

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities.



IPE GROUP LIMITED

IPE集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 929)

PROPOSED OPEN OFFER OF NOT LESS THAN 183,198,750 OFFER SHARES AND NOT MORE THAN 185,873,750 OFFER SHARES ON THE BASIS OF ONE OFFER SHARE FOR EVERY FOUR SHARES HELD ON THE RECORD DATE

Underwriter



廣發證券(香港)經紀有限公司

GF Securities (Hong Kong) Brokerage Limited

THE OPEN OFFER

The Board is pleased to announce that on 9 November 2009, the Company and the Underwriter entered into the Underwriting Agreement to implement the Open Offer. The Company proposes to raise not less than HK\$65.95 million and not more than HK\$66.91 million before expenses by issuing not less than 183,198,750 Offer Shares and not more than 185,873,750 Offer Shares (if the Outstanding Share Options are exercised and the relevant Shares are allotted on or before the Record Date) respectively at a price of HK\$0.36 per Offer Share by way of the Open Offer, payable in full on application, on the basis of one Offer Share for every four Shares held on the Record Date.

The Open Offer will not be available to the Prohibited Shareholders. To qualify for the Open Offer, all transfer of Shares must be lodged for registration with the Registrar by 4:30 p.m. on Tuesday, 24 November 2009. The register of members is expected to be closed from Wednesday, 25 November 2009 to Friday, 27 November 2009 (both days inclusive) to determine the entitlements to the Open Offer.

As at the date of this announcement, Tottenhill holds 265,245,000 Shares, representing approximately 36.20% of the issued share capital of the Company. Tottenhill has given an irrevocable undertaking in favour of the Company and the Underwriter to subscribe for or procure subscription for an aggregate of 66,311,250 Offer Shares to which Tottenhill is entitled under the Open Offer.

As at the date of this announcement, the Company has 60,700,000 existing Share Options of which 10,700,000 Share Options have been vested in and are exercisable by the relevant option holders, while 50,000,000 Share Options have not been vested in and are not exercisable by the relevant option holders.

The estimated net proceeds from the Open Offer is approximately HK\$63.65 million (assuming no exercise of the Outstanding Share Options on or before the Record Date) or approximately HK\$64.61 million (assuming the Outstanding Share Options are exercised and the relevant Shares are allotted on or before the Record Date) will be used for general working capital of the Group.

Pursuant to the Underwriting Agreement, the Underwriter has agreed to subscribe for or procure the subscription for, all the Underwritten Shares if any of the Underwritten Shares has not been taken up by the Qualifying Shareholders by the Latest Time for Acceptance.

The Open Offer is conditional upon, among others, the Underwriting Agreement becoming unconditional and the Underwriter not terminating the Underwriting Agreement in accordance with its terms. Accordingly, the Open Offer may or may not proceed. Shareholders and potential investors are advised to exercise due caution when dealing with the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

Shareholders should note that the Shares will be dealt in on an ex-entitlement basis commencing from Monday, 23 November 2009 and that dealings in such Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled. Any Shareholders or other persons dealing in such Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled (which is expected to be Thursday, 17 December 2009) will accordingly bear the risk that the Open Offer cannot become unconditional and may not proceed. Any Shareholders or other persons contemplating selling or purchasing the Shares who are in any doubt about their position are recommended to consult their professional advisers.

THE OPEN OFFER

Issue statistics

Basis of the Open Offer	:	One Offer Share for every four Shares held on the Record Date
Number of Shares in issue as of the date of this announcement	:	732,795,000 Shares

Number of Offer Shares	:	Not less than 183,198,750 Offer Shares and not more than 185,873,750 Offer Shares (if the Outstanding Share Options are exercised and the relevant Shares are allotted on or before the Record Date)
Number of Shares in issue immediately following the completion of the Open Offer	:	Not less than 915,993,750 Shares and not more than 929,368,750 Shares (if the Outstanding Share Options are exercised and the relevant Shares are allotted on or before the Record Date)
Underwriter	:	GF Securities (Hong Kong) Brokerage Limited
Number of Underwritten Shares	:	not less than 116,887,500 Offer Shares and not more than 119,562,500 Offer Shares (if the Outstanding Share Options are exercised and the relevant Shares are allotted on or before the Record Date), being all the Offer Shares less such number of Offer Shares agreed to be taken up or procured to be taken up by Tottenhill pursuant to the Underwriting Agreement
Number of Offer Shares undertaken to be taken up by Tottenhill	:	66,311,250 Offer Shares
Number of outstanding Share Options	:	60,700,000 existing Share Options of which 10,700,000 Share Options have vested in and are exercisable by the relevant option holders, while 50,000,000 Share Options have not vested in and are not exercisable by the relevant option holders

