



M Dream Inworld Limited

聯夢活力世界有限公司*

(Incorporated in the Cayman Islands with limited liability)

(formerly known as Inworld Group Limited)

(Stock Code: 8100)

ANNOUNCEMENT

The directors of M Dream Inworld Limited (the “Company”) have noted the increase in the price and the increase in the trading volume of the shares of the Company on 13 September 2004 and wish to state that they are not aware of any reasons for such increase in price and increase in trading volume save as disclosed in the announcements of the Company dated 19 August 2004 and 23 August 2004 (the “Announcements”), as well as recent developments as described below.

The directors confirm that since the Announcements, negotiations have been continuing for a possible joint venture in China in respect of online gaming operations and possible acquisitions of equity interests in other entities. The Company is also currently negotiating for further fund-raising from the equity market. No formal agreements have yet been made and the transactions pertaining to these negotiations may or may not be materialised. Shareholders should therefore exercise caution in dealing in the Company’s shares. The directors will comply with the disclosure requirements of Chapters 19 and 20 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) should these negotiations materialise.

Other than the aforesaid, the board of directors (the “Board”) also confirm that there are no negotiations or agreements relating to intended acquisition or realization which is discloseable under Chapter 19 and 20 of the GEM Listing Rules, neither is the Board aware of any other matter discloseable under the general obligation imposed by Rule 17.10 of the GEM Listing Rules, which is or may be of price sensitive nature.

Made by the order of the Board, the directors of which collectively and individually accept responsibility for the accuracy of this announcement.

By Order of the Board
M Dream Inworld Limited
Koh Tat Lee, Michael
Chairman

Hong Kong, 13 September 2004

* *For identification purpose only*

As at the date hereof, the executive directors of the Company are Mr. Koh Tat Lee, Michael, Mr. Xu Hanjie and Mr. Wong Shui Fun; the non-executive directors of the Company are Mr. Wong Kean Li and Mr. Ng Yat Cheung; the independent non-executive directors of the Company are Mr. Domingo Chen and Mr. Robert Wong.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of the Stock Exchange for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:- (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcement” page of the GEM website for at least 7 days from the date of its publication.