

1. Company details

Name of entity:	Rectifier Technologies Ltd
ACN:	058 010 692
Reporting period:	For the half-year ended 31 December 2022
Previous period:	For the half-year ended 31 December 2021

2. Results for announcement to the market

			\$
Revenues from ordinary activities	up	194.0% to	19,269,710
Profit from ordinary activities after tax attributable to the owners of Rectifier Technologies Ltd	up	834.0% to	3,759,988
Profit for the half-year attributable to the owners of Rectifier Technologies Ltd	up	834.0% to	3,759,988

Dividends

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

Comments

The profit for the consolidated entity after providing for income tax amounted to \$3,759,988 (31 December 2021: \$402,557).

The consolidated entity reported an increase in the revenue by approximately 194.0% to \$19,269,710 from \$6,554,976 in the previous reporting period. Refer to the Financial Statements for commentary.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>0.952</u>	<u>0.637</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.

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

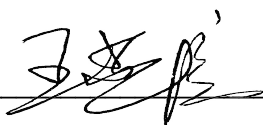
Details of attachments (if any):

The Interim Report of Rectifier Technologies Ltd for the half-year ended 31 December 2022 is attached.

12. Signed

Authorised by the Board of Directors.

Signed



Yanbin Wang
Director
Melbourne

Date: 27 February 2023

Rectifier Technologies Ltd and Controlled Entities

ACN 058 010 692

Interim Report - 31 December 2022

Rectifier Technologies Ltd and Controlled Entities

Contents

31 December 2022



Corporate directory	2
Directors' report	3
Auditor's independence declaration	4
Consolidated statement of profit or loss and other comprehensive income	5
Consolidated statement of financial position	6
Consolidated statement of changes in equity	7
Consolidated statement of cash flows	8
Notes to the consolidated financial statements	9
Directors' declaration	14
Independent auditor's review report to the members of Rectifier Technologies Ltd	15

Rectifier Technologies Ltd and Controlled Entities
Corporate directory
31 December 2022



Directors	Mr. Ying Ming Wang Mr. Yanbin Wang Mr. Valentino Vescovi Mr. Nigel Machin Mr. Nicholas Yeoh
Company secretary	Ms. Nova Taylor
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/

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 2022.

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. Yanbin Wang
Mr. Valentino Vescovi
Mr. Nigel Machin
Mr. Nicholas Yeoh (appointed on 8 December 2022)

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

Sales increased substantially in the second half-year of 2022, significantly improving overall financial performance. A net profit for the consolidated entity after providing for income tax amounted to \$3,759,988 (31 December 2021: \$402,557). The Company also enhanced product delivery to our customers in the last six months by facilitating the supply chain process and extending the manufacturing capacity successfully.

Outlook

The 'RT22 50KW EV Charger Module' continues to be a significant focus of our engineering efforts. The UL safety certification of the RT22 by TUV SUD has been achieved, and the RT22 is currently undergoing IEC safety certification by TUV SUD. Despite slight improvements in the supply chain outlook, we are still in the process of validating a range of alternative components to ramp up production volumes. Our engineering team is also strongly supporting our current customers of RT22 as they work to bring up their production.

The customised 'high-voltage input rectifier' project development is on track to provide prototypes to the customer in mid-2023. The customer requires production to commence in early 2024. Our research and development team is in the early stages of investigating a customised liquid-cooled rectifier module development, once an agreement with the customer is signed, the project will commence in earnest.

The E-Mobility industry's customer demand for charging modules remains solid and elevated. As a result, the Company anticipates continued revenue growth from E-Mobility in the future.

