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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)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors that the Group may record a substantial decrease in its unaudited consolidated profit for the six-month period ended 30 June 2011 as compared to the unaudited consolidated profit for the corresponding period ended 30 June 2010.

Shareholders and potential investors are advised to exercise caution when dealing in the shares in the Company.

This announcement is made by the Company pursuant to rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

After a preliminary review of the consolidated management accounts of the Company and its subsidiaries (the "Group"), the board of directors of the Company (the "Board") wishes to inform the shareholders of the Company (the "Shareholders") and potential investors that the Group may record a substantial decrease in its unaudited consolidated profit for the six-month period ended 30 June 2011 (the "Current Period") as compared to the unaudited consolidated profit for the six-month period ended 30 June 2010 (the "Last Period").

The Group recorded unaudited consolidated profit for the Last Period of approximately HK\$596,543,000 which was mainly contributed from excess of the fair value of the Utah Gas and Oil Field over its acquisition cost. The substantial decrease in unaudited consolidated profit in the Current Period was mainly due to the absence of the gain from appreciation of fair value in assets from acquisitions. The Board expects, excluding the gain from appreciation of fair value in assets, that other income and gain in the Current Period will have a significant increment as compared to the Last Period.

The Board believes that the Group has a strong net cash position with no bank borrowing and it currently has a better financial and operating position, and its foundation of the oil and gas business will remain solid and have sustainable development potential.

The information contained in this announcement is only based on the preliminary review on the consolidated management accounts of the Group and has not yet been finalised. Details of the Group's performance will be disclosed in the interim results announcement of the Group to be published before the end of August 2011.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares in the Company.

As at the date hereof, the Board comprises four executive Directors, namely Mr. Wong Yuk Kwan (alias: Wong Kwan), Dr. Lew Mon Hung, Mr. Cheung Kwok Yu and Mr. Johnny Yuen; one non-executive director, namely Mr. Baiseitov Bakhytbek; and three independent non-executive Directors, namely Mr. Chen Ping, Mr. Yu Jianmeng 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, 26 August 2011

* *For identification purposes only*