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## **Bay Area Gold Group Limited**

## **灣區黃金集團有限公司**

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock Code: 1194)**

**(In Compulsory Liquidation)**

### **ANNOUNCEMENT IN RESPECT OF (1) PUBLICATION OF UNAUDITED MANAGEMENT ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021 AND (2) CONTINUED SUSPENSION OF TRADING**

This announcement is made by Bay Area Gold Group Limited (In Compulsory Liquidation) (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

References are made to (i) the announcement of the Company dated 31 March 2022 in relation to, among others, the delay in publication of the 2021 Annual Results, the delay in despatch of the 2021 Annual Report and the suspension of trading; and (ii) the announcement of the Company dated 20 January 2023 in relation to, among others, the appointment of the Joint and Several Liquidators (collectively, the “**Announcements**”). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

The Company hereby announces that as additional time will be required for the Company to provide the required information to the independent auditor, CCTH CPA Limited (the “**Auditor**”), to complete the audit work in respect of the financial information of the Group for the year ended 31 December 2021, the Company is not in a position to (i) publish its 2021 Annual Results and (ii) despatch its 2021 Annual Report to its Shareholders by the date of this announcement in accordance with the Listing Rules. The Company will issue further announcement(s) on the expected date of publication of the 2021 Annual Results and the despatch of the 2021 Annual Report as and when appropriate in accordance with the requirements of the Listing Rules.

## 1. UNAUDITED MANAGEMENT ACCOUNTS

In order to keep the shareholders of the Company (the “**Shareholders**”) and the public informed of the Group’s financial performance and position, the Company wishes to set forth below the preliminary unaudited consolidated financial information extracted from the management accounts of the Group for the year ended 31 December 2021 (the “**Management Accounts**”). The Company confirms that the following unaudited consolidated financial information is prepared on the same basis as used in the latest audited financial statements of the Group for the year ended and as of 31 December 2020 and all new standards, amendments to standards and interpretations, have been consistently applied by the Group throughout the reporting periods.

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*For the year ended 31 December 2021*

	2021 <i>HK\$’000</i> (Unaudited)	2020 <i>HK\$’000</i> (Audited) (Restated)
<b>Continuing operations</b>		
Revenue	—	—
Cost of sales	<u>—</u>	<u>—</u>
<b>Gross profit</b>	—	—
Other income and loss, net	6,492	(37,818)
Administrative expenses	(16,977)	(23,529)
Impairment loss mining right	—	(231,333)
Impairment loss trade, loans and other receivables	—	(26,407)
Impairment loss deposits paid for acquisition of fixed assets	<u>—</u>	<u>(3,162)</u>
<b>Loss from operations</b>	(10,485)	(322,249)
Finance costs	<u>(88,624)</u>	<u>(94,988)</u>
<b>Loss before tax</b>	(99,109)	(417,237)
Income tax expense	<u>—</u>	<u>—</u>
Loss for the year from continuing operations	(99,109)	(417,237)
Loss for the year from discontinued operations	<u>(9,738,579)</u>	<u>(2,490,238)</u>
<b>Loss for the year</b>	(9,837,688)	(2,907,475)

	2021 <i>HK\$'000</i> (Unaudited)	2020 <i>HK\$'000</i> (Audited) (Restated)
<b>Loss attributable to owners of the Company:</b>		
From continuing operations	(99,109)	(417,237)
From discontinued operations	<u>(9,738,579)</u>	<u>(2,490,238)</u>
	<u><b>(9,837,688)</b></u>	<u><b>(2,907,475)</b></u>
	2021 <i>HK cents</i> (Unaudited)	2020 <i>HK cents</i> (Unaudited) (Restated)
<b>Loss per share attributable to owners of the Company for the year</b>		
Basic loss per share		
From continuing and discontinued operations	(3,301.09)	(978.71)
From continuing operations	<u>(33.26)</u>	<u>(140.45)</u>
Diluted loss per share		
From continuing and discontinued operations	N/A	N/A
From continuing operations	<u>N/A</u>	<u>N/A</u>

## CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2021

	2021 HK\$'000 (Unaudited)	2020 HK\$'000 (Audited) (Restated)
<b>Loss for the year</b>	<b><u>(9,837,688)</u></b>	<b><u>(2,907,475)</u></b>
<b>Other comprehensive income for the year</b>		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange difference on translation of foreign operations	116,576	258,648
<i>Item that will not reclassified to profit or loss:</i>		
Fair value gain on investments in equity instruments as fair value through other comprehensive income ("FVTOCI"), net of tax	<u>—</u>	<u>18,370</u>
	<b><u>116,576</u></b>	<b><u>277,018</u></b>
<b>Total comprehensive expense for the year attributable to owners of the Company:</b>		
From continuing operations	(98,314)	(274,069)
From discontinued operations	<u>(9,622,798)</u>	<u>(2,356,388)</u>
<b>Total comprehensive loss for the year</b>	<b><u><u>(9,721,112)</u></u></b>	<b><u><u>(2,630,457)</u></u></b>

