

Mariner Corporation Limited and Controlled Entities

ABN 54 002 989 782

Annual report for the year ended 30 June 2023

Mariner Corporation Limited and Controlled Entities

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Corporate Governance Statement

This corporate governance statement sets out Mariner Corporation Limited's (**Company**) current compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Principles and Recommendations**). The ASX Principles and Recommendations are not mandatory. However, this corporate governance statement discloses the extent to which the Company has followed the ASX Principles and recommendations. This corporate governance statement is current as of 25 September 2023 and has been approved by the board of the Company (**Board**).

Corporate Governance Council Recommendation		Compliance	Comment
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	Yes	The Company has established a Board Charter, which discloses the specific responsibilities of the Board and those of senior executives. The Board delegates responsibility for the day-to-day operations and administration of the Company to Management. The Company's Board Charter is posted on the Company's website at https://www.marinercorporation.com.au/corporate-governance.html
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	Yes	<p>The Company undertakes background checks with regards to the person's character, experience, education, criminal record and bankruptcy history prior to nomination for election as a director. Any material adverse information revealed by these checks is released to security holders prior to the general meeting at which they can be elected.</p> <p>When an individual is nominated to be a director, their curriculum vitae with their relevant professional history and qualifications and details of any other material directorships currently held is circulated to the security holders of the Company.</p> <p>Where the nominee will be standing as a director for the first time in addition to the above information, details of any interest, position or relationship that might influence in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the company as a whole rather than in the interests of an individual security holder or other party will be disclosed to shareholders.</p> <p>Where the nominated director is standing for re-election the term of office currently served by the director will be disclosed. Where the board considers any nominee to qualify as an</p>

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			independent director this will be disclosed
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	Directors and senior executives of the Company are given letters of appointment and/or service agreements prior to their engagement with the Company.
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes	The Company Secretary was appointed by and is responsible to the Board through the Chairman. The Company Secretary co-ordinates the Board agenda.
1.5	<p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives, and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>1.5(a) No</p> <p>1.5(b) Yes</p> <p>1.5(c) Yes</p>	<p>The Company has adopted a Diversity Statement. A copy of the Diversity Statement is available on the Company's website at the following URL: https://www.marinercorporation.com.au/corporate-governance.html</p> <p>Given the size and stage of development of the business, the Company is yet to establish measurable objectives for achieving gender diversity and to assess annually both the objectives and progress in achieving them.</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees, and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	No	Formal performance evaluations of the Board and senior executives have not been undertaken as the size does not warrant it at this stage.
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior</p>	No	Formal performance evaluations of the Board and senior executives have not been undertaken as the size does not warrant it at

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	executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.		this stage.

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PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors: and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence, and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>(a) No</p> <p>(b) Yes</p>	<p>Given the Company's current size and stage of development, the Company does not consider that it is practicable to have a separate nomination committee responsible for the appointment of Directors or to implement a corresponding nomination committee charter.</p> <p>The appointment of new Directors and undertakings of appropriate checks before appointment will be the responsibility of the entire Board.</p> <p>The Board will ensure that all material information to a decision on whether or not to elect or re-elect a Director is provided to security holders.</p>
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	No	The Board strives to ensure that it is comprised of Directors with a blend of skills, experience, and attributes appropriate for the Company and its business. The skills and experience of the current directors is set out in the Company's 2023 Annual Report. Currently the Company has not developed a board skills matrix.
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association, or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>(a) Yes</p> <p>(b) N/A</p> <p>(c) Yes</p>	<p>The Board has reviewed the position and associations of each of the Directors in office and has determined that none of the current directors of the Company are considered independent.</p> <p>In making this determination, the Board has had regard to the independence criteria in the ASX Principles and Recommendations, and other facts, information, and circumstances that the Board considers relevant. The Board assesses the independence of new Directors upon appointment and reviews their independence, and the independence of the other directors as appropriate.</p> <p>The Company has disclosed the details of each Director (including their length of service) in the Company's 2023 Annual Report.</p>

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2.4	A majority of the board of a listed entity should be independent directors.	No	The Board considers none of the three Directors are independent Directors.
2.5	The chair of the board of a listed entity should be an independent director and should not be the same person as the CEO of the entity.	No	The Company's current Chairman is Mr Liping Cai who is not an independent director and is not the same person as the CEO (Mr Kaiman Wong).
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	Yes	The Company has an induction program for each new Director upon appointment. This includes meeting with members of the existing Board and other relevant executives to familiarize themselves with the Company, its procedures and prudential requirements, and Board practices and procedures. On an ongoing basis, and subject to approval of the Chairman, Directors may request and undertake training and professional development, as appropriate, at the Company's expense.
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	Yes	In September 2021 the board adopted the values statement which is at the Company's website at https://www.marinercorporation.com.au/corporate-governance.html
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	Yes	In September 2021 the board adopted the code of conduct which is at the Company's website at https://www.marinercorporation.com.au/corporate-governance.html
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	Yes	In September 2021 the board adopted a whistleblower policy which is published on its website at https://www.marinercorporation.com.au/corporate-governance.html The board is updated every quarter on the Company's whistle-blowing program, inclusive of reports, investigations, and results. Reports or investigations carrying an undue amount of risk will be reported to the board outside of the quarterly updates. The board at any time can ask about anonymous reports, investigations, as well as the state of the Company's whistle-blowing program. The Company's whistle-blowing program resides in the Compliance Committee of the board. They are responsible and

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			accountable for the implementation and effectiveness of Company's whistle-blowing program.
ED	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or a committee of the board is informed of any material breaches of that policy.	Yes	<p>In September 2021 the board adopted an anti-bribery and corruption policy which is published on its website at https://www.marinercorporation.com.au/corporate-governance.html</p> <p>The board of the Company has overall responsibility for ensuring this policy is understood and carried out by all employees and Company associates as part of its general duty to ensure the Company complies with its legal and ethical obligations and that all those under the Company's control comply with it.</p> <p>The Group People and Performance Manager has primary day to day responsibility for implementing this policy and for monitoring its use and effectiveness and dealing with any queries on its interpretation, as well as taking action against employees or company associates if their actions do not comply with this policy. Management at all levels are responsible for ensuring that those reporting to them are made aware of and understand this policy and are given adequate and regular training on this policy</p>

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PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee.</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>(a) No</p> <p>(b) Yes.</p>	<p>The Company, considering its current size and stage of development, does not have a separately constituted audit committee.</p> <p>The Company in general meetings is responsible for the appointment of external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	Yes	<p>The Company has received a declaration from the CEO (Mr Kaiman Wong) that, in their opinion, the financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>
4.3	<p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	Yes	<p>An external auditor will be present at the AGM and be available to answer questions from security holders relevant to the audit.</p>
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	<p>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</p>	Yes	<p>The Company has a Continuous Disclosure Policy which sets out the procedures on the disclosure of any information concerning the</p>

