ASX Release

27 February 2024

Investor Presentation

Further to the Appen Limited's (ASX:APX) announcement to the market today on its results for the year ended 31 December 2023, please find attached the presentation to be delivered to investors and analysts at 11:00am. The briefing will be webcast live at Open Briefing.

Those wishing to ask questions during the briefing can join via conference call. Please pre-register for the call at Diamond Pass conference call or copy and paste the link https://s1.c-conf.com/diamondpass/10035816-tfnjb3.html into your browser.

Authorised for release by the Board of Appen Limited.

For more information, please contact:

Rosalie Duff
Head of Investor Relations
+61 421 611 932
rduff@appen.com

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. This notice contains forward-looking statements, including statements of opinion and expectation. These statements may be affected by various assumptions, risks and uncertainties, including matters which are outside the control of Appen, and may differ from results actually achieved. Investors are cautioned against placing undue reliance upon such statements.

About Appen

Appen is a global market leader in data for the AI Lifecycle. With over 28 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 500 languages[1], in over 200 countries[2], as well as our advanced AI data 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.

[1] Self-reported.
[2] Self-reported, includes territories.

2023 full year results

Investor presentation
27 February 2024

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Important information

The forward-looking statements included in these materials involve subjective judgement and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to, Appen Limited. In particular, they speak only as of the date of these materials, they are based on particular events, conditions or circumstances stated in the materials, they assume the success of Appen Limited's business strategies, and they are subject to significant regulatory, business, competitive, currency and economic uncertainties and risks.

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All amounts are in US$ unless stated otherwise.

Some amounts may not add due to rounding.

Appen Limited ACN 138 878 298 - 9 Help Street, Chatswood, NSW 2067, Australia

Agenda

1. Introduction & FY23 overview
2. FY23 financial performance
3. Growth strategy & FY24 priorities
4. FY24 outlook

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Introduction and FY23 overview

Ryan Kolln
CEO

FY23 performance overview

Business reset due to major customer reduction

- Reductions from a large customer resulted in revenue reduction
- Resized cost base – with $60m cost reduction initiatives complete
- Further $13.5m cost saving to mitigate loss of Google contract

Positive Q4 momentum

- Q4 on Q3 growth in Global Services and New Markets (incl. China)
- Decline from major customer stabilised
- China achieved record Q4 revenue growth

Generative AI wins

- Currently working with 22 LLM model builders globally, including >80% of leading model builders
- Generative AI-related revenue significantly increased in 2H FY23 (+410% vs 1H FY23)

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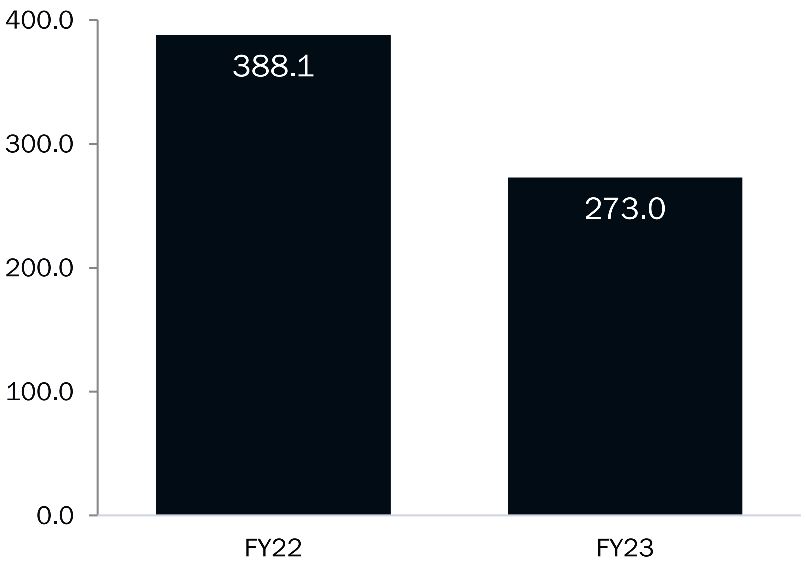
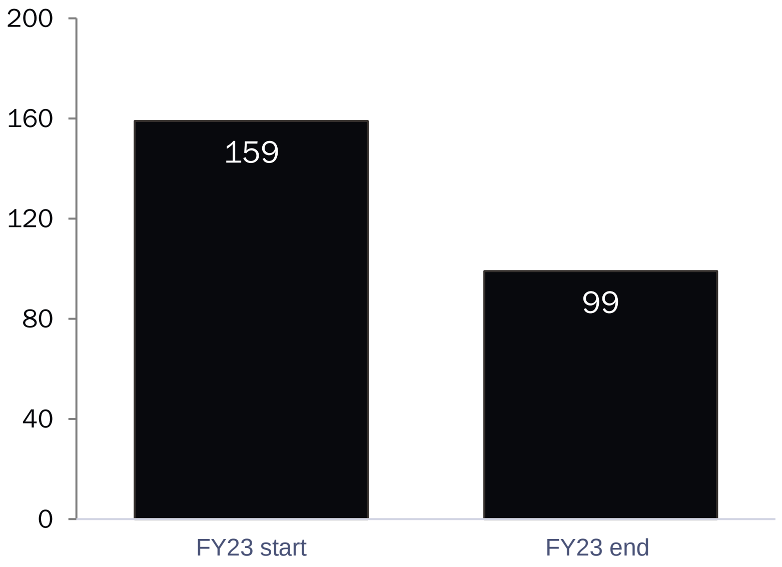
Business reset due to major customer reduction

Revenue decline primarily due to major client



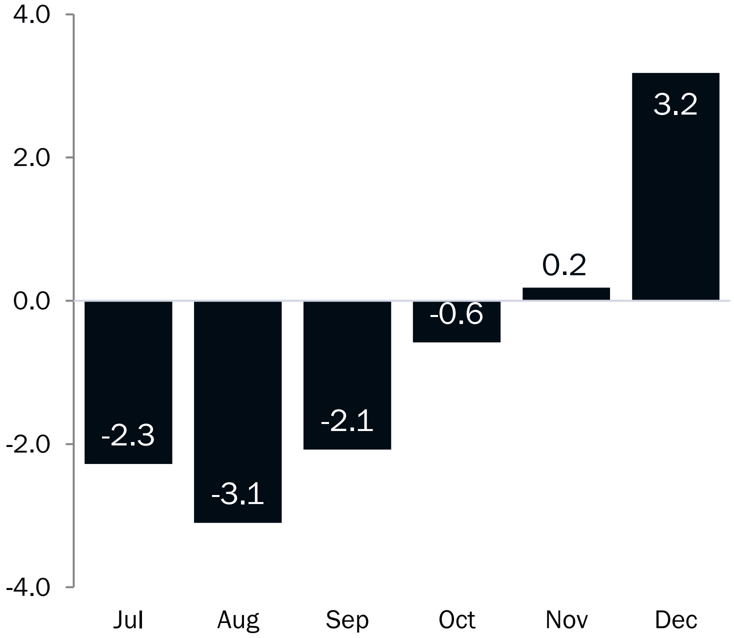
- Revenue down 30% on FY22
- Majority of decline driven by a global technology customer

2023 annualised OPEX[1] adjusted to reflect change



- Resized cost base – with $60m cost reduction initiatives complete in FY23
- First full year benefit of cost initiatives to be realised in FY24

Exited year underlying cash EBITDA positive[2]



- EBITDA breakeven objectives achieved in November and December following implementation of $60m cost reduction initiatives

1. Based on annualisation of expected cost base in December 2023. Excludes impairment losses, crowd labelling services, share based payments, depreciation and amortisation, transaction, finance and restructure costs and the impact of foreign exchange losses. FY23 includes STI at 15.6% achievement (represents partial achievement for non-financial metrics).
2. Based on unaudited management accounts: Underlying EBITDA excludes impairment loss, earn-out adjustment, restructure costs, transaction costs, inventory losses, and acquisition-related and one-time share-based payment expense.

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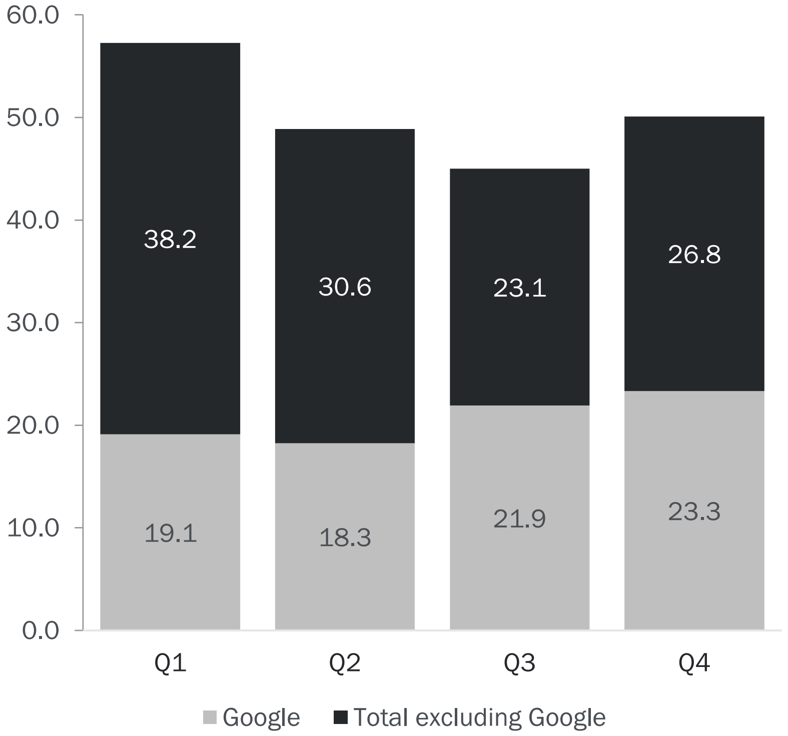
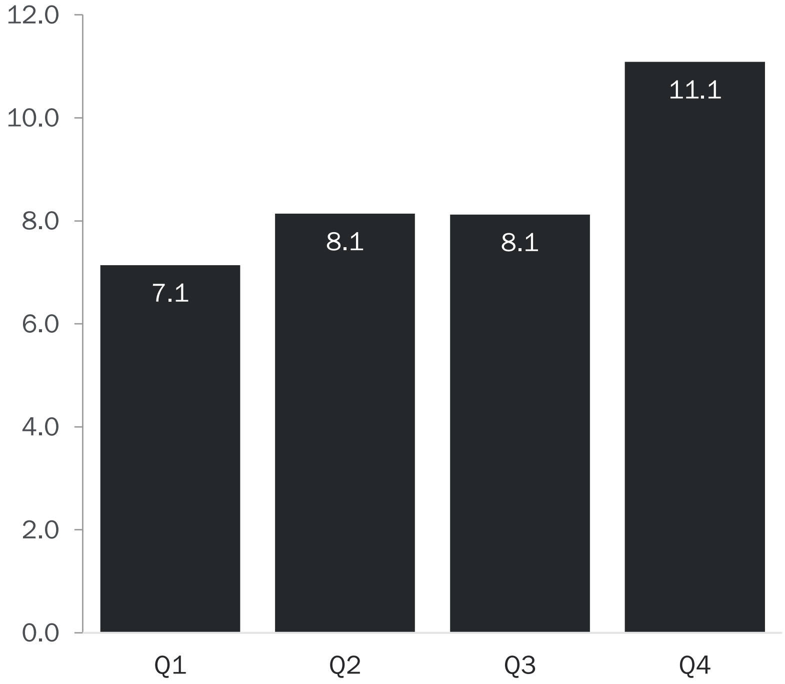
Positive Q4 revenue momentum

