

ASX Announcement

30 April 2026

Q1 FY26 Quarterly Activity Report and Appendix 4C

Appen Limited (Appen) (ASX: APX), a global market leader in data for the Artificial Intelligence (AI) lifecycle, is pleased to provide this activity report and Appendix 4C for the quarter ended 31 March 2026 (Q1 FY26). Unless noted otherwise, all figures are presented in US\$ and January 2026 to March 2026 are based on unaudited management accounts. They have been prepared in accordance with Appen's accounting policies and applicable accounting standards but remain subject to audit and may change.

Q1 FY26 Highlights:

- **Revenue of \$54.8 million, +9% vs prior corresponding period (pcp)**
- **Underlying EBITDA¹ (before FX) of \$1.0 million, a \$2.5 million improvement vs pcp**
- **Ongoing strong performance achieved by Appen China, reflected by:**
 - Quarterly revenue of \$34.9 million, +88% vs pcp; and
 - Annualised revenue run-rate exceeding \$144 million in March
- **Appen Global performance reflects typical seasonality and nature of project-based work as evident in prior years**
 - Quarterly revenue of \$19.9 million, -37% vs pcp
 - Positive outcomes delivered during the quarter providing healthy foundation for the remainder of the year
- **Expanded use of AI in operations, with early signals of material opportunity to drive future efficiency improvements**
- **FY26 group guidance reaffirmed:**
 - **Revenue of \$270 - \$300 million; and**
 - **Underlying EBITDA (before FX) margin of ~5-10%**
- **Strong cash balance at 31 March 2026: \$59.0 million (A\$85.9 million²)**

Commenting on the performance for the quarter, Appen's CEO & Managing Director Ryan Kolln said, *"Throughout the quarter, our business continued to expand its delivery of high-quality data to a broader set of global customers. Specifically, we successfully won our first deals with two new foundation model customers, we're winning and expanding complex LLM projects including coding, and we're landing deals with new divisions within existing customers."*

¹ Underlying EBITDA excludes restructure costs, and transaction costs.

² Converted at 31 March 2026 exchange rate of 0.6871.

“Appen China exited the quarter with an annualised revenue run-rate growing to over \$144 million – a pleasing result, continuing its strong momentum into FY26.”

“As expected, the Appen Global result reflects the seasonality and nature of project-based work per previous years. We have executed well during the quarter, providing a healthy foundation for the remainder of the year.”

“Appen remains well positioned to capture growth at a global scale as AI adoption deepens across consumer, enterprise and emerging applications. We continue to build a strong team to deliver for our customers. Year to date, we have added 10+ people from the AI industry – including organisations such as Handshake, Mercor, Scale AI, Turing and Invisible – reflecting our ability to attract high-quality talent in a competitive environment.”

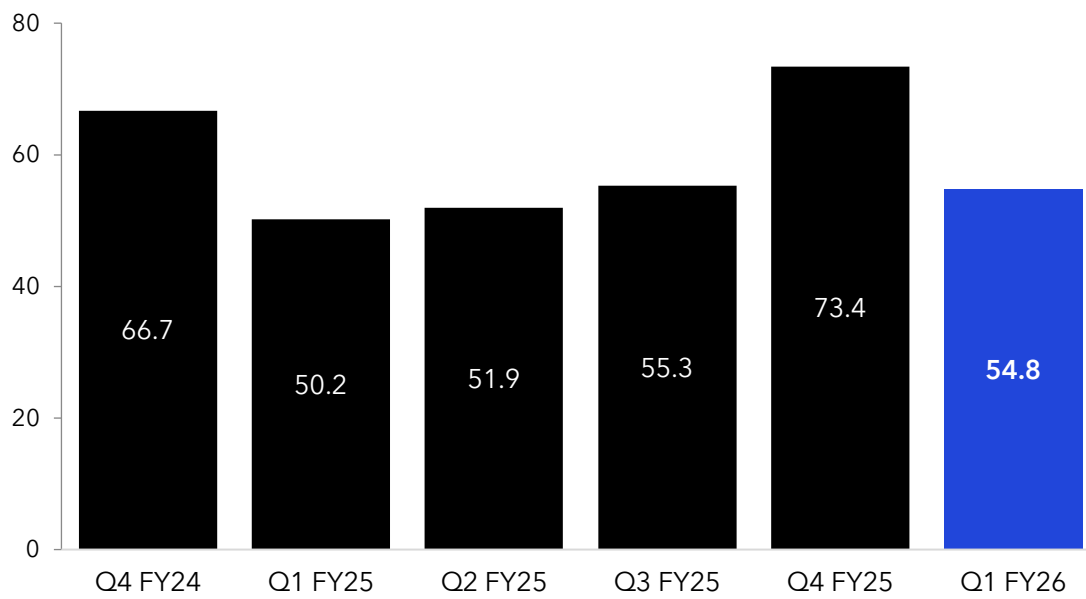
“With a strong balance sheet and a dedication to delivering quality data at speed we remain focused on revenue growth and ongoing underlying EBITDA profitability.”

