



ASX MARKET RELEASE

Investor Presentation – August 2019

Friday 30 August, 2019

Dear Investors,

Once again, it has been nearly a year since we published a standalone, fulsome introduction to the business by way of an Investor Presentation. Accordingly, attached is a fully updated version of that document, and the first since the successful acquisition of LIFX earlier this year.

There has been considerable trading in our stock since the LIFX acquisition, and so if you are new to the business - welcome, and I invite you to take this opportunity to get to know us better and understand the various pieces of the business.

If you are a longer term shareholder, and especially one who has been following us closely over the last six months, the contents of this presentation will likely be familiar to you. That said, here is what's new:

- An updated top 20 shareholders list
- An updated capital structure outline
- New LIFX lights for 2019
- New LIFX Switch for 2019
- General updates on aspects of the commercial and consumer businesses.

As has always been the case, investors are encouraged to reach out with any additional questions or enquiries to ir@buddy.com.

Sincerely,

A blue ink handwritten signature, appearing to read "David McLauchlan", written in a cursive style.

David McLauchlan
CEO, Buddy Platform Limited.

About Buddy

Buddy Technologies Limited (ASX:BUD) 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), Shenzhen (CN) and Silicon Valley (US).

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

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Email: ir@buddy.com





Buddy Technologies Limited

INVESTOR PRESENTATION



Buddy



LIFX

August 2019
Adelaide, South Australia

Disclaimer

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BUD Headline News

Buddy has **completed its acquisition of LIFX**, has significantly cut its expenses on **Buddy Ohm**, and is growing its **Managed Services** business (ie: **Airstream**, which is already profitable).

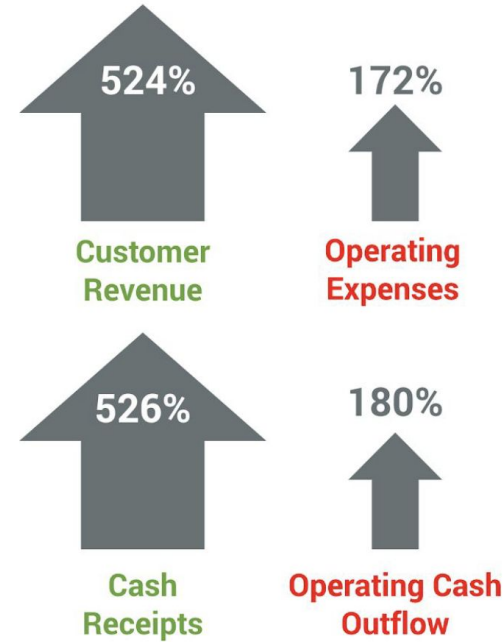
- Targeting LIFX growth of 70–100% in CY 2019
(consistent with past 4 years of performance, would make LIFX profitable)
- Targeting Buddy Ohm + Managed Services business breakeven by EOY 2019
(on track, given current and near-term contracts)
- Targeting whole Company profitable by EOY 2019
(= 70–100% growth of LIFX + breakeven of Buddy Ohm/Managed Services)

Last 4C Snapshot

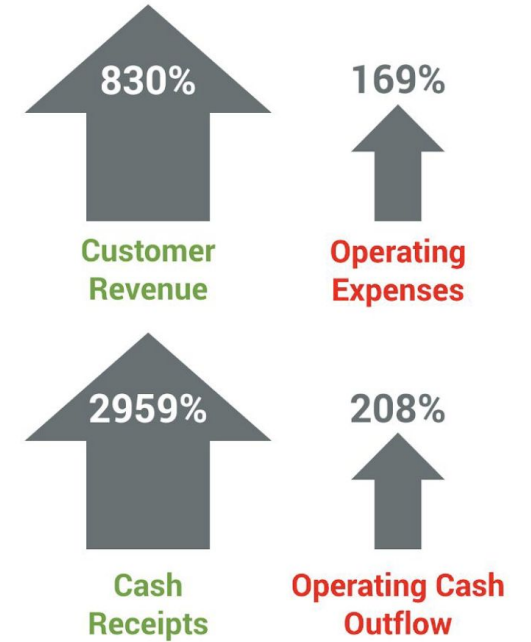
Buddy's last Appendix 4C (Q4FY19)

- Customer revenues: **A\$7.1 million** for the quarter
- Customer cash receipts: **A\$8.6 million** for the quarter
- Cash on hand at 30 June 2019 totalled A\$3.0 million
- Trade receivables totalled A\$3.6 million
- Inventory totalled A\$12.3 million.

Quarter over Quarter



Year over Year



Commercial Division



Consumer Division



Cash-based Operating Expenses

Amazon US 1H19 vs. 1H18

The Company



ASX Code

Market Capitalisation

Cash (as at 30 June 2019)

Enterprise Value

52-week Low/High

Top 20 Shareholdings

CY2018 (Pro-Forma) Revenue

Q4FY19 Revenue Growth (over Q3)

FY19 Revenue Growth (over FY18)

