Appen

ASX Announcement

27 August 2026

Appendix 4D and Interim Financial Report

In accordance with ASX Listing Rule 4.2A, Appen Limited (Appen) (ASX:APX) provides the attached Appendix 4D and Interim Financial Report for the half-year ended 30 June 2026.

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.

Appen Limited
Appendix 4D
Results for announcement to the market

Appen

Company details

Name of entity:	Appen Limited
ASX code:	APX
ABN:	60 138 878 298
Reporting period:	**For the half-year ended 30 June 2026**
Corresponding period:	For the half-year ended 30 June 2025

All monetary references in this Appendix 4D and the attached Interim Report for the half-year ended 30 June 2026, are references in US Dollars ($ or US$), unless otherwise stated.

Results for announcement to the market

Half-year ended 30 June 2026

				$000
Revenue and other income from ordinary activities	up	17.0%	to	120,776
Loss from ordinary activities after tax attributable to the Group	improved	76.9%	to	(4,454)
Loss for the period attributable to the owners of the Group	improved	76.9%	to	(4,454)

Dividends

To ensure appropriate allocation of capital, the Directors have determined not to pay an interim dividend for the half-year ended 30 June 2026.

There is no current dividend reinvestment plan in place.

Net tangible assets

	Reporting period Cents	Corresponding period Cents
Net tangible assets per ordinary security	28.07	27.79

Additional information supporting the Appendix 4D disclosures can be found in the Interim Report for the half-year ended 30 June 2026 attached, which has been reviewed by KPMG.

Appen Limited

ABN 60 138 878 298

Interim Report – 30 June 2026

Appen Limited
Interim Report for the half-year ended 30 June 2026
Contents

Appen Limited
Interim Report for the half-year ended 30 June 2026
Corporate directory

Directors	Vanessa Liu - Chair Ryan Kolln – Chief Executive Officer (CEO) and Managing Director Stuart Davis Steve Hasker Robin Low Lynn Mickleburgh
Registered office	Level 8, 1 Market Street Sydney NSW 2000 +61 2 9468 6300 www.appen.com
Company secretary	Jaime Frasca Leanne Ralph
Investor relations	investorrelations@appen.com www.appen.com/investors
Shareholder enquiries	MUFG Corporate Markets Locked Bag A14 Sydney South NSW 1235 +61 1300 554 474 support@cm.mpms.mufg.com au.investorcentre.mpms.mufg.com
Auditor	KPMG Tower Three International Towers Sydney 300 Barangaroo Avenue Sydney NSW 2000
Stock exchange listing	Appen Limited shares are listed on the Australian Securities Exchange (ASX code: **APX**)

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the "Group" or "Appen") consisting of Appen Limited (referred to hereafter as the "Company" or "parent entity") and the entities it controlled at the end of, or during, the half-year ended 30 June 2026 ("half-year" or "period").

Directors
The following persons were Directors of Appen Limited during the whole of the half-year and up to the date of this report, unless otherwise stated:

Vanessa Liu - Chair
Ryan Kolln – Chief Executive Officer (CEO) and Managing Director
Stuart Davis
Steve Hasker
Robin Low
Lynn Mickleburgh

Principal activities
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.

Appen has two operating segments that are aligned to market opportunities and customer needs:

- **Appen Global:** this segment represents all operations outside of the China Group. Corporate unallocated costs are not included in this segment.
- **Appen China:** this segment represents the China Group operations and includes Japan and Korea.

Operating and financial review (OFR)
The following table summarises the Group's financial results for the current and prior period and provides a reconciliation between statutory and underlying results

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

	Half-year ended 30 June 2026 $000	Half-year ended 30 June 2025 $000	Change %
Appen China revenue	**76,196**	42,245	80.4%
Appen Global revenue	**43,719**	59,827	(26.9%)
Other income	**861**	1,120	(23.1%)
Total sales revenue and other income from principal activities	**120,776**	103,192	17.0%
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	**-**	(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 share-based payments	**-**	6	
Underlying EBITDA[1]	**3,663**	(2,831)	nm%
Add: Net foreign exchange loss	1,673	681	
Underlying EBITDA[1] before FX	**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.

Overview
Appen delivered $119.9 million operating revenue in H1 2026 and a 17.5% increase from H1 2025. Underlying EBITDA (before FX) improved by $7.5 million to $5.3 million (H1 2025: loss of 2.2 million).

