

HALF-YEAR Report
30 JUNE 2025

Directors Report	3
Auditor's Independence Declaration	10
Statement of Comprehensive Income	11
Statement of Financial Position	12
Statement of Changes in Equity	13
Statement of Cash Flows	14
Notes to the Financial Statements	15
Directors' Declaration	22
Independent Auditor's Report	23

The information contained in this document should be read in conjunction with Talius Group Limited's public announcements made in accordance with the continuous disclosure obligations arising from the Corporations Act 2001 and the ASX Listing Rules.

DIRECTORS' REPORT

Your Directors present their report on the Consolidated Entity consisting of Talius Group Limited ("Talius" or "Company"), and the entities it controlled (together referred to as the "Consolidated Entity" or "Group") at the end of, or during, the half year ended 30 June 2025.

DIRECTORS

The following persons were directors of Talius Group Limited during the whole of the financial period and up to the date of this report, unless otherwise stated:

Name	Position	Period of Directorship
Graham Russell	Managing Director	Appointed 3 December 2019
Ramsay Carter	Non-Executive Director	Appointed 16 June 2020
	Non-Executive Chairman	From 1 April 2025
Leylan Neep	Non-Executive Chairman	Appointed 1 September 2020
		Resigned 1 April 2025
Maggie Haertsch	Executive Director	Appointed 15 August 2024
		Resigned 28 January 2025
Stephen Norris	Non-Executive Director	Appointed 1 April 2025
Gregory Kennish	Non-Executive Director	Appointed 1 April 2025

PRINCIPAL ACTIVITIES

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. 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.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company's operations are not subject to any significant environmental regulation under Australian Commonwealth or State law.

REVIEW OF OPERATIONS

Sales

The Company generates revenue through hardware sales and ongoing software subscriptions. For the half year ending 30 June 2025, Talius reported \$4,212,553 in revenue, representing a 21% increase compared to the previous years first half.

This increase is primarily attributed to sales made to key clients including Hato Hone St John (HHSTJ) and sustained growth in subscriptions.

Talius is currently being considered for several major tenders with leading aged care providers, with outcomes expected in the coming months. Building on strong market momentum, the company is confident in securing a portion of these opportunities. In the near term, Talius has confirmed sales including a \$410,000 Lifepod order from HHSTJ, a \$200,000 deployment with Roshana Aged Care (with potential expansion to 16 sites), a \$256,000 full

deployment with New Direction Care following a successful pilot, and a \$76,000 contract variation with Hyecorp.

During the period, Talius entered into a strategic Distribution Agreement with Wesco Anixter covering Australia, New Zealand, and Singapore, significantly expanding its sales and installation reach. Leveraging Wesco's extensive network, marketing scale, and strong presence in the healthcare and home healthcare sectors, the partnership positions Talius to be specified into large-scale health projects while benefiting from Wesco's account management and demand generation expertise. The agreement has already resulted in Talius receiving its first purchase order, with all services to be delivered via the Talius Smart Care Platform under a subscription model, supporting the Company's strategy for scalable and recurring commercial growth

These substantial orders are expected to strengthen our second half results this year and contribute positively to the first half of next year.

Subscriptions

Talius continues to experience strong growth in service subscriptions, which have now exceeded 49,200. This increase of 16% over the past six months has been driven by the onboarding of new customers through recently completed projects and sales initiatives.

Annualised recurring subscription revenue has reached \$3,256,032 and is steadily increasing with approximately 12,000 additional subscriptions contracted but not yet active. As subscriptions close in on 50,000 and more project sites continue to go live, the company remains confident about sustaining this upward trajectory.

Business Verticals

Retirement Villages Sector

During the period, Talius continued to strengthen its presence in the retirement living sector through innovation and targeted partnerships. A key development was the signing of a Memorandum of Understanding with Lifestyle SA, with initial implementation planned for one of its Adelaide villages. This marks the first project where Talius will integrate previously installed third-party devices, providing real-time visibility of emergency events, safety alerts, and device status, an important step in enhancing operational oversight and resident care.

Talius also participated in the National Retirement Living Summit held in Brisbane, where the Company showcased its smart ageing-in-place technologies. The event generated strong interest from industry stakeholders, with new opportunities emerging, particularly in New Zealand. The scheduled decommissioning of the 3G network is driving demand for next-generation connectivity, and Talius is well-positioned to meet this need. In line with its SaaS and PaaS growth strategy, Talius is also rolling out its new cloud-based maintenance portal across more than 250 retirement villages, delivering real-time device insights, reducing maintenance costs, and increasing reliability for operators and peace of mind for residents.

