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To: Business / Property Editor

## **SOUNDWILL HOLDINGS DISPOSES PROPERTY IN JONES STREET & WARREN STREET, TAI HANG FOR HK\$470 MILLION WITH A NET GAIN OF HK\$200 MILLION**

Soundwill Holdings Limited (“Soundwill Holdings” or “the Group”; stock code: 0878) today announced the Group entered an Agreement with Elite Win Investments Limited, for the sales and purchase of the properties in Tai Hang (the “Property”) for a consideration of HK\$470,000,000. It is expected that the disposal will generate a net gain of approximately HK\$200 million for Soundwill Holdings.

Following the Group’s disposal of its property at Sharp Street East last year, the latest transaction once again demonstrates the Group’s successful profiting from the selling of an acquired property with redevelopment value. The gain from the latest transaction will be booked in 2009 after the completion of the transaction in or before 2009. The gain will enable the Group to further enhance its profitability. The Group intends to use the sale proceeds from the disposal as to approximately HK\$160,000,000 for repayment of the mortgages on the properties and the balance for general working capital of the Group.

The Group acquired the Property for a total consideration of HK\$262,813,000 in 2007. According to an independent valuer, the valuation of the Property was approximately HK\$414,000,000 as at 17 March 2008. The consideration of the disposal is therefore at a 13.5 per cent premium as compared to the valuation of the property.

“The disposed properties are situated in a traditional prime location in Tai Hang on Hong Kong Island. Following the Group’s disposal of its properties at Lin Fa Kung Street West and Tung Lo Wan Road two years ago, it is the second investment project of the Group in the same district. The disposed properties will provide the Group with a significant gain of HK\$200 million. The Group’s strategy on acquisition will concentrate on seeking properties in vibrant districts on Hong Kong Island with high redevelopment value. Causeway Bay and Tai Hang will be the Group’s focus of its property assembling business. This operation will provide the Group’s property development with land resources and its property leasing business with cost effective investment properties. It is expected that in the near future, we will complete the acquisition of a third property project in the aforementioned districts,” said Chan Wai Ling, Executive Director of Soundwill Holdings.”

The project disposed of by Soundwill Holdings comprises properties adjacent to each other, respectively located on Nos. 1, 3, 5, 7, 9 and 11 Jones Street; and Nos. 3, 5, 5A, 7, 7A, 9 and 11 Warren Street, Tai Hang. The aggregate site area is 6677 sq ft. The project situated in traditionally luxurious residential area, which is a superb location of great redevelopment value. For the Group's previously disposed project at Lin Fa Kung Street and Tung Lo Wan Road, the aggregate site area amounted to approximately 5,000 sq ft. The Group has successfully acquired and sold the project for a profit in October 2006.

## **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 business, property leasing and management, property development, and urban infrastructure in the PRC.

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