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M CHANNEL CORPORATION LIMITED

流動廣告有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8036)

DELAY IN THE PUBLICATION OF ANNUAL RESULTS, FIRST QUARTERLY RESULTS AND INTERIM RESULTS

The Board wishes to announce the following:

The publication of the audited annual results of the Company and despatch of the annual report of the Company for the Company's financial year ended 31 March 2005 and first quarterly results will be further delayed. Accordingly, the publication of the interim results will also be delayed.

Trading in the shares of the Company was suspended effective from 11:04 a.m. on 28 April 2005 and remains suspended until further notice.

Reference is made to the announcement of M Channel Corporation Limited (the "Company") on 24 June 2005. The Board of Directors of the Company (the "Board") announces that there will be a further delay in publication of annual results. The Board is in the process of appointing new auditors to fill the casual vacancy as soon as possible. Further announcement will be made by the Company immediately as and when new auditors have been appointed.

The Directors of the Company confirm that they have not dealt in the securities of the Company during the one month period before 30 June 2005 and will not deal in the securities of the Company until the audited annual results of the Company for the financial year ended 31 March 2005 are announced.

Due to the reasons aforesaid, the Company will not be in a position to publish its audited annual results and despatch the annual report for the financial year ended 31 March 2005. Further announcement regarding the date of publication of annual results will be made when appropriate.

Pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules"), the Company is required to publish and dispatch the quarterly results for the three months ended 30 June 2005 by 15 August 2005 and the interim results for six months ended 30 September 2005 by 15 November 2005. Accordingly, the Board expects that the Company's first quarterly results will be further delayed. The publication of the interim results will also be delayed.

* For identification purpose only

The delay will constitute a breach of Rules 18.49, 18.48A, 18.03 and 18.66 of the GEM Listing Rules. In this regard, The Stock Exchange of Hong Kong Limited reserves its right to take actions against the Company and/or its directors.

Trading in the shares of the Company was suspended effective from 11:04 a.m. on 28 April 2005 and remains suspended until further notice.

By Order of the Board
M CHANNEL CORPORATION LIMITED
Xing Jing
Deputy Chairman

Hong Kong, 15 November 2005

As at the date of this announcement, the Board comprised of two directors, of which one is executive director, namely Mr. Xing Jing and one is independent non-executive director, namely Mr. Pang Hong.

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: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) 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 www.hkgem.com on the “Latest Company Announcements” page for at least seven days from the date of its posting.