



Investor Presentation

ASX:TAL

www.talius.com.au

The Next-Gen Aged Care Technology

Date: August 2023



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Overview



Mission and Purpose

To improve the quality of life, later in life.

Utilising IoT sensor technology to provide remote enabled healthcare data to the aged care and disability sectors.

Our differentiator:

Talius Smart Care Platform

Data analytics platform that combines best on market smart sensors with AI machine learning (powered by CSIRO) that delivers mission critical actions to prevent incidents, improve care outcomes, and strengthens compliance.

Business model

B2B with multiple distribution channels earning revenue from upfront hardware sales that onboard subscribers to our Talius Platform that earns software as a service (SaaS) recurring revenue.

Our Aged and Disability Sector Verticals



Home Care

Ageing in Place
Telehealth



Retirement Villages

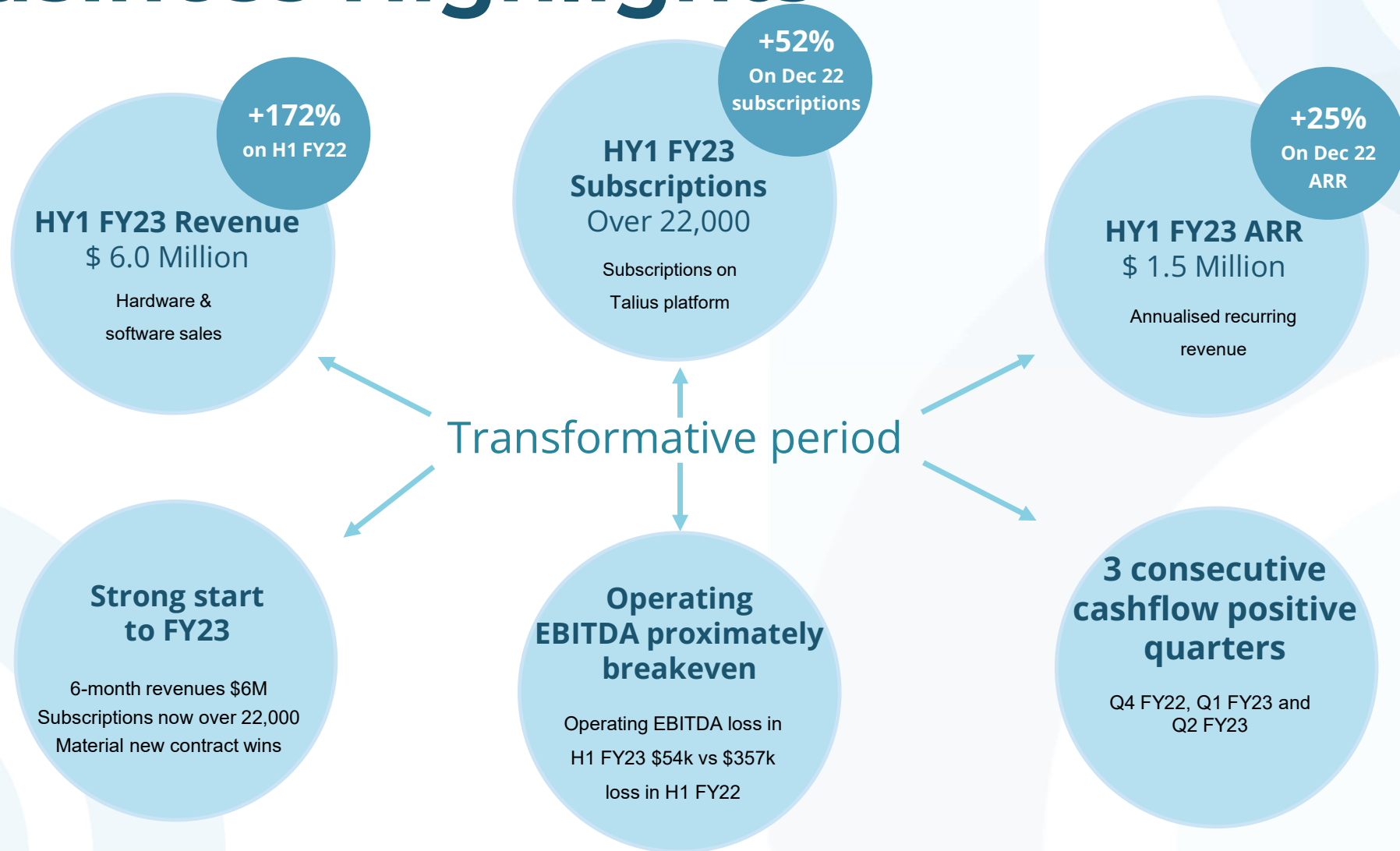
Emergency Response
Remote Patient Monitoring



