



## Full Year 2023 Results Investor Presentation

ASX:TAL  
[www.talius.com.au](http://www.talius.com.au)

*The Next-Gen Aged Care Technology*

**Date:** February 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.

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## Our Aged and Disability Sector Verticals

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### Home Care

Ageing in Place  
Telehealth



### Retirement Villages

Emergency Response  
Remote Patient Monitoring



### Residential Aged Care Facilities

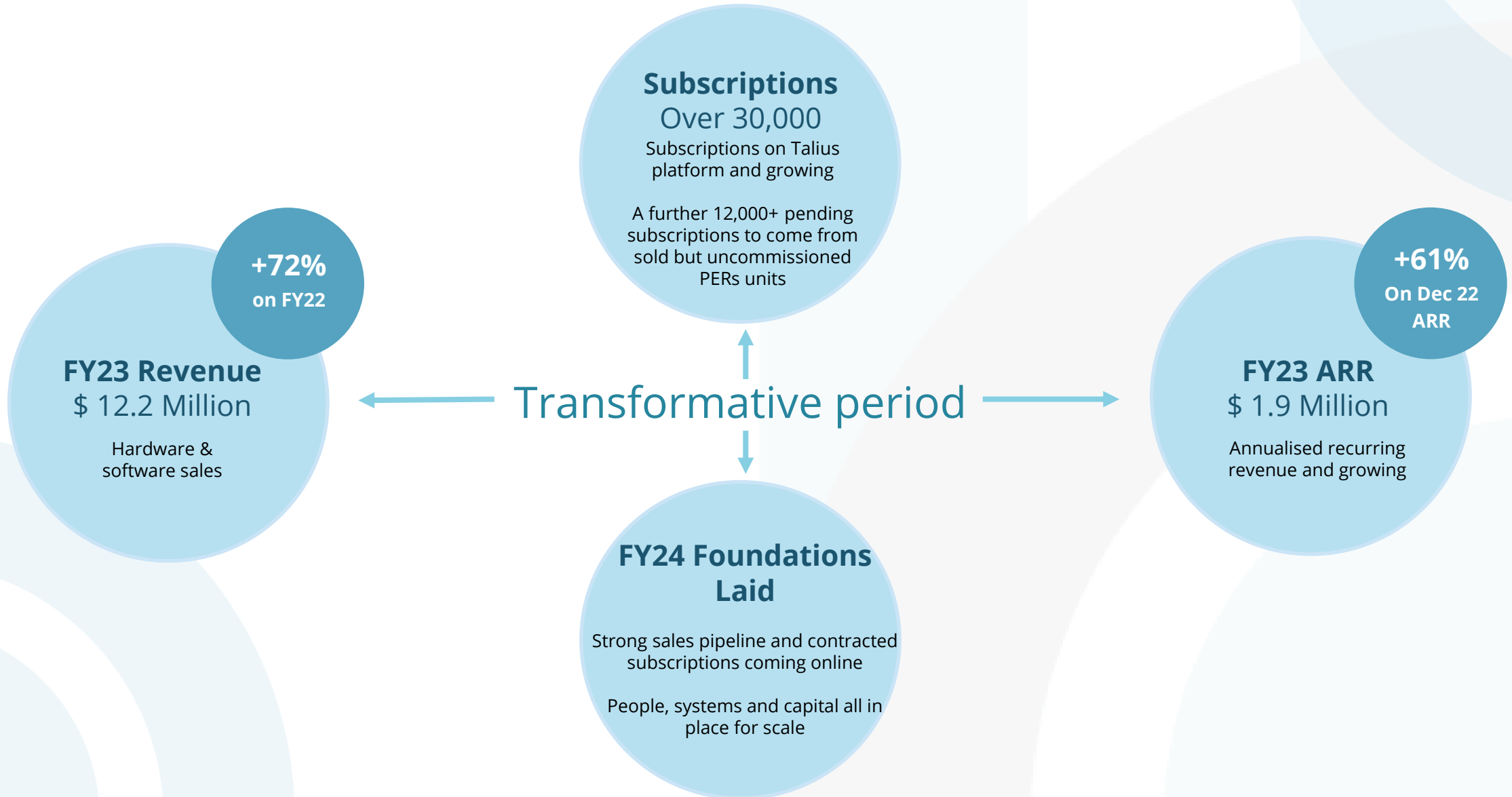
Nurse Call  
Resident Monitoring



### Hospital in the Home

Emergency Response  
Remote Patient Monitoring