Residential Aged Care

The Talius Projects Team delivered continued progress across its residential aged care pipeline during the quarter. At New Direction Care – Bellmere, full rollout preparations are underway following a successful pilot, with the project on track for completion by the end of Q3 2025. Meanwhile, final stages of the Hyecorp – Heart of Willoughby project are progressing well, with handover of the core building expected within the next six months.

Talius was also selected to deliver its Healthcare Platform at Adventist Retirement Plus – Melody Park Residential Aged Care, beginning with a pilot deployment to validate system integration and performance. In addition, the Company will support delivery of its platform to Roshana Aged Care on the NSW Central Coast, in partnership with Vitalcall, a division of the Chubb Group. These wins reflect the Company's growing traction in the sector and strengthen its robust sales pipeline, with several further opportunities in late-stage due diligence across Australia and New Zealand.

Home and Community Care

Talius is well-positioned to capitalise on upcoming reforms under the Commonwealth Government's new Aged Care Bill 2024, which are now scheduled to take effect from 1 November 2025. A key element of the new legislation is the Assistive Technology Home Modifications (AT-HM) model, introduced under the Support at Home program. This model provides dedicated funding for Personal Emergency Response Systems (PERS), covering procurement or rental, installation, SIM cards, subscriptions, and 24/7 monitoring, all of which is based on eligibility determined by qualified health professionals.

Talius' suite of PERS devices and smart home solutions align directly with this model and are compatible across all three funding tiers: \$500, \$2,000, and \$10,000 annually. These devices integrate fully with the Talius Health Platform and have already been successfully piloted, putting the Company in a strong position to support both care providers and individuals as the new framework is implemented nationally.

Research and Development

During the period, Talius continued to enhance its technology platform through focused investment in product development and system infrastructure, supporting both client outcomes and long-term scalability.

A key milestone was the rollout of the Company's proprietary RTLS software, Talius Tracker, replacing previously used third-party solutions. This platform delivers improved real-time accuracy and performance while enabling Talius to capture 100% of subscription revenue. The transition is expected to generate over \$120,000 in incremental annual margin revenue from the existing client base, with improved client satisfaction and system reliability.

The R&D team also made strong progress on the development of the Talius Wizard, a purpose-built API interface designed to enable self-service device onboarding. This tool will allow partners to connect devices to the Talius Platform without technical support, removing integration friction and laying the groundwork for global scalability. In response to client demand, Talius is preparing to launch Talius Compass, a new GPS-enabled tracking module that extends monitoring capabilities beyond facility boundaries. Compass improves safety and visibility for residents in the broader community and is also generating interest from adjacent sectors such as construction and justice, where workforce tracking is critical.

To support scale and reliability, Talius has engaged a specialist third-party provider to optimise data infrastructure and streamline backend processes. These upgrades are expected to deliver cost efficiencies, improved data resilience, and support the Company's objective of achieving full ISO Cyber Security certification in Q2.

Together, these technology and R&D initiatives demonstrate Talius' commitment to innovation and its strategy to become the leading SaaS and PaaS provider in the aged care and broader safety technology sectors.

FINANCIAL RESULTS

The Group's HY2025 revenues increased 21% on the prior period:

- Hardware/project revenue were up 32% on the prior period. Talius has successfully completed delivery on the purchase order received from Hato Hone St John (HHSTJ) in New Zealand. The HHSTJ team will continue to roll out the installation of the technology over the next few months, enabling continued and steady growth of subscriptions to the Talius platform.
- Subscriptions revenue grew 13% on the prior period with subscription numbers now surpassing 49,200.
- The Group's total loss for the HY2025 was \$626,164, compared with the HY2024 loss of \$1,696,306. The key movements compared to the prior year were:

- A \$298,420 increase in gross profit (revenues less cost of sales) resulting from higher revenues. Hardware margin percentages remained consistent over the period.
- Employee and consultant costs (including share based payments) decreased \$290,658 (14%) as Talius focuses on right-sizing the team to set a strong foundation for future expected growth;
- Amortisation and depreciation expense increased \$35,804 in line with recent investments in software assets.
- Marketing and administrative/corporate costs decreased by \$33,115 on the prior period, again reflective of the increased focus on cost rationalisation throughout the period.
- Other income increased on prior period due to a \$228,000 reversal of an accrual taken for rent payments on a previously leased property in Sydney dating back to 2021. The amount was reversed as it has been deemed that the probability of a claim being made against these amounts is remote.
- A government grant of \$389,955 was recorded during the half year period. This related to the Group's Research and Development (R&D) Tax Incentive claim. The total amount of the claim was \$737,999, with the balance of \$348,044 being offset against the intangible software asset which gave rise to the claim.

