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DOWELL PROPERTY HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability) Stock Code: 668

Interim Report **2012/13**

CONTENTS

CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr. Lo Siu Yu, *Chairman*
Mr. Chen Yang, *Chief Executive Officer*

Non-Executive Directors

Mr. Wang Xiaobo
Mr. Qin Hong

Independent Non-Executive Directors

Mr. Chan Ying Kay
Mr. Wang Jin Ling
Dr. Zhu Wenhui

Audit Committee

Mr. Chan Ying Kay,
Committee Chairman
Mr. Wang Jin Ling
Dr. Zhu Wenhui

Remuneration Committee

Dr. Zhu Wenhui
Committee Chairman
Mr. Chan Ying Kay
Mr. Wang Jin Ling

Nomination Committee

Mr. Lo Siu Yu,
Committee Chairman
Mr. Chan Ying Kay
Dr. Zhu Wenhui

Company Secretary

Ms. Wong Tsui Yue, Lucy

Authorized Representatives

Mr. Lo Siu Yu
Mr. Chen Yang
Mr. Cho Chun Wai (alternative
authorised representative)

Registered Office

Suites 1707-1709, Harbour Centre
25 Harbour Road, Wanchai, Hong Kong
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Fax: (852) 2511 0318
E-mail: enquiry@dowellproperty.com

Share Registrar

Computershare Hong Kong Investor
Services Limited
46/F Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

Share Transfer Office

Computershare Hong Kong Investor
Services Limited
Shops 1712-16, 17/F, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

Principal Bankers

The Hongkong and Shanghai Banking
Corporation Limited
Bank of China (Hong Kong) Limited
China Construction Bank Corporation

Solicitor

Chiu & Partners Solicitors
King and Wood Mallesons

Auditor

Pricewaterhouse Coopers
Certified Public Accountant

Stock Code

668

Website

http://www.dowellproperty.com

MANAGEMENT DISCUSSION AND ANALYSIS OF THE OPERATIONS

BUSINESS REVIEW

For the six months ended 30 September 2012, Dowell Property Holdings Limited (the "Company") (formerly known as "Doxen Energy Group Limited") and its subsidiaries (together the "Group") recorded revenues of HK$42.9 million (six months ended 30 September 2011: HK$30.9 million), representing an increase of 38.9% as compared with that of the corresponding period in prior year. The loss for the period attributable to equity holders of the Company increased by 105.3% to HK$17.2 million (six months ended 30 September 2011: HK$8.4 million).

Property Investment

The acquisition of 70% of the equity interests in 重慶寶旭商業管理有限公司 (Chongqing Baoxu Commercial Property Management Limited*) ("Chongqing Baoxu") by the Group was completed on 14 August 2012 (the "Acquisition") as disclosed in the announcement of the Company of the same date. Chongqing Baoxu is principally engaged in the investment holding of 東東摩 (Dong Dong Mall*) ("Dong Dong Mall"), a shopping arcade located at No. 2, Second Lane, Nanping East Road, Nanan District, Chongqing, the People's Republic of China (the "PRC") with a total gross floor area of 18,043.45 square metres for commercial use. The area where Dong Dong Mall is situated is notably made up of a number of pedestrian streets and shopping malls. Since the area is conveniently accessible by public transportation, it is a popular lifestyle, shopping, entertainment and commercial hub for the city dwellers who reside in the southern part of Chongqing. Dong Dong Mall commenced operation in June 2011 and it has been positioned as a shopping arcade with fashion boutiques, restaurants and a lifestyle relaxation centre to provide a one-stop lifestyle shopping and leisure experience to the middle class in southern Chongqing.

The Acquisition enables the Group to diversify its business scope to the property industry in the PRC and broaden its income sources. It is expected that Dong Dong Mall will provide a stable income stream to the Group.

The Acquisition has been accounted for as a business combination under common control using the merger accounting principles, which require the condensed consolidated interim financial information and the comparative figures to be prepared on the basis as if the current group structure had been in existence since common control was first established. Thus, for the review period and its comparative period, the condensed consolidated interim financial information of the Group has included the results of Chongqing Baoxu. For the six months ended 30 September 2012, the Group's property investment segment has contributed a revenue of approximately HK$15.4 million (six months ended 30 September 2011: HK$5.0 million), representing an increment of 211.3% compared with the same period in prior year. The property investment segment had recorded an income before tax of HK$10.4 million for the six months ended 30 September 2012 (six months ended 30 September 2011: HK$1.4 million). Significant improvement in revenue and results for the period is attributable to the fact that Dong Dong Mall only started operation in June 2011.

* *for identifcation purpose only*

BUSINESS REVIEW *(continued)*

Property Investment *(continued)*

On 3 August 2012, a wholly-owned subsidiary of the Company, China Metro Properties Limited ("China Metro") and 重慶東銀實業(集團)有限公司 (Chongqing Doyen (Holdings) Limited*) ("Chongqing Doyen") entered into a memorandum of understanding (the "MOU") which set out the principal terms of the proposed acquisition (the "Proposed Acquisition") by China Metro of 62% equity interest in 重慶同原房地產開發有限公司 (Chongqing Tongyuan Real Estate Development Co., Ltd.*) ("Chongqing Tongyuan") owned by Chongqing Doyen with further terms and conditions to be agreed. Chongqing Tongyuan is principally engaged in the development of a land parcel with an area of approximately 233,705 square metres located in Chongqing City, the PRC. A large community complex is under development in four phases and upon completion, it is expected that the community complex will include shopping arcades, grade A office buildings, residential apartments, service apartments and hotels.

In consideration of the exclusive negotiation rights provided under the MOU to China Metro and the undertaking by Chongqing Doyen that it will facilitate China Metro's due diligence process, China Metro has paid HK$15 million to Chongqing Doyen as earnest money (the "Earnest Money") for the Proposed Acquisition. Upon signing of the formal sale and purchase agreement (the "Formal SPA") in relation to the Proposed Acquisition, the Earnest Money will be deemed to be partial payment of the consideration of the Proposed Acquisition by China Metro. If (i) the Formal SPA is not entered into between China Metro and Chongqing Doyen (or their respective nominees) within six months after the date of signing of the MOU (or such other period as agreed by the parties in writing); or (ii) the MOU is terminated or otherwise ceased to be effective for whatever reason, the Earnest Money shall be refunded to China Metro within 10 business days after China Metro has given a written notice to Chongqing Doyen, otherwise Chongqing Doyen shall, in addition to the principal amount of the Earnest Money, pay China Metro interest on the Earnest Money at the rate of 11% per annum (calculated on a daily basis) from the date of default up to the date of full repayment of the Earnest Money (both days inclusive). As at the date of this report, the negotiation was still underway.

The board (the "Board") of directors (the "Directors") considers that the abovementioned Proposed Acquisition, if it materialises, will provide another excellent opportunity for the Group to develop its property business segment in the PRC which has good prospects for long term growth potential.

