

# Financial Review (continued)

## Contingent Liabilities

Details of the contingent liabilities are set out in note 24 to the condensed financial statements.

## Charges on Assets

During the six months ended 31st December, 2005, no mortgage was charged on the Group's properties.

## Project Commitments

Details of the project commitments are set out in note 23 to the condensed financial statements.

## Material Acquisitions or Disposal

Other than the disposal of Hopewell (Thailand) Limited as mentioned under the Business Review section, there was no material acquisition or disposal of the Company's subsidiaries and associates during the six months ended 31st December, 2005.

# Prospects

The Group will continue to focus on Infrastructure, Property and Hospitality businesses, and pursue our goal of maintaining a leading position in these sectors in the PRD. It believes that the robust economic recovery in Hong Kong, the strong economic growth of Macau and the continued rapid economic development in other areas within the PRD, coupled with the economic integration brought by the CEPA initiatives, will bolster the performance of its three core businesses.

Riding on the favourable property market, the Group has made good progress on its property development projects, including the two new property projects at Queen's Road East in Wanchai. The Group will continue with its phased development of Nova City in Macau and Hopewell New Town in Huadu district of Guangzhou. On materialization of the completion as planned of the pre-sold flats in Nova City, the Group would be in a position to recognize such gains in the financial year ending June 2006. For the Mega Tower Hotel project, the Group is continuing its efforts to materialize it. Through HHI, the Group has commenced construction works of Phase II West in December 2005. It will also continue its efforts to finalize the preparation works relating to the Phase III West and to complete the feasibility study of widening the GS Superhighway. We believe HHI is well positioned to play a vital role in the Hong Kong-Zhuhai-Macau Bridge project when it proceeds.