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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)

**(1) INSIDE INFORMATION — UPDATE ON AMENDED PETITION;
AND (2) VOLUNTARY ANNOUNCEMENT — LITIGATION
PROCEEDINGS**

This announcement is made by Bay Area Gold Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

AMENDED PETITION

Reference is made to the announcements of the Company dated 20 August 2021, 24 August 2021, 1 September 2021 and 15 September 2021 (together, the “**Announcements**”), in relation to, among others, the Petition dated 16 August 2021 filed by an individual bondholder of the Company against the Company and the Summons dated 18 August 2021. Unless otherwise specified, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcements.

As mentioned in the announcement of the Company dated 15 September 2021, the Amended Petition hearing had been held on 20 October 2021. The Company wishes to update its shareholders that the Court has adjourned the hearing of the Amended Petition to 17 November 2021 at 3:00 p.m. before a master of the High Court.

LITIGATION PROCEEDINGS

On 5 October 2021, the Company received a writ of summons (the “**Writ**”) together with a statement of claim (the “**Statement of Claim**”) dated 4 October 2021, filed by an individual bondholder of the Company, Mr. Weng Shaobin (the “**Plaintiff**”), against the Company in the Court of First Instance of the High Court of the Hong Kong Special Administrative Region (the “**High Court**”), in relation to alleged outstanding debts of the Company under a bond issued by the Company to the Plaintiff on 30 September 2014 in the principal amount of HK\$10,000,000 and carrying interest accrued thereon at the rate of 6.5% per annum and which will mature on 29 March 2022 (the “**Bond**”).

The Plaintiff alleged that an event of default under the Bond has happened in that winding up petitions have been presented against the Company and have not been withdrawn or had subsisted for 60 days after its commencement. On 17 September 2021 and 27 September 2021, the Plaintiff, through its solicitors, demanded redemption of the Bond by the Company (by repayment of the principal sum of HK\$10,000,000 and interests thereon by the Company to the Plaintiff) in reliance on the alleged event of default. The Plaintiff also alleged that the Company failed or refused to pay to the Plaintiff the annual interest accrued on the Bond at the rate of 6.5% per annum in the sum of HK\$650,000 by 30 September 2021.

As stated in the Statement of claim endorsed with the Writ, the Plaintiff claims against the Company for:

- (1) the principal sum of HK\$10,000,000 due and payable by the Company;
- (2) the annual interest of HK\$650,000 due and payable by the Company;
- (3) interest on such sums as may be awarded by the High Court under section 48 and 49 of the High Court Ordinance (Cap. 4);
- (4) costs; and
- (5) further and/or other relief as the Court thinks fit.

The Company is currently seeking legal advice in this regard. The Company will keep its shareholders and investors informed of any significant development of the above proceeding and will make further announcement(s) as and when appropriate in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Further announcement(s) will be made regarding any significant developments on the above matter as and when appropriate.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Bay Area Gold Group Limited
YI Shuhao
Chairman

Hong Kong, 20 October 2021

As at the date of this announcement, the Board comprises Mr. Yi Shuhao, Mr. Chen Sheng, Mr. Zhang Lirui and Mr. Huang Zhiwei as Executive Directors; and Mr. Tang Yiu Kay, Mr. Zhu Tianxiang, Professor Xiao Rong Ge and Professor Zhang Tianyu as Independent Non-Executive Directors.