



Buddy



ASX



ASX MARKET RELEASE

U.S. Home Shopping Network to Sell LIFX in December TV Spots; Amazon Prime Day, Manufacturing Updates

SUMMARY

- HSN, America's first TV shopping network, will carry LIFX smart lights on-air in December
- Expected to include the new LIFX Clean antibacterial, germicidal smart lights, this partnership represents the first time LIFX products will have television demonstration and shopping exposure
- HSN engages its customers on two broadcast networks reaching approximately 92 million homes, and is part of the Qurate Retail, Inc. group which is the #1 video commerce and #3 ecommerce company in North America
- LIFX expects multiple slots on HSN during the coming month of December, with the specific products to be demonstrated and targeted, currently the subject of discussions
- Amazon Prime Day bundle deal sales have outperformed, with the Amazon Echo Dot + LIFX White bundle deal holding the best selling U.S. Amazon Prime Day deal overnight with an hourly average sales rate peaking at nearly 4 bundles per second; most regions in Europe now sold out
- LIFX offers an update on the manufacturing and supply of its smart lights.

14 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 it will partner with world-famous HSN, Inc. - the Home Shopping Network ("HSN") - to carry LIFX smart lights on-air starting in December 2020. HSN reaches 92 million homes in North America via two broadcast networks, and is a subsidiary of Qurate Retail, Inc. (NASDAQ:QRTEA, QRTEB), which is the #1 video commerce company in North America, and reaches 380 million homes worldwide via 15 television networks, web properties, mobile web and apps.

LIFX has never sold its smart light products via video commerce before, however as a highly visual product, and one that is immediately understood upon seeing it work, it is ideally suited for demonstration and sale in a video commerce environment. This is especially true for the new LIFX Clean - the world's first antibacterial, germicidal smart light.

While the specific products to be demonstrated and sold on HSN are still the subject of ongoing discussions, the Company does expect the offerings to include LIFX Clean, which will offer this new product an enormous stage upon which to gain exposure and market awareness.

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The Company will provide updates on air dates and offerings once confirmed by HSN, by way of ASX announcements.

Amazon Prime Day Sales Update

Further to yesterday's announcement that Amazon.com, Inc. (NASDAQ:AMZN, "Amazon") would be bundling the Company's LIFX White product with selected non-screen Alexa devices as Prime Day bundles (refer to the ASX announcements dated 13 October 2020), the Company is delighted to report that soon after Prime Day launched, the Amazon Echo Dot + LIFX White bundle appeared in Amazon's Prime Day deals best selling list in the #1 position. At the time of writing, the Amazon Echo Dot + LIFX White deal remains the #1 best selling Amazon Prime Day deal in the U.S., with an hourly average sales rate peaking at nearly 4 bundles sold per second.

Turning to Europe, where the offer was a LIFX White for £5 / €5 when purchased with selected Alexa devices, the Company is pleased to report that Italy was the first region to sell out, followed by the UK and France in the last hour, with Germany and Spain expected to sell out within the current hour - a day before the Prime Day event ends in Europe.

Manufacturing and Supply Update

In past monthly shareholder updates, management has disclosed that like so many others, the Company has been subject to supply disruptions due in large part to the impact of the global COVID-19 pandemic on LIFX's manufacturer in Shenzhen, China and the very broad supply chain upon which we rely. Due to the time lag between the recent easings in these disruptions, and the easings reaching our manufacturer and allowing us to resume full production, we project that we are currently at our lowest expected stock levels. The Company is very pleased to share that manufacturing has resumed at capacity and stock is being rushed from China to our various retail customers worldwide. We have also brought online a second factory which is currently manufacturing LIFX Switches, to accommodate the projected 2021 demand for this product.

In order to protect our most important customer relationships and maximise our global footprint, we will be shipping all available product to our largest customers as fast as possible, and will then supply our own LIFX.com website with stock after our customers are first accommodated. As additional customer contracted purchase orders come in, we will accommodate their priority accordingly.

Demand for LIFX products has never been stronger, and we are delighted to be manufacturing at pace once more, in order to meet this demand. While we don't anticipate the supply chain to be fully free of disruption until into 2021, the present status is encouraging. As any material developments occur, the Company will provide updates by way of ASX announcements.

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 and www.lifx.com.

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