* *for identifcation purpose only*

BUSINESS REVIEW *(continued)*

Restaurant Operation

For the six months ended 30 September 2012, the Group operated two restaurants, namely Eighteen Brook Cantonese Cuisine and Imperial Kitchen. The restaurant operation of the Group recorded a revenue of approximately HK$27.5 million (six months ended 30 September 2011: HK$25.4 million) and a loss of approximately HK$2.5 million (six months ended 30 September 2011: HK$2.6 million). Failing in the negotiation for renewal of the lease of Imperial Kitchen at Telford Shopping Plaza which is due to expire on 30 November 2012, together with the concern for the rising costs and increasing competition in the catering business, Imperial Kitchen was closed on 4 November 2012 in order for the Group to focus its resources on the property investment business.

Coal Mining

As disclosed in the annual report of the Company for the year ended 31 March 2012, the State Council of the PRC issued amendments on "The Mechanism and Extent of Review on the Acquisition and Merger of Major Energy and Resource Project by Foreign Enterprises"(外資併購重要能源和資源類專案的審查機制和審查力度)in 2011, which imposed more stringent requirements on the review and approval of mergers and acquisitions of important energy resources in the PRC by foreign investors. Accordingly, the Directors believed that it would be more difficult for the Group to acquire new mining resources in the PRC and expand its business in the PRC's coal industry. It is also expected that closer scrutiny and stricter control on the nation's energy sector in the near future would be the PRC government's policy trend. As such, it has posed uncertainties on the Group's strategy in its development in the coal mining business within the PRC. As a result, the Group has started to diversify to other business segments with high potential (ie. property investment) since April 2012.

On 12 September 2012, the Board announced that a wholly-owned subsidiary of the Company, Doxen Coal Mining Holdings Limited ("Doxen Coal") and Bright Chance International Limited ("Bright Chance") (a company wholly-owned by Mr. Lo Siu Yu ("Mr. Lo")) entered into a disposal agreement (the "Disposal Agreement") on the same date. Pursuant to the Disposal Agreement, Doxen Coal has conditionally agreed to sell and Bright Chance (or through its nominee, including but not limited to its wholly-owned subsidiary) has conditionally agreed to purchase the entire issued share capital of Ray Tone Limited ("Ray Tone") and the entire amount of the loan owed by Ray Tone to Doxen Coal (the "Sale Loan") at the consideration of RMB230 million (equivalent to approximately HK$280.5 million) (the "Disposal"). The principal asset of Ray Tone and its subsidiaries (the "Ray Tone Group") is the mining right of the coal mine located in Fukang City in Xinjiang of the PRC with an aggregate mining area of approximately 2.5478 km^2.

MANAGEMENT DISCUSSION AND ANALYSIS OF THE OPERATIONS *(continued)*

BUSINESS REVIEW *(continued)*

Coal Mining *(continued)*

On 18 October 2012, an extraordinary general meeting was held to approve the Disposal Agreement. The Disposal is expected to complete in December 2012.

As a result of the Disposal, the Group is expected to record a gain of approximately HK$155 million based on, amongst others, the consideration of RMB230.0 million (equivalent to approximately HK$280.5 million), the unaudited consolidated net liabilities value of Ray Tone Group as at 31 March 2012 amounting to approximately HK$1.3 million, the amount of the Sale Loan as at 31 March 2012 and the release of relevant exchange reserves originally arising from the Group's investments in Ray Tone Group as at 31 March 2012. However, the actual gain or loss on the disposal may be different from the expected amount as stated above, as the actual gain or loss will depend on, amongst others, the actual net assets value of the Ray Tone Group as at the date of completion of the Disposal.

Upon completion of the Disposal, Ray Tone Group will cease to be subsidiaries of the Company and their financial results will no longer be included within the Group's financial statements. Based on the assets and liabilities of Ray Tone Group, the total assets and total liabilities of the Group are expected to decrease immediately after the disposal completion. The expected decrease in total assets is mainly due to the deconsolidation of the value of the mining right and the property, plant and equipment held by Ray Tone Group and the expected decrease in total liabilities is mainly due to the deconsolidation of the bank borrowings owed by Ray Tone Group. The Directors believe the Disposal helps creating a clearer objective for corporate development and enables the Group to allocate more resources to the new business.

MANAGEMENT DISCUSSION AND ANALYSIS OF THE OPERATIONS *(continued)*

BUSINESS PROSPECTS

During the period under review, the Group continued implementing its strategic corporate restructuring as well as undertaking new business development initiatives, laying a firm foundation for its long-term growth. The Group has completed the acquisition of Dong Dong Mall on 14 August 2012 and the progress has amply demonstrated its efforts and capability in developing the new property investment business. It expects the leasing business of Dong Dong Mall to generate a more sustainable revenue contribution and hence gradually improve its results performance.

Recognising the high potential of the property market in Chongqing, the Group will place its focus on the property investment business in this municipality. Therefore, on 3 August 2012, it signed a MOU in respect of the Proposed Acquisition of Chongqing Tongyuan to pave the way for tapping the premium commercial and residential property market in Chongqing. The negotiation is now proceeding smoothly. With a clearly defined business approach, the management believes the Company should be able to achieve better results in the near foreseeable future.

The Board has also obtained the approval of shareholders regarding the change of the Company's name to "Dowell Property Holdings Limited" in English and "東原地產控股有限公司" in Chinese at the extraordinary general meeting held on 13 November 2012. The new names more accurately reflect its future development direction and reinforce branding efforts.

HUMAN RESOURCES AND REMUNERATION POLICIES

As at 30 September 2012, the Group had a total of 175 (31 March 2012: 189) full time employees. Employees' remuneration packages are determined with reference to prevailing market practices and individual performance. Our remuneration package includes basic salaries, sales incentives (which are only payable to some operational staff), medical insurance plans and retirement benefit schemes. Discretionary bonus and share options may be granted to eligible employees based on the performance of the Group and individual employees. The Company encourages its employees to enhance their competence and provides training to improve staff development to assure opportunity for individual growth of employees.

FINANCIAL REVIEW

Liquidity and financial resources

As at 30 September 2012, the Group had cash and cash equivalents of approximately HK$500.9 million (31 March 2012: HK$705.7 million), Management believes that the Group has sufficient cash and cash equivalents to fund its operations and future development.

As at 30 September 2012, the current ratio of the Group, representing current assets divided by current liabilities, was 2.30 (31 March 2012: 2.45) and the gearing ratio, representing total borrowings divided by total equity, was 66.4% (31 March 2012: 55.4%).

Change of financial year end date

The financial year end date of the Company has been changed from 31 March to 31 December. For details, please refer to the announcement of the Company dated 14 August 2012.

