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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)**

**(1) DISCLOSEABLE TRANSACTION IN RELATION TO  
ACQUISITION OF LISTED SECURITIES; AND  
(2) DISCLOSEABLE TRANSACTION IN RELATION TO  
FURTHER DISPOSAL OF LISTED SECURITIES**

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

**Acquisition of NVIDIA Shares**

On 9 January 2024 (after trading hours of the Stock Exchange), the Company has acquired an aggregate of 890 NVIDIA Shares through the open market at an aggregate consideration of approximately US\$0.5 million (equivalent to approximately HK\$3.6 million) (excluding transaction costs).

**Further Disposal of DraftKings Shares**

On 9 January 2024 (after trading hours of the Stock Exchange), further to the Previous Disposals of DraftKings Shares as disclosed in the Previous Announcements, the Company has further disposed of an aggregate of 13,700 DraftKings Shares through the open market at an aggregate consideration of approximately US\$0.5 million (equivalent to approximately HK\$3.7 million) (excluding transaction costs).

## **LISTING RULES IMPLICATION**

### **Acquisition of NVIDIA Shares**

As one or more of the applicable percentage ratio(s) (as defined in the Listing Rules) in respect of the Acquisition of NVIDIA Shares exceed 5% but all are less than 25%, the Acquisition of NVIDIA 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.

### **Further Disposal of DraftKings Shares**

Pursuant to Rule 14.22 and Rule 14.23 of the Listing Rules for the purpose of classification of the transactions, as the Disposal of DraftKings Shares and the Further Disposal of DraftKings Shares involve the disposal of DraftKings Shares within a 12-month period, all transactions respectively contemplated thereunder are considered and are aggregated as one transaction at a total consideration of approximately US\$1.9 million (equivalent to approximately HK\$14.6 million).

As one or more of the applicable percentage ratio(s) (as defined in the Listing Rules) in respect of the (i) Further Disposal of DraftKings Shares (standing alone) and (ii) Disposal of DraftKings Shares and Further Disposal of DraftKings Shares (in aggregate) exceed 5% but all are less than 25%, the Further Disposal of DraftKings 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.

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

### **Acquisition of NVIDIA Shares**

On 9 January 2024 (after trading hours of the Stock Exchange), the Company has acquired an aggregate of 890 NVIDIA Shares through the open market at an aggregate consideration of approximately US\$0.5 million (equivalent to approximately HK\$3.6 million) (excluding transaction costs). The average price (excluding transaction costs) for the acquisition of each NVIDIA Share was approximately US\$518.22 (equivalent to approximately HK\$4,031.75). The aggregate consideration of approximately US\$0.5 million (equivalent to approximately HK\$3.6 million) (excluding transaction costs) was financed by the Group's existing internal financial resources.

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

### **Further Disposal of DraftKings Shares**

On 9 January 2024 (after trading hours of the Stock Exchange), further to the Previous Disposals of DraftKings Shares as disclosed in the Previous Announcements, the Company has further disposed of an aggregate of 13,700 DraftKings Shares through the open market at an aggregate consideration of approximately US\$0.5 million (equivalent to approximately HK\$3.7 million) (excluding transaction costs) (excluding transaction costs), which are receivable in cash on settlement. The average price (excluding transaction costs) for the disposal of each DraftKings Share was approximately US\$34.48 (equivalent to approximately HK\$268.23).

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

## **INFORMATION ON NVIDIA AND DRAFTKINGS**

### **NVIDIA**

NVIDIA is a Delaware corporation and a software and fabless company which designs graphics processing units (GPUs), application programming interface (APIs) for data science and high-performance computing as well as system on a chip units (SoCs) for the mobile computing and automotive market. NVIDIA is a dominant supplier of artificial intelligence hardware and software. Its professional line of GPUs are used in workstations for applications in such fields as architecture, engineering and construction, media and entertainment, automotive, scientific research, and manufacturing design. In addition to GPU manufacturing, NVIDIA provides an API called CUDA that allows the creation of massively parallel programs which utilize GPUs.

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

	<b>For the year ended 30 January 2022</b>		<b>For the year ended 29 January 2023</b>	
	(audited)		(audited)	
	<i>US\$'000</i>	<i>HK\$'000</i>	<i>US\$'000</i>	<i>HK\$'000</i>
Revenue	26,914	209,391	26,974	209,858
Net income	9,752	75,871	4,368	33,983

Based on NVIDIA's published documents, the NVIDIA Group has an audited consolidated net assets value of approximately US\$26,612 million (equivalent to approximately HK\$207,041 million) as at 30 January 2022 and US\$22,101 million (equivalent to approximately HK\$171,946 million) as at 29 January 2023.

Based on NVIDIA's published documents, the NVIDIA Group has an unaudited consolidated net asset value of approximately US\$33,265 million (equivalent to approximately HK\$258,802 million) as at 29 October 2023.

### **DraftKings**

DraftKings is a Nevada corporation and a digital sports entertainment and gaming company. DraftKings provides users with online sports betting, online casino and daily fantasy sports product offerings, as well as retail sportsbook, media, other consumer product offerings and an NFT ecosystem that offers curated initial NFT drops and allows owners to list their NFTs for sale. The DraftKings Group is also involved in the design and development of sports betting and casino gaming software for online and retail sportsbooks and online casino operators.

