



28 June 2017
ASX Announcement

UPDATER DELIVERS MATERIAL POSITIVE RESULTS IN FULL-SERVICE MOVING PILOT PROGRAM

- Users in the Treated Group purchased a Full-Service Move from Pilot Moving Companies at a **520% higher rate** than Users in the Control Group
- With **more than 99% confidence**, it can be stated that Users exposed to Updater's Booking Feature are more likely to purchase a Full-Service Move from the Pilot Moving Companies
- Users who purchased a Full-Service Move from one of the Pilot Moving Companies engaged with nearly twice as many Updater features as compared to all other Users, demonstrating the potential for strong network effects
- The Pilot Program Cohort included 6,847 Users who created an Updater account during the Study Period and who were moving out of, or within, the Pilot Boundaries
- The Pilot Moving Companies included leading full-service moving companies that service local, long-distance or interstate moving in the Pilot Boundaries
- The Results are powerful validation that Updater can provide tremendous value to the full-service moving industry and the entire relocation ecosystem
- A conference call will be held today at 10.30AM AEST with CEO David Greenberg

Updater Inc. ("Updater" or the "Company"), the US technology company improving the moving process for the 17 million US households moving each year, is pleased to announce Results for the Pilot Program with the Pilot Moving Companies (the "Moving Pilot Program").

The primary goals of the Moving Pilot Program, which was announced in Q4 2016, are to prove the value of Updater's platform for full-service moving companies and improve the experience for Updater Users. On April 18th, Updater launched an improved booking feature in its Mover Product to connect Pilot Moving Companies with Updater Users (the "Booking Feature"). The Booking Feature helps Users purchase services for the transportation of their household goods, including the loading of household goods from the old residence into a truck, transporting the goods to the new residence, and the unloading of household goods from a truck into the new residence (a "Full-Service Move").

Users who were exposed to the Booking Feature (the “Treated Group”) purchased a Full-Service Move from Pilot Moving Companies at a **520% higher rate** than Users who were not exposed to the Booking Feature (the “Control Group”). Given the significance of the positive impact on the Treated Group when compared to the Control Group (“Lift”) and the sample size of the Pilot Program Cohort, it can be stated with over 99% confidence that Users exposed to the Booking Feature are more likely to purchase a Full-Service Move from a Pilot Moving Company than those not exposed to the Booking Feature.

Updater data suggests that 25% of Users wish to utilise the services of a full-service moving company, with the remainder opting for certain Do-It-Yourself options, such as renting a truck. Management estimates that the Pilot Moving Companies (excluding any impact from Updater) currently book 5% or less of the total market for Full-Service Moves in the Atlanta, Minneapolis, and Washington, DC metro areas. In the future, Management estimates that it may partner with companies that represent a significantly higher proportion of the market for Full-Service Moves in certain metro areas, ensuring Updater Users have optimal levels of choice, pricing, and service availability.

Updater measures the number of features (i.e. forwarding mail with US Postal Service, updating accounts and records, transferring TV/Internet service, etc.) that Users engage with in the Mover Product during their move lifecycle. Users that purchased a Full-Service Move from a Pilot Moving Company engaged with nearly twice the number of features as compared to all other Updater Users. This engagement data reaffirms that Updater’s Business Products are likely to improve the overall user experience and contribute to a potential network effect.

Details of the Pilot Program results are attached to this announcement. Further, the Company engaged a leading financial consulting firm in New York to independently verify the Company’s calculations. The third-party report is also attached to this announcement.

David Greenberg, CEO of Updater, commented: “This is a critical milestone for our company. The extraordinary results of the pilot demonstrate how helpful we can be to our Users, and how impactful we can be for our partners. We are more confident than ever that Updater is uniquely positioned to reinvent the process of booking and scheduling a full-service moving company. We’re building a superior user experience that is only available on Updater’s platform and we’re helping the premier full-service moving companies expand and improve their businesses.”

Jonathan Greer, Vice-President of Big League Movers, commented: “We have been thrilled with the number of Updater users we have been able to help move. Our partnership during this pilot has already had a meaningful impact on our business and we believe Updater will continue to be a primary source of booked customers.”

Industry Dynamics: Full Service Moving of Household Goods

- According to data from the American Moving & Storage Association (AMSA), consumers in the US spend ~US\$9 billion each year on local and interstate moving services. The price of an average full-service moving company is ~\$1,950 per move, with wide variance for local moves (~\$500-\$1,000 on average) as compared to interstate moves (~\$3,000-\$4,000 on average).
- Based on AMSA data, Updater estimates that full-service moving companies assist 4.5 million US household moves each year (most moves are self-executed, often with the help of a rented truck or container company).
- Updater estimates that the average profit margin for full-service moving companies is currently approximately 10%

Investor Conference Call

The Company will host an investor conference call today to discuss the positive results of the Moving Pilot Program. The call is scheduled for today, Wednesday 28 June 2017 at 10.30am AEST.