There was continued strong performance from Appen China, reflected by operating revenue of $76.2 million, 80.4% up from $42.2 million in H1 2025. Appen Global has made solid progress, however revenue of $43.7 million was 26.9% down from $59.8 million in H1 2025. Pleasingly for Appen Global, outside of the largest client, Q2 2026 revenue grew 65.2% on Q1 2026, reflecting growth from projects that were directly related to some of the most innovative AI releases in Q2 2026.

Financial performance highlights
- **Group revenue and other income** increased 17.0% to $120.8 million (H1 2025: $103.2 million).
- **Operating revenue** increased 17.5% to $119.9 million (H1 2025: $102.1 million).
- **Appen China revenue** grew 80.4% to $76.2 million (H1 2025: $42.2 million).
- **Appen Global revenue** down 26.9% to $43.7 million (H1 2025: $59.8 million).
- **Underlying EBITDA** (before the impact of foreign exchange losses) improved by $7.5 million to $5.3 million profit (H1 2025: loss of $2.2 million).
- **Underlying EBITDA** (including the impact of foreign exchange losses) improved by $6.5 million to $3.7 million profit (H1 2025: loss of $2.8 million).
- **Underlying net loss after tax** improved by $8.0 million to $4.2 million (H1 2025: loss of $12.2 million).
- **Statutory net loss after tax** improved by $14.8 million to $4.5 million (H1 2025: loss of $19.3 million).
- **Cash balance** as at 30 June 2026 was $44.7 million, and the Group has no debt.
- **Nil dividend** to ensure appropriate allocation of capital.

Group revenue and customer diversification
Group operating revenue increased 17.5% to $119.9 million (H1 2025: $102.1 million). The increase reflects strong growth from Appen China, offset by Appen Global which continues to make solid progress to capture growth in the generative AI market and to diversify revenue.

During the half, approximately 67.9% (H1 2025: 71.4%) of the Group's revenue was derived from the top five customers.

Excluding Google, generative AI related revenue represented 29.0% of total revenue, up from 24.6% in H1 2025.

Revenue by operating divisions
Appen China revenue increased 80.4% to $76.2 million (H1 2025: $42.2 million). The growth continues to be driven by generative AI related projects, including supporting international expansion for Chinese technology companies.

Appen Global revenue decreased 26.9% to $43.7 million (H1 2025: $59.8 million). The decrease reflects a reduction in volumes for some existing projects, however Appen Global has made good progress in H1 2026 capturing growth in the generative AI market and diversifying revenue.

Underlying financial performance
Before the impact of foreign exchange losses, underlying earnings before interest, tax, depreciation, and amortisation (EBITDA) improved by $7.5 million to $5.3 million (H1 2025: loss of $2.2 million).

Underlying EBITDA (including foreign exchange losses) improved by $6.5 million to $3.7 million (H1 2025: loss of $2.8 million).

Cost of sales, which is predominantly crowd and project employee expenses was up as a percentage of revenue at 63.3% compared to 63% for H1 2025. This was driven by the customer and project mix.

Operating expenses (excluding share-based payments, transaction costs, restructuring costs, depreciation and amortisation) for H1 2026 decreased 4.5% to $37.9 million (H1 2025: $39.7 million). The decrease reflects prudent cost management which includes some operating expense investment in Appen China's strong growth.

Appen China EBITDA increased by 315.5% to $12.1 million (H1 2025: $2.9 million). The substantial improvement reflects revenue growth, improved overall gross margin percentage, and operating leverage as project volumes increase.

Appen Global reported an EBITDA loss of $4.5 million, an increase of 25.6% from a loss of $3.6 million in H1 2025. The increase reflects the decrease in revenue and gross margin, partially offset by operating expense reduction compared to H1 2025.

Underlying net loss after tax was $4.2 million compared to $12.2 million loss in H1 2025, an improvement of $8.0 million.

Statutory net loss after tax of $4.5 million (1H 2025: loss of $19.3 million) includes $0.2 million amortisation in relation to acquisitions and $0.1 million restructure costs.

Appen continues to focus on prudent cost management and realising cost efficiencies from the expanded use of AI in operations.

Balance sheet

Cash balance decreased by $15.1 million to $44.7 million at 30 June 2026 (31 December 2025: $59.8 million).

