



# ASX MARKET RELEASE

## LIFX to Launch Exclusive Bundles at Costco, Adds Lowe's to Triple U.S. Retail Doors

### SUMMARY

- LIFX will sell its range of smart lights to U.S. consumers through Costco (NASDAQ:COST - the third largest retailer in the world) and Lowe's (NYSE:LOW - the second largest hardware chain in the world)
- Lowe's has placed purchase orders to begin stocking LIFX product on a holiday promotion in all 2,200+ North American stores this quarter
- In line with Costco's business model, it will stock exclusive LIFX smart light bundles initially on Costco.com with assortment expected to grow to all of their nearly 550 warehouse clubs across the U.S. in 2021
- The addition of Costco and Lowe's is expected to add more than 2,500 new big box retail locations at which U.S. consumers can purchase LIFX smart lights, at once nearly tripling on-shelf availability of LIFX products in the United States.

### 1 October 2020 - Adelaide, Australia

Buddy Technologies Limited ("Company") (ASX:BUD), a leader in IoT and cloud-based solutions for making spaces smarter, is delighted to announce that big-box retail availability of its LIFX smart lights in the United States is about to significantly expand, with the addition of Lowe's and Costco to its roster of retail partners.

Costco is the world's third largest retailer (after Walmart and Amazon, with annual sales of US\$153 billion) and the move to stock LIFX smart lights in the U.S. follows Costco U.K.'s decision to assort LIFX products earlier this year (refer to the ASX announcement dated 18 June 2020). Costco's business model of stocking a narrow selection of very high quality products (approximately 3,700 per store vs. approximately 140,000 in a typical Walmart Supercenter) is a testament to LIFX's quality, market position, and perceived desirability for Costco customers.

Costco will have exclusive LIFX smart light bundles, and will initially commence sales via their online store at Costco.com. Noting that a large portion of Costco's consumer electronics sales are made through their online store, and given the increasing possibility of additional COVID-19 waves towards the end of the year impacting U.S. physical retail store sales,

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Costco.com is the ideal holiday launch channel for LIFX with this retail partner. Expansion to Costco's nearly 550 U.S. warehouse clubs is expected in 2021.

The Company is also pleased to announce that it is in receipt of contracted purchase orders for LIFX smart lights destined for a holiday promotion at all Lowe's 2,200+ stores across the United States. These orders are subsequent to (and thus in addition to) the recently announced A\$30m of orders in 30 days (refer to the ASX announcement dated 16 September 2020). Since Lowe's operates over 2,200 home improvement and hardware stores in North America and is the world's second largest hardware chain (after The Home Depot, with annual sales of US\$72 billion), this will cement Lowe's as LIFX's largest retailer by number of stores.

"Winning shelf space at these major retailers reaffirms the success we're having with our Big Eight Goals for 2020", said David McLauchlan, CEO of Buddy Technologies Limited (and parent of LIFX). "We're bringing more models of smart light to market, reaching a broader cross-section of the community, and selling at a range of price points in as many retail locations as we can. The addition of Costco and Lowe's dramatically increases the footprint our LIFX brand has in the U.S. market and positions us directly in front of a very large mass-market consumer audience, priming ourselves for strong growth."

For and on behalf of Buddy Technologies Limited,



**David P. McLauchlan**  
Chief Executive Officer  
Buddy Technologies Limited.

## 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](http://www.buddy.com) and [www.lifx.com](http://www.lifx.com).

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