updater.

**ASX Announcement
21 November 2017**

UPDATER ANNOUNCES EVOLUTION OF PLATFORM; PROVIDES 2018 METRICS FOR SALE OF BUSINESS PRODUCTS

Highlights:

- Updater announces plans for the next evolution of its platform to enable a transformative relocation experience, increasingly sophisticated Business Products, and scalable revenue.
- Updater announces key metrics for Calendar Year 2018, including plans to sell Business Products in five (5) verticals, and vertical-specific goals for Insurance and Full-Service Moving.
- Updater confirms that it will be actively selling Business Products in the Moving and Insurance verticals in Q4 2017; and that initial revenue outside of Real Estate Products is expected to be received in Q4 2017.
- Updater confirms that if its 2018 goals are achieved, then revenue will increase materially quarter on quarter (QoQ) throughout 2018.
- An investor webinar will be held today at 11.30AM AEST. Registration in advance of the webinar is required, and can be completed here.

Updater Inc. (ASX: UPD), the US technology company improving the moving process for the 17 million US households moving each year, is pleased to announce details regarding its next-generation relocation technology platform, 2018 key performance metrics for the sale of Business Products, and an overview of go-to-market strategies and goals in the Insurance and Full-Service Moving verticals.

David Greenberg, CEO of Updater, commented: "We're very excited about the next evolution of the Updater platform and developing Business Products that result in scalable revenue and a user experience that has the potential to transform the relocation industry."

Next Evolution of the Updater Platform

Since 2012, Updater has focused on expanding national market penetration by partnering and integrating with hundreds of leading Real Estate Companies in the US. Updater's Real Estate Integration Platform enables companies that purchase Real Estate Products to seamlessly share information with Updater for the purpose

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of personalising and customising the moving experience of their clients and residents.

By successfully aggregating over 15% of all household moves in the US onto a single platform, Management believes that Businesses across multiple verticals will increasingly rely on the Company's Business Products to acquire and retain customers during the relocation event.

Updater plans to sell Business Products to a large and diverse group of Businesses in the US across approximately 15 verticals. The Company generally seeks to charge Businesses for access to its platform (as opposed to commissions for new or retained customers).

Throughout 2018, the Company will be investing significant resources to further advance its platform. The next evolution of the Updater platform will (a) enable Users to access personalised and helpful content and/or advanced functionality for initiating and completing transactions, (b) deliver a user experience that satisfies a myriad of User 'personas' and builds trust with all Users, and (c) enable self-service options for Business Products to drive scalable revenue growth over the long term with minimal human interaction.

For more details on the evolution of the Updater Platform, please see Appendix A.

2018 Key Performance Metrics for the Sale of Business Products

Following successful Pilot Programs earlier this year in the Full Service Moving and Insurance verticals, the Company previously announced that it will commence selling Business Products in both verticals by year-end 2017.

Management is pleased to set the following 2018 goal for Business Products sales:

> *The Company will be actively selling Business Products in three (3) additional key verticals, bringing the total number of 'live' verticals to at least five (5) by year-end 2018.*

Paid Programs (Business Product Sales)

As set forth in Appendix A, Businesses that purchase Business Products may run certain 'Programs' in the Updater Platform, which allow Users to receive personalised and helpful content and/or access advanced functionality for initiating and completing transactions, which are generally not available outside

the Updater platform. In each vertical, the Company will track and report the number of *paid* Programs running on its platform.

In some verticals, to ensure adequate choice for Users, the Company must run Programs for over 100 Businesses (such as Full-Service Moving), whereas in other verticals less than 20 Programs may be adequate (such as Insurance). Additionally, some Businesses may wish to purchase multiple Programs within verticals, or Programs across multiple verticals, or Programs on behalf of other partner Businesses.

Insurance Vertical: Go-To-Market Strategy and Goals for 2018

As a part of its go-to-market strategy in the insurance vertical, the Company has established a new Insurance Division, which is a wholly-owned subsidiary of the Company. The Company has appointed leading industry experts to run its Insurance Division and expects it to become licensed in insurance in the majority of US states in the near future.