# Business Highlights





# FY23 RESULTS

# FY23 Key Achievements



Continuing improvement in financial performance, cashflows and stronger balance sheet, with focus on path to profitability



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



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



Reaching over 29,000 subscriptions on the Talius Smart Care Platform



Material investment in Residential Aged Care vertical, including staff so to be ready for scale



Continued investment and enhancement of Talius Smart Care Platform

# Key Metrics

Continuing strong growth in all key metrics

FY23 72% revenue growth on pcp.



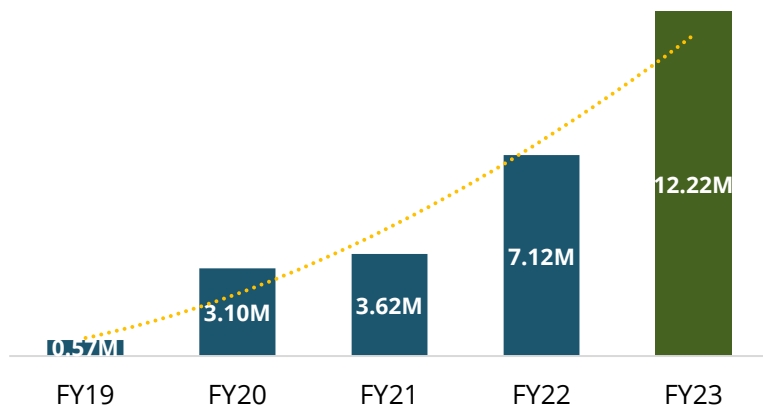
68% compound annual growth in subscriptions.



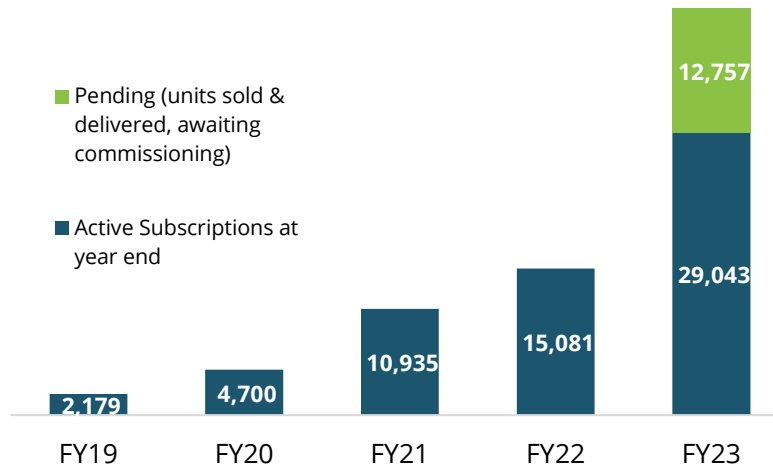
79% compound annual ARR growth.



