DOMAINE POWER HOLDINGS LIMITED

域能控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 442)

CHANGE IN USE OF PROCEEDS IN RELATION TO

THE PROPOSED RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING SHARES HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

Reference is made to the announcement made by Domaine Power Holdings Limited (the "**Company**") dated 12 November 2025 in relation to, among others, the proposed Rights Issue and closure of register of members (the "**Announcement**"). Unless the context requires otherwise, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Announcement set out the intended use of the net proceeds from the proposed Rights Issue if fully subscribed after deducting the relevant expenses (the "**Net Proceeds**"). The Board hereby announces that, after careful consideration and detailed evaluation of the Group's operations, business strategy and internal resources, the Board resolved to change the use of the Net Proceeds in the manner as set out below.

CHANGE IN USE OF NET PROCEEDS FROM THE PROPOSED RIGHTS ISSUE

The original intended use and allocation of the Net Proceeds, which amounted to approximately HK$58 million, was disclosed in the section headed "USE OF PROCEEDS" in the Announcement. The Board resolved to change the use of the Net Proceeds as follows:

Purposes	Original intended use of Net Proceeds as disclosed in the Announcement *(HK$ million)*	Revised use of Net Proceeds *(HK$ million)*
(i) Strategic expansion and development of the Group's principal businesses:	**33 (56.9%)**	**43 (74.1%)**
(a) Manufacture and sale of jewellery products and expansion of the fine artistic jewellery business	10 (17.2%)	15 (25.9%)
(b) (1) Sale of precious metals and other raw jewellery materials		12.4 (21.3%)
(2) Development of the Memberships		0.6 (1.0%)
(3) Setting up of a gold refinery factory and the hiring of technical specialists to provide factory management and gold refinery technical know-how to comply with the gold bar standard of the Gold Exchange		15 (25.9%)
Sub-total:	23 (39.7%)	28 (48.2%)
(ii) For the VAX Acquisition ***(Note 1)***	**24 (41.4%)**	**0 (0%)**
(iii) Replenishment of general working capital of the Group ***(Note 2)***	**1 (1.7%)**	**15 (25.9%)**
Total	**58 (100%)**	**58 (100%)**

Note:

1. As disclosed in the Announcement, the VAX Acquisition constitutes a major and connected transaction for the Company and are subject to the reporting, announcement, circular and independent shareholders' approval requirements under Chapter 14 and Chapter 14A of the Listing Rules, among others, the details of which are disclosed in the announcement of the Company titled "MAJOR AND CONNECTED TRANSACTION — PROPOSED VAX ACQUISITION UNDER THE VAX SALE AND PURCHASE AGREEMENT INVOLVING ISSUE OF CONSIDERATION CONVERTIBLE BONDS UNDER SPECIFIC MANDATE" dated 12 November 2025 (the "**VAX Acquisition Announcement**"). The VAX Acquisition relates to the proposed acquisition of approximately 5.56% sale shares of Hong Kong Virtual Asset Exchange Limited ("**VAX Limited**") by the Company. VAX Limited is principally engaged in the operation of a virtual asset trading platform (VATP). It is licensed by the SFC with CE reference BPW549, as a licensed corporation to carry out Type 1 (Dealing in Securities) and Type 7 (Providing Automated Trading Services) regulated activities in Hong Kong under the SFO. It is also a licensed provider of virtual asset service through the operating of a virtual asset trading platform (VATP) under the AMLO.

   As a result of the change in the use of Net Proceeds from the Rights Issue as set out above, the Company intends that the VAX Acquisition as set out in the VAX Acquisition Announcement will be funded from the internal financial resources of the Company instead. The business plans in relation to the strategic expansion and development of the Group's principal businesses as set out above, including the manufacture and sale of jewellery products and expansion of the fine artistic jewellery business, sale of precious metals and other raw jewellery materials, development of the Memberships and setting up of a gold refinery factory, will not be affected by whether the VAX Acquisition is approved and completed or not.

   Shareholders and potential investors should note that the VAX Acquisition as set out in the VAX Acquisition Announcement is subject to a number of conditions which may or may not be fulfilled. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

   The Adjustment of Consideration provisions in the VAX Acquisition Announcement, which were required to ensure sufficient cash resources for the Company's principal operations and working capital, will not be affected by the change in the use of Net Proceeds herein. For the avoidance of doubt, if (i) the resulting actual net proceeds from the Rights Issue are less than HK$58 million and more than HK$34 million, the portion of the consideration that is settled by cash will be reduced by the shortfall between the actual net proceeds and HK$58 million; and (ii) if the resulting actual net proceeds from the Rights Issue are less than HK$34 million, the cash portion of the consideration will be reduced to zero.

2. As disclosed in the Announcement, HK$1 million of the Net Proceeds was originally intended to be allocated to the replenishment of general working capital of the Group on or before 31 March 2027. According to the revised use of the Net Proceeds, HK$15 million will be allocated to the replenishment of general working capital of the Group on or before 31 March 2027, which include HK$9.0 million for payment of salaries, HK$1.1 million for rental expenses, HK$3.3 million for professional fees and HK$1.6 million for company registration expenses.

REASONS FOR AND BENEFITS OF THE CHANGE IN USE OF PROCEEDS FROM THE PROPOSED RIGHTS ISSUE

The Company originally planned to allocate part of the Net Proceeds for the VAX Acquisition, which will be funded from the internal financial resources of the Company instead. After taking into consideration of the need to ensure the Company's capital utilization efficiency and better accommodate the Group's current business operation and development requirements in light of the Company's internal resources, the Board resolved to reallocate the Net Proceeds of approximately HK$24 million which was originally planned for the VAX Acquisition to be used as the Group's development of principal businesses and general working capital for operations for the financial year ending 31 March 2027. Such revised use of the Net Proceeds enables the Group to achieve sustainable development and to create long-term value for the Group and the Shareholders as a whole. The Board considers the change in the use of the Net Proceeds will enable the Company to deploy its financial resources more effectively and will not have any material adverse impact on the operations of the Group, and is therefore in the interests of the Company and the Shareholders as a whole.

On the progress of the use of the Net Proceeds, the Company will provide update to the Shareholders through disclosures in its annual report and interim report. The Company will make further announcement(s) in accordance with the requirements under the Listing Rules and other applicable laws as and when appropriate. The Board will continuously assess the plan for the use of the Net Proceeds and may revise or amend such plan where necessary to cope with the changing market conditions and strive for better business performance of the Group. The Company will make further announcement in the event of any change in the use of Net Proceeds in accordance with the Listing Rules, as and when required.

Save as disclosed in this announcement, the Board expected that there are no other changes to the plan for the use of the Net Proceeds from the proposed Rights Issue.

As stated in the announcement of the Company dated 5 December 2025, as additional time was required for the Company to prepare and finalise the information to be contained in the Prospectus Documents, the despatch of the Prospectus Documents was expected to be postponed to a date on or before Monday, 29 December 2025.

By Order of the Board
Domaine Power Holdings Limited
Dr. So Shu Fai
Chairman and Executive Director

Hong Kong, 19 December 2025

As at the date of this announcement, the executive Directors are Dr. So Shu Fai and Mr. Tom Xie; the non-executive Directors are Mr. Chan Wai Dune and Mr. Ning Rui; and the independent non-executive Directors are Mr. Yau Pak Yue, Mr. Chung Wai Man and Ms. Lin Ying.