



ASX Announcement

4 October 2017

ASX: UPD

UPDATER COMPLETES ACQUISITION OF LEADING MOVING SOFTWARE COMPANIES

Highlights:

- Updater closes acquisition of IGC Software (“IGC”) and Asset Controls Inc. (“ACI”)
- The acquisition will expedite the deployment of Business Products in the full-service moving and storage vertical and enable Updater to offer a superior user experience, exclusively available on Updater’s platform
- IGC and ACI will operate as a combined company, MoveHQ, a wholly-owned subsidiary of Updater
- Updater and MoveHQ will initiate work on integrating their platforms immediately

Updater Inc. (“Updater” or the “Company”), the US technology company improving the moving process for the 17 million US households relocating each year, has successfully acquired both IGC and ACI (together referred to as the “Target Companies”).

Effective as of today, IGC and ACI will operate as MoveHQ Inc. (“MoveHQ”), a wholly-owned subsidiary of Updater. Please visit movehq.com for details.

Transaction Summary

Pursuant to the terms of the Stock Purchase Agreements between the Target Companies and Updater, Updater has paid US\$14,095,000 in cash consideration, and set aside US\$2,705,000 for customary holdbacks that are intended to be paid in the future. In addition, Updater has issued to the key employees of the Target Companies 168,732 shares of common stock in the Company (valued at US\$4,200,000, priced at the 10 trading day VWAP of Updater CDIs on the date prior to the closing). These new shares issued as partial consideration for the acquisition vest under the Company’s standard 4-year vesting schedule (25% vest after 12 months, the remainder vest in 36 equal installments over 36 months), and

therefore all such shares are subject to trading restrictions for 12 months from the date of issue.

In addition, the key employees of MoveHQ will be eligible to earn, in aggregate, up to US\$5,500,000 in cash if they achieve certain future milestones, such as surpassing future revenue goals and maintaining employment at MoveHQ for over three years after closing of the acquisition. In connection with their new employment arrangements at MoveHQ, the key employees of MoveHQ received, in aggregate, 20,084 options over common stock in the Company, which were issued out of the Company's existing stock incentive pool, with an exercise price of US\$24.8913 per share, and vest under the Company's standard 4-year vesting schedule.

The shares of common stock in the Company that have been issued to key employees of the Target Companies as partial consideration for the the acquisition have been made under the Company's placement capacity in accordance with ASX Listing Rule 7.1.

About IGC and ACI

IGC and ACI have developed the relocation industry's most widely-used software products. IGC and ACI customers include the majority of the largest van lines and hundreds of their local agents, as well as many of the premier independent moving companies. In the past five years, both companies have earned the industry's top honor: American Moving & Storage Association ("AMSA") Supplier of the Year.

Founded in 1999 by Brian Ferguson and headquartered in Columbus, Ohio, IGC is the leading supplier of surveying, estimating, and sales management software tools for moving & storage companies.

Founded in 1995 by Joe Bippen and headquartered in St. Louis, Missouri, ACI has built the moving & storage industry's most trusted and widely used inventory and warehouse management software applications.

IGC and ACI began co-developing software products in 2007. Their first project, MobileMover, became the most widely-used packer and driver mobile application on the market. Their next collaboration, the highly anticipated MoveHQ platform, has been in development for three years and is a new, paperless, full-lifecycle, 'lead to cash,' SaaS application scheduled for release in Q4 2017. The MoveHQ product will seamlessly integrate with all of IGC's and ACI's industry-leading, stand-alone products, including MoveCRM, SurveyHHG, MobileMover, and Windfall.

Based on unaudited internal accounts, together IGC and ACI generated approximately US\$7.2M in revenue in the 12 months to 31 December 2016 and are profitable companies with positive cashflow. The Company anticipates that

revenue and profit margin will increase after the release of the new MoveHQ platform.

Brian Ferguson and Joe Bippen will serve as Co-Presidents of MoveHQ and will continue all existing operations at their respective locations. IGC and ACI have approximately 75 employees across Ohio and Missouri.

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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. With significant market penetration of all US household moves, Updater can 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.

Forward-Looking Statements

This announcement contains forward-looking statements. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements. These forward-looking statements are based on management's beliefs and assumptions and on information currently available to our management. The Company's management believes that these forward-looking statements are reasonable as and when made. However, you should not place undue reliance on any such forward-looking statements because such statements speak only as of the date when made. We do not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law or the ASX Listing Rules. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results, events and developments to differ materially from our historical experience and our present expectations or projections

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