

## TD1 Q1-FY26 ACTIVITIES REPORT & APPENDIX 4C

### HIGHLIGHTS

- TALi's wholly owned subsidiary YCDI Education Australia Pty Ltd (YCDI!), completes first full quarter following acquisition in June 2025
- Successful YCDI! integration and digital transformation underway, with operational handover completed, customer re-engagement launched across a 16,000 strong database of existing contacts, and migration to the CANVAS Learning Management System on track for January 2026.
- Strategic partnerships and international expansion for YCDI! progressing, including new wellbeing collaborations with School of Play and Destination Happiness.
- Independent gamification expert engaged to evaluate Ready Attention Go and its potential integration to the YCDI platform
- \$446k (before costs) was raised from the private placement and \$546k raised via the shortfall under the Entitlement Offer. There will not be any further issues under the shortfall.
- TALi operating cash burn remains low, consistent with previous guidance.

### YCDI! EDUCATION AUSTRALIA

The September 2025 quarter marks the Company's first full quarter under new ownership following the acquisition completed on 18 June 2025. YCDI! is a well-established Australian social-emotional learning program designed to enhance the social, emotional, and academic development of young people aged 3 to 18+. The acquisition includes digital and non-digital educational resources, intellectual property, and the learning management system (LMS) platform used for program delivery.

### Operational and Financial Highlights

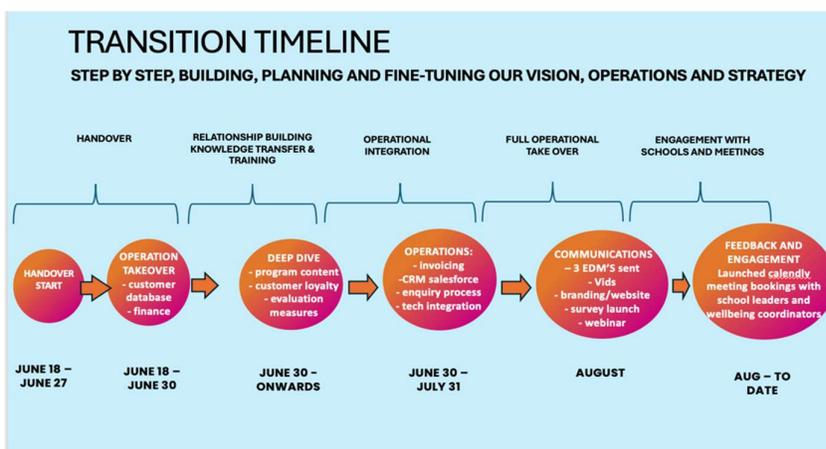
During the quarter, YCDI! successfully completed the post-acquisition integration process following the change of ownership on 18 June 2025. This included a seamless operational handover, consolidation of customer communications, and the launch of a targeted re-engagement campaign reaching over 16,000 contacts. These efforts have laid a strong foundation for reenergised market engagement and operational stability.

Significant progress was made on the Company's digital transformation strategy. The migration of YCDI!'s online courses to the CANVAS Learning Management System (LMS) remains on track for completion in January 2026. The upgraded platform will feature enhanced video content, embedded

pre- and post-course surveys, and a modernised website designed to improve user experience and streamline payment processes.

Customer engagement has continued to strengthen throughout the quarter. The Company issued three electronic direct mail (EDM) campaigns, with the most recent achieving an open rate of 69%. In addition, YCDI! conducted 35 direct meetings with school leaders, resulting in the reactivation of lapsed subscriptions, new lead generation from its first live webinar, and a steady increase in school leader interactions.

Financially, the quarter presented some short-term challenges, particularly in subscription sales, which were slightly below expectations. These were attributed to the implementation of new team processes, ongoing technology upgrades, and the timing of school holidays. Some former customers expressed uncertainty during the ownership transition, which is typical in such circumstances. Despite these headwinds, YCDI! had consistent trading income and with prudent cost management has positioned itself strongly for the key Term 4 sales period. The team continue to work on the technology refresh and look forward to a successful launch of YCDI!'s new 2026 program suite.



**Strategic Progress and Market Opportunities**

During the quarter, YCDI! made strong progress in aligning its internal team and optimising operational processes. Core team roles were clarified to ensure accountability and efficiency, while sales processes were streamlined through improvements to the Company's CRM system and automation of subscription renewals. To support the expansion of both face-to-face and online workshops, YCDI! introduced a new trainer contract and handbook, enhancing consistency and scalability across its delivery model.

Strategic partnerships were a key focus area, with initial agreements formed with leading wellbeing providers, including School of Play and Destination Happiness. Under the School of Play partnership, online programs will be listed on YCDI!'s new website under a 50/50 commercial revenue share arrangement. Destination Happiness, led by media personality Angie Hilton, is developing a suite of

online wellbeing programs for school staff and parents, scheduled for launch as part of YCDI!'s 2026 program suite. These partnerships are expected to enhance the Company's offering and broaden its appeal to schools seeking holistic wellbeing solutions.

In addition to these partnerships, YCDI! is expanding its engagement channels through a growing library of podcasts, webinars, and group coaching sessions. These initiatives are designed to deepen relationships with schools and add further value to existing subscriptions. Internationally, the Company is exploring collaborative opportunities with schools and colleges across Estonia, Romania, Saudi Arabia, New Zealand, Japan, and other regions, reflecting growing global interest in social-emotional learning. Market feedback and analysis during the quarter highlighted opportunities to simplify and modernise YCDI!'s course offerings and pricing structures, particularly in New South Wales and Victoria, where market penetration remains below potential. In response, the Company is preparing to launch a refreshed program suite for 2026, built around its heritage "Five Keys" framework. This suite is designed to support the entire school community—teachers, students, and parents—and will be accompanied by a price increase in January 2026 to reflect its enhanced value and impact.

