Appen

ASX Release

27 August 2026

Investor Presentation

Further to Appen Limited's (**Appen**) (ASX:APX) announcement to the market today on its results for the half-year ended 30 June 2026, please find attached the presentation to be delivered to investors and analysts at 11.00am AEST. Register for the webinar via the link below:

https://us02web.zoom.us/webinar/register/WN_emwiBN10TtGhyBiP8ZqJ6g

Authorised for release by the Board of Appen Limited.

For further information, please contact:
Investor Relations
investorrelations@appen.com
+612 9468 6300

About Appen

Appen is a global market leader in data for the AI Lifecycle. With 30 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.

H1 FY26 results

27 August 2026

Appen

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.

Appen Limited disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements in these materials to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statement is based. You should monitor any announcements by the company lodged with the ASX. Nothing in these materials shall under any circumstances create an implication that there has been no change in the affairs of Appen Limited since the date of these materials. Organisation structure is subject to change.

No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including Appen Limited). In particular, no representation, warranty or assurance (express or implied) is given in relation to any underlying assumption or that any forward-looking statement will be achieved. Actual future events and conditions may vary materially from the forward-looking statements and the assumptions on which the forward-looking statements are based. Given these uncertainties, readers are cautioned to not place undue reliance on such forward-looking statements. To the maximum extent permitted by law, Appen disclaims all liability and responsibility (including without limitation, any liability arising from fault or negligence) for any direct or indirect loss or damage which may arise or be suffered through use or reliance on anything contained in, or omitted from, this presentation.

Appen Limited ACN 138 878 298 – Level 8, 1 Market Street, Sydney, NSW 2000, Australia

All amounts are in US$M unless stated otherwise.

Some amounts may not add due to rounding.

Underlying results referenced in these materials are a non-IFRS measures used by management to assess the performance of the business and are calculated from statutory measures. Non-IFRS measures are not subject to audit.

Agenda

Appen

H1 2026 Results Overview

Ryan Kolln

Appen

H1 FY26 highlights

$119.9 million revenue in H1 FY26

- 17% growth on H1 FY25

Appen China breakout growth ongoing

- 80% growth on H1 FY25
- Annualised revenue run-rate exceeding $175 million in June

Appen Global turnaround progress continues

- Further positive outcomes delivered during Q2
- Outside of our largest client, Q2 revenue grew 65% on Q1

Technology strategy delivering benefits

- ~$12m annualised cost out identified in Appen Global
- ~70% to be executed by end of Q4 FY26, remainder by Q1 FY27

Expanding EBITDA

- +$5.3m EBITDA vs a loss of $2.2m in H1 FY25
- 4.5% EBITDA margin

Strong cash balance remains

- $44.7 million (A$64.8 million) at 30 June 2026

1. Converted at 30 June 2026 exchange rate of 0.6894

Appen

Financial performance

Justin Miles

Appen

H1 FY26 profit and loss snapshot

	H1 FY26	H1 FY25	Change
Group Revenue	**119.9**	102.1	17.5%
Appen China revenue	**76.2**	42.2	80.4%
Appen Global revenue	**43.7**	59.8	(26.9%)
Gross Margin[1]%	**36.7%**	37.0%	-30 bps
Underlying EBITDA[2] before FX	**5.3**	(2.2)	nm

Commentary

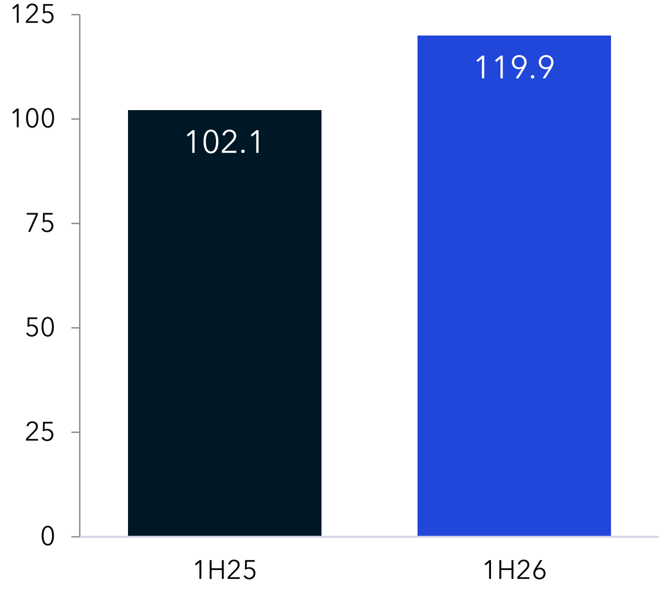
- Revenue increased 17.5% to $119.9 million, reflecting accelerated growth for Appen China, and the continued turnaround of Appen Global
- Appen China revenue increased 80.4% to $76.2 million, predominately driven by generative AI related projects
- Appen Global turnaround continues, with revenue down 26.9% to $43.7 million. There has been progress throughout the period, however growth in new areas has not yet offset a reduction in traditional work
- Small decrease in gross margin % reflects a change in customer and project mix. China margins traditionally lower versus rest of Group
- EBITDA improvement of $7.5 million reflects revenue and gross margin growth, prudent cost management, and operational leverage within Appen China

1. Gross margin refers to revenue less crowd expenses.
2. Underlying EBITDA excludes restructure costs, transaction costs, and acquisition-related and one-time share-based payment expense.

