

Herbs Generation Group Holdings Limited
草姬集團控股有限公司
ANNOUNCEMENT OF FINAL OFFER PRICE AND
ALLOTMENT RESULTS

Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the prospectus dated 11 December 2024 (the “**Prospectus**”) issued by Herbs Generation Group Holdings Limited 草姬集團控股有限公司 (the “**Company**”).

SUMMARY

Company information

Stock code	2593
Stock short name	HERBS GROUP
Dealings commencement date	19 December 2024*

* see note at the end of the announcement

Price Information

Final Offer Price	HK\$3.75
Offer Price Range	HK\$3.75 – HK\$4.15
Offer Price Adjustment exercised	N/A

Offer Shares and Share Capital

Number of Offer Shares	33,333,600
Number of Offer Shares in Public Offer (after reallocation)	16,667,200
Number of offer shares in International Placing (after reallocation)	16,666,400
Number of issued shares upon Listing	133,333,600

Over-allocation

No. of Offer Shares over-allocated	0
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Proceeds

Gross proceeds (Note)	HK\$125.0 million
Less: Estimated listing expenses payable based on Final Offer Price	HK\$29.7 million
Net proceeds	HK\$95.3 million

Note: Gross proceeds refers to the amount to which the issuer is entitled to receive. For details of the use of proceeds, please refer to the section headed “Future Plans and Use of Proceeds” of the Prospectus dated 11 December 2024.

ALLOTMENT RESULTS DETAILS

PUBLIC OFFER

No. of valid applications	55,863
No. of successful applications	17,076
Subscription level	6,083.63 times
Claw-back triggered	Yes
No. of Offer Shares initially available under the Public Offer	3,333,600
Final no. of Offer Shares under the Public Offer (after reallocation)	16,667,200
% of Offer Shares under the Public Offer to the Global Offering	50.00%

Notes: For details of the final allocation of shares to the Hong Kong Public Offer, investors can refer to www.eipo.com.hk/eIPOAllotment to perform a search by identification number or www.eipo.com.hk/eIPOAllotment for the full list of allottees.

INTERNATIONAL PLACING

No. of places	206
Subscription Level	1.79 times
No. of Offer Shares initially available under the International Placing	30,000,000
Final no. of Offer Shares under the International Placing (after reallocation)	16,666,400
% of Offer Shares under the International Placing to the Global Offering	50.00%

The Directors confirm that, to the best of their knowledge, information and belief, (i) none of the Offer Shares subscribed by the places and the public have been financed directly or indirectly by the Company, any of the Directors, chief executive of the Company, controlling shareholders, substantial shareholders, existing shareholders of the Company or any of its subsidiaries or their respective close associates; and (ii) none of the places and the public who have purchased the Offer Shares are accustomed to taking instructions from the Company, any of the Directors, chief executive of the Company, controlling shareholders, substantial shareholders, existing shareholders of the Company or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of Shares registered in his/her/its name or otherwise held by him/her/it.

The places in the International Placing include the following:

Cornerstone Investors

<i>Investor</i>	<i>No. of Offer Shares allocated</i>	<i>% of Offer Shares</i>	<i>% of total issued share capital after the Global Offering</i>	<i>Existing shareholders or their close associates</i>
Water Live Wealth Limited	5,332,800	16.00%	4.00%	No
Vital Message Medical Health Care Centre Limited (“Vital Message”)	1,332,800	4.00%	1.00%	No
Mr. Yuen Tsz Ho Ronald	800,000	2.40%	0.60%	No
Total	7,465,600	22.40%	5.60%	

Note: For further details of the cornerstone investors, please refer to the section headed “Cornerstone Investment” of the Prospectus.

