

ASX ANNOUNCEMENT

30 August 2021

Apple App store fee changes

Changes expected to reduce platform commissions and lift operating margins over time

San Francisco-based Life360, Inc. (Life360 or the Company) (ASX: 360) today released comments on the expected impact of changes announced to Apple App Store regulations.

Background

Apple Inc (NASDAQ:AAPL) recently announced a proposed settlement of a class action lawsuit that includes changes to its App Store regulations that will allow software developers to tell customers about ways to pay for services outside the Apple ecosystem. These changes may make it easier for some applications to steer customers toward alternative forms of payment. Apple, in common with other platform providers, charges fees - commonly referred to as “commissions” - of up to 30% of revenue.

Implications for Life360 Inc.

Life360 currently generates most of its direct revenue (US\$36.4million in CY21 H1) via the two major platform providers, Apple and Google (NASDAQ:GOOGL). In CY21 H1, Life360 paid commissions amounting to US\$9.4million (26% of direct revenue). The Company has previously announced the launch of a direct-to-premium web-based channel where consumers will be able to subscribe directly to Life360 using credit cards for payment. While these regulation changes will have little impact on Life360 in CY21, the ability to more aggressively market alternative payment options to users, (such as the new web-based payment option), is expected to result in higher operating margins for the business over time.

Authorisation

Chris Hulls, Director, Co-Founder and Chief Executive Officer of Life360 authorised this announcement being given to ASX.

About Life360

Life360 operates a platform for today's busy families, bringing them closer together by helping them better know, communicate with and protect the people they care about most. The Company's core offering, the Life360 mobile app, is a market leading app for families, with features that range from communications to driving safety and location sharing. Life360 is based in San Francisco and had more than 32 million monthly active users (MAU) as at June 2021, located in more than 195 countries.

Contacts

For investor enquiries:
Jolanta Masojada, +61 417 261 367
jmasojada@life360.com

For media enquiries:
Giles Rafferty, +61 481 467 903
grafferty@firstadvisers.com.au

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