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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Soundwill Holdings Limited (the “Company”), you should at once hand this circular, together with the accompanying form of proxy, to the purchaser or to the transferee or to the bank, the licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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SOUNDWILL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 878)

PROPOSAL FOR GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES AND INFORMATION ON DIRECTORS TO BE RE-ELECTED

A letter from the board of directors of Soundwill Holdings Limited is set out in pages 4 to 7 of this circular.

A notice convening the annual general meeting (the “AGM”) of Soundwill Holdings Limited (the “Company”) to be held at 36th Floor, Soundwill Plaza, 38 Russell Street, Causeway Bay, Hong Kong at 3:00 p.m. on Wednesday, 16 May 2012, at which the above proposal will be considered, is contained in the 2011 Annual Report of the Company accompanying this circular.

If you are not able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company’s principal office in Hong Kong at 21st Floor, Soundwill Plaza, 38 Russell Street, Causeway Bay, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the AGM. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM should you so wish.

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at 36th Floor, Soundwill Plaza, 38 Russell Street, Causeway Bay, Hong Kong at 3:00 p.m. on 16 May 2012;
“AGM Notice”	the notice convening the AGM as contained in the 2011 Annual Report of the Company accompanying this circular;
“Board”	the board of Directors;
“Bye-laws”	the bye-laws of the Company, as amended from time to time;
“Company”	Soundwill Holdings Limited, a company incorporated in Bermuda with limited liability, the securities of which are listed on the Stock Exchange;
“Designated Stock Exchange”	a stock exchange which is an appointed stock exchange for the purposes of the Companies Act 1981 of Bermuda in respect of which the shares of the Company are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company;
“Director(s)”	the director(s) of the Company;
“Extension of Share Issue Mandate”	the extension of the Share Issue Mandate by the addition thereto of an amount representing the aggregate number of Shares repurchased by the Company under the authority granted pursuant to the Share Repurchase Mandate provided that such extended amount shall not exceed 10 per cent. of the number of Shares in issue at the date of passing of resolution no. 5C set out in the AGM Notice;

DEFINITIONS

“Group”	means the Company, its subsidiaries, Associated Companies and jointly controlled entities from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Latest Practicable Date”	3 April 2012, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time);
“Share Issue Mandate”	a general mandate to the Directors to exercise the power of the Company to allot and issue Shares during the relevant period up to 20 per cent. of the issued share capital of the Company as at the date of passing of resolution no. 5B set out in the AGM Notice;
“Share Registrar”	Tricor Standard Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, being the Hong Kong branch share registrar and transfer office of the Company;

DEFINITIONS

“Share Repurchase Mandate”	the general mandate to the Directors to exercise the power of the Company to repurchase Shares during the relevant period up to 10 per cent. of the issued share capital of the Company as at the date of passing of the resolution no. 5A set out in the AGM Notice;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers and Share Repurchases.

LETTER FROM THE BOARD



SOUNDWILL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 878)

Executive Directors:

FOO Kam Chu, Grace, *Chairman*

CHAN Wai Ling

KONG Siu Man, Kenny

LAU Kam Kwok, Dickson

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Independent Non-Executive Directors:

CHAN Kai Nang

PAO Ping Wing

NG Chi Keung

Head Office and Principal

Place of Business:

21st Floor, Soundwill Plaza

38 Russell Street

Causeway Bay

Hong Kong

12 April 2012

To the Shareholders

Dear Sir or Madam,

**PROPOSAL FOR
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
AND
INFORMATION ON DIRECTORS TO BE RE-ELECTED**

1. INTRODUCTION

The Directors are proposing to seek the approvals of the Shareholders at the AGM in relation to:

- (a) the granting of the Share Issue Mandate and the Share Repurchase Mandate;
- (b) the Extension of Share Issue Mandate; and
- (c) the re-election of Director(s).

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information in respect of the granting of the Share Repurchase Mandate, the Share Issue Mandate, the Extension of Share Issue Mandate and the information on directors to be re-elected at the forthcoming AGM.

