

Date: 29 May 2008

Total pages: 4

To: Property Editor

Soundwill Successfully Secures Total Control of Tang Lung Street Project's Ownership Turns the Sites into a Ginza-style Commercial Building Strengthens the Group's Leasing Portfolio

Soundwill Holdings Limited ("Soundwill Holdings" or the "Group", stock code: 0878) today acquired the remaining half share in the title of Hang Tang House (the "property") through compulsory public auction, enabling the Group to successfully secure total control of the building's ownership. The Group plans to redevelop the property and its adjacent sites into a Ginza-style commercial building with a value expected up to HK\$1.5 billion to 2.1 billion upon completion.

The property, Hang Tang House, is situated at Nos. 7-19 Tang Lung Street, Causeway Bay. The Group started acquiring the title of the building, which has a site area of approximately 5,500sq ft. in 2005. The acquisition is completed today, with the Group's acquisition of the last half share in the building's title through compulsory public auction under the Land (Compulsory Sale for Redevelopment) Ordinance.

The Group plans to redevelop the property and its adjacent sites into a novel Ginza-style building where is located at Nos. 5-29 Tang Lung Street with a combined site area of approximately 11,000sq.ft. and total gross floor area of approximately 130,000sq.ft. The total cost of the new development, including the land value and construction fee, amounted to HK\$ 600 million to 700 million. The project is expected to be completed in 2010 and to provide a monthly rental return of HK\$ 5 million to over 7 million, increasing the value of the property to HK\$1.5 billion to 2.1 billion (2 to 3 times of the existing value). The Group also plans to develop the building into a hub of distinguished restaurants, and to introduce popular shops, renowned brands, and beauty and slimming centers as well. Upon its completion, the complex will become a lively spot of leisure and entertainment in renowned gourmet paradise Tang Lung Street, and will adorn the district with great vigor.

“The Group strives to engage in the urban redevelopment business and has achieved fruitful results. Focusing on Causeway Bay, the Group has completed a number of property acquisitions; of which some of them were selectively disposed of to strengthen the Group’s earning base. The redevelopment project of Hang Tang House and its adjacent sites shows that the Group is optimistic towards development of retail market in Causeway Bay in the long run. Located at the prime area of the district, with dramatic and distinctive geographical location, the new development is expected to bring synergy to the tenant mix of the Group’s flagship property, Soundwill Plaza, and further increase the Group’s leasing portfolio, as well as rental income,” said Chan Wai Ling, Executive Director of Soundwill Holdings.

About Soundwill Holdings Limited

Founded in 1978, Soundwill Holdings Limited became listed on the Stock Exchange of Hong Kong Limited in 1997. The Group is a property conglomerate, with principal business activities in property assembling, property leasing and management, property development, and urban infrastructure in the PRC.



Soundwill Holdings Limited acquired the remaining half share in the title of Hang Tang House through compulsory public auction today.



“The Group plans to redevelop Hang Tang House and its adjacent sites into a Ginza-style commercial building. The project is expected to be completed in 2010 and to provide a monthly rental return of HK\$ 5 million to over 7 million, increasing the value of the property to HK\$1.5 billion to 2.1 billion,” said Chan Wai Ling (left), Executive Director of Soundwill Holdings.

- End -

Issued by: Soundwill Holdings Limited
Through: CorporateLink Limited

Press release

Media Enquiry:

Soundwill Holdings Limited

Carmen Pang Tel: 2916 2876

Email: carmen.pang@soundwill.com.hk

CorporateLink Limited

Shiu Ka Yue Tel: 2801 6239 / 9029 1865

Email: sky@corporatelink.com.hk

Phoebe Leung Tel: 2801 6237 / 9339 3206

Email: phoebe@corporatelink.com.hk

Jacqueline Lee Tel: 2801 6095 / 9743 8585

Email: jacqueline@corporatelink.com.hk