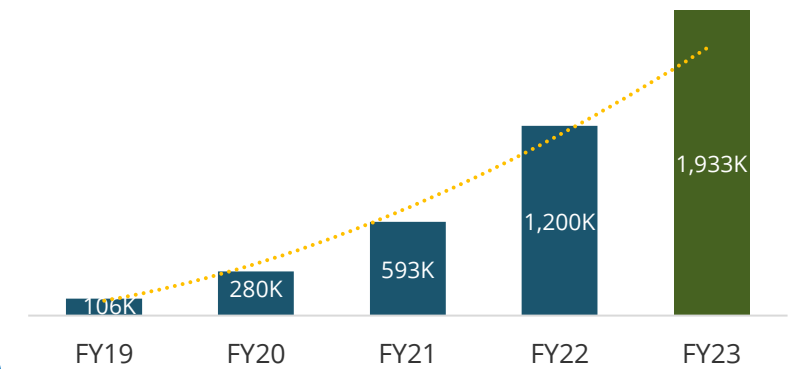
### Sales Revenue



### Subscriptions



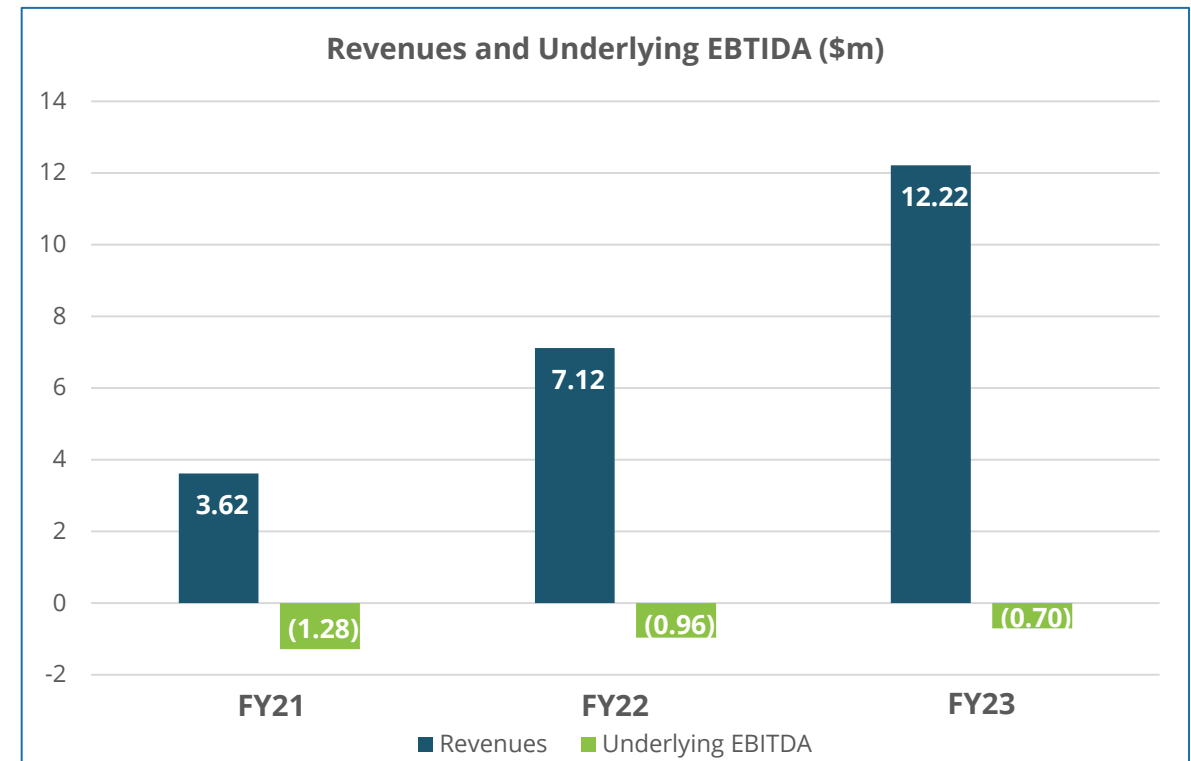
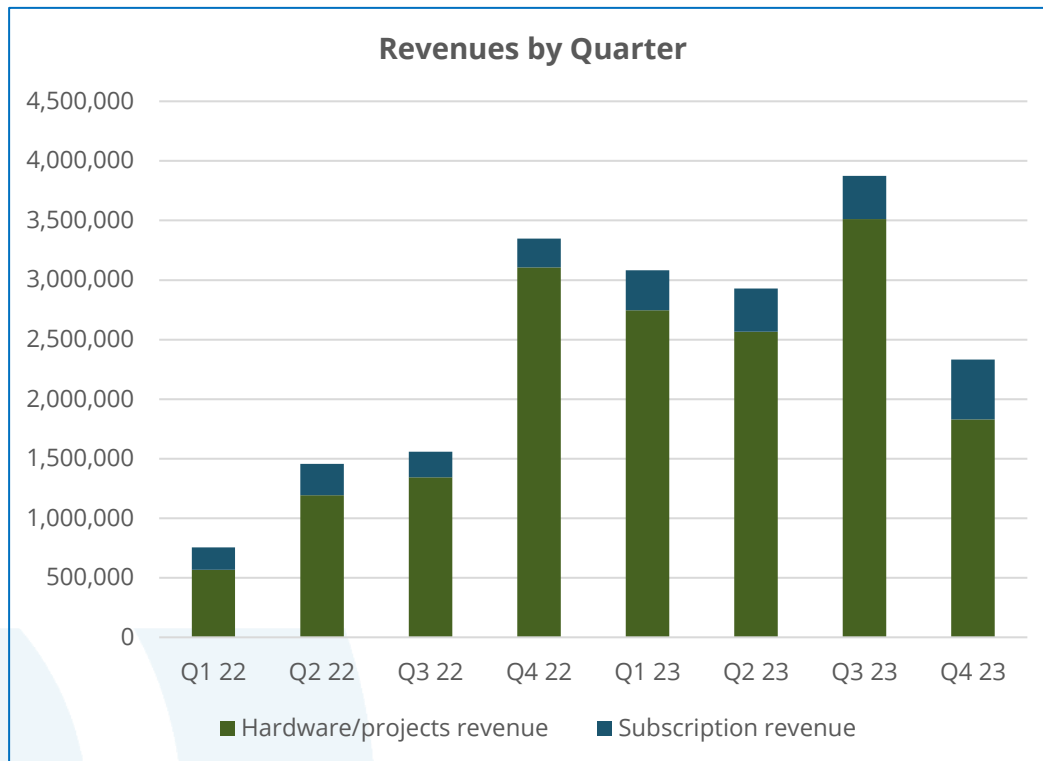
### ARR



