



Half Year 2024 Results Investor Presentation

ASX:TAL
www.talius.com.au

The Next-Gen Aged Care Technology

Date: 30 August 2024



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Mission and Purpose

To improve the quality of life, later in life.
Utilising IoT sensor technology to provide remote enabled safety and healthcare data to the health and aged care and disability sectors.

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 and B2B2C with multiple distribution channels earning revenue from upfront hardware sales of IoT sensors 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



Hospital in the Home

Emergency Response
Remote Patient Monitoring



HY24 RESULTS

HY24 Key Financials

	HY24 \$'000	HY23 \$'000
Revenue – Hardware & Projects	2,321	5,312
Revenue – Recurring	1,172	699
Total Sales Revenue	3,493	6,011
Total Income	3,769	6,173
Underlying EBITDA *	(1,339)	(54)
Underlying NPAT *	(1,451)	(126)
Non-Operating Items	(245)	(164)
Statutory loss after tax	(1,696)	(290)
ARR (\$000's)	2,395	1,496
Subscriptions (000's)	35.5	22.8

* 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.

HY24 Highlights

- Sales revenue decreased by 42% on pcp to \$3.5M, with significant orders secured but execution deferred to H2 and beyond.
- Recurring software revenues continue to demonstrate robust growth with 68% increase on pcp, in alignment with our expanding subscriber base.
- Annualised recurring revenue (ARR) now at \$2.4M.
- Subscriptions grew to over 35,000.
- Approximately 11,400 Talus PERs products have been sold and delivered but are pending installation. Once installed, these products are expected to significantly boost subscription numbers and recurring revenue. Commissioning is targeted for FY24.

HY24 Key Achievements



Secured major contracts with St John's and ADT in New Zealand, with significant rollout planned for the second half (2H).



Talius secured PAASA Personal Alarms South Australia tender to provide government-subsidized medical alarms, marking its first B2G engagement.



Strengthened internal capabilities with strategic sales and operational hires to drive next phase of growth.



Surpassing 35,000 subscriptions on the Talius Smart Care Platform.



Significant investment in the Talius Platform's backend and frontend to ensure scalability in response to the substantial increase in data.



Ongoing focus on inventory management and cost control to optimise efficiency and maintain financial discipline.

Key Metrics

1H24 revenues down 42% on pcp but with strong 2H contracted wins.



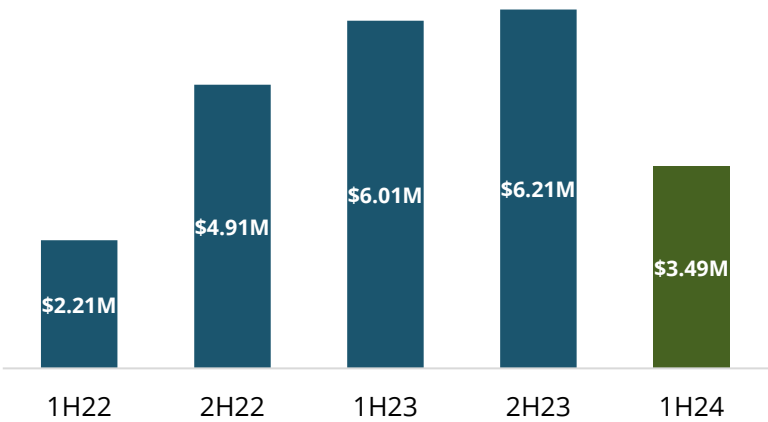
66% compound annual growth in subscriptions.



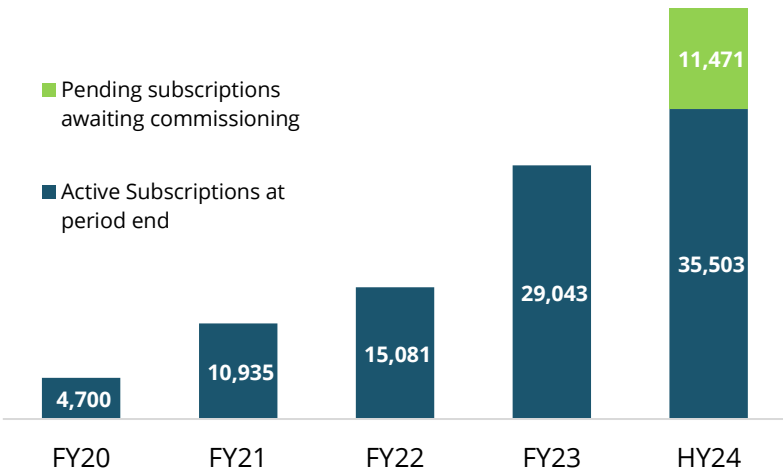
76% compound annual ARR growth.



