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## **Sky Blue 11 Company Limited**

*(formerly known as Balk 1798 Group Limited 巴克1798集團有限公司)*

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 1010)**

### **PROFIT WARNING**

This announcement is made by Sky Blue 11 Company Limited (the “**Company**” and its subsidiaries, collectively the “**Group**”) pursuant to Rule 13.09(2)(a) 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, following a preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2024 (the “**Reporting Period**”), and based on the information currently available to the Board, the Group anticipates to record a loss of not less than HK\$187.0 million for the Reporting Period, as compared to loss of approximately HK\$46.4 million for the year ended 31 December 2023.

Based on the latest information available, the anticipated loss for the Reporting Period is mainly attributable to several key factors: (i) a decline in sales of the Group’s yacht businesses, which has been significantly influenced by the prevailing macroeconomic environment and the economic downturn in Hong Kong; (ii) the recognition of impairment loss on inventories and receivables that were assessed in accordance with the applicable accounting standards; and (iii) an increase in interest expenses resulting from the drawdown of new loans from third parties to support the Group’s operations during the Reporting Period.

As at the date of this announcement, the Company is still in the course of finalising the financial results of the Group for the Reporting Period. The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the latest unaudited consolidated management accounts of the Group for the Reporting Period and other information currently available to the Company which has not been audited or reviewed by the auditors of the Company or has been confirmed by the audit committee of the Board. The information contained in this announcement may be different from the final results announcement of the Company for the Reporting Period which is expected to be published in late March 2025 in accordance with the Listing Rules.

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

By Order of the Board  
**Sky Blue 11 Company Limited**  
**Li Weina**  
*Executive Director*

Hong Kong, 21 March 2025

*As at the date of this announcement, the Board of the Company comprises six Directors. The executive Directors are Ms. Li Weina, Dr. Zhang Yu and Mr. Phen Chun Shing Vincent; and the independent non-executive Directors are Ms. Ching Ching, Dr. Song Donglin and Mr. Wong Xiang Hong.*