Under the Open Offer, on the assumption that no Outstanding Share Option is exercised on or before the Record Date and there is no change in the issued share capital of the Company immediately before the completion of the Open Offer, 183,198,750 Offer Shares would be allotted, representing 25.00% of the existing issued share capital of the Company as at the date of this announcement and 20.00% of the issued share capital of the Company as enlarged by the issue of 183,198,750 Offer Shares. However, as at the date of this announcement, there are 60,700,000 existing Share Options of which 10,700,000 Share Options have vested in and are exercisable by the relevant option holders, while 50,000,000 Share Options have not vested in and are not exercisable by the relevant option holders. On the assumptions that the 10,700,000 Outstanding Share Options will all be exercised by the holders thereof and the relevant Shares are allotted on or before the Record Date and qualified for the Open Offer and there is no other change in the issued share capital of the Company immediately before the completion of the Open Offer, not more than 185,873,750 Offer Shares would be allotted under the Open Offer, representing approximately 25.37% of the existing issued share capital of the Company as at the date of this announcement and 20.00% of the issued share capital of the Company as enlarged by the 10,700,000 Shares issued upon the exercise of the 10,700,000 Outstanding Share Options and the issue of the maximum number of 185,873,750 Offer Shares. Save as disclosed, apart from the 60,700,000 Share Options, there are no other outstanding warrants, convertible notes or other rights to subscribe for Shares as at the date of this announcement.

Qualifying Shareholders

The Company will send the Prospectus Documents to the Qualifying Shareholders and the Prospectus, for information only, to the Prohibited Shareholders. Please take special note that the Company will send the Application Form to the Qualifying Shareholders only. To qualify for the Open Offer, Qualifying Shareholders must be registered as members of the Company on the register of members of the Company on the Record Date and not be Prohibited Shareholders.

In order to be registered as members of the Company on the Record Date, Qualifying Shareholders must lodge any transfer of Shares (with the relevant Share certificates) for registration with the Registrar by 4:30 p.m. on Tuesday, 24 November 2009.

The branch share registrar of the Company in Hong Kong is:

Tricor Investor Services Limited
26/F
Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

The invitation to apply for the Offer Shares will not be transferable and there will be no trading in the nil-paid entitlements on the Stock Exchange.

Closure of register of members

The register of members of the Company will be closed from Wednesday, 25 November 2009 to Friday, 27 November 2009 (both days inclusive) to determine the eligibility of the Qualifying Shareholders to the Open Offer. No transfer of Shares will be registered during this period.

The Subscription Price

The Subscription Price of HK\$0.36 per Offer Share, payable in full on application, represents:

- (i) a discount of approximately 28.00% to the closing price of HK\$0.50 per Share as quoted on the Stock Exchange on 9 November 2009, being the date of the Underwriting Agreement;
- (ii) a discount of approximately 23.73% to the theoretical ex-entitlement price of approximately HK\$0.472 per Share based on the aforesaid closing price per Share;
- (iii) a discount of approximately 30.50% to the average of the closing prices of approximately HK\$0.518 per Share as quoted on the Stock Exchange for the last 5 consecutive trading days up to and including 9 November 2009;

- (iv) a discount of approximately 28.57% to the average of the closing prices of approximately HK\$0.504 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including 9 November 2009; and
- (v) a discount of approximately 72.09% to the unaudited net asset value per Share of approximately HK\$1.29 as at 30 June 2009.

The Subscription Price was determined based on arm's length negotiations between the Company and the Underwriter, with reference to the prevailing market prices of the Shares. The Board considers that the Subscription Price is fair and reasonable and the discount of the Subscription Price as compared to the recent market prices would encourage Qualifying Shareholders to participate in the Open Offer and accordingly the future growth of the Group. The Company will send the Prospectus to the Prohibited Shareholders for their information only. The Company will not send the Application Form to the Prohibited Shareholders.

