This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities.

SOUTH EAST GROUP LIMITED
（東 南 國 際 集 團 有 限 公 司）*

(Incorporated in Bermuda with limited liability)

(Stock Code: 726)

COMPLETION OF ISSUE OF CONVERTIBLE BOND

The Board is pleased to announce that completion of the Subscription Agreement took place on 7 May 2008. The Convertible Bond was issued to the Subscriber in accordance with the Subscription Agreement.

Reference is made to the announcement of the Company dated 14 April 2008 (the "Announcement") in relation to, among other things, the issue of the Convertible Bond. Capitalised terms used in this announcement shall have the same meanings as defined in the Announcement unless otherwise stated.

The Board is pleased to announce that completion of the Subscription Agreement took place on 7 May 2008. The Convertible Bond in the principal amount of HK$68,000,000 was issued to the Subscriber in accordance with the Subscription Agreement.

The Conversion Shares will be allotted and issued under the General Mandate granted to the Directors at the annual general meeting of the Company held on 24 September 2007, pursuant to which the Company may allot and issue up to 67,528,576 Shares. Assuming full conversion of the Convertible Bond at the initial Conversion Price of HK$1.03 per Conversion Share, the Convertible Bond will be converted into 66,019,417 Shares.

By order of the Board
South East Group Limited
Chan Sau Chee
Company Secretary

Hong Kong, 7 May 2008

The directors of the Company as at the date of this announcement are Mr. Wu Siu Chung (Chairman) and Mr. Chen Xiaoping as executive directors; Mr. Chen Yuan Shou, Budiman and Mr. Eduard Will as non-executive directors; and Mr. Lo Yuk Lam, Mr. Wong Kam Wah and Mr. David R. Peterson as independent non-executive directors.

* *For identification purposes only*