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## **IPE GROUP LIMITED**

**國際精密集團有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 929)**

### **ANNOUNCEMENT PURSUANT TO RULE 13.18 OF THE LISTING RULES**

The board of directors (the “**Board**”) of IPE Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) make the following disclosures in compliance with Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Pursuant to the term of a loan facility agreement (the “**Facility Agreement**”) dated 8 May 2019 and entered into, among other parties, Integrated Precision Engineering Company Limited (a wholly-owned subsidiary of the Company) as borrower (the “**Borrower**”), the Company and fourteen of its subsidiaries as guarantors (together the “**Guarantors**”), Nanyang Commercial Bank, Limited as coordinator, agent and security trustee, and various financial institutions as original lenders, a term loan facility of HK\$275,000,000 (the “**Facility Loan**”, which may be increased to not more than HK\$400,000,000 as a result of the Lender Accession<sup>(Note 1)</sup> as defined in the Facility Agreement) is made available to the Borrower for refinancing all the amounts owing under an existing indebtedness due under the term loan facility made available to the Group in 2016 and financing the general corporate requirements of the Borrower.

\* For identification purposes only

The Facility Loan is repayable in 11 quarterly instalments on the dates and in the amounts set out in the table below:

<b>Instalment</b>	<b>Number of months from the date of the first Utilisation Date</b> <small>(Note 2)</small>	<b>Repayment Amount (as % of the Facility Loan outstanding on the Facility Termination Date (i.e. the date falling four months after the date of the Facility Agreement))</b>
1st	Six (6)	5
2nd	Nine (9)	5
3rd	Twelve (12)	5
4th	Fifteen (15)	5
5th	Eighteen (18)	5
6th	Twenty one (21)	5
7th	Twenty four (24)	5
8th	Twenty seven (27)	5
9th	Thirty (30)	5
10th	Thirty three (33)	5
11th	Thirty six (36)	5
	<b>Total</b>	<u><u>100</u></u>

As common with other syndicated loan facilities, the Facility Agreement provides that if the Company has failed to ensure that China Baoan Group Co., Ltd. shall (1) remain the single largest ultimate beneficial owner of the Company; (2) beneficially own, directly or indirectly, not less than 50.1% of the shareholding interest in the Company or (3) control the Company (i.e. has the power to exercise or control the exercise of 50% or more of the voting power at general meetings of the Company, or to control the composition of the majority of the Board, whether through the ownership of voting capital, by contract or otherwise), it may be one of the events of default under the Facility Agreement, in which event all or any part of the commitments under the Facility Loan may be canceled and all amounts outstanding under the Facility Loan may immediately become due and payable.

*Notes:*

1. The Lender Accession means subject to the conditions set out in clause 23.15 of the Facility Agreement, the Borrower may at any time before the Lender Accession Termination Date nominate any bank or financial institution to accede the Facility Agreement as a Lender; the Lender Accession Termination Date means the date falling four months after the date of the Facility Agreement.
2. Utilisation Date means the date of a Utilisation, being the date on which the Facility Loan is to be made; Utilisation means a utilisation of the Facility Loan.

Disclosure of the above will also be included in the subsequent interim and annual reports of the Company pursuant to Rule 13.21 of the Listing Rules for so long as the said event of default provision continues to exist.

By order of the Board  
**IPE Group Limited**  
**Zeng Guangsheng**  
*Chairman*

Hong Kong, 8 May 2019

*As at the date of this announcement, the Board comprises two executive directors, namely, Mr. Zeng Guangsheng (Chairman and Chief Executive Officer) and Mr. Ng Hoi Ping; one non-executive director, namely, Ms. Zeng Jing; and three independent non-executive directors, namely, Mr. Yang Rusheng, Mr. Cheung, Chun Yue Anthony and Mr. Mei Weiyi.*