



金朝陽集團有限公司  
SOUNDWILL HOLDINGS LIMITED  
Stock Code: 878.HK

## 2018 Annual Results

\* For identification purpose only



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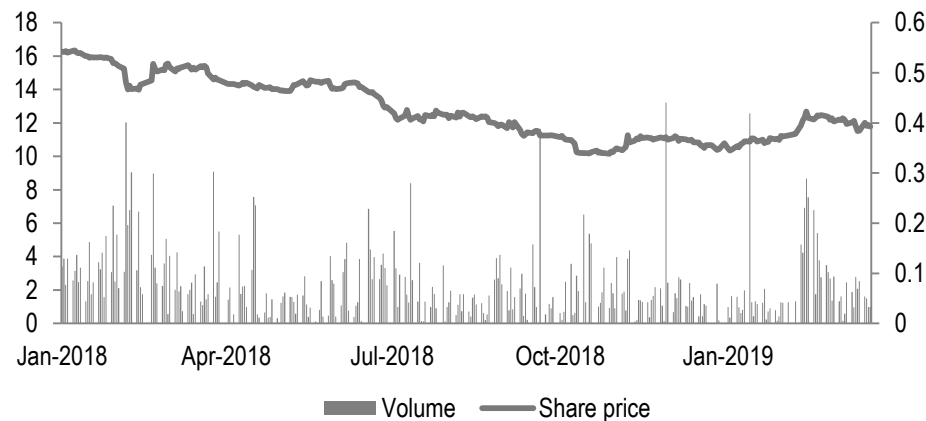
# Company Overview



## About Soundwill

Stock code	: 878.HK
Listing date	: March 1997
No. of issued shares (as at 21 Mar 2019)	: 283,308,635 shares
Share price (as at 21 Mar 2019)	: HK\$ 11.78
Market cap (as at 21 Mar 2019)	: HK\$3.34 billion

## Stock Price Performance



## A niche property play in Hong Kong with proven track record in property redevelopment

- Completed more than 100 redevelopment projects since its inception 30 years ago
- Mainly focused on buildings with high potential redevelopment value in Hong Kong
- Actively participated in urban redevelopment