Financial and Operating Performance³

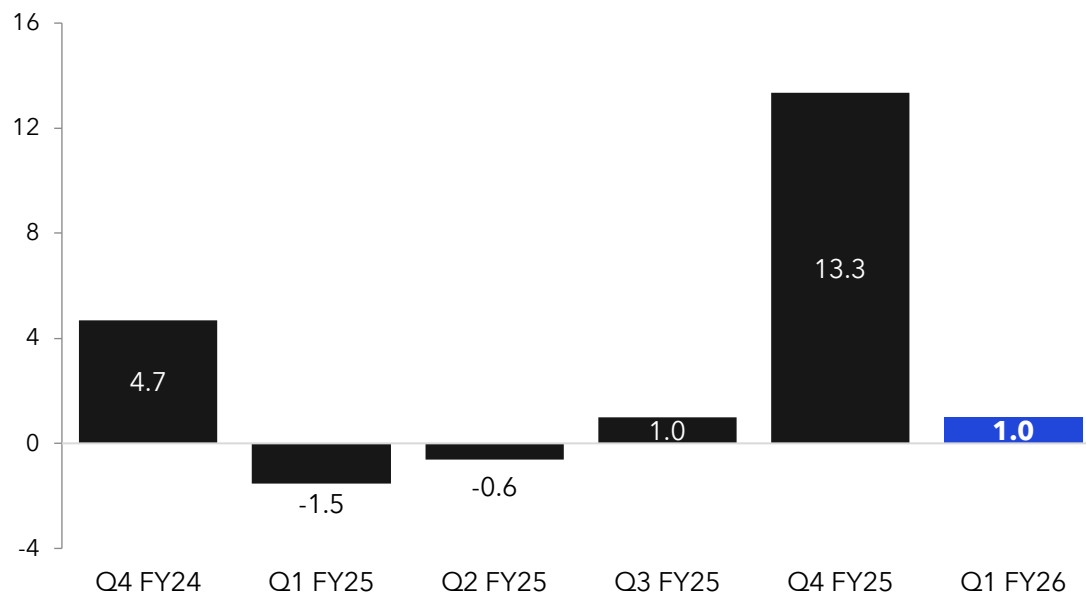
Summary	Q1 FY26	Q1 FY25	% / bps change
Revenue	54.8	50.2	9.1%
Gross Margin %	36.5%	37.4%	-90 bps
Underlying EBITDA (before FX)	1.0	-1.5	nm

³ Numbers presented may not add due to rounding. Percentages presented are actual and not calculated on rounded US\$ m. As noted above, FY26 financial information remains unaudited and subject to change.

Group Revenue



Group Underlying EBITDA (before FX)