Dial in details:

Australia: +61 2 9087 3602

Attendee Access Code: 714-652-785

For more information, please contact:

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**PRELIMINARY RESULTS OF
FULL-SERVICE MOVING COMPANY PILOT PROGRAM**

Conducted
April 18, 2017
to
June 18, 2017

Pilot Program objectives:

The primary goals of the Moving Pilot Program are to prove the value of the Updater platform for full-service moving companies, and improve the experience for Updater users.

Pilot Program Details:

- Booking Feature: A step in the Mover Product that displays helpful and contextual information to Users about a Full-Service Move and enables simplified coordination with Pilot Moving Companies.
- Pilot Program Cohort: All Movers invited to the Updater platform by Real Estate Companies (excluding moving companies) who (a) created an Updater Mover Product account (“Users”) during the Study Period and (b) were moving out of, or within, the Pilot Boundaries. The Pilot Program Cohort totaled 6,847 Users.
- Study Period: 18 April 2017 to 18 June 2017.
- Pilot Boundaries: 909 zip codes in and around the metro areas of Washington D.C., Atlanta and Minneapolis.
- Pilot Moving Companies: Certain full-service moving companies verified by Updater as a leading and trustworthy service provider and that service local, long-distance or interstate moving in the Pilot Boundaries. Pilot Moving Companies included both agents for the largest van lines and leading independent moving companies. Updater selected 5 or less moving companies for each metro in the Pilot Boundaries.

Statistical Methods:

- “Treated Group” and “Control Group”: The total Pilot Program Cohort group was divided into a “Treated Group”, the subset of Users who had access to the Booking Feature in the Mover Product, and a “Control Group”, the subset of Users who did not have access to the Booking Feature in the Mover

Product. Users in the Pilot Program Cohort were randomly designated as “Control” versus “Treated”.

- Statistical Significance: The method of “statistical hypothesis testing” was applied in this Pilot Program in order to validate that results did not occur randomly or by chance, but instead are attributable to a specific cause – in this case, the exposure or non-exposure to the Booking Feature – and therefore indicative of future results. As an applied example, to state with 99% confidence that a treated group will outperform a control group, “statistical hypothesis testing” determines a p-value based on population size, conversion rate and standard error for each sub-group. The p-value ultimately validates or invalidates the hypothesis that 99% of the time, one group will outperform the other.

Results:

- Sample Size: The Pilot Program Cohort group included 6,847 Users.
- Product: A Full-Service Move.
- Conversions: Users in the Pilot Program Cohort group who purchased the Product from a Pilot Moving Company.
- Lift: The rate at which Users in the Treated Group completed a purchase for the Product (i.e., converted) with a Pilot Moving Company was 520% greater than the rate at which Users in the Control Group completed a purchase for the Product with a Pilot Moving Company.
- Statistical Significance: Based on the statistical significance methodology described above, it can be stated with over 99% confidence that Users exposed to the Booking Feature are more likely to purchase the Product from the Pilot Moving Companies.

About Updater:

Updater makes moving easier for the 17 million households that relocate every year in the US. With Updater, users seamlessly transfer utilities, update accounts and records, forward mail, and much more. Hundreds of the most prominent real estate companies in the US (from real estate brokerages to property management companies) rely on Updater’s real estate products to save clients hours with a branded and personalised Updater moving experience. Updater has established significant market penetration of all US household moves and can therefore enable contextual and personalised communication between relocating consumers and the US businesses spending billions of dollars trying to reach them.

Updater is headquartered in New York City, and prior to listing on the ASX, Updater received significant investments from leading US venture capital firms including SoftBank Capital, IA Ventures, and Second Century Ventures (the strategic investment division of the National Association of REALTORS®).

For more information, please visit www.updater.com.



June 26, 2017

Updater Inc.
19 Union Square West, 12th Floor
New York, NY 10003

To: The Board of Directors

Nomad Financial, a full-service financial strategy and operations firm for high-growth technology companies, conducted a statistical test on data sets provided by Updater and can confirm that the results of our analysis match those calculated separately by Updater.

Based on the observed data, the Treated group experienced a 519.65% lift in conversion rate vs. the Control group, and a statistical analysis showed that with 99% confidence, the higher conversion rate is statistically significant and not due to random chance.

Methodology

The data set used for the Updater analysis contained two independent groups of individuals:

Group 1 (Treated): individuals that received the Updater messaging.

Group 2 (Control): individuals that did not receive the Updater messaging.

The implied improvement in conversion due to the treatment is 519.65%.

The success or conversion rate was calculated for each group, as was the standard error (an estimate of the population standard deviation, based on sample size), and test statistic. The resulting p-value is less than 1%, which satisfies the threshold for statistical significance at the 99% confidence level.

This is a one-tailed, two-sample test of proportion since we are testing that Updater treatment has a positive effect on conversion. This is a common methodology for performing A/B tests.

Nomad Financial does not guarantee the accuracy of the underlying data utilized to conduct the statistical analysis. The results described herein are a reflection of the size of each sample, and conclusions on larger sample sizes may be made with even higher degrees of confidence.

Sincerely,

A handwritten signature in black ink that reads "Michael Taormina".

Michael Taormina
Nomad Financial

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