



## ASX Release

26 February 2025

### Investor Presentation

Further to Appen Limited's (**Appen**) (ASX:APX) announcement to the market today on its results for the year ended 31 December 2024, please find attached the presentation to be delivered to investors and analysts at 11.00am AEDT. 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/10044604-1jtxlk.html> into your browser.

**Authorised for release by the Board of Appen Limited.**

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#### 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<sup>1</sup>, in over 200 countries<sup>2</sup>, 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.

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<sup>1</sup> Self-reported.

<sup>2</sup> Self-reported, includes territories.

# 2024 full year results

26 February 2025

**Appen**



# Important Information

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**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

**01** Results and overview

**02** FY24 performance

**03** Strategy update

**04** 2025 outlook

# Results and overview

Ryan Kolln

**Appen**



# 2024 performance highlights

16% revenue growth for the full year, excluding Google

Grew China revenue for FY24 by 71%

Broke into LLM market with 28% of revenue in H2 FY24 from LLM projects

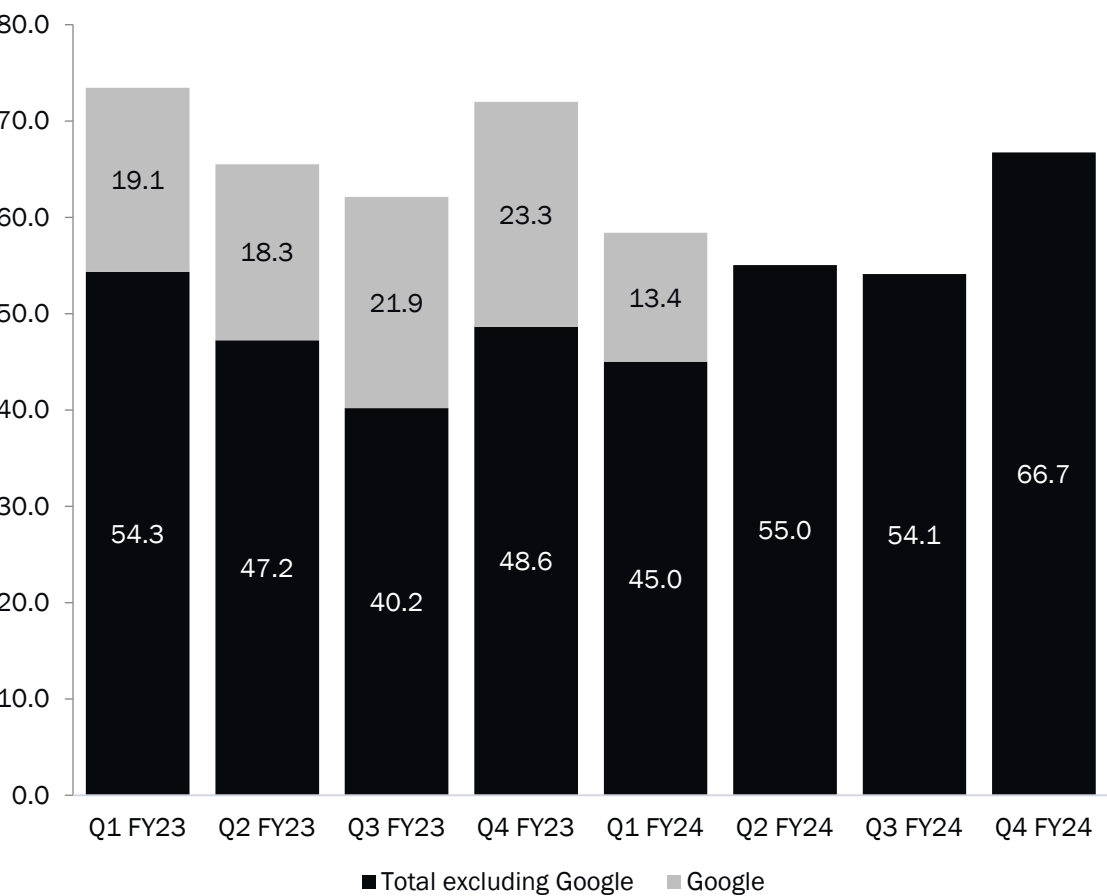
Our technology playing a more important role in project delivery for major clients

Reduced OPEX by 26% for the full year, compared to FY23

Returned to profitability with \$3.5m underlying EBITDA, a \$23.9m improvement on FY23

# Revenue growth returning

## Group revenue

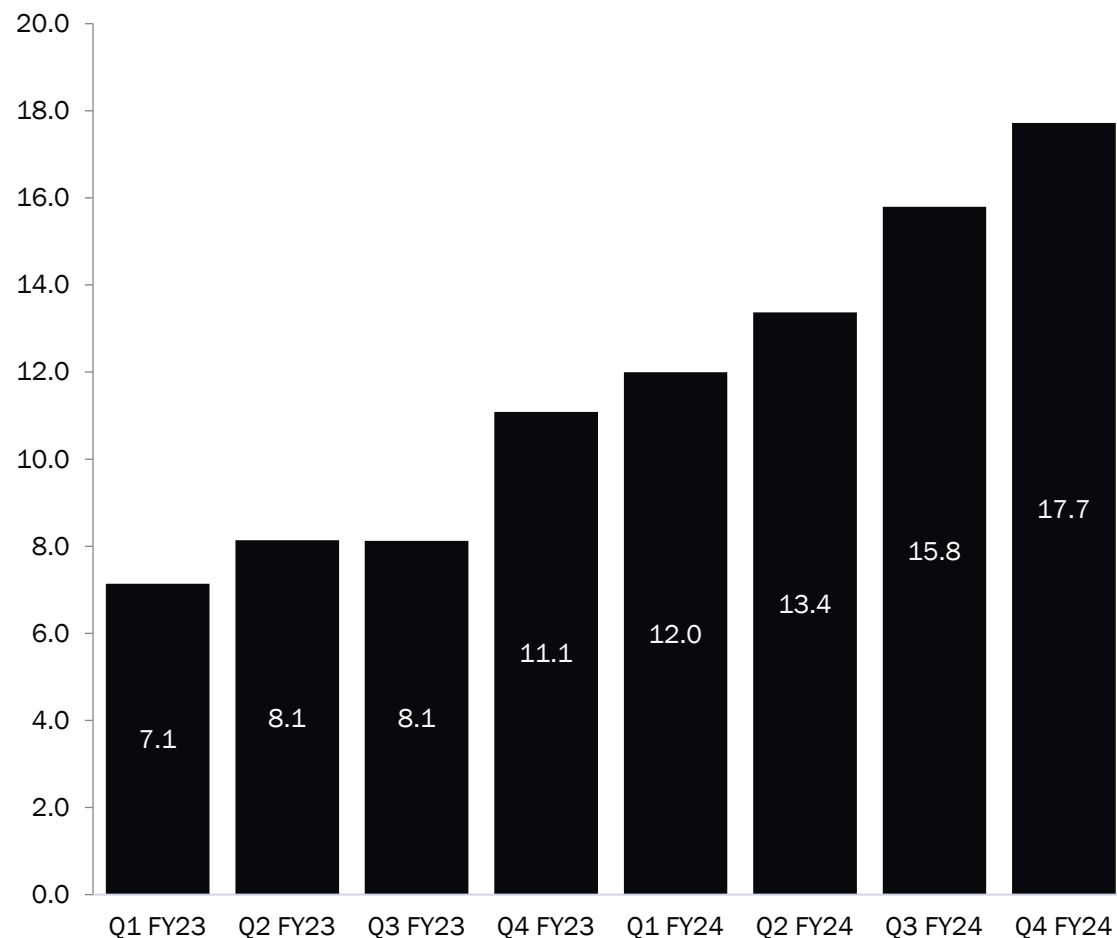


## Commentary

- Excluding the impact of Google, we are experiencing a return to revenue growth largely due to the rise of generative AI
- Excluding Google, revenue for Q4 FY24 grew 37% on pcp (from \$48.6 million in Q4 FY23)
- Growth continues to be driven by large technology customers in US and China

# China success continues

## China division revenue



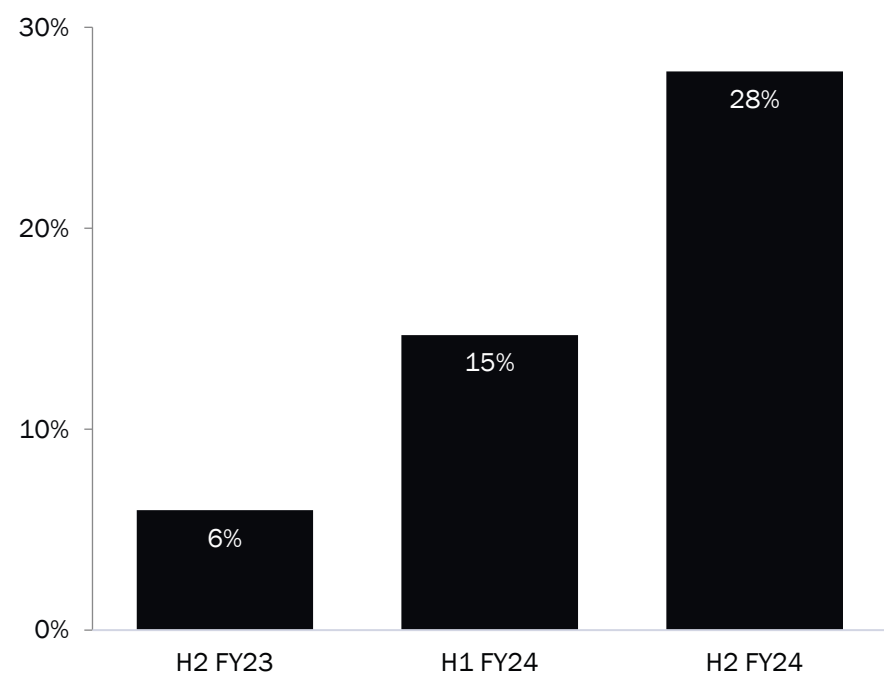
## Commentary

- 71% growth in FY24 compared to FY23
- China customers include leading LLM model builders, along with leading technology and auto customers
- Projects are mostly for in-facility annotation, resulting in a more predictable revenue profile
- Appen has the unique advantage of partnering closely with both Western and Chinese technology companies

