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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): November 15, 2018

**SITO MOBILE, LTD.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or Other Jurisdiction  
of Incorporation)

**001-37535**

(Commission File Number)

**13-4122844**

(IRS Employer  
Identification No.)

**The Newport Corporate Center, 100 Town  
Square Place, Suite 204, Jersey City, NJ**

(Address of Principal Executive Offices)

**07310**

(Zip Code)

Registrant's Telephone Number, Including Area Code: **(201) 984-7085**

(Former Name or Former Address, if Changed Since Last Report): Not Applicable

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter)

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 2.02 Results of Operations and Financial Condition**

On November 15, 2018, SITO Mobile, Ltd. (the “Company”) issued a press release announcing the financial results for its third fiscal quarter ended September 30, 2018. A copy of the Company’s press release is attached as Exhibit 99.1 to this current report on Form 8-K.

The information disclosed under this Item 2.02, including Exhibit 99.1 hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, except as expressly set forth in such filing.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits:

| <b>Exhibit No.</b> | <b>Description</b>  |
|--------------------|---|
| 99.1               | <a href="#">SITO Mobile, Ltd. Press Release dated November 15, 2018</a> |

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**SITO MOBILE, LTD.**

(Registrant)

Date: November 15, 2018

/s/ Aaron Tam

Name: Aaron Tam

Title: Interim Co-Chief Financial Officer

**EXHIBIT INDEX**

| <b>Exhibit No.</b> | <b>Description</b>  |
|--------------------|---|
| 99.1               | <a href="#">SITO Mobile, Ltd. Press Release dated November 15, 2018</a> |



## SITO Mobile Reports Third Quarter 2018 Results

*Company moves up earnings conference call to Friday November 16<sup>th</sup> at 2 p.m. ET*

**JERSEY CITY, N.J., November 15, 2018 -- SITO Mobile Ltd. (NASDAQ: SITO)**, an insights-driven Consumer Behavior and Location Sciences™ company, announced today its financial results for the three and nine months ended September 30, 2018.

### Third Quarter Financial and Recent Business Highlights

- Revenues for the three months ended September 30, 2018 of \$9.1 million
- Gross profit for the third quarter of 2018 was \$4.3 million, or 48% of total revenue, compared to \$5.6 million, or 51% of total revenue, for the corresponding period of 2017
- Net loss in the third quarter of 2018 was \$5.0 million
- Adjusted EBITDA\* loss for the third quarter of 2018 was \$3.2 million
- Subsequent to quarter end, the Company appointed Alex Cheronos, the former Director of Security Solutions at AT&T as its new Head of Product Development
- Subsequent to the end of the third quarter, the Company announced a strategic data analytics partnership with Pure Flix, an independent faith and family movie studio to drive verified traffic into theaters as well as promote transparency and efficiency leading to optimal decision-making with its theatrical film releases

“We significantly strengthened our organization beginning in the third quarter adding accomplished executives to our board, seasoned enterprise sales professionals to our team, and a new Head of Product Development to expand our leadership,” commented Tom Pallack, SITO’s Chief Executive Officer. “We are attracting industry leading talent with the relevant experience, relationships and history of success needed to better position our location-based, proprietary data-driven mobile solutions to larger and more significant customers.”

“Our business is evolving, and our revenue mix is shifting more towards consumer insights and data-driven transactions with enterprise customers,” Pallack added. “As we increase the scale of multi-year and recurring enterprise engagements, we will become less reliant on one-time campaign-driven media placement revenues which will increase our viability and accelerate our growth.”

### Third Quarter Financial Summary

Total revenue for the three months ended September 30, 2018 decreased 17%, or \$1.8 million, to \$9.1 million compared to \$10.9 million in the corresponding period of 2017. This decrease in total revenue was primarily due to a reduction in the average spend per customer which we are actively working to offset with an increase of enterprise data-driven engagements with larger brands and agencies.

Gross profit for the three months ended September 30, 2018 was \$4.3 million, or 48% of total revenue, compared to \$5.6 million, or 51% of total revenue, for the corresponding period of 2017. The decrease in gross profit as a percentage of total revenue was due primarily to lower gross margins in new client assignments.

Loss from operations for the three months ended September 30, 2018 was \$5.2 million compared to a loss from operations of \$1.9 million in the corresponding period of 2017. The increase/decrease in loss from operations was primarily due to a \$1.3 million decrease in gross profit and a \$1.9 million increase in operating expenses as we continue to invest in the growth of our business.

Net loss for the three months ended September 30, 2018 was \$5.0 million, or (\$0.20) per basic and diluted share, compared to a net loss of \$3.1 million, or (\$0.14) per basic and diluted share, in the corresponding period of 2017.