Net cash outflows from operations were \$1,799,641 (HY2024: outflows of \$161,943).

The net asset position of the Group at 30 June 2025 was \$3,793,016. The Group's net working capital (current assets less current liabilities) is a surplus of \$3,238,783.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes during the period.

LIKELY DEVELOPMENTS AND FUTURE OPERATIONS

The Company will continue to develop and commercialise its assistive technology enabled care solutions to the aged and disability sectors, across multiple verticals including retirement living, residential aged care, home, and community settings.

After considering external factors such as the shut-down of the 3G telecommunications network in New Zealand and the upcoming commencement of increased funding channels through the Aged Care Bill 2024, the Company expects continuing strong growth in the use of assistive technology.

The Company earns revenue through hardware sales and recurring software subscriptions. As subscriptions on its Talius Smart Care Platform continue to grow, the Company expects recurring SaaS revenue to increase as part of the overall revenue mix.

The Company will consider expanding the application of its SaaS solutions to other markets such as health care, and also consider the licensing of Talius as a 'platform as a service'.

BUSINESS RISKS

Talius is subject to a number of risks which may have a material adverse effect on operating and financial performance. Talius' Risk Management Policy can be found on its website. It is not possible to identify every risk that could affect the business or shareholders and the actions taken to mitigate these risks cannot provide absolute assurance that a risk will not materialise or have a material adverse effect on business strategies, assets or future performance of Talius. A non-exhaustive list (in no particular order) of material risks and relevant mitigation strategies implemented by the Company are set out below.

Risk	Description and potential impact	Strategies used to mitigate the risk
Product quality	The Company may experience product failure, or customer dissatisfaction with its hardware solutions or software platform.	The Company implements quality control processes and ensures appropriate testing and monitoring of products to ensure a high standard of safety and efficacy. The Company also maintains product liability insurance.
Funding	The Company may need to raise additional funds (debt or equity) to support its ongoing operations or implement its strategies. There can be no assurance that such funding will be available on satisfactory terms or at all at the relevant time. Inability to obtain sufficient funds may result in the delay or cancellation of certain activities which would likely adversely affect Talius' growth.	The Company actively manages its capital requirements and maintains close relationships with its existing investor base, as well as exploring both equity and debt new sources of capital should the need to raise additional funds arise.
Technology	The Company is reliant to a certain degree on third party developers, systems, and networks. Changes to the supply of platforms or hardware may impact operations and have a detrimental impact on financial performance.	The Company's supplier agreements include protections for continuation of service. The Company has a diverse product range to minimise third party reliance, as well as continually monitoring the market for alternative suppliers.
Data security	The Company may experience a data breach or failure, or be the target of a cyber-attack, which may affect its operations as well as reputation. There is a risk that the collection, usage management of customer data is not consistent with regulatory obligations.	The Company has strategies and protections in place to mitigate security breaches and to protect data. The Company also has Cyber security insurance to mitigate potential financial losses.
People	The Company may lose key executives. The Company operates in a competitive environment in relation to attracting software development and technical personnel. The loss of key staff or the inability to attract personnel may adversely affect the Company's operations. Inadequate workplace health and safety practices	Identification of key people and the implementation of appropriate staff training as well as succession plans. The Company offers incentives and career development opportunities for key executives and senior management. The Company will form an OH&S Committee to oversee all workplace health and safety practices.

Product innovation and competition	Competitors may bring superior products or platforms to the market which may result in a loss of market share. Products and technologies developed by competitors may render the Company's product and platform obsolete or non-competitive.	The Company continuously monitors market developments and new products. Talius continues to invest in its platform development to improve its intellectual property and services.
Intellectual property infringement	The Talius Platform has been developed in-house and the Company is exposed to the risk of its proprietary know-how being misappropriated and Competitors using this information to disrupt the Company's market share.	In addition to network and product security measures, there are contractual protections included in our customer agreements, and where necessary confidentiality agreements are in place with parties with access to our know-how.
Interruption to product supply	The Company imports a range of hardware products from overseas markets, and these suppliers may suffer materials shortages which may cause disruption and delays to the Company's operations and revenue generation. While all care is taken to contract with third parties that have appropriate expertise and experience, there are no guarantees that those third parties will perform as expected or required.	The Company works closely with customers and suppliers to identify supply requirements. The Company maintains an appropriate level of inventory as a buffer for supply chain interruptions. The Company keeps abreast of alternative suppliers for its hardware, should the need to change supplier arise.

