THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Sky Blue 11 Company Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

SKYBLUE 11
天璽曜11有限公司

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)

(1) PROPOSED RE-ELECTION OF DIRECTORS; (2) PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES; AND (3) NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting (the "**Annual General Meeting**") of Sky Blue 11 Company Limited to be held at 2/F, J Plus, 35-45B Bonham Strand, Sheung Wan, Hong Kong on Friday, 6 June 2025 at 3:00 p.m. is set out on pages 18 to 22 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (http://www.hkexnews.hk) and the Company (www.skyblue11.com).

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting (i.e. not later than 3:00 p.m. on Wednesday, 4 June 2025). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting if they so wish. References to time and dates in this circular are to Hong Kong time and dates.

30 April 2025

CONTENTS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

"Annual General Meeting"	the annual general meeting of the Company to be held at 2/F, J Plus, 35-45B Bonham Strand, Sheung Wan, Hong Kong on Friday, 6 June 2025 at 3:00 p.m.
"Board"	the board of Directors of the Company
"Bye-laws"	the bye-laws of the Company currently in force
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"Company"	Sky Blue 11 Company Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
"Director(s)"	the director(s) of the Company
"Group"	The Company and its subsidiaries from time to time
"HK$"	Hong Kong dollars, the lawful currency for the time being of Hong Kong
"HKSCC"	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Issue Mandate"	a general and unconditional mandate proposed to be granted to the Directors to allot, issue or otherwise deal with additional Shares (including any sale or transfer of treasury shares out of treasury) not exceeding 20% of the total number of issued shares of the Company (excluding any treasury shares) as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting

"Latest Practicable Date"	23 April 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
"Share(s)"	ordinary share(s) of HK$0.1 each in the share capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company, which include treasury share(s), if any (for the avoidance of doubt, the holders of treasury shares have no voting rights at the general meeting(s) of the Company)
"Share Buy-back Mandate"	a general and unconditional mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange not exceeding 10% of the total number of issued shares of the Company (excluding any treasury shares) as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting
"Shareholder(s)"	holder(s) of Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Codes"	the Codes on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission as amended from time to time
"treasury shares"	has the meaning ascribed to it under the Listing Rules
"%"	per cent

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)

Executive Directors:
Li Weina
Zhang Yu
Phen Chun Shing Vincent

Independent Non-executive Directors:
Ching Ching
Song Donglin
Wong Xiang Hong

Registered Office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal Place of Business in Hong Kong:
Suite 3902, 39/F., Central Plaza
18 Harbour Road, Wanchai
Hong Kong

30 April 2025

To the Shareholders

Dear Sir or Madam,

(1) PROPOSED RE-ELECTION OF DIRECTORS; (2) PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES; AND (3) NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide you with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on Friday, 6 June 2025 at 3:00 p.m. and to give you the notice of the Annual General Meeting at which the resolutions will be proposed to consider and, if thought fit, approve such matters.

2. PROPOSED RE-ELECTION OF DIRECTORS

The nomination committee of the Board (the "**Nomination Committee**") is responsible for reviewing the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy. It is also responsible for, among others, assessing the independence of independent non-executive Directors and reviewing and making recommendations to the Board on the appointment or re-election of Directors and succession planning for Directors, so as to ensure that all nominations, appointments and re-election are fair and transparent.

When formulating a recommendation to the Board for appointment of a Director (including an independent non-executive Director), the Nomination Committee shall consider various criteria in evaluating and selecting candidates for directorships, including, among others, (i) character, integrity and reputation; (ii) qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Group's business and corporate strategy; (iii) the merit and contribution that the candidate will bring to the Board with due regard to the board diversity policy of the Company; (iv) the number of existing directorships and other commitments that may demand the attention of the candidate; (v) the requirement for the Board to have independent non-executive Directors in accordance with the Listing Rules and whether the candidates would be considered independent with reference to the requirements under the Listing Rules; (vi) the board diversity policy of the Company and any measurable objectives adopted by the Board for achieving diversity on the Board, which including but not limited to sex, age, culture and education background, ethnicity, professional experience, skills, knowledge and terms of service; and (vii) such other perspective appropriate to the Group's business.