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			Group that a reasonable person would expect to have a material effect on the price of the Company's securities. These procedures also include the arrangements the Company has in place to promote communication with shareholders and encourage effective participation at general meetings. The Continuous Disclosure policy which is published on its website at https://www.marinercorporation.com.au/corporate-governance.html
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Yes	This requirement is included in the Company's Continuous Disclosure Policy.
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	Yes	This requirement is included in the Company's Continuous Disclosure Policy.
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	Yes	The Company provides information about itself and its governance to its investors on the Company's website via the following URL: https://www.marinercorporation.com.au/corporate-governance.html The Company will regularly update the website and contents therein as deemed necessary.
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes	The Company has a formal investor and media relations plan in place whereby the Company will provide regular news flow to keep investors and media updated and engaged.
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	Yes	The Company has a formal shareholder communications policy in place whereby information will be communicated to shareholders through: <ul style="list-style-type: none"> a) continuous disclosure of all relevant financial and other information to the ASX; b) periodic disclosure through the annual report (or concise annual report), half year financial report and quarterly reporting of corporate activities; c) notices of meetings and explanatory material; d) the annual general meeting; e) periodic newsletters or letters from the Chairman or Managing Director; and

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			publishing information on the Company's website at www.marinercorporation.com/ .
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	Yes for hybrid and virtual meetings; exercises discretion for physical meetings.	The Company will use polls for all substantive matters to be decided at hybrid or virtual meetings. In a physical meeting, the Chair may elect to conduct some or all voting by show of hands but will call a poll if the result is unclear, or likely to be different if a poll was called.
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes	Through the Company's website security holders are invited to provide their email address to enable electronic communication to and from the Company and its share registry.
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	(a)(1)-(5) No (b) Yes	The Company, due to its size and current stage of development, does not have a separately constituted risk committee. As the Company develops, the Board intends to review its practices, and if deemed necessary, establish a risk committee. The Board is currently responsible for the oversight and management of all material business risks. The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings. The risk profile can be expected to change and procedures adapted as the Company develops and it grows in size and complexity.
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	(a) No (b) No	The Company, due to its current size and stage of development, did not undertake a formal review of the Company's risk management framework during the reporting period. The Board is committed to reviewing the Risk Management policies of the Company in the future. However, the Board does not consider that disclosure of when these reviews take place is necessary.
7.3	A listed entity should disclose: (a) if it has an internal audit function, how	(a) No (b) Yes	The Company does not have an internal audit function and does not disclose the processes it

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	<p>the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>		<p>uses to improve risk management. Nonetheless, the Company remains committed to continually improving the effectiveness of its risk management and internal control processes through:</p> <ul style="list-style-type: none"> a) regular Board meetings; b) annual reports by Management to the Board on the c) efficiency and effectiveness of risk management; d) six-monthly external audits; and e) rigorous appraisal of new investments and retaining f) advisers familiar with the Company.
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	Yes	All material exposure to environmental and social risks will be announced to the market, in accordance with the requirements of the ASX Listing Rules and otherwise.

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PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>(a) No</p> <p>(b) Yes</p>	<p>The Company does not have in place a separately constituted remuneration committee due to the size of current operations of the Company.</p> <p>The determination of a Director's remuneration is considered and determined by the Board (in the absence of that Director) having regards to the inputs and value to the Company of the contribution by that Director.</p> <p>The Board may award additional remuneration to Directors called upon to perform extra services or make special exertions on behalf of the Company</p>
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	Yes	The Company has adopted a Remuneration Policy which outlines the remuneration of non-executive and executive directors.
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	Yes	The Company has a Securities Trading Policy that prohibits Key Management Personnel (including directors and the Company Secretary) from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements (or vested entitlements that remain subject to a holding lock) relating to any element of their remuneration.
ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	Not applicable	

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Corporate Governance Council Recommendation		Compliance	Comment
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	Not applicable	
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Not applicable	

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Directors’ report

The directors of Mariner Corporation Limited (“the company”) submit the annual report of the company and its controlled entities (“the group”) at the end of, or during the financial year ended 30 June 2023. To comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Name	Particulars
Mr Liping Cai	<p>Executive chairman (Appointed 30 December 2020).</p> <p>Mr Cai is an experienced entrepreneur focused on corporate finance with extensive financial investment experience. Mr Cai is a majority shareholder of Panshan Holding Group, which has activities in assets management, debt restructuring, leasing and re-finance, China equity investments and distressed asset management.</p> <p>Mr Cai graduated from Hong Kong Institute of Finance & Economics with a master’s degree major in Finance. He holds the Certificate of International Registered Private Investment Manager and International Registered Senior Securities Analyst issued by American Certification Association. He is also a holder of Senior Financial Analyst certificate issued by China Talent Pool and the Fund Qualification Certificate issued by The Asset Management Association of China.</p> <p>Mr Cai holds a controlling interest in Panshan Capital Pty Limited, which is at present, a significant shareholder of the Company.</p>
Mr Kaiman Wong	<p>Director/ CEO (Appointed 26 November 2019).</p> <p>Mr Wong is a highly experienced global investment banking executive with over 20 years in corporate finance and executive management experience with listed companies in Hong Kong and New York. During his extensive career, Mr Wong has spent over 7 years in Baron International Financial Group, in Hong Kong as Director of Baron Capital Limited, Head of China desk of Baron International (China) Limited in Beijing; and Director of Baron Capital (New York).</p> <p>Mr Wong holds a Master of Business Administration from the University of Murdoch. He is also the Managing Director of Mariner International Limited, a subsidiary of the group, incorporated in Hong Kong. Mr Wong, oversees the operations of the Asian and China business development and marketing activities of the group.</p>
Ms Fiona Cheung	<p>Non-Executive Director (Appointed 30 June 2021).</p> <p>Ms Cheung is an experienced entrepreneur and researcher, focused on corporate finance. Ms Cheung established her own financial consultant firm, Gold Wealth Capital Ltd, which has a portfolio of clients in Australia, Mainland China, and Asia. Ms Cheung is a graduate of Capilano University in Canada.</p>

Company secretary

Mr Kaiman Wong held the position of company secretary of Mariner Corporation Limited from 30 April 2021 till now. He was appointed on 30 April 2021.

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Directors' report

Remuneration of key management personnel

Information about the remuneration of key management personnel is set out in the remuneration report section of this directors' report. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing, and controlling the activities of the group, directly or indirectly, including any director (whether executive or otherwise) of the group.

Principal activities

The principal activities of the group during the financial year were:

- Investment activities
- Corporate actions

The company makes strategic investments in listed companies, unlisted companies and, working with management and shareholders to improve the value of its investments.

Review of operations

The loss for the group after providing for income tax amounted to \$392,516 (2022 loss: \$598,148). The company has endeavored to reduce its operating and finance costs during the last 12 months whilst it explores new investment opportunities.

The group is in a net liabilities position at balance date of \$1,070,922 (2022 net liabilities: \$669,132). A review of the operations of the group during the financial year and the results of those operations show that during the year, the group continued to engage in its principal activities, the results of which are disclosed in the attached consolidated financial statements.

Dividends

There were no dividends paid or declared for the period ended 30 June 2023 (2022: nil). The directors have not made any recommendations for payment of dividends in respect of the financial year.

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 has 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. Considering 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 regulator. A public announcement will be made in due course regarding the progress of the resumption.

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Directors' report

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.

Principal Activities and Significant Change in Nature of Activities

The principal activities of the consolidated of the Company

- Investments Activities
- Corporate Actions

The Company does not intend to make significant changes in the nature of the consolidated Company's principal activities during the upcoming financial year.

