



ASX MARKET RELEASE

LIFX Receives Largest Ever Orders for Smart Lights, at A\$3.6m

SUMMARY

- LIFX has received purchase orders for approximately US\$2.6m (A\$3.6m) of LIFX White, the Company's recently introduced low-cost white smart light
- This represents the largest set of orders for smart lights the Company has ever received, eclipsing the previous largest orders by 14% in terms of unit volumes
- Orders for just LIFX White lights in 2020 are now greater in number than LIFX sold of all its different smart lighting SKUs combined in 2019
- The Company continues to see orders placed for the balance of its smart lighting range of products, all of which are incremental to the figures announced herein.

21 August 2020 - 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 eclipsed its previous record for largest set of smart light orders (refer to the ASX announcement dated 31 March 2020*), having today received purchase orders for units of LIFX White totalling over US\$2.6 million (A\$3.6 million) from existing retail & distribution partners. This represents a 14% increase in unit volume of lights ordered over the previous record.

These orders are intended to meet Black Friday / Cyber Monday demand, with devices built under the orders to be shipped to North America for sale in the U.S. and Canada. Black Friday (this year, 27 November) is the traditional start of the American holiday sales period, and Cyber Monday is the following Monday; together they bookend what is annually the busiest shopping weekend in North America. While it would normally be unusual to receive purchase orders this early for that timeframe, given the size of these orders and the irregularities in global supply chains due to COVID-19, some retailers are being more proactive in advance ordering than might otherwise be the case.

The purchase order terms are commercially standard for orders of this nature and no additional retailer deductions or accruals will apply.

With these orders, following the initial stocking orders for LIFX White (refer to ASX announcements dated 31 March 2020 and 22 May 2020) and the subsequent incremental orders that the Company has received (and does so in the ordinary course of its business), orders for just LIFX White lights in 2020 are now greater in number than LIFX sold of all its varieties in total in 2019. This is a remarkable milestone, and makes LIFX White the most successful new product to be introduced by the Company in its history.

* The purchase orders described in the ASX Announcement dated 31 March 2020 totalled US\$2.3m, which at the then current USD/AUD exchange rate equaled A\$3.8m. Due to a change in the USD/AUD exchange rate, at the time of invoicing the value of that order in AUD was approximately A\$3.2m. These orders, at US\$2.6m and 14% more units, are the Company's largest yet.

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“Customer demand for our breakthrough US\$9.99 low-cost light is clearly very high, and we have expectations that it will only increase”, said David McLauchlan, CEO of Buddy Technologies Limited. “This is a product that appeals to everyday consumers, with a price point that is affordable and a setup and installation experience that is second to none. LIFX White offers the consumer a seamless entrée into the benefits of smart lighting, and its role in driving upsell of our higher-end products is already evident with customers returning to purchase more advanced and higher price point products in the LIFX range.”

While these orders are solely for LIFX White, the Company continues to receive regular replenishment orders for the full range of its smart light products, and in future those replenishment orders may include LIFX White as well. The A\$3.6m purchase orders disclosed herein are solely for the U.S. and Canadian markets, and the Company does anticipate further orders for other regions in which LIFX smart lights are sold.

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), Dublin (IE), Shenzhen (CN) and Silicon Valley (US).

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

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Buddy Technologies Contact:
Ben Secrett, Company Secretary
Email: cosec@buddy.com

Buddy Technologies Limited
Level 3, 12 Pirie Street
Adelaide, SA 5000
AUSTRALIA