Global services



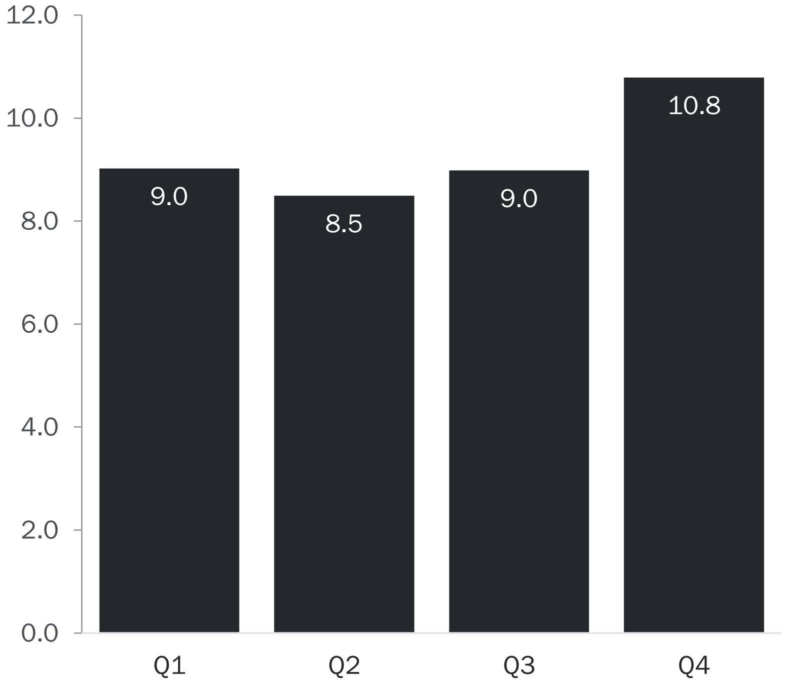
- Q4 on Q3 revenue growth as decline from large customer stabilised in Q4

China



- China achieved Q4 record revenue growth
- Breakthroughs recorded in LLM related revenue with multiple LLM projects from eight customers

New Market (ex China)



- Q4 growth across Enterprise, Quadrant and Government

Generative AI wins

Sample of LLM projects we have delivered

$4m+ exit run-rate with a leading generative AI model builder. Project delivered through ADAP. Expansion expected for FY24.	Multimodal prompt-response dataset for a leading generative AI model builder. Expansion for FY24 signed with an estimated ~5x volume increase.	5-month project with a top software technology company for multiturn chat agent prompt-response conversations. Project delivered through ADAP.
$2m+ exit run rate with a leading tech company for training a domain-specific LLM. Multiple projects in programming/coding domain.	Ongoing evaluation of LLM model output and A/B testing to support model development for a generative AI model builder. Project delivered through ADAP.	Annotation of generated images for a leading multimodal generative AI startup. Project delivered through ADAP.
$2m+ exit run rate with a leading generative AI model builder for LLM prompt-response annotation in 9 languages. 3-year program of work.	1m+ multiturn LLM chatbot interactions and evaluations for a leading generative AI model builder. Expansion expected for FY24.	New ADAP platform licence deals with a leading generative AI startup. Increased usage expected for FY24.

Commentary

- Customers were exploratory in FY23
- Generative AI-related revenue significantly increased in 2H FY23 (+410% vs 1H FY23)
- Currently working with 22 LLM model builders globally, including >80% of leading model builders[1]
- Most projects rely on our internal data platforms. New platform-only deals emerging with LLM startups

1. Leading model builders include top technology companies globally and notable startups

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Google impact and action to reduce costs

Details of the impact

- Google terminated its global inbound services contract with all projects to cease by 19 March 2024
- FY23 Google revenue $82.8M at a gross margin of 26%[1]

Our response: Continuing to manage costs in line with revenue

- On 12 February 2024, we announced $13.5m of cost out initiatives, with 80% to be achieved by end of March FY24 and remainder complete by end of June FY24
- Costs include direct and indirect costs associated with delivery of Google projects
- Indirect costs further scrutinised resulting in the eventual closure of Toronto and Bellevue offices in North America
- First full year benefit of cost savings expected to be realised in FY25
- One off non-recurring costs of $1.5m - $2.5m

1. Gross margin refers to revenue less crowd expenses.

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FY23
Financial Performance

Justin Miles
CFO

FY23 financial summary

	FY23	FY22	change
Revenue	273.0	388.1	-30%
Gross Margin[1]%	36.3%	37.6%	-130bps
Underlying EBITDA [2]	(24.5)	11.0	nm%
Underlying EBITDA [2] before FX	(20.4)	13.6	nm%
Underlying NPAT [3]	(52.8)	(22.8)	nm%
Statutory NPAT [4]	(118.1)	(239.1)	nm%
Dividend	Nil	Nil	

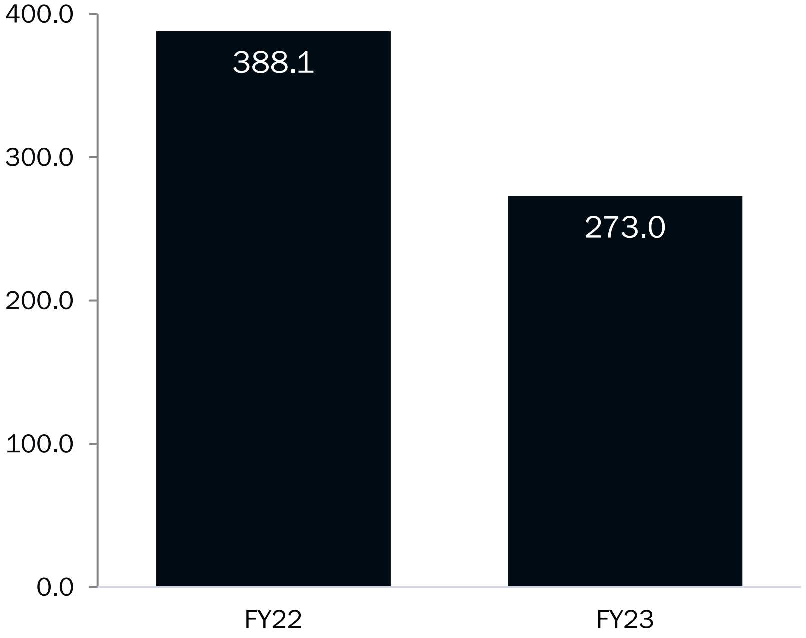
Commentary

- Revenue decreased 30% to $273m, primarily reflecting lower contribution from Global Services Division
- Underlying EBITDA (before FX) loss reflects lower revenue and gross margin
- Cost reduction program delivered in FY23 with first full year contribution expected in FY24
- Statutory NPAT includes an impairment charge of $69.2m reflecting impairment of Goodwill and certain non-current assets associated with the Global Services CGU
- Foreign exchange loss of $4.1m primarily related to unrealised losses on intercompany working capital balances

1. Gross margin refers to revenue less crowd expenses.
2. Underlying EBITDA excludes impairment loss, earn-out adjustment, restructure costs, transaction costs, inventory losses, and acquisition-related and one-time share-based payment expense.
3. Underlying NPAT excludes after tax impact of impairment loss, earn-out adjustment, restructure costs, transaction costs, inventory losses, acquisition-related and one-time share-based payment expense, amortisation of acquisition related intangibles, and deemed interest on earn-out liability.
4. Includes non-cash pre-tax impairment of $69.2m (FY22: non-cash impairment of $204.3m).

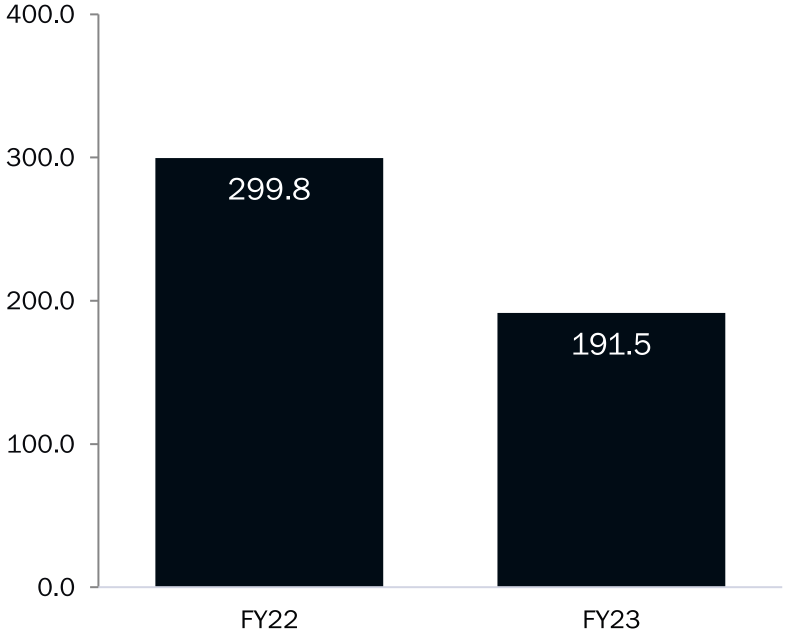
Revenue

Group



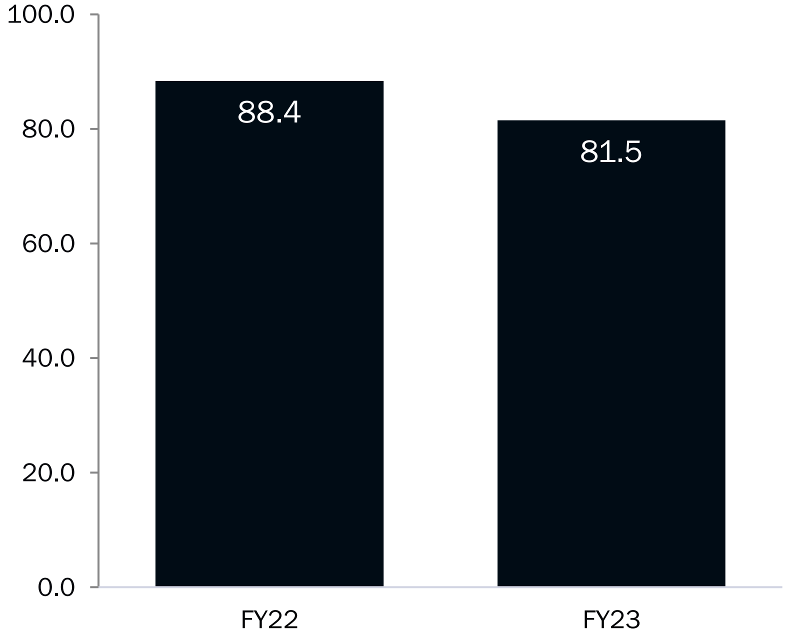
- Revenue down 30% on FY22
- Majority of decline from Global Services which recorded a 36% revenue reduction

