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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)

VERY SUBSTANTIAL DISPOSAL IN RELATION TO THE DISPOSAL OF THE SALE SHARE AND ASSIGNMENT OF THE SALE LOAN AND RESUMPTION OF TRADING

THE DISPOSAL

The Board is pleased to announce that on 9 August 2022 (after trading hours), the Seller, the Purchaser, the Seller Guarantor and the Purchaser Guarantor entered into the Sale and Purchase Agreement, pursuant to which the Seller has conditionally agreed to sell and assign, and the Purchaser has conditionally agreed to purchase and take assignment of, the Sale Share (representing the entire issued share capital of the Target Company) and the Sale Loan (representing the entire shareholders loan owed by the Target Company to the Seller).

As at the date of this announcement, the Target Company is a wholly-owned subsidiary of the Company and the immediate sole shareholder of the owners of the Properties. Following Completion, the Company will cease to have any interests in the Target Group and the financial results and assets and liabilities of the Target Group will no longer be consolidated into the consolidated financial statements of the Group. Upon Completion, the Properties will be delivered on an as-is basis to the Purchaser subject to the then existing tenancies.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal exceeds 75%, the Disposal constitutes a very substantial disposal for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Ko Bee and Full Match, together being a group of controlling shareholders of the Company, have irrevocably undertaken that they will vote in favour of the resolution(s) to be proposed at the SGM to approve the Sale and Purchase Agreement and the transactions contemplated thereunder. As at the date of this announcement, Ko Bee and Full Match collectively hold approximately 74.29% of the total issued Shares.

A circular containing, amongst other things, (i) further details of the Sale and Purchase Agreement; (ii) a property valuation report on the Properties; (iii) other information as required to be disclosed under the Listing Rules; and (iv) a notice of the SGM to approve the Disposal, will be despatched to the Shareholders on or before 23 September 2022 in order to allow sufficient time for the Company to prepare the necessary information to be included in the circular.

GENERAL

Completion of the Sale and Purchase Agreement is subject to the fulfilment of certain conditions precedent and terms thereof, and therefore, may or may not take place. Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted from 9:00 a.m. on 10 August 2022. Application has been made by the Company to the Stock Exchange for the resumption of trading of the Shares on the Stock Exchange with effect from 9:00 a.m. on 12 August 2022.

INTRODUCTION

The Board is pleased to announce that on 9 August 2022 (after trading hours), the Seller, the Purchaser, the Seller Guarantor and the Purchaser Guarantor entered into the Sale and Purchase Agreement, pursuant to which the Seller has conditionally agreed to sell and assign, and the Purchaser has conditionally agreed to purchase and take assignment of, the Sale Share (representing the entire issued share capital of the Target Company) and the Sale Loan (representing the entire shareholders loan owed by the Target Company to the Seller).

SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are as follows:

Date

9 August 2022 (after trading hours)

Parties

- (1) Wonder Earning Limited, being an indirect wholly-owned subsidiary of the Company (as the Seller)
- (2) United Endeavors Limited (as the Purchaser)
- (3) Tang Lung Investment Properties Limited, being an indirect wholly-owned subsidiary of the Company (as the Seller Guarantor)
- (4) Tsui Yee (徐意), the ultimate beneficial owner of the Purchaser (as the Purchaser Guarantor)

Subject Matter

The Seller has conditionally agreed to sell the Sale Share (representing the entire issued share capital of the Target Company) and assign the Sale Loan (representing the entire shareholders loan owed by the Target Company to the Seller) to the Purchaser free from all encumbrances and with all rights to be attached to the Sale Share as at Completion, including the right to receive all dividends and other distributions declared, made or paid on or after the Completion Date, and assign and transfer to the Purchaser the Sale Loan free from all encumbrances. Further details of the Target Company are set out in the section headed “INFORMATION ON THE TARGET COMPANY AND THE PROPERTIES” below.

