



金朝陽集團有限公司
SOUNDWILL HOLDINGS LIMITED

2013 Interim Results

*A niche property play with
quality assets in Causeway Bay*



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Company Overview

About Soundwill Group

Stock code : 878.HK

Listed date : Mar-1997

Stock price
(as of 21 Aug 2013) : HK\$15.38

Market cap
(as of 21 Aug 2013) : HK\$4.32b

NAV discount
(as at 21 Aug 2013) : 69%

- A niche player in the Hong Kong property assembly market, with over 30 years experience in real estate
- Flagship investment property – **Soundwill Plaza** in Causeway Bay – provides strong recurring cash flow from rental income
- Diversification of investment portfolio to further enhance Soundwill's rental income (i.e. **Soundwill Plaza II – Midtown** and the **G/F retail space of THE SHARP**)
- Two luxury residential projects (i.e. **WarrenWoods** and **PARK HAVEN**) demonstrated Soundwill's capability of being a quality property developer

Quality Assets in Causeway Bay



Commercial & Retail (Leasing space: 468,200 sq.ft)

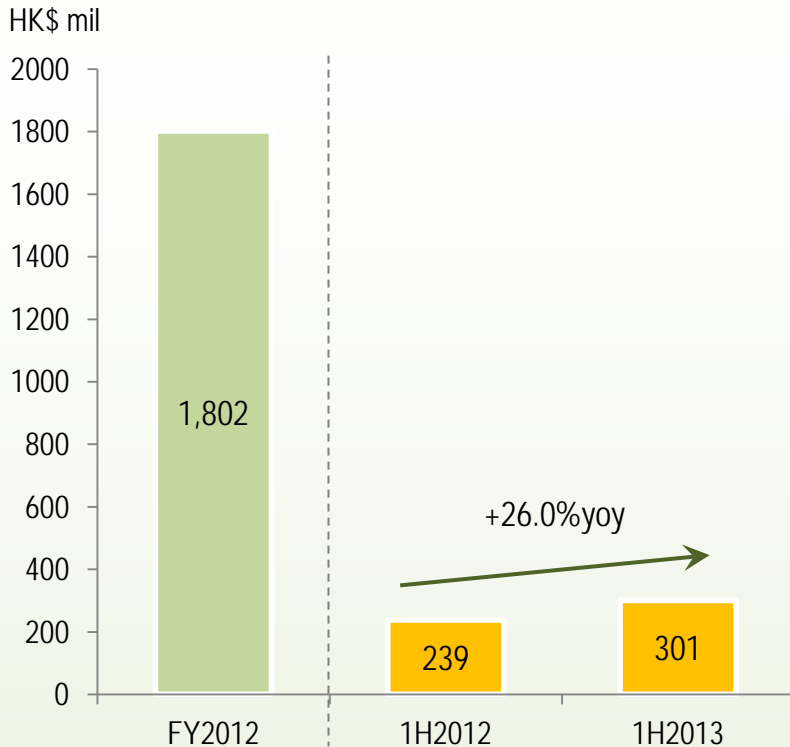
1. Soundwill Plaza
2. Soundwill Plaza II – Midtown
3. The Sharp