Residential Aged Care Facilities

Nurse Call
Resident Monitoring

Business Highlights



Australian Aged Care Industry - Today

Industry distribution



3,300+
Aged Care
providers



Care delivered
through approx.
9,500 services



Private providers



Charitable providers



State/local governments

\$23.6 billion (2020-2021)

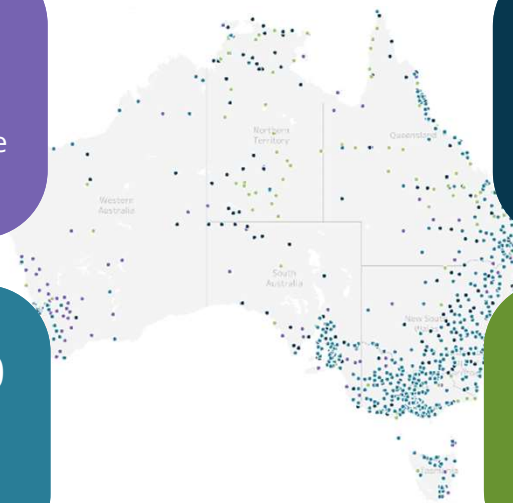
Government spending on Aged Care.

191,000
Australians in
Residential Care

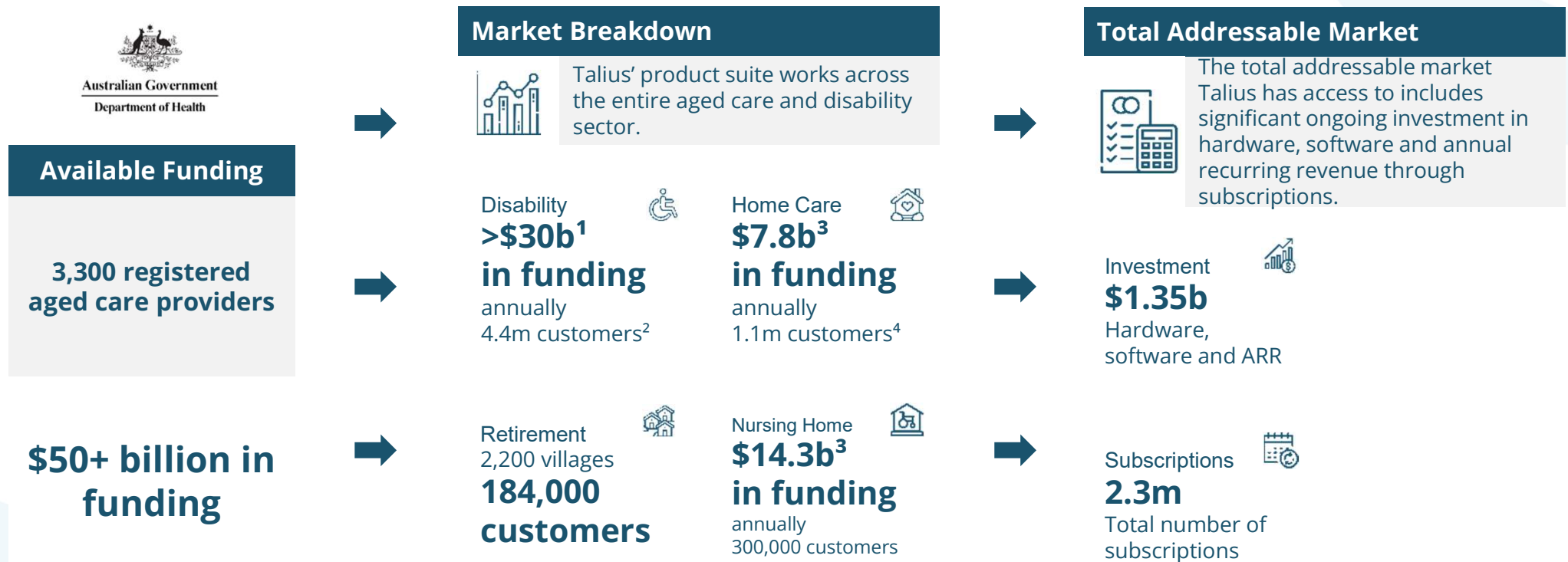
>825,000
Australians
using Home
Support

176,000
Australians
using Home
Care

3,700
Australians in
Transition Care



Australian Aged Care Industry – Talius’ potential market



1 2022–23 Portfolio Budget Statement (PBS) for Social Services

2 <https://www.abs.gov.au/statistics/health/disability/disability-ageing-and-carers-australia-summary-findings/latest-release>

3 <https://www.gen-agedcaredata.gov.au/>

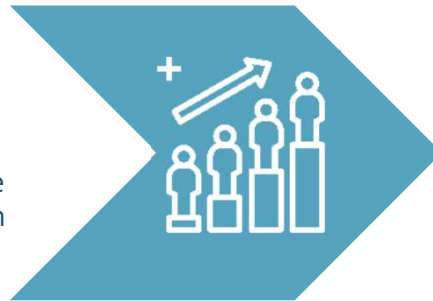
4 <https://www.health.gov.au/resources/publications/a-new-program-for-in-home-aged-care-discussion-paper>