Q4FY19 Revenue

BUD

\$65.48m

\$3.0m

\$62.48m

\$0.033 – \$0.137

53.99%

\$38.9m

524%

830%

\$7.1m

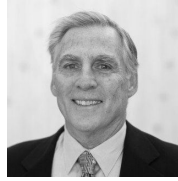
Profitability Target by EOY 2019

Currently on Track

Top 20 Shareholders

1.	MR DAVID MCLAUCHLAN	6.95 %
2.	FIL INVESTMENT MANAGEMENT (HONG KONG) LIMITED	6.69 %
3.	SEQUOIA CAPITAL USV XIV HOLDCO LTD	5.41 %
4.	KING LIFI PTY LTD	5.17 %
5.	EASTFIELD LIGHTING (HONG KONG) CO LIMITED	4.47 %
6.	CLARK LIFI PTY LTD	4.39 %
7.	MR JEFFREY MACDUFF	4.12 %
8.	CITICORP NOMINEES PTY LIMITED	3.45 %
9.	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	2.69 %
10.	DM CAPITAL MANAGEMENT PTY LTD	2.28 %
11.	M&M ALEXANDER TRUST	2.09 %
12.	UBS NOMINEES PTY LTD	0.85 %
13.	BRISPOT NOMINEES PTY LTD	0.85 %
14.	MR TIMOTHY PETERS	0.70 %
15.	EDGEWOOD PARTNERS LLC	0.69 %
16.	MR JAMES MATTOX	0.65 %
17.	MR BRADLEY SERBUS	0.64 %
18.	LIFI LABS MANAGEMENT PTY LTD BARE TRUST	0.64 %
19.	QUALCOMM INCORPORATED	0.62 %
20.	LSAF HOLDINGS PTY LTD	0.61 %

Board of Directors



Rick Borenstein
Non-executive Chairman



(US) Chairman – Sequoia Partners, Inc.; Chairman – trellis.co.il; former Board of Trustees, National Public Radio (NPR); MBA, Harvard.



David McLauchlan
Executive Director



(US) Group CEO @ Buddy Technologies Ltd; 11 years @ Microsoft Corporation; Technical Advisor @ Bill & Melinda Gates Foundation; Co-Founder @ TVInteract.



Marc Alexander
Executive Director



(AUS) Group CTO @ Buddy Technologies Ltd; Co-Founder @ LIFX; Co-Founder @ Advanced Engine Management; Product Development Engineer @ Apple.



John van Ruth
Non-executive Director



(AUS) CEO @ Operation Flinders Foundation; Council Member @ AICD; ex CFO @ Coopers Brewery; ex CIO @ RAA; ex CIO @ Adelaide Bank.



Rosey Batt
Non-executive Director



(AUS) CEO @ Rosey Batt & Associates; Facilitator, Australian Institute of Company Directors; Board Member, Litigation Assistance Fund, Law Society of SA.

ASX:BUD Capital Structure

(*) 12m Performance Rights and 12m Performance Shares will, subject to Board and shareholder approval, be removed due to the resignation of LIFX's former CEO.

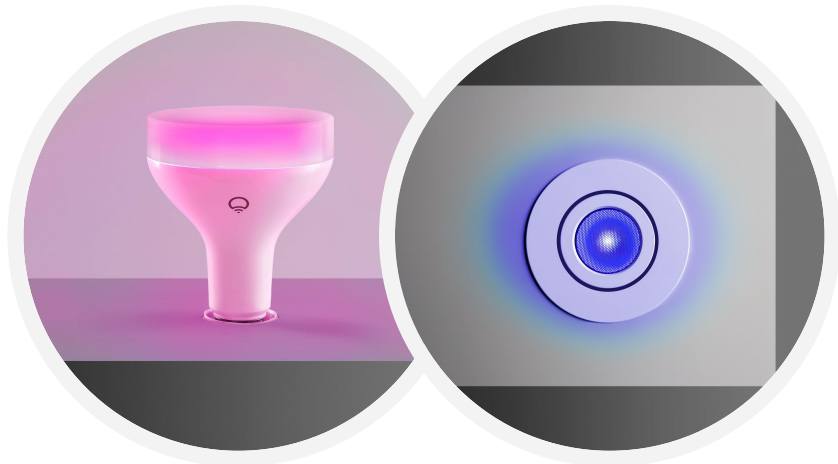
	Quoted	Un-Quoted	Total
Ordinary Shares	1,870,941,566		1,870,941,566
Options Exercisable at \$0.10 expiring 17/12/2020		2,806,647	2,806,647
Options Exercisable at \$0.0759 expiring 29/03/2023		532,765	532,765
Options Exercisable at \$0.0759 expiring 01/04/2024		100,000,000	100,000,000
Performance Rights*		28,898,503*	28,898,503*
Performance Shares*		55,833,334*	55,833,334*
Employee Incentive Performance Rights		20,734,713	20,734,713
TOTALS	1,870,941,566	208,805,962	2,079,747,528

ABOUT BUDDY TECHNOLOGIES LIMITED



About Buddy

Buddy makes technology that
Makes Every Space Smarter.



**LIFX – the world’s #2
smart lighting brand.**



**Buddy Ohm – energy
monitoring, auditing
and analytics.**



**Managed Services –
licensing of Buddy
technology platforms**

The Business

Buddy Technologies has a **consumer** business and a **commercial** business. Each is managed independently, although cross-selling is increasing, as is cross-development of products.



The **LIFX** consumer business constitutes energy efficient, smart connected lighting, the world's 2nd most popular consumer smart light platform.



The **Buddy Ohm** commercial business includes the Buddy Ohm energy monitoring product and Group technology licensing (for example: Airstream; powered by LIFX).

