

## Talius Group December 2024 Quarterly Report

23 January 2025

- **Cash receipts from customers of \$4.3 million for the quarter**
- **Cash and cash equivalents at the end of the quarter \$4.1 million**
- **Positive operating cash flow for the quarter**
- **Revenue of \$4.4 million for the quarter and \$11.4 million for FY2024 (unaudited)**
- **Subscriptions now over 42,500, a 17% increase QoQ**
- **Strategic capital raising of \$2.5 million from industry experienced investor**

**Talius Group Limited (Talius or the Company) (ASX:TAL)** is pleased to provide the following activities and business updates alongside its Appendix 4C - Quarterly Cashflow Report for the quarter ended 31 December 2024 (the **quarter**).

This quarter marks another significant step forward, reinforcing our positive momentum as we aim for a stronger second half of the year, building on the progress of the first half.

### Sales

During the quarter, cash receipts totaling \$4.3 million were received from the sale of digital technology hardware and data service to our enterprise customers. This is slightly higher than forecasted due to some project carry over from the previous quarter and the completion of a large order from a premier partner, Bolton Clarke.

Hato Hone St John (HHSTJ) in New Zealand, a contract initially announced in April 2024, is continuing to generate consistent revenue and further orders from HHSTJ will continue to drive growth in 2025.

We are also pleased to report that we have now delivered the final shipments to ADT New Zealand and have begun receiving payments from the ADT purchase order, as announced in June 2024.

With our ARR now based on 42,500 subscriptions we stand at a very promising position for 2025, with additional growth expected from current purchased units to come online in the first and second quarters, along with the additions from project completions. Importantly, we have continued to invest in Home Care pilot programs on the lead up to 1 July 2025 and the new Aged Care Bill. Whilst this may incur some initial cost to the business, we remain confident in the strategy and the material catalyst and funding under the Bill.

The opportunity to explore a broader channel approach to the market has progressed to the next stage, with a major distributor that can add significant reach to the Talius brand in Australia, New Zealand, and a future scope globally. This will enable Talius to market to a larger audience for our products and services and create a wide partner network for solution deployment at scale.

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*The next generation of Aged Care technology*

## Home and Community Care

Talius has now defined our MVP for the Safer Smarter Connected home program and as such has initiated a number of new home care pilots through providers such as Silverchain and Benetas. Providers in this category have thousands of clients that will require a Talius solution to enable their daily lives and provide the carers with more insight into managing care needs for each individual. We have a goal of deploying 10 home care pilots by Q1 2025, with a structured marketing campaign that will enable the care providers to on-sell the solution to their customers and leverage the new Aged Care Act for funding.

## Retirement Villages Sector

The Talius account management team are having continued success in generating incremental growth for our database of retirement village customers. With new products and solutions such as the SpaceTalk watch, our Trelawear jewelry pendant in conjunction with Fall Call, the Talius offering into the Retirement Villages market is increasing traction and awareness.

Strategic partners are introducing new opportunities and expanding on our current client base. With a focus in 2025 for partnerships, we see this increasing for inbound opportunities.

## Residential Aged Care (RAC)

The projects team handed over or are bringing to completion several sites this quarter including:

- New Direction care – starting
- Hyecorp – Heart of Wiloughby
- ACH – Vita

Operationally, the Talius team is continuing to enhance their output and strategy, implementing better competence and deployment capability. With a strong focus on service excellence, the team are creating a better customer experience with long term relationships being established that will inevitably see Talius implementations grow.

## Beyond Care

The Talius Track RTLS solution is gaining market recognition as a viable solution for a number of health specific applications and verticals, ranging from mortuaries to hospitals. The unique nature of our data insights enables a wide range of operational outcomes in this growth sector.

The Talius partner conversations are growing and creating some market vibrance with opportunities coming to us. This is primarily due to the creation of an in depth Talius partner program, which will allow for a detailed account management plan and will see opportunities and growth through a channel-led approach.

The opportunities have added an additional \$1 million in future projects to the Company's pipeline with varying probabilities, and will continue to build a strong sales multi-layered network.

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*The next generation of Aged Care technology*

## Subscriptions

Since the end of the previous quarter, Talius has increased its subscription numbers to over 42,500, representing a 17% increase. Pleasingly, there are approximately 20,000 further subscriptions that have been contracted but not yet activated.

Annualised recurring subscription revenues remain strong and have grown to \$2.9 million at quarter/year end, which represents an increase of over 11.5% on the previous quarter end, and 49% on December 2023.