Australian Aged Care Industry – Tomorrow's revenue drivers

Ageing population

7.2% pa growth rate

Those over 85 years are projected to increase from 500,000 or 2.0% of the population in 2018 to 1.5m or 3.7% of the population by 2058. This implies a growth rate in the medium term of 7.2% pa.



3G network shutdown (June 2024)

~300,000 systems

to be replaced in the next 18 months, approximately 500+ per day starting now.



Workforce shortage

Workforce shortage is driving the industry to find tech solutions to create a smarter and safer support system for older people with a growing level of complex health needs including a continuing rise in people living with dementia.



Significant legislative reform



A new aged care Act as a result of the Royal Commission into Quality and Safety including new aged care standards, new funding models for home care and residential care, and more compliance requirements.



Talius' differentiator

Talius™ Smart Care Platform

Identifying the Problem

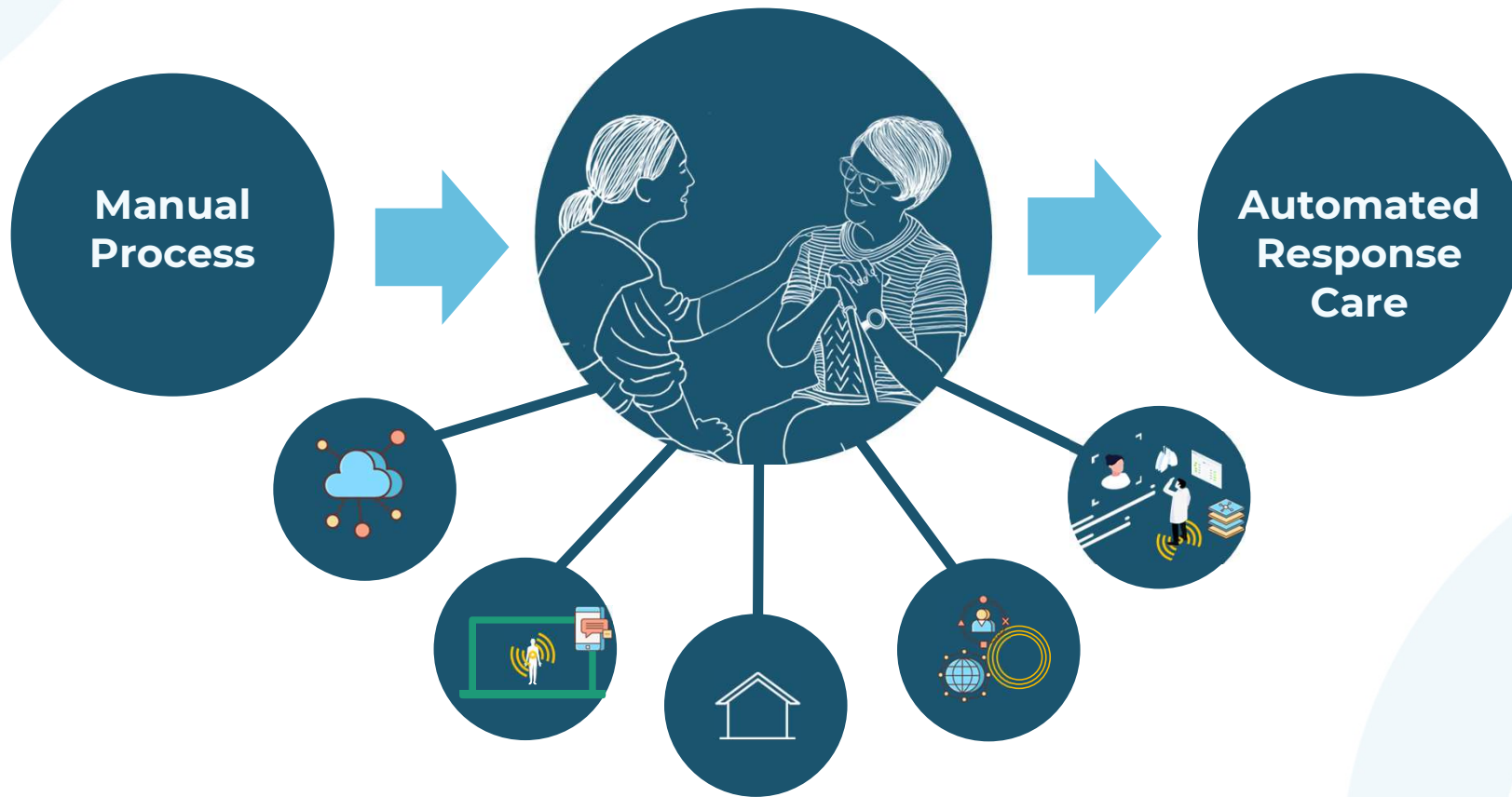
Manual processes are
literally killing the aged
sector



