



ASX MARKET RELEASE

Buddy Signs Agreement for 500,000 Smart Light Licenses

SUMMARY

- Buddy has executed a non-exclusive 10-year multi-product licensing agreement for its Powered by LIFX platform with Eastfield Lighting, encompassing an uncapped minimum of 500,000 smart lighting products - Buddy's largest Powered by LIFX deal to date
- The agreement provides for an up-front non-refundable payment of US\$250,000 to initiate the arrangement, and further provides for a license fee per piece of product manufactured, per quarter
- Commercial licensing of Buddy Technologies' hardware, software and cloud platforms is a focus of Buddy's Managed Services business, and this agreement further demonstrates the opportunities available to the business in unlocking the licensing potential of the Company's IP.

22 November 2019 - Adelaide, South Australia

Buddy Technologies Limited ("Company") (BUD.ASX), a leader in IoT and cloud-based solutions for making spaces smarter is pleased to announce that it has entered into an agreement to license its Powered by LIFX platform to Eastfield Lighting (Hong Kong) Co., Limited ("Eastfield"). The agreement is a non-exclusive 10 year multi-product licensing agreement to build LIFX-compatible smart lights that contemplates a minimum of an initial 500,000 licenses with no cap.

The agreement provides for a non-refundable payment of US\$250,000 to initiate the arrangement, and further provides for a license fee per piece of product manufactured, per quarter. Eastfield's customers will have the option to either have their products controlled by the publicly available LIFX mobile applications, pay an additional fee to white-label the mobile applications with their branding, or engage Buddy's Managed Services team (under a separate arrangement) to develop custom mobile applications or experiences built upon their Powered by LIFX lighting products.

Eastfield is a prominent manufacturer of lighting products in south-east China, manufacturing well in excess of 10 million lights per year (including the Company's LIFX brand of smart lights). In addition to manufacturing consumer lighting products, Eastfield is also a prominent manufacturer of high bay lighting, outdoor lighting, street lights and other commercial products.

"Having spent a lot of time at Eastfield's factory in Shenzhen and seen the vast scale at which they manufacture lighting products, I'm delighted to have the opportunity to work with Eastfield on making their products smart, and delivering even greater value to their customers globally", said David McLauchlan, CEO of Buddy Technologies Limited. "The fastest way for us to place our technologies into some of the most prominent brands and products in the world, is to do so via

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partnerships with their manufacturers such as this. This agreement is a big win for our Commercial licensing team and for future customers of Eastfield's lighting products".

The Powered by LIFX program has been made possible by the combination of Buddy's Managed Services team and LIFX's technology platform (all LIFX lights are themselves implementations of the "Powered by LIFX" suite of technologies), and brings a software as a service (SaaS) recurring revenue model to the broader business. Licensing the platform into third party products (even and especially other lighting products) provides a level of market reach and monetisation that wouldn't be achievable solely as LIFX.

The agreement has a 10-year term, and may be terminated upon mutual agreement with 6 months notice. The upfront payment of \$250,000 is non-refundable.

For and on behalf of Buddy Technologies Limited,



David P. McLauchlan
Chief Executive Officer
Buddy Technologies Limited.

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About Buddy

Buddy Technologies Limited (BUD.ASX) helps customers of any size “make every space smarter”. Buddy has two core businesses – its Commercial Business and Consumer Business. **Buddy Ohm** and **Buddy Managed Services** are the company’s core Commercial offerings that empower its customers to fully leverage digital technologies and their impact in a strategic and sustainable way. Buddy Ohm is a resource monitoring and analytics solution that provides energy monitoring, reporting and auditing services for commercial and industrial customers. Buddy Managed Services licenses Buddy’s technology platforms to customers for integration into their own products.

Buddy’s Consumer Business trades under the **LIFX** brand and has established a leading market position as a provider of smart lighting solutions. The company’s suite of Wi-Fi enabled lights are currently used in nearly one million homes, viewed as second only to lighting giant, Philips Hue. LIFX products are sold in over 100 countries worldwide, directly and via distribution and sales partnerships with leading retailers and ecommerce platforms including Amazon, Google, Apple, JB Hi-Fi, Bunnings, Officeworks, MediaMarkt, Saturn and Best Buy (in both the US and Canada).

Buddy is headquartered in Adelaide, Australia, with offices in Melbourne (AU), Seattle (US), Shenzhen (CN) and Silicon Valley (US).

For more information, visit www.buddy.com and www.lifx.com.

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