EVENTS AFTER REPORTING DATE

There have been no events since 30 June 2025 that impact upon the financial report.

DIVIDENDS

No dividends were paid or declared during the financial period.

ROUNDING

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with the instrument to the nearest dollar.

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration on page 10 forms part of the Directors' Report.

Signed in accordance with a resolution of the board of directors of Talius Group Limited.

A handwritten signature in black ink, appearing to read 'G Russell'.

Graham Russell
Managing Director
27 August 2025



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DECLARATION OF INDEPENDENCE BY T R MANN TO THE DIRECTORS OF TALIOUS GROUP LIMITED

As lead auditor for the review of Talius Group Limited for the half-year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Talius Group Limited and the entities it controlled during the period.

A handwritten signature in dark ink, appearing to read 'T R Mann', written over a light blue horizontal line.

T R Mann
Director

BDO Audit Pty Ltd

Brisbane, 27 August 2025

Consolidated Statement of Comprehensive Income
For the half-year ended 30 June 2025

	Note	6 months ending June 2025 \$	6 months ending June 2024 \$
Revenue	3	4,212,553	3,495,729
Other income	4	615,278	273,130
Cost of sales		(2,727,708)	(2,309,304)
Amortisation and depreciation expense		(195,885)	(100,858)
Consulting fees		(364,995)	(249,985)
Employee benefits expenses		(1,410,725)	(1,815,557)
Corporate and insurance expenses		(244,936)	(226,827)
Travel and marketing expenses		(86,124)	(137,388)
Property expenses		(9,420)	(9,363)
Finance costs		(8,586)	(11,646)
Share based payments		(44,279)	(45,115)
Impairment of receivables		(11,430)	(7,011)
Impairment of inventories		-	(200,000)
Other expenses		(349,907)	(352,111)
Loss before income tax		(626,164)	(1,696,306)
Income tax		-	-
Loss after income tax		(626,164)	(1,696,306)
Other comprehensive income, net of tax		-	-
Total comprehensive income		(626,164)	(1,696,306)
Loss per share		Cents	Cents
Basic and diluted loss per share		(0.01)	(0.07)

The Consolidated Statement of Comprehensive Income should be read in conjunction with the Notes to the Financial Statements.

Consolidated Statement of Financial Position
As at 30 June 2025

	Note	June 2025 \$	December 2024 \$
CURRENT ASSETS			
Cash and cash equivalents		2,068,112	4,146,742
Trade and other receivables		1,778,826	1,005,029
Inventories	5	1,220,508	1,395,547
Other current assets		298,963	224,846
TOTAL CURRENT ASSETS		5,366,409	6,772,164
NON-CURRENT ASSETS			
Plant and equipment		66,639	51,890
Intangible assets	6	383,706	871,535
Right-of-use assets		341,507	64,758
TOTAL NON-CURRENT ASSETS		791,852	988,183
TOTAL ASSETS		6,158,262	7,760,347
CURRENT LIABILITIES			
Trade and other payables	7	1,743,628	2,973,782
Contract liabilities		71,752	209,735
Borrowings		95,297	71,661
Short-term provisions		95,151	27,158
Lease liabilities		121,798	48,828
TOTAL CURRENT LIABILITIES		2,127,626	3,331,164
NON-CURRENT LIABILITIES			
Lease liabilities		237,619	41,615
TOTAL NON-CURRENT LIABILITIES		237,619	41,615
TOTAL LIABILITIES		2,365,245	3,372,779
NET ASSETS		3,793,016	4,387,568
EQUITY			
Contributed capital	8	22,930,200	22,881,242
Reserves	9	354,366	371,712
Accumulated losses		(19,491,550)	(18,865,386)
TOTAL EQUITY		3,793,016	4,387,568

The Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements.