Appen

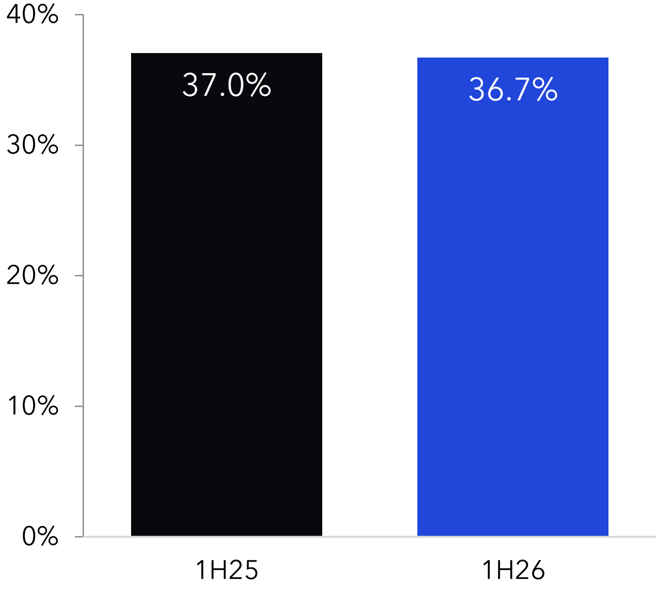
Group financial performance

Group revenue ($M)



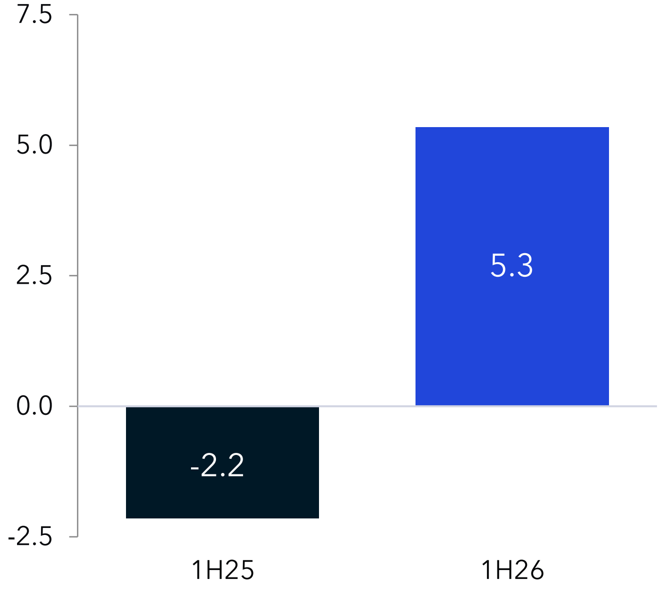
- $119.9 million revenue for H1 FY26, up 17.5% on H1 FY25

Group Gross Margin[1] %



- 36.7% gross margin for H1 FY26, down 30 bps on H1 FY25
- Small decrease reflects a change in customer and project mix

Group underlying EBITDA[2] before FX ($M)



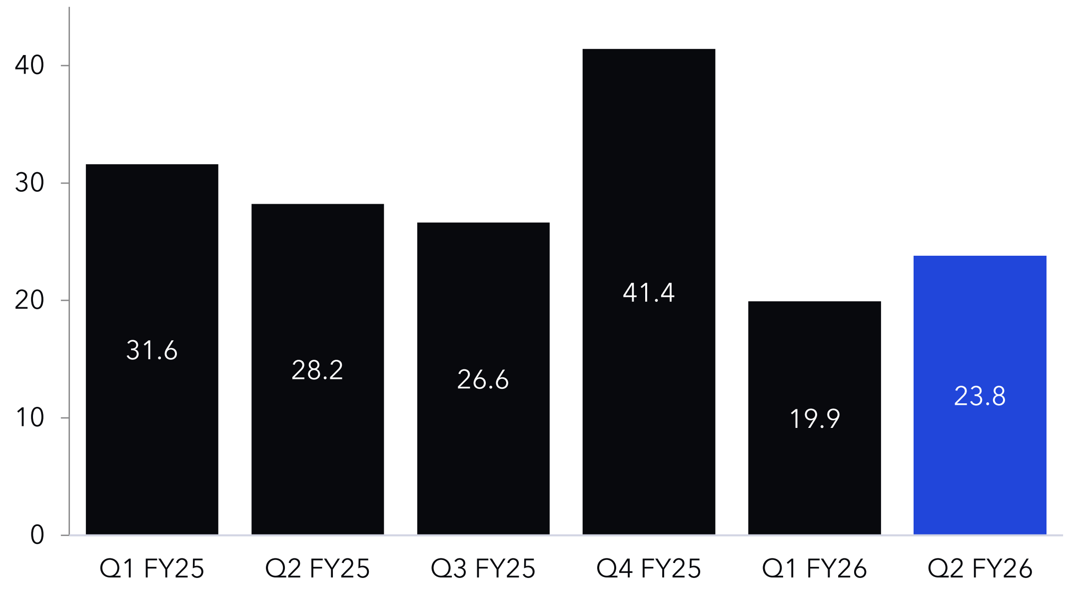
- $5.3 million underlying EBITDA before FX for H1 FY26, a $7.5 million improvement on H1 FY25
- 4.5% EBITDA margin for the half, with a Q2 margin of 6.7%

