

31 August 2020

Australian Securities Exchange
Company Announcements Platform
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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 2020.

In summary:

- The total revenues decreased by approximately 11.33% to \$16.7 million compared to \$18.9 million in the previous reporting period.
- The decrease in sales during the year to 30 June 2020 was due to the impact from COVID-19 pandemic. The Government in each our operating jurisdiction has imposed restriction on movement to protect safety of general public, particularly in Malaysia, our factory has been shut down in the middle of March and was resumed to operate with a limited capacity in April and fully operating from May onwards.
- The Company reported a profit before tax of \$3.1 million compared to a profit of approximate \$3.3 million in the previous reporting period despite the global economics negatively impacted by COVID-19. However, the Company was able to report a profit with supported from the Governments in each operating jurisdiction, financial institutions, key stakeholders and our own reserves. The effective plan enables us to mitigate risk exposure.
- The Company expects sales from our legacy market and electric vehicle charging market to continue improving in the 2021 financial year.

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

Yours faithfully,
Justyn Stedwell
Company Secretary

Appendix 4E

Preliminary final report

1. Company details

RECTIFIER TECHNOLOGIES LIMITED

ABN	Financial year ended ('current period')	Financial year ended ('previous period')
82 058 010 692	30 JUNE 2020	30 JUNE 2019

2. For announcement to the market

				\$A'000
2.1 Revenues from continuing operations	Down	11.33%	To	\$16,735
2.2 Profit (loss) from continuing operations after tax attributable to members	Down	12.88%	To	\$1,853
2.3 Net profit (loss) for the period attributable to members	Down	12.88%	To	\$1,853
2.4 Dividends		Amount per security		Franked amount per security
Dividends declared subsequent to financial year end		0.1 cent		0.1 cent
2.5 Record date for determining entitlements to the dividend.	30 October 2020			
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	16,735	18,874
Expenses from continuing operations	(13,462)	(15,384)
Finance costs	(188)	(151)
Profit (loss) from continuing operations before tax	3,085	3,339
Income tax benefit/(expense)	(1,232)	(1,212)
Profit (loss) from continuing operations after tax	1,853	2,127
Profit (loss) from extraordinary items after tax	-	-
Net profit (loss)	1,853	2,127
Net profit (loss) attributable to outside equity interests	-	-
Net profit (loss) for the period attributable to members	1,853	2,127
Non-owner transaction changes in equity		
Increase in revaluation reserves	-	-
Net exchange differences recognised in equity	(135)	52
Other revenue, expense and initial adjustments recognised directly in equity (attach details)	-	-
Total transactions and adjustments recognised directly in equity	(135)	52
Total changes in equity not resulting from transactions with owners as owners	1,718	2,179

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	15,860	17,726
Interest revenue	12	15
Other income:		
R&D tax rebate	606	612
Foreign exchange gain	-	388
Sundry income	257	133
Details of relevant expenses:		
Changes in inventories	(5,804)	(7,893)
Employee benefits	(5,730)	(5,402)
Depreciation and amortisation	(503)	(257)
Finance costs	(188)	(151)
Other expenses	(1,425)	(1,832)

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	630	-
Research & development costs	1,393	1,393

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	(63)	-
Net revenue/(expense) since the beginning of the reporting period resulting from deductions from the carrying amounts of assets:		
- depreciation of non-current assets	(503)	(257)
- doubtful and bad debts	-	-
- inventory write-downs	(52)	(387)

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	6,874	2,834
Trade and other receivables	1,676	1,432
Inventories	2,555	5,578
Current tax assets	727	494
Total current assets	11,832	10,338
Non-current assets		
Property, plant and equipment (net)	5,652	3,671
Trade and other receivables	-	-
Deferred Tax Assets	452	216
Total non-current assets	6,104	3,887
Total assets	17,936	14,225
Current liabilities		
Trade and other payables	2,251	2,570
Borrowings	462	544
Provisions exc. tax liabilities	609	446
Provisions for tax liabilities	1,143	1,229
Total current liabilities	4,465	4,789
Non current liabilities		
Trade and other payables	-	-
Borrowings	3,430	2,089
Deferred tax liabilities	344	42
Provisions exc. tax liabilities	70	61
Total non-current liabilities	3,844	2,192
Total liabilities	8,309	6,981
Net assets	9,627	7,244
Equity		
Capital/contributed equity	39,852	39,817
Retained profits / (accumulated losses)	(30,897)	(32,750)
Reserves	672	177
Equity attributable to members of the parent entity	9,627	7,244
Total equity	9,627	7,244

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	7,244	5,065
Add: Net Profit for the year	1,853	2,127
Add: Other comprehensive income	(135)	52
Add: Share Issue	35	-
Add: Share based payment options Reserve	630	-
Less: Dividends declared during year	-	-
Total Equity at end of year	9,627	7,244

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	21,888	15,534
Payments to suppliers and employees	(15,151)	(14,562)
Interest and other items of similar nature received	12	14
Interest and other costs of finance paid	(159)	(147)
Income taxes paid	(958)	(187)
Net operating cash flows	5,632	652
Cash flows related to investing activities		
Payment for purchases of property, plant and equipment	(1,910)	(460)
Proceeds from sales of property, plant and equipment	-	-
Payment for registration of new company	-	-
Net investing cash flows	(1,910)	(460)
Cash flows related to financing activities		
Proceeds from share issue	35	-
Proceeds from debt	1,107	311
Repayment of borrowings	(533)	(168)
Net financing cash flows	609	143
Net increase (decrease) in cash held	4,331	335
Cash at beginning of period	2,834	2,184
Effect of exchange rates on cash holdings in foreign currencies	(291)	315
Cash at end of period	6,874	2,834

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	6,874	2,834
Total cash at end of period	6,874	2,834

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	1,853	2,127
Depreciation and amortisation	503	257
Provision for stock obsolescence	52	387
Net (profit)/loss on sale of non-current assets	63	-
Capitalised interest	-	-
Share based expense	630	-
Unrealised foreign currency gains / (losses)	192	(204)
Change in operating assets and liabilities		
Decrease/(increase) in trade debtors	(204)	203
Decrease/(increase) in other debtors / prepayments	(1,677)	499
Decrease/(Increase) in inventories	3,286	(3,305)
Decrease/(Increase) in deferred tax asset	-	51
(Decrease)/increase in trade creditors	585	(14)
(Decrease)/increase in other creditors and accruals	(131)	390
(Decrease)/increase in provision for income tax payable	290	165
(Decrease)/increase in provisions	190	96
Net cash inflow from operating activities	5,632	652

6. Dividends

6.1 Amount per security

	Amount per security	Franked amount per security at 27.5% 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 2020 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	(32,750)	(34,877)
Net profit (loss) attributable to members	1,853	2,127
Dividends and other equity distributions paid	-	-
Retained profits (accumulated losses) at end of financial period	(30,897)	(32,750)

9. NTA backing per ordinary security

Current period	Previous corresponding Period
0.67cents	0.53cents

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

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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

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

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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

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

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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	0.14cents	0.15cents
Diluted EPS	0.13cents	0.15cents

14.2 Review of Operations

The Company has had to adapt like many others during this COVID-19 period but supported by good business fundamentals and a strong reserve built up from profits accumulated over the past several years, impacts to our business were mitigated.

There were no retrenchments in any of our 3 main offices during this period, in fact additional engineers were recruited by our Melbourne office. We expect the growth in the foreseeable future with new products released on the way.

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 – 31/08/2020