



**Talius
Group**

Annual Report
31 December 2025

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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.

Dear Shareholders

On behalf of the Board and Management of Talius Group Limited (Talius or Company), I am pleased to present our Annual Financial Report for the year ended 31 December 2025. It has been a significant year, marked by strategic growth, key partnerships, and an expanding footprint in the aged care and home care sectors, domestically and internationally.

Throughout 2025, we have strengthened our market position through strategic contract wins, expansion into new verticals, and further enhancement of our technology-driven care solutions. Our commitment to innovation and operational efficiency has enabled us to secure material revenue streams while positioning the business for long-term growth and profitability.

While the year presented some challenges, including operational cash outflows in the third quarter, we achieved positive operating cash flow in the December quarter and overall revenue growth. In the first half, revenues increased 21% compared to the prior period. These achievements, supported by a \$4 million capital raise in October, have strengthened our foundation, positioning us for a stronger 2026 and beyond.

We were encouraged by material contract wins and expansions during the year, contributing to stronger performance in the second half. Notably, we expanded deployments under the Wesco Anixter distribution partnership and launched a new childcare pilot, broadening our market reach.

In the Home Care sector, our technology solutions have gained further traction, benefiting from the Australian Government's Aged Care Bill, which injected \$5.6 billion into the sector starting July 2025. We advanced our Safer Smarter Connected Home Program with successful pilots with premium operators like Uniting Care, Bolton Clarke and ACH which has positioned Talius as a market leader in scaling data-driven care.

In the Retirement Village sector, we continued to enhance our product offerings and expand our client base, while in Residential Aged Care, our focus remained on delivering superior customer experiences and fostering long-term relationships. Beyond traditional care sectors, our Beyond Care vertical gained traction, with the Talius Track RTLS solution receiving strong market recognition. Partner engagement grew, opening new avenues for expansion, including a new childcare initiative.

A key milestone was the successful \$4 million placement in October 2025 at \$0.08 per share, which strengthened our balance sheet and supported growth initiatives. Additionally, we completed a 10-for-1 capital consolidation in June 2025 to streamline our capital structure.

As we enter 2026, Talius is well-positioned for sustained growth, with \$3.3 million in annualised recurring revenue and 51,150 active subscriptions. Additional subscriptions from existing purchase commitments are expected to come online in the first and second quarters, further driving expansion. Our investment in the Talius platform remains a core priority, with a strong emphasis on enhancing data delivery and improving the client experience. The development of an advanced dashboard for carers and clients continues to receive positive recognition from both new and existing customers.

Looking ahead, our strategic focus includes scaling home care technology adoption through key partnerships, expanding AI-driven analytics capabilities leveraging our exclusive collaboration with CSIRO, enhancing distribution channels to broaden our market reach (including Wesco Anixter), and maximising profitability through continued operational efficiencies and revenue growth.

A major development to support these ambitions is the appointment of Pat Howard as Managing Director and Chief Executive Officer, effective 16 February 2026. This forms part of our planned CEO succession strategy to drive scalable growth. Pat is an experienced executive with a proven track record in scaling SaaS platforms in the technology and healthcare sectors. He holds a Master of Business Administration (Dean's Honour List) from the University of Queensland / Wharton and a Bachelor of Pharmacy, along with GAICD qualifications. His leadership will bolster our team as we accelerate platform expansion, pursue new client opportunities, and execute on our growth strategy in Australia and internationally.

On behalf of the Board, I would like to express its deep gratitude to Graham Russell for his exceptional leadership and remarkable achievements as Managing Director over many years. As the founder of Talius (formerly HSC Technology Group) more than a decade ago, Graham has been instrumental in building the company from its inception into a recognised leader in technology-driven care solutions. With over 25 years of experience in systems integration and technology expansion across the APAC region, he has guided Talius through key milestones, including ASX listing, major contract wins, strategic partnerships, and the development of our innovative platform that is transforming aged care, home care, and beyond. His vision, dedication, and expertise have laid a strong foundation for the company's future success. As part of this planned succession, Graham will transition to the newly created role of Founder and Executive Director, Strategy and Growth, where he will continue to contribute his invaluable insights to drive innovation and long-term value.

I extend sincere gratitude to our shareholders, employees, and customers for their continued support. This year has been pivotal in shaping the future of Talius, and we are excited about the opportunities ahead as we continue to execute on our strategic vision.

Ramsay Carter

A handwritten signature in blue ink, appearing to read 'R. Carter'.

Chairman

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 year ended 31 December 2025.

DIRECTORS

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

Name	Position	Period of Directorship
Graham Russell	Managing Director Executive Director	Appointed 3 December 2019 From 16 February 2026
Ramsay Carter	Non-Executive Director Non-Executive Chairman	Appointed 16 June 2020 From 1 April 2025
Leylan Neep	Non-Executive Chairman	Appointed 1 September 2020 Resigned 1 April 2025
Marguerite 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
Pat Howard	Managing Director	Appointed 16 February 2026

Ramsay Carter

Non-Executive Chairman from 1 April 2025 - present
Non-Executive Director from 1 January 2023 to 31 January 2024, 1 June 2024 - present
Executive Director from 1 February 2024 – 31 May 2024
Non-Executive Director from 16 June 2020 – 31 January 2024

LLB, B. Int.Bus., MAICD

Mr. Carter brings over 20 years’ experience in global investment banking holding senior positions in Australia, Tokyo, Hong Kong and Singapore. Most recently, he was Head of Global Capital Markets, Asia Pacific for Scotiabank. He has thorough knowledge and governance over multiple jurisdictions throughout his career, in a highly regulated industry, especially within Asia Pacific, UK and North America. Mr Carter is a proven leader with particular focus on clear lines of communication and accountability, alignment of interests and creating an environment of respect, diversity and challenge. Mr Carter has a Bachelor of Laws and International Business and is a member of AICD.

He has not been a Director of any other Australian listed company in the last three years.

Graham Russell

Managing Director from 3 December 2019 to 16 February 16 2026
Executive Director from 16 February – Present

Mr. Russell has over 25 years’ experience in Systems Integration and Sensor technology solutions across all verticals of Healthcare, Utilities, Mining and Governments. Mr Russell is incredibly passionate about helping our older generation stay independent and pioneering the adoption of seamless technology solutions to help families, care providers and the elderly.

Mr Russell has been instrumental in developing and localising assistive technology that is a cost effective, scalable solution using Artificial Intelligence and an integrated IoT platform to detect health deterioration, fall alerts and provide early intervention, including the Essence Care@home solutions in the APAC region. Mr Russell currently works with numerous National Aged Care providers, Government, Utility and Telecommunication companies

throughout APAC to transform their clients' lives, connect with their families and provide operational efficiencies and financial returns to all involved.

Mr Russell was previously the CEO of the Ambush Group, a national Systems Integration business where he started as an Electronics Technician installing and integrating solutions like Nurse Call, CCTV, Access Control, Security, WiFi, Internet, Fibre solutions, etc for Hospitals, Residential Aged Care, Councils, Financial and Government facilities.

He has not been a Director of any other Australian listed company in the last three years.

Stephen Norris

Non-Executive Director from 1 April 2025 - present

Mr Norris holds a Bachelor of Architecture degree from the Adelaide University and has spent his whole professional life specialising in the development of all aspects of Aged and Disability Services.

Mr Norris has an impressive history of initiating new and innovative approaches to aged care, including the development of lifestyle villages (part owner of 11 lifestyle SA villages housing 3500 retirees), the establishment and eventual sale of a SAAS business specialising in NDIS and Aged Care management, and the start-up and continuation of a home care business (Police Home Care).

He has invested in Talius Ltd and joined the board to make available his 50 years of experience and will support and promote the executive team to take full advantage of a unique opportunity as the baby boomer wave drives unprecedented demand for SAAS platforms in the healthcare services industry over the next 15 years.

He has not been a Director of any other Australian listed company in the last three years.

Gregory Kennish

Non-Executive Director from 1 April 2025 - present

Mr Kennish is a Brisbane-based executive with 30 years of executive management experience, including 20 years in technology industries and 10 years of Asia-focused work experience based in Singapore.

Previously, Mr. Kennish was Group CEO of IntraPower Limited (telecommunications networks, business communications, and management software), where he led the company through a successful IPO and later a trade sale to TPG Telecom, and the business received a 2011 ATUG Award for Best Communications Initiative for Small Business. Earlier, he served as Vice President Asia Pacific and Managing Director at Eltrax Systems Pte Ltd (NASDAQ-listed, headquartered in Atlanta), establishing and scaling Asian operations across multiple regional offices and growing to over 100 employees with reported annual revenue growth of over 175%.

He offers extensive technology-sector expertise and strong governance discipline, developed through executive leadership in telecommunications, managed services and cloud-based solutions, including guiding strategy, accountability and risk oversight through major growth and transaction milestones.

He has not been a Director of any other Australian listed company in the last three years.

Pat Howard

Managing Director from 16 February - Present Non-Executive Director

Mr Howard brings more than 25 years' executive experience across health, technology, government, sport and property. He is co-founder of Rx Management, a pharmacy group established in 2003 employing more than 250 staff, and served as Executive General Manager – Strategy, Insight and Innovation at the Australian Sports Commission, with responsibility for strategy, commercial, marketing, research and innovation.

Mr Howard was previously Chief Executive Officer of MSL Solutions Limited (2019–2023), an ASX-listed SaaS provider to the hospitality, stadium and golf sectors operating in 47 countries. During his tenure, the company delivered significant growth in recurring software revenues, expanded internationally, completed strategic acquisitions including SwiftPOS and OrderMate, and secured major enterprise and government contracts. Market capitalisation increased from approximately \$16 million to \$120 million, culminating in a successful private equity transaction.

His prior roles include Executive General Manager – Team Performance at Cricket Australia, Chief Operating Officer of Cromwell Property Group, and senior high-performance roles with Rugby Australia and the Australian Institute of Sport.

Pat has an MBA (Hons), B. Pharmacy and GAICD.

DIRECTOR INTERESTS IN THE SHARES AND PERFORMANCE RIGHTS OF THE CONSOLIDATED ENTITY

As at the date of this report, the interests of the Directors in the shares and performance rights of Talius Group Limited are shown in the table below:

Director	Fully Paid Ordinary Shares	Performance Rights
Graham Russell	18,270,429	0
Ramsay Carter	4,494,622	0
Stephen Norris	28,605,000	0
Gregory Kennish	116,128	0
Pat Howard	0	0

Note: Marguerite Haertsch resigned from the company on 28 January 2025 and Leylan Neep resigned from the company on 1 April 2025.

MEETINGS OF DIRECTORS

The following table sets out the number of meetings of the Company's Directors held during the year ended 31 December 2025 and the number of meetings attended by each Director.

	Directors Meetings		Audit & Risk Committee Meetings		Nomination & Remuneration Committee Meetings	
	Meetings attended	Eligible to attend	Meetings attended	Eligible to attend	Meetings attended	Eligible to attend
Graham Russell	6	6	2	2	1	1
Ramsay Carter	6	6	2	2	1	1
Leylan Neep	1	1	1	1	0	0
Marguerite Haertsch	0	0	0	0	0	0
Gregory Kennish	5	5	1	1	1	1
Stephen Norris	5	5	1	1	1	1

Company Secretary

Andrew Ritter

Appointed 2 September 2024 – present date

B Com CA FGIA

Mr Ritter is a finance and governance professional with over 25-years of experience in various corporate and commercial roles. He has a strong background in the digital technology sector and has provided financial advice and assistance to a number of publicly listed entities across a variety of industry sectors. Mr Ritter is currently the Company Secretary of ASX listed Galilee Energy Limited.

PRINCIPAL ACTIVITIES

Talius utilises IoT sensor technology to provide remote enabled safety and healthcare data to the health, aged care and disability sectors and beyond to improve quality of life.

