

ASX ANNOUNCEMENT

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17 May 2023

Appen successfully completes the institutional component of its ~A\$60 million¹ equity raising (“Equity Raising”)

On 17 May 2023, Appen Limited (“**Appen**”) (ASX: APX), announced the successful completion of its fully underwritten institutional placement (“**Placement**”) and the institutional component (“**Institutional Entitlement Offer**”) of its 1 for 6 accelerated non-renounceable entitlement offer (“**Entitlement Offer**”) of new fully paid ordinary shares (“**New Shares**”), announced on 16 May 2023 (the Placement and Entitlement Offer collectively, the “**Equity Raising**”).

Completion of the Placement and Institutional Entitlement Offer

The Placement raised approximately A\$21.2m at the offer price of A\$1.85 per share (“**Offer Price**”) with significant demand received from both existing and new shareholders, resulting in approximately 11.4m New Shares being issued.

Under the Institutional Entitlement Offer Appen has agreed to issue approximately 4.8m New Shares to raise approximately A\$8.8m at the Offer Price. The Institutional Entitlement Offer received strong support from Appen’s eligible institutional shareholders, with a take up rate of ~95%.

Settlement of the New Shares issued as part of the Institutional Entitlement Offer and Placement is expected to occur on 25 May 2023, with the issue of those New Shares to occur and ordinary trading to commence on 26 May 2023.

Appen’s CEO Armughan Ahmad said: “Appen is delighted with the successful outcome of the Institutional Component of the Equity Raising and the support received from both existing and new institutional shareholders. We look forward to executing on the vision we have communicated to the market and delivering results for our shareholders.”

Retail Offer

The retail component of the Entitlement Offer (“**Retail Entitlement Offer**”) will open on 23 May 2023 and close at 5:00pm (Sydney time) on 6 June 2023. It consists of an offer to eligible retail shareholders with a registered address in Australia or New Zealand as at the Record Date, who are not in the United States and who are not a person (including a nominee or custodian) acting for the account or benefit of a person in the United State (to

¹ A\$ refers to Australian dollars. \$ refers to US dollars.

the extent such acting person holds existing shares for the account or benefit of a person in the United States). Retail shareholders can choose to take up all, part or none of their entitlement. Eligible retail shareholders will be invited to participate in the Retail Entitlement Offer at the same Offer Price and offer ratio as the Institutional Entitlement Offer.

For eligible retail shareholders who wish to take up all or part of their entitlement, payment must be made via BPAY® or by following the instructions set out on the personalised Entitlement and Acceptance Form. Payment is due by no later than 5:00pm (Sydney time) on 6 June 2023.

Further details about the Retail Entitlement Offer will be set out in a Retail Offer Booklet which Appen expects to lodge with the ASX on 23 May 2023. Eligible retail shareholders are encouraged to read the Retail Offer Booklet in its entirety, in particular the risk factors, and should seek financial advice if they are uncertain of whether or not to participate.

Equity Raising timetable²

Event	Date
Announcement of the Equity Raising	Tuesday, 16 May
Placement and Institutional Entitlement Offer bookbuild	Tuesday, 16 May
Announcement of results of the Placement and Institutional Entitlement Offer	Wednesday, 17 May
Appen shares recommence trading	Wednesday, 17 May
Entitlement Offer Record Date (7.00pm Sydney time)	Thursday, 18 May
Retail Entitlement Offer opens (Retail Information Booklets made available to eligible retail shareholders)	Tuesday, 23 May
Settlement of New Shares issued under the Placement and Institutional Entitlement Offer	Thursday, 25 May
Allotment and trading of New Shares issued under the Placement and Institutional Entitlement Offer	Friday, 26 May
Retail Entitlement Offer closes (5.00pm Sydney time)	Tuesday, 6 June
Settlement of New Shares issued under the Retail Entitlement Offer	Tuesday, 13 June
Allotment of New Shares issued under the Retail Entitlement Offer	Wednesday, 14 June

² These dates are indicative only and are subject to change. Appen, reserves the right, subject to the Corporations Act 2001 (Cth) and the ASX Listing Rules, to amend this indicative timetable. In particular, Appen reserves the right to extend the Equity Raising timetable and to withdraw or vary the Placement or Entitlement Offer without prior notice. Any extension of the Equity Raising timetable will have a consequential effect on the date for the allotment and issue of New Shares. Appen will consult with the underwriter in relation to any proposed change to this indicative timetable and any such change will require the consent of the underwriter.

Further information

Further details of the Equity Raising are set out in the investor presentation lodged with the ASX on 16 May 2023. The investor presentation also contains important information including key risks and foreign selling restrictions with respect to the Equity Raising.

The Offer Information Line is open from 8.30am to 5.30pm (Sydney time) Monday to Friday until 6 June 2023 when the Retail Entitlement Offer closes. The Appen Offer Information Line is 1800 500 095 (within Australia) or +61 1800 500 095 (outside Australia).

As Appen will have exhausted its residual capacity to issue equity under ASX Listing Rule 7.1 for the Placement, it expects to call an Extraordinary General Meeting in coming months to seek shareholder approval to facilitate future grants of equity over the next 12 months to management and new hires. Retention and incentivisation of management, along with the ability to attract new talent, is a key component of the company's strategy refresh and return to profitability referred to above.

Authorised by the Board of Appen Limited.

For more information, please contact:

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Important Information

This announcement does not constitute financial product advice and does not take into account the investment objectives, financial situation or needs of any particular investor. Investors are encouraged to seek independent financial advice before making any investment decision.

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This announcement has been prepared for publication in Australia and may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to any person acting for the account or benefit of any person in the United States. Any securities described in this announcement have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (“U.S. Securities Act”), or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up or exercised by, and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States or persons acting for the account or benefit of persons in the United States (to the extent such persons are acting for the account or benefit of persons in the United States), except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States.

About Appen

Appen is a global market leader in data for the AI Lifecycle. With over 25 years of experience in data sourcing, data annotation, and model evaluation by humans, we enable organisations to launch the world’s most innovative artificial intelligence systems.

Our expertise includes a global crowd of more than 1 million skilled contractors who speak over 235 languages, in over 70,000 locations and 170 countries, and the industry’s most advanced AI-assisted data annotation platform. Our products and services give leaders in technology, automotive, financial services, retail, healthcare, and governments the confidence to launch world-class AI products. Founded in 1996, Appen has customers and offices globally.