- Inefficient and repetitive
- Too slow for meaningful intervention
- Poor data capture
- Disruptive, undignified and embarrassing
- Don't include family
- Low-value, high cost

Addressing the Problem

By using technology to shift



AWARENESS

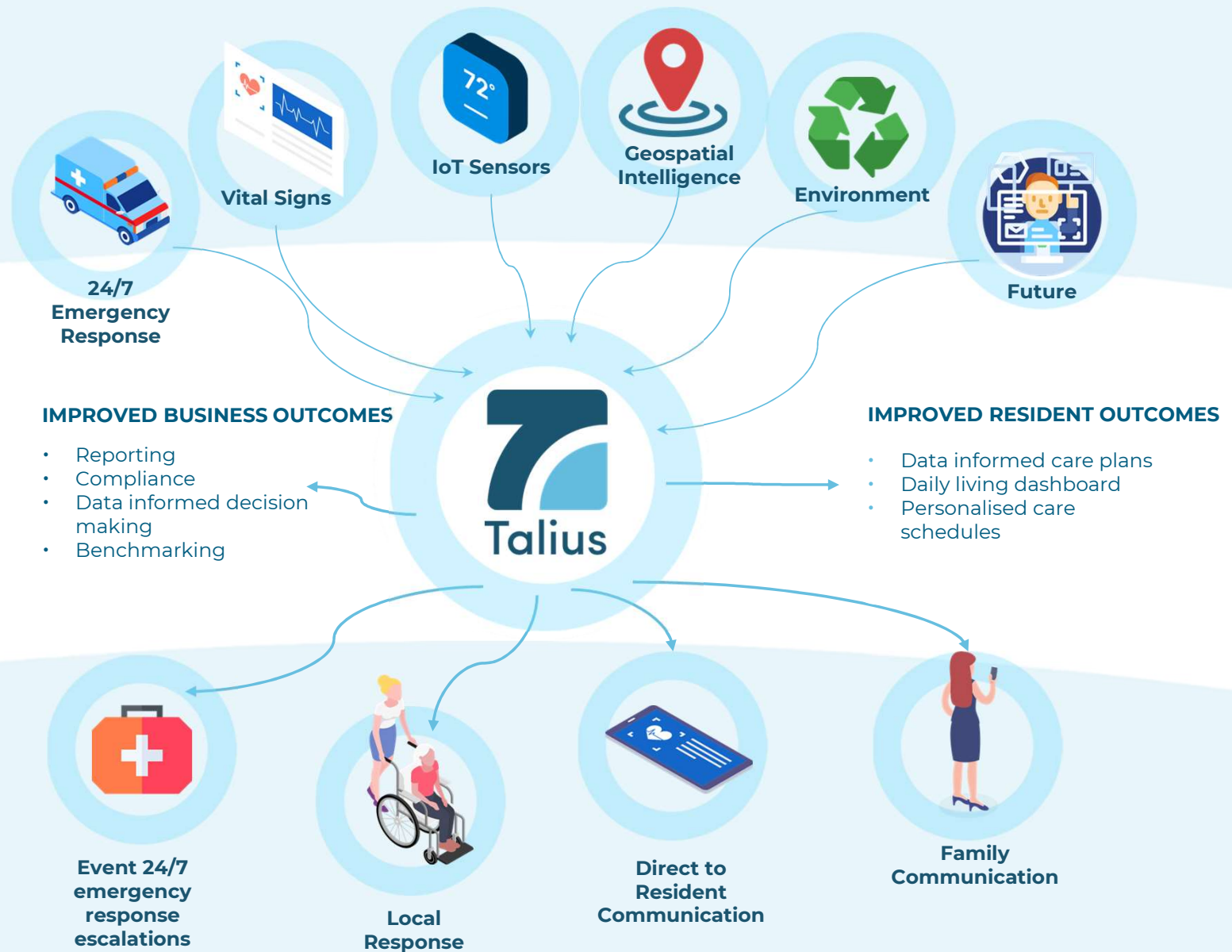
It starts by using technology to shift spot-check care to sense-respond care...

