



ASX MARKET RELEASE

New Amazon/LIFX Bundles, TV Campaign to Commence in NZ

SUMMARY

- LIFX and Amazon have together agreed a promotional campaign that will bundle each company's products together at Australian and New Zealand retail locations + Amazon's website
- With retail and marketing funding provided by Amazon, the promotion will prominently feature LIFX products in-store and on Amazon.com.au
- Amazon will promote LIFX products to their customers of Echo (Alexa) devices that don't yet have a smart home product attached; expected launch in October
- JB Hi-Fi will shortly launch a national television campaign in New Zealand, prominently featuring a LIFX product.

23 August 2021 - Adelaide, Australia

Buddy Technologies Limited ("Company" or "Buddy") (ASX:BUD), a leader in IoT and cloud-based solutions for making spaces smarter, wishes to provide the following updates in respect to its largest retail partner and customer, Amazon.

New Amazon Echo Bundles Launched

The Company has agreed a promotional bundle with Amazon to pair each company's products in Australia and New Zealand JB Hi-Fi stores (and amazon.com.au). The retail & marketing execution of this promotion will be funded by Amazon, will feature in various advertising campaigns, and will be prominently advertised on sought-after "wing-end" or "endcap" sites in stores.

The promotions, which are profitable for the Company, will commence in Australia on 26th August 2021, will run through 31st January 2022, and will offer consumers a LIFX White 800 for A\$10 with the purchase of any Amazon Echo device (MSRP on LIFX White 800 is A\$29.99) at JB Hi-Fi or Amazon.com.au. Amazon Echo devices are voice assistant devices featuring the popular Alexa voice assistance service.

In New Zealand, the promotion will commence on 9th September 2021 and will run through 31st January 2022. Consumers will be offered a LIFX White 800 for NZ\$15 with the purchase of any Amazon Echo device at Noel Leemings, JB Hi-Fi, PB-Tech and Harvey Norman.

Joint Retargeting Campaign

Amazon and LIFX have agreed to initiate a promotional campaign for Amazon customers in Australia that have an Echo device but have not yet attached a smart home product to it. Executed by Amazon to their customers, the promotion will feature a special offer to purchase a discounted LIFX product to help consumers better understand the power of smart home & smart lighting integration with the Alexa voice assistant service.

The promotion is expected to be executed in October, and further details will be provided by way of an ASX announcement.

New Zealand Television Campaign

JB Hi-Fi in New Zealand has advised the Company that it will be featuring a LIFX product in a national television campaign that is expected to launch at the conclusion of New Zealand's current lockdown. The advertisement is expected to show just three products being promoted, with the first being the LIFX product.

Once the campaign commences and begins to air on New Zealand television, the advertisement will be shared on the Company's social media channels and be available for viewing in the Investor Center on buddy.com.

Entitlement Offer

The Company refers to the ASX announcements of 16 July 2021 and 18 August 2021 and prospectus and supplementary prospectus dated 20 July 2021 and 21 July 2021, in regard to its entitlement offer that is due to close on Friday, 27 August 2021.

The Company wishes to reiterate that the entitlement offer is being undertaken to:

- offer all Buddy shareholders an opportunity to subscribe for shares at the same price as the placement; and
- potentially further reduce Buddy's existing liabilities by funding the payment of the remaining US\$1.75 million to Eastfield Lighting (Hong King) Limited ("Eastfield") and the accelerated pre-payment to PFG – noting that any funds raised under the entitlement offer in excess of US\$4.25 million, will effectively be excess cash (to be utilised to fund growth and for working capital purposes).

If BUD is unable to raise any funds under the entitlement offer and Buddy issues promissory notes (or convertible notes) to Partners for Growth ("PFG"), Buddy's current financial position will still improve via the reduction of approximately US\$429,000 in liabilities, on the basis that Buddy will be swapping existing liabilities with Eastfield and PFG (of an aggregate amount of approximately US\$8.3 million) with a new liability, the promissory notes (or convertible notes) (the maximum possible payment will be US\$7.8 million, including principal and interest, at maturity). In addition, the maturity date is also significantly extended, via the issue of the promissory notes (or convertible notes), to May 2024. Refer to the ASX

announcement dated 16 July 2021 and the prospectus and supplementary prospectus dated 20 July 2021 and 21 July 2021 for further details.

The Company will provide shareholders with an update in respect to the number of promissory notes (or convertible notes) that will be issued to PFG by way of further 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 well over a million homes and considered to be the #2 brand of smart lights globally. 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 San Francisco (US).

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

###

Buddy Technologies Contact:
Vicky Allinson, Company Secretary
Email: cosec@buddy.com

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