Consideration

The Consideration for the Sale Share and the Sale Loan shall be an amount equal to HK\$3,208,815,000 (subject to adjustments). The Consideration was arrived at after arm's length negotiations between the Seller and the Purchaser. The Seller has taken into account (i) the value of the Site (assuming acquisition of all the Outstanding Units); (ii) the estimated value of gross floor area upon redevelopment of the Site at HK\$16,200 per square foot, assuming the site area of the Site of approximately 13,205 square feet and plot ratio of 15 under the Building (Planning) Regulations (Chapter 123F of the Laws of Hong Kong), by reference to (a) the appraised market value of the Site of HK\$2,560 million as at 8 August 2022 by Vigers Appraisal and Consulting Limited, an independent qualified valuer; and (b) the premium to be paid to the Seller to unify the ownership of the Lot and the Building by acquiring the Outstanding Units on or before the Long Stop Date.

Payment

The Consideration shall be satisfied and paid by the Purchaser as follows:

- (i) an initial deposit in the amount of HK\$320,881,500 (being 10% of the Consideration prior to the adjustments) (the “**Initial Deposit**”) has been paid to the Seller (by solicitors’ cheque drawn in favour of a company directed by the Seller, which is a wholly-owned subsidiary of the Company and not a member of the Target Group) upon execution of the Sale and Purchase Agreement, which shall represent part payment of the Consideration upon Completion;
- (ii) a further deposit in the amount of HK\$320,881,500 (being 10% of the Consideration prior to the adjustments) (the “**Further Deposit**”) to be paid to the Seller (or the person as directed by the Seller who shall be a member of the Seller’s Group in a payment direction) on or before expiry of six months from the date of the Sale and Purchase Agreement, which shall represent part payment of the Consideration upon Completion;
- (iii) a sum equivalent to the remaining balance of the Consideration (after the Acquisition Adjustment (if applicable) and Completion Adjustment) less the Retention Amount (if any) (such sum being the “**Completion Payment**”) shall be paid by the Purchaser to the Seller upon Completion and split up into an amount payable and to the bank (for repayment of the bank loan) and an amount payable to the person as directed by the Seller who shall be a member of the Seller’s Group in the payment direction(s); and
- (iv) (if applicable) an agreed sum per each of the Occupied Units (such sum being the “**Retention Amount**”) shall be paid by the Purchaser to the Purchaser’s solicitors firm as stakeholders who shall deal with the Retention Amount in accordance the terms of the Sale and Purchase Agreement.

All payments made or to be made to the Seller or the Purchaser under the Sale and Purchase Agreement shall be made in HK dollars by way of cashier order(s) issued by a licensed bank in Hong Kong, or solicitor’s cheque(s).

Adjustments

The Consideration is subject to the following adjustments:

- (i) If applicable and before Completion — if the Acquisition Condition is waived by the Purchaser on or before the Long Stop Date, the Consideration shall be adjusted based on a formula agreed between the Purchaser and the Seller by taking into account, among others, the apportioned Consideration of each of the Lot and the Fourth Property and the aggregate of the percentage of the then Outstanding Units as at the Long Stop Date (the “**Acquisition Adjustment**”);