Trade and other receivables were $37.7 million at 30 June 2026 (31 December 2025: $36.5 million) and the increase was primarily driven by timing of collections.

Current liabilities were $54.8 million at 30 June 2026 (31 December 2025: $47.4 million), the increase primarily due to timing of trade creditor payments.

Net assets decreased to $93.0 million (31 December 2025: $94.6 million).

Product development

Technology continues to play a critical role in Appen's business and underpins our ability to deliver large scale data requirements for our customers. Investment in product development in H1 2026 (excluding amortisation) decreased 20.5% to $7.5 million and represented 6.3% of revenue (H1 2025: $9.5 million, 9.3% of revenue).

Strategy and focus

Appen plays a key role in powering both deep learning applications and generative AI. As AI adoption accelerates, Appen's role as a provider of high-quality, human-sourced data is more critical than ever. Appen will continue to leverage its position as a global leader in high-quality data to deliver great outcomes for its customers. In the near-term, Appen remains focused on the following to support its customers and deliver profitable growth.

1. **Data Quality:** A relentless pursuit of high data quality, the north star for all areas of our operations, technology and talent.
2. **Customer Growth:** An intense go-to-market focus on market segments with highest account potential, predominantly hyper-scalers and foundation model builders.
3. **New data segments:** Expand into data modalities and techniques through co-innovation with our customers.
4. **Operational efficiency:** Continued technology-led efficiencies across our operations.

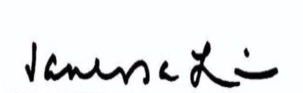
Dividends
To ensure appropriate allocation of capital, the Directors have determined not to pay an interim dividend for the half-year ended 30 June 2026.

Matters subsequent to the end of the half-year
The Directors are not aware of any other matter or circumstance not otherwise dealt with in this report that has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

Auditor's Independence declaration
A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Vanessa Liu
Non-Executive Chair

27 August 2026

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Appen Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Appen Limited for the half-year ended 30 June 2026 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Julie Cleary

Partner

Sydney

27 August 2026

Appen Limited
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 30 June 2026

	Note	30 Jun 26 $000	30 Jun 25 $000
Revenue			
Revenue from contract with customers	5	119,915	102,072
Other income		580	720
Interest income		281	400
Expenses			
Crowd service costs		(54,276)	(51,218)
Project employee expenses	6	(21,646)	(13,058)
Employee expenses	6	(25,912)	(25,546)
Recruitment costs		(766)	(1,207)
Professional fees		(1,890)	(2,635)
Information technology costs		(5,740)	(6,403)
Communication and travel expenses		(1,102)	(1,116)
Other expenses		(3,028)	(3,506)
Depreciation and amortisation	6	(8,110)	(15,511)
Share-based payments expense	6	(799)	(259)
Net foreign exchange loss		(1,673)	(681)
Transaction costs	6	-	(66)
Restructure costs		(59)	(903)
Finance costs	6	(258)	(367)
Loss before income tax		**(4,483)**	**(19,284)**
Income tax benefit		29	21
Loss after income tax for the period attributable to the owners of the Group		**(4,454)**	**(19,263)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Loss on fair valued investment		-	(1,019)
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		2,062	2,558
Other comprehensive income for the period, net of tax		2,062	1,539
Total comprehensive loss for the period attributable to the owners of the Group		**(2,392)**	**(17,724)**

		Cents	Cents
Basic earnings per share	13	(1.67)	(7.31)
Diluted earnings per share	13	(1.67)	(7.31)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Appen Limited
Consolidated statement of financial position
As at 30 June 2026

