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12 March 2024

Ramona Seeto
Adviser, Listings Compliance
Australian Securities Exchange
By Email: listingscompliancesydney@asx.com.au

Dear Madam

Response to ASX Price and Volume Query Letter

We refer to your letter of 12 March 2024 in relation to a change in price in the securities of Appen Limited (**Appen, Company**) (ASX: APX) from a low of \$0.87 to a high of \$1.11 today, and an increase in the volume of APX securities traded from 11 March 2024 to 12 March 2024.

In response to your questions (using your numbering), we advise as follows:

1. No (although refer to the response in question 3).
2. Not applicable.
3. Appen notes that on 21 November 2023 as part of its equity raising presentation it disclosed to the market that the Board is continuously assessing opportunities to realise value for shareholders and that this has resulted in responding to third party interest in its businesses. The type of proposals being assessed were stated to include partnering, strategic investments, or sale propositions for part or all of the businesses.

Consistent with that disclosure, in recent months, Appen has engaged on a confidential basis with various parties who have expressed an interest in some or all of Appen's business. Other than an indicative proposal from Innodata, Inc (**Innodata**) – of which additional detail is set out below – to date, none of these discussions have progressed to any indicative proposal being put to Appen.

Appen recently received a highly conditional, confidential, non-binding, indicative proposal from Innodata, a New Jersey based NASDAQ listed entity, in relation to a potential combination of the two companies through a stock-for-stock transaction (the **Indicative Proposal**). The Indicative Proposal contemplates offer consideration of A\$0.70 worth of Innodata shares per Appen share (which equated to a premium in excess of 100% to the Appen share price at the time the Indicative Proposal was provided). The Indicative Proposal was stated to be subject to various conditions, including (but not limited to):

- Completion of satisfactory due diligence;
- Execution of a binding scheme implementation deed on customary terms and conditions;
- Certain regulatory approvals (including FIRB);

- Innodata Board approval;
- Any requisite Innodata regulatory / shareholder approval for the issue of Innodata common shares as scheme consideration under the Indicative Proposal.

In response to the Innodata Indicative Proposal, the Appen Board is currently seeking to understand the potential value to Appen shareholders from the proposed combination and has agreed to a limited exchange of non-public information on both businesses to occur, on a non-exclusive basis, subject to appropriate confidentiality and standstill arrangements being put in place. The Appen Board has made no determination as to whether the indicative consideration proposed by Innodata would be acceptable.

The Board notes that there is no certainty that the Indicative Proposal will result in a binding proposal for Appen, what the terms of such a proposal would be, or whether there will be a recommendation by the Board. The Board appointed Barrenjoey and Allens to assist it with its assessment of the Indicative Proposal.

4. Confirmed.

5. Confirmed. This announcement has been approved by a Board Sub-Committee, acting pursuant to a Board delegation.

Please contact me if you require any further information.

Yours sincerely



Carl Middlehurst
Company Secretary



12 March 2024

Reference: 90481

Ms Leanne Ralph
Company Secretary
BelleVieCorporate Pty Ltd

By email: leanne.ralph@bellev.com.au

Dear Ms Ralph

Appen Limited ('APX'): Price - Query

ASX refers to the following:

- A. The change in the price of APX's securities from a low of \$0.87 to a high of \$1.11 today.
- B. The significant increase in the volume of APX's securities traded from 11 March 2024 to 12 March 2024.

Request for information

In light of this, ASX asks APX to respond separately to each of the following questions and requests for information:

- 1. Is APX aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
- 2. If the answer to question 1 is "yes".
 - (a) Is APX relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in APX's securities would suggest to ASX that such information may have ceased to be confidential and therefore APX may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
- 3. If the answer to question 1 is "no", is there any other explanation that APX may have for the recent trading in its securities?
- 4. Please confirm that APX is complying with the Listing Rules and, in particular, Listing Rule 3.1.
- 5. Please confirm that APX's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of APX with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **4:00 PM AEDT Tuesday, 12 March 2024**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall

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within the exceptions mentioned in Listing Rule 3.1A, APX's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require APX to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in APX's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in APX's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to APX's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that APX's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

ASX reserves the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Yours sincerely

ASX Compliance