

*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.*

**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 Dingdong Shares**

On 14 February 2023 (after trading hours of the Stock Exchange), the Company has acquired an aggregate of 317,000 Dingdong Shares through the open market at an aggregate consideration of approximately US\$1.7 million (equivalent to approximately HK\$12.9 million) (excluding transaction costs).

**LISTING RULES IMPLICATION**

**Acquisition of Dingdong Shares**

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

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

## Acquisition of Dingdong Shares

On 14 February 2023 (after trading hours of the Stock Exchange), the Company acquired an aggregate of 317,000 Dingdong Shares through the open market at an aggregate consideration of approximately US\$1.7 million (equivalent to approximately HK\$12.9 million) (excluding transaction costs). The average price (excluding transaction costs) for the acquisition of each Dingdong Share was approximately US\$5.22 (equivalent to approximately HK\$40.59). The aggregate consideration of approximately US\$1.7 million (equivalent to approximately HK\$12.9 million) (excluding transaction costs) was financed by the Group's existing internal financial resources.

As the Acquisition of Dingdong Shares was conducted in the open market, the identities of the counterparties of the acquired Dingdong 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 Dingdong Shares are Independent Third Parties.

## INFORMATION ON DINGDONG

Dingdong is an exempted company incorporated in Cayman Islands with limited liability and a holding company with no material operations of its own. Dingdong conducts their operations primarily through their PRC subsidiaries. The Dingdong Group provides users and households with fresh produce, meat and seafood and other daily necessities through a convenient and excellent shopping experience supported by an extensive self-operated frontline fulfillment grid.

The following financial information is extracted from the published documents of the Dingdong Group:

	<b>For the year ended</b>		<b>For the year ended</b>	
	<b>31 December 2020</b>		<b>31 December 2021</b>	
	<b>(audited)</b>		<b>(audited)</b>	
	<i>RMB'000</i>	<i>HK\$'000</i>	<i>RMB'000</i>	<i>HK\$'000</i>
Net revenues	11,335,787	13,036,155	20,121,126	23,139,295
Net (loss)	(3,176,914)	(3,653,451)	(6,429,059)	(7,393,418)

Based on Dingdong's published documents, the Dingdong Group has an audited consolidated net liability value of approximately RMB5,920 million (equivalent to approximately HK\$6,808 million) as at 31 December 2020 and an audited consolidated net asset value of approximately RMB728 million (equivalent to approximately HK\$837 million) as at 31 December 2021.

Based on Dingdong's published documents, the Dingdong Group has an unaudited consolidated net asset value of approximately RMB310 million (equivalent to approximately HK\$357 million) as at 31 December 2022.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION OF DINGDONG SHARES**

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.

Dingdong is the leading on-demand e-commerce company in the PRC. The Board holds positive views towards the financial performance and future prospect of Dingdong. The Group considers that the Acquisition of Dingdong 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 Dingdong Shares was made in the open market at prevailing market prices, the Directors are of the view that the terms of the Acquisition of Dingdong 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 Dingdong Shares**

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition of Dingdong Shares exceed 5% but all are less than 25%, the Acquisition of Dingdong Shares constitutes a discloseable transaction for 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 Dingdong Shares”	acquisition of 317,000 Dingdong Shares by the Company as disclosed in this announcement
“Board”	the board of Directors of the Company
“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
“Dingdong”	Dingdong (Cayman) Limited, an exempted company incorporated in Cayman Islands with limited liability whose American depository shares are listed on the New York Stock Exchange (stock code: DDL)
“Dingdong Group”	Dingdong and its subsidiaries
“Dingdong Share(s)”	American depository share(s) of Dingdong
“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
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States
“%”	per cent.

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

Hong Kong, 15 February 2023

*For the purpose of this announcement, all amounts denominated in US\$ has been translated (for information only) into HK\$ using the exchange rate of US\$1.00: HK\$7.78 and all amounts denominated in RMB has been translated (for information only) into HK\$ using the exchange rate of RMB1: HK\$1.15. Such translations shall not be construed as a representation that amounts of US\$ and RMB were 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.*