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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Brainhole Technology Limited, you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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 TRANSACTIONS IN RELATION TO
FURTHER DISPOSALS OF LISTED SECURITIES**

Capitalised terms used on this cover page shall have the same meanings as those defined in the section headed “Definitions” in this circular, unless the context requires otherwise.

A letter from the Board is set out on pages 4 to 14 of this circular.

This circular is being despatched to the Shareholders for information only. The Further Disposal of Super Micro Shares and the Further Disposal of Affirm Shares have been approved by the written approval pursuant to Rule 14.44 of the Listing Rules. The Company is exempted from convening a shareholders’ meeting for the approval of each of the Further Disposal of Super Micro Shares and the Further Disposal of Affirm Shares.

20 March 2024

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DEFINITIONS

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

“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”	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 the announcement dated 24 January 2024
“Further Acquisition of Super Micro Shares”	further acquisition of 1,960 Super Micro Shares by the Company as disclosed in the announcement dated 31 January 2024
“Further Disposal of Affirm Shares”	further disposal of 33,350 Affirm Shares by the Company as disclosed in the announcement dated 28 February 2024
“Further Disposal of Super Micro Shares”	further disposal of 1,020 Super Micro Shares by the Company as disclosed in the announcement dated 19 February 2024
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“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)
“Latest Practicable Date”	11 March 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Previous Acquisitions of Affirm Shares”	the series of acquisitions of 66,850 Affirm Shares by the Company on 14 December 2023 (after trading hours of the Stock Exchange) and 20 December 2023 (after trading hours of the Stock Exchange) respectively, as set out in the Previous Affirm Announcements
“Previous Acquisitions of Super Micro Shares”	the series of acquisitions of an aggregate of 10,550 Super Micro Shares by the Company (including non-notifiable and notifiable transactions for the Company under Chapter 14 of the Listing Rules) during the period from 15 August 2023 (after trading hours of the Stock Exchange) and up to (and inclusive of) 24 January 2024 (after trading hours of the Stock Exchange) as set out in the relevant Previous Announcements
“Previous Affirm Announcements”	the announcements of the Company dated 15 December 2023, 20 December 2023, 21 December 2023 and 24 January 2024 in relation to, inter alia, the Previous Acquisitions of Affirm Shares and the Disposal of Affirm Shares
“Previous Announcements”	the announcements of the Company dated 16 August 2023, 25 August 2023, 19 September 2023, 15 December 2023, 20 December 2023, 28 December 2023, 24 January 2024, 25 January 2024 and 31 January 2024 in relation to, inter alia, the Previous Acquisitions of Super Micro Shares and the Previous Disposals of Super Micro Shares

DEFINITIONS

“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 of the Stock Exchange) and up to (and inclusive of) 27 December 2023 (after trading hours of the Stock Exchange) as set out in the relevant Previous Announcements
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Shareholder(s)”	shareholder(s) of the Company
“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 Shares”	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.

Certain figures set out in this circular have been subject to rounding adjustments. Accordingly, figures shown as the currency conversion or percentage equivalents may not be an arithmetic sum of such figures.

LETTER FROM THE BOARD

BRAINHOLE
TECHNOLOGY
BRAINHOLE TECHNOLOGY LIMITED
脑洞科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2203)

Executive Directors:

Mr. Zhang Liang Johnson (*Chairman*)
Ms. Wan Duo

Independent Non-executive Directors:

Mr. Xu Liang
Mr. Chen Johnson Xi
Ms. Zhang Yibo

Registered office:

Cricket Square
Hutchins Drive
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in Hong Kong:*

Suites 1801-03, 18/F,
One Taikoo Place,
979 King's Road,
Quarry Bay,
Hong Kong

20 March 2024

To the Shareholders

Dear Sir or Madam,

**MAJOR TRANSACTIONS IN RELATION TO
FURTHER DISPOSALS OF LISTED SECURITIES**

INTRODUCTION

Reference is made to the announcements of the Company dated 19 February 2024 and 28 February 2024 in relation to the Further Disposal of Super Micro Shares and the Further Disposal of Affirm Shares respectively.

