UNITED POWER INVESTMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 674)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2007

The directors of United Power Investment Limited (the "Company") announce the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2007 with comparative figures for the previous corresponding period as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2007

		Six months ended 30 September	
		2007	2006
		(Unaudited)	(Unaudited)
	Notes	***HK$***	*HK$*
Turnover	*2*	**115,525,108**	99,754,519
Cost of sales		**(67,741,457)**	(44,803,299)
Gross profit		**47,783,651**	54,951,220
Other revenue		**8,512,699**	1,440,750
Operating expenses		**(75,790,012)**	(59,865,353)
Operating loss		**(19,493,662)**	(3,473,383)
Increase in fair value of investment properties	*7*	**4,100,949**	—
Finance costs		**(263,471)**	(18,299)
Loss before taxation	*3*	**(15,656,184)**	(3,491,682)
Taxation	*4*	**(1,807,374)**	(500,000)
Loss for the period from continuing operations		**(17,463,558)**	(3,991,682)
Profit for the period from discontinued operations		**—**	1,876,592
Loss for the period		**(17,463,558)**	(2,115,090)
Attributable to:			
Equity holders of the Company		**2,738,568**	437,402
Minority interests		**(20,202,126)**	(2,552,492)
		(17,463,558)	(2,115,090)
Earnings/(loss) per share	*5*		
From continuing and discontinued operations			
— Basic		**0.10 cent**	0.02 cent
— Diluted		**0.10 cent**	0.02 cent
From continuing operations			
— Basic		**0.10 cent**	(0.05 cent)
— Diluted		**0.10 cent**	(0.05 cent)

CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 September 2007

	Note	As at 30 September 2007 (Unaudited) HK$	As at 31 March 2007 (Audited) HK$
Non-current assets			
Goodwill		**533,638**	—
Property, plant and equipment		**106,287,383**	105,594,731
Investment properties		**152,500,000**	100,500,000
Deferred expenditure		**26,292,428**	3,988,251
Deferred tax asset		**4,566,268**	5,616,256
Total non-current assets		**290,179,717**	215,699,238
Current assets			
Inventories		**34,269,212**	27,594,127
Trade and other receivables		**40,284,878**	59,731,426
Deferred expenditure		**45,391,645**	45,267,624
Cash and cash equivalents		**399,006,409**	438,160,876
Total current assets		**518,952,144**	570,754,053
Current liabilities			
Trade and other payables		**38,356,043**	55,717,421
Amounts due to minority shareholders		**106,454,724**	66,875,269
Provision for taxation		**171,656**	518,984
Total current liabilities		**144,982,423**	123,111,674
Net current assets		**373,969,721**	447,642,379
Total assets less current liabilities		**664,149,438**	663,341,617
Non-current liabilities			
Provision for long service payments		**2,159,769**	2,262,353
Deferred tax liabilities		**15,354,938**	14,427,686
Total non-current liabilities		**17,514,707**	16,690,039
Net assets		**646,634,731**	646,651,578
Capital and reserves attributable to equity holders of the Company			
Share capital	*10*	**134,956,080**	131,506,080
Reserves		**540,062,920**	524,437,444
Equity attributable to equity holders of the Company		**675,019,000**	655,943,524
Minority interests		**(28,384,269)**	(9,291,946)
Total equity		**646,634,731**	646,651,578

NOTES:

1. Basis of preparation and significant accounting policies

The unaudited condensed consolidated interim financial statements for the six months ended 30 September 2007 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") and with applicable disclosure requirements of Appendix 16 of the Listing Rules.

The unaudited condensed consolidated interim financial statements should be read in conjunction with the annual financial statements of the Company for the year ended 31 March 2007.

The accounting policies and basis of preparation used in preparing these unaudited condensed consolidated interim financial statements are consistent with those described in the annual financial statements for the year ended 31 March 2007, except as mentioned below.

(a) Effect of adopting new standards, amendments to standards and interpretations

The following new standards, amendments to standards and interpretations are mandatory for the financial year ending 31 March 2008.