Talius' Software as a Service (SaaS) data analytics platform Talius Smart Care combines smart sensors with AI machine learning (powered by CSIRO) 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, resident benefit from a new era of autonomy and dignity.

Talius helps protect and connect people 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

Talius achieved notable progress in its commercial strategy and capital structure during 2025, strengthening its operational platform and financial position while advancing product innovation and market presence.

A key highlight of the year was surpassing the milestone of 50,000 subscriptions. This underlines the continued adaptation across the verticals and the consistent conversion of contracted wins to activated subscriptions. By year-end, the platform had surpassed 51,150 active subscriptions, with an additional 12,600 contracted but not yet activated. As a result, Annualised Recurring Revenue (ARR) reached \$3.3 million, marking a 12.7% increase compared to December 2024.

Annual Recurring Revenue (ARR) represents the annualised value of active customer contracts at a specific point in time. The Company calculates ARR by taking the monthly recurring revenue (MRR) for the final month of the reporting period multiplying it by 12. ARR is non-IFRS financial measure. It is not prescribed by the Australia Accounting Standards (AAS) and, therefore, has not been subject to audit. The Directors believe that ARR provides a useful "forward-looking" indicator of the Company's scale and momentum of our recurring revenue model.

Operating performance demonstrated ongoing commercial traction across core segments. The Company reported continued growth in subscription numbers and saw engagement with distribution partners, including receipt of initial purchase orders from distribution partner Wesco Anixter, signalling the potential for scaled hardware and subscription revenue through broader reseller networks.

In December 2025, Talius appointed a new Chief Executive Officer and Managing Director, representing a strategically important step in aligning leadership capability with the Company's next phase of growth. The appointment was driven by the Board's focus on strengthening execution discipline, accelerating commercial outcomes and progressing the Company toward sustainable profitability. The new CEO brings a strong alignment with Talius' strategic priorities, including scaling recurring revenue, deepening enterprise and channel partnerships, and optimising operational efficiency, while maintaining a disciplined approach to capital management. This leadership transition positions the Company to more effectively convert its growing pipeline into revenue and deliver long-term value for shareholders.

Commercial Growth

Commercial momentum continued through FY2025, with the Company announcing multiple sales updates and contract milestones including orders from Hato Hone St John, Hyecorp and New Direction Care. Talius received its first purchase order from Wesco Anixter following the execution of a distribution agreement, with broader partner

interest indicating increased pipeline activity across both hardware and subscription solutions. This milestone validated the Company's channel strategy and supported the continued expansion of its enterprise sales network.

The Company also maintained strong visibility across key industry forums and accelerator initiatives, including selection for the BEDA MedTech Initiative Global Accelerator, positioning Talius within the global medtech ecosystem. In addition, Talius was invited to present at the JP Morgan Healthcare Summit in San Francisco, further strengthening engagement with enterprise customers, channel partners and international stakeholders.

Strategic Capital Raising

A major highlight of the year was the strengthening of the Company's balance sheet through successful capital markets activity. In October 2025, Talius completed a \$4,000,000 placement, which was upsized due to strong investor demand. The placement was completed at \$0.080 per share and reflected growing market confidence in the Company's strategy and long-term growth potential. Funds raised were directed toward platform enhancement, commercial expansion and working capital, providing financial flexibility to support ongoing execution.

Operational Developments & Sector Initiatives

Talius continued to build on its core technology platform during FY2025 through strategic initiatives aimed at expanding product capability and addressing evolving market demand. The Company progressed the development of new modules and extended platform functionality to broaden use cases beyond traditional care settings, informed by direct client feedback and changing sector requirements. At the same time, Talius reported a growing subscription base in excess of 50,000 active users, reflecting continued adoption of the Talius Smart Care platform across residential and community care providers and reinforcing the strength of its recurring revenue model.

Strategic Outlook

Entering FY2026, Talius is positioned with a strengthened capital base, evolving leadership team, and diversified commercial channels. The Company remains focused on scaling subscription growth, deepening enterprise customer penetration, and optimising operational execution to deliver sustainable long-term shareholder value.

FINANCIAL RESULTS

The Group's operating result for the 2025 year was a loss of \$1,464,283, representing a significant improvement on the prior year loss of \$3,221,832. The key movements compared to the prior year were:

- Group revenue and other income of \$8,278,276 (2024: \$11,412,709), reflecting lower hardware revenues partially offset by continued growth in subscription software.
- A \$649,382 improvement in gross profit (revenues less cost of sales) driven by a higher proportion of subscription software sales as a percentage of total revenue. Each of the hardware and software margin percentages remained similar to the prior period
- Software subscriptions grew to over 51,150 in December 2025.
- Employee and consultant costs (including share-based payments) decreased by 23% reflecting cost management initiatives and a reduction in headcount compared to the prior year.

Net cash outflows from operations were \$2,874,426 (2024: \$882,321). Talius finished the year strongly with a positive operating cash flow for the final quarter.

Talius successfully completed a 10:1 share consolidation on 13 June 2025, as approved by shareholders at the Company's General Meeting. A Strategic Placement of \$4,000,000 was completed in October 2025. The proceeds of the Placement, along with existing cash holdings, will support the expansion of the Talius platform. Proceeds

will also strengthen general capital management as the Company progresses towards its goal of profitability in 2026.

The net asset position of the Group at 31 December 2025 was \$6,782,295 (2024: \$4,387,569). The Group's net working capital (current assets less current liabilities) is a surplus of \$6,319,635.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes during the year.

LIKELY DEVELOPMENTS AND FUTURE OPERATIONS

Talius will continue to prudently invest in its capabilities. With the recent release of the Aged Care Bill in late-2025, Talius is strategically positioned as a trusted partner in regulatory technology solutions.

Operational enhancements will remain a priority, including improved workflow automation and predictive analytics to optimize service efficiency. The Company is also shifting its revenue mix toward software-based subscriptions, enabling self-managed deployments for partners to enhance scalability and adoption.

Recognising the growing interest from integrators and technology providers, Talius aims to establish itself as the preferred platform and ecosystem for integrating diverse technologies. By offering a unified interface for data visualization and interoperability across multiple systems, Talius will strengthen its market position as the leading technology provider. This strategic vision will support sustained growth, drive innovation, and enhance the company's role in transforming the digital health and aged care sectors.

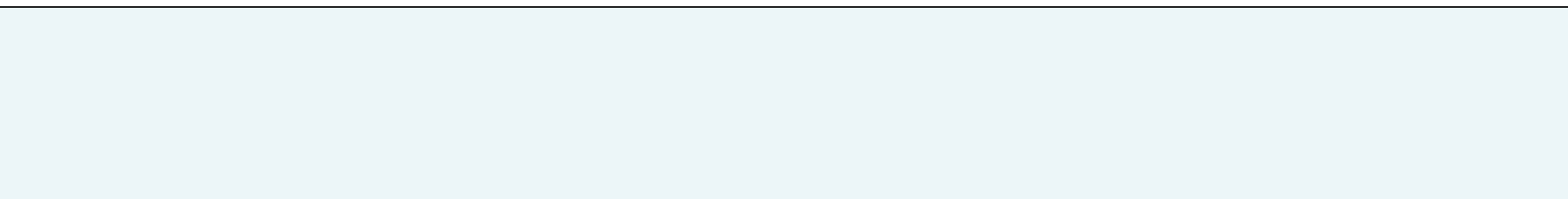
SUSTAINABILITY AND ESG

Talius' mission to "improve the quality of life, later in life" remains at the heart of its ESG commitment. With a strong focus on the social aspect of ESG, Talius is dedicated to enhancing living conditions for the elderly and people with disabilities. This commitment is embedded in the Company's strategy, ensuring that its growth directly contributes to broader societal progress and inclusivity.

BUSINESS RISKS

Talius is subject to risks a number of 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.	<p>The Company implements quality control processes and ensures appropriate testing and monitoring of products to ensure a high standard of safety and efficacy.</p> <p>The Company also maintains product liability insurance.</p>
Funding	<p>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.</p> <p>Inability to obtain sufficient funds may result in the delay or cancellation of certain activities which would likely adversely affect Talius' growth.</p>	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.	<p>The Company's supplier agreements include protections for continuation of service.</p> <p>The Company has a diverse product range to minimise third party reliance, as well as continually monitoring the market for alternative suppliers.</p>
Data security	<p>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.</p> <p>There is a risk that the collection, usage management of customer data is not consistent with regulatory obligations.</p>	<p>The Company has strategies and protections in place to mitigate security breaches and to protect data.</p> <p>The Company also has Cyber security insurance to mitigate potential financial losses.</p>
People	<p>The Company may lose key executives.</p> <p>The Company operates in a competitive environment in relation to attracting software development and technical personnel.</p> <p>The loss of key staff or the inability to attract personnel may adversely affect the Company's operations.</p> <p>Inadequate workplace health and safety practices</p>	<p>Identification of key people and the implementation of appropriate staff training as well as succession plans.</p> <p>The Company offers incentives and career development opportunities for key executives and senior management.</p> <p>The Company will form an OH&S Committee to oversee all workplace health and safety practices.</p>



<p>Product innovation and competition</p>	<p>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.</p>	<p>The Company continuously monitors market developments and new products.</p> <p>Talius continues to invest in its platform development to improve its intellectual property and services.</p>
<p>Intellectual property infringement</p>	<p>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.</p>	<p>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.</p>
<p>Interruption to product supply</p>	<p>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.</p>	<p>The Company works closely with customers and suppliers to identify supply requirements.</p> <p>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.</p>

INDEMNIFICATION OF OFFICERS OR AUDITOR

The Company has indemnified the directors and executives of the Company for the costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith. During the financial year, the Company paid a premium in respect of a contract to ensure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

The Company has not indemnified its auditor.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purposes of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

OPTIONS

There were no options issued or on hand as at the date of this report.

PERFORMANCE RIGHTS

Details of performance rights issued, exercised and expired during the financial year, and as at the date of this report are set out below:

Grant Date	Vesting Date	Expiry Date	Exercise Price	Movements					Report Date
				1-Jan-25	Issued	Exercised	Consolidation ¹	Lapsed	
15-Jun-20	15-Jun-22	15-Jun-25	Nil	15,000,000	-	(1,500,000)	(13,500,000)	-	-
22-Mar-22	31-Dec-22	31-Dec-25	Nil	1,000,000	-	(100,000)	(900,000)	-	-
22-Mar-22	31-Dec-23	31-Dec-26	Nil	3,000,000	-	(300,000)	(2,700,000)	-	-
22-Mar-22	31-Dec-24	31-Dec-27	Nil	3,000,000	-	(300,000)	(2,700,000)	-	-
19-May-22	31-Dec-22	31-Dec-25	\$0.0001	4,000,000	-	(400,000)	(3,600,000)	-	-
19-May-22	31-Dec-23	31-Dec-26	\$0.0001	8,000,000	-	(800,000)	(7,200,000)	-	-
28-Jul-22	31-Dec-24	31-Dec-27	Nil	3,000,000	-	(3,000,000)	-	-	-
15-Dec-22	31-Dec-23	31-Dec-26	\$0.00	3,000,000	-	(200,000)	(2,700,000)	-	100,000
15-Dec-22	31-Dec-24	31-Dec-27	\$0.00	4,000,000	-	(1,200,000)	(2,700,000)	-	100,000
12-Aug-24	30-Nov-24	30-Nov-24	Nil	3,000,000	-	(3,000,000)	-	-	-
13-Jan-25	31-Mar-25	31-Mar-26	Nil	-	1,800,000	(180,000)	(1,620,000)	-	-
1-Apr-25	31-Mar-26	31-Mar-28	Nil	-	4,444,442	-	(4,000,000)	-	444,442
1-Apr-25	31-Mar-27	31-Mar-28	Nil	-	4,444,448	-	(4,000,000)	-	444,448
1-Apr-25	1-Jun-25	31-Mar-28	Nil	-	1,111,111	(111,111)	(1,000,000)	-	-
1-Apr-25	1-Jun-26	31-Mar-28	Nil	-	1,111,111	-	(1,000,000)	-	111,111
1-Apr-25	1-Jun-27	31-Mar-28	Nil	-	1,111,111	-	(1,000,000)	-	111,111
7-Nov-25	31-Dec-25	31-Mar-26	Nil	-	444,440	-	-	-	444,440
7-Nov-25	31-Jul-26	31-Jul-28	Nil	-	111,111	-	-	-	111,111
7-Nov-25	31-Jul-27	31-Jul-28	Nil	-	111,111	-	-	-	111,111
7-Nov-25	31-Jul-28	31-Jul-28	Nil	-	111,111	-	-	-	111,111
				47,000,000	14,799,996	(11,091,111)	(48,620,000)	-	2,088,885

¹ 10:1 share consolidation undertaken at 30 June 2025

Performance rights holders do not have any rights to participate in any issues of shares or other interests of the Company or any other entity. No person entitled to exercise any option referred to above has or had, by virtue of the performance rights, a right to participate in any share issue of any other body corporate.

