

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)

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

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

Further Acquisition of Super Micro Shares

On 23 January 2024 (after trading hours of the Stock Exchange), further to the Previous Acquisitions of Super Micro Shares and the Previous Disposals of Super Micro Shares as disclosed in the relevant Previous Announcements, the Company has further acquired an aggregate of 1,460 Super Micro Shares through the open market at an aggregate consideration of approximately US\$0.6 million (equivalent to approximately HK\$5.0 million) (excluding transaction costs).

Disposal of Affirm Shares

On 23 January 2024 (after trading hours of the Stock Exchange), the Company has disposed of an aggregate of 33,500 Affirm Shares through the open market at an aggregate consideration of approximately US\$1.5 million (equivalent to approximately HK\$11.8 million) (excluding transaction costs).

LISTING RULES IMPLICATION

Further Acquisition of Super Micro Shares

Pursuant to Rule 14.22 and Rule 14.23 of the Listing Rules for the purpose of classification of the transactions, as the Previous Acquisitions of Super Micro Shares, the Previous Disposals of Super Micro Shares and the Further Acquisition of Super Micro Shares involve the acquisitions and disposals of Super Micro 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\$1.4 million (equivalent to approximately HK\$10.8 million).

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

Disposal of Affirm Shares

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

Further Acquisition of Super Micro Shares

On 23 January 2024 (after trading hours of the Stock Exchange), further to the Previous Acquisitions of Super Micro Shares and the Previous Disposals of Super Micro Shares as disclosed in the relevant Previous Announcements, the Company has further acquired an aggregate of 1,460 Super Micro Shares through the open market at an aggregate consideration of approximately US\$0.6 million (equivalent to approximately HK\$5.0 million) (excluding transaction costs). The average price (excluding transaction costs) for the further acquisition of each Super Micro Share was approximately US\$439.00 (equivalent to approximately HK\$3,415.39). The aggregate consideration of approximately US\$0.6 million (equivalent to approximately HK\$5.0 million) (excluding transaction costs) was financed by the Group's existing internal financial resources.

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

Disposal of Affirm Shares

On 23 January 2024(after trading hours of the Stock Exchange), the Company has disposed of an aggregate of 33,500 Affirm Shares through the open market at an aggregate consideration of approximately US\$1.5 million (equivalent to approximately HK\$11.8 million) (excluding transaction costs), which are receivable in cash on settlement. The average price (excluding transaction costs) for the disposal of each Affirm Share was approximately US\$45.30 (equivalent to approximately HK\$352.41).

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

INFORMATION ON AFFIRM AND SUPER MICRO

Affirm

Affirm is a Delaware corporation and a financial technology company that builds the next generation platform for digital and mobile-first commerce. Affirm's solutions, which are built on trust and transparency, are designed to make it easier for consumers to spend responsibly and with confidence, easier for merchants and commerce platforms to convert sales and grow, and easier for commerce to thrive.

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

	For the year ended		For the year ended	
	30 June 2022		30 June 2023	
	<i>(audited)</i>		<i>(audited)</i>	
	<i>US\$'000</i>	<i>HK\$'000</i>	<i>US\$'000</i>	<i>HK\$'000</i>
Revenue	1,349,292	10,497,492	1,587,985	12,354,523
(Loss) before income taxes	(724,831)	(5,639,186)	(989,245)	(7,696,326)
Net (loss)	(707,417)	(5,503,704)	(985,345)	(7,665,984)

Based on Affirm’s published documents, the Affirm Group has an audited consolidated net assets value of approximately US\$2,618 million (equivalent to approximately HK\$20,368 million) as at 30 June 2022 and US\$2,534 million (equivalent to approximately HK\$19,715 million) as at 30 June 2023.

Based on Affirm’s published documents, the Affirm Group has an unaudited consolidated net asset value of approximately US\$2,567 million (equivalent to approximately HK\$19,971 million) as at 30 September 2023.