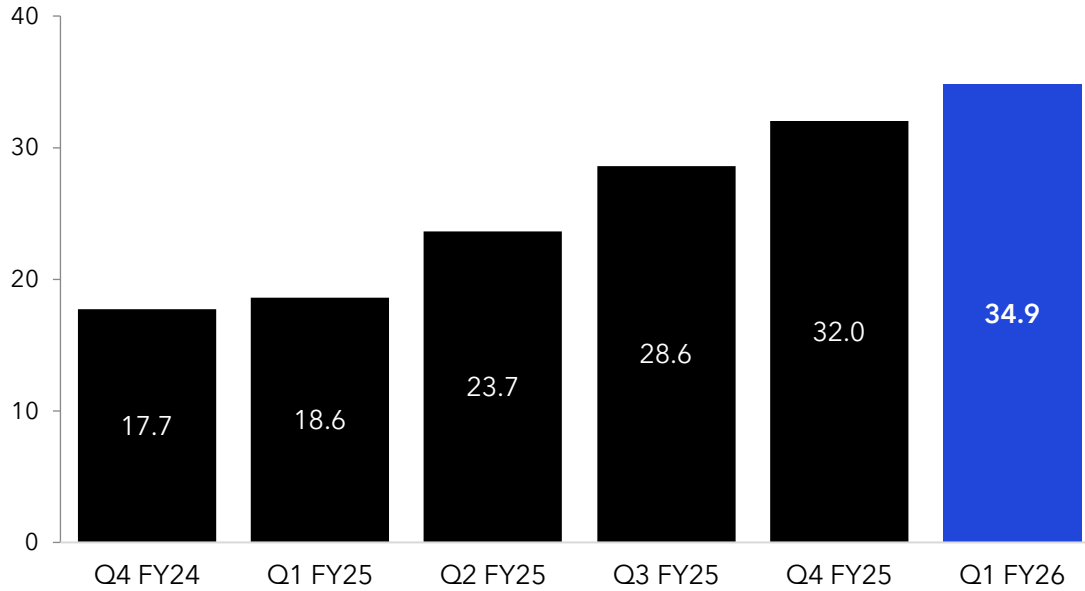


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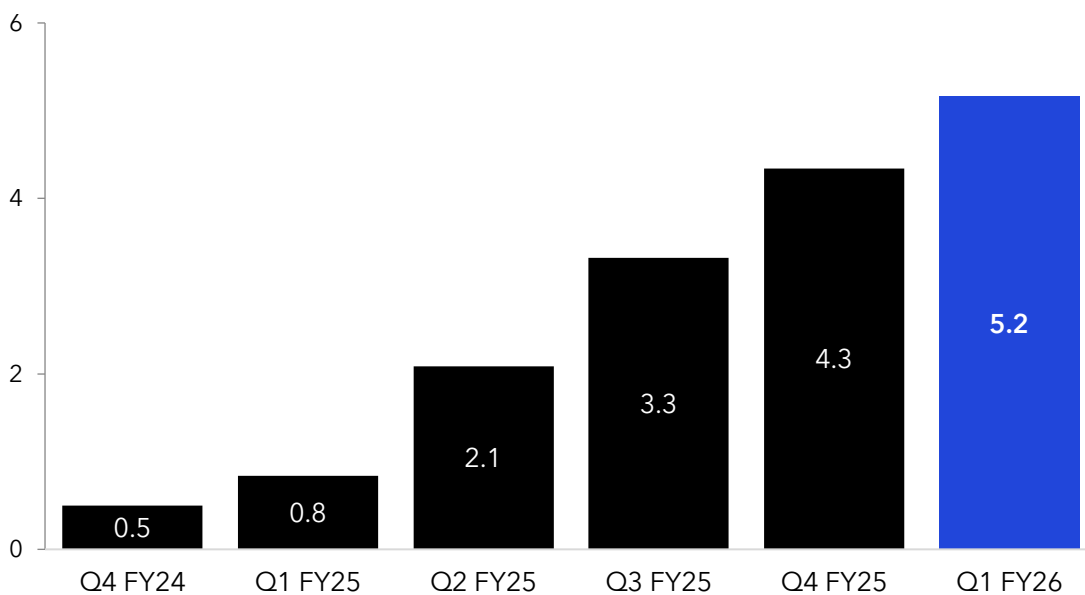
Notes related to financial and operating performance

Appen China

Appen China Revenue



Appen China Underlying EBITDA (before FX)



