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**SOUNDWILL HOLDINGS LIMITED**

**金朝陽集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 878)**

**SUPPLEMENTAL ANNOUNCEMENT  
DISCLOSEABLE TRANSACTION  
DISPOSAL OF TARGET COMPANY**

Reference is made to the announcement of the Company dated 2 August 2018 (the “**Announcement**”) in relation to the sale and purchase agreement with the Seller in relation to the sale and purchase of the entire issued share capital of the Target Company and the assignment of the Sale Loan free from all encumbrances. Unless the context requires otherwise, capitalised terms used herein shall bear the same meanings as defined in the Announcement.

The Company would like to supplement the information contained in the Announcement as follows:

**Consideration**

Subject to the Completion Adjustment, the total aggregate amount of the consideration payable by the Purchaser for the transfer of the Sale Share and the assignment of the Sale Loan is the Initial Consideration of HK\$530,100,000. The Consideration will be apportioned as follows:

- (i) the consideration for the assignment of the Sale Loan is a sum equal to the face value of the total outstanding amount of the Sale Loan as at Completion; and
- (ii) the consideration for the transfer of the Sale Share is the sum equal to the amount of the Consideration less the consideration for the assignment of the Sale Loan.

The Consideration was arrived at after arm's length negotiation between the Seller and the Purchaser on normal commercial terms principally with reference to the unaudited consolidated net asset value of the Target Group as at 31 July 2018, and taking into account the market value of the Property as at 30 June 2018 of approximately HK\$530,000,000 as indicated in the valuation report prepared by an independent professional qualified valuer.

#### **FINANCIAL EFFECTS OF THE DISPOSAL AND USE OF PROCEEDS**

Upon Completion, assuming that no adjustment will be made under the Completion Adjustment, it is expected that a loss arising from the Disposal of approximately HK\$7,119,600 will be recorded upon the Completion. Such an estimated gain was calculated with reference to (i) the Consideration is the sum of HK\$530,100,000 for the Disposal; (ii) the market value of the Property as at 30 June 2018 of approximately HK\$530,000,000 as indicated in the valuation report; and (iii) the estimated transaction cost (including legal costs, consultancy fee and expenses related to the Disposal) of the Disposal approximately HK\$7,219,600.

Shareholders and potential investors of the Company should note that the above figures are for illustrative purpose only. The actual accounting gain or loss in connection with the Disposal may be different from the above and will be determined based on the financial position of the Target Company on the date of Completion and the actual amount of expenses incidental to the Disposal.

The net proceeds from the Disposal (currently estimated to be approximately HK\$522,880,400) will be used by the Group primarily for future investment and development of the Group and as general working capital.

By Order of the Board  
**SOUNDWILL HOLDINGS LIMITED**  
**Foo Kam Chu Grace**  
*Chairman*

Hong Kong, 7 August 2018

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