LOCK-UP UNDERTAKINGS

Controlling Shareholders

Name	Number of shares held in the Company subject to lock-up undertakings upon Listing	% of shareholding in the Company subject to lock-up undertakings upon Listing	Last day subject to the lock-up undertakings
Joy & Love ^(Note 1)	90,000,000	67.50%	18 June 2025 (First Six-Months Period) ^(Note 3)
			18 December 2025 (Second Six-Months Period) ^(Note 4)
Joy & Faith ^(Note 2)	10,000,000	7.50%	18 June 2025 (First Six-Months Period) ^(Note 3)
			18 December 2025 (Second Six-Months Period) ^(Note 4)
Subtotal	100,000,000	75.00%	
<i>In accordance with the relevant Listing Rule/guidance materials, the required lock-up for the first six-month period ends on 18 June 2025 and for the second six-month period, on 18 December 2025.</i>			

Notes:

1. Joy & Love is wholly owned by Ms. Gammy Kwok.
2. Joy & Faith is wholly owned by Mr. Petras Li.
3. The Controlling Shareholder may dispose of or transfer Shares after the indicated date subject to that the Controlling Shareholder will not cease to be a Controlling Shareholder.
4. The Controlling Shareholder will cease to be prohibited from disposing of or transferring Shares after the indicated date.

Cornerstone Investors

<i>Name</i>	<i>Number of shares held in the Company subject to lock-up undertakings upon Listing</i>	<i>% of shareholding in the Company subject to lock-up undertakings upon Listing</i>	<i>Last day subject to the lock-up undertakings</i>
Water Live Wealth Limited	5,332,800	4.00%	18 June 2025
Vital Message	1,332,800	1.00%	18 June 2025
Mr. Yuen Tsz Ho Ronald	800,000	0.60%	18 June 2025
Subtotal	7,465,600	5.60%	

In accordance with the Cornerstone Investment Agreements, the required lock-up ends on 18 June 2025. The Cornerstone Investors will cease to be prohibited from disposing of or transferring Shares subscribed for pursuant to the Cornerstone Investment Agreement after the indicated date.

PLACEE CONCENTRATION ANALYSIS

Placees*	Number of Shares allotted	Allotment as % of International Placing	Allotment as % of total Offer Shares	Number of Shares held upon Listing	% of total issued share capital upon Listing
Top 1	5,332,800	32.00%	16.00%	5,332,800	4.00%
Top 5	12,316,800	73.90%	36.95%	12,316,800	9.24%
Top 10	15,719,200	94.32%	47.16%	15,719,200	11.79%
Top 25	16,461,600	98.77%	49.38%	16,461,600	12.35%

Note:

** Ranking of placees is based on the number of Shares allotted to the placees.*

SHAREHOLDER CONCENTRATION ANALYSIS

Shareholders (Note 1)	Number of Shares allotted	Allotment as % of International Placing	Allotment as % of total Offer Shares	Number of Shares held upon Listing (Note 2)	% of total issued share capital upon Listing
Top 1	0	0.00%	0.00%	100,000,000	75.00%
Top 5	11,256,800	67.54%	33.77%	111,256,800	83.44%
Top 10	15,132,800	90.80%	45.40%	115,132,800	86.35%
Top 25	16,452,000	98.71%	49.36%	116,452,000	87.34%

Notes:

1. Ranking of Shareholders is based on the number of Shares (of all classes) held by the Shareholder upon Listing.
2. Including the Shares held by Joy & Love and Joy & Faith upon Listing, which is in turn wholly owned by Ms. Gammy Kwok and Mr. Petras Li, respectively.

BASIS OF ALLOCATION UNDER THE HONG KONG PUBLIC OFFER

Subject to the satisfaction of the conditions set out in the Prospectus, 55,863 valid applications made by the public will be conditionally allocated on the basis set out below:

NO. OF SHARES APPLIED FOR	NO. OF VALID APPLICATIONS	BASIS OF ALLOTMENT / BALLOT	APPROXIMATE PERCENTAGE ALLOTTED OF THE TOTAL NO. OF SHARES APPLIED FOR
<u>POOL A</u>			
800	12,407	372 out of 12,407 to receive 800 Shares	3.00%
1,600	5,785	174 out of 5,785 to receive 800 Shares	1.50%
2,400	2,431	80 out of 2,431 to receive 800 Shares	1.10%
3,200	1,265	45 out of 1,265 to receive 800 Shares	0.89%
4,000	1,651	62 out of 1,651 to receive 800 Shares	0.75%

