

# Rectifier Technologies Ltd

ABN 82 058 010 692

## Appendix 4E Preliminary Final Report - 30 June 2024

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## 1. Company details

Name of entity:	Rectifier Technologies Ltd
ABN:	82 058 010 692
Reporting period:	For the year ended 30 June 2024
Previous period:	For the year ended 30 June 2023

## 2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	37.7% to	24,801,111
Profit before income tax	down	95.5% to	389,668
Profit from ordinary activities after tax attributable to the owners of Rectifier Technologies Ltd	down	88.3% to	753,021
Profit for the year attributable to the owners of Rectifier Technologies Ltd	down	88.3% to	753,021

### Dividends

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

### Comments

The consolidated entity achieved an after-tax profit of \$753,021 for the current period, marking a significant recovery from the half-year after-tax loss of \$2.1 million. This positive outcome underscores the effectiveness of our strategic initiatives and the resilience of our business model.

Despite the slower momentum in the 2024 financial year, primarily due to delays in EV charger infrastructure construction and the subsequent impact on charger deployment, as well as a major customer's financial difficulties affecting our delivery schedule, we remain confident that these challenges are temporary. Early indicators of market recovery are emerging, reinforcing our optimistic outlook for the future.

Our dedication to continuous improvement is further exemplified by the substantial progress made in our Digital Enterprise Transformation initiative. The successful completion of the second phase of our ERP implementation has integrated the entire consolidated entity onto a unified platform, positioning us to enhance operational efficiencies and streamline processes across the organization.

On 29 November 2023, the Company's shares were temporarily suspended from ASX quotation following the resignation of all but one director, resulting in non-compliance with section 201A(2) of the Corporations Act. This issue was promptly addressed, and full compliance was restored on 6 December 2023, with the appointment of Mr. Trevor Fox, Mr. Philippe Compagnon, and Dr. Deng Mu as independent non-executive directors, alongside Mr. Zorn Wong as an executive director. The suspension was officially lifted on 25 March 2024.

As we move forward, the Company remains focus on the E-Mobility sector while also looking to explore opportunities in the new energy market. We are committed to aligning our strategic product development priorities with the evolving market demands to ensure sustained growth and long-term success.

## 3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>1.20</u>	<u>1.16</u>

**4. Control gained over entities**

Not applicable.

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**5. Loss of control over entities**

Not applicable.

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**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.

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**8. Details of associates and joint venture entities**

Not applicable.

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**9. Foreign entities**

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

Not applicable.

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**10. Audit qualification or review**

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

The financial statements are in the process of being audited and an unmodified opinion is expected to be issued.

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**11. Attachments**

*Details of attachments (if any):*

The Appendix 4E Preliminary Final Report of Rectifier Technologies Ltd for the year ended 30 June 2024 is attached.

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12. Signed

As authorised by the Board of Directors

Signed           Zorn          

Date: 30 August 2024

(Zorn Wong) Zong Xu Wang  
Director  
Melbourne

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**Rectifier Technologies Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2024**



	Note	Consolidated 2024 \$	2023 \$
<b>Revenue</b>	1	24,386,965	39,428,363
Other income	2	292,986	279,677
Interest revenue		121,160	100,557
<b>Expenses</b>			
Changes in inventories of finished goods and work in progress		(5,730,155)	8,412,399
Raw materials and consumables used		(5,746,531)	(24,036,255)
Professional and compliance expense		(1,501,540)	(1,000,624)
Employee benefits expense		(8,202,773)	(8,784,246)
Subcontractor expense		-	(1,676,953)
Depreciation expense	3	(1,025,303)	(747,061)
Share options expense		(432,900)	-
Other expenses	3	(1,532,081)	(3,061,341)
Finance costs	3	(240,160)	(215,977)
<b>Profit before income tax (expense)/benefit</b>		389,668	8,698,539
Income tax (expense)/benefit		363,353	(2,241,386)
<b>Profit after income tax (expense)/benefit for the year attributable to the owners of Rectifier Technologies Ltd</b>		753,021	6,457,153
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		11,341	111,670
Other comprehensive income for the year, net of tax		11,341	111,670
<b>Total comprehensive income for the year attributable to the owners of Rectifier Technologies Ltd</b>		764,362	6,568,823
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	7	0.05	0.47
Diluted earnings per share	7	0.05	0.47