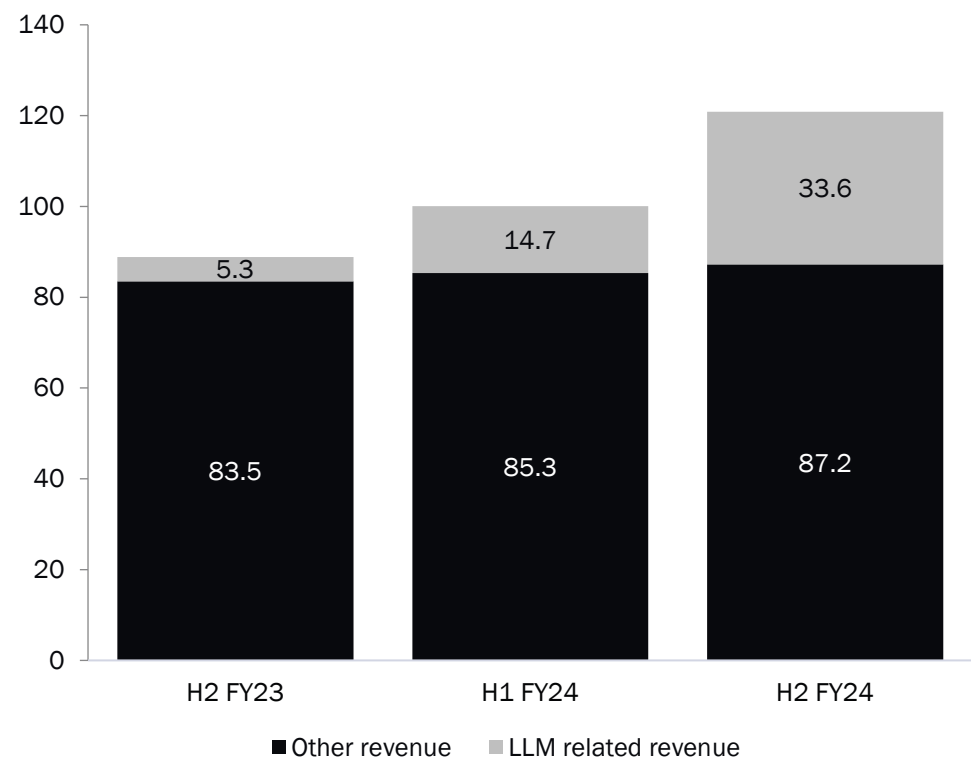


# Generative AI major driver of revenue growth

28% of group revenue from generative AI-related projects<sup>1</sup> in H2 FY24



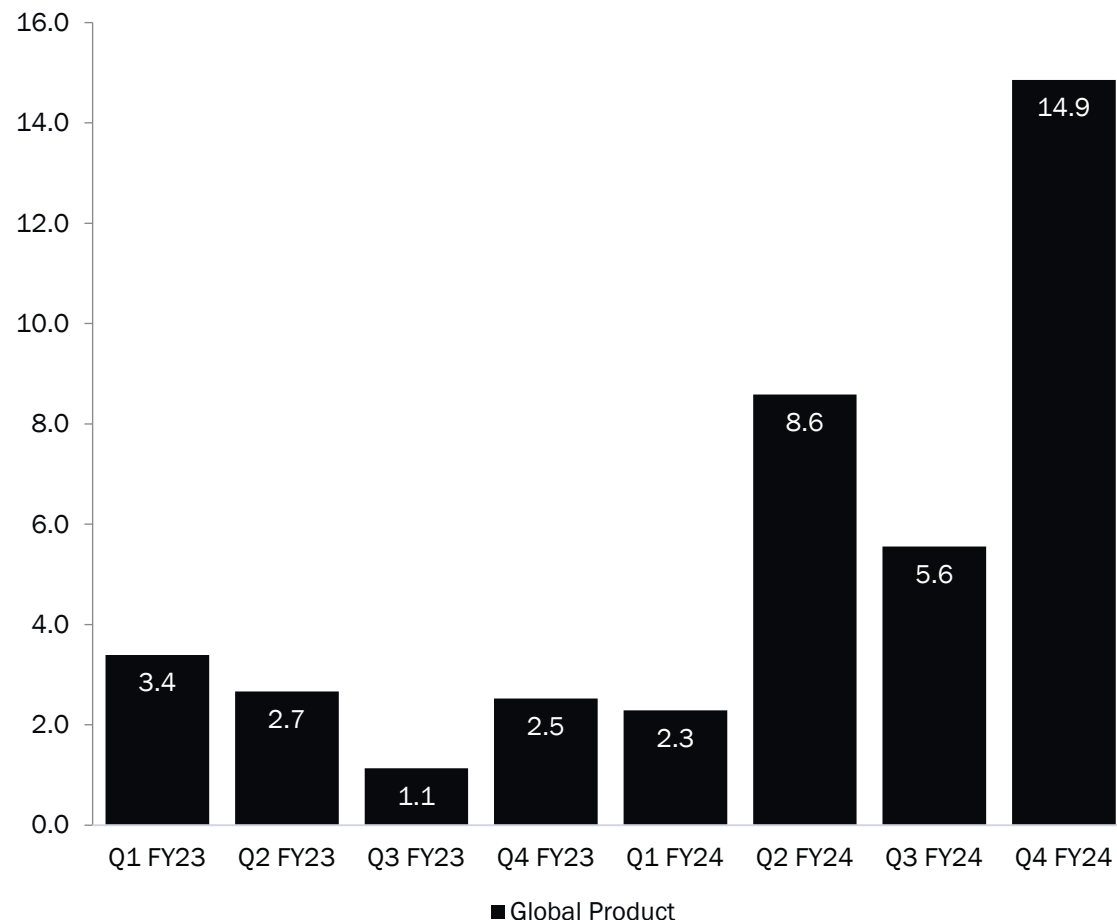
Non-LLM growing ~2% HoH, \$33.6m revenue in H2 FY24 from generative AI related projects



<sup>1</sup>.Excludes Google

# Global product growth reflects reliance on Appen's technology

## Global Product revenue

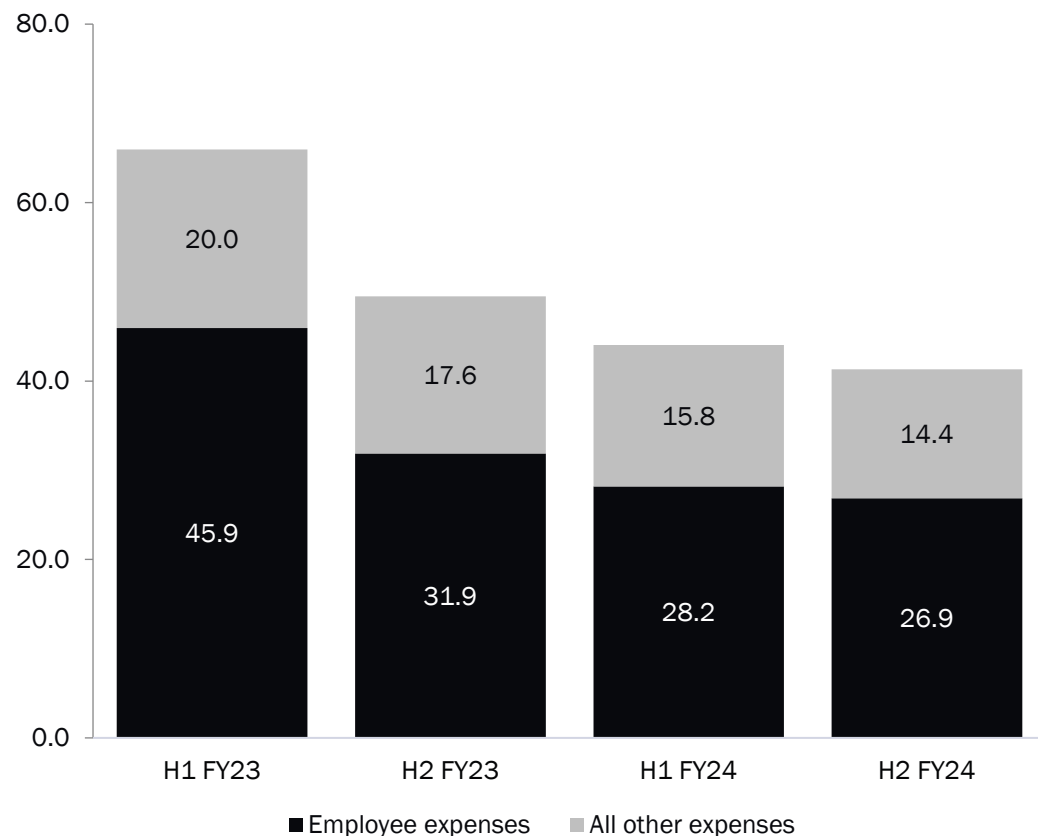


## Commentary

- Global Product revenue represents projects that are delivered on Appen's data platform
- For our largest US technology customers, most work has traditionally been delivered on their internal platforms
- With the rise of generative AI, we have seen an increasing reliance on our technology to support projects

# Opex reduced by 37% H1 FY23 to H2 FY24

## Opex<sup>1,2</sup>



## Commentary

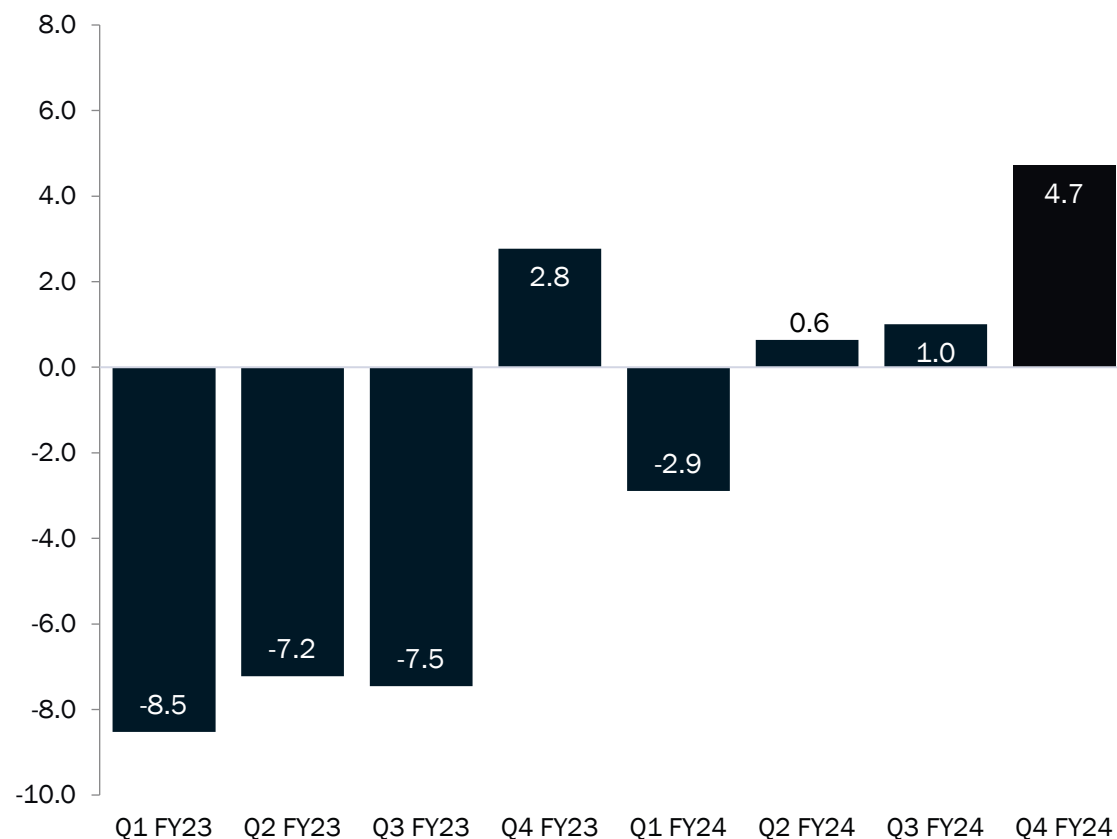
- Employee expenses reduced by 41% and all other expenses by 28% compared to H1 FY23
- Significantly reduced product and engineering spend achieved by establishing a hub in Hyderabad
- Consolidation of business units and rationalisation of delivery resources contributed to the reduction in employee expenses
- Rationalisation of corporate overhead and tight cost controls on all other expenses also a key driver of the reduction
- Focus remains on managing the cost base in line with the revenue opportunity

<sup>1</sup> Employee expenses per management reporting. Excludes share-based payment expense and direct project workers included in gross margin calculation (i.e. crowd expenses).