ANALYSIS

The data is captured within Talius – an agnostic AI engine that links in with existing systems and technology. Talius provides oversight in simple dashboards to improve outcomes.

ACTION

Talius uses advanced predictive interpretation to automatically detect anomalies and complete proportional actions.



The Challenges We Solve

Aged Care providers are dealing with these five issues.
The Talius Smart Care Platform solves these.



Better Compliance

- Key personnel risk
- ACQSC Assessment Failures
- Avoid reputation damage
- AN-ACC Reforms around care minutes and star ratings



Staff Engagement

- Maximising utilisation
- Removing unnecessary repetition
- Reducing churn and the hiring costs



Communication with Families

- Receiving information on their own terms – what, when, and how
- Providing peace of mind
- Easily identifying promoters and detractors
- Alleviating their stress



Resident Autonomy

- Resolving spot-check issues
- Moving towards data informed management
- Creating dignified and supported environments
- Changing negative perceptions



Commercial Viability

- Maintaining 92%+ occupancy
- Maintaining a competitive advantage
- Recurring revenue streams not linked to resident fees

The Age Care Evolution will be a Revolution

HORIZON

1



Manual Processes

- Staff Rounding
- Note Taking
- Shift handovers

HORIZON

2



Sense-respond Care

- Use of sensors and analyse data to respond in right way at the right time
- Fridges, Meal trays, Laundry Temperature Monitoring
- Medication alerts

HORIZON

3



Predictive Care

- Using data to predict incidents before they happen

Key Information

- APAC footprint.
- B2B2C business model with multiple distribution channels.



Trusted by some of APAC's biggest providers.



Key partner agreements with the most respected names.



Outlook for next 12 months

Growth Pillars

Increasing market share by winning PERs upgrade and further penetration into RAC facilities

Expansion of Talius Platform offering from Saas into Platform as a Service (PaaS)

Entry into new commercial pathways of healthcare and remote patient monitoring

Geographic expansion

Outlook

Industry tailwinds - 3G shutdown and continuing to solve the Big 5 challenges in Aged Care

Strong sales pipeline and roadmap for growth

Subscription growth based on project roll outs and new contract wins

Expanding Talius' enterprise grade products into the Home Care market



H1 FY23 RESULTS



Key Metrics

Continuing strong growth in all key metrics

H1 FY23 172% revenue growth on pcp.