The purpose of this circular is to provide you with (i) the details of each of the Further Disposal of Super Micro Shares and the Further Disposal of Affirm Shares; and (ii) further information required to be disclosed under the Listing Rules.

LETTER FROM THE BOARD

FURTHER DISPOSAL OF SUPER MICRO SHARES

On 16 February 2024 (after trading hours of the Stock Exchange), further to:

- (i) the Previous Acquisitions of Super Micro Shares at an aggregate consideration of approximately US\$4.3 million (equivalent to approximately HK\$33.8 million) as disclosed in the relevant Previous Announcements, comprising:
 - (a) the acquisition of 5,230 Super Micro Shares through the open market at an aggregate consideration of approximately US\$1.4 million (equivalent to approximately HK\$11.0 million) (excluding transaction costs) on 15 August 2023 (after trading hours of the Stock Exchange);
 - (b) the acquisition of 2,770 Super Micro Shares through the open market at an aggregate consideration of approximately US\$0.8 million (equivalent to approximately HK\$5.9 million) (excluding transaction costs) on 24 August 2023 (after trading hours of the Stock Exchange);
 - (c) the acquisition 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) on 23 January 2024 (after trading hours of the Stock Exchange);
 - (d) the acquisition of 1,090 Super Micro Shares through the open market at an aggregate consideration of approximately US\$0.5 million (equivalent to approximately HK\$3.9 million) (excluding transaction costs) on 24 January 2024 (after trading hours of the Stock Exchange);
 - (e) the Further Acquisition of Super Micro Shares through the open market at an aggregate consideration of approximately US\$1.0 million (equivalent to approximately HK\$8.0 million) (excluding transaction costs) on 30 January 2024 (after trading hours of the Stock Exchange) (for the avoidance of doubt, the Further Acquisition of Super Micro Shares, when aggregated with other acquisitions and disposals of Super Micro Shares by the Company, constitutes a major transaction and is subject to reporting, announcement, circular and Shareholders' approval requirement under Chapter 14 of the Listing Rules according to the announcement of the Company dated 31 January 2024. The Stock Exchange granted the Company a waiver from strict compliance with Rule 14.41(a) of the Listing Rules as stated in the announcement of the Company dated 23 February 2024. As such, it is expected that the Company will despatch the relevant circular containing, among other things, further particulars of the Further Acquisition of Super Micro Shares on or before 27 March 2024), and

LETTER FROM THE BOARD

- (ii) the Previous Disposals of Super Micro Shares at an aggregate consideration of approximately US\$1.9 million (equivalent to approximately HK\$14.0 million) as disclosed in the relevant Previous Announcements (which the total carrying amount is approximately US\$1.8 million (equivalent to approximately HK\$14.0 million) (excluding transaction costs)), comprising:
- (a) the disposal 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 the carrying amount is approximately US\$0.9 million (equivalent to approximately HK\$6.7 million) (excluding transaction costs)) on 18 September 2023 (after trading hours of the Stock Exchange), which are receivable in cash on settlement;
 - (b) the disposal of 1,340 Super Micro 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 the carrying amount is approximately US\$0.4 million (equivalent to approximately HK\$2.8 million) (excluding transaction costs)) on 14 December 2023 (after trading hours of the Stock Exchange), which are receivable in cash on settlement;
 - (c) the disposal of 810 Super Micro Shares through the open market at an aggregate consideration of approximately US\$0.3 million (equivalent to approximately HK\$2.0 million) (excluding transaction costs) (which the carrying amount is approximately US\$0.2 million (equivalent to approximately HK\$1.7 million) (excluding transaction costs)) on 19 December 2023 (after trading hours of the Stock Exchange), which are receivable in cash on settlement; and
 - (d) the disposal of 1,310 Super Micro 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 the carrying amount is approximately US\$0.4 million (equivalent to approximately HK\$2.8 million) (excluding transaction costs)) on 27 December 2023 (after trading hours of the Stock Exchange), which are receivable in cash on settlement,