The Business

Buddy Technologies makes money by selling Internet of Things (IoT) products that make spaces smarter, either as a service, as retail consumables or both. We sell via:



THE LIFX (CONSUMER) BUSINESS



LIFX Smart Light Features



- **Wi-Fi built-in** and internet connected.
- Energy efficient – consumes **85% less energy** than a standard light bulb.
- **Voice-enabled** (Amazon Alexa, Google Home, Apple Homekit, etc...) or mobile app controlled, or with regular light switches.
- Like any light bulb, they simply screw into standard sockets.

LIFX Smart Light Features

- No hub required, simply plug'n'play.
- Long life - rated at 23 years.
- Automated scheduling, turn on at dusk, turn off at dawn, etc...
- 16 million colours per (colour) bulb.
- **We've sold over 2 million lights** to date, and growing rapidly.
- 1.5 million lights are connected to our cloud infrastructure. It took 4.5 years to connect the first million, the last 500k took 7 months.



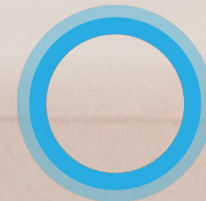


Turn on living room lamp.

**Works directly
with all voice
assistants**



Siri



Cortana

Current Range

The brightest range in WiFi lighting - all currently sold in retailers around the world.

Everyday



Mini White



Mini Day & Dusk



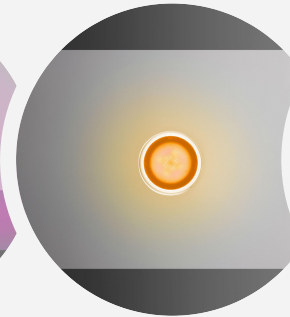
Mini Color



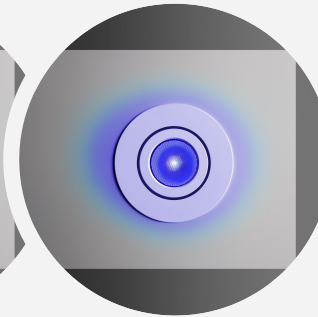
LIFX A19



LIFX BR30



LIFX GU10



LIFX 100cm
Downlight

Security

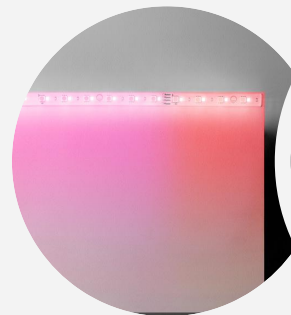


LIFX Plus A19

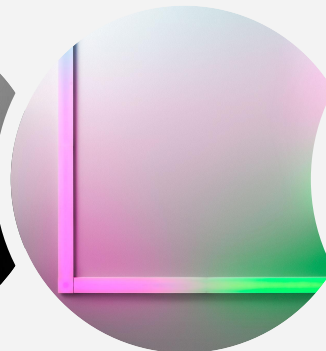


LIFX Plus BR30

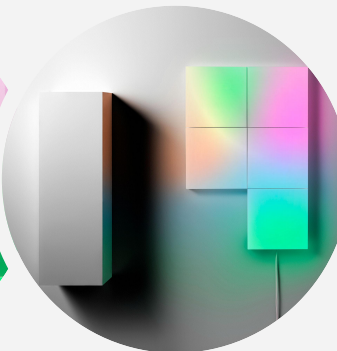
Feature



LIFX Z Strip



LIFX Beam



LIFX Tile

Introducing, new for 2019...

LIFX Z TV Smart Backlighting.

Create a cinematic TV glow
or practical bias lighting.



The product box for LIFX Z TV Smart LED Backlighting is white with a central image of a TV screen displaying a starry night sky. The box is surrounded by a soft, multi-colored glow. The LIFX logo (a lightbulb icon) and Z TV logo (a square with a Z) are at the top. Below the logos, the text 'SMART LED BACKLIGHTING' is printed. The central image shows a TV screen with a starry night sky. Below the image, the text 'Create a cinematic glow for your TV.' is written. At the bottom left, there are three bullet points: 'Control with phone or voice', 'Wi-Fi connected: simple set up', and 'LED zones for multicolor effects'. At the bottom right, there is a small table with two columns: 'Brightness' and 'Estimated Energy Cost'. The table shows '700 lumens' under 'Brightness' and '\$0.96 per year' under 'Estimated Energy Cost'.

LIFX Z TV
SMART LED BACKLIGHTING



Create a cinematic glow for your TV.

- Control with phone or voice
- Wi-Fi connected: simple set up
- LED zones for multicolor effects

