

Mariner Corporation Limited and Controlled Entities

ABN 54 002 989 782

**Interim financial report for the half-year ended 31
December 2022**

Mariner Corporation Limited and Controlled Entities

ABN 54 002 989 782

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Mariner Corporation Limited and Controlled Entities

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Directors' report

The directors of Mariner Corporation Limited ("the company") submit the interim financial report of Mariner Corporation Limited and its subsidiaries ("the group") for the half year ended 31 December 2022. In order to comply with the provisions of the *Corporation Act 2001*, the directors report as follows:

Directors

The Name of the directors of the company during or since the end the half -year are:

| Name | Position |
|-----------------|------------------------|
| Mr Li Ping Cai | Executive Chairman |
| Mr Kai Man Wong | Managing Director |
| Ms Fiona Cheung | Non-Executive Director |

Review of Operations

The consolidated net loss for the company after considering the income tax, amounted to \$246,228 (2021: net loss \$217,476). The Basic loss per share for the period was 0.51 cents per share (2021: loss per share of 0.45 cents per share).

Business update

It is undisputed that the first half of the financial year has been particularly challenging. Despite the fifth wave of the pandemic, financial services activities continued to be disrupted. Business operations have been affected by global economic and geopolitical headwinds. As a result, financial results have been negatively impacted. We remain committed to Mariner's long-term strategy, which has not changed, and we are resilient in our business.

By enhancing our digital and customer experience, Mariner plans to add value for our future customers and expand our financial services under assets management services. In our first-half achievement, we obtained the Big Data Analysis from the market to develop a service positioning and target customers segment; Including corporate clients, young and emerging affluent segments, we achieved a high level of quality marketing planning; our business plans include launching advanced artificial intelligence (AI) & big data global financial services online platforms for both personal and business customers, as well as introducing new digital initiatives and enhancements; and the introduction of international Investment-linked Assurance Services (ILAS) will be conducted in Hong Kong on online platforms. Our Cross-boundary Wealth Management Center in strategic locations continue to develop our capabilities to meet the increasing wealth management needs of Australian and Asian customers. It is in all of our minds that sustainability is a priority.

A formal announcement via ASX news platform will inform the market of any final confirmation of business activities. All the above Business Planning is only considered under primary feasibility studies.

Dividends

There were no dividends paid or declared for the period ended 31 December 2022 (2021: nil). The directors have not made recommendation for payment of dividends in respect of the half-year.

Auditor's Independence declaration

The auditor's Independence declaration is included on page 3 of the half-year financial report.

The directors' report is signed in accordance with a resolution of the Board of Directors.

Mariner Corporation Limited and Controlled Entities

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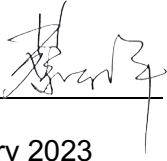
Directors' report

On behalf of the Directors

Chairman:

Li Ping Cai

Date: 28 February 2023



**Auditor's Independence Declaration under Section 307C of the *Corporations Act 2001* to the Directors of
Mariner Corporation Limited and its controlled entities**

I declare that, to the best of my knowledge and belief, during the half year ended 31 December 2022, there has been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

Advanced Assurance Pty Ltd

Advanced Assurance Pty Ltd
Authorised Audit Company Registered Number: 484395

A handwritten signature in blue ink, appearing to read "Peter Tsang".

Peter Chi Hung Tsang
Director

Sydney, 28 February 2023

Mariner Corporation Limited and Controlled Entities

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Condensed consolidated statement of profit or loss and other comprehensive income for the half-year ended 31 December 2022