Global Services



- Revenue down 36% on FY22
- Reduction in spend due to the ongoing tech slow down, mostly due to a large customer
- Encouraging growth in LLM related work

New Markets



- Revenue down 8% on FY22 due to decline from Global Product
- Excluding Global Product, New Markets revenue grew 2.2% to $71.8m with 2H FY23 19% higher than 1H FY23

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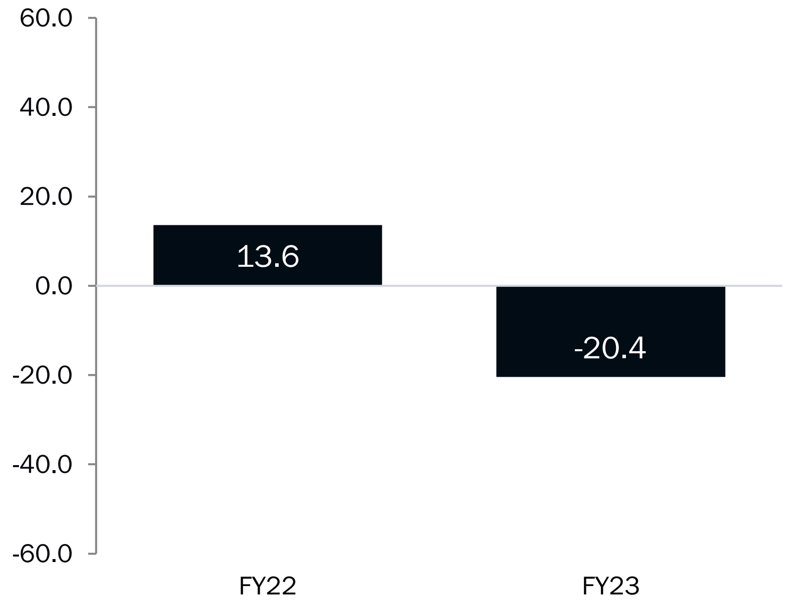
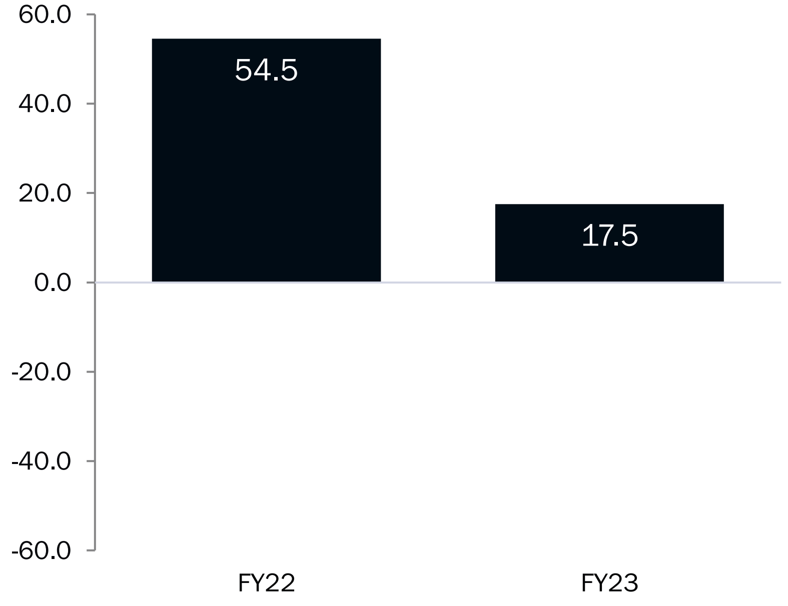
Underlying EBITDA[1] (before FX)

Group



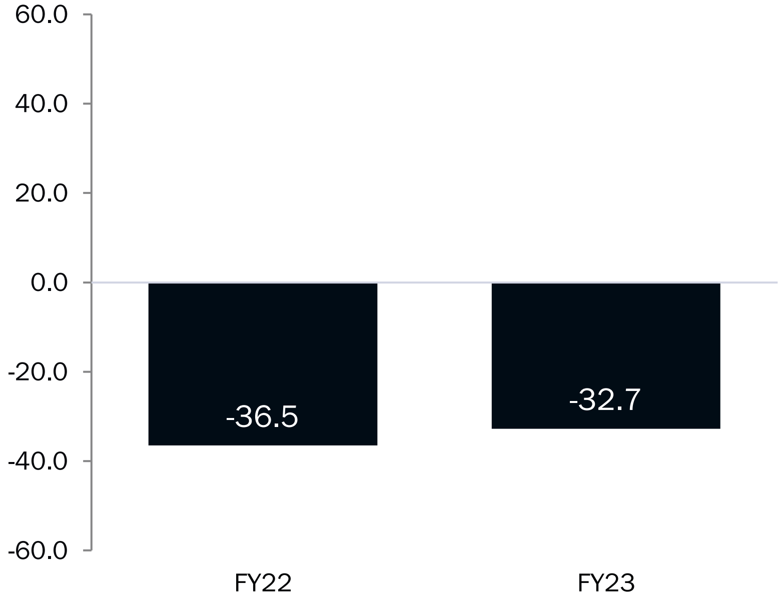
- EBITDA impacted by lower revenue, lower gross margin and a proportionally higher cost base coming out of FY22

Global Services



- EBITDA of $17.5m down 68% on FY22
- EBITDA margin of 9% impacted by lower revenue on some core high margin projects, and a proportionally higher cost base coming out of FY22

New Markets

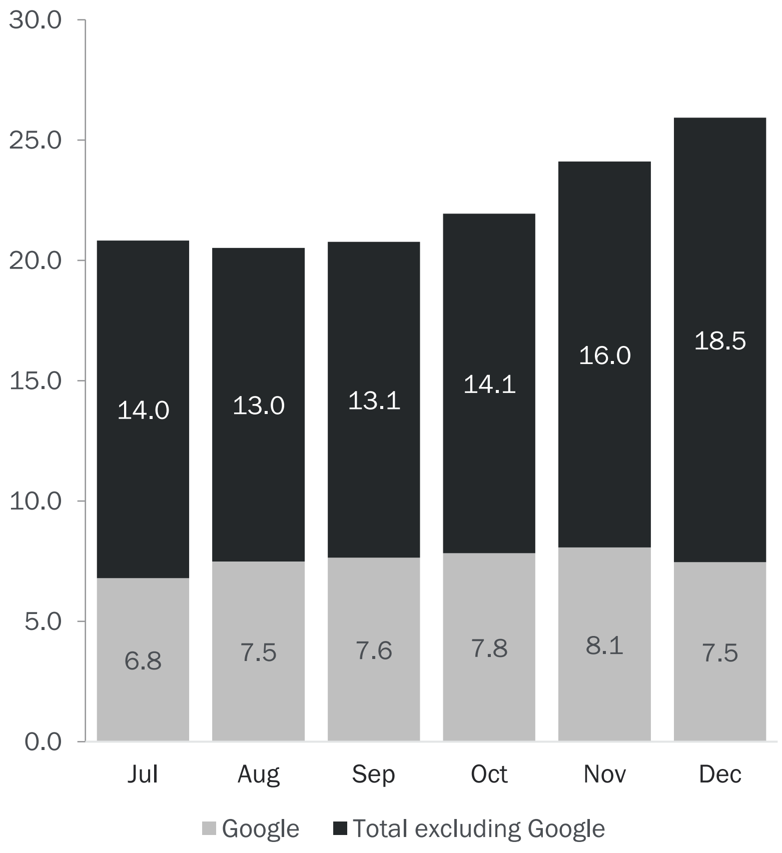


- Improvement in EBITDA due to implementation of cost reduction program and higher margin project mix in FY23 vs FY22

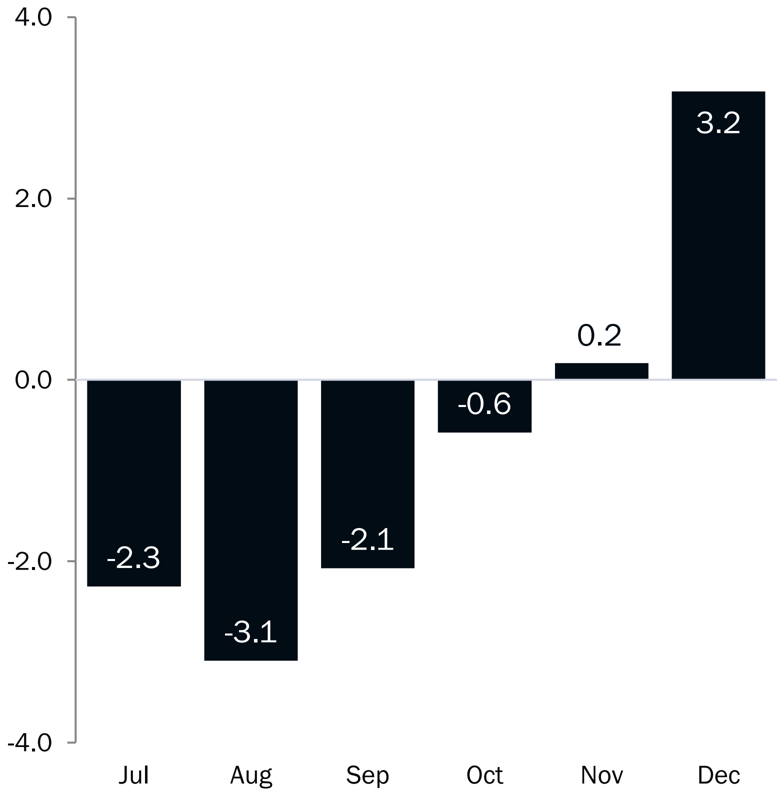
1. Underlying EBITDA excludes impairment loss, earn-out adjustment, restructure costs, transaction costs, inventory losses, and acquisition-related and one-time share-based payment expense.