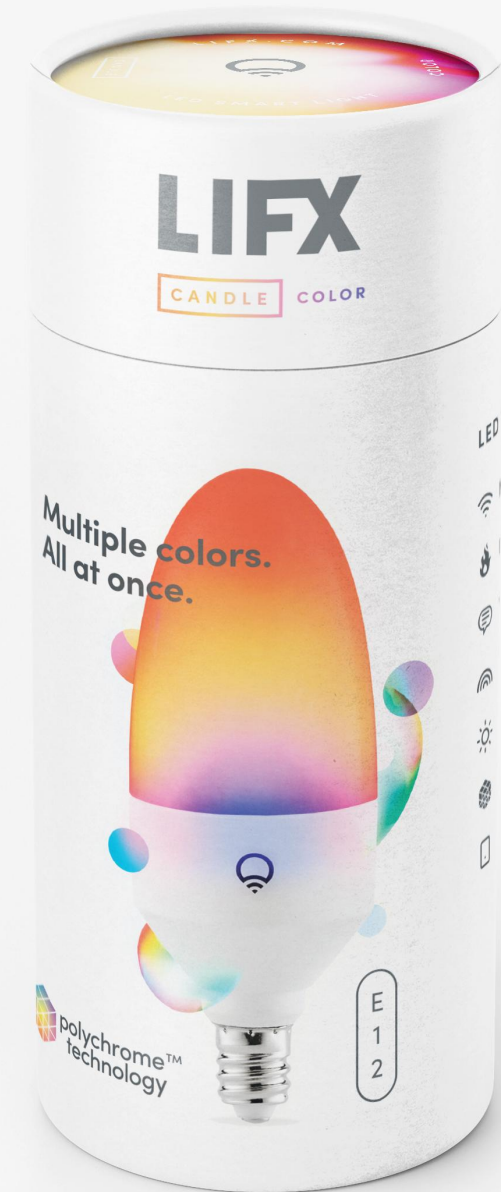
Brightness	Estimated Energy Cost
700 lumens	\$0.96 per year

Introducing, new for 2019...

LIFX Candle Colour

The first smart light bulb capable of blended simultaneous colour.

LIFX



Introducing, new for 2019...

LIFX Candle Day & Dusk

Ambient light with warm
amber to cool tones...

LIFX



Introducing, new for 2019...

LIFX Spiral

Old world feel, new world
tech...

LIFX



Introducing, new for 2019...

LIFX Vintage

Old world feel, new world
tech...

LIFX



Introducing, new for 2019...

LIFX Switch

Smart switch.

Control your LIFX lights or any non-smart lights from a smart switch, it's that simple.

Set up your switch in the LIFX mobile app and schedule your buttons or use your favourite voice assistant.



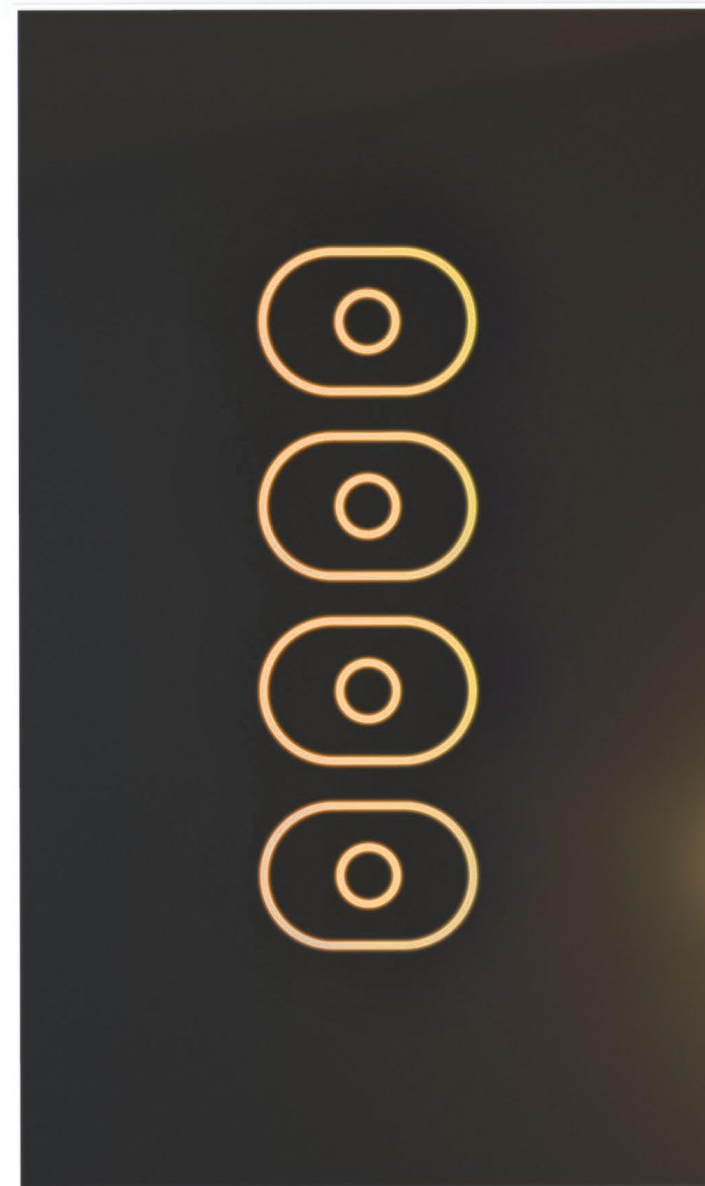
App



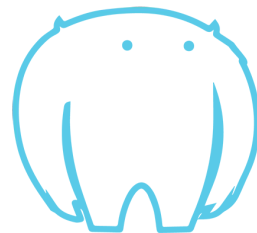
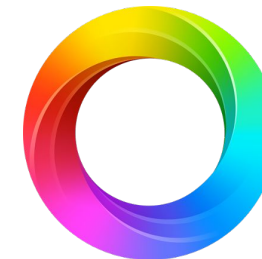
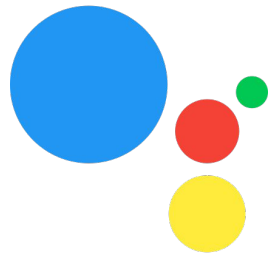
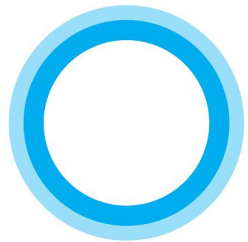
Voice