the Company has further disposed of an aggregate of 1,020 Super Micro Shares through the open market at an aggregate consideration of approximately US\$1.0 million (equivalent to approximately HK\$7.0 million) (excluding transaction costs) (which the carrying amount is approximately US\$0.4 million (equivalent to approximately HK\$3.4 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\$884.58 (equivalent to approximately HK\$6,882.02). Hence, the total consideration for the aggregate, being the net amount of the remaining Super Micro Shares held by the Company following the completion of all transactions contemplated under (i) the Previous Acquisitions of Super Micro Shares, (ii) the Previous Disposals of Super Micro Shares and (iii) the Further Disposal of Super Micro Shares, is approximately US\$2.1 million (equivalent to approximately HK\$16.4 million).

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As the Further 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.

As at the Latest Practicable Date, the Company is interested in 4,520 Super Micro Shares (representing approximately 0.008% of the total issued share capital of Super Micro). The Company had already complied with the discloseable transaction requirements in respect of the acquisitions and disposals of Super Micro Shares as disclosed in the relevant Previous Announcements and the balance of such acquisitions and disposals which were conducted within a 12-month period from the Previous Acquisitions of Super Micro Shares and the Previous Disposals of Super Micro Shares were aggregated with the Further Disposal of Super Micro Shares.

FURTHER DISPOSAL OF AFFIRM SHARES

On 27 February 2024 (after trading hours of the Stock Exchange), further to the Disposal of Affirm Shares at an aggregate consideration of approximately US\$1.5 million (equivalent to approximately HK\$11.8 million) as disclosed by the Company in the announcement dated 24 January 2024, the Company has further disposed of an aggregate of 33,350 Affirm Shares through the open market at an aggregate consideration of approximately US\$1.3 million (equivalent to approximately HK\$9.9 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\$38.29 (equivalent to approximately HK\$297.90). The total consideration for the aggregate following the completion of all transactions contemplated under (i) the Disposal of Affirm Shares and (ii) the Further Disposal of Affirm Shares is approximately US\$2.8 million (equivalent to approximately HK\$21.7 million).

As the Further 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.

As at the Latest Practicable Date, the Company ceased to hold any Affirm Shares. The Company had already complied with the discloseable transaction requirements in respect of the acquisitions and disposals of Affirm Shares as disclosed in the Previous Affirm Announcements, and the balance of such acquisitions and disposals which were conducted within a 12-month period from the Previous Acquisitions of Affirm Shares and the Disposal of Affirm Shares were aggregated with the Further Disposal of Affirm Shares.

LETTER FROM THE BOARD

INFORMATION ON THE COMPANY

The Company is an investment holding company principally engaged in the manufacture and trading of electronic and electrical parts and components. The Company operates its business through three segments: (i) The Manufacturing segment is engaged in the sale of electronics and electrical parts and components produced by the Company. The products manufactured by the Company are mainly applied in smart consumer electronic devices. (ii) The Broadband Infrastructure and Smart Domain segment is engaged in the provision of broadband infrastructure construction services, broadband promotion services, and smart domain solutions. (iii) The Trading segment is engaged in the trading of electronic and electrical parts and components sourced from third party suppliers.

INFORMATION ON SUPER MICRO AND AFFIRM

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 2022		For the year ended 30 June 2023	
	(audited)		(audited)	
	<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 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.

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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	
	(audited)		(audited)	
	US\$'000	HK\$'000	US\$'000	HK\$'000
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.