2. GRANTING OF THE SHARE REPURCHASE MANDATE, THE SHARE ISSUE MANDATE AND THE EXTENSION OF SHARE ISSUE MANDATE

The general mandates given at the annual general meeting of the Company on 19 May 2011 to the Directors to exercise the powers of the Company to repurchase its own Shares, issue Shares and extend the authority to issue Shares by the amount of Shares repurchased will lapse at the conclusion of the AGM.

To facilitate future allotment and issue of Shares by the Directors on behalf of the Company, the Directors will seek the approval of the Shareholders for the grant of the Share Issue Mandate and the Extension of Share Issue Mandate at the AGM. Assuming that (i) no other Shares are issued or repurchased by the Company from the Latest Practicable Date up to the AGM; and (ii) the Share Issue Mandate is approved by the Shareholders at the AGM, the Share Issue Mandate will allow the Directors to exercise the power of the Company to allot and issue not more than 55,028,827 Shares.

The Directors will also seek the approval of the Shareholders at the AGM for the grant of the Share Repurchase Mandate in accordance with the requirements set out in the Listing Rules. Pursuant to the requirements of the Listing Rules, Appendix I to this circular sets out the explanatory statement to provide the Shareholders with the requisite information reasonably necessary to enable the Shareholders to make an informed decision in considering the voting on the grant of the Share Repurchase Mandate.

Details of the Share Repurchase Mandate, the Share Issue Mandate and the Extension of Share Issue Mandate are set out in resolutions nos. 5A, 5B and 5C in the AGM Notice. The Share Repurchase Mandate and the Share Issue Mandate shall be valid from the passing of the relevant resolutions (the “Resolutions”) by the Directors at the AGM until whichever the earlier of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Act 1981 of Bermuda or the Company’s Bye-laws to be held; or (iii) the date on which the authority set out in the Resolutions are revoked or varied by ordinary resolutions of the Shareholders in general meeting.

LETTER FROM THE BOARD

3. RE-ELECTION OF DIRECTORS

Pursuant to Bye-law 86(2) & 87(1), Mr. Kong Siu Man, Kenny, Mr. Lau Kam Kwok, Dickson and Mr. Pao Ping Wing, existing Directors of the Company, will be retiring from office at the AGM. They are all eligible and will be proposed for re-election at the AGM. Information on these Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

4. ANNUAL GENERAL MEETING

The AGM Notice is set out in the 2011 Annual Report of the Company accompanying this circular. At the AGM, ordinary resolutions will be proposed to approve the Share Repurchase Mandate, the Share Issue Mandate, the Extension of Share Issue Mandate and the re-election of Directors. To the extent that the Directors are aware having made all reasonable enquiries, none of the Shareholders is required to abstain from voting on any resolution at the AGM.

A form of proxy for use at the AGM is enclosed with this circular. If you are not able to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's principal office at 21st Floor, Soundwill Plaza, 38 Russell Street, Causeway Bay, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM should you so wish.

Pursuant to Rule 13.39 of the Listing Rules, all votes of the Shareholders at the general meeting must be taken by poll.

5. RECOMMENDATION

The Directors believe that the Share Repurchase Mandate, the Share Issue Mandate, the Extension of Share Issue Mandate and the re-election of Directors are in the interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

LETTER FROM THE BOARD

6. RESPONSIBILITY OF THE DIRECTORS

This circular for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein misleading.

Yours faithfully,

By order of the Board

Soundwill Holdings Limited

Foo Kam Chu, Grace

Chairman

This Appendix I serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to Shareholders for consideration of the Share Repurchase Mandate and should be read in conjunction with the letter from the Board hereinbefore appearing.