Status of the Offer Shares

The Offer Shares, when allotted and issued, will rank *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Offer Shares. Holders of the Offer Shares will be entitled to receive all future dividends and distributions which are declared, made or paid in respect thereof on or after the date of allotment and issue of such Offer Shares.

Certificates for the Offer Shares and Refund Cheques

Subject to fulfillment of the conditions of the Open Offer, share certificates for the Offer Shares are expected to be posted on or before Friday, 18 December 2009 to those Qualifying Shareholders who have validly applied and paid for the Offer Shares at their own risks. If the Open Offer is terminated, refund cheques will be despatched on or before Friday, 18 December 2009 by ordinary post at the respective Shareholders' own risks.

Rights of the Prohibited Shareholders

The Prospectus Documents are not expected to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. The Company will comply with Rule 13.36(2) of the Listing Rules and make enquiries regarding the feasibility of extending the Open Offer to the Prohibited Shareholders and disclose the details of the Prohibited Shareholders in the circular in relation to the Prospectus. If, based on legal opinions provided by the legal advisers to the Company, the Directors consider that, in compliance with Rule 13.36(2) of the Listing Rules, it is necessary or expedient not to extend the Open Offer to the Prohibited Shareholders on account either of the legal restrictions under the laws of the place of his registered address or the requirements of the relevant regulatory body or stock exchange in that place, the Open Offer will not be available to the Prohibited Shareholders.

Fraction

No fractional entitlements to the Offer Shares will be issued under the Open Offer. All such fractional entitlements will be aggregated and taken up by the Underwriter.

No application for excess Offer Shares

No application for excess Offer Shares will be made available to any Qualifying Shareholders to apply for any entitlements of the Prohibited Shareholders. Any Offer Shares not taken up by Qualifying Shareholders and the abovementioned aggregated fractional entitlements will be taken up by the Underwriter.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Offer Shares. Dealings in the Offer Shares will be subject to the payment of stamp duty in Hong Kong.

The Open Offer is not subject to Shareholders' approval.

Undertaking arrangements

Irrevocable undertaking from Tottenhill

Under the Underwriting Agreement, Tottenhill irrevocably undertakes to the Company and the Underwriter:

1. to subscribe for or procure the subscription for an aggregate of 66,311,250 Offer Shares to which it is entitled pursuant to the Open Offer;
2. not to dispose of its Shares until after the fourth business day following (but excluding) the Latest Time for Acceptance; and
3. to lodge the Application Form in respect of the Offer Shares referred to in the Underwriting Agreement accompanied by appropriate remittances which shall be honoured on first presentation and otherwise comply with the procedures for such acceptance and application as described in the Prospectus Documents prior to the Latest Time for Acceptance.

The Underwriting Agreement

Taking into account the undertaking from Tottenhill, the Underwriter has agreed to fully underwrite not more than 119,562,500 Offer Shares and not less than 116,887,500 Offer Shares at a subscription price of HK\$0.36 per Offer Share. The Underwriter and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined in the Listing Rules). The Underwriting Agreement provides that the Underwriter will be obliged to subscribe for or procure subscription for, any Underwritten Shares not taken up by the Qualifying Shareholders.

The Company will pay the Underwriter an underwriting commission of 2.5% of the aggregate subscription price of the Underwritten Shares. Both the Company and the Underwriter consider that the underwriting commission is in line with the market rate. The Directors (including the independent non-executive Directors) are also of the view that the underwriting commission is fair and reasonable.

