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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)

**VOLUNTARY ANNOUNCEMENT
ENTERING INTO THE LOAN AGREEMENTS**

This is a voluntary announcement made by IPE Group Limited (the “**Company**”, together with its subsidiaries and consolidated affiliated entities, the “**Group**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to announce that on 26 December 2023, Guangzhou Huitong Precision Hydraulic Company Limited (廣州匯通精密液壓有限公司), an indirect non-wholly owned subsidiary of the Company and as borrower (the “**Borrower**”), and Nanyang Commercial Bank (China) Limited Guangzhou Branch (南洋商業銀行(中國)有限公司廣州分行), as lender (the “**Lender**”), entered into two loan agreements (collectively, the “**Loan Agreements**”), pursuant to which the Lender has agreed to make available a term loan facility with the aggregate principal amount of up to RMB133,610,000 to the Borrower.

The principal terms of the Loan Agreements are summarised as follows:

THE FIRST LOAN AGREEMENT

| | | |
|-----------------------------|---|--|
| Date | : | 26 December 2023 |
| Lender | : | Nanyang Commercial Bank (China) Limited Guangzhou Branch (南洋商業銀行(中國)有限公司廣州分行) |
| Borrower | : | Guangzhou Huitong Precision Hydraulic Company Limited (廣州匯通精密液壓有限公司) |
| Loan amount | : | Not more than RMB120,820,000 |
| Purpose of the loan | : | To be used as payment of part of the consideration for the acquisition of the equity interests of Yutai Hydraulic Technology (Shanghai) Co., Ltd. (裕泰液壓技術(上海)有限公司) (“ Yutai Hydraulic ”), details of which are set out in the announcements of the Company dated 17 November 2023 and 27 November 2023 and the circular of the Company dated 26 December 2023 |
| Interest rate | : | Market interest rate based on commercial negotiation |
| Payment of interests | : | Interests for the loan shall be paid on a quarterly basis |

Repayment of the loan : The repayment of the loan shall be made according to the following schedule:

| Date | Amount of loan principal to be repaid |
|--|--|
| On the 12th month after the first drawdown date of the loan | 5% of the loan principal |
| Every six months after the first twelve months of the first loan drawdown date | 5% of the loan principal |
| On the 84th month after the first loan drawdown date | The outstanding amount of the loan principal |

THE SECOND LOAN AGREEMENT

Date : 26 December 2023

Lender : Nanyang Commercial Bank (China) Limited Guangzhou Branch (南洋商業銀行(中國)有限公司廣州分行)

Borrower : Guangzhou Huitong Precision Hydraulic Company Limited (廣州匯通精密液壓有限公司)

Loan amount : Not more than RMB12,790,000

Purpose of the loan : To be used as payment of part of the consideration for the acquisition of the equity interests of Wuhu Inno Hydraulic Technology Co., Ltd. (蕪湖贏諾液壓科技有限公司) (“**Wuhu Inno**”), details of which are set out in the announcements of the Company dated 17 November 2023 and 27 November 2023 and the circular of the Company dated 26 December 2023

Interest rate : Market interest rate based on commercial negotiation

Payment of interests : Interests for the loan shall be paid on a quarterly basis

Repayment of the loan : The repayment of the loan shall be made according to the following schedule:

| Date | Amount of loan principal to be repaid |
|--|--|
| On the 12th month after the first drawdown date of the loan | 5% of the loan principal |
| Every six months after the first twelve months of the first loan drawdown date | 5% of the loan principal |
| On the 84th month after the first loan drawdown date | The outstanding amount of the loan principal |

GUARANTEES AND SECURITIES FOR THE LOAN AGREEMENTS

The Loan Agreements are guaranteed and secured by the following:

- (a) the corporate guarantee by the Company and Guangzhou Xinhao Precision Technology Company Limited (廣州市新豪精密科技有限公司), an indirect wholly-owned subsidiary of the Company; and
- (b) the pledge of the equity interests of Yutai Hydraulic, Yutai Power Technology (Shanghai) Co., Ltd. and Wuhu Inno held by the Group upon the completion of the acquisition.

The Board hereby announces that the Company agrees to provide a joint liability guarantee to the Lender, in order to guarantee the debt arising from the afore-mentioned loan agreement entered into between the Borrower and the Lender. To the best knowledge, information, and belief of the Directors, the Lender and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited).

The terms of the Loan Agreements were determined at after arm's length negotiations between the parties thereto, and the Board (including all independent non-executive Directors) considers that the terms of the Loan Agreements were fair and reasonable, on normal commercial terms, and in the interests of the Company and its shareholders as a whole.

By Order of the Board
IPE Group Limited
Tam Yiu Chung
Company Secretary

Hong Kong, 27 December 2023

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; two non-executive Directors, namely Ms. Zeng Jing and Mr. Chan Kuangguo; and three independent non-executive Directors, namely Mr. Yang Rusheng, Mr. Cheung, Chun Yue Anthony and Mr. Zhu Jianbiao.