

29 August 2023

Company Announcements Platform
ASX Limited
Exchange Centre
20 Bridge St
Sydney NSW 2000

MARINER CORPORATION LIMITED

APPENDIX 4E – PRELIMINARY FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Financial year ended 30 June 2023 ('current year')

Financial year ended 30 June 2022 ('previous year')

The directors of Mariner Corporation Limited ("the Company") are pleased to announce the results of the company for the year ended 30 June 2023 as follows:

RESULTS FOR THE ANNOUNCEMENTS TO THE MARKET

| Key Information | Movement | % Change | Year ended 30 June 2023 \$ | Year ended 30 June 2022 \$ |
|---|------------------------|----------|----------------------------------|----------------------------------|
| Revenue from ordinary activities | n/a | n/a | - | 84,216 |
| Net loss from ordinary activities attributable to members | Decrease (See Note) | 34% | 392,516 | 598,148 |
| Net loss after tax attributable to members | Decrease (See Note) | 34% | 392,516 | 598,148 |

Note: Due to decrease in employee costs.

DIVIDENDS

No dividends have been paid or declared during the current financial period.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | 30 June 2023 | 30 June 2022 |
|--|------------------|------------------|
| | \$ | \$ |
| Other Income | 26 | 84,216 |
| Expenses from ordinary activities, excluding borrowing costs | (342,591) | (652,313) |
| Borrowing costs | (49,952) | (30,051) |
| (Loss) before income tax | (392,516) | |
| Income tax expense | - | - |
| (Loss) for the year | (392,516) | (598,148) |
| (Loss) attributable to members | (392,516) | (598,148) |
| | | |

Expenses from ordinary activities (excluding borrowing costs):

| Details of "Expenses from ordinary activities" | 30 June 2023 | 30 June 2022 |
|--|------------------|------------------|
| | \$ | \$ |
| Administration and office costs | (36,206) | (98,949) |
| Bad debt written off | - | (76,252) |
| Consulting Costs | (40,470) | (25,816) |
| Employee benefits expense | (161,581) | (323,079) |
| Depreciation | (30,159) | (73,785) |
| Unrealised loss on foreign exchange transactions | (5,635) | 9,518 |
| Professional fees and investment cost | (68,540) | (63,949) |
| Total expenses from ordinary activities | (342,591) | (652,313) |
| | | |

Revision of accounting estimates

Details of Revision of Accounting Estimates in accordance with AASB118:

Not applicable

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | 30 June 2023 | 30 June 2022 |
|--------------------------------------|--------------------|------------------|
| | \$ | \$ |
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 10,189 | 5,028 |
| Other receivables | - | 52,678 |
| Other assets | 14,722 | 14,690 |
| Financial assets | 276 | 375 |
| Total current assets | 25,187 | 72,770 |
| Non-current assets | | |
| Property, plant, and equipment | 12,181 | 17,312 |
| Right of use assets | 24,581 | 49,609 |
| Total non-current assets | 36,762 | 66,921 |
| Total assets | 61,949 | 139,691 |
| Liabilities | | |
| Current liabilities | | |
| Trade and other payables | 91,065 | 136,098 |
| Lease liabilities | 25,270 | 27,891 |
| Borrowings | 1,016,537 | 620,549 |
| Total current liabilities | 1,132,872 | 784,537 |
| Non-current liabilities | | |
| Lease liabilities | - | 24,285 |
| Total non-current liabilities | - | 24,285 |
| Total liabilities | 1,132,872 | 808,822 |
| Net (liabilities)/assets | (1,070,922) | (669,132) |
| Equity | | |
| Issued capital | 137,704,915 | 137,704,915 |
| Reserves | (6,124) | 3,151 |
| Accumulated losses | (138,769,713) | (138,377,198) |
| Total (deficit)/equity | (1,070,922) | (669,132) |

