

**SEALAND CAPITAL GALAXY LIMITED**  
**UNAUDITED INTERIM RESULTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2023**

**SEALAND CAPITAL GALAXY LIMITED**  
**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2023**

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## **SEALAND CAPITAL GALAXY LIMITED**

### **CORPORATE INFORMATION**

#### **Board of Directors**

Executive Director: Mr Chung Lam Nelson Law  
(Chairman and Chief Financial Officer)

Non-executive Director: Mr Geoffrey John Griggs

**Company Secretary** Collas Crill Corporate Services Limited  
Willow House, PO Box 709,  
Cricket Square, Grand Cayman,  
KY1 1107, Cayman Islands

**Registered Office** Willow House, PO Box 709,  
Cricket Square, Grand Cayman,  
KY1 1107, Cayman Islands

**Independent Auditor** PKF Littlejohn LLP  
15 Westferry Circus,  
London E14 4HD,  
United Kingdom

**Principal Banker** China Construction Bank (Asia) Corporation Limited

**Legal advisers for English law** Hill Dickinson LLP  
The Broadgate Tower,  
20 Primrose Street,  
London EC2A 2EW

**Legal advisers for Cayman Islands law** Collas Crill & CARD  
Willow House, PO Box 709,  
Cricket Square, Grand Cayman,  
KY1 1107, Cayman Islands

## **SEALAND CAPITAL GALAXY LIMITED**

### **MANAGEMENT DISCUSSION AND ANALYSIS**

Sealand Capital Galaxy Limited is a company acting as a special purpose acquisition company. The Group is engaged in digital marketing, mobile payment and other IT related business. Today it announces its results for the six months ended 30 June 2023.

#### **Business Review**

The group's focus on expanding its presence in the e-commerce sector in China has been a key priority. Significant resources have been allocated to this endeavor, recognizing the vast potential of this market. In addition to the existing presence on Tmall, the group is actively working to collaborate with other platforms, aiming to reach a wider customer base and increase market share in online retail.

Collaboration with local retail partners has also yielded positive results. One of the group's sales partners has successfully expanded to four physical stores, with plans for a fifth store in the near future. The group's brand accounts for approximately one-third of their total unit sales, demonstrating the mutually beneficial nature of the partnership. Further nurturing and strengthening such collaborations will enhance the group's footprint in the retail sector.

Overall, the strategic focus on e-commerce expansion and collaboration with local retail partners has proven successful. The group remains committed to capitalizing on emerging opportunities, both online and offline, to drive growth and maximize shareholder value.

#### **Financial Review**

During the six months ended 30 June 2023, the loss attributable to ordinary shareholders was £203,951 (2022: £226,910), and the revenue for the period was £61,198 (2021: £76,071).

#### **Prospects**

After the impact of the COVID-19 pandemic, the group has observed a gradual recovery in sales, albeit slower than anticipated. To fuel future growth and expansion, the group is focusing on soliciting new agency partnerships for additional brands, particularly in the female skincare category. Leveraging existing distribution channels and industry expertise, the group aims to capture a larger share of the market and drive sales.

Moreover, the group is actively exploring opportunities for joint ventures in China. Building upon previous success in the advertising sector, the group seeks potential partnerships in this area. Additionally, venturing into new domains such as app design and interlink programs is a strategic move to diversify revenue streams and enhance competitiveness in the market.

Despite the challenges posed by the pandemic, the group remains optimistic about the future and committed to identifying new growth opportunities within current product lines and through strategic partnerships. By continuously adapting to evolving market conditions and leveraging strengths, the group is confident in its ability to drive long-term success and deliver value to stakeholders.

#### **Going Concern**

As at 30 June 2023, the Group has cash and cash equivalent balances of £7,630 and net current liabilities and net liabilities of £1,057,446.

## **SEALAND CAPITAL GALAXY LIMITED**

### **MANAGEMENT DISCUSSION AND ANALYSIS**

The directors' cash-flow projections for the forthcoming 12 months conclude there will be a need for additional cash resources. The directors are in discussions with some parties that may raise further equity and/or loans. There is no certainty that any such funds will be forthcoming or the price and other terms will be acceptable.