1. Gross margin refers to revenue less crowd expenses.
2. Underlying EBITDA excludes restructure costs, transaction costs, and acquisition-related and one-time share-based payment expense.

Appen

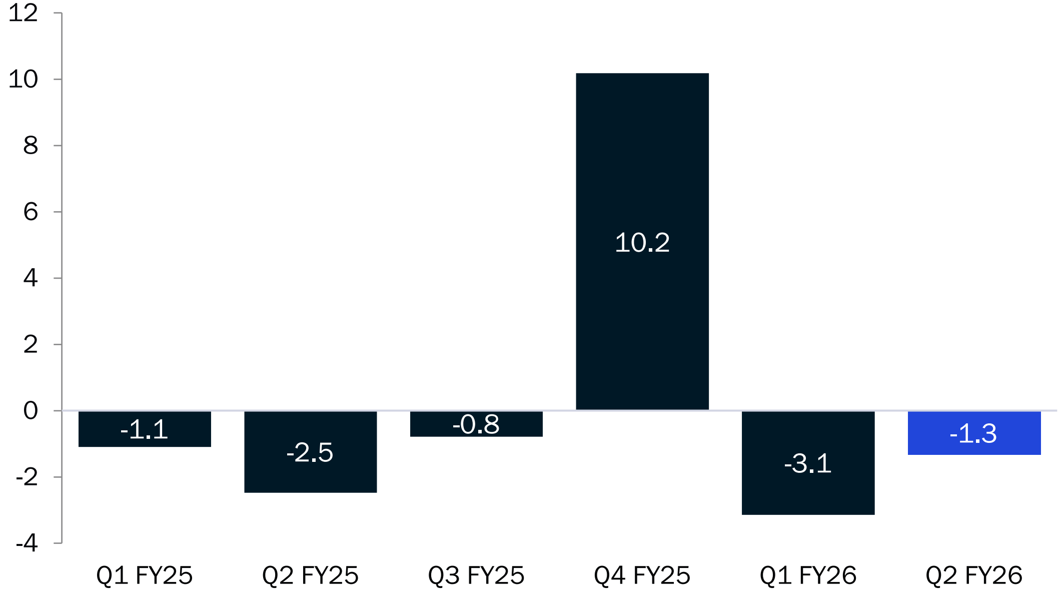
Appen Global: solid progress made

Appen Global revenue ($M)



- Q2 FY26 revenue reflects growth from expanding projects with leading AI labs. Outside of the largest client, Q2 FY26 revenue grew 65% on Q1 FY26
- $43.7 million revenue for H1 FY26, down 27% vs H1 FY25 due to lower volumes from traditional work, not yet fully offset by growth in new areas
- Traditional work currently stabilised

Appen Global EBITDA ($M)