Schedules



LIFX Partners

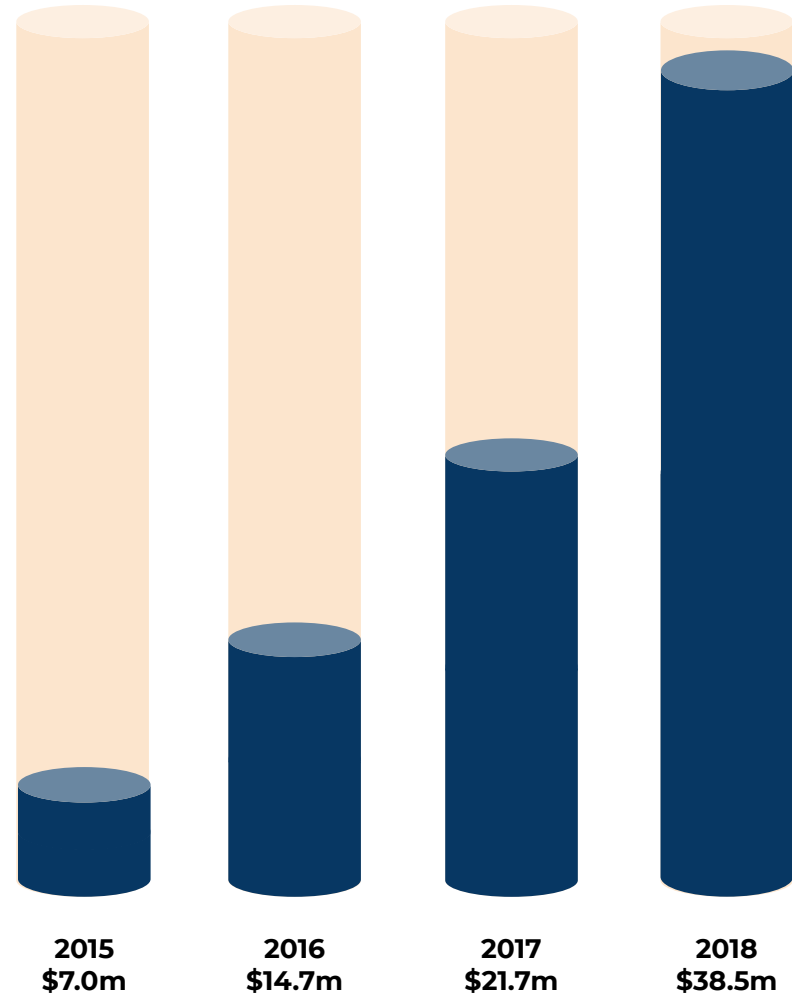


Growth & Reach

Completed 4 consecutive years of between 70% and 100% growth.

Targeting to continue this growth into 2019.

1H2019 saw 83% unit growth over 1H2018.



(CY revenue; 2018 figure unaudited)

Trade Finance Facility

- We have executed finance facility documentation with Scottish Pacific, the largest independent working capital lender in Australia / New Zealand.
- The facility is similar to a rotating line of credit that can be drawn upon against eligible receivables and then paid down.
- The facility is for a maximum of A\$20m and will provide for the global supply needs of the company, and features market-competitive rates.

THE COMMERCIAL BUSINESS



Commercial Business



The commercial business is:

- **Buddy Ohm**
- **Managed Services**
(licensing Buddy technology to third parties)

The commercial business is targeted to reach breakeven by EOY 2019.