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

	<b>For the year ended 31 December 2021</b>		<b>For the year ended 31 December 2022</b>	
	(audited)		(audited)	
	<i>US\$'000</i>	<i>HK\$'000</i>	<i>US\$'000</i>	<i>HK\$'000</i>
Revenues	1,296,025	10,083,075	2,240,461	17,430,787
Net (loss)	(1,523,195)	(11,850,457)	(1,377,987)	(10,720,739)

Based on DraftKings's published documents, the DraftKings Group has an audited consolidated net assets value of approximately US\$1,679 million (equivalent to approximately HK\$13,063 million) as at 31 December 2021 and US\$1,323 million (equivalent to approximately HK\$10,293 million) as at 31 December 2022.

Based on DraftKings's published documents, the DraftKings Group has an unaudited consolidated net asset value of approximately US\$801 million (equivalent to approximately HK\$6,232 million) as at 30 September 2023.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION OF NVIDIA 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.

NVIDIA is a leading manufacturer of high-end GPUs in the United States. The Board holds positive views towards the financial performance and future prospect of NVIDIA. The Group considers that the Acquisition of NVIDIA 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 NVIDIA Shares was made in the open market at prevailing market prices, the Directors are of the view that the terms of the Acquisition of NVIDIA Shares are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **REASONS FOR AND BENEFITS OF THE FURTHER DISPOSAL OF DRAFTKINGS SHARES**

As a result of the Further Disposal of DraftKings Shares, the Group is expected to recognise a gain of approximately US\$0.02 million (equivalent to approximately HK\$0.2 million) being the difference between the consideration received from the Further Disposal of DraftKings Shares and the acquisition cost of disposed DraftKings Shares.

The Group considers that the Further Disposal of DraftKings Shares represents an opportunity to allow the Group to reallocate the resources and investment portfolio. The Group has applied part of the proceeds from the Further Disposal of DraftKings Shares of approximately US\$0.5 million (equivalent to approximately HK\$3.6 million) in aggregate for the consideration for the Acquisition of NVIDIA Shares and the Group intends to apply the remaining proceeds from the Further Disposal of DraftKings Shares of approximately US\$0.01 million (equivalent to approximately HK\$0.1 million) in aggregate for general working capital of the Group or other appropriate investment opportunities as and when appropriate.

As the Further Disposal of DraftKings Shares was made in the open market at prevailing market price, the Directors are of the view that the terms of the Further Disposal of DraftKings 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 NVIDIA Shares**

As one or more of the applicable percentage ratio(s) (as defined in the Listing Rules) in respect of the Acquisition of NVIDIA Shares exceed 5% but all are less than 25%, the Acquisition of NVIDIA 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.

### **Further Disposal of DraftKings Shares**

Pursuant to Rule 14.22 and Rule 14.23 of the Listing Rules for the purpose of classification of the transactions, as the Disposal of DraftKings Shares and the Further Disposal of DraftKings Shares involves the disposal of DraftKings Shares within a 12-month period, all transactions respectively contemplated thereunder are considered and are aggregated as one transaction at a total consideration of approximately US\$1.9 million (equivalent to approximately HK\$14.6 million).

As one or more of the applicable percentage ratio(s) (as defined in the Listing Rules) in respect of the (i) Further Disposal of DraftKings Shares (standing alone) and (ii) Disposal of DraftKings Shares and Further Disposal of DraftKings Shares (in aggregate) exceed 5% but all are less than 25%, the Further Disposal of DraftKings 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 NVIDIA Shares”	acquisition of 890 NVIDIA 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
“Director(s)”	the director(s) of the Company
“DraftKings”	DraftKings Inc., a Nevada corporation whose class A common stocks are listed on Nasdaq (trading symbol: DKNG)
“DraftKings Group”	DraftKings and its subsidiaries
“DraftKings Share(s)”	Class A common stock(s) of DraftKings
“Further Disposal of DraftKings Shares”	further disposal of 13,700 DraftKings Shares by the Company as disclosed in this announcement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“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
“NVIDIA”	NVIDIA Corporation, a Delaware corporation whose common stocks are listed on Nasdaq (trading symbol: NVDA)
“NVIDIA Group”	NVIDIA and its subsidiaries
“NVIDIA Share(s)”	Common stock(s) of NVIDIA
“Previous Announcements”	the announcements of the Company dated 15 December 2023 and 20 December 2023 in relation to, inter alia, the Previous Disposals of DraftKings Shares

“Previous Disposals of DraftKings Shares”	the series of disposals of an aggregate of 37,000 DraftKings Shares by the Company during the period from 14 December 2023 (after trading hours the Stock Exchange) and up to (and inclusive of) 19 December 2023 (after trading hours the Stock Exchange) as set out in the Previous Announcements
“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
“ United States”	the United States of America
“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, 10 January 2024

*For the purpose of this announcement, all amounts denominated in US\$ have been translated (for information only) into HK\$ using the exchange rate of US\$1.00:HK\$7.78. Such translations 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.*