



# TEEM FOUNDATION GROUP LTD.

## 浩基集團有限公司\*

(Incorporated in Bermuda with limited liability)  
(Stock Code: 628)

### NOTICE OF THE SPECIAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a special general meeting (the “SGM”) of Teem Foundation Group Ltd. will be held at Michael Li & Co., 14th Floor, Printing House, 6 Duddell Street, Central, Hong Kong on Friday, 23 March 2007 at 10:00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:

#### ORDINARY RESOLUTIONS

(1) **“THAT:**

- (a) the Subscription Agreement dated 14 February 2007 entered into by Teem Foundation Group Ltd. (the “Company”) and Smart Town Holdings Limited (“Smart Town”), pursuant to which the Company shall conditionally allot and issue an aggregate of up to 206,000,000 shares in the capital of the Company of HK\$0.10 each to Smart Town or his nominee at HK\$1.525 per Share (details of which were set out in the Company’s circular dated 8 March 2007 and a copy of the agreement having been provided to the meeting marked “A” and initialled for the purpose of identification by the Chairman of the SGM) and the transactions contemplated thereunder be and is hereby approved, confirmed and ratified; and
- (b) any one director of the Company be and is hereby generally and unconditionally authorized to do all such acts and things, to sign and execute all such further documents for and on behalf of the Company under hand, and in case of execution of documents under seal, to do so jointly with any of a second director of the Company, a duly authorized representative of the director or the secretary of the Company and to take such steps as he/she may in his/her absolute discretion consider necessary, appropriate, desirable or expedient to give effect to or in connection the transactions contemplated under the Subscription Agreement or any and all matters contemplated thereunder or ancillary thereto.”

(2) **“THAT:**

- (a) the directors (the “Directors”) of Teem Foundation Group Ltd. (the “Company”) be and are hereby granted an unconditional general mandate to allot, issue and deal with additional shares in the capital of the Company and to allot, issue or grant securities convertible into shares, options, warrants or similar rights to subscribe for any shares in the Company or such convertible securities and to make or grant offers, agreements, and options in respect thereof;
- (b) such mandate shall not extend beyond the Relevant Period save that the Directors may during the Relevant Period make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to paragraph (a) above, otherwise than pursuant to:
  - (i) a Rights Issue;
  - (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company;
  - (iii) the exercise of the subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or
  - (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company;

shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution; and

- (d) for the purpose of this Resolution:

**“Relevant Period”** means the period from the passing of this Resolution up to:

- (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 any applicable law or the bye-laws of the Company to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting;

whichever is the earliest; and

**“Rights Issue”** means an offer of shares open for a period fixed by the Directors to holders of shares on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors 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 any recognised regulatory body or stock exchange in any territory outside Hong Kong).”

By order of the Board  
**Teem Foundation Group Ltd.**  
**Lum Chor Wah, Richard**  
Chairman

Hong Kong, 8 March 2007

**Registered Office:**  
Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

**Principal place of business in Hong Kong:**  
Room 2108  
Two International Finance Centre  
No. 8 Finance Street  
Central  
Hong Kong

**Notes:**

1. A member entitled to attend and vote at the SGM convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the bye-laws of the Company, vote in his stead. A proxy need not be a member of the Company but must be present in person at the SGM 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 duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, at the office of the Company’s Hong Kong share registrar in Hong Kong, Union Registrars Ltd. at Room 1803, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the above SGM or any adjournment thereof, should he so wish.
3. In the case of joint holders of shares, any one of such holders may vote at the SGM, either personally or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such joint holders are present at the meeting personally or by proxy, that one of the said persons so present whose name stands first in the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.

*As at the date of this announcement, the Board comprises Mr. Lum Chor Wah, Richard, Mr. Pun Yuen Sang and Mr. Tang Hin Keung, Alfred who are executive Directors; Mr. Leung Chi Hung, Mr. Tsui Robert Che Kwong and Mr. Cheung Johnny Yim Kong who are independent non-executive Directors.*