### Property Investment



**Kai Kwong  
Commercial  
Building**

### Commercial



### Residential



### Industrial





# Milestone



## Causeway Bay



1954



Soundwill Plaza



2004



Soundwill Plaza II - Midtown



2010



Park Haven

## Causeway Bay



2010

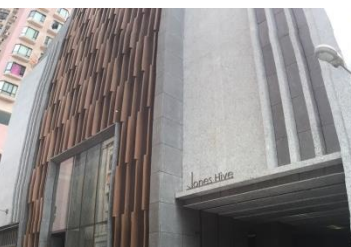


THE SHARP



Kai Kwong Commercial Building

## Wan Chai



Jones Hive



WarrenWoods

## Tai Hang



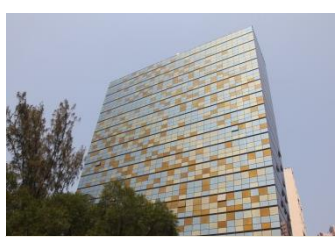
2014



iCITY



## Kwai Chung



iPLACE

# Soundwill's Footprint



## Industrial



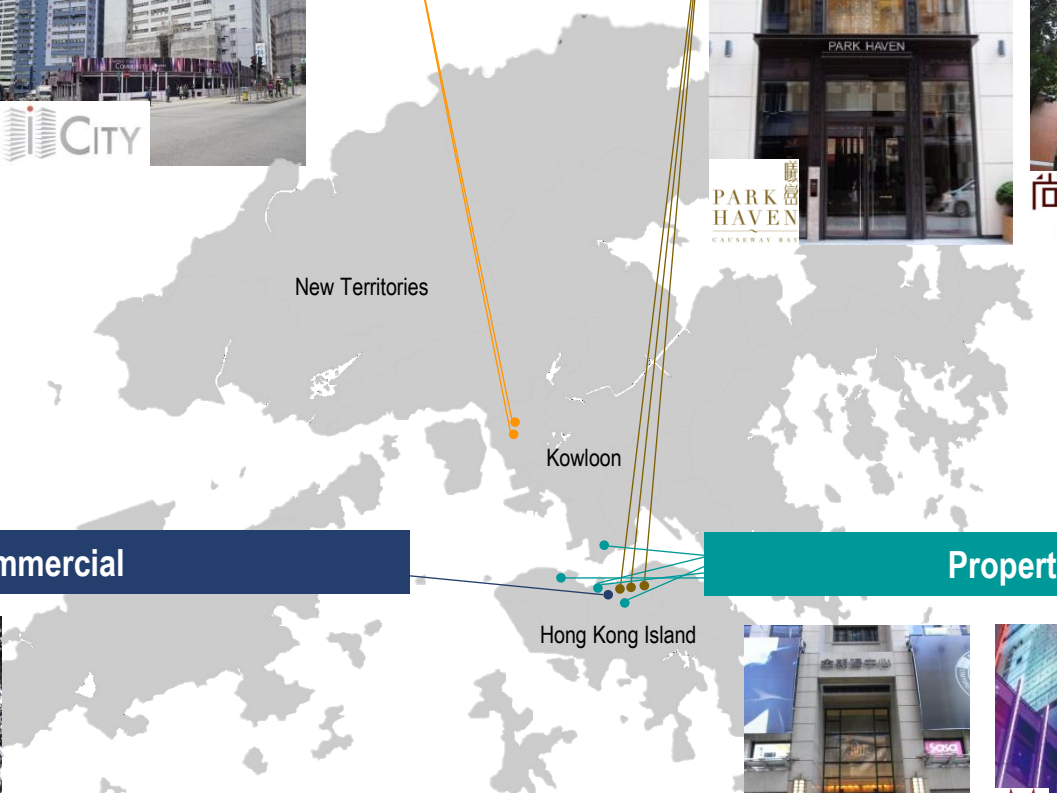
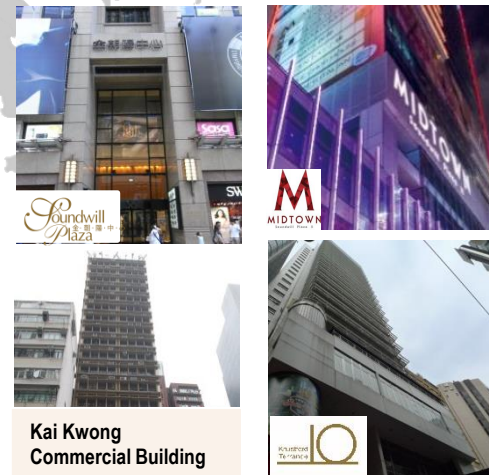
## Residential



## Commercial



## Property Investment



# Property Redevelopment Strategies



## 1-3 years

- Sale of un-developed land sites after site re-zoning & modifying building plan

Project sold:

Lin Fa Kung St. Project

Mosque St. Project

Tung Lo Wan Road Project

Lun Fat St. Project

Hing Wan St. Project

## 3-5 years

- Property Development – self-development of residential / commercial / industrial properties for resale



## 5 years or above

- Property investment & leasing – self-development of commercial properties in prime areas



Soundwill's property expertise: 1. **Active exploration of high potential old properties**  
 2. **Purchase premium properties at opportunity times**  
 3. **Raise property quality**



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# 2018 Annual Results

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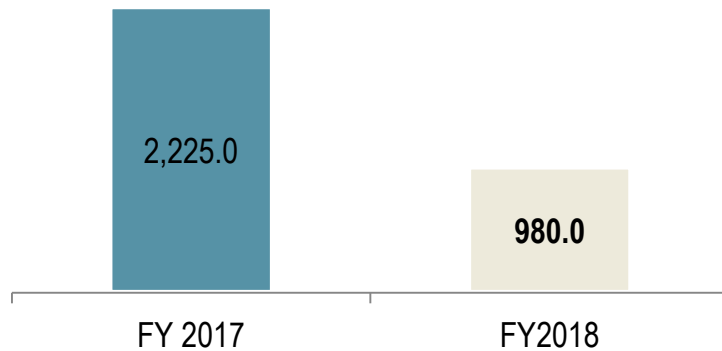