Exited FY23 cash EBITDA positive

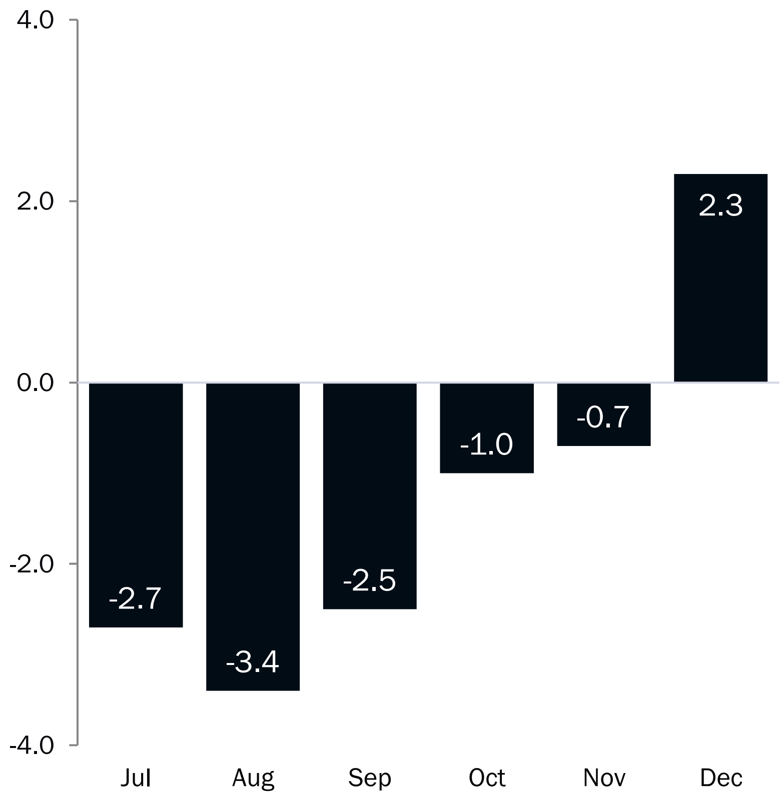
Revenue



Underlying EBITDA (before FX) [1]



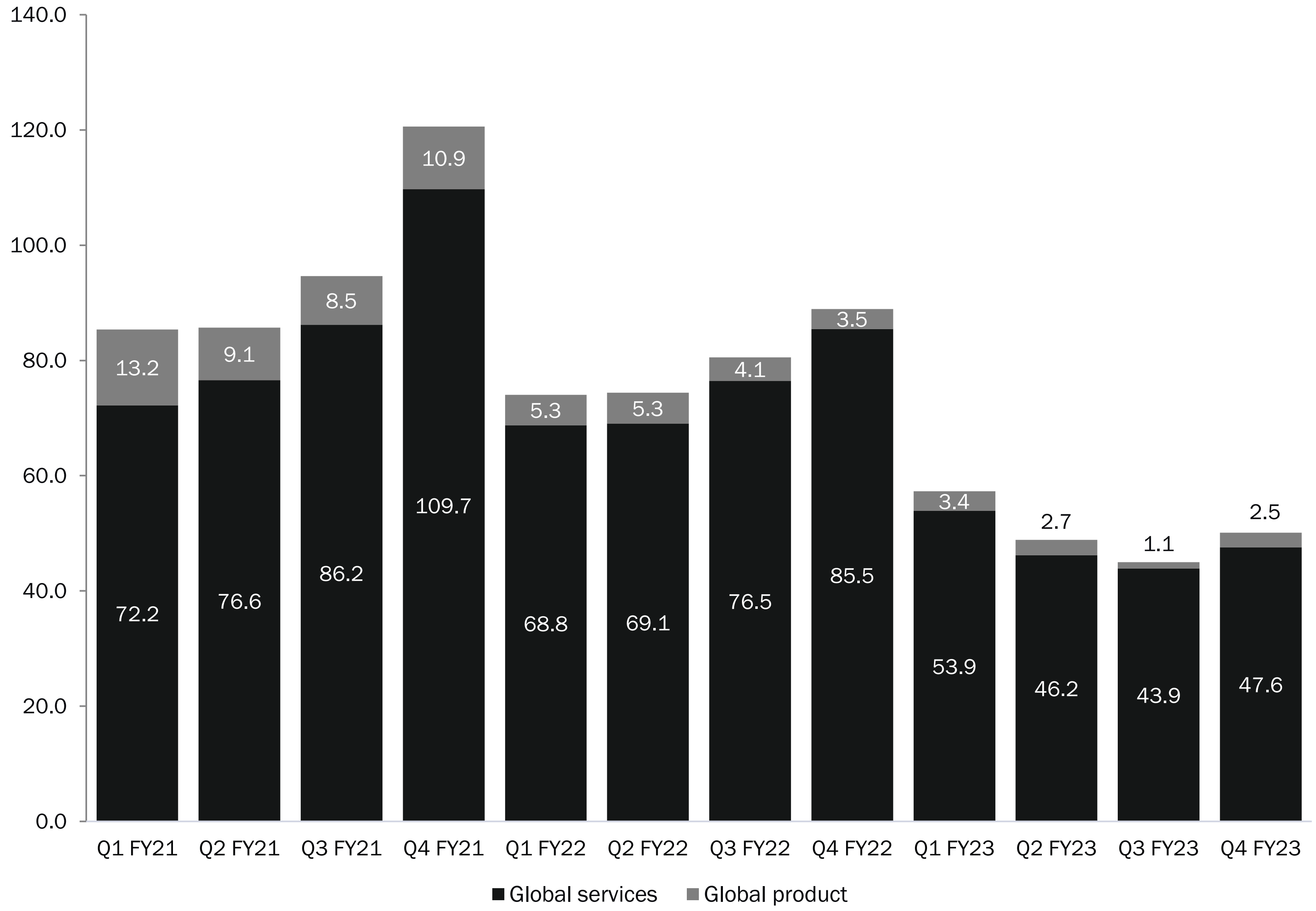
Underlying cash EBITDA (before FX)[1]



1. Underlying results are a non-IFRS measure used by management to assess the performance of the business and are calculated from statutory measures. Non-IFRS measures are not subject to audit. Underlying EBITDA excludes impairment loss, earn-out adjustment, restructure costs, transaction costs, inventory losses, and acquisition-related and one-time share-based payment expense. Underlying cash EBITDA is underlying EBITDA less capitalised software development expenses plus non-acquisition-related share-based payment expenses.

Q4 stabilisation in Global revenue

Global revenue (US$M)



Commentary

- Majority of reductions to Global revenue driven by a large customer that has reduced their spend
- We saw stabilisation in their spend in 2H FY23
- Global Product revenue declined 46.5% to $9.7m as customers reduced work performed on our platform
- Benefited from some seasonality in Q4 but not to the extent as previous years

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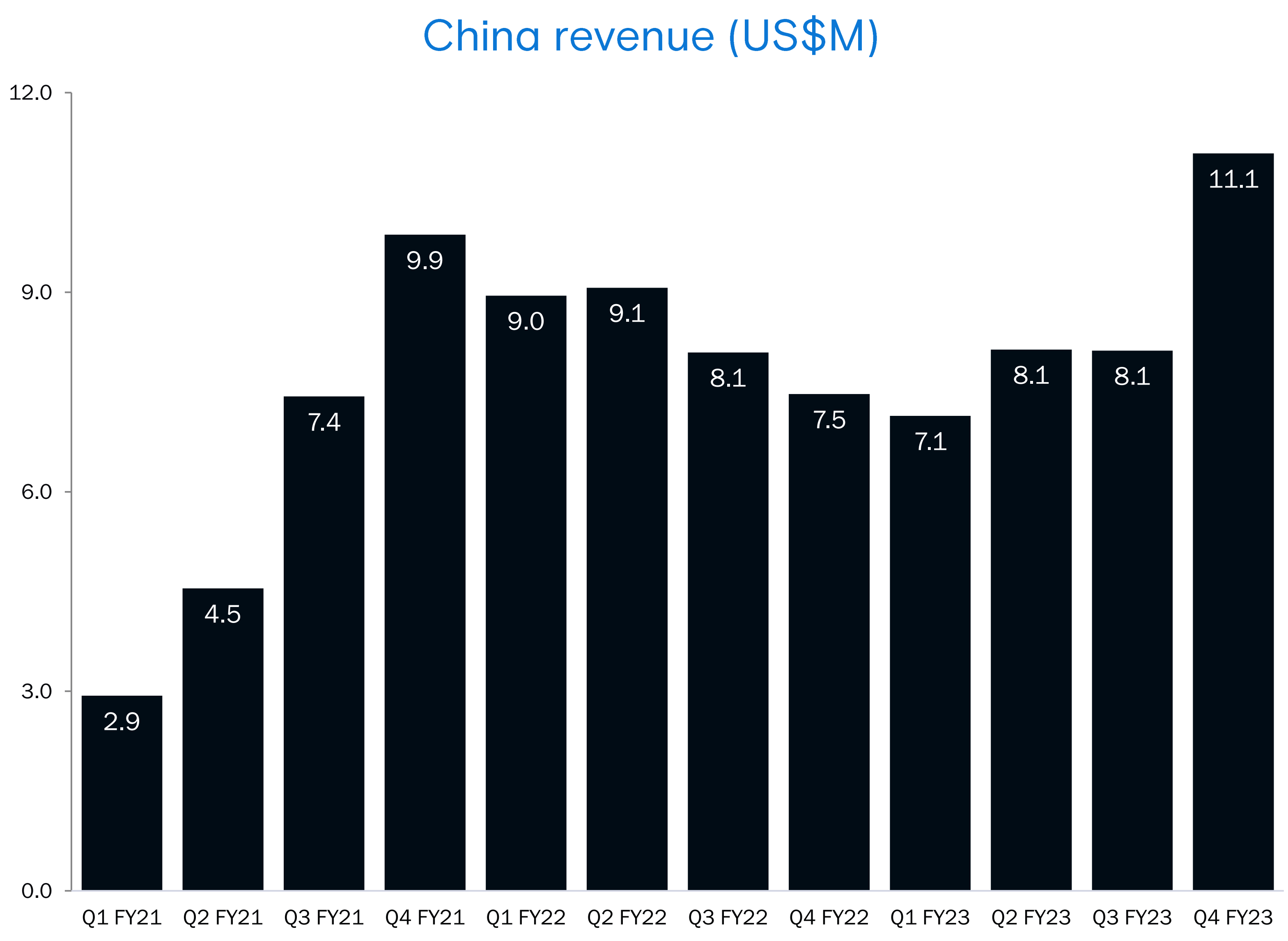
Record revenue for China in Q4