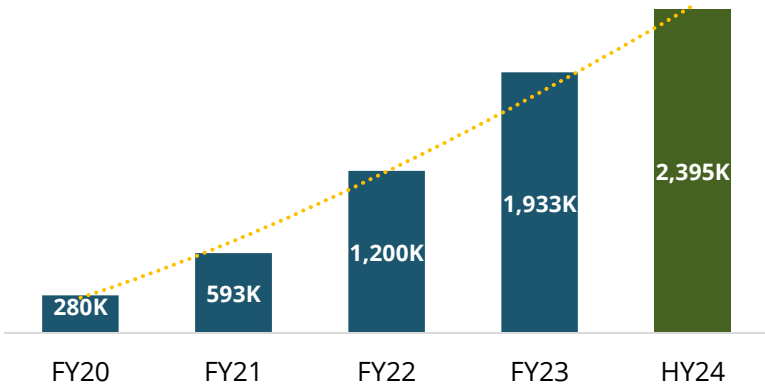
Sales Revenue by Half Year



Subscriptions



ARR



HY24 FINANCIALS

INCOME STATEMENT

	HY24	HY23
Revenue	3,495,729	6,010,867
Other income	273,130	162,194
Cost of sales	(2,309,304)	(4,384,290)
Amortisation & depreciation	(100,858)	(51,156)
Consulting fees	(249,985)	(237,602)
Employee benefits expenses	(1,815,557)	(1,208,417)
Marketing expenses	(137,388)	(157,399)
Property expenses	(9,363)	(871)
Finance costs	(11,646)	(21,168)
Share based payments	(45,115)	(163,475)
Impairment of receivables	(7,011)	18,664
Impairment of inventories	(200,000)	-
Corporate and other overheads	(578,938)	(257,315)
Loss Before Tax	(1,696,306)	(289,968)
Income tax	-	-
Loss After Tax	(1,696,306)	(289,968)

- Total revenue and income declined by 39% on pcp due to drop in hardware sales. Major contracts with St John's and ADT NZ were secured during this period, with most deliveries scheduled for 2H24 and 1H25.
- Recurring software revenues continuing to grow strongly in line with increasing subscriber base.
- Employee costs increased due to strategic investments in key positions to support future growth.
- Ongoing investment in market and sales channel development.
- Administrative and corporate costs have risen, reflecting the larger operational base established over the past 12 months.

BALANCE SHEET

	Jun 24	Dec 23
ASSETS		
Cash and cash equivalents	1,299,003	1,910,469
Trade and other receivables	1,337,431	927,085
Inventories	2,438,554	2,359,449
Other current assets	357,666	240,557
Current Assets	5,432,654	5,437,560
Plant and equipment	67,935	71,014
Software/intangible assets	450,984	205,088
Right-of-use assets	100,442	136,126
Non-Current Assets	619,361	412,228
LIABILITIES		
Trade and other payables	2,317,394	498,612
Contract liabilities	98,281	28,539
Borrowings	119,012	39,380
Short-term provisions	104,427	106,275
Lease liabilities	81,340	86,411
Current Liabilities	2,720,454	759,217
Lease liabilities	54,467	90,443
Non-Current Liabilities	54,467	90,443
NET ASSETS	3,277,094	5,000,128
EQUITY		
Share capital	20,306,790	20,174,887
Share based payment reserve	441,363	599,994
Accumulated losses	(17,471,059)	(15,774,753)
TOTAL EQUITY	3,277,094	5,000,128

- Significant investments in the Talius Platform this half have enhanced data management capabilities for scalability and improved user experience, adaptable across Aged Care and other complementary verticals.
- Material increase in payables due to orders for the St John's and ADT NZ projects, with benefits expected from 2H24 onward.
- No significant borrowings.
- \$72k unmarketable buyback executed during the half, an important step in managing the share register moving forward.
- Share based payment reserve decreased through conversion of \$204k performance rights.

CASH FLOW

	HY24	HY23
Receipts from customers	3,565,616	6,668,673
ARIIA grant & R&D tax incentive	-	176,168
Payments to suppliers & employees	(3,718,435)	(6,352,074)
Net finance costs	(9,124)	(20,985)
Cashflow from operating activities	(161,943)	291,781
Payments for plant & equipment	(13,891)	(15,129)
Payments for intangible assets	(263,135)	(51,715)
Cashflow from investing activities	(277,026)	(66,844)
Share buy-back	(71,843)	-
Share issue costs	(7,500)	-
Lease and other principal payments	(93,154)	(58,405)
Cashflow from financing activities	(172,497)	(58,405)
Net cashflows	(611,466)	166,533
Opening cash at start of the year	1,190,469	825,813
Cash at the end of the period	1,299,003	992,346

- Lower customer receipts due to reduced hardware sales, impacted by the timing delays of major contracts.
- Reduced supplier payments reflecting decreased inventory purchases during the half.
- Approximately \$250k investment in the Talius Platform during the half, delivering immediate improvements in data management and platform performance.
- Executed \$72k unmarketable buyback during the half.

