

31 August 2020

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

MARINER CORPORATION LIMITED
APPENDIX 4E – PRELIMINARY FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Financial year ended 30 June 2020 ('current year')

Financial year ended 30 June 2019 ('previous year')

The directors of Mariner Corporation Limited ("the company") are pleased to announce the results of the company for the year ended 30 June 2020 as follows:

RESULTS FOR THE ANNOUNCEMENTS TO THE MARKET

Key Information	Movement	% Change	Year ended 30 June 2020
Revenue from ordinary activities During the year ended 30 June 2020, there was \$229,520 of debt that was forgiven with respect of a convertible note and loans provided by Global Clean Energy Finance Pty Ltd.	Decrease	43%	\$229,520
Net loss from ordinary activities attributable to members. Due to increase in employee benefits, professional and investment costs.	Increase	2737%	\$429,604
Net loss after tax attributable to members. Due to increase in employee benefits, professional and investment costs	Increase	2737%	\$429,604

DIVIDENDS

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	30 June 2020 \$	30 June 2019 \$
Other Income	229,520	400,000
Expenses from ordinary activities, excluding borrowing costs	(577,175)	(228,236)
Borrowing costs	(81,952)	(189,334)
(Loss) before income tax	(429,604)	(17,570)
Income tax expense	-	-
(Loss) for the year	(429,604)	(17,570)
(Loss) attributable to members	(429,604)	(17,570)

Expenses from ordinary activities (excluding borrowing costs):

Details of "Expenses from ordinary activities"	30 June 2020 \$	30 June 2019 \$
Administration and office costs	(47,765)	(81,841)
Consulting Costs	(89,178)	
Employee benefits expense	(208,892)	
Depreciation	(4,587)	
Unrealised loss on foreign exchange transactions	(4,494)	
Professional fees and investment cost	(222,256)	(146,395)
Total other expenses from ordinary activities	(577,175)	(228,236)

Other disclosures relating to the Consolidated Statement of Profit or Loss and Other Comprehensive Income

	30 June 2020 \$	30 June 2019 \$
Net change in fair value of financial assets		
Unrealised loss/(gain) on financial assets	3,631	2,368
Net change in fair value of financial assets	3,631	2,368

Revision of accounting estimates

Details of Revision of Accounting Estimates in accordance with AASB118:
Not applicable

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 June 2020 \$	30 June 2019 \$
Assets		
Current assets		
Cash and cash equivalents	580,973	13,874
Other receivables	2,851	1,321
Other assets	22,875	
Financial assets	710	4,341
Total current assets	607,409	19,536
Non-current assets		
Right of use assets	104,155	
Total non-current assets	104,155	-
Total assets	711,564	19,536
Liabilities		
Current liabilities		
Trade and other payables	85,176	42,236
Lease liabilities	50,444	
Borrowings		3,143,894
Total current liabilities	135,620	3,186,130
Non-current liabilities		
Lease liabilities	54,190	
Total non-current liabilities	54,190	-
Ad right of use asset(new)		
Lease liabilities(new)		
Total liabilities	189,810	3,186,130
Net assets	521,754	(3,166,594)
Equity		
Issued capital	137,704,915	133,587,098
Reserves	135	
Accumulated losses	(137,183,296)	(136,753,692)
Total equity	521,754	(3,166,594)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued capital \$	Reserves \$	Add reserves column Accumulated losses \$	Total \$
Balance at 1 July 2018	133,587,098	-	(136,736,122)	(3,149,024)
Loss for the year	-	-	(17,570)	(17,570)
Total comprehensive loss for the year	-	-	(17,570)	(17,570)
Balance at 30 June 2019	133,587,098	-	(136,753,692)	(3,166,594)
Balance at 1 July 2019	133,587,098	-	(136,753,692)	(3,166,594)
Loss for the year	-	-	(429,604)	(429,604)
Other comprehensive income for the year	-	135	-	135
Total comprehensive loss for the year	-	-	(429,604)	(429,604)
Transactions with owners				
Issued Shares	4,117,817	-	-	4,117,817
Balance at 30 June 2020	137,704,915	135	(137,183,296)	521,754

CONSOLIDATED STATEMENT OF CASH FLOWS

	30 June 2020 \$	30 June 2019 \$
Cash flows from operating activities		
Payments to suppliers and employees	(550,290)	(171,127)
Net cash used in operating activities	(550,290)	(171,127)
Cash flows from investing activities	-	-
Net cash used in investing activities	-	-
Cash flows from financing activities		
Proceeds from borrowings	107,000	175,000
Repayment of borrowings	(1,385,087)	(6,079)
Proceeds from issue of shares	2,400,000	-
Interest expense – leases	(422)	-
Repayment of leases	(4,102)	-
Net cash generated by investing activities	1,117,389	168,921
Net increase /(decrease) in cash and cash equivalents held	567,099	(2,206)
Cash and cash equivalents at the beginning of the year	13,874	16,080
Cash and cash equivalents at the end of the year	580,973	13,874

Non-cash financing and investing activities

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

Not applicable

Reconciliation of cash and cash equivalents (\$580973)