EVENTS AFTER REPORTING DATE

On 8 December 2025, the Company announced the appointment of Pat Howard as Managing Director and Chief Executive Officer, effective 16 February 2026. Founder, Graham Russell will transition to the role of Founder and Executive Director, Strategy and Growth, ensuring continuity of vision while strengthening operational execution.

Details of Directors and other Key Management – Talius Group Limited

Name	Position	Period of Service
Graham Russell	Managing Director	Appointed 3 December 2019
Ramsay Carter	Non-Executive Chairman	Appointed 16 June 2020 Non-Executive Director to 31 January 2024 Executive Director from 1 February 2024
Leylan Neep	Non-Executive Chairman	Appointed 1 September 2020 Executive Chair from 1 December 2021 to 31 May 2023 Non-Executive Chairman from 1 June 2023 Resigned 1 April 2025
Marguerite 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
Andrew Ritter	Chief Financial Officer Company Secretary	Appointed 2 September 2024 Resigned as CFO 31 October 2025
Anne Ritter	Chief Financial Officer	Appointed 1 November 2025

Remuneration Policy

The performance of the Company depends upon the quality of its Directors and Executives. To prosper, the Company must attract, motivate and retain skilled Directors and Executives.

Remuneration Committee

The full Board is responsible for determining and reviewing compensation arrangements for the Directors and the Executive team.

The Board assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and Executive team.

Remuneration structure

It is the Company’s objective to provide maximum stakeholder benefit from the retention of a high-quality Board and Executive team by remunerating Directors and other Key Management Personnel fairly and appropriately with reference to relevant employment market conditions.

To assist in achieving this objective, the Board considers the nature and amount of Executive Directors’ and Officers’ emoluments alongside the company’s financial and operational performance. The expected outcomes of the remuneration structure are the retention and motivation of key Executives, the attraction of quality management to the Company and performance incentives which allow Executives to share the rewards of the success of the company.

In accordance with best practice corporate governance, the structure of Executive and Non-Executive Director remuneration is separate and distinct.

Non-Executive Director Remuneration

The Board seeks to set aggregate remuneration at a level which provides the company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

The Constitution of Talius Group Limited and the ASX Listing Rules specify that the Non-Executive Directors are entitled to remuneration as determined by the Company in a General Meeting to be apportioned among them in such manner as the Directors agree and, in default of agreement, equally. The maximum aggregate remuneration currently approved by shareholders for Directors' fees is for a total of \$300,000 per annum.

If a Non-Executive Director performs extra services, which in the opinion of the Directors are outside the scope of the ordinary duties of the Director, the Company may remunerate that Director by payment of a fixed sum determined by the Directors in addition to or instead of the remuneration referred to above. Non-Executive Directors are entitled to be paid travel and other expenses properly incurred by them in attending Directors or General Meetings of the Company or otherwise in connection with the business of the Company.

The remuneration of Non-Executive Directors for the year ended 31 December 2025 is detailed in this Remuneration Report.

Director and Senior Management Remuneration

The Company aims to reward Directors and Senior Management with a level and mix of remuneration commensurate with their position and responsibilities within the company and to:

- reward Executives for Company and individual performance against targets set by reference to appropriate benchmarks;
- align the interests of Executives with those of shareholders;
- link reward with the strategic goals and performance of the Company; and
- ensure total remuneration is competitive by market standards.

The remuneration of the Executive Directors and Senior Management may from time to time be fixed by the Board. As noted above, the Board's policy is to align Executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering short-term and long-term incentives.

The level of fixed remuneration is set to provide a base level of remuneration which is both appropriate to the position and is competitive in the market. Fixed remuneration is reviewed annually by the Board, and the process consists of a review of companywide and individual performance, relevant comparative remuneration in the market and internal, and where appropriate, external advice on policies and practices.

Payment of bonuses, performance and other incentive payments are at the discretion of the Board.

The remuneration of the Executive Directors and Senior Management for the period ended 31 December 2025 is detailed in this Remuneration Report.

Employment Contracts

It is the Board's policy that employment agreements are entered into with all Directors, Executives and employees. The current employment agreement with the Managing Director has a two-month notice period. All other employment agreements have two-month (or less) notice periods. No current employment contracts contain early termination clauses. All Non-Executive Directors have contracts of service. None of these contracts have termination benefits.

Chairman Arrangements – Ramsay Carter

During the financial year, the Company has entered service arrangements with Mr Ramsay Carter as a Non-Executive Director of the Company. The key terms of the arrangement during the financial year were:

- Ongoing contract – no fixed term;

- No notice period;
- Non-Executive Director fee of \$77,000 per annum;
- No retirement benefits;
- No termination benefits;

Director Arrangements – Leylan Neep

The Company entered a service arrangement with Mr Leylan Neep as Chairman of the Company for the period 1 January 2025 to 1 April 2025. The key terms of the arrangement during the financial year were:

- Ongoing contract – no fixed term;
- No notice period;
- Non-Executive Chairman fees of \$93,500 per annum;
- No retirement benefits;
- No termination benefits;

Director Arrangements – Stephen Norris

During the financial year, the Company has entered service arrangements with Mr Stephen Norris as a Non-Executive Director of the Company. The key terms of the arrangement during the financial year were:

- Ongoing contract – no fixed term;
- No notice period;
- Non-Executive Director fee of \$77,000 per annum, inclusive of any superannuation contributions if applicable, for the period 1 April 2025 to 31 December 2025. Mr Norris has elected to receive payment for these fees in performance rights, the cost of which has been recognised during the financial year and the allocation to be settled at the Company's next AGM upon shareholder approval.
- No retirement benefits;
- No termination benefits;

Director Arrangements – Gregory Kennish

During the financial year, the Company has entered service arrangements with Mr Gregory Kennish as a Non-Executive Director of the Company. The key terms of the arrangement during the financial year were:

- Ongoing contract – no fixed term;
- No notice period;
- Non-Executive Director fee of \$77,000 per annum, inclusive of any superannuation contributions if applicable, for the period 1 April 2025 to 31 December 2025. Mr Kennish has elected to receive payment for these fees in performance rights, the cost of which has been recognised during the financial year and the allocation to be settled at the Company's next AGM upon shareholder approval.
- No retirement benefits;
- No termination benefits;

Managing Director Arrangements – Graham Russell

The Company entered into an employment contract with Mr Graham Russell as Managing Director of the Company. The key terms of the arrangement during the financial year were:

- Ongoing contract – no fixed term;
- Salary of \$200,000 per annum, plus statutory superannuation contributions, increased to \$275,000 including superannuation from 1 December 2025 onwards;
- Vehicle and tool allowances of \$16,800 per annum;
- 2-month notice period at above contracted rates;
- No termination benefits.

Executive Director Arrangements – Marguerite Haertsch

The Company entered into an employment contract with Dr Marguerite Haertsch as Executive Director of the Company on 15 August 2024. Dr Haertsch resigned from the Company on 28 January 2025. The key terms of the arrangement during the financial year were:

- Ongoing contract – no fixed term;
- Salary of \$240,000 per annum, plus statutory superannuation contributions;
- 1-month notice period at above contracted rates;
- No termination benefits.

Chief Financial Officer & Company Secretary Arrangements – Andrew Ritter

The Company entered into a service agreement with Mr Andrew Ritter as Chief Financial Officer & Company Secretary of the Company from 2 September 2024 to 28 October 2025. The key terms of the arrangement during the financial year were:

- 12-month contract;
- Fees of \$20,000 per month;
- 3-months notice period at above contracted rates;
- No termination benefits.

Mr Ritter remained as the Company Secretary from 31 October 2025.

Chief Financial Officer – Anne Ritter

The Company entered into a service with Mrs Anne Ritter as Chief Financial Officer of the Company from 1 November 2025. The key terms of the arrangement during the financial year were:

- 12-month contract;
- Fees of \$20,000 per month;
- 3-months notice period at above contracted rates;
- No termination benefits.

Remuneration of Key Management Personnel

December 2025	Short Term Benefits		Post-Employment Benefits		Equity Based Benefits		Performance Related %	% equity compensation
	Salary/ fees	Allowances	Superannuation	Termination Benefits	Performance Rights	Total		
Graham Russell	203,795	16,800	24,999	-	-	245,594	-	0%
Ramsay Carter	77,000	-	-	-	-	77,000	-	0%
Gregory Kennish ¹	-	-	-	-	57,750 ⁷	57,750	-	100%
Stephen Norris ²	-	-	-	-	57,750 ⁷	57,750	-	100%
Leylan Neep ³	23,375	-	-	-	-	23,375	-	-
Marguerite Haertsch ⁴	20,000	0	2,300	43,500	-	65,800	-	-
Andrew Ritter ⁵	196,200	-	-	-	16,200	212,400	-	8%
Anne Ritter ⁶	40,000	-	-	-	-	40,000	-	0%
	560,370	16,800	27,299	43,500	131,700	779,669		

1 Appointed 1 April 2025

2 Appointed 1 April 2025

3 Resigned 1 April 2025

4 Resigned 28 January 2025

5 Resigned from CFO role as at 31 October 2025. Mr Ritter continues in his capacity as Company Secretary

6 Appointed 1 November 2025

7 Mr Norris and Mr Kennish have elected to receive payment for these fees in performance rights, the cost of which has been recognised during the financial year and the allocation to be settled at the Company's next AGM upon shareholder approval.

December 2024	Short Term Benefits		Post-Employment Benefits	Equity Based Benefits	Total	Performance Related %	% equity compensation
	Salary/ fees	Allowances	Superannuation	Performance Rights			
Graham Russell	200,000	16,800	22,500	25,020 ¹¹	264,320	9%	9%
Ramsay Carter	101,333	-	-	12,510 ¹¹	113,843	11%	11%
Leylan Neep	93,500	-	-	12,510 ¹¹	106,010	12%	12%
Marguerite Haertsch ⁸	87,312	-	10,041	30,583	127,936	24%	24%
Michael Harvey ⁹	43,710	-	-	-	43,710	-	-
Andrew Ritter ¹⁰	63,000	-	-	-	63,000	-	-
	588,855	16,800	32,541	80,623	718,819		

There were no termination benefits paid or accrued for the year ended 31 December 2024.