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

**Rectifier Technologies Ltd**  
**Statement of financial position**  
**As at 30 June 2024**



	Note	Consolidated 2024 \$	2023 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		7,343,079	6,348,867
Trade and other receivables		3,305,862	2,970,669
Inventories	4	14,229,293	18,448,667
Current tax assets		1,006,280	630,655
<b>Total current assets</b>		<u>25,884,514</u>	<u>28,398,858</u>
<b>Non-current assets</b>			
Property, plant and equipment		5,008,504	5,292,905
Right-of-use assets		417,905	592,662
Intangibles		109,030	104,772
Deferred tax assets		823,698	799,699
<b>Total non-current assets</b>		<u>6,359,137</u>	<u>6,790,038</u>
<b>Total assets</b>		<u>32,243,651</u>	<u>35,188,896</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		9,005,460	7,277,466
Contract liabilities		552,927	452,941
Borrowings		141,563	952,229
Lease liabilities		208,414	228,492
Current tax liabilities		1,452,036	2,296,033
Employee benefits		849,280	1,101,778
Provisions		179,889	214,737
<b>Total current liabilities</b>		<u>12,389,569</u>	<u>12,523,676</u>
<b>Non-current liabilities</b>			
Contract liabilities		83,237	442,353
Borrowings		2,040,229	5,523,972
Lease liabilities		254,183	423,835
Deferred tax liabilities		166,987	220,664
Employee benefits		47,054	50,866
<b>Total non-current liabilities</b>		<u>2,591,690</u>	<u>6,661,690</u>
<b>Total liabilities</b>		<u>14,981,259</u>	<u>19,185,366</u>
<b>Net assets</b>		<u>17,262,392</u>	<u>16,003,530</u>
<b>Equity</b>			
Issued capital	5	40,134,175	40,072,575
Reserves	6	559,175	114,934
Accumulated losses		(23,430,958)	(24,183,979)
<b>Total equity</b>		<u>17,262,392</u>	<u>16,003,530</u>

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

**Rectifier Technologies Ltd**  
**Statement of changes in equity**  
**For the year ended 30 June 2024**



<b>Consolidated</b>	<b>Issued capital</b> \$	<b>Reserves</b> \$	<b>Accumulated losses</b> \$	<b>Total equity</b> \$
Balance at 1 July 2022	39,992,575	513,264	(31,151,132)	9,354,707
Profit after income tax expense for the year	-	-	6,457,153	6,457,153
Other comprehensive income for the year, net of tax	-	111,670	-	111,670
<b>Total comprehensive income for the year</b>	-	111,670	6,457,153	6,568,823
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 5)	80,000	-	-	80,000
Lapsed options transferred to accumulated losses	-	(510,000)	510,000	-
<b>Balance at 30 June 2023</b>	<b>40,072,575</b>	<b>114,934</b>	<b>(24,183,979)</b>	<b>16,003,530</b>

<b>Consolidated</b>	<b>Issued capital</b> \$	<b>Reserves</b> \$	<b>Accumulated losses</b> \$	<b>Total equity</b> \$
Balance at 1 July 2023	40,072,575	114,934	(24,183,979)	16,003,530
Profit after income tax benefit for the year	-	-	753,021	753,021
Other comprehensive income for the year, net of tax	-	11,341	-	11,341
<b>Total comprehensive income for the year</b>	-	11,341	753,021	764,362
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 5)	61,600	-	-	61,600
Share-based payments	-	432,900	-	432,900
<b>Balance at 30 June 2024</b>	<b>40,134,175</b>	<b>559,175</b>	<b>(23,430,958)</b>	<b>17,262,392</b>

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

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**Rectifier Technologies Ltd**  
**Statement of cash flows**  
**For the year ended 30 June 2024**



	<b>Note</b>	<b>Consolidated 2024 \$</b>	<b>2023 \$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers		24,392,944	42,350,085
Payments to suppliers and employees		(17,524,269)	(42,141,752)
Interest received		121,160	100,557
Finance costs		(240,160)	(215,977)
Income taxes refunded/(paid)		(858,822)	(993,529)
Net cash from/(used in) operating activities	8	<u>5,890,853</u>	<u>(900,616)</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(537,915)	(1,053,428)
Payments for intangibles		(7,919)	(1,984)
Net cash used in investing activities		<u>(545,834)</u>	<u>(1,055,412)</u>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	5	61,600	80,000
Proceeds from borrowings		7,327,132	9,230,085
Repayment of borrowings		(11,608,760)	(8,027,872)
Repayment of lease liabilities		(241,806)	(252,931)
Net cash from/(used in) financing activities		<u>(4,461,834)</u>	<u>1,029,282</u>
Net increase/(decrease) in cash and cash equivalents		883,185	(926,746)
Cash and cash equivalents at the beginning of the financial year		6,348,867	7,295,534
Effects of exchange rate changes on cash and cash equivalents		111,027	(19,921)
Cash and cash equivalents at the end of the financial year		<u><u>7,343,079</u></u>	<u><u>6,348,867</u></u>

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

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**Note 1. Revenue**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	\$	\$
Sale of goods	24,344,925	39,385,193
After sales services	42,040	43,170
	<u>24,386,965</u>	<u>39,428,363</u>
Revenue	<u><u>24,386,965</u></u>	<u><u>39,428,363</u></u>

*Disaggregation of revenue*

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

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	\$	\$
<i>Timing of revenue recognition</i>		
Goods transferred at a point in time	24,344,925	39,385,193
Services transferred over time	42,040	43,170
	<u>24,386,965</u>	<u>39,428,363</u>