# 2018 Annual Results Highlights

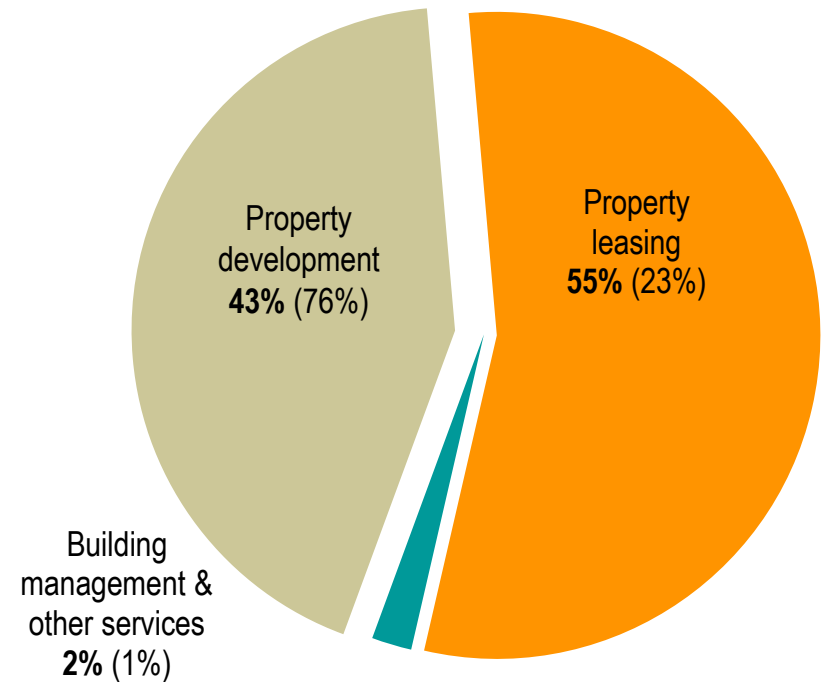


## Revenue

HK\$ mil



## Revenue by business segments



(Comparative figures of FY2017 in parentheses)

- Decrease in income recorded from the property development projects
- Soundwill Plaza and Midtown continued to maintain high occupancy rate

### Revenue Composition

- Property Development: Sales of properties under development
- Property Leasing: Rental and signage rental and rental under mini-storage operation income
- Building Management and Other Services