<sup>2</sup> All other expenses included in underlying EBITDA before FX.

# EBITDA improving as costs remain in control

## Underlying EBITDA before FX<sup>1</sup>



## Commentary

- Underlying EBITDA<sup>1</sup> (before FX) for Q4 FY24 was a profit of \$4.7 million, continuing the return to profitability
- We acted swiftly to control costs following the Google announcement, and have now completed the \$13.5m cost reduction
- Revenue growth in China and improved gross margins resulted in positive EBITDA contribution in Q2
- Profitability remains a key focus for Appen

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

# Financial performance

Justin Miles

**Appen**



# FY24 snapshot

|                                                | FY24         | FY23   | Change |
|------------------------------------------------|--------------|--------|--------|
| <b>Revenue</b>                                 | <b>234.3</b> | 273.0  | (14%)  |
| Global Services revenue                        | <b>118.1</b> | 191.5  | (38%)  |
| New Markets revenue                            | <b>116.2</b> | 81.5   | 43%    |
| Revenue (excluding Google)                     | <b>220.9</b> | 190.4  | 16%    |
| Gross Margin <sup>1</sup> %                    | <b>39.3%</b> | 36.3%  | 3.0 pp |
| <b>Underlying EBITDA<sup>2</sup> before FX</b> | <b>3.5</b>   | (20.4) | nm     |

## Commentary

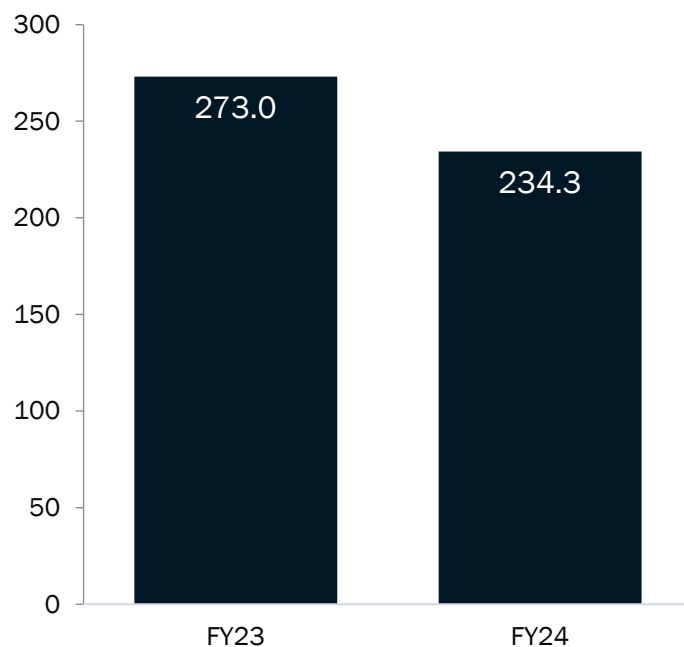
- Revenue decreased 14% to \$234.3m, reflecting termination of the Google contract
- Excluding the impact of Google, revenue grew by 16%
- Global Services impacted by termination of the Google contract
- New Markets benefited from strong growth in China and Global Product. Growth reflects significant traction in generative AI projects
- Gross margin % improvement primarily due to change in customer and project mix
- \$23.9m improvement in underlying EBITDA (before FX)
- Significant EBITDA improvement despite decrease in revenue. Due to cost out programs executed during FY23 and H1 FY24

<sup>1</sup> Gross margin refers to revenue less crowd expenses.

<sup>2</sup> Underlying EBITDA excludes restructure costs, transaction costs, impairment loss, earn-out adjustment, and acquisition-related and one-time share-based payment expense.

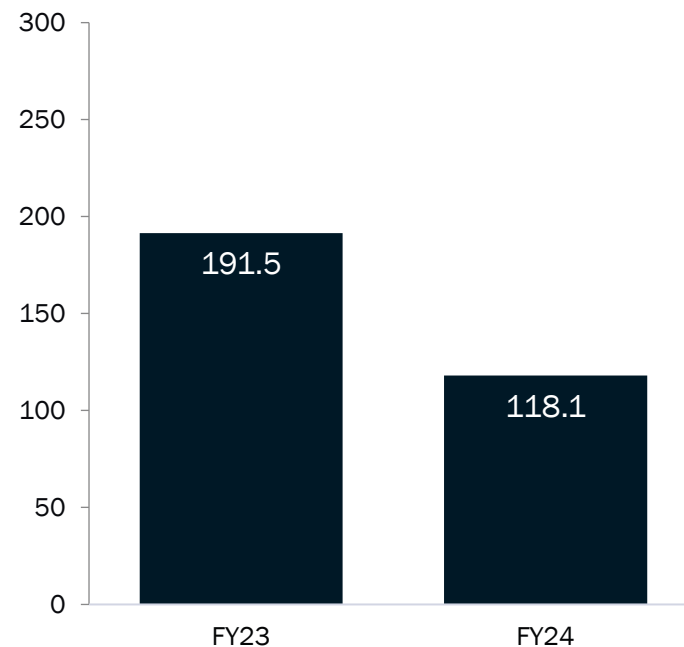
# Revenue

## Group



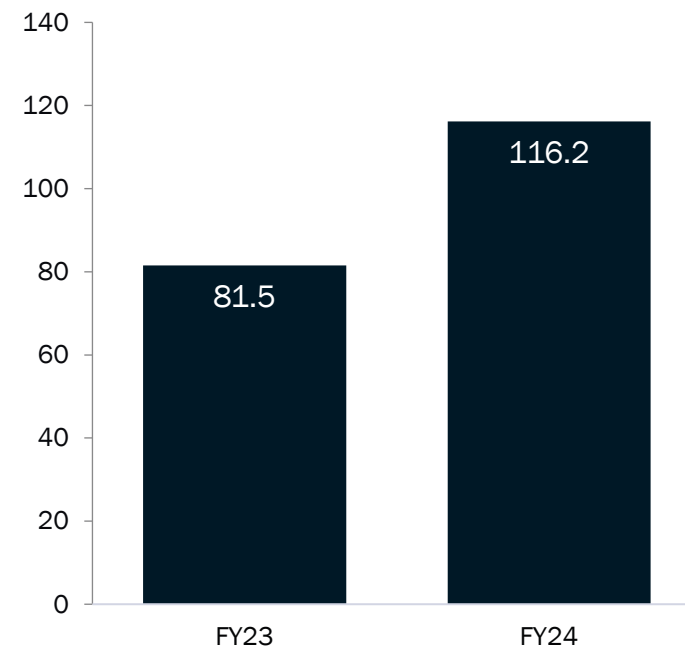
- Revenue down 16% on FY24
- Impacted by termination of Google contract
- Excluding the impact of Google, increase of 16%

## Global services



- Revenue down 38% on FY23
- Impacted by termination of Google contract

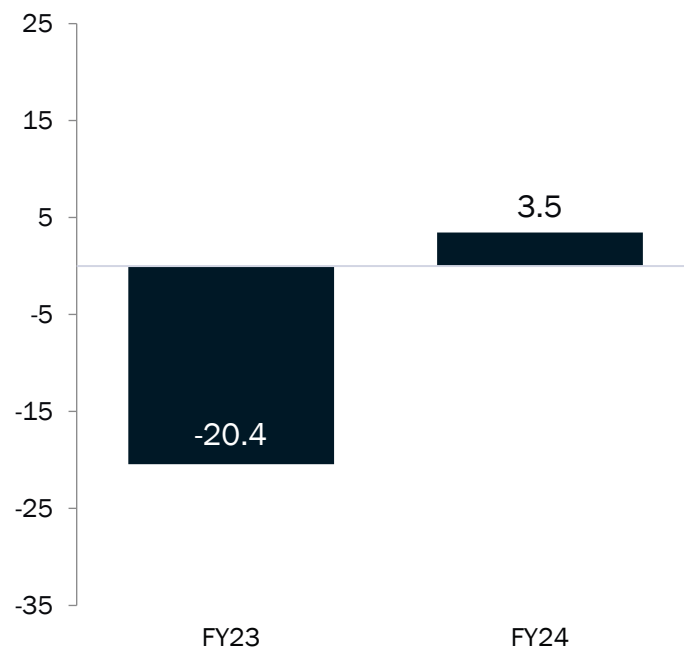
## New markets



- Revenue up 43% on FY23
- Strong growth in China and Global Product
- Growth reflects significant traction in generative AI projects

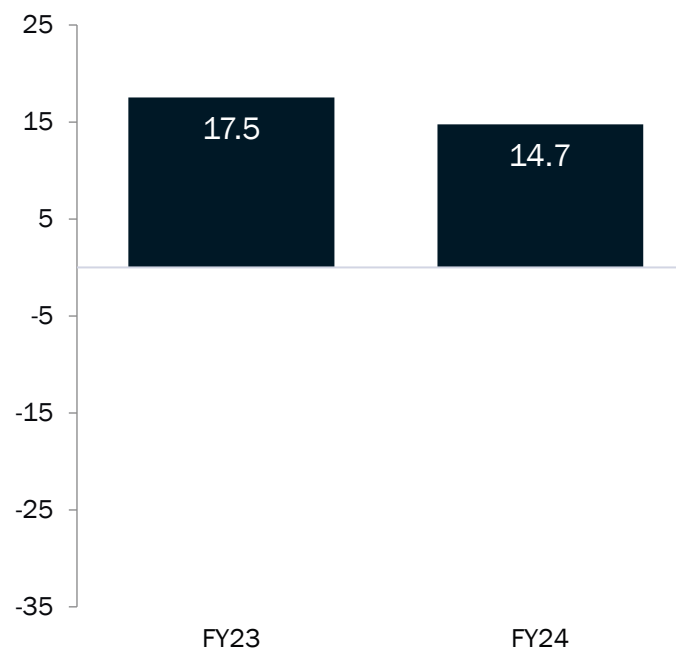
# Underlying EBITDA<sup>1</sup> (before FX)

## Group



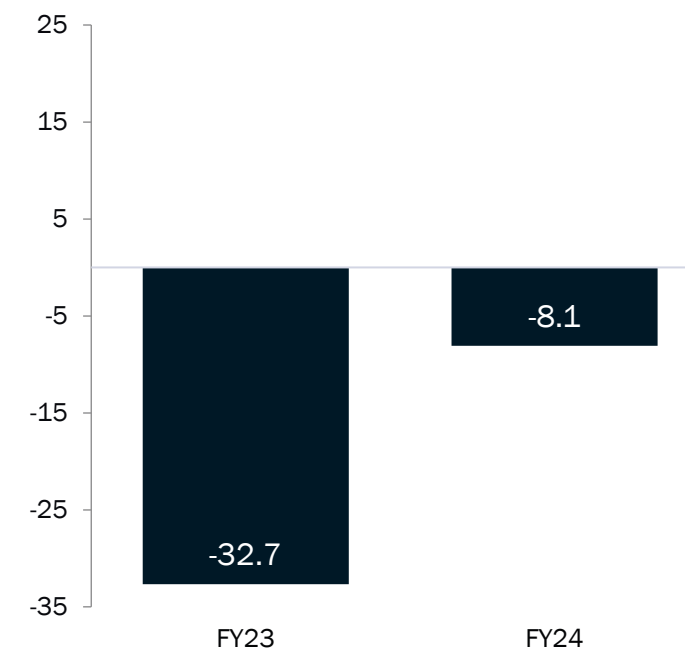
- \$23.9m improvement on FY23
- Despite lower revenue, significant improvement due increased gross margin % and cost out programs executed during FY23 and H1 FY24

