

2015 Interim Results

A niche property play with quality assets in Causeway Bay



金朝陽集團有限公司
SOUNDWILL HOLDINGS LIMITED

Stock code: 878.HK

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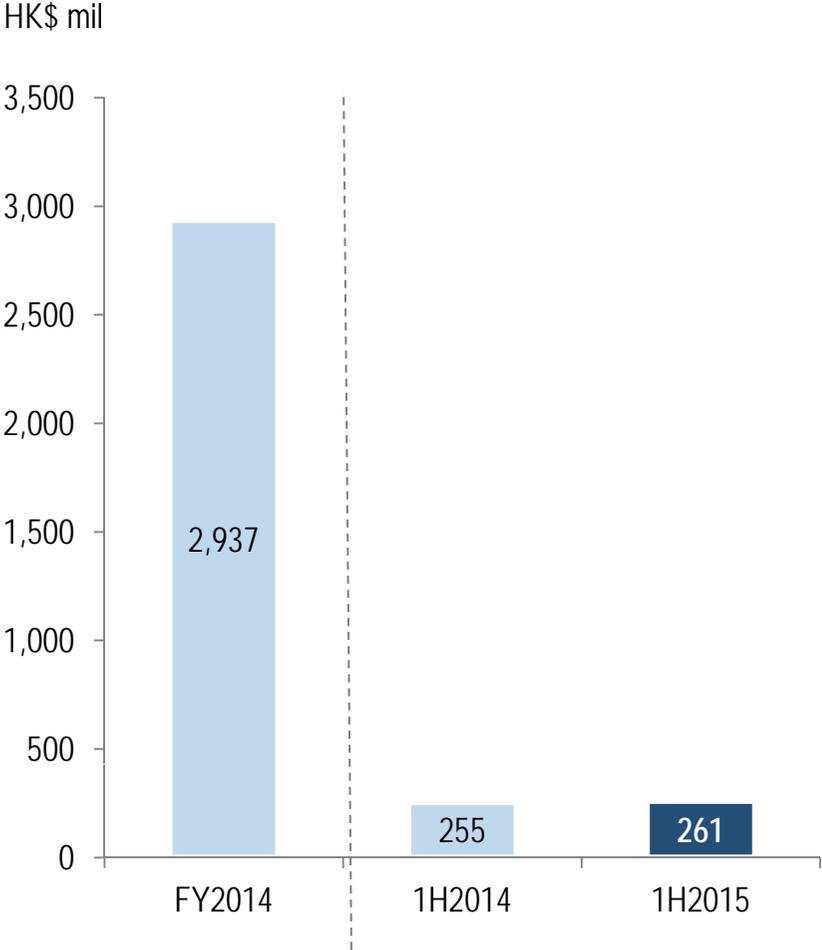
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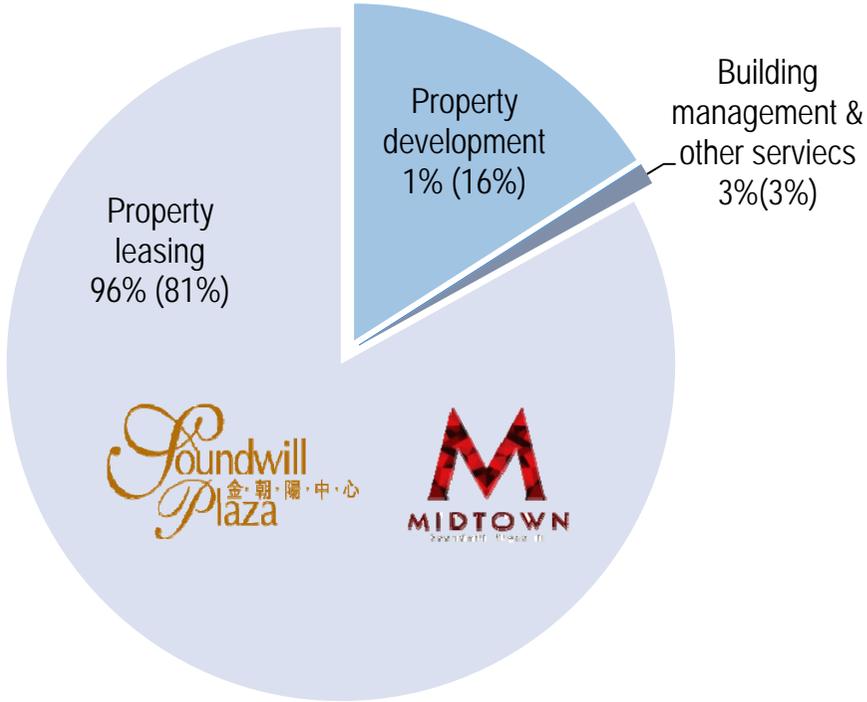