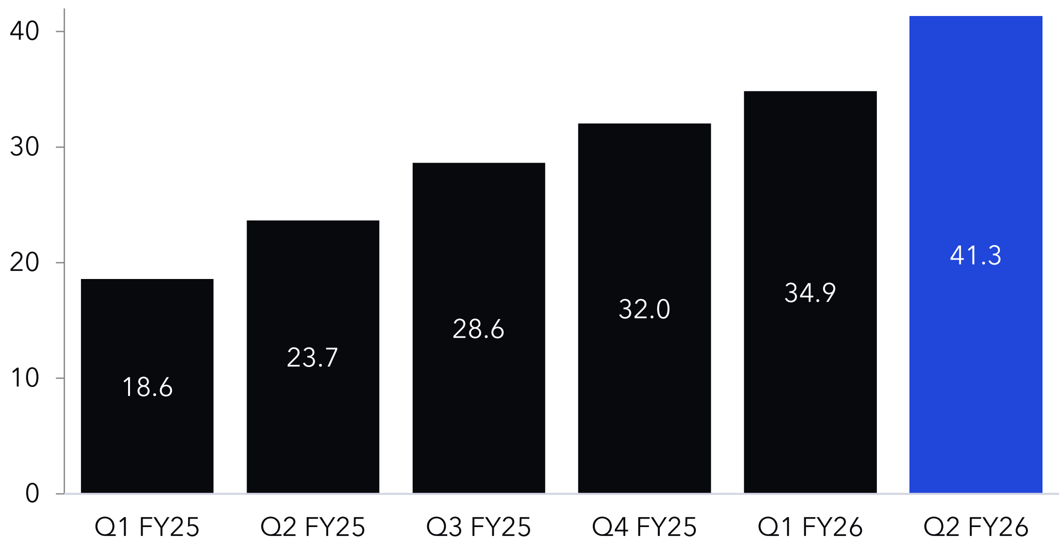


- $4.5 million underlying EBITDA loss (before FX) for H1 FY26 reflects the continued turnaround, with improvement throughout the period
- Capturing cost efficiencies via AI enabled operations remains a focus for Appen Global
- Incremental ~$12 million in operational efficiencies have been identified, with ~70% to be executed before the end of FY26 and the remainder in Q1 FY27

Appen

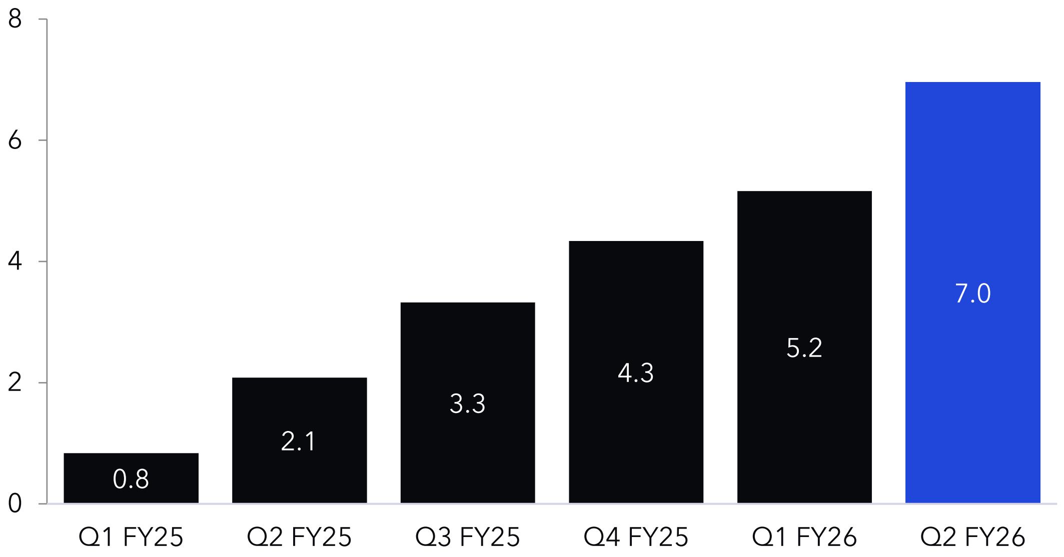
Appen China: 80% revenue growth and expanding margins

Appen China revenue ($M)



- $76.2 million revenue for H1 FY26, up 80% on H1 FY25
- Appen China exited the quarter with an annualised revenue run-rate growing to over $175 million, up from $144 million at the end of Q1
- The sustained growth demonstrates the strength of Appen China's relationship with Chinese model builders

Appen China EBITDA ($M)



- $12.1 million underlying EBITDA (before FX) for H1 FY26, up 316% on H1 FY25
- 15.9% EBITDA margin for H1 FY26, up from 6.9% in H1 FY25
- EBITDA margin improvement driven by a greater mix of higher-margin generative AI projects and capturing operating leverage

Appen

Profit and loss summary

	H1 FY26	H1 FY25	Change
Revenue	**119.9**	**102.1**	**17.5%**
Gross Margin[1]%	**36.7%**	**37.0%**	**-30 bps**
Employee expenses[2]	25.9	25.5	1.4%
Share-based payments expense[3]	0.8	0.3	215.6%
Other expenses[4]	11.9	14.1	(15.6%)
Underlying EBITDA[6] before FX	**5.3**	**(2.2)**	**nm%**
Underlying EBITDA[6]	3.7	(2.8)	nm%
Underlying NPAT[7]	**(4.2)**	**(12.2)**	**65.7%**
Statutory NPAT	(4.4)	(19.3)	76.9%

Commentary

- Revenue increased 17.5% to $119.9 million, reflecting accelerated growth for Appen China, and the continued turnaround of Appen Global
- Small decrease in gross margin % reflects a change in customer and project mix. China margins traditionally lower versus rest of Group
- Decrease in employee and other expenses in Appen Global offset by additional expense from the Appen China division to enable the delivery of strong revenue growth
- Decrease in expenses achieved by the Appen Global division through technology innovation and automation
- Underlying and Statutory NPAT improvement reflects improved EBITDA as well as decrease in amortisation

1. Gross margin refers to revenue less crowd expenses.
2. Employee expenses per management reporting. Excludes direct project workers included in gross margin calculation (i.e. crowd expenses).
3. Non-cash expense. Excludes acquisition-related and one-time share-based payment expense.
4. All other expenses included in underlying EBITDA before FX.
5. Underlying EBITDA excludes restructure costs, transaction costs, and acquisition-related and one-time share-based payment expense.
6. Underlying NPAT excludes after tax impact of restructure costs, transaction costs, acquisition-related and one-time share-based payment expense, and amortisation of acquisition related intangibles.