Residential

4. WarrenWoods (Tai Hang)
5. PARK HAVEN

2013 Interim Results Highlights

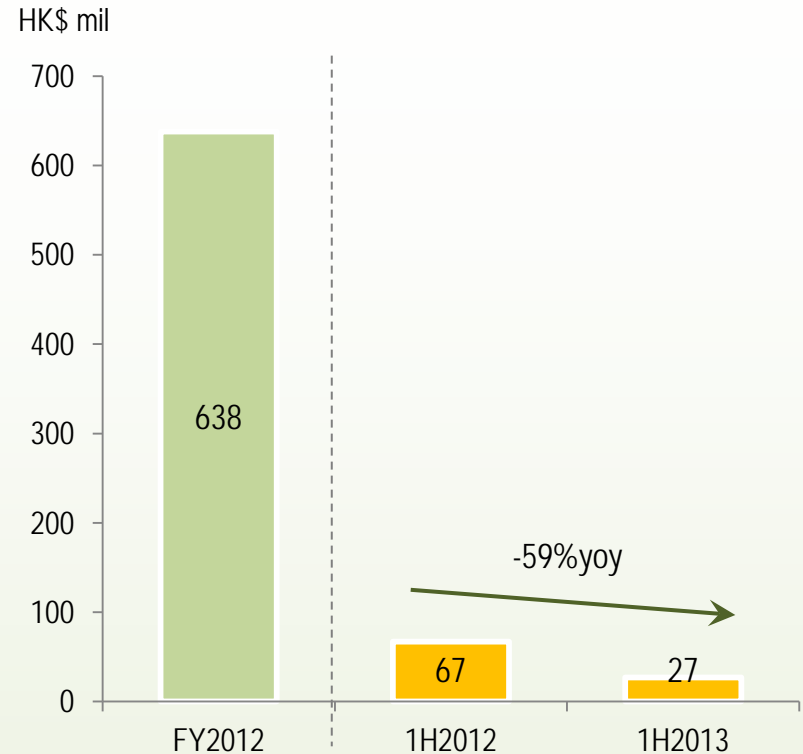
Turnover



Turnover increase:

Attributable to property leasing income in Hong Kong and sale of property development projects in the PRC

Underlying Profit**



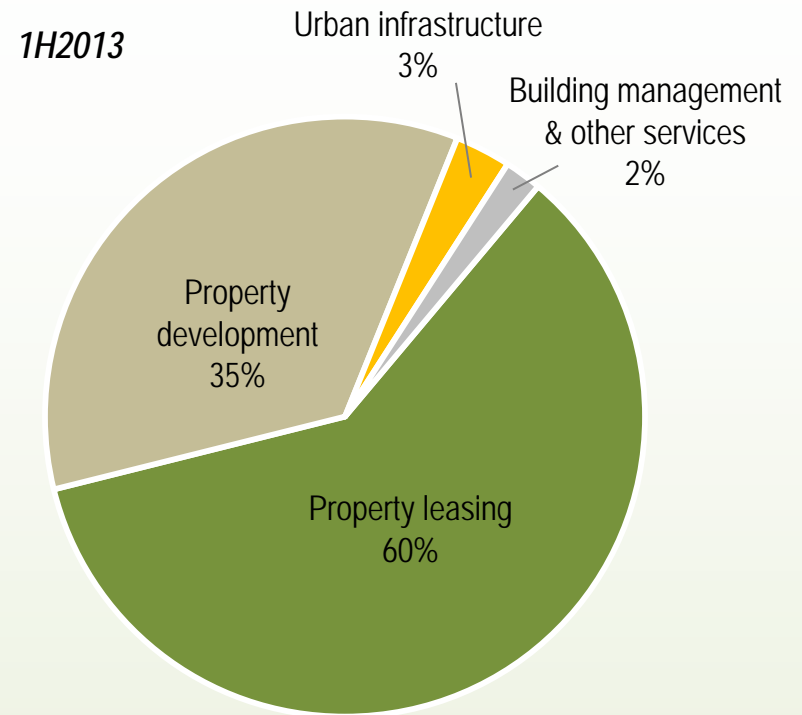
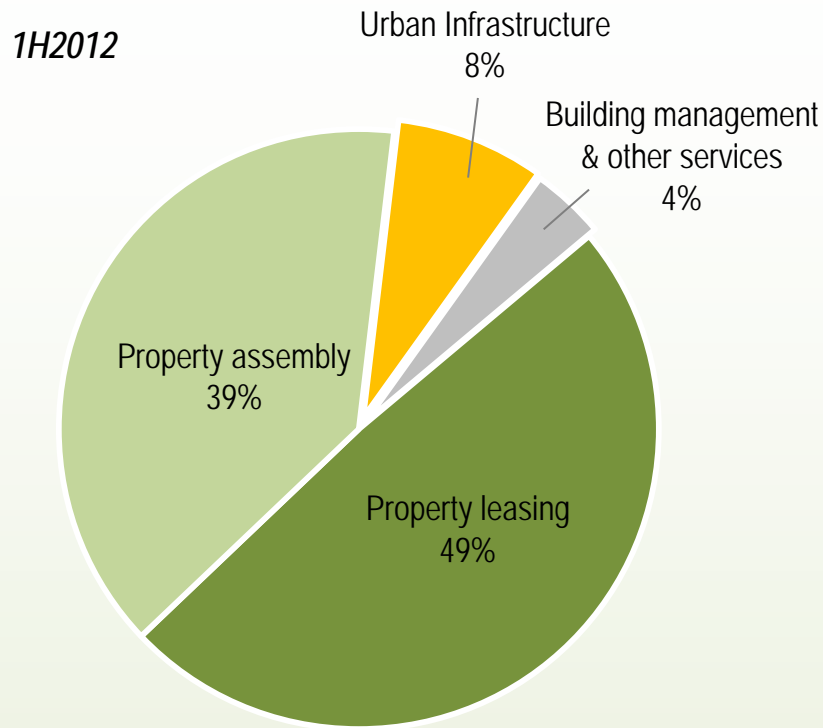
Decrease in underlying profit :