2015 Interim Results Highlights

Revenue



Revenue by business segments

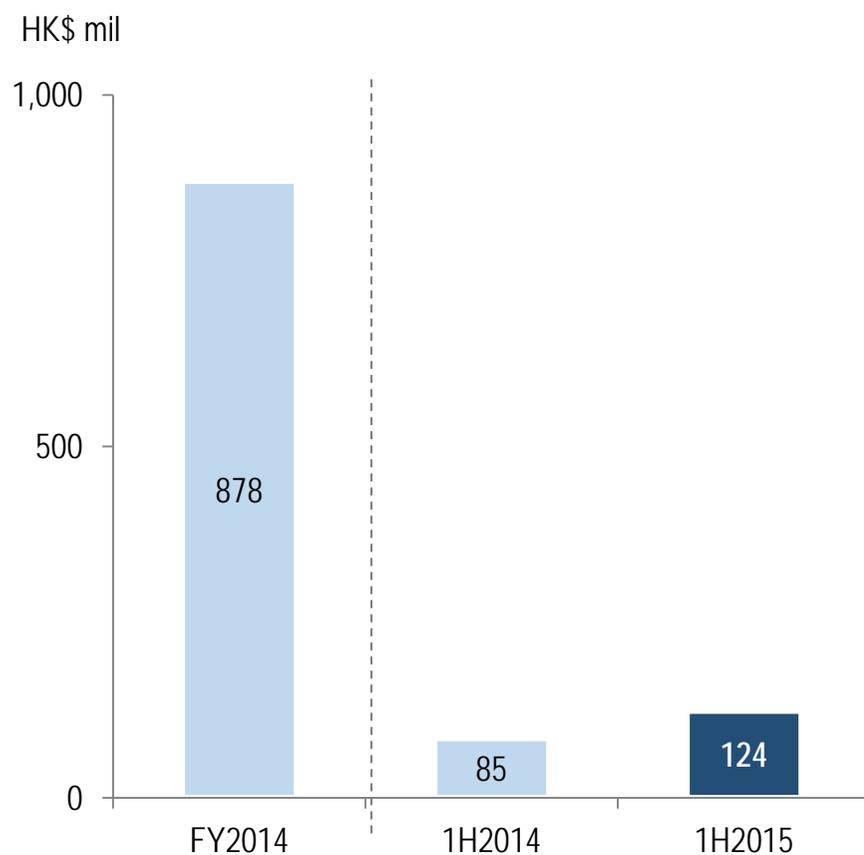


(Comparative figures of 1H2014 in parentheses)