4,800	808	32 out of 808 to receive 800 Shares	0.66%
5,600	436	18 out of 436 to receive 800 Shares	0.59%
6,400	339	14 out of 339 to receive 800 Shares	0.52%
7,200	368	17 out of 368 to receive 800 Shares	0.51%
8,000	3,022	142 out of 3,022 to receive 800 Shares	0.47%
12,000	1,026	51 out of 1,026 to receive 800 Shares	0.33%
16,000	751	45 out of 751 to receive 800 Shares	0.30%
20,000	835	52 out of 835 to receive 800 Shares	0.25%
24,000	625	39 out of 625 to receive 800 Shares	0.21%
28,000	280	18 out of 280 to receive 800 Shares	0.18%
32,000	231	15 out of 231 to receive 800 Shares	0.16%
36,000	196	13 out of 196 to receive 800 Shares	0.15%
40,000	1,003	73 out of 1,003 to receive 800 Shares	0.15%
60,000	587	61 out of 587 to receive 800 Shares	0.14%
80,000	676	91 out of 676 to receive 800 Shares	0.13%
100,000	499	84 out of 499 to receive 800 Shares	0.13%
120,000	489	95 out of 489 to receive 800 Shares	0.13%
140,000	287	63 out of 287 to receive 800 Shares	0.13%
160,000	454	109 out of 454 to receive 800 Shares	0.12%
180,000	254	66 out of 254 to receive 800 Shares	0.12%
200,000	1,382	380 out of 1,382 to receive 800 Shares	0.11%

300,000	1,674	659 out of 1,674 to receive 800 Shares	0.10%
400,000	1,905	953 out of 1,905 to receive 800 Shares	0.10%
500,000	722	406 out of 722 to receive 800 Shares	0.09%
600,000	695	469 out of 695 to receive 800 Shares	0.09%
700,000	584	409 out of 584 to receive 800 Shares	0.08%
800,000	868	695 out of 868 to receive 800 Shares	0.08%
900,000	545	491 out of 545 to receive 800 Shares	0.08%
1,000,000	488	800 Shares	0.08%
1,100,000	595	800 Shares plus 60 out of 595 to receive additional 800 Shares	0.08%
1,200,000	2,484	800 Shares plus 497 out of 2,484 to receive additional 800 Shares	0.08%
	48,647	Total number of Pool A successful applicants: 9,860	

POOL B

1,300,000	640	800 Shares plus 129 out of 640 to receive additional 800 Shares	0.07%
1,400,000	174	800 Shares plus 50 out of 174 to receive additional 800 Shares	0.07%
1,500,000	270	800 Shares plus 96 out of 270 to receive additional 800 Shares	0.07%
1,666,400	6,132	800 Shares plus 2,926 out of 6,132 to receive additional 800 Shares	0.07%
	7,216	Total number of Pool B successful applicants: 7,216	

As of the date of this announcement, the relevant subscription monies previously deposited in the designated nominee accounts have been remitted back to the accounts of all HKSCC participants. Investors should contact their relevant brokers for any inquiries.

COMPLIANCE WITH LISTING RULES AND GUIDANCE

The Directors confirm that the Company has complied with the Listing Rules and guidance materials in relation to the placing, allotment and listing of the Company's shares.

The Directors confirm that, to the best of their knowledge, the consideration paid by the places or the public (as the case may be) directly or indirectly for each Offer Share subscribed for or purchased by them was the same as the final Offer Price in addition to any brokerage, AFRC transaction levy, SFC transaction levy and Stock Exchange trading fee payable.

OTHERS / ADDITIONAL INFORMATION

Reallocation

As (i) the Hong Kong Public Offer is oversubscribed by 100 times or more of the number of Offer Shares initially available under the Hong Kong Public Offer, the reallocation as described in the section headed "Structure and Conditions of the Global Offering – The Hong Kong Public Offer – Reallocation" of the Prospectus has been applied. The Offer Shares will be reallocated to the Hong Kong Public Offer from the International Placing in accordance with the clawback requirements set forth in paragraph 4.2 of Practice Note 18 of the Listing Rules according to the 50:50 ratio.

