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ACQUISITION OF YOU CAN DO IT! EDUCATION (YCDI!) AND EQUITY RAISING

TALi Digital Ltd (ASX:TD1, TALi or the Company), an emerging digital health business is pleased to announce it's wholly owned subsidiary YCDI Education Australia Pty Ltd (ACN 685 307 733) has entered into a Business and Asset Sale Agreement with The Bernard Group Pty Ltd (ACN 110 187 892) as trustee for the Bernard Family Trust (ABN 18 610 825 410) (**Seller**) in relation to the acquisition of the You Can Do It! (**YCDI!**) business and its assets from the Seller (**Acquisition**).

The Company is also pleased to announce an equity raising comprising a private placement of fully paid ordinary shares (**Placement**) to sophisticated and professional investors and a pro-rata non-renounceable entitlement offer of fully paid ordinary shares (**New Shares**) in the Company to eligible shareholders (**Entitlement Offer**) to raise up to approximately $1.5 million (before costs) (together, the **Equity Raising**).

Sequoia Corporate Finance Pty Ltd (**Lead Manager**) is the lead manager to the Placement.

The funds raised from the Equity Raising will be used to continue commercialisation of TALi's products and the advancement of global and domestic partnership initiatives, including in relation to the recently acquired YCDI! Education business as follows:

- relaunching and reintegrating TALi's existing technology back from Genius post administration;
- facilitating ongoing costs of the joint TALi and YCDI! Business;
- costs associated with the Equity Raising; and
- general working capital purposes.

TALi's Chair, Mark Simari, said: "We are delighted to welcome You Can Do It! to the TALi Digital portfolio. This acquisition represents a highly strategic fit with our existing ReadyAttentionGo! platform, which we hope will play a significant role in early childhood cognitive attention and engagement. By integrating YCDI!'s best-practice social-emotional learning programs, we are creating a compelling suite of evidence-based, digital-first tools designed to support both academic and social-emotional outcomes for children. This strengthens our position in the education sector and underscores our commitment to delivering innovative, accessible solutions that benefit students, educators, and parents alike".

Acquisition of YCDI!

YCDI! is an Australian-developed social-emotional learning program aimed at improving the social, emotional, and academic outcomes of young people aged 3-18+.

YCDI!'s business can be summarised as follows:

- **Develops and provides social-emotional learning (SEL) curricula and resources:** YCDI! offers online, digital programs and materials designed to teach students key social and emotional skills.

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- **Focuses on five key foundations:** YCDI!'s program focuses on developing five core social and emotional capabilities: confidence (academic and social), persistence, organisation, getting along, and resilience.
- **Instils positive habits of the mind:** Central to the program are 12 positive habits of thinking that support these five foundations, such as accepting myself, taking risks, giving effort, and setting goals.
- **Addresses Social-Emotional Blockers:** YCDI! also aims to help students overcome negative habits of mind and social-emotional difficulties ("blockers") like feeling worried, feeling down, procrastination, and not paying attention.
- **Offers programs for different age groups:** YCDI! have specific programs tailored for early childhood (ages 3-6+), primary school, and secondary school students.
- **Provides professional development for educators:** YCDI! offers training and resources to help teachers implement their programs effectively.
- **Supports parents:** YCDI! also provide resources and programs to help parents support their children's social and emotional development.
- **Aligned with the Australian education curriculum:** YCDI!'s programs are aligned with the "Personal and Social Capabilities" outlined in the Australian education curriculum.
- **Recognised as a best-practice program:** YCDI! is recognised by Beyond Blue's Be You initiative as a best-practice social and emotional learning program.
- **Used widely:** The program has been implemented in numerous schools and early learning centres across Australia and internationally, with over 1,000,000 student participants.

TALi's directors believe YCDI!'s and TALi's businesses are complementary and the acquisition of YCDI! is consistent with the aim of restoring value for TALi shareholders by providing the Company with a pathway to utilising its existing technology directly in the education curriculum.

Key transaction terms

The consideration payable by TALi to the Seller is $1.34 million cash paid as follows:

- $1.14 million will be paid upfront in cash; and
- $200,000 will be paid in instalments over 24 months in cash.

The Acquisition is not subject to any material conditions precedent and is expected to complete on or around Wednesday, 18 June 2025.

TALi will use its existing cash to fund the YCDI! acquisition.

There will be no change in the board or senior management of TALi as a result of the YCDI! acquisition. TALi has agreed to engage one of the Sellers to provide transitional services to TALi for a period of six months following the completion of the acquisition.

The YCDI! business is currently generating revenue from its operations and TALi intends for the business to continue to generate revenue moving forward subject to ongoing business arrangements and general economic conditions.

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Equity Raising

The Equity Raising will comprise the Placement and the Entitlement Offer.

