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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker, or other licensed securities dealer, bank manager, solicitors, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in M Dream Inworld Limited (the “**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any losses howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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**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)

**(1) PROPOSED GRANT OF GENERAL MANDATES TO ALLOT AND ISSUE  
NEW SHARES AND REPURCHASE BY THE COMPANY OF ITS OWN SHARES;  
(2) PROPOSED RE-ELECTION OF DIRECTORS; AND  
(3) NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of the Company to be held at Phoenix Room, The Charterhouse Hotel, 209-219 Wanchai Road, Hong Kong on 29 February 2008 at 10:30 a.m. is set out on page 14 of this circular. A form of proxy for use at the annual general meeting is enclosed.

Whether or not you intend to attend and vote at the annual general meeting, you are requested to complete and return the enclosed form of proxy to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.

*This circular will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for seven days from the date of its publication*

\* for identification purpose only

6 February 2008

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## CHARACTERISTICS OF GEM

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GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the Internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“AGM”	the annual general meeting of the Company to be convened and held at Phoenix Room, The Charterhouse Hotel, 209-219 Wanchai Road, Hong Kong on 29 February 2008 to consider and, if thought fit, to approve, among other matters, the proposed grant of the General Mandate and the Repurchase Mandate and the re-election of Directors
“Articles”	the articles of association of the Company, and “ <b>Article</b> ” shall mean an Article of the Articles of Association
“associate(s)”	has the meaning ascribed thereto in the GEM Listing Rules
“Board”	the board of Directors
“Company”	M Dream Inworld Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM
“Directors”	the directors of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“General Mandate”	the general mandate proposed to be granted to the Directors at the AGM to issue further new Shares not exceeding 20% of the issued share capital of the Company as at the date of passing the relevant resolution granting such mandate
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	1 February 2008, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Repurchase Mandate”	the repurchase mandate proposed to be granted to the Directors at the AGM to exercise the powers of the Company to repurchase up to a maximum of 10% of the issued share capital of the Company as at the date of passing the relevant resolution granting such mandate

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## DEFINITIONS

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“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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## LETTER FROM THE BOARD

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### 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)

*Executive Directors:*

Mr. Ha Shu Tong  
Mr. Yu Shu Kuen  
Mr. Tham Ming Yong

*Non-executive Director:*

Mr. Koh Tat Lee, Michael

*Independent Non-executive Directors:*

Mr. Cheung Wai Shing  
Mr. Tsang Kwok Wai  
Mr. Chu Ray

*Registered office:*

P.O. Box 309, Uglan House  
South Church Street  
George Town  
Grand Cayman, Cayman Islands  
British West Indies

*Head office and principal place of  
business in Hong Kong:*

8 Floor, Wyndham Place  
40 – 44 Wyndham Street  
Central  
Hong Kong

6 February 2008

*To the Shareholders*

Dear Sir or Madam,

**(1) PROPOSED GRANT OF GENERAL MANDATES TO ALLOT AND ISSUE  
NEW SHARES AND REPURCHASE BY THE COMPANY OF ITS OWN SHARES;  
(2) PROPOSED RE-ELECTION OF DIRECTORS; AND  
(3) NOTICE OF ANNUAL GENERAL MEETING**

#### INTRODUCTION

At the AGM to be held at Phoenix Room, The Charterhouse Hotel, 209-219 Wanchai Road, Hong Kong on 29 February 2008 at 10:30 a.m., resolutions will be proposed, among other matters:

- (a) to re-elect the Directors;
- (b) to grant the General Mandate to the Directors;
- (c) to grant the Repurchase Mandate to the Directors; and

\* for identification purpose only

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## LETTER FROM THE BOARD

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- (d) to increase the number of Shares to be allotted and issued under the General Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

The purpose of this circular is provide you with information in relation to the resolutions to be proposed at the AGM for the grant of the General Mandate and the Repurchase Mandate, the re-election of Directors, and to give you the notice of the AGM.

### **GENERAL MANDATE AND REPURCHASE MANDATE**

The General Mandate and the Repurchase Mandate shall be effective until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles, or any applicable law of the Cayman Islands to be held; or
- (c) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors.

Under the GEM Listing Rules, the Company is required to give to the Shareholders all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution to renew the grant to the Directors of the Repurchase Mandate. The explanatory statement required by the GEM Listing Rules to be included in this circular is set out in Appendix I.