Future Development, Prospect and Business Strategies

To improve the consolidated group's position and maximize shareholder value, the following developments will soon be implemented.

The Company intend to embark on strategies to establish Asset Management Services via a Corporate Authorised Representative (CAR) by an AFSL holder. In Australia, the CAR license allows the company to hold wholesale investors' money and arrange mortgage finance for properties development clients with the appointment of new management expertise.

These business strategies will help the Company avoid increasing the cost of funds in the wholesale money market in the future. This Assets Management Services will have an opportunity to access wholesale investor funding to refinance for the property's development and construction market within Australia.

The Construction market 2024 ~ 2027: -

The long-term outlook is more positive with the sector forecast to grow at a 3.1 per cent annual rate from 2024 to 2027, due to the government's sustained emphasis on infrastructure development.

Investment in infrastructure will accommodate population growth, while investment by state governments in large-scale projects will stimulate employment following the pandemic.

Australia's institutional sector is also expected to expand, primarily driven by universities upgrading existing infrastructure to accommodate a significant influx of international students.

The industrial sector is also witnessing efforts from federal and state governments to bring critical healthcare and vaccine manufacturing facilities into Australia, which will greatly reduce the country's reliance on overseas suppliers.

Source from: <https://www.buildeustralia.com.au/>

Our Company has begun preliminary negotiations with several clients who are interested in investing in our future Assets Management Fund, as well as participating in the property's development and constructions market in Australia through the Company's network of experienced management teams. Prior to the Company fully complying with the above mentioned services, no official business deal has been finalized or a contract confirmed by the borrower/s.

In the future, the Company intends to continue providing mortgage finance services financed by CAR Assets Management Funds, instead of relying on banks or financial institutions for funding.

Risk Management and Control:

The Company do not intend to change our business nature with our Assets Management business model, and we will NOT directly invest our wholesale clients' money into the global financial Equities Capital Market - ECM, Money Market – Foreign Exchange, Corporate Bonds, Investment Grade products, pre-IPO investments.

The Company will only invest our clients' money in the properties development and construction projects finance backed by the actual collateral with first legal charged and legal rights toward those Assets with acceptable market value.

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Directors' report Meetings of directors

The following table sets out the number of directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director.

Name of directors	Director's meetings		
	Held	Eligible to attend	Attended
Mr Liping Cai (Appointed 30 December 2020)	4	4	4
Mr Kaiman Wong (Appointed 26 November 2021)	4	4	4
Ms Fiona Cheung (Appointed 30 June 2021)	4	4	4

Subsequent events

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.

Future developments

Disclosure of information regarding likely developments in the operations of the group in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the group. Accordingly, this information has not been disclosed in this report.

Environmental regulations

The group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Share options

No options over issued shares or interests in the group were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Remuneration report

This remuneration report, which forms part of the directors' report, sets out information about the remuneration of Mariner Corporation Limited's key management personnel for the financial year ended 30 June 2023. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing, and controlling the activities of the group, directly or indirectly, including any director (whether executive or otherwise) of the group.

Key management personnel

The directors and other key management personnel of the group during or since the end of the financial year were:

Name of director	Position
Mr Liping Cai	Executive Chairman (appointed 30 December 2020)
Mr Kai Man Wong	Executive Director/ CEO (appointed 26 November 2019)
Ms Fiona Cheung	Non-Executive Director (appointed 30 June 2021)
Mr Kai Man Wong	Company Secretary (appointed 30 April 2021)

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Directors' report
Remuneration policy

Compensation levels for key management personnel and secretaries of the company and key management personnel of the group are competitively set to attract and retain appropriately qualified and experienced directors and executives.

The compensation structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives; and achieve the broader outcome of creation of value for shareholders. The compensation structures consider:

- the capability and experience of the key management personnel
- the key management personnel's ability to control the relevant segment's performance. The group's performance including:
 - the group's earnings;
 - the growth in share price and delivering constant returns on shareholder wealth; and
 - the number of incentives within each key management person's compensation.

Compensation packages include a mix of fixed and variable compensation, and short- and long-term performance-based incentives.

Fixed compensation

Fixed compensation consists of base compensation (calculated on a total cost basis), as well as mandatory contributions to superannuation.

Compensation levels are reviewed annually by the Board through a process that considers individual, segment and overall performance of the group.

Relationship between the remuneration policy and company performance

The tables below set out summary information about the group's earnings and movements in shareholder wealth for the five years to June 2023. As the table indicates, earnings have varied significantly over the past five financial years, due to the nature of activities. It has been the focus of the Board of Directors to attract and retain management personnel essential to continue investment act

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Relationship between the remuneration policy and company performance (cont'd)

	30 June 2023 \$	30 June 2022 \$	30 June 2021 \$	30 June 2020 \$	30 June 2019 \$
Revenue	26	84,216	85,695	-	400,000
Net profit/(loss) before tax	(392,516)	(598,148)	(595,754)	(429,604)	(17,570)
Net profit/(loss) after tax	(392,516)	(598,148)	(595,754)	(429,604)	(17,570)
Share price at end of year	0.031	0.031	0.067	0.100	0.047
Basic and diluted loss per share (cents per share)	(0.82)	(1.24)	(0.50)	(1.27)	(0.13)

Key management personnel remuneration

Details of the remuneration of key management personnel of the group are set out in the following tables.

2023	Short Term Employee Benefits		Post-employment		Total	Proportion of remuneration performance related	Value of share-based payments as proportion of remuneration
	Salary and fees	Short term cash bonus	Superannuation benefits	Based payments			
	\$	\$	\$	\$	\$	%	%
Directors:							
Mr Liping Cai	-	-	-	-	-	0%	0%
Mr Kaiman Wong	53,729	-	5,642	-	59,371	0%	0%
Ms Fiona Cheung	94,000	-	9,870	-	103,870	0%	0%
Total	147,729	-	15,512	-	163,241		
2022	Short Term Employee Benefits		Post-employment		Total	Proportion of remuneration performance related	Value of share-based payments as proportion of remuneration
	Salary and fees	Short term cash bonus	Superannuation benefits	Based payments			
	\$	\$	\$	\$	\$	%	%
Directors:							
Mr Liping Cai	-	-	-	-	-	0%	0%
Mr Kaiman Wong	161,187	-	16,119	-	177,306	0%	0%
Ms Fiona Cheung	94,000	-	9,400	-	103,400	0%	0%
Total	255,187	-	25,519	-	280,706		

The size of the company previously resulted in the Board assuming the roles of key management personnel for the purposes of executive remuneration reporting.

There are no share options that have been granted to key management personnel in relation to remuneration during the year ended 30 June 2023 and up to the date of this report.

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Number of shares held by key management personnel

The number of shares in the company held during the financial year by each director and other members of key management personnel of the group, is set out below:

		No of shares		
		Held at 30-Jun-22	Sales	Purchase
	Held at 30-Jun-23			
Directors' interests	indirect			
Mr Liping Cai		34,315,140	-	-
Mr Kaiman Wong		-	-	-
Ms Fiona Cheung		-	-	-

Loans to key management personnel

There were no loans to key management personnel at any time during the current or prior financial year. This concludes the remuneration report, which has been audited.

Proceedings on behalf of company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

Auditor's independence declaration

The auditor's independence declaration is included on page 21 of the annual report.