The Board currently consists of six Directors, namely Ms. Li Weina, Dr. Zhang Yu, Mr. Phen Chun Shing Vincent, Ms. Ching Ching, Dr. Song Donglin and Mr. Wong Xiang Hong.

In accordance with Bye-laws 99, Dr. Zhang Yu, Mr. Phen Chun Shing Vincent, Dr. Song Donglin and Mr. Wong Xiang Hong shall retire at the Annual General Meeting and, being eligible, will offer themselves for re-election at the Annual General Meeting.

In recommending Dr. Zhang Yu and Mr. Phen Chun Shing Vincent to stand for re-election as executive Directors, the Nomination Committee has considered the profiles, academic backgrounds, experience and other factors of Dr. Zhang Yu and Mr. Phen Chun Shing Vincent as set out in Appendix I to this circular. Dr. Zhang Yu has extensive experience in trade finance and commodities trading and Mr. Phen Chun Shing Vincent has extensive experience in financial management. The Nomination Committee is satisfied that each of Dr. Zhang Yu and Mr. Phen Chun Shing Vincent possesses the required character, integrity and experience to continuously fulfil their roles as executive Directors effectively. The Board believes that the re-election of Dr. Zhang Yu and Mr. Phen Chun Shing Vincent as the executive Directors would be in the best interest of the Company and the Shareholders as a whole.

In recommending Dr. Song Donglin and Mr. Wong Xiang Hong to stand for re-election as independent non-executive Directors, the Nomination Committee has considered the profile, experience and other factors of Dr. Song Donglin and Mr. Wong Xiang Hong as set out in Appendix I to this circular. Each of Dr. Song Donglin and Mr. Wong Xiang Hong has extensive experience in finance and business administration. The Nomination Committee is satisfied that each of Dr. Song Donglin and Mr. Wong Xiang Hong possesses the required character, integrity and experience to continuously fulfil their roles as independent non-executive Directors effectively. In addition, the Board has received annual written confirmation from Dr. Song Donglin and a written confirmation from Mr. Wong Xiang Hong, confirming their independence in accordance with Rule 3.13 of the Listing Rules. The Board has assessed and reviewed their independence and believes each of Dr. Song Donglin and Mr. Wong Xiang Hong has satisfied the independence requirements. Therefore, the Board believes that the re-election of Dr. Song Donglin and Mr. Wong Xiang Hong the independent non-executive Directors would be in the best interest of the Company and the Shareholders as a whole.

Details of the Directors proposed for re-election are set out in Appendix I to this circular.

3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 6 June 2024, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Buy-back Mandate to the Directors to repurchase Shares on the Stock Exchange not exceeding 10% of the total number of issued Shares (excluding any treasury shares) as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting (i.e. a total of 44,429,417 Shares may be repurchased pursuant to the Share Buy-back Mandate on the basis that no further Shares are issued before the Annual General Meeting). The Directors wish to state that at the Latest Practicable Date, they have no immediate plan to repurchase any Shares pursuant to the Share Buy-back Mandate.

The Board notes that with effect from 11 June 2024, the Listing Rules have been amended to introduce flexibility for listed companies to cancel Shares repurchased and/or to adopt a framework to (i) allow repurchased Shares to be held in treasury and (ii) govern the resale of treasury shares.

Following such changes to the Listing Rules, if the Company repurchases Shares pursuant to the Share Buy-back Mandate, the Company may (i) cancel the repurchased Shares and/or (ii) hold such Shares in treasury, subject to market conditions and the capital management needs of the Company at the relevant time such repurchases of Shares are made. If the Company holds Shares in treasury, any resale of Shares held in treasury will made in accordance with the Listing Rules and applicable laws and regulations of Bermuda.

