

14. LOSS FOR THE PERIOD

Of the Group's loss for the period of HK\$369,056,000 (31/03/2000: HK\$500,941,000), a loss of HK\$320,553,000 (31/03/2000: HK\$697,695,000) has been dealt with in the financial statements of the Company.

15. LOSS PER SHARE

The calculation of the loss per share is based on the loss for the period of HK\$369,056,000 (31/03/2000: HK\$500,941,000) and on the weighted average number of 8,882,372,349 shares (31/03/2000: 1,656,432,522 shares) in issue during the period. The weighted average number of shares in issue used in the basic loss per share calculation for the period ended 31 December 2000 and year ended 31 March 2000 has been adjusted to reflect the effect of the rights issue and share consolidation during the period.

No diluted loss per share is presented as the exercise price of the options outstanding during the period ended 31 December 2000 and year ended 31 March 2000 was higher than the average market price of the Company's shares during the periods.

16. INVESTMENT PROPERTIES

	The Group	
	31/12/2000 HK\$'000	31/03/2000 HK\$'000
At beginning of period/year	253,120	298,273
Additions, at cost	11,020	–
Net deficit arising on revaluation	(14,760)	(2,342)
Acquisition of subsidiaries	–	26,742
Disposals	–	(59,553)
Eliminated on disposals of subsidiaries	–	(10,000)
At end of period/year	249,380	253,120

16. INVESTMENT PROPERTIES *(Continued)*

The net book value of investment properties shown above comprises:

	31/12/2000	31/03/2000
	HK\$'000	HK\$'000
Long term leasehold properties situated in Hong Kong	171,500	174,300
Medium term leasehold properties situated in		
– Hong Kong	46,100	44,000
– elsewhere in the People's Republic of China*	31,780	34,820
	249,380	253,120

* The investment properties situated in the People's Republic of China include an amount of HK\$4,780,000 (31/03/2000: HK\$5,320,000) in which the Group has not yet obtained the State Land Use Right Certificate and Certificate for Housing Ownership.

The Group's investment properties situated in Hong Kong and in the People's Republic of China were revalued at 31 December 2000 by a firm of independent professional valuers, Palico Surveyors Limited, on an open market value existing use basis.

17. PROPERTY, PLANT AND EQUIPMENT

	Leasehold land and buildings HK\$'000	Leasehold improve- ments HK\$'000	Furniture and fixtures HK\$'000	Plant and machinery HK\$'000	Motor vehicles HK\$'000	Total HK\$'000
THE GROUP						
COST						
At 1 April 2000	354,477	5,406	571	1,091	6,069	367,614
Acquisition of subsidiaries	25,632	–	2,979	2,327	1,250	32,188
Additions	–	4,966	2,420	3,561	2,512	13,459
Disposals	–	–	(2,730)	(43)	(1,581)	(4,354)
At 31 December 2000	380,109	10,372	3,240	6,936	8,250	408,907
DEPRECIATION						
At 1 April 2000	20,637	2,046	267	248	1,486	24,684
Acquisition of subsidiaries	–	–	622	1,675	83	2,380
Charge for the period	7,263	683	599	822	1,328	10,695
Eliminated on disposals	–	–	(825)	(1)	(198)	(1,024)
At 31 December 2000	27,900	2,729	663	2,744	2,699	36,735
NET BOOK VALUE						
At 31 December 2000	352,209	7,643	2,577	4,192	5,551	372,172
At 31 March 2000	333,840	3,360	304	843	4,583	342,930

The net book value of property, plant and equipment includes an amount of HK\$463,000 (31/03/2000: HK\$522,000) in respect of assets held under hire purchase contracts.

The net book value of properties represents long term leasehold properties situated in Hong Kong.

18. GOODWILL

	31/12/2000 HK\$'000	31/03/2000 HK\$'000
COST		
At beginning of period/year	–	205,627
Arising from acquisition of interests in subsidiaries (note i)	266,906	–
Arising from acquisition of additional interests in subsidiaries (note ii)	81,186	–
Provision for permanent diminution in value	(229,000)	–
Released on disposals of subsidiaries	–	(205,627)
At end of period/year	119,092	–
AMORTISATION		
At beginning of period/year	–	188,080
Provided for the period/year	26,522	–
Eliminated on disposals of subsidiaries	–	(188,080)
At end of period/year	26,522	–
NET BOOK VALUE	92,570	–

Notes:

- (i) The amount includes goodwill amounting to approximately HK\$120 million, HK\$69 million and HK\$69 million arising on the acquisition of equity interests in Cyber Anchor Holdings Limited, Circuit Agents Limited and Prospect Agents Limited respectively.
- (ii) The amount arose from acquisition of additional equity interests in Tomswood Holdings Limited.