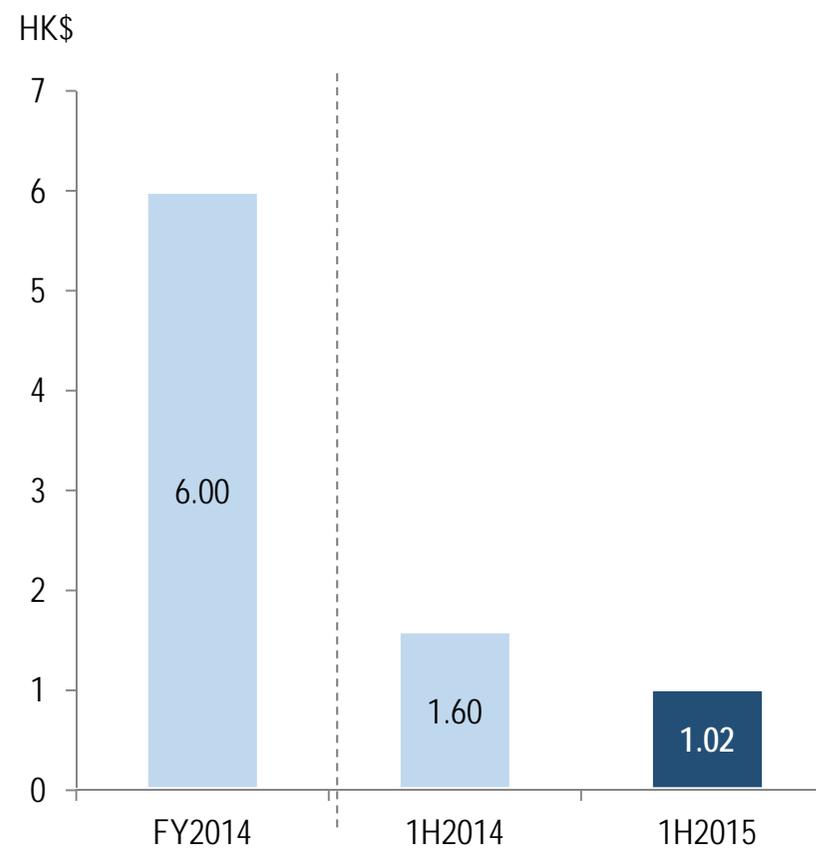


Earnings and Dividends

Underlying Profit *



Basic earnings per share



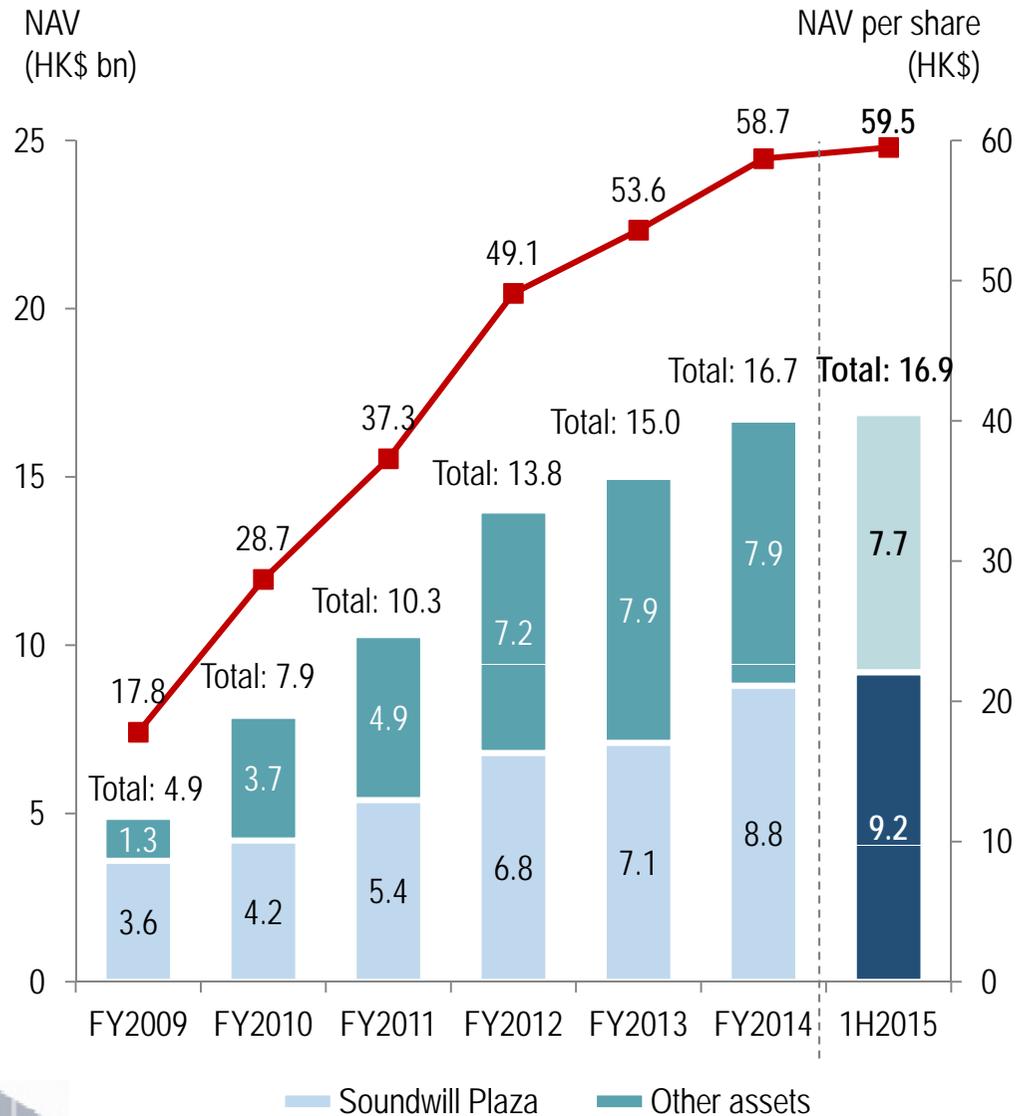
Increase in underlying profit

- Mainly due to the increase in revenue from property leasing



*Exclude net gain on fair value adjustments on investment properties and gain on disposal of subsidiaries

Net Asset Overview



NAV per share breakdown

NAV per share breakdown (as at 30 Jun 2015)	HK\$
Soundwill Plaza	27.2
Other assets – Commercial	
Soundwill Plaza II – Midtown	8.3
THE SHARP	4.3
10 Knutsford Terrace	2.8
Other assets – Residential	
