

9. TAX

	GROUP	
	2001	2000
	HK\$'000	HK\$'000
The Company and subsidiaries:		
Hong Kong	—	—
Overseas	<u>1,767</u>	<u>1,745</u>
	1,767	1,745
Associates:		
Overseas	<u>—</u>	<u>—</u>
Tax charge for the year	<u>1,767</u>	<u>1,745</u>

No provision for Hong Kong profits tax has been made for the year as the Group did not generate any assessable profits arising in Hong Kong during the year (2000: Nil).

Taxes on profits assessable overseas have been calculated at the rates of tax prevailing in the respective jurisdictions in which they operate, based on existing legislation, interpretations and practices in respect thereof.

At the balance sheet date, the Group and the Company had no material unprovided deferred tax liabilities (2000: Nil).

The revaluation of the Group's investment properties does not constitute a timing difference as the realisation of the revaluation surplus would not be subject to tax and, consequently, the amount of potential deferred tax thereon has not been quantified.

10. NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS

The net loss from ordinary activities attributable to shareholders dealt with in the financial statements of the Company is HK\$281,681,000 (2000: HK\$272,944,000).

11. LOSS PER SHARE

(a) Basic loss per share

Basic loss per share is calculated based on (i) the net loss from ordinary activities attributable to shareholders of HK\$366,696,000 (2000: HK\$456,214,000); and (ii) the weighted average number of 11,611,911,000 (2000: 2,705,679,000) ordinary shares in issue during the year.

(b) Diluted loss per share

No diluted loss per share is presented for the two years ended 31st March, 2001 as the effect of the Company's outstanding share options was anti-dilutive.

12. FIXED ASSETS

GROUP

	Investment properties HK\$'000	Leasehold properties HK\$'000	Leasehold improvements HK\$'000	Furniture and fixtures HK\$'000	Office equipment HK\$'000	Motor vehicles HK\$'000	Total HK\$'000
Cost or valuation:							
At beginning of year	334,353	421,073	100,565	23,730	2,737	2,741	885,199
Additions	3,085	—	1,177	2,922	396	—	7,580
Transferred to properties held for sale	(108,085)	—	—	—	—	—	(108,085)
Disposal of subsidiaries	(229,353)	(421,073)	(100,533)	(25,912)	(2,630)	(1,283)	(780,784)
At 31st March, 2001	—	—	1,209	740	503	1,458	3,910
Accumulated depreciation:							
At beginning of year	—	16,267	40,297	6,918	1,511	875	65,868
Provided during the year	—	5,090	3,768	1,438	206	468	10,970
Disposal of subsidiaries	—	(21,357)	(43,974)	(8,300)	(1,656)	(840)	(76,127)
At 31st March, 2001	—	—	91	56	61	503	711
Net book value:							
At 31st March, 2001	—	—	1,118	684	442	955	3,199
At 31st March, 2000	334,353	404,806	60,268	16,812	1,226	1,866	819,331
Analysis of cost or valuation:							
At cost	—	—	1,118	684	442	955	3,199
At valuation	—	—	—	—	—	—	—
At 31st March, 2001	—	—	1,118	684	442	955	3,199

The investment properties and leasehold properties were situated in the PRC and were held under medium term leases.

The net book value of the fixed assets of the Group held under a finance lease included in the total amount of motor vehicles at 31st March, 2001 amounted to HK\$702,000 (2000: HK\$1,028,000).

13. PROPERTIES UNDER DEVELOPMENT

	GROUP	
	2001	2000
	HK\$'000	HK\$'000
Medium term leasehold land and buildings in the PRC:		
Balance at beginning of year	1,058,856	886,731
Additions to land and development costs	6,971	153,731
Interest capitalised (<i>note 7</i>)	7,290	18,394
	1,073,117	1,058,856
Less: Provisions for diminutions in values	(228,162)	(228,162)
	844,955	830,694
Disposal of subsidiaries	(844,955)	—
Properties under development expected to be disposed of within twelve months included in current assets, net	—	(180,000)
Non-current portion	—	650,694

14. INTERESTS IN SUBSIDIARIES

	COMPANY	
	2001	2000
	HK\$'000	HK\$'000
Unlisted shares, at cost	1	884,597
Amounts due from subsidiaries	466,136	511,204
Amounts due to subsidiaries	—	(2,940)
	466,137	1,392,861
Provisions for diminutions in values	—	(869,397)
Provisions against amounts due from subsidiaries	(266,187)	(414,540)
	199,950	108,924
Interests in subsidiaries expected to be disposed of within twelve months included in current assets, net	—	(15,200)
Non-current portion	199,950	93,724

The balances with subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

14. INTERESTS IN SUBSIDIARIES (continued)

Particulars of the principal subsidiaries of the Company at the balance sheet date were as follows:

Company name	Place of incorporation and operations	Issued and fully paid ordinary share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Best Guard Company Limited	British Virgin Islands	US\$1	—	100%	Investment holding
B-Tech Lottery Technology Limited	British Virgin Islands	HK\$2	—	100%	Investment holding
City Base Logistics Limited	British Virgin Islands	US\$100	—	100%	Investment holding
Convex Properties Limited	British Virgin Islands	US\$1	—	100%	Investment holding
Coupeville Limited	British Virgin Islands	US\$1	100%	—	Investment holding
Dong-Jun Development Co., Limited	Hong Kong	HK\$2	—	100%	Corporate services
Easycom Limited	Hong Kong	HK\$2	—	100%	Property holding
Giant Idea Limited	British Virgin Islands	US\$1	—	100%	Investment holding
Polywise Investments Limited	Hong Kong	HK\$10,000	—	100%	Investment holding
Power Cyber Inc.	British Virgin Islands	US\$1	—	100%	Investment holding
Super Nature Investments Limited	British Virgin Islands	US\$1	—	100%	Investment holding

All the above subsidiaries operate in the place of their incorporation except for Easycom Limited, which is incorporated in Hong Kong, but operates in the PRC.

The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results of the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.