# Revenue and Operating Cashflow Growth

- Step change in revenues over the last 5 quarters reflecting ongoing product demand;
- Strong hardware sales on the back of major orders from Chubb/Vitalcall and Keyton Retirement;
- Modest slowdown in Q4 23 as projects completed;
- Subscription revenues growing strongly as hardware is progressively rolled out by clients;
- Substantial number (~12,700) pending subscriptions from sold hardware units still to be commissioned will boost subscription revenues further.

- EBITDA losses continue to narrow;
- FY23 higher cost profile arising from:
  - Strategic decision to take lower hardware margins on major contracts to secure ongoing subscriptions;
  - Increased investment in our RAC division to position for future segment growth;
  - Expanded marketing and business development activity;
  - Investments in operational capability across the business with current cost structure capable of servicing a much larger revenue base.





## FY23 Key Financials

	FY23 \$'000	FY22 \$'000
Revenue – Hardware & Projects	10,652	6,213
Revenue – Recurring	1,565	906
<b>Total Sales Revenue</b>	<b>12,217</b>	<b>7,119</b>
<b>Total Income</b>	<b>12,439</b>	<b>7,196</b>
<b>Underlying EBITDA *</b>	<b>(703)</b>	<b>(958)</b>
<b>Underlying NPAT *</b>	<b>(870)</b>	<b>(1,077)</b>
Non-Operating Items	(471)	(546)
<b>Statutory loss after tax</b>	<b>(1,341)</b>	<b>(1,623)</b>
<b>ARR (\$000's)</b>	<b>1,933</b>	<b>1,200</b>
<b>Subscriptions (000's)</b>	<b>29.0</b>	<b>15.1</b>

\* 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 Talius, in accordance with AICD principles of recording underlying earnings. Refer to Appendix A for more information.