## **SEALAND CAPITAL GALAXY LIMITED**

### **MANAGEMENT DISCUSSION AND ANALYSIS**

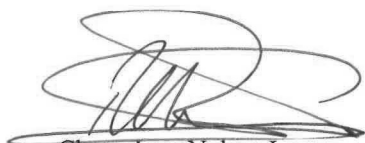
#### **Directors**

The following directors served during the six months ended 30 June 2023:

Mr Chung Lam Nelson Law (Chairman and Chief Financial Officer)

Mr Geoffrey John Griggs (Non-executive Director)

I would like to thank my colleagues for their continued perseverance and commitment towards reaching the Groups' objectives.



Chung Lam Nelson Law

Chairman

[30 September 2023]

## **SEALAND CAPITAL GALAXY LIMITED**

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The Board regularly monitors exposure to risks and uncertainties that it considers key as set out below.

The group faces risks associated with integrating and assimilating acquired businesses. Difficulties may arise due to cultural differences, operational complexities, and organizational alignment, which could impact the performance and profitability of acquired entities.

#### **International Interest Rates and Inflation**

Rising international interest rates and inflation pose a risk to the group's cost of goods sold. Increased borrowing costs and higher input costs, can impact profitability. The group actively monitors these macroeconomic factors and implements strategies to mitigate their adverse effects on financial performance.

#### **Currency Fluctuations**

The depreciation of the RMB by 10% has affected the group's total sales turnover. Weaker currency reduces purchasing power in China, negatively impacting demand for products and services. Currency fluctuations introduce volatility and uncertainty, requiring active management of currency exposures through hedging strategies.

Moreover the 10% depreciation of the RMB has impacted the total sales turnover due to a decrease in purchasing power in China.

The group remains vigilant in managing these risks, implementing appropriate risk mitigation strategies, and monitoring market conditions to ensure long-term resilience and sustainability.

## **SEALAND CAPITAL GALAXY LIMITED**

### **PRINCIPAL RISKS AND UNCERTAINTIES**

#### **Competition**

The group acknowledges the need for horizontal integration to expand market presence and capture a larger industry share. However, this expansion may strain resources. Negotiating new product lines requires significant investments in distribution networks, and marketing. Intensified competition may impact profit margins. The group actively pursues strategic partnerships and diversification to enhance competitive position. Prudent decision-making and effective resource allocation are crucial in a dynamic market environment.

#### **Financial Risks**

The Group financial risks including foreign exchange risk, interest rate risk, credit risk, liquidity risk and cash flow risk are carefully monitored by the Board.

A handwritten signature in black ink, consisting of a large, stylized 'C' followed by a series of loops and a horizontal line at the bottom.

Chung Lam Nelson Law

Chairman

[30 September 2023]



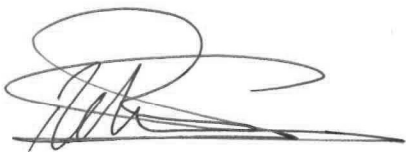
## SEALAND CAPITAL GALAXY LIMITED

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors confirm that to the best of their knowledge:

- (a) the condensed set of financial statements, which has been prepared in accordance with IAS 34 "Interim Financial Reporting", gives a true and fair view of the assets, liabilities, financial position and loss of the Group as a whole as required by DTR 4.2.4R subject to the comment on the going concern position of the Group.
- (b) the interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months of the year and a description of principal risks and uncertainties for the remaining six months of the year); and
- (c) the interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein).

By order of the Board



Chung Lam Nelson Law  
Chairman  
[30 September 2023]

**SEALAND CAPITAL GALAXY LIMITED**

**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

		Six months ended 30 June 2023 (Unaudited) £	Six months ended 30 June 2022 (Unaudited) £
	Note		
<b>Revenue</b>	5	61,198	76,071
Cost of services		(38,899)	(62,953)
<b>Gross profit</b>		<u>22,299</u>	<u>13,118</u>
Other income	5	8,151	16,313
Administrative expenses		(275,488)	(237,555)
Finance costs		(425)	(1,046)
Gain on disposal of a subsidiary		-	7,644
Gain on deregistration of subsidiaries		41,207	-
<b>Loss before tax</b>	6	<u>(204,256)</u>	<u>(201,526)</u>
Income tax expenses		-	-
<b>Loss for the period</b>		<u><u>(204,256)</u></u>	<u><u>(201,526)</u></u>
<b>Attributable to:</b>			
Equity holders of the Company		(203,951)	(226,910)
Non-controlling interests		(305)	25,384
		<u><u>(204,256)</u></u>	<u><u>(201,526)</u></u>
<b>Loss per share attributable to equity holders of the Company</b>			
		<b>Pence</b>	<b>Pence</b>
Basic and diluted	8	<u><u>(*)</u></u>	<u><u>(*)</u></u>

\* Less than 0.001 pence

The notes to the financial statements form an integral part of these financial statements.