	Note	30 Jun 26 $000	31 Dec 25 $000
Assets			
Current assets			
Cash and cash equivalents		44,705	59,824
Trade and other receivables	7	37,674	36,533
Contract assets	8	30,677	17,898
Inventory		566	599
Prepayments and other assets		5,587	5,098
Income tax receivables		3,726	2,742
Total current assets		**122,935**	**122,694**
Non-current assets			
Prepayments and other assets		922	843
Investments	11	500	500
Intangible assets	9	17,630	15,808
Property, plant and equipment		5,867	4,840
Right of use assets	10	5,577	5,286
Deferred tax assets		52	2,494
Total non-current assets		**30,548**	**29,771**
Total assets		**153,483**	**152,465**
Liabilities			
Current liabilities			
Trade and other payables		35,673	29,100
Provisions		2,232	1,824
Contract liabilities		13,044	12,306
Lease liabilities	10	3,808	4,154
Total current liabilities		**54,757**	**47,384**
Non-current liabilities			
Trade and other payables		60	62
Provisions		357	273
Lease liabilities	10	3,618	5,249
Deferred tax liabilities		1,680	4,893
Total non-current liabilities		**5,715**	**10,477**
Total liabilities		**60,472**	**57,861**
Net assets		**93,011**	**94,604**
Equity			
Issued capital	12	366,714	366,714
Reserves		133,742	130,881
Accumulated losses		(407,445)	(402,991)
Total equity		**93,011**	**94,604**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

	Issued capital $000	Reserves $000	Accumulated losses $000	Total equity $000
Balance at 1 January 2026	**366,714**	**130,881**	**(402,991)**	**94,604**
Loss after income tax expense for the period	-	-	(4,454)	(4,454)
Other comprehensive income, net of tax	-	2,062	-	2,062
Total comprehensive loss for the period	-	2,062	(4,454)	(2,392)
Transactions with owners in their capacity as owners:				
Share-based payments	-	799	-	799
Balance at 30 June 2026	**366,714**	**133,742**	**(407,445)**	**93,011**

	Issued capital $000	Reserves $000	Accumulated losses $000	Total equity $000
Balance at 1 January 2025	**366,714**	**128,775**	**(381,173)**	**114,316**
Loss after income tax expense for the period	-	-	(19,263)	(19,263)
Other comprehensive income, net of tax	-	1,539	-	1,539
Total comprehensive loss for the period	-	1,539	(19,263)	(17,724)
Transactions with owners in their capacity as owners:				
Share-based payments	-	259	-	259
Balance at 30 June 2025	**366,714**	**130,573**	**(400,436)**	**96,851**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Appen Limited
Consolidated statement of cash flows
For the half-year ended 30 June 2026

	30 Jun 26 $ 000	30 Jun 25 $ 000
Cash flows from operating activities		
Receipts from customers (GST inclusive)	107,266	122,119
Payments to suppliers and employees (GST inclusive)	(109,990)	(109,230)
Interest received	281	400
Interest and other finance costs paid	(4)	(5)
Income tax paid	(1,699)	(131)
Net cash (used in) / from operating activities	**(4,146)**	**13,153**
Cash flows from investing activities		
Payments for property, plant and equipment	(2,099)	(893)
Proceeds from disposal of plant and equipment	4	-
Payments for intangibles	(7,121)	(6,413)
Net cash used in investing activities	**(9,216)**	**(7,306)**
Cash flows from financing activities		
Lease payments	(2,678)	(2,397)
Net cash used in financing activities	**(2,678)**	**(2,397)**
Net (decrease) / increase in cash and cash equivalents	(16,040)	3,450
Cash and cash equivalents at the beginning of the year	59,824	54,809
Effect of foreign exchange rate changes	921	2,606
Cash and cash equivalents at the end of the financial half-year	**44,705**	**60,865**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Note 1. General information

The financial statements cover Appen Limited as a Group consisting of Appen Limited (the 'Company') and the entities it controlled (collectively referred to as the 'Group'), at the end of, or during the half-year. The financial statements are presented in US dollars, which is the Group's presentation currency.

Appen Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 8
1 Market Street
Sydney NSW 2000

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 27 August 2026.

Note 2. Material accounting policies

These general purpose financial statements for the interim half-year reporting period ended 30 June 2026 have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

This half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and outlook of the Group as the full-year annual report. It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 31 December 2025 and considered together with any public announcements made by the Group during the half-year to 30 June 2026, in accordance with the continuous disclosure requirements of the ASX Listing Rules and the *Corporations Act 2001*. The accounting policies are consistent with those of the previous financial year and corresponding interim financial period, unless stated otherwise.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new, revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

The Group incurred a loss after tax for the half-year ended 30 June 2026 of $4,454,000 (year to 31 December 2025: $21,818,000). The Group has net assets of $93,011,000 (31 December 2025 $94,604,000) and net current assets of $68,178,000 (31 December 2025 $75,310,000).