HKAS 1 (Amendment)	Presentation of Financial Statements: Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC) — Interpretation 8	Scope of HKFRS 2
HK(IFRIC) — Interpretation 9	Reassessment of Embedded Derivatives
HK(IFRIC) — Interpretation 10	Interim Financial Reporting and Impairment
HK(IFRIC) — Interpretation 11	HKFRS 2 — Group and Treasury Share Transactions

The adoption of the above new standards, amendments to standards and interpretations has no material impact to the condensed consolidated interim financial statements.

(b) Standards, amendments to standards and interpretations that have been issued but are not yet effective

The following new standards, amendments to standards and interpretations have been issued but are not effective for the period beginning on 1 April 2007 and have not been early adopted. The Group anticipates that the adoption of these new standards, amendments to standards and interpretations will not result in substantial changes to the Group's accounting policies.

HKAS 23 (Revised)	Borrowing Costs [1]
HKFRS 8	Operating Segments [1]
HK(IFRIC) — Interpretation 12	Service Concession Arrangements [2]
HK(IFRIC) — Interpretation 13	Customer Loyalty Programmes [3]
HK(IFRIC) — Interpretation 14	HKAS 19 — The Limit on a Defined Benefit Assets, Minimum Funding Requirements and their Interaction [2]

[1] Effective for annual periods beginning on or after 1 January 2009

[2] Effective for annual periods beginning on or after 1 January 2008

[3] Effective for annual periods beginning on or after 1 July 2008

2. Turnover, revenue and segment information

The Group was currently engaged in restaurant operations, property investment, wedding services business, entertainment business, retail operations and licence fee collection business.

An analysis of the Group's turnover and results by business segment for the interim period ended 30 September 2007, together with the comparative figures for the corresponding period in 2006, is as follows:

	(Unaudited) Six months ended 30 September 2007								
	Restaurant operations *HK$*	**Property investment** *HK$*	**Wedding services** *HK$*	**Entertainment operations** *HK$*	**Retail of watches** *HK$*	**Retail of wine** *HK$*	**Licence fee collection business** *HK$*	**Inter-segment elimination** *HK$*	**Total** *HK$*
Turnover	**19,376,826**	**5,471,800**	**37,325,851**	**54,107**	**53,015,639**	**1,840,742**	**1,068,143**	**(2,628,000)**	**115,525,108**
Segment results	**1,771,555**	**3,704,621**	**(2,218,713)**	**(413,590)**	**251,182**	**(288,349)**	**(29,127,096)**	**—**	**(26,320,390)**
Interest income									**8,307,201**
Increase in fair value of investment properties									**4,100,949**
Unallocated costs									**(1,480,473)**
Operating loss									**(15,392,713)**
Finance costs									**(263,471)**
Loss before taxation									**(15,656,184)**
Taxation									**(1,807,374)**
Loss for the period from continuing operations									**(17,463,558)**

	(Unaudited) Six months ended 30 September 2006								
	Restaurant operations *HK$*	Property investment *HK$*	Wedding services *HK$*	Entertainment operations *HK$*	Retail of watches *HK$*	Retail of wine *HK$*	Licence fee collection business *HK$*	Inter-segment elimination *HK$*	Total *HK$*
Turnover	18,161,630	5,318,900	45,681,769	2,416,168	29,647,034	1,109,018	—	(2,580,000)	99,754,519
Segment results	(1,621,214)	3,819,299	(86,973)	(3,273,829)	304,078	(802,564)	—		(1,661,203)
Interest income									1,243,332
Unallocated costs									(3,055,512)
Operating loss									(3,473,383)
Finance costs									(18,299)
Loss before taxation									(3,491,682)
Taxation									(500,000)
Loss for the period from continuing operations									(3,991,682)

An analysis of the Group's geographical segments is set out as follows:

