

1. Company details

Name of entity:	Rectifier Technologies Ltd
ACN:	058 010 692
Reporting period:	For the half-year ended 31 December 2023
Previous period:	For the half-year ended 31 December 2022

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	62.5% to	7,234,646
Loss from ordinary activities after tax attributable to the owners of Rectifier Technologies Ltd	down	156.1% to	(2,107,839)
Loss for the half-year attributable to the owners of Rectifier Technologies Ltd	down	156.1% to	(2,107,839)

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Comments

The loss for the consolidated entity after providing for income tax amounted to \$2,107,839 (31 December 2022: profit of \$3,759,988).

The consolidated entity reported an decrease in the revenue by approximately 62.5% to \$7,234,646 from \$19,269,710 in the previous reporting period. Refer to the Directors report for commentary.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>1.000</u>	<u>0.952</u>

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

There were no dividends paid, recommended or declared during the previous financial period.

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7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

11. Attachments

Details of attachments (if any):

The Interim Report of Rectifier Technologies Ltd for the half-year ended 31 December 2023 is attached.

12. Signed

Authorised by the Board of Directors.

Date: 29 February 2024

Signed
Ying Ming Wang
Director
Melbourne

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Rectifier Technologies Ltd and Controlled Entities

ACN 058 010 692

Interim Report - 31 December 2023

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Rectifier Technologies Ltd and Controlled Entities
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31 December 2023



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Rectifier Technologies Ltd and Controlled Entities
Corporate directory
31 December 2023



Directors	Mr. Ying Ming Wang Mr. (Zorn Wong) Zong Xu Wang Mr. Trevor Fox Mr. Philippe Compagnon Dr. Deng Mu
Company secretary	Mr. Hasaka Martin
Registered office	97 Highbury Road BURWOOD, VIC 3125 Telephone: + 61 3 9896 7550 Facsimile: + 61 3 9896 7566
Share register	Computershare Investor Services Pty Ltd 452 Johnston Street ABBOTSFORD, VIC 3067 Telephone: 1300 137 328
Auditor	Grant Thornton Audit Pty Ltd Collins Square, Tower 5 727 Collins Street MELBOURNE, VIC 3008
Bankers	ANZ Banking Group Limited 10 Main Street BOX HILL, VIC 3128 Westpac Banking Corporation 39-41 Hamilton Place, MOUNT WAVERLEY, VIC 3149
Stock exchange listing	Rectifier Technologies Ltd shares are listed on the Australian Securities Exchange (ASX code: RFT)
Website	https://www.rectifiertechnologies.com/

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The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Rectifier Technologies Ltd (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2023.

Directors

The following persons were directors of Rectifier Technologies Ltd during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr. Ying Ming Wang
Mr. (Zorn Wong) Zong Xu Wang (appointed on 6 December 2023)
Mr. Trevor Fox (appointed on 6 December 2023)
Mr. Philippe Compagnon (appointed on 6 December 2023)
Dr. Deng Mu (appointed on 6 December 2023)
Mr. Yanbin Wang (resigned on 29 November 2023)
Mr. Valentino Vescovi (resigned on 29 November 2023)
Mr. Nigel Machin (resigned on 29 November 2023)
Mr. Nicholas Yeoh (resigned on 29 November 2023)
Mr. Jitto Arulampalam (appointed on 9 October 2023 and resigned on 29 November 2023)

Principal activities

The principal activities of the consolidated entity were the design and manufacture of high efficiency power rectifiers, and the production of electronic and specialised magnetic components.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$2,107,839 (31 December 2022: profit of \$3,759,988).

The first half of the financial year was slow due to delays in the construction EV charger infrastructure which led to delays in EV charger deployment. However we are hopeful that this represents a temporary set-back as we are already seeing signs of market recovery.

In addition, one of our major customers who use an earlier-generation high-voltage power supply which we supply, are experiencing working capital issues, leading to a reduction in sales and some delay in the take up of previous open orders. We are ensuring that the current open orders on this product are being honored by that customer.

The company's production has been rejuvenated under the new management team so that the manufacturing throughput is more efficient with higher quality and potential for high volumes.

The second phase of the ERP implementation has been completed which means the entire company is on to a unified platform that will help drive efficiencies across the company.

The Company's shares were suspended from quotation by ASX when all but one of the directors resigned on 29 November 2023 rendering the Company unable to comply with section 201A(2) of the Corporations Act (which requires a public company to have at least 3 directors, 2 of which who ordinarily reside in Australia). The Company's compliance with this requirement was restored on 6 December 2023 with the appointments of Mr Trevor Fox, Mr Philippe Compagnon and Dr Deng Mu as independent non-executive directors and Mr Zorn Wong as an executive director.

