



TEEM FOUNDATION GROUP LTD.

浩基集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 628)

RESULT OF THE SPECIAL GENERAL MEETING AND

EXTENSION OF LONG STOP DATE OF NEW TARGET ACQUISITION AGREEMENT

RESULT OF SGM

The resolution approving the Acquisition (including the issue of the Convertible Bond) was duly passed by the Independent Shareholders by way of poll at the SGM held on 29 December 2006.

EXTENSION OF LONG STOP DATE

The Board also announces that the parties to the New Target Acquisition Agreement have agreed to extend the Long Stop Date from 31 December 2006 to 31 January 2007 or such other date as the parties may agree for the fulfillment of the conditions to the Acquisition as set out in the New Target Acquisition Agreement. Save for the extension of the Long Stop Date, no other amendment was made to the New Target Acquisition Agreement.

Reference is made to the announcement dated 18 September 2006 issued by Teem Foundation Group Ltd. (the "Company") and the circular dated 11 December 2006 (the "Circular") in relation to the Acquisition. Capitalised terms used in this announcement shall have the same meanings as those defined in the Circular unless otherwise specified herein.

RESULT OF THE SGM

The SGM was held on 29 December 2006 to consider the resolution (the "Resolution") approving, among other matters, the Acquisition and the issue of the Convertible Bond. As at the time of the SGM, there were a total of 672,000,000 Shares in issue. The Board confirms that Smart Town, its ultimate beneficial owners and their respective associates, holding 206,880,000 Shares as at the time of the SGM, and Pan-Star Nominees, being a party acting in concert with Smart Town, its ultimate beneficial owners and their respective associates holding 134,400,000 Shares as at the time of the SGM, had abstained from voting of the Resolution. Accordingly, a total of 330,720,000 Shares were held by the Independent Shareholders who were entitled to attend and vote for or against the Resolution at the SGM.

The chairman of the SGM had demanded for voting of the Resolution by poll. The Board is pleased to announce that the Resolution was duly passed by the Independent Shareholders by way of poll at the SGM. There were 231,824,000 votes for the Resolution (representing 100% of the total votes). There was no vote against the Resolution.

Union Registrars Limited, the Hong Kong branch share registrar and transfer office of the Company, was appointed as the scrutineer for the vote-taking at the SGM.

EXTENSION OF LONG STOP DATE

Pursuant to the New Target Acquisition Agreement, the long stop date (the "Long Stop Date") for the fulfillment of the conditions to the Acquisition as set out in the New Target Acquisition Agreement will fall on 31 December 2006, or such other date as the parties to the New Target Acquisition Agreement may agree. If any of the conditions to the New Target Acquisition Agreement is not fulfilled on the Long Stop Date, the New Target Acquisition Agreement will terminate and cease to be of any effect save for any antecedent breach.

One of the conditions of the New Target Acquisition Agreement is the completion of the Sands Profit Agreement, which is conditional upon, among other things, (i) the obtaining of all necessary Macau Government approval relating to the change of the ownership of Sat Ieng from Mr. Phua to Mr. Tang (the "Relevant Macau Government Approval") and (ii) Rich Game having legally acquired Sands Profit pursuant to Sat Ieng Profit Agreement to be entered into between Sat Ieng, Rich Game and Mr. Tang, which is also conditional on the obtaining of the Relevant Macau Government Approval.

As disclosed in the Circular, the application for the approval of change of ownership of Sat Ieng from Mr. Phua to Mr. Tang has been made to the Macau Government. However, as it is expected that one more month is required for the obtaining of the approval from the Macau Government, the parties to the New Target Acquisition Agreement have agreed to extend the Long Stop Date to 31 January 2007 or such other date as the parties may agree. The Board expects that the Relevant Macau Government Approval is forthcoming. In the circumstances, the Board considers that it would be in the interests of the Company and its shareholders to agree with other parties that the Long Stop Date be extended to 31 January 2007 or such other date as the parties may agree. Save and except for the aforesaid extension of Long Stop Date, all the terms of the New Target Acquisition Agreement remain unchanged.

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

Hong Kong, 29 December 2006

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.

* For identification purpose only