Underlying profit measures have not been audited.

## FY23 Highlights

- 72% increase on pcpr revenues to \$12.2M.
- Recurring software revenues continuing to demonstrate strong growth in line with increasing subscriber base
- Annualised recurring revenue (ARR) of \$1.9M, representing a 61% increase on December 2022.
- Subscriptions grew to over 29,000
- ~ 12,700 Talius PERs products, sold and delivered, but not yet installed at customer sites to provide further material increases to both subscription numbers and recurring subscription revenues.

# FY23 FINANCIALS



# INCOME STATEMENT

	FY23	FY22
Revenue	12,217,250	7,119,663
Other income	222,194	77,470
Cost of sales	(8,874,909)	(4,807,362)
Amortisation & depreciation	(131,722)	(136,610)
Consulting fees	(465,760)	(373,468)
Employee benefits expenses	(2,783,273)	(2,171,715)
Marketing expenses	(229,715)	(119,244)
Property expenses	(8,253)	(11,595)
Finance costs	(38,344)	(32,524)
Share based payments	(377,179)	(316,326)
Impairment of receivables	9,080	(76,774)
Impairment of inventories	90,715	(180,000)
Gain/(loss) on foreign exchange	(100,869)	85,354
Other expenses	(870,617)	(680,004)
<b>Loss Before Tax</b>	<b>(1,341,402)</b>	<b>(1,623,135)</b>
Income tax	-	-
<b>Loss After Tax</b>	<b>(1,341,402)</b>	<b>(1,623,135)</b>

- 72% increase on FY22 revenues on the back of major projects and further market penetration.
- Recurring software revenues continuing to grow strongly in line with increasing subscriber base.
- Increases in employee and consultant costs driven by investment in key positions for future growth.
- Ongoing investment in market and sales channel development.
- Consistent and stable overhead cost base.

# BALANCE SHEET

	FY23	FY22
<b>ASSETS</b>		
Cash and cash equivalents	1,910,469	825,813
Trade and other receivables	927,085	1,456,755
Inventories	2,359,449	4,282,096
Other current assets	240,557	234,801
<b>Current Assets</b>	<b>5,437,560</b>	<b>6,799,465</b>
Plant and equipment	71,014	42,418
Software/intangible assets	205,088	14,560
Right-of-use assets	136,126	207,493
<b>Non-Current Assets</b>	<b>412,228</b>	<b>264,471</b>
<b>LIABILITIES</b>		
Trade and other payables	498,612	2,809,487
Contract liabilities	28,539	304,413
Borrowings	39,380	-
Short-term provisions	106,275	70,607
Lease liabilities	86,411	69,396
<b>Current Liabilities</b>	<b>759,217</b>	<b>3,253,903</b>
Lease liabilities	90,443	179,432
<b>Non-Current Liabilities</b>	<b>90,443</b>	<b>179,432</b>
<b>NET ASSETS</b>	<b>5,000,128</b>	<b>3,630,601</b>
<b>EQUITY</b>		
Share capital	20,174,887	17,753,233
Share based payment reserve	599,994	1,212,144
Accumulated losses	(15,774,753)	(15,334,776)
<b>TOTAL EQUITY</b>	<b>5,000,128</b>	<b>3,630,601</b>

- Strong cash and working capital position on the back of a \$2.5M capital placement.
- Reduced cash lockup in inventory balances.
- Low levels of CAPEX with internal platform development recognised in the income statement as incurred.
- Material reduction in payables through Q4 23.
- No significant borrowings.
- Share capital increased through \$2.5M capital placement.
- Share based payment reserve decreased as legacy options expired and were transferred to accumulated losses.