Park Haven	1.3
14-18 Mosque Street	1.8
Others	10
Other assets – Industrial	
iPlace	1.2
Ta Chuen Ping Street	1.7
Chai Wan Kok Street	0.9
Total	59.5



Balance Sheet Highlights

<i>HK\$ mil</i>	As at 31 Dec 2014 (HK\$mil)	As at 30 Jun 2015 (HK\$mil)	Change
Total assets	20,004	20,613	+ 3%
Net assets	16,663	16,926	+2%
Cash and cash equivalents	1,070	321	-70%
Bank deposit at escrow account	179	308	+72%
Total debt	2,222	2,351	+6%
Gearing ratio*	13%	14%	+1 p.p.
Net of cash gearing ratio [#]	7%	12%	+5 p.p.

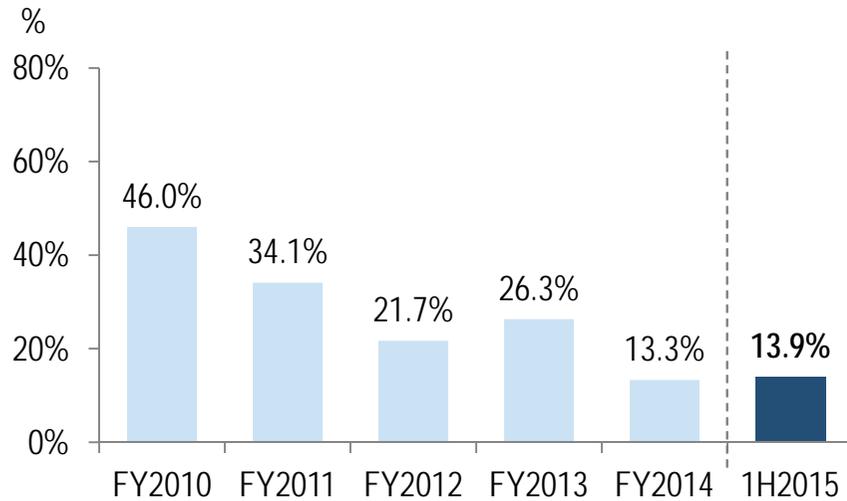
* Gearing ratio = Total borrowings / Total equity