YCDI!'s sales strategy will focus on bundled packages that integrate programs for parents, staff, and students, promoting holistic school wellbeing. Transparent communication, flexible delivery options, and evidence-based messaging will underpin this approach as the Company positions itself for national growth. To further support expansion, YCDI! is actively pursuing government partnerships and wellbeing directory accreditations, with applications currently pending across multiple states. These efforts aim to unlock new funded channels and increase accessibility for schools.

Ongoing progress will be measured against four core growth pillars: customer retention, customer engagement, strategic partnerships, and cross-selling opportunities. These pillars will guide YCDI!'s strategic execution and ensure sustainable growth in the quarters ahead.

### **Looking Ahead**

Our priorities for the next quarter are clear:

- Complete the CANVAS LMS migration and launch refreshed content by January 2026.
- Expand our partnership network and enter new markets, domestically and internationally.
- Accelerate Term 4 sales through targeted marketing and improved onboarding for schools.
- Maintain focus on customer retention, engagement, strategic partnerships, and cross-selling—our four core growth pillars—to ensure sustainable growth and measurable impact.

YCDI! is well-positioned to capitalise on a growing, policy-supported market for social-emotional learning. With a trusted brand, loyal customer base, and a clear roadmap for digital and commercial innovation, YCDI! is entering its next phase of sustainable growth and impact.

**GENIUS PARTNERSHIP AND TALi PRODUCT UPDATE**

In March 2025, TALi announced that Genius had entered voluntary administration, which triggered an exit clause in our original agreement which has facilitated the company to exploring other options for the platform including integrating it onto the YCDI! Platform..

TALi has since engaged an independent Australian based expert in gamification to evaluate the current state of the products, identify the steps required to make them operational, and develop a roadmap for their future. This includes exploring potential integration with the YCDI! platform.

**CAPITAL RAISING AND FINANCE UPDATE**

In June 2025, TALi Digital Ltd (TALi) completed a Placement of 800,000,000 fully paid ordinary shares at an issue price of \$0.001 per share to sophisticated and professional investors, raising \$0.8 million before costs. Following this, TALi launched an Entitlement Offer aimed at raising an additional \$0.7 million. Of this amount, \$0.14 million was subscribed by existing shareholders, with funds received in July 2025. TALi retained the right to place the remaining \$0.55 million shortfall within three months of the Entitlement Offer's closing date. \$0.45 million of the shortfall was placed in September 2025.

As at 30 September 2025, TALi held a closing cash balance of \$1.5 million. The Company reported a net operating cash outflow of \$0.3 million for Q1 FY26. Operating cashflows for the quarter included:

- \$0.3 million in administration and corporate expenses
- \$0.1 million in receipts from customers

The total net cash inflow for Q1 FY26 was \$0.2 million.

In accordance with Listing Rule 4.7C, TALi disclosed related party payments of approximately \$49,000 in item 6.1 of the Appendix 4C, which included fees paid to Non-Executive and Executive Directors.

**Release authorised by:**

The Board of TALi Digital Limited

**CONTACT****Corporate**

Mark Simari

Executive Chair

TALi Digital

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### About TALi Digital

TALi Digital Limited (ASX: TD1) is a digital health company focused on delivering diagnostic and therapeutic solutions to enhance attention and overall cognitive function. The Company has built a patented platform technology with the first programs targeting cognitive attention skills during early childhood via an evidence-based screening tool (DETECT®) incorporated into training modules (TRAIN® and ReadyAttentionGo!).

These programs are designed to be play-based interactions and can be complementary to existing therapy, placing TALi at the forefront of improving early intervention for childhood attention and concentration performance, which supports our vision to deliver a personalised digital experience to enhance cognitive care.

Learn more at [talidigital.com](https://talidigital.com).

In June 2025, TALi Digital expanded its portfolio with the acquisition of You Can Do It! Education (YCDI!), a leading Australian social-emotional learning program. YCDI! has reached over one million students and is aligned with the ACARA national curriculum. Recognised by Beyond Blue's Be You initiative, it provides evidence-based programs for children aged 3 to 18, self-paced tertiary online courses, professional development for educators, and parent education micro courses. These programs focus on five essential social-emotional skills: confidence, persistence, organisation, getting along, and resilience. This acquisition enhances TALi's presence in the education sector and underscores its dedication to delivering innovative and accessible solutions.

Learn more at [youcandoiteducation.com.au](https://youcandoiteducation.com.au).

## Appendix 4C

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

Name of entity

TALi DIGITAL LIMITED

ABN

53 108 150 750

Quarter ended ("current quarter")

30 September 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	81	81
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(16)	(16)
(d) leased assets	-	-
(e) staff costs	(39)	(39)
(f) administration and corporate costs	(309)	(330)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	3
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(280)</b>	<b>(280)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-

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

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	577	577
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(79)	(79)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(29)	(29)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (repayment of lease liability)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>469</b>	<b>469</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,292	1,292
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(280)	(280)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	469	469
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,481</b>	<b>1,481</b>

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	700	94
5.2	Call deposits	781	1,198
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,481</b>	<b>1,292</b>

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	49
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

The amount at 6.1 includes Director fees and salary (including superannuation) for the Non-Executive and Executive Directors.

7.	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	68	68
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	<b>68</b>	<b>68</b>
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	Loan facility of \$68,000 at 30 September 2025 with Elantis Premium Funding for insurance policies at a flat rate of 5.20%, loan is unsecured and matures 24 April 2026.		

8.	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(280)
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,481
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	1,481
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>5.3</b>
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

## Compliance statement

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

Date: 23 October 2025

Authorised by: The Board of Directors

(Name of body or officer authorising release – see note 4)

## Notes

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