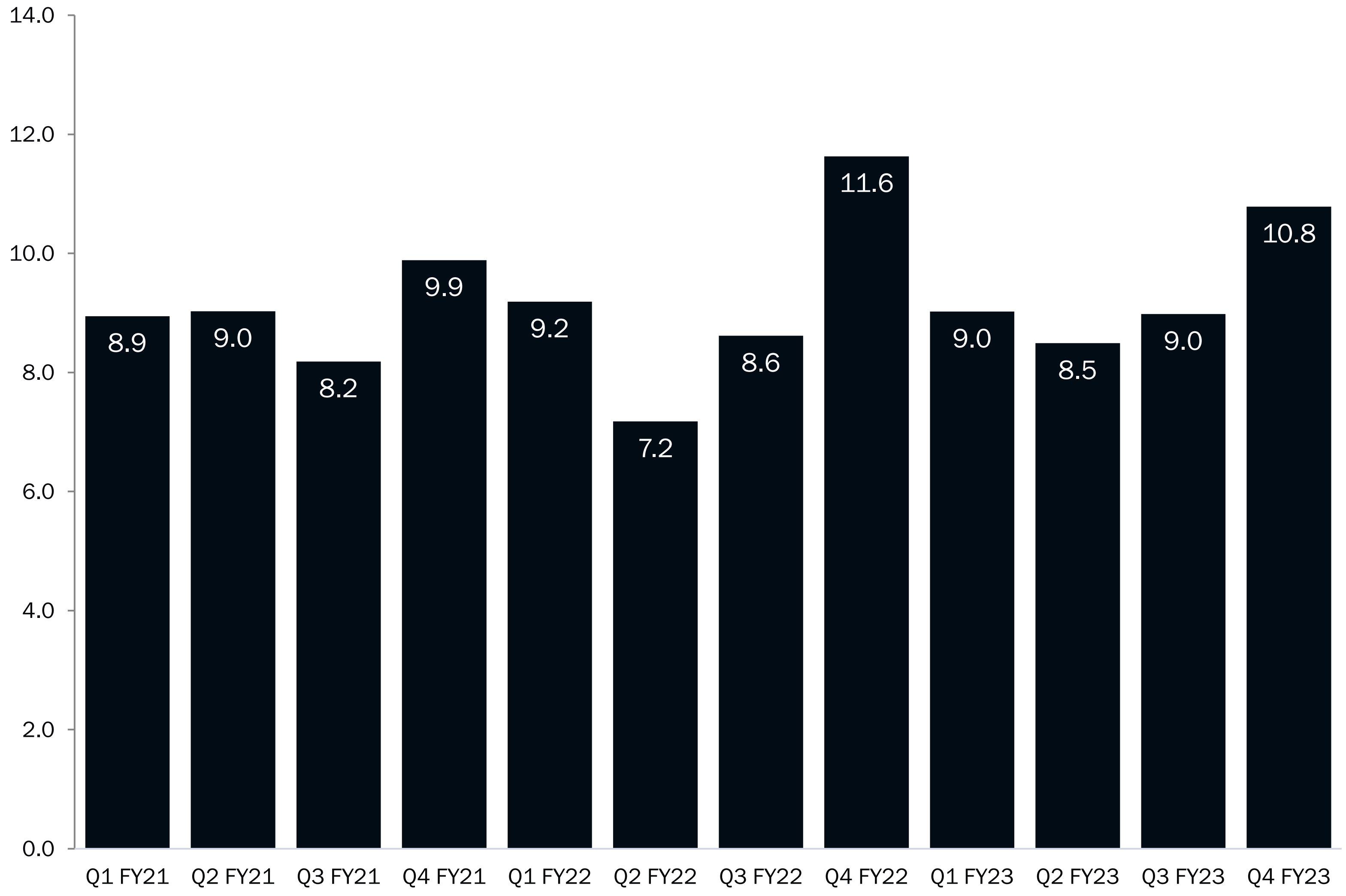


Commentary

- China returned to growth as Covid-related impacts subsided
- China achieved Q4 revenue record
- Significant traction in LLM projects, now supporting many leading LLM builders in China
- Majority of growth from expansion in existing large tech customers
- China, Japan and Korea secured 82 new logos, including 8 new customers with multiple LLM deals

Q4 growth in Enterprise, Government, Quadrant

Enterprise, Government, Quadrant revenue (US$M)



Commentary

- Enterprise, Quadrant and Government combined secured 89 new customer wins
- Enterprise deal size up 5% in FY23 to $147k compared to FY22
- Solid traction in LLM related work, with work ramping in 2H FY23
- Quadrant achieved significant revenue uplift, albeit from a small base
- Rebuild year for Government, setup for growth in 2024

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Balance sheet

US$M	Dec 2023	Dec 2022
Cash	32.1	23.4
Receivables	49.9	64.3
Contract assets	15.6	30.4
Other current assets	9.1	6.5
Non-current assets	48.5	130.3
Total assets	**155.2**	**254.9**
Current liabilities	47.7	65.1
Non-current liabilities	14.7	41.8
Total liabilities	**62.4**	**106.9**
Net Assets	**92.8**	**148.0**
Total equity	**92.8**	**148.0**

Commentary

- Cash balance of $32.1m including net proceeds of equity raised
- Cash balance at 31 January 2024 of $34.2m
- Trade and other receivables lower due to lower revenue
- Non-current assets include $37.8m intangibles relating to Appen platforms, including ADAP
- Current liabilities were $17.4m lower reflecting lower cost of sales and operating expenses
- Decrease in net assets to $92.8m due to trading performance and non-cash impairment charge of $69.2m, offset by decrease in Quadrant earn-out liability by $15.4m

Cash flow summary

US$M	Dec 2023	Dec 2022
Receipts	294.5	395.6
Payments and other	(317.9)	(380.8)
Cash flow from operations before interest and tax	**(23.4)**	**14.8**
Net interest	(0.1)	(0.4)
Taxes	0.5	3.8
Net cash from operations	**(23.0)**	**18.2**
Cash flows – investing activities	(20.9)	(32.1)
Cash flows – financing activities	52.7	(9.5)
Net cash flow for the period	**8.8**	**(23.4)**
Opening cash balance	23.4	47.9
FX impact	(0.1)	(1.1)
Closing cash balance	**32.1**	**23.4**

Cash flow reconciliation (US$M)		
Underlying EBITDA	(24.5)	11.0
Working capital	1.1	3.8
Cash flow from operations before interest and tax	(23.4)	14.8
Underlying EBITDA cash conversion	nm	135%

Commentary

- Cash balance includes net proceeds from equity raise of $57.4m
- Cash outflow from operations reflects trading performance during the period
- Cash used to fund operations while turnaround in progress, capex, and one-off costs associated with cost reduction programs

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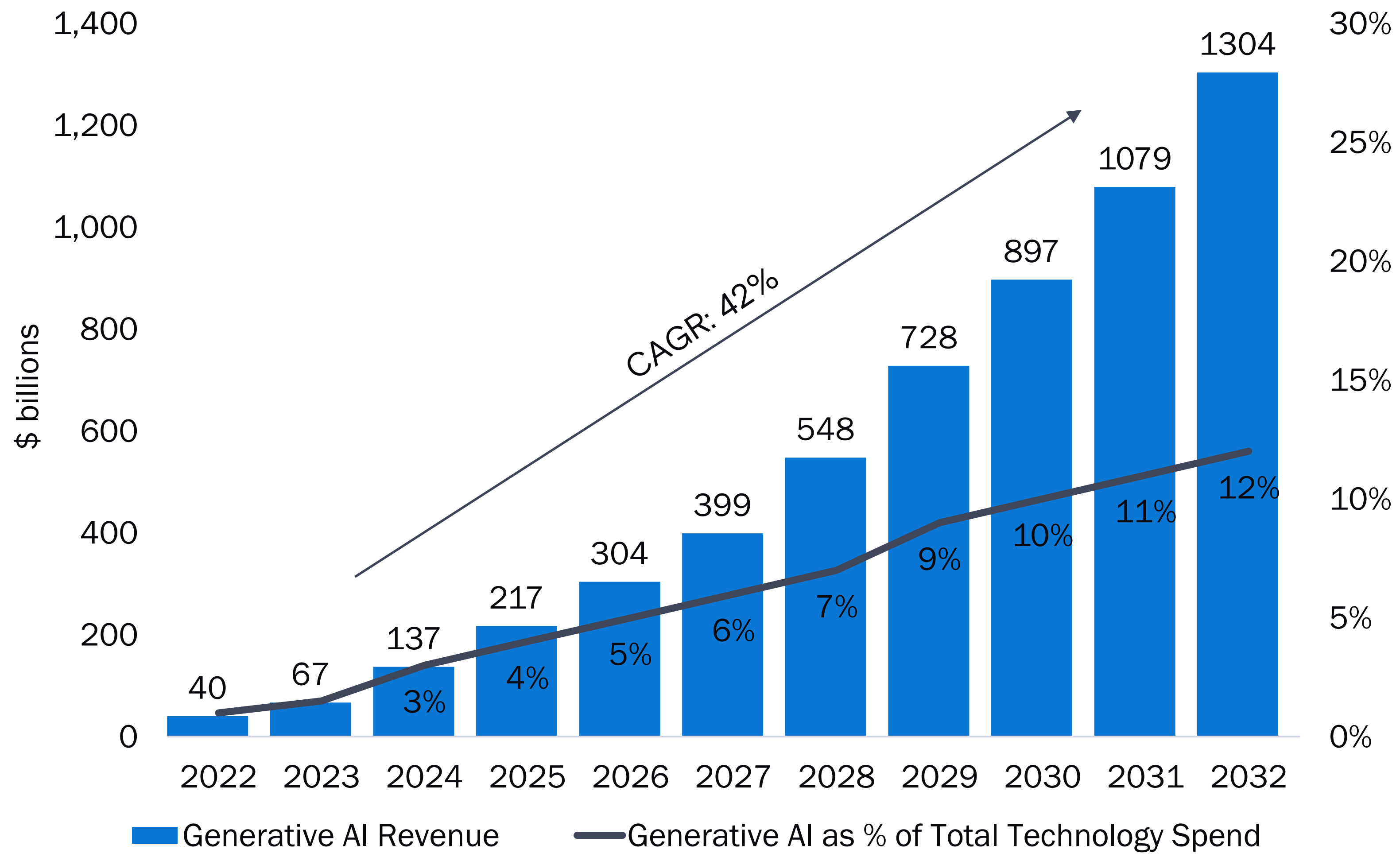
Growth strategy & FY24 priorities

