



# ASX MARKET RELEASE

## Buddy Announces H2 FY2021 Revenue + Earnings Guidance

### SUMMARY

- Buddy announces expected results for H2 FY2021
  - Revenue in the range of A\$24 million to A\$28 million
  - Positive adjusted EBITDA for the half
- Results for H2 FY2021 are anticipated to more than double the (unaudited) revenues for the prior corresponding period (H2 FY2020 - A\$10.8 million)
- The revenue and EBITDA guidance for H2 FY2021 are derived from manufacturing orders placed, contracted and paid for (in part or in full) and do not include any expected orders not yet placed.

### 9 February 2021 - Adelaide, Australia

Buddy Technologies Limited ("Company") (ASX:BUD), a leader in IoT and cloud-based solutions for making spaces smarter, is pleased to announce revenue and earnings before interest, taxation, depreciation and amortisation ("EBITDA") guidance for the second half ("H2") of financial year 2021 ("FY2021").

Following the completion of a major refinancing of the Company's finance facilities and vendor debt (refer to the ASX announcements dated 21 October 2020 and 6 January 2021), as well as the placement, acceptance and payment (partial, full or contracted) for a significant volume of product to be manufactured and sold to customers prior to the end of the financial year ended 30 June 2021, the Company is now in a position to guide the market on revenue and EBITDA expectations for the June half of CY2021 (H2 FY2021).

The Company expects H2 FY2021 revenue to be in the range A\$24 million to A\$28 million and expects positive H2 FY2021 adjusted EBITDA. This guidance assumes:

- Product margins similar to H1 FY2021
- Cash-based operating expenses (selling, R&D and administrative costs) similar to H1 FY2021

- AUD-USD exchange rate of 0.7500
- Only placed and accepted manufacturing purchase orders and expected delivery dates have been included in this guidance (ie: does not forecast future orders yet to be placed).

A range has been provided in respect to the revenue guidance on account of a proportion of orders for inventory being due for delivery to the Company in proximity to the end of the financial year and that may – within the ordinary course of business – become accounts receivable in late FY2021 or early FY2022.

The Company is not yet in a position to provide specific EBITDA guidance at this point, given the transitional nature of this half-year in respect to transitioning from a single manufacturer supplying the Company's global product needs, to at least two (and likely more) manufacturers, and the anticipated significant impact that additional manufacturers have on improving margins across the business. The Company will seek to provide specific EBITDA guidance as soon as possible.

"With our recent progress in restructuring our finance facilities and debt, achieving cost downs across our product range and the elimination of all restrictions on our ability to manufacture product as and when necessary, we are thrilled to be in a position to provide financial guidance to the market for the first time in our Company's history", said David McLauchlan, CEO of Buddy Technologies Limited. "We have more product currently being manufactured ready for sale than at any time prior, and if achieved, these results would more than double our year-ago results for the prior corresponding period. With these two quarters historically being our quieter period of the year, it would demonstrate the remarkable market opportunity before this Company as the world shifts to smarter spaces, and smarter light".

The Company will update the market should any material changes to this guidance occur via further ASX announcements.

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 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](http://www.buddy.com) and [www.lifx.com](http://www.lifx.com).

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