As a result of the above, the total number of Offer Shares finally available under the Hong Kong Public Offer (as adjusted after reallocation) is 16,667,200 Offer Shares, representing approximately 50% of the total number of Offer Shares available under the Global Offering.

DISCLAIMERS

*Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Hong Kong Securities Clearing Company Limited (“**HKSCC**”) 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 not for release, publication, distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia). This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The securities mentioned herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”). The securities may not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the U.S. Securities Act and in compliance with any applicable state securities laws, or outside the United States unless in compliance with Regulation S under the U.S. Securities Act. There will be no public offer of securities in the United States.*

The Offer Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities. This announcement is not a prospectus. Potential investors should read the Prospectus dated 11 December 2024 issued by Herbs Generation Group Holdings Limited for detailed information about the Global Offering described below before deciding whether or not to invest in the Shares thereby being offered.

Potential investors of the Offer Shares should note that the Sole Sponsor and Sole Overall Coordinator (for itself and on behalf of the Hong Kong Underwriters) shall be entitled to terminate their obligations under the Hong Kong Underwriting Agreement with immediate effect upon the occurrence of any of the events set out in the paragraph headed “Underwriting – Underwriting Arrangements and Expenses – Hong Kong Public Offer – Grounds for Termination” in the Prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date (which is currently expected to be on 19 December 2024).

No stabilising manager will be appointed, and it is anticipated that no stabilisation activities will be carried out in relation to the Global Offering.

PUBLIC FLOAT

Immediately after the completion of the Global Offering, 33,333,600 Shares, representing approximately 25.0% of the issued share capital of our Company will count towards the public float, satisfying the minimum percentage prescribed by Rule 8.08 of the Listing Rules.

Our Directors confirm that, immediately following completion of the Global Offering: (i) at least 25% of the total number of issued Shares will be held by the public, in compliance with Rule 8.08(1) of the Listing Rules; (ii) the Shares will be held by at least 300 Shareholders at the time of Listing, in compliance with Rule 8.08(2) of the Listing Rules; (iii) the three largest public Shareholders will not hold more than 50% of the Shares held in public hands at the time of Listing, in compliance with Rule 8.08(3) of the Listing Rules; (iv) no placee will, individually, be placed more than 10% of the enlarged issued share capital of our Company immediately after the Global Offering; and (v) there will not be any new substantial Shareholder (as defined in the Listing Rules) of our Company.

COMMENCEMENT OF DEALINGS

Share certificates will only become valid evidence of title at 8:00 a.m. on Thursday, 19 December 2024 (Hong Kong time), provided that the Global Offering has become unconditional and the right of termination described in the section headed “Underwriting” in the Prospectus has not been exercised. Investors who trade Shares prior to the receipt of Share certificates or prior to the Share certificates becoming valid evidence of title do so entirely at their own risk.

Assuming that the Hong Kong Public Offer becomes unconditional at or before 8:00 a.m. in Hong Kong on Thursday, 19 December 2024, it is expected that dealings in the Shares on the Stock Exchange will commence at 9:00 a.m. on Thursday, 19 December 2024. The Shares will be traded in board lots of 800 Shares each and the stock code of the Shares will be 2593.

By order of the Board
**Herbs Generation Group Holdings
Limited**
Kwok Chi Yan Gammy
*Chairlady of the Board and Executive
Director*

Hong Kong, 18 December 2024

As at the date of this announcement, the Board comprises (i) Ms. Kwok Chi Yan Gammy, Mr. Li Yat Sing Petras and Ms. Young Yuen Pik, as executive directors; (ii) Mr. Kwok Chun On as non-executive director; and (iii) Professor Chan Chi Fai Andrew, SBS, JP, Mr. Lam Yiu Por and Dr. Tsang Hing Lim Kenneth as independent non-executive directors.