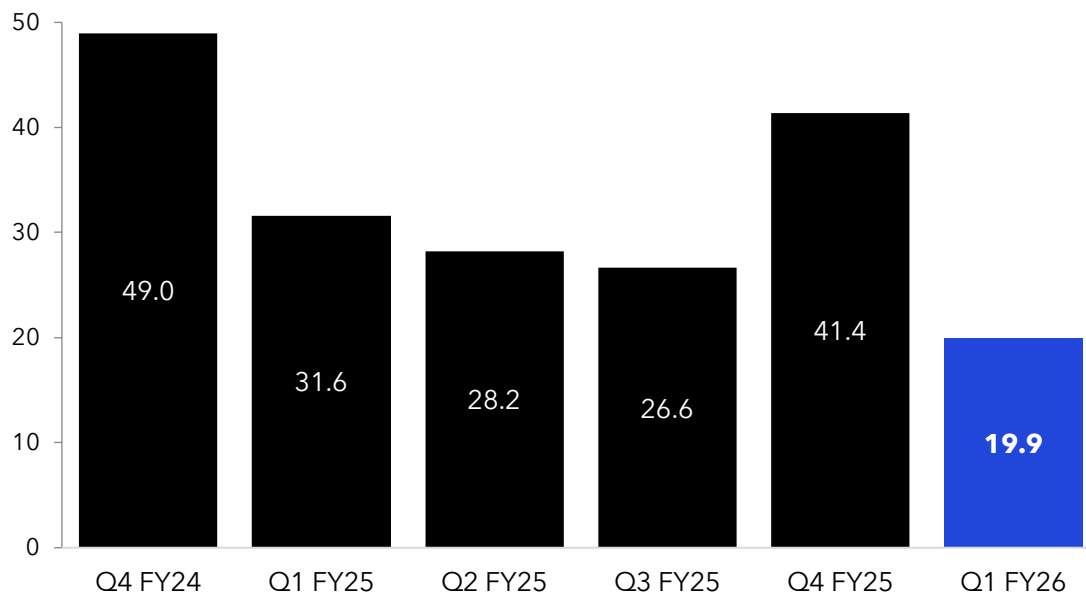
Appen China continued to perform well during the March quarter, delivering strong revenue growth (+88% vs pcp). The China business exited the quarter with an annualised run-rate for March exceeding \$144 million. Additionally, it achieved underlying EBITDA of \$5.2 million in Q1 (+\$4.4 million or +517% vs pcp), reflecting 14.8% quarterly EBITDA margin.

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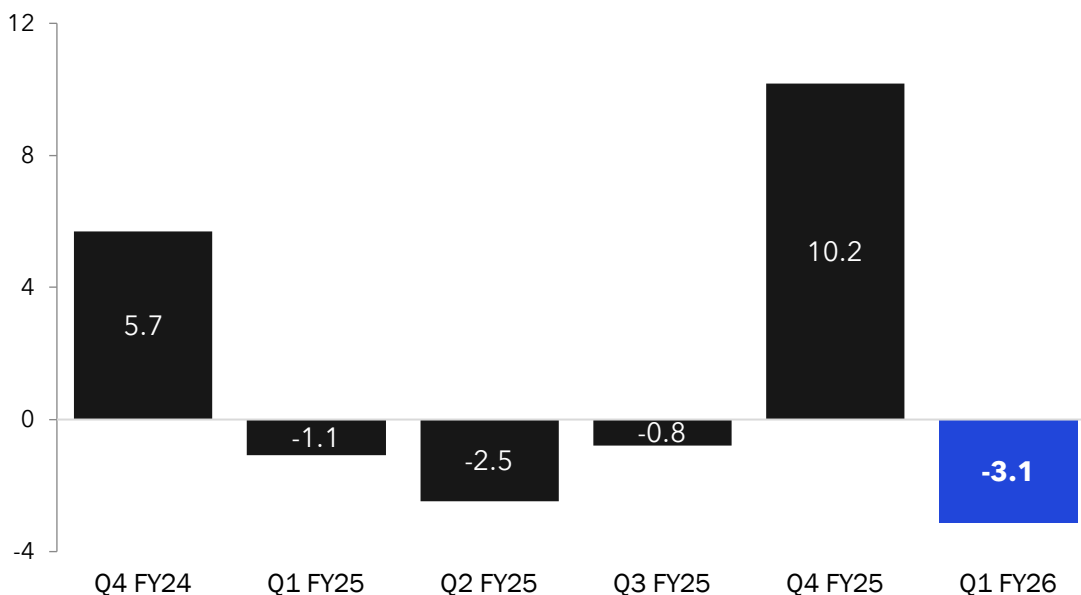
Revenue growth for Appen China continues to be driven by generative AI related projects, including supporting international expansion for Chinese technology companies. EBITDA margin improvement has also driven by a greater mix of higher-margin generative AI projects and increased revenue from high-margin prebuilt datasets. In addition, a focus on tight opex controls as revenue expands is positively contributing to segment performance.