## Research and Development

The Company has maintained focused investment in the Talius platform, with a focus on enhanced data delivery and client experience. Having a detailed dashboard for carers and their clients is a fundamental pillar of our business and it is being recognised by our clients new, and existing.

Additionally, we have invested further in our infrastructure, bringing on a high calibre 3<sup>rd</sup> party to assist in streamlining some of our processes and storage around data to ensure a more robust platform for scale and to look to drive cost efficiencies. This will also enhance our Cyber Security for which we are targeting full ISO certification, shortly.

## Strategic Investment

As announced on 24 December 2024, the Company was pleased to advise of the \$2.5 million placement from a strategic investor, Mr. Stephen Norris, who is the Managing Director and part owner of Lifestyle SA Group.

Lifestyle SA pioneered the concept of lifestyle villages in Australia, creating resort-like environments for seniors. Leveraging this experience, Mr. Norris recognises the significant opportunity in enabling “ageing in place” solutions, empowering providers and residents to achieve better outcomes at home.

The proceeds from the capital raising, combined with Talius’ existing cash holdings, will support the expansion of the Talius platform and facilitate further scale into the Home Care vertical. Proceeds will also strengthen general capital management as the Company progresses towards its goal of profitability in 2025.

## Financial Position

Talius recognised revenue of \$4.4 million<sup>1</sup> in the quarter, an increase of 30% on the previous quarter. As noted above, ARR is now \$2.9 million and growing as installed projects come online.

The Company recorded a positive operating cash flow quarter and year to date. Bolstered by the \$2.5 million investment from Lifestyle Plus SA, the Company closed the quarter with total cash of \$4.1 million.

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<sup>1</sup> Unaudited

The Company received cash payments during the quarter of \$4.3 million from sales of assistive technology to enterprise customers. Talius has a number of committed orders due for completion in the new year.

Operating cash outflows throughout the quarter was \$3.5 million, with 63.2% (\$2.2 million) expended on inventory and other cost of sales, 29.3% (\$1.01 million) on R&D and staff costs, with the remaining balance of 7.5% (\$0.25 million) going towards marketing, office rent and other general administration costs.

Related party payments of \$166,777 during the quarter are detailed in Section 6 of the accompanying Appendix 4C, and represent payments for director fees, the Managing Director's salary, and superannuation payments.

### **Commenting on the quarter, Mr. Graham Russell, said:**

*"We had a slow start to 2024 but we are very glad to see that it finished strong. The last quarter has been one of our best and I am grateful to the Talius team's hard work throughout the year and the ongoing support of our clients.*

*We have finalised the 3G upgrade in Australia and now we are supporting New Zealand with their transition from 3G to 4G over the next 12 months with significant contracts with St Johns Ambulance and ADT New Zealand.*

*The continued growth of our ARR throughout the year has us on a clear path to profitability this year and we are excited to deliver improved results to our supportive shareholders. We have also undertaken some internal cost reduction measures, and will continue to look for efficiencies with profitability being a key target for 2025.*

*The continued investment in Talius has been significant throughout the year, however we are now seeing the results as the market adoption improves for a data enabled care solution that is required to meet the new Home Care legislation. This has been demonstrated by the two new home care pilots with Benetas and Silverchain. We see these new legislation changes as a catalyst for the adoption of Talius as an Ageing in Place solution that will provide the required clinical oversight for providers to meet their obligations.*

*Finally, the significant investment made by Mr. Stephen Norris to purchase 10% of the company was a clear sign that our strategy and execution is on track. Mr. Norris has been a pioneer in the aged care industry and has led many innovations to the sector, developing the first Lifestyle Retirement Villages. He immediately saw the value of Talius and was aware of the expected ageing influx and the reality we will not have enough hospitals, aged care facilities or retirement villages to cater for the demand, which will inevitably result in the requirement for Care in the home.*

*We are grateful for his support and look forward to continuing the help the aged care industry that desperately needs our solution."*

This announcement has been authorised by the Board of Directors of Talius Group Limited.

**Investor Enquiries:**

Andrew Ritter

**Company Secretary**

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Talius provides a suite of technology enabled care solutions to the aged and disability sectors across multiple verticals, including retirement living, residential aged care, home, and community settings to improve the quality of life, later in life.

Talius' Software as a Service (SaaS) data analytics platform Talius Smart Care combines smart sensors with AI machine learning that delivers automated actions. Talius links awareness, analysis, and action through one platform allowing the care model to move from spot check care to sense-respond care. Nursing staff can switch their focus from data collection to building a human connection. Most importantly, residents benefit from a new era of autonomy and dignity.