### **General Mandate**

The Company has in issue an aggregate of 803,033,451 Shares as at the Latest Practicable Date. Subject to the passing of the proposed resolution for the approval of the General Mandate and in accordance with the terms therein, the Company would be allowed to allot and issue up to a maximum of 160,606,690 Shares, representing 20% of the aggregate nominal amount of the issued Shares at the time of the passing of the resolution approving the General Mandate on the basis that no further Shares will be issued or repurchased by the Company prior to the AGM.

The Directors have no immediate plans to issue any new Shares which may fall to be issued under the share option scheme or any scrip dividend scheme which may be approved by the Shareholders.

### **Repurchase Mandate**

On pages 14 to 17 of this circular is the notice of the AGM. At the AGM, and as part of the special business of the AGM, an ordinary resolution will be proposed to grant the Repurchase Mandate to the Directors.

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## LETTER FROM THE BOARD

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Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and in accordance with the terms therein, the Company would be allowed to repurchase of up to a maximum of 80,303,345 Shares representing 10% of the aggregate nominal amount of the issued Shares at the time of the passing of the resolution approving the Repurchase Mandate on the basis that no further Shares will be issued or repurchased by the Company prior to the AGM.

### RE-ELECTION OF DIRECTORS

According to Article 116, one-third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest to but not less than one-third shall retire from office by rotation at every annual general meeting. A retiring Director shall be eligible for re-election.

According to Article 116A, at each annual general meeting, all non-executive Directors (including all independent non-executive Directors) shall retire from office. A retiring Director shall retain office until the close of the meeting at which he retires, and shall be eligible for re-election.

In accordance with the Articles of the Association, Mr. Ha Shu Tong shall retire from his office as executive Director; Mr. Koh Tat Lee, Michael shall retire from his office as non-executive Director; and each of Mr. Cheung Wai Shing, Mr. Tsang Kwok Wai and Mr. Chu Ray shall retire from their respective office as independent non-executive Director. Being eligible, all of them will offer themselves for re-election as Directors.

At the AGM, an ordinary resolution will be proposed to re-elect Mr. Ha Shu Tong as executive Director, Mr. Koh Tat Lee, Michael as non-executive Director and Mr. Cheung Wai Shing, Mr. Tsang Kwok Wai and Mr. Chu Ray as independent non-executive Directors.

Particulars relating to Mr. Ha Shu Tong, Mr. Koh Tat Lee, Michael, Mr. Cheung Wai Shing, Mr. Tsang Kwok Wai and Mr. Chu Ray are set out in Appendix III to this circular.

### RESPONSIBILITY STATEMENT

This document, for which the Directors 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: (i) the information contained in this document is accurate and complete in all material aspects and not misleading; (ii) there are no other matters the omission of which would make any statement in this document misleading; (iii) all opinions expressed in this document have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

### ACTION TO BE TAKEN

Whether or not you intend to attend the AGM, you are requested to complete and return the form of proxy accompanying with this circular in accordance with the instructions printed thereon not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. The completion and return of a form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof in person if you so wish.



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## LETTER FROM THE BOARD

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### RECOMMENDATION

The Directors believe that the proposed grant of the General Mandate and the Repurchase Mandate and the proposed re-election of Directors are in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of the above resolutions to be proposed at the AGM.

The Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets value of the Company and its net assets and/or earnings per Share and will only be made when the Directors believe that a repurchase of Shares will benefit the Company and the Shareholders as a whole.

An exercise of the Repurchase Mandate in full could have a material adverse impact on the working capital and gearing position of the Company compared with that as at 31 December 2007, being the date of its latest published audited consolidated accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

The Directors believe that an exercise of the General Mandate to allot and issue new Shares will enable the Company to take advantage of market conditions to raise additional capital for and/or as a means of payment by the Company.

Taken into consideration of the aforesaid, the Directors (including the independent non-executive Directors) consider that the proposed grant of the General Mandate and the Repurchase Mandate is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

### GENERAL

Your attention is drawn to the information set out in the appendices to this circular.

Yours faithfully  
For and on behalf of the Board of  
**M Dream Inworld Limited**  
**Ha Shu Tong**  
*Chairman*

This Appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide the requisite information to you for your consideration of the Repurchase Mandate.

### **1. Repurchase of securities from connected parties**

The GEM Listing Rules prohibit a company from knowingly purchasing securities on the Stock Exchange from a “connected person”, that is, a director, chief executive or substantial shareholder of the Company or any of its subsidiaries or their respective associates and a connected person is prohibited from knowingly selling his/her/its securities to the Company.

No connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company nor has any such connected person undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is passed.

### **2. Share capital**

As at the Latest Practicable Date, the issued share capital of the Company comprised 803,033,451 fully paid Shares.

Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 80,303,345 Shares, representing 10% of the issued share capital of the Company as at the Latest Practicable Date.

### **3. Reasons for the repurchase**

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets per Share and/or earnings per Share and will only be made when the Directors believe that a repurchase will benefit the Company and the Shareholders as a whole.

### **4. Funding of repurchases**

Pursuant to the Repurchase Mandate, repurchases would be funded entirely from the Company’s available cash flow or working capital facilities which will be funds legally available under the Cayman Islands law and the memorandum and articles of association of the Company for such purpose.

An exercise of the Repurchase Mandate in full could have a material adverse impact on the working capital and gearing position of the Company compared with that as at 31 December 2007, being the date of its latest published audited consolidated accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

## 5. Share prices

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the previous twelve calendar months were as follows:

<b>Month</b>	<b>Highest HK\$</b>	<b>Lowest HK\$</b>
<b>2007</b>		
February	Suspended	Suspended
March	Suspended	Suspended
April	Suspended	Suspended
May	Suspended	Suspended
June	Suspended	Suspended
July	Suspended	Suspended
August	Suspended	Suspended
September	Suspended	Suspended
October	1.200	0.390
November	0.540	0.315
December	0.540	0.365
<b>2008</b>		
January	0.475	0.260
February (up to the Latest Practicable Date)	0.300	0.275

## 6. Disclosure of interests and minimum public holding

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell to the Company or its subsidiaries any of the Shares in the Company if the Repurchase Mandate is approved at the AGM and exercised.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules and applicable laws of the Cayman Islands.

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the following Shareholders are interested in more than 10% of the Shares then in issue:

<b>Name</b>	<b>Number of Shares</b>	<b>Approximate percentage holding</b>
Ample Field Limited ( <i>Note 1</i> )	360,000,000	44.83%
Mr. Yu Shu Kuen ( <i>Note 1</i> )	360,000,000	44.83%

*Note:*

1. Ample Field Limited is a company incorporated in the British Virgin Islands and is wholly and beneficially owned by Mr. Yu Shu Kuen, an executive Director.

In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate, the total interests of the above Shareholders in the Shares would be increased to:

<b>Name</b>	<b>Approximate percentage holding</b>
Ample Field Limited	49.81%
Mr. Yu Shu Kuen	49.81%

On the basis of the current shareholding of Ample Field Limited and Mr. Yu Shu Kuen, an exercise of the Repurchase Mandate in full will result in their shareholding increasing from approximately 44.83% to approximately 49.81% and they will become obliged to make a mandatory offer under Rule 26 of the Takeovers Code. Save as disclosed above, the Directors are not aware of any consequences which may arise under the Takeovers Code as consequences of any purchase made under the Repurchase Mandate. However, the Company may not repurchase Shares which would result in the amount of Shares held by the public being reduced to less than 25%.

The Directors have no intention to exercise any of the Repurchase Mandate to such an extent that will result in a requirement of Ample Field Limited and Mr. Yu Shu Kuen to make a mandatory offer under the Takeovers Code.

As at the Latest Practicable Date, no connected person (within the meaning ascribed to it in the GEM Listing Rules) of the Company has notified the Company that he has a present intention to sell any Shares nor has such connected person undertaken not to sell any of the securities held by him to the Company in the event that the Repurchase Mandate is granted.

## **7. Shares repurchase made by the Company**

No repurchases of Shares have been made by the Company (whether on the Stock Exchange or otherwise) during the six months immediately prior to the Latest Practicable Date.

Pursuant to Article 80, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded or otherwise required under the GEM Listing Rules. A poll may be demanded by:

- (a) the chairman of the meeting; or
- (b) at least five members present in person or by proxy or, in the case of corporations, by their duly authorised representatives, and entitled to vote or who represent in the aggregate not less than one-tenth of the total voting rights of all members having the right to attend and vote at the meeting; or
- (c) any member or members present in person or by proxy or, in the case of corporations, by their duly authorised representatives, and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right; or
- (d) if required by the GEM Listing Rules, any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five (5) per cent or more of the total voting rights at that meeting.