No sale of assembled properties as compared to 1H2012

**Exclude net gain on fair value adjustments on investment properties

2013 Interim Results Highlights (cont)

Revenue by Key Business Segments



- The Group intends to focus on self-developed projects, hence income from the sale of assembled properties will decrease notably in the future

Enhanced Net Asset Value



Enhanced Net Asset Value (cont)

NAV per share breakdown
(as at 30 June 2013)

HK\$

Soundwill Plaza

23.6

Other assets – Commercial

Soundwill II – Midtown

5.8

THE SHARP

3.8

No. 10 Knutsford Terrace

1.6

Other assets – Residential

Park Haven

5.7

Others

9.1

Total

49.6

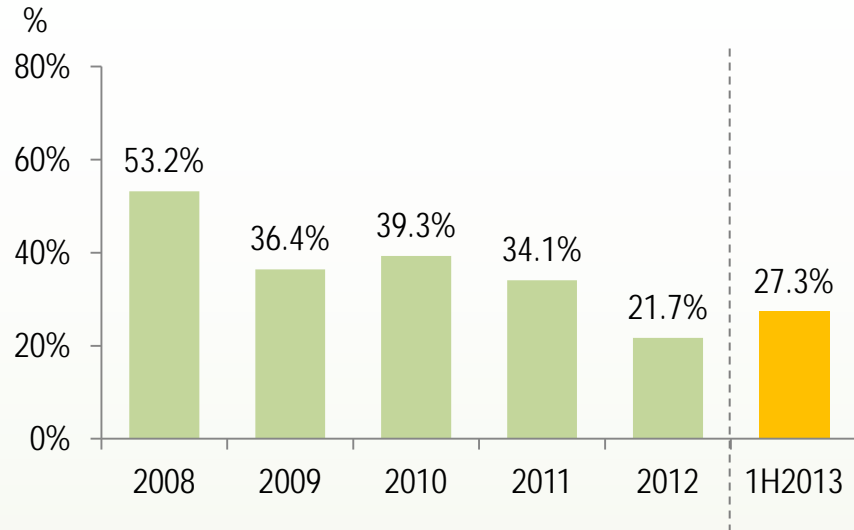
Financial Ratios

	As at 30 Jun 2013 (HK\$mil) (unaudited)	As at 31 Dec 2012 (HK\$mil) (audited)	Change
Total assets	19,603	17,901	↑ 10%
Net assets	13,918	13,802	↑ 0.8%
Cash and cash equivalent	535	615	↓ 13%
Bank deposit at escrow account	407	291	↑ 40%
Total debt	3,772	2,993	↑ 26%
Gearing ratio	27%	22%	↑ 5pp
Net of cash gearing ratio	23%	17%	↑ 6pp

