

Chairman's Address

Good morning ladies and gentlemen, fellow shareholders

By any measure, 2015 has been an outstanding year for our company. When we last were here a year ago, we were celebrating our revenue reaching \$50m and our EBITDA growing to \$6.7m. Now, I am pleased to be reporting on the 2015 revenue of \$82.7m and EBITDA of \$13.8m.

Financial results

Financially, we exceeded the key targets to which we committed in our prospectus. A range of factors, including strong demand for our services and a depreciating Australian dollar, contributed to three successive profit guidance upgrades through the year. For the full year, Appen achieved:

- Revenue growth of 62% on FY2014;
- EBITDA up 189% up on FY2014;
- Net profit after tax of \$8.3m compared to the FY2014 result of \$1.6m

Following this strong result, the board has declared a final dividend of 3.0 cents per share, fully franked, following the interim dividend of 1.2 cents per share paid in September 2015.

New CEO and CFO

In the middle of 2015, after an extensive search, we were pleased to appoint Mark Brayan as Appen's Chief Executive Officer and a fellow director of the company. Mark brings to Appen a wealth of international experience in the technology sector, proven leadership of ASX-listed companies and a track record of enhancing shareholder value, people leadership and developing strong customer relationships.

In January this year we also appointed a new Chief Financial Officer Kevin Levine. Kevin has extensive experience as a CFO in ASX listed companies. He succeeds Mark Byrne who has fulfilled this role with distinction for five years through a period of growth. We are grateful for Mark's strong contributions.

For those of you who may not yet have met Mark and Kevin, I hope you'll be able to spend some time with them after this meeting.

Business Performance

Mark will be reviewing the business in more depth in the next presentation. I want to highlight a few general points.

We operate in one of the world's most exciting industries. We have a deep global niche in language technologies, examples of which are now found everywhere – smartphones, Internet search engines, on-board command and control in automobiles, social media and e-commerce, defence and security. We are well-placed to exploit the emerging growth in artificial intelligence by providing the essential data to train machine-learning algorithms to understand natural languages. Our customers

include the world's leading Internet and IT companies with whom we have strong and long-standing relationships. Our brand enjoys a reputation for quality, reliability and scale.

Our challenge is to continue to remain at the forefront of this dynamic global industry. Strategically, we have made good progress on the objectives which we set. As previously reported, we identified social media and ecommerce as attractive growth opportunities. In his report, Mark Brayan will describe how the pilots we established with major customers in 2014 have evolved to significant new sources of revenue for Appen in 2015, broadening and diversifying our customer base.

Appen's results in 2015 are the result of outstanding efforts by our company's management and staff – many of them are fellow shareholders in Appen. We are fortunate to have an employee cohort of rich talent and cultural and linguistic diversity, working as a global team in Australia, USA, Philippines and other locations in Europe and Asia. The industry in which we work is fast-moving, and this is reflected in our staff values of creativity, agility and quality.

I acknowledge also the vital contribution of our crowd of 350,000+ on-demand independent contractors. This crowd underpins our competitiveness and our ability to ramp up quickly in response to our customers' requirements.

Board changes

During the year, we strengthened our board with the addition of two new non-executive directors, Deena Shiff and Stephen Hasker. The current Appen board represents a first-class mix of skills and business experience including technology, innovation, international strategy and specific industry knowledge. We are committed to the highest standards of corporate governance and delivering shareholder value.

Future

We believe that Appen has outstanding growth opportunities in all of our operating divisions. The combination of our strong customer relationships in the key industry sectors, our global coverage in languages, and our technology, give us optimism about the future. We are continuing to improve our infrastructure, strengthen our team and keep at the forefront in terms of costs, range of services and products.

We are grateful for your support as shareholders. We value your loyalty and the trust you have placed in us, and we are committed to deliver on your behalf.

Finally, I would like to thank my fellow directors. It has been a pleasure to work with them.

I now invite our Chief Executive Officer, Mark Brayan, to provide you with an overview of the Group's performance for the 2015 financial year