Placement

The Placement will comprise approximately 800,000,000 fully paid ordinary shares in the Company (**New Shares**) issued at a price of $0.001 per New Share to sophisticated and professional investors, raising between approximately $800,000 (before costs). All New Shares will rank equally with existing TALi shares on issue.

The issue price represents the last closing price of TALi shares on Friday, 13 June 2025.

The New Shares to be issued under the Placement is being undertaken within the Company's available placement capacity under ASX Listing Rules 7.1 and 7.1A.

The New Shares under the Placement are expected to be issued on or about Thursday, 19 June 2025.

Entitlement Offer

The Company will also undertake a non-renounceable entitlement offer of one (1) New Share for every six (6) shares held by eligible TALi shareholders as at 7.00 pm (Melbourne time) on Friday, 20 June 2025 (**Record Date**), at an issue price of $0.001 per New Share (being the same issue price as the Placement), which is expected to raise up to approximately $0.7m (before costs).

The Entitlement Offer is not underwritten.

Further details regarding the Entitlement Offer will be set out in the Entitlement Offer Booklet to be released on or about Tuesday, 24 June 2025.

Entitlements cannot be traded on the ASX or transferred. Eligible shareholders who do not take up their entitlement under the Entitlement Offer in full or in part, will not receive any value in respect of those entitlements not taken up.

If applications received for New Shares under the Entitlement Offer are less than the number of New Shares available under the Entitlement Offer, the directors reserve the right to place the shortfall at their discretion within 3 months of close of the Entitlement Offer.

The proposed timetable for the Entitlement Offer is as follows:

Event	Indicative Date
Record Date	Friday, 20 June 2025
Entitlement Offer Opening Date and Entitlement Offer Booklet made available	Tuesday, 24 June 2025
Entitlement Offer Closing Date	5.00 pm on Tuesday, 8 July 2025
Announcement of results of Entitlement Offer and issue of New Shares	Friday, 11 July 2025

The above timetable is indicative only and is subject to change. The commencement and quotation of TALi shares is subject to confirmation from ASX. Subject to the requirements of the *Corporations Act 2001* (Cth), the ASX Listing Rules and other application rules, TALi reserves the right to amend this timetable at any time.

Genius voluntary administration update

TALi also wishes to advise that, as announced on 20 March 2025, it is progressing its discussions with the administrators of Vertical 4 Pty Ltd (formerly Genius Learning Pty Ltd) (**Genius**) in connection with Genius' recent entry into voluntary administration and the existing strategic partnership between TALi and Genius relating to product development and sales and marketing for TALi products.

In light of Genius' voluntary administration, it is TALi's intention to exit the existing strategic partnership with Genius and reintegrate and manage the TALi technology internally. This will involve the reintegration of functions currently undertaken in partnership with Genius under the existing partnership arrangements including progressing and finalising the comprehensive review of TALi's branding strategy, finalising the development of the Ready-Attention-Go (**RAGo**) app to prepare RAGo for deployment, updating critical components of TALi's platform, including its Django backend functionality and continuing to deploy it to a more scalable cloud environment, and developing a comprehensive marketing strategy to support the official launch of the new platform.

In order to facilitate this reintegration, TALi intends to build up its own internal capacities to manage the TALi technology internally. This is expected to involve undertaking a review of the skills, technological systems and systematic processes required to ensure TALi will have the necessary resources and systems in place to facilitate an effective reintegration of TALi's technology. The timeframe for implementing the reintegration will ultimately depend on the progress and timing of the discussions with the administrators of Genius and exiting the existing strategic partnership with Genius. The reintegration of TALi's technology together with the acquisition of YCDI!'s business and assets is expected to provide TALi with a pathway to utilising its existing technology directly in the education curriculum.

An initial estimated assessment of costs of reintegration of the TALi technology is between $300,000 to $500,000. However, this estimated assessment is subject to change and will depend on the outcome of the review being undertaken by TALi noted above.

TALi will keep shareholders and the market informed of any material developments relating to the reintegration of TALi's technology including proposed timing once it is in a position to do so.

Release authorised by:

The Board of TALi Digital Limited

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About TALi Digital

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

A continuous innovation focus will see the Company deliver a series of product developments relevant to ADHD (Attention Deficit Hyperactivity Disorder) and ASD (Autism Spectrum Disorder). Learn more at talidigital.com

Important Notice

Certain statements in this announcement are forward-looking statements. Forward-looking statements can generally be identified by the use of words such as “anticipate”, “future”, “contingent”, “estimate”, “expect”, “project”, “intend”, “plan”, “believe”, “target”, “may”, “assume” and words of similar import. These forward-looking statements speak only as at the date of this announcement. These statements are based on current expectations and beliefs and, by their nature, are subject to a number of known and unknown risks and uncertainties that could cause the actual results, performances, and achievements to differ materially from any expected future results, performance or achievements expressed or implied by such forward-looking statements.

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