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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)

**MAJOR TRANSACTION IN RELATION TO
FURTHER DISPOSAL OF LISTED SECURITIES**

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

Further Disposal of NVIDIA Shares

On 26 September 2024 (after trading hours of the Stock Exchange), further to the Previous Acquisitions of NVIDIA Shares and the Previous Disposals of NVIDIA Shares as disclosed in the relevant Previous Announcements, the Company has further disposed of an aggregate of 15,360 NVIDIA Shares through the open market at an aggregate consideration of approximately US\$1.9 million (equivalent to approximately HK\$14.8 million) (excluding transaction costs).

LISTING RULES IMPLICATION

Further Disposal of NVIDIA 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 NVIDIA Shares, the Previous Disposals of NVIDIA Shares and the Further Disposal of NVIDIA Shares involve acquisitions and disposals of NVIDIA 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\$3.6 million (equivalent to approximately HK\$27.8 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 NVIDIA Shares (standing alone) and (ii) the Previous Acquisitions of NVIDIA Shares, the Previous Disposals of NVIDIA Shares and the Further Disposal of NVIDIA Shares (in aggregate), exceeds 25% but is less than 75%, the Further Disposal of NVIDIA Shares constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and will be subject to reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

WRITTEN SHAREHOLDER'S APPROVAL

Pursuant to Rule 14.44 of the Listing Rules, shareholders' approval may be obtained by written shareholders' approval in lieu of convening a general meeting if (a) no shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Further Disposal of NVIDIA Shares; and (b) written approval has been obtained from a shareholder or a closely allied group of shareholders who together hold more than 50% of the issued share capital of the Company giving the right to attend and vote at general meetings to approve the Further Disposal of NVIDIA Shares.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has any material interest in the Further Disposal of NVIDIA Shares. Thus, if the Company were to convene a general meeting to approve the Further Disposal of NVIDIA Shares, no Shareholder is required to abstain from voting on the resolutions in relation to the Further Disposal of NVIDIA Shares. As such, the Further Disposal of NVIDIA Shares may be approved by written Shareholders' approval in accordance with Rule 14.44 of the Listing Rules.

The Board is pleased to announce that, in relation to written approval in lieu of holding a general meeting in respect of the Further Disposal of NVIDIA Shares, it obtained the Shareholder's approval from Yoho Bravo Limited which holds 599,658,000 shares (representing approximately 74.96% of the total issued share capital of the Company as at the date of this announcement) pursuant to Rule 14.44 of the Listing Rules. As a result, no extraordinary general meeting will be convened to consider the Further Disposal of NVIDIA Shares.

A circular in relation to the Further Disposal of NVIDIA Shares and other information required to be disclosed under the Listing Rules will be dispatched to the Shareholders, for information purposes only within 15 business days after the publication of this announcement, i.e., on or before 21 October 2024.

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

Further Disposal of NVIDIA Shares

On 26 September 2024 (after trading hours of the Stock Exchange), further to the Previous Acquisitions of NVIDIA Shares and the Previous Disposals of NVIDIA Shares as disclosed in the relevant Previous Announcements, the Company has further disposed of an aggregate of 15,360 NVIDIA Shares through the open market at an aggregate consideration of approximately US\$1.9 million (equivalent to approximately HK\$14.8 million) (excluding transaction costs), which are receivable in cash on settlement. The average price (excluding transaction costs) for the disposal of each NVIDIA Share was approximately US\$123.93 (equivalent to approximately HK\$964.16).

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

INFORMATION ON NVIDIA

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:

	For the year ended 30 January 2022		For the year ended 29 January 2023		For the year ended 28 January 2024	
	(audited)		(audited)		(audited)	
	<i>US\$'000</i>	<i>HK\$'000</i>	<i>US\$'000</i>	<i>HK\$'000</i>	<i>US\$'000</i>	<i>HK\$'000</i>
Revenue	26,914,000	209,391,000	26,974,000	209,858,000	60,922,000	473,973,000
Income before tax	9,941,000	77,340,980	4,181,000	32,528,180	33,818,000	263,104,000
Net income	9,752,000	75,871,000	4,368,000	33,983,000	29,760,000	231,533,000

Based on NVIDIA's published documents, the NVIDIA Group has an audited consolidated net assets value of approximately US\$26.6 billion (equivalent to approximately HK\$207.0 billion) as at 30 January 2022, approximately US\$22.1 billion (equivalent to approximately HK\$171.9 billion) as at 29 January 2023 and approximately US\$42,978 million (equivalent to approximately HK\$334,369 million) as at 28 January 2024.