| | Note | Consolidated half-year ended | |
|---|------|------------------------------|---------------------|
| | | 31 December 2022 | 31 December 2021 |
| | | \$ | \$ |
| REVENUE | | | |
| Consultancy fee income | 2 | - | 75,817 |
| Other income | 3 | 6 | 7,964 |
| EXPENSES | | | |
| Net change in fair value of financial assets | 4 | - | - |
| Administration and office costs | | (190,463) | (257,649) |
| Borrowing costs | | (21,410) | (12,988) |
| Professional fees and investment costs | | (52,240) | (38,844) |
| Other expenses | | - | - |
| Loss before income tax | | (264,107) | (225,700) |
| Income tax expense | | - | - |
| Loss for the half-year | | (264,107) | (225,700) |
| Other comprehensive income for the half-year, net of tax | | | |
| Items that may be reclassified subsequently to profit or loss: | | | |
| - Translation difference of foreign operations | | 17,879 | 8,224 |
| Total comprehensive loss for the half-year | | (246,228) | (217,476) |
| Loss per share | | | |
| From continuing operations: | | | |
| Basic (cents per share) | 9 | (0.51) cents | (0.45) cents |
| Diluted (cents per share) | 9 | (0.51) cents | (0.45) cents |

Mariner Corporation Limited and Controlled Entities

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Condensed consolidated statement of financial position as at 31 December 2022

| | | Consolidated | |
|--------------------------------------|------|---------------------|------------------|
| | Note | 31 December 2022 | 30 June 2022 |
| | | \$ | \$ |
| Assets | | | |
| Current assets | | | |
| Cash and bank balances | | 25,648 | 5,028 |
| Other receivables | | - | 52,678 |
| Deposits and prepayment | | 14,722 | 14,690 |
| Financial assets | 4 | 375 | 375 |
| Total current assets | | 40,745 | 72,770 |
| Non-current assets | | | |
| Property, plant and equipment | 5 | 14,846 | 17,312 |
| Right of use assets | 6 | 38,676 | 49,609 |
| Total non-current assets | | 53,523 | 66,921 |
| Total assets | | 94,267 | 139,691 |
| Liabilities | | | |
| Current liabilities | | | |
| Other payables and accruals | | 106,442 | 136,098 |
| Loan from a director | 7 | 868,732 | 620,549 |
| Lease liabilities | | 29,620 | 27,891 |
| Total current liabilities | | 1,004,794 | 784,537 |
| Non-current liabilities | | | |
| Lease liabilities | | 9,669 | 24,285 |
| Total non-current liabilities | | 9,669 | 24,285 |
| Total liabilities | | 1,014,463 | 808,822 |
| Net assets | | (920,196) | (669,132) |
| Equity | | | |
| Issued capital | 8 | 137,704,915 | 137,704,915 |
| Accumulated losses | | (138,623,427) | (138,377,197) |
| Translation reserve | | (1,638) | 3,151 |
| Total equity | | (920,196) | (669,132) |

Mariner Corporation Limited and Controlled Entities

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Condensed consolidated statement of changes in equity for the half-year ended 31 December 2022

| | Issued capital \$ | Translation reserve \$ | Accumulated losses \$ | Total \$ |
|--|-------------------------|------------------------------|-----------------------------|------------------|
| Balance at 1 July 2022 | 137,704,915 | 3,151 | (138,377,198) | (669,132) |
| Loss for the half-year | - | - | (246,229) | (242,229) |
| Other comprehensive income for the half-year | - | (4,833) | - | (4,833) |
| Total comprehensive loss for the half-year | - | (4,833) | (246,229) | (251,062) |
| Balance at 31 December 2022 | 137,704,915 | (1,683) | (138,623,427) | (920,196) |
| Balance at 1 July 2021 | 137,704,915 | 6,008 | (137,779,050) | (68,127) |
| Loss for the half-year | - | - | (217,476) | (217,476) |
| Other comprehensive income for the half-year | - | (1,024) | - | (1,024) |
| Total comprehensive loss for the half-year | - | (1,024) | (217,476) | (218,500) |
| Balance at 31 December 2021 | 137,704,915 | 4,984 | (137,996,526) | (286,627) |