Non-audit services

Advanced Assurance Pty Ltd is the company's auditor. During the year, they have not performed any other services in addition to their statutory duties. Details of the amount paid to the auditors are disclosed in Note 19 of the consolidated financial statements.

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This directors' report is signed in accordance with a resolution of directors made pursuant to s.298(2) of the *Corporations Act 2001*.

On behalf of the Directors

Executive Chairman:
Liping Cai
Dated: 27 September 2023

CEO:
Kaiman Wong
Dated: 27 September 2023

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

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023, there has been:

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

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, 27 September 2023

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Consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2023

	Note	30 June 2023	30 June 2022
		\$	\$
Revenue	3	26	84,216
Bad debt written off		-	(76,252)
Net change in fair value of financial assets		(99)	-
Unrealised gain (loss) on foreign exchange transactions		(5,545)	9,518
Depreciation expense	4	(30,159)	(73,785)
Employee benefits expense	4	(175,203)	(323,079)
Administration and office costs		(22,583)	(98,948)
Consulting expenses		(40,470)	(25,816)
Finance costs	4	(49,952)	(30,051)
Professional fees and investment costs		(68,531)	(63,949)
Loss before tax		(392,516)	(598,148)
Income tax expense	5	-	-
Loss for the year		(392,516)	(598,148)
Item that may be reclassified to profit or loss:			
Foreign exchange differences on translation of foreign operations		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		(392,516)	(598,148)
Loss per share (Note 13)			
Basic (cents per share)	14	(0.82) cents	(1.24) cents
Diluted (cents per share)	14	(0.82) cents	(1.24) cents

Mariner Corporation Limited and Controlled Entities

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Consolidated statement of financial position as of 30 June 2023

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents	17(a)	10,189	5,028
Other receivables	6	-	52,678
Other assets	7	14,722	14,690
Financial assets	8	276	375
Total current assets		25,187	72,770
Non-current assets			
Property, plant, and equipment		12,181	17,312
Right of use assets	9	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	10	91,065	136,098
Lease liabilities	11	25,270	27,891
Borrowings	12	1,016,537	620,549
Total current liabilities		1,132,872	784,537
Non-current liabilities			
Lease liabilities	11	-	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	13	137,704,915	137,704,915
Reserves	15	(6,124)	3,151
Accumulated losses		(138,769,713)	(138,377,197)
Total (deficit)/equity		(1,070,922)	(669,132)

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Consolidated statement of changes in equity for the year ended 30 June 2023

	Issued capital	Reserves	Accumulated losses	Total
	\$	\$	\$	\$
Balance on 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 on 30 June 2022	137,704,915	3,151	(138,377,198)	(669,132)
Balance on 1 July 2022	137,704,915	3,151	(138,377,198)	(669,132)
Loss for the year	-	-	(392,516)	(392,516)
Other comprehensive income for the year	-	(9,274)	-	(9,274)
Total comprehensive loss for the year	-	(9,274)	(392,516)	(401,790)
Balance on 30 June 2023	137,704,915	(6,124)	(138,769,713)	(1,070,922)

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Consolidated statement of cash flows for the year ended 30 June 2023

	Note	30 June 2023 \$	30 June 2022 \$
Cash flows from operating activities			
Receipt from customers		50,302	-
Payments to suppliers and employees		(393,973)	(462,808)
Interest income		26	-
Net cash used in operations and operating activities	17(b)	(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		-	-
Proceeds from issue of shares		-	-
Interest expense		(1,820)	(30,051)
Repayment of lease liabilities		(26,906)	(4,945)
Net cash generated by financing activities		(2,371)	445,347
Net (decrease)/increase 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 foreign exchange translation		7,532	(7,649)
Cash and cash equivalents at the end of the year	17(a)	10,189	5,028

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Notes to the consolidated financial statements for the year ended 30 June 2023

1. General information

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 17, Angel Place,
123 Pitt Street, Sydney NSW 2000

For the purposes of preparing the financial statements, the group is a for-profit entity.

The financial statements were authorized for issue by the directors on 25 September 2023.

2. Significant accounting policies

Basis of preparation

These general-purpose financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS Standards), the *Corporations Act 2001*, Australian Accounting Standards and comply with other requirements of the law.

The consolidated financial statements have been prepared based on historical cost except for the revaluation of financial instruments that are measured at revalued amounts or fair values at the end of each reporting period. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the group considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of AASB 16 ‘Leases’, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in AASB 102 ‘Inventories’ or value in use in AASB 136 ‘Impairment of Assets’.

The principal accounting policies are set out below.

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and the entities controlled by the company (its subsidiary) made up to 30 June each year. Control is achieved when the company:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

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Notes to the consolidated financial statements for the year ended 30 June 2023

2. Significant accounting policies (cont'd)

(a) Basis of consolidation (cont'd)

Consolidation of a subsidiary begins when the company obtains control over the subsidiary and ceases when the company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the company gains control until the date when the company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between the members of the group are eliminated on consolidation.

(b) Revenue recognition

Revenue is measured based on the consideration to which the company expects to be entitled.

(c) Taxation

The tax expense recognised in the statement of profit or loss and other comprehensive income relates to current income tax expense plus deferred tax expense (being the movement in deferred tax assets and liabilities and unused tax losses during the year).

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the group can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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Notes to the consolidated financial statements for the year ended 30 June 2023

2. Significant accounting policies (cont'd)

(c) Taxation (cont'd)

Deferred tax (cont'd)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow in the way the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow in the way the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the group intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

(d) Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, demand deposits and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of change in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits.

(f) Financial instruments

Financial assets and financial liabilities are recognised in the group's consolidated statement of financial position when the group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

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Notes to the consolidated financial statements for the year ended 30 June 2023

2. Significant accounting policies (cont'd)

(f) Financial instruments (cont'd)

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at amortised cost.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

The group's financial assets at amortised cost includes receivables.

The group's financial assets at FVTPL include shares in other listed entities.

Amortised cost and effective interest method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost are measured at FVTPL.

Specifically:

- Investments in equity instruments are classified as at FVTPL
- Debt instruments that do not meet the amortised cost criteria are classified at FVTPL.

In addition, debt instruments that meet the amortised cost criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship (see hedge accounting policy). The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Impairment of financial assets

The group recognises a loss allowance for expected credit losses on receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instruments.

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Notes to the consolidated financial statements for the year ended 30 June 2023

(f) Financial instruments (cont'd)

Financial assets (cont'd)

Impairment of financial assets (cont'd)

The group always recognises lifetime expected credit losses (ECL) for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions, and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Irrespective of the outcome of the above assessment, the group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- (1) The financial instrument has a low risk of default,
- (2) The debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and
- (3) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil his contractual cash flow obligations.

The group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are no past due amounts.

(ii) Definition of default

The group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the group, in full (without considering any collateral held by the group).

(iii) Write-off policy

The group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the group's recovery procedures, considering legal advice where appropriate. Any recoveries made are recognised in profit or loss.

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Notes to the consolidated financial statements for the year ended 30 June 2023

(f) Financial instruments (cont'd)

Financial assets (cont'd)

Impairment of financial assets (cont'd)

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above.

As for the exposure to default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the group expects to receive, discounted at the original effective interest rate.