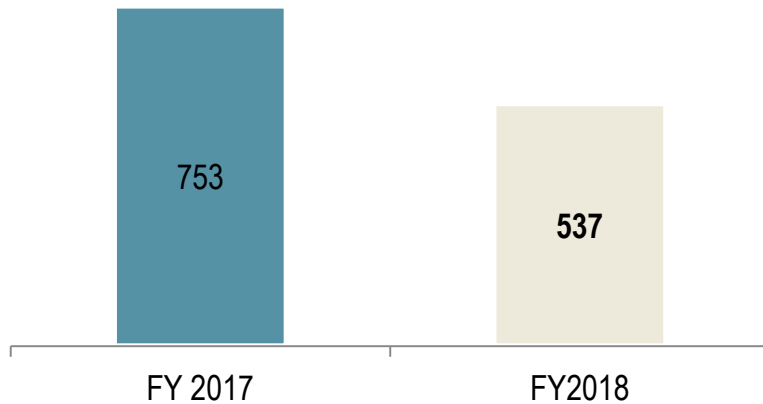


# Earnings



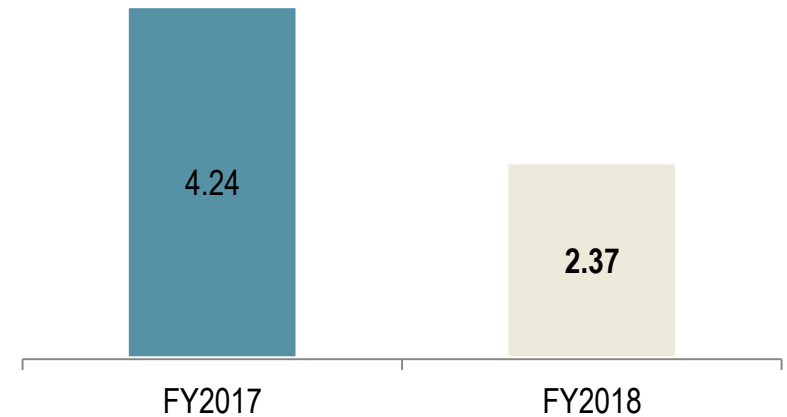
## Underlying profit \*

HK\$ mil



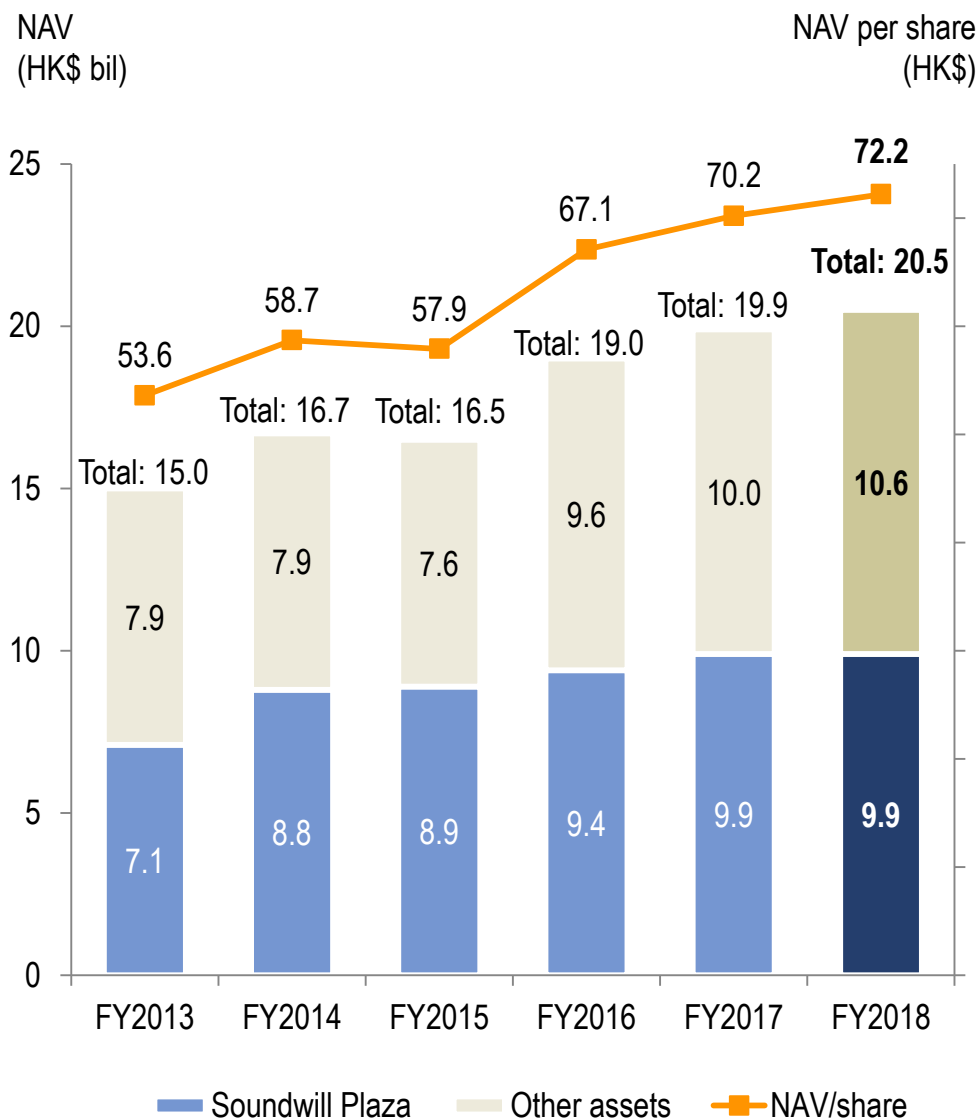
## Basic earnings per share

HK\$



\*Exclude net gain/(loss) on fair value adjustments on investment properties and gain/(loss) on disposal of subsidiaries