- (ii) Upon Completion — the remaining balance of the Consideration shall be adjusted by adding the Other Assets less the Other Liabilities, each as determined in accordance with the Draft Completion Accounts and the Draft Apportionment Statement provided by the Seller to the Purchaser. The Seller and the Purchaser shall attempt to reach agreement on such Draft Completion Accounts and the Draft Apportionment Statement. If the Seller and the Purchaser are able to reach agreement, the Other Assets and the Other Liabilities as set out in the Draft Completion Accounts and the Draft Apportionment Statement (with all the amendments (if any) as mutually agreed between the Seller and the Purchaser) shall be adopted for adjustment to remaining balance of the Consideration upon Completion. If the Seller and the Purchaser are unable to reach agreement on the Draft Completion Accounts and/or the Draft Apportionment Statement, the Other Assets and the Other Liabilities as set out in Draft Completion Accounts and the Draft Apportionment Statement originally provided by the Seller shall be adopted for adjustment to remaining balance of the Consideration upon Completion (the “**Completion Adjustment**”); and
- (iii) After Completion — the Consideration shall be adjusted following Completion by adding the Other Assets less the Other Liabilities, each as determined in accordance with the Completion Accounts and the Apportionment Statement prepared by the Seller after Completion in accordance with the terms of the Sale and Purchase Agreement. The Consideration as adjusted following Completion shall be referred to as the “Adjusted Consideration”. The Seller and the Purchaser shall attempt to reach agreement on the Completion Accounts and the Apportionment Statement. If the Seller and the Purchaser are able to reach agreement, then the Other Assets and the Other Liabilities as set out in the Completion Accounts and the Apportionment Statement (with all the amendments (if any) as mutually agreed between the Seller and the Purchaser) shall be adopted for adjustment to the Consideration after Completion. If the Seller and the Purchaser are unable to reach agreement on the Completion Accounts and/or the Apportionment Statement, an independent accountant will be appointed to review the Completion Accounts and the Apportionment Statement and shall determine adjustments (if any) on such accounts and statement. The determination of such independent accountant shall be final and binding on the Seller and the Purchaser, and the Other Assets and the Other Liabilities as set out in Completion Accounts and the Apportionment Statement (reviewed and determined by the independent accountant) shall be adopted for adjustment to remaining balance of the Consideration after Completion (the “**After Completion Adjustment**”).

If the Consideration is less than the Adjusted Consideration, the Purchaser shall pay to the Seller the difference; and if the Consideration is more than the Adjusted Consideration, the Seller shall pay to the Purchaser the difference.

Conditions Precedent

Completion is conditional upon the following conditions being satisfied (and/or waived by the Purchaser):

- (a) the Company having obtained the requisite approval from the Shareholders in relation to the entering into of the Sale and Purchase Agreement and the transactions contemplated thereunder as a “very substantial disposal” as required under the Listing Rules;
- (b) the Seller, through the Target Company, Billion Glory, Harvest Fortune and/or Lead Properties, having completed acquisition of all the undivided shares of the Lot and the Building (the “**Acquisition Condition**”);
- (c) Billion Glory, Harvest Fortune and/or Lead Properties having title to the Outstanding Units acquired by way of private treaty on or before the Long Stop Date to the reasonable satisfaction of the Purchaser in accordance with Section 13 and Section 13A of the Conveyancing and Property Ordinance (Chapter 219, Laws of Hong Kong); and
- (d) Billion Glory, Harvest Fortune and Lead Properties having obtained vesting order(s) for those of their respective properties as set out in the Sale and Purchase Agreement.

The Purchaser may at any time before the Long Stop Date waive in writing any of the conditions (b) to (d) set out above. Save as aforesaid, none of the other conditions precedent above is capable of being waived.

If any of the conditions (which has not previously been waived by the Purchaser) has not been fulfilled on or before the Long Stop Date, the Sale and Purchase Agreement shall be automatically terminated on the Long Stop Date. Under such a circumstance, all rights and obligations of the parties under the Sale and Purchase Agreement shall lapse and be of no further effect, and the Initial Deposit and the Further Deposit (without any interest) will be returned to the Purchaser.

Completion

Completion shall take place in the office of the Seller’s solicitors firm on the business day falling on the 45th day after (and exclusive of) the latter of (a) the date on which all the conditions precedent are satisfied, provided that such date for satisfaction is on or before the Long Stop Date; or (b) if the Purchaser waived the Acquisition Condition, the date of the Seller’s receipt of the written notice from the Purchaser of such waiver; or on such other date as the Seller and the Purchaser may agree in writing (the “**Completion Date**”).

Following Completion, the Company will cease to have any interests in the Target Group and the financial results and assets and liabilities of the Target Group will no longer be consolidated into the consolidated financial statements of the Group. Upon Completion, the Properties will be delivered on an as-is basis to the Purchaser subject to the then existing tenancies.

