

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

VOLUNTARY ANNOUNCEMENT

CONVERSION OF CONVERTIBLE NOTE

The Directors are pleased to announce that the Subscriber, holding the Convertible Note in a principal amount of HK\$70,000,000, has converted the Convertible Note.

Reference is made to the announcement of the Company dated 27 May 2009 and circular dated 25 June 2009 (the "Circular"). Unless the context herein otherwise requires, terms used in this announcement shall have the same meanings as defined in the Circular.

Conversion of Convertible Notes

The Directors are pleased to announce that the Subscriber, has given a notice to the Company to convert the Convertible Note in a principal amount of HK\$70,000,000. The Conversion Shares have been issued under the ordinary resolution approved by the Independent Shareholders at the SGM held on 15 July 2009.

The Subscriber, namely Orient Day Developments Limited, a company wholly owned by Mr. Wong Kwan, who is a substantial shareholder, chairman and executive director of the Company.

Terms of the Convertible Note have been disclosed in the Circular. After the Conversion, the shareholding of Subscriber has increased to approximately 42.23% of the enlarged total issued share capital of the Company.

The Board is of the view that the Conversion demonstrates Mr. Wong Kwan's strong confidence in and his continual support to the Company and that the Conversion will further strengthen the financial position of the Group.

As at the date hereof, the Board comprises six executive Directors, namely Mr. Wong Yuk Kwan (alias: Wong Kwan), Dr. Lew Mon Hung, Mr. Cheung Kwok Yu, Mr. Zhou Li Yang, Mr. Zheng Yingsheng and Mr. Johnny Yuen; and three independent non-executive Directors, namely Mr. Yu Jianmeng, Mr. Fung Hing Chiu, Cyril and Mr. Lam Ka Wai, Graham.

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

Hong Kong, 3 May 2010

** For identification purposes only*