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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 IN RELATION TO
DISPOSAL OF LISTED SECURITIES**

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

Disposal of Super Micro Shares

On 18 September 2023 (after trading hours of the Stock Exchange), the Company has disposed of an aggregate of 3,160 Super Micro Shares through the open market at an aggregate consideration of approximately US\$0.8 million (equivalent to approximately HK\$6.0 million) (excluding transaction costs).

LISTING RULES IMPLICATION

Disposal of Super Micro Shares

As one or more applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Disposal of Super Micro Shares exceed 5% but all are less than 25%, the Disposal of Super Micro 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 18 September 2023 (after trading hours of the Stock Exchange), the Company has disposed of an aggregate of 3,160 Super Micro Shares through the open market at an aggregate consideration of approximately US\$0.8 million (equivalent to approximately HK\$6.0 million) (excluding transaction costs), which are receivable in cash on settlement. The average price (excluding transaction costs) for the disposal of each Super Micro Share was approximately US\$243.44 (equivalent to approximately HK\$1,893.93).

As the Disposal of Super Micro Shares was conducted in the open market, the identities of the counterparties of the disposed Super Micro 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 disposed Super Micro Shares are Independent Third Parties.

INFORMATION ON SUPER MICRO

Super Micro

Super Micro is a Delaware corporation and a Silicon Valley-based provider of accelerated compute platforms that are application-optimized high-performance and high-efficiency server and storage systems for various markets, including enterprise data centers, cloud computing, artificial intelligence, 5G and edge computing. Super Micro's solutions include complete servers, storage systems, modular blade servers, blades, workstations, complete rack scale plug and play solutions delivering pre-defined and pre-tested full rack scale solutions, networking devices, server sub-systems, system management and security software.

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

	For the year ended 30 June 2021 (audited)		For the year ended 30 June 2022 (audited)	
	US\$'000	HK\$'000	US\$'000	HK\$'000
Net sales	3,557,422	27,676,743	5,196,099	40,425,650
Income before income tax provision	118,628	922,926	336,833	2,620,561
Net income	111,865	870,310	285,163	2,218,568

Based on Super Micro's published documents, the Super Micro Group has an audited consolidated net assets value of approximately US\$1,096 million (equivalent to approximately HK\$8,527 million) as at 30 June 2021 and US\$1,426 million (equivalent to approximately HK\$11,094 million) as at 30 June 2022.

Based on Super Micro's published documents, the Super Micro Group has an unaudited consolidated net asset value of approximately US\$1,972 million (equivalent to approximately HK\$15,342 million) as at 30 June 2023.

REASONS FOR AND BENEFITS OF THE DISPOSAL OF SUPER MICRO SHARES

As a result of the Disposal of Super Micro Shares, the Group is expected to recognise a loss of approximately US\$0.1 million (equivalent to approximately HK\$0.7 million) which will affect profit and loss of the Group for the year ending 31 December 2023 and is calculated on the basis of the difference between the consideration received from the Disposal of Super Micro Shares and the acquisition cost of disposed Super Micro Shares.

The Group considers that the Disposal of Super Micro Shares represents an opportunity to allow the Group to reallocate the resources and investment portfolio. The Group has applied all of the proceeds from the Disposal of Super Micro Shares for general working capital of the Group or other appropriate investment opportunities as and when appropriate.

As the Disposal of Super Micro Shares was made in the open market at prevailing market price, the Directors are of the view that the terms of the Disposal of Super Micro Shares are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

Disposal of Super Micro Shares

As one or more applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Disposal of Super Micro Shares exceed 5% but all are less than 25%, the Disposal of Super Micro 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:

“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
“Director(s)”	the director(s) of the Company
“Disposal of Super Micro Shares”	disposal of 3,160 Super Micro Shares by the Company as disclosed in this announcement
“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
“Nasdaq”	National Association of Securities Dealers Automated Quotations Stock Market
“PRC”	the People’s Republic of China
“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
“Super Micro”	Super Micro Computer, Inc., a Delaware corporation whose common stocks are listed on Nasdaq (trading symbol: SMCI)
“Super Micro Group”	Super Micro and its subsidiaries
“Super Micro Share(s)”	Common stock(s) of Super Micro
“United States”	the United States of America
“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, 19 September 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. Such translation shall not be construed as a representation that amounts of US\$ 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.