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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 liabilities)

(Stock Code: 8100)

COMPLETION OF PLACING OF EXISTING SHARES BY SUBSTANTIAL SHAREHOLDER

This announcement is made by M Dream Inworld Limited (the “Company”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”).

Reference is made to the announcement of the Company dated 18 June 2010 in respect of the placing agreement entered into between Universal Target Limited (the “Vendor”), the then substantial shareholder of the Company, and Kingston Securities Limited (the “Placing Agent”) for the placing of up to 206,666,666 existing shares in the issued share capital of the Company (the “Shares”) owned by the Vendor (the “Placing Share(s)”) on a best effort basis (the “Placing”).

The board of directors (the “Director(s)”) of the Company (the “Board”) announces that notification has been received from the Vendor that the Placing was completed on 5 July 2010 and a total of 206,666,666 Placing Shares, representing approximately 18.91% of the total issued Shares, had been successfully placed to professional, institutional or other investor(s) (the “Placees”). To the best knowledge of the Directors, none of the Placees has become a substantial shareholder of the Company (as defined in the GEM Listing Rules) upon completion of the Placing. Immediately upon completion of the Placing and as at the date of this announcement, the Vendor has no interest in the Company.

By order of the Board
M Dream Inworld Limited
Li Fang Hong
Managing Director

Hong Kong, 5 July 2010

* *For identification purposes only*

As at the date of this announcement, the Board consists of Mr. Rong Hsu and Ms. Li Fang Hong being the Executive Directors, and Mr. Billy B Ray Tam, Mr. Cho Chun Wai and Ms. Zhao Yang, being the Independent Non-executive Directors.

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 of the Company, 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 GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for at least 7 days from the date of its publication and on the website of the Company.