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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)

PROFIT WARNING

This announcement is made by IPE Group Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong.

The board (the “**Board**”) of directors of the Company wishes to inform the shareholders and potential investors of the Company that based on the preliminary review of the management accounts of the Group for the year ended 31 December 2023 and the information currently available to the Board, net profit after tax of the Company for the year ended 31 December 2023 is expected to decrease by approximately 45% as compared with the previous year. The decrease in net profit after tax of the Group was primarily due to: (i) the drop in total sales of the Group by approximately 7% in 2023; (ii) the substantial amount of exchange gain recorded by one of the Group’s subsidiaries in consequence of renminbi depreciation in the previous year, while the renminbi-denominated liability of the subsidiary had decreased in the current year, resulting in a significant decrease in exchange gain in 2023 as compared with that in the previous year; and (iii) the soar in borrowing costs in 2023 as a result of increasing lending rate since 2022 following interest rate hikes in United States.

The information disclosed in this announcement is based solely on the preliminary assessment made by the management of the Company with reference to information currently available, including the unaudited management accounts of the Group for the year ended 31 December 2023, which have not been reviewed or audited by the auditor of the Company. Shareholders and potential investors of the Company are advised to refer to the annual results of the Group for the year ended 31 December 2023 to be published in late March 2024 for details of the Group's performance and to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 11 March 2024

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. Chen Kuangguo; and three independent non-executive directors, namely, Mr. Yang Rusheng, Mr. Cheung, Chun Yue Anthony and Mr. Zhu Jianbiao.