Adjusted EBITDA\* for the three months ended September 30, 2018 was a loss of \$3.2 million compared to Adjusted EBITDA\* loss of \$10.1 million in the corresponding period of 2017.

*\* SITO Mobile has presented Adjusted EBITDA, a non-GAAP measure, because many of our investors use these non-GAAP measures to monitor the Company's performance. Generally, a non-GAAP financial measure is a quantitative assessment of a Company's performance, financial position or cash flow that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with GAAP. It should not be considered an alternative to GAAP measures as an indicator of the Company's operating performance.*

Cash used in operations for the nine months ended September 30, 2018 was \$13.6 million compared to \$4.3 million for the corresponding period in 2017. The increase is inclusive of a \$3.5 million legal settlement, year-end bonuses for fiscal 2017, and various professional fees for legal, audit, and other services.

#### **Balance Sheet Summary**

As of September 30, 2018, the Company had \$4.6 million in cash and cash equivalents compared to \$3.6 million at December 31, 2017.

#### **Conference call information:**

Date: Friday, November 16, 2018

Time: 2:00p.m. Eastern Time (ET)

Dial in Number for U.S. & Canadian Callers: 877-407-8293

Dial in Number for International Callers (Outside U.S. & Canada): 201-689-8349

The conference call will also be webcasted live on the Investor Relations section of SITO's IR web site at <http://ir.sitomobile.com/ir-calendar>.

A replay will be available for two weeks starting on November 16, 2018 at approximately 8 p.m. ET. To access the replay, please dial 877-660-6853 in the U.S. and 201-612-7415 for international callers. The conference ID# is 13685224.

## **About SITO Mobile, Ltd.**

SITO turns the consumer journey into a powerful instrument for marketers, delivering actionable insights that influence behavior in real-time. Through Consumer Behavior and Location Sciences™, SITO develops customized, data-driven solutions for brands spanning strategic insights and media. Our science and products reveal a deeper, real-time understanding of customer interests, actions and experiences providing increased clarity for brands when it comes to navigating business decisions and delivering advertising. The Company is home to an internally developed, proprietary location-data technology stack, arming clients with a powerful resource for granular data, real-time insights and optimization, and delivery of successful media campaigns. Using in-store targeting, proximity targeting, geo-conquesting and attribution data, SITO creates audience profiles to develop measurable hyper-targeted campaigns for brands. For more information regarding SITO's science, technology and customized solutions spanning media and research, visit [www.sitomobile.com](http://www.sitomobile.com).

## **About Non-GAAP Financial Measures**

We present EBITDA and Adjusted EBITDA and in this press release to provide a supplemental measure of our operating performance. We define EBITDA as earnings before interest expense, income tax expense, depreciation and amortization expense, and Adjusted EBITDA, as EBITDA before stock based compensation, certain non-recurring professional expenses related to pending or threatened contested solicitations of the Company's shareholders, investigations of former executives, defense of certain class action lawsuits, and implementation of a section 382 rights plan. We believe EBITDA and Adjusted EBITDA are useful performance measures used by us to facilitate a comparison of our operating performance and earnings on a consistent basis from period-to-period and to provide for a more complete understanding of factors and trends affecting our business than measures under generally accepted accounting principles in the United States of America (GAAP) can provide alone. The non-GAAP measures included in this release, however, should be considered in addition to, and not as a substitute for or superior to, operating income, cash flows, or other measures of financial performance prepared in accordance with GAAP. Please refer to the financial tables included below for a reconciliation of GAAP to non-GAAP measures.

## **Cautionary Statement Regarding Certain Forward-Looking Information**

This press release contains forward-looking statements. These statements are based on our management's beliefs and assumptions and on information currently available to our management. Forward-looking statements include statements concerning the following: SITO's plans and initiatives; our possible or assumed future results of operations; our ability to attract and retain customers; our ability to sell additional products and services to customers; our competitive position; our industry environment; and our potential growth opportunities. You should not place undue reliance on forward-looking statements, because they involve known and unknown risks, uncertainties and other factors, which are, in some cases, beyond our control and which could materially affect results. Factors that may cause actual results to differ materially from current expectations include, among other things, those listed under "Risk Factors" in our Annual Report on Form 10-K, for the year ended December 31, 2017, our Quarterly Reports on Form 10-Q for the quarter ended March 31, 2018 and June 30, 2018, and the other reports we file with the SEC. Actual events or results may vary significantly from those implied or projected by the forward-looking statements due to these risk factors. No forward-looking statement is a guarantee of future performance. You should read our Annual Report on Form 10-K, our Quarterly Report on Form 10-Q and the documents that we reference in our Annual Report on Form 10-K, our Quarterly Report on Form 10-Q and have filed as exhibits thereto with the Securities and Exchange Commission, or the SEC, with the understanding that our actual future results and circumstances may be materially different from what we expect. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made and we undertake no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as may be required by applicable law. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements.