The Company's shares remain suspended from quotation as the Company cooperatively responds to ASX's queries in relation to the circumstances of the resignations.

Outlook

The USA National EV Infrastructure (NEVI) billion-dollar bi-partisan program has become a significant focus of the EV international market. NEVI requires a significant USA-made content. To support our customer's entry into this market, we are aligning the design of the 'RT22 50KW EV Charger Module' for economical volume manufacture in a high labour cost environment by being compatible with a high-level automated manufacturing.

The customised 'high-voltage input rectifier' project development is waiting for the delivery of material from the customer to complete the prototypes which are required by the customer for validation in the first half of 2024. Upon successful validation, the customer has scheduled production to commence in late 2024.

Rectifier Technologies Ltd and Controlled Entities
Directors' report
31 December 2023



We have successfully demonstrated at various CharIn test events throughout 2023, a proof-of-concept EV charger control system that allows RT22 potential customers to rapidly create their own EV Charge station. We are now assessing the feasibility of taking this product to market.

The engineering team is currently exploring technology to provide mega-watt charging modules to support sales opportunities to provide solutions to energy resources-focused companies. If these opportunities are realised in the half of 2024 this will be a significant engineering undertaking for the company.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read "Ying Ming Wang", written over a horizontal line.

Ying Ming Wang
Director

29 February 2024
Melbourne

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Grant Thornton Audit Pty Ltd

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Auditor's Independence Declaration

To the Directors of Rectifier Technologies Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Rectifier Technologies Limited for the half-year ended 31 December 2023. I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



Grant Thornton Audit Pty Ltd
Chartered Accountants



T S Jackman
Partner – Audit & Assurance
Melbourne, 29 February 2024

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Rectifier Technologies Ltd and Controlled Entities
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2023



	Note	Consolidated 31 Dec 2023 \$	Consolidated 31 Dec 2022 \$
Revenue	4	7,234,646	19,269,710
Other income		9,450	31,199
Interest revenue calculated using the effective interest method		41,878	49,022
Expenses			
Changes in inventories		(2,581,527)	972,504
Raw materials and consumables used		(150,602)	(9,451,108)
Employee benefits expense		(4,111,261)	(3,836,421)
Subcontractor expense		-	(668,447)
Professional and compliance expense		(674,279)	(414,927)
Depreciation and amortisation expense		(516,418)	(312,233)
Share-based payments expense	12	(432,900)	-
Other expenses		(757,387)	(1,007,160)
Finance costs		(143,295)	(138,817)
Profit/(loss) before income tax expense		(2,081,695)	4,493,322
Income tax expense		(26,144)	(733,334)
Profit/(loss) after income tax expense for the half-year attributable to the owners of Rectifier Technologies Ltd		(2,107,839)	3,759,988
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		18,434	209,709
Other comprehensive income for the half-year, net of tax		18,434	209,709
Total comprehensive income for the half-year attributable to the owners of Rectifier Technologies Ltd		(2,089,405)	3,969,697
		Cents	Cents
Basic earnings per share		(0.15)	0.27
Diluted earnings per share		(0.15)	0.27

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Rectifier Technologies Ltd and Controlled Entities
Consolidated statement of financial position
As at 31 December 2023



		Consolidated	
	Note	31 Dec 2023	30 Jun 2023
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		4,191,184	6,348,867
Trade and other receivables		1,702,293	2,970,669
Inventories	5	19,358,432	18,448,667
Current tax assets		1,003,636	630,655
Total current assets		<u>26,255,545</u>	<u>28,398,858</u>
Non-current assets			
Property, plant and equipment		5,291,299	5,292,905
Right-of-use assets		594,244	592,662
Intangibles		109,160	104,772
Deferred tax		798,305	799,699
Total non-current assets		<u>6,793,008</u>	<u>6,790,038</u>
Total assets		<u>33,048,553</u>	<u>35,188,896</u>
Liabilities			
Current liabilities			
Trade and other payables	6	11,059,122	7,277,466
Contract liabilities		782,281	452,941
Borrowings	7	137,906	952,229
Lease liabilities		257,079	228,492
Current tax liabilities		2,295,911	2,296,033
Employee benefits		1,090,161	1,101,778
Provisions		136,123	214,737
Total current liabilities		<u>15,758,583</u>	<u>12,523,676</u>
Non-current liabilities			
Contract liabilities		125,724	442,353
Borrowings	7	2,099,542	5,523,972
Lease liabilities		387,036	423,835
Deferred tax		220,664	220,664
Employee benefits		48,379	50,866
Total non-current liabilities		<u>2,881,345</u>	<u>6,661,690</u>
Total liabilities		<u>18,639,928</u>	<u>19,185,366</u>
Net assets		<u>14,408,625</u>	<u>16,003,530</u>
Equity			
Issued capital	8	40,134,175	40,072,575
Reserves	9	566,268	114,934
Accumulated losses		<u>(26,291,818)</u>	<u>(24,183,979)</u>
Total equity		<u>14,408,625</u>	<u>16,003,530</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Rectifier Technologies Ltd and Controlled Entities
Consolidated statement of changes in equity
For the half-year ended 31 December 2023



Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2022	39,992,575	513,264	(31,151,132)	9,354,707
Profit after income tax expense for the half-year	-	-	3,759,988	3,759,988
Other comprehensive income for the half-year, net of tax	-	209,709	-	209,709
Total comprehensive income for the half-year	-	209,709	3,759,988	3,969,697
<i>Transactions with owners in their capacity as owners:</i>				
Lapsed options transferred to accumulated losses	-	(510,000)	510,000	-
Balance at 31 December 2022	<u>39,992,575</u>	<u>212,973</u>	<u>(26,881,144)</u>	<u>13,324,404</u>

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	40,072,575	114,934	(24,183,979)	16,003,530
Loss after income tax expense for the half-year	-	-	(2,107,839)	(2,107,839)
Other comprehensive income for the half-year, net of tax	-	18,434	-	18,434
Total comprehensive income for the half-year	-	18,434	(2,107,839)	(2,089,405)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 8)	61,600	-	-	61,600
Share-based payments (note 12)	-	432,900	-	432,900
Balance at 31 December 2023	<u>40,134,175</u>	<u>566,268</u>	<u>(26,291,818)</u>	<u>14,408,625</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

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Rectifier Technologies Ltd and Controlled Entities
Consolidated statement of cash flows
For the half-year ended 31 December 2023



	Note	Consolidated	Consolidated
		31 Dec 2023	31 Dec 2022
		\$	\$
Cash flows from operating activities			
Receipts from customers		8,642,450	15,040,469
Payments to suppliers and employees		(5,604,957)	(11,603,488)
Interest received		41,878	48,975
Finance costs		(143,295)	(137,083)
Income taxes paid		(416,962)	-
		<u>2,519,114</u>	<u>3,348,873</u>
Net cash from operating activities			
Cash flows from investing activities			
Payments for plant and equipment		(461,500)	(193,928)
Payments for intangibles		(6,071)	-
		<u>(467,571)</u>	<u>(193,928)</u>
Net cash used in investing activities			
Cash flows from financing activities			
Proceeds from issue of shares	8	61,600	-
Proceeds from borrowings		7,327,132	446,917
Repayment of borrowings		(11,539,828)	(3,111,475)
Repayment of lease liabilities		(124,200)	(109,945)
		<u>(4,275,296)</u>	<u>(2,774,503)</u>
Net cash used in financing activities			
Net increase/(decrease) in cash and cash equivalents		(2,223,753)	380,442
Cash and cash equivalents at the beginning of the financial half-year		6,348,867	7,295,534
Effects of exchange rate changes on cash and cash equivalents		66,070	209,303
		<u>4,191,184</u>	<u>7,885,279</u>
Cash and cash equivalents at the end of the financial half-year			

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

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Note 1. General information

The financial statements cover Rectifier Technologies Ltd as a consolidated entity consisting of Rectifier Technologies Ltd ('company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year (the 'consolidated entity'). The financial statements are presented in Australian dollars, which is Rectifier Technologies Ltd's functional and presentation currency.

Rectifier Technologies Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

97 Highbury Road
Burwood, VIC 3125

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 29 February 2024.

Note 2. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity during the financial half-year ended 31 December 2023 and are not expected to have significant impact for the full financial year ending 30 June 2024.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 3. Operating segments

Identification of reportable operating segments

The consolidated entity is organised into 4 operating segments as described below. These operating segments are based on the internal reports that are reviewed and used by the executive management committee (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. The executive management committee considers the business from both a product and geographic perspective and assesses performance and allocates resources on this basis. There is no aggregation of operating segments.

