

TD1 Q4-FY26 ACTIVITIES REPORT & APPENDIX 4C

HIGHLIGHTS

- The Company continues to consolidate YCDI! with a view to expanding and enhancing its products and programmes, including through leveraging the use of AI technologies.
- The Company is actively seeking and assessing strategic M&A opportunities in the high-growth AI sector, targeting assets both complementary to the YCDI! platform and those with potential alternative or broader applications. Through these opportunities the Company aims to accelerate development in YCDI! of a comprehensive, AI-assisted universal platform that enhances Social-Emotional Learning (SEL), educational outcomes, and personal development.
- Financial performance remains stable, with low operating cash burn and refreshed positioning for sales with the 2026 program suite launch. Cash balance at the end of the June Quarter was \$1.0 million.
- Subsequent to the Quarter, the Company announced on 23 July 2026 a new YCDI! programme for teacher wellbeing referred to as the Resilient Educator Partnership (REP). Importantly, the REP programme announcement also detailed a significant contract in Victoria.

COMPANY UPDATE

The Company is actively seeking and assessing strategic M&A opportunities in the high-growth AI sector. Target acquisitions may serve to complement the existing YCDI! platform or have alternative applications, or both. The Company's overarching objective for YCDI! is to build a comprehensive, AI-assisted universal platform that enhances Social-Emotional Learning (SEL), educational outcomes, and personal development. The quality and scope of the YCDI! programmes continue to be enhanced, and the Company recognises the opportunity to accelerate the vision to broaden its offerings to a wider audience through strategic acquisitions, including AI technologies.

Financially, the Company remains in a stable position. Trading income for YCDI! remained consistent with forecasts following the extensive internal redevelopment work, while cost management remained prudent and operating cash burn stayed low and in line with guidance. The flexible subscription terms and new partnership-driven offerings, aligned with the launch of the refreshed 2026 programme suite, are expected to support revenue growth for YCDI! in H2 CY2026. In addition, the Company is actively assessing other assets and opportunities to bolster the quality and range of the YCDI! platform to further drive revenue.

YCDI! EDUCATION UPDATE

Digital Transformation and Platform Migration

Migration to the CANVAS LMS is complete with further engagement tools and features for school partners. The new platform delivers video-based learning, embedded pre- and post-course surveys, and improved reporting tools. Flexible subscription tiers have been introduced, along with dedicated technical support and onboarding of resources for schools. A bundle pathway quiz is now embedded on the website to personalise product recommendations, and a YCDI! 'I am THRIVING' podcast with a wide range of guests has been integrated into CANVAS to support ongoing professional learning.

Customer Engagement and Re-engagement

A new weekly "YCDI Tuesday Thrive" campaign has been launched to drive regular re-engagement growing in engagement metrics with the most recent achieving a 69% open rate. 23 staff webinars for our partner schools have been delivered in 2026 so far, and a Term 3 full-database webinar is scheduled for September to deepen school relationships and reduce attrition. The Term 3 sales launch commenced and social media engagement was prioritised through targeted campaigns, video content, and lead magnets.

Q4 Financial Performance

Cash inflows from revenues for Q4 FY26 were \$105k. While a direct comparison to Q4 FY25 is not available due to the YCDI acquisition completing in Q4 FY25, the revenue comparison would reflect lower royalty income and the conclusion of a university contract, as well as the ongoing in-house focus required on redevelopment. Customer attrition remains an area of focus, with active measures underway to re-engage both current and former subscribers. Operating costs include a number of one-off expenses associated with the now-completed LMS migration.



Product Fulfilment and Marketing

The new puppet designs for the "early years" continues to be very well received. A Puppet Activity Book and Take-Home Travel Bag expanded the at-home and classroom product suite.

Product Development and Innovation

Insights from school engagement have driven a targeted new program pipeline. Key program initiatives planned for development include:

- Neurodivergent Learning Strategies for All: Supporting social and emotional learning for neurodivergent students.
- YCDI Coaching Program: Live sessions to complement digital offerings.
- AI for Educators: Equipping teachers with future-ready skills for the ethical use of AI in learning environments.
- 21-Day Reset for Educators: A wellbeing and resilience program supporting sustainable professional practice.

Partnership Opportunities & Market Expansion

Existing partnerships with School of Play and Destination Happiness are active, delivering complementary wellbeing programs through the YCDI! platform under a shared commercial model. Additional high-value partnership opportunities are currently being explored through the various State networks, including with Independent Schools Victoria.

International interest is being explored across Estonia, Romania, Saudi Arabia, New Zealand, and Japan.