Cash and cash equivalents at 30 June 2026 were $44,705,000 (31 December 2025 $59,824,000). Operating cash outflow for the half-year was $4,146,000 (year to 31 December 2025 inflow $22,966,000).

Investing cash outflow (including product development costs) for the half-year was $9,216,000 (year to 31 December 2025 $16,637,000). Financing cash outflow for the half-year was $2,678,000 (year to 31 December 2025 $4,848,000).

There are no debt facilities in place.

The going concern basis presumes that the Group will continue to fulfil all obligations as and when they fall due for the foreseeable future and that the realisation of assets and settlement of liabilities will occur in the normal course of business.

Management have prepared 18-month cashflow forecasts underpinning the basis of preparation as a going concern.

Based on the cashflow forecasts and the available liquidity, the directors of Appen consider that the Group will continue to fulfil all obligations as and when they fall due for the foreseeable future and accordingly consider that the Group's financial statements should be prepared on a going concern basis.

Note 3. Critical accounting judgements, estimates and assumptions

Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, that management believes to be reasonable under the circumstances. The judgements, estimates and assumptions that may cause an adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are as follows:

Share-based payment transactions
The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. At each reporting date, management reviews the number of performance rights that are expected to vest, based on the likelihood of fulfilling the vesting conditions.

Capitalisation of product development costs
The Group uses a degree of judgement in order to determine if product development costs satisfy the recognition and measurement criteria to be capitalised as an asset in accordance with AASB 138 *Intangible Assets*. This includes the use of Appen's project management system to tag each project undertaken by the engineering team, as either new feature development or maintenance.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets for each cash-generating unit at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Expected credit losses
The provision for expected credit losses assessment requires a degree of estimation and judgement, based on review and circumstances of each amount overdue including recent sales experience and historical collection rates and forward-looking information that is available.

Note 4. Operating segments

Identification of operating and reportable operating segments
Appen's operating and reportable operating segments are aligned to market opportunities and customer needs. Appen assesses its business performance and how decisions are made by the Group based on the following operating segments:

- **Appen Global:** this segment represents all operations outside of the China Group. Corporate unallocated costs are not included in this segment.

- **Appen China:** this segment represents the China Group operations and includes Japan and Korea.

These operating segments are based on the internal reports that are provided to the CEO in his capacity as the Chief Operating Decision Maker (CODM) of the Appen Group, in order to assess performance and growth of the business and to determine where to allocate resources. The CODM reviews a set of financial reports which covers EBITDA (earnings before interest, tax, depreciation and amortisation), underlying EBITDA, revenue and operating segment reports on a monthly basis. The accounting policies adopted for internal reporting to the CEO/CODM are consistent with those adopted in this financial report.

Note 4. Operating segments – continued

Segment information
The following tables show revenue and EBITDA for the reportable segments for the half-year ended 30 June 2026 and 30 June 2025.

30 June 2026	Appen Global $000	Appen China $000	Corporate unallocated $000	Total $000
Revenue	43,719	76,196	-	119,915
Other income	-	250	330	580
Interest	-	11	270	281
Total revenue and other income	**43,719**	**76,457**	**600**	**120,776**
Segment EBITDA	**(4,480)**	**12,125**	**(1,510)**	**6,135**
Share-based payment – employees				(799)
Foreign exchange losses				(1,673)
Group underlying EBITDA				**3,663**
Depreciation and amortisation				(8,110)
Net interest income				23
Restructure costs				(59)
Loss before income tax				**(4,483)**
Income tax benefit				29
Loss after income tax				**(4,454)**

30 June 2025	Appen Global $000	Appen China $000	Corporate unallocated $000	Total $000
Revenue	59,827	42,245	-	102,072
Other income	-	336	384	720
Interest	-	4	396	400
Total revenue and other income	**59,828**	**42,584**	**780**	**103,192**
Segment EBITDA	(3,578)	2,918	(1,237)	(1,897)
Share-based payment – employees				(253)
Foreign exchange losses				(681)
Group underlying EBITDA				**(2,831)**
Depreciation and amortisation				(15,511)
Net interest income				33
Restructure costs				(903)
Acquisition-related and one-time share-based payments				(6)
Transaction costs				(66)
Loss before income tax				**(19,284)**
Income tax benefit				21
Loss after income tax				**(19,263)**

Note 4. Operating segments – continued

Geographical information	**Revenue**		**Non-current assets**	
	30 Jun 26 $000	**30 Jun 25 $000**	**30 Jun 26 $000**	**31 Dec 25 $000**
United States of America	37,628	51,871	11,162	10,582
China	76,206	42,050	13,254	10,730
Australia	1,891	4,867	1,184	3,847
Other	4,190	3,284	4,948	4,612
Total	**119,915**	**102,072**	**30,548**	**29,771**

Geographical information is represented based on the location of the legal entities who possess the ownership of the assets and the customer contracts.