Note 3. Operating segments (continued)

Segment	Description
Electronic Components	Rectifier Technologies Pacific Pty Ltd and Rectifier Technologies Malaysia Sdn Bhd which is based in Malaysia manufacture electronic components for a number of industries.
Industrial Power Supplies (Electricity generation/ distribution and Defence) ('E&D')	Rectifier Technologies Pacific Pty Ltd and Rectifier Technologies Malaysia Sdn Bhd manufacture and distribute rectifiers, controllers, accessories and complete systems for the power generation, distribution industries and defence. Rectifier Technologies Singapore Pte Ltd only focuses on distribution.
Industrial Power Supplies (Transport and Telecommunication) ('T&T')	Rectifier Technologies Pacific Pty Ltd and Rectifier Technologies Malaysia Sdn Bhd manufacture and distribute power supplies for the transport industries and telecommunications. Rectifier Technologies Singapore Pte Ltd only focuses on distribution.
Industrial Power Supplies (Electric vehicles) ('EV')	Rectifier Technologies Pacific Pty Ltd, Rectifier Technologies Singapore Pte Ltd and Rectifier Technologies Malaysia Sdn Bhd manufacture and distribute electric vehicle charges, battery charges and power supplies for a number of industries. Rectifier Technologies Singapore Pte Ltd only focuses on distribution.

The CODM reviews earnings before interest, tax, depreciation and amortisation ('EBITDA'). This measure excludes non-recurring expenditure such as restructuring costs, impairments and share-based payments as well as interest revenue and interest expense and other items which are considered part of the corporate treasury function. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis. Refer to note 4 for geographic information.

Intersegment transactions

Intersegment transactions were made at market rates. Inter-segment revenue comprises sales between segments which are on arm's length terms. Intersegment transactions are eliminated on consolidation.

Intersegment receivables, payables and loans

Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

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Note 3. Operating segments (continued)

Operating segment information

	Electronic components \$	Industrial power supplies (E&D) \$	Industrial power supplies (T&T) \$	Industrial power supplies (EV) \$	Eliminations/Corporate \$	Total \$
Consolidated - 31 Dec 2023						
Revenue						
Sales to external customers	12,984	2,452,834	645,226	4,123,602	-	7,234,646
Total revenue	<u>12,984</u>	<u>2,452,834</u>	<u>645,226</u>	<u>4,123,602</u>	<u>-</u>	<u>7,234,646</u>
EBITDA	<u>1,373</u>	<u>259,534</u>	<u>68,271</u>	<u>436,318</u>	<u>(2,187,478)</u>	<u>(1,421,982)</u>
Depreciation and amortisation						(516,418)
Finance costs						(143,295)
Loss before income tax expense						<u>(2,081,695)</u>
Income tax expense						(26,144)
Loss after income tax expense						<u>(2,107,839)</u>
Assets						
Segment assets	98,867	18,677,785	4,913,257	31,400,317	(22,041,673)	33,048,553
Total assets						<u>33,048,553</u>
Liabilities						
Segment liabilities	72,746	13,743,335	3,615,232	23,104,726	(21,896,111)	18,639,928
Total liabilities						<u>18,639,928</u>
Consolidated - 31 Dec 2022						
Revenue						
Sales to external customers	94,035	2,642,637	802,827	15,730,211	-	19,269,710
Total revenue	<u>94,035</u>	<u>2,642,637</u>	<u>802,827</u>	<u>15,730,211</u>	<u>-</u>	<u>19,269,710</u>
EBITDA	<u>27,785</u>	<u>780,846</u>	<u>237,219</u>	<u>4,647,959</u>	<u>(749,437)</u>	<u>4,944,372</u>
Depreciation and amortisation						(312,233)
Finance costs						(138,817)
Profit before income tax expense						<u>4,493,322</u>
Income tax expense						(733,334)
Profit after income tax expense						<u>3,759,988</u>
Consolidated - 30 Jun 2023						
Assets						
Segment assets	225,281	5,271,343	1,678,258	33,771,962	(5,757,948)	35,188,896
Total assets						<u>35,188,896</u>
Liabilities						
Segment liabilities	135,044	3,159,888	1,006,026	20,244,479	(5,360,071)	19,185,366
Total liabilities						<u>19,185,366</u>

Note 4. Revenue

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$	\$
Sale of goods	7,195,615	19,240,558
After sales services	39,031	29,152
	<u>7,234,646</u>	<u>19,269,710</u>

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$	\$
<i>Geographical regions</i>		
Australia	1,172,365	13,505,401
Asia	1,369,996	1,265,008
North America	2,602,739	1,112,198
South America	5,363	64,278
Europe	2,074,575	3,322,825
Oceania	9,608	-
	<u>7,234,646</u>	<u>19,269,710</u>
<i>Timing of revenue recognition</i>		
Goods transferred at a point in time	<u>7,234,646</u>	<u>19,269,710</u>

Note 5. Inventories

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
<i>Current assets</i>		
Raw materials - at cost	11,224,618	7,733,327
Work in progress - at cost	45,618	3,902,940
Finished goods - at cost	8,088,196	6,812,400
	<u>19,358,432</u>	<u>18,448,667</u>

Inventories are recognised net of a provision for obsolescence of \$910,549 (30 June 2023: \$754,168) as at 31 December 2023.