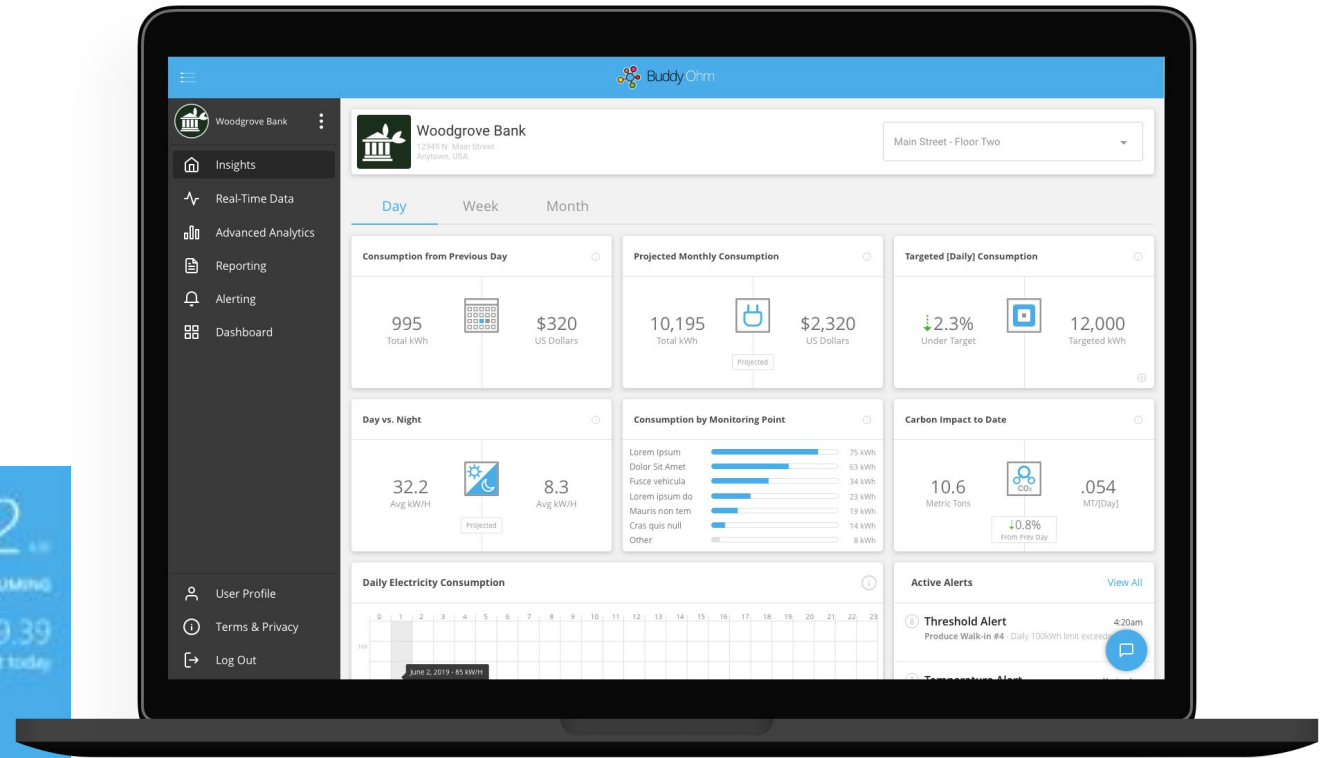
As of today, the Company is on track to achieve this target.

Buddy Ohm



- **Buddy Ohm** is an energy monitoring, auditing and reporting tool for commercial environments.
- Monitor electricity, gas and water consumption + solar generation
- **Analytics** to inform audits of building energy consumption
- Automated **reporting** to satisfy regulatory needs.

Buddy Ohm



- Buddy Ohm displays energy data in a variety of ways – all highly visual

Buddy Ohm



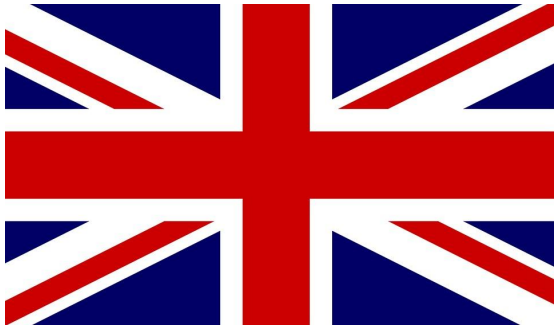
- Sold through a network of distributors and resellers.
- Certified for deployment in all major territories.
- Currently sold in Australia, the United States, Canada, Caribbean, Latin America, United Kingdom and the European Union.
- Sold as a service - recurring revenue, with billing increasing for each monitored point.

Buddy Ohm

We currently have paying Buddy Ohm customers in the US, Canada, Dominican Republic, Curacao, Trinidad and Tobago, Jamaica, French West Indies, Cayman, Bermuda, Antigua & Barbuda, Haiti, Suriname, Columbia, Aruba, UK, Spain, Italy, and Australia.



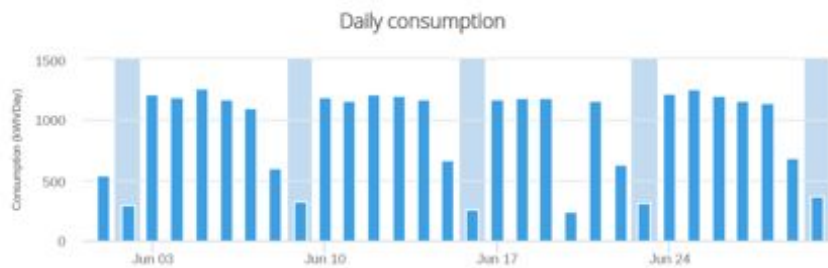
Energy Auditing



- Rapidly growing opportunity to sell into customers seeking regulatory and auditing/reporting assistance in the UK/EU markets.
- Just announced a partnership with **Wattics**, an Irish energy analytics and advanced reporting company.
- Partnership allows us to integrate and deploy Wattics' world-class analytics and reporting features.