Outlook for next 6 months

Growth Pillars

Continued increase of market share by winning PERs upgrades internationally and further penetration into RAC/Home Care

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

Entry into new commercial pathways of healthcare and remote patient monitoring

Complementary verticals (PERs for security, RFID for medication management)

Outlook

Strong sales pipeline with major contracts won and being delivered in 2H24 and beyond

Focus on B2G channels for hardware and data provision with first contract win in South Australia

Material subscription growth based on project roll outs and new contract wins

Expanding Talius' enterprise grade products into the Home Care market, with multiple key partner pilots now underway



Talius' differentiator

Talius™ Smart Care Platform

Identifying the Problem

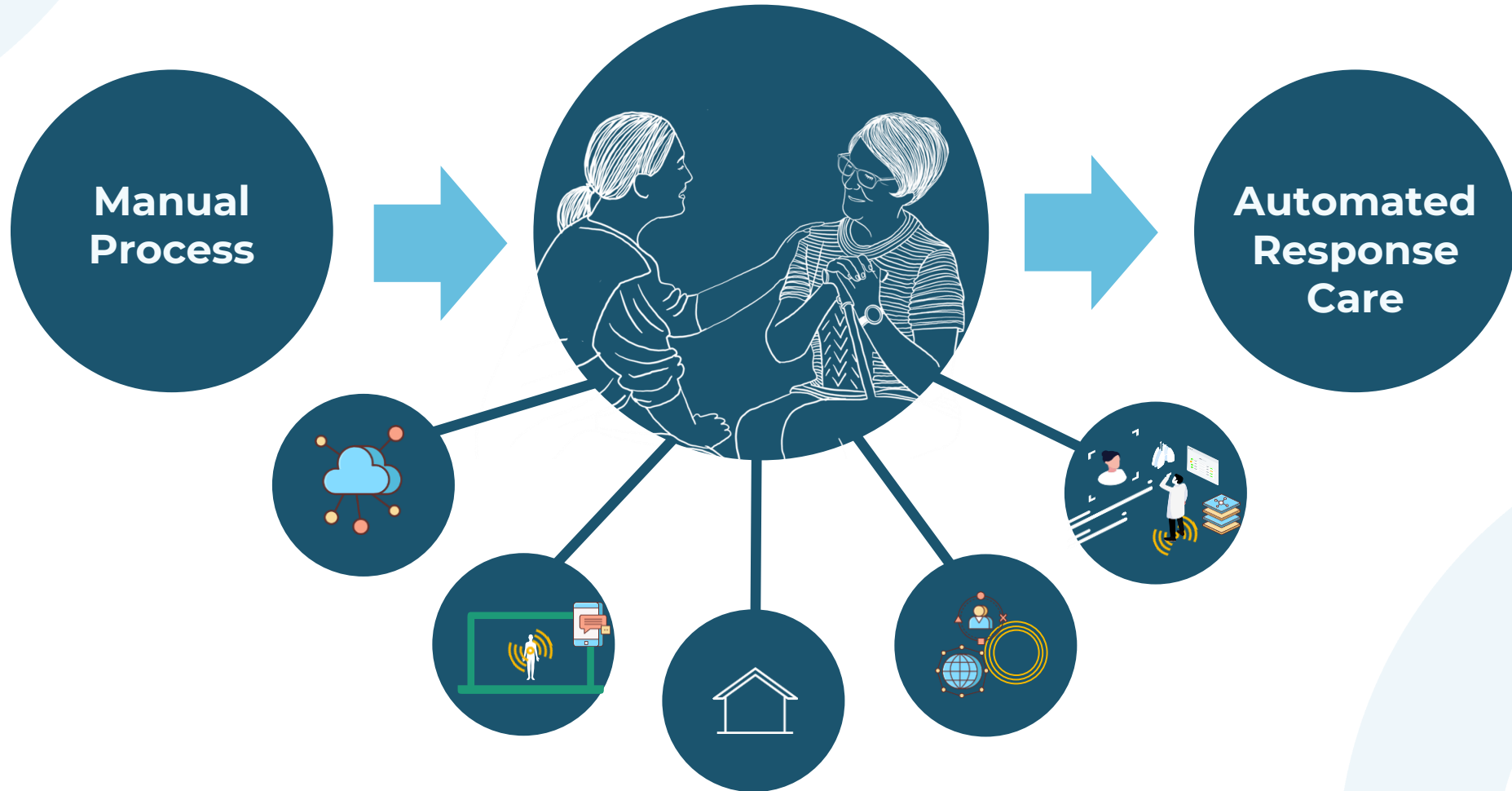
Manual processes are
literally killing the aged
sector