STATEMENT OF CHANGES IN EQUITY

Consolidated Statement of Changes in Equity For the half year ended 30 June 2025

	Contributed Capital \$	Accumulated Losses \$	Share Based Payment Reserve \$	Total \$
Balance at 1 January 2024	20,174,887	(15,774,753)	599,994	5,000,128
Transactions with owners in their capacity as owners				
Share based payments	-	-	45,115	45,115
Conversion of performance rights	203,746	-	(203,746)	-
Share buy-back	(71,843)	-	-	(71,843)
Total	131,903	-	(158,631)	(26,728)
Comprehensive income				
Loss after income tax	-	(1,696,306)	-	(1,696,306)
Total comprehensive income	-	(1,696,306)	-	(1,696,306)
Balance at 30 June 2024	20,306,790	(17,471,059)	441,363	3,277,094
Balance at 1 January 2025	22,881,242	(18,865,386)	371,712	4,387,568
Transactions with owners in their capacity as owners				
Share based payments	-	-	44,279	44,279
Capital raising costs	(12,667)	-	-	(12,667)
Conversion of performance rights	61,625	-	(61,625)	-
Share buy-back	-	-	-	-
Total	48,958	-	(17,346)	31,612
Comprehensive income				
Loss after income tax	-	(626,164)	-	(626,164)
Total comprehensive income	-	(626,164)	-	(626,164)
Balance at 30 June 2025	22,930,200	(19,491,550)	354,366	3,793,016

The Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements.

Consolidated Statement of Cash Flows
For the half-year ended 30 June 2025

	6 months ending June 2025 \$	6 months ending June 2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers (inclusive of GST)	4,174,657	3,565,616
Payments to suppliers and employees (inclusive of GST)	(5,968,526)	(3,718,435)
Interest received	2,814	2,522
Finance costs	(8,586)	(11,646)
Net cash used in operating activities	(1,799,641)	(161,943)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for plant & equipment	(36,201)	(13,891)
Payments for intangible assets	(136,500)	(263,135)
Net cash used in investing activities	(172,701)	(277,026)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cost associated with the issue of shares	(12,667)	(7,500)
Payments for share buy-back	-	(71,843)
Repayment of borrowings (insurance financing)	(50,102)	(52,107)
Lease principal payments	(43,519)	(41,047)
Net cash provided by/(used in) financing activities	(106,288)	(172,497)
Net increase/(decrease) in cash and cash equivalents held	(2,078,630)	(611,466)
Cash and cash equivalents at the beginning of the financial period	4,146,742	1,910,469
Cash and cash equivalents at the end of the financial period	2,068,112	1,299,003

The Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Financial Statements.

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICIES**(a) Reporting Entity**

Talius Group Limited (the “Company”) is a company domiciled in Australia. The consolidated interim financial report of the Company as at and for the six months ended 30 June 2025 comprises the Company and its controlled entities (together referred to as the “Consolidated Entity”).

(b) Statement of Compliance

The consolidated interim financial report is a general-purpose financial report which has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001. The Company is a for-profit entity for the purpose of preparing the interim financial report. The consolidated interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the consolidated annual financial report of the Consolidated Entity as at and for the year ended 31 December 2024 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.

(c) Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As presented in the financial statements, the entity incurred a loss before comprehensive income of \$626,164 for the half-year ended 30 June 2025 and had cash outflows from operations of \$1,799,641.

The ability of the Consolidated Entity to continue as a going concern is dependent upon one or more of the following:

- The successful conversion of future customer opportunities to positive operating cashflows;
- Effective cash flow management
- Further subsequent capital raises where required.

These conditions give rise to a material uncertainty which may cast significant doubt over the Consolidated Entity's ability to continue as a going concern.

The directors believe that the going concern basis of preparation is appropriate due to the following reasons:

- To date the Consolidated Entity has received a number of large first purchase orders from key customers which will be converted to operating cash inflows;
- The level of existing cash reserves and current assets; and
- The directors believe there is sufficient cash available for the Consolidated Entity to continue operating based on its cash flow forecast.

Should the Consolidated Entity be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements.

This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Consolidated Entity be unable to continue as a going concern.

New Accounting Standards

The accounting policies adopted are consistent with those of the previous financial year. Several other amendments and interpretations applied for the first time during the year, but these changes did not have an impact on the Consolidated Entity's financial statements and hence, have not been disclosed. The Consolidated Entity has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

New Standards and Interpretations Not Yet Adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Consolidated Entity for the interim reporting period ended 30 June 2025. The Consolidated Entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

NOTE 2 SEGMENT REPORTINGReportable Segments

The Consolidated Entity has identified its operating segment based on internal reports that are reviewed and used by the executive team in assessing performance and determining the allocation of resources.