8 Appointed 15 August 2024

9 Resigned 2 September 2024

10 Appointed 2 September 2024

11 Performance rights lapsed 31 December 2024 due to performance conditions not being met

Key management personnel equity holdings
Shareholdings

	Opening Balance	Acquired	Disposed	Performance Rights Exercised	Consolidation ¹	Derecognised on resignation	Closing Balance
Graham Russell	154,430,358	127,393	-	2,700,000	(138,987,322)	-	18,270,429
Ramsay Carter	39,477,219	2,211,900	-	-	(37,194,497)	-	4,494,622
Greg Kennish	-	116,128	-	-	-	-	116,128
Stephen Norris ²	286,050,000	-	-	-	(257,445,000)	-	28,605,000
Leylan Neep	16,000,000	-	-	-	-	(16,000,000)	-
Marguerite Haertsch	4,000,000	-	-	3,000,000	-	(7,000,000)	-
Andrew Ritter	-	-	-	180,000	-	(180,000)	-
Anne Ritter ³	180,000	-	-	-	-	-	180,000
	500,137,577	2,455,421	-	5,880,000	(433,626,819)	(23,180,000)	51,666,179

¹ 10:1 share consolidation undertaken at 30 June 2025

² Shares held prior to becoming Director

³ Shared held on commencement of becoming KMP

Performance Rights

	Opening Balance	Granted	Converted	Lapsed	Closing Balance	Vested and Exercisable
2025 Performance Rights						
Anne Ritter	-	735,551 ¹	(180,000)	-	555,551	-
2024 Performance Rights						
Marguerite Haertsch	3,000,000	-	(3,000,000)	-	-	-
2022 Performance Rights						
Graham Russell	12,000,000	-	(12,000,000) ²	-	-	-
2020 Performance Rights						
Graham Russell	15,000,000	-	(15,000,000) ²	-	-	-
	30,000,000	735,551	(30,180,000)	-	555,551	-

¹ Includes two tranches held on behalf of Andrew Ritter – 180,000 issued 16 January 2025 and 444,440 issued 30 November 2025 in respect of Andrew's company secretarial role. The expense related to these tranches has been shown as remuneration for Andrew Ritter. Also includes 111,111 performance rights granted to Anne Ritter prior to becoming a KMP.

² Performance Rights converted prior to share consolidation.

2025 Performance Rights Conditions

For the issue of the Tranche 1 performance rights, three-month vesting conditions were applicable as they were in consideration for the performance of services already completed.

Tranche 2 rights vest and become exercisable into shares upon the recipient continuously remaining an employee of the Company or a wholly owned subsidiary until 31 March 2026. Tranche 2 rights have an expiration date of 31 March 2028.

Tranche 3 rights vest and become exercisable into shares upon the recipient continuously remaining an employee of the Company or a wholly owned subsidiary until 31 March 2027. Tranche 3 rights have an expiration date of 31 March 2028.

For the issue of the Tranche 4 performance rights, three-month vesting conditions were applicable as they were in consideration for the performance of services already completed.

2024 Performance Rights Conditions

For the issue of the 2024 performance rights, no vesting conditions were applicable as they were in consideration for the performance of services already completed.

2022 Performance Rights Conditions

Tranche 2 rights vest and become exercisable into shares upon the recipient continuously remaining an employee of the Company or a wholly owned subsidiary until 31 December 2023. Tranche 2 rights have an expiration date of 31 December 2026.

Tranche 3 rights vest and become exercisable into shares upon the 5-day volume weighted average price (VWAP) of Shares being at least \$0.03 per share on or before 31 December 2024. Tranche 2 rights have an expiration date of 31 May 2027.

2020 Performance Rights Conditions

50% of 2020 performance rights vest and become exercisable into shares upon the 5-day volume weighted average price (VWAP) of Shares being at least \$0.02 per share on or before 15 June 2022 together with continued service to that date. This tranche has vested and is exercisable.

50% of 2020 performance rights vest and become exercisable into shares upon the 5-day volume weighted average price (VWAP) of Shares being at least \$0.03 per share on or before 15 June 2022 together with continued service to that date. This tranche lapsed during the year.

The 2020 performance rights have an expiration date of 15 June 2025.

Fair value of performance rights granted

The assessed fair value at the date of grant of performance shares issued is determined using an option pricing model that takes into account the exercise price, the underlying share price at the time of issue, the term of the performance right, the underlying share's expected volatility, expected dividends and the risk free interest rate for the expected life of the instrument.

Details of performance rights over ordinary shares in the company provided as remuneration to each director of Talius Group Limited and each of the key management personnel of the parent entity and the Group are set out below. When exercisable, each performance right is convertible into one ordinary share of Talius Group Limited.

Inputs into pricing model	2025 Tranche 1	2025 Tranche 2	2025 Tranche 3
Grant date	13 January 2025	1 April 2025	1 April 2025
Exercise price	Nil	Nil	Nil
Vesting conditions	31 March 2025	31 March 2026	31 March 2027
Share price at grant date	\$0.009	\$0.009	\$0.009
Expiry date	31 March 26	31 March 2028	31 March 2028
Life of the instruments	0.46 years	1 years	2 years
Underlying share price volatility	90%	90%	90%
Expected dividends	Nil	Nil	Nil
Risk free interest rate	4.255%	3.692%	3.692%
Pricing model	Black-Scholes	Black-Scholes	Black-Scholes
Fair value per instrument	\$0.009	\$0.009	\$0.009

Inputs into pricing model	2025 Tranche 4	2024	2022 Tranche 1
Grant date	7 November 2025	12 August 2024	19 May 2022
Exercise price	Nil	Nil	\$0.0001
Vesting conditions	31 December 2025	30 November 2024	Refer above
Share price at grant date	\$0.009	\$0.008	\$0.012
Expiry date	31 March 2026	30 November 2024	31 December 2025
Life of the instruments	0.46 years	2.3 years	3.6 years
Underlying share price volatility	90%	133%	80%
Expected dividends	Nil	Nil	Nil
Risk free interest rate	4.225%	4.37%	1.325%
Pricing model	Black-Scholes	Black-Scholes	Black-Scholes
Fair value per instrument	\$0.009	\$0.008	\$0.012

Inputs into pricing model	2022 Tranche 2	2022 Tranche 3	2020
Grant date	19 May 2022	19 May 2022	15 June 2020
Exercise price	\$0.0001	\$0.0001	\$0.0001
Vesting conditions	Refer above	Refer above	Refer above
Share price at grant date	\$0.012	\$0.012	\$0.005
Expiry date	31 December 2026	31 May 2027	15 June 2025
Life of the instruments	4.6 years	5.0 years	5.0 years
Underlying share price volatility	80%	80%	100%
Expected dividends	Nil	Nil	Nil
Risk free interest rate	2.545%	2.772%	0.230%
Pricing model	Black-Scholes	Monte Carlo	Monte Carlo
Fair value per instrument	\$0.0119	\$0.0082	\$0.0029

The value of performance rights granted, exercised and lapsed in the current year is set out in the below table.

	Value Granted \$	Value Exercised \$	Value lapsed \$
Graham Russell	10,800	142,835	-
Ramsay Carter	-	-	-
Gregory Kennish ¹	-	-	-
Stephen Norris ¹	-	-	-
Leylan Neep	-	-	-
Marguerite Haertsch	-	24,000	-
Andrew Ritter	16,200	16,200	-
Anne Ritter ²	10,000	-	-

¹ Performance rights to be issued to Gregory Kennish and Stephen Norris are subject to shareholder approval at the next General Meeting and therefore have not been included in the table above.

² Performance rights issued prior to becoming KMP

Transactions with related parties

The following arms' length transactions were conducted with entities associated with Mr Stephen Norris during the financial year:

Payments to Related Party Suppliers		\$
Empathy Studios Pty Ltd trading as CareWindow		2,690
Payments from Related Party Customers		\$
Empathy Studios Pty Ltd trading as CareWindow		5,528
Police Home Care		2,055

Loans to related parties

There were no loans given to related parties.

Remuneration Consultants

The Company did not engage any remuneration consultants during the year.

Relationship between remuneration and Group performance

The factors that are considered to affect shareholder return in the past 5 years are summarised below:

Measures	2025 \$	2024 \$	2023 \$	2022 \$	2021 \$
Revenues	7,662,924	11,150,327	12,217,250	7,119,663	3,623,059
EBITDA	(948,159)	(2,968,815)	(1,171,518)	(1,454,237)	(1,730,469)
EBIT	(1,464,283)	(3,209,891)	(1,303,240)	(1,590,847)	(2,023,240)
Net profit/(loss) for the financial year	(1,464,283)	(3,232,832)	(1,341,402)	(1,623,135)	(2,065,597)
Earnings per share	(0.05) cents	(0.13) cents	(0.06) cents	(0.08) cents	(0.11) cents
Share price at year end ¹	0.08	0.009	0.011	0.009	0.015
Key Management Personnel remuneration	787,127	718,819	672,914	647,568	312,904

¹ 10:1 share consolidation undertaken on 30 June 2025

Fixed remuneration is not linked to Group performance. It is set with reference to the individual's role, responsibilities, and performance and remuneration levels for similar positions in the market.

No dividends were paid by Talius Group Limited nor was there any return of capital over the past 5 years.

4,555,551 performance share equity instruments were issued to key management as remuneration during the year.

No performance rights lapsed during the period and 15,999,996 performance rights vested during the period.

----- **END OF REMUNERATION REPORT** -----

DIVIDENDS

No dividends were paid or declared during the financial year (2024: nil).

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.

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important. Details of the amounts paid or payable to the auditor (BDO Audit Pty Ltd and its associated entities) for non-audit services provided during the year are set out below.

The Board of Directors has considered the position is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the board of directors to ensure they do not impact the impartiality and objectivity of the auditor
- none of the services undermines the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

During the year, a total of \$21,216 were paid or payable for taxation services provided by the auditor of the parent entity, its related practices and non-related audit firms.

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration on page 29 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', written over a horizontal line.

Graham Russell
Executive Director
23 February 2026

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Directors and management of Talius Group Limited (“Talius” or “Company”) are committed to maintaining high standards of corporate governance to ensure that it operates in the best interests of shareholders to whom they are ultimately responsible to.

During the year ending 31 December 2025, the Company continued working towards implementing corporate governance practices and policies as outlined in the ASX Corporate Governance Council’s Principles and Recommendations (4th Edition) (“ASX Recommendations”), and details of these ASX Recommendations that Talius have adopted and those that have not been fully complied with are outlined in the Company’s annual Corporate Governance Statement.

Where there is deviation from the ASX Recommendations, the Company continues to review and update its policies and practices in order that these are consistent with the growth of the Company, the broadening of its activities, current legislation and good practice.

The ASX Corporate Governance Council’s (the Council) recommendations are not prescriptive but are rather guidelines. If certain recommendations are not appropriate for the Company given its circumstances, it may elect not to adopt that particular practice in limited circumstances. Where the Company’s practices do not correlate with the ASX Recommendations the Company does not consider that the recommended practices are appropriate, due to either the size of the Board or management team, or due to the current activities and operations being carried out by and within the Company.

A copy of Talius’ 2025 Corporate Governance Statement, which provides detailed information about governance and a copy of the Company’s Appendix 4G which sets out the Company’s compliance with the ASX Recommendations is available on the Investors page of the Company’s website at:

<https://www.talius.com.au/investors/>



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

As lead auditor of Talius Group Limited for the year ended 31 December 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 audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

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



T R Mann
Director

BDO Audit Pty Ltd

Brisbane, 23 February 2026

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 16 February 2026.