Termination of the Underwriting Agreement

The Underwriter may by notice in writing to the Company given at any time before the Latest Time for Termination, terminate the Underwriting Agreement, if any of the following grounds of termination happens:

- (1) in the absolute opinion of the Underwriter, the success of the Open Offer would be materially and adversely affected by:**
 - (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Open Offer; or**
 - (b) the occurrence, happening, coming into effect, change or becoming public knowledge of any event or circumstances of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Open Offer; or**
- (2) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the absolute opinion of the Underwriter is likely to materially or adversely affect the success of the Open Offer; or**
- (3) there is any change in the circumstances of the Company or any member of the Group which in the absolute opinion of the Underwriter will materially adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition for the voluntary liquidation or winding up or similar event occurring in respect of any member of the Group or the destruction of any material uninsured asset of the Group; or**
- (4) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive business days, excluding any suspension in connection with the clearance of this announcement, or the Prospectus Documents or other announcements or circulars in connection with the Open Offer; or**

- (5) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or**
- (6) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not *ejusdem generis* with any of the foregoing; or**
- (7) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the absolute opinion of the Underwriter, a material omission in the context of the Open Offer; or**
- (8) the Prospectus when published contains information (either as to business prospects or the condition of the Group or as to its compliance with any laws or the Listing Rules or any applicable laws and regulations) which has not prior to the date thereof been publicly announced or published by the Company and which may in the absolute opinion of the Underwriter be material to the Group as a whole upon completion of the Open Offer and is likely to affect materially and adversely the success of the Open Offer; or**
- (9) any breach of any of the warranties or undertakings contained in the Underwriting Agreement by the Company and/or Tottenham (as the case may be) which in the absolute opinion of the Underwriter is considered to be material.**

The Underwriter shall also be entitled by notice in writing to rescind the Underwriting Agreement if prior to the Latest Time for Termination:

- (1) any material breach of any of the representations, warranties or undertakings contained in the Underwriting Agreement comes to the knowledge of the Underwriter; or**
- (2) any Specified Event comes to the knowledge of the Underwriter.**

Any such notice shall be served by the Underwriter prior to the Latest Time for Termination.

Conditions of the Open Offer

Completion of the Open Offer is conditional upon fulfillment of each of the following conditions:

1. the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively of one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules and the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) not later than the date on which the Prospectus is despatched;

2. the posting of the Prospectus Documents to the Qualifying Shareholders and, if required by and in compliance with the Listing Rules, the posting of the Prospectus, and a letter to the Prohibited Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Open Offer on or before the date on which the Prospectus is despatched;
3. the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Offer Shares by no later than the first day of their dealings;
4. the obligations of the Underwriter becoming unconditional and that the Underwriting Agreement is not terminated in accordance with its terms;
5. compliance with and performance of all undertakings and obligations of Tottenhill under the Underwriting Agreement; and
6. compliance with and performance of all undertakings and obligations of the Company under the Underwriting Agreement.

The Company shall make an application to the Stock Exchange for the listing of, and permission to deal in, the Offer Shares.

If any of the conditions of the Open Offer is not fulfilled by or at the time and/or date specified therefor, (or if no time or date is specified, the time as specified under the Underwriting Agreement, or such other time as may be agreed between the Underwriter and the Company) or shall become incapable of being fulfilled on or before such time, or the Underwriting Agreement is terminated by the Underwriter by written notice to the Company pursuant to the terms of the Underwriting Agreement, in which case the Open Offer will not proceed.

Shareholding structure of the Company

The shareholding structure of the Company immediately before and after the completion of the Open Offer is set out below:

	As at the date of this announcement		Immediately after completion of the Open Offer assuming all Shareholders take up their respective entitlements to the Offer Shares in full and none of the Outstanding Share Options is exercised on or before the Record Date		Immediately after completion of the Open Offer assuming all Shareholders take up their respective entitlements to the Offer Shares in full and the Outstanding Share Options are exercised in full and the relevant Shares are allotted on or before the Record Date		Immediately after completion of the Open Offer assuming no Shareholder takes up any of the Underwritten Shares, all Underwritten Shares are taken up by the Underwriter and the Outstanding Share Options are exercised in full and the relevant Shares are allotted on or before the Record Date		Immediately after completion of the Open Offer assuming no Shareholder takes up any of the Underwritten Shares, all Underwritten Shares are taken up by the Underwriter and the Outstanding Share Options are exercised in full and the relevant Shares are allotted on or before the Record Date	
	Shares	%	Shares	%	Shares	%	Shares	%	Shares	%
Shareholders										
Tottenhill	265,245,000	36.20%	331,556,250	36.20%	331,556,250	35.68%	331,556,250	36.20%	331,556,250	35.68%
Directors and connected persons	11,695,000	1.59%	14,618,750	1.59%	16,493,750	1.77%	11,695,000	1.27%	13,195,000	1.42%
The Underwriter	0	0.00%	0	0.00%	0	0.00%	116,887,500	12.76%	119,562,500	12.86%
Public										
Holders of Outstanding Share Options other than Directors	0	0.00%	0	0.00%	11,500,000	1.24%	0	0.00%	9,200,000	0.99%
Existing public Shareholders	455,855,000	62.21%	569,818,750	62.21%	569,818,750	61.31%	455,855,000	49.77%	455,855,000	49.05%
Total	732,795,000	100%	915,993,750	100%	929,368,750	100%	915,993,750	100%	929,368,750	100%