An explanatory statement required by Rule 10.06(1)(b) of the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Buy-back Mandate is set out in Appendix II to this circular.

For any treasury Shares deposited with Central Clearing and Settlement System used within the market system of Hong Kong Exchanges and Clearing Limited ("**CCASS**"), the Company shall (i) procure its broker not to give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings of the Company for the treasury Shares deposited with CCASS; and (ii) in the case of dividends or distributions, withdraw the treasury Shares from CCASS, and either re-register them in its own name as treasury Shares or cancel them, in each case before the record date for the dividends or distributions, or take any other measures to ensure that it will not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as treasury Shares.

4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE NEW SHARES

At the annual general meeting of the Company held on 6 June 2024, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issue Mandate to the Directors to allot, issue or otherwise deal with additional Shares (including any sale or transfer of treasury shares out of treasury) not exceeding 20% of the total number of issued Shares (excluding any treasury shares) as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting (i.e. a total of 88,858,834 Shares may be issued pursuant to the Issue Mandate on the basis that no further Shares are issued before the Annual General Meeting). An ordinary resolution to extend the Issue Mandate by adding the number of Shares repurchased by the Company pursuant to the Share Buy-back Mandate will also be proposed at the Annual General Meeting.

5. CLOSURE OF REGISTER OF MEMBERS

The Annual General Meeting is scheduled to be held at 3:00 p.m. on Friday, 6 June 2025. For determining the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Tuesday, 3 June 2025 to Friday, 6 June 2025, both days inclusive, during which period no transfer of Shares of the Company will be registered.

In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of Shares of the Company should ensure that all the share transfer documents accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Monday, 2 June 2025.

For the avoidance of doubt, holders of treasury shares of the Company (if any) have no voting rights at the general meeting(s) of the Company.

6. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 18 to 22 of this circular.

Pursuant to the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands). An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (http://www.hkexnews.hk) and the Company (www.skyblue11.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting (i.e. not later than 3:00 p.m. on Wednesday, 4 June 2025). Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

7. RECOMMENDATION

The Directors consider that the proposed (i) re-election of Directors; (ii) granting of the Share Buy-back Mandate; and (iii) granting of the Issue Mandate; are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all resolutions in relation to the above matters as set out in the notice of the Annual General Meeting. As at the Latest Practicable Date, no Shareholder is required to abstain from voting under the Listing Rules in respect of the resolutions as stated in the notice of the Annual General Meeting.

8. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein misleading.

Yours faithfully,
For and on behalf of the Board
Sky Blue 11 Company Limited
Li Weina
Executive Director

Stated below are the details of the Directors proposed to be re-elected at the Annual General Meeting:

(i) Dr. Zhang Yu ("**Dr. Zhang**"), executive Director

Dr. Zhang, aged 39, was appointed as the executive director of the Company on 6 April 2023 and is the director of 2 subsidiaries of the Company. He graduated from University of York, United Kingdom. Dr. Zhang started working as a research fellow at York Management School of University of York, United Kingdom in 2010. Since 2011, Dr. Zhang has been a global advisor of China Railway Group Limited in the international market. Also, Dr. Zhang is currently an advisor and business development director of Compact GTL Limited, founder and co-director of Innovation Centre for Commercialization of the University of Surrey, and representative of United Kingdom at Tianjin Administration of Foreign Experts Affairs. Dr. Zhang has extensive experience and industry background in trade finance and commodities trading. Dr. Zhang built up his business connections with a number of well-known worldwide corporations across multiple industries including but not limited to banking, trading, mining, smelting and financial services. In particular, Dr. Zhang is very experienced in both physical commodity trading and futures markets. Dr. Zhang also gave public speeches in relation to global finance and development since 2016, he has been invited to speak at Chatham House of the United Kingdom in 2016 and 2018.