# CASH FLOW

	FY23	FY22
Receipts from customers	12,792,609	7,041,112
ARIIA grant & R&D tax incentive	314,362	-
Payments to suppliers & employees	(13,980,286)	(9,290,481)
Net finance costs	(38,161)	(32,287)
<b>Cashflow from operating activities</b>	<b>(911,476)</b>	<b>(2,281,656)</b>
Payments for plant & equipment	(51,713)	(36,029)
Payments for intangible assets	(134,016)	(15,600)
<b>Cashflow from investing activities</b>	<b>(185,729)</b>	<b>(51,629)</b>
Issue of shares	2,500,000	1,500,000
Share issue costs	(158,750)	(26,700)
Lease and other principal payments	(159,389)	(62,092)
<b>Cashflow from financing activities</b>	<b>2,181,861</b>	<b>1,411,208</b>
<b>Net cashflows</b>	<b>1,084,656</b>	<b>(922,077)</b>
Opening cash at start of the year	825,813	1,747,890
<b>Cash at the end of the period</b>	<b>1,910,469</b>	<b>825,813</b>

- Increasing customer receipts reflecting the strong growth in sales.
- Increase in supplier payments attributable to inventory purchases, investments in staff and payable reductions.
- \$150k received from the ARIIA grant as Talius continues to engage with government and major industry operators.
- \$2.5M share capital placement (before costs) completed to provide reserves for future growth.

