



5 December 2017
ASX Announcement

**UPDATER DELIVERS MATERIAL RESULTS IN PAY TV PILOT;
FURTHER ACCELERATES BUSINESS PRODUCTS SALES STRATEGY;
ANNOUNCES INDUSTRY-LEADING ENGAGEMENT METRICS**

Highlights

- Updater is pleased to report results from its PayTV/Internet Pilot Program
- Users exposed to Updater Communications purchased a recommended PayTV Product at a **224% higher rate** than Users not exposed to Updater Communications
- With more than **99% confidence**, it can be stated that Users exposed to Updater Communications are more likely to purchase a recommended PayTV Product
- The results are powerful validation that Updater can provide tremendous value both to PayTV/Internet partners and Users looking to purchase such products
- Following the strong Pilot results, Updater will commence selling Business Products in the PayTV/Internet vertical in early 2018 with the goal of securing 10 Paid Programs running on the Updater platform by year-end 2018
- Updater is pleased to announce that it has significantly optimised its User conversion funnel, with **30-40% of invited Movers becoming Updater Users**
- An investor webinar will be held today at 11.30AM AEDT. Registration in advance of the webinar is required, and can be completed [here](#)

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 (a) results from its PayTV/Internet Pilot Program for PayTV acquisition, (b) its strategy and goals for selling Business Products in the PayTV/Internet vertical in 2018, and (c) its industry-leading User conversion rate.

PayTV/Internet Optimisation and Testing

Updater began optimising its features and booking systems for connecting Users with various home services providers at the start of 2017. In June 2017, the Company announced a Pilot partnership with AT&T to test certain communication strategies via a deeper integration.

In the past six months, Updater has facilitated the purchase of various Home Service products for over 5,000 households. Importantly, *over 60% of Users who*

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engaged with Updater's payTV/internet booking system ultimately purchased a product via the system.

In Pilot testing, Updater proved material influence over the decisions of its Users. As detailed in [Appendix A](#), Users exposed to Updater Communications purchased a recommended PayTV Product at a 224% higher rate than Users not exposed to Updater Communications. And, with more than 99% confidence, it can be stated that Users exposed to Updater Communications are more likely to purchase a recommended PayTV Product.

PayTV/Internet Vertical Strategy and Goals for 2018

The US PayTV/Internet Vertical – including both PayTV and Internet providers – is a US\$100B+ revenue per year industry, with a combined US\$8-12B marketing spend.

Following strong Pilot results, the Company is pleased to announce plans to sell Business Products in the PayTV/Internet vertical. In Q1 2018, the Company will be actively developing strategic partnerships directly with the largest home service providers, along with their various marketing, call centre, and data intelligence and matching affiliates. The Company will offer the following core PayTV/Internet Business Products in 2018:

- Retention Products: For major PayTV/Internet companies and their affiliates to communicate with existing pre-mover customers to optimise customer retention.
- Acquisition Products: For major PayTV/Internet companies and their affiliates to offer various products via a curated, guided shopping experience for Updater Users to secure high-quality services at optimal prices.

Management has set the following goal for the PayTV/Internet vertical:

Paid Programs: Secure 10 Paid Programs running on the Updater platform by year-end 2018.

The addition of advanced functionality for comparing and purchasing home services on the Updater platform will further cement Updater's position as the premier technology for consumer relocation.

The Company is pleased to advise that SVP of Business Development and Strategy, Raj Doshi, who formerly led strategy teams for Google's marketing

platform and sales teams at Google's home service company Google Fiber, is leading Updater's strategy for Business Products sales.

Key Variables for Revenue Growth

During the past six months, the Company has significantly optimised its User conversion funnel. Currently, 30-40% of Mover invite recipients complete the conversion funnel and become Updater Users. Prior to extensive optimisation, the Company had previously advised investors that such conversion rate was greater than 12.5%, a number that was already considered to be the highest in the industry.