## Global services



- EBITDA of \$14.7m down 16% on FY23
- Decrease reflects lower revenue and gross margin, partially offset by benefit of cost out programs

## New markets



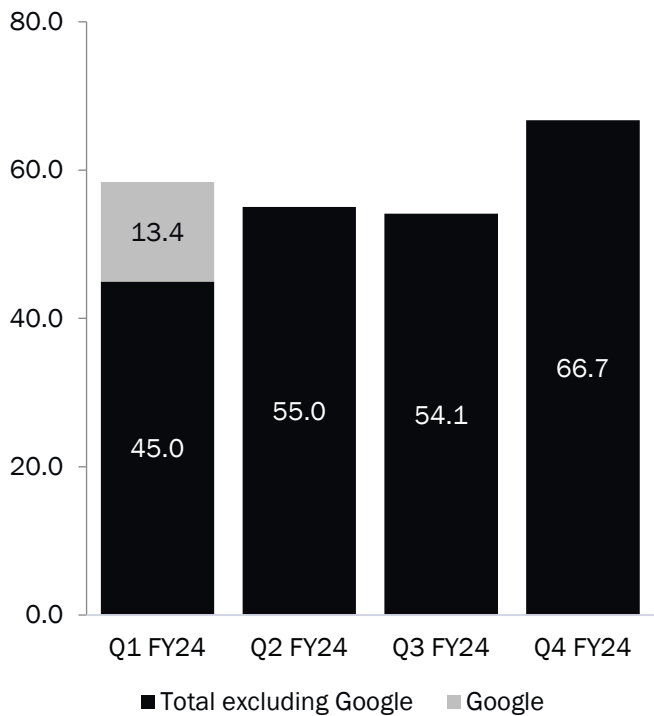
- \$24.6m improvement on FY23
- Improvement driven by growth in revenue and gross margin for China and Global Product, as well as benefit of cost out programs

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

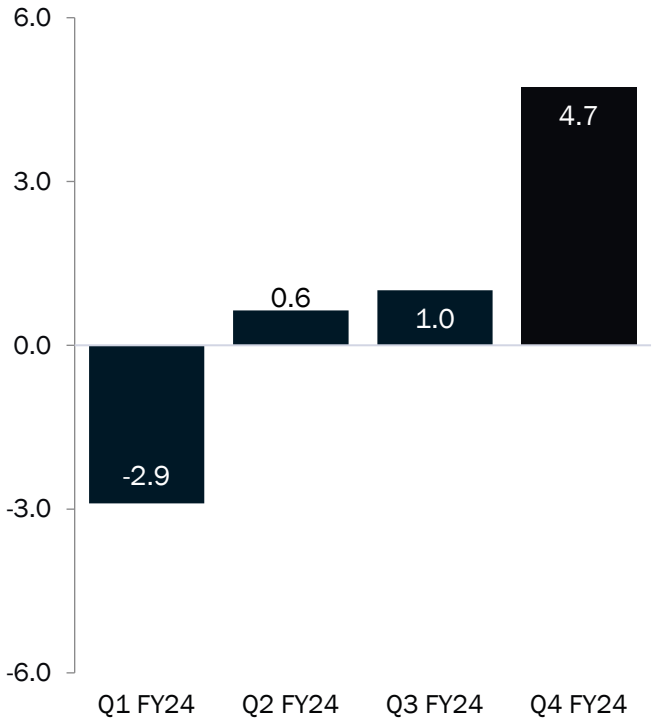


# EBITDA improving quarter-on-quarter

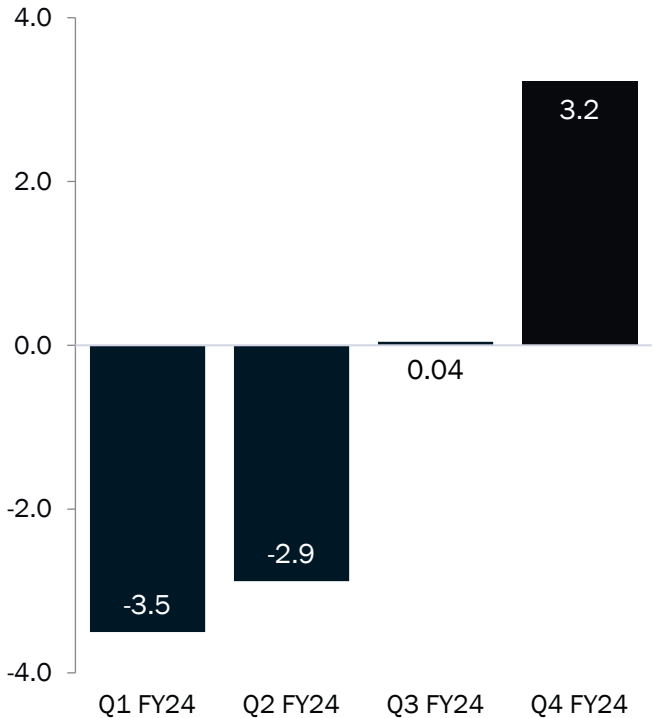
Revenue



Underlying EBITDA<sup>1</sup> before FX



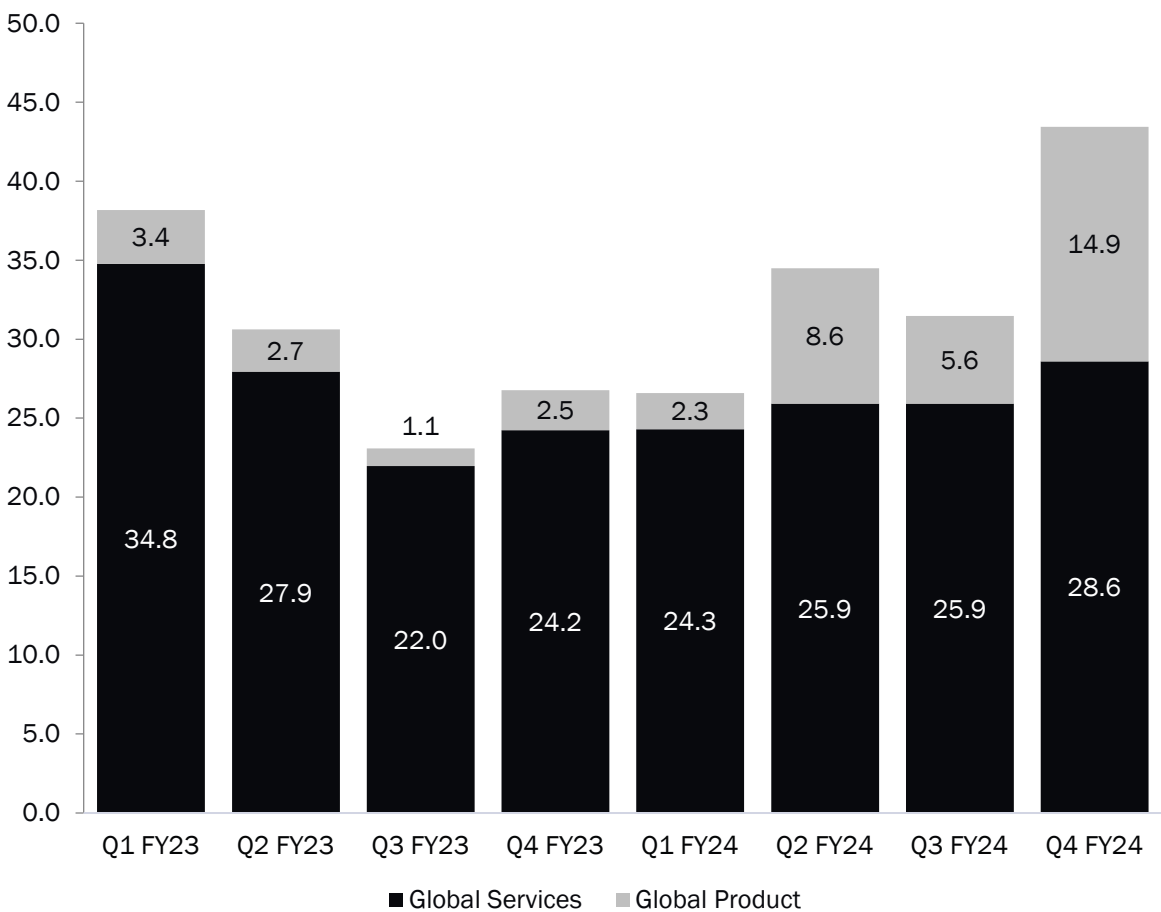
Underlying cash EBITDA<sup>2</sup> before FX



<sup>1</sup> Underlying EBITDA excludes restructure costs, transaction costs, and acquisition-related and one-time share-based payment expense.  
<sup>2</sup> Underlying cash EBITDA is underlying EBITDA less capitalised software development expenses plus non acquisition-related share-based payment expenses.