[#] Net of cash gearing ratio = (Total borrowings – Cash and cash equivalents) / Total equity

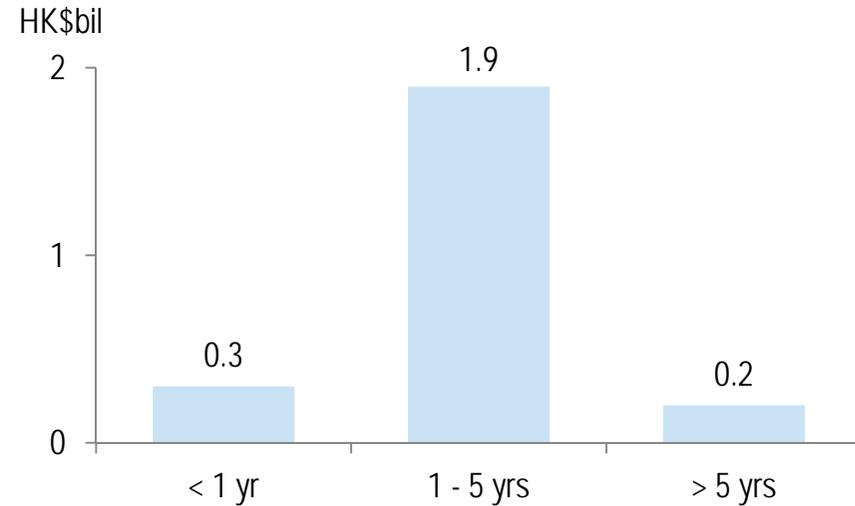


Financial Ratios

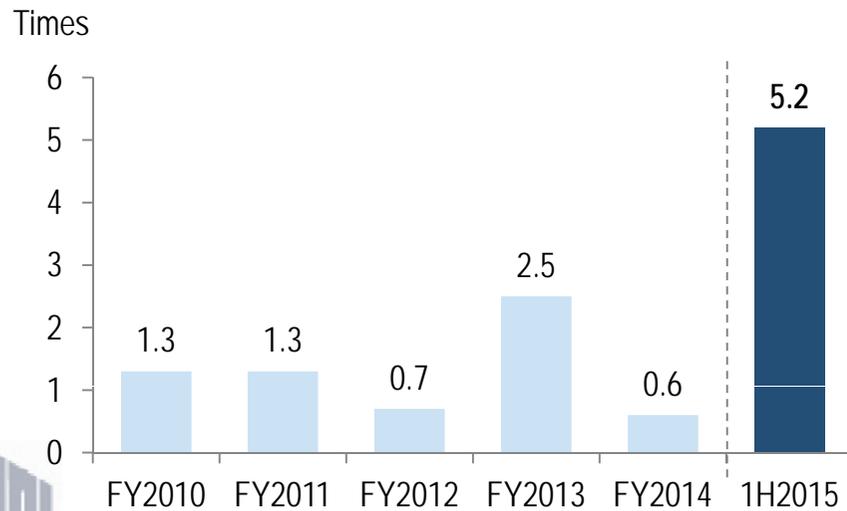
Total Debt / Total Equity



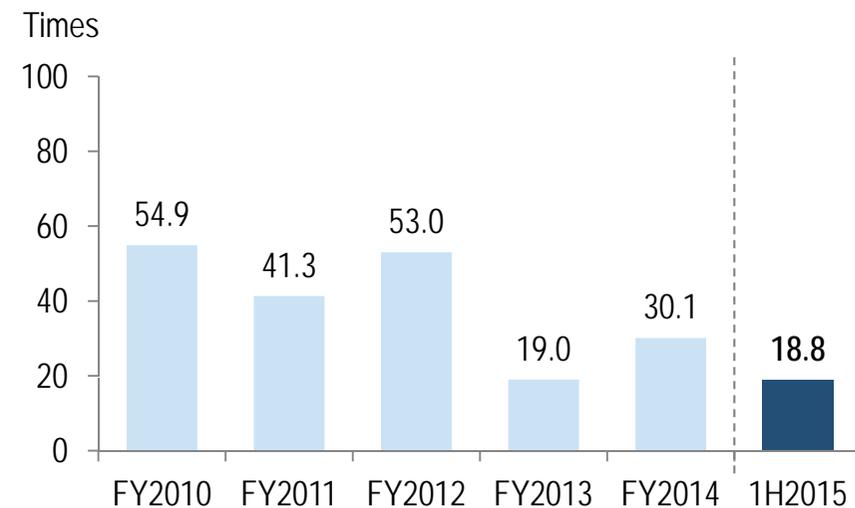
Debt Maturity (as at 30 Jun 2015)



Net Debt / EBITDA



Interest Cover



Business Overview



Grade-A Investment Portfolio – Commercial

Top class rental property in the prime location of Causeway Bay



Soundwill Plaza, Causeway Bay

- Total leasing GFA : 245,105 sq. ft.
- Prime location in one of the world's most expensive districts
- Destination of choice for international brands

Leasing status (as at 30 Jun 2015)

Floor	GFA (sq. ft.)	Occupancy rate	Avg. rental increase (1H14 vs 1H15)
G/F & 1/F	18,269	100.00%	9.22%
Upper levels	226,836	97.91%	1.25%



Grade-A Investment Portfolio – Commercial

Top class rental property in the prime location of Causeway Bay



Soundwill Plaza II Midtown, Causeway Bay

- Total leasing GFA : 218,000 sq. ft.
- Grand opening in Dec 2014
- Midtown POP on 17/F & 18/F – a 15,895 sq. ft. multi-purpose exhibition platform
E.g. Lamborghini Pop-Up Museum, Art Basel & Le French May

Quality tenants:



Leasing status (as at 30 June 2015)

Floor	GFA (sq. ft.)	Occupancy rate
Non-dining	129,090	80.99%
Dining	88,910	100.00%
Total	218,000	86.09%



Grade-A Investment Portfolio – Commercial

New retail complex



THE SHARP, Causeway Bay

- Total leasing GFA : 4,800 sq. ft.
(G/F retail space retained for investment purposes)
- Pre-sold all 29 floors on 3 Jan 2013
 - GFA : 45,900 sq. ft.
 - ASP : HK\$33,600 / sq. ft.
 - Proceeds of HK\$1,500 mil to be recognized in FY2015
- Status
 - To be completed in 2H 2015

—THE—
SHARP
CAUSEWAY BAY

New investment property



10 Knutsford Terrace, Tsim Sha Tsui

- Total leasing GFA : 114,000 sq. ft.
- New leasing specifications

諾士佛臺 10 號
Knutsford

Floor	GFA (sq. ft.)	Occupancy rate	Avg. rental increase (1H14vs 1H15)
G/F – 3/F	20,000	100.00%	43.00%
4/F – 23/F	94,000	83.00%	18.00%
Total	114,000	85.00%	32.00%



Grade-A Investment Portfolio – Residential

Boutique residences in premium locations

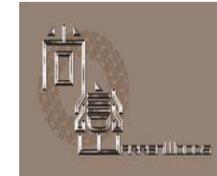


WarrenWoods 尚巒, Tai Hang

- Occupancy date : Oct 2012
- 162 out of 163 units sold
- Proceeds : HK\$1,212 mil (recognized in FY2012)

Status:

- Skyline penthouse reserved for future sale, with a GFA of approx. 3,300 sq. ft.