# 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**

**International expansion: Focus on NZ and ASEAN**

## Outlook

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

**Strong sales pipeline and roadmap for growth**

**Material Subscription growth based on project roll outs and new contract wins**

**Expanding Talius' enterprise grade products into the Home Care market**



Talius' differentiator

# **Talius™ Smart Care Platform**

# Identifying the Problem

Manual processes are literally killing the aged sector

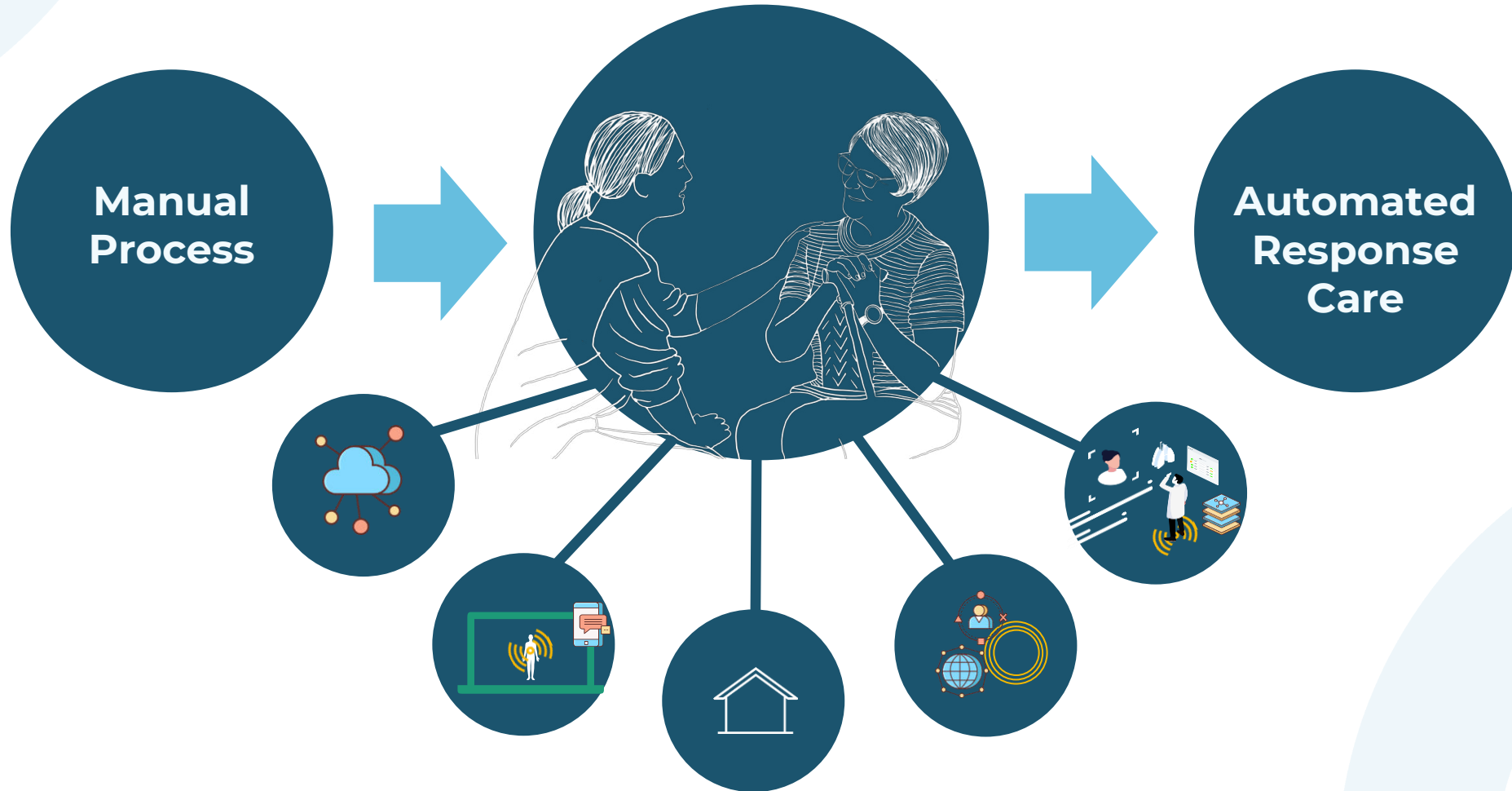


- Inefficient and repetitive
- Too slow for meaningful intervention
- Poor data capture
- Disruptive, undignified and embarrassing
- Don't include family
- Low-value, high cost



# 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

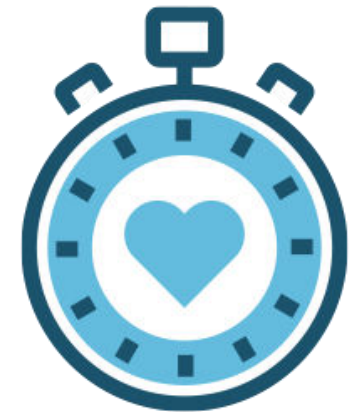


## Sense-respond Care

- 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	0.9 cents
Market cap	\$23.2m
Shares on issue	2.576b
52-week trading (low/high)	0.7c to 1.4c
Shares held by Top 20	50%
Cash (31 Dec 2023)	\$1.91m

### Investor Enquiries

[investors@talius.com.au](mailto:investors@talius.com.au)

### Business Address

Unit 2/17 Cairns Street

Loganholme, Brisbane QLD 4129

## Appendix A – Details on Non-Operating Items

ADJUSTMENT	DESCRIPTION
<p><b>Share based payments</b></p>	<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>
<p><b>Amortisation of acquisition related intangibles assets</b></p>	<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>In December 2023, Talius completed a client acquisition transaction with eHomecare. These assets will be amortised over a 3 year period.</p> <p>Amortisation relating to these assets was \$3,742 in FY23 and \$50,260 for FY22.</p>
<p><b>Impairment of inventory</b></p>	<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.</p> <p>During FY23, Talius was able to salvage key components from these devices for future use, resulting in a partial impairment reversal of \$90,715.</p> <p>Talius has not purchased any 3G devices subsequent to the acquisition of HomeStay Care International Pty Ltd.</p>