# Global revenue growth returning

## Global revenue excluding Google

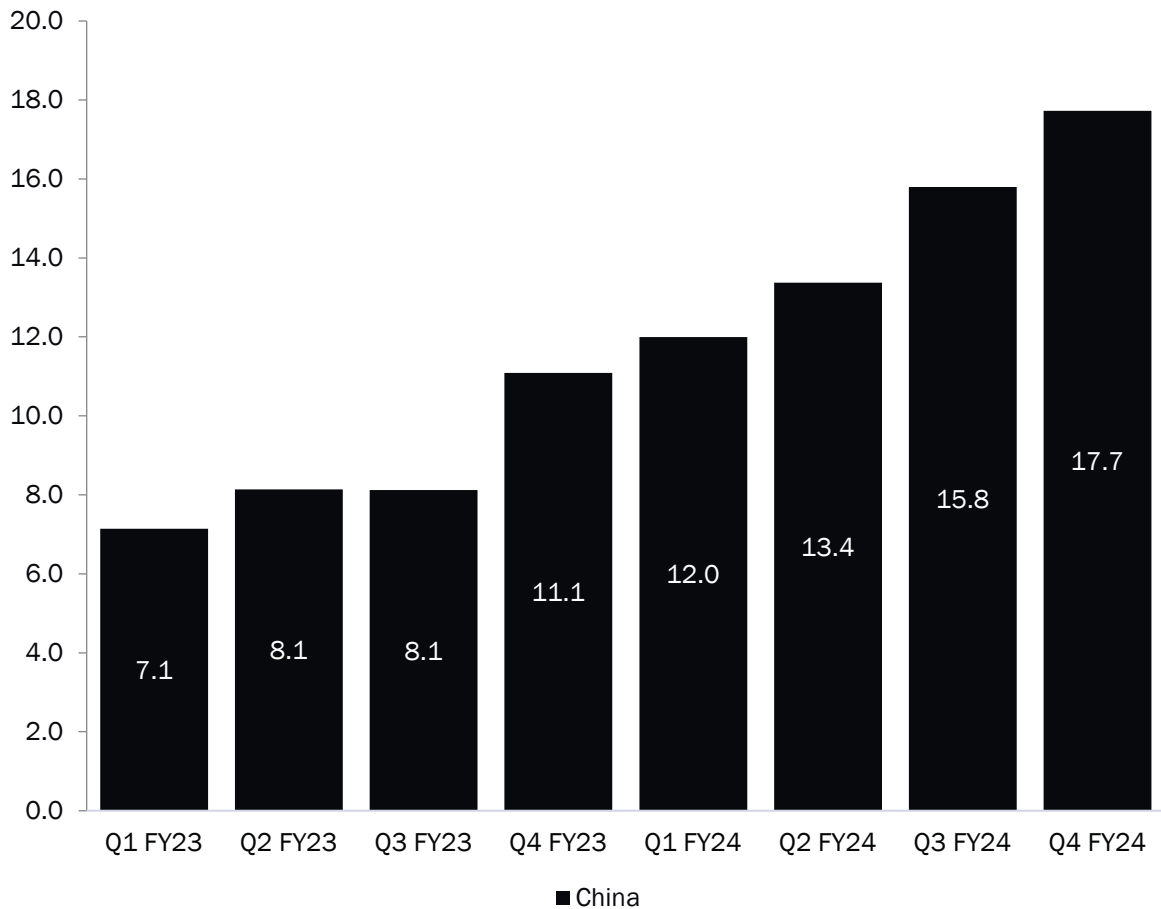


### Commentary

- Following stabilisation of revenue in H2 FY23, growth returned in Q2 FY24
- Global Product growth driven by multiple generative AI projects. Volumes for these projects can be inconsistent with large volumes over a short period of time with customers then assessing and adapting to their evolving needs
- Global Services growth driven by increase in projects / volumes across multiple customers.
- See Appendix 2 for Global revenue including Google

# Impressive growth for China with record revenue each quarter

## China revenue

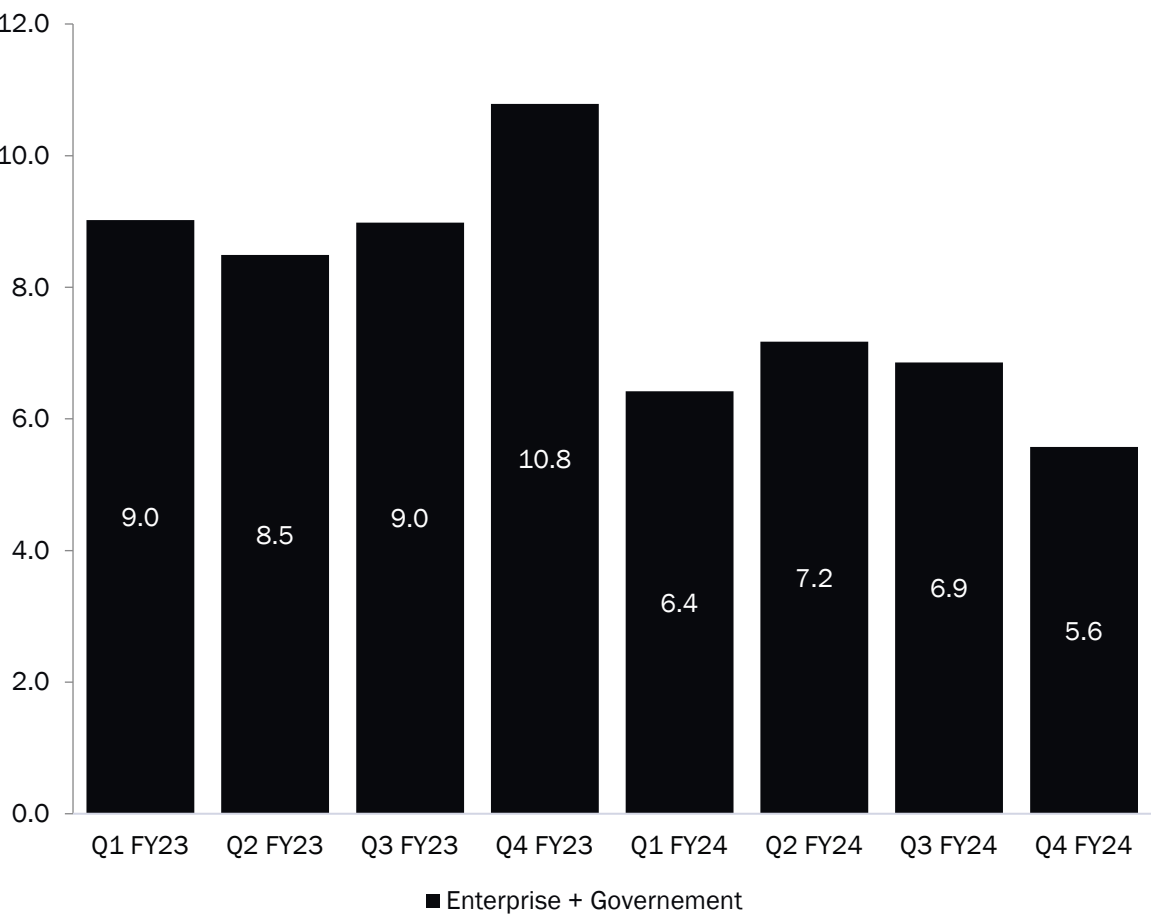


## Commentary

- Revenue growth for China which includes Japan and Korea continued throughout the year, with an impressive increase of 71% in FY24 compared to FY23
- Growth was largely driven by continued traction in generative AI related projects, with China continuing to support leading LLM model builders
- Growth came from expansion within existing large technology customers as well as new customer wins
- Projects are mostly for in-facility annotation, resulting in a more predictable revenue profile, however gross margins are generally lower than other divisions

# Conviction in the potential for Enterprise, Government - timing is unclear

## Enterprise, Government revenue



## Commentary

- Decrease in revenue driven by lower volumes within existing large Enterprise projects, including some projects coming to an end
- Conviction remains in the opportunity; however, timing is unclear with uncertainty continuing around how enterprises will proceed with generative AI investment
- Healthy Government pipeline, however, awards are infrequent and linked government budget and contract cycles
- Investment carefully managed to ensure it is proportionate to existing volumes and near-term opportunity

# Profit and loss summary

|                                           | FY24   | FY23    | Change |
|-------------------------------------------|--------|---------|--------|
| Revenue                                   | 234.3  | 273.0   | (14%)  |
| Gross Margin <sup>1</sup> %               | 39.3%  | 36.3%   | 3.0 pp |
| Employee expenses <sup>2</sup>            | 55.1   | 77.8    | (29%)  |
| Share-based payments expense <sup>3</sup> | 3.2    | 4.2     | (24%)  |
| Other expenses <sup>4</sup>               | 30.3   | 37.6    | (20%)  |
| Underlying EBITDA <sup>5</sup>            | 7.8    | (24.5)  | nm     |
| Underlying EBITDA <sup>5</sup> before FX  | 3.5    | (20.4)  | nm     |
| Underlying NPAT <sup>6</sup>              | (10.5) | (52.8)  | nm     |
| Statutory NPAT                            | (20.0) | (118.1) | nm     |

## Commentary

- Revenue decreased 14% to \$234.3m, reflecting termination of Google contract
- Gross margin % improvement primarily due to change in customer and project mix
- Significant decrease in expenses, driven by full execution of cost out programs
- \$23.9m improvement in underlying EBITDA (before FX) despite decrease in revenue. Due to cost out programs executed during FY23 and H1 FY24
- \$98.1m improvement in statutory NPAT due to cost out programs executed and lower restructure costs, no impairment charge in FY24, decrease in depreciation and amortisation following FY23 impairment charge, and a lower product development cost base

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, impairment loss, earn-out adjustment, and acquisition-related and one-time share-based payment expense.

6. Underlying NPAT excludes after tax impact of restructure costs, transaction costs, impairment loss, earn-out adjustment, acquisition-related and one-time share-based payment expense, amortisation of acquisition related intangibles, and deemed interest on earn-out liability.

# Balance sheet

|                          | Dec 2024     | Dec 2023     |
|--------------------------|--------------|--------------|
| Cash                     | 54.8         | 32.1         |
| Receivables              | 46.7         | 49.9         |
| Contract assets          | 19.7         | 15.6         |
| Other current assets     | 8.0          | 9.1          |
| Non-current assets       | 41.4         | 48.5         |
| <b>Total assets</b>      | <b>170.6</b> | <b>155.2</b> |
| Current liabilities      | 43.9         | 47.7         |
| Non-current liabilities  | 12.4         | 14.7         |
| <b>Total liabilities</b> | <b>56.3</b>  | <b>62.4</b>  |
| <b>Net Assets</b>        | <b>114.3</b> | <b>92.8</b>  |
| <b>Total equity</b>      | <b>114.3</b> | <b>92.8</b>  |

## Commentary

- Cash balance of \$58.4m, up \$22.7m from December 2023. Balance impacted by receipt of a \$10.0m payment from a major customer in the first week of January 2025 versus December 2024 as scheduled
- Receivables and contract assets combined increased \$0.9m despite lower revenue Q4 FY24 compared to Q4 FY23, primarily due to \$10.0m noted above
- Non-current assets decreased \$7.1m due to the amortisation of platform at higher rate than new investment in product development. Includes intangible assets of \$30.1m
- Current liabilities \$3.8m lower due to settlement of the Quadrant earnout liability in January 2024 via the issue of ordinary shares
- Non-current liabilities \$2.3m lower primarily due to decrease in non-current lease liabilities

# Cash flow summary

|                                                        | FY24         | FY23          |
|--------------------------------------------------------|--------------|---------------|
| Receipts                                               | 231.5        | 294.5         |
| Payments and other                                     | (232.5)      | (317.9)       |
| <b>Cash flows - operations before interest and tax</b> | <b>(1.0)</b> | <b>(23.4)</b> |
| Net interest                                           | 0.5          | (0.1)         |
| Taxes                                                  | (0.1)        | 0.5           |
| <b>Net cash used in operating activities</b>           | <b>(0.6)</b> | <b>(23.0)</b> |
| Cash flows - investing activities                      | (13.1)       | (20.9)        |
| Cash flows - financing activities                      | 37.7         | 52.7          |
| <b>Net cash flow for the period</b>                    | <b>24.0</b>  | <b>8.8</b>    |
| Opening cash balance                                   | 32.1         | 23.4          |
| FX impact                                              | (1.3)        | (0.1)         |
| <b>Closing cash balance</b>                            | <b>54.8</b>  | <b>32.1</b>   |

## Cash flow reconciliation

|                                                   |              |               |
|---------------------------------------------------|--------------|---------------|
| Underlying EBITDA                                 | 7.8          | (24.5)        |
| Working capital                                   | (8.8)        | 1.1           |
| Cash flow from operations before interest and tax | <b>(1.0)</b> | <b>(23.4)</b> |
| Underlying EBITDA cash conversion                 | nm%          | nm%           |

## Commentary

- Cash balance of \$58.4m, up \$22.7m from December 2023
- Cash flow used in operations of \$1.0m, an improvement of \$22.4m compared to FY23
- Cash balance and cash flow from operations impacted by the receipt of a payment from a major customer in the first week of January 2025 versus December 2024 as scheduled
- Cash flow used in investing activities \$7.8m lower compared to FY23, due to lower investment in product development. This reflects the cost out program executed during FY23
- Cash inflow from financing includes \$42.1m net proceeds from the equity raise in Q4 FY24
- Cash used to fund operations, capex, and one-off costs associated with \$13.5m cost reduction program