Appen

Cash flow summary

	H1 FY26	H1 FY25
Receipts	107.3	122.1
Payments and other	(110.0)	(109.2)
Cash flow - operations before interest and tax	**(2.7)**	**12.9**
Net interest	0.3	0.4
Taxes	(1.7)	(0.1)
Net cash used in / from operating activities	**(4.1)**	**13.2**
Cash flows – investing activities	(9.2)	(7.3)
Cash flows – financing activities	(2.7)	(2.4)
Net cash flow for the period	**(16.0)**	**3.5**
Opening cash balance	59.8	54.8
FX impact	0.9	2.6
Closing cash balance	**44.7**	**60.9**

Cash flow reconciliation

Underlying EBITDA	3.7	(2.8)
Net working capital	(6.4)	15.7
Cash flow from operations before interest and tax	**(2.7)**	**12.9**
Underlying EBITDA cash conversion	nm%	nm%

Commentary

- Cash balance of $44.7 million (AUD 64.8 million[1]), despite the decrease a strong balance remains
- Cash flow used in operations impacted by timing of customer receipts, annual payments during the period, and working capital required to support strong Appen China growth
- Cash flow from operations in H1 FY25 was positively impacted by the receipt of a payment from a major customer in the first week of January 2025 versus December 2024 as scheduled
- Cash used in investing activities $1.9 million higher compared to H1 FY25, due to higher investment in product development and new facilities for the Appen China division
- Cash used in financing activities of $2.7 million reflects lease payments
- Cash used to fund operations and capex

1. Converted at 30 June 2026 exchange rate of 0.6894

Appen

Strategy & operational update

Ryan Kolln

Appen

AI model performance is driven by bespoke, real-world data

AI building blocks

Compute
Abundant and commoditizing

Data
Scarce, and the source of lasting differentiation

Algorithms
Open and largely commoditised

Public data

Largely exhausted, already captured in existing models

Provides little ability to differentiate

Appen

Real-world data

Unique data that enables new AI approaches

Brings real-world human expertise and reinforcement learning environments to improve and evaluate models