LOOKING AHEAD for YCDI! – H2 CY2026 PRIORITIES

Key YCDI! priorities are:

- Drive sales growth: Launch Term 3 programs, expand webinar cadence, and leverage the new bundle quiz and flexible subscription tiers to increase uptake and average spend per customer. Formalise customer loyalty processes and membership support.
- The roll-out of Mental Health First Aid instructor certification to enable whole-school staff accreditation across Australian schools, with certified instructor rollout planned for Q4CY26.
- Appoint Head of Education to drive pedagogical strategy, build sector credibility, and accelerate program development across digital and blended learning.
- Build impact evidence: Scale the teacher survey program and publish outcome data to support school retention and new business development.
- Replicate and modify the 'Resilient Educator Partnership' programme with other school membership groups and communities.

Overall, the YCDI! business is well-positioned for sustainable growth, supported by a trusted brand, loyal customer base, innovative program development, and a robust digital and partnership strategy.

Subsequent to the Quarter, the Company announced on 23 July 2026 a landmark partnership for YCDI! to transform teacher wellbeing with a confirmed 14-month Resilient Educator Partnership with an independent network of approximately 250 Victorian schools. The programme is to be delivered from August 2026 to October 2027. The initial launch targets a minimum of 60 teachers with the potential to reach beyond 400 teachers, and with associated potential revenue to YCDI! of more than \$0.5M over that contract period. Further growth opportunities are in discussion in New South Wales, Queensland and Western Australia.

The Company is actively evaluating strategic M&A opportunities, with a focus on high-growth targets in the AI sector. These potential acquisitions may serve as standalone opportunities or complement the existing YCDI! platform.

FINANCE UPDATE

As at 30 June 2026, TALi held a closing cash balance of \$1.0 million. The Company reported a net operating cash outflow of \$0.1 million for Q4 FY26. Operating cashflows for the quarter included:

- \$0.1 million in administration and corporate expenses
- \$0.1 million in staff and advertising and marketing costs
- \$0.1 million in receipts from customers

The total net cash outflow for Q4 FY26 was \$0.1 million.

In accordance with Listing Rule 4.7C, TALi disclosed related party payments of approximately \$37,000 in item 6.1 of the Appendix 4C, which included fees paid to Non-Executive and Executive Directors.

– End –

Release authorised by:

The Board of TALi Digital Limited

CONTACT

Corporate

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Executive Chair
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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 built a patented platform technology targeting cognitive attention skills incorporated into training modules (ReadyAttentionGo!). This program is designed to be a play-based interaction that can be complementary to existing therapy. The Company has at the forefront a vision to improve childhood cognitive performance through early intervention. The ReadyAttentionGo! program is being considered as a component of the neurodivergent learning strategies being developed to support SEL (Social-Emotional Learning) and education in the YCDI! programs for children aged 3 to 18. The Company's broader focus is technologies that can be a platform to enhance learning. Learn more at 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 for SEL and personal development. Learn more at youcandoiteducation.com.au.

Forward-looking statements

This announcement may contain forward-looking statements, including quantitative statements of anticipated future financial performance such as projections, forecasts, calculations, forward-looking statements or estimates all of which are based on assumptions and estimates made by the Company as at the date of this document. Forward-looking statements can generally be identified by words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “forecast”, “anticipate”, “continue”, “guidance”, “target” and similar expressions. Forward-Looking Statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company that may cause actual results, performance or achievements to differ materially from those expressed or implied in such statements.

TALi Digital undertakes no obligation to update or revise any forward-looking statements to reflect events or circumstances after the date of this document, except as required by applicable law or regulation. Forward-looking statements in this document speak only as at the date of this document. Readers should not place undue reliance on forward-looking statements. Each reader should undertake their own independent review of the Forward Looking Statements, including the assumptions on which they are based and the financial calculations from which they are derived.

This presentation and/or any information obtained from the Company, its Directors or their associates, should not be relied upon in deciding whether or not to seek to purchase the shares of the Company. This is not an offer to subscribe for securities in the Company.

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 June 2026

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	105	437
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(7)	(66)
(c) advertising and marketing	(12)	(43)
(d) leased assets	-	-
(e) staff costs	(69)	(221)
(f) administration and corporate costs	(115)	(759)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	13
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)	-	-
1.9 Net cash from / (used in) operating activities	(95)	(639)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	(40)	(80)
(c) property, plant and equipment	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(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)	-	-
2.6	Net cash from / (used in) investing activities	(40)	(80)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	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)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(10)	(97)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (repayment of lease liability)	-	-
3.10	Net cash from / (used in) financing activities	(10)	401

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,119	1,292
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(95)	(639)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(40)	(80)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(10)	401
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	974	974

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	106	163
5.2	Call deposits	868	956
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	974	1,119

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	37
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.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
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. Answer: N/A		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(95)
8.2	Cash and cash equivalents at quarter end (item 4.6)	974
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	974
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	10.3
	<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: 30 July 2026

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.