Park Haven 曦巒, Causeway Bay

- Occupancy date : June 2014
- Pre-sold over 90% of units
- ASP : HK\$22,000 / sq. ft.
- Proceeds : over HK\$2.38 bil recognized in 2H2014

Status:

- Completed in 1H2014



COHO, Causeway Bay

- Est. occupancy date : 2016

Status:

- Offer 46 residential units
 - 44 standard units & 2 specialty units with terraces
- Sale on hold
- 3 units sold



Prospects



Upcoming Catalysts

Project	Details	Positive financial impact
2015		
<p>1</p> 	<ul style="list-style-type: none"> ▪ Grand opening in December 2014 ▪ 90% of dining floors has been leased 	 <p>Substantial increase in rental income</p>
<p>2</p> 	<ul style="list-style-type: none"> ▪ Completion of "THE SHARP" in 2H 2015 	 <p>Proceeds of HK\$1,500 mil to be recognized in FY2015</p>
2016	Expected	
<p>3</p>  <p>(Castle Peak Road in Kwai Chung)</p>	<ul style="list-style-type: none"> ▪ Completion of "iPlace" in 2016 ▪ All 322 workshops pre-sold in 1H2015 	 <p>Proceeds of over HK\$ 1 bil to be recognized upon completion</p>



Land Bank & Est. Development Completion Timeline

	Project location	Development plan	Est. year of completion	
			FY2016	FY2017
	「COHO」 Tai Hang School St. 書館街	<ul style="list-style-type: none"> Commercial/residential complex GFA: 23,200 sq. ft. 	✓	
	Kwai Chung Castle Peak Road 青山公路	<ul style="list-style-type: none"> Industrial complex GFA: 126,000 sq. ft. 	✓	
	Mid-Levels Mosque St. 摩羅廟街	<ul style="list-style-type: none"> Residential development GFA: 49,000 sq. ft. 		✓
	North Point Kin Wah St. & Fort St. 建華街及堡壘街	<ul style="list-style-type: none"> Residential development GFA: 30,100 sq. ft. 		✓
	Tai Hang No. 8 Jones St. 重士街8號	<ul style="list-style-type: none"> Residential development (co-develop with Henderson) GFA: 65,200 sq. ft. 		✓
	Kwai Chung Ta Chuen Ping Street 打磚坪街	<ul style="list-style-type: none"> Industrial complex GFA: 190,000 sq. ft. 		✓
	Tsuen wan Chai Wan Kok Street 柴灣角街	<ul style="list-style-type: none"> Industrial complex GFA: 114,000 sq. ft. 85% acquisition on 30 June 2015 		✓