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Issued Capital | Reserves | Accumulated losses | Total |
|---|--------------------|----------------|----------------------|--------------------|
| | \$ | \$ | \$ | \$ |
| Balance at 1 July 2021 | 137,704,915 | 6,008 | (137,779,050) | (68,127) |
| Loss for the year | - | - | (598,148) | (598,148) |
| Other comprehensive income for the year | - | (2,857) | - | (2,857) |
| Total comprehensive loss for the year | - | (2,857) | (598,148) | (601,005) |
| Balance at 30 June 2022 | 137,704,915 | 3,151 | (138,377,198) | (669,132) |
| Balance at 1 July 2022 | 137,704,915 | 3,151 | (138,377,198) | (669,132) |
| Loss for the year | - | - | (392,516) | (392,516) |
| Other comprehensive loss for the year | - | (9,274) | - | (9,274) |
| Total comprehensive loss for the year | - | (9,274) | (392,516) | (401,790) |
| Balance at 30 June 2023 | 137,704,915 | (6,124) | (138,769,714) | (1,070,922) |

CONSOLIDATED STATEMENT OF CASH FLOWS

| | 30 June 2023 \$ | 30 June 2022 \$ |
|---|--------------------|--------------------|
| Cash flows from operating activities | | |
| Net cash used in operations and operating activities | (343,645) | (462,808) |
| Cash flows from investing activities | | |
| Payments to acquire plant property and equipment | - | (54,233) |
| Net cash used in investing activities | - | (54,233) |
| Cash flows from financing activities | | |
| Proceeds from borrowings | 370,000 | 480,343 |
| Repayment of borrowings | - | - |
| Interest expense | (1,820) | (30,051) |
| Repayment of lease liabilities | (26,906) | (4,945) |
| Net cash generated by investing activities | (2,371) | 445,347 |
| Net decrease in cash and cash equivalents | (2,371) | (71,694) |
| Cash and cash equivalents at the beginning of the year | 5,028 | 84,371 |
| Net effect of fx translation | 7,532 | (7,649) |
| Cash and cash equivalents at the end of the year | 10,189 | 5,028 |

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows:

Not applicable

Reconciliation of cash and cash equivalents (\$10,189)

| | 30 June 2023 | 30 June 2022 |
|--|---------------------|---------------------|
| | \$ | \$ |
| Cash at bank and on hand | 10,189 | 5,028 |
| Total cash and cash equivalents | 10,189 | 5,028 |

Reconciliation of (loss) for the year to net cash flows from operating activities.

| | | |
|--|------------------|------------------|
| Loss for the year | (392,516) | (598,148) |
| Adjustments for: | | |
| Fair value changes of financial asset | 99 | 20 |
| Depreciation and amortisation | 30,159 | 73,785 |
| Finance costs | 49,952 | 30,051 |
| Operating loss before change in working capital | (312,306) | (494,293) |
| Changes in working capital: | | |
| Other receivables | 57,645 | 4,746 |
| Other assets | - | - |
| Trade and other payables | (88,984) | (26,739) |
| Net cash used in operations | (343,645) | (462,808) |

DIVIDENDS

| | Date dividend is payable | Amount per security | Franked amount per security at 30% tax | Amount per security of foreign source dividend |
|--------------------------|--------------------------|---------------------|--|--|
| Final dividend: | | | | |
| Current year | - | - | - | - |
| Previous year | - | - | - | - |
| Interim dividend: | | | | |
| Current year | - | - | - | - |
| Previous year | - | - | - | - |

Total dividend per security (interim plus final)

| | 30 June 2023 \$ | 30 June 2022 \$ |
|----------------------------|--------------------|--------------------|
| Ordinary securities | - | - |

Dividend reinvestment plans

The dividend or distribution plans shown below are in operation:

Not applicable

The last date(s) for receipt of election notices for the dividend or distribution plans:

Not applicable

Any other disclosures in relation to dividends (distributions):

Not applicable

NET TANGIBLE ASSET PER SHARE

| Key Information | 30 June 2023 | 30 June 2022 |
|------------------------------|------------------------|------------------------|
| Net tangible asset per share | (0.82) cents per share | (1.24) cents per share |

DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST

Controlled Entities

Name of entity (or group of entities): Mariner International Limited / Mariner Investment Limited

Loss of control over entities

Name of entity (or group of entities):
Not applicable

Date control lost:
Not applicable

Contribution of such entities to the reporting entity's profit/ (loss) from ordinary activities during the period (where material):
Not applicable

Consolidated profit / (loss) from ordinary activities of the controlled entity (or group of entities) whilst controlled during the whole of the previous corresponding period (where material):
Not applicable

Details of associates and joint ventures entities:
Not applicable

SIGNIFICANT INFORMATION

New Working Capital Loans

During the financial year, the Company was able to undertake and completed a new director loan from the Executive Chairman, Mr Liping Cai, for an amount of \$60,000. The director loan is for the group's working capital for the 2023-2024 financial year. The new director loan was announced on 1 August 2023. Mr Liping Cai has agreed to provide the Company with a short term, unsecured loan of A\$60,000 on commercial terms.

The loan of AU\$60,000 was already drawn down in July 2023 and will be applied towards working capital purposes of the Company. Material terms of the loan agreement are as follows:

Loan amount: Up to A\$60,000
Loan term: 12 months (till August 2024)
Interest rate: 8% per annum on any amount drawn down.
Security: Nil

The agreement does not include any right to convert the loan to MCX shares.

The loan has provided the Company and its management sufficient working capital by the end of June 2024.

During the 2023–2024 financial year, the Company's substantial shareholder will provide additional Director Loan as required to cover the necessary expenses of the Company's operations, with all terms and condition being the same as the August 2023 loan.

The Company continued to implement further cost cutting initiatives during the period .

MCX returning to the Mortgage Finance Business in Australia

Since 2013 ~ 2018 the Company has actively participated in the Money Lending Market in Australia. However, due to the unstable market movement in 2019, the company decided to explore different financial products to maximize shareholder returns.

Extensive research of the property development and construction industry have been conducted by the board since the long pandemic affected the local real estate market; the research reports reflect outstanding results from a number of major factors.

A potential business partner in Australia was closely negotiating with the company, and the Company proposed to return to the money lender market and specialize in Australia property mortgage finance. A public announcement will be made prior to the ASX approval.

The right timing for the mortgage finance

Reserve Bank of Australia (RBA) determined to keep the current cash rate target at 4.10% and the interest on Exchange Settlement balances at 4.00%.(as at Aug 2023)

The interest rate has increased significantly since May 2022, by 4 percentage points, in order to maintain a sustainable balance between the supply and demand of resources in the economy. In light of the uncertainty surrounding the economic outlook, the RBA has decided to maintain rates at their current levels.

Resumption of Share trading:

The MCX will work with its legal representative to apply to resume quotation and trading on the ASX. To ensure the full acceptance of all resumption requirements by the regulator, the Company will strive to fully comply with the ASX. A public announcement will be made in due course regarding the progress of the resumption.

Other than as noted above, there has not been any matter or circumstance occurring after the end of the financial year that has significantly affected, or may significantly affect, the operations of the group, the results of those operations, or the situation of the group in future financial years.

COMMENTARY ON RESULTS FOR THE PERIOD

The loss for the Company after providing for income tax amounted to a loss of (\$392,516), (2022 loss: \$598,148). The Company continued to reduce its operating and finance costs during the last 12 months whilst it explored new investment opportunities.

The Company was in a net liabilities position at balance date of \$1,070,922 (2022: net liabilities \$669,132).

ANNUAL REPORT

This report is based on the consolidated financial statements for the year ended 30 June 23 of Mariner Corporation Limited and its Controlled Entity, that are in the process of being audited by Advanced Assurance Pty Ltd.

AUDIT

If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, details are described below:

Not applicable

If the accounts have been audited or qualified or subject to review and are subject to dispute or qualification, details are described below:

Not applicable

SIGNED

A handwritten signature in black ink, appearing to read 'Liping Cai', with a stylized flourish at the end.

Liping Cai
Chairman

Date: 29 Aug 2023