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



Yanbin Wang
Director

27 February 2023
Melbourne

Rectifier Technologies Ltd and Controlled Entities
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2022



	Note	Consolidated 31 Dec 2022 \$	31 Dec 2021 \$
Revenue	4	19,269,710	6,554,976
Other income		31,199	608,686
Interest revenue calculated using the effective interest method		49,022	527
Expenses			
Changes in inventories		972,504	7,312
Raw materials and consumables used		(9,451,108)	(2,466,150)
Employee benefits expense		(3,836,421)	(2,741,620)
Subcontractor expense		(668,447)	(192,091)
Professional and compliance expense		(414,927)	(332,259)
Depreciation and amortisation expense		(312,233)	(293,789)
Other expenses		(1,007,160)	(512,385)
Finance costs		(138,817)	(68,107)
Profit before income tax expense		4,493,322	565,100
Income tax expense		(733,334)	(162,543)
Profit after income tax expense for the half-year attributable to the owners of Rectifier Technologies Ltd		3,759,988	402,557
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		209,709	132,780
Other comprehensive income for the half-year, net of tax		209,709	132,780
Total comprehensive income for the half-year attributable to the owners of Rectifier Technologies Ltd		<u>3,969,697</u>	<u>535,337</u>
		Cents	Cents
Basic earnings per share		0.27	0.03
Diluted earnings per share		0.27	0.03

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 2022



	Note	Consolidated 31 Dec 2022 \$	30 Jun 2022 \$
Assets			
Current assets			
Cash and cash equivalents		7,885,279	7,295,534
Trade and other receivables		5,950,891	2,910,217
Inventories		9,383,899	5,877,879
Current tax assets		39,188	734,150
Total current assets		<u>23,259,257</u>	<u>16,817,780</u>
Non-current assets			
Property, plant and equipment		4,929,821	4,605,248
Right-of-use assets		714,212	886,673
Intangibles		106,027	94,859
Deferred tax		525,424	524,993
Total non-current assets		<u>6,275,484</u>	<u>6,111,773</u>
Total assets		<u>29,534,741</u>	<u>22,929,553</u>
Liabilities			
Current liabilities			
Trade and other payables		10,120,173	5,549,921
Contract liabilities	5	72,051	-
Borrowings		141,090	1,122,142
Lease liabilities		244,056	212,781
Current tax liabilities		1,099,143	795,256
Employee benefits		885,838	933,573
Total current liabilities		<u>12,562,351</u>	<u>8,613,673</u>
Non-current liabilities			
Contract liabilities	5	436,244	-
Borrowings		2,344,918	4,151,846
Lease liabilities		529,686	457,534
Deferred tax		295,404	295,404
Employee benefits		41,734	56,389
Total non-current liabilities		<u>3,647,986</u>	<u>4,961,173</u>
Total liabilities		<u>16,210,337</u>	<u>13,574,846</u>
Net assets		<u>13,324,404</u>	<u>9,354,707</u>
Equity			
Issued capital		39,992,575	39,992,575
Reserves		212,973	513,264
Accumulated losses		(26,881,144)	(31,151,132)
Total equity		<u>13,324,404</u>	<u>9,354,707</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 2022



Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2021	39,992,575	466,825	(31,763,087)	8,696,313
Profit after income tax expense for the half-year	-	-	402,557	402,557
Other comprehensive income for the half-year, net of tax	-	132,780	-	132,780
Total comprehensive income for the half-year	-	132,780	402,557	535,337
Balance at 31 December 2021	<u>39,992,575</u>	<u>599,605</u>	<u>(31,360,530)</u>	<u>9,231,650</u>

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>

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

Rectifier Technologies Ltd and Controlled Entities
Consolidated statement of cash flows
For the half-year ended 31 December 2022