1. LISTING RULES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their shares on the Stock Exchange or on any other stock exchange on which the shares of the companies may be listed and recognised for the purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange subject to certain restrictions, the most important of which are summarized below:

- (a) The shares proposed to be purchased by the company are fully-paid up.
- (b) The company has previously sent to its shareholders an explanatory statement complying with the Listing Rules.
- (c) The shareholders of the company have given a specific approval or a general mandate to the directors of the company to make such purchase, by way of an ordinary resolution which complies with the Listing Rules and which has been passed at a general meeting of the company duly convened and held and the company has delivered a copy of such resolution, together with the necessary supporting documentation, to the Stock Exchange in accordance with the Listing Rules.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 275,144,135 Shares. Subject to the passing of the ordinary resolution to approve the Share Repurchase Mandate and on the assumption that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Share Repurchase Mandate to repurchase up to a limit of 27,514,413 Shares.

3. REASON FOR REPURCHASES

Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per Share.

4. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Bye-laws, the laws of the jurisdiction in which the Company is incorporated and the Listing Rules.

The Companies Act 1981 of Bermuda provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant Shares or the funds of the Company which would otherwise be available for dividend or distribution or the proceeds of a fresh issue of Shares made for the purpose. The amount of premium payable on repurchase may only be paid out of the funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account of the Company before the Shares are repurchased.

5. FINANCIAL EFFECT OF REPURCHASE OF SHARES

There might be material adverse effect on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the Annual Report for the year ended 31 December 2011) in the event that the proposed repurchase of Shares was to be carried out in full at any time during the proposed repurchase period. However, the Directors have no current intention to exercise the Share Repurchase Mandate to an extent as would, having regard to the relevant circumstances, have a material adverse effect on the working capital or gearing position of the Company.

6. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date were as follows:

	SHARES	
	Highest HK\$	Lowest HK\$
2011		
April	13.98	11.80
May	13.34	12.16
June	13.46	11.60
July	12.30	11.10
August	11.70	8.28
September	9.90	7.20
October	8.85	6.55
November	8.99	8.01
December	8.98	8.44
2012		
January	9.78	8.55
February	10.96	9.40
March	11.18	9.96
April (up to the Latest Practicable Date)	12.00	10.90

7. GENERAL

The Directors have undertaken to the Stock Exchange that they will exercise Share Repurchase Mandate in accordance with the Listing Rules, the Bye-laws of the Company and the applicable laws of Bermuda.

If as a result of a share repurchase pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of the interest of such Shareholder(s), could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Ko Bee Limited was beneficially interested in 187,218,028 Shares representing approximately 68.04 per cent. of the issued share capital of the Company. In the event that the Share Repurchase Mandate was exercised in full, the shareholding of Ko Bee Limited would be increased to approximately 75.60 per cent. of the issued share capital of the Company. In the opinion of the Directors, such increase would not give rise to a mandatory offer in accordance with the Takeovers Code. However the Directors have no current intention to exercise the Share Repurchase Mandate in full or to the extent that will result in the number of Shares held by the public being reduced to less than 25 per cent.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), presently intend to sell any Shares to the Company under the Share Repurchase Mandate in the event that the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any connected persons (as defined in the Listing Rules) that they have a present intention to sell any Shares, or that they have undertaken not to sell any Shares held by them to the Company in the event that the Share Repurchase Mandate is approved by the Shareholders.

8. SHARE REPURCHASE MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, there was no repurchase of its Shares made by the Company (whether on the Stock Exchange or otherwise).

The following are the particulars of the Directors proposed to be re-elected at the Annual General Meeting to be held on Wednesday, 16 May 2012

KONG Siu Man, Kenny, aged 49, is the Executive Director in charge of the property development of the Group. Mr. Kong graduated from the Hong Kong Polytechnic University. He is a Chartered Surveyor of Royal Institution of Chartered Surveyors of Hong Kong, a Registered Professional Surveyor and an Authorized Person under Buildings Ordinance of Hong Kong SAR Government. He joined the Company in 2009 and has over 20 years experience in the Mainland and Hong Kong property market.