Based on NVIDIA's published documents, the NVIDIA Group has an unaudited consolidated net asset value of approximately US\$58,157 million (equivalent to approximately HK\$452,461 million) as at 28 July 2024.

REASONS FOR AND BENEFITS OF THE FURTHER DISPOSAL OF NVIDIA SHARES

As a result of the Further Disposal of NVIDIA Shares, the Group is expected to recognise a gain of approximately US\$0.6 million (equivalent to approximately HK\$4.7 million) being the difference between the consideration received from the Further Disposal of NVIDIA Shares and the acquisition cost of disposed NVIDIA Shares. The Group considers that the Further Disposal of NVIDIA 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 Further Disposal of NVIDIA Shares of approximately US\$1.9 million (equivalent to approximately HK\$14.8 million) in aggregate for general working capital of the Group or other appropriate investment opportunities as and when appropriate.

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

IMPLICATIONS UNDER THE LISTING RULES

Further Disposal of NVIDIA 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 NVIDIA Shares, the Previous Disposals of NVIDIA Shares and the Further Disposal of NVIDIA Shares involve acquisitions and disposals of NVIDIA 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\$3.6 million (equivalent to approximately HK\$27.8 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 NVIDIA Shares (standing alone) and (ii) the Previous Acquisitions of NVIDIA Shares, the Previous Disposals of NVIDIA Shares and the Further Disposal of NVIDIA Shares (in aggregate), exceeds 25% but is less than 75%, the Further Disposal of NVIDIA Shares constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and will be subject to reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

WRITTEN SHAREHOLDER'S APPROVAL

Pursuant to Rule 14.44 of the Listing Rules, shareholders' approval may be obtained by written shareholders' approval in lieu of convening a general meeting if (a) no shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Further Disposal of NVIDIA Shares; and (b) written approval has been obtained from a shareholder or a closely allied group of shareholders who together hold more than 50% of the issued share capital of the Company giving the right to attend and vote at general meetings to approve the Further Disposal of NVIDIA Shares.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has any material interest in the Further Disposal of NVIDIA Shares. Thus, if the Company were to convene a general meeting to approve the Further Disposal of NVIDIA Shares, no Shareholder is required to abstain from voting on the resolutions in relation to the Further Disposal of NVIDIA Shares. As such, the Further Disposal of NVIDIA Shares may be approved by written Shareholders' approval in accordance with Rule 14.44 of the Listing Rules.

The Board is pleased to announce that, in relation to written approval in lieu of holding a general meeting in respect of the Further Disposal of NVIDIA Shares, it obtained the Shareholder's approval from Yoho Bravo Limited which holds 599,658,000 shares (representing approximately 74.96% of the total issued share capital of the Company as at the date of this announcement) pursuant to Rule 14.44 of the Listing Rules. As a result, no extraordinary general meeting will be convened to consider the Further Disposal of NVIDIA Shares.

A circular in relation to the Further Disposal of NVIDIA Shares and other information required to be disclosed under the Listing Rules will be dispatched to the Shareholders, for information purposes only within 15 business days after the publication of this announcement, i.e., on or before 21 October 2024.

DEFINITIONS

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

"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
“Further Disposal of NVIDIA Shares”	further disposal of 15,360 NVIDIA 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 People’s Republic of China
“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)
“Previous Acquisitions of NVIDIA Shares”	the series of acquisitions of an aggregate of 55,050 NVIDIA Shares by the Company (taking into account NVIDIA’s ten-for-one forward stock split effective on 7 June 2024) during the period from 9 January 2024 (after trading hours of the Stock Exchange) and 23 May 2024 (after trading hours of the Stock Exchange) respectively, as set out in the relevant Previous Announcements
“Previous Announcements”	the announcements of the Company dated 5 December 2023, 20 December 2023, 10 January 2024, 25 January 2024, 30 April 2024, 22 May 2024, 24 May 2024 and 18 June 2024 in relation to, inter alia, the Previous Acquisitions of NVIDIA Shares and the Previous Disposals of NVIDIA Shares

“Previous Disposals of NVIDIA Shares”	the series of disposals of an aggregate of 106,390 NVIDIA Shares by the Company (taking into account NVIDIA’s ten-for-one forward stock split effective on 7 June 2024) during the period from 4 December 2023 (after trading hours of the Stock Exchange) and 17 June 2024 (after trading hours of the Stock Exchange) respectively, 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
“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, 27 September 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.