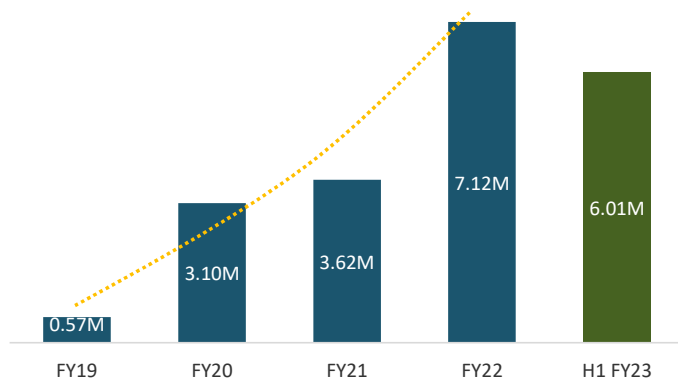
69% compound annual growth in subscriptions.



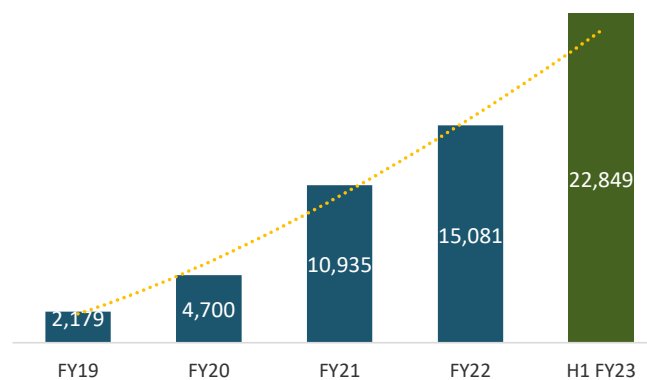
80% compound annual ARR growth. 25% growth HY1 FY23.



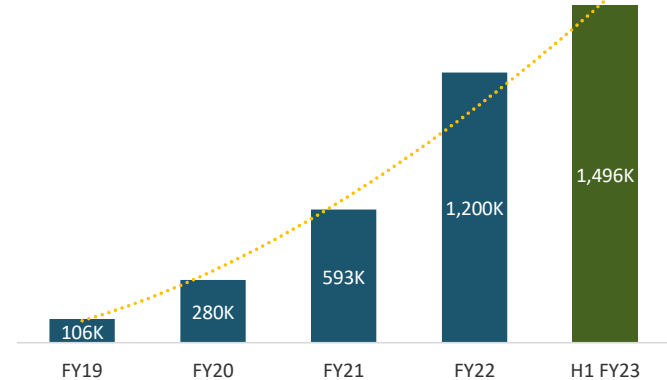
Sales Revenue



Subscriptions



ARR



Revenue and Operating Cashflow Growth

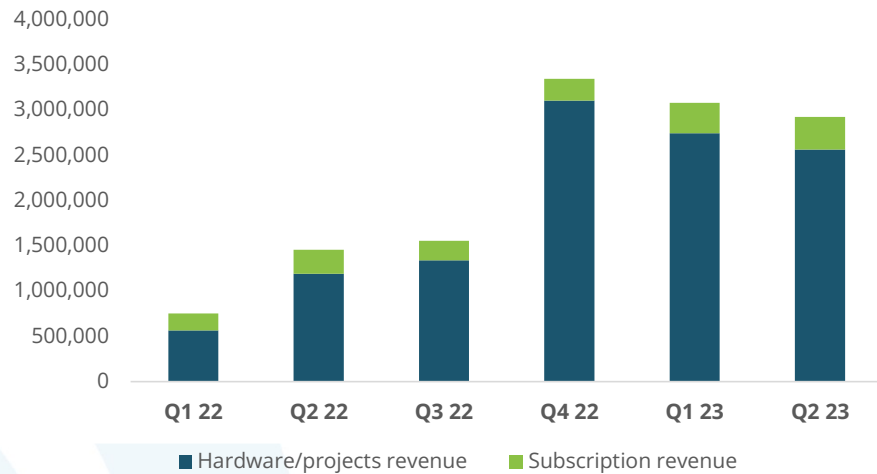
Step change in
revenues over last 3
quarters