Mr. Kong does not have any relationship with any director, senior management or substantial or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Kong has the following interests in shares of the Company within the meaning of Part XV of the SFO, details of which are set out in the Report of the Directors and note 37 to the financial statements in the 2011 Annual Report of the Company accompanying this circular:

Long Position in underlying shares of equity derivatives — share options granted and outstanding

Number of Share Options	Approximate Percentage of interest in Shares
670,000	0.244%

Mr. Kong has not entered into a service contract with the Company. Mr. Kong's appointment is not for a specific term but subject to retirement by rotation and re-election in accordance with the Bye-laws. The emolument of Mr. Kong is determined in accordance with prevailing market conditions and his role and responsibility. The total emolument of Mr. Kong for the year ended 31 December 2011 amounted to HK\$2,320,000.

Saved as disclosed above, there is no information that is required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (w) of the Listing Rules.

There is no other matter that needs to be brought to the attention to the Shareholders in respect of Mr. Kong's appointment.

LAU Kam Kwok, Dickson, aged 44, is the Executive Director in charge of the finance department of the Group. Mr. Lau is a fellow member of the Hong Kong Institute of Certified Public Accountants and graduated from City University of Hong Kong with a bachelor degree in accountancy. Mr. Lau has over 20 years of experience in auditing, finance and accounting.

Mr. Lau does not have any relationship with any directors, senior management or substantial or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Lau has the following interests in shares of the Company within the meaning of Part XV of the SFO, details of which are set out in the Report of the Directors and note 37 to the financial statements in the 2011 Annual Report of the Company accompanying this circular:

Long Position in underlying shares of equity derivatives — share options granted and outstanding

Number of Share Options	Approximate Percentage of interest in Shares
150,000	0.055%

Mr. Lau has not entered into a service contract with the Company. Mr. Lau's appointment is not for a specific term but subject to retirement by rotation and re-election in accordance with the Bye-laws. The emolument of Mr. Lau is determined in accordance with prevailing market conditions and his role and responsibility. The total emolument of Mr. Lau for the year ended 31 December 2011 amounted to HK\$10,529 upon his appointment as director on 29 December 2011.

Saved as disclosed above, there is no information that is required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (w) of the Listing Rules.

There is no other matter that needs to be brought to the attention to the Shareholders in respect of Mr. Lau's appointment.

PAO Ping Wing, aged 64, appointed as Independent Non-Executive Director of the Company on 6 November 2009, received a Master of Science degree in Human Settlements Planning and Development from the Asian Institute of Technology in Bangkok, Thailand. Mr. Pao was elected as one of the Ten Outstanding Young Persons of Hong Kong in 1982 and one of the Ten Outstanding Young Persons of the World in 1983. He was also an ex-Urban Councillor. In the past 20 years plus, he has been actively serving on government policy committees and statutory bodies, especially those of town planning, urban renewal, public housing, culture and arts and environment matters. Mr. Pao is an Hon. Fellow of The Hong Kong Institute of Housing. He is also an independent non-executive director of several other companies listed on the Stock Exchange including Oriental Press Group Limited, UDL Holdings Limited, Sing Lee Software (Group) Limited, New Environmental Energy Holdings Limited, Zhuzhou CSR Times Electric Co., Ltd. and Maoye International Holdings Limited.

Mr. Pao does not have any relationship with any directors, senior management or substantial or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Pao did not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Mr. Pao has not entered into a service contract with the Company. Mr. Pao's appointment is not for a specific term but subject to retirement by rotation and re-election in accordance with the Bye-laws. The emolument of Mr. Pao is determined in accordance with prevailing market conditions and his role and responsibility. The total emolument of Mr. Pao for the year ended 31 December 2011 amounted to HK\$80,000.

Saved as disclosed above, there is no information that is required to be disclosed pursuant to any of the requirements of Rules 13.51 (2)(h) to (w) of the Listing Rules.

There is no other matter that needs to be brought to the attention to the Shareholders in respect of Mr. Pao's appointment.