Unless a poll is so required or demanded and, in the latter case, not withdrawn, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the Company's book containing the minutes of proceedings of meetings of the Company shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

The details of the Directors who will retire from office by rotation at the AGM and being eligible, will offer themselves for re-election at the AGM, are set out below:

**(1) Mr. Ha Shu Tong (“Mr. Ha”)**

Mr. Ha, aged 59, is the chairman of the Group and an executive Director. Mr. Ha has been involved in the financial industry for many years and has substantial experience in corporate finance and corporate development. Mr. Ha has acted as director for several companies listed on the Stock Exchange including as the independent non-executive director of Computer and Technologies Holdings Limited since 9 April 1998, as the executive director of China Seven Star Shopping Limited from 24 October 2001 to 30 June 2006 and also as the independent non-executive director of Huabao International Holdings Limited from 7 March 2001 to 17 April 2004. Mr. Ha has become the executive director of China Railway Logistics Limited since 4 January 2008. Other than those, Mr. Ha did not hold any directorship in any other listed public company in the last three years.

Save as disclosed above, Mr. Ha is not connected with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company and does not have any interests in the securities in the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Ha did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this circular.

There is no service contract entered into between the Company and Mr. Ha. Mr. Ha has not been appointed for a specific term and his appointment is subject to retirement by rotation and/or re-election in accordance with the Articles. Mr. Ha is not entitled to any remuneration or other benefits of any kind (including bonus).

Save as disclosed above, there is no other matter about Mr. Ha which are required to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules or need to be brought to the attention of the Shareholders.

**(2) Mr. Koh Tat Lee, Michael (“Mr. Koh”)**

Mr. Koh, aged 40, is a non-executive Director. Mr. Koh has more than ten years of experience in the telecommunications industry and has worked at Bell South and AT&T in the United States and was promoted to technical director before he left AT&T. During his tenure as vice-president at First Pacific Company Limited from 1994 to 1997, Mr. Koh founded a private company called Tuntex Telecom in Taiwan and assumed the post of president for the period from 1995 to 1997. Mr. Koh holds a master degree in electrical engineering and a master degree in industrial engineering from Columbia University in the United States. Mr. Koh is an executive director of China Railway Logistics Limited, a company listed in the GEM with effective appointment date on 22 January 2007.

As at the Latest Practicable Date, Mr. Koh holds 2,216,320 Shares through his shareholding in Dynamate Limited, representing approximately 0.28% of the issued share capital of the Company. Save as disclosed above, Mr. Koh is not connected with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company and does not have any interests in any other securities in the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Koh did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this circular.

There is no service contract entered into between the Company and Mr. Koh. Mr. Koh has not been appointed for a specific term and his appointment is subject to retirement by rotation and/or re-election in accordance with the Articles. Mr. Koh's is not entitled to any remuneration or other benefits of any kind (including bonus).

Save as disclosed above, there is no other matter about Mr. Koh which are required to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules or need to be brought to the attention of the Shareholders

**(3) Mr. Cheung Wai Shing (“Mr. Cheung”)**

Mr. Cheung, aged 36, is an independent non-executive Director. Mr. Cheung obtained a Master Degree of Science in Finance from the University of Michigan-Dearborn. He is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Cheung has more than twelve years of experience in accounting and finance in various esteemed companies in Hong Kong.

Save as disclosed above, Mr. Cheung is not connected with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company and does not have any interests in the securities in the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Cheung did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this circular.

There is no service contract entered into between the Company and Mr. Cheung. Mr. Cheung has not been appointed for a specific term and his appointment is subject to retirement by rotation and/or re-election in accordance with the Articles. Mr. Cheung is entitled to a remuneration of HK\$5,000 per month. Mr. Cheung is not entitled to other benefits of any kind (including bonus).

Save as disclosed above, there is no other matter about Mr. Cheung which are required to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules or need to be brought to the attention of the Shareholders.

**(4) Mr. Tsang Kwok Wai (“Mr. Tsang”)**

Mr. Tsang, aged 37, is an independent non-executive Director. Mr. Tsang obtained a Bachelor Degree of Business Administration and is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants and the Taxation Institute of Hong Kong. Mr. Tsang has fourteen years of progressive experience in financial management and corporate development. At present Mr. Tsang runs his own firm and practices public accounting.

Save as disclosed above, Mr. Tsang is not connected with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company and does not have any interests in the securities in the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Tsang did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this circular.