FINANCIAL EFFECT OF (I) THE FURTHER DISPOSAL OF SUPER MICRO SHARES AND (II) THE FURTHER DISPOSAL OF AFFIRM SHARES

Further Disposal of Super Micro Shares

Upon completion of the Further Disposal of Super Micro Shares, the Group expects to recognise a gain on the Further Disposal of Super Micro Shares (before taxation) of approximately US\$0.5 million (equivalent to approximately HK\$3.6 million), which is the difference between the aggregate consideration for the Further Disposal of Super Micro Shares of approximately US\$1.0 million (equivalent to approximately HK\$7.0 million) and the carrying amount of approximately US\$0.4 million (equivalent to approximately HK\$3.4 million) of the disposed Super Micro Shares, which is classified as financial assets at fair value through profit or loss in the consolidated financial statement of the Group.

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Upon completion of the Further Disposal of Super Micro Shares, the total assets of the Group would have increased by HK\$3.6 million due to the recognition of the gain on the Further Disposal of Super Micro Shares minus the associated transaction costs, whereas the total liabilities of the Group would have remained unchanged.

Further Disposal of Affirm Shares

Upon completion of the Further Disposal of Affirm Shares, the Group expects to recognise a loss on the Further Disposal of Affirm Shares (before taxation) of approximately US\$0.3 million (equivalent to approximately HK\$2.5 million), which is the difference between the aggregate consideration for the Further Disposal of Affirm Shares of approximately US\$1.3 million (equivalent to approximately HK\$9.9 million) and the carrying amount of approximately US\$1.6 million (equivalent to approximately HK\$12.4 million) of the disposed Affirm Shares, which is classified as financial assets at fair value through profit or loss in the consolidated financial statement of the Group.

Upon completion of the Further Disposal of Affirm Shares, the total assets of the Group would have decreased by HK\$2.5 million due to the recognition of the gain on the Further Disposal of Affirm Shares minus the associated transaction costs, whereas the total liabilities of the Group would have remained unchanged.

It should be noted that the above financial effects of each of the Further Disposal of Super Micro Shares and the Further Disposal of Affirm Shares are for illustrative purposes only. The actual impact of each of the Further Disposal of Super Micro Shares and the Further Disposal of Affirm Shares to be recognised by the Group will be subject to final audit by the Company's auditors.

REASONS FOR AND BENEFITS OF (I) THE FURTHER DISPOSAL OF SUPER MICRO SHARES AND (II) THE FURTHER DISPOSAL OF AFFIRM SHARES

Further Disposal of Super Micro Shares

The aggregate consideration of the Previous Acquisitions of Super Micro Shares was approximately US\$4.3 million (equivalent to approximately HK\$33.8 million). The aggregate consideration of the Previous Disposals of Super Micro Shares was approximately US\$1.9 million (equivalent to approximately HK\$14.0 million). The aggregate consideration of the Further Disposal of Super Micro Shares was approximately US\$1.0 million (equivalent to approximately HK\$7.0 million). As a result, the total consideration for the aggregate of all transactions respectively contemplated under (i) the Previous Acquisitions of Super Micro Shares, (ii) the Previous Disposals of Super Micro Shares and (iii) the Further Disposal of Super Micro Shares is approximately US\$2.1 million (equivalent to approximately HK\$16.4 million).

As a result of the Further Disposal of Super Micro Shares, the Group is expected to recognise a gain of approximately US\$0.5 million (equivalent to approximately HK\$3.6 million) being the difference between the consideration received from the Further Disposal of Super

LETTER FROM THE BOARD

Micro Shares and the acquisition cost of disposed Super Micro Shares. The Group considers that the Further Disposal of Super Micro Shares represents an opportunity to allow the Group to reallocate the resources and investment portfolio. The Group intends to apply all the proceeds from the Further Disposal of Super Micro Shares of approximately US\$1.0 million (equivalent to approximately HK\$7.0 million) for general working capital of the Group or other appropriate investment opportunities as and when appropriate.