# Strategy update

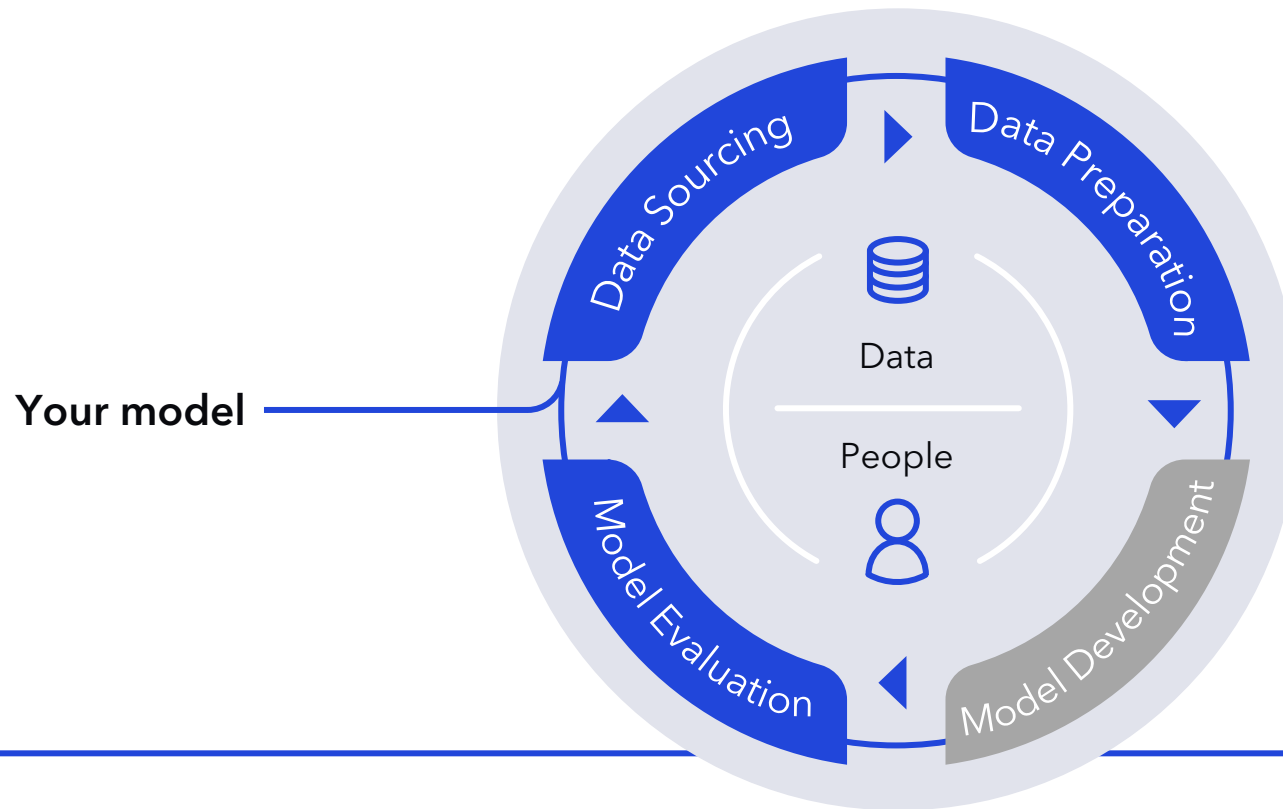
Ryan Kolln

**Appen**





Appen specialises in **high-quality data** that brings **human expertise** into AI model development