Ryan Kolln
CEO

Generative AI is fueling the next wave of AI growth

Generative AI Market (2020—32F)[1]



- Generative AI industry forecast to grow from $40 billion in 2022 to $1.3 trillion in 2032[1]
- Generative AI is becoming a top investment priority, forecast to account for 12% of total technology spending in 2032
- Generative AI is forecast to contribute $7 trillion to the global economy over the next 10 years[2]

1. Bloomberg Intelligence and IDC (June 2023).
2. Goldman Sachs.

Market landscape: Data tools and services are key enabler for Generative AI development

Application

Enterprise & Industry Applications

Model

Propriety models

Foundation models

- OpenAI
- cohere
- ANTHROP\C

Closed-source

- LLAMA 2
- BLOOM
- stability.ai

Open-source

Model Tools

- Hugging Face
- mosaicML
- Weights & Biases
- arize
- ...

Data Tools & Services

- Appen
- scale
- Labelbox
- ...

Infrastructure

Cloud Platforms: aws, Azure, Google Cloud, Alibaba Cloud, ...

Hardware: NVIDIA, intel, AMD, ...

Note: Simplified Generative AI market map with selected key players

AI market opportunity: Generative AI has expanded our TAM by $4-8B

	Appen's traditional TAM	New Generative AI opportunities	
	Deep learning model builders	**Generative AI model builders**	**Companies adopting generative AI**
Description	Technology and software companies that have built AI into their core product offering	Well-funded start up and technology companies that are building foundation models	Companies that are customising foundation models for their internal use cases
Main customer segments	• US and China major tech companies • Global software companies • Ecommerce • Federal	• US and China major tech companies • LLM startups (i.e, OpenAI, Cohere, Anthropic)	• Fortune 2000 companies, mostly non-tech
Estimated TAM for data services and software by 2030	$12-17B[1] Mostly data services	$2-4B[2] Mostly data services	$2-4B[3] Mostly software

1. $17B market size from Grandview Research. $12.75B market size from Research and Markets, $15.5B market size from Spherical Insights.
2. Management estimates of data services market based on extrapolation of current estimate spend from major LLM vendors.
3. Management estimates based on expected adoption rate of LLM in enterprises and willingness to spend on software platforms to support implementation and ongoing model performance optimization.

Growth strategy: high quality data for leading AI

Appen's traditional TAM | New Generative AI opportunities

Deep learning model builders	Generative AI model builders	Companies adopting generative AI
1. Next generation crowd and project management platform		3. SaaS platform for LLM customisation
2. Optimise and automate high quality data creation		
4. Modernised sales and marketing		
5. Tight financial controls		

1. Next gen crowd and project management platform

Key elements of the strategy

AI-enabled crowd management

- Automated contributor screening for target demographics, skills and attributes
- Automated crowd performance evaluation and remediation
- Dynamic supply and demand matching

Shift from proprietary to best-of-breed tech

- Speed to innovation
- Flex capabilities for custom projects
- Leading capabilities for critical fraud, payments, and other processes
- More responsive and lower cost maintenance

Improved experience for our contributors

- Personalised support and project matching
- Personalised learning opportunities to improve earning potential

Financial benefits

- Reduced investment in product and engineering
- Lower cloud spend
- Fewer project delivery resources per project

Timing of benefit realisation

- All projects migrated to new tech stack by early 2H FY24
- Ramp down engineering spend to support legacy platform through 1H FY24

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2. Optimise and automate our delivery processes

Key elements of the strategy

Automate part of human annotation process

- Utilise generative AI for data quality checks, replacing human QA
- AI evaluation of human inputs to provide real-time feedback

Use LLM to automate dataset creation

- Fully automated dataset creation via human-trained LLMs
- Customised models for automated data preparation

Evolve our delivery processes

- Multi-modal data delivery approach to support new LLM techniques
- Optimise delivery processes to realise benefits of new platform
- Expanded data science team to improve insights and automation

Financial benefits

- Improved gross margin through reduced crowd spend
- Ability to resell capabilities, resulting in higher margins
- Fewer resources required to support project delivery

Timing of benefit realisation

- Automation already underway, multiple projects running with full or partial automation
- New delivery processes to commence in 2H FY24, following launch of new platform

3. SaaS platform for LLM customisation: opportunity

Enterprises will adopt existing LLMs, but customise for their use cases

- Increased availability of LLMs, including closed-source, open-source, domain-specific models
- Custom LLMs required to improve performance (accuracy, alignment), increase control (transparency, privacy, security) and reduce costs

Customising LLMs requires investment into enterprise data and inputs from domain experts

- Custom LLMs require high-quality data optimised for LLM training methods and aligned to target use cases
- Enterprises need to invest in data curation, leveraging domain experts to build training datasets and evaluate/align model outputs

Limited tooling exists for efficient collaboration between AI teams and experts

- Most existing software is designed to support traditional ML
- No efficient methods exist to integrate human expertise in LLM development

3. SaaS platform for LLM customisation: our solution

Key elements of the strategy

On-premise deployment

- Platform deployment supports data security needs
- Flexible deployment approach to support multiple cloud environments

Pre-built workflows to capture expert feedback

- Provide most common workflows needed for LLM customisation
- Transfer crowd management expertise into platform for internal expert feedback

Insights into data quality and workflows

- Insights into workflow status
- Data quality reporting to support model optimisation
- Data lineage to support model audits and traceability

Financial benefits

- SaaS platform margins
- High-customer retention
- Limited investment in building tech, utilising ADAP as foundation tech

Timing of benefit realisation

- Alpha version currently being tested in market
- Full product launch in early March 2024

4. Modernised sales and marketing

Key elements of the strategy

Established team with strong technical background

- CRO, CMO, Field CTO and head of sales all have strong tech backgrounds
- Dedicated technical sales team with computer science backgrounds

New website and marketing

- Simplified website, focus on our LLM capabilities

Dedicated account management approach

- Expert team in place to support largest accounts
- Team members have backgrounds in professional service consulting and AI data

Financial benefits

- More new logo creation
- Improved expansion of existing accounts

Timing of benefit realisation

- Team already in place
- Transition to dedicated account management by end of Q1
- New website launched in February

5. Tight financial controls

Key elements of the strategy

Quarterly budgeting process to adjust costs to revenue

- Re-base expenses each quarter to right-size business based on revenue
- Strong focus on cashflow management

ROI evaluation of product and engineering spend

- ROI-based investment in new feature development
- Dedicated resource allocation for SaaS platform vs services support

Ongoing scrutiny of non-core expenses

- Closure of offices in Toronto and Bellevue
- Travel policy reviewed to reduce expense
- Review of all IT licences

Financial benefits

- More proactive measures to adjust costs to business performance
- Better returns on investment for product development efforts

Timing of benefit realisation

- All measures already in place
- Office closure benefit depending on ability to sublease

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Tenured management team with industry expertise