# Net Asset Overview



## NAV per share breakdown

(as at 31 Dec 2018)	HK\$
<b>Soundwill Plaza</b>	<b>35.0</b>
<b>Soundwill Plaza II – Midtown</b>	<b>11.1</b>
<b>THE SHARP</b>	<b>0.5</b>
<b>10 Knutsford Terrace</b>	<b>3.5</b>
<b>Kai Kwong Commercial Building</b>	<b>1.5</b>
<b>Other Assets – Residential</b>	
<i>Park Haven</i>	<b>0.9</b>
<i>Others</i>	<b>15.4</b>
<b>Other Assets – Industrial</b>	
<i>iPLACE</i>	<b>1.0</b>
<i>iCITY</i>	<b>1.7</b>
<i>Mini-storage</i>	<b>1.6</b>
<b>Total</b>	<b>72.2</b>

# Balance Sheet Highlights



	As at 31 Dec 2017 (HK\$ mil)	As at 31 Dec 2018 (HK\$ mil)	Change
<b>Total assets</b>	22,552	<b>23.124</b>	↑3%
<b>Net assets</b>	19,894	<b>20.456</b>	↑3%
<b>Cash and bank deposit</b>	1,147	<b>761</b>	↑34%
<b>Bank deposit at escrow account and Restricted bank deposits</b>	60	<b>75</b>	↑25%
<b>Total borrowings</b>	1,528	<b>1,563</b>	↑2%
<b>Gearing ratio*</b>	8.0%	<b>8%</b>	-
<b>Net of cash gearing ratio<sup>#</sup></b>	1.9%	<b>3.9%</b>	↑200 p.p.

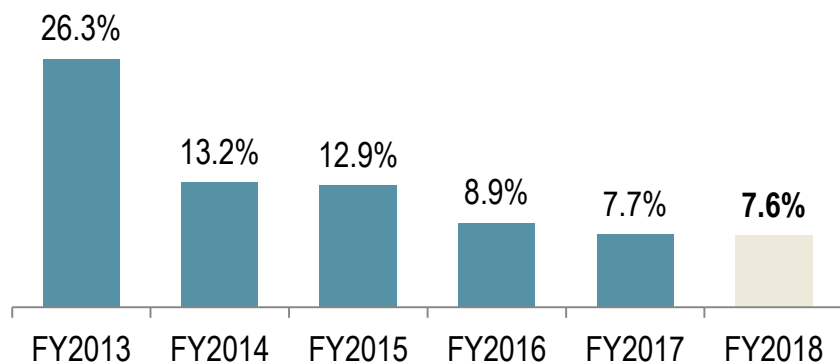
\* Gearing ratio = Total debt / Total equity

<sup>#</sup> Net of cash gearing ratio = (Total borrowings – Cash and bank deposit) / Total equity