Distribution of equity securities

Talius – Ordinary Fully Paid Shares

Number of Securities Held	No's of holders	% Issued Capital
1 to 1,000	39	0.00%
1,001 to 5,000	23	0.02%
5,001 to 10,000	155	0.39%
10,001 to 100,000	416	4.90%
100,001 and over	283	94.69%
Total	916	100.00%
Number of unmarketable parcels of shares (value less than \$500)	86	

Twenty largest holders

No.	Name of Shareholder	Holding	% Held
1	NETWEALTH INVESTMENTS LIMITED	55,167,154	16.19%
2	STEPHEN NORRIS TECHNOLOGIES PTY LTD	28,605,000	8.39%
3	MS NICOLE GALLIN & MR KYLE HAYNES <GH SUPER FUND A/C>	22,070,760	6.48%
4	RUSSELL ACQUISITIONIS PTY LTD <CAMPBELL HOUSE A/C>	14,580,000	4.28%
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,631,617	2.24%
6	CITICORP NOMINEES PTY LIMITED	5,741,313	1.68%
7	CELTIC FINANCE CORP PTY LTD	4,500,000	1.32%
8	KEA HOLDINGS PTY LTD	3,950,000	1.16%
8	DECK CHAIR HOLDINGS PTY LTD	3,949,996	1.16%
9	MR KYLE BRADLEY HAYNES	3,693,503	1.08%
10	DR DANIEL TILLET	3,600,000	1.06%
11	MS NICOLE JOAN GALLIN	3,500,000	1.03%
12	SOCIAL INVESTMENTS PTY LTD	3,500,000	1.03%
13	ONSWITCH INVESTMENTS PTY LTD <FOXFIRST A/C>	3,225,334	0.95%
14	KATEPIP INVESTMENTS PTY LTD	3,125,000	0.92%
15	RAVENHILL INVESTMENTS PTY LTD <HOUSE OF EQUITY A/C>	2,975,001	0.87%
16	MR DAVID RUSSELL STEWART &	2,914,000	0.85%
17	TEMPLETON SWEETWATER PTY LTD	2,900,000	0.85%
18	BNP PARIBAS NOMS PTY LTD	2,849,237	0.84%
19	BERGER INVESTMENT FUND PTY LTD <BERGER INVESTMENT FUND A/C>	2,825,000	0.83%
20	GMR INVESTCORP PTY LTD	2,700,000	0.79%
		184,002,915	53.99%

Voting Rights

All fully paid ordinary shares carry one vote per share without restriction.

Substantial Shareholders

The company has received the following substantial shareholder notices as at 16 February 2026:

➤	KYLE HAYNES	37,055,135 shares (10.88%)
➤	STEPHEN NORRIS	28,605,000 shares (8.40%)
➤	GRAHAM RUSSELL	18,270,429 shares (5.33%)

Consolidated Statement of Comprehensive Income
For the year ended 31 December 2025

	Note	2025 \$	2024 \$
Revenue	3	7,662,924	11,150,327
Other income	4	615,352	262,382
Cost of sales		(4,398,498)	(8,404,400)
Amortisation and depreciation expense		(355,352)	(241,076)
Consulting fees		(792,266)	(478,448)
Employee benefits expenses	5	(2,714,475)	(3,525,237)
Marketing expenses		(209,834)	(142,291)
Property expenses		(35,625)	(23,792)
Finance costs		(27,891)	(22,942)
Share based payments		(140,321)	(106,663)
Impairment of receivables	10	(10,037)	(234,370)
Impairment of inventories		-	(200,000)
Other expenses		(1,058,260)	(1,255,322)
Loss before income tax		(1,464,283)	(3,221,832)
Income tax	6	-	-
Loss after income tax		(1,464,283)	(3,221,832)
Other comprehensive income, net of tax		-	-
Total comprehensive income		(1,464,283)	(3,221,832)
Loss per share		Cents	Cents
Basic and diluted loss per share	8	(0.05)	(0.13)

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 31 December 2025**

	Note	2025 \$	2024 \$
CURRENT ASSETS			
Cash and cash equivalents	7	4,917,638	4,146,742
Trade and other receivables	10	673,117	1,005,029
Inventories	11	1,382,594	1,395,547
Other current assets		342,624	224,846
TOTAL CURRENT ASSETS		7,315,973	6,772,164
NON-CURRENT ASSETS			
Plant and equipment	12	73,429	51,890
Intangible assets	13	303,950	871,535
Right-of-use assets	14	279,591	64,758
TOTAL NON-CURRENT ASSETS		656,970	988,183
TOTAL ASSETS		7,972,943	7,760,347
CURRENT LIABILITIES			
Trade and other payables	15	717,826	2,973,782
Contract liabilities	16	42,127	209,735
Short-term provisions	17	83,545	71,661
Borrowings		24,401	27,158
Lease liabilities	14	128,439	48,828
TOTAL CURRENT LIABILITIES		996,338	3,331,164
NON-CURRENT LIABILITIES			
Long-term provisions	17	22,710	-
Lease liabilities	14	171,600	41,615
TOTAL NON-CURRENT LIABILITIES		194,310	41,615
TOTAL LIABILITIES		1,190,648	3,372,779
NET ASSETS		6,782,295	4,387,568
EQUITY			
Contributed capital	18	26,863,306	22,881,242
Reserves	19	248,657	371,712
Accumulated losses		(20,329,668)	(18,865,386)
TOTAL EQUITY		6,782,295	4,387,568

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

**Consolidated Statement of Changes in Equity
For the year ended 31 December 2025**

	Contributed Capital	Accumulated Losses	Reserves	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				
Issue of share capital	2,574,450	-	-	2,574,450
Share buybacks	(71,841)	-	-	(71,841)
Share based payments	-	-	106,663	106,663
Conversion of performance rights	203,746	-	(203,746)	-
Transfer of expired options/performance rights	-	131,199	(131,199)	-
Total	2,706,355	131,199	(228,282)	2,609,272
Comprehensive income				
Loss after income tax	-	(3,221,832)	-	(3,221,832)
Total comprehensive income	-	(3,221,832)	-	(3,221,832)
Balance at 31 December 2024	22,881,242	(18,865,386)	371,712	4,387,568
Balance at 1 January 2025	22,881,242	(18,865,386)	371,712	4,387,568
Transactions with owners in their capacity as owners				
Issue of share capital	4,000,000	-	-	4,000,000
Capital raising costs	(281,312)	-	-	(281,312)
Share based payments	-	-	140,321	140,321
Conversion of performance rights	263,376	-	(263,376)	-
Total	3,982,064	-	(123,055)	3,859,009
Comprehensive income				
Loss after income tax	-	(1,464,283)	-	(1,464,283)
Total comprehensive income	-	(1,464,283)	-	(1,464,283)
Balance at 31 December 2025	26,863,306	(20,329,669)	248,657	6,782,294

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 year ended 31 December 2025

	Note	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers (inclusive of GST)		7,959,956	11,331,282
Payments to suppliers and employees (inclusive of GST)		(11,203,886)	(10,523,222)
Interest received		7,440	2,522
Grant income received		389,955	94,680
Finance costs		(27,891)	(22,941)
Net cash provided by/(used in) operating activities	7	(2,874,426)	882,321
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant & equipment		(61,013)	(16,932)
Grant income received		348,044	-
Payments for intangible assets		(136,500)	(893,850)
Net cash provided by/(used in) investing activities		150,531	(910,782)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	18	4,000,000	2,574,450
Cost associated with the issue of shares	18	(281,312)	(7,500)
Share buyback	18	-	(71,843)
Repayment of borrowings (insurance financing)		(120,998)	(143,960)
Lease principal payments		(102,898)	(86,413)
Net cash provided by financing activities		3,494,792	2,264,734
Net increase in cash and cash equivalents held		770,897	1,084,656
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		4,917,638	4,146,742

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NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICIES

Introduction

This financial report covers the Consolidated Entity of Talius Group Limited (the “Company”) and its controlled entities (together referred to as the “Group”, the “Consolidated Entity” or “Talius”). Talius Group Limited is a listed public company, incorporated and domiciled in Australia.

The accounting policies have been consistently applied, unless otherwise stated.

Operations and 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.

Currency and rounding

The financial report is presented in Australian dollars which is the functional currency of the Company.

The Company is a kind referred to in Australian Securities & Investment Commission (ASIC) Corporations Instrument 2016/191, and in accordance with that instrument all financial information presented in Australian Dollars has been rounded to the nearest dollar.

Authorisation of financial report

The financial report was authorised for issue on 23 February 2026.

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. Talius Group Limited is a for-profit entity for the purpose of preparing the financial statements.

The financial statements of the Consolidated Entity also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)**Accounting policies****(a) Financial Instruments**Recognition and initial measurement

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value or amortised cost using the effective interest rate method. Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

(b) Impairment of Non-Financial Assets

The Consolidated Entity assesses throughout the reporting period whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with the applicable Standard. Where it is not possible to estimate the recoverable amount of an individual asset, the Consolidated Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(c) Going Concern

As at 31 December 2025 the Consolidated Entity had cash reserves of \$4,917,638, net current assets of \$6,319,635 and net assets of \$6,782,295. During the year the Consolidated Entity incurred a loss of \$1,464,283, generated operating cash outflows of \$2,874,426, investing activity inflows of \$150,531, and financing activity inflows of \$3,494,792.

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.

(d) Critical Accounting Judgements and Estimates

The preparation of the financial report in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the accounting policies. The notes in the financial statements set out areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the financial report such as:

- Revenue recognition see note 3. Management exercises significant judgement in determining the timing of revenue recognition and whether arrangements involving hardware and SaaS Subscription should be bundled. The Consolidated Entity assess whether hardware and SaaS represent distinct performance obligations.
- Capitalisation of Intangible Assets see note 13. The Consolidated Entity capitalise internal development costs as intangible assets. Management exercises significant judgement in determining whether these developments will give rise to future economic benefits. Further, estimation is required in determining the useful life of these assets after capitalisation.
- Inventory Valuation and Obsolescence see note 11. The provision for impairment of inventories assessment requires a degree of estimation and judgement. Inventories are held at the lower of cost and net realisable value. In determining NRV, management estimates the expected selling price in the ordinary course of business, less the estimated cost.

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

A number of standards and amendments have been issued but are not yet effective, none of which have been early adopted by the Consolidated Entity in this financial report.

Other than AASB 18 *Presentation and Disclosure in Financial Statements* for which the Consolidated Entity is assessing the impact, these new standards and amendments, when applied in future periods, are not expected to have a material impact on the financial position or performance of the Consolidated Entity. However, they are expected to materially affect the presentation of, and included disclosures within, the financial statements.

NOTE 2 SEGMENT REPORTING

Reportable 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

	2025	2024
	\$	\$
Software revenue	3,165,899	2,664,336
Hardware sales	4,427,549	8,456,840
Service revenue	62,036	26,629
Interest revenue	7,440	2,522
Total revenue	7,662,924	11,150,327

Software revenue incorporates hardware sales and ongoing fixed-price monthly access subscription software as a service style contracts (SAAS). Revenue from the sale of term (subscription) licences are recognised over time on a straight-line basis over the subscription term.

In the case of SAAS monthly subscription contracts, agreements are entered with clients to provide ongoing access to the software over a fixed period. The client pays a fixed amount in line with SAAS contract. If the payments exceed the services rendered, a contract liability is recognised.

For hardware sales revenue, revenue is recognised upon the transfer of the hardware to the customer along with any associated hardware commissioning.

The opening and closing balances of receivables and contract liabilities from contracts with customers are disclosed in Notes 9 and 15.

The performance obligation for hardware sales is the delivery and commissioning of the product to the end client. The performance obligation for ongoing software revenue is the provision of access to the platforms to the end client.

Payment is generally due within 30 days from completion of the services.

Major Customers

Revenues of approximately \$3,009,100 (2024: \$4,969,143) were derived from one customer.