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		For the year ended	
	30 June 2022		30 June 2023	
	<i>(audited)</i>		<i>(audited)</i>	
	<i>US\$'000</i>	<i>HK\$'000</i>	<i>US\$'000</i>	<i>HK\$'000</i>
Net sales	5,196,099	40,425,650	7,123,482	55,420,690
Income before income tax provision	336,833	2,620,561	754,297	5,868,431
Net income	285,163	2,218,568	639,998	4,979,184

Based on Super Micro’s published documents, the Super Micro Group has an audited consolidated net assets value of approximately and US\$1,426 million (equivalent to approximately HK\$11,094 million) as at 30 June 2022 and US\$1,972 million (equivalent to approximately HK\$15,342 million) as at 30 June 2023.

Based on Super Micro’s published documents, the Super Micro Group has an unaudited consolidated net asset value of approximately US\$2,166 million (equivalent to approximately HK\$16,851 million) as at 30 September 2023.

REASONS FOR AND BENEFITS OF THE FURTHER ACQUISITION OF SUPER MICRO 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.

Super Micro is an information technology company in United States. The Board holds positive views towards the financial performance and future prospect of Super Micro. The Group considers that the Further Acquisition of Super Micro 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 Further Acquisition of Super Micro Shares was made in the open market at prevailing market prices, the Directors are of the view that the terms of the Further Acquisition of Super Micro Shares are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

REASONS FOR AND BENEFITS OF THE DISPOSAL OF AFFIRM SHARES

As a result of the Disposal of Affirm Shares, the Group is expected to recognise a loss of approximately US\$0.09 million (equivalent to approximately HK\$0.7 million) which will affect profit and loss of the Group for the year ending 31 December 2024 and is calculated on the basis of the difference between the consideration received from the Disposal of Affirm Shares and the acquisition cost of disposed Affirm Shares.

The Group considers that the Disposal of Affirm 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 Disposal of Affirm Shares of approximately US\$0.6 million (equivalent to approximately HK\$5.0 million) in aggregate for the consideration for the Further Acquisition of Super Micro Shares and the Group intends to apply the remaining proceeds from the Disposal of Affirm Shares of approximately US\$0.9 million (equivalent to approximately HK\$6.8 million) in aggregate for general working capital of the Group or other appropriate investment opportunities as and when appropriate.

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

IMPLICATIONS UNDER THE LISTING RULES

Further Acquisition of Super Micro Shares

Pursuant to Rule 14.22 and Rule 14.23 of the Listing Rules for the purpose of classification of the transactions, as the Previous Acquisitions of Super Micro Shares, the Previous Disposals of Super Micro Shares and the Further Acquisition of Super Micro Shares involve the acquisitions and disposals of Super Micro 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\$1.4 million (equivalent to approximately HK\$10.8 million).

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

Disposal of Affirm Shares

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

“Affirm”	Affirm Holdings, Inc., a Delaware corporation whose Class A common stocks are listed on Nasdaq (trading symbol: AFRM)
“Affirm Group”	Affirm and its subsidiaries
“Affirm Share(s)”	Class A common stock(s) of Affirm
“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 Affirm Shares”	disposal of 33,500 Affirm Shares by the Company as disclosed in this announcement
“Further Acquisition of Super Micro Shares”	further acquisition of 1,460 Super Micro 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
“Previous Acquisitions of Super Micro Shares”	the series of acquisitions of an aggregate of 8,000 Super Micro Shares by the Company during the period from 15 August 2023 (after trading hours the Stock Exchange) and up to (and inclusive of) 24 August 2023 (after trading hours the Stock Exchange) as set out in the Relevant Previous Announcements
“Previous Announcements”	the announcements of the Company dated 16 August 2023, 25 August 2023, 19 September 2023, 15 December 2023, 20 December 2023 and 28 December 2023 in relation to, inter alia, the Previous Acquisitions of Super Micro Shares and the Previous Disposals of Super Micro Shares

“Previous Disposals of Super Micro Shares”	the series of disposals of an aggregate of 6,620 Super Micro Shares by the Company during the period from 18 September 2023 (after trading hours the Stock Exchange) and up to (and inclusive of) 27 December 2023 (after trading hours the Stock Exchange) as set out in the relevant 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
“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
“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, 24 January 2024

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 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.