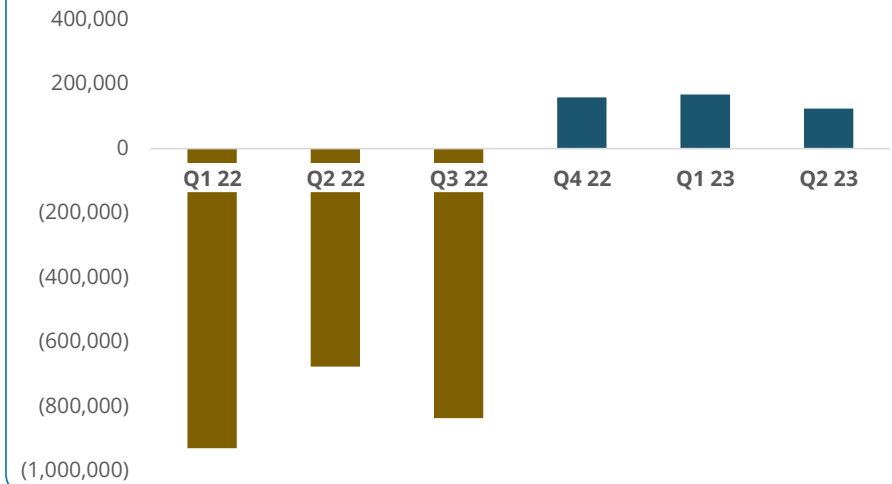
3 consecutive
cashflow positive
quarters



Revenues by Quarter



Operating Cashflows by Quarter



H1 FY23 Key Financials

	H1 FY23 \$'000	FY22 \$'000	H1 FY22 \$'000
Revenue – Hardware & Projects	5,312	6,213	1,828
Revenue – Recurring	699	906	385
Total Sales Revenue	6,011	7,119	2,213
Total Income	6,173	7,196	2,213
Underlying EBITDA *	(54)	(958)	(357)
Underlying NPAT *	(126)	(1,077)	(426)
Non-Operating Items	(164)	(546)	(144)
Statutory loss after tax	(290)	(1,623)	(570)
ARR (\$000's)	1,496	1,200	593
Subscriptions (000's)	22.8	15.1	10.9

** Underlying EBITDA and loss before tax reflects statutory profit as adjusted to reflect the Directors' assessment of the result for the ongoing business activities of Talus, in accordance with AICD principles of recording underlying earnings. Refer to Appendix A for more information.*

Underlying profit measures have not been audited.

H1 FY23 Highlights

- 172% increase on pcg revenues to \$6.01M.
- Recurring software revenues continuing to demonstrate strong growth in line with increasing subscriber base
- Annualised recurring revenue (ARR) of \$1.5m, representing a 25% increase on December 2022.
- Subscriptions grew to over 22,000

H1 FY23 Key Achievements



Continuing positive cash flows through H1 FY23, with focus on path to profitability



Delivery on major contracts with Chubb / VitalCall and Keytons Retirement Living Business



Strengthened internal resources with key appointments to drive next phase of growth



Reaching over 22,000 subscriptions on the Talius Smart Care Platform



Project completion for first of two Australian Unity sites, and further site awarded for existing client ACH Group



Continued investment and enhancement of Talius Platform Smart Care Platform

H1 FY23 FINANCIALS



INCOME STATEMENT

	H1 FY23	FY22	H1 FY22
Revenue	6,010,867	7,119,663	2,213,026
Other income	162,194	77,470	-
Cost of sales	(4,384,290)	(4,807,362)	(944,707)
Amortisation & depreciation	(51,156)	(136,610)	(87,506)
Consulting fees	(237,602)	(373,468)	(120,918)
Employee benefits expenses	(1,208,417)	(2,171,715)	(1,093,401)
Marketing expenses	(113,797)	(119,244)	(75,702)
Property expenses	(871)	(11,595)	(5,376)
Finance costs	(21,168)	(32,524)	(16,821)
Share based payments	(163,475)	(316,326)	(108,714)
Impairment of receivables	18,664	(76,774)	-
Impairment of inventories	-	(180,000)	-
Other expenses	(300,917)	(594,650)	(329,431)
Loss Before Tax	(289,968)	(1,623,135)	(569,550)
Income tax	-	-	-
Loss After Tax	(289,968)	(1,623,135)	(569,550)

- 172% increase on pcip revenues, H1 FY23 revenues nearly at prior full year revenues
- Recurring software revenues continuing to demonstrate strong growth in line with increasing subscriber base
- Modest increase in employee and consultant costs driven by investment in key positions for future growth
- Consistent and stable overhead cost base