Capital structure

As at 30 September 2012, the Group's current and non-current bank borrowings amounted to HK$248.9 million (31 March 2012: HK$187.2 million) and HK$277.2 million (31 March 2012: HK$400.7 million) respectively. All the bank borrowings bore interest at floating rates.

The Group did not use any derivatives to hedge its exposure to interest rate risks for the six months ended 30 September 2012 and the year ended 31 March 2012.

The Group monitors its capital by maintaining a sufficient net cash position to satisfy its commitments and working capital requirements.

Pledge of assets

As at 30 September 2012, the Group pledged its investment property, mining right and bank deposits with total carrying amounts of approximately HK$365.0 million (31 March 2012: Nil), HK$10.4 million (31 March 2012: HK$10.4 million) and HK$199.8 million (31 March 2012: HK$367.9 million) respectively, and its equity interest in 新疆新世紀礦業有限責任公司 (Xinjiang New Century Mining Company Limited*) ("New Century") to various banks as securities for the loans and general banking facilities granted to the Group, and for the guarantees provided by banks to certain vendors of the Group. As at 31 March 2012, the investment property with net book value of HK$365.0 million was pledged as collateral for a bank loan of RMB260.0 million borrowed by Chongqing Doyen.

* *for identification purposes only*

MANAGEMENT DISCUSSION AND ANALYSIS OF THE OPERATIONS *(continued)*

Exposure to fluctuations in exchange rates and related hedges

The Group operates in Hong Kong and the PRC with most of the transactions denominated and settled in local currencies. The Group's foreign exchange risk primarily arises from the Group's investments in New Century and Chongqing Baoxu which are denominated in RMB. Currency exposure arising from the net assets of such operations is managed primarily through borrowings denominated in Renminbi.

Currently, the Group does not use any derivative financial instruments to hedge its exposure to foreign exchange risk.

Commitments

As at 30 September 2012, the Group had capital commitments of HK$315.0 million (31 March 2012: HK$331.4 million), which mainly consisted of the capital commitment for the production capacity expansion project of New Century. The project will be funded by internal capital and by bank borrowings.

As at 30 September 2012, the total future minimum lease payments under non-cancellable operating leases for properties amounted to HK$15.2 million (31 March 2012: HK$22.3 million).

Contingent liabilities

The Group had no significant contingent liabilities as at 30 September 2012 and 31 March 2012.

Interim dividend

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2012 (six months ended 30 September 2011: Nil).

OTHER INFORMATION

Directors' and chief executives' interests and short positions in shares, underlying shares and debentures of the Company and any associated corporation

As at 30 September 2012, the following Directors of the Company had interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required (a) to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which each of them has taken or deemed to have taken under the provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered into in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") to be notified to the Company and the Stock Exchange:

Long positions of the Directors' interests in the shares and underlying shares of the Company:

Name of Directors	Capacity	Interests in shares Corporate interest	 Personal interest	Interests in underlying shares pursuant to share options	Total number of shares interested	Approximate percentage of the Company's issued shares
Mr. Lo Siu Yu ("Mr. Lo")	Interest of controlled corporation and beneficial owner	633,477,018 *(Note a)*	25,000,000 *(Note b)*	–	658,477,018	51.68%
Mr. Chen Yang	Beneficial owner	–	–	3,000,000	3,000,000	0.24%
Mr. Wang Xiaobo	Beneficial owner	–	–	2,850,000	2,850,000	0.22%
Mr. Qin Hong	Beneficial owner	–	–	2,100,000	2,100,000	0.16%
Dr. Zhu Wenhui	Beneficial owner	–	10,000	–	10,000	0.00%

Notes:

a. Shares of 633,477,018 were held by Money Success Limited, a company wholly owned by Wealthy In Investments Limited, which is in turn wholly-owned by Mr. Lo.

b. Such interests are held jointly with Ms. Chiu Kit Hung, the spouse of Mr. Lo.

Save as disclosed above, as at 30 September 2012, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which each of them has taken or deemed to have taken under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered into the register referred to therein; or (c) pursuant to the Model Code to be notified to the Company and the Stock Exchange.

Equity-settled share option scheme

Share options were granted to eligible participants under a share option scheme approved and adopted by the shareholders of the Company at the annual general meeting held on 11 September 2008 ("Share Option Scheme") for the purpose of providing incentives and rewards to eligible participants who have contributed or will contribute to the growth and development of the Group.

Movement in the share options granted under the Share Option Scheme during the six months ended 30 September 2012 is set out below:

	Date of grant	Exercisable period	Exercise price HK$	Closing price per share immediately before the date of grant HK$	No. of options outstanding as at 1 April 2012	No. of options granted during the six months ended 30 September 2012	No. of options exercised/ cancelled/ lapsed during the six months ended 30 September 2012	No. of options outstanding as at 30 September 2012	Approximate percentage of the underlying shares for the options in the issued shares of the Company
Mr. Chen Yang *(Note 1)*	15 October 2010	15 October 2010 to 14 October 2020	1.638	1.610	3,000,000	–	–	3,000,000	0.24%
Mr. Wang Xiaobo *(Note 1)*	15 October 2010	15 October 2010 to 14 October 2020	1.638	1.610	2,850,000	–	–	2,850,000	0.22%
Mr. Qin Hong *(Note 2)*	2 December 2010	2 December 2010 to 1 December 2020	1.628	1.500	2,100,000	–	–	2,100,000	0.16%
Employees *(Note 1)*	15 October 2010	15 October 2010 to 14 October 2020	1.638	1.610	8,250,000	–	–	8,250,000	0.65%
Total					16,200,000	–	–	16,200,000	1.27%

Notes:

1. The options have a term of ten years commencing on 15 October 2010 and shall vest (if applicable) and become exercisable in three tranches in the proportion of approximately $33^1/3$%, $33^1/3$% and $33^1/3$% on 15 October 2010, 15 October 2011 and 15 October 2012 respectively.

2. The options have a term of ten years commencing on 2 December 2010 and shall vest (if applicable) and become exercisable in three tranches in the proportion of approximately $33^1/3$%, $33^1/3$% and $33^1/3$% on 2 December 2010, 2 December 2011 and 2 December 2012 respectively.