	Consolidated	
	31 Dec 2022	31 Dec 2021
	\$	\$
Cash flows from operating activities		
Receipts from customers	15,040,469	8,008,958
Payments to suppliers and employees	(11,603,488)	(9,456,146)
Government grants (COVID-19)	-	37,773
Interest received	48,975	8,705
Finance costs	(137,083)	(25,686)
Tax paid	-	(91,938)
	<u>3,348,873</u>	<u>(1,518,334)</u>
Net cash from/(used in) operating activities		
Cash flows from investing activities		
Payments for plant and equipment	(193,928)	(249,260)
	<u>(193,928)</u>	<u>(249,260)</u>
Net cash used in investing activities		
Cash flows from financing activities		
Proceeds from borrowings	446,917	-
Repayment of borrowings	(3,111,475)	(124,604)
Repayment of lease liabilities	(109,945)	(141,967)
	<u>(2,774,503)</u>	<u>(266,571)</u>
Net cash used in financing activities		
Net increase/(decrease) in cash and cash equivalents	380,442	(2,034,165)
Cash and cash equivalents at the beginning of the financial half-year	7,295,534	6,241,106
Effects of exchange rate changes on cash and cash equivalents	209,303	36,800
	<u>7,885,279</u>	<u>4,243,741</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

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 27 February 2023.

Note 2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2022 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 2022 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 principal 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 2022 and are not expected to have significant impact for the full financial year ending 30 June 2023.

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

Contract liabilities

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

Extended warranties are initially recognized as contract liabilities in the balance sheet and recognized in the income statement on a straight-line basis over the term of the extended warranty period.

Comparative information

Comparatives in the statement of profit or loss and other comprehensive income have been realigned to the current period presentation to enhance comparability. There was no effect on the results of operations or net assets position.

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 Maker ('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. It is considered that presentation based on the nature of the product or service, and, in the case of the Industrial Power Supplies business, the nature of customer, better enables users to evaluate the nature and financial effects of the consolidated entity's business activities. The CODM is supplied with discrete financial information for each of the segments identified. There is no aggregation of operating segments.

The consolidated entity operates from the following separate entities; (a) Rectifier Technologies Pacific Pty Ltd ('RT Pacific'); (a) Rectifier Technologies Malaysia Sdn Bhd ('RT Malaysia'); and (c) Rectifier Technologies Singapore Pte Ltd ('RT Singapore').

Segment	Description
Electronic Components	Under this segment, RT Pacific and RT Malaysia manufacture electronic components for a number of industries.
Industrial Power Supplies (Electricity generation/ distribution and Defence) ('E&D')	Under this segment, RT Pacific and RT Malaysia manufacture and distribute rectifiers, controllers, accessories and complete systems for the power generation, distribution industries and defence. RT Singapore only focuses on distribution.
Industrial Power Supplies (Transport and Telecommunication) ('T&T')	Under this segment, RT Pacific and RT Malaysia manufacture and distribute power supplies for the transport industries and telecommunications. RT Singapore only focuses on distribution.
Industrial Power Supplies (Electric vehicles) ('EV')	Under this segment, RT Pacific, RT Malaysia and RT Singapore manufacture and distribute electric vehicle charges, battery charges and power supplies for a number of industries.

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.

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 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						
Depreciation and amortisation	27,785	780,846	237,219	4,647,959	(749,437)	4,944,372
Finance costs						(312,233)
Profit before income tax expense						<u>(138,817)</u>
Income tax expense						4,493,322
Profit after income tax expense						<u>(733,334)</u>
						<u>3,759,988</u>
Assets						
Segment assets	188,764	5,304,763	1,611,575	31,576,426	(9,146,787)	29,534,741
Total assets						<u>29,534,741</u>
Liabilities						
Segment liabilities	134,586	3,782,188	1,149,020	22,513,351	(11,368,808)	16,210,337
Total liabilities						<u>16,210,337</u>
Consolidated - 31 Dec 2021						
Revenue						
Sales to external customers	96,329	1,605,860	314,735	4,538,052	-	6,554,976
Total revenue	<u>96,329</u>	<u>1,605,860</u>	<u>314,735</u>	<u>4,538,052</u>	<u>-</u>	<u>6,554,976</u>
EBITDA						
Depreciation and amortisation	11,678	149,016	28,760	438,230	299,312	926,996
Finance costs						(293,789)
Profit before income tax expense						<u>(68,107)</u>
Income tax expense						565,100
Profit after income tax expense						<u>(162,543)</u>
						<u>402,557</u>
Consolidated - 30 Jun 2022						
Assets						
Segment assets	351,462	5,558,200	1,047,201	18,178,424	(2,205,734)	22,929,553
Total assets						<u>22,929,553</u>
Liabilities						
Segment liabilities	222,148	3,513,169	661,904	11,490,028	(2,312,403)	13,574,846
Total liabilities						<u>13,574,846</u>

