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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)

RESIGNATION OF DIRECTORS

The Company announces that both Dr. Robert Fung Hing Piu and Mr. Victor Yang have resigned as non-executive director and independent non-executive director of the Company respectively with effect from 1 June 2007.

The Company announces that both Dr. Robert Fung Hing Piu and Mr. Victor Yang have resigned as non-executive director and independent non-executive director of the Company respectively with effect from 1 June 2007 due to their other engagements which require more of their dedication.

Both Dr. Fung and Mr. Yang have confirmed that there is no disagreement between each of them and the Board and there is no matter relating to each of their resignations 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. Fung’s and Mr. Yang’s contributions to the Group during their tenure of office.

After the resignation of Mr. Yang, the Company has two independent non-executive directors and is below the minimum number required under Rule 3.10(1) of the Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Moreover, the audit committee of the Company comprises only two members and is below the minimum number required under Rule 3.21 of the Listing Rule. The Company will appoint an additional independent non-executive director (who will also be appointed as an additional member of the audit committee and remuneration committee) within three months after the date of the resignation of Mr. Yang in accordance with Rule 3.11 of the Listing Rules. Further announcement will be made by the Company as and when the additional independent non-executive director has been appointed.

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 Yingsheng and Mr. Johnny Yuen; and two independent non-executive Directors, namely Dr. Anwar Ibrahim, Dr. Lee G. Lam.

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

Hong Kong, 4 June 2007

* *For identification purposes only*

Please also refer to the published version of this announcement in The Standard.