There is no service contract entered into between the Company and Mr. Tsang. Mr. Tsang has not been appointed for a specific term and his appointment is subject to retirement by rotation and/or re-election in accordance with the Articles. Mr. Tsang is entitled to a remuneration of HK\$5,000 per month. Mr. Tsang is not entitled to other benefits of any kind (including bonus)

Save as disclosed above, there is no other matter about Mr. Tsang which are required to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules or need to be brought to the attention of the Shareholders.

**(5) Mr. Chu Ray (“Mr. Chu”)**

Mr. Chu, aged 45, is an independent non-executive Director. He obtained a Bachelor Degree of Science in Building Science of Civil Engineering from the University of Southern California. Mr. Chu has about twenty years of experience in engineering and project management in the USA, Hong Kong and China.

Save as disclosed above, Mr. Chu is not connected with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company and does not have any interests in the securities in the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Chu did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this circular.

There is no service contract entered into between the Company and Mr. Chu. Mr. Chu has not been appointed for a specific term and his appointment is subject to retirement by rotation and/or re-election in accordance with the Articles. Mr. Chu is entitled to a remuneration of HK\$1,000 per month. Mr. Chu is not entitled to other benefits of any kind (including bonus)

Save as disclosed above, there is no other matter about Mr. Chu which are required to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules or need to be brought to the attention of the Shareholders.



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## NOTICE OF AGM

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### 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)

#### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an annual general meeting of M Dream Inworld Limited (the “**Company**”) will be held at Phoenix Room, The Charterhouse Hotel, 209-219 Wanchai Road, Hong Kong on 29 February 2008 at 10:30 a.m. to consider and, if thought fit, pass the following resolutions:

1. to receive and consider the audited consolidated financial statements and the reports of the directors (the “**Directors**”) and auditors of the Company for the year ended 31 December 2007;
2.
  - (a) to re-elect Mr. Ha Shu Tong, as executive Director;
  - (b) to re-elect Mr. Koh Tat Lee, Michael as non-executive Director;
  - (c) to re-elect Mr. Cheung Wai Shing as independent non-executive Director;
  - (d) to re-elect Mr. Tsang Kwok Wai as independent non-executive Director;
  - (e) to re-elect Mr. Chu Ray as independent non-executive Director;
  - (f) to authorise the board (the “**Board**”) of Directors to fix the Directors’ remuneration;
3. to re-appoint the Company’s auditors and to authorise the Board to fix their remuneration;
4. to consider, as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

**“THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with unissued Shares and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

\* *for identification purpose only*

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- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period (as defined below) to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period (as defined below);
  
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
  - (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution; and
  - (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution),and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
  
- (d) for the purposes of this Resolution:

“**Relevant Period**” means the period from the date of the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated or revised) of the Cayman Islands (the “**Companies Law**”) or any other applicable law of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this Resolution;

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“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the directors of the Company to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

5. to consider, as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) the exercise by the directors of the Company during the Relevant Period of all powers of the Company to purchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Law and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period (as defined below) shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:
  - (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Law or any other applicable law of the Cayman Islands to be held; and
  - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”

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6. to consider, as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** the directors of the Company be and they are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 4 above in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph (c) of such resolution.”

By order of the Board  
**M Dream Inworld Limited**  
**Ha Shu Tong**  
*Chairman*

Hong Kong, 6 February 2008

*Registered office:*  
P.O. Box 309, Uglund House  
South Church Street  
George Town  
Grand Cayman, Cayman Islands  
British West Indies

*Head office and principal place of  
business in Hong Kong:*  
8 Floor, Wyndham Place  
40 – 44 Wyndham Street  
Central  
Hong Kong

*Notes:*

1. A member entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the Articles of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the annual general meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the offices of the Company's branch registrar and transfer office in Hong Kong, Tricor Tengis Limited at 26th, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the annual general meeting or any adjournment thereof, should he so wish.
3. In relation to proposed resolutions nos. 4 and 6 above, approval is being sought from the shareholders for the grant to the directors of the Company of a general mandate to authorise the allotment and issue of shares of the Company under the GEM Listing Rules. The Directors have no immediate plans to issue any new shares of the Company other than Shares which may fall to be issued under the share option scheme of the Company or any scrip dividend scheme which may be approved by shareholders.
4. In relation to proposed resolution no. 5 above, the directors wish to state that they will exercise the powers conferred thereby to repurchase Shares in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the GEM Listing Rules is set out in Appendix I to this circular.