Mariner Corporation Limited and Controlled Entities

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Condensed consolidated statement of cash flows for the half-year ended 31 December 2022

| | Consolidated half-year ended | |
|--|------------------------------|---------------------------|
| Note | 31 December 2022 \$ | 31 December 2021 \$ |
| Cash flows from operating activities | | |
| Receipt from customers | 50,302 | - |
| Payments in the course of operations | (262,177) | (299,624) |
| Interest income | 6 | - |
| Net cash used in operating activities | (211,869) | (299,624) |
| Cash flows from investing activities | | |
| Payments in the purchase of property, plant and equipment | - | - |
| Net cash used in investing activities | - | - |
| Cash flows from financing activities | | |
| Amount due from inter-group companies | - | - |
| Repayment of borrowings | - | - |
| Loan from a director | 250,000 | 350,000 |
| Repayment to/advance from a director | - | 10,252 |
| Interest expense | - | (848) |
| Repayment of lease liabilities | (14,178) | (27,304) |
| Net cash generated by/(used in) financing activities | 235,822 | 332,100 |
| Net (decrease)/increase in cash and cash equivalents held | 23,953 | 32,476 |
| Net effect of foreign exchange translation | (3,333) | (1,895) |
| Cash and cash equivalents at the beginning of the half-year | 5,028 | 84,371 |
| Cash and cash equivalents at the end of the half-year | 25,648 | 114,952 |

Mariner Corporation Limited and Controlled Entities

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Notes to the condensed consolidated financial statements for the half-year ended 31 December 2022

Mariner Corporation Limited (the “Company”) is a listed public company, incorporated and operating in Australia.

The address of the Company’s registered office and principal place of business is as follows:

Level 33, Australia
Square, 264 George
Street, Sydney
NSW 2000

Details of the controlled entities are set out in note 13.

For the purposes of preparing the financial statements, the Company and the controlled entities (together the “Group”) is a for-profit entity.

The financial statements were authorised for issue by the directors on 28 February 2023.

1. Significant accounting policies

Basis of preparation

(a) Statement of compliance

This half-year condensed interim financial statements is a general-purpose financial statement prepared in accordance with the *Corporations Act 2001* and AASB 134 “Interim Financial Reporting”. The condensed interim financial statements do not include notes of the type normally included in the annual financial statements and shall be read in conjunction with the most recent annual financial statements.

The accounting policies and methods of computation adopted in the preparation of these half-year condensed interim financial statements are consistent with those adopted and disclosed in the Company’s financial statements for the year ended 30 June 2022.

The following accounting policies are newly applicable to the Group:

(i) Property, plant and equipment

Property, plant and equipment, is stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalized in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation.

Mariner Corporation Limited and Controlled Entities

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Notes to the condensed consolidated financial statements for the half-year ended 31 December 2022

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows :

| Category | Estimated useful life | Estimated residual values |
|------------------------|-----------------------|---------------------------|
| Leasehold improvements | 5 years | 0% |
| Furniture and fixture | 5 years | 0% |
| Office equipment | 5 years | 3% |

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation methods are reviewed, and adjusted if appropriate, at least at the end of each reporting periods.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

(b) Adoption of new and revised Accounting Standards

In the current period, the Group has adopted all of the new and revised Standards and interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to its operations and effective for the current reporting period. There has been no material impact of these changes on the Group's accounting policies.

2. Revenue

| | Consolidated half-year ended | |
|------------------------|------------------------------|---------------------|
| | 31 December 2022 | 31 December 2021 |
| | \$ | \$ |
| Consultancy fee income | - | 75,817 |

3. Other income

During the half-year ended 31 December 2022, there was a \$6 bank interest income.

4. Financial assets at fair value through profit or loss

| | Consolidated | |
|-----------------------------|---------------------|---------------------|
| | 31 December 2022 | 31 December 2021 |
| | \$ | \$ |
| Investment in listed shares | 375 | 375 |

Investments in listed shares are recorded at their purchase price at acquisition date and at the end of the reporting period are based on quoted bid prices. The fair value of the financial assets is classified as Level 1.