	30 June 2020 \$	30 June 2019 \$
Cash at bank and on hand	580,973	13,874
Total cash and cash equivalents	580,973	13,874

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

	30 June 2020 \$	30 June 2019 \$
Loss for the year	(429,604)	(17,570)
<i>Non-cash flows in loss:</i>		
Unrealised loss/on financial assets	3,760	2,368
Depreciation Expenses	4,587	-
Debt forgiveness	(229,520)	-
Income from participating interest in rental assets	-	(400,000)
Management fees relating to participating interest in rental assets	-	42,714
Accrued interest	81,530	189,334
Interest – leases	422	-
<i>Changes in assets and liabilities:</i>		
(Increase)/ Decrease in other receivables	(1,530)	11,110
(Increase) in other assets	(22,875)	-
Increase in trade and other payables	42,940	917
Net cash flows (used in) operating activities	(550,290)	(171,127)

DIVIDENDS

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

Total dividend per security (interim plus final)

	30 June 2020 \$	30 June 2019 \$
Ordinary securities	-	-

Dividend reinvestment plans

The dividend or distribution plans shown below are in operation:

Not applicable

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

Not applicable

Any other disclosures in relation to dividends (distributions):

Not applicable

NET TANGIBLE ASSET PER SHARE

Key Information	30 June 2020	30 June 2019
Net tangible asset per share	(0.01) cents per share	(22.74) cents per share

DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST

Controlled Entities

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

Date control gained - upon Incorporation: 13th May 2020

Contribution of such entities to the reporting entity's profit/ (loss) from ordinary activities during the period (where material): Depreciation expense \$4,300 arose out of recognition of the right of use assets for the leases of Mariner International in Hong Kong.

Loss of control over entities

Name of entity (or group of entities):

Not applicable

Date control lost:

Not applicable

Contribution of such entities to the reporting entity's profit/ (loss) from ordinary activities during the period (where material):

Not applicable

Consolidated profit / (loss) from ordinary activities of the controlled entity (or group of entities) whilst controlled during the whole of the previous corresponding period (where material):

Not applicable

Details of associates and joint ventures entities:

Not applicable

SIGNIFICANT INFORMATION

During the financial year, the group was able to undertake and complete (with shareholder approved being obtained) a capital raising and restructure of debt, which significantly improved the financial position of the group. The capital raising and restructure of debt was announced in 5 July 2019, and consisted of the following features:

- The Company raised \$2.4m (before costs) from Panshan Capital, a sophisticated investor, which resulted in 20,000,000 shares being issued at an issue price of \$0.12 (12 cents) per share.
- The terms of the existing convertible notes were amended (with shareholder approval) to increase the conversion price from \$0.03 (3 cents) to \$0.12 (12 cents) per share. The effect of this would be that upon conversion, the shares would be less dilutionary to existing shareholders of the Company.
- The existing convertible noteholders agreed to sell their amended convertible notes to the investor, who then converted the amended convertible notes to shares, thereby ensuring that any debt related to the convertible notes were fully discharged.
- As a consequence of the placement and conversion of amended convertible notes, with

shareholder approval, the investor acquired a significant interest in the Company. Mr Kaiman Wong, a nominee of the investor, was appointed to the Board of Directors, replacing Mr Matthew MacDougall, who resigned at completion of the capital raising.

Shareholder approval for the capital raising and restructure of debt was obtained on 26 November 2019, and the relevant transactions (and changes to the board) were completed on 29 November 2019.

With the group's financial position significantly improved, this has provided the group and its management the flexibility to focus on identifying and exploring growth opportunities.

The Company implemented cost cutting initiatives during the period (to streamline its operations and also, mitigate against any potential impact on COVID-19 on its operations), with a view to set up the business for future opportunities by expanding the group's business network to neighbouring regions, including Asia.

Increasing coverage of pre-investment opportunities in Asia – Hong Kong

As a diversified investments company, the group has remained committed to making strategic investments in companies and passive assets, which can deliver value for its shareholders. Whilst, the Board's strategy for the financial year has been impacted by COVID-19 and the need to keep costs low, the Board has been able to remain active in increasing its coverage of pre-investment opportunities.

Given the Board's local and international experience in the financial services and investments sector, the group, consistent with its strategy, established a regional overseas office in Hong Kong to increase the group's coverage of pre-investment opportunities, and provide pre-investment advisory services. This resulted in the group establishing a wholly owned subsidiary, Mariner International Limited incorporated in Hong Kong, during the financial year.

Impact of COVID-19

COVID-19 has presented challenges to the Company's goals of identifying growth opportunities as a diversified investments company. Through these challenges, the Company has focused on streamlining operations, implementing cost savings where possible and identifying cost effective ways to increase

Subsequent Events

As announced on 13 July 2020, pursuant to the group's strategy, the group completed the establishment of its presence in the Hong Kong region by opening an office in the region to increase the Company's coverage of pre-investment opportunities.

Other than as noted above, 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.

COMMENTARY ON RESULTS FOR THE PERIOD

The loss for the group after providing for income tax amounted to \$(429,604), (2019 loss: \$17,570). The company has continued to reduce its operating and finance costs during the last 12 months whilst it explores new investment opportunities.

The group is in a net asset position at balance date of \$521,754 (2019: net liabilities \$3,166,594).

ANNUAL REPORT

This report is based on the consolidated financial statements for the year ended 30 June 20 of Mariner Corporation Limited and its Controlled Entity, that are in the process of being audited by Hall Chadwick.

AUDIT

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

Not applicable

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

Not applicable

Signed



Bill Murfitt
Chairman