19. INTERESTS IN SUBSIDIARIES

	The Company	
	31/12/2000 HK\$'000	31/03/2000 HK\$'000
Unlisted shares, at cost	639,637	399,637
Amounts due from subsidiaries	3,055,178	2,723,368
	3,694,815	3,123,005
Less: Provision for diminution in value	(2,555,928)	(2,304,419)
	1,138,887	818,586

Included in amounts due from subsidiaries are amounts of approximately HK\$95,961,000 (31/03/2000: HK\$65,672,000) and approximately HK\$3,304,000 (31/03/2000: Nil) which, bear interest at Hong Kong prime rate plus 1% per annum and Hong Kong prime rate per annum respectively. These amounts are unsecured and have no fixed repayment terms. The remaining amounts due from subsidiaries are interest-free.

The following table lists the Company's subsidiaries at 31 December 2000 which, in the opinion of the directors, principally affected the results of the period 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.

Name of subsidiary	Place of incorporation/ registration and operations	Issued/ registered share capital and paid up capital (note ii)	Percentage of equity interest held by		Principal activities
			Company %	Subsidiary %	
Action Plus Investments Limited	British Virgin Islands	US\$1	—	100	Investment holding
Autopower Technology Limited (note iv)	British Virgin Islands	US\$2	—	50	Investment holding
Best Million Limited	British Virgin Islands	US\$50,000	—	100	Investment holding
Bonus Profit Group Limited	British Virgin Islands	US\$1	—	100	Investment holding
Butterville Associates Limited	British Virgin Islands	US\$1	—	100	Investment holding
Catalogue Holdings Limited	British Virgin Islands	US\$1	—	100	Investment holding

19. INTERESTS IN SUBSIDIARIES *(Continued)*

Name of subsidiary	Place of incorporation/ registration and operations	Issued/ registered share capital and paid up capital (note ii)	Percentage of equity interest held by		Principal activities
			Company %	Subsidiary %	
Central Asia Investment Limited	Hong Kong	HK\$10,000	—	100	Property investment
China United Finance Limited	Hong Kong	HK\$75,000,002	—	100	Money lending
China United Securities Services Limited (Formerly Go Lucky Profits Limited)	British Virgin Islands	US\$50,000	—	100	Investment holding
China United Financial Services Limited (Formerly Golden Technic Investments Limited)	Hong Kong	HK\$2	100	—	Investment holding
China United Cyberworks (HK) Limited	Hong Kong	HK\$2	—	100	Provision of administrative services
China United Cyberworks One Limited	British Virgin Islands	US\$2	—	100	Investment holding
China United Cyberworks Two Limited	British Virgin Islands	US\$1	—	100	Investment holding
Chung Nam Sea Land Infrastructure Limited	British Virgin Islands	US\$1	—	100	Inacative
Chung Nam Commodities Limited	Hong Kong	HK\$10,000,000	—	100	Commodities dealer

19. INTERESTS IN SUBSIDIARIES *(Continued)*

Name of subsidiary	Place of incorporation/ registration and operations	Issued/ registered share capital and paid up capital (note ii)	Percentage of equity interest held by		Principal activities
			Company %	Subsidiary %	
Chung Nam Finance Limited	Hong Kong	HK\$10,000,000	–	100	Securities financing and money lending
Chung Nam Holdings Limited	Hong Kong	HK\$17,200,000	–	100	Investment holding
Chung Nam Nominees Limited	Hong Kong	HK\$10,000	–	100	Nominees
Chung Nam Securities Limited	Hong Kong	HK\$75,000,000	–	100	Securities brokerage and financial services
Cepora Inc.	British Virgin Islands	US\$100	–	100	Investment holding
Colias Inc.	British Virgin Islands	US\$100	–	100	Securities investment
Circuit Agents Limited	British Virgin Islands	US\$1	–	100	Investment holding
Cliffview Profits Limited	British Virgin Islands	US\$1	–	100	Investment holding
CU Corporate Finance Limited	Hong Kong	HK\$10,000,000	–	100	Investment adviser
CU Investment (Holdings) Limited	Hong Kong	Ordinary shares of HK\$2 Non-voting shares of HK\$2	–	100	Investment holding
CU Nominee Limited	Hong Kong	HK\$2	–	100	Nominees
Cupac Tehnology Limited (note iv)	Bermuda	HK\$5,550,000	43.3	–	Investment holding
Cyber Anchor Holdings Limited	British Virgin Islands	US\$1	–	100	Investment holding