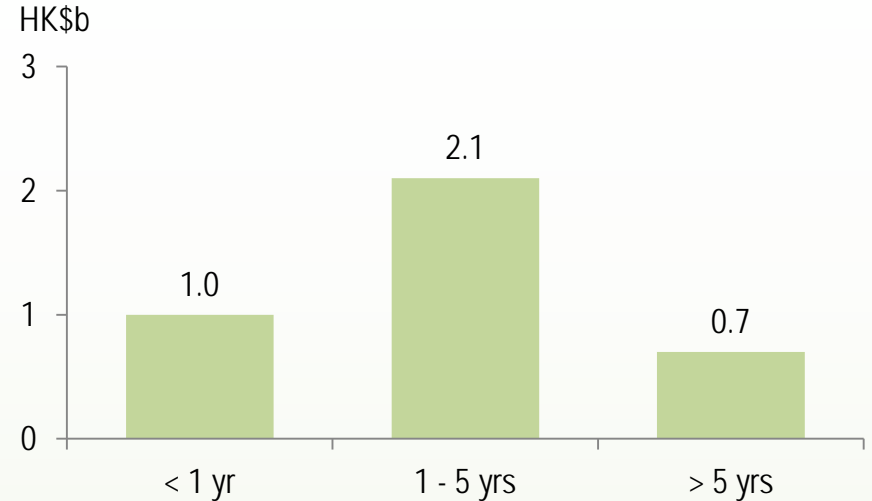
Cash outflow & bank borrowings to fund acquisition of No. 10 Knutsford Terrace

Financial Ratios (cont.)

