



ASX Announcement

14 February 2017

2017 BUSINESS OBJECTIVES AND PILOT PROGRAMS UPDATE

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 its business objectives and key performance metrics for 2017 along with an update on Pilot Programs.

The key performance metrics that the Company seeks to achieve over the course of 2017 can be summarised as follows:

- Achieve 15% Estimated Market Penetration of Monthly Moves Processed in any month prior to year-end 2017.
- Sign two new Pilot Programs during calendar year 2017; and ensure all five Pilot Programs are fully operational before year-end 2017.
- Announce Results (as defined below) relating to at least two (2) separate Pilot Programs (in separate verticals), at least one announcement by 30 June 2017 and at least one more before year-end 2017.
- Announce the initial vertical(s) for deployment and sales of Business Products, along with a comprehensive analysis and sales goals, by year-end 2017.

“We are extremely excited because 2017 should be a game-changing year for Updater. We have set some ambitious goals, which, if achieved, will solidify Updater as a dominant player in the US relocation industry,” said Updater CEO David Greenberg.

“We are very pleased with our progress to date with Pilot Programs and look forward to informing Shareholders of the great potential of our platform.”

Estimated Market Penetration

Expanding US market penetration of Moves Processed has been the Company’s primary business objective for the past five years (formerly referred to as “Estimated Market Share”, hereinafter referred to as “Estimated Market Penetration”). The Company has invested tremendous resources building a defensible and scalable infrastructure to achieve widespread national adoption of the Updater platform.

The Company recently reported 7.05% Estimated Market Penetration of Quarterly Moves Processed for Q4 2016 (at the time of listing on the ASX in Q4 2015, market penetration was 2.21%). The Company is currently reporting US market penetration on a quarterly basis.

Management is positioning the Company to further accelerate growth throughout 2017. As such, the Company is pleased to confirm the following 2017 goal:

Achieve 15% Estimated Market Penetration of Monthly Moves Processed in any month prior to year-end 2017.

With widespread US market penetration, Management believes that the Company will have the leverage to begin reinventing the relocation experience for both Movers and Businesses. By aggregating a large percentage of Movers onto a single platform, traditionally offline Businesses may allow Updater to serve as the online “user experience layer” between such Businesses and Movers. This unique position will enable Updater to generate significant revenue and ensure a superior experience for Movers, as the Company’s software can curate the moving experience such that Movers only receive helpful, relevant, and valuable communications.

Pilot Programs

US Businesses (such as insurance companies, home service providers, and big box retailers) collectively spend billions of dollars each year targeting Movers, and Updater’s Businesses Products are designed to provide Businesses with unique opportunities to communicate contextually with the right Movers at the right time.

The Company has already secured three (3) Pilot Programs for Business Products. The primary goals of the Pilot Programs are to prove the value of the Updater platform for Businesses and learn best methods for efficient communication between Businesses and Movers. Each Pilot Program is structured as an iterative and collaborative product development partnership with the applicable pilot partner(s).

The Company will be in a superior position to optimally “price” Business Products and efficiently onboard a multitude of Businesses within a given vertical after the Pilot Programs are completed and the Company has gained all necessary insights.

The Company is pleased to introduce a new key performance metric and goal for 2017:

Sign two (2) new Pilot Programs during calendar year 2017; and ensure all five (5) Pilot Programs are fully operational before year-end 2017.

Pilot Results

For each Pilot Program, the Company will compare a subset of Movers who receive the applicable communications (a “Treated Group”) against a subset of Movers who do not receive the applicable communications (a “Control Group”). By comparing the Control Group to the Treated Group, the Company aims to prove a positive impact on a key metric of the applicable pilot partner(s) (“Lift”).

Iterating and optimising the Pilot Programs is a core business objective for the Company in 2017. As described above, the primary goals of the Pilot Programs are to prove value to Businesses and gain insights to build an optimised platform.

Management believes that it is important to provide Shareholders with guidance on the potential impact and value of the Business Products. This information is viewed within the Company as a key variable for calculating the revenue that Updater can generate or save for a Business partner (“Partner Value”), which, in turn, is a key factor for analysing the Company’s future revenue potential. Management will inform Shareholders of revenue potential by selecting at least two (2) indications of Lift (“Results”) to announce to Shareholders. Therefore, the Company is pleased to introduce the following goal:

Announce initial Results for one Pilot Program by 30 June 2017; and announce initial Results for a second Pilot Program (in a separate vertical) by Year-End 2017.

The Results that the Company announces are intended to demonstrate a level of Lift within the applicable vertical that may result in future material revenue-generating contracts. The Company will not announce Results until they are regarded as sufficiently statistically significant.

Each Pilot Program will involve numerous marketing strategies and techniques. Further, each Pilot Program will involve an analysis of the effectiveness of communications across numerous groups of Movers that have shared experiences, events, attributes or other factors (each a “Cohort Group”). Announced Results may describe either the impact of the platform for all Movers in a Pilot Program study or the impact of the platform on a Cohort Group of Movers within an applicable Pilot Program study. As an example, Movers relocating interstate in a given pilot study (as opposed to those relocating intrastate) is an example of a Cohort Group.

Pilot Program Update

Management is very pleased with progress to date with both live Pilot Programs. The Pilot Program in the insurance vertical is fully operational for acquisition; and certain retention techniques are also live (with more to follow).

The Pilot Program with certain premium high-end moving companies is operational in multiple metros. The Company plans to add economy full-service moving company options into the Pilot Program to provide increased options for Movers, which is anticipated to result in an improved user experience.

The Pilot Program in the retail banking vertical, announced in late November, is in the planning and development phase and should be operational in the near future.

Announced Results are merely initial indicators of the Lift that the Updater platform can achieve in the applicable vertical. Over the course of 2017, the Company will be significantly expanding its product team with the goal of building a more comprehensive platform for Business partners, enabling more sophisticated campaigns and deeper integrations. As such, Management believes that over time any initial Lift that is proven during the Pilot Programs may be materially improved with an optimised, more sophisticated marketing platform.

Business Products

Running the Pilot Programs will help the Company optimise go-to-market strategies for full deployment of Business Products in multiple verticals. The verticals that the Company selects for initial deployment will not necessarily be the same verticals in which Pilot Programs are conducted or for which Results are announced. Management believes that the go-to-market strategies for full deployment will result in the potential for material revenue generating contracts.

The Company is pleased to introduce the following 2017 goal:

Announce the initial vertical(s) for deployment and sales of Business Products, along with a comprehensive strategic analysis of the verticals and sales goals by Year-End 2017.

Business Products may enable Businesses to present Movers, within the Mover Product, with variable and intelligent messages and/or advanced functionality for completing or initiating transactions. The Company only plans to enable Businesses to customise the moving experience for the Movers who are most likely to find the applicable communication or functionality relevant and contextual, such as existing customers of the Business or Movers moving into the optimal geographic footprint of the Business. Management believes that the Business Products will greatly enhance the Mover Product experience, resulting in an increased demand from Movers for the Mover Product, thereby creating a “network effect”.

For more information, please contact:

David Greenberg
Founder and CEO
david.greenberg@updater.com

Simon Hinsley
Investor & Media Relations
simon@updater.com
+61 401 809 653

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.