Guarantees and indemnity

The Seller Guarantor (i) guarantees to the Purchaser, among others, the punctual and complete performance of the Seller's obligations (including any payment obligation) under the Sale and Purchase Agreement; and (ii) indemnify and to keep indemnified the Purchaser from and against any loss suffered or incurred by the Purchaser arising from the failure of the Seller to comply with any of its obligations under the Sale and Purchase Agreement.

The Purchaser Guarantor (i) guarantees to the Seller, among others, the punctual and complete performance of the Purchaser's obligations (including any payment obligation) under the Sale and Purchase Agreement; and (ii) indemnify and to keep indemnified the Seller from and against any loss suffered or incurred by the Seller arising from the failure of the Purchaser to comply with any of its obligations under the Sale and Purchase Agreement.

INFORMATION OF THE TARGET COMPANY AND THE PROPERTIES

The Target Company is incorporated in the British Virgin Islands with limited liability and is a wholly-owned subsidiary of the Seller prior to Completion. It is, through Billion Glory, Harvest Fortune, Lead Properties and WS Holdings, the indirect beneficial owner of the Properties. The Target Group is principally engaged in property investment and the principal asset is the Properties.

The Properties

The Properties have an aggregate saleable area of approximately 85,928 square feet and comprise the following:

- (a) Shop Nos. 18, 32, 33, 35, 37, 40, 42, 43 and 45, Ground Floor; Blocks E, G, I, J, K, L, and M of the 1st Floor; Blocks A, B, D, E, F, G, H, I, J, K, and L of the 2nd Floor; Blocks A, B, C, D, E, F, G, H, J, K, L and M of the 3rd Floor; Blocks A, B, C, D, E, F, H, I, J, K, L and M of the 4th Floor; Blocks A, B, C, D, F, G, H, I, J, L and M of the 5th Floor; Blocks A, B, C, D, E, F, G, H, I, J, K, L and M of the 6th Floor; Blocks A, B, D, E, F, G, H, K, L and M of the 7th Floor; Blocks A, B, E, F, I, J, L and M of the 8th Floor; Blocks A, B, C, E, G, H, J, K, L and M of the 9th Floor; Blocks A, B, I, J, K, and M of the 10th Floor; one half of each of Shop Nos. 22 and 23 of the Ground Floor; and one third of each of Blocks C and D of the 1st Floor, of the Building which are owned by Billion Glory (the "**First Property**");

- (b) Shop Nos. 14, 15, 17, 19, 20, 21, 27, 29, 30, 36 and 38 of the Ground Floor; Block J of the 7th Floor; Block H of the 10th Floor & Adjacent Roof thereof & Roof; and Block L of the 10th Floor, of the Building which are owned by Harvest Fortune (the “**Second Property**”);
- (c) Shop Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 & 12, 16, 26 ad 34 of the Ground Floor; Blocks A, B, F and H of the 1st Floor; Block G of the 4th Floor; Block K of the 5th Floor; Block G of the 8th Floor; and Block F of the 9th Floor, of the Building which are owned by Lead Properties (the “**Third Property**”); and
- (d) all that piece or parcel of ground registered in the Land Registry as Section P of Inland Lot No. 2147, which are owned by WS Holdings (the “**Fourth Property**”).

The Target Group has kicked off the acquisition of the individual units located on the Properties on a piecemeal basis through private treaties with separate sellers since 2007. With years of effort, the Target Group has finally acquired up to about 87.8% ownership of the Lot and the Building and the entire ownership of the Fourth Property as at the date of this announcement. The total acquisition cost incurred by the Target Group (excluding the stamp duty refundable of about HK\$357.7 million) is about HK\$2,101.7 million. It is expected that the Target Group will have acquired full ownership of the Properties before the Long Stop Date.