The Insurance Division is actively developing strategic partnerships with the largest carriers, agents, data intelligence and matching providers, and various 'InsureTech' startups. In addition, the Insurance Division has already begun pre-selling Business Products in Q4 2017 for the Insurance Division's core products, which will launch in 2018. The core products include:

- *Retention Products*: For major carriers to communicate with their pre-mover home & renters policyholders to significantly improve customer retention, creating a seamless process to enable Updater Users to transfer their existing insurance policies.
- *Acquisition Products*: For carriers and various insurance channels to distribute new home & renters products via a curated, guided shopping experience for Updater Users to secure high-quality coverage at optimal prices.

In addition, in 2018 the Insurance Division may offer various ancillary products to external carriers and companies, or run various ancillary Programs directly. Such ancillary products may include:

- *Lease and Security Deposit Insurance Products*: To enable renters to more easily secure a lease while simultaneously protecting and increasing revenue for Updater's property management clients.
- *Moving insurance Products*: To protect the household goods of Updater's Users.

These Insurance Division products (which the Insurance Division will sell as Updater's Insurance Business Products) will enable various third party insurance carriers and companies to run Programs in the Updater platform, either through an agency or a contract relationship with the Insurance Division.

The current and planned products of the Insurance Division will assume no underwriting risk.

Management has set the following goal for the Insurance Division:

> *Paid Programs*: Secure 15 Paid Programs running on the Updater platform by year-end 2018.

With 15 Paid Programs, most Users will have adequate choice to ensure a comprehensive experience in the Mover Product for purchasing an insurance product.

Full-Service Moving Vertical: Go-To-Market Strategy and Goals for 2018

As part of the Company's go-to-market strategy in the Full-Service Moving industry, the Company acquired both IGC and ACI, developers of the relocation industry's most widely-used software products. IGC and ACI now operate as MoveHQ Inc., a wholly-owned subsidiary of the Company. The new MoveHQ product combines, and seamlessly integrates with, all of IGC's and ACI's industry-leading, stand-alone products.

The integration of the Updater and MoveHQ platforms continues to progress positively following the initial work that commenced in October. The integrated platforms will enable Updater Users to seamlessly book a full-service move based on detailed information about, and pricing estimates from, multiple premier moving companies. MoveHQ is currently pre-selling Business Products in advance of completing the integration. Early reception in the industry has been extremely positive.

In order to provide high-quality, full-service moving options to Updater Users, MoveHQ will partner with van line agents and independent moving companies that collectively service all facets of full-service moving. MoveHQ will offer moving companies the ability to communicate with prospective customers, book customers directly on the Updater platform, and improve engagement with booked customers (collectively, the "MoveHQ Engagement Module"). Therefore, the MoveHQ team will sell Updater's Full-Service Moving Business Products as a module within the MoveHQ platform.

MoveHQ will independently evaluate and certify partner moving companies as "Updater Certified". The certification process may take into account User feedback, American Moving and Storage Association (AMSA) designations, other independent research, and proprietary insights on the service records of partner companies. The platform will display to Users proprietary metrics highlighting each company's consistency and reliability in pricing and service relative to industry averages. Management believes that this paradigm will greatly benefit highly reputable moving companies that partner with Updater, and diminish the market share of lower quality moving companies.

Management has set the following goal for MoveHQ:

> *Paid Programs: Secure 150 Paid Programs running on the Updater platform (via the MoveHQ Engagement Module) by year-end 2018.*

With 150 Paid Programs, most Users will have adequate choice to ensure a comprehensive experience in the Mover Product for booking or scheduling a full-service moving company.

Continuous Reporting on Progress

The Company will report on progress toward its Paid Programs goals in each live vertical on a quarterly basis. In addition, the Company will provide immediate updates for all material developments regarding Business Products as they occur.

Management is confident that if the Company is actively selling Business Products in five (5) verticals in 2018, and achieves its stated vertical-specific goals for Paid Programs, then *revenue will increase materially quarter on quarter (QoQ) throughout 2018.*

In addition, Updater's revenue will materially increase over the long-run with the following developments:
- Increased Market Penetration
- Further development and optimisation of the Updater platform, resulting in:
  - Improved performance of Business Products (enabling larger access fees)
  - Improvements to the Mover Product experience (driving increased User conversion and engagement)
- Increased number of 'live' verticals and Paid Programs

Investor Webinar

The Company will host an investor webinar to discuss this announcement and provide an update for shareholders on the Company's recent achievements.