Dr. Zhang has entered into a contract with the Company in relation to his appointment as an executive Director. Dr. Zhang is entitled to a director fee of HK$20,000 per month, which was determined with reference to his background, qualifications, experience, level of responsibilities undertaken with the Company and prevailing market conditions. His directorship will be subject to retirement by rotation and re-election pursuant to the Bye-laws of the Company. He will hold office until the Annual General Meeting at which he will be eligible for re-election in accordance with the Bye-laws of the Company. Save as disclosed above, as at the the Latest Practicable Date and to the best knowledge of the Directors, Dr. Zhang (i) has not held any directorship in other public listed companies in Hong Kong or overseas in the past three years; (ii) does not hold any other position with the Company or subsidiaries of the Company; (iii) does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company; (iv) does not have any interest in the Shares or underlying Shares of the Company within the meaning of Part XV of the SFO; and (v) there is no other information that is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules nor there is any other matter that needs to be brought to the attention of the Shareholders.

(ii) Mr. Phen Chun Shing Vincent, (“**Mr. Phen**”), executive Director

Mr. Phen, aged 48, holds a bachelor degree in business administration and marketing from the University of North Texas. Mr. Phen has been an executive director of Taung Gold International Limited (stock code: 621) since 11 May 2017. From 2007 to 2009, he was employed at CLSA Capital Partners. From 2009 to 2012, Mr. Phen held the position of director at CMS Capital (HK) Co., Limited (formerly known as “CMTF Asset Management Limited”). From 2012 to 2015, Mr. Phen served as an executive director of China Merchants Capital Management (International) Limited. In addition, Mr. Phen served as (i) a non-executive director of Comtec Solar Systems Group Limited, a company listed on Main Board of The Stock Exchange (the “**Stock Exchange**”) of Hong Kong Limited (stock code: 712), from 26 March 2010 to 20 September 2012; (ii) a non-executive director of EPI (Holdings) Limited, a company listed on Main Board of the Stock Exchange (stock code: 689), from 15 February 2016 to 19 October 2016; (iii) an executive director of China Partytime Culture Holdings Limited, a company listed on Main Board of the Stock Exchange (stock code: 1532), from 3 August 2017 to 3 April 2020; (iv) an independent non-executive director of Agritrade Resources Limited, which was listed on Main Board of the Stock Exchange but was delisted as of 31 January 2022, from 12 December 2017 to 8 June 2021 (stock code: 1131).

Mr. Phen has entered into a service agreement with the Company in relation to his appointment as an executive Director. Mr. Phen is entitled to a director fee of HK$20,000 per month, which was determined with reference to his background, qualifications, experience, level of responsibilities undertaken with the Company and prevailing market conditions. His directorship will be subject to retirement by rotation and re-election pursuant to the Bye-laws of the Company. He will hold office until the Annual General Meeting at which he will be eligible for re-election in accordance with the Bye-laws of the Company. Save as disclosed above, as at the Latest Practicable Date, Mr. Phen has confirmed that (i) he has not held any directorship in other public listed companies in Hong Kong or overseas in the past three years; (ii) he does not hold any other position with the Company or subsidiaries of the Company; (iii) he does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company; (iv) he does not have any interest in the Shares or underlying Shares of the Company within the meaning of Part XV of the SFO; and (v) there is no other information that is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules nor there is any other matter that needs to be brought to the attention of the Shareholders.