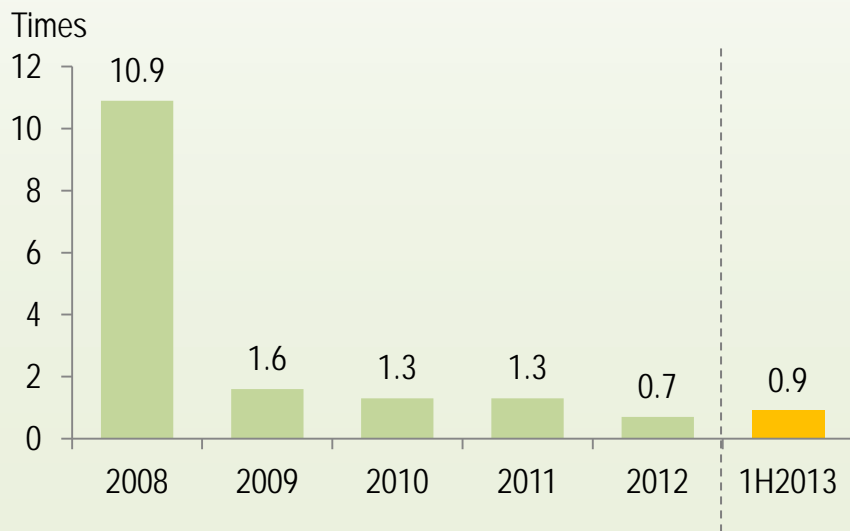
Total Debt / Total Equity



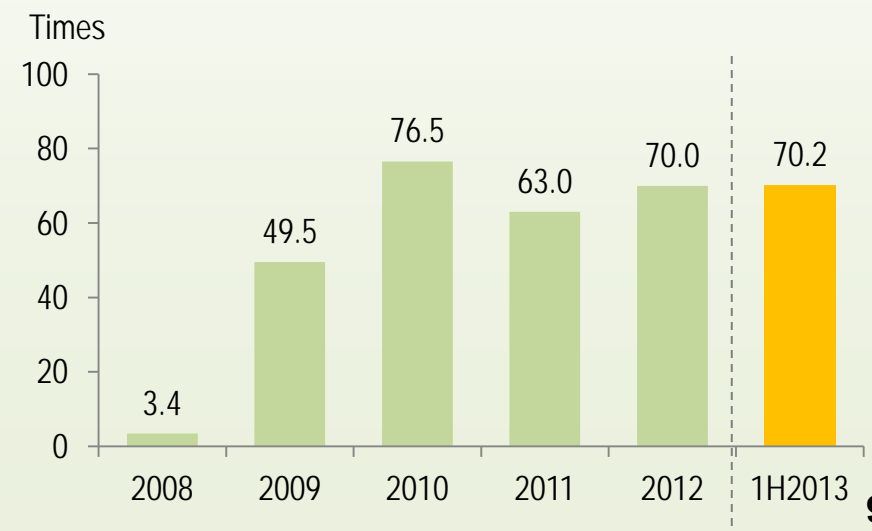
Debt Maturity (as at 30 June 2013)



Net Debt / EBITDA



Interest Cover

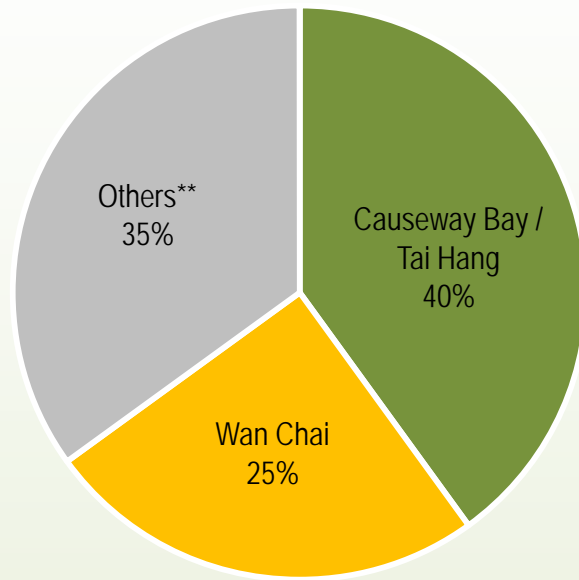


Business Overview

Land Bank

Land Bank Strategically Focused on Core Districts of Hong Kong Island

*Land bank by geographic region
(as at 30 June 2013)*



**Others include sites in North Point and Mid-levels

Land bank overview (as at 30 June 2013)

Causeway Bay / Tai Hang

School Street

Residential

22,500

*Lai Yin Street & Jones Street
(joint development with Henderson Land)*

Residential

65,000

Wan Chai

Lun Fat Street

Residential

56,000

*Others***

Mosque Street

Residential

49,000

Kin Wah Street & Fort Street

Residential

29,000

Total

--

221,500

Land Bank (cont)



Tai Hang
School St.
書館街

- Site area : 2,250 sq. ft.
- Can be developed into a **22,500 sq.ft.** commercial and residential complex



Tai Hang
Lai Yin St. & Jones St.
禮賢街及重士街

- Site area: 6,530 sq. ft.
- Can be developed into a **65,000 sq.ft.** residential property
(co-develop with Henderson Land)



North Point
Kin Wah St. & Fort St.
建華街及堡壘街

- Site area: 3,240 sq. ft.
- Can be developed into a **29,000 sq.ft.** residential property



Wan Chai
Lun Fat St.
聯發街

- Site area: 7,000 sq. ft.
- Can be developed into a **56,000 sq.ft.** residential property



Mid-Levels
Mosque St.
摩羅廟街

- Site area: 5,819 sq. ft.
- Can be developed into a **49,000 sq.ft.** residential property

Land bank of approximately 221,500 sq.ft. for future development

Grade-A Investment Portfolio

As at 30 June 2013



Soundwill Plaza, Causeway Bay

Development	GFA (sq.m)	Occupancy rate	Average spot rental	Average rental increase (yoy)	Leases expiring in FY2013
<i>G/F (street level)</i>	8,800	100%	HK\$2,037	+19%	10%
<i>1/F (street level)</i>	9,500	100%	HK\$350	--	--
<i>Upper levels</i>	228,100	88%	HK\$42	+13%	39%
<i>Total</i>	246,400	87%	--	+15%	37%



