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SOUTH EAST GROUP LIMITED

(東南國際集團有限公司) *

(Incorporated in Bermuda with limited liability)

(Stock Code: 726)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of South East Group Limited (the “Company”) will be held at 12/F, Entertainment Building, 30 Queen’s Road Central, Hong Kong on Friday, 5 August 2011 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and the auditors of the Company for the year ended 31 March 2011;
2. To re-elect retiring directors and to authorise the board of directors to fix the remuneration of directors;
3. To re-appoint auditors and to authorise the board of directors to fix their remuneration;
4. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an Ordinary Resolution:

“**THAT:**

- (a) the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of the Company, be and is hereby generally and unconditionally approved, provided that, otherwise than (i) pursuant to a rights issue where shares are offered to shareholders on a fixed record date in proportion to their then holdings of shares of the Company as at that date (subject to such exclusions or other arrangements as the directors of the Company 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 any stock exchange, in any territory outside Hong Kong applicable to the Company); (ii) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any securities which are convertible into shares of the Company; (iii) an issue of shares as scrip dividends pursuant to the bye-laws of the Company from time to time; or (iv) an issue of shares under any option scheme or similar arrangement for the grant or issue to employees of the Company and/or any of its subsidiaries or any other eligible person(s) of shares or rights to acquire shares of the Company, the aggregate nominal amount of share capital issued, allotted or disposed of or agreed conditionally or unconditionally to be issued, allotted or dealt with whether pursuant to an option or otherwise, shall not in total exceed 20 per cent of the nominal amount of share capital of the Company in issue on the date of passing this Resolution and the said approval shall be limited accordingly; and

* *For identification purposes only*

- (b) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next Annual General Meeting of the Company;
 - (ii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting; and
 - (iii) the expiration of the period within which the next Annual General Meeting of the Company is required by the bye-laws of the Company or any applicable law to be held.”
5. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its shares on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the total nominal amount of shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (a) above shall not exceed 10 per cent of the total nominal amount of the shares of the Company in issue on the date of passing this Resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next Annual General Meeting of the Company;
 - (ii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting; and
 - (iii) the expiration of the period within which the next Annual General Meeting of the Company is required by the bye-laws of the Company or any applicable law to be held.”

6. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an Ordinary Resolution:

“**THAT**, subject to the passing of Resolutions No. 4 and No. 5 set out in the notice convening this meeting, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot and deal with additional shares and to make or grant offers, agreements and options which might or would require the exercise of such power pursuant to Resolution No. 4 set out in the notice convening this meeting, be and is hereby extended by the addition to the total nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to such general mandate of an amount representing the total nominal amount of shares in the capital of the Company which has been repurchased by the Company under the authority granted pursuant to Resolution No. 5 set out in the notice convening this meeting provided that such amount of shares shall not exceed 10 per cent of the total nominal amount of the share capital of the Company in issue on the date of passing this Resolution.”

7. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an Ordinary Resolution:

“**THAT**, subject to and conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, such number of shares of the Company which may fall to be allotted and issued upon the exercise of options which may be granted under the share option scheme adopted by the Company on 7 November 2003 (the “Share Option Scheme”) representing ten per cent of the issued share capital of the Company on the date of passing this Resolution, the existing limit in respect of the granting of options to subscribe for shares of the Company under the Share Option Scheme be refreshed and renewed provided that the total number of shares which may be allotted and issued upon the exercise of options granted under the Share Option Scheme and other share option schemes (if any) of the Company (excluding options previously granted, outstanding, cancelled, lapsed or exercised under the Share Option Scheme) shall not exceed 10 per cent of the shares of the Company in issue on the date of passing this resolution (the “Refreshed Limit”) and that the directors of the Company be and are hereby authorised, subject to compliance with the Rules Governing the Listing of Securities on the Stock Exchange, to grant options under the Share Option Scheme up to the Refreshed Limit and to exercise all powers of the Company to allot, issue and deal with shares of the Company pursuant to the exercise of such options and to do such acts and execute such documents for or incidental to such purpose.”

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

Hong Kong, 7 July 2011

Notes:

- (i) A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint a proxy to attend and, in the event of a poll, vote in his stead. A proxy need not be a member of the Company.
- (ii) In order to be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of the power of attorney or authority must be deposited with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting.
- (iii) Completion and return of the form of proxy will not preclude a member of the Company from attending and voting in person at the meeting convened or any adjournment thereof and in such event, the authority of the proxy shall be deemed to be revoked.
- (iv) Biographical details of the directors proposed for re-election are set out in the section headed "Re-election of Directors" of this circular, of which this notice forms part.

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