

ASX Release

**THE TIMES GROUP INVEST UP TO US\$7M IN TALi TO FUND
COMMERCIAL ROLLOUT IN THE INDIAN MARKET¹**

TALi Digital Limited (ASX: TD1) (TALi or The Company), a leading digital health business is pleased to announce that it has signed an investment agreement and an advertising agreement with **Brand Capital International (BCI)**, the strategic investment arm of **Bennett, Coleman and Company Ltd. (The Times Group)**.

HIGHLIGHTS

- Initial investment of US\$2m by BCI into TALi under the investment agreement, will see BCI receive 81.8m shares in TALi Digital (representing 9.8% of the Company) at an issue price of A\$0.033 per share, representing the 3-month volume weighted average price (VWAP) of TALi shares
- Any additional investments by BCI in TALi (up to \$US5m) will be at the mutual agreement of both parties and subject to any applicable regulatory requirements
- The advertising agreement will see The Times Group be TALi's channel partner for marketing and sales of TALi DETECT and TALi TRAIN cognitive performance tools into India
- Funds from the initial investment to be utilised for the advertisement agreement with The Times Group providing TALi access to a network that engages with over 550 million people every month
- Partnership validates global opportunity for TALi IP and Product Platform and highlights the go-to-market and B2C opportunities that TALi can pursue in large global markets

The Indian market represents a significant growth opportunity for TALi Digital. It is an attractive market for TALi as almost one in eight children between 2-9 years of age are estimated to have at least one neurodevelopmental disorder². This represents a direct opportunity of approximately 30 million children in the TALi age range³. India possesses the world's second largest middle-class population with approximately 340 million people and is set to surpass China in size by 2035⁴.

TALi Digital launched TALi DETECT and TALi TRAIN cognitive performance tools in India via the iOS and Android app stores in October 2020. The investment and advertising agreement with Times Group will provide a platform for TALi DETECT and TALi TRAIN to be directly marketed to the Indian consumer via the Times Group's 360-degree media assets, which includes popular print, television, radio and digital channels in India. The Times group engages with over 550 million people every month.⁵

¹ Any potential additional investments by BCI in TALi will be subject to mutual agreement, applicable regulatory requirements, including shareholder approval if required and as such is not guaranteed beyond the initial investment of US\$2m under the above placement

² <https://journals.plos.org/plosmedicine/article?id=10.1371/journal.pmed.1002615>

³ Arora NK, Nair MKC, Gulati S, Deshmukh V, Mohapatra A, Mishra D, et al. (2018) Neurodevelopmental disorders in children aged 2-9 years: Population-based burden estimates across five regions in India. PLoS Med 15(7): e1002615.

⁴ <https://oecd-development-matters.org/2019/05/07/look-east-instead-of-west-for-the-future-global-middle-class/>

⁵ <https://timesinternet.in>

Neville Taraporewalla, President of Brand Capital International said “We are thrilled to have TALi join the Brand Capital International family. We are confident that TALi's innovative offerings, science-backed strategies and engaging game-style program will resonate with India’s youth. We are glad to assist them share their products with the Indian consumers via Times Group media reach and ultimately, help children become better, more successful students.”

TALi Digital Managing Director Glenn Smith said “We are pleased to be partnering with Brand Capital International in the Indian market. TALi will leverage the Brand Capital International investment to expand in India through The Times Group’s 360-degree media assets, which includes popular print, television, radio and digital channels in India. This will provide significant exposure possible in growing the Indian market opportunity for TALi.

The commercial agreement validates the opportunity for TALi IP and Product Platform and highlights how TALi can work with various channel partners to facilitate the rollout of our product globally. We are excited by the opportunities the release in the large Indian market provides, as we pursue our goal of becoming a global leader in the assessment and treatment of early childhood attention disorders.”

COMMERCIAL ROLL OUT AND B2C BENEFITS FOR TALi

The initial US\$2m investment from BCI into TALi Digital will provide funds for the Company to accelerate the roll out of TALi products in the Indian market. The investment from BCI will be injected into the Company’s balance sheet and will be deployed through the advertising agreement towards TALi Digital’s marketing communication in the Indian market through the Times Groups’ media assets thereby allowing TALi Digital to focus on the Indian market and grow their consumer base.