Talius helps protect and connect our elderly and people with disabilities with a scalable healthcare technology platform integrated with leading third-party providers to ensure end-to-end solutions for Connected Health.

**FORWARD LOOKING STATEMENTS**

*Certain statements contained in this ASX release, including information as to the future financial or operating performance of the Company and its projects, are forward looking statements. Such forward looking statements:*

- (a) are necessarily based upon several estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant technical, business, economic, competitive, political, and social uncertainties and contingencies;*
- (b) involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward looking statements; and*
- (c) may include, among other things, statements regarding estimates and assumptions in respect of prices, costs, results, and capital expenditure, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social, and other conditions. The Company disclaims any intent or obligation to publicly update any forward-looking statements, whether because of new information, future events, or results or otherwise.*

*The words "believe", "expect", "contracted", "anticipate", "indicate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule", "planned" and similar expressions identify forward looking statements. All forward looking statements contained in this ASX release are qualified by the foregoing cautionary statements. Recipients are cautioned that forward looking statements are not guarantees of future performance and accordingly recipients are cautioned not to put undue reliance on forward looking statements due to the inherent uncertainty therein.*

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

TALIUS GROUP LIMITED

**ABN**

62 111 823 762

**Quarter ended ("current quarter")**

31 DECEMBER 2024

| <b>Consolidated statement of cash flows</b>               | <b>Current quarter<br/>\$A'000</b> | <b>Year to date (12<br/>months)<br/>\$A'000</b> |
|---|------------------------------------|---|
| <b>1. Cash flows from operating activities</b>            |                                    |   |
| 1.1 Receipts from customers                               | 4,265                              | 11,331  |
| 1.2 Payments for  |                                    |   |
| (a) research and development                              | (38)                               | (174)   |
| (b) product manufacturing and operating costs             | (2,181)                            | (5,478)   |
| (c) advertising and marketing                             | (41)                               | (165)   |
| (d) property expenses                                     | (5)                                | (12)  |
| (e) staff costs   | (974)                              | (3,901)   |
| (f) administration and corporate costs                    | (208)                              | (783)   |
| 1.3 Dividends received (see note 3)                       | -                                  | -   |
| 1.4 Interest received                                     | -                                  | 3   |
| 1.5 Interest and other costs of finance paid              | (4)                                | (23)  |
| 1.6 Income taxes paid                                     | -                                  | -   |
| 1.7 Government grants and tax incentives                  | -                                  | 95  |
| 1.8 Other income  | -                                  | -   |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>814</b>                         | <b>893</b>                                      |
| <b>2. Cash flows from investing activities</b>            |                                    |   |
| 2.1 Payments to acquire or for:                           |                                    |   |
| (a) entities  | -                                  | -   |
| (b) businesses  | -                                  | -   |
| (c) software, plant and equipment                         | (305)                              | (828)   |
| (d) investments   | -                                  | -   |
| (e) intellectual property                                 | -                                  | -   |
| (f) other non-current assets                              | -                                  | (93)  |

| Consolidated statement of cash flows |   | Current quarter<br>\$A'000 | Year to date (12 months)<br>\$A'000 |
|--------------------------------------|---|----------------------------|-------------------------------------|
| 2.2                                  | Proceeds from disposal of:                            |                            |                                     |
|                                      | (a) entities  | -                          | -                                   |
|                                      | (b) businesses  | -                          | -                                   |
|                                      | (c) property, plant and equipment                     | -                          | -                                   |
|                                      | (d) investments                                       | -                          | -                                   |
|                                      | (e) intellectual property                             | -                          | -                                   |
|                                      | (f) other non-current assets                          | -                          | -                                   |
| 2.3                                  | Cash flows from loans to other entities               | -                          | -                                   |
| 2.4                                  | Dividends received (see note 3)                       | -                          | -                                   |
| 2.5                                  | Other (provide details if material)                   | -                          | -                                   |
| <b>2.6</b>                           | <b>Net cash from / (used in) investing activities</b> | <b>(305)</b>               | <b>(921)</b>                        |