Note 4. Revenue

	Consolidated	
	31 Dec 2022	31 Dec 2021
	\$	\$
Sale of goods	<u>19,269,710</u>	<u>6,554,976</u>

Disaggregation of revenue

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

	Consolidated	
	31 Dec 2022	31 Dec 2021
	\$	\$
<i>Geographical regions</i>		
Australia	13,505,401	5,405,027
Asia	1,265,008	792,534
North America	1,112,198	272,047
South America	64,278	16,998
Europe	3,322,825	47,951
Oceania	-	20,419
	<u>19,269,710</u>	<u>6,554,976</u>

Timing of revenue recognition

Goods transferred at a point in time	<u>19,269,710</u>	<u>6,554,976</u>
--------------------------------------	-------------------	------------------

Note 5. Contract liabilities

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
<i>Current liabilities</i>		
Contract liabilities	<u>72,051</u>	-
<i>Non-current liabilities</i>		
Contract liabilities	<u>436,244</u>	-
	<u>508,295</u>	-

Reconciliation

Reconciliation of the written down values at the beginning and end of the current and previous financial half-year are set out below:

Opening balance	-	-
Payments received in advance	<u>508,295</u>	-
Closing balance	<u>508,295</u>	-

Note 5. Contract liabilities (continued)

Unsatisfied performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was \$508,295 as at 31 December 2022 (\$nil as at 30 June 2022) and is expected to be recognised as revenue in future periods as follows:

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
Within 12 months	72,051	-
12 to 24 months	436,244	-
	<u>508,295</u>	<u>-</u>

Note 6. Dividends

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

Note 7. Contingent liabilities

The consolidated entity had no contingent liabilities as at 31 December 2022 and 30 June 2022.

Note 8. Events after the reporting period

No matter or circumstance has arisen since 31 December 2022 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 2022



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 2022 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

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

Yanbin Wang
Director

27 February 2023
Melbourne

Directors' responsibility for the half-year financial report

Directors are responsible for the preparation and presentation of the financial report in accordance with the provisions of the Corporations Act 2001 and the Accounting Standards. Directors are also responsible for ensuring that the financial report is true and fair and that it complies with the requirements of the Corporations Act 2001 and the Accounting Standards.

Auditor's responsibility

The independent auditor's responsibility is to conduct a review of the financial report in accordance with the provisions of the Corporations Act 2001 and the Accounting Standards. The independent auditor's review is limited to the review of the financial report and does not constitute an audit. The independent auditor's review is performed in accordance with the provisions of the Corporations Act 2001 including giving a true and fair view of the Group's financial position and performance. The independent auditor's review is performed in accordance with the provisions of the Corporations Act 2001 and the Accounting Standards. The independent auditor's review is performed in accordance with the provisions of the Corporations Act 2001 and the Accounting Standards. The independent auditor's review is performed in accordance with the provisions of the Corporations Act 2001 and the Accounting Standards.

The independent auditor's review is performed in accordance with the provisions of the Corporations Act 2001 and the Accounting Standards. The independent auditor's review is performed in accordance with the provisions of the Corporations Act 2001 and the Accounting Standards. The independent auditor's review is performed in accordance with the provisions of the Corporations Act 2001 and the Accounting Standards. The independent auditor's review is performed in accordance with the provisions of the Corporations Act 2001 and the Accounting Standards. The independent auditor's review is performed in accordance with the provisions of the Corporations Act 2001 and the Accounting Standards. The independent auditor's review is performed in accordance with the provisions of the Corporations Act 2001 and the Accounting Standards.

Grant Thornton
Chartered Accountants

Grant Thornton
Chartered Accountants

Member of the Grant Thornton network