Corporate and shared services

Ryan Kolln
Chief Executive Officer

Justin Miles
Chief Financial Officer

Andrea Clayton
Chief Human Resources Officer

Mike Davie
Chief Product and Technology Officer

Carl Middlehurst
General Counsel and Company Secretary

Eric de Cavaignac
Chief Transformation Officer and GM crowd

Sales and delivery

Brian Haskett
SVP Client management and operations

Andrew Ettinger
Chief Revenue Officer

Helen Giddings
VP Client delivery

Roc Tian
SVP and GM Appen China

Robert Page
VP Client delivery, strategic accounts

Appen

FY24 outlook

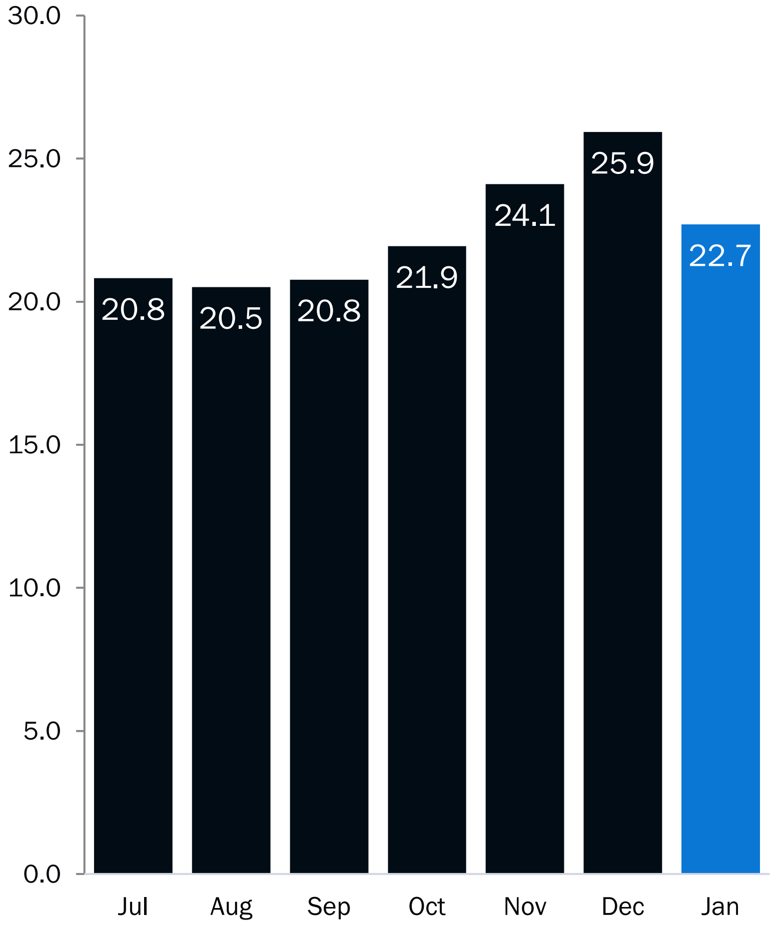
Ryan Kolln
CEO

Market observations

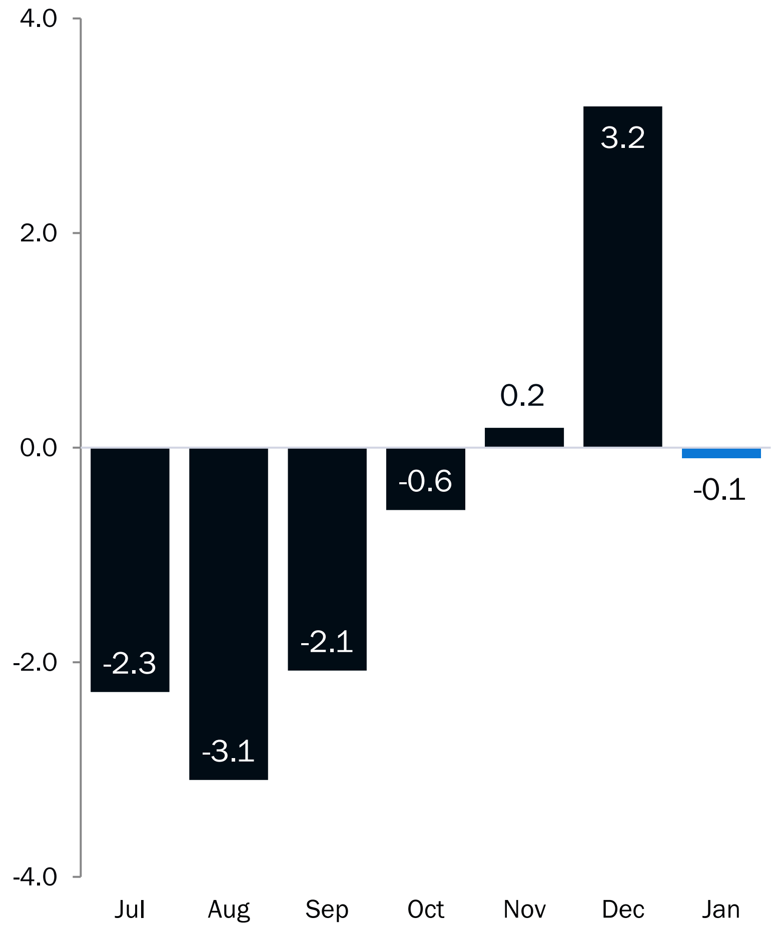
- FY23 was a transitional year for the AI market. Many companies experimented with and evaluated the potential of generative AI
- The experimental period, along with a broader focus on cost optimisation among tech customers, resulted in challenging market conditions, particularly in 1H23
- In 2H23 generative AI experiments turned into scaled operations, and this trend is expected to continue in FY24
- Generative AI has expanded Appen's TAM, particularly with generative AI model builders and enterprise customers
- From a market perspective, FY24/25 expected to be a transition period where experiments turn into production and the demand for data expands

January FY24 trading update

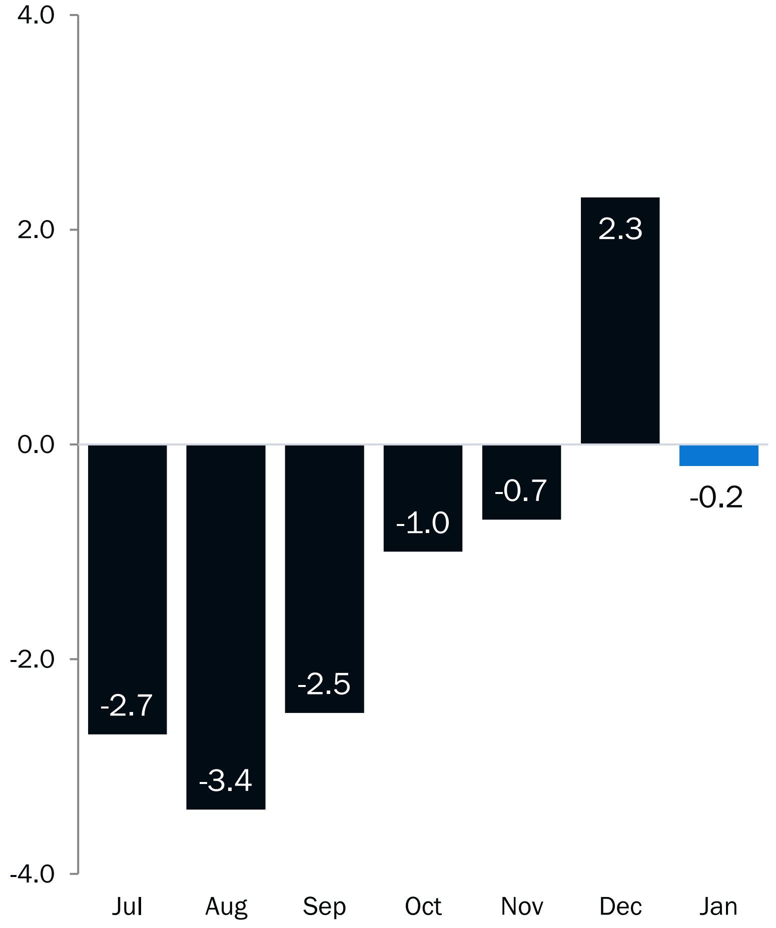
Revenue[1]



Underlying EBITDA (excluding FX)[1]



Underlying cash EBITDA (excluding FX)[1,2]



1. The figures for January 2024 are based on unaudited management accounts.
2. Underlying results are a non-IFRS measure used by management to assess the performance of the business and are calculated from statutory measures. Non-IFRS measures are not subject to audit. Underlying EBITDA excludes restructure costs, transaction costs, inventory losses and acquisition-related and one-time share-based payments expenses. Underlying cash EBITDA is underlying EBITDA less capitalised software development expenses plus non acquisition-related share-based payment expenses.

FY24 outlook

- Revenue decline from a large customer that impacted FY23 revenue has stabilised in Q4 FY23, and this trend is expected to continue further into FY24
- Costs associated with the development of new products will be contained in the current product and engineering spend.
- Tight cost controls remain in place, in keeping with the company's focus on managing costs in line with revenue
  - FY24 will be the first full year benefit of $60m cost reduction program
  - On 12 February 2024, we announced $13.5m of cost out initiatives, with 80% to be achieved by end of March FY24 and remainder complete by end of June FY24
- Management team is highly focused on ongoing cash positivity
- Achieving cash EBITDA profitability in FY24 will largely depend on revenue growth from our non-global customers, the timing of which remains uncertain

Thank you!

Appendix 1: Appen reporting structure

Global Services	New Markets
Services provided to leading US tech companies utilising their platform Includes large relevance programs	New Markets reflects progress against our Product Led strategy Includes Global Product (Global customer revenue through Appen products), Enterprise, Govt, China and Quadrant All project types and data modalities

Global	Enterprise	Govt	China	Quadrant
Leading US tech companies, including Google, Amazon and Microsoft	Covering North America, EMEA and SEA	Federal agencies	China, Japan and Korea	Provider of location data

