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TEEM FOUNDATION GROUP LTD.

浩基集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 628)

DELAY IN DESPATCH OF CIRCULAR

The Board wishes to announce that as additional time is required for the preparation of the letter of advice by the independent financial adviser, assurance reports on the Rolling Turnover generated by Sat Ieng and Dore and commission income of Sat Ieng and Dore, internal control review reports on the internal control policies and procedures of both Sat Ieng and Dore and other information for the purpose of inclusion in the Circular, the Directors consider that the despatch of the Circular has to be delayed and the Company has applied to the Stock Exchange for a waiver from the strict compliance with Rule 14.38 of the Listing Rules such that the despatch of the Circular is to be postponed to on or before 11 December 2006.

Reference is made to the press announcement (the “**Announcement**”) issued by the Company dated 18 September 2006 in relation to, among other things, the Acquisition. Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement unless otherwise stated.

Pursuant to Rule 14.38 of the Listing Rules, the Company is required to despatch the circular of the Company (the “**Circular**”) to the Shareholders within 21 days after the publication of the Announcement, which shall be on or before 10 October 2006. As additional time is required for the preparation of the letter of advice by the independent financial adviser, assurance reports on the Rolling Turnover generated by Sat Ieng and Dore and commission income of Sat Ieng and Dore, internal control review reports on the internal control policies and procedures of both Sat Ieng and Dore and other information for the purpose of inclusion in the Circular, the Directors consider that the despatch of the Circular has to be delayed and the Company has applied to the Stock Exchange for a waiver from the strict compliance with Rule 14.38 of the Listing Rules such that the despatch of the Circular is to be postponed to on or before 11 December 2006.

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

Hong Kong, 9 October 2006

** for identification purpose only*

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. Lam Allan Shu Cheuk who are independent non-executive Directors.