Energy Analytics

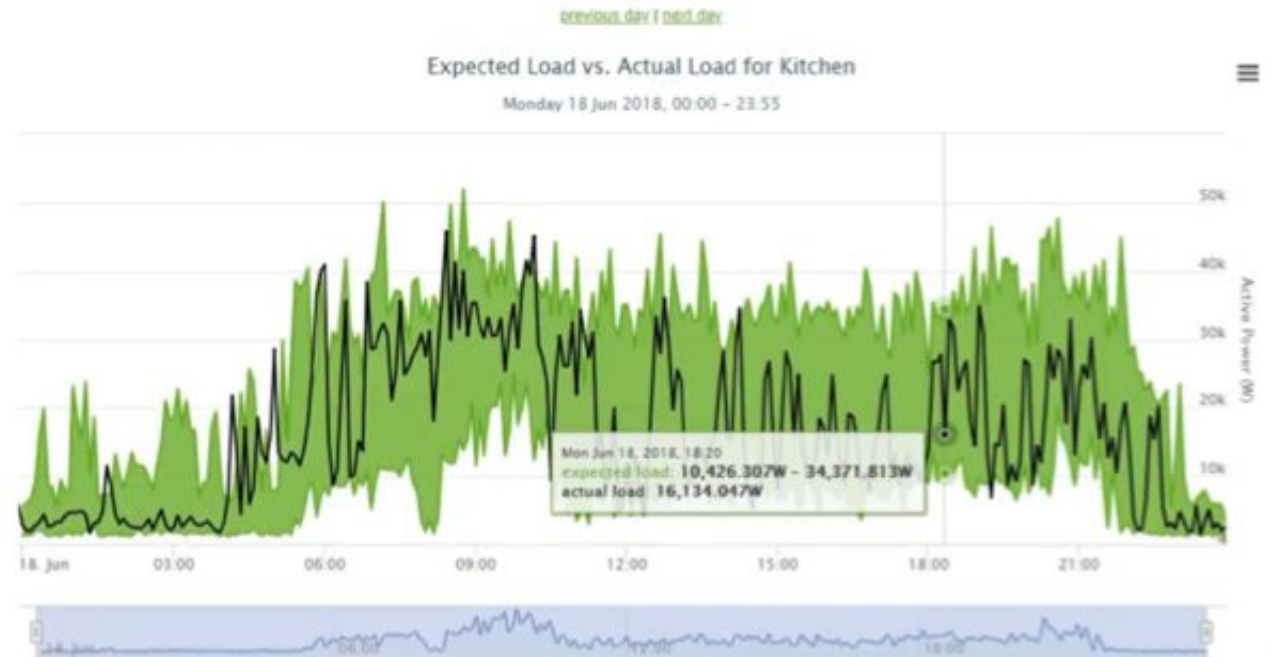
Trend analysis - Electricity



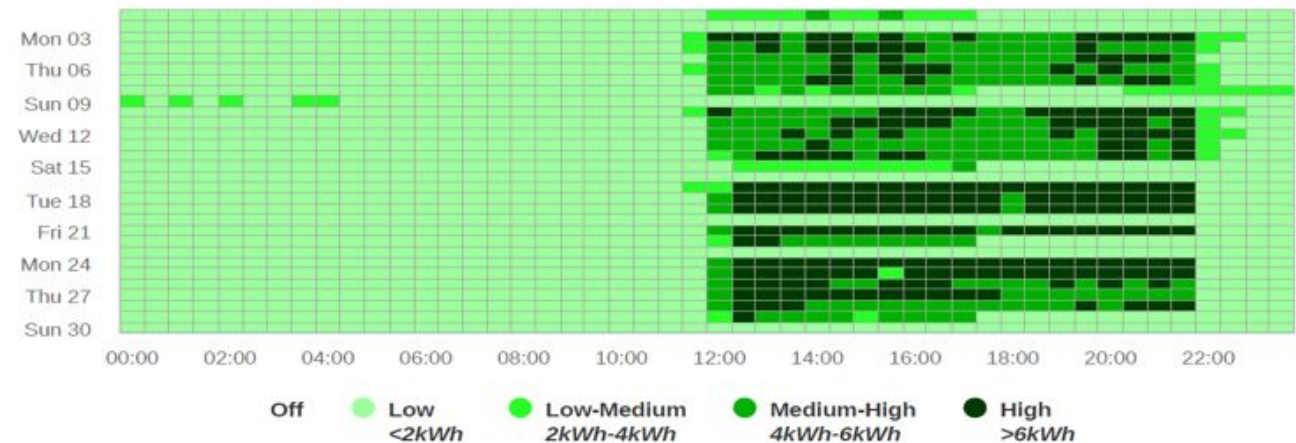
- **Wattics** will be deployed natively into Buddy Ohm's web portal
- Will bring advanced analytics and reporting capabilities to the platform
- Buddy Ohm introduces real-time monitoring and alerting to Wattics' customers

Energy Analytics

- Target customer: analysts, energy managers and consultants
- Used for energy performance analysis, baseline modelling, saving forecasting, and tenant billing
- **First integration is targeted for September 2019.**