Substantial shareholders' interests and short positions in shares and underlying shares and debentures of the Company

As at 30 September 2012, according to the register of interests kept by the Company under section 336 of the SFO, and so far as was known to the directors or chief executives of the Company, the following persons, other than directors or chief executives of the Company, had interests or short positions in the shares or underlying shares which would require to be disclosed by the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Long positions of substantial shareholders' interests in the shares of the Company

Name of substantial shareholder	Capacity	Number of shares interested	Approximate percentage of the Company's issued shares
Ms. Chiu Kit Hung	Interest of spouse *(Note a)*	658,477,018	51.68%
Wealthy In Investments Limited	Interest of controlled corporation *(Note b)*	633,477,018	49.72%
Money Success Limited	Beneficial owner *(Note c)*	633,477,018	49.72%
Mr. Huang Guoping	Beneficial owner	120,000,000	9.42%
Baoli International (Hong Kong) Trading Co. Limited	Beneficial owner	120,000,000	9.42%
Mr. Gao Yi Xin	Interest of controlled corporation *(Note d)*	90,000,000	7.06%
Ms. Wang He Fen	Interest of controlled corporation *(Note d)*	90,000,000	7.06%
Mr. Huang Wu Jun	Interest of controlled corporation *(Note d)*	90,000,000	7.06%
Xinyuan International Marine Transportation Co. Ltd.	Beneficial owner *(Note d)*	90,000,000	7.06%

Notes:

a. Ms. Chiu Kit Hung is the spouse of Mr. Lo, who is the chairman and an executive Director of the Company.

b. Wealthy In Investments Limited is a company wholly-owned by Mr. Lo.

c. Money Success Limited is a company wholly owned by Wealthy In Investments Limited.

d. 55%, 25% and 20% of the shareholdings of Xinyuan International Marine Transportation Co. Ltd were owned by Mr. Gao Yi Xin, Ms. Wang He Fen and Mr. Huang Wu Jun respectively.

Save as disclosed above, as at 30 September 2012, the Company had not been notified by any persons (other than directors or chief executives of the Company) who had an interest or short position in the shares or underlying shares which would require to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under section 336 of SFO.

Purchase, sale or redemption of listed securities of the Company

Neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for the six months ended 30 September 2012.

Compliance with the code on corporate governance practices

The Company acknowledges the importance of good corporate governance practices and believes that it is essential to the development of the Group and to safeguard the interests of the shareholders. The Directors are of the opinion that the Company has complied with the code provisions as set out in the Code on Corporate Governance Practices in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 30 September 2012, save for deviation from Code Provision A.4.1 and Code E.1.2 as disclosed below:

Code Provision A.4.1 stipulates that non-executive Directors should be appointed for a specific term, subject to re-election. None of the non-executive Directors of the Company is appointed for a specific term. However, in accordance with the Articles of Association of the Company, at each annual general meeting, one-third of the Directors for the time being (or if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation. The Company considers that this is no less exacting than those provided in the Code.

Code E.1.2 specifies that the chairman of the board should attend the annual general meeting. Mr. Lo, the chairman of the Board has been heavily involved in the business operation of the Group in the PRC. Despite his utmost intention to be present at the Company's annual general meeting held on 20 August 2012, he was unable to attend the said meeting due to other urgent business commitments of the Group. Mr. Lo undertakes that he will try his best to attend the future annual general meetings of the Company whenever possible.

Compliance with the Model Code

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code for dealing in securities of the Company by the Directors. The Company has made specific enquiry of all Directors and all Directors have confirmed with the Company that they have complied with the required standard as set out in the Model Code during the six months ended 30 September 2012.

Audit committee

The Company has established an audit committee ("Audit Committee") comprised all three independent non-executive Directors, namely, Mr. Chan Ying Kay, Dr. Zhu Wenhui and Mr. Wang Jin Ling with written terms of reference in compliance with the Listing Rules.

The Audit Committee has reviewed the Group's condensed consolidated interim financial information for the six months ended 30 September 2012 and has also discussed the internal control, the accounting principles and practices adopted by the Group. The Audit Committee is of the opinion that such financial information has been prepared in accordance with the applicable accounting standards, the Listing Rules and the statutory requirements and that adequate disclosures have been made in the interim report.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to thank all employees for their contributions to the Group and all the shareholders for their continuous support.

By order of the Board
DOWELL PROPERTY HOLDINGS LIMITED
Lo Siu Yu
Chairman

Hong Kong, 22 November 2012

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2012

	Note	For the six months ended 30 September 2012 HK$'000 (unaudited)	2011 HK$'000 (restated)
Revenue	6	**42,918**	30,893
Cost of sales		**(8,778)**	(11,398)
Staff costs	7	**(17,129)**	(16,945)
Operating lease rentals		**(6,757)**	(6,182)
Utilities expenses		**(2,028)**	(1,919)
Depreciation of property, plant and equipment		**(2,159)**	(1,394)
Repair and maintenance		**(306)**	(299)
Other (losses)/gains – net	8	**(2,733)**	10,952
Other operating expenses	9	**(13,553)**	(8,628)
Operating loss		**(10,525)**	(4,920)
Finance income	10	**2,694**	2,875
Finance costs	10	**(9,536)**	(8,622)
Finance costs – net	10	**(6,842)**	(5,747)
Loss before income tax		**(17,367)**	(10,667)
Income tax credit	11	**3,602**	2,590
Loss for the period		**(13,765)**	(8,077)
Attributable to:			
Equity holders of the Company	12	**(17,246)**	(8,402)
Non-controlling interests		**3,481**	325
		(13,765)	(8,077)
		HK cents	HK cents
Basic and diluted losses per share attributable to equity holders of the Company	12	**(1.35)**	(0.66)

The notes on pages 21 to 40 are an integral part of these condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2012

	For the six months ended 30 September	
	2012	2011
	HK$'000	HK$'000
	(unaudited)	(restated)
Loss for the period	**(13,765)**	(8,077)
Other comprehensive income:		
Exchange differences arising from translation of foreign operations	**32**	3,953
Fair value gain of available-for-sale financial asset	**–**	1,000
Other comprehensive income for the period, net of tax	**32**	4,953
Total comprehensive loss for the period	**(13,733)**	(3,124)
Total comprehensive (loss)/income for the period attributable to:		
Equity holders of the Company	**(17,240)**	(3,476)
Non-controlling interests	**3,507**	352
Total comprehensive loss for the period	**(13,733)**	(3,124)

The notes on pages 21 to 40 are an integral part of these condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2012

	Note	As at 30 September 2012 HK$'000 (unaudited)	As at 31 March 2012 HK$'000 (restated)
ASSETS			
Non-current assets			
Property, plant and equipment	*14*	**186,589**	177,281
Mining right	*15*	**10,398**	10,398
Goodwill		**1,476**	1,476
Available-for-sale financial asset	*16*	**11,900**	11,900
Intangible asset		**2,870**	–
Deposit for acquisition of assets		**15,000**	–
Investment property	*17*	**364,968**	364,968
Rental deposits paid		**2,555**	2,555
Deferred income tax assets		**31,810**	25,566
		627,566	594,144
Current assets			
Inventories		**3,185**	3,591
Trade receivables	*18*	**12,327**	9,427
Deposits, prepayments and other receivables		**13,462**	8,895
Financial asset at fair value through profit or loss		**8,754**	15,750
Restricted bank deposits		**203,406**	371,021
Cash and cash equivalents		**500,866**	705,728
		742,000	1,114,412
Total assets		**1,369,566**	1,708,556
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital	*19*	**127,404**	127,404
Reserves		**545,971**	818,585
		673,375	945,989
Non-controlling interests		**120,301**	116,794
Total equity		**793,676**	1,062,783

