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SOUNDWILL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 878)

CONNECTED TRANSACTION PURCHASE OF PROPERTY

The Board announces that on 21 November 2012, the Vendor entered into the Provisional Agreement with the Purchaser pursuant to which the Vendor agreed to sell and the Purchaser agreed to purchase the Property Unit.

The Vendor is a company controlled and beneficially owned by an associate of connected person of the Company and the Vendor is therefore a connected person of the Company under Rule 14A.11 of the Listing Rules. Accordingly, the purchase of the Property Unit by the Purchaser from the Vendor constitutes a connected transaction for the Company under the Listing Rules. The consideration of the purchase of the Property Unit is in the amount of HK\$6,000,000 and will be satisfied by internal resources of the Group.

Since the applicable percentage ratios as defined in Rule 14.07 of the Listing Rules calculated with reference to the purchase of the Property Unit are over 0.1% but less than 5%, the purchase of the Property Unit is subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement under Rule 14A.32 of the Listing Rules.

THE PROVISIONAL AGREEMENT

- Date:** 21 November 2012
- Vendor:** Gold Benefit Limited, a company incorporated in Hong Kong with limited liability
- Purchaser:** Champ Shine Limited, a company incorporated in Hong Kong with limited liability, an indirect wholly-owned subsidiary of the Company

The Vendor is a company controlled and beneficially owned by Ms. Chan Winnie, a daughter of Madam Foo Kam Chu Grace and younger sister of Ms. Chan Wai Ling and the Vendor is therefore a connected person of the Company under Rule 14A.11 of the Listing Rules. To the best knowledge, information and belief, the Directors having made all reasonable enquiry that, Ms. Chan Winnie is a daughter of Madam Foo Kam Chu Grace, Chairman and executive director of the Company and younger sister of Ms. Chan Wai Ling, executive director of the Company. The Vendor is therefore regarded as a connected person of the Company.

To the best knowledge, information and belief, the Directors having made all reasonable enquiries, there was no previous transaction entered into between the Company and the Vendor within 12 months before the date of this announcement.

Property Unit: a residential unit situated on 2nd Floor, No. 12 Lun Fat Street, Wanchai, Hong Kong with a saleable area of approximately 550 square feet, vacant possession of the Property Unit will be delivered at Completion.

Consideration: HK\$6,000,000, the amount of which was arrived at after arm's length negotiations between the Vendor and the Purchaser based on the prevailing market price for similar property units transacted around the time of the negotiations. According to two valuation reports of the Property Unit both, dated 19 November 2012 prepared by two independent firms of qualified Valuers, based on open market value, the value of the Property Unit was HK\$6,000,000 (valued by Jones Lang LaSalle Limited) and HK\$7,000,000 (valued by B.I. Appraisals Limited) respectively as of 19 November 2012.

Payment Terms:

- (i) An initial deposit of an amount equivalent to 10% of the consideration was paid upon signing the Provisional Agreement; and
- (ii) The balance (i.e. 90%) of the consideration is payable on the date of completion.

Date of Completion: On or before 21 December 2012.

REASON FOR THE TRANSACTION

The Group is principally engaged in property assembly, property development, property leasing and provision of building management services in Hong Kong and urban infrastructure development and property development in the PRC. The purchase of the Property Unit is in line with the principal activities and in the ordinary course of business of the Group. The purchase of the Property Unit will enhance the property portfolio of the Group.

The Consideration of purchase of the Property Unit was arrived at after arm's length negotiations between the Vendor and the Purchaser based on the prevailing market price for similar property units transacted around the time of the negotiations. The consideration will be satisfied by the internal resources of the Group.

The Directors, including the independent non-executive Directors, of the Company are of the view that the terms and conditions of the purchase of the Property Unit are fair and reasonable and are in the interests of the Group and its Shareholders as a whole.

INFORMATION OF THE COMPANY

The Company is an investment holding company with its subsidiaries principally engaged in various lines of business including (i) property assembly; (ii) property leasing; (iii) property development; (iv) property management and building management services; and (v) urban infrastructure development business in the PRC.

INFORMATION OF THE VENDOR

The Vendor is a company incorporated in Hong Kong with limited liability and is controlled and beneficially owned by Ms. Chan Winnie, a daughter of Madam Foo Kam Chu Grace, Chairman and executive Director of the Company and younger sister of Ms. Chan Wai Ling, executive Director of the Company. The Vendor is a company principally engaged in property investment. The Property Unit was acquired by the Vendor on 16 November 2009 for the amount of HK\$3,020,000.

INFORMATION OF THE PURCHASER

The Purchaser is a company incorporated in Hong Kong with limited liability, and is an indirect wholly-owned subsidiary of the Company.

IMPLICATION UNDER THE LISTING RULES

The Vendor is a company controlled and beneficially owned by Ms. Chan Winnie, a daughter of Madam Foo Kam Chu Grace and younger sister of Ms. Chan Wai Ling and the Vendor is therefore a connected person of the Company under Rule 14A.11 of the Listing Rules. As such, the purchase of the Property Unit by the Purchaser from the Vendor constitutes a connected transaction for the Company under the Listing Rules.

Since the applicable percentage ratios as defined in Rule 14.07 of the Listing Rules calculated with reference to the purchase of the Property Unit are over 0.1% but less than 5%, the purchase of the Property Unit is subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement under Rule 14A.32 of the Listing Rules.

As Madam Foo Kam Chu Grace and Ms. Chan Wai Ling are regarded as interested in the purchase of Property Unit, they abstained from voting on the resolutions in relation to the purchase of Property Unit at the meeting of the Board.

DEFINITIONS

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

“associate”	having the meaning as ascribed thereto in the Listing Rules;
“Board”	the board of directors of the Company;
“Company”	Soundwill Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange;
“connected person”	having the meaning as ascribed thereto in the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Madam Foo Kam Chu Grace”	Chairman and an Executive Director of the Company;
“Ms. Chan Wai Ling”	Executive Director of the Company and daughter of Madam Foo Kam Chu Grace;
“Ms. Chan Winnie”	daughter of Madam Foo Kam Chu Grace and younger sister of Ms. Chan Wai Ling
“PRC”	the People’s Republic of China;
“Provisional Agreement”	a provisional agreement dated 21 November 2012 entered into between the Vendor and the Purchaser for the sale and purchase of the Property Unit;
“Purchaser”	Champ Shine Limited, a company incorporated in Hong Kong with limited liability, an indirect wholly-owned subsidiary of the Company;

“Property Unit”	a residential unit situated on 2nd Floor, 12 Lun Fat Street, Wanchai, Hong Kong;
“Shareholder(s)”	shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Valuers”	Jones Lang LaSalle Limited and B.I. Appraisals Limited, independent firms of qualified valuers; and
“Vendor”	Gold Benefit Limited, a company incorporated in Hong Kong with limited liability

By Order of the Board
Soundwill Holdings Limited
Foo Kam Chu Grace
Chairman

Hong Kong, 21 November 2012

As at the date of this announcement, the Board comprises (i) Executive Directors: Foo Kam Chu Grace, Chan Wai Ling, Kong Siu Man Kenny and Lau Kam Kwok Dickson; and (ii) Independent Non-Executive Directors: Chan Kai Nang, Pao Ping Wing and Ng Chi Keung.