Management currently identifies the Consolidated Entity as having only one reportable segment, providing technology enabled care solutions to the aged and disability sectors in Australia. The financial results from this segment are equivalent to the financial statements of the consolidated entity. All assets are located in Australia.

NOTE 3 REVENUES

	6 months ending June 2025 \$	6 months ending June 2024 \$
Software revenue	1,544,442	1,171,936
Hardware sales	2,629,470	2,321,271
Service revenue	35,827	-
Interest revenue	2,814	2,522
Total revenue	4,212,553	3,495,729

NOTE 4 OTHER INCOME

	6 Months ending June 2025 \$	6 Months ending June 2024 \$
Government grants	322,481	94,680
Gain on reversal of financial liability	222,087	-
Other	70,710	178,450
Total other income	615,278	273,130

Government grants recognised during the period relate to the Group's refundable research and development claim. The grant was recognised during the period as there is reasonable assurance that the grant will be received and all attached conditions complied with.

Gain on reversal of financial liability recognised during the period relate to the Group's previous rental accrual for leased property in Sydney dating back to 2021. The amount was reversed as it has been deemed that the probability of a claim being made against these amounts is remote.

NOTE 5 INVENTORIES

	June 2025 \$	December 2024 \$
Aged care specialist sensors	1,520,133	1,895,876
Provision for diminution	(299,624)	(500,329)
	1,220,509	1,395,547

The movement in the provision for stock diminution during the year reflects the reversal of a prior write-off. This reversal was recognised against inventory that was subsequently disposed of, resulting in a reduction of the provision balance.

NOTE 6 INTANGIBLE ASSETS

	June 2025 \$	December 2024 \$
Software at cost	804,823	902,867
Accumulated amortisation	(488,920)	(118,473)
	315,903	784,394
Other intangibles at cost	146,600	143,200
Accumulated amortisation	(78,797)	(56,059)
	67,803	87,141
Total intangible assets	383,706	871,535

Movements during the period

Half Year Ending 30 June 2025	Software	Other	Total
Balance at 1 January 2025	358,255	7,280	365,535
Additions	506,000	3,400	509,400
Amortisation	(141,280)	(1,905)	(143,186)
Refundable R&D offset against capitalised costs	(348,044)	-	(384,044)
Balance at 30 June 2025	374,931	8,775	383,706

NOTE 7 TRADE AND OTHER PAYABLES

	June 2025 \$	December 2024 \$
Trade payables	1,660,432	2,770,552
Other payables and accrued expenses	83,196	203,230
	1,743,628	2,973,782

NOTE 8 CONTRIBUTED CAPITAL

	June 2025 \$	December 2024 \$
286,748,811 fully paid ordinary shares (December 2024: 2,860,486,470) ¹	22,930,200	22,881,242

Ordinary Shares

	June 2025 \$	December 2024 \$	June 2025 #	December 2024 #
At the beginning of the year	22,881,242	20,174,887	2,860,486,470	2,563,917,116
Conversion of Performance Rights ¹	61,625	188,748	7,000,000	18,000,000
Conversion of Performance Rights	-	15,000	-	1,500,000
Share buyback	-	(71,843)	-	(8,980,646)
Share placement	-	2,574,450	-	286,050,000
Share issue costs	(12,667)	-	-	-
Consolidation of shares, 1 for every 10 share			(2,580,737,659)	
At reporting date	22,930,200	22,881,242	286,748,811	2,860,486,470

Notes

1. Conversion of performance rights to ordinary shares at \$0.009 per share

During the period, Talius successfully completed a 10:1 share consolidation, as approved by shareholders at the Company's General Meeting held on 22 May 2025. The consolidation was implemented in accordance with ASX requirements, with the trading of securities on a post-consolidation basis commencing on 13 June 2025. The consolidation has resulted in a more efficient capital structure and a more appropriate share price level, positioning the Company for future growth and improved investor engagement.

NOTE 9 RESERVES

	June 2025 \$	December 2024 \$
Share based payment reserve	354,366	371,712

The share-based payments reserve is used to record the value of share-based payments provided to employees as part of their remuneration and to consultants for services provided.