Financial information of the Target Group

Set out below is a summary of the audited financial information of the Target Group for the two financial years ended 31 December 2020 and 2021:

	For the financial years	
	ended 31 December	
	2020	2021
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit/(Loss) before taxation	(6,814)	16,745
Profit/(Loss) after taxation	(9,228)	14,526

The consolidated net asset value of the Target Group as at 31 December 2021 was approximately HK50.8 million. The aggregate book value of bank borrowings of the Target Group was approximately HK\$450.0 million as at 31 December 2021.

FINANCIAL IMPACT OF THE DISPOSAL AND USE OF PROCEEDS

It is estimated that the Group will record a gain on the Disposal in the amount of approximately HK\$597.7 million, which is calculated based on (i) the Consideration; and (ii) the consolidated net asset value of the Target Group and the Properties, taking into account the costs and expenses for acquiring the Outstanding Units and the expenses to be incurred in connection with the Disposal, including the legal and professional fees. The actual amount of gain or loss will be subject to review by the auditors of the Group.

The net proceeds arising from the Disposal are approximately HK\$2,298.3 million (after deducting bank loans, transaction costs, costs and expenses for acquiring the Outstanding Units, legal costs, commission and expenses related to the Disposal), all of which are attributable to the Group and is intended to be used by the Group primarily for future investment and business development of the Group and for general working capital as well as additional capital resources for the Group to make further investment on potential profitable projects including but not limited to property development and/or redevelopment projects in order to replenish its land reserves, should suitable opportunities arise with an aim to generating favourable returns to the Shareholders. As at the date of this announcement, the Company had not yet identified any specific investment target nor did the Group enter into any definitive agreement for such investment.

INFORMATION OF THE GROUP

The Company is an exempted company incorporated in Bermuda with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 878). It is principally engaged in investment holding and the Group is principally engaged in various lines of business including property assembly, property leasing, property development and provision of building management services in Hong Kong and property development in the People's Republic of China.

The Seller is an investment holding company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company.

INFORMATION ON THE SELLER GUARANTOR

The Seller Guarantor is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company and is principally engaged in investment holding.

INFORMATION OF THE PURCHASER

The Purchaser is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holding. The Purchaser is ultimately and entirely beneficially owned by the Purchaser Guarantor.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s), and the Purchaser Guarantor, are third parties independent of and not connected with the Company and its connected persons.

REASONS FOR AND BENEFITS DERIVED FROM THE DISPOSAL

The Directors undertake strategic reviews of its assets from time to time with a view to maximising returns to the Shareholders. The Directors consider that the Disposal provides an opportunity for the Company to realise its investment with a reasonable return. The Directors are of the view that the Disposal, if completed, will make a positive contribution to the cash flow and financial position of the Group, and the net proceeds from the Disposal will be used as general working capital and for future investment and business development of the Group.

The Board considers that the Disposal and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal exceeds 75%, the Disposal constitutes a very substantial disposal for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Ko Bee and Full Match, together being a group of controlling shareholders of the Company, have irrevocably undertaken that they will vote in favour of the resolution(s) to be proposed at the SGM to approve the Sale and Purchase Agreement and the transactions contemplated thereunder. As at the date of this announcement, Ko Bee and Full Match collectively hold approximately 74.29% of the total issued Shares.

A circular containing, amongst other things, (i) further details of the Sale and Purchase Agreement; (ii) a property valuation report on the Properties; (iii) other information as required to be disclosed under the Listing Rules; and (iv) a notice of the SGM to approve the Disposal, will be despatched to the Shareholders on or before 23 September 2022 in order to allow sufficient time for the Company to prepare the necessary information to be included in the circular.