Note 5. Revenue

Revenue is disaggregated by the operating segments from which revenue is derived.

30 June 2026	**Appen Global**	**Appen China**	**Corporate unallocated**	**Total**
	$000	**$000**	**$000**	**$000**
Revenue	43,719	76,196	-	119,915
Total revenue	**43,719**	**76,196**	**-**	**119,915**

30 June 2025	**Appen Global**	**Appen China**	**Corporate unallocated**	**Total**
	$000	**$000**	**$000**	**$000**
Revenue	59,827	42,245	-	102,072
Total revenue	**59,827**	**42,245**	**-**	**102,072**

The prior period results have been restated to conform with the new segment presentation and enable comparability.

Note 6. Expenses

	30 Jun 26 $000	30 Jun 25 $000
Depreciation and amortisation:		
Depreciation		
Plant and equipment	1,089	577
Right of use assets	1,578	1,117
Depreciation sub-total	**2,667**	**1,694**
Amortisation		
Systems and software	22	98
Capitalised product development	4,951	5,912
Other intangibles	230	136
Amortisation sub-total	**5,203**	**6,146**
Amortisation – acquisition-related		
Capitalised product development	191	7,625
Brand	49	46
Amortisation – acquisition-related sub-total	**240**	7,671
Total depreciation and amortisation	**8,110**	**15,511**
Finance costs		
Interest and finance charges paid/payable on lease liabilities	254	362
Other interest and finance charges paid/payable	4	5
Finance costs expensed	**258**	**367**
Share-based payments		
Share-based payment in respect of Appen performance rights	799	253
Share-based payment in respect of acquisition and one-time sign-on arrangement	-	6
Total share-based payments expense	**799**	**259**
Transaction costs		
Non-capitalised equity raising fees and charges	-	66
Total transaction costs	-	**66**
Project employee expenses		
Project employee expenses	21,646	13,058
Total project employee expenses	**21,646**	13,058
Employee expenses		
Defined contribution superannuation expense	4,148	3,184
Employee expenses	21,764	22,362
Total employee expenses	**25,912**	**25,546**

Note 7. Current assets - Trade and other receivables

	30 Jun 26 $000	31 Dec 25 $000
Trade receivables	39,314	37,509
Provision for expected credit loss	(2,746)	(2,704)
Net trade receivables	36,568	34,805
Other receivables	84	827
GST/VAT receivable	1,022	901
Total trade and other receivables	**37,674**	36,533

Note 8. Current assets - contract assets

	30 Jun 26 $000	31 Dec 25 $000
Contract assets	**30,677**	**17,898**
	Movement during the period:	
Balance at the beginning of the period	**17,898**	**19,717**
Contract asset recognised	82,467	50,966
Subsequent release to billing and receivables for the half-year	(70,284)	(55,485)
Foreign currency translation	596	368
Balance at 30 June	**30,677**	**15,566**
Contract asset recognised		66,350
Subsequent release to billing and receivables for the half-year		(64,348)
Foreign currency translation		331
Balance at 31 December		**17,898**

Revenue is recognised at the amount to which the Group has the right to invoice based on the contract price and completed performance obligations. Where revenue recognised is in advance of billings (due to timing differences in the Group reporting period and customer billing cycle), a contract asset is recognised; and where cash received or billings issued are in advance of revenue recognition, a contract liability is recognised.