Note: The shareholding structure shown in the above table has assumed that there is no other change in the issued share capital and shareholding structure of the Company save for those as disclosed in the table.

Reasons for the Open Offer and use of proceeds

The Group is principally engaged in the manufacture and sale of high precision metal components.

The estimated net proceeds from the Open Offer is approximately HK\$63.65 million (assuming no exercise of the Outstanding Share Options on or before the Record Date) or approximately HK\$64.61 million (assuming the Outstanding Share Options are exercised and the relevant Shares are allotted on or before the Record Date) will be used for general working capital of the Group.

The Board considers that the Open Offer provides a good opportunity for the Group to strengthen its capital base and to enhance its financial position. In addition, since the Open Offer will allow the Qualifying Shareholders to maintain their respective pro rata shareholdings in the Company, the Board considers that it is in the interests of the Company and the Shareholders as a whole to raise capital through the Open Offer.

The estimated expenses of the Open Offer are about HK\$2.3 million, which include underwriting commission and professional fees payable to the financial advisers, lawyers and financial printer, etc. and will be borne by the Company.

Save as disclosed below, the Group did not carry out any capital raising activities within the last 12 months prior to the date of this announcement.

Date of announcement	Event	Net proceeds (approximately)	Intended use of proceeds as announced	Actual use of proceeds
12 June 2009	Subscription of new shares	HK\$15.2 million	As general working capital for the Group	As general working capital for the Group

Expected timetable

2009

Last day of dealings in the Shares on a cum-entitlement basis	Friday, 20 November
First day of dealings in the Shares on an ex-entitlement	Monday, 23 November
Latest time for lodging transfers of Shares accompanied by the relevant title documents in order to qualify for the Open Offer	4:30 p.m. on Tuesday, 24 November
Register of members closed (both days inclusive)	Wednesday, 25 November to Friday, 27 November
Record Date for the Open Offer	Friday, 27 November
Register of members re-opens	Monday, 30 November
Despatch of the Prospectus Documents	Monday, 30 November
Latest time for payment for and acceptance of the Offer Shares	4:00 p.m. on Monday, 14 December
Latest time for the Open Offer to become unconditional	Thursday, 17 December

Announcement of results of the Open Offer	Thursday, 17 December
If the Open Offer is terminated, refund cheques to be despatched on or before	Friday, 18 December
Share certificates of the Offer Shares to be posted	Friday, 18 December
Dealing in the Offer Shares commences	9:30 a.m. on Tuesday, 22 December

WARNING OF RISKS OF DEALINGS IN THE SHARES

If the Underwriter terminates the Underwriting Agreement or if the conditions of the Underwriting Agreement have not been fulfilled in accordance with the terms thereof, the Open Offer will not proceed. Shareholders and potential investors are advised to exercise due caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

Shareholders should note that the Shares will be dealt in on an ex-entitlement basis commencing from Monday, 23 November 2009 and that dealings in such Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled. Any Shareholders or other persons dealing in such Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled (which is expected to be Thursday, 17 December 2009) will accordingly bear the risk that the Open Offer cannot become unconditional and may not proceed. Any Shareholders or other persons contemplating on selling or purchasing the Shares who are in any doubt about their position are recommended to consult their professional advisers.

ADJUSTMENTS TO EXERCISE PRICE AND NUMBER OF THE SHARE OPTIONS

Adjustments to the exercise price and number of the Share Options may be required under the relevant terms of the Share Option Scheme. Further announcement will be made by the Company in this regard.