No. 10 Knutsford Terrace, Tsim Sha Tsui

Development	GFA (sq.m)	Occupancy rate	Average spot rental	Average rental increase (yoy)	Leases expiring in FY2013
<i>G/F (street level)</i>	3,200	100%	HK\$100	--	100%
<i>Upper levels (1 – 3/F)</i>	12,500	100%	HK\$38	--	100%
<i>Upper levels (4/F – 23/F)</i>	72,300	79%	HK\$28	--	28%
<i>Total</i>	88,000	83%	--	--	43%

Grade-A Investment Portfolio - Upcoming Development



Soundwill Plaza II – Midtown Causeway Bay

A large scale commercial complex integrating retail, food, beverage and offices in one

- Site area : 12,500 sq. ft.
- Leasing GFA : 217,000 sq. ft
- Est. completion year : 3Q 2013
- Pre-leased all dining floors to top-tier restaurant tenants:

Floor	GFA (sq. ft.)	Secured Tenant
3/F	7,300 (incl. podium)	The Chop House
8/F	7,766	ZEN
27-28/F	14,700	Woolloomooloo Prime
29/F	6,800	Ja Sushi
30/F	6,800	The Penthouse by Harlan Goldstein

Self-Developed Property for Sale – Commercial

—THE— SHARP CAUSEWAY BAY



THE SHARP

Causeway Bay

An unparalleled 24-hour vertical retail complex

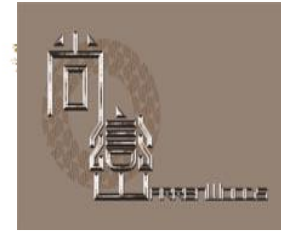
- Site area : 3,200 sq. ft.
- Leasing GFA : 4,800 sq. ft (G/F retail space held for investment)
- Est. completion year : 3Q 2015

Status:

- Pre-sold all available 29 units on 3 Jan 2013
- Marketable GFA : 45,900 sq. ft.
- ASP : HK\$33,600/sq. ft.
- *Proceeds : HK\$1,500 mil (to be recognized in FY2015)*

Self-Developed Properties for Sale - Residential

Solid Track Record In Residential Projects



PARK HAVEN 曦巒

- *Pre-sold over 90% of units*
- *ASP : HK\$22,000/sq.ft.*
- *Proceeds : over HK\$2,400 mil (to be recognized in FY2014)*

Status:

- *Foundation completed*
- *Undergoing superstructure works*

WARRENWOODS 尚巒

- *162 out of 163 units sold*
- *Proceeds : HK\$1,212 mil (recognized in FY2012)*

Status:

- *Skyline penthouse reserved for future sale, with a GFA of approx. 3,300 sq.ft.*

Prospects

Prospects



Street level shop rent to increase by 100 – 150%



No. 10 Knutsford Terrace acquisition completed



Completion of Soundwill Plaza II – Midtown

FY2013

- Leasing GFA to increase by 304,000 sq.ft.
- Soundwill to enjoy a **substantial increase in rental income**



Completion of Park Haven

FY2014

- Property sales proceeds of over **HK\$2,400 mil** to be recognized

—THE—
SHARP
CAUSEWAY BAY



Completion of THE SHARP

FY2015

- Property sales proceeds of over **HK\$1,500 mil** to be recognized
- Leasing GFA to increase by **4,800 sq.ft.**

- Continue to seek opportunities to increase its land reserve through a prudent and low-cost acquisition strategy

Appendix

Shareholder / Corporate Structure



No. of issued shares : 280 mil (as at 30 Jun 2013)

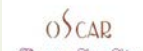
SWP Current Tenants (as at 30 June 2013)



32-39/F



3-31/F



Street level



Thank You