**SEALAND CAPITAL GALAXY LIMITED**

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

	Note	Six months ended 30 June 2023 (Unaudited) £	Six months ended 30 June 2022 (Unaudited) £
<b>Loss for the period</b>		(204,256)	(201,526)
<b>Other comprehensive income/(loss)</b>			
Items to be reclassified subsequently to profit or loss:			
- Exchange differences on translation of foreign operations		39,653	(86,249)
Other comprehensive income for the period, net of tax		<u>39,653</u>	<u>(86,249)</u>
<b>Total comprehensive loss for the period</b>		<u>(164,603)</u>	<u>(287,775)</u>
<b>Attributable to:</b>			
Equity holders of the Company		(173,999)	(287,823)
Non-controlling interests		9,396	48
		<u>(164,603)</u>	<u>(287,775)</u>

The notes to the financial statements form an integral part of these financial statements .

**SEALAND CAPITAL GALAXY LIMITED**  
**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2023**

	Note	At 30 June 2023 (Unaudited) £	At 31 December 2022 (Audited) £
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	9	28,704	44,791
<b>Current assets</b>			
Inventories	10	91,261	106,088
Prepayments and other receivables		55,965	58,305
Trade receivables		26,847	26,430
Cash and cash equivalents		7,630	35,567
		<u>181,703</u>	<u>226,390</u>
<b>Current liabilities</b>			
Trade payables		34,691	36,110
Other payables and accrued expenses		534,517	480,213
Amount due to a director		667,154	602,646
Finance lease liabilities	11	31,491	29,858
		<u>1,267,853</u>	<u>1,148,827</u>
<b>Net current liabilities</b>		<u>(1,086,150)</u>	<u>(922,437)</u>
<b>Total assets less current liabilities</b>		<u>(1,057,446)</u>	<u>(877,646)</u>
<b>Non-current liabilities</b>			
Finance lease liabilities	11	-	15,197
<b>Net liabilities</b>		<u>(1,057,446)</u>	<u>(892,843)</u>
<b>Capital and reserves</b>			
Share capital	12	71,581	71,581
Reserves		(817,121)	(643,122)
<b>Total equity attributable to equity shareholders of the Company</b>		<u>(745,540)</u>	<u>(571,541)</u>
<b>Non-controlling interests</b>		<u>(311,906)</u>	<u>(321,302)</u>
<b>Total equity</b>		<u>(1,057,446)</u>	<u>(892,843)</u>

The notes to the financial statements form an integral part of these financial statements

**SEALAND CAPITAL GALAXY LIMITED**  
**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2023**

	Attributable to the equity holders of the Company					
	Share capital £	Share premium £	Share-based payment reserve £	Accumulated losses £	Exchange reserve £	Total £
						Non-controlling interests £
						Total equity £
<b>Six months ended 30 June 2023</b>						
<b>At 1 January 2023 (Audited)</b>	71,581	6,917,830	357,417	(7,914,649)	(3,720)	(571,541)
Loss for the period	-	-	-	(203,951)	-	(203,951)
Exchange differences arising on translation	-	-	-	-	29,952	29,952
<b>Total comprehensive (loss)/income</b>	-	-	-	(203,951)	29,952	(173,999)
Deregistration of subsidiaries	-	-	-	-	-	-
<b>At 30 June 2023 (Unaudited)</b>	71,581	6,917,830	357,417	(8,118,600)	26,232	(745,540)
<b>Six months ended 30 June 2022</b>						
<b>At 1 January 2022 (Audited)</b>	59,569	6,660,898	357,417	(7,715,246)	4,817	(632,545)
Loss for the period	-	-	-	(226,910)	-	(226,910)
Exchange differences arising on translation	-	-	-	-	(60,913)	(60,913)
<b>Total comprehensive (loss)/income</b>	-	-	-	(226,910)	(60,913)	(287,823)
Issue of ordinary shares	491	26,509	-	-	-	27,000
Disposal of subsidiaries	-	-	-	-	-	20,137
<b>At 30 June 2022 (Unaudited)</b>	60,060	6,687,407	357,417	(7,942,156)	(56,096)	(893,368)

The notes to the financial statements form an integral part of these financial statements.

