



# 東方明珠創業有限公司\*

## Pearl Oriental Innovation Limited

(Incorporated in Bermuda with limited liability)

(Stock code: 632)

### NOTICE OF SPECIAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the special general meeting of Pearl Oriental Innovation Limited (the “Company”) will be held at Suite 1908, 19/F, 9 Queen’s Road Central, Hong Kong, on Wednesday, 12 November 2008 at 4:00 p.m. for the following purpose:-

#### AS A SPECIAL RESOLUTION

“**THAT** with effect from 9:30 a.m. on 13 November 2008 (Hong Kong time):

1. (a) the issued share capital of the Company be reduced by cancelling paid up capital to the extent of HK\$0.40 on each of the Shares in issue such that the nominal value of all the issued will be reduced (the “Issued Capital Reduction”) from HK\$0.50 each to HK\$0.10;
- (b) the nominal value of all shares in the authorized share capital of the Company be reduced from HK\$0.50 each to HK\$0.10 each, resulting in the reduction of the authorized share capital from HK\$3,000,000,000 to HK\$600,000,000 divided into 6,000,000,000 shares of HK\$0.10 each (the “Authorised Capital Reduction”);
- (c) upon the Issued Capital Reduction and the Authorised Capital Reduction becoming effective, the credit amount arising from the Issued Capital Reduction be transferred to the distributable capital reserve account of the Company be applied to set off against the accumulated losses of the Company with the balance (if any) in accordance with the bye-laws of the Company;
- (d) the Directors be and are hereby authorized to so all things and acts and execute all such documents and deeds which they consider necessary, desirable, or in connection with the implementation of the above.

#### AS ORDINARY RESOLUTIONS

2. (a) upon the Issued Capital Reduction and the Authorised Capital Reduction becoming effective, the authorized share capital of the Company be increased from HK\$600,000,000 divided into 6,000,000,000 shares of HK\$0.10 each to HK\$20,000,000,000 divided into 200,000,000,000 shares of HK\$0.10 each by the creation of 194,000,000,000 new shares of HK\$0.10 each (the “Authorised Capital Increase”);
- (b) the Directors be and are hereby authorized to so all things and acts and execute all such documents and deeds which they consider necessary, desirable, or in connection with the implementation of the above.

\* For identification purpose only

3. (a) “THAT all the outstanding share options which have been granted but not exercised as at the date hereof, pursuant to a share option scheme adopted by shareholders of the Company on 21 June 2002, be cancelled; and
- (b) the Directors be and are hereby authorized to do all things and acts and execute all such documents and deeds which they consider necessary, desirable, or in connection with the implementation of the above.

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

Hong Kong, 21 October 2008

*As at the date of this notice, the executive directors of the Company are Messrs. Wong Kwan, Chan Yiu Keung, Johnny Yuen, Cheung Kwok Yu, Zhou Li Yang and Zheng Yingsheng; and the independent non-executive directors of the Company are Messrs. Dong Zhixiong, Fung Hing Chiu, Cyril and Lam Ka Wai, Graham.*

*Notes:*

1. Any shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
2. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed must be deposited at the Company's Hong Kong branch share registrar, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the meeting or the adjourned meeting or poll (as the case may be).
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney or other person duly authorized.
4. Delivery of the form of proxy will not preclude a member from attending and voting in person at the meeting convened and in such event, the form of proxy shall be deemed to be revoked.
5. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, then one of the said persons so present being the most, or as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holder stand on the register in respect of the relevant joint holding.
6. The enclosed form of proxy must be signed by the appointor or by his attorney authorized in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorized to sign the same.