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*

As at 30 September 2012

	Note	As at 30 September 2012 HK$'000 (unaudited)	As at 31 March 2012 HK$'000 (restated)
LIABILITIES			
Non-current liabilities			
Provision for long service payments		**839**	643
Bank borrowings	*20*	**248,868**	187,159
Finance lease liabilities		**662**	903
Rental deposits received		**2,828**	2,691
		253,197	191,396
Current liabilities			
Trade payables	*21*	**2,758**	2,549
Other payables and accrued charges		**37,503**	48,382
Tax payables		**4,802**	2,262
Bank borrowings	*20*	**277,155**	400,725
Finance lease liabilities		**475**	459
		322,693	454,377
Total liabilities		**575,890**	645,773
Total equity and liabilities		**1,369,566**	1,708,556
Net current assets		**419,307**	660,035
Total assets less current liabilities		**1,046,873**	1,254,179

The notes on pages 21 to 40 are an integral part of these condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2012

	For the six months ended 30 September	
	2012	2011
	HK$'000	HK$'000
	(unaudited)	(restated)
Net cash used in operating activities	**(22,389)**	(17,566)
Net cash used in investing activities	**(265,391)**	(41,120)
Net cash generated from/(used) in financing activities	**82,918**	(17,882)
Net decrease in cash and cash equivalents	**(204,862)**	(76,568)
Cash and cash equivalents at 1 April	**705,728**	739,118
Effect of foreign exchange rate changes	**–**	18,429
Cash and cash equivalents at 30 September	**500,866**	680,979

The notes on pages 21 to 40 are an integral part of these condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2012

	Equity attributable to equity holders of the Company									
	Share capital HK$'000	Share premium HK$'000	Investment revaluation reserve HK$'000	Accumulated losses HK$'000	Exchange reserve HK$'000	Merger reserve HK$'000	Other reserves HK$'000	Total HK$'000	Non-controlling interests HK$'000	Total HK$'000
At 1 April 2012 (as previously reported)	127,404	1,046,974	7,650	(79,331)	10,838	(452,547)	12,482	673,470	-	673,470
Effect of business combination (Note 4)	-	-	-	(27,277)	1,015	298,781	-	272,519	116,794	389,313
At 1 April 2012, as restated	127,404	1,046,974	7,650	(106,608)	11,853	(153,766)	12,482	945,989	116,794	1,062,783
(Loss)/profit for the period	-	-	-	(17,246)	-	-	-	(17,246)	3,481	(13,765)
Other comprehensive income										
Currency translation differences	-	-	-	-	6	-	-	6	26	32
Total comprehensive (loss)/income	-	-	-	(17,246)	6	-	-	(17,240)	3,507	(13,733)
Effect of the Acquisition	-	-	-	-	-	(256,200)	-	(256,200)	-	(256,200)
Share based compensation expense	-	-	-	-	-	-	826	826	-	826
At 30 September 2012	127,404	1,046,974	7,650	(123,854)	11,859	(409,966)	13,308	673,375	120,301	793,676
At 1 April 2011 (as previously reported)	127,404	1,046,974	7,750	(55,965)	5,464	(452,547)	7,436	686,516	-	686,516
Effect of business combination	-	-	-	(38,616)	(60)	40,691	-	2,015	863	2,878
At 1 April 2011, as restated	127,404	1,046,974	7,750	(94,581)	5,404	(411,856)	7,436	688,531	863	689,394
(Loss)/profit for the period (restated)	-	-	-	(8,402)	-	-	-	(8,402)	325	(8,077)
Other comprehensive income										
Fair value gain of available-for-sale financial asset	-	-	1,000	-	-	-	-	1,000	-	1,000
Currency translation differences (restated)	-	-	-	-	3,926	-	-	3,926	27	3,953
Total comprehensive income/(loss) (restated)	-	-	1,000	(8,402)	3,926	-	-	(3,476)	352	(3,124)
Share based compensation expense	-	-	-	-	-	-	3,552	3,552	-	3,552
At 30 September 2011, as restated	127,404	1,046,974	8,750	(102,983)	9,330	(411,856)	10,988	688,607	1,215	689,822

The notes on pages 21 to 40 are an integral part of these condensed consolidated interim financial information.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1. General information

Dowell Property Holdings Limited (the "Company") (formerly known as "Doxen Energy Group Limited") is a limited liability company incorporated in Hong Kong and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited. The address of its registered office is Suites 1707-1709, 17/F, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong.

The Company and its subsidiaries (the "Group") are principally engaged in the operation of restaurants, coal mining and property investment.

The condensed consolidated interim financial information is presented in Hong Kong dollars ("HK$"), unless otherwise stated. The condensed consolidated interim financial information was approved for issue by the board of directors (the "Board") on 22 November 2012.

The condensed consolidated interim financial information has not been audited.

2. Basis of preparation

The condensed consolidated interim financial information for the six months ended 30 September 2012 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The condensed consolidated interim financial information should be read in conjunction with the annual financial statements of the Group for the year ended 31 March 2012, which were prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

The preparation of the condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 31 March 2012.

3. Accounting policies

In the current interim period, the Group has applied, for the first time, the following amendments issued by the HKICPA which are relevant to the Group.

(a) HKAS 12 (Amendment), "Deferred tax: Recovery of underlying assets" is effective for annual periods beginning on or after 1 January 2012. It introduces an exception to the principle for the measurement of deferred tax assets or liabilities arising on an investment property measured at fair value. HKAS 12 requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. The amendment introduces a rebuttable presumption that an investment property measured at fair value is recovered entirely by sale. The presumption of recovery entirely by sale is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The amendment is applicable retrospectively to annual periods beginning on or after 1 January 2012 with early adoption permitted. This amendment currently has no impact on the Group's financial statements as the Group's business model is that the entity owning the investment property will recover the value through use and on this basis the presumption of sale has been rebutted. Consequently, the Group has continued to recognise deferred taxes on the basis that the value of investment property is recovered through use.

(b) HKFRS 7 (Amendment), "Disclosures – Transfers of financial assets" is effective for annual periods beginning on or after 1 July 2011. This amendment will promote transparency in the reporting of transfer transactions and improve users' understanding of the risk exposures relating to transfers of financial assets and the effect of those risks on an entity's financial position, particularly those involving securitisation of financial assets. This amendment has no significant impact on the Group's financial statements.