As the Further Disposal of Super Micro Shares was made in the open market at prevailing market price, the Directors (including the independent non-executive Directors) are of the view that the terms of the Further Disposal of Super Micro Shares are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Further Disposal of Affirm Shares

The aggregate consideration of the Disposal of Affirm Shares was approximately US\$1.5 million (equivalent to approximately HK\$11.8 million). The aggregate consideration of the Further Disposal of Affirm Shares was approximately US\$1.3 million (equivalent to approximately HK\$9.9 million). As a result, the total consideration for the aggregate of all transactions respectively contemplated under (i) the Disposal of Affirm Shares and (ii) the Further Disposal of Affirm Shares is approximately US\$2.8 million (equivalent to approximately HK\$21.7 million).

As a result of the Further Disposal of Affirm Shares, the Group is expected to recognise a loss of approximately US\$0.3 million (equivalent to approximately HK\$2.5 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 Further Disposal of Affirm Shares and the acquisition cost of disposed Affirm Shares.

The Group considers that the Further Disposal of Affirm Shares represents an opportunity to allow the Group to reallocate the resources and investment portfolio. The Group intends to apply all of the proceeds from the Further Disposal of Affirm Shares of approximately US\$1.3 million (equivalent to approximately HK\$9.9 million) in aggregate for general working capital of the Group or other appropriate investment opportunities as and when appropriate.

As the Further 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 Further Disposal of Affirm Shares are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Further Disposal 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 (among which, the Further Acquisition of Super Micro Shares when aggregated with other acquisitions and

LETTER FROM THE BOARD

disposals of Super Micro Shares by the Company, constitutes a major transaction and is subject to reporting, announcement, circular and Shareholders' approval requirement under Chapter 14 of the Listing Rules according to the announcement of the Company dated 31 January 2024. The Stock Exchange granted the Company a waiver from strict compliance with Rule 14.41(a) of the Listing Rules as stated in the announcement of the Company dated 23 February 2024. As such, it is expected that the Company will despatch the relevant circular containing, among other things, further particulars of the Further Acquisition of Super Micro Shares on or before 27 March 2024), the Previous Disposals of Super Micro Shares and the Further Disposal 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\$2.1 million (equivalent to approximately HK\$16.4 million).

As the highest applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Further Disposal of Super Micro Shares, when aggregated with the Previous Acquisitions of Super Micro Shares and the Previous Disposals of Super Micro Shares by the Company in the preceding 12-month period, exceeds 25% but is less than 75%, the Further Disposal of Super Micro Shares constitutes a major transaction for the Company and is subject to reporting, announcement, circular and Shareholders' approval requirement under Chapter 14 of the Listing Rules.

Further Disposal of Affirm 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 Affirm Shares and the Further Disposal of Affirm Shares involve the disposals of Affirm 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\$2.8 million (equivalent to approximately HK\$21.7 million).

The Further Disposal of Affirm 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 Affirm Shares, when aggregated with the Disposal of Affirm Shares by the Company in the preceding 12-month period, exceeds 25% but is less than 75%, the Further Disposal of Affirm 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.

LETTER FROM THE BOARD

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 each of the Further Disposal of Super Micro Shares and the Further Disposal of Affirm 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 each of the Further Disposal of Super Micro Shares and the Further Disposal of Affirm Shares.

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

In relation to written approval in lieu of holding a general meeting in respect of each of the Further Disposal of Super Micro Shares and the Further Disposal of Affirm Shares, the Company obtained 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 the written approval by Yoho Bravo Limited and the Latest Practicable Date respectively) pursuant to Rule 14.44 of the Listing Rules. As a result, no extraordinary general meeting will be convened to consider each of the Further Disposal of Super Micro Shares and the Further Disposal of Affirm Shares.

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that each of the Further Disposal of Super Micro Shares and the Further Disposal of Affirm Shares are on normal commercial terms, which is fair and reasonable and in the interests of the Company and its Shareholders as a whole. The Directors would recommend the Shareholders to vote in favour of each of the Further Disposal of Super Micro Shares and the Further Disposal of Affirm Shares if a physical meeting were to be held.

