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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)

RESTORATION OF PUBLIC FLOAT

Pursuant to the Underwriting and Placing Agreement, Kingston Securities has underwritten all the 6,784,000 Shares accepted under the Offer, representing approximately 1.01% of the existing issued share capital of the Company, which have been subsequently disposed of in the market through the Stock Exchange's trading system. As a result, the public float of the Company has been restored to 25% of its total issued share capital.

References are made to the Composite Offer Document dated 19 May 2004 (the "Document") and the announcements jointly issued by the Offeror and the Company dated 14 April 2004 and 9 June 2004. Terms used in this announcement shall have the same meaning as those defined in the Document.

RESTORATION OF PUBLIC FLOAT

Upon closing of Offer, the public float of the Company was reduced to 23.99% of its total issued share capital. Pursuant to the Underwriting and Placing Agreement, Kingston Securities has underwritten all the 6,784,000 Shares, representing approximately 1.01% of the existing issued share capital of the Company, accepted under the Offer which have been subsequently disposed of in the market through the Stock Exchange's trading system during the period from 23 June 2004 to the date of this announcement. As a result, the public float of the Company has been restored to 25% of its total issued share capital as at the date of this announcement.

By order of the board
Teem Foundation Group Ltd.
Pun Yuen Sang
Director

Hong Kong, 28 June 2004

* For identification purpose only

As at the date of this announcement, the executive Directors are Mr. Yeung Tony Ming Kwong, Mr. Lum Chor Wah, Richard, Mr. Tang Hin Keung, Alfred, Mr. Pun Yuen Sang, and the independent non-executive Directors are Mr. Leung Chi Hung and Mr. Ng Kenny Chi Kin.