**SEALAND CAPITAL GALAXY LIMITED**  
**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2023**

	Six months ended 30 June 2023 (Unaudited) £	Six months ended 30 June 2022 (Unaudited) £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	(204,256)	(201,526)
Adjustments for :		
Depreciation	14,693	16,373
Gain on disposal of a subsidiary	-	(7,644)
Gain on deregistration of subsidiaries	(41,207)	-
Interest expenses	425	1,025
Bank interest income	(10)	(10)
Operating cash flows before movements in working capital	(230,355)	(191,782)
Decrease/(increase) in inventories	14,827	(30,655)
Decrease/(increase) in prepayments and other receivables	1,968	(1,746)
Increase in trade receivables	(417)	(23,753)
Increase in amount due to a director	64,508	180,197
(Decrease)/increase in trade payables	(1,419)	40,361
Increase in other payables and accrued expenses	98,009	106,288
Net cash (used in)/generated from operations	(52,879)	78,910
Payment of interest portion of lease liabilities	(425)	(1,025)
<b>Net cash generated from/(used in) operating activities</b>	<b>(53,304)</b>	<b>77,885</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net cash outflow in respect of the disposal of a subsidiary	-	(143)
Net cash outflow on deregistration of subsidiaries	(989)	-
Interest income received	10	10
<b>Net cash used in investing activities</b>	<b>(979)</b>	<b>(133)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issue of ordinary shares	-	27,000
Payment of principal portion of lease liabilities	(12,099)	(15,508)
<b>Net cash (used in)/generated from financing activities</b>	<b>(12,099)</b>	<b>11,492</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(66,382)</b>	<b>89,244</b>
Foreign exchange realignment	38,445	(84,411)
<b>Cash and cash equivalents at 1 January</b>	<b>35,567</b>	<b>8,198</b>
<b>Cash and cash equivalents at 30 June</b>	<b>7,630</b>	<b>13,031</b>

The notes to the financial statements form an integral part of these financial statements.

**SEALAND CAPITAL GALAXY LIMITED**  
**NOTES TO UNAUDITED INTERIM RESULTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2023**

**1. GENERAL INFORMATION**

Sealand Capital Galaxy Limited (the “Company”) was incorporated in the Cayman Islands on 22 May 2015 as an exempted Company with limited liability under the Companies Law of the Cayman Islands. The registered office of the Company is Willow House, PO Box 709, Cricket Square, Grand Cayman, KY1-1107, Cayman Islands. These unaudited consolidated interim financial statements comprise the Company and its subsidiaries (together referred to as the “Group”).

The Company’s nature of operations is to act as a special purpose acquisition company.

The Group engaged in digital marketing and other IT and e-Commerce related businesses.

**2. BASIS OF PREPARATION**

The unaudited consolidated interim financial statements for the six months ended 30 June 2023 have been prepared in accordance with the International Accounting Standard (“IAS”) No. 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (“IASB”). These unaudited consolidated interim financial statements were not reviewed or audited by our auditor.

The consolidated interim financial information has been prepared in accordance with the same accounting policies adopted in the 2022 annual financial statements extracted, except for the accounting policy changes that are expected to be reflected in the 2023 annual financial statements.

The preparation of the interim financial information in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This consolidated interim financial information contains consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2022 annual financial statements. The consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with International Financial Reporting Standards (“IFRSs”).

**3. GOING CONCERN**

The directors’ cash projections for the forthcoming 12 months conclude that there will be a need for additional cash resources. The directors are in discussion with a number of individuals that may lead to further equity and/or loans being raised. There is no certainty that any such funds will be forthcoming or the price and other terms will be acceptable.

**4. SEGMENT INFORMATION**

The Chief Operating Decision Maker (“CODM”) has been identified as the executive director of the Company who reviews the Group’s internal reporting in order to assess performance and allocate resources. The CODM has determined the operating segments based on these reports.

For management purposes, the Group is organised into business units based on their products and services and has reportable operating segments as follows:

- (a) The digital marketing and payment segment includes services on enlisting merchants to mobile payment gateways and providing digital advertising services; and
- (b) The e-commerce segment includes sales of goods through internet and provision for consultancy services related to e-commerce.