	2007			
	Hong Kong	**Macau**	**PRC**	**Total**
	HK$	***HK$***	***HK$***	***HK$***
Turnover	**111,440,822**	**3,016,143**	**1,068,143**	**115,525,108**
Segment assets	**699,367,346**	**13,665,646**	**96,098,869**	**809,131,861**
Capital expenditure	**2,826,132**	**—**	**47,909,773**	**50,735,905**

	2006			
	Hong Kong	**Macau**	**PRC**	**Total**
	HK$	***HK$***	***HK$***	***HK$***
Turnover	**93,136,354**	**6,618,165**	**—**	**99,754,519**
Segment assets	**303,809,250**	**23,086,565**	**9,402,727**	**336,298,542**
Capital expenditure	**453,539**	**2,552,400**	**—**	**3,005,939**

3. Loss before taxation

Loss before taxation is stated after crediting and charging the following:

	Six months ended 30 September	
	2007	2006
	(Unaudited)	(Unaudited)
	HK$	*HK$*
Crediting		
Bank interest income	**8,131,968**	1,241,826
Interest income on loan receivable	**175,233**	—
Increase in fair value of investment properties	**4,100,949**	—
Charging		
Cost of inventories recognised as an expense	**58,943,835**	35,787,808
Depreciation of property, plant and equipment	**2,804,132**	2,779,649
Amortisation of deferred expenditure	**22,571,802**	—
Amortisation of pre-paid licence fee	**2,590,746**	—
Loss on disposal of property, plant and equipment	**35,560**	—
Interest expense on loan payables	**263,471**	—
Direct operating expenses from investment properties	**137,132**	148,641
Operating lease rentals in respect of land and buildings	**6,124,160**	7,758,763
Staff costs — wages and salaries	**23,223,060**	25,650,680

4. **Taxation**

Taxation in the condensed consolidated income statement represents:

	Six months ended 30 September	
	2007	2006
	(Unaudited)	(Unaudited)
	HK$	*HK$*
Under-provision in prior year:		
Profits tax in Macau	**1,708**	—
Deferred taxation	**1,805,666**	500,000
	1,807,374	500,000

No provision for Hong Kong profits tax has been made for subsidiaries within the Group as these subsidiaries have either sufficient tax losses brought forward to offset against the estimated assessable profits or no material estimated assessable profits for the period on an individual basis.

No provision for Macau Tax and PRC Enterprise Income Tax has been made as the subsidiaries operating in Macau and PRC incurred of losses for the period.

5. **Earnings/(loss) per share**

From continuing and discontinued operations

The calculation of basic earnings per share is based on the consolidated profit attributable to shareholders of HK$2,738,568 (2006: HK$437,402) divided by 2,673,460,398 ordinary shares (2006: 2,630,121,600 ordinary shares) in issue during the period.

The calculation of diluted earnings per share is based on the consolidated profit attributable to shareholders of HK$2,738,568 (2006: HK$437,402) and 2,673,460,398 ordinary shares (2006: 2,630,121,600 ordinary shares) outstanding during the period, plus 13,330,651 ordinary shares (2006: 24,266,667 ordinary shares) deemed to be issued at no consideration as if share options have been exercised at the date of grant.

From continuing operations

The calculation of basic earnings/(loss) per share for continuing operations is based on the consolidated profit from continuing operations attributable to shareholders of HK$2,738,568 (2006: loss of HK$1,345,360) divided by 2,673,460,398 ordinary shares (2006: 2,630,121,600 ordinary shares) in issue during the period.

The calculation of diluted earnings/(loss) per share for continuing operations is based on the consolidated profit from continuing operations of HK$2,738,568 (2006: loss of HK$1,345,360) and 2,673,460,398 ordinary shares (2006: 2,630,121,600 ordinary shares) outstanding during the period, plus 13,330,651 ordinary shares (2006: 24,266,667 ordinary shares) deemed to be issued at no consideration as if share options have been exercised at the date of grant.

6. **Property, plant and equipment**

During the period, the Group acquired property, plant and equipment (including additions via acquisition of subsidiary) at cost of HK$2,836,853 and disposed of motor vehicles with net book value of HK$325,000 at a consideration of HK$289,440 which resulted a loss of HK$35,560 on disposal of property, plant and equipment.