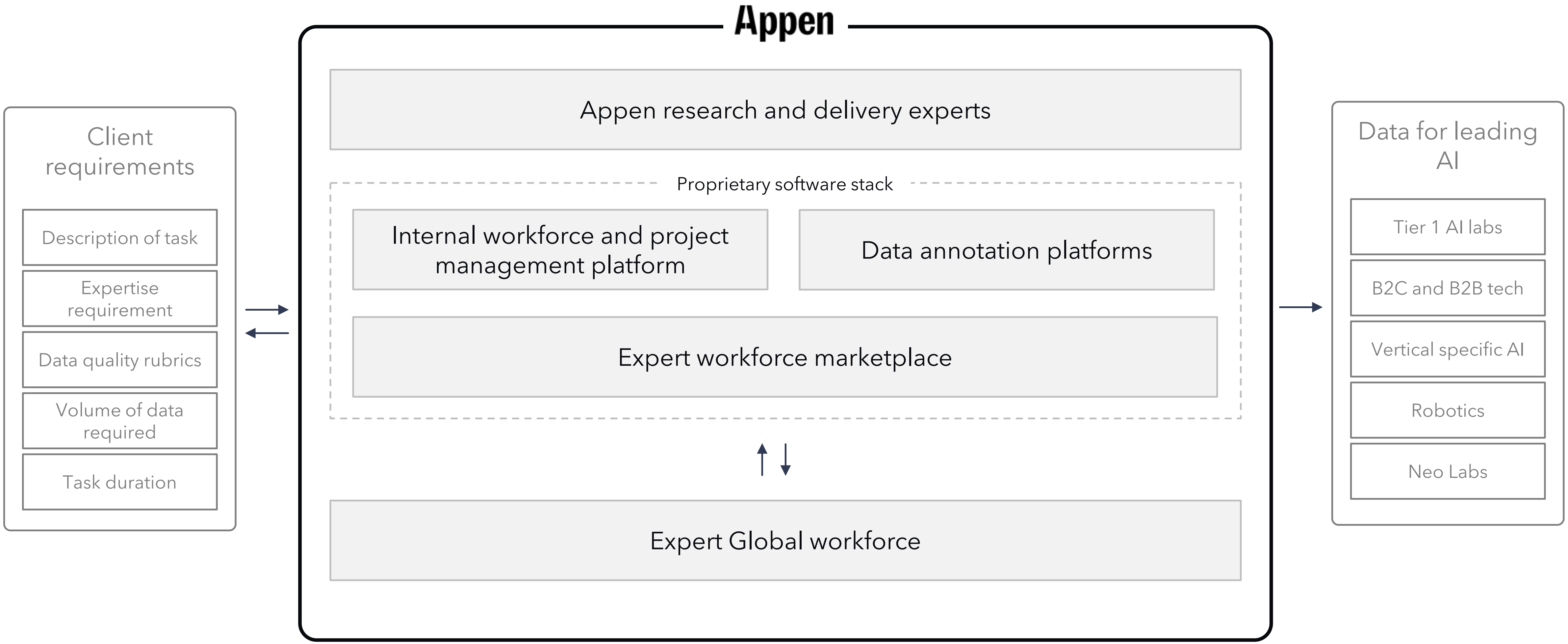
Synthetic data

Reliant on other models to produce

Does not solve new or novel situations

Can result in model collapse

Appen creates data for leading model builders



A global expert workforce built for Generative AI

1M+	Workforce
100+	Domains covered
24%	Masters or PhD level education
200+	Countries and cultures
500+	Languages and dialects

Domain expertise across industries

Thousands of verified experts in each domain

Computer Science	Linguistics	Math	Statistics	Biology
Chemistry	Psychology	Economics	Finance	Law
Health Science	Nursing	Engineering	Accounting	Music
Business	Consulting	Graphic Design	Marketing	Data Science

Appen

Examples of how Appen supports its customers

01 LLM training data

Supervised fine-tuning, RLHF and preference annotation, chain-of-thought trajectory labeling, pre-training data production

02 Multimodal data

Text-to-image annotation, aesthetic scoring, video labeling, embodied intelligence data

03 Speech and audio

Text-to-speech collection, ASR evaluation, dialect and multilanguage audio across 60+ languages

04 Domain expert annotation

Medical, scientific (PhD-level maths and biology), legal and financial

05 Model evaluation

LLM and vision language model benchmarking, GUI agent eval, search quality

06 Computer vision and physical AI

Autonomous driving, robotics, smart home, AR/VR, embodied AI

07 RL environments

Data and environments to support reinforcement learning training techniques

08 Off-the-shelf datasets

Pre-built dialect, minor language, image editing, company data and coding repository sets

09 Platform and tooling

On-premise annotation platform deployments and SaaS licensing for enterprise AI teams

Appen's services now include highly engineered datasets for LLM training

DATASET CATOGORY	EXAMPLES INCLUDED	SCALE AVAILABLE	STATUS
Audio catalog for speech models	Real-world and simulated call-centre / dictation audio, 15+ languages	~200k raw hours across 58 language/domain lines	EXISTING
Reinforcement learning tasks & validators	RL tasks, verifiers and agentic trajectories for enterprise domains	>10 task categories – software engineering, healthcare, support	NEW
Code repositories	Production commercial codebases with full commit history, PRs and metrics	>500 repositories, >500k commits captured	NEW
Book corpuses	Text and academic corpora – training sets, journals, course textbooks	~10 LLM-training sets, ~20 academic journal corpora	NEW
Enterprise data for agent training	Full operational data estates – Slack, GitHub, CRM, email, financials	~25 enterprise datasets, including full codebase access	NEW
Other standalone datasets	Multimodal sets – STEM Q&A, medical dictation, SOAP notes, infographics	>1m Q&A pairs; >1.2m images	NEW