If the group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

Derecognition of financial assets

The group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables and, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification. Financial liabilities are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period.

Interest

Interest paid is classified as expenses or as distributions of profit consistent with the balance sheet classification of the related debt or equity instruments or component parts of compound instruments.

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Notes to the consolidated financial statements for the year ended 30 June 2023

(f) Financial instruments (cont'd)

Financial liabilities (cont'd)

Derecognition of financial liabilities

The group derecognises financial liabilities when, and only when, the group's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(g) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

(h) Foreign currencies

For the purpose of the financial statements, the results and financial position of the company is expressed in Australian Dollars ('AUD'), which is also the functional currency of Mariner Corporation Limited, and the presentation currency for the consolidated financial statements. The functional currency of the company and each of its subsidiaries represents the currency of the primary economic environment in which each respective entity operates.

In preparing the financial statements of the group, transactions in currencies other than the group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions.

At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered to hedge certain foreign currency risks (see below under financial instruments/hedge accounting); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange translation reserve.

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Notes to the consolidated financial statements for the year ended 30 June 2023

(i) Critical accounting judgments and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

Fair value of its financial assets

During the year ended 30 June 2023, management reassessed its estimates in respect of the fair value of its financial assets (Note 8).

Deferred tax assets

The company has determined that it is not probable that it will derive sufficient taxable income in the near future to recover the tax losses and as a result they have not been recognised as deferred tax assets as of 30 June 2023 financial year.

(j) Going concern

The consolidated net loss of the group, after tax was \$392,516 (2022: loss \$598,148), with cash outflows from operating activities of \$343,645 (2022: cash outflow \$462,808); and a working capital deficit of \$1,107,684 (2022: working capital deficit of \$711,767).

The company has continued to review new investment opportunities since 30 June 2023 with a view to improving its cash flows and statement of financial position.

The directors have reached the conclusion that based on all available facts and information currently available, there are reasonable grounds to be believe that the group will be able to pay its debts as and when they become due and payable and is a going concern. In reaching this conclusion, the directors had regard to the following:

- The continued support from related parties regarding the terms and repayment options for borrowings;
- A guarantee of financial support from related parties to the value of \$1million, should debts be unable to be paid as when they fall due;
- Future cash required to meet ongoing commitments will be derived from equity raising as and when required.

When undertaking the going concern assessment, management of the company have considered the impacts of the COVID-19 pandemic on immediate and long-term financial performance and cash flows and are satisfied that the company has sufficient liquidity to continue as a going concern for at least 12 months from 30 June 2023.

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Notes to the consolidated financial statements for the year ended 30 June 2023

(k) Leases

(a) The company as lessee

The company assesses whether a contract is or contains a lease, at inception of the contract. The company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones).

For these leases, the company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

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Notes to the consolidated financial statements for the year ended 30 June 2023

(k) Leases (cont'd)

(a) The company as lessee (cont'd)

The company applies AASB 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'property, plant and equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in profit or loss.

As a practical expedient, AASB 16 permits a lessee not to separate non-lease components, and instead accounts for any lease and associated non-lease components as a single arrangement. The company has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

(m) Adoption of new and revised Accounting Standards

In the current year, 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 annual reporting period. There has been no material impact of these changes on the group's accounting policies.

New and amended Accounting Standards that are effective for the current year

There is no new and amended Accounting Standards effective for the current year.

3. Revenue

	2023	2022
	\$	\$
Consultancy income	-	84,216
Interest income	26	-

4. Loss for the year

	2023	2022
	\$	\$
Loss for the year has been arrived at after charging:		
Depreciation expense	30,159	73,785
Employee benefits expense:		
Salaries and wages	163,241	280,706
Annual leave	11,962	42,373
	<u>175,203</u>	<u>323,079</u>
Finance costs:		
Interest on liabilities measured at amortised cost (a)	2,036	81,530
Interest expense	47,916	28,624
	<u>49,952</u>	<u>30,051</u>

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Notes to the consolidated financial statements for the year ended 30 June 2023

	2023 \$	2022 \$
5. Income taxes		
(a) Income tax expense		
Income tax expense comprises:		
Current tax	-	-
Deferred tax	(117,755)	(179,444)
Deferred tax asset not recognised	117,755	179,444
	<u>-</u>	<u>-</u>
Loss before income tax from continuing operations	(392,516)	(598,148)
Income tax expense calculated at 30% (2022: 30%)	(117,755)	(179,444)
Less tax effect of deferred tax assets not recognised	-	-
Deferred tax assets not recognised	117,755	179,444
Total income tax expense	<u>-</u>	<u>-</u>

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Notes to the consolidated financial statements for the year ended 30 June 2023

(b)Deferred tax assets

The directors have elected to treat the following deferred tax balances conservatively and not carry forward these amounts as assets but to recognise it at the time against income when realised in future years. Utilisation of tax losses from prior years is reliant on meeting the prescribed tests in Division 165A of the *Income Tax Assessment Act 1997*.

	2023 \$	2022 \$
Unused tax losses for which no tax loss has been recognised as a deferred tax asset adjusted for non-temporary differences @ 30% tax losses	<u>35,632,428</u>	<u>35,514,673</u>

The taxation benefits will only be obtained if:

- the company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the loss to be realised;
- the company complies with the conditions for deductibility imposed by the law, including satisfaction of the continuity of ownership and/or same business test; and
- no changes in tax legislation adversely affect the company in realising the benefits from the deductions for the loss.

6. Other receivables

Current	2023 \$	2022 \$
Other debtors	-	52,678
	<u>-</u>	<u>52,678</u>

7. Other assets

	2023 \$	2022 \$
Deposits and prepayments	<u>14,722</u>	<u>14,690</u>

8. Financial assets

Current	2023 \$	2022 \$
Investment in listed shares - fair value through profit or loss (FVTPL) (a)	<u>276</u>	<u>375</u>

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(a) Investments in listed shares are recorded at their purchase price at acquisition date and at balance date are based on quoted bid prices or the transaction prices of similar investments. The fair value of the financial assets is classified as Level 1 and was derived from quoted prices for that financial instrument. There were no financial instruments that are measured at amortised cost but for which fair value was disclosed classified as Level 3 either in the current year or in prior year.

9. Right of use assets

	2023	2022
	\$	\$
Leased property	58,995	56,695
Accumulated depreciation	(34,414)	(7,087)
	<u>24,581</u>	<u>49,609</u>

10. Trade and other payables

	2023	2022
	\$	\$
Current		
Unsecured liabilities		
Trade payables	-	60,687
Sundry payables and accrued expenses	91,065	75,231
	<u>91,065</u>	<u>136,098</u>

11. Lease liabilities

	2023	2022
	\$	\$
Current		
Lease liabilities	25,270	27,891
Non-current		
Lease liabilities	-	24,285

The total cash outflow for repayment of leases, for the current year, amounted to \$26,906.

The estimated future cash outflows to which the group is exposed in respect of this contract are payments of approximately \$25,270.

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Notes to the consolidated financial statements for the year ended 30 June 2023

12. Borrowings

	2023	2022
Current	\$	\$
Unsecured	1,016,537	620,549

Mr Liping Cai has provided an unsecured personal loan to the company for a total of \$940,000. Interest accrued amount is \$76,537. On 1st August 2023, he further provided a short term, unsecured loan of \$60,000.