Note 6. Trade and other payables

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
<i>Current liabilities</i>		
Trade payables	766,527	2,338,110
Customer deposits	9,612,589	3,688,891
Sundry creditors and accrued expenses	680,006	1,250,465
	<u>11,059,122</u>	<u>7,277,466</u>

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Note 7. Borrowings

	Consolidated 31 Dec 2023 \$	30 Jun 2023 \$
<i>Current liabilities</i>		
Bank loans	137,906	952,229
<i>Non-current liabilities</i>		
Bank loans	2,099,542	5,523,972
	<u>2,237,448</u>	<u>6,476,201</u>

In September 2023, the loans from WBC with the carrying amount of \$1,655,445 and \$2,488,907 as of 30 June 2023 were fully paid.

Note 8. Issued capital

	31 Dec 2023 Shares	30 Jun 2023 Shares	Consolidated 31 Dec 2023 \$	30 Jun 2023 \$
Ordinary shares - fully paid	<u>1,382,780,602</u>	<u>1,379,700,602</u>	<u>40,134,175</u>	<u>40,072,575</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2023	1,379,700,602		40,072,575
Issuance of shares on the exercise of options	10 October 2023	3,080,000	\$0.0200	61,600
Balance	31 December 2023	<u>1,382,780,602</u>		<u>40,134,175</u>

Note 9. Reserves

	Consolidated 31 Dec 2023 \$	30 Jun 2023 \$
Foreign currency reserve	133,368	114,934
Share-based payments reserve	432,900	-
	<u>566,268</u>	<u>114,934</u>

Movements in reserves

Movements in each class of reserve during the current financial half-year are set out below:

Consolidated	Foreign currency reserves \$	Share-based payments \$	Total \$
Balance at 1 July 2023	114,934	-	114,934
Foreign currency translation	18,434	-	18,434
Share-based payments	-	432,900	432,900
Balance at 31 December 2023	<u>133,368</u>	<u>432,900</u>	<u>566,268</u>

Note 10. Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 11. Contingent liabilities

The consolidated entity had no contingent liabilities as at 31 December 2023 and 30 June 2023.

Note 12. Share-based payments

A share option plan has been established by the consolidated entity and approved by shareholders at a general meeting, whereby the consolidated entity may, at the discretion of the Board, grant options over ordinary shares in the Company to certain key management personnel of the consolidated entity. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Board.

On 15 August 2023, the Company granted 37,000,000 share options of its common stock to employees under its Employee Share Option Plan (ESOP) at an exercise price of \$0.06. Options under this plan vest immediately allowing the holder to purchase one ordinary share per option, exercisable in multiples of 100,000. The maximum term of the options granted under the ESOP ends on 15 August 2025. The weighted average fair value of options granted has been calculated as \$0.0177 per option. All granted employee options were immediately recognised as an expense in the statement of profit or loss with a corresponding credit to share option reserve for the value of \$432,900 for the half-year period ended 31 December 2023.

This value was calculated by using the Black-Scholes Pricing model applying the following inputs:

	Number of options 31 Dec 2023
Outstanding at the beginning of the financial half-year	8,840,000
Granted	37,000,000
Exercised	<u>(3,080,000)</u>
Outstanding at the end of the financial half-year	<u><u>42,760,000</u></u>

For the options granted during the current financial half-year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
15/08/2023	15/08/2025	\$0.0490	\$0.0600	77.00%	-	4.00%	\$0.0117

Note 13. Events after the reporting period

No matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Rectifier Technologies Ltd and Controlled Entities
Directors' declaration
31 December 2023

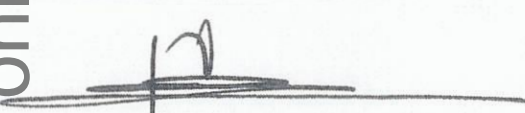


In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors



Ying Ming Wang
Director

29 February 2024
Melbourne

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Independent Auditor's Review Report

To the Members of Rectifier Technologies Limited

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Rectifier Technologies Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a description of accounting policies, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Rectifier Technologies Limited does not comply with the *Corporations Act 2001* including:

- a giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- b complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibility for the half-year financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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



Grant Thornton Audit Pty Ltd
Chartered Accountants



T S Jackman
Partner – Audit & Assurance
Melbourne, 29 February 2024