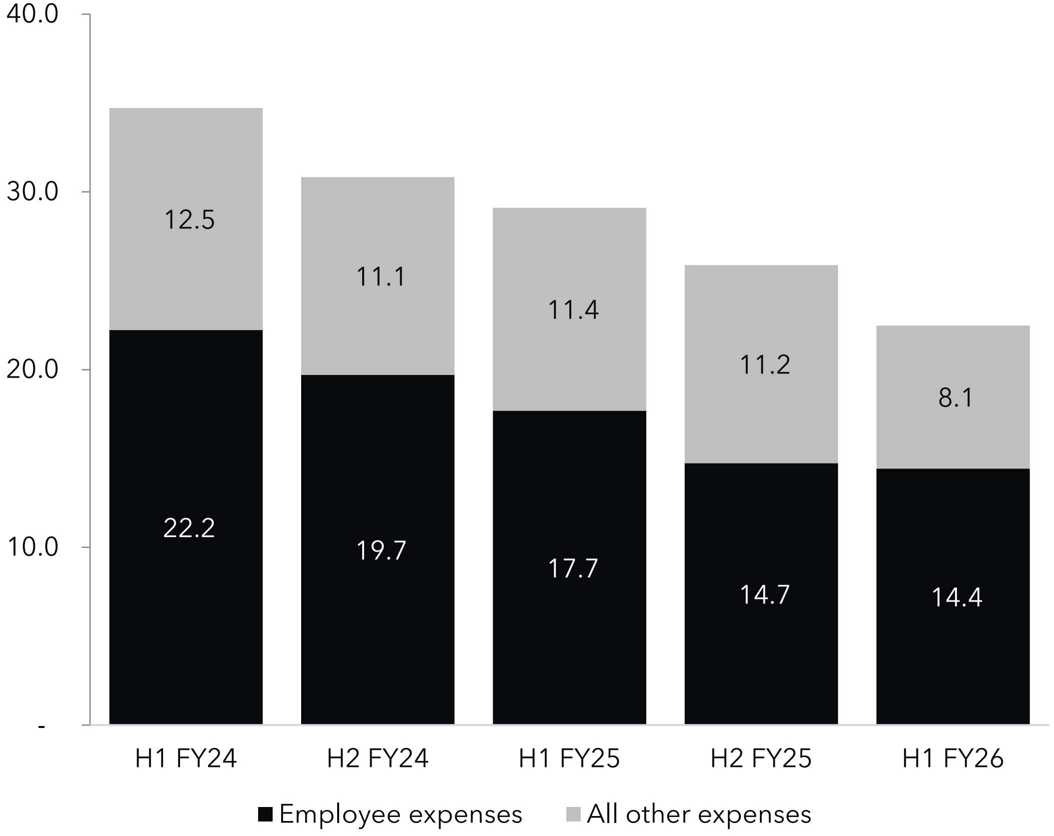
Appen

Dedicated operations to cover major AI markets

	Regions covered	Customer segments	Technology and operations	Demand drivers
Appen GLOBAL	USA Europe	Hyperscalers Foundational AI Vertical AI	Dedicated operations and technology stack	Expanding AI capabilities New customers New data modalities
Appen CHINA	China Japan Korea	Chinese big tech Foundational AI Vertical AI	Dedicated operations and technology stack	Expanding AI capabilities New data modalities International expansion

Ongoing Opex focus within Appen Global

Appen Global Opex[1,2]



Commentary

- Appen Global technology roadmap continues to deliver operational efficiencies in the business
- Approximately $12 million in incremental annualised cost efficiencies identified and will be executed over the remainder of FY26 and Q1 FY27
- ~70% planned to be executed by the end of Q4 FY26 and the balance by the end of Q1 FY27
- There has been no operational impact of cost out executed to date

1. Employee expense and direct project workers included in gross margin calculation (i.e. crowd expenses).
2. All other expenses are all expenses included in underlying EBITDA before FX less employee expenses.

FY26 outlook & guidance

Ryan Kolln

Appen

FY26 outlook & guidance

The Company remains confident on the AI data market, and the potential for Appen to meaningfully contribute to the development of leading foundation models.

The Company continues to see positive signals on LLM related growth including from Appen Global and Appen China customers.

We remain highly focused on driving technology led efficiencies across our operations.

As in previous years, Appen Global revenue continues to be mostly derived from project-based work and seasonality skews revenue to H2.

Considering this, Appen reaffirms the following FY26 group guidance:

Revenue of $270 - $300 million; and

Underlying EBITDA (before FX) margin of ~5-10%

Appen

Appendix

Appen

Appendix 1: Appen operating and reporting segments

Appen Global	Appen China
This segment represents all operations outside of the China Group. All project types and data modalities Corporate unallocated costs are not included in this segment (listing fees, directors fees etc. that are not applicable to operating the segment)	This segment represents the China Group operations and includes China, Japan and Korea customers. All project types and data modalities

Appen

Appendix 2: Balance sheet

	Jun 2026	Dec 2025
Cash	44.7	59.8
Receivables	37.7	36.5
Contract assets	30.7	17.9
Other current assets	9.8	8.5
Non-current assets	30.6	29.8
Total assets	**153.5**	**152.5**
Current liabilities	54.8	47.4
Non-current liabilities	5.7	10.5
Total liabilities	**60.5**	**57.9**
Net Assets	**93.0**	**94.6**
Total equity	**93.0**	**94.6**

Commentary

- Cash balance of $44.7 million (AUD 64.8 million[1]), despite the decrease a strong balance remains
- Receivables and contract assets combined increased $14 million predominately due to timing of customer receipts and strong growth of Appen China which has a longer collection cycle compared to Appen Global
- Current liabilities $7.4 million higher mainly due to an increase in contract liabilities aligned to the growth of the Appen China segment and timing of trade & other payables
- Non-current liabilities $4.8 million lower due to a decrease in lease liabilities and deferred tax liabilities