Disaggregation of Revenue

	2025	2024
	\$	\$
Goods transferred at a point in time	4,427,549	8,456,840
Services transferred over time	3,227,935	2,690,965
Total	7,655,484	11,147,805

NOTE 4 OTHER INCOME

	2025	2024
	\$	\$
Sale of exploration rights	-	167,702
Research and development tax incentive	389,955	94,680
Gain/loss on sale of asset	(4,425)	-
Gain on reversal of financial liability	222,087	-

Reversal of provision for bad debt	7,735	-
Total other income	615,352	262,382

Gain on reversal of financial liability recognised during the period relates 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 EXPENSES

		2025	2024
		\$	\$
Employee benefits expenses	Note		
Defined contribution superannuation expense		224,188	301,269
Other employee benefits expenses		2,490,287	3,223,968
Total employee benefits expenses		2,714,475	3,525,237
Employee benefits expense – share based payments	21	140,321	106,663

Contributions to defined contribution plans are expensed when incurred.

NOTE 6 INCOME TAX

Income tax expense

The income tax expense for the period comprises current income tax expense and deferred tax expense. Current income tax expense charged to profit or loss is the tax payable on taxable income.

A reconciliation of income tax expense/(benefit) applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the Consolidated Entity's effective income tax rate for the periods ended 31 December 2025 and 31 December 2024 is as follows:

	2025	2024
	\$	\$
Accounting loss before income tax	(1,464,283)	(3,221,832)
Tax at the Australian tax rate of 25.0%	(366,071)	(805,458)
Non-deductible/(assessable) items	38,025	27,156
Prior period adjustment	-	-
Deferred tax assets not brought to account	328,046	778,302
Income tax expense/(benefit)	-	-

Current tax liabilities

Current tax liabilities are measured at the amounts expected to be paid to the relevant taxation authority. The Consolidated Entity did not have any current tax liabilities at 31 December 2025 (2024: Nil).

Deferred tax balances

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the period as well as unused tax losses. Deferred tax is calculated at the tax rates expected to apply to the period when the asset is realised or liability is settled. Current and deferred tax is recognised in the statement of comprehensive income except where it relates to items that may be recognised directly in equity, in which case the deferred tax is adjusted directly against equity. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Future income tax benefits in relation to tax losses have not been brought to account at this stage as it is not probable the benefit will be utilised. The temporary differences and tax losses do not expire under current tax legislation. Availability of the tax losses is dependent on satisfying the continuity of ownership test or same business test at the time of use.

NOTE 6 INCOME TAX (continued)

	2025	2024
	\$	\$
Unrecognised temporary differences and tax losses		
Tax losses	28,543,403	27,231,329
Recognised temporary differences and tax losses		
<u>Deferred tax assets and liabilities are attributable to the following:</u>		
Employee provisions	20,886	17,915
Provision for doubtful debts	2,823	62,959
Inventories	74,906	125,082
Right of use assets	(69,898)	(16,190)
Contract assets	-	(140,860)
Lease liabilities	75,010	22,611
Other	10,532	52,434
Deferred tax attributed to temporary differences not recognised	(114,259)	(123,951)
Net deferred tax liability/(asset)	-	-

Goods & Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances GST is recognised as part of the acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

NOTE 7 CASH FLOW INFORMATION

	2025	2024
	\$	\$
Cash and Cash Equivalents		
Cash at bank and on hand	4,917,638	4,146,742

For statement of cash flow presentation purposes cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are reported within short-term borrowings in current liabilities in the balance sheet.

Non-cash Investing and Financing Activities

During the year \$140,321 (2024: \$106,663) was recognised in the share-based payment reserve relating to performance rights granted to employees and consultants. These rights were granted for no consideration.

Reconciliation of cash and non-cash movements in borrowings from financing activities

	2025	2024
	\$	\$
Lease liability at beginning of the year	90,443	176,854
Non-cash lease additions	312,494	-
Lease principal repayments	(102,898)	(86,411)
Lease liability at end of the year	300,039	90,443
Borrowings at beginning of the year	27,158	39,380
Non-cash insurance finance additions	118,241	131,738
Principal repayments	(120,998)	(143,960)
Borrowings at end of the year	24,401	27,158

Reconciliation of cash flows from operations with loss after tax

Loss after income tax	(1,464,283)	(3,221,831)
<i><u>Non-cash items in profit/(loss) after income tax</u></i>		
Depreciation and amortisation	355,352	241,076
Impairment (reversal)/impairment of inventories	-	200,000
Impairment (reversal)/impairment of receivables	10,037	234,370
Share based payments	140,321	106,663
<i><u>Movements in operating assets and liabilities</u></i>		
Trade and other receivables	321,876	(312,313)
Inventories	12,953	763,901
Other assets	463	147,448
Trade and other payables	(2,122,856)	2,576,426
Provisions	34,594	(34,614)
Contract liabilities	(167,608)	181,196
Net cash used in operating activities	(2,874,426)	882,321

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the relevant tax authority is presented as operating cash flows included in receipts from customers or payments to suppliers.

NOTE 8 EARNINGS PER SHARE

	2025 \$	2024 \$
Earnings		
Loss used to calculate basic and diluted EPS	(1,464,283)	(3,232,832)
Weighted average number of shares and options		
	Number of shares	Number of shares
Weighted average number of ordinary shares outstanding during the period, used in calculating basic earnings per share	287,485,085	2,576,706,115
Weighted average number of dilutive options outstanding during the period	-	-
Weighted average number of ordinary shares and potential ordinary shares outstanding during the period, used in calculating diluted earnings per share	287,485,085	2,576,706,115

The Consolidated Entity presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

At 31 December 2025, there were 2,088,885 (2024: 47,000,000) performance rights outstanding, and Nil (2024: Nil) options outstanding which could potentially dilute basic earnings per share in the future. Because there is a loss from operations, these would have an anti-dilutive effect and therefore diluted earnings per share is the same as the basic earnings per share.

NOTE 9 DIVIDENDS

No dividends were paid during the financial year ended 31 December 2025 (2024: Nil) and no dividend is recommended for the current year.

NOTE 10 TRADE AND OTHER RECEIVABLES

	2025 \$	2024 \$
Trade receivables	668,769	693,423
Provision for expected credit losses	(11,291)	(251,834)
	657,478	441,589
Contract assets	15,639	563,440
	673,117	1,005,029

Trade receivables and contract assets are amounts due from customers for goods sold or services performed in the ordinary course of business and are generally due for settlement within 30 days and therefore are all classified as current. If the Group performs services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised.

NOTE 10 TRADE AND OTHER RECEIVABLES (continued)

If the customer pays consideration or the Group has a right to an amount of consideration that is unconditional before the Group transfers a good or service to the customer, a contract liability is recognised.

Other receivables generally arise from transactions outside the usual operating activities of the Group.

Impairment of trade receivables and contract assets

The Group recognised an impairment of \$11,291 during the year (2024: \$234,370) in relation to trade receivables and contract assets.

Movements during the year – Provision for expected credit loss	2025	2024
	\$	\$
Opening balance	251,834	39,008
Impaired receivables provided for during the period	10,037	234,370
Previously impairments reversed	(250,580)	-
Receivables written off during the year as uncollectible	-	(21,544)
Closing balance	11,291	251,834

Loss Allowance – 31 December 2025

	Expected loss rate	Gross Receivables	Loss Allowance
Current - TS	1.0%	375,481	3,755
Less than 1 month past due - TS	2.5%	129,561	3,239
More than 1 month past due - TS	5.0%	181,234	9,061
More than 2 months past due - TS	7.5%	8,745	656
More than 3 months past due - TS	10.0%	1,700	170
Older - TS	20.0%	(27,951)	(5,590)
Total		668,769	11,291

Loss Allowance – 31 December 2024

	Expected loss rate	Gross Receivables	Loss Allowance
Current - TS	1.0%	339,359	3,394
Less than 1 month past due - TS	2.5%	43,450	1,086
More than 1 month past due - TS	50.0%	164,935	82,467
More than 1 month past due - TS	5.0%	4,891	245
More than 2 months past due - TS	7.5%	3,863	290
More than 3 months past due - TS	10.0%	3,396	340
Older - TS	20.0%	(34,582)	(6,916)
Contract assets – current – TS	0.5%	563,440	2,817
Current - TG	100%	43,494	43,494
Less than 1 month past due - TG	100%	75,208	75,208
More than 1 month past due - TG	100%	49,411	49,411
Total		1,256,865	251,836

NOTE 10 TRADE AND OTHER RECEIVABLES (continued)

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over the last 2 years. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The Group has identified the GDP, inflation and the outlook for the aged care provider sector as the most relevant factors and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

NOTE 11 INVENTORIES

	2025	2024
	\$	\$
Aged care specialist sensors	1,682,218	1,895,876
Provision for diminution	(299,624)	(500,329)
	1,382,594	1,395,547

Inventories are aged care specialist sensors that are utilised as part of the software services provided to customers.

Inventories are stated at the lower of cost and net realisable value. The cost of inventories is based on the weighted average method and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

The amount of inventory recognised as an expense during the year was \$4,398,498 (2024: \$8,404,400).

Management review inventory reports on a regular basis to determine slow-moving or obsolescence. Appropriate provisions are carried for impairment of slow-moving items. Obsolete items are disposed of as and when identified.

NOTE 12 PLANT AND EQUIPMENT

	2025	2024
	\$	\$
Leasehold improvements at cost	1,400	33,231
Accumulated depreciation	-	(28,616)
	1,400	4,615
Office equipment at cost	145,196	97,148
Accumulated depreciation	(73,167)	(49,873)
	72,029	47,275
Total plant and equipment	73,429	51,890

Movements during the year

Year ended 31 December 2025	Leasehold Improvements	Office Equipment	Total
Balance at 1 January 2025	4,615	47,275	51,890
Additions	-	61,013	61,013
Disposals	(166)	(4,559)	(4,725)
Depreciation	(3,048)	(31,701)	(34,749)
Balance at 31 December 2025	1,401	72,028	73,429

Year ended 31 December 2024	Leasehold Improvements	Office Equipment	Total
Balance at 1 January 2024	15,225	55,789	71,014
Additions	-	16,932	16,932
Depreciation	(10,610)	(25,446)	(36,056)
Balance at 31 December 2024	4,615	47,275	51,890

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future benefits associated with the item will flow to the Consolidated Entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the Consolidated Entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation rates used for each class of asset is:

<u>Class of Fixed Asset</u>	<u>Depreciation Rates</u>
Leasehold improvements	33%
Office equipment	10% - 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

NOTE 13 INTANGIBLE ASSETS

	2025	2024
	\$	\$
Software at cost	554,823	902,867
Accumulated amortisation	(295,853)	(118,473)
	258,970	784,394
Other intangibles at cost	146,600	143,200
Accumulated amortisation	(101,620)	(56,059)
	44,980	87,141
Total intangible assets	303,950	871,535

Movements during the year

Year ended 31 December 2025	Software	Other	Total
Balance at 1 January 2025	784,394	87,141	871,535
Additions		3,400	3,400
Refundable R&D offset against capitalised costs	(348,044)	-	(348,044)
Amortisation	(177,380)	(45,560)	(222,941)
Balance at 31 December 2025	258,970	44,981	303,951

Year ended 31 December 2024	Software	Other	Total
Balance at 1 January 2024	72,640	132,448	205,088
Additions	800,100	-	800,100
Amortisation	(88,346)	(45,307)	(133,653)
Balance at 31 December 2024	784,394	87,141	871,535

Software costs that are directly associated with the development of the Group's Data & Care Platforms are capitalised if the recognition requirements had been fulfilled and a benefit of more than 12 months was expected.

Costs that are directly associated with the development of this software are recognised as an intangible asset where the following criteria are met:

- a. The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- b. Intention to complete the intangible asset and use or sell it;
- c. Ability to use or sell the intangible asset;
- d. How the intangible asset will generate probable economic benefits. Among other things, the Group can demonstrate existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
- e. The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible assets;

- f. Ability to measurement reliability the expenditure attributable to the intangible asset during its development.

These costs include external development costs and other directly attributed costs incurred in the development of the software. Capitalised software development costs are recognised as an intangible asset and amortised in a straight line over their estimated useful lives, which is four years. Research costs are expensed as incurred and are largely made up of employee labour which is included in employee costs in the consolidated income statement.

