



ASX MARKET RELEASE

LIFX Displaces Osram in German DIY Stores; New POS Rollout

SUMMARY

- LIFX has begun rolling out its new point of sale ("POS") units in Europe, starting with 15 locations now live and on sale at German do-it-yourself ("DIY") retailer, Bauhaus
- In gaining assortment at Bauhaus, LIFX displaced major lighting brand, Osram
- New POS units better display and promote LIFX products, and are expected to gradually roll out to retail partners in France, Russia, Norway, Sweden, Denmark and Finland
- The new units are modular and easily adjustable depending upon which SKUs are stocked by the retailer in which the POS is displayed.

29 July 2020 - Adelaide, South Australia

Buddy Technologies Limited ("Company") (ASX:BUD), a leader in IoT and cloud-based solutions for making spaces smarter, is pleased to announce the deployment of the Company's new LIFX point of sale systems in Europe, starting with a rollout in German DIY retailer, Bauhaus.

In deploying into Bauhaus, LIFX has displaced major German lighting brand, Osram (XFRA:OSR) whose smart lights will no longer be assorted by Bauhaus, and accordingly will now be phased out. LIFX has launched its new POS in 15 Bauhaus tier 1 stores (ie: those where there is a full smart home display section), and the Company expects additional Bauhaus stores to come online in the coming quarters. Each store is already fully stocked with an extensive range of LIFX products and those products are now on sale.

As part of the Company's continued expansion in Europe, and into DIY stores, LIFX is extending its retail footprint beyond traditional consumer electronics stores. This launch of LIFX's new, innovative & interactive POS displays with Bauhaus in Germany has allowed LIFX to not just replace Osram, but introduce a more compelling point of sale experience for the customer.

The new POS system is modular, highly configurable, and can easily be customized according to which SKUs a particular retailer stocks, or wishes to demonstrate. It easily supports multi-language deployments, and can feature third party products such as Amazon Alexa or Google Assistant devices.



Figure 1. LIFX's new POS system can demonstrate the full range, including the new LIFX Candle Warm to White, as shown here.

Due to the nature of the European market - in particular because it is dominated by a single competitor - the Company enjoys a higher wholesale price on our products than in the U.S., which makes taking market share very accretive to the business, and quite feasible to do.



Figure 2. LIFX deploys new, modular POS units in this Bauhaus store located in Berlin, Germany, displacing major lighting brand Osram.

As the Company grows in this important central European market, there is significant interest in rolling out our new POS displays more broadly in the region. Given this, rollouts to retail partners in France, Russia, Norway, Sweden, Denmark and Finland are expected over the course of the coming quarters, as the LIFX brand begins to gain traction across the region.

The rollout of these new POS units forms a significant piece of the Company's European growth strategy, as outlined in the "Big Eight Goals" for 2020 (refer to the Investor Webinar dated 12 May 2020). European retailers are looking to LIFX to be the primary foil against the very dominant European market position enjoyed by our largest competitor. Unlike other smart lighting brands, LIFX brings a lifestyle marketing approach, a trusted brand specific to smart lighting, and a willingness to adopt a go-to-market strategy that presents a very credible and attractive alternative to the current market leader.

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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