BALANCE SHEET

	June 23	December 22
ASSETS		
Cash and cash equivalents	992,346	825,813
Trade and other receivables	988,093	1,456,755
Inventories	3,566,013	4,282,096
Other current assets	296,597	234,801
Current Assets	5,843,049	6,799,465
Plant and equipment	46,710	42,418
Software/intangible assets	112,691	14,560
Right-of-use assets	171,809	207,493
Non-Current Assets	331,210	264,471
LIABILITIES		
Trade and other payables	2,072,347	2,809,487
Contract liabilities	191,597	304,413
Borrowings	102,487	-
Short-term provisions	88,988	70,607
Lease liabilities	78,925	69,396
Current Liabilities	2,534,344	3,253,903
Lease liabilities	135,807	179,432
Non-Current Liabilities	135,807	179,432
NET ASSETS	3,504,108	3,630,601
EQUITY		
Share capital	17,753,233	17,753,233
Share based payment reserve	1,331,714	1,212,144
Accumulated losses	(15,580,839)	(15,334,776)
TOTAL EQUITY	3,504,108	3,630,601

- Solid working capital position with a focus on efficient inventory turnover
- Low levels of CAPEX lockup with internal development recognised in the income statement as incurred
- Material payables relate to ongoing inventory purchases
- Equity movements limited to employee equity plans only

CASH FLOW

	H1 FY23	H1 FY22
Receipts from customers	6,668,673	2,096,855
ARIIA grant & R&D tax incentive	176,168	-
Payments to suppliers & employees	(6,532,074)	(3,735,428)
Net finance costs	(20,985)	(16,615)
<i>Cashflow from operating activities</i>	<i>291,781</i>	<i>(1,655,188)</i>
Payments for plant & equipment	(15,129)	(31,649)
Payments for intangible assets	(51,715)	(8,000)
<i>Cashflow from investing activities</i>	<i>(66,844)</i>	<i>(39,649)</i>
Issue of shares	-	1,500,000
Share issue costs	-	(26,700)
Lease and other principal payments	(58,405)	(15,070)
<i>Cashflow from financing activities</i>	<i>(58,405)</i>	<i>1,458,230</i>
<i>Net cashflows</i>	<i>166,533</i>	<i>(236,607)</i>
Opening cash at start of the year	825,813	1,747,890
<i>Cash at the end of the period</i>	<i>992,346</i>	<i>1,511,283</i>

- Increasing customer receipts reflecting the strong growth in sales
- Increase in supplier payments attributable to inventory purchases.
- \$99k received from the ARIIA grant as Talius continues to engage with government and major industry operators
- 3 consecutive cashflow positive quarters demonstrating Talius' transition into its next phase of maturity.



Corporate Information

ASX code	TAL
Share price	1.0 cents
Market cap	\$22.8m
Shares on issue	2.278b
52-week trading (low/high)	0.8c to 1.3c
Shares held by Top 20	49%
Cash (30 June 2023)	\$1.0m
Debt (30 June 2023)	\$0.1m

Investor Enquiries

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Business Address

Unit 2/17 Cairns Street
Loganholme, Brisbane QLD 4129

Appendix A – Details on Non-Operating Items

ADJUSTMENT	DESCRIPTION
Share based payments	<p>Talius has provided performance rights to employees, directors and certain key consultants in order to attract, retain and incentivise these individuals.</p> <p>This investment in the Talius team is designed to strengthen all areas of the business and sets a platform for expected future growth, especially given the tight labour market conditions in the sector.</p> <p>Talius expects to issue further performance rights moving forward, but has classified these amounts as non-operating in order to better demonstrate the cash profit/loss for the respective reporting periods.</p>
Amortisation of intangibles assets	<p>As part of the acquisition of HomeStay Care International Pty Ltd, certain intangible assets were recognised. These assets were amortised in full during FY22, and no further amortisation expenses in relation to these assets will be charged in future reporting periods.</p> <p>Amortisation relating to these assets was \$25,130 in H1 FY22 and \$50,260 for FY22.</p>
Impairment of inventory	<p>As part of the acquisition of HomeStay Care International Pty Ltd, Talius acquired a range of legacy 3G devices in the inventory stores.</p> <p>With the impending 3G shutdown in Australia, Talius impaired a total of \$180,000 in FY22, representing the estimated unrecoverable value of these devices. No impairment was recognised in H1 F22.</p> <p>No further impairment charges are expected in future reporting periods in relation to these devices.</p> <p>Talius has not purchased any 3G devices subsequent to the acquisition of HomeStay Care International Pty Ltd.</p>