# Appendix B – Aged Care Market Information



# 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)**

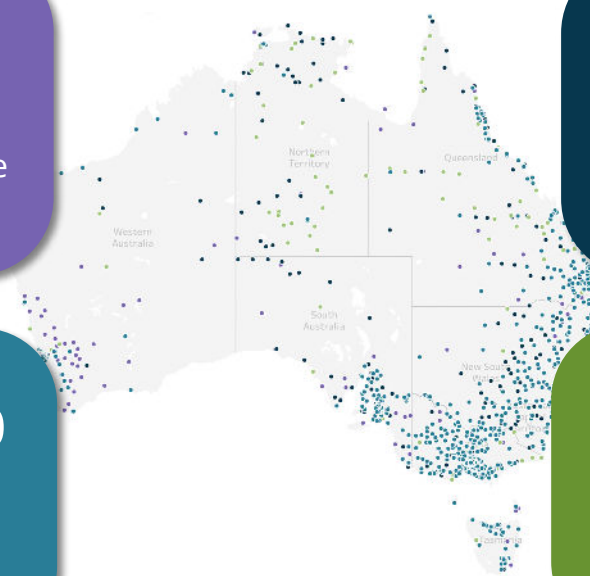
Government spending on Aged Care.

**191,000**  
Australians in  
Residential Care

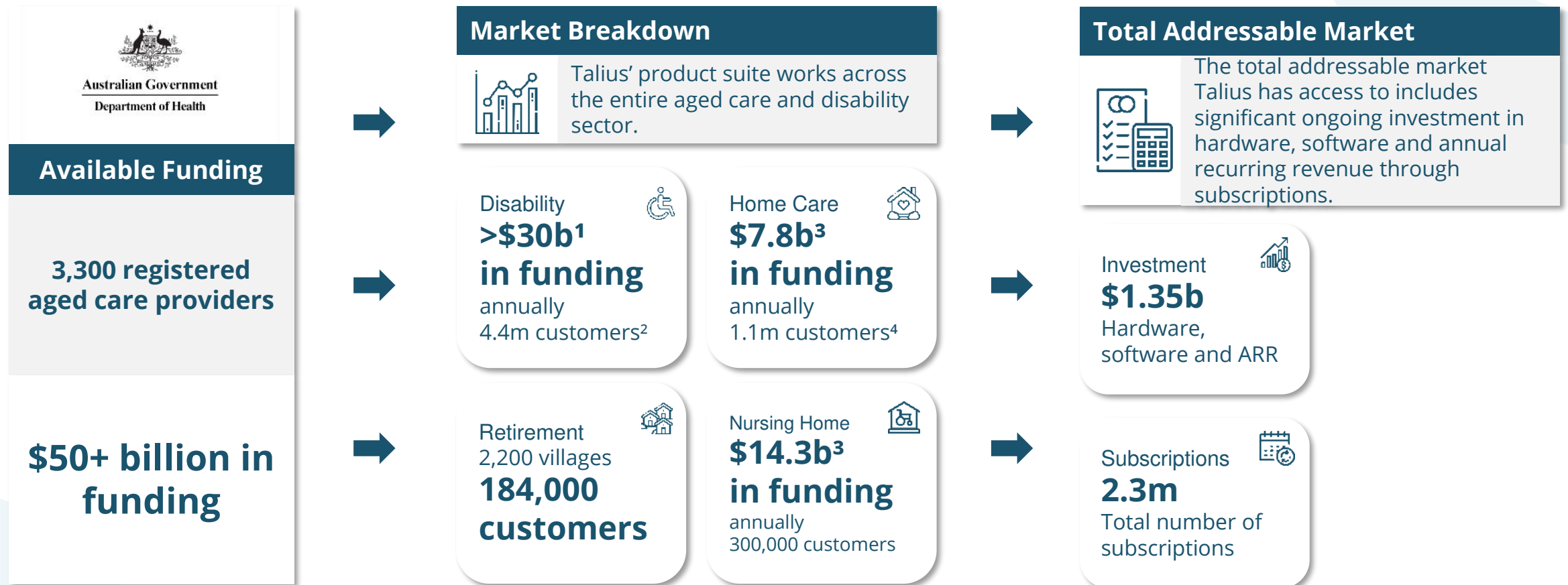
**176,000**  
Australians  
using Home  
Care

**>825,000**  
Australians  
using Home  
Support

**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 6 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.