



ASX MARKET RELEASE

First US Retail Availability for LIFX Smart Switch; LIFX Colour Mass Production Commences at Second China Factory

SUMMARY

- Amazon has today commenced sales of the LIFX Smart Switch, heralding the first retail availability of the product in the U.S. market
- LIFX Smart Switch is a product designed specifically for the North American new install and retrofit market, and can be installed in both residential and commercial locations
- With an MSRP of US\$49.99, LIFX Smart Switch is a high gross margin product (exceeding 40%), and contains Buddy Ohm energy monitoring hardware built-in
- LIFX Smart Switch is the second LIFX product to be produced by the Company's second manufacturers, with the third – LIFX Colour – commencing mass production this week
- LIFX Colour products built by both of the Company's manufacturers will be on retail shelves this coming holiday period.

24 September 2021 - Adelaide, Australia

Buddy Technologies Limited ("**Company**" or "**Buddy**") (ASX:BUD), a leader in IoT and cloud-based solutions for making spaces smarter, is pleased to announce that Amazon has launched sales of the Company's new LIFX Smart Switch product, marking the first North American retail availability of this core product in LIFX's product range. Furthermore, the Company's largest selling product worldwide, the LIFX Colour, has this week commenced mass production at the Company's second manufacturer, with this stock expected to be on retail shelves in time for the coming holiday period.

LIFX Smart Switch at Amazon

LIFX Smart Switch first launched on LIFX.com in June 2021, however achieving mass market retail availability for the product is a crucial milestone as the Company seeks to grow this product into a core SKU within the LIFX product line-up. LIFX Smart Switch is competitively priced (at US\$49.99) and delivers attractive gross margin to the business of over 40%.

With Buddy Ohm energy monitoring hardware built into the product to enable integrations with third-parties such as Amazon’s Energy Dashboard, the ability to control smart and non-smart lights, fully configurable button backlight colour/brightness and support for any number of multi-way switching combinations (coming in a software update before Christmas), LIFX Smart Switch is a compelling product for both retrofit and new home installations. Furthermore, using the LIFX app, each button on the LIFX Smart Switch can be configured to control a single smart light, a group of smart lights, a room or even an entire home. It is designed specifically for a North American form factor, which aside from the U.S. and Canada will allow it to be sold in Central and Latin America as well.



Figure 1: LIFX Smart Switch now on sale at Amazon.com.

While Amazon is the launch customer for LIFX Smart Switch, the Company has received approval from major U.S. home improvement chains Home Depot and Lowe’s, as well as consumer electronics chain Best Buy to stock the product, and expects units to be in stock at all three retailers in time for the holiday shopping period.

Mass Production of LIFX Colour Commences at Second Factory

Following refinancing arrangements the Company entered into with Partners for Growth (“PFG”) in early January (refer to the ASX announcements dated 20 October 2020 and 4 January 2021), its exclusivity obligations with the Company’s primary manufacturer ended. Accordingly, the Company began work on bringing the first of its smart lights to a second manufacturer as part of a strategy to diversify and make its supply chain more resilient.

We are pleased to share that this week, mass production commenced on LIFX Colour – an updated version of the Company’s biggest selling individual product – following pre-production

samples passing all quality checks and tests. The cost structure of this updated LIFX Colour is such that the Company anticipates being able to reduce the MSRP (retail price) of the product, while increasing margins to the business.



Figure 2: LIFX Colour is now being produced by two manufacturers in China.

With global supply chains all being subject to considerable stresses and externalities right now, shipping times and costs from China to the Company's primary markets are both elevated. Notwithstanding this, the Company expects to have LIFX Colour units on retail shelves from both its manufacturers this coming holiday period.

For and on behalf of Buddy Technologies Limited,

Travis Gerber

Chief Operating 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 Silicon Valley (US).

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

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

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