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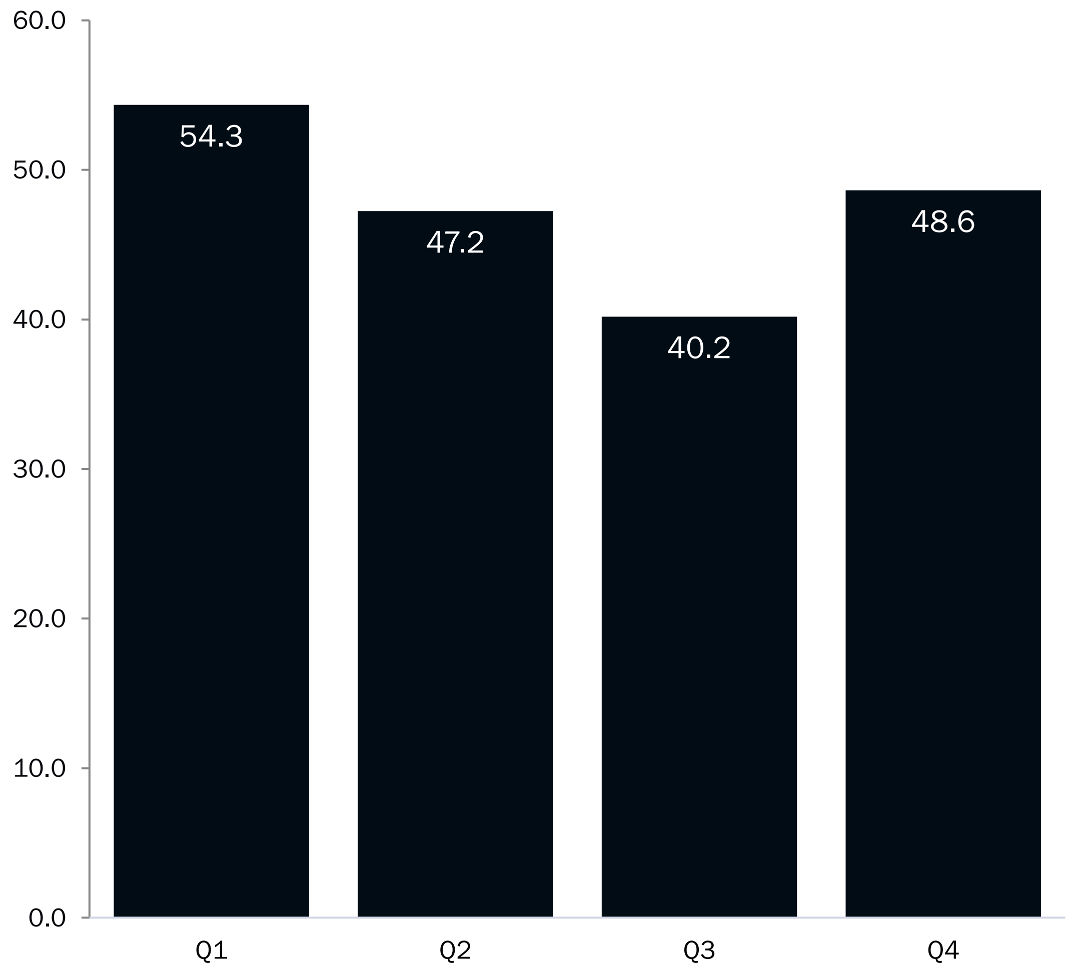
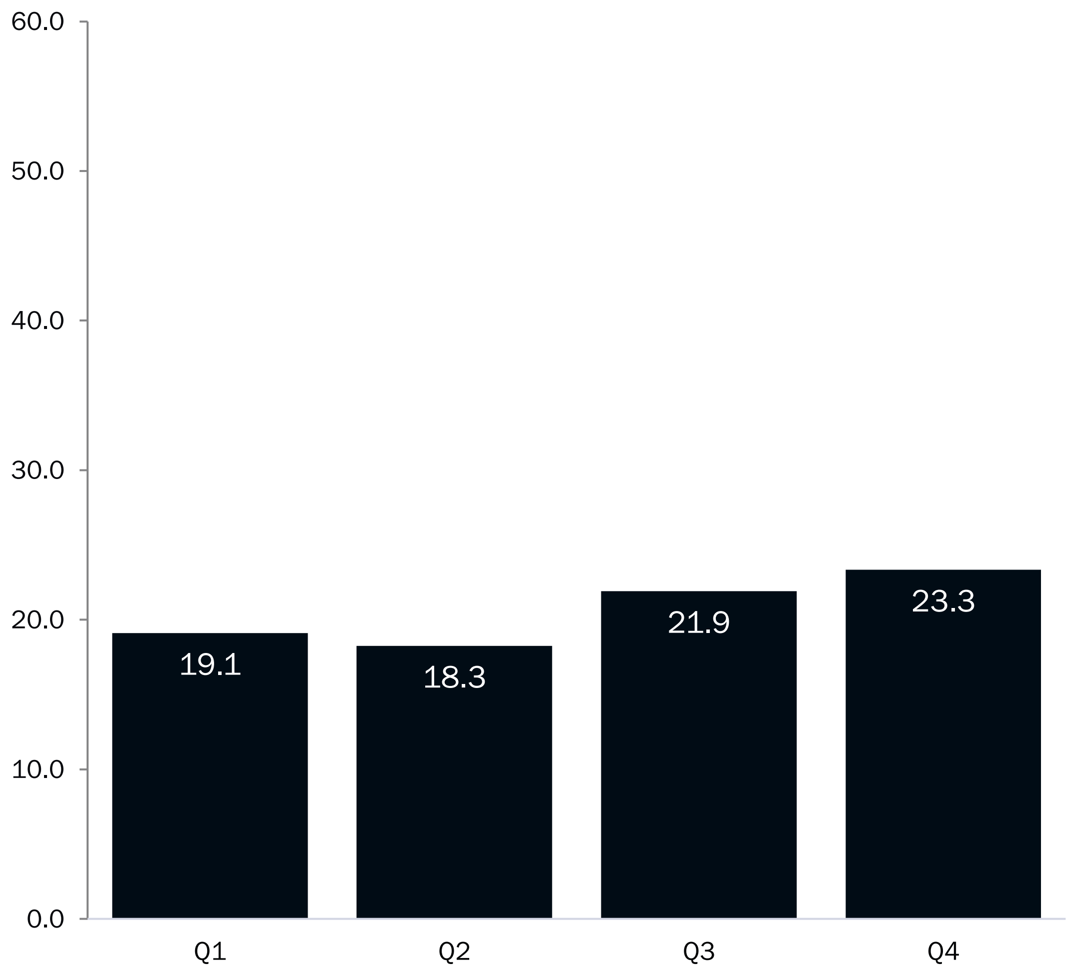
Appendix 2: Google contribution to FY23 revenue

Group revenue excluding Google



Google revenue



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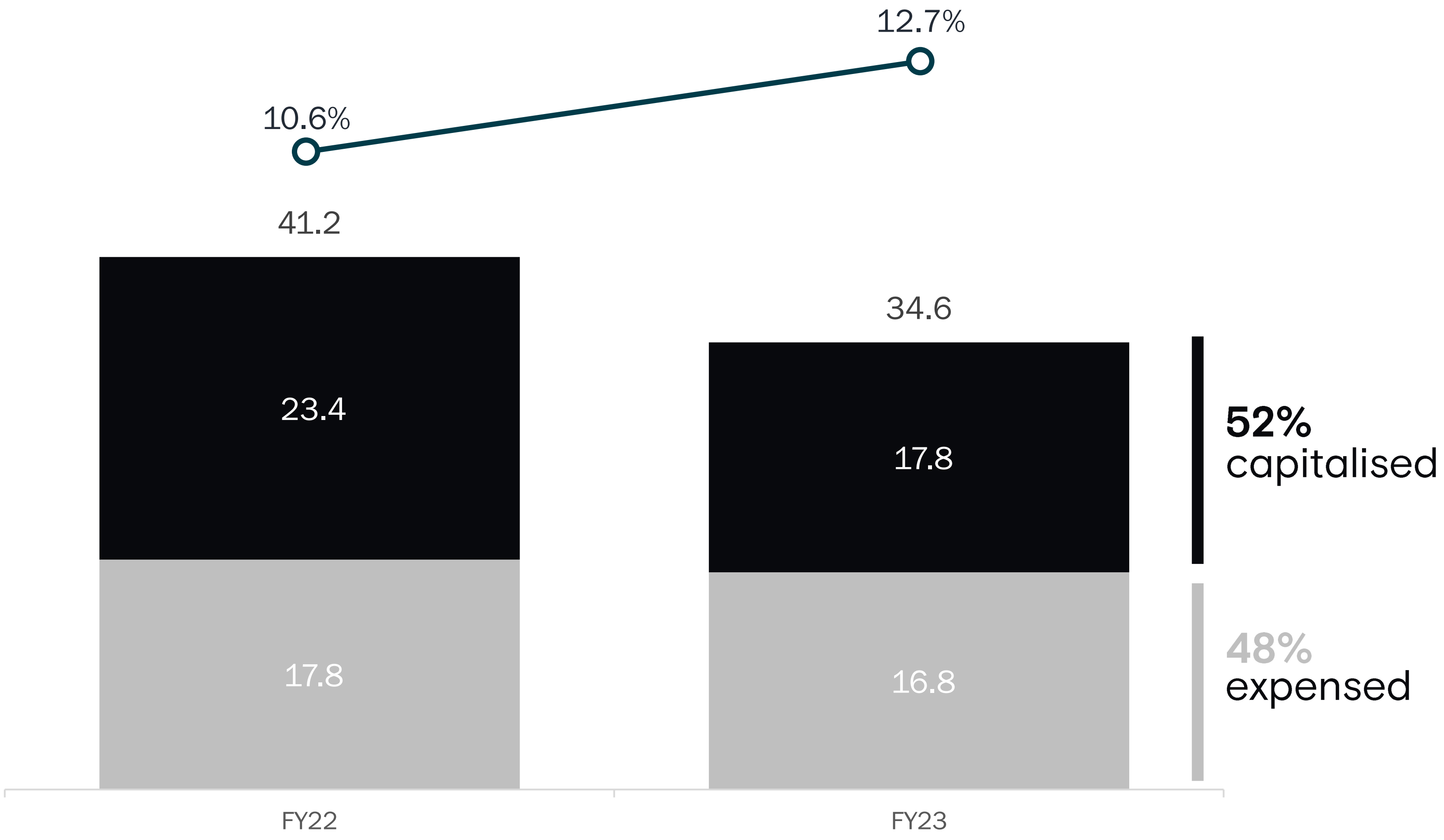
Appendix 3: Investment in product development

Investment in product development[1]

Product development (ex amortisation) as a % of revenue



1. Product development relates to investment in engineering to ensure that the collection, annotation and evaluation products and tools support our clients and their use cases, and drive efficiencies and scale. These amounts exclude amortization expense.

Commentary

- FY23 investment of $34.6m reflects continuing focus on product development and improving the crowd and customer experience
- ~52% of spend capitalised in FY23, lower than historic levels due to greater focus on product maintenance
- 12.7% of revenue reinvested in product development, higher than historical levels due to lower revenue
- Cost reduction program primarily executed in September FY23. Focus on transition to lower cost resources
- FY24 annualised investment in product development expected to be contained within existing product and engineering spend

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Appendix 4: Reconciliation between statutory and underlying results

	Year ended 31 Dec 2023 $000	Year ended 31 Dec 2022 $000	Change
Underlying net loss after tax (NPAT) [1]	**(52,810)**	(22,739)	nm%
(Less)/add underlying adjustments (net of tax)			
Impairment loss	**(61,663)**	(204,326)	
Amortisation of acquisition-related identifiable intangible assets	**(6,158)**	(9,573)	
Earn-out adjustment	**11,196**	-	
Restructure costs	**(6,515)**	(488)	
Transaction costs	**(380)**	(1,096)	
Deemed interest on earn-out liability [2]	**(248)**	(540)	
Losses on inventory	**-**	(257)	
Acquisition-related and one-time share-based payments	**(1,501)**	(49)	
Statutory NPAT	**(118,079)**	(239,068)	nm%
Less: tax benefit	**(6,870)**	-	
Add: net interest expense	**805**	772	
Add: deemed interest on earn-out liability [2]	**354**	813	
EBIT [3]	**(123,790)**	(237,483)	nm%
Add: depreciation and amortisation	**35,147**	41,582	
Statutory EBITDA [4]	**(88,643)**	(195,901)	nm%
Add/(less): underlying adjustments			
Impairment loss	**69,182**	204,326	
Earn-out adjustment	**(15,994)**	-	
Restructure costs	**8,967**	678	
Transaction costs	**542**	1,556	
Acquisition-related and one-time share-based payments	**1,501**	49	
Inventory losses	**-**	309	
Underlying EBITDA [1]	**(24,445)**	11,017	nm%
Statutory diluted earnings per share (cents)	**(83.10)**	(193.78)	
Underlying diluted earnings per share (cents)	**(37.17)**	(18.43)	
% Statutory EBITDA/revenue	**(32.3%)**	(50.4%)	
% Underlying EBITDA/revenue	**(8.9%)**	2.8%	

1. Underlying results are a non-IFRS measure used by management to assess the performance of the business and have been calculated from statutory measures. Non-IFRS measures have not been subject to audit. Underlying EBITDA excludes impairment loss, restructure costs, transaction costs, earn-out adjustment, inventory losses and acquisition-related and one-time share-based payments expense.
2. Liability with respect to the Quadrant acquisition which settled in January 2024 via the issue of ordinary shares.
3. EBIT is defined as earnings before interest and tax.
4. EBITDA is EBIT before depreciation and amortisation.

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