(iii) Dr. Song Donglin ("**Dr. Song**"), independent non-executive Director

Dr. Song, aged 68, was appointed as the independent non-executive director of the Company on 15 April 2021. He (i) obtained an undergraduate degree and a master's degree from the Jilin University in 1982 and 1985, respectively; (ii) served as a teacher of the Economics Department of Jilin University from 1985 to 1993, and was a visiting scholar at Rutgers University in the United States from 1988 to 1990; (iii) obtained a doctoral degree from Jilin University in 1994; (iv) served as the deputy dean of the Business School of Jilin University from 1993 to 2000; (v) served as the deputy dean and dean of the School of Economics of Jilin University from 2000 to 2005; (vi) served as the vice president of Changchun Taxation College from 2005 to 2006; (vii) served as the president of Changchun Taxation College from 2006 to 2010; (viii) served as the president of Jilin University of Finance and Economics from 2010 to 2018; (ix) has been serving as professor of Jilian University since 2018; (x) has been serving as an independent director of Jilin Bank since March 2020; and (xi) has been serving as the Director of the China State-Owned Economy Research Center at Jilin University since 2022. Dr. Song has extensive experience in the fields of economics and business administration.

Dr. Song has entered into a contract with the Company in relation to his appointment as the independent non-executive Director, which may be terminated by either party giving to the other not less than 30 days prior notice in writing. He is entitled under the contract to a director fee of HK$20,000 per month, which was determined with reference to his background, qualifications, experience, level of responsibilities undertaken with the Company (including the positions of the chairman of the Nomination Committee and the chairman of the Remuneration Committee) and prevailing market conditions. His directorship will be subject to retirement by rotation and re-election pursuant to the Bye-laws. He will hold office until the Annual General Meeting at which he will be eligible for re-election in accordance with the Bye-laws. Save as disclosed above, as at the Latest Practicable Date, Dr. Song has confirmed that (i) he has not held any directorship in other public listed companies in Hong Kong or overseas in the past three years; (ii) he does not hold any other position with the Company or subsidiaries of the Company; (iii) he does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company; (iv) he does not have any interest in the shares or underlying shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance; and (v) there is no other information that is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules nor there is any other matter that needs to be brought to the attention of the Shareholders.

(iv) Mr. Wong Xiang Hong, ("**Mr. Wong**"), independent non-executive Director

Mr. Wong, aged 54, was appointed as the independent non-executive director of the Company on 25 February 2025. Mr. Wong holds an MBA degree with Dean's Honor from the University of Texas at Austin. Mr. Wong previously served as an executive director and chief executive officer of Arta Techfin Corporation Limited (Stock Code: 279, formerly known as Freeman Fintech Corporation Limited), a company listed on the Main Board of the Stock Exchange, from April 2019 to March 2020. He also served as an executive director of Great Wall Terroir Holdings Limited (Stock Code: 524, formerly known as e-Kong Group Limited and Great Wall Belt & Road Holdings Limited) ("**Great Wall Terroir**"), a company listed on the Main Board of the Stock Exchange, from July 2015 to July 2018, where he was responsible for its equity investment business. Prior to joining Great Wall Terroir, Mr. Wong worked in J.P. Morgan Chase & Co. ("**J. P. Morgan**") Hong Kong as a Managing Director and Head of China Corporate Sales Team in the Credit & Rates Department. Mr. Wong joined J.P. Morgan Hong Kong in 2000 and worked in the Financial Advisory Unit, where he was responsible for building and managing the sales teams for the origination, advisory and execution of structured financing, risk management, balance sheet management solutions for Greater China corporate clients, as well as advising clients in the telecom and power industry on debt restructuring during the Asian financial crisis. Prior to relocating to Hong Kong, he had been working with Global Mergers & Acquisitions and Global Syndicated Finance Group with J.P. Morgan in New York from 1998 to 2000.

As disclosed in the regulatory announcements published by the Stock Exchange on 13 March 2020 (the "**2020 Regulatory Announcement**") and 15 June 2022 (the "**2022 Regulatory Announcement**"), the Listing Committee of the Stock Exchange ("**Listing Committee**") criticised, among others, Mr. Wong for breaches of certain provisions of the Listing Rules while acting as a former executive director of Great Wall Terroir. The Listing Committee concluded that Mr. Wong and certain other directors of Great Wall Terroir were in breach of the director's undertaking given by them to the Stock Exchange for failing to use their best endeavours to procure Great Wall Terroir to comply with the Listing Rules, particularly with regard to notifiable and connected transactions. For details, please refer to the 2020 Regulatory Announcement and the 2022 Regulatory Announcement, which can be found on the website of the Stock Exchange.

