



PRESS RELEASE

**PEARL ORIENTAL SUCCESSFULLY CLAIMED TO
EXECUTE ON 5,000,000 EQUITY SHARES
OF THE COMPANY**

Pearl Oriental Innovation Limited (“Pearl Oriental”, Stock Code: 0632.hk) announced that on 10 August 2011, has successfully obtained a judgement and declaration from the High Court of Hong Kong in the legal litigation against the former French joint venture partner. In this legal action, the Company is entitled to and will proceed to levy execution on these 5,000,000 ordinary shares (“The Shares”), and 1,000,000 bonus shares entitlement thereof).

As the former French joint venture partner has breached his profit guarantee in relation to Euro Resources China Limited (“Euro Resources”), a subsidiary of Pearl Oriental, that the net profit for each of the three financial years ended 31 December 2009 should not be less than Euro 4 million, and therefore is liable to surrender The Shares as part of the loss from judgment amount of Euro 9.83 million (approximately equivalent to HK\$109.14 million) payable to the Group.

The Board of Pearl Oriental expressed that the Group is now concentrating on development of its core business of the international oil and energy projects, and will continue to actively explore the plastic recycling business resources under the Euro Resources, and is considering and planning for the acquisition of plastic recycling production plants in PRC, so as to further improve the return on investment.

Pearl Oriental Innovation Limited
Board of Directors
11 August 2011