3. Accounting policies *(continued)*

The HKICPA has issued the following new and revised standards and amendments to standards but not yet effective for the financial year beginning on 1 April 2012:

		Effective for annual periods beginning on or after
HKFRS 7 (Amendment)	Financial instruments: Disclosures – Offsetting financial assets and financial liabilities	1 January 2013
HKFRS 9	Financial instruments	1 January 2015
HKFRS 10	Consolidated financial statements	1 January 2013
HKFRS 11	Joint arrangements	1 January 2013
HKFRS 12	Disclosures of interests in other entities	1 January 2013
HKFRS 13	Fair value measurements	1 January 2013
HKFRS 7 and HKFRS 9 (Amendment)	Mandatory effective date and transition disclosures	1 January 2015
HKAS 1 (Amendment)	Presentation of financial statements	1 July 2012
HKAS 19 (Amendment)	Employee benefits	1 January 2013
HKAS 27 (Revised 2011)	Separate financial statements	1 January 2013
HKAS 28 (Revised 2011)	Associate and joint ventures	1 January 2013
HKAS 32 (Amendment)	Financial instruments: Disclosures – Offsetting financial assets and financial liabilities	1 January 2014
HK(IFRIC) – Int 20	Stripping costs in the production phase of a surface mine	1 January 2013
HKFRS (Amendments)	Annual Improvements 2009-2011 Cycle	1 January 2013

The Group has not early adopted these new standards and amendments to standards in the condensed consolidated interim financial information but has already commenced an assessment of the related impact to the Group. The Group is not yet in a position to state whether any substantial changes to the Group's significant accounting policies and presentation of its consolidated financial statements will be resulted.

4. Business combination

On 13 April 2012, a wholly-owned subsidiary of the Company, as purchaser, and a company wholly-owned by Mr. Lo Siu Yu ("Mr. Lo") and his spouse, as vendor, entered into an acquisition agreement to acquire 70% of the equity interest in 重慶寶旭商業管理有限公司(Chongqing Baoxu Commercial Property Management Limited*) ("Chongqing Baoxu") (the "Acquisition"), at a consideration of RMB210.0 million. The Acquisition was completed on 14 August 2012 and has been accounted for by the Group as a business combination under common control for which the Company applies the principles of merger accounting, as prescribed in Hong Kong Accounting Guideline 5 "Merger Accounting for Common Control Combinations" ("HKAG 5") issued by the HKICPA in preparing these condensed consolidated interim financial information. The condensed consolidated interim financial information and the comparative figures have been prepared on the basis as if the current group structure had been in existence since 1 November 2010, date of incorporation of Chongqing Baoxu and when the Company and Chongqing Baoxu first came under the common control of Mr. Lo.

The following is a reconciliation of the effect arising from the Acquisition on the condensed consolidated statement of financial position as at 31 March 2012 and the condensed consolidated income statement for the period ended 30 September 2011.

	The Group before the Acquisition HK$'000	Effect of the Acquisition HK$'000	Consolidated HK$'000
Net assets	673,470	389,313	1,062,783
Share capital	127,404	–	127,404
Merger reserve	(452,547)	298,781	(153,766)
Accumulated losses and other reserves	998,613	(26,262)	972,351
Non-controlling interests	–	116,794	116,794
	673,470	389,313	1,062,783
Revenue	25,942	4,951	30,893
Loss for the period	(9,160)	1,083	(8,077)

* For identification purpose only

5. Financial risk management

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2012.

There have been no changes in any risk management policies.

5.2 Liquidity risk

Compared to the year ended 31 March 2012, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

5.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

5. Financial risk management *(continued)*

5.3 Fair value estimation *(continued)*

The following table presents the Group's assets that are measured at fair value (level 1) as at 30 September 2012 and 31 March 2012.

	As at 30 September 2012 HK$'000	As at 31 March 2012 HK$'000
Assets		
Available-for-sale financial asset		
– Club debenture	**11,900**	11,900
Financial assets at fair value		
through profit or loss	**8,754**	15,750

For the six months ended 30 September 2012, there were no significant changes in the business or economic circumstances that affect the fair value of the Group's financial assets and financial liabilities and there were no reclassifications of financial assets.

6. Revenue and segment information

The chief operating decision-makers ("CODM") have been identified as the Chief Executive Officer and directors of the Company who review the Group's internal reporting in order to assess its performance and allocate resources. The CODM has determined the operating segments based on these reports.

Reportable segments are identified and reported in the manner consistent with internal reports of the Group that are regularly reviewed by the CODM in order to assess performance and allocate resources. The CODM assesses the performance of the reportable segments based on the profit and loss generated.

The Group is principally engaged in the operation of restaurants in Hong Kong, a coal mine (which is still in the process of expanding its production capacity) and a shopping arcade in the People's Republic of China (the "PRC"). The Group's management considers the business principally from an industry perspective. The Group has three reportable segments: (i) restaurant operations; (ii) coal mining; and (iii) property investment.

6. Revenue and segment information *(continued)*

Revenue from the three segments is analysed as follows:

	For the six months ended 30 September	
	2012	2011
	HK$'000	HK$'000
	(unaudited)	(restated)
Restaurant operations	**27,507**	25,418
Coal mining	**–**	524
Property investment	**15,411**	4,951
	42,918	30,893

The segment information provided to the CODM for the reportable segments for the six months ended 30 September 2012 and 30 September 2011 is as follows:

	Restaurant operations HK$'000	Coal mining HK$'000	Property investment HK$'000	Total HK$'000
For the six months ended 30 September 2012				
Revenue from external customers	**27,507**	**–**	**15,411**	**42,918**
Depreciation of property, plant and equipment	**(1,371)**	**(228)**	**–**	**(1,599)**
Finance income	**–**	**973**	**26**	**999**
Finance costs	**(180)**	**(9,266)**	**(49)**	**(9,495)**
Segment results	**(2,497)**	**(10,427)**	**10,384**	**(2,540)**
Income tax credit	**–**	**2,382**	**1,220**	**3,602**
Capital expenditure	**(34)**	**(11,426)**	**(10)**	**(11,470)**
For the six months ended 30 September 2011 (restated)				
Revenue from external customers	25,418	524	4,951	30,893
Depreciation of property, plant and equipment	(920)	(216)	–	(1,136)
Finance income	–	951	18	969
Finance costs	–	(8,589)	–	(8,589)
Segment results	(2,577)	(11,786)	1,445	(12,918)
Income tax credit/(expense)	–	2,952	(362)	(2,590)
Capital expenditure	(8,025)	(27,274)	(12)	(35,311)

6. Revenue and segment information *(continued)*

The segment information provided to the CODM for the reportable segments as at 30 September 2012 and 31 March 2012 is as follows:

	Restaurant operations HK$'000	Coal mining HK$'000	Property investment HK$'000	Total HK$'000
As at 30 September 2012				
Segment assets	**18,607**	**740,569**	**539,317**	**1,298,493**
Segment liabilities	**(14,172)**	**(418,812)**	**(138,315)**	**(571,299)**
As at 31 March 2012 (restated)				
Segment assets	21,071	1,115,404	396,906	1,533,381
Segment liabilities	(14,150)	(617,485)	(7,593)	(639,228)