The 2020 Regulatory Announcement and the 2022 Regulatory Announcement did not appear to contain any allegation of fraud or dishonesty against Mr. Wong. Apart from the direction of the Listing Committee in the 2022 Regulatory Announcement requiring Mr. Wong to undergo 21 hours of director's training on compliance of the Listing Rules, particularly in relation to directors' duties, Corporate Governance Code, Listing Rule requirements regarding notifiable transactions and connected transactions, which Mr. Wong confirmed he has duly completed, no further action was taken against Mr. Wong in relation to the subject matter leading to the criticism by the Stock Exchange.

Mr. Wong has entered into a letter of appointment with the Company in relation to his appointment as an independent non-executive Director. Mr. Wong is entitled to a director fee of HK$10,000 per month, which was determined with reference to his background, qualifications, experience, level of responsibilities undertaken with the Company and prevailing market conditions. His directorship will be subject to retirement by rotation and re-election pursuant to the Bye-laws. He will hold office until the Annual General Meeting at which he will be eligible for re-election in accordance with the Bye-laws.

Save as disclosed above, as at the Latest Practicable Date, Mr. Wong has confirmed that (i) he has not held any directorship in other public listed companies in Hong Kong or overseas in the past three years; (ii) he does not hold any other position with the Company or subsidiaries of the Company; (iii) he does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company; (iv) he does not have any interest in the Shares or underlying Shares of the Company within the meaning of Part XV of the SFO; and (v) there is no other information that is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules nor there is any other matter that needs to be brought to the attention of the Shareholders.

The following is an explanatory statement required by Rule 10.06(1)(b) of the Listing Rules to provide you with requisite information reasonably necessary for you to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Buy-back Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 444,294,170 Shares. The Company held no treasury shares.

Subject to the passing of the ordinary resolution set out in item 4 of the notice of the Annual General Meeting in respect of the granting of the Share Buy-back Mandate and on the basis that no further Shares are issued before the Annual General Meeting, the Directors would be authorised under the Share Buy-back Mandate to repurchase, during the period in which the Share Buy-back Mandate remains in force, a total of 44,429,417 Shares, representing 10% of the total number of issued Shares (excluding treasury shares, if any) as at the date of the Annual General Meeting.

2. REASONS FOR SHARE BUY-BACK

The Directors believe that the granting of the Share Buy-back Mandate is in the best interests of the Company and the Shareholders as a whole.

Shares buy-back may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a buy-back will benefit the Company and the Shareholders as a whole.

3. FUNDING OF SHARE BUY-BACK

The Company may only apply funds legally available for share buy-back in accordance with the Bye-laws and the applicable laws and regulations of Bermuda.

4. IMPACT OF SHARE BUY-BACK

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 31 December 2024) in the event that the Share Buy-back Mandate is exercised in full at any time during the proposed buy-back period. However, the Directors do not intend to exercise the Share Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing position which in the opinion of the Directors are from time to time appropriate for the Company.

5. MARKET PRICES OF SHARES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the previous twelve months up to the Latest Practicable Date were as follows:

	PRICE PER SHARE	
Month	**Highest**	**Lowest**
	HK$	*HK$*
2024		
May	0.54	0.44
June	0.51	0.325
July	0.62	0.31
August	0.55	0.27
September	0.53	0.355
October	0.52	0.39
November	0.51	0.243
December	0.57	0.246
2025		
January	0.415	0.23
February	0.325	0.255
March	0.28	0.204
April *(up to the Latest Practicable Date)*	0.220	0.061

6. UNDERTAKING

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, their respective close associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company in the event that the granting of the Share Buy-back Mandate is approved by the Shareholders.

