



Announcement Summary

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**Entity name**

APPEN LIMITED

**Announcement Type**

New announcement

**Date of this announcement**

21/11/2023

**The Proposed issue is:**

A placement or other type of issue

**Total number of +securities proposed to be issued for a placement or other type of issue**

<b>ASX +security code</b>	<b>+Security description</b>	<b>Maximum Number of +securities to be issued</b>
New class-code to be confirmed	Warrants	2,301,371
APX	ORDINARY FULLY PAID	6,904,114

**Proposed +issue date**

2/1/2024

Refer to next page for full details of the announcement



## Part 1 - Entity and announcement details

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### 1.1 Name of +Entity

APPEN LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

### 1.2 Registered Number Type

ABN

### Registration Number

60138878298

### 1.3 ASX issuer code

APX

### 1.4 The announcement is

New announcement

### 1.5 Date of this announcement

21/11/2023

### 1.6 The Proposed issue is:

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

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Part 7A - Conditions

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**7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?**

No

Part 7B - Issue details

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**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

No

Details of +securities proposed to be issued

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**ASX +security code and description**

APX : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

6,904,114

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**

No

**Please describe the consideration being provided for the +securities**

Securities are being issued to the vendors of Quadrant Global Pte. Ltd (Quadrant) in connection with the earn-out arising from the acquisition of Quadrant by the Appen Group which completed on 13 September 2021. Appen has determined to issue the ordinary shares and warrants to satisfy the earn-out liability of approximately USD5m.

**Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**

5,850,000.000000

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**



Yes

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

New class

Will the proposed issue of this +security include an offer of attaching +securities?

No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +security code

New class-code to be confirmed

+Security description

Warrants

+Security type

Other

Number of +securities proposed to be issued

2,301,371

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

No

Please describe the consideration being provided for the +securities

Securities are being issued to the vendors of Quadrant Global Pte. Ltd (Quadrant) in connection with the earn-out arising from the acquisition of Quadrant by the Appen Group which completed on 13 September 2021. Appen has determined to issue the ordinary shares and warrants to satisfy the earn-out liability of approximately USD5m.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

1,950,000.000000

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes



**Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.**

Each warrant will automatically vest on the 12 month anniversary of their issue date (or upon the occurrence of a change of control event, winding-up or other exit event).  
Timing for vesting and subsequent exercise of warrants will also be dependent on the warrant holder remaining an employee or engaged by the Appen Group, not being a bad leaver and in certain circumstances where they are subject to constructive dismissal.

#### Part 7C - Timetable

##### **7C.1 Proposed +issue date**

2/1/2024

#### Part 7D - Listing Rule requirements

**7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?**

No

**7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

Yes

**7D.1b ( i ) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

9,205,486

**7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?**

No

**7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?**

No

**7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?**

No

**7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?**

No

#### Part 7E - Fees and expenses

**7E.1 Will there be a lead manager or broker to the proposed issue?**

No



**7E.2 Is the proposed issue to be underwritten?**

No

**7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue**

Nil

Part 7F - Further Information

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**7F.01 The purpose(s) for which the entity is issuing the securities**

Securities are being issued in satisfaction of an earn-out liability arising from the acquisition of Quadrant.

**7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?**

No

**7F.2 Any other information the entity wishes to provide about the proposed issue**

The actual number of Shares and Warrants to be issued will be based on the 90 day VWAP of Appen Shares prior to the issue date and the 30 day AUD:USD exchange rate prior to the issue date, and such variables are likely to change at the time of issue.

**7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:**

The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)