A reconciliation of segment results to loss before income tax is provided as follows:

	For the six months ended 30 September	
	2012 HK$'000 (unaudited)	2011 HK$'000 (restated)
Segment results	**(2,540)**	(12,918)
Depreciation of property, plant and equipment	**(560)**	(258)
Finance income – net	**1,654**	1,873
Staff costs	**(5,256)**	(8,078)
Others	**(10,665)**	8,714
Loss before income tax	**(17,367)**	(10,667)

6. Revenue and segment information *(continued)*

Reportable segments' assets are reconciled to total assets as follows:

	As at 30 September 2012 HK$'000 (unaudited)	As at 31 March 2012 HK$'000 (restated)
Segment assets	**1,298,493**	1,533,381
Unallocated:		
Available-for-sale financial asset	**11,900**	11,900
Property, plant and equipment	**2,942**	3,501
Intangible assets	**2,870**	–
Financial asset at fair value through profit or loss	**8,754**	15,750
Deposit for acquisition of assets	**15,000**	–
Cash and cash equivalents	**27,795**	141,872
Other assets	**1,812**	2,152
Total assets	**1,369,566**	1,708,556

Reportable segments' liabilities are reconciled to total liabilities as follows:

	As at 30 September 2012 HK$'000 (unaudited)	As at 31 March 2012 HK$'000 (restated)
Segment liabilities	**571,299**	639,228
Unallocated:		
Finance lease liabilities	**1,137**	1,362
Tax payable	**105**	105
Other liabilities	**3,349**	5,078
Total liabilities	**575,890**	645,773

All revenue of the Group from the restaurant operations is derived in Hong Kong, while all revenue of the Group from the coal mining operation and property investment operation is derived in the PRC. All the Group's assets, liabilities and capital expenditure of the restaurant operations are located and utilised in Hong Kong, and all the Group's assets, liabilities and capital expenditure of the coal mining operation and property investment operation are located and utilised in the PRC.

7. Staff costs

	For the six months ended 30 September	
	2012	2011
	HK$'000	HK$'000
	(unaudited)	(restated)
Wages and salaries, including directors' fees	**13,565**	11,748
Provision for termination benefits	**204**	8
Reversal of provision for leave balance	**(38)**	(243)
Provision for long service payments	**208**	278
Retirement benefit costs – defined contribution schemes	**790**	501
Share options granted to directors and employees	**826**	3,552
Other staff costs	**1,574**	1,101
	17,129	16,945

8. Other (losses)/gains – net

	For the six months ended 30 September	
	2012	2011
	HK$'000	HK$'000
	(unaudited)	(restated)
Net exchange (losses)/gains	**(2,989)**	11,022
Fair value gains on financial assets at fair value through profit or loss	**256**	–
Loss on disposal of property, plant and equipment	**–**	(70)
	(2,733)	10,952

9. Other operating expenses

	For the six months ended 30 September 2012 HK$'000 (unaudited)	2011 HK$'000 (restated)
Legal and professional expenses	**1,673**	1,468
Cleaning and laundry expenses	**603**	588
Consumables	**259**	455
Insurance expenses	**345**	311
Occupancy expenses (other than operating lease rentals)	**1,910**	1,623
Promotion expenses	**862**	1,427
Business and other taxes	**1,986**	257
Other expenses	**5,915**	2,499
Other operating expenses	**13,553**	8,628

10. Finance (costs)/income

	For the six months ended 30 September 2012 HK$'000 (unaudited)	2011 HK$'000 (restated)
Finance costs:		
– Bank borrowings wholly repayable within five years	**(19,698)**	(16,047)
– Finance lease liabilities	**(41)**	(33)
Less: amounts capitalised in qualifying assets	**10,203**	7,458
Finance costs charged to condensed consolidated income statement	**(9,536)**	(8,622)
Finance income:		
– Interest income from bank deposits	**2,694**	2,875
Finance costs – net	**(6,842)**	(5,747)

11. Income tax credit

	For the six months ended 30 September	
	2012	2011
	HK$'000	HK$'000
	(unaudited)	(restated)
Current income tax		
Hong Kong profits tax	**–**	–
PRC corporate income tax	**(2,522)**	(362)
Deferred income tax credit	**6,124**	2,952
	3,602	2,590

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits for the period. No Hong Kong profits tax has been provided for the six months ended 30 September 2012 as there was no estimated assessable profit for the period (six months ended 30 September 2011: Nil).

PRC corporate income tax is provided on the profit before income tax of subsidiaries of the Group which are subject to PRC corporate income tax at the statutory tax rate of 25%.

12. Losses per share

The calculation of basic and diluted losses per share is based on the following:

	For the six months ended 30 September	
	2012	2011
	HK$'000	HK$'000
	(unaudited)	(restated)
Loss attributable to equity holders of the Company	**(17,246)**	(8,402)
Weighted average number of ordinary shares in issue	**1,274,038,550**	1,274,038,550

Employee share options outstanding at 30 September 2012 and 30 September 2011 would have an anti-dilutive effect on loss per share.

13. Dividends

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2012 (six months ended 30 September 2011: Nil).

14. Property, plant and equipment

	Unaudited Property, plant and equipment HK$'000
For the six months ended 30 September 2012	
Opening net book value, as at 1 April 2012, as previously reported	**177,270**
Effect of the Acquisition	**11**
Opening net book value, as at 1 April 2012, as restated	**177,281**
Exchange differences	**(3)**
Additions	**11,470**
Depreciation	**(2,159)**
Closing net book value, as at 30 September 2012	**186,589**
For the six months ended 30 September 2011 (restated)	
Opening net book value, as at 1 April 2011	83,617
Exchange differences	2,223
Additions	37,192
Disposals	(107)
Depreciation	(1,394)
Closing net book value, as at 30 September 2011	121,531

15. Mining right

The mining right of the Group represents its interest in a thermal coal mine (the "New Century Coal Mine") located in Fukang City in Xinjiang, the PRC, through Xinjiang New Century Mining Company Limited, a subsidiary acquired by the Group on 31 August 2010. The New Century Coal Mine is currently under construction and expansion.

16. Available-for-sale financial asset

The available-for-sale financial asset are unlisted club debentures, the fair value of which is determined with reference to quoted price in an open market.