	Digital marketing and payment £	e-Commerce £	Unallocated £	Total £
<b>Six months ended 30 June 2023 (Unaudited)</b>				
Revenue	-	61,198	-	61,198
Segment loss	(6,366)	(7,081)	(190,809)	(204,256)
Assets	26	149,841	60,540	210,407
Liabilities	6,488	99,863	1,161,502	1,267,853
<b>Six months ended 30 June 2022 (Unaudited)</b>				
Revenue	776	75,295	-	76,071
Segment profit/(loss)	(19,264)	13,118	(195,380)	(201,526)
Assets	30,984	165,559	37,520	234,063
Liabilities	295,767	139,944	1,057,107	1,492,818

**SEALAND CAPITAL GALAXY LIMITED**  
**NOTES TO UNAUDITED INTERIM RESULTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2023**

**5. REVENUE AND OTHER INCOME**

	Six months ended 30 June 2023 (Unaudited) £	Six months ended 30 June 2022 (Unaudited) £
<b>REVENUE</b>		
Advertising services	-	775
Commission income	642	669
Sales of goods	60,556	74,627
	<u>61,198</u>	<u>76,071</u>
<b>OTHER INCOME</b>		
Bank interest income	10	10
Others	8,141	16,303
	<u>8,151</u>	<u>16,313</u>

**6. LOSS BEFORE TAX**

	Six months ended 30 June 2023 (Unaudited) £	Six months ended 30 June 2022 (Unaudited) £
Loss before tax has been arrived at after charging:		
Depreciation - Owned assets and right of use assets	14,693	16,373

**7. EMPLOYEES**

The average number of employees during the period was made up as follows:

	Six months ended 30 June 2023 (Unaudited)	Six months ended 30 June 2022 (Unaudited)
Directors	<u>2</u>	<u>2</u>
Staff	<u>3</u>	<u>2</u>
Directors' remuneration (£)	<u>99,000</u>	<u>99,000</u>

**8. BASIC AND DILUTED LOSS PER SHARE**

Basic loss per share is calculated by dividing the loss attributable to the Company's owners of £203,951 (2022: £226,910) by the weighted average number of 715,815,080 ordinary shares (2022: 598,081,125) in issue during the six months ended 30 June 2023.

Diluted loss per share was the same as basic loss per share as no potential dilutive ordinary shares were outstanding for both the six months ended 30 June 2023 and 2022.

**9. PROPERTY, PLANT AND EQUIPMENT**

	Right of use assets £
At 1 January 2023 (Audited)	44,791
Depreciation for the period	(14,693)
Exchange differences	(1,394)
At 30 June 2023 (Unaudited)	<u>28,704</u>



**SEALAND CAPITAL GALAXY LIMITED**  
**NOTES TO UNAUDITED INTERIM RESULTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2023**

**10. INVENTORIES**

At 30 June 2023 £ (Unaudited)	At 31 December 2022 £ (Audited)
91,261	106,088

**11. LEASE LIABILITIES**

The total minimum lease liabilities under finance leases and their present values at the reporting date are as follows:

	At 30 June 2023 £ (Unaudited)	At 31 December 2022 £ (Audited)
<b>Current portion:</b>		
Gross finance lease liabilities	31,808	30,544
Finance expense not recognised	(317)	(686)
	<u>31,491</u>	<u>29,858</u>
<b>Non-current portion:</b>		
Gross finance lease liabilities	-	15,272
Finance expense not recognised	-	(75)
	<u>-</u>	<u>15,197</u>
<b>Total</b>	<u>31,491</u>	<u>45,055</u>
<b>The net finance lease liabilities are analysed as follows:</b>		
- Not later than 1 year	31,491	29,858
- Later than 1 year but not more than 5 years	-	15,197
Net finance lease liabilities	<u>31,491</u>	<u>45,055</u>

**12. SHARE CAPITAL**

	Number	£
<b>Ordinary shares issued and fully paid</b>		
At 1 January 2023 (Audited) and 30 June 2023 (Unaudited)	<u>715,815,080</u>	<u>71,581</u>

**13. RELATED PARTY TRANSACTIONS**

- (a) Details of the compensation of key management personnel are disclosed in Note 7 to the unaudited interim results.
- (b) Apart from the balances with related parties at the end of the reporting period disclosed elsewhere in the financial statements, the Company had not entered into any significant related party transactions for the six months ended 30 June 2023.