Appen Global

Appen Global Revenue



Appen Global Underlying EBITDA (before FX)



Appen Global's March quarterly performance reflects the typical seasonality as well as the nature of project-based work, as evident in prior years. Appen Global's quarterly revenue was \$19.9 million (-37% vs pcq) with an underlying EBITDA loss of \$3.1 million.

Several positive outcomes were achieved during the quarter that provide a healthy foundation for the remainder of the year, including:

- Successful completion of robotics pilot with high quality performance. Opportunity for transition to full production.
- Won first deals with two foundation model builders, providing an opportunity for future expansion.
- Previously announced \$10 million+ generative AI opportunity remains active, albeit currently running at reduced volumes due to customer engineering efforts. Volumes expected to increase later in the year.
- Continue to win and execute complex LLM projects, including:
 - Reinforcement learning (RL) environments;
 - Agentic coding and coding trajectories;
 - Natural language to SQL;
 - Diffusion graphic design datasets;
 - Complex cybersecurity and coding; and
 - Complex mathematics.
- Qualified opportunities continue to trend positively.
- Expanded use of AI in operations, with early signals suggesting there is an opportunity for material efficiencies across the business.

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.

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

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%

Notes related to cash balance

Cash on hand as at 31 March 2026 was \$59.0 million, down \$0.8 million from \$59.8 million at 31 December 2025.

Net cash from operating activities was \$3.8 million for the quarter, compared to \$14.7 million from operating activities in Q4 FY25. The decrease reflects the seasonality of Appen Global.

Staff costs includes employed direct project workers (crowd expenses). This amount was \$10.3 million for the quarter, up from \$8.8 million in Q4 FY25. The increase aligns with revenue growth for projects requiring employed project workers.

Net cash used in investing activities was \$4.1 million for the quarter, a \$0.8 million decrease compared to Q4 FY25. The decrease is due to expansion of facilities for Appen China outflow in Q4 FY25. \$3.2 million outflow in relation to intellectual property refers to capitalised investment in product development.

Appendix 4C item 6.1 includes \$0.3 million aggregate payments to the CEO and Managing Director and Independent Directors. All amounts paid were in their capacity as Executive and Independent Directors.

Authorised by a duly appointed sub-committee of the Board of Appen Limited.

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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 languages⁴, in over 200 countries⁵, 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.

⁴ Self-reported.

⁵ Self-reported, includes territories.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Appen Limited

ABN

60 138 878 298

Quarter ended ("current quarter")

31 March 2026

Consolidated statement of cash flows	Current quarter \$US'000	Year to date (3 months) \$US'000
1. Cash flows from operating activities		
1.1 Receipts from customers	57,908	57,908
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(28,075)	(28,075)
(c) advertising and marketing	(130)	(130)
(d) leased assets	-	-
(e) staff costs	(22,792)	(22,792)
(f) administration and corporate costs	(2,845)	(2,845)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	139	139
1.5 Interest and other costs of finance paid	(2)	(2)
1.6 Income taxes (paid) / received	(414)	(414)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	3,789	3,789
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(957)	(957)
(d) investments	-	-
(e) intellectual property	(3,186)	(3,186)
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (3 months) \$US'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other – transaction costs	-	-
2.6	Net cash from / (used in) investing activities	(4,143)	(4,143)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – leases	(1,279)	(1,279)
3.10	Net cash from / (used in) financing activities	(1,279)	(1279)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	59,824	59,824
4.2	Net cash from / (used in) operating activities (item 1.9 above)	3,789	3,789
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(4,143)	(4,143)

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (3 months) \$US'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(1,279)	(1279)
4.5	Effect of movement in exchange rates on cash held	781	781
4.6	Cash and cash equivalents at end of period	58,972	58,972

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$US'000	Previous quarter \$US'000
5.1	Bank balances	42,628	45,387
5.2	Call deposits	16,344	14,437
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	58,972	59,824

6. Payments to related parties of the entity and their associates		Current quarter \$US'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1 – Directors' remuneration	301
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$US'000
8.1 Net cash from / (used in) operating activities (item 1.9)	3,789
8.2 Cash and cash equivalents at quarter end (item 4.6)	58,972
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	58,972
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2026

Authorised by a duly appointed sub-committee of the Board of Appen Limited.

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.