7. Investment properties

During the period, the Group acquired investment properties in Guangzhou, PRC via an acquisition of the entire issued share capital of Shenzhen Land Company Limited from related parties and a shareholder's loan of HK$16,434,099 at an aggregate consideration of HK$48,000,000. Details of the transaction are as follows:

	Acquiree's carrying amounts	**Valuation adjustment**	**Adjusted amount on acquisition date**
	HK$	*HK$*	*HK$*
Share of net assets acquired:			
Investment properties	39,272,723	8,626,328	47,899,051
Utility deposits	153,291	—	153,291
Accruals	(13,200)	—	(13,200)
Amount due to a related company	(39,142)	—	(39,142)
Shareholder's loan	(16,434,099)	—	(16,434,099)
	22,939,573	8,626,328	31,565,901
Shareholder's loan acquired			16,434,099
Total consideration			48,000,000
Satisfied by: cash consideration paid			48,000,000

During the period, the above investment properties were revalued to HK$52,000,000 on an open market value basis by Vigers Appraisal and Consulting Limited, an independent firm of professional valuers, resulting a valuation gain of HK$4,100,949 on investment properties.

8. Trade and other receivables

Included in trade and other receivables are trade debtors and their ageing analysis is as follows:

	As at 30 September 2007 (Unaudited)	**As at 31 March 2007 (Audited)**
	HK$	***HK$***
Within 30 days	**1,222,592**	1,765,363
31 to 60 days	**119,834**	106,563
Over 60 days	**482,527**	264,406
	1,824,953	2,136,332

The general credit terms allowed range from 0 to 60 days.

9. Trade and other payables

Included in trade and other payables are trade creditors and their ageing analysis is as follows:

	As at 30 September 2007 (Unaudited) *HK$*	As at 31 March 2007 (Audited) *HK$*
Within 30 days	3,409,136	3,924,636
31 to 60 days	837,763	600,205
61 to 90 days	33,090	88
Over 90 days	534,714	508,672
	4,814,703	5,033,601

10. Share capital

	30 September 2007		31 March 2007	
	Number of shares	*HK$*	Number of shares	*HK$*
Authorised:				
Ordinary shares of HK$0.05 each				
At beginning of period/year	3,800,000,000	190,000,000	3,800,000,000	190,000,000
Increase in authorised ordinary shares	6,200,000,000	310,000,000	—	—
At end of period/year	10,000,000,000	500,000,000	3,800,000,000	190,000,000
Issued and fully paid:				
At beginning of period/year	2,630,121,600	131,506,080	2,630,121,600	131,506,080
Issue of shares on exercise of share options	69,000,000	3,450,000	—	—
At end of period/year	2,699,121,600	134,956,080	2,630,121,600	131,506,080

The Company had increased the authorised share capital to HK$500 million by creation of 6.2 billion shares of HK$0.05 each on 28 September 2007.

During the period, 69,000,000 out of 70,000,000 share options were exercised by options holders who are directors of the Company at the subscription price of HK$0.2254 per share for a total cash consideration of HK$15,552,600, resulting in the issue of an aggregate of 69,000,000 new ordinary shares of the Company of HK$0.05 each.

DIVIDEND

The directors have resolved not to pay an interim dividend for the six months ended 30 September 2007 (2006: Nil).

BUSINESS REVIEW AND PROSPECTS

Consolidated results

The turnover of the Group for the six months ended 30 September 2007 was about HK$116 million, representing an increase of about 15.8% compared to same period last year. However, the increase was mainly due to contribution from the retail trading of watches business in Hong Kong. Such increase was partially offset by decrease in turnover of the wedding service business and retail trading of watch business in Macau. Profit attributable to shareholders of HK$2.7 million for the period was recorded as compared to HK$0.4 million in the previous period. The increase in profit was mainly due to increase in profit from restaurant, interest income, increase in fair value of investment properties of the newly acquired properties in Guangzhou and closure of continued loss business of Japanese restaurant and Reli-a-bo entertainment business. Such increase was partially offset by an amortisation of deferred expenditure of the business of collection of fees for licensing of karaoke music products in the PRC, loss in wedding services business and wine retail business in Macau.