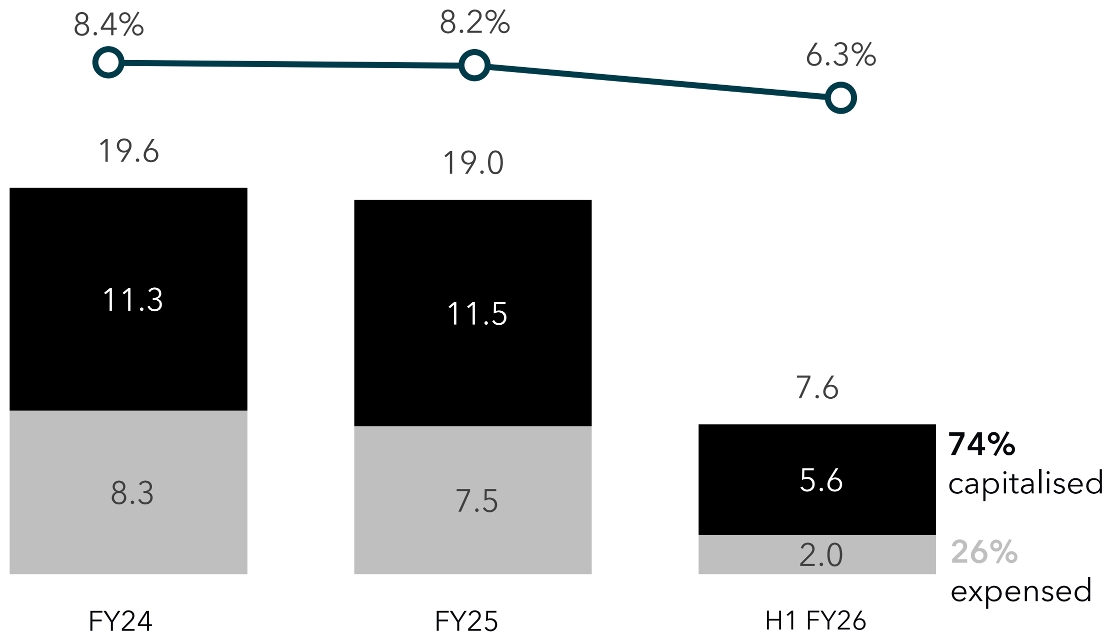
1. Converted at 30 June 2026 exchange rate of 0.6894

Appen

Appendix 3: Investment in product development

Investment in product development[1]

Product development (exc. amortisation) as a % of revenue



Commentary

- $7.6 million investment in product development during H1 FY26. Overall spend is reducing due to technology led efficiencies and does not reflect a reduction in product development activities and output
- ~74% of spend capitalised, up on FY25 due to increased effort on development vs. maintenance as well as reduction in overall spend. 6.3% of revenue reinvested in product development
- H2 FY26 investment in product development expected to be contained within existing product and engineering spend
- Appen remains committed to the development of industry-leading products and tools to deliver high-quality data for our customers, including supporting generative AI

1.Product development relates to investment in engineering to ensure our AI data platform and tools support our clients and their use cases, drive efficiencies and scale. These amounts exclude amortization expense.

Appen

Appendix 4: Reconciliation between statutory and underlying results

	Half-year ended 30-Jun-26 $000	Half-year ended 30-Jun-25 $000	Change
Underlying net loss after tax (NPAT)[1]	(4,204)	(12,240)	65.7%
Less underlying adjustments (net of tax)			
Amortisation of acquisition-related identifiable intangible assets	(191)	(6,266)	
Restructure costs	(59)	(705)	
Transaction costs	0	(46)	
Acquisition-related and one-time share-based payments	-	(6)	
Statutory NPAT	(4,454)	(19,263)	76.9%
Add: tax benefit	(29)	(21)	
Add: net interest income	(23)	(33)	
EBIT[2]	(4,506)	(19,317)	76.7%
Add: depreciation and amortisation	8,110	15,511	
Statutory EBITDA[3]	3,604	(3,806)	nm%
Add: underlying adjustments			
Restructure costs	59	903	
Transaction costs	-	66	
Acquisition-related and one-time[3] share-based payments	-	6	
Underlying EBITDA[1]	3,663	(2,831)	nm%
Net foreign exchange gain	1,673	681	
Underlying EBITDA excluding FX [1]	5,336	(2,150)	nm%
Statutory diluted earnings per share (cents)	1.67	(7.31)	
Underlying diluted earnings per share (cents)	1.57	(4.65)	
% Statutory EBITDA/sales revenue	3.0%	(3.7%)	
% Underlying EBITDA/sales revenue	3.1%	(2.7%)	
% Underlying EBITDA before FX/sales revenue	4.5%	(2.1%)	

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 restructure costs, transaction costs, and acquisition-related and one-time share-based payments expense.
2. EBIT is defined as earnings before interest and tax.
3. EBITDA is EBIT before depreciation and amortisation.

Appen

Thank you