



ASX MARKET RELEASE

Significant Order Shipping to Support New EU Retailers Coming Online; EU up 110% Year to Date

SUMMARY

- The EU market for LIFX is expected to grow further with the addition of new retailers for calendar Q4, numbering at least 140 new stores and for which new orders of over A\$420k (retail value) are now shipping to those customers
- New data shows that Europe is LIFX's fastest growing market, up 110% year-to-date in unit shipments, with Italy, Spain and Germany the top EU markets to date
- LIFX is currently exhibiting at the international consumer electronics show IFA in Berlin, Germany. The IFA show, together with CES in Las Vegas in January each year, is one of the most important retailer and partner outreach events on the global calendar.

9 September 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 its progress in Europe with respect to the Company's consumer business, LIFX.

EU Retail Expansion

The Company is pleased to share that an additional shipment of LIFX products with retail in excess of A\$420k has been dispatched to support the opening of new retail stores in the European Union. This new retail assortment is being conducted through to January 2020 with over 140 confirmed new stores (but potentially over 250, which would require additional inventory, subject to negotiations which are currently in progress).

Europe Growth

New data shows that LIFX's fastest growing region worldwide is the EU, with unit growth year-to-date of over 110% and that's before the addition of a significant number of new retailers to come in calendar Q4 (see below). While the EU is LIFX's newest market, this is a region where retail assortment can be challenging at scale, making this result particularly pleasing. With efforts in the EU led by Buddy's Europe, Middle East and Africa General Manager, Martin Carroll (based in Dublin, IE), LIFX expects to see continued growth in the region.

Year-to-date, the top growth markets for LIFX in the EU are Italy, Spain and Germany, with each recording triple digit percentage growth so far in 2019.

Internationale Funkausstellung (IFA) Berlin

The annual IFA trade show in Berlin, Germany is currently underway and LIFX is represented by a selection of staff from the Company's EU, US and Australian offices. The show presents an important opportunity to showcase LIFX's current and new products to retailers, partners and the public. Europe is a market where the world's largest smart light vendor has a 90+% market share, so the territory is one that is ripe for disruption and having a strong presence at IFA is key to achieving this.

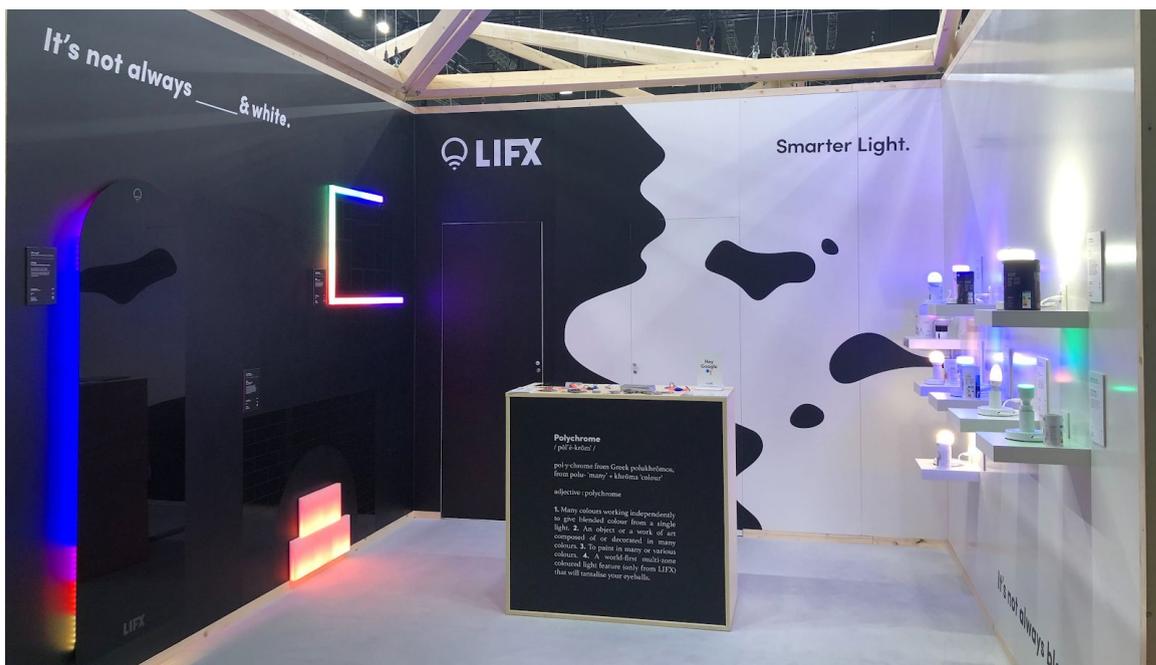


Figure 1. LIFX's booth at IFA in Berlin, Germany - which continues through Wednesday 11 September 2019.

According to advisory firm ABI Research, worldwide consumers will spend US\$123 billion on Internet of Things ("IoT") products by 2021 (and likely to increase thereafter), and according to research firm IDC, smart lighting will command 11.8% of consumer IoT spend by 2023. IDC further predicts global sales of 830 million smart home devices in 2019, rising to 1.6 billion in 2023. With worldwide growth and smart home adoption numbers like these, and considering that the EU is a larger market than the US (LIFX's current largest market by sales), investing in Europe is of paramount importance to the Company.

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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Buddy Technologies Contact:
Stuart Usher, Company Secretary
Email: ir@buddy.com