Restaurant operations

The business of the Chiu Chau restaurant in Star House, Tsimshatsui is stable and profitable. The directors consider that given the improving economic situation in Hong Kong, such restaurant will continue to contribute profit to the Group.

Investment properties

The investment properties had contributed steady rental income to the Group during the period, and are expected to continue to do so for the latter part of the current financial year. In May 2007, the Group acquired properties located at the commercial district of Guangzhou, the PRC for HK$48 million. The properties will be used to operate restaurant and entertainment business.

Wedding services operations

The Group's wedding services business is operated under the trade names of "Cite Du Louvre 羅浮宮婚紗影城" and "Wonderful Arts Wedding Services 新天地婚紗攝影" in Hong Kong. The business was still adversely affected by keen competition from local and Taiwan wedding services companies. The business had incurred loss during the period.

Entertainment operations

In July 2007, the Group established a 60% subsidiary, 北京金英馬國際文化交流有限公司, in Peking, the PRC for its movie and TV film production business. In September 2007, the Group entered into two agreements relating to TV film production. Subject to the agreements becoming unconditional and completion taking place, the total investment will be approximately RMB26 million.

In September 2007, the Group acquired 51% interest in Baron Production and Artiste Management Company Limited which is engaged in providing services relating to production and artist management in the entertainment industry. It increased a loss of HK$0.1 million.

In September 2007, the Group set up a wholly-owned subsidiary, Golden Capital Multimedia (Shenzhen) Co. Ltd in Shenzhen, PRC for entertainment and related business.

Watch retail operations

The Hong Kong watch retail business contributed profits of approximately HK$0.7 million, but was offset by the loss in the Macau operation. The business recorded a profit of approximately HK$0.25 million.

Collection of fees for licensing of karaoke music products

During last year, the Group entered into various agreements relating to collection of fees for licensing of copyright to karaoke music products to karaoke operators in the PRC. It incurred a loss of approximately HK$29 million. The loss was mainly due to an amortisation of deferred expenditure of approximately HK$23 million for fee collection for these business.

Wine retail operations

This business recorded a loss of approximately HK$0.29 million.

Financial review

The Group's financial position is strong with net asset value of about HK$646.6 million. The management will look for suitable business opportunities.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

There was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries during the six months ended 30 September 2007.

CODE OF CORPORATE GOVERNANCE PRACTICES

None of the directors of the Company is aware of any information which would reasonably indicate that the Company is not, or was not in compliance with the Code of Corporate Governance Practices, as set out in Appendix 14 to the Listing Rules at any time during the six months ended 30 September 2007, save that the independent non-executive directors were not appointed for a specific term but are subject to retirement by rotation in annual general meetings of the Company in accordance with the Bye-laws of the Company. In view of the requirement on directors' retirement by rotation under the Bye-laws of the Company, the directors do not consider appointment of independent non-executive directors for specific terms necessary.

REVIEW BY AUDIT COMMITTEE

The Audit Committee of the Company has reviewed with the management of the Group the accounting principles and practices adopted by the Group, its internal controls and financial reporting matters and the interim results for the six months ended 30 September 2007.

By order of the Board
Liu Yu Mo
Chief Executive Officer

Hong Kong, 17 December 2007

As at the date of this announcement, the board of the Company comprises (1) Mr. Yeung Chi Hang, Madam Ma Shuk Kam, Mr. Liu Yu Mo, Mr. Chung Siu Wah, Ms. Yeung Kit Yu, Kitty, Mr. Au Edmond Wah and Mr. Chik To Pan as executive directors; and (2) Ms. Chan Lai Mei, Mr. Lee Wai Loun and Mr. Lee Yuk Sang, Angus as independent non-executive directors.