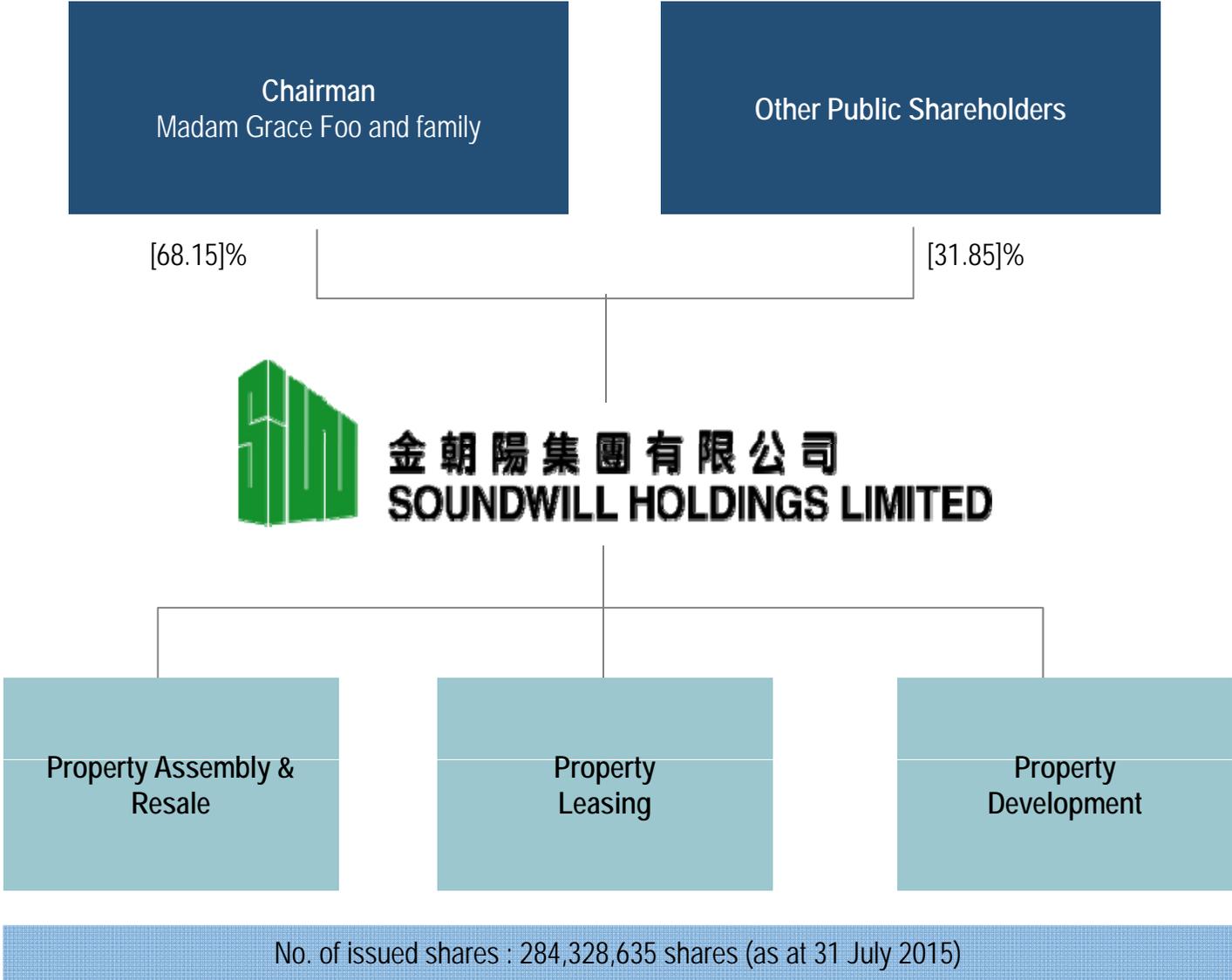
Land bank : 597,500 sq. ft.



Appendix



Shareholding / Corporate Structure



SWP Current Tenants (as at 30 June 2015)



32-39/F



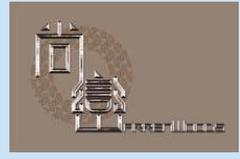
3-31/F



Street level



Unified Projects Overview

	Project	Year unified	Project status
	WarrenWoods 尚巒 (Warren St.)	2009	Completed in 2012
	Soundwill Plaza II – Midtown (Tang Lung St.)	2010	For lease
	Park Haven 曦巒 (Haven St.)	2010	Completed in 2014
	THE SHARP (Sharp St. East & Yiu Wah St.)	2010	Pre-sale completed in 2013
	COHO (School St.)	2011	Sale on hold
	Mosque St. 摩羅廟街	2011	Under development
	Lai Yin St. & Jones St. 禮賢街及重士街	2013	Pre-sale commenced in 1H2015



Thank You