NOTE 10 SHARE BASED PAYMENTS

Performance Rights

The Company has granted performance rights to directors, employees and consultants. Each equity-settled performance right which vests and is exercised converts to an ordinary share in the Company at nil exercise price. The performance rights are not quoted on the ASX. Performance rights granted carry no dividend or voting rights.

Details of performance rights issued, exercised and expired during the half-year are set out below:

Grant Date	Vesting Date	Expiry Date	Tranche #	Movements					
				1-Jan-25	Share Consolidation	Issued	Exercised	Lapsed	Report Date
15-Jun-20	15-Jun-22	15-Jun-25	Director 2	15,000,000	(13,500,000)	-	-	-	1,500,000
22-Mar-22	31-Dec-22	31-Dec-25	Employee 3	1,000,000	(900,000)	-	-	-	100,000
22-Mar-22	31-Dec-23	31-Dec-26	Employee 4	3,000,000	(2,700,000)	-	-	-	300,000
22-Mar-22	31-Dec-24	31-Dec-27	Employee 5	3,000,000	(2,700,000)	-	-	-	300,000
19-May-22	31-Dec-22	31-Dec-25	Director 5	4,000,000	(3,600,000)	-	-	-	400,000
19-May-22	31-Dec-23	31-Dec-26	Director 6	8,000,000	(7,200,000)	-	-	-	800,000
28-Jul-22	31-Dec-24	31-Dec-27	Employee 9	3,000,000	-	-	(3,000,000)	-	-
15-Dec-22	31-Dec-23	31-Dec-26	Employee 10	3,000,000	(2,700,000)	-	-	-	300,000
15-Dec-22	31-Dec-24	31-Dec-27	Employee 11	4,000,000	(2,700,000)	-	(1,000,000)	-	400,000
12-Aug-24	30-Nov-24	30-Nov-24	Tranche 15	3,000,000	-	-	(3,000,000)	-	-
13-Jan-25	31-Mar-25	30-Jun-25	Consultant (Tranche 5)	-	(1,620,000)	1,800,000	-	-	180,000
1-Apr-25	1-Jun-25	31-Mar-28	GM (Tranche 1) - 1	-	(1,000,000)	1,111,111	-	-	111,111
1-Apr-25	31-Mar-26	31-Mar-28	Staff FY25 (Tranche 3) - 1	-	(4,000,000)	4,444,442	-	-	444,442
1-Apr-25	1-Jun-26	31-Mar-28	GM (Tranche 1) - 2	-	(1,000,000)	1,111,111	-	-	111,111
1-Apr-25	31-Mar-27	31-Mar-28	Staff FY25 (Tranche 3) - 2	-	(4,000,000)	4,444,448	-	-	444,448
1-Apr-25	1-Jun-27	31-Mar-28	GM (Tranche 1) - 3	-	(1,000,000)	1,111,111	-	-	111,111
				47,000,000	(48,620,000)	14,022,223	(7,000,000)	-	5,402,223

The following performance rights Tranches have vested and were exercised at 30 June 2025:

NOTE 9 SHARE BASED PAYMENTS (continued)

Tranche	Number of vested and exercised rights
Employee 9	3,000,000
Employee 11	1,000,000
Tranche 15	3,000,000
Director 2	1,500,000
Consultant (Tranche 5)	180,000
	8,680,000

All other tranches vest upon continuing service by the recipient until the vesting date noted in the above table.

NOTE 11 CONTINGENT LIABILITIES

The Group did not have any contingent liabilities as at 30 June 2025 (December 2024: \$Nil).

NOTE 12 EVENTS AFTER REPORTING DATE

There have been no events since 30 June 2025 that impact upon the financial report.

DIRECTORS' DECLARATION

In the Directors' opinion:

- the attached financial statements and notes thereto 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 thereto give a true and fair view of the consolidated entity's financial position as at 30 June 2025 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) of the Corporations Act 2001.

On behalf of the Directors



Graham Russell
Managing Director
27 August 2025

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Talius Group Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Talius Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- i. Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the half-year ended on that date; and
- ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2025 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd



T R Mann
Director

Brisbane, 27 August 2025

TALIUS GROUP LIMITED CORPORATE INFORMATION

DIRECTORS

Ramsay Carter (Non-Executive Chairman)
Graham Russell (Executive Director)
Stephen Norris (Non-Executive Director)
Gregory Kennish (Non-Executive Director)

COMPANY SECRETARY

Andrew Ritter

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COUNTRY OF INCORPORATION

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