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BRAINHOLE
TECHNOLOGY
BRAINHOLE TECHNOLOGY LIMITED
脑洞科技有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2203)

DISCLOSEABLE TRANSACTION
ACQUISITION OF LISTED SECURITIES

The Board announces that the Company has entered into the following transaction involving acquisition of listed securities.

Acquisition of Trip.com Shares

On 28 December 2022, the Company has acquired an aggregate of 21,000 Trip.com Shares through the open market at an aggregate consideration of approximately HK\$6.0 million (excluding transaction costs).

LISTING RULES IMPLICATION

Acquisition of Trip.com Shares

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition of Trip.com Shares exceed 5% but all are less than 25%, the Acquisition of Trip.com Shares constitutes a discloseable transaction on the part of the Company and is subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules.

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On 28 December 2022, the Company acquired an aggregate of 21,000 Trip.com Shares through the open market at an aggregate consideration of approximately HK\$6.0 million (excluding transaction costs). The average price (excluding transaction costs) for the acquisition of each Trip.com Share was approximately HK\$285. The aggregate consideration of approximately HK\$6.0 million (excluding transaction costs) was financed by the Group's existing internal financial resources.

As the Acquisition of Trip.com Shares was conducted in the open market, the identities of the counterparties of the acquired Trip.com Shares cannot be ascertained. To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, the counterparties and the ultimate beneficial owner(s) of the counterparties of the acquired Trip.com Shares are Independent Third Parties.

INFORMATION ON TRIP.COM

Trip.com is an exempted company incorporated in Cayman Islands with limited liability and a holding company with no material operations of its own. Trip.com conducts its operations primarily through its PRC subsidiaries, variable interest entities and variable interest entities' subsidiaries. Trip.com Group is principally engaged in the provision of travel related services including accommodation reservation, transportation ticketing, packaged tours, corporate travel management services, as well as internet-related advertising and other related services.

The following financial information is extracted from the published documents of Trip.com Group:

	For the year ended		For the year ended	
	31 December 2020		31 December 2021	
	(audited)		(audited)	
	<i>RMB(million)</i>	<i>HK\$(million)</i>	<i>RMB(million)</i>	<i>HK\$(million)</i>
Net revenue	18,316	20,514	20,023	22,426
Net (loss)	(3,269)	(3,661)	(645)	(722)

Based on Trip.com's published documents, the Trip.com Group has an audited consolidated net asset value of approximately RMB101,567 million (equivalent to approximately HK\$113,755 million) as at 31 December 2020 and RMB110,456 million (equivalent to approximately HK\$123,711 million) as at 31 December 2021.

Based on Trip.com's published documents, the Trip.com Group has an unaudited consolidated net asset value of approximately RMB110,943 million (equivalent to approximately HK\$124,256 million) as at 30 September 2022.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in the manufacturing and trading of semiconductors, broadband infrastructure construction and the provision of integrated solution for smart domain application (including smart home, smart campus and smart communities).

The Group believes that technological innovation is an important engine for future economic development, and it can also drive the emerging applications in the smart living sector. The Group always hopes to leverage our own advantages in the field of smart technology to actively diversify the investments in the field of innovative technologies, in order to facilitate the technological development and create greater value for the Shareholders.

Trip.com is a one-stop online travel company that provides services including accommodation reservation, transportation ticketing, packaged tours and corporate travel management. The Board holds positive views towards the financial performance and future prospect of Trip.com. The Group considers that the Acquisition of Trip.com Shares is a good opportunity to acquire attractive investment and to expand its investment portfolio with quality assets, which will enhance investment return for the Group.

As the Acquisition of Trip.com Shares was made in the open market at prevailing market prices, the Directors are of the view that the terms of the Acquisition of Trip.com Shares are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

Acquisition of Trip.com Shares

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition of Trip.com Shares exceed 5% but all are less than 25%, the Acquisition of Trip.com Shares constitutes a discloseable transaction on the part of the Company and is subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Acquisition of Trip.com Shares”	acquisition of 21,000 Trip.com Shares by the Company in the open market as disclosed in this announcement
“Board”	the board of Directors
“Company”	Brainhole Technology Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2203)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons and is not acting in concert (as defined in The Codes on Takeovers and Mergers and Share Buy-backs) with any of the connected persons of the Company or any of their respective associates (as defined under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Trip.com”	Trip.com Group Limited, an exempted company incorporated in Cayman Islands with limited liability whose issued shares are listed on the Main Board of the Stock Exchange (stock code: 9961)
“Trip.com Group”	Trip.com, its subsidiaries, variable interest entities and variable interest entities’ subsidiaries
“Trip.com Share(s)”	ordinary share(s) in the share capital of Trip.com
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Brainhole Technology Limited
Zhang Liang Johnson
Chairman and Executive Director

Hong Kong, 28 December 2022

For the purpose of this announcement, all amounts denominated in RMB has been translated (for information only) into HK\$ using the exchange rate of RMB1: HK\$1.12. Such translations shall not be construed as a representation that amounts of RMB was or may have been converted.

As at the date of this announcement, the Board comprises Mr. Zhang Liang Johnson and Ms. Wan Duo as executive Directors and Mr. Xu Liang, Mr. Chen Johnson Xi and Ms. Zhang Yibo as independent non-executive Directors.