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

By Order of the Board
Brainhole Technology Limited
Zhang Liang Johnson
Chairman and Executive Director

1. FINANCIAL INFORMATION OF THE GROUP

Details of the audited consolidated financial information of the Company for the three years ended 31 December 2020, 2021 and 2022 and for six months ended 30 June 2023 have been published and are available on the website of the Stock Exchange (www.hkex.com.hk) and the website of the Company (<http://www.brainholetechnology.com>) respectively:

- the annual report of the Company for the year ended 31 December 2020 (pages 76 to 157) published on 28 April 2021, available on:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0428/2021042800751.pdf>

- the annual report of the Company for the year ended 31 December 2021 (pages 84 to 169) published on 28 April 2022, available on:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0428/2022042800574.pdf>

- the annual report of the Company for the year ended 31 December 2022 (pages 81 to 169) published on 26 April 2023, available on:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0426/2023042600894.pdf>

- the interim report of the Company for the six months ended 30 June 2023 (pages 1 to 25) published on 21 September 2023, available on:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0921/2023092100406.pdf>

2. STATEMENT OF INDEBTEDNESS OF THE GROUP

At the close of business on 31 January 2024, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this Circular, the Group had outstanding indebtedness as follows:

	31 January 2024 <i>HK\$'000</i>
Lease liabilities	5,546
Loan from immediate holding company	N/A
Loans from related companies	49,720
Loan from ultimate controlling party	83,785

As at 31 January 2024, all the loan from immediate holding company, loans from related companies and loan from ultimate controlling party of the Group disclosed above are unsecured and unguaranteed.

Save as disclosed above, the Group did not, as of the close of business on 31 January 2024, have any debt securities issued and outstanding, or authorised or otherwise created but unissued, any other term loans, any other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptance (other than normal trade bills) or acceptance credits or hire purchase commitments, any other mortgages and charges or any guarantees or any finance lease commitments or material contingent liabilities.

3. WORKING CAPITAL STATEMENT OF THE GROUP

The Directors, after due and careful consideration, are of the opinion that, taking into account the financial resources available to the Group, including internally generated funds and the available facilities, and the impact of each of the Further Disposal of Super Micro Shares and the Further Disposal of Affirm Shares, the Group will have sufficient working capital for its business for at least 12 months from the date of this circular.

The Company has obtained the relevant confirmation as required under Rule 14.66 (12) of the Listing Rules.

4. MATERIAL ADVERSE CHANGE

At the Latest Practicable Date and to the best knowledge of the Directors, there was no material adverse change in the financial or trading position of the Group since 31 December 2022 (being the date to which the latest published audited financial statements of the Group were made up).

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

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 aims to leverage our own advantages in the field of smart technology to capture investment opportunities and actively diversify the investments in the field of innovative technologies, in order to create greater value for the Shareholders.

Since 2022, the Group commenced the strategic investments business which engages in trading of cryptocurrencies and listed equity securities. In particular to the listed equity securities, the investment portfolio mainly comprises leading technology companies and high quality large companies listed in the United States and Hong Kong. As stated in the paragraph headed “REASONS FOR AND BENEFITS OF (I) THE FURTHER DISPOSAL OF SUPER MICRO SHARES AND (II) THE FURTHER DISPOSAL OF AFFIRM SHARES” in the section headed “LETTER FROM THE BOARD”, the Group considers that the Further Disposal of Super Micro Shares and the Further Disposal of Affirm Shares represent opportunities to allow the Group to reallocate the resources and investment portfolio. The Group will closely monitor and assess the performance of these listed equity securities and make timely and appropriate adjustments on the investment portfolio to enhance the returns for the Group and realise the investments as and when appropriate.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors' and chief executives' interests and short positions in shares of the Company

As at the Latest Practicable Date, the Directors and chief executives of the Company and their associates had the following interests in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies of the Listing Rules (the "Model Code") to be notified to the Company and the Stock Exchange.