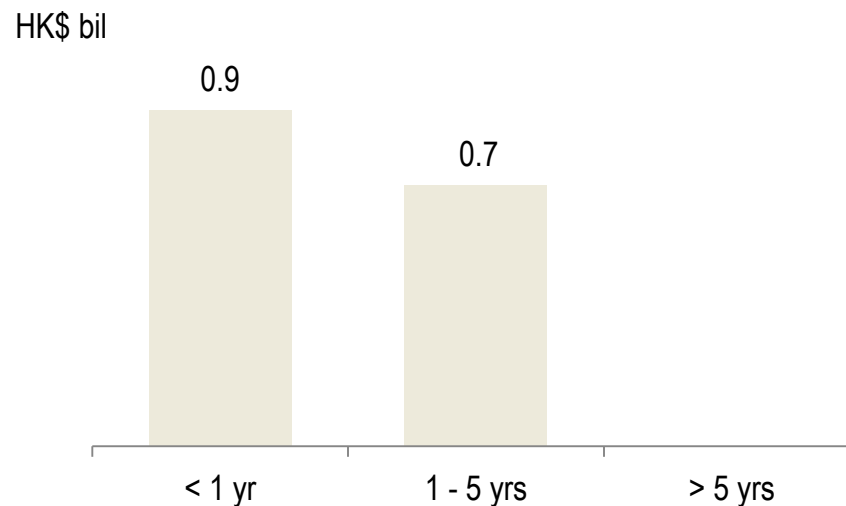
# Financial Ratios



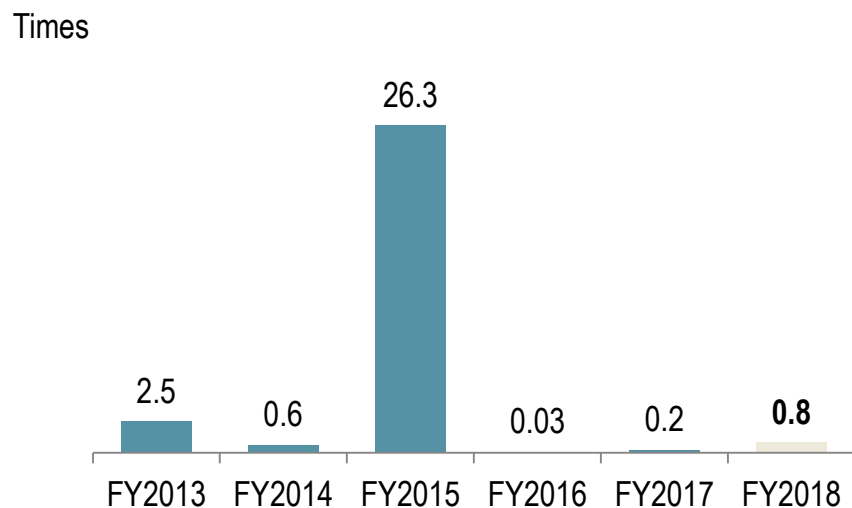
### Total Debt / Total Equity



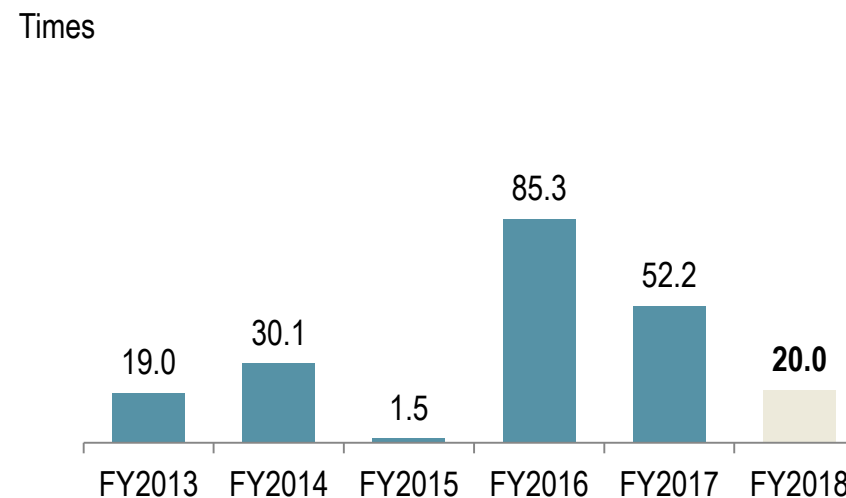
### Debt Maturity (as at 31 Dec 2018)



### Net Debt / EBITDA



### Interest Cover





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# Business Review

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# Grade-A Investment Portfolio – Commercial