No core connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell any Shares to the Company, or have undertaken not to do so, in the event that the granting of the Share Buy-back Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make buy-backs in accordance with the Listing Rules, the Bye-laws and the applicable laws and regulations of Bermuda.

The Company confirms that the explanatory statement set out in this Appendix contains the information under Rule 10.06(b). Neither this explanatory statement nor the Proposed Share Buy-back Mandate has any unusual features.

The Company may cancel any Shares it repurchased and/or hold them as treasury shares following settlement of any such repurchase subject to market conditions and the Group's capital management needs at the relevant time of the repurchases.

For those treasury shares deposited with CCASS pending resale on the Stock Exchange, the Company shall (i) procure its broker not to give instructions to HKSCC to vote at general meetings of the Company for such treasury shares; and (ii) in case of dividends or distributions, the Company shall give instructions to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, to exclude such treasury shares in determining HKSCC's entitlements to the dividends or distributions and notify (or procure its broker to notify) HKSCC the number of treasury shares held with CCASS, or alternatively, withdraw the treasury shares from CCASS and either register them in the Company's own name or cancel them, in each case before the record date for the dividend or distributions.

7. TAKEOVERS CODES

If as a result of a repurchase of Shares pursuant to the Share Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Codes. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Codes), depending on the level of increase in the interest of the Company, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Codes.

As at the Latest Practicable Date, the substantial Shareholders of the Company (as defined in the Listing Rules) and their respective interests in the Shares were as follows:

Name of substantial Shareholders	Number of Shares held	Approximate percentage of existing total issued Shares	Approximate percentage of total issued Shares if the Share Buy-back Mandate is exercised in full
LLOYDS INVESTMENT GROUP FZCO *(Note 1)*	68,500,000	15.42	17.13
Zhongying Int'l Holding Group Limited *(Note 2)*	52,321,012	11.78	13.08
Global Kingnature Limited *(Note 3)*	32,270,000	7.26	8.07

Note:

1. According to public information, as at the Latest Practicable Date, Arrab Chalid directly held 100% control of LLOYDS INVESTMENT GROUP FZCO, which beneficially held 68,500,000 shares of the Company.

2. According to public information, as at the Latest Practicable Date, Mr. Duan Hongtao indirectly held 99% control of of Zhongying Int'l Holding Group Limited, which beneficially held 52,321,012 shares of the Company.

3. According to public information, as at the Latest Practicable Date, CHANG JUNG YU held directly held 100% control of Global Kingnature Limited, which beneficially held 32,270,000 shares of the Company.

In the event that the Directors exercise in full the power to repurchase Shares under the Share Buy-Back Mandate, the total interests of the respective Shareholders would be increased to approximately the percentage shown in the respective last column as above.

Based on the information known as at the Latest Practicable Date, the Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code as a result of any repurchases made under the Repurchase Proposal.

The Directors have no present intention to repurchase Shares to such extent which will result in the aggregate number of Shares held by the public being reduced to less than 25% of the total issued share capital of the Company or such other minimum percentage as prescribed by the Listing Rules from time to time.

8. SHARE BUY-BACK MADE BY THE COMPANY

During the six months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

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)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Sky Blue 11 Company Limited (the "**Company**") will be held at 2/F, J Plus, 35-45B Bonham Strand, Sheung Wan, Hong Kong on Friday, 6 June 2025 at 3:00 p.m. for the following purposes:

ORDINARY RESOLUTIONS

Ordinary business

1. To receive and consider the audited consolidated financial statements and the reports of the directors and independent auditor of the Company for the year ended 31 December 2024.

2. (a) To re-elect Dr. Zhang Yu as executive director of the Company.

   (b) To re-elect Mr. Phen Chun Shing Vincent as executive director of the Company.

   (c) To re-elect Dr. Song Donglin as independent non-executive director of the Company.

   (d) To re-elect Mr. Wong Xiang Hong as independent non-executive director of the Company.

   (e) To authorise the board of directors of the Company to fix the directors' remuneration.