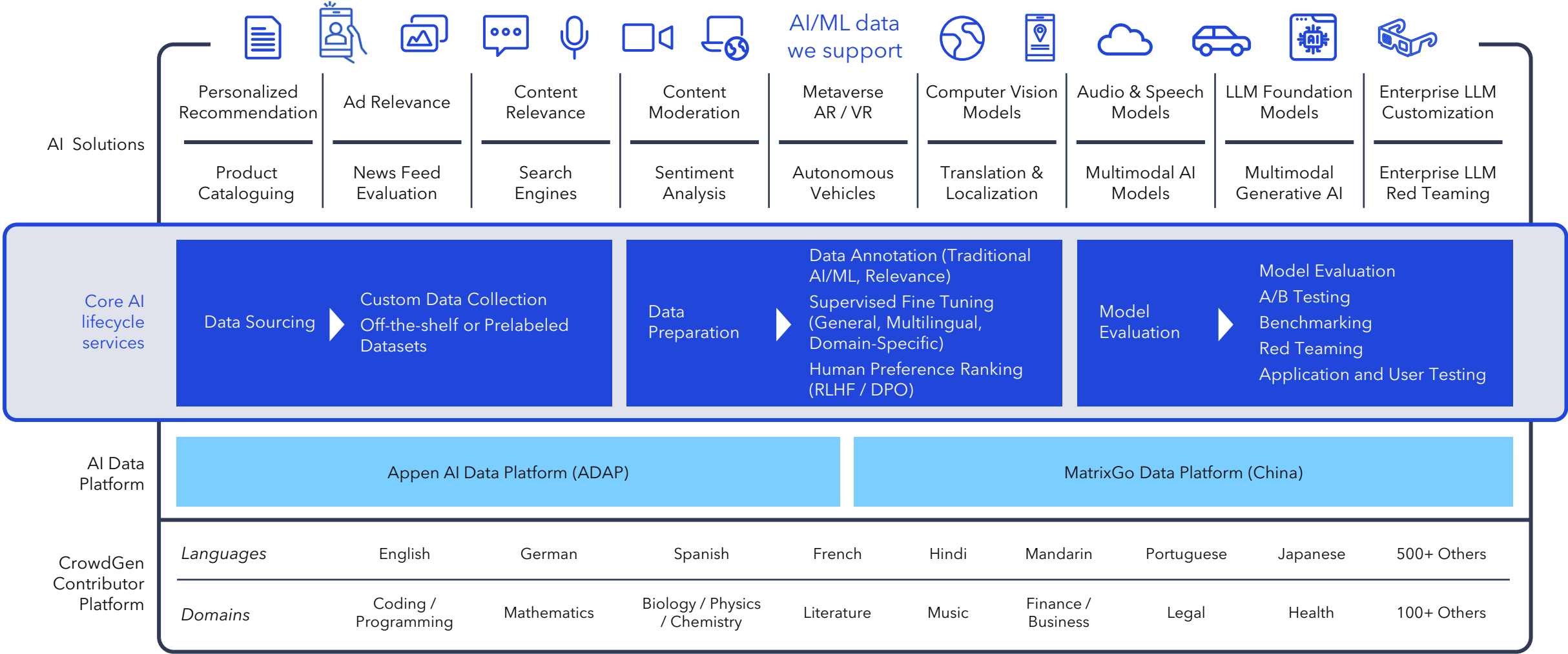
Curate the  
right data

Prepare useable  
training data

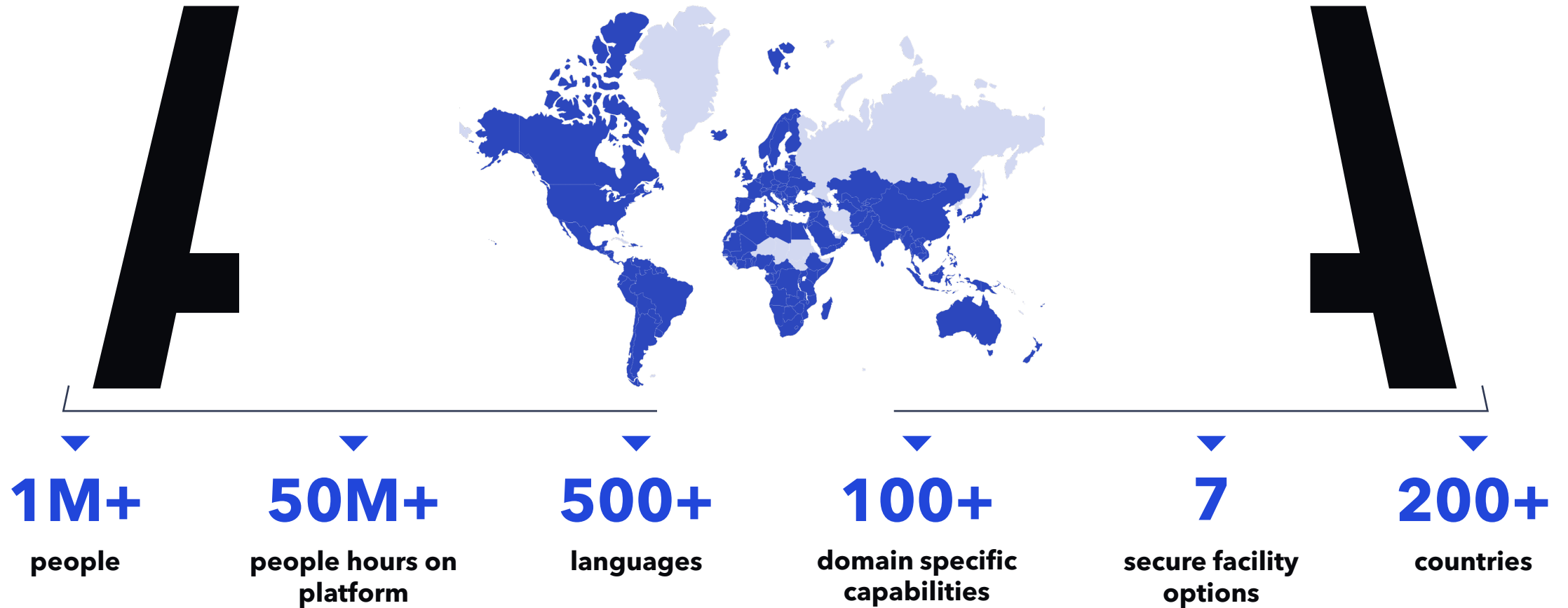
Develop and deploy  
your models

Evaluate model  
performance

# Appen AI data solutions



# Appen **global** workforce



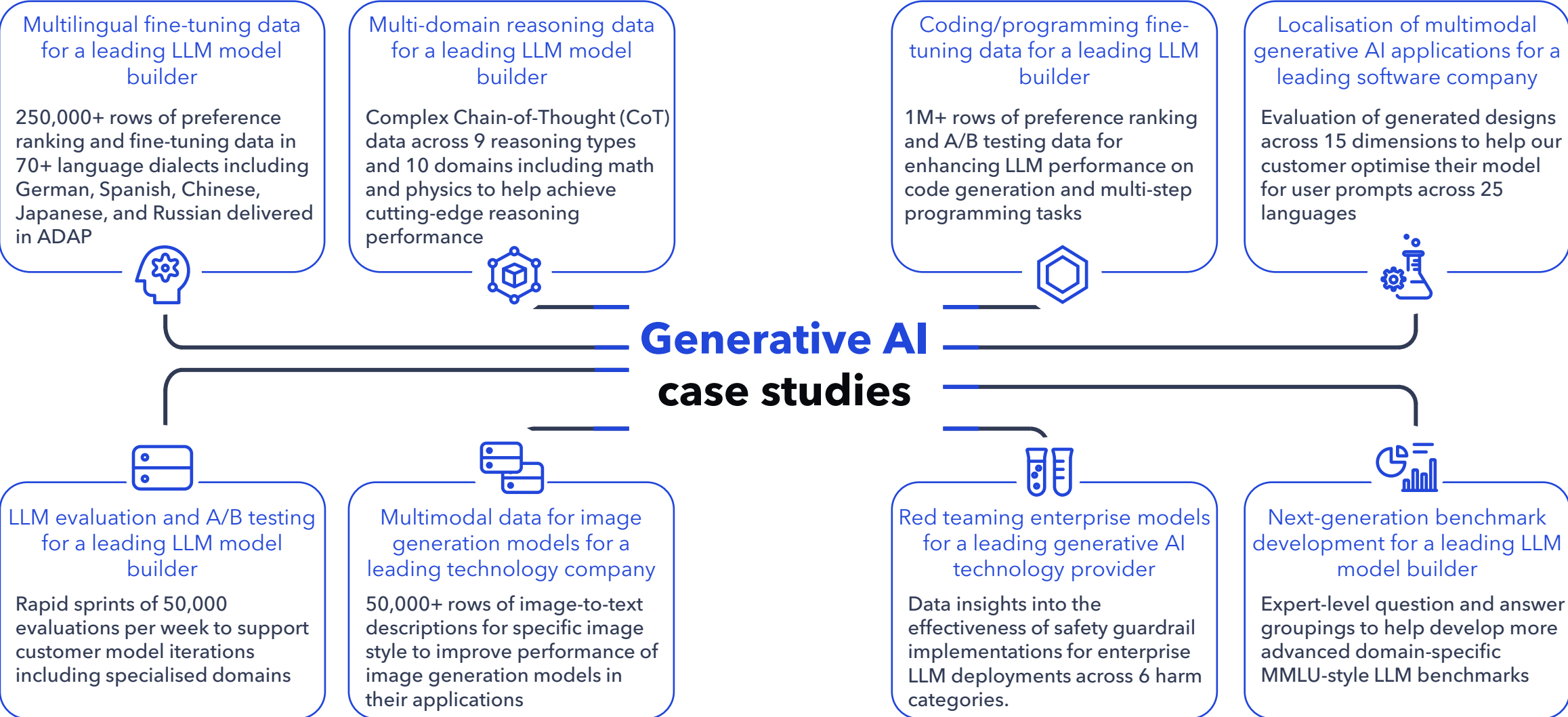
# Human data a critical component in Generative AI model development

## LLM development lifecycle

|                                       | Pre-Training                                            | Post-Training                                                    | Evaluation                                                  |
|---------------------------------------|---------------------------------------------------------|------------------------------------------------------------------|-------------------------------------------------------------|
| Purpose                               | Builds general knowledge from large-scale internet data | Adapts the model to specific style, tasks, context, or languages | Ensures accuracy, safety, and reliability before deployment |
| Data Used                             | Publicly available text, images, and code               | Human-annotated data + synthetic data to enhance learning        | Real-world test cases, expert review, and user feedback     |
| Customization                         | General-purpose AI, not specialized                     | Fine-tuned for accuracy, compliance, and domain expertise        | Measures model performance across different scenarios       |
| Human involvement in data preparation | Minimal; mostly automated data collection               | High; experts refine outputs and generate high-quality labels    | Critical; experts assess errors, biases, and improvements   |

Appen plays a critical role in two of the three major model development steps for Generative AI

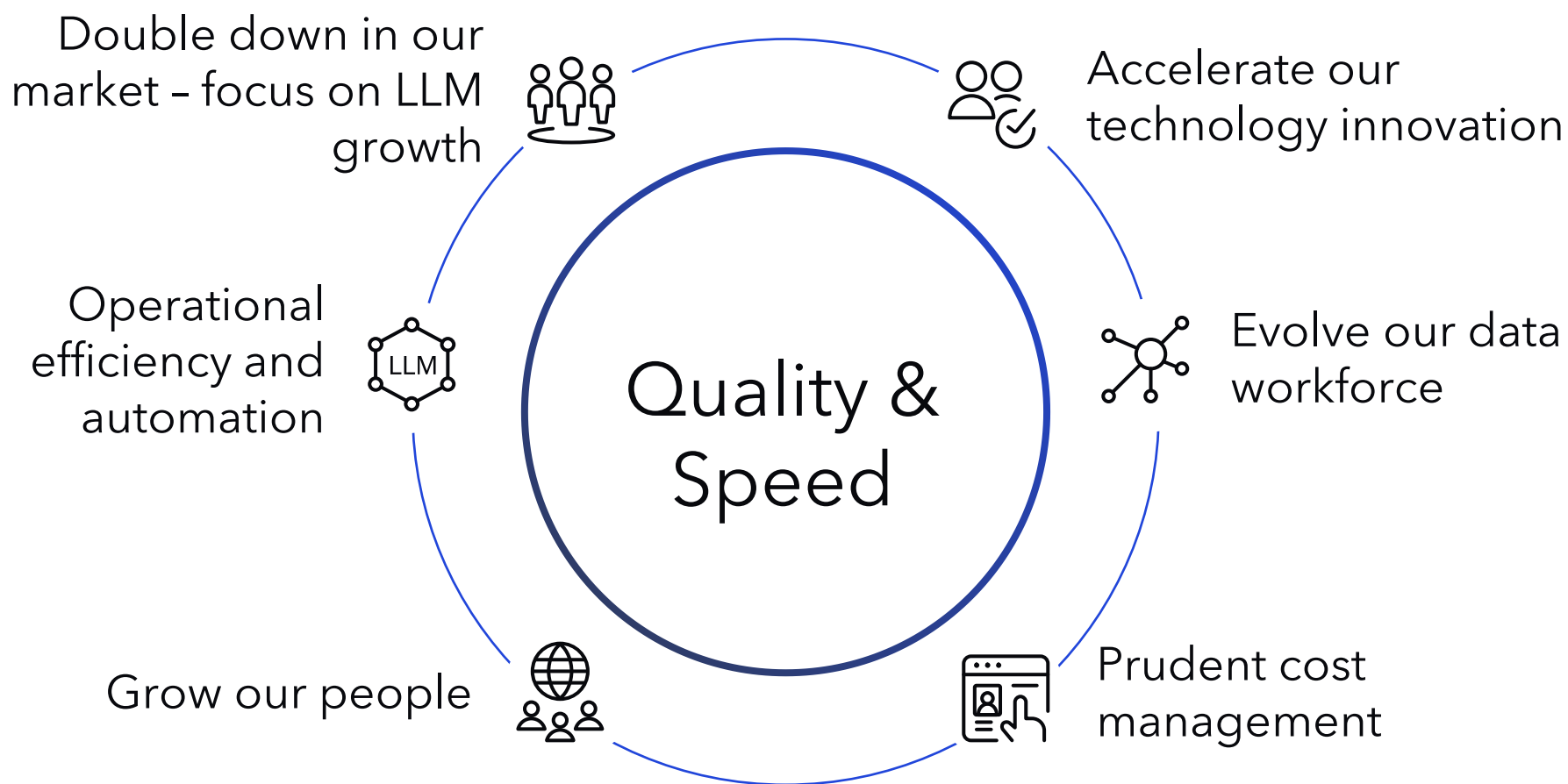
# Generative AI is a key component of our service offering



# Generative AI market opportunity continues to grow - three growth drivers

|                                        |                                                                                                                             |                                                                                      |                              |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|------------------------------|
| <b>1. Development cost decreasing</b>  | New model techniques are lowering training and inference costs (e.g., DeepSeek)                                             |   | <b>More models developed</b> |
| <b>2. Unit price declining</b>         | Inference prices are rapidly declining, including for complex reasoning models                                              |   | <b>More model usage</b>      |
| <b>3. Capex Investments increasing</b> | Microsoft, Amazon, Google and other big tech companies are significantly increasing capital expenditure to ~\$200bn in 2025 |  | <b>Faster innovation</b>     |

## 2025 focus



# 2025 outlook

Ryan Kolln

**Appen**





## 2025 outlook statement

We continue to see positive signals on LLM related data growth, including from our Global and China customers

- The LLM market is evolving rapidly and there is significant experimentation, therefore we expect to see month-to-month revenue variability.
- Year to date, LLM project volumes are tracking lower than Q4 FY24 largely due to annual planning by some major customers, however we remain confident in the potential for growth in 2025.

Tight cost controls remain in place, in keeping with the company's focus on managing costs in line with the revenue opportunity.

