



ASX RELEASE

JAXSTA APPENDIX 4D AND HALF-YEAR FINANCIAL RESULTS

Sydney, Australia, 26th February 2019: Jaxsta (**ASX: JXT** or the **Company**), a music technology company developing an online platform to hold official music data, today released its interim report and financial results for the half-year ended 31 December 2018.

Jaxsta Half Year Financial Report and Appendix 4D

The Interim Half Year Report has been prepared on the basis that, in accordance **AASB 3** Business Combinations, the 100% acquisition by Mobilarm Limited (**Mobilarm Limited, now known as Jaxsta Limited**) of Jaxsta Holdings Pty Ltd (**Jaxsta Holdings**) constituted a 'reverse acquisition' (**Transaction**). For accounting purposes, under a 'reverse acquisition' Jaxsta Holdings is treated as the accounting acquirer, rather than Mobilarm Limited.

This differs from the approach adopted in the investigating accountant's pro-forma report set out in Jaxsta's prospectus dated 7 September 2018 (**Investigating Accountants Report**).

Pursuant to AASB 3, goodwill is not generated on consolidation under the Transaction. Therefore, the Interim Half Year Report reflects \$4.025 million in pre-existing Jaxsta Holdings goodwill, as opposed to the \$25.808 million reflected in the Investigating Accountants Report. This represents a non-cash item with no impact on cash flow for Jaxsta.

The difference between the net assets of Jaxsta Holdings and the shares issued in Jaxsta Limited (formerly Mobilarm Limited) to Jaxsta Holdings shareholders is treated as a non-reoccurring Listing Expense in the Profit & Loss Statement of Jaxsta totalling \$14.227m.

Please refer to the Interim Half Year Report – Notes to the Financial Statements for further information.

Operational Summary

- Company continued to make progress on its soft launch for Jaxsta Beta, its public database of official music credits
- Conducted previews of Jaxsta Beta with record labels, performance rights organisations, publishers, awards and charting associations and digital service providers (**DSPs**) with very positive feedback
- Conducted a live preview of Jaxsta Beta at the Sørveiv Music Industry Summit in Norway
- Progressed on discussions with global music labels and record companies on commercial data access arrangements as well as metadata and artwork agreements
- Participation at major conferences and music awards events including BIGSOUND, AC3, Sørveiv Music Summit, A2IM Music Mixer, ARIAs, Producers and Engineers Wing GRAMMY Week event and the 61st GRAMMY Awards to promote the upcoming soft launch of Jaxsta Beta
- The Company remains on track for a soft launch of Jaxsta Beta in the first half of CY19, as per the Supplementary Prospectus dated 28 September 2018 (**Prospectus**).



Financial Summary

- In October 2018, Jaxsta successfully completed an Initial Public Offering (IPO) and fund raising of \$5.269 million by way of a reverse-takeover of Mobilarm Limited (ASX: MBO).
- Jaxsta re-listed on the official list of the ASX on 28th December 2018.
- Cash on hand at the end of the quarter to 31 December 2018 was \$5.235 million.
- The funding for Jaxsta's short to medium term activities will be generated from a combination of the money raised under the IPO and deferred proceeds of \$4.624 million from the sale of the Company's Marine Rescue Technologies Ltd (MRT) business.
- Funding will continue to be focused on System and Platform Development, including building the technical team in the lead up to soft launch for Jaxsta Beta.
- Jaxsta remains on track per the timeframes as set out in its Prospectus and we will continue to keep the market informed as to any updates in-line with its continuous disclosure obligations.



Jacqui Louez Schoorl, CEO of Jaxsta, noted the Company's successful re-listing and the operational progress over the last six months.

"We thank investors and shareholders for their support for our successful re-listing in December and are pleased to report we've made significant progress in the lead-up to, and since this major milestone," said Ms Louez Schoorl.

"The private beta preview launch and demonstrations of Jaxsta Beta during the half year were positively received by key industry participants, including record labels, performance rights organisations, publishers, awards and charting associations and DSPs (digital service providers). We also remain in active discussion with global music labels and record companies to secure further commercial data access arrangements, as well as metadata and artwork agreements. This builds on our 25 data-sharing agreements currently signed."

"In the period since the half year, we also continued to strengthen our partnership with the U.S. Recording Academy by being a sponsor of their Producers & Engineers Wing GRAMMY Week Event in February 2019 where the Company showcased the Jaxsta Beta platform."

"In the coming months, Jaxsta looks forward to updating the market on its soft launch for Jaxsta Beta, which remains on track for in the first half of 2019."

-ENDS-

About Jaxsta

Jaxsta (ASX: JXT) is a music technology company developing an online platform to hold global official music data. Through direct industry partnerships, the company aims to credit the 'who, what, when and where' of music. The company's core platform, Jaxsta.com, is expected to launch in 2019.

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