



RECTIFIER TECHNOLOGIES

RECTIFIER TECHNOLOGIES LTD
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31 August 2018

Results for Announcement to the Market

The directors of Rectifier Technologies Limited announce a summary of the group consolidated results for the financial year ended 30 June 2018. In summary:

- The total revenues increased by approximately 16.06%, to \$8.0 million compared to \$6.9 million in the previous reporting period.
- The increase in sales during the year to 30 June 2018 was due to the improving sales of some of our key products used in the industrial power supplies, particularly in the electric vehicle (EV) market. The EV market has contributed \$1.5 million to sales in the current reporting period compared \$167K to sales in the previous reporting period. The company expects sales from these products to continue improving in the 2019 financial year.
- Profit after tax was \$612K compared to a profit of \$428K in the previous reporting period. The increase in profit after tax is primarily due to the increase in sales during the year.

The Appendix 4E – Preliminary Final Report is presented below.

Appendix 4E

Preliminary final report

1. Company details

RECTIFIER TECHNOLOGIES LIMITED

ABN

82 058 010 692

Financial year ended ('current period')

30 JUNE 2018

Financial year ended ('previous period')

30 JUNE 2017

2. For announcement to the market

\$A'000

\$A 000

2.1 Revenues from continuing operations	UP	16.06%	To	\$7,986
2.2 Profit (loss) from continuing operations after tax attributable to members	UP	42.99%	To	\$612
2.3 Net profit (loss) for the period attributable to members	UP	42.99%	To	\$612
2.4 Dividends	Amount per security		Franked amount per security	
No dividends declared or paid				
2.5 Record date for determining entitlements to the dividend.	No dividends declared or paid			
2.6 Brief explanation of any of the figures reported above necessary to enable the figures to be understood.				
Please refer to Review of Operations at front cover page and for a detailed explanation.				

3. Condensed consolidated Statement of Comprehensive Income

	Current period - \$A'000	Previous corresponding period - \$A'000
Revenues from continuing operations	7,986	6,881
Expenses from continuing operations	(7,286)	(6,604)
Finance costs	(80)	(19)
Profit (loss) from continuing operations before tax	620	258
Income tax benefit/(expense)	(8)	170
Profit (loss) from continuing operations after tax	612	428
Profit (loss) from extraordinary items after tax	-	-
Net profit (loss)	612	428
Net profit (loss) attributable to outside equity interests	-	-
Net profit (loss) for the period attributable to members	612	428
Non-owner transaction changes in equity		
Increase in revaluation reserves	-	-
Net exchange differences recognised in equity	-	-
Other revenue, expense and initial adjustments recognised directly in equity (attach details)	11	(31)
	-	-
Total transactions and adjustments recognised directly in equity	11	(31)
Total changes in equity not resulting from transactions with owners as owners	623	397

Notes to condensed consolidated Statement of Comprehensive Income

3.1 Revenue and expenses from continuing operations

	Current period - \$A'000	Previous corresponding period - \$A'000
Revenue from sales or services	7,194	6,469
Interest revenue	11	2
Other income:		
R&D tax rebate	644	459
Profit/(Loss) on sale of non-current assets	-	-
Net foreign exchange gain/(Loss)	137	(49)
Details of relevant expenses:		
Changes in inventories	(2,155)	(1,805)
Employee benefits	(3,791)	(3,034)
Depreciation and amortisation	(130)	(59)
Finance costs	(80)	(19)
Other expenses	(1,210)	(1,706)

3.2 Significant features of operating performance

	Current period - \$A'000	Previous corresponding period - \$A'000
<i>Expenses from continuing operations includes:</i>		
Equity settled share based payments	-	720
Research & development costs	1,565	1,200

3.3 Extraordinary Items

N/A

3.4 Other Disclosures in accordance with AASB 101

	Current period - \$A'000	Previous corresponding period - \$A'000
Net gain/(loss) on disposal of non-current assets	-	-
Net revenue/(expense) since the beginning of the reporting period resulting from deductions from the carrying amounts of assets:		
- depreciation of non-current assets	(130)	(59)
- doubtful and bad debts	-	-
- inventory write-downs	(181)	(177)

4. Condensed consolidated Statement of Financial Position

	At end of current period \$A'000	As shown in last annual report \$A'000
Current assets		
Cash and cash equivalents	2,183	2,628
Trade and other receivables	1,424	1,464
Inventories	2,722	2,069
Current tax assets	514	514
Total current assets	6,843	6,675
Non-current assets		
Property, plant and equipment (net)	2,746	2,154
Trade and other receivables	-	-
Deferred Tax Assets	261	261
Total non-current assets	3,007	2,415
Total assets	9,850	9,090
Current liabilities		
Trade and other payables	1,642	1,472
Borrowings	92	65
Provisions exc. tax liabilities	354	392
Provisions for tax liabilities	-	51
Total current liabilities	2,088	1,980
Non current liabilities		
Trade and other payables	-	-
Borrowings	1,703	1,673
Deferred tax liabilities	-	-
Provisions exc. tax liabilities	56	57
Total non-current liabilities	1,759	1,730
Total liabilities	3,847	3,710
Net assets	6,003	5,380
Equity		
Capital/contributed equity	39,817	39,817
Retained profits / (accumulated losses)	(33,864)	(34,476)
Reserves	50	39
Equity attributable to members of the parent entity	6,003	5,380
Total equity	6,003	5,380

