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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 Coinbase Shares**

On 6 February 2024 (after trading hours of the Stock Exchange), further to the Previous Acquisitions of Coinbase Shares and the Disposal of Coinbase Shares as disclosed in the Previous Announcements, the Company has further disposed of an aggregate of 3,220 Coinbase Shares through the open market at an aggregate consideration of approximately US\$0.4 million (equivalent to approximately HK\$3.0 million) (excluding transaction costs).

**LISTING RULES IMPLICATION**

**Further Disposal of Coinbase 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 Coinbase Shares, the Disposal of Coinbase Shares and the Further Disposal of Coinbase Shares involve the acquisitions and disposals of Coinbase 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\$1.7 million (equivalent to approximately HK\$13.5 million).

The Further Disposal of Coinbase Shares, on a standalone basis, constitutes a discloseable transaction since one or more of the applicable percentage ratios (as defined under the Listing Rules) are more than 5% but all of such ratios are less than 25%.

As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the Further Disposal of Coinbase Shares, when aggregated with the Previous Acquisitions of Coinbase Shares and the Disposal of Coinbase Shares by the Company in the preceding 12-month period, exceeds 25% but is less than 75%, the Further Disposal of Coinbase 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 Coinbase 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 Coinbase 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 Coinbase Shares. Thus, if the Company were to convene a general meeting to approve the Further Disposal of Coinbase Shares, no Shareholder is required to abstain from voting on the resolutions in relation to the Further Disposal of Coinbase Shares. As such, the Further Disposal of Coinbase 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 Coinbase 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 Coinbase Shares.

A circular in relation to the Further Disposal of Coinbase 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 1 March 2024.

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

## Further Disposal of COINBASE Shares

On 6 February 2024 (after trading hours of the Stock Exchange), further to the Previous Acquisitions of Coinbase Shares and the Disposal of Coinbase Shares as disclosed in the Previous Announcements, the Company has further disposed of an aggregate of 3,220 Coinbase Shares through the open market at an aggregate consideration of approximately US\$0.4 million (equivalent to approximately HK\$3.0 million) (excluding transaction costs), which are receivable in cash on settlement. The average price (excluding transaction costs) for the disposal of each Coinbase Share was approximately US\$119.67 (equivalent to approximately HK\$931.03).

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

## INFORMATION ON COINBASE

### Coinbase

Coinbase is a Delaware corporation and a cryptocurrency learning platform that build safe, trusted, easy-to-use technology and financial infrastructure products and services to enable any person or business with an internet connection to discover, transact, and engage with crypto assets and decentralised applications. Its products enable customers to access and participate in the cryptoeconomy, a new open financial system built upon crypto, in more than 100 countries and serve as a critical infrastructure layer to web3, a broad category of cryptopowered technologies including self-custody wallets, decentralised apps and services, and open community engagement platforms.

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

	<b>For the year ended</b>		<b>For the year ended</b>	
	<b>31 December 2021</b>		<b>31 December 2022</b>	
	<i>(audited)</i>		<i>(audited)</i>	
	<i>US\$'000</i>	<i>HK\$'000</i>	<i>US\$'000</i>	<i>HK\$'000</i>
Revenue	7,839,444	60,990,874	3,194,208	24,850,938
(Loss)/Income before income taxes	3,026,947	23,549,648	(3,064,582)	23,842,448
Net (loss)/income	3,624,120	28,195,654	(2,624,949)	(20,422,103)

Based on Coinbase's published documents, the Coinbase Group has an audited consolidated net assets value of approximately US\$6,382 million (equivalent to approximately HK\$49,652 million) as at 31 December 2021 and US\$5,455 million (equivalent to approximately HK\$42,440 million) as at 31 December 2022.

Based on Coinbase's published documents, the Coinbase Group has an unaudited consolidated net asset value of approximately US\$5,921 million (equivalent to approximately HK\$46,065 million) as at 30 September 2023.

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

As a result of the Further Disposal of Coinbase Shares, the Group is expected to recognise a loss of approximately US\$0.1 million (equivalent to approximately HK\$0.9 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 Coinbase Shares and the acquisition cost of disposed Coinbase Shares.

The Group considers that the Further Disposal of Coinbase Shares represents an opportunity to allow the Group to reallocate the resources and investment portfolio. The Group has applied all the proceeds from the Further Disposal of Coinbase Shares of approximately US\$0.4 million (equivalent to approximately HK\$3.0 million) for general working capital of the Group or other appropriate investment opportunities as and when appropriate.

As the Further Disposal of Coinbase 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 Coinbase 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 Coinbase Shares**

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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 Coinbase 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 Coinbase Shares.

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## 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
“Coinbase”	Coinbase Global, Inc., a Delaware corporation whose Class A common stocks are listed on Nasdaq (trading symbol: COIN)
“Coinbase Group”	Coinbase and its subsidiaries
“Coinbase Share(s)”	Class A common stock(s) of Coinbase
“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 Coinbase Shares”	disposal of 10,700 Coinbase Shares by the Company as disclosed in the announcement dated 25 January 2024
“Further Disposal of Coinbase Shares”	further disposal of 3,220 Coinbase 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 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
“Previous Acquisitions of Coinbase Shares”	the series of acquisitions of an aggregate of 17,370 Coinbase Shares by the Company during the period from 4 December 2023 (after trading hours of the Stock Exchange) and 27 December 2023 (after trading hours of the Stock Exchange), as set out in the Previous Announcements
“Previous Announcements”	the announcements of the Company dated 5 December 2023, 20 December 2023, 28 December 2023, and 25 January 2024 in relation to the Previous Acquisitions of Coinbase Shares and the Disposal of Coinbase Shares
“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, 7 February 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.*