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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)

PROFIT WARNING

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

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review on the unaudited consolidated management accounts of the Group for the year ended 31 December 2020 and the information currently available, the Group expects the net loss for the year ended 31 December 2020 will be enlarged as compared with that for the year ended 31 December 2019 which approximated to HK\$631 million. The widened loss is mainly attributable to the one-off losses on impairment of intangible assets of approximately HK\$1,342 million and one-off losses on impairment of fixed assets of approximately HK\$934 million for the year ended 31 December 2020 due to assessment of valuation of the assets and their future performance towards the Company.

The Company is still in the process of finalizing the Group’s consolidated results for the year ended 31 December 2020. The information contained in this announcement is only based on a preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for the financial year ended 31 December 2020 and on the information available for the time being. Further details for the Group’s results and performance will be disclosed in the annual results announcement of the Company for the year ended 31 December 2020, which is expected to be published on 30 March 2021.

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

By order of the Board

Bay Area Gold Group Limited

YI Shuhao

Chairman

Hong Kong, 19 March 2021

As at the date of this announcement, the Executive Directors of the Company are Mr. Yi Shuhao, Mr. Chen Sheng, Mr. Zhang Lirui, Mr. Wang Baozhi and Mr. Huang Zhiwei; the Non-Executive Director of the Company is Mr. Hsu Jing-Sheng; and the Independent Non-Executive Directors of the Company are Ms. Wong Chi Yan, Professor Xiao Rong Ge and Professor Zhang Tianyu.