The webinar is scheduled for today, 21 November 2017, at 11.30AM AEST.

Registration in advance of the webinar is required, and can be completed here.

Appendix A: The Evolution of the Updater Platform

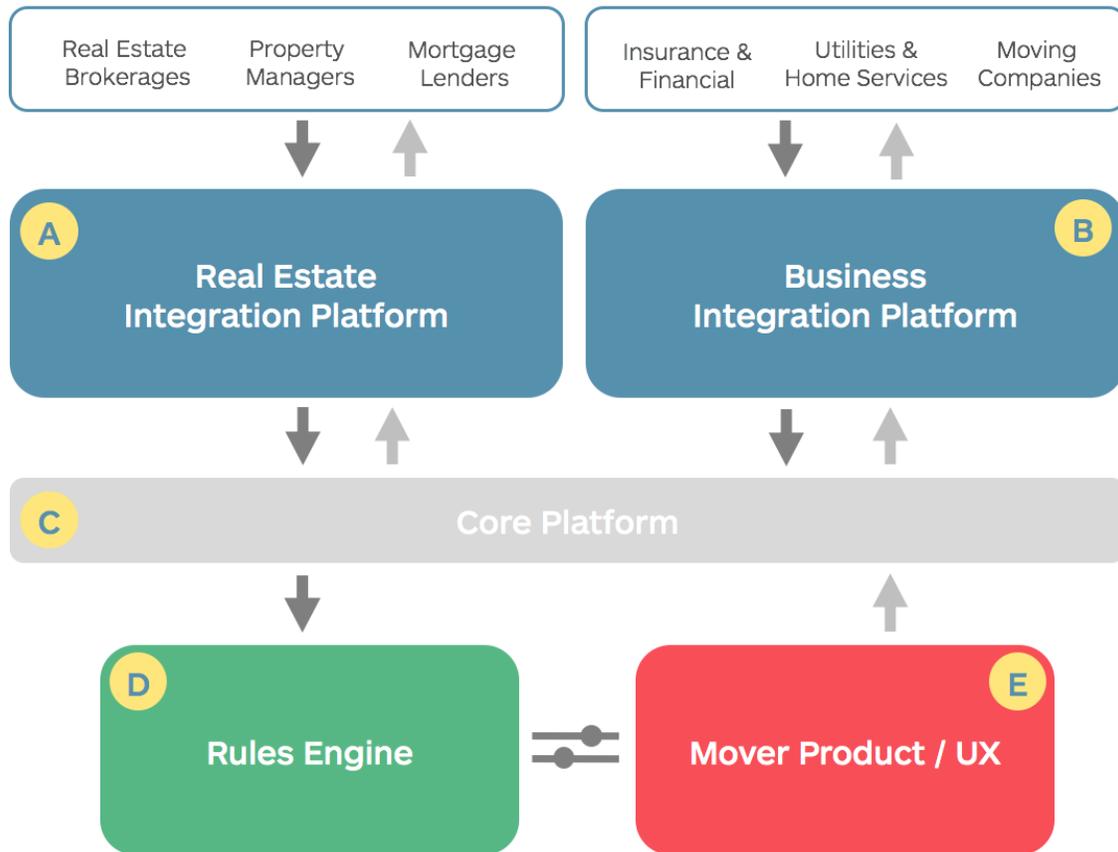Diagram 1

The Business Integration Platform

Updater generates invites to Users via the Real Estate Integration Platform (see Diagram 1 - A). Using the Business Integration Platform (see Diagram 1 - B), Businesses may register various products and/or services that are relevant for relocating consumers (collectively, "Services").

Businesses may submit a Service, and any related information, for review to Updater. If approved, the information related to the applicable Service will be sent into Updater's Core Platform (see Diagram 1 - C), and a new program dedicated to the Service will run in the Updater Platform (a "Program"). Once a Program is running, the applicable Service will become *eligible* for inclusion in the Mover Product. The Company will charge Businesses fees to run approved Programs in the platform for a certain timeframe (i.e., Business Products involve paying for access to the Updater platform).

