



M Dream Inworld Limited

聯夢活力世界有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8100)

ANNOUNCEMENT

The directors (the “Directors”) of M Dream Inworld Limited (the “Company”) have noted the increase in the price of the shares of the Company on 14 March 2005 and wish to state that they are not aware of any reasons for such increase in price save as described below.

There is an article which appeared in Sing Tao Daily News and The Sun on 3 March 2005 referring to a writ has been filed with the High Court by Cheang Weng Kei against the Company claiming for a sum of HK\$3.5 million for two cheques drawn in favour of Cheang Weng Kei. The said cheques were dishonoured for the reasons of “invalid signature” and “payment countermanded by the drawer.” The Company confirms that it had on 4 March 2005 received the said writ. The Directors of the Company are currently seeking legal advice regarding this proceedings and considering the appropriate course of action to be taken, including but not limited to filing a defence and a counter-claim against Cheang Weng Kei. Further announcement will be made by the Company in the event of any material further development regarding the above proceeding.

The Directors confirm that they are not aware of any material adverse change in the financial or trading position of the Group, which is brought about by the pending litigation threatened against the Group.

The Directors wish to confirm that, apart from the above, they are not aware of any matter discloseable under the general obligations imposed by the listing agreement, which is or may be of a price sensitive nature.

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, 14 March 2005

** For identification purpose only*

As at the date hereof, the executive directors of the Company are Mr. Koh Tat Lee, Michael, Mr. Domingo Chen, Mr. Xu Hanjie, Mr. Wong Shui Fun and Dr. Choong Ying Chuan; the non-executive directors of the Company are Mr. Tay Yew Beng, Peter, Dr. Lee Siu Lung, James, Mr. Wong Kean Li and Mr. Ng Yat Cheung; the independent non-executive directors of the Company are Mr. Robert Wong, Ms. Hilda Sung and Mr. Yeung Chun Wai, Anthony.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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.