- 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

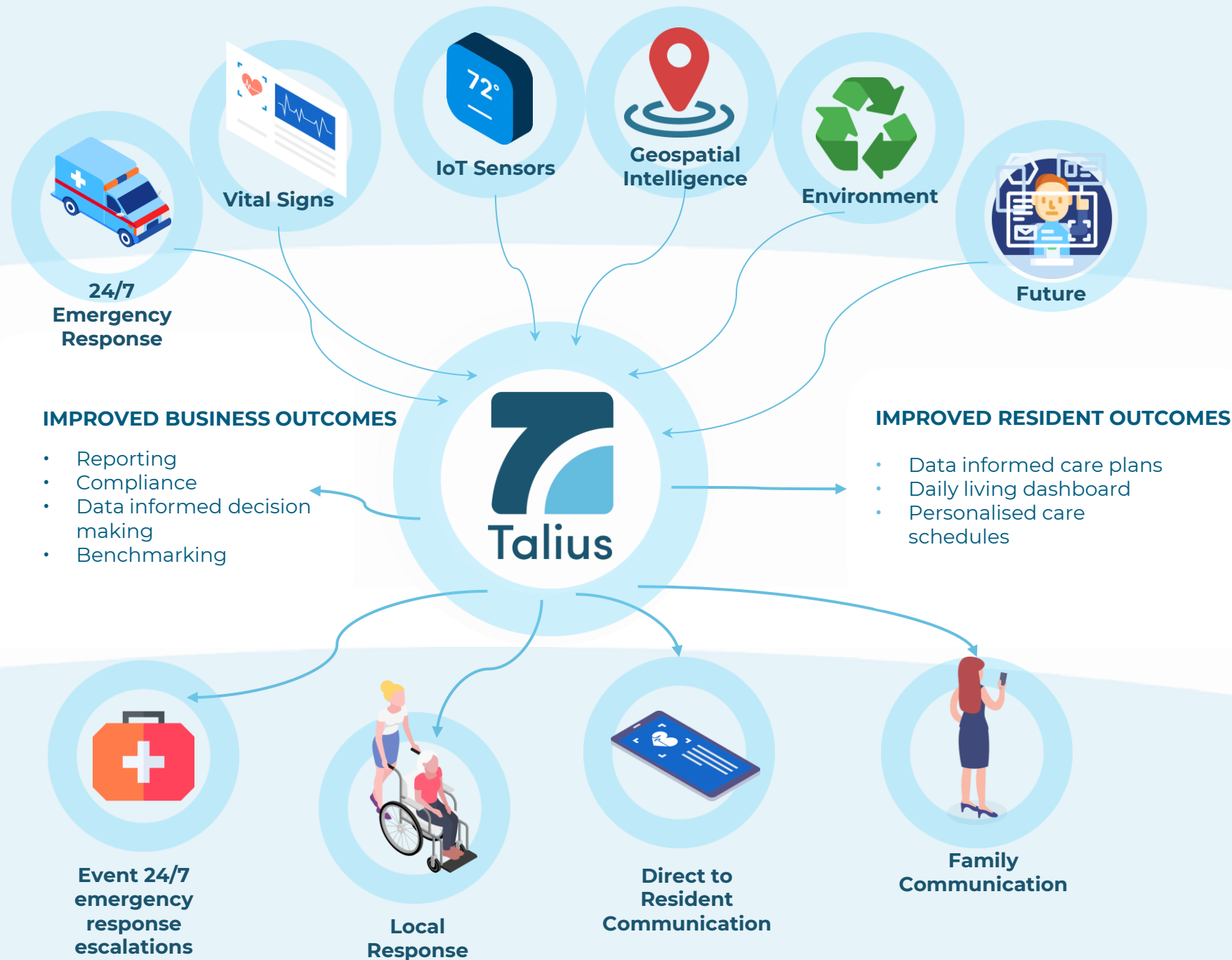
It starts by using technology to shift spot-check care to sense-respond care...

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.



Corporate Information

ASX code	TAL
Share price	0.8 cents
Market cap	\$20.6m
Shares on issue	2.574b
52-week trading (low/high)	0.7c to 1.3c
Shares held by Top 20	50%
Cash (30 June 2024)	\$1.3m

Investor Enquiries

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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>
Impairment of inventory	<p>As part of the acquisition of HomeStay Care International Pty Ltd, Talius acquired a range of security devices in the inventory stores.</p> <p>This stock is not applicable to the aged care sector and whilst Talius will continue efforts to sell this inventory, Talius has taken a conservative view and recognised a full impairment charge of \$200k.</p> <p>Talius has not purchased any security devices subsequent to the acquisition of HomeStay Care International Pty Ltd.</p>