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東方明珠創業有限公司*
Pearl Oriental Innovation Limited

(the “Company”)

(Incorporated in Bermuda with limited liability)

(Stock Code: 632)

CHANGE OF DIRECTORS

The Board announces that Mr. Fung Hing Chiu, Cyril has been appointed as an independent non-executive director of the Company with effect from 13 July 2007 and Dr. Lee G Lam has resigned as an independent non-executive director of the Company due to his personal reasons with effect from 9 July 2007.

APPOINTMENT OF NEW DIRECTOR

The board of directors of the Company (the “Board”) is pleased to announce that Mr. Fung Hing Chiu, Cyril (“Mr. Fung”) has been appointed as an independent non-executive director of the Company with effect from 13 July 2007.

Mr. Fung, aged 68, is a prominent international and Hong Kong entrepreneur. Mr. Fung graduated from Harvard Graduate School of Business Administration with an Master Degree in Business Administration in 1965. He had worked for Morgan Guaranty Trust in New York head office and Bank of East Asia. Mr. Fung was the Managing Director of Fung Ping Fan Holdings. He was also the Co-founder and Chairman of the first venture capital fund in Asia, Inter-Asia Management Co. Ltd. and succeeded in bringing McDonald’s to Hong Kong and Singapore. Mr. Fung’s strong strategic sense, proven value-enhancement expertise and very diverse business experience made him a distinct business investment consulting professional.

Mr. Fung does not hold any position with the Company or any of its subsidiaries immediately before the date of his appointment. He is not connected with any director, senior management of substantial or controlling shareholder of the Company. As at the date hereof Sir Kenneth Fung Ping Fan Foundation Trust I owns 1,272,090 shares in the Company in which Mr. Fung is one of the trustees and does not have any other interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Fung’s appointment is for a period of two years commencing from 13 July 2007. Mr. Fung will be entitled to a director’s fee HK\$150,000 per annum which is determined by reference to his duties and responsibilities to the Company. He will also be entitled to a discretionary year-end-bonus.

Save as disclosed in this announcement, the Board is not aware of any matter in relation to Mr. Fung that is required to be disclosed pursuant to the Listing Rules or any other matter that needs to be brought to the attention of the Shareholders in relation to Mr. Fung's appointment.

RESIGNATION OF DIRECTOR

Dr. Lee G. Lam ("Dr. Lam") has resigned as an independent non-executive director of the Company with effect from 9 July 2007 for personal reasons including to avoid potential conflict of interests that may arise from his potential participation in business activities similar to those of the Company.

Dr. Lam has confirmed that there is no disagreement between him and the Board and there is no matter relating to his resignation that needs to be brought to the attention of the Shareholders of the Company.

The board of directors of the Company hereby extends its great appreciation for Dr. Lam's contributions to the Group during his tenure of office.

As at the date hereof, the Board comprises six executive Directors, namely Mr. Wong Yuk Kwan (alias: Wong Kwan), Mr. Chan Yiu Keung, Mr. Cheung Kwok Yu, Mr. Zhou Li Yang, Mr. Zheng Yinghsneg and Mr. Johnny Yuen; and two independent non-executive Directors, namely Dr. Anwar Ibrahim and Mr. Fung Hing Chiu, Cyril.

By Order of the Board
Pearl Oriental Innovation Limited
Cheung Kwok Yu
Executive Director and Company Secretary

Hong Kong, 17 July 2007

* *For identification purposes only*