13. Issued capital

	2023	2022
	\$	\$
Balance at the beginning of the year (137,704,915 fully paid ordinary shares)	137,704,915	137,704,915
Shares issued during the year	-	-
Balance at the end of the year (137,704,915 fully paid ordinary shares)	137,704,915	137,704,915

	2023	2022
Ordinary shares	No. of shares	No. of shares
At the beginning of the reporting period	48,053,222	48,053,222
Shares issued during the period	-	-
Shares issued during the period	-	-
At the end of the reporting period	48,053,222	48,053,222

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Notes to the consolidated financial statements for the year ended 30 June 2023

14. Loss per share

	2023 \$	2022 \$
Basic (cents per share)	(0.82) cents	(1.24) cents
Diluted (cents per share)	(0.82) cents	(1.24) cents

The calculation of basic loss per share on 30 June 2023 was based on the loss of \$392,516 (2022: loss of \$598,148) and a weighted average number of ordinary shares outstanding of 48,053,222 (2022: 48,053,222 shares), calculated as follows:

	2023 \$	2022 \$
Net loss for the year	(392,516)	(598,148)
Weighted average number of ordinary shares (basic) in shares	-	-
Issued ordinary shares at the beginning of the year	48,053,222	48,053,222
Weighted effect of shares issued	-	-
Weighted average number of ordinary shares at the end of the year	<u>48,053,222</u>	<u>48,053,222</u>

There is no distinction between the basic loss per share and the diluted loss per share as the group has generated a loss for the year.

There are no adjustments to the accounts required to reflect the impact of any non-controlling equity interests or other types of shares that could impact the calculations for ordinary shareholders.

15. Reserves

	2023 \$	2022 \$
Foreign currency translation reserves		
Balance on 1 July	(3,151)	(6,008)
Exchange difference income for the year	9,274	2,857
Balance on 30 June	<u>6,124</u>	<u>(3,151)</u>

The foreign currency translation reserve records exchange differences arising on translation of a foreign controlled subsidiary

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Notes to the consolidated financial statements for the year ended 30 June 2023

16. Contingent liabilities and contingent assets

In the opinion of the directors, the company did not have any contingent assets or liabilities on 30 June 2023 (2022: nil).

17. Cash and cash equivalents

For the purposes of the consolidated statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the consolidated statement of cash flows can be reconciled to the related items in the consolidated statement of financial position as follows:

(a) Reconciliation of cash

	2023	2022
	\$	\$
Cash at bank and on hand	10,189	5,028

(b) 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
Bad debt written off	-	76,252
Finance costs	49,952	30,051
Operating loss before change in working capital	(312,306)	(418,040)
Changes in working capital:		
Trade and other receivables	57,654	(71,507)
Other assets	-	-
Trade and other payables	(88,984)	26,739
Net cash used in operations	(343,645)	(462,808)

18. Related party transactions and balances

Remuneration of key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

	2023	2022
	\$	\$
Short term employee benefits	147,729	280,706
Post employee benefits	15,512	42,373
	<u>163,241</u>	<u>323,079</u>

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Notes to the consolidated financial statements for the year ended 30 June 2023

18. Related party transactions and balances (cont'd)

Individual directors' and executives' compensation disclosures

Information regarding individual directors' and executives' compensation and some equity instruments disclosures as required by *Corporations Regulations 2M.3.03* are provided in the remuneration report section of the directors' report. Apart from the details disclosed in the remuneration report, no director has entered a material contract with the company or the group since the end of the previous financial year and there were no material contracts involving directors' interests existing at year end.

(b) Other transactions with the company or its controlled entities

Nil

(c) Related party balances

Nil

19. Auditors' remuneration

	2023 \$	2022 \$
Audit and review of the financial report	32,180	30,000
	<u>32,180</u>	<u>30,000</u>

The auditor of Mariner Corporation Limited is Advanced Assurance Pty Ltd.

During the year, the auditor has not performed any other services in addition to their statutory duties.

20. Controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the subsidiaries below, in accordance with the accounting policy described in note 2:

Name of entity	Country of incorporation	Principal activity	Ownership Interest 2023 %	Ownership Interest 2022 %
Mariner Asset Management Limited	Australia	Dormant	100	100
Mariner Investments Limited	British Virgin Islands	Holding company	100	100
Mariner International Limited	Hong Kong	Investment	100	100

Mariner Investments Limited and Mariner International Limited were incorporated on 14 May 2020.

Mariner International Limited is 100% owned by Mariner Investments Limited.

Mariner Asset Management Limited is under external administration.

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Notes to the consolidated financial statements for the year ended 30 June 2023

21. Parent entity information

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements. Refer to note 2 for a summary of the significant accounting policies relating to the group.

Statement of financial position	2023	2022
<u>Assets</u>	\$	\$
Current assets	199,831	178,949
Non-current assets	1	1
Total assets	199,832	178,950
<u>Liabilities</u>		
Current liabilities	913,104	619,495
Non-current liabilities	-	-
Total liabilities	913,104	619,495
Net assets/(liabilities)	(713,272)	(440,546)
<u>Equity</u>		
Issued capital	137,704,915	137,704,915
Accumulated losses	(138,418,187)	(138,145,461)
Total equity	(713,272)	(440,546)
Net loss attributable to equity holders of the company	(271,818)	(421,954)
Other comprehensive income		
Total comprehensive loss for the year	(271,818)	(421,954)

Contingent liabilities

The parent entity did not have any contingent liabilities as at 30 June 2023 (2022: nil).

Capital commitments - property, plant and equipment

The parent entity did not have any capital commitments as at 30 June 2023 (2022: nil).

22. Operating segments

The Board assesses the financial performance and position of the group and makes strategic decisions. The Board, which is led by the CODM (Chief Operating Decision Maker), consists of the non-executive directors.

The Chief Operating Decision Maker (CODM) has determined that there are two operating segments for management, reporting and allocation of resources purposes. Operating segments have been identified based on financial information that is regularly reviewed by the CODM. The group operates in two geographical segments being Australia and Hong Kong. In the prior years, the group operated in one segment being Australia.

The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The group has the following reportable segments:

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Notes to the consolidated financial statements for the year ended 30 June 2023

	Australia \$	Hong Kong \$	Total \$
Revenue			
Revenue and income	-	26	26
Total revenue	-	26	26
Loss before tax	(313,079)	(79,437)	(392,516)
Income tax expense	-	-	-
Loss after income tax expense	(313,079)	(79,437)	(392,516)
Assets			
Segment assets	9,920	52,029	61,949
Total assets	9,920	52,029	61,949
Liabilities			
Segment liabilities	834,137	298,735	1,132,872
Total liabilities	834,137	298,735	1,132,872

23. Financial instruments

(a) Classes and categories of financial instruments and their fair values

The fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the group approximates their carrying amounts. The fair value of other monetary financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles. Non-interest-bearing related party receivables are repayable on demand; thus face value equates to fair value.

Equity investments traded on organised markets have been valued by reference to market prices prevailing at balance date. For non-traded equity investments, the fair value is an assessment by the directors based on the underlying net assets, future maintainable earnings and any special circumstances pertaining to a particular investment.