We remain highly focused on ongoing cash EBITDA positivity

**Appendix**

**Appen**

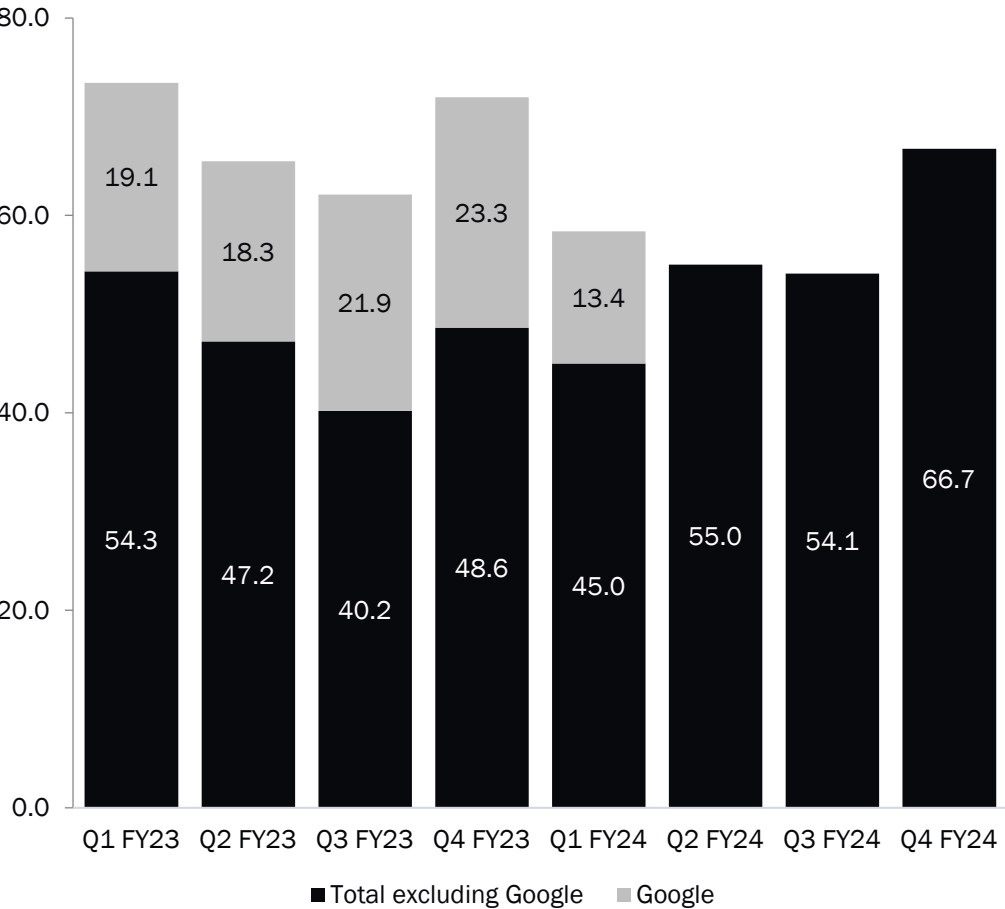


# Appendix 1: Appen reporting structure

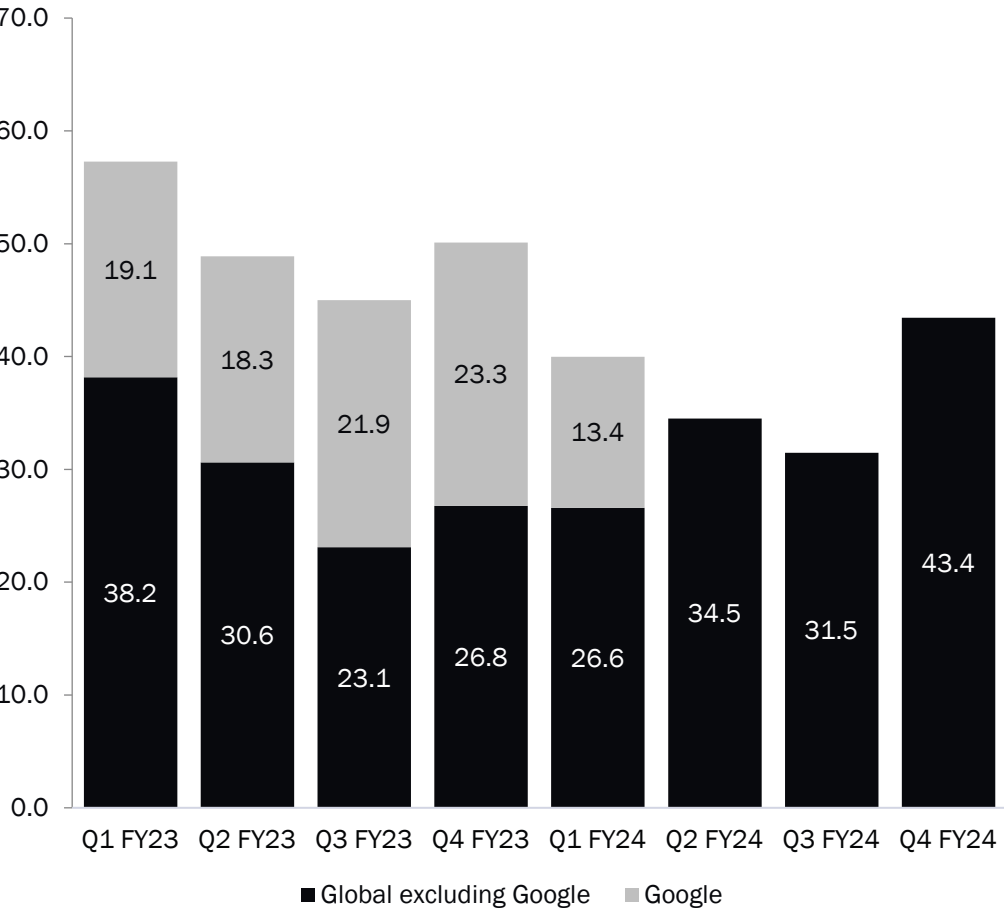
| Global Services                                                         | New Markets                                                                                                                                                                                                                                                                                               |                  |                        |  |
|-------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------------|--|
| Services provided to leading US tech companies utilising their platform | New Markets reflects progress against our product led strategy<br><br>Includes Global Product (Global customer revenue through Appen products), Enterprise, China, and Government. Quadrant was integrated into the Enterprise division from 1 January 2024.<br><br>All project types and data modalities |                  |                        |  |
| Global                                                                  | Enterprise                                                                                                                                                                                                                                                                                                | Government       | China                  |  |
| Leading US tech companies, including Amazon and Microsoft               | Covering North America, EMEA and SEA                                                                                                                                                                                                                                                                      | Federal agencies | China, Japan and Korea |  |

# Appendix 2: Google contribution to revenue

Group revenue



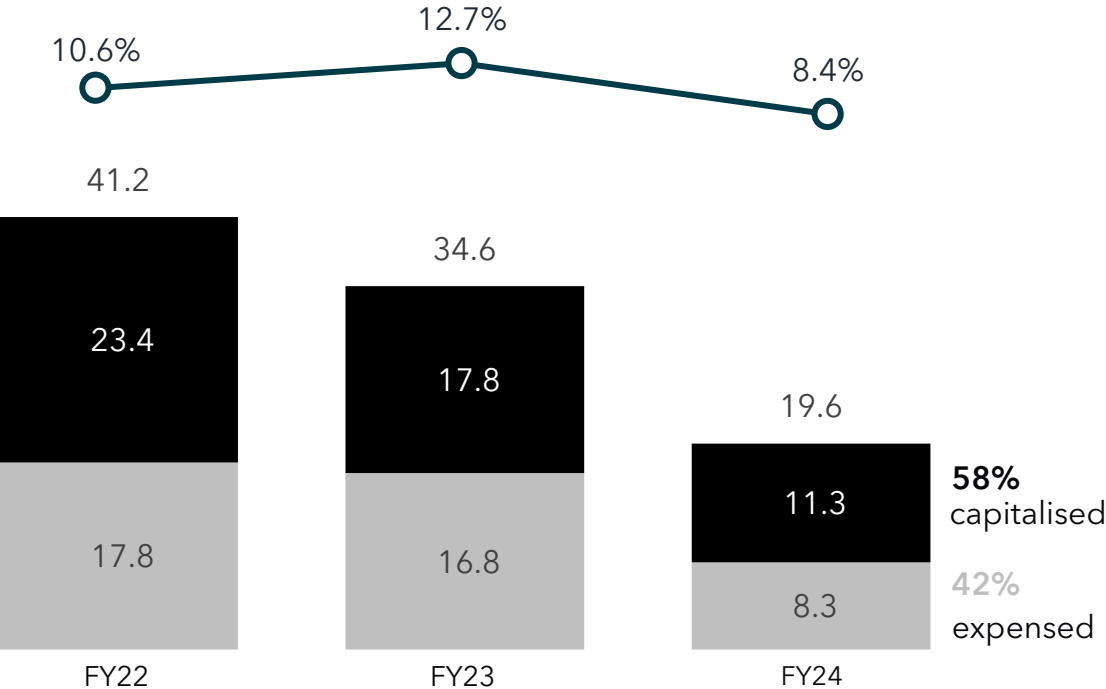
Global revenue



# Appendix 3: Investment in product development

## Investment in product development<sup>1</sup>

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



## Commentary

- \$19.6m investment in product development significantly lower than prior periods, reflecting cost out program executed during FY23
- Savings primarily achieved by establishing a product and engineering hub in Hyderabad
- ~58% of spend capitalised, up on FY23 due to increased effort on development vs. maintenance during the period. 8.4% of revenue reinvested in product development
- While the quantum of product development spend was lower in FY24, Appen remains committed to the development of industry-leading products and tools to deliver high quality data for our customers, including supporting generative AI

<sup>1</sup>.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 amortisation expense.

# Appendix 4: Reconciliation between statutory and underlying results

|                                                                    | Year ended<br>31-Dec-24<br>\$000 | Year ended<br>31-Dec-23<br>\$000 | Change |
|--------------------------------------------------------------------|----------------------------------|----------------------------------|--------|
| <b>Underlying net loss after tax (NPAT)<sup>1</sup></b>            | (10,546)                         | (52,810)                         | nm%    |
| <i>Less underlying adjustments (net of tax)</i>                    |                                  |                                  |        |
| Amortisation of acquisition-related identifiable intangible assets | (6,140)                          | (6,158)                          |        |
| Restructure costs                                                  | (2,273)                          | (6,515)                          |        |
| Transaction costs                                                  | (166)                            | (380)                            |        |
| Deemed interest on earn-out liability <sup>2</sup>                 | -                                | (248)                            |        |
| Acquisition-related and one-time <sup>3</sup> share-based payments | (884)                            | (1,501)                          |        |
| Impairment loss                                                    | -                                | (61,663)                         |        |
| Earn-out adjustment                                                | -                                | 11,196                           |        |
| <b>Statutory NPAT</b>                                              | (20,009)                         | (118,079)                        | nm%    |
| <i>Add/(less): tax expense/benefit</i>                             | 16                               | (6,870)                          |        |
| <i>Add: net interest expense</i>                                   | 335                              | 805                              |        |
| <i>Add: deemed interest on earn-out liability<sup>2</sup></i>      | -                                | 354                              |        |
| <b>EBIT<sup>4</sup></b>                                            | (19,658)                         | (123,790)                        | nm%    |
| <i>Add: depreciation and amortisation</i>                          | 23,320                           | 35,147                           |        |
| <b>Statutory EBITDA<sup>5</sup></b>                                | 3,662                            | (88,643)                         | nm%    |
| <i>Add: underlying adjustments</i>                                 |                                  |                                  |        |
| Restructure costs                                                  | 3,039                            | 8,967                            |        |
| Transaction costs                                                  | 234                              | 542                              |        |
| Acquisition-related and one-time <sup>3</sup> share-based payments | 884                              | 1,501                            |        |
| Impairment loss                                                    | -                                | 69,182                           |        |
| Earn-out adjustment                                                | -                                | (15,994)                         |        |
| <b>Underlying EBITDA<sup>1</sup></b>                               | 7,819                            | (24,445)                         | nm%    |
| Statutory diluted earnings per share (cents)                       | (8.74)                           | (83.10)                          |        |
| Underlying diluted earnings per share (cents)                      | (4.61)                           | (37.17)                          |        |
| % Statutory EBITDA/sales revenue                                   | 1.6%                             | (32.3%)                          |        |
| % Underlying EBITDA/sales revenue                                  | 3.3%                             | (8.9%)                           |        |

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. Contingent liability with respect to the Quadrant acquisition. Settled in January 2024.
3. Former CEO one-off sign-on bonus, in receipt of bonuses forgone and was intended to replace a portion of the bonus payments that the former CEO would have received from his previous employer had he not ceased employment.
4. EBIT is defined as earnings before interest and tax.
5. EBITDA is EBIT before depreciation and amortisation.

# Appendix 5: AI market opportunity

|                                                             | Appen's traditional TAM                                                                                                                                       | New Generative AI opportunities                                                                                                             |                                                                                           |
|-------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
|                                                             | Deep learning model builders                                                                                                                                  | Generative AI model builders                                                                                                                | Companies adopting generative AI                                                          |
| <i>Description</i>                                          | 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             |
| <i>Main customer segments</i>                               | <ul style="list-style-type: none"><li>• US and China major tech companies</li><li>• Global software companies</li><li>• Ecommerce</li><li>• Federal</li></ul> | <ul style="list-style-type: none"><li>• US and China major tech companies</li><li>• LLM startups (i.e, OpenAI, Cohere, Anthropic)</li></ul> | <ul style="list-style-type: none"><li>• Fortune 2000 companies, mostly non-tech</li></ul> |
| <i>Estimated TAM for data services and software by 2030</i> | <b>\$12-17B<sup>1</sup></b><br>Mostly data services                                                                                                           | <b>\$2-4B<sup>2</sup></b><br>Mostly data services                                                                                           | <b>\$2-4B<sup>3</sup></b><br>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.