3. To re-appoint Prism Hong Kong Limited as independent auditor of the Company and to authorise the board of directors of the Company to fix their remuneration.

Special business

As special business, to consider and, if thought fit, to pass with or without modification, the following resolutions of the Company:

4. "**THAT**:

(a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company (the "**Directors**") to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase ordinary shares in the capital of the Company (the "**Shares**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") or on any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission in Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") or of any other stock exchange as amended from time to time;

(b) the aggregate number of Shares of the Company is authorised to repurchase pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued Shares (excluding treasury shares, if any) as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of Shares is conducted, the maximum number of Shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same and such maximum number of Shares shall be adjusted accordingly; and

(c) for the purposes of this resolution:

"**Relevant Period**" means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by laws and regulations of Bermuda or the bye-laws and memorandum of association of the Company; and

(iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting."

5. "**THAT**:

(a) subject to paragraph (c) below, and pursuant to the Listing Rules, a general mandate be and is hereby generally and unconditionally given to the Directors during the Relevant Period (as defined below) to allot, issue and deal with additional Shares (including any sale or transfer of treasury shares out of treasury) and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into Shares) which would or might require the exercise of such powers;

(b) the mandate in paragraph (a) above shall authorise the Directors to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into Shares) during the Relevant Period (as defined below) which would or might require the exercise of such power after the end of the Relevant Period;

(c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors and treasury shares sold and/or transferred or agreed conditionally or unconditionally to be sold and/or transferred by the Directors during the Relevant Period (as defined below) pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:

(i) a Rights Issue (as defined below);

(ii) an issue of Shares under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares;

(iii) an issue of Share as scrip dividends pursuant to the bye-laws of the Company from time to time; or

(iv) an issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company issued or any securities issued by the Company which are convertible into Shares,

shall not exceed 20% of the total number of issued Shares (excluding treasury shares, if any) as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of Shares is conducted, the maximum number of Shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same and such maximum number of Shares shall be adjusted accordingly; and

(d) for the purposes of this resolution:

"**Relevant Period**" means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by laws and regulations of Bermuda or the bye-laws of the Company to be held; and

(iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

"**Right Issue**" means an offer of Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company)."

6. "**THAT**:

conditional upon the passing of the resolutions set out in items 4 and 5 of the notice convening this meeting (the "**Notice**"), the general mandate referred to in the resolution set out in item 5 of the Notice be and is hereby extended by the addition to the aggregate number of Shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of the number of Shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 4 of the Notice, provided that such amount shall not exceed 10% of the total number of issued Shares (excluding any treasury shares) as at the date of passing of this resolution."

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

Hong Kong, 30 April 2025

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Listing Rules. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.

2. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint more than one proxy to attend and on a poll, vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy.

3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting (i.e. not later than 3:00 p.m. on Wednesday, 4 June 2025). Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

4. For determining the entitlement to attend and vote at the above meeting, the Register of Members of the Company will be closed from Tuesday, 3 June 2025 to Friday, 6 June 2025, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Monday, 2 June 2025, being the last registration date. For the avoidance of doubt, holders of treasury shares (if any) have no voting rights at the Company's general meeting(s).

5. References to time and dates in this Notice are to Hong Kong time and dates.

6. The translation into Chinese language of this Notice is for reference only. In case of any inconsistency, the English version shall prevail.

7. If tropical cyclone warning signal no. 8 or above or "extreme conditions" caused by super typhoons or a "black" rainstorm warning signal is in force at 12:00 noon on 6 June 2025, the meeting will be postponed and further announcement for details of alternative meeting arrangements will be made. The meeting will be held as scheduled even when tropical cyclone warning signal no. 3 or below is hoisted, or an amber or red rainstorm warning signal is in force. You should make your own decision as to whether you would attend the meeting under bad weather conditions and if you should choose to do so, you are advised to exercise care and caution.

As at the date of this notice, 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.