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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)

PLACING OF SHARES BY THE SINGLE LARGEST SHAREHOLDER

The Board has been informed by Viva Shine that, on 27 November 2014 (after trading hours), Viva Shine entered into the Placing Agreement to appoint the Placing Agent for procuring Placee(s) for the Placing Shares on a best effort basis during the Placing Period, subject to the terms and conditions of the Placing Agreement.

Reference is made to the announcement of Company dated 25 November 2014 in relation to, among others, the possible placement of certain shares in the Company held by Viva Shine, the single largest shareholder of the Company.

THE PLACING

The Board has been informed by Viva Shine that, on 27 November 2014 (after trading hours), Viva Shine entered into the Placing Agreement, pursuant to which Kingston Securities was appointed as the Placing Agent for procuring Placee(s) for the Placing Shares on a best effort basis during the Placing Period, subject to the terms and conditions of the Placing Agreement

THE PLACING AGREEMENT

Date: 27 November 2014 (after trading hours)

Parties: (1) Viva Shine; and
(2) Kingston Securities.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Placing Agent and its associates are Independent Third Parties.

The Placee(s): any professional, institutional or other investors or any of their respective subsidiaries or associates procured by the Placing Agent to purchase the Placing Shares pursuant to the Placing Agreement, who and whose ultimate beneficial owners will be third parties independent of and not connected nor acting in concert (as defined in the Takeovers Code) with the Company or any of its connected persons.

* For identification purpose only

Placing Shares:	up to 828,000,000 Shares (representing approximately 25.21% of the Company’s existing issued share capital), which is beneficially owned by Viva Shine. Viva Shine in turn is beneficially owned as to 50% by Mr. Yu Shengming, the chairman and an executive director of the Company and 50% by Mr. Wang Guoli. In addition to its interest in the Placing Shares, Viva Shine is also the beneficial owner of the Convertible Bond as at the date of this announcement.
Placing Period:	the Placing Agent undertakes to procure Placee(s) to purchase the Placing Shares at the Placing Price during the Placing Period on a best effort basis.
Placing Price:	HK\$0.20 per Placing Share
Condition of the Placing:	the Placing is unconditional.
Termination of the Placing:	Unless otherwise agreed by the parties to the Placing Agreement, the Placing Agent’s appointment shall terminate upon the earlier of (a) Completion and (b) termination of the Placing by the Placing Agent in accordance with the terms and conditions of the Placing Agreement. The Placing Agent may terminate the Placing Agreement at any time prior to 9:00 a.m. on the Placing Completion Date, if in its absolute opinion the success of the Placing would be materially and adversely affected by any force majeure events.

GENERAL

The Company will make further announcement in compliance with the requirements the Listing Rules as and when appropriate.

DEFINITION

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings:

“associates”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (excluding a Saturday, Sunday or public holiday) on which commercial banks generally are open for business in Hong Kong
“Company”	South East Group Limited, a company incorporated in Bermuda with limited liability, the issue Shares are listed on the Main Board of the Stock Exchange
“Completion”	Completion of the Placing in accordance with the terms and conditions of the Placing Agreement

“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Convertible Bond”	the convertible bond due on 7 May 2016, with an outstanding principal amount of HK\$68,000,000, issued by the Company carrying an interest of 3% per annum, convertible into a maximum of 425,000,000 Shares at the conversion price of HK\$0.16 per Share
“Director(s)”	director(s) of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee”	any individual(s), institutional or professional investor(s) procured by the Placing Agent to acquire the Placing Shares pursuant to the Placing Agreement
“Placing”	the offer by way of a private placing of the Placing Shares to the selected Placee(s) procured by the Placing Agent on the terms and subject to the conditions of the Placing Agreement
“Placing Agent” or “Kingston Securities”	Kingston Securities Limited, a licensed corporation to carry out business in Type 1 (dealing in securities) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Placing Agreement”	the placing agreement entered into between Viva Shine and the Placing Agent dated 27 November 2014 (after trading hours) in relation to the Placing
“Placing Completion Date”	on or before the day falling on the 10th Business Day after the date of the Placing Agreement, or such other date as the parties thereto shall agree
“Placing Period”	the period commencing upon the execution of the Placing Agreement and ending at 5:00 p.m. on the Business Day immediately prior to the Placing Completion Date, unless terminated by the parties to the Placing Agreement
“Placing Price”	HK\$0.20 per Placing Share
“Placing Share(s)”	up to a maximum of 828,000,000 Shares to be placed under the Placing Agreement
“Share(s)”	ordinary shares of HK\$0.10 each in the share capital of the Company

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong
“Viva Shine”	Viva Shine Limited, a company incorporated in the British Virgin Islands, with limited liability
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
South East Group Limited
Mock Wai Yin
Executive Director and Deputy Chairman

Hong Kong, 27 November 2014

The directors of the Company as at the date of this announcement are Mr. Yu Shengming (Chairman), Mr. Mock Wai Yin (Deputy Chairman) and Mr. Chan Chi Yuen as executive directors; Mr. Chen Xiaoping as non-executive director; Mr. Ng Kwok Wai, Mr. Lee Chi Hwa, Joshua and Mr. Ling Kit Wah, Joseph as independent non-executive directors.

In the case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.