Long positions in the shares and underlying shares of the Company

Name of Director	Nature of interest	Number of ordinary shares held	Approximate percentage of interest in the Company as at Latest Practicable Date
Mr. Zhang Liang Johnson	Interest of controlled Corporation (<i>Note</i>)	599,658,000 Shares (L)	74.96%

(L) denotes long position

Note: Mr. Zhang Liang Johnson, an executive Director, was interested in 599,658,000 Shares, representing approximately 74.96% of the Company's issued share capital, through Yoho Bravo Limited which is wholly-owned by him.

(b) Substantial Shareholders' interests and short positions

Name of Shareholder	Nature of interest	Number of ordinary shares held	Approximate percentage of interest in our Company as at the Latest Practicable Date
Yoho Bravo Limited (Note)	Beneficial owner	599,658,000 (L)	74.96%

(L) denotes long position

Note: Mr. Zhang Liang Johnson, an executive Director, was interested in 599,658,000 Shares, representing approximately 74.96% of the Company's issued share capital, through Yoho Bravo Limited which is wholly-owned by him.

Save as disclosed herein, at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO); or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors is a director or employee of a company which had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors entered, or proposed to enter, into any service contract with any member of the Group, excluding contracts expiring or determinable by the Group within one year without payment of compensation (other than statutory compensation).

4. DIRECTORS' INTERESTS IN ASSETS AND CONTRACTS OF THE GROUP

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors had any interest, either directly or indirectly, in any assets which has since 31 December 2022 (being the date to which the latest published audited consolidated financial statements of the Company were made up) been acquired or disposed of by or leased to, any member of the Group or are proposed to be acquired or disposed of by, or leased to, any member of the Group.

As at the Latest Practicable Date, none of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date and which is significant in relation to the businesses of any member of the Group.

5. MATERIAL CONTRACTS

The Group has entered into the following contract (not being contract entered into in the ordinary course of business) within the two years immediately preceding the Latest Practicable Date which is or may be material:

- (a) on 31 July 2023 (after trading hours of the Stock Exchange), the Company executed a trade order with BOCI Securities Limited relating to the further disposal of 131,400 American depository shares of XPeng Inc. through the open market at the aggregate consideration of approximately US\$2.6 million (equivalent to approximately HK\$20.6 million) (for which no written contract was entered into between the parties thereto);
- (b) on 20 December 2023 (after trading hours of the Stock Exchange), the Company executed a trade order with BOCI Securities Limited relating to the further acquisition of 17,650 Class A common stocks of Affirm Holdings, Inc. through the open market at the aggregate consideration of approximately US\$0.9 million (equivalent to approximately HK\$7.0 million) (for which no written contract was entered into between the parties thereto);
- (c) on 24 January 2024 (after trading hours of the Stock Exchange), the Company executed a trade order with BOCI Securities Limited relating to the further acquisition of 1,910 common stocks of NVIDIA Corporation through the open market at the aggregate consideration of approximately US\$1.1 million (equivalent to approximately HK\$8.9 million) (for which no written contract was entered into between the parties thereto);
- (d) on 30 January 2024 (after trading hours of the Stock Exchange), the Company executed a trade order with BOCI Securities Limited relating to the Further Acquisition of Super Micro Shares through the open market at the aggregate consideration of approximately US\$1.0 million (equivalent to approximately HK\$8.0 million) (for which no written contract was entered into between the parties thereto);