**Note 2. Other income**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	\$	\$
Government grants	89,061	222,726
Other	203,925	56,951
	<u>292,986</u>	<u>279,677</u>
Other income	<u><u>292,986</u></u>	<u><u>279,677</u></u>

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**Note 3. Expenses**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	\$	\$
Profit before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Building	8,796	8,948
Leasehold improvement	130,839	23,627
Plant and equipment	642,765	478,567
Motor vehicle	1,074	2,515
Building right-of-use assets	225,729	207,964
Plant and equipment right-of-use assets	-	16,959
Motor vehicle right-of-use assets	12,439	6,040
	<u>1,021,642</u>	<u>744,620</u>
<i>Amortisation</i>		
Software	3,661	2,441
	<u>1,025,303</u>	<u>747,061</u>
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings	205,196	177,746
Interest and finance charges paid/payable on lease liabilities	34,964	38,231
	<u>240,160</u>	<u>215,977</u>
<i>Superannuation expense</i>		
Defined contribution superannuation expense	856,977	798,005
	<u>856,977</u>	<u>798,005</u>
<i>Other expenses</i>		
Premise expense	512,772	567,537
Handling and forwarding expense	3,662	627,711
Research and development expense	355,590	382,318
Foreign exchange loss	189,076	745,490
Other	470,981	738,285
	<u>1,532,081</u>	<u>3,061,341</u>

**Note 4. Inventories**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	\$	\$
<i>Current assets</i>		
Raw materials	9,786,214	7,733,327
Work in progress	319,074	3,902,940
Finished goods	4,124,005	6,812,400
	<u>14,229,293</u>	<u>18,448,667</u>

Inventories are recognised net of a provision for obsolescence of \$735,565 (2023: \$754,168) as at 30 June 2024.

## Note 5. Issued capital

	2024 Shares	Consolidated 2023 Shares	2024 \$	2023 \$
Ordinary shares - fully paid	1,382,780,602	1,379,700,602	40,134,175	40,072,575

### Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2022	1,375,700,602		39,992,575
Issuance of shares on the exercise of options	9 June 2023	4,000,000	\$0.020	80,000
Balance	30 June 2023	1,379,700,602		40,072,575
Issuance of shares on the exercise of options	10 October 2023	3,080,000	\$0.020	61,600
Balance	30 June 2024	1,382,780,602		40,134,175

## Note 6. Reserves

	Consolidated 2024 \$	2023 \$
Foreign currency reserve	126,275	114,934
Share-based payments reserve	432,900	-
	<u>559,175</u>	<u>114,934</u>

### Movements in reserves

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

Consolidated	Foreign currency reserve \$	Share-based payments reserve \$	Total \$
Balance at 1 July 2022	3,264	510,000	513,264
Foreign currency translation	111,670	-	111,670
Lapsed options transferred to accumulated losses	-	(510,000)	(510,000)
Balance at 30 June 2023	114,934	-	114,934
Foreign currency translation	11,341	-	11,341
Share-based payments	-	432,900	432,900
Balance at 30 June 2024	<u>126,275</u>	<u>432,900</u>	<u>559,175</u>

## Note 7. Earnings per share

	Consolidated 2024 \$	2023 \$
Profit after income tax attributable to the owners of Rectifier Technologies Ltd	<u>753,021</u>	<u>6,457,153</u>

**Note 7. Earnings per share (continued)**

	Number	Number
The weighted average number of ordinary shares used in calculating basic earnings per share	1,381,930,656	1,379,700,602
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	<u>42,760,000</u>	<u>8,840,000</u>
The weighted average number of ordinary shares used in calculating diluted earnings per share	<u>1,424,690,656</u>	<u>1,388,540,602</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	0.05	0.47
Diluted earnings per share	0.05	0.47

**Note 8. Reconciliation of profit after income tax to net cash from/(used in) operating activities**

	Consolidated 2024 \$	2023 \$
Profit after income tax (expense)/benefit for the year	753,021	6,457,153
Adjustments for:		
Depreciation and amortisation	1,025,303	747,061
Share-based payments	432,900	-
Provision for stock obsolescence	(30,090)	51,184
Unrealised currency (gain)/loss	(532,218)	517,435
Net loss/(gain) on sale/acquisition of assets	1,376	31,946
Change in operating assets and liabilities:		
Increase in trade and other receivables	(335,193)	(1,344,213)
Decrease/(increase) in inventories	4,695,346	(12,621,972)
Decrease/(increase) in income tax refund due	(375,625)	103,495
Increase/(decrease) in net deferred tax assets	(77,676)	(349,446)
Increase in trade and other payables	1,727,994	1,727,545
Increase/(decrease) in contract liabilities	(259,130)	895,294
Increase/(decrease) in provision for income tax	(843,997)	2,506,483
Increase/(decrease) in employee benefits	(256,310)	162,682
Increase/(decrease) in other provisions	<u>(34,848)</u>	<u>214,737</u>
Net cash from/(used in) operating activities	<u>5,890,853</u>	<u>(900,616)</u>

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