

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

TERMINATION OF THE DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITION OF 10% OF THE ISSUED SHARE CAPITAL IN THE TARGET COMPANY

The Board announces that on 21 March 2012, the Purchaser, the Vendor and the Guarantor entered into the Termination Agreement to terminate the S&P Agreement with effect from the date of the Termination Agreement.

The Board considers that the termination of the S&P Agreement has no material adverse impact on the existing business operations of the Group.

Reference is made to the announcement of M Dream Inworld Limited (the “**Company**”) dated 3 June 2011 (the “**Announcement**”) in relation to the S&P Agreement entered into among the Purchaser, the Vendor and the Guarantor in relation to the acquisition of 10% of the total issued share capital of the Target Company. Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless otherwise stated.

The Board announces that on 21 March 2012, the Purchaser, the Vendor and the Guarantor entered into a termination agreement (the “**Termination Agreement**”) to terminate the S&P Agreement with effect from the date of the Termination Agreement.

As it is anticipated by the parties to the S&P Agreement that the completion of the S&P Agreement would not be feasible in the near future, the Purchaser, the Vendor and the Guarantor agreed to terminate the S&P Agreement and entered into the Termination Agreement.

* For identification purposes only

Pursuant to the Termination Agreement, the S&P Agreement was terminated with effect from the date of the Termination Agreement, each of the parties to the Termination Agreement is released and discharged from its obligations and liabilities by virtue of or in relation to the S&P Agreement and neither the Purchaser, the Vendor nor the Guarantor shall have any claims against the other party.

The Board considers that the termination of the S&P Agreement has no material adverse impact on the existing business operations of the Group.

Shareholders of the Company and investors are advised to exercise caution when dealings in the Shares.

By order of the Board
M Dream Inworld Limited
Chi Chi Hung, Kenneth
Chairman

Hong Kong, 21 March 2012

As at the date of this announcement, the Board consists of Mr. Chi Chi Hung, Kenneth and Mr. Takashi Togo being the Executive Directors, and Mr. Billy B Ray Tam, Mr. Yu Pak Yan, Peter and Ms. Chan Hoi Ling 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 the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

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 at <http://www.mdreaminworld.com.hk>.