4.1 Condensed consolidated Statement of Changes in Equity

	At end of current period \$A'000	As shown in last annual report \$A'000
Total Equity at beginning of year	5,380	4,108
Add: Net Profit for the year	612	428
Add: Other comprehensive income	11	(31)
Add: Share Issue	-	875
Less: Dividends paid during year	-	-
Total Equity at end of year	6,003	5,380

5. Condensed consolidated Statement of Cash Flow

	Current period \$A'000	Previous corresponding period - \$A'000
Cash flows related to operating activities		
Receipts from customers	7,059	6,935
Payments to suppliers and employees	(7,002)	(5,618)
Interest and other items of similar nature received	11	1
Interest and other costs of finance paid	(64)	(18)
Income taxes paid	(109)	(83)
Net operating cash flows	(105)	1,217
Cash flows related to investing activities		
Payment for purchases of property, plant and equipment	(498)	(1,861)
Proceeds from sales of property, plant and equipment	1	-
Payment for registration of new company	-	-
Net investing cash flows	(497)	(1,861)
Cash flows related to financing activities		
Proceeds from share issue	-	155
Proceeds from debt	-	1,604
Repayment of borrowings	(31)	(9)
Net financing cash flows	(31)	1,750
Net increase (decrease) in cash held	(632)	1,106
Cash at beginning of period	2,628	1,635
Effect of exchange rates on cash holdings in foreign currencies	188	(113)
Cash at end of period	2,183	2,628

5.1 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.

N/A

5.2 Reconciliation of cash and cash equivalents

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current period \$A'000	Previous corresponding Period - \$A'000
Cash on hand and at bank	2,183	2,628
Total cash at end of period	2,183	2,628

5.3. Reconciliation of profit from ordinary activities after income tax to net cash inflow from operating activities

	Current period \$A'000	Previous corresponding period - \$A'000
Operating profit/(loss) after income tax	612	427
Depreciation and amortisation	130	59
Provision for stock obsolescence	(1)	(91)
Net (profit)/loss on sale of non-current assets	19	-
Capitalised interest	-	-
Share based expense	-	720
Unrealised foreign currency gains / (losses)	(88)	50
Change in operating assets and liabilities		
Decrease/(increase) in trade debtors	(338)	132
Decrease/(increase) in other debtors / prepayments	131	(524)
Decrease/(Increase) in inventories	(569)	13
(Decrease)/increase in trade creditors	141	615
(Decrease)/increase in other creditors and accruals	(1)	-
(Decrease)/increase in provision for income tax payable	(102)	(265)
(Decrease)/increase in provisions	(39)	81
Net cash inflow from operating activities	(105)	1,217

6. Dividends

6.1 Amount per security

	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	-	-	-

6.2 Total dividend per security (interim *plus* final)

	Current year	Previous year
Ordinary securities	-	-

7. Dividend Reinvestment Plans

At 30 June 2018 there was no dividend reinvestment plan in operation for Rectifier Technologies Limited

Any other disclosures in relation to dividends.

N/A

8. Consolidated retained profits

	Current period - \$A'000	Previous corresponding period - \$A'000
Retained profits (accumulated losses) at the beginning of the financial period	(34,476)	(34,904)
Net profit (loss) attributable to members	612	428
Dividends and other equity distributions paid	-	-
Retained profits (accumulated losses) at end of financial period	(33,864)	(34,476)

9. NTA backing per ordinary security

Current period	Previous corresponding Period
0.44cents	0.39cents

10. Control gained over entities having material effect

Name of entity (or group of entities)

N/A

Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) since the date in the current period on which control was ⁺acquired

\$

Date from which such profit has been calculated

Profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period

\$

10.1 Loss of control of entities having material effect

Name of entity (or group of entities)

N/A

Contribution to consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the current period to the date of loss of control

Date to which the profit (loss) in item 14.2 has been calculated

Contribution to consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) while controlled during the whole of the previous corresponding period

Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control

11. Details of associates and joint venture entities

N/A

12. Other significant information

N/A

13. Accounting standards used in foreign entities

N/A

14. Commentary on results for the period

14.1 Earnings per security (EPS)

	Current period	Previous corresponding Period
Basic EPS	0.05cents	0.03cents
Diluted EPS	0.04cents	0.03cents

14.2 Review of Operations

The company has reported a profit of \$612K for the 2018 financial year, the increase in profit compared to the 2017 financial year was a result of an increase in sales within the electric vehicle market.

In the 2019 financial year, the company expects the increase in sales to continue with new products released to market which are expected to strengthen the company's financial position and further improve financial performance.

15. This report is based on ⁺accounts to which one of the following applies.

☐

The ⁺accounts have been audited.

☐

The ⁺accounts have been subject to review.



The ⁺accounts are in the process of being audited or subject to review.

☐

The ⁺accounts have *not* yet been audited or reviewed.

16. 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

N/A

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

N/A

By electronic lodgement



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Company Secretary - Justyn Stedwell – 31/08/2018