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*As at 31 December 2021*

	2021 <i>HK\$'000</i> (Unaudited)	2020 <i>HK\$'000</i> (Audited)
<b>Non-current assets</b>		
Intangible assets	500	4,551,032
Fixed assets	84	4,387,667
Right-of-use assets	—	35,266
Investment in an associate	—	15,067
Investments in equity instruments at fair value through other comprehensive income	—	329,183
Deposits paid for acquisition of fixed assets	—	55,971
Other deposits	<u>200</u>	<u>1,056</u>
<b>Total non-current assets</b>	<u>784</u>	<u>9,375,242</u>
<b>Current assets</b>		
Inventories	—	231,753
Trade, loans and other receivables, deposits and prepayments	2,710	267,210
Income tax recoverable	45	—
Financial assets at fair value through profit or loss	—	43,949
Pledged deposits	—	77,207
Client trust bank balances	4,112	2,916
Cash and bank balances	<u>8,389</u>	<u>89,048</u>
<b>Total current assets</b>	<u>15,256</u>	<u>712,083</u>
<b>Current liabilities</b>		
Trade and other payables	210,832	1,491,895
Contract liabilities	62,660	46,950
Provisions	3,809,677	—
Bank and other borrowings	1,248,767	1,276,968
Derivative financial instruments	—	26,612
Convertible bonds	—	289,982
Lease liabilities	—	1,556
Tax payable	<u>—</u>	<u>12,967</u>
<b>Total current liabilities</b>	<u>5,331,936</u>	<u>3,146,930</u>
<b>Net current liabilities</b>	<u>(5,316,680)</u>	<u>(2,434,847)</u>
<b>Total assets less current liabilities</b>	<u>(5,315,896)</u>	<u>6,940,395</u>

	2021 <i>HK\$'000</i> (Unaudited)	2020 <i>HK\$'000</i> (Audited)
<b>Non-current liabilities</b>		
Bank and other borrowings	3,800	1,947,327
Lease liabilities	—	813
Deferred tax liabilities	<u>—</u>	<u>590,840</u>
<b>Total non-current liabilities</b>	<u>3,800</u>	<u>2,538,980</u>
<b>NET (LIABILITIES)/ASSETS</b>	<u><b>(5,319,696)</b></u>	<u><b>4,401,415</b></u>
<b>CAPITAL AND RESERVES</b>		
Share capital	298	297
Reserves	<u>(5,319,994)</u>	<u>4,401,118</u>
<b>DEFICIENCY IN EQUITY/EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<u><b>(5,319,696)</b></u>	<u><b>4,401,415</b></u>

The Company wishes to emphasise that the audit of the Management Accounts has not been finalised and the Company is still in the process of providing the required information to the Auditor. Accordingly, the unaudited consolidated financial information set out above is subject to adjustments and finalisation pending the completion of the audit. Shareholders and potential investors should note that the above unaudited consolidated financial information of the Group has not been agreed by the Auditor. The unaudited consolidated financial information is only based on the Management Accounts and is not based on any other data or information that has been audited by the Auditor. Shareholders and potential investors should note that the actual 2021 Annual Results may be different from the disclosure in this announcement.

## 2. CONTINUED SUSPENSION OF TRADING

Trading on the Stock Exchange in the shares of the Company, which has suspended with effect from 9:00 a.m. on 1 April 2022, remains suspended and will continue to be so until further notice.

**The Joint and Several Liquidators were only appointed on 21 December 2022 and with limited information in relation to the Group who are not in a position to confirm the completeness, existence and accuracy of the historical result of the Group. The Joint and Several Liquidators do not accept or assume responsibility for the Management Accounts for any purpose or to any person to whom these Management Accounts are shown or into whose hands they may come.**

**Shareholders and potential investors should exercise extreme caution when considering the unaudited consolidated financial information disclosed above and when dealing in the shares of the Company.**

For and on behalf of  
**Bay Area Gold Group Limited**  
**(In Compulsory Liquidation)**  
**Osman Mohammed Arab**  
**Wong Kwok Keung**  
*Joint and Several Liquidators*  
*Acting as agents of the Company*  
*without personal liabilities*

Hong Kong, 29 September 2023

*As at the date of this announcement, the board of directors (the “**Directors**”) of the Company comprises Mr. Yi Shuhao, Mr. Chen Sheng and Mr. Zhang Lirui as the Executive Directors, Mr. Tang Yiu Kay, Mr. Zhu Tianxiang, Professor Xiao Rong Ge and Professor Zhang Tianyu as the Independent Non-executive Directors. All powers of the Directors ceased upon granting of the Winding-up Order by the High Court of Hong Kong on 31 August 2022.*

*The affairs, business and property of the Company are being managed by the Joint and Several Liquidators who act as agents of the Company only and without personal liabilities.*