The Company anticipates increasing Business Products revenue quarter on quarter throughout 2018 resulting in a significant increase in total 2018 revenue over 2017. Further, at year-end 2018, the Company anticipates that its revenue run-rate will indicate significant future growth in 2019 over 2018.

Business Products revenue will increase over time as:

- (a) Estimated Market Penetration and User conversion rates continue to increase;
- (b) The Updater platform is further developed and optimised; and
- (c) New Paid Programs are signed and additional verticals are launched.

David Greenberg, CEO of Updater, commented: "We're very excited to build a next-generation experience for our Users to purchase home services, as arranging TV and Internet at the new home is one of the first tasks our Users seek to complete when they move. The Pilot results in the PayTV/Internet vertical are powerful validation of Updater's unique timing and trust factors. We're confident that Updater will deliver valuable results for our partners, resulting in strong and sustained revenue growth. We have already begun pre-selling certain Business Products and expect Q4 2017 revenue to double over Q3 2017, and anticipate continued growth throughout 2018 and for years to come."

Investor Webinar

The Company will host an investor webinar to discuss the PayTV/Internet Pilot results, the acceleration of selling Business Products within the PayTV/Internet vertical, and its industry leading engagement metrics.

The webinar is scheduled for today, 5 December 2017 at 11.30AM AEST.

Registration in advance of the webinar is required, and can be completed [here](#).

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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.

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APPENDIX A
PRELIMINARY RESULTS OF
PAY TV ACQUISITION PILOT PROGRAM

Conducted
July 1, 2017
to
October 31, 2017

Pilot Program objectives:

The primary goals of the PayTV/Internet Pilot Program are to prove the value of the Updater platform for PayTV/Internet companies, and improve the experience for Updater users.

Pilot Program Details:

- Product: A PayTV service recommended by Updater.
Study Period: 1 July 2017 to 31 October 2017. The Company also engaged a leading financial consulting firm in New York to independently verify the Company's calculations. The third-party report is attached to this announcement.
- Communications: Information about the Product explained, in a contextual and helpful manner, to Users of the Mover Product.
Pilot Program Cohort: 8,347 Users as described below.

Statistical Methods:

- "Treated Group": The subset of Users of Updater's Mover Product who were exposed to Updater Communications and purchased a PayTV product via Updater's booking system.
- "Control Group": A randomised subset of Users who were not exposed to applicable Updater Communications and confirmed a purchase of a PayTV product.
- 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 applicable Updater Communications– 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:

- Pilot Program Cohort: The Pilot Program Cohort totaled 8,347 Users and included a) Users who were exposed to Updater Communications and purchased a PayTV Product via Updater's booking system, and b) Users who were not exposed to Updater Communications and their purchasing history was subsequently surveyed to establish a control purchasing rate for the Product.
- Conversions: Users in the Treated and Control Groups who purchased the Product.
- Lift: The rate at which Users in the Treated Group purchased the Product (i.e., converted) was 224% greater than the rate at which Users in the Control Group completed a purchase for the Product.
- Statistical Significance: Based on the statistical significance methodology described above, it can be stated with over 99% confidence that Users exposed to Updater Communications are more likely to purchase the Product.

Industry Overview: PayTV/Internet Vertical

- Updater defines PayTV/Internet as one vertical due to strong corporate overlap; and OTT products are excluded from the vertical.
- While PayTV revenue has declined in recent years due primarily to cord-cutting, it continues to represent the largest component of PayTV/Internet revenue. Broadband internet access is rapidly offsetting declines in PayTV revenue. Further, Updater intends to provide Users with analysis of all options for home services, including OTT products (such as DirecTV Now).
- Updater intends to partner with the leading cable, telecom, and satellite providers to provide comprehensive coverage to enable its Users to choose the most relevant services for their needs at an optimal price.



December 4, 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 223.59% 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 applicable Updater communications

Group 2 (Control): individuals that did not receive the applicable Updater communications

The implied improvement in conversion due to the treatment is 223.59%.

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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