaction may proceed. Unless otherwise defined, capitalised terms used in this announcement shall have the meanings as those defined in the Company's announcement dated 23 April 2008.

As at the date of this announcement, the Company indirectly holds an approximately 21.13% interest in the issued share capital of Shanghai Fenghwa.

TERMINATION OF THE FRAMEWORK AGREEMENT

The Stock Exchange has indicated to the Company that the requirements under PN 15 relating to the separate listing of assets should apply to the Proposed Transaction. The Company has made a formal PN 15 application for the Proposed Transaction to the Stock Exchange on 13 May 2008. Following various discussions among the Company, its advisers and the Stock Exchange, the Company has determined that the Proposed Transaction (on the current terms set forth in the Framework Agreement) would not likely be able to satisfy the requirements of PN 15. Accordingly, on 11 December 2008, Coastal Realty and Shanghai Fenghwa entered into an agreement to terminate the Framework Agreement.

The Company will make further announcements to keep Shareholders informed of any progress of the matter as and when appropriate.

The Company has been informed that Shanghai Fenghwa published an announcement (the “**Shanghai Fenghwa Termination Announcement**”) in relation to the termination of the Proposed Transaction on the website of the Shanghai Stock Exchange on 11 December 2008. As set out in the Shanghai Fenghwa Termination Announcement, Shanghai Fenghwa and Coastal Realty (as the largest shareholder of Shanghai Fenghwa) have, in accordance with the requirements of the CSRC, undertaken not to enter into discussions or negotiations in relation to any private placing or issuance of shares in, or any material asset reorganisation of, Shanghai Fenghwa for three months commencing from 11 December 2008.

Shareholders and prospective investors of the Company should note that the Proposed Transaction will not proceed on the current terms set forth in the Framework Agreement. Accordingly, Shareholders and prospective investors of the Company should exercise caution when dealing in the securities of the Company.

On behalf of the Board of
Coastal Greenland Limited
Mr. Chan Boon Teong
Chairman

Hong Kong, 11 December 2008

As at the date of this announcement, the Board comprises of Mr. Chan Boon Teong, Mr. Jiang Ming, Mr. Tao Lin, Mr. Cheng Wing Bor, Mr. Lin Chen Hsin, Mr. Wu Xin and Mr. Cai Shaobin as executive Directors, Mr. Zheng Hong Qing, Mr. Hu Aimin and Mr. Zhang Yijun as non-executive Directors and Mr. Tang Lap Yan, Mr. Law Kin Ho and Mr. Wong Kai Cheong as independent non-executive Directors.