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SOUNDWILL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 878)

DISCLOSEABLE TRANSACTION DISPOSAL OF PROPERTIES

On 11 August 2007, the Vendors entered into the Agreement with the Purchaser for the sale and purchase of the Properties. The consideration for the Disposal of the Properties is HK\$148 million payable by cash.

The transaction contemplated under the Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. A circular of the Company in relation to the Disposal will be despatched to the Shareholders as soon as reasonably practicable.

AGREEMENT FOR SALE AND PURCHASE OF PROPERTIES DATED 11 AUGUST 2007

- Vendors : 1st Vendor - Ever Manor International Limited
2nd Vendor - Wonder Mark Limited
- Purchaser : Benway Limited
- Summary : The Agreement was entered into between the Purchaser and the Vendors pursuant to which the 1st Vendor has agreed to sell and the Purchaser has agreed to purchase the 1st Property and the 2nd Vendor has agreed to sell and the Purchaser has agreed to purchase the 2nd Property. The aggregate consideration for the Disposal of the Properties shall be HK\$148 million payable by cash (the consideration of each of the 1st Property and the 2nd Property are HK\$74 million respectively). Under the Agreement, the Properties must be sold at the same time.

The initial deposit and part payment being HK\$5 million has been paid to the Vendors upon signing of the Agreement. A further deposit and part payment being HK\$9.8 million shall be paid to the Vendors on or before 24 August 2007. The remaining consideration for the purchase of the Properties being HK\$133.2

million shall be payable to the Vendors upon completion. The Disposal is expected to be completed on or before the Completion Date. Any part of the consideration shall be shared by the 1st Vendor and the 2nd Vendor in equal shares.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Purchaser and the ultimate beneficial owner of the Purchaser are not connected persons (as defined in the Listing Rules) of the Company and are independent from and not connected with the Company and its connected persons (as defined in the Listing Rules).

CONDITION TO BE SATISFIED BY THE VENDORS

In respect of the 1st Property, the 1st Vendor shall sell to the Purchaser the 1st Property free from encumbrances and shall deliver vacant possession of the 1st Property to the Purchaser upon completion.

In respect of the 2nd Property, the 2nd Vendor shall sell to the Purchaser the 2nd Property free from encumbrances and the Purchaser agrees to purchase the same subject to existing tenancies upon completion.

COMPLETION

Subject to the satisfaction of the above conditions, Disposal shall take place on or before the Completion Date.

REASONS FOR AND BENEFITS OF THE DISPOSAL OF THE PROPERTIES

The Properties are located in Causeway Bay, Hong Kong. The 2nd Property was acquired by the Group in December 1993 and since then it was held by the Group as investment properties for investment purpose. The aggregate site area for the Properties is approximately 1380 square feet. The site area for each of the 1st Property and the 2nd Property is approximately 690 square feet. The ground floors of the Properties are for non-residential use and the upper floors are for residential use.

The carrying value of the 2nd Property was HK\$27,600,000 as shown in the latest management account of the Company as at 30 June 2007.

In light of the substantial gain expected to be generated from the Disposal, the Directors consider that it is an opportunity for the Group to realize its investments in the property market. The Group purchased the 2nd Property at a cost of HK\$20,349,000 in aggregate.

Based on such acquisition costs, the expected net gain accrued to the Group upon completion of the Disposal will approximately be HK\$45,400,000 after taking into account selling and other expenses payable by the Group in relation to the Disposal of approximately HK\$1,000,000. The Group intends to use the sale proceeds from the Disposal for general working capital of the Group.

The gross rental income attributable to part of the 2nd Property with tenancies are approximately HK\$649,000 and HK\$1,236,000 respectively for the years ended 31 December 2005 and 31 December 2006. The net rental income attributable to part of the 2nd Property with tenancies are approximately HK\$389,000 and HK\$870,000 respectively for the years ended 31 December 2005 and 31 December 2006.

The Directors confirm that the consideration for the Properties has been determined after arm's length negotiations between the parties by reference to the market value of similar properties in the same location. The valuation of the 2nd Property by Savills Valuation & Professional Services Limited, an independent professional valuer with valuation date as at 10 August 2007 was approximately HK\$69,000,000 with reference to the comparable market price. The consideration of the Disposal is at 7.2% premium as compared to such value. The Directors considered that the Disposal at such premium is a good opportunity for the Group to realize its investments.

The Directors are of the view that the Disposal is in the interest of the Company and the terms of the Agreement and the consideration are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE COMPANY AND THE PURCHASER

The Company

The Company is an investment holding company. The Group is principally engaged in property development, property leasing and provision of building management services in Hong Kong and infrastructure facilities in the PRC.

The Purchaser

Benway Limited is an investment holding company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Purchaser and the ultimate beneficial owner of the Purchaser are not connected persons (as defined in the Listing Rules) of the Company and are independent from and not connected with the Company and its connected persons (as defined in the Listing Rules).

GENERAL

The Disposal constitutes a discloseable transaction of the Company under the Listing Rules. A circular of the Company in relation to the Disposal will be despatched to Shareholders as soon as practicable.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Agreement”	the agreement dated 11 August 2007 in relation to the sale and purchase of the Properties entered into between the Vendors and the Purchaser
“Board”	the board of Directors
“Company”	Soundwill Holdings Limited, a limited liability company incorporated in Bermuda, the Shares of which are listed on the Stock Exchange (stock code 878)
“Completion Date”	26 November 2007
“Disposal”	the intended disposal of the Properties by the Vendors to the Purchaser pursuant to the Agreement
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Properties”	the 1st Property and the 2nd Property, which are for residential purpose, save for the ground floors which are for non-residential purpose
“PRC”	the People’s Republic of China which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	Benway Limited, a company incorporated in Hong Kong with limited liability
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Vendor(s)”	the 1st Vendor and the 2nd Vendor, which expression may, where the circumstances require or permit, refer to either one of them
“%”	per cent.
“1st Property”	properties being No. 19 Sharp Street East, Hong Kong (subsection 1 of section B of subsection 4 of section B of inland lot no. 730)
“2nd Property”	properties being No. 21 Sharp Street East, Hong Kong (the remaining portion of section B of subsection 4 of section B of inland lot no. 730)
“1st Vendor”	Ever Manor International Limited, a company incorporated in Hong Kong with limited liability
“2nd Vendor”	Wonder Mark Limited, a company incorporated in Hong Kong with limited liability which is a wholly owned indirect subsidiary of the Company

By Order of the Board
Soundwill Holdings Limited
Kwan Chai Ming
Executive Director

Hong Kong, 14 August 2007

As at the date of this announcement, the Board of Directors of the Company comprise (i) Executive Directors: Foo Kam Chu Grace, Chan Wai Ling, Tse Chun Kong Thomas, Kwan Chai Ming; (ii) Non-Executive Directors: Liang Yanfeng, Meng Qinghui; and (iii) Independent Non-Executive Directors: Heng Kwo Seng, Kwan Kai Cheong and Ho Suk Yin.