17. Investment property

	Unaudited Investment property HK$'000
For the six months ended 30 September 2012	
Opening net book value, as at 1 April 2012, as previously reported	**–**
Effect of the Acquisition	**364,968**
Opening net book value, as at 1 April 2012, as restated	**364,968**
Additions	**–**
Closing net book value, as at 30 September 2012	**364,968**
For the six months ended 30 September 2011 (restated)	
Opening net book value, as at 1 April 2011	339,768
Exchange differences	9,155
Additions	195
Closing net book value, as at 30 September 2011	349,118

17. Investment property *(continued)*

The investment property represents a shopping arcade located in the PRC. No valuation has been conducted by independent valuer for the current period. The Board has made the assessment based on the valuation report issued by American Appraisal China Limited, which was included in the Group's circular dated 7 May 2012. As at 30 September 2012, fair value of the investment property was estimated by the Board by capitalizing the gross rental income from the existing tenancies and the potential future reversionary rental income at the current market level. Considering no material rental agreements having been entered into since the valuation date up to 30 September 2012, as well as no material changes in the market condition, the Board considered no material changes in the fair value of the investment property during the period under review.

As at 30 September 2012, the investment property with net book value of HK$364,968,000 was pledged as collateral for a Group's bank facility of HK$246,600,000 (Note 20). As at 31 March 2012, the investment property with net book value of HK$364,968,000 was pledged as collateral for a bank loan of RMB260,000,000 borrowed by 重慶東銀實業（集團）有限公司 (Chongqing Doyen (Holdings) Limited*) ("Chongqing Doyen"), a company wholly owned by Mr. Lo and his spouse (Note 23).

18. Trade receivables

The ageing analysis of trade receivables is as follow:

	30 September 2012 HK$'000 (unaudited)	31 March 2012 HK$'000 (restated)
Current to 30 days	**12,327**	9,427

The fair value of the Group's trade receivables is approximately the same as the carrying value. The trade receivables included in the above ageing analysis are considered not impaired as they are aged within the credit period granted and there is no recent history of default.

* For identification purpose only

19. Share capital

	As at 30 September 2012 HK$'000 (unaudited)	As at 31 March 2012 HK$'000 (restated)
Authorised:		
5,000,000,000 ordinary shares of HK$0.1 each	**500,000**	500,000
Issued and fully paid:		
1,274,038,550 ordinary shares of HK$0.1 each	**127,404**	127,404

20. Bank borrowings

	As at 30 September 2012 HK$'000 (unaudited)	As at 31 March 2012 HK$'000 (restated)
Non-current:		
Bank borrowings, secured	**248,868**	187,159
Current:		
Bank borrowings, secured	**277,155**	400,725
	526,023	587,884

The Group's bank borrowings were repayable as follows:

	As at 30 September 2012 HK$'000 (unaudited)	As at 31 March 2012 HK$'000 (restated)
Within one year	**248,868**	187,159
After one year and within five years	**277,155**	400,725
	526,023	587,884

20. Bank borrowings *(continued)*

As at 30 September 2012, the Group's investment property amounting to approximately HK$364,968,000 was pledged to secure a bank facility of HK$246,600,000 granted to the Group, out of which approximately HK$123,300,000 (31 March 2012: Nil) has been utilised as at 30 September 2012 (Note 17).

The Group's bank borrowings amounting to HK$217,773,000 as at 30 September 2012 were secured by:

(i) the Group's mining right amounting to approximately HK$10,398,000;

(ii) the Group's equity interests in Xinjiang New Century Mining Company Limited, a wholly owned subsidiary; and

(iii) guarantees given by Mr. Lo, the controlling shareholder, and a related company owned by him.

The Group's bank borrowings of HK$184,950,000 as at 30 September 2012 were secured by the Group's bank deposit amounting to approximately HK$196,213,000.

All of the Group's bank borrowings were denominated in Renminbi.

As at 30 September 2012, the Group's bank borrowings amounting to HK$526,023,000 (31 March 2012: HK$587,884,000) bear interest at floating rates.

The carrying amounts of the Group's current bank borrowings at the respective reporting dates approximate their fair values as the impact of discounting is insignificant.

21. Trade payables

The ageing analysis of trade payables is as follows:

	As at 30 September 2012 HK$'000 (unaudited)	As at 31 March 2012 HK$'000 (restated)
Current to 30 days	**2,703**	2,467
Over 30 days	**55**	82
	2,758	2,549

The Group's trade payables are denominated in HK$ and Renminbi.

22. Commitments

(a) Capital commitments

Capital expenditure in respect of acquisition of property, plant and equipment is as follows:

	As at 30 September 2012 HK$'000 (unaudited)	As at 31 March 2012 HK$'000 (restated)
For acquisition of property, plant and equipment		
– Approved but not contracted for	**225,901**	251,401
– Contracted but not provided for	**89,124**	75,409
	315,025	326,810
For acquisition of a club debenture		
– Approved but not contracted for	**–**	4,600
	315,025	331,410

22. Commitments *(continued)*

(b) Operating lease commitments

(i) The Group had future minimum lease payments under non-cancellable operating leases as follows:

	As at 30 September 2012 HK$'000 (unaudited)	As at 31 March 2012 HK$'000 (restated)
Within one year	**9,394**	12,372
After one year and within five years	**5,760**	9,966
	15,154	22,338

The actual payments in respect of certain operating leases are calculated at the higher of: (i) the minimum commitments as noted above; and (ii) the amounts determined based on a percentage of the sales of the related outlets.

(ii) The Group had future aggregate minimum lease rental receivables under non-cancellable operating leases as follows:

	As at 30 September 2012 HK$'000 (unaudited)	As at 31 March 2012 HK$'000 (restated)
Within one year	**28,109**	26,173
After one year and within five years	**80,500**	90,957
Over five years	**883**	2,260
	109,492	119,390

23. Related party transaction

As at 31 March 2012, the investment property of the Group with net book value of HK$364,968,000 has been pledged for a bank loan of RMB260,000,000 borrowed by Chongqing Doyen for a term from 13 July 2011 to 12 July 2012 (Note 17). The bank loan was repaid on the repayment date and the pledge has been released accordingly.

Other than the abovementioned, there is no significant related party transaction occurred over the review period.

24. Events after the date of statement of financial position

On 10 October 2012, the Board announced the proposed change of the English name of the Company from "Doxen Energy Group Limited" to "Dowell Property Holdings Limited" and the Chinese name of the Company from "東星能源集團有限公司" to "東原地產控股有限公司" (the "Proposed Change of Company Name"). A special resolution was proposed to the shareholders of the Company to approve the Proposed Change of Company Name and was passed at the extraordinary general meeting on 13 November 2012. For more details, please refer to the circular of the Company together with the notice of the extraordinary general meeting dated 19 October 2012.

On 12 October 2012, Chongqing Baoxu, a non-wholly owned subsidiary of the Company, has entered into a loan agreement, pursuant to which Chongqing Baoxu granted a loan in the amount of RMB80 million to 重慶貴拓貿易有限公司. For more details please refer to the announcement of the Company dated 12 October 2012.

Refer to the Disposal Agreement mentioned on page 5 of this report, a resolution to approve it was duly passed at the extraordinary general meeting of the Company held on 18 October 2012.

Save as disclosed, there have been no events to cause material impact on the Group from 30 September 2012 to the date of this report that need to be disclosed.