Mariner Corporation Limited and Controlled Entities

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Notes to the condensed consolidated financial statements for the half-year ended 31 December 2022

5. Property, plant and equipment

| | Leasehold improvements | Furniture, and fixtures | Office equipment | Total |
|-------------------------------------|---------------------------|----------------------------|---------------------|--------|
| | \$ | \$ | \$ | \$ |
| COST | | | | |
| At 1 July 2022 | 27,591 | 19,211 | 8,819 | 55,621 |
| Additions | - | - | - | - |
| Translation difference | 642 | 447 | 205 | 1,294 |
| At 31 December 2022 | 28,233 | 19,658 | 9,024 | 56,915 |
| ACCUMULATED DEPRECIATION | | | | |
| At 1 July 2022 | 27,591 | 7,684 | 3,034 | 38,309 |
| Provided for the period | 0 | 1,977 | 908 | 2,884 |
| Translation difference | 642 | 168 | 66 | 875 |
| At 31 December 2022 | 28,233 | 9,829 | 4,007 | 42,069 |
| CARRYING VALUE | | | | |
| At 31 December 2022 | 0 | 9,829 | 5,018 | 14,846 |

6. Right of use of assets

| | Leased properties |
|---------------------------------|-------------------|
| | \$ |
| COST | |
| At 1 July 2022 | 56,695 |
| Translation difference | 1,319 |
| At 31 December 2022 | 58,014 |
| ACCUMULATED DEPRECIATION | |
| At 1 July 2022 | 7,087 |
| Provided for the period | 12,154 |
| Translation difference | 97 |
| At 31 December 2022 | 19,338 |
| CARRYING VALUE | |
| At 31 December 2022 | 38,676 |

7. Loan from a director

The loan from a director is unsecured, 6% interest per annum, expiring the earliest on 01 June 2024. The total loan is \$820,000 and the accrued interest is \$48,732.

Mariner Corporation Limited and Controlled Entities

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Notes to the condensed consolidated financial statements for the half-year ended 31 December 2022

8. Issued capital

| | Consolidated | |
|---------------------------------------|---------------------|-----------------|
| | 31 December 2022 | 30 June 2022 |
| | \$ | \$ |
| 48,053,222 fully paid ordinary shares | 137,704,915 | 137,704,915 |

9. Loss per share

| | Consolidated half-year ended | |
|---------------------------|------------------------------|---------------------|
| | 31 December 2022 | 31 December 2021 |
| | \$ | \$ |
| Basic (cents per share) | (0.51) cents | (0.45) cents |
| Diluted (cents per share) | (0.51) cents | (0.45) cents |

The loss per share is calculated as follows:

| | Consolidated half-year ended | |
|--|------------------------------|---------------------|
| | 31 December 2022 | 31 December 2021 |
| | \$ | \$ |
| Loss for the period | (246,228) | (217,476) |
| Weighted average number of ordinary shares at the end of the half-year | 48,053,222 | 48,053,222 |

10. Segment information

The Group has two reportable segments, which are:

- Investment
- Consulting service

The Group's reportable segments are strategic business units that offer different products. They are managed separately because each business requires different technology strategies. Segment profits or losses do not include unallocated other income and unallocated corporate expenses. Segment assets do not include cash and bank balances and unallocated corporate assets. Segment liabilities do not include unallocated corporate liabilities.

