



ASX ANNOUNCEMENT

2 October 2023

Appen update on Quadrant earn out and debt facility

Appen Limited (ASX: APX) today provided an update on the expected earn out liability of Quadrant Global Pte Ltd (Quadrant) and its working capital facility.

On 13 September 2021, Appen completed the acquisition of Quadrant and made a cash payment of US\$25.3 million. A further potential payment of up to US\$20.0 million was due to be paid in February 2024, in either cash or shares, subject to Quadrant achieving certain revenue milestones in 2022 and 2023. As at 30 June 2023, the earn out liability of Quadrant was recorded in the balance sheet as US\$19.4 million.

Appen now expects the earn out liability to be no greater than US\$5.0 million which represents the lower end of any payable earn-out. The earn out liability can still be paid in either cash or shares and our current intention is to issue shares to meet the liability.

Appen's working capital facility has been resized from A\$20 million to A\$10 million. The facility remains undrawn and Appen has no current intention to draw the facility prior to its expiry on 3 January 2024.

Authorised by the Board of Appen Limited.

For more information, please contact:

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About Appen

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

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

Founded in 1996, Appen has customers and offices globally.