Impairment considerations in respect of software development are carried out by management when there are any indicators of impairment are present. Capitalised software has been allocated to the Software cash-generating unit.

The recoverable amount of the Group's capitalised software has been determined by a value-in-use calculation using a discounted cash flow model, based on a 1 year projection period approved by management and extrapolated for a further 3 years using a growth rate, to reflect the useful life of the asset.

Key assumptions are those to which the recoverable amount of the asset or cash-generating units is most sensitive. The following key assumptions were used in the discounted cash flow model for the Software cash-generating unit:

- 20% pre-tax discount rate, reflects management's estimate of the time value of money and the Group's expected weighted average cost of capital, the risk-free rate and the volatility of the share price relative to market movements.
- 5% per annum projected revenue growth rate, reflects management's underlying growth rates.
- 50% cost of sales margin, based on past performance and management's expectations for the future.

The Directors have made judgements and estimates in respect to the impairment testing of the capitalised software. Should these judgements and estimates not occur the resulting software carrying value may decrease. As at reporting date, the Group, based upon information available, does not consider that any reasonable change in the key assumptions, after allow for consequential impacts on other key assumptions of any change, would cause the carrying amount to exceed the recoverable amount.

NOTE 14 LEASES

The Group leases offices and software. Rental contracts are typically made for fixed periods of 1 to 4 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease Liabilities

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

➤ **NOTE 14** **LEASES (continued)**

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases that relate to building premises, the entity's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received, making adjustments specific to the lease (e.g., term and security).

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use Assets

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Low Value Assets

Payments associated with leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Low value assets comprise small items of office equipment.

Extension Options

Extension options may be included in building premises leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The extension and termination options held are exercisable only by the Group and not by the respective lessor.

In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option. When exercising lease extensions of building premises, the Group considers the following factors:

- any termination and make-good penalties;
- value of leasehold improvements;
- cost of disruption to the business to relocate; and

NOTE 14 LEASES (continued)

➤ availability and cost other suitable properties.

Extension options are only included in the lease term if the lease is reasonably certain to be extended.

As at 31 December 2025, there were no lease extension options applicable.

The lease term is reassessed if an option is exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

	2025	2024
	\$	\$
Amounts recognised in the Statement of Financial Position		
Right-of-use assets		
Leased buildings	251,732	17,234
Software licences	27,859	47,524
	279,591	64,758

Additions to the right of use assets during the period were \$312,495 (2024: \$Nil).

Lease liabilities

CURRENT

Leases for building premises	99,873	24,253
Leases for software licences	28,566	24,575
	128,439	48,828

NON-CURRENT

Leases for building premises	158,552	-
Leases for software licences	13,048	41,615
	171,600	41,615

Amounts recognised in the Statement of Comprehensive Income

	2025	2024
	\$	\$
Amortisation		
Buildings premises	77,997	51,702
Software licences	19,665	19,665
	97,662	71,367
Interest expense on leases (included in finance costs)		
Buildings premises	16,638	8,473
Software licences	5,938	8,368
	22,576	16,841

NOTE 14 LEASES (continued)

Amounts recognised in the Statement of Cash Flows

Lease principal repayments - buildings premises	78,324	65,383
Lease principal repayments – software licences	24,574	21,028
Interest payments - buildings premises	16,638	8,473
Interest payments – software licences	5,938	8,368
	125,474	103,252

NOTE 15 TRADE AND OTHER PAYABLES

Trade payables	422,951	2,770,552
Other payables and accrued expenses	294,875	203,230
	717,826	2,973,782

Trade payables are amounts due to suppliers for goods purchased or services provided in the ordinary course of business. Trade payables are generally due for settlement within 30 days and therefore are all classified as current.

Other payables and accrued expenses generally arise from normal transactions within the usual operating activities of the Group and comprise items such as employee taxes, employee on costs, GST and other recurring items.

NOTE 16 CONTRACT LIABILITIES

Contract liabilities	42,127	209,735
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Contract liabilities related to income received in advance for performance obligations that are not yet satisfied at the end of the reporting period. The amount is expected to be recognised as revenue within the next 12 months.

The 2024 contract liability balance of \$209,735 was recognised in revenue during the 2025 financial year.

NOTE 17 PROVISIONS

	2025	2024
	\$	\$
Employee benefits – short term	83,545	71,661
Employee benefits – long term	22,710	-
	106,255	71,661

Employee Benefit Provisions

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees’ services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Long-term obligations

Liabilities for long service leave accruals that are expected to be settled after 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as non-current employee benefit obligations in the statement of financial position.

NOTE 18 CONTRIBUTED CAPITAL

340,839,922 fully paid ordinary shares (2024: 2,860,486,469) 26,863,306

Ordinary Shares

	2025	2024	2025	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	-	188,748	-	18,000,000
Conversion of Performance Rights ¹	-	15,000	-	1,500,000
Conversion of Performance Rights ¹	61,625	-	7,000,000	-
Conversion of Performance Rights ¹	175,551	-	3,800,000	-
Conversion of Performance Rights ¹	26,200	-	291,111	-
Share buyback ²	-	(71,843)	-	(8,980,646)
Share placement ³	-	2,574,450	-	286,050,000
Share placement ⁴	4,000,000	-	50,000,000	-
Share consolidation ⁵	-	-	(2,580,737,659)	-
Share issue costs	(281,312)	-	-	-
At reporting date	26,863,306	22,881,242	340,839,922	2,860,486,470

Notes

1. Conversion of performance rights to ordinary shares
2. Share buyback rights to ordinary shares at \$0.0080 per share conducted April 2024
3. Share placement of 2,500,000 ordinary share at \$0.009 per share conducted December 2024
4. Share placement of 50,000,000 ordinary share at \$0.08 per share conducted November 2025
5. 10:1 Share consolidation at 30 June 2025

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands. Ordinary shares do not have a par value.

Issued and paid-up capital is recognised at the fair value of the consideration received by the Consolidated Entity. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

OPTIONS

There were no options issued or on hand during the 2025 year.

NOTE 19 RESERVES

	2025	2024
	\$	\$
Share based payment reserve	248,647	371,712
	248,647	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 20 PARENT ENTITY INFORMATION

	2025	2024
	\$	\$

The legal Parent Entity of the Consolidated Entity is Talius Group Limited.

Parent Entity Financial Information

Current assets	7,234,238	4,164,512
Non-current assets	-	-
Total assets	7,234,238	4,164,512
Current liabilities	159,705	61,736
Total liabilities	159,705	61,736
Net assets	7,074,553	4,102,776
Issued capital	61,619,547	57,637,483
Share Based Payment Reserves	248,656	371,712
Accumulated losses	(54,793,651)	(53,906,419)
Total equity	7,074,553	4,102,776
Loss after income tax	(887,252)	(771,516)
Other comprehensive income	-	-
Total comprehensive income	(887,252)	(771,516)

Commitments, Contingencies and Guarantees of the Parent Entity

The Parent Entity's commitments are the same as the Consolidated Entity which are detailed in Note 24.

The Parent Entity has no contingent assets or guarantees at reporting date.

The Parent Entity has no contingent liabilities as at 31 December 2025 or 31 December 2024.

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statement statements except for investments in subsidiary entities which are accounted for at cost rather than fair value



NOTE 20 PARENT ENTITY INFORMATION (continued)

Controlled Entities of the Parent Entity	Percentage Owned		Country of Incorporation
	2025 %	2024 %	
Talius Holdings Pty Ltd	100%	100%	Australia
Talius Services Pty Ltd	100%	100%	Australia

NOTE 21 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 financial year are set out below:

Grant Date	Vesting Date	Expiry Date	Exercise Price	Movements					Report Date
				1-Jan-25	Issued	Exercised	Consolidation	Lapsed	
15-Jun-20	15-Jun-22	15-Jun-25	Nil	15,000,000		(1,500,000)	(13,500,000)	-	-
22-Mar-22	31-Dec-22	31-Dec-25	Nil	1,000,000		(100,000)	(900,000)	-	-
22-Mar-22	31-Dec-23	31-Dec-26	Nil	3,000,000		(300,000)	(2,700,000)	-	-
22-Mar-22	31-Dec-24	31-Dec-27	Nil	3,000,000		(300,000)	(2,700,000)	-	-
19-May-22	31-Dec-22	31-Dec-25	\$0.0001	4,000,000		(400,000)	(3,600,000)	-	-
19-May-22	31-Dec-23	31-Dec-26	\$0.0001	8,000,000		(800,000)	(7,200,000)	-	-
28-Jul-22	31-Dec-24	31-Dec-27	Nil	3,000,000		(3,000,000)	-	-	-
15-Dec-22	31-Dec-23	31-Dec-26	\$0.00	3,000,000		(200,000)	(2,700,000)	-	100,000
15-Dec-22	31-Dec-24	31-Dec-27	\$0.00	4,000,000		(1,200,000)	(2,700,000)	-	100,000
12-Aug-24	30-Nov-24	30-Nov-24	Nil	3,000,000		(3,000,000)	-	-	-
13-Jan-25	31-Mar-25	31-Mar-26	Nil	-	1,800,000	(180,000)	(1,620,000)	-	-
1-Apr-25	31-Mar-26	31-Mar-28	Nil	-	4,444,442	-	(4,000,000)	-	444,442
1-Apr-25	31-Mar-27	31-Mar-28	Nil	-	4,444,448	-	(4,000,000)	-	444,448
1-Apr-25	1-Jun-25	31-Mar-28	Nil	-	1,111,111	(111,111)	(1,000,000)	-	-
1-Apr-25	1-Jun-26	31-Mar-28	Nil	-	1,111,111	-	(1,000,000)	-	111,111
1-Apr-25	1-Jun-27	31-Mar-28	Nil	-	1,111,111	-	(1,000,000)	-	111,111
7-Nov-25	31-Dec-25	31-Mar-26	Nil	-	444,440	-	-	-	444,440
7-Nov-25	31-Jul-26	31-Jul-28	Nil	-	111,111	-	-	-	111,111
7-Nov-25	31-Jul-27	31-Jul-28	Nil	-	111,111	-	-	-	111,111
7-Nov-25	31-Jul-28	31-Jul-28	Nil	-	111,111	-	-	-	111,111
				47,000,000	14,799,996	(11,091,111)	(48,620,000)	-	2,088,885

The weighted average remaining contractual life of performance rights outstanding at the end of the year was 2.17 years.