19. INTERESTS IN SUBSIDIARIES (Continued)

Name of subsidiary	Place of incorporation/ registration and operations	Issued/ registered share capital and paid up capital (note ii)	Percentage of equity interest held by		Principal activities
			Company %	Subsidiary %	
Cyber Today Holdings Limited	British Virgin Islands	US\$1	–	100	Investment holding
e.Century Limited	Hong Kong	HK\$2	–	100	Provision of travel related services
East Champion Limited	Hong Kong	HK\$2	–	100	Property investment
Embrace Assets Limited	British Virgin Islands	US\$1	–	100	Investment holding
Fei Wang Incorporated	British Virgin Islands	US\$1	–	100	Investment holding
First Asia (China) Limited	Hong Kong	HK\$41,942,945	100	–	Investment holding
First Asia Financial Services Limited	Hong Kong	HK\$5,000,000	–	100	Property investment
First Asia Investments Limited	Cayman Islands	US\$2	100	–	Investment holding
First Asia Properties Limited	British Virgin Islands	US\$2	–	100	Investment holding
Goldpac Trading Investments Limited	British Virgin Islands	US\$100	–	100	Investment holding
Great Gains International Limited	Hong Kong	HK\$100	–	100	Property investment
Greatly Fareast Limited	Hong Kong	HK\$2	–	100	Property investment
Hennabun Capital Limited	British Virgin Islands/ Hong Kong	US\$4,500,000	–	100	Inactive

19. INTERESTS IN SUBSIDIARIES *(Continued)*

Name of subsidiary	Place of incorporation/ registration and operations	Issued/ registered share capital and paid up capital (note ii)	Percentage of equity interest held by		Principal activities
			Company %	Subsidiary %	
Hennabun Capital Management Inc.	British Virgin Islands	US\$1	—	100	Investment holding and securities investment
Hennabun Investment Limited	British Virgin Islands	US\$1	—	100	Investment holding
Hennabun Management Inc.	British Virgin Islands	US\$2,313,333	—	95.68	Investment holding
I-Arrive Technology Limited	British Virgin Islands	US\$1	—	100	Investment holding
I-Exceed Technology Limited	British Virgin Islands	US\$1	—	100	Investment holding
I-Flow Technology Limited	British Virgin Islands	US\$1	—	100	Investment holding
I-Source Technology Limited	British Virgin Islands	US\$1	—	100	Investment holding
International Stamps & Coins Exchange Gallery Limited	Hong Kong	HK\$20,200	—	100	Property holding
Kam Kwong Company Limited	Hong Kong	HK\$19,050,000	—	100	Securities brokerage and financial services
Kam Kwong Investments Limited	Hong Kong	HK\$10,000	—	100	Investment holding
Kingarm Company Limited	Hong Kong/ People's Republic of China	HK\$2	—	100	Property investment

19. INTERESTS IN SUBSIDIARIES (Continued)

Name of subsidiary	Place of incorporation/ registration and operations	Issued/ registered share capital and paid up capital (note ii)	Percentage of equity interest held by		Principal activities
			Company %	Subsidiary %	
Large Investments Limited	British Virgin Islands	US\$1	—	100	Investment holding
Lockrealm Holdings Limited	British Virgin Islands	US\$1	—	100	Investment holding
Long Bloom Enterprises Limited	Hong Kong	HK\$5,300,000	—	100	Investment holding and provision of administrative service
Main Champion Limited	British Virgin Islands	US\$1	—	100	Investment holding
Master Benefit International Limited	British Virgin Islands	US\$2	—	100	Inactive
Million Regal Investment Limited	Hong Kong	HK\$1,000	—	100	Property investment
NK ASP Holding Limited	British Virgin Islands	US\$1,000	—	60	Investment holding
NK ASP-Net Limited	Hong Kong	HK\$3	—	100	Software developer and distributor
Pacific Kingdom Investments Limited	Hong Kong	HK\$2	—	100	Property holding
Pioneered Technology Limited	British Virgin Islands	US\$1	—	100	Investment holding
Prospect Agents Limited	British Virgin Islands	US\$1	—	100	Investment holding
Professor Web Technology Limited	British Virgin Islands	US\$1	—	100	Investment holding
Quali-Trade Investments Limited	British Virgin Islands	US\$4,980,000	—	100	Investment holding