|             |   |              |              |
|-------------|---|--------------|--------------|
| <b>3.</b>   | <b>Cash flows from financing activities</b>   |              |              |
| 3.1         | Proceeds from issues of equity securities (excluding convertible debt securities)       | 2,574        | 2,574        |
| 3.2         | Proceeds from issue of convertible debt securities                                      | -            | -            |
| 3.3         | Share buyback   | -            | (72)         |
| 3.4         | Transaction costs related to issues of equity securities or convertible debt securities | -            | (8)          |
| 3.5         | Proceeds from borrowings  | -            | -            |
| 3.6         | Repayment of borrowings   | (40)         | (144)        |
| 3.7         | Transaction costs related to loans and borrowings                                       | -            | -            |
| 3.8         | Dividends paid  | -            | -            |
| 3.9         | Repayment of lease liabilities  | (23)         | (86)         |
| <b>3.10</b> | <b>Net cash from / (used in) financing activities</b>                                   | <b>2,511</b> | <b>2,264</b> |

|           |  |       |       |
|-----------|--|-------|-------|
| <b>4.</b> | <b>Net increase / (decrease) in cash and cash equivalents for the period</b> |       |       |
| 4.1       | Cash and cash equivalents at beginning of period                             | 1,126 | 1,910 |
| 4.2       | Net cash from / (used in) operating activities (item 1.9 above)              | 814   | 893   |
| 4.3       | Net cash from / (used in) investing activities (item 2.6 above)              | (305) | (921) |

| Consolidated statement of cash flows |  | Current quarter<br>\$A'000 | Year to date (12 months)<br>\$A'000 |
|--------------------------------------|--|----------------------------|-------------------------------------|
| 4.4                                  | Net cash from / (used in) financing activities (item 3.10 above) | 2,511                      | 2,264                               |
| 4.5                                  | Effect of movement in exchange rates on cash held                | -                          | -                                   |
| 4.6                                  | <b>Cash and cash equivalents at end of period</b>                | <b>4,146</b>               | <b>4,146</b>                        |

| 5.  | Reconciliation of cash and cash equivalents<br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter<br>\$A'000 | Previous quarter<br>\$A'000 |
|-----|--|----------------------------|-----------------------------|
| 5.1 | Bank balances  | 4,146                      | 1,126                       |
| 5.2 | Call deposits  | -                          | -                           |
| 5.3 | Bank overdrafts  | -                          | -                           |
| 5.4 | Other (provide details)  | -                          | -                           |
| 5.5 | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>   | <b>4,146</b>               | <b>1,126</b>                |

| 6.   | Payments to related parties of the entity and their associates                          | Current quarter<br>\$A'000 |
|--|---|----------------------------|
| 6.1  | Aggregate amount of payments to related parties and their associates included in item 1 | 167                        |
| 6.2  | Aggregate amount of payments to related parties and their associates included in item 2 | -                          |
| <p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p>Director fees:     \$166,777</p> |   |                            |

|           |   |   |  |
|-----------|---|---|--|
| <b>7.</b> | <b>Financing facilities</b><br><i>Note: the term "facility" includes all forms of financing arrangements available to the entity.<br/>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>  | <b>Total facility amount at quarter end<br/>\$A'000</b> | <b>Amount drawn at quarter end<br/>\$A'000</b> |
| 7.1       | Loan facilities   | -   | -  |
| 7.2       | Credit standby arrangements   | -   | -  |
| 7.3       | Other – Insurance premium funding   | 27  | 27   |
| 7.4       | <b>Total financing facilities</b>   | <b>27</b>   | <b>27</b>                                      |
| 7.5       | <b>Unused financing facilities available at quarter end</b>   |   | -  |
| 7.6       | <p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>Insurance premium funding facility provided by Hunter Premium Funding. The amount is unsecured, repayable in monthly instalments by February 2025 and bears interest at 9.2% per annum.</p> |   |  |

|           |  |                |
|-----------|--|----------------|
| <b>8.</b> | <b>Estimated cash available for future operating activities</b>  | <b>\$A'000</b> |
| 8.1       | Net cash from / (used in) operating activities (item 1.9)  | 814            |
| 8.2       | Cash and cash equivalents at quarter end (item 4.6)  | 4,146          |
| 8.3       | Unused finance facilities available at quarter end (item 7.5)  | -              |
| 8.4       | Total available funding (item 8.2 + item 8.3)  | 4,146          |
| 8.5       | <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>  | N/A            |
|           | <i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i> |                |
| 8.6       | If item 8.5 is less than 2 quarters, please provide answers to the following questions:  |                |
| 8.6.1     | Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?  |                |
|           |  |                |
| 8.6.2     | Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?   |                |
|           |  |                |
| 8.6.3     | Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?  |                |
|           |  |                |
|           | <i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>   |                |

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 23 January 2025

Authorised by: The Board of Directors of Talius Group Limited  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.