NOTE 21 SHARE BASED PAYMENTS (continued)

The following performance rights Tranches have vested and were exercisable at 31 December 2025:

Tranche	Number of vested and exercisable rights
Employee 10	100,000
Employee 11	100,000
Company Secretary	444,440
	644,440

Performance Rights Vesting Conditions

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

Fair value of performance rights granted

The assessed fair value at the date of grant of performance rights issued is determined using an option pricing model that takes into account the exercise price, the underlying share price at the time of issue, the term of the performance right the underlying share’s expected volatility, expected dividends and the risk free interest rate for the expected life of the instrument. The value of the performance rights were calculated using the inputs shown below:

NOTE 21 SHARE BASED PAYMENTS (continued)

Inputs into pricing model	2025 Tranche 1	2025 Tranche 2	2025 Tranche 3
Grant date	13 January 2025	1 April 2025	1 April 2025
Exercise price	Nil	Nil	Nil
Vesting conditions	31 March 2025	31 March 2026	31 March 2027
Share price at grant date	\$0.009	\$0.009	\$0.009
Expiry date	31 March 26	31 March 2028	31 March 2028
Life of the instruments	0.46 years	1 years	2 years
Underlying share price volatility	90%	90%	90%
Expected dividends	Nil	Nil	Nil
Risk free interest rate	4.255%	3.692%	3.692%
Pricing model	Black-Scholes	Black-Scholes	Black-Scholes
Fair value per instrument	\$0.009	\$0.009	\$0.009

Inputs into pricing model	2025 Tranche 4	2024	2022 Tranche 1
Grant date	7 November 2025	12 August 2024	19 May 2022
Exercise price	Nil	Nil	\$0.0001
Vesting conditions	31 December 2025	30 November 2024	Refer above
Share price at grant date	\$0.009	\$0.008	\$0.012
Expiry date	31 March 2026	30 November 2024	31 December 2025
Life of the instruments	0.46 years	2.3 years	3.6 years
Underlying share price volatility	90%	133%	80%
Expected dividends	Nil	Nil	Nil
Risk free interest rate	4.225%	4.37%	1.325%
Pricing model	Black-Scholes	Black-Scholes	Black-Scholes
Fair value per instrument	\$0.009	\$0.008	\$0.012

Inputs into pricing model	2022 Tranche 2	2022 Tranche 3	2020
Grant date	19 May 2022	19 May 2022	15 June 2020
Exercise price	\$0.0001	\$0.0001	\$0.0001
Vesting conditions	Refer above	Refer above	Refer above
Share price at grant date	\$0.012	\$0.012	\$0.005
Expiry date	31 December 2026	31 May 2027	15 June 2025
Life of the instruments	4.6 years	5.0 years	5.0 years
Underlying share price volatility	80%	80%	100%
Expected dividends	Nil	Nil	Nil
Risk free interest rate	2.545%	2.772%	0.230%
Pricing model	Black-Scholes	Monte Carlo	Monte Carlo
Fair value per instrument	\$0.0119	\$0.0082	\$0.0029

Expenses arising from share-based payment transactions

	2025 \$	2024 \$
Performance shares – employees and directors	61,156	100,000
Performance shares – consultants	79,165	6,583
	140,321	106,583

NOTE 22 RELATED PARTY TRANSACTIONS

Key Management Personnel Compensation

	2025	2024
	\$	\$
Short-term benefits	578,128	605,685
Post-employment benefits	27,299	32,541
Long-term benefits	-	-
Termination benefits	43,500	-
Share-based payments	131,700	80,623
	780,627	718,849

Detailed remuneration disclosures are provided in the remuneration report on pages 14 to 21.

Transactions with related parties

The following arms' length transactions were conducted with entities associated with Mr Stephen Norris during the financial year:

Payments to Related Party Suppliers		\$
Empathy Studios Pty Ltd trading as CareWindow		2,690
Payments from Related Party Customers		\$
Empathy Studios Pty Ltd trading as CareWindow		5,528
Police Home Care		2,055

There were no other transactions with related parties during the year (2024: Nil).

NOTE 23 FINANCIAL RISK MANAGEMENT

The Consolidated Entity's financial instruments consist mainly of deposits with banks and accounts receivable and payable. The main risk arising from the financial instruments is credit risk, liquidity risk and foreign exchange risk.

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

NOTE 23 FINANCIAL RISK MANAGEMENT (continued)**Credit Risk**

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Consolidated Entity incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Consolidated Entity. It arises from exposure to customers as well as through deposits with financial institutions.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. There is no collateral held as security at reporting date. Credit risk is reviewed regularly by the Board.

The Group does not have any material credit risk exposure to any single counterparty, except for its holdings of cash which is held with the National Australia Bank.

Maximum exposure to credit risk

	2025	2024
	\$	\$
<u>Summary exposure</u>		
Cash and cash equivalents	4,917,638	4,146,742
Trade receivables	657,478	441,590
Contract assets	-	563,440
Other receivables	15,639	-
	5,590,755	5,151,772

Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet financial obligations as they fall due. Liquidity risk is reviewed regularly by the Board.

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash resources are maintained.

NOTE 23 FINANCIAL RISK MANAGEMENT (continued)

Remaining contractual maturities

The tables below reflect the contractual maturity of fixed and floating rate financial liabilities. Cash flows for financial liabilities without fixed amount or timing are based on the conditions existing at period end. The amounts disclosed represent undiscounted cash flows. The tables include both interest and principal cash flows and therefore the totals may differ from their carrying amount in the Statement of Financial Position.

31 December 2025	1 year or less	1 to 5 years	Over 5 years	Total
	\$	\$	\$	\$
Trade payables	422,951	-	-	422,951
Other payables	294,875	-	-	294,875
Borrowings	95,297	-	-	95,297
Lease liabilities	121,798	237,619	-	359,417
	934,921	237,619	-	1,172,540

31 December 2024	1 year or less	1 to 5 years	Over 5 years	Total
	\$	\$	\$	\$
Trade payables	2,770,552	-	-	2,770,552
Other payables	203,230	-	-	203,230
Borrowings	40,181	-	-	40,181
Lease liabilities	48,828	41,615	-	90,443
	3,062,791	41,615	-	3,104,406

Market Risk

Market risk arises from the use of interest bearing, tradeable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

Interest rate risk

Interest rate risk is managed by constant monitoring of interest rates.

Interest rates over the 12-month period were analysed and a sensitivity determined to show the effect on profit and equity after tax if the interest rates at reporting date had been 200 basis points higher or lower, with all other variables held constant. This level of sensitivity was considered reasonable given the current level of both short-term and long-term Australian interest rates. The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date. Cash term deposits, finance leases and insurance financing have fixed interest rates. All other cash assets and the repaid bank loan have floating interest rates. At 31 December, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post-tax profit and equity would have been affected as follows:

	2025	2024
	\$	\$
<u>Impact on profit and equity</u>		
+2.00% (200 basis points)	98,353	82,935
-2.00% (200 basis points)	(98,353)	(82,935)

NOTE 23 FINANCIAL RISK MANAGEMENT (continued)

Foreign Currency Risk

Foreign currency risk arises as a result of having assets/cash flows denominated in a currency other than the home currency in which they are reported. At 31 December, the Group had the following exposure to foreign currency, shown in Australian Dollars:

	2025	2024
	\$	\$
<u>Foreign Currency financial assets / (liabilities)</u>		
Cash and cash equivalents	545,440	936,815
Trade and other receivables	19,491	45,580
Trade and other payables	260,060	(2,285,202)
	824,991	(1,302,807)

Exchange rates over the 12 month period were analysed and a sensitivity determined to show the effect on profit and equity after tax if the exchange rates at reporting date had been 10% basis higher or lower, with all other variables held constant. The following sensitivity analysis is based on the foreign currency risk exposures in existence at reporting date:

<u>Impact on profit and equity</u>		
+10.00% (AUD to foreign currency)	82,499	130,581
-10.00% (AUD to foreign currency)	(82,499)	(130,581)

Capital Risk Management

The Board's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of ordinary shares and retained earnings of the Group. The Board of Directors monitors the return on capital as well as considers the potential of future dividends to ordinary shareholders. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

Fair Values

The fair values of financial assets and financial liabilities approximate their carrying values due to their short-term nature. No financial assets or liabilities are readily traded on organised markets in standardised form.

NOTE 24 COMMITMENTS

Contractual Commitments

The Group has the following contractual commitments under a licensing agreement with CSIRO for the minimum annual royalty and minimum research payments:

Within 1 year	50,000	50,000
Between 1 and 5 years	50,000	200,000
More than 5 years	0	200,000
	100,000	450,000

NOTE 25 CONTINGENT LIABILITIES

The Group did not have any contingent liabilities as at 31 December 2025 (2024: \$Nil).

NOTE 26 AUDITOR'S REMUNERATION

	2025	2024
	\$	\$
Audit and review of financial reports - <i>BDO Audit Pty Ltd</i>	116,804	129,251
Total audit services	116,804	129,251
Taxation services - <i>BDO Services Pty Ltd</i>	21,216	14,500
Total non-audit services	21,216	14,500

NOTE 27 EVENTS AFTER REPORTING DATE

On 8 December 2025, the Company announced the appointment of Pat Howard as Managing Director and Chief Executive Officer, effective 16 February 2026. Founder, Graham Russell will transition to the role of Founder and Executive Director, Strategy and Growth, ensuring continuity of vision while strengthening operational execution.

Consolidated Entity Disclosure Statement

Entity name	Entity type	Place formed/Country of incorporation	Ownership interest %	Tax residency ²
Talius Group Limited ¹	Body Corporate	Australian	-	Australian
Talius Services Pty Ltd	Body Corporate	Australian	100%	Australian
Talius Holdings Pty Ltd	Body Corporate	Australian	100%	Australian

¹ Talius Group Limited is the head entity of the Group.

² All entities are Australian tax residents, there are no foreign tax jurisdictions of tax residency.

Basic of presentation

The consolidation entity disclosure statement ('CEDS') has been prepared in accordance with subsection 295(3A) (a) of the Corporation Act 2001. The entities listed in the statement are Talius Group Limited and all the entities it controls as at 31 December 2025 in accordance with AASB 10 'Consolidated Financial Statements'.

Determination of Tax Residency

Section 295 (3A) of the Corporations Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

DIRECTORS' DECLARATION

In the Directors opinion:

- (a) the attached consolidated financial statements and notes and the remuneration report in the Directors' Report are in accordance with the *Corporations Act 2001* and other mandatory professional reporting requirements, including:
 - (i) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
 - (ii) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2025 and of its performance for the financial year ended on that date; and
- (b) the financial statements also comply with International Financial Reporting Standards as disclosed in Note 1 to the consolidated financial statements; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (c) the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The Directors have been given the declaration by the Chief Executive Officer and Chief Finance Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of Directors.



Graham Russell
Executive Director



Ramsay Carter
Non-Executive Chairman

23 February 2026

INDEPENDENT AUDITOR'S REPORT

To the members of Talius Group Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Talius Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit 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 audits of the financial report of public interest entities 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 in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related 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 opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue recognition

Key audit matter	How the matter was addressed in our audit
<p>The Group generates revenue from multiple streams, including software sales (SaaS) and hardware sales.</p> <p>The Group continued to increase its software sales from recurring subscription sales. Revenue recognition under AASB 15 <i>Revenue from Contracts with Customers</i> is complex and subject to error, especially where revenue is recognised over time or with multiple performance obligations.</p> <p>The Group’s disclosures about revenue recognition are included in Note 3, which detail the accounting policies applied under the requirements of AASB 15 <i>Revenue from Contracts with Customers</i>.</p> <p>The assessment of the Group’s revenue recognition was significant to our audit due to the materiality of revenue to the financial report, and the complex nature of accounting for the appropriate timing of revenue related to the sale of software and related hardware under the requirements of AASB 15 <i>Revenue from Contracts with Customers</i>.</p>	<p>Our audit procedures included, amongst others:</p> <ul style="list-style-type: none"> • Assessing the revenue recognition policy for compliance with AASB 15 <i>Revenue from Contracts with Customers</i>. • Selecting a sample of licence sales recognised as revenue, and agreeing to supporting invoices, signed customer contracts and proof of licence transfer where available. • Selecting a sample of hardware sales recognised as revenue, and agreeing to supporting invoices, purchase orders and proof of delivery where available. • Performing cut-off testing to ensure revenue transactions around year end have been recorded in the correct reporting period. • Assessing the adequacy of the Group’s revenue recognition disclosures within the financial statements.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group’s annual report for the year ended 31 December 2025, but does not include the financial report and the auditor’s report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.



Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 16 to 26 of the directors' report for the year ended 31 December 2025.

In our opinion, the Remuneration Report of Talius Group Limited, for the year ended 31 December 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'T Mann', written over a faint, stylized 'BDO' logo.

T R Mann
Director

Brisbane, 23 February 2026

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)
Patrick Howard (Managing Director)

COMPANY SECRETARY

Andrew Ritter

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COUNTRY OF INCORPORATION

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AUSTRALIAN BUSINESS NUMBER

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