



ASX MARKET RELEASE

Update to Financing Arrangements - Novations & Inventory Finance

SUMMARY

- The assignment (novation) of Buddy's subsidiary's customer supply contract with Best Buy US to LIFX Australia has been completed. As the largest customer contract for LIFX product, this satisfies one of the significant conditions precedent to financial close of the A\$20m Scottish Pacific trade finance facility
- Buddy has executed financing documents with respect to its US\$6 million inventory finance facility, and awaits the countersigning by Challenger

8 October 2019 – Adelaide, South Australia

Buddy Technologies Limited ("Company") (ASX:BUD), a leader in IoT and cloud-based solutions for making spaces smarter, wishes to provide an update on the recently announced A\$20m trade finance facility and the US\$6m inventory finance facility ("Facilities") (refer to ASX announcements on 27 August 2019, 2 September 2019, 11 September 2019 and 24 September 2019).

A condition precedent to financial close of the trade finance facility is to complete the remaining novations of certain customer supply contracts from other LIFX entities to LIFX Australia. The most valuable of these novations is the customer supply contract with Best Buy US, which has now been completed. Only one further novation remains, and the Company will provide shareholders with further information by way of ASX announcements when this has been completed.

The Company is pleased to share that it has executed financing documents for its US\$6 million inventory finance facility from The Challenger Trade Finance Segregated Portfolio of the South Africa Alpha SPC ("Challenger"). The Company is awaiting countersignatures from Challenger, after which it will proceed to draw down on this facility and in doing so, will fully satisfy its obligations with respect to repaying the Seisun bridge loan facility. Seisun has agreed to extend the maturity date of its facility for a short period to accommodate the time needed to secure Challenger's countersignature.

For and on behalf of Buddy Technologies Limited,

David P. McLauchlan
Chief Executive Officer
Buddy Technologies 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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