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IPE GROUP LIMITED

IPE集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 929)

APPOINTMENT OF EXECUTIVE DIRECTOR

The Board announces that Mr Lau Siu Chung has been appointed as an executive director of the Company with effect from 8 June 2009.

The board of directors (the “**Board**”) of IPE Group Limited (the “**Company**”, which together with its subsidiaries, the “**Group**”) is pleased to announce that Mr Lau Siu Chung (“**Mr Lau**”) has been appointed as an additional executive director of the Company with effect from 8 June 2009.

Pursuant to Rule 13.51(2) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the requisite details of Mr Lau are disclosed below.

POSITION & EXPERIENCE

Mr Lau, aged 44, joined the Group in 1997. Mr Lau is currently the Sales and Marketing Director of the Group. Other than the aforesaid, he does not hold any other position with the Company or with any other members of the Group. Mr Lau is responsible for the planning and implementation of sales strategies and in charge of the sales and marketing activities of the Group. Mr Lau has over 10 years of experience in marketing and sales of precision components and industrial equipments.

Mr Lau has not held any directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

PROPOSED LENGTH OF SERVICE & DIRECTOR’S EMOLUMENTS

The initial term of office of Mr Lau as an executive director of the Company is three years commencing on 8 June 2009. He is also subject to retirement and re-election pursuant to the Articles of Association of the Company.

Pursuant to the letter of appointment of director issued by the Company, Mr Lau's emoluments are as follows:—

- (1) a fixed salary of HK\$516,000 per annum, payable in 12 equal monthly instalments;
- (2) a fixed director's fee of HK\$360,000 per annum, payable in 12 equal monthly instalments; and
- (3) in respect of every financial year of the Company, a discretionary bonus calculated as a percentage of the audited consolidated profit of the Group (after tax but before extraordinary items and such bonus), which percentage shall be determined by the Board, but in any event, the aggregate amount payable in each financial year to all executive directors of the Company shall not exceed 15% of such profit, provided that Mr Lau shall not be eligible to such a discretionary bonus if he has left the employment of the Company or has served to the Company or has been served by the Company of any notice to terminate his employment at the date when the Company's annual discretionary bonuses are declared.

Apart from the aforesaid emoluments, Mr Lau is also eligible to participate in the Company's share option scheme.

The above emoluments of Mr Lau are recommended by the Company's Remuneration Committee and approved by the Board with reference to his qualifications, experience and responsibilities with the Group, the Group's performance as well as the prevailing market conditions and are subject to future review and adjustment by the Board, based on the recommendation of the Remuneration Committee.

INTERESTS IN SHARES & RELATIONSHIPS

As at the date of this announcement, Mr Lau holds share options of the Company entitling him to subscribe for a total of 5,000,000 shares of the Company, representing approximately 0.7% of the existing issued share capital of the Company. Save as disclosed above, Mr Lau is not interested or deemed to have any interests or short positions in the shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the Securities and Futures Ordinance.

As far as the Board is aware, Mr Lau does not have any relationships with other directors, senior management, substantial shareholders (as defined in the Listing Rules) or controlling shareholders (as defined in the Listing Rules) of the Company.

OTHER INFORMATION AND MATTERS THAT NEED TO BE DISCLOSED OR BROUGHT TO THE ATTENTION OF SHAREHOLDERS OF THE COMPANY

Save as disclosed above, there is no information of Mr Lau to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the Listing Rules; and there are no other matters relating to the said appointment of Mr Lau that need to be brought to the attention of shareholders of the Company.

The Board would like to take this opportunity to welcome Mr Lau for joining the Board.

By order of the Board
Chui Siu On
Chairman

Hong Kong, 8 June 2009

As at the date of this announcement, the Board comprises 6 executive directors, namely Mr Chui Siu On, Mr Ho Yu Hoi, Mr Lai Man Kit, Mr Li Chi Hang, Mr Wong Kwok Keung and Mr Lau Siu Chung; 2 non-executive directors, namely Mr Ng Kin Nam and Mr Wan Tak Wing, Gary; and 3 independent non-executive directors, namely Dr Cheng Ngok, Mr Choi Hon Ting, Derek and Mr Wu Karl Kwok.