Businesses may use the Business Integration Platform for many purposes, such as:

1) *Sharing Service Information:* Businesses may set service boundaries, pricing, applicable discounts, product information, etc.
2) *Sharing Customer Information:* Businesses may send their customer information (or conduct blind-matching) for the purposes of sharing customer lists, prospect lists, historical customer sales, etc.
3) *Sharing Implementation Information:* Businesses may share real-time information about delivery, scheduling, or installation for customers booked via Updater (Updater may then display such information to Users in the Mover Product).
4) *Receiving Orders:* Businesses may receive orders, appointments, and/or purchases placed by Updater Users.
5) *Receiving Insights:* Businesses may gain insights into their service ratings, their performance for acquisition and retention on the platform relative to other Businesses in the same vertical, and/or analysis of their ideal customer segments.

For Products that are critical to provide Users with a great experience, but for which the applicable Business is not yet a partner, Updater may pre-set Programs on behalf of the Business to ensure a comprehensive experience for its Users. Updater may then report results (and competitive analysis) to such Businesses to create leverage for selling Business Products in the future.

The Rules Engine

Updater will build an increasingly sophisticated Rules Engine (see Diagram 1 – D), which is the Company's proprietary software application that determines exactly which content and functionality (from various approved Programs) will be presented to each Mover in the Mover Product (see Diagram 1 - E).

The Rules Engine ensures that Businesses can only customise the moving experience for Users who are most likely to find the applicable communication or functionality relevant and contextual, such as existing customers or Users moving into the geographic footprint of the Business. The Rules Engine will therefore curate a moving experience that is optimised for each individual User. Businesses cannot pay to override the output of the Rules Engine. The Rules Engine will analyse:

1) *Service Information from Approved Programs:* Service boundaries, pricing, historical orders, existing customer connections, etc.
2) *Customer Information from Approved Programs:* Existing customer relationships, historical orders, etc.

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3) *User Efficiency:* The extent to which Business partners are utilising the Integration Platform to accept orders and communicate with customers during the moving process via Updater.
4) *Ratings:* Analysis of the quality of applicable Services based on feedback from verified recent customers, third parties, and proprietary insights (such as whether a moving company or cable company arrives at the time they promise).
5) *Artificial Intelligence:* Ongoing analysis of millions of household moves that Updater facilitates will result in discovery of correlations that indicate which content and functionality each User is most likely to find helpful and valuable.

A Product Users Love

Delivering on the Company's mission for an extraordinary Mover experience will require significant continued investment in user research and product design. Some core principles include:

1) *Satisfying All User Personas:* The Mover Product needs to discover exactly what decisions each User wants to make and how they want to make them – and then deliver a simple interface that satisfies each User's needs.
2) *Building Trust with Users:* Updater needs to provide a complete view of the market, such that Users know that Updater is helping them make a great decision and unlocking the best prices for the products that they choose. Movers must understand that (a) Updater has a strict privacy pledge and never rents, sells or shares information behind their backs, and (b) Businesses are not paying for specific placement in the platform – rather, Businesses are only paying for access to the platform and the Rules Engine then determines the best options for each User.

Scalability

The Company has built its existing platform for Users and Real Estate Partners to ensure minimal operating costs. For example, nearly 1,000 of the nation's major Real Estate Companies are Updater clients, and Updater has a team of fewer than 15 people to manage all ongoing relationships and onboard new clients. Further, Updater will process 2-3 million moves in 2017, and upon accounts creation, Updater will manage millions of User requests within the Mover Product, all with fewer than 5 customer service representatives.

Similarly, the Company seeks to build its next generation platform to ensure minimal costs to implement Business Products. A key goal, over the long term, is to ensure that the vast majority of Business partners do not interact with a human for sales and account management. Therefore, in the future, the Company seeks to

create a self-serve Business Platform, including an easy-to-use interface along with a more comprehensive self-service API layer for more complex Programs.

In the long-term, the Company hopes to primarily grow revenue by increasing the utility of its Business Products rather than expansion of its sales team. The Company is investing heavily upfront to build the Updater Platform such that costs do not increase in line with revenue as it scales.

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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. 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.