- (e) on 30 January 2024 (after trading hours of the Stock Exchange), the Company executed a trade order with BOCI Securities Limited relating to the further disposal of 1,430 common stocks of NVIDIA Corporation through the open market at the aggregate consideration of approximately US\$0.9 million (equivalent to approximately HK\$7.0 million) (for which no written contract was entered into between the parties thereto);
- (f) on 6 February 2024 (after trading hours of the Stock Exchange), the Company executed a trade order with BOCI Securities Limited relating to the further disposal of 3,220 class A common stocks of Super Micro Global, Inc. through the open market at the aggregate consideration of approximately US\$0.4 million (equivalent to approximately HK\$3.0 million) (for which no written contract was entered into between the parties thereto);
- (g) on 15 February 2024 (after trading hours of the Stock Exchange), the Company executed a trade order with BOCI Securities Limited relating to the further acquisition of 3,740 class A common stocks of Coinbase Global, Inc. through the open market at the aggregate consideration of approximately US\$0.6 million (equivalent to approximately HK\$5.0 million) (for which no written contract was entered into between the parties thereto);
- (h) on 16 February 2024 (after trading hours of the Stock Exchange), the Company executed a trade order with BOCI Securities Limited relating to the Further Disposal of Super Micro Shares through the open market at the aggregate consideration of approximately US\$1.0 million (equivalent to approximately HK\$7.0 million) (for which no written contract was entered into between the parties thereto);
- (i) on 20 February 2024 (after trading hours of the Stock Exchange), the Company executed a trade order with BOCI Securities Limited relating to the disposal of 16,370 class A common stocks of Coinbase Global, Inc. through the open market at the aggregate consideration of approximately US\$2.9 million (equivalent to approximately HK\$22.3 million) (for which no written contract was entered into between the parties thereto);
- (j) on 20 February 2024 (after trading hours of the Stock Exchange), the Company executed a trade order with BOCI Securities Limited relating to the acquisition of 213,000 domestic shares of Seres Group Co., Ltd. through the open market at the aggregate consideration of approximately RMB15.5 million (equivalent to approximately HK\$17.1 million) (for which no written contract was entered into between the parties thereto);

- (k) on 21 February 2024 (after trading hours of the Stock Exchange), the Company executed a trade order with BOCI Securities Limited relating to the further acquisition of 51,500 domestic shares of Seres Group Co., Ltd. through the open market at the aggregate consideration of approximately RMB3.7 million (equivalent to approximately HK\$4.0 million) (for which no written contract was entered into between the parties thereto);
- (l) on 27 February 2024 (after trading hours of the Stock Exchange), the Company executed a trade order with BOCI Securities Limited relating to the Further Disposal of Affirm Shares through the open market at the aggregate consideration of approximately US\$1.3 million (equivalent to approximately HK\$9.9 million) (for which no written contract was entered into between the parties thereto); and
- (m) on 7 March 2024, the Company executed a trade order with BOCI Securities Limited relating to the acquisition of 305,000 domestic shares of IEIT SYSTEMS Co., Ltd. through the open market at the aggregate consideration of approximately RMB12.9 million (equivalent to approximately HK\$14.2 million) (for which no written contract was entered into between the parties thereto).

6. LITIGATION

As at the Latest Practicable Date, so far as the Directors are aware, the Group is not engaged in any material litigation or arbitration proceedings nor is any material litigation or claim pending or threatened against it.

7. DIRECTORS' INTEREST IN COMPETING BUSINESS

As at the Latest Practicable Date, so far as the Directors are aware of, none of the Directors nor their respective close associates had any interest in any business which competes or is likely to compete, or is in conflict or is likely to be in conflict, either directly or indirectly, with the business of the Group.

8. GENERAL

- (a) The registered address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, the Cayman Islands.
- (b) The principal place of business of the Company in Hong Kong is at Suites 1801-03, 18/F, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong.
- (c) The Hong Kong share registrar of the Company is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

- (d) The company secretary of the Company is Ms. Wong Tik. Ms. Wong was appointed as company secretary and authorised representative of the Company on 1 September 2023. Ms. Wong is a certified public accountant and an associate member of the Hong Kong Institute of Certified Public Accountants.

- (e) In the event of any inconsistency, the English version of this circular shall prevail over the Chinese version.

9. DOCUMENTS ON DISPLAY

Copies of memorandums giving full particulars of the transaction contemplated under each of the Further Disposal of Super Micro Shares and the Further Disposal of Affirm Shares (material contracts (h) and (l) as mentioned above) will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<http://www.brainholetechnology.com>) for a period of 14 days from the date of this circular.