Note 9. Intangible assets

	System and software $000	Product development $000	Brand $000	Other intangibles $000	Total $000
Balance at 1 Jan 2025					
Cost	2,783	161,311	1,045	2,184	167,323
Accumulated amortisation and impairment	(2,306)	(132,765)	(897)	(1,180)	(137,148)
Net carrying value	**477**	**28,546**	**148**	**1,004**	**30,175**
Additions	171	11,502	-	935	12,608
Amortisation	(488)	(26,593)	(96)	(301)	(27,478)
Foreign exchange translation	3	447	11	42	503
Balance at 31 Dec 2025					
Cost	2,949	173,756	1,078	3,211	180,994
Accumulated amortisation and impairment	(2,786)	(159,854)	(1,015)	(1,531)	(165,186)
Net carrying value	**163**	**13,902**	**63**	**1,680**	**15,808**
Additions	10	5,618	-	1,493	7,121
Amortisation	(22)	(5,142)	(49)	(230)	(5,443)
Foreign exchange translation	1	109	2	32	144
Balance at 30 Jun 2026					
Cost	2,962	179,937	1,094	4,772	188,765
Accumulated amortisation and impairment	(2,810)	(165,450)	(1,078)	(1,797)	(171,135)
Net carrying value	**152**	**14,487**	**16**	**2,975**	**17,630**

Note 10. Right of use assets and lease liabilities

Right of use assets	30 Jun 26 $000	31 Dec 25 $000
Cost	32,595	30,869
Accumulated amortisation and impairment	(27,018)	(25,583)
Right of use assets - net carrying value	**5,577**	**5,286**

Lease liabilities	30 Jun 26 $000	31 Dec 25 $000
Current lease liabilities	3,808	4,154
Non-current lease liabilities	3,618	5,249
Total lease liabilities	**7,426**	**9,403**

Note 11. Non-current assets – investments

At 30 June 2026, the Group's investment in Reka is carried at fair value as follows:

Investment	Country of incorporation	Fair value	
		30 Jun 26 $000	31 Dec 25 $000
Reka	USA	500	500
Total fair value		**500**	**500**

Note 12. Equity – issued capital

	# of shares		$ 000	
	30 Jun 26	31 Dec 25	30 Jun 26	31 Dec 25
Ordinary shares - fully paid	**268,523,648**	**265,610,639**	**366,714**	**366,714**

Movements in ordinary share capital

Details	Date	# of shares	$000
Balance as at	**31 December 2025**	**265,610,639**	**366,714**
Issue of shares on exercise of performance rights	26 February 2026	2,409,271	-
Issue of shares on exercise of performance rights	1 June 2026	264,321	-
Issue of shares on exercise of performance rights	5 June 2026	239,417	-
Balance as at	**30 June 2026**	**268,523,648**	**366,714**

Note 13. Earnings per share

	30 Jun 26 $000	30 Jun 25 $000
Loss after income tax attributable to the owners of the Group	**(4,454)**	**(19,263)**

	Number	Number
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	267,346,196	263,345,271
Adjustments for calculation of diluted earnings per share:		
Rights over ordinary shares	-[1]	-[1]
Weighted average number of ordinary shares used in calculating diluted earnings per share	267,346,196	263,345,271

	Cents	Cents
Basic earnings per share	(1.67)	(7.31)
Diluted earnings per share	(1.67)	(7.31)

[1] While there are unvested performance rights at 30 June 2026 and 30 June 2025, potential ordinary shares are antidilutive when their conversion to ordinary shares would increase earnings per share or decrease loss per share. The calculation of diluted earnings per share does not assume exercise of the performance rights, or issue of potential ordinary shares that would have an antidilutive effect on earnings per share.

Note 14. Events after the reporting period

The Directors are not aware of any other matter or circumstance not otherwise dealt with in this report that has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

Appen Limited
Directors' declaration
For the half-year ended 30 June 2026

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the financial half-year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors

Vanessa Liu
Director

27 August 2026

Independent Auditor's Review Report

To the shareholders of Appen Limited

Conclusion

We have reviewed the accompanying ***Interim Financial Report*** of Appen Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Appen Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the ***Group's*** financial position as at 30 June 2026 and of its performance for the Interim Period ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The ***Interim Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2026;
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the Interim Period ended on that date;
- Notes 1 to 14 comprising material accounting policies and other explanatory information;
- The Directors' Declaration.

The ***Group*** comprises Appen Limited (the Company) and the entities it controlled at the Half year's end or from time to time during the Interim Period.

The ***Interim Period*** is the six months ended on 30 June 2026.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2026 and its performance for the Interim Period ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim Period Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

Julie Cleary

Partner

Sydney

27 August 2026