The carrying amounts of financial assets and liabilities equates to their fair values at balance date.

The following table combines information about:

- classes of financial instruments based on their nature and characteristics.
- the carrying amounts of financial instruments.

	2023 \$	2022 \$
Financial assets		
Cash and cash equivalents	10,189	5,028
Other receivables	-	52,678
Prepayment and deposits	14,722	14,690
Financial assets	276	375
	25,187	72,770
Financial liabilities		
Other payables	91,065	136,098
Borrowings	1,016,537	620,549
Lease liabilities	25,270	52,176
	1,132,872	808,822

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Notes to the consolidated financial statements for the year ended 30 June 2023

23. Financial instruments (cont'd)

(b) Financial risk management objectives

Mariner Corporation Limited maintains positions in a minimal number of non-derivative financial instruments as dictated by its investment management strategy. Its investment portfolio comprises quoted equity investments and fixed and variable interest loans, and investments in other schemes.

The group's activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The most important types of financial risk to which the group is exposed are market risk, credit risk and liquidity risk.

This note presents information about the group's exposure to each of the above risks, and the group's objectives, policies and processes for measuring and managing risk.

The group's management monitors and manages the financial risks relating to the operations of the group. These risks include market risk (including interest rate risk), credit risk, and liquidity risk.

The group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

(c) Market risk management

(i) Market price risk

Market price risk is the risk that changes in market prices (other than changes due to currency or interest rate risk) will affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures.

There has been no change to the group's exposure to market risks or the way these risks are managed and measured.

Management of market price risk

The investments are earned at fair value with changes in fair value recognised in the consolidated statement of profit or loss and other comprehensive income; all changes in market conditions will directly affect net investment.

Risk management framework

The following table details the breakdown of the investment assets held by the group:

	2023 %	2022 %
Percentage (%) of net assets/(liabilities)		
Investments in listed shares	0.0	0.0

As of 30 June 2023, the company has net liabilities amounting to \$1,070,922 (2022: net liabilities of \$669,132).

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Notes to the consolidated financial statements for the year ended 30 June 2023

23. Financial instruments (cont'd)

(c) Market risk management (cont'd)

(i) Market price risk (cont'd)

Sensitivity analysis – market price risk

The price risk is measured when there are significant changes in underlying share prices.

The table below shows the risk in the company profit or loss after tax and equity position as of 30 June, for hypothetical changes in underlying prices.

	2023	2022
	\$	\$
(+10% changes in equity price)	0	0
(- 10% changes in equity price)	0	0

Interest rate risk consists of cash flow interest rate risk (the risk that future cash flows of a financial instrument will vary due to changes in market interest rates) and fair value interest rate risk (the risk that the value of a financial instrument will vary due to changes in market interest rates).

Management of interest rate risk

Interest rate risk is the risk of financial loss and/or increased costs due to adverse movements in the values of the financial assets and liabilities as a result of changes in interest rates.

Exposure to interest rate risk

As at the reporting date the interest rate profile of the group's interest-bearing instruments was:

	2023	2022
Fixed interest rate	\$	\$
Financial assets	-	-
Financial liabilities	55,231	28,625

Fair value sensitivity analysis for fixed rate instruments

The group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates for fixed rate instruments would not affect profit and loss.

(iii) Currency risk

The group's policy is, where possible, to allow group entities to settle liabilities denominated in their functional currency with the cash generated from their own operations in that currency. Where group entities have liabilities denominated in a currency other than their functional currency (and have insufficient reserves of that currency to settle them) cash already denominated in that currency will, where possible, be transferred from elsewhere within the group.

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Notes to the consolidated financial statements for the year ended 30 June 2023

23. Financial instruments (cont'd)

(d) Credit risk management

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The directors are of the opinion that the debtor amounts shown in Note 8 will be recovered in full.

Management of credit risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Exposure to credit risk

The company has an intercompany receivable, at year end, due from Mariner International Limited. The related party receivable is non-interest bearing and repayable on demand. The directors have assessed that the related party is a low risk of default. Apart from this, the group does not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

The group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses
Performing	The counterparty has a low risk of default and does not have any past-due amounts	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit impaired	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the group has no realistic prospect of recovery	Amount is written off

The carrying amount of the group's financial assets represents the maximum credit exposure. The table below presents the group's maximum exposure to credit risk at the reporting date.

		2023	2022
Carrying amount	Credit rating*	\$	\$
Cash and cash equivalents	AA	10,189	5,028
Other assets		14,722	14,690
Other receivables	Not applicable	-	52,678
Financial assets	Not applicable	276	375
		<u>25,187</u>	<u>72,771</u>

*(Rating: Standard & Poor's)

Of the net carrying amount for other receivables, there are no amounts overdue as at 30 June 2023.

(e) Liquidity risk management

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the group's short, medium and long-term funding and liquidity management requirements.

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Notes to the consolidated financial statements for the year ended 30 June 2023

23. Financial instruments (cont'd)

(e) Liquidity risk management (cont'd)(Loan)

Management of liquidity risk

The group's policy is to ensure that, as far as possible, it will always have sufficient liquidity to meet its financial liabilities when due, under both normal and stressed conditions.

Exposure to liquidity risk

The table below presents cash flows payable by the group by remaining contractual maturities at the reporting date. The amounts disclosed are the contractual, undiscounted cash flows.

	Carrying amount \$	Contractual cash flows \$	Maturity			
			6 months or less \$	6 months to 12 months \$	1 to 2 years \$	More than 2 years \$
2023						
Financial liabilities						
Loan	1,016,537	996,541	24,803	29,167	44,497	896,074
Payables	91,065	-	-	-	-	-
Lease liabilities	25,270	23,318	16,970	33,939	11,313	-
	1,132,872	1,020,859	41,015	53,485	44,497	896,074
	Carrying amount \$	Contractual cash flows \$	Maturity			
			6 months or less \$	6 months to 12 months \$	1 to 2 years \$	More than 2 years \$
2022						
Financial liabilities						
Loan	570,000	570,000	-	633,489	-	-
Payables	136,098	136,098	136,098	-	-	-
Lease liabilities	52,176	62,222	16,970	33,939	11,313	-
	758,274	768,320	153,068	667,428	11,313	-

The group maintains cash flow forecasts for the next 12 months on a rolling basis. This takes into consideration all projected debt payments.

(f) Capital risk management

The group manages its capital to ensure that entities in the group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt and equity balance. The group's overall strategy remains unchanged from 2023.

The capital structure of the group consists of net debt (borrowings disclosed in note 12 after deducting cash and bank balances) and equity of the group (comprising issued capital, as disclosed in note 13, and accumulated losses).

The group is not subject to any externally imposed capital requirements.

Management controls the capital of the company to ensure the company can fund its operations and continue as a going concern. Over the past twelve months the Board has managed the company's capital by assessing the company's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include management of debt levels, distribution to shareholders and share issues or buyback.

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Notes to the consolidated financial statements for the year ended 30 June 2023

24. Events after the reporting period

There has not been any matter or circumstance occurring subsequent to 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 state of affairs of the group in future financial years.