Activity Maps



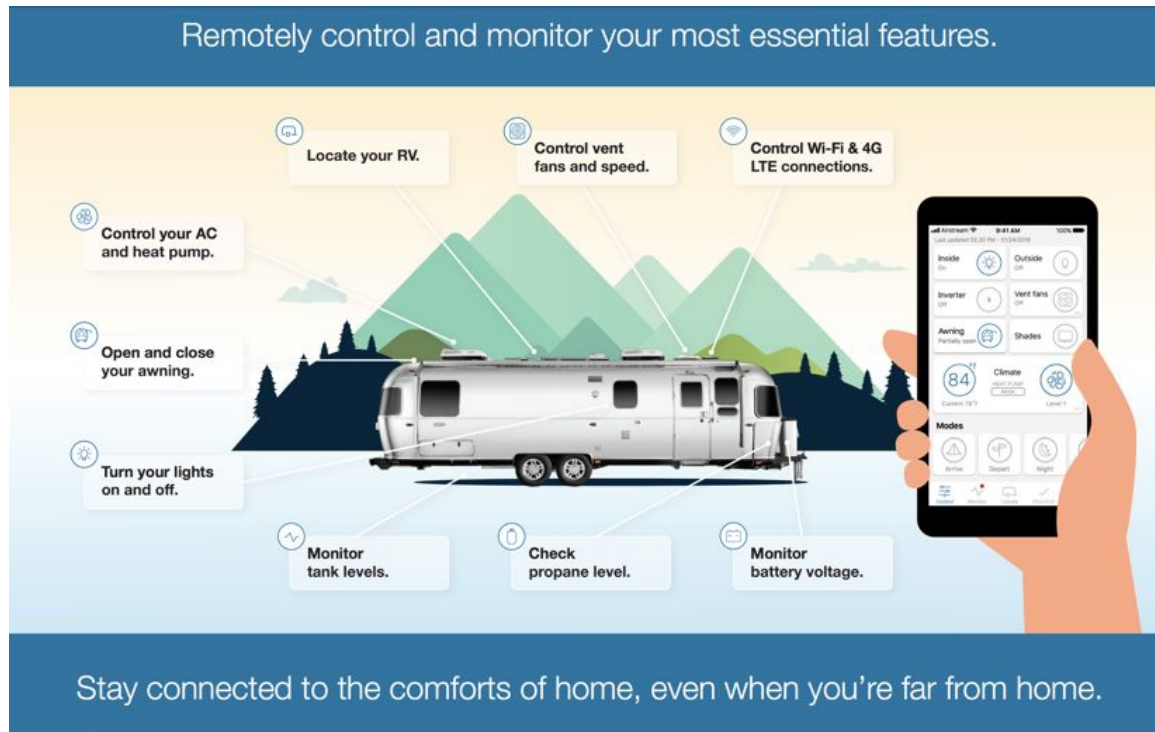
The activity map shows the consumption level in the month divided into squares of half an hour.

Managed Services



- The Company has a portfolio of technologies and several platforms available to license into third party products
- Buddy will license these technologies + help manage those deployments and integrations
- This is a nascent but growing business for us.

Airstream



- **Airstream** (subsidiary of Thor Industries, NYSE:THO) licenses Buddy Ohm + Buddy Cloud technologies to power their connected RV product.
- We operate as an extension of Airstream's product development team to deploy this integration.
- This has been a \$4.8m + royalty contributor so far and growing (is profitable as a standalone project).

Umps Health



- Recently announced a partnership with **Umps Health**.
- Umps uses LIFX light bulbs and the data they generate to monitor a senior citizen's residence
- If usage patterns diverge from “normal”, family members are immediately notified in case there's a problem.
- Umps Health is targeting to service 10,000 homes a year with their offering.

Powered by LIFX



- **We will license the LIFX control module + cloud + app + voice skills platform**
- With this platform, a third party will add:
 - Connectivity to their product
 - Make it controllable via mobile app and
 - Make it controllable via all the top voice assistants (Amazon Alexa, Google Home, Apple Siri, Microsoft Cortana).
- This “powered by LIFX” platform also adds energy monitoring & Ohm compatibility to any product.

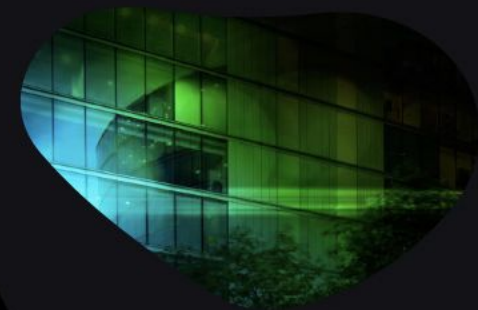
Powered by LIFX

Three revenue opportunities for the commercial business:



- Where hardware is required (such as the LIFX Control Module to the left), this is sold at a premium (sold per unit)
- For any integration work, we charge a “non-recoverable engineering” fee (NRE - usually one-off, paid monthly)
- Finally, for access to our cloud platforms, we charge a monthly recurring cloud access fee.

2019 TARGETS



2019 Targets

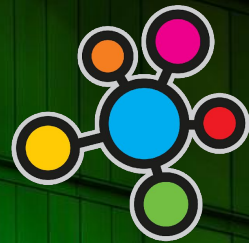
- Targeting LIFX growth of 70–100% in CY 2019
(consistent with past 4 years of performance)
- Targeting Buddy Ohm + licensing business breakeven by EOY 2019.
(per last 4C, currently on track)
- Targeting Buddy Technologies Ltd profitable by EOY 2019
(70–100% growth of LIFX + breakeven of Buddy Ohm)

2019 Targets

- The **consumer business** is showing strong unit growth. Success will be determined by growing top line revenue & managing costs.
- We're engaged with our manufacturer to ensure we can price our lights competitively with the market. Costs are regularly coming down.
- August 2019 margins (as of publication date) are 4% better than 2018 average margins (at 33% vs. 29%), but still vary. It is a top priority for 2019 to continue to push this upwards.

2019 Targets

- The **commercial business** is a much smaller business than the consumer business, but is also much more nascent
- We expect to grow our Buddy Ohm install base (recurring/SaaS revenue model)
- We expect to grow the managed services business (Airstream, etc...) through new licensing deals
- The commercial business is currently (slightly) ahead of budget to reach breakeven by EOY CY2019. Airstream is already a profitable account for Buddy.



Buddy

Make every space
smarter.

info@buddy.com | buddy.com