GENERAL

The Prospectus or Prospectus Documents, where appropriate, containing further information on the Open Offer will be despatched to the Shareholders as soon as practicable.

DEFINITIONS

Terms used in this announcement have the following meanings unless the context otherwise requires:

“Application Form”	the application form for use by the Qualifying Shareholders to apply for the Offer Shares
--------------------	---

“Board”	the board of Directors
“Company”	IPE Group Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Time for Acceptance”	4:00 p.m. on Monday, 14 December 2009 or such later time or date as may be agreed between the Company and the Underwriter, being the latest time for acceptance of, and payment for, the Offer Shares as described in the Prospectus
“Latest Time for Termination”	4:00 p.m. on the third business day after the Latest Time for Acceptance
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offer Share(s)”	not less than 183,198,750 new Shares and not more than 185,873,750 new Shares (if the Outstanding Share Options are exercised and the relevant Shares are allotted on or before the Record Date), proposed to be offered to the Qualifying Shareholders for subscription under the Open Offer
“Open Offer”	the proposed issue of the Offer Shares at the Subscription Price by way of an open offer to the Qualifying Shareholders on the terms pursuant to the Prospectus Documents and summarized in this announcement
“Outstanding Share Options”	10,700,000 Share Options, which have vested in the relevant holders as at the date of this announcement, who have not undertaken to the Company not to exercise such Share Options on or prior to the Record Date
“Prohibited Shareholders”	the Shareholders whose names appear on the register of members of the Company on the Record Date and whose addresses are in places outside of Hong Kong or who are persons to whom in the Directors’ opinion, the Offer Shares may not be offered without compliance with registration and/or other legal or regulatory requirements of a jurisdiction or jurisdictions outside of Hong Kong

“Prospectus”	the Open Offer prospectus
“Prospectus Documents”	the Prospectus and the Application Form
“Qualifying Shareholders”	the Shareholders other than the Prohibited Shareholders whose names appear on the register of members of the Company as at the close of business on the Record Date
“Record Date”	Friday, 27 November 2009, being the date by reference to which entitlements to the Open Offer will be determined
“Registrar”	Tricor Investor Services Limited, the Company’s Hong Kong branch Share registrar located at 26/F, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong
“Share(s)”	the share(s) of HK\$0.10 each in the issued share capital of the Company
“Shareholders”	the shareholders of the Company
“Share Options”	share options granted by the Company under the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 12 October 2004, which entitles the holders of the Share Options to subscribe for Shares
“Specified Event”	an event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before the date hereof would have rendered any of the warranties contained in the Underwriting Agreement untrue or incorrect in any material respect
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$0.36 per Offer Share under the Open Offer
“Tottenham”	Tottenham Limited, a company incorporated in the British Virgin Islands and a substantial Shareholder of the Company as at the date of this announcement

“Underwriter”	GF Securities (Hong Kong) Brokerage Limited, a licensed corporation under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to carry on type 1 regulated activities (dealings in securities)
“Underwriting Agreement”	the underwriting agreement dated 9 November 2009 entered into among the Company, Tottenhill and the Underwriter in relation to the Open Offer
“Underwritten Shares”	not less than 116,887,500 Offer Shares and not more than 119,562,500 Offer Shares (if the Outstanding Share Options are exercised and the relevant Shares are allotted on or before the Record Date), being all the Offer Shares less such number of Offer Shares agreed to be taken up or procured to be taken up by Tottenhill pursuant to the Underwriting Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By the order of the Board
IPE GROUP LIMITED
Chui Siu On
Chairman

Hong Kong, 9 November 2009

As at the date of this announcement, the Board comprises Mr. Chui Siu On (Chairman), Mr. Ho Yu Hoi, Mr. Lai Man Kit, Mr. Li Chi Hang, Mr. Wong Kwok Keung, Mr. Lau Siu Chung and Mr. Yuen Chi Ho (the above 7 being executive directors), Mr. Wan Tak Wing, Gary (being a non-executive director), and Dr. Cheng Ngok, Mr. Choi Hon Ting, Derek and Mr. Wu Karl Kwok (the above 3 being independent non-executive directors).