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Mariner Corporation Limited and Controlled Entity

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Directors' declaration

In accordance with a resolution of the directors of Mariner Corporation Limited, the directors of the company declare that:

- 1 the consolidated financial statements and notes, as set out on pages 22 to 49 are in accordance with the Corporations Act 2001 and:
 - a) comply with Australian Accounting Standards, which as stated in accounting policy Note 2 to the consolidated financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and
 - b) give a true and fair view of the financial position as of 30 June 2023 and of the performance for the year ended on that date of the company and the group;
- 2 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 as disclosed in Note 2(j) to the financial statements.
- 3 The Chief Executive Officer and the directors have each declared that:
 - a) the financial records of the company for the financial year have been properly maintained in accordance with s 286 of the Corporations Act 2001;
 - b) the consolidated financial statements and notes for the financial year comply with the Australian Accounting Standards; and
 - c) the consolidated financial statements and notes for the financial year give a true and fair view;

This declaration is made in accordance with a resolution of the Board of Directors.

Executive Chairman:

Liping Cai

Dated: 27 September 2023

CEO:

Kaiman Wong

Dated: 27 September 2023

Independent Auditor's Report

To the members of Mariner Corporation Limited and Controlled Entities

Report on the Audit of the Financial Report

Disclaimer of Opinion

We were engaged to audit the accompanying financial report of Mariner Corporation Limited., (the Company), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the 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 an audit opinion on this financial report.

Basis for Disclaimer of Opinion

The Company's net asset is negative as at 30 June 2023 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 audit report.

Responsibilities of Directors for the Financial Report

The directors of the company are responsible for the preparation of the 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 a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Audit of the Financial Report

Our responsibility is to conduct an audit of the financial report in accordance with Australian Auditing Standards and to issue an auditor's report. However, because of the matter described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial report.



We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Report on the Remuneration Report

We have audited the Remuneration Report included in page 16 to 19 of the director's report for the year ended 30 June 2023.

In our opinion the Remuneration Report of Mariner Corporation Limited for the year ended 30 June 2023 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

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, 27 September 2023

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Mariner Corporation Limited and Controlled Entity

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Shareholder information

A. Substantial shareholders

The following have advised that they have a relevant interest in the capital of Mariner Corporation Limited as of 14 September 2023. The holding of a relevant interest does not infer beneficial ownership. Where two or more parties have a relevant interest in the same shares, those shares have been included for each party.

Substantial ordinary shareholders	No of ordinary share held	Percentage of issued capital held
Panshan Capital Pty Ltd	34,315,140	71.41%
B C Roofing Pty Ltd	2,247,648	4.68%
Dorney Holdings Ltd Pty Ltd	1,928,627	4.01%
Atak Pty Limited	1,889,521	3.93%
Global Clean Energy Finance Pty Ltd	1,500,000	3.12%

B. Distribution of equity securities

(i) Analysis of numbers of equity security holders by size of holding as at 14 September 2023.

Computershare			
MARINER CORPORATION LIMITED		FULLY PAID ORDINARY (Total)	
Range of Units As Of 9/14/2023		Composition : ORD	
Range	Total holders	Units	% Units
1 - 1,000	1,093	157,560	0.33
1,001 - 5,000	96	246,562	0.51
5,001 - 10,000	25	191,607	0.40
10,001 - 100,000	46	1,532,979	3.19
100,001 Over	16	45,924,514	95.57
Rounding			0.00
Total	1,276	48,053,222	100.00

Unmarketable Parcels

	Minimum Parcel Size	Holders	Units
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Minimum \$ 500.00 parcel cannot be calculated due to no price

Selection Criteria: Hide Unmarketable Parcels: Shown Control Account: Included

Mariner Corporation Limited and Controlled Entity

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Shareholder Information

C. Equity security holders

Twenty largest quoted equity security holders on 14 September 2022

Computershare			
MARINER CORPORATION LIMITED		FULLY PAID ORDINARY (Total)	
Top Holders (Grouped) As Of 9/14/2023		Composition : ORD	
Rank	Name	Units	% Units
1	PANSHAN CAPITAL PTY LTD	34,315,140	71.41
2	BC ROOFING PTY LTD	2,247,648	4.68
3	DORNEY HOLDINGS PTY LTD <EQ OPP A/C>	1,928,627	4.01
4	ATAK PTY LTD	1,889,521	3.93
5	GLOBAL CLEAN ENERGY FINANCE PTY LTD	1,500,000	3.12
6	BKTN HOLDINGS PTY LTD <THE REILLY FAMILY A/C>	1,401,801	2.92
7	MRS MICHELLE MAREE JOHNSON	419,355	0.87
8	MS EILEEN DUHS	391,430	0.81
9	MRS JACQUELINE CHIU-YUEH HSU + MR STEPHEN CHIA-KUEI HSU <KINGBIRD SUPERANNUATION A/C>	359,771	0.75
10	A & D NESTOLA PTY LTD <A & D NESTOLA SF A/C>	327,806	0.68
11	MR JUSTIN FOLLETT	295,601	0.62
12	MS TAMARA JOHNSON + MR JUSTIN FOLLETT	240,000	0.50
13	MR PETER HOWELLS	197,126	0.41
14	VILLAGE GALLERY PALM COVE	150,440	0.31
15	UNIVERSAL CAPITAL CORPORATION LIMITED	141,276	0.29
16	MS TAMARA JOHNSON + MR JUSTIN FOLLETT <LAKOBRO SUPER A/C>	118,972	0.25
17	MR KYM ANTHONY BIDDELL	100,000	0.21
18	MR GALE ULRICH PFITZNER	96,565	0.20
19	MS ALEXAN CHIA-HUI WEI	90,000	0.19
20	MR GARRY O'SULLIVAN	84,753	0.18
Totals: Top 20 holders of FULLY PAID ORDINARY (Total)		46,295,832	96.34
Total Remaining Holders Balance		1,757,390	3.66

Selection Criteria: Address: Hidden Holder ID: Hidden Control Account: Included

D. Voting rights

The voting rights, according to a poll, are one vote for each share held.

Mariner Corporation Limited and Controlled Entity

ABN 54 002 989 782

Corporate directory

Directors

Liping Cai
Executive Chairman
(Appointed 30 December 2020)

Kaiman Wong
Managing Director
(Appointed 26 November 2019)

Fiona Cheung
Non-executive Director
(Appointed 30 June 2021)

Company Secretary

Kaiman Wong
(Appointed 30 April 2021)

Corporate Details

Mariner Corporation Limited
ACN: 002 989 782
ABN: 54 002 989 782

Registered Office

Level 17
Angel Place,
123 Pitt Street,
Sydney NSW 2000
Telephone: +61 2 9467 9980
Facsimile: +61 2 8920 0085

Auditor

Advanced Assurance Pty Ltd
Level 19
109 Pitt St,
Sydney NSW 2000

Bankers

National Australia Bank Ltd
Business Banking Centre
Level 1
99 Bell Street
Preston Vic 3072

Share Registry

Computershare investor Services Pty Ltd
Yarra Falls, 452 Johnston Street
Abbotsford VIC 3067
GPO Box 2975EE,
Melbourne VIC 3000
T: 1300 787 272
T: +61 3 9415 4000 (outside Australia)
F: +61 3 9473 2500

Stock Exchange Listings

The ordinary shares of Mariner Corporation Limited are listed on the Australian Stock Exchange (Code: MCX)

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