The advertising and communication plan will highlight the benefit of TALi’s cognitive performance tools TALi DETECT and TALi TRAIN and their availability on the iOS and Android App stores. TALi will receive 100% of the revenue of the TALi product in the Indian market (net of app store fees).

For The Times Group, as a major shareholder in the Company, they have a significant vested interest to ensure launch and revenue success for TALi products.

The Times Group has a significant track record with investments and growth of partner organisations in India. BCI investments and The Times Group partnerships have provided required acceleration for global organisations, as well as a launchpad for SMEs to scale in the region. Examples include, Uber, Coursera, Byju’s, Flipkart, Odd Up and 1Worldonline.

KEY DEAL TERMS

The investment agreement coupled with a media advertising agreement with BCI features the following key deal terms:

- Initial investment of US\$2m by BCI into TALi under the investment agreement, will see BCI receive 81.8m fully paid ordinary shares in TALi Digital (representing 9.8% of the Company) at an issue price of A\$0.033 per share, representing the 3-month VWAP of TALi shares

- The funds from the initial investment will be used to acquire advertising credits under the advertising agreement at a preferential rate arrangement
- Any additional investments by BCI in TALi (up to \$US5m) will be at the mutual agreement of both parties and subject to any applicable regulatory requirements including shareholder approval if required
- The Times Group to assist with the launch and promotion of TALi DETECT and TALi TRAIN under the advertisement agreement

The placement of shares under the initial investment is within the Company's placement capacity and consequently will not require shareholder approval. The shares are proposed to be issued within 28 days of the 8th December 2020.

TALi DETECT AND TALi TRAIN

TALi has developed evidence based digital tools that are making a real difference in the lives of children with attention and learning difficulties. The technology combines 25+ years of research in developmental psychology and cognitive neuroscience to deliver easy-to-use, game-based digital programs to assess and strengthen attention early in life. TALi has leveraged research from one of Australia's leading neuroscience institutes to build algorithms that produce useful reports for parents, teachers and healthcare partners.



TALi DETECT

Access via initial assessment through one-off payment.

TALi TRAIN

Access via 25 x 20min sessions through one-off payment or volume price point for B2B customers.

TALi MAINTAIN

Planned access via twelve month "booster" program, available post TALi TRAIN.



ATTENTION PROFILE AND REAL-TIME STATUS REPORTS

Evidence-based algorithms produce a detailed summary of attention-based and activities-based performance across three different domains of cognitive attention.

The results are benchmarked against a standard deviation curve to flag the need for further intervention — and positive progress too.



TALi PORTAL — DASHBOARD TO MANAGE ASSESSMENT AND TRAINING DATA

Assessment, compliance and progression data sets are accessible via the TALi Portal by administrators of the program. Accessibility and administration capabilities customisable for large institutions and networks.

For additional information on the release of TALi products in the Indian market please see announcement dated [14th October 2020](#).

ABOUT THE BCI AND THE TIMES GROUP

Brand Capital International (BCI), <https://www.brandcapital.co.in> is the strategic investment arm of The Times Group <https://timesinternet.in>, that leverages brand-led growth and value creation via unique and pioneering investment models and programs.

The Times Group is the largest media conglomerate in India with a global reach. The Times Group engages with over 550 million Indians every month via print, TV, radio, websites & apps and OOH sites. The Times Group's key brands include The Times of India, the world's largest broadsheet English daily; The Economic Times, India's largest (and the world's second largest) financial daily; Radio Mirchi, India's largest FM radio network; Times Now and ET Now, India's leading English news and business news channels and Zoom, a leading general entertainment channel.

The trading halt in the Company's securities can now be lifted.

End

Release authorised by:

TALi Digital Board of Directors

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About TALi Digital

TALi Digital Limited (ASX:TD1) a leading digital health business is seeking to improve attention in early childhood through its breakthrough TALi platform. TALi combines evidence-based proprietary algorithms inside a game-based program to assess and strengthen core attention skills. Learn more at talihealth.com.au.