GENERAL

Completion of the Sale and Purchase Agreement is subject to the fulfillment of certain conditions precedent and terms thereof, and therefore, may or may not take place. Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted from 9:00 a.m. on 10 August 2022. Application has been made by the Company to the Stock Exchange for the resumption of trading of the Shares on the Stock Exchange with effect from 9:00 a.m. on 12 August 2022.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms and expressions have the following meanings:

“Acquisition Adjustment”	has the meaning as defined in the section headed “SALE AND PURCHASE AGREEMENT — Consideration — Adjustments”
“Acquisition Condition”	has the meaning as defined in the section headed “SALE AND PURCHASE AGREEMENT — Conditions Precedent”
“Adjusted Consideration”	has the meaning as defined in the section headed “SALE AND PURCHASE AGREEMENT — Consideration — Adjustments”
“After Completion Adjustment”	has the meaning as defined in the section headed “SALE AND PURCHASE AGREEMENT — Consideration — Adjustments”
“Apportionment Statement”	an apportionment statement based on the Completion Accounts to be provided by the Seller to the Purchaser as soon as practicable and no later than the thirtieth (30th) business day after the Completion Date
“Billion Glory”	Billion Glory Properties Limited (億潤置業有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Target Company
“Board”	the board of Directors
“Building”	Haven Court, Nos. 2–28 Haven Street, Nos. 128–138 Leighton Road, Hong Kong

“Company”	Soundwill Holdings Limited (金朝陽集團有限公司*), an exempted company incorporated in Bermuda with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 878)
“Completion”	completion of the sale and purchase of the Sale Share and the assignment of the Sale Loan under the Sale and Purchase Agreement
“Completion Accounts”	the accounts to be provided by the Seller to the Purchaser as soon as practicable and no later than the thirtieth (30th) business day after the Completion Date, including (a) the unaudited management accounts of the Target Company as at the Completion Date; (b) an audited statement of financial position of each of Billion Glory, Harvest Fortune, Lead Properties and WS Holdings as at the Completion Date and an audited income statement of each of Billion Glory, Harvest Fortune and Lead Properties for the period from the day following 31 December 2021 to the Completion Date; and (c) a consolidated audited statement of financial position of the Target Group as at the Completion Date and a consolidated audited income statement of the Target Group for the period from the day following 31 December 2021 to the Completion Date
“Completion Adjustment”	has the meaning as defined in the section headed “SALE AND PURCHASE AGREEMENT — Consideration — Adjustments”
“Completion Date”	has the meaning as defined in the section headed “SALE AND PURCHASE AGREEMENT — Completion”
“Completion Payment”	has the meaning as defined in the section headed “SALE AND PURCHASE AGREEMENT — Consideration — Payment”
“connected persons”, “controlling shareholder” and “percentage ratio”	each has the meaning as ascribed to it under the Listing Rules
“Consideration”	the consideration payable by the Purchaser to the Seller for the Sale Share and the Sale Loan under the Sale and Purchase Agreement, subject to adjustments
“Directors”	the directors of the Company

“Disposal”	the disposal of the Sale Share and the assignment of the Sale Loan by the Seller to the Purchaser pursuant to the Sale and Purchase Agreement
“Draft Apportionment Statement”	draft form of the Apportionment Statement showing Other Assets and Other Liabilities prepared in accordance with the provisions applicable to the Apportionment Account as set out in the Sale and Purchase Agreement
“Draft Completion Accounts”	the consolidated unaudited statement of financial position of the Target Group as at the Completion Date and a consolidated unaudited income statement of the Target Group for the period from the day following 31 December 2021 to the Completion Date
“First Property”	has the meaning as defined in the section headed “INFORMATION ON THE TARGET COMPANIES AND THE PROPERTIES — the Properties”
“Fourth Property”	has the meaning as defined in the section headed “INFORMATION ON THE TARGET COMPANIES AND THE PROPERTIES — the Properties”
“Full Match”	Full Match Limited (富順朝陽有限公司), a company incorporated in the British Virgin Islands with limited liability and, together with Ko Bee, being a group of controlling shareholders of the Company
“Further Deposit”	has the meaning as defined in the section headed “SALE AND PURCHASE AGREEMENT — Consideration — Payment”
“Group”	collectively, the Company and its subsidiaries
“Harvest Fortune”	Harvest Fortune Limited (沛益有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Target Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Initial Deposit”	has the meaning as defined in the section headed “SALE AND PURCHASE AGREEMENT — Consideration — Payment”