Top class rental property in the prime location of Causeway Bay

Times Square  
時代廣場

Russell St 羅素街

Soundwill Plaza  
金·朝·陽·中·心

M  
MIDTOWN  
Soundwill Plaza II

Tang Lung St 登龍街

Canal Road 聖拿道



## Soundwill Plaza, Causeway Bay

- GFA : approx. 245,100 sq. ft.
- Prime location in one of the world's most expensive districts
- Destination of choice for international brands

Leasing status (as at 31 Dec 2018)

Floor	GFA (sq. ft.)	Occupancy rate
G/F & 1/F	18,269	100%
Upper levels	226,836	96.96%

# SWP Current Tenants (as at 31 Dec 2018)



3-39/F


Street level





# Grade-A Investment Portfolio – Commercial



Top class rental property in the prime location of Causeway Bay

Times Square  
時代廣場

Russell St 羅素街

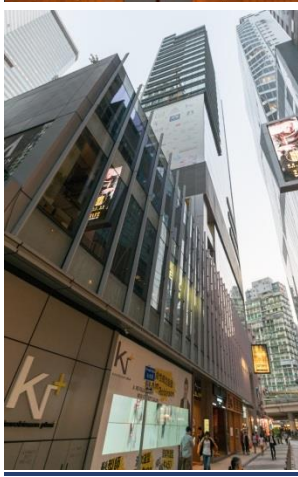
Soundwill Plaza  
金·朝·陽·中·心



Tang Lung St 登龍街

Canal Road 堅拿道

New Rental Income Growth Driver



## Soundwill Plaza II - Midtown, Causeway Bay

- GFA : approx. 218,000 sq. ft.
- Quality tenants:



Leasing status (as at 31 Dec 2018)

Floor	GFA (sq. ft.)	Occupancy rate
Non-dining	107,940	94.67%
Dining	110,060	86.50%
Total	218,000	90.54%



# Grade-A Investment Portfolio – Commercial



## Investment Property



### 10 Knutsford Terrace, Tsim Sha Tsui

- GFA : approx. 114,000 sq. ft.
- New leasing specifications

諾士佛臺 10 號  
Knutsford

Floor	GFA (sq. ft.)	Occupancy rate
G/F – 3/F	20,000	100%
4/F – 23/F	94,000	94.3%
Total	114,000	95.3%



### Kai Kwong Commercial Building, Wan Chai

- GFA : approx. 33,000 sq. ft.
- New leasing specification

Kai Kwong  
Commercial Building

Floor	GFA (sq. ft.)	Occupancy rate
G/F – 3/F	9,600	75%
4/F – 21/F	23,580	72%
Total	33,000	73%

# Grade-A Investment Portfolio – Commercial



## Investment property



### THE SHARP, Causeway Bay

*(G/F retail space retained for investment purpose)*

- GFA : approx. 5,968 sq. ft.
- New leasing specification

—THE—  
**SHARP**  
CAUSEWAY BAY



Floor	GFA (sq. ft.)	Occupancy rate
G/F – 2/F Shops 1-3	4,570	100%
G/F Shop A	1,398	100%




# Land Bank & Development Timeline



Project location	Development plan	Est. year of completion	
		FY2019	After FY2020
 <p>Causeway Bay Yiu Wa St. and Canal Road East 耀華街及堅拿道東</p>	<ul style="list-style-type: none"><li>Commercial development</li><li>GFA: 44,000 sq. ft.</li></ul>		✓
 <p>「iCITY」 Ta Chuen Ping Street 打磚坪街</p>	<ul style="list-style-type: none"><li>Industrial complex</li><li>GFA: 190,000 sq. ft.</li></ul>		✓

# Unified Projects Overview



	Project	Year unified	Project status
	Soundwill Plaza II – Midtown (Tang Lung St.)	2010	For Lease
	THE SHARP (Sharp St. East & Yiu Wa St.)	2010	Completed in 2016
	Jones Hive 雋琚 (Lai Yin St. & Jones St.)	2013	Completed in 2017



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# Appendix

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# Shareholding / Corporate Structure



No. of issued shares : 283,308,635 shares (as at 21 Mar 2019)