Mariner Corporation Limited and Controlled Entities

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Notes to the condensed consolidated financial statements for the half-year ended 31 December 2022

Information about the Group's reportable segments are as below:

| | Investment | | Consulting services | | Consolidated | |
|--------------------------------|--------------------------------|------|--------------------------------|--------|--------------------------------|-----------|
| | Half-year ended 31 December | | Half-year ended 31 December | | Half-year ended 31 December | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Revenue | - | - | - | 75,817 | - | 75,817 |
| Segment results | - | - | (35,803) | 6,933 | (35,803) | 6,933 |
| Unallocated other income | | | | | 6 | 7,964 |
| Unallocated corporate expenses | | | | | (228,310) | (240,597) |
| Loss before income tax | | | | | (264,107) | (225,700) |
| Income tax expense | | | | | - | - |
| Loss for the half-year | | | | | (264,107) | (225,700) |

| | Investment | | Consulting services | | Consolidated | |
|-----------------------------------|-------------------|-------------------|---------------------|-------------------|-------------------|-------------------|
| | At 31 Dec 2022 | At 30 Jun 2022 | At 31 Dec 2022 | At 30 Jun 2022 | At 31 Dec 2022 | At 30 Jun 2022 |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Assets | | | | | | |
| Segment assets | 375 | 375 | 68,245 | 134,288 | 68,620 | 134,663 |
| Unallocated corporate assets | | | | | 25,647 | 5,027 |
| Total assets | | | | | 94,267 | 139,691 |
| Liabilities | | | | | | |
| Segment liabilities | - | - | 39,290 | 28,505 | 39,290 | 28,505 |
| Unallocated corporate liabilities | | | | | 975,173 | 780,317 |
| Total liabilities | | | | | 1,014,463 | 808,822 |

12. Contingent liabilities and contingent assets

In the opinion of the directors, the Company did not have any contingent assets or liabilities at 31 December 2022 (30 June 2021: nil).

Mariner Corporation Limited and Controlled Entities

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Notes to the condensed consolidated financial statements for the half-year ended 31 December 2022

13. Controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the controlled entities below, in accordance with the Company's accounting policy described in note 2:

| Name of entity | Country of incorporation | Principal activity | Equity interest % |
|----------------------------------|-----------------------------|--------------------|-------------------------|
| Mariner Investments Limited | British Virgin Islands | Holding company | 100 |
| Mariner International Limited | Hong Kong | Consulting | 100 |
| Mariner Asset Management Limited | Australia | Dormant | 100 |

Mariner Asset Management Limited, one of subsidiaries of the Group, is currently dormant and under external administration since 2014.

14. Events after the reporting period

There has not been any matter or circumstance occurring subsequent to the half-year end date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Mariner Corporation Limited and Controlled Entity

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Directors' declaration

The directors declare that:

- a) in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001; including compliance with accounting standards and giving a true and fair view of the financial position as at 31 December 2022, and performance of the group for the half-year ended on this date.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the Directors

Chairman:

Li Ping Cai

Dated: 28 February 2023

Independent Auditor's Review Report

To the members of Mariner Corporation Limited

Disclaimer of Opinion

We were engaged to review the accompanying half year financial report of Mariner Corporation Limited.,(the Company), which comprises the condensed statement of financial position as at 31 December 2022, the condensed statement of comprehensive income, condensed statement of changes in equity and the condensed statement of cash flows for the half year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

We do not express an opinion on the accompanying financial report of the Company. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate evidence to provide a basis for a review opinion on this financial report.

Basis for Disclaimer of Opinion

The Company's net asset is negative as at 31 December 2022 and has insufficient ability to generate operating cash flow in the past twelve months. We have been unable to obtain sufficient appropriate evidence as to whether the Company may be able to obtain sufficient financial support, and hence cannot remove significant doubt of its ability to continue as a going concern within twelve months of the date of this review report.

Directors' Responsibility for the Half Year Financial Report

The directors of the company are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors' determine is necessary to enable the preparation of the half year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2022 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*. As the auditor of Mariner Corporation Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Mariner Corporation Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Advanced Assurance Pty Ltd

Advanced Assurance Pty Ltd (Registered Number: 484395)

A handwritten signature in blue ink, appearing to read "Peter Tsang", with a stylized flourish at the end.

Peter Chi Hung Tsang (Registered Number: 16054)
Director

Sydney, 28 February 2023