“Ko Bee”	Ko Bee Limited, a company incorporated in the British Virgin Islands with limited liability and, together with Full Match, being a group of controlling shareholders of the Company
“Lead Properties”	Lead Properties Limited (領先置業有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Target Company
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	means (a) the latter of the dates being (i) 9 August 2024 or (ii) (if the Acquisition Condition is not fulfilled or waived on or before 9 August 2024), six months thereafter; or (b) such other date as may be agreed by the Seller and the Purchaser in writing
“Lot”	all that piece or parcel of ground registered in the Land Registry of Hong Kong as Section C of Inland Lot No.2147
“Occupied Units”	the Properties and the acquired Outstanding Units of which vacant possession cannot be obtained by the Seller upon Completion
“Other Assets”	the assets of the Target Group, other than, among others, the Properties and the acquired Outstanding Units
“Other Liabilities”	the liabilities of the Target Group, other than, among others, certain bank loans and the Sale Loan
“Outstanding Units”	the outstanding units (being Shop Nos. 11, 13, 24, 25, 28, 39, 41, 44 of the Ground Floor; Blocks C and M of the 2nd Floor; Block I of the 3rd Floor; Block E of the 5th Floor; Blocks C and I of the 7th Floor; Blocks C, D, H and K of the 8th Floor; Blocks D and I of the 9th Floor; one half of each of Shop Nos. 22 and 23 of the Ground Floor; and two third of each of Blocks C and D of the 1st Floor, of the Building) to be acquired by the Seller by way of private treaty, auction sale as a result of order for sale pursuant to the Land (Compulsory Sale for Redevelopment) Ordinance (Chapter 545 of the Laws of Hong Kong) or a combination of both on or before the Long Stop Date to the reasonable satisfaction of the Purchaser
“Properties”	collectively, the First Property, the Second Property, the Third Property and the Fourth Property
“Purchaser”	United Endeavors Limited, a company incorporated in the British Virgin Islands with limited liability

“Purchaser Guarantor”	Tsui Yee (徐意), the ultimate beneficial owner of the Purchaser
“Retention Amount”	has the meaning as defined in the section headed “SALE AND PURCHASE AGREEMENT — Consideration — Payment”
“Sale and Purchase Agreement”	the sale and purchase agreement dated 9 August 2022 and entered into among the Seller, the Purchaser, the Seller Guarantor and the Purchaser Guarantor in relation to the Disposal
“Sale Loan”	the entire shareholders loan owing by the Target Company to the Seller at Completion
“Sale Share”	the entire issued share in the capital of the Target Company
“Second Property”	has the meaning as defined in the section headed “INFORMATION ON THE TARGET COMPANIES AND THE PROPERTIES — the Properties”
“Seller”	Wonder Earning Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“Seller’s Group”	the Seller or all persons the Seller controls (except the Target Group), or any person that controls the Seller and all other persons controlled by any such person that controls the Seller
“Seller Guarantor”	Tang Lung Investment Properties Limited (登龍投資地產有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“SGM”	the special general meeting of the Company to be convened for the Shareholders to consider and, if thought fit, to approve, among other matters, the Sale and Purchase Agreement and the transactions contemplated thereunder
“Share(s)”	ordinary share(s) in the capital of the Company
“Shareholder(s)”	holder(s) of ordinary share(s) of the Company
“Site”	collectively, the Lot and the Fourth Property
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Target Company”	Linking Smart Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Seller
“Target Group”	collectively, the Target Company and its subsidiaries
“Third Property”	has the meaning as defined in the section headed “INFORMATION ON THE TARGET COMPANIES AND THE PROPERTIES — the Properties”
“WS Holdings”	WS Holdings Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Target Company
“%”	per cent.

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

Hong Kong, 11 August 2022

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, Chan Hing Tat and Tse Wai Hang; and (ii) Independent Non-Executive Directors: Chan Kai Nang, Pao Ping Wing and Ng Chi Keung.

* *For identification only*