## **Contact:**

Investor Relations  
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Source: SITO Mobile, Ltd.

**SITO MOBILE, LTD.**  
**Condensed Consolidated Statements of Operations**  
**(Unaudited)**

|  | For the Three Months Ended |                       | For the Nine Months Ended |                       |
|--|----------------------------|-----------------------|---------------------------|-----------------------|
|  | September 30,              |                       | September 30,             |                       |
|  | <u>2018</u>                | <u>2017</u>           | <u>2018</u>               | <u>2017</u>           |
| <b>Revenue</b>   |                            |                       |                           |                       |
| Media placement  | \$ 9,056,963               | \$ 10,916,126         | \$ 28,630,179             | \$ 28,163,712         |
| Licensing and royalties                                      | -                          | 70,726                | -                         | 130,653               |
| <b>Total revenue</b>   | <u>9,056,963</u>           | <u>10,986,852</u>     | <u>28,630,179</u>         | <u>28,294,365</u>     |
| <b>Cost of Revenue</b>                                       |                            |                       |                           |                       |
| Cost of revenue  | 4,718,727                  | 5,342,189             | 15,818,757                | 14,364,112            |
| <b>Gross profit</b>  | <u>4,338,236</u>           | <u>5,644,663</u>      | <u>12,811,422</u>         | <u>13,930,253</u>     |
| <b>Operating Expenses</b>                                    |                            |                       |                           |                       |
| Sales and marketing  | 4,875,669                  | 3,395,943             | 15,648,741                | 10,607,985            |
| General and administrative                                   | 4,481,234                  | 3,416,253             | 13,854,247                | 9,834,685             |
| Depreciation and amortization                                | 144,803                    | 713,903               | 501,096                   | 996,590               |
| <b>Total operating expenses</b>                              | <u>9,501,706</u>           | <u>7,526,099</u>      | <u>30,004,084</u>         | <u>21,439,260</u>     |
| <b>Loss from operations</b>                                  | (5,163,470)                | (1,881,436)           | (17,192,662)              | (7,509,007)           |
| <b>Other Income (Expense)</b>                                |                            |                       |                           |                       |
| Earnings from joint venture                                  | -                          | -                     | -                         | 1,464,754             |
| Gain (loss) on revaluation of warrant liability              | 182,048                    | (636,456)             | 1,157,568                 | (636,456)             |
| Other income   | -                          | -                     | 117,630                   | -                     |
| Interest income (expense), net                               | 2,404                      | (555,288)             | 8,297                     | (1,299,049)           |
| <b>Net loss before income taxes</b>                          | (4,979,018)                | (3,073,180)           | (15,909,167)              | (7,979,758)           |
| Income tax expense   | (26,952)                   | -                     | (80,369)                  | -                     |
| <b>Net loss from continuing operations</b>                   | <u>(5,005,943)</u>         | <u>(3,073,180)</u>    | <u>(15,989,536)</u>       | <u>(7,979,758)</u>    |
| <b>Discontinued Operations</b>                               |                            |                       |                           |                       |
| Income (loss) from operations of discontinued component      | -                          | 2,788                 | -                         | (312,844)             |
| <b>Net income (loss) from discontinued operations</b>        | <u>-</u>                   | <u>2,788</u>          | <u>-</u>                  | <u>(312,844)</u>      |
| <b>Net loss</b>  | <u>\$ (5,005,943)</u>      | <u>\$ (3,070,392)</u> | <u>\$ (15,989,536)</u>    | <u>\$ (8,292,602)</u> |
| <b>Basic and diluted net loss per share</b>                  |                            |                       |                           |                       |
| Continuing operations  | (0.20)                     | (0.14)                | (0.65)                    | (0.38)                |
| Discontinued operations                                      | -                          | (0.00)                | -                         | (0.01)                |
| <b>Basic and diluted net loss per share</b>                  | <u>\$ (0.20)</u>           | <u>\$ (0.14)</u>      | <u>\$ (0.65)</u>          | <u>\$ (0.39)</u>      |
| <b>Basic and diluted weighted average shares outstanding</b> | <u>25,374,545</u>          | <u>21,597,130</u>     | <u>24,748,556</u>         | <u>20,994,017</u>     |

**SITO MOBILE, LTD.**  
**Condensed Consolidated Balance Sheets**

|  | <u>September 30,<br/>2018</u> | <u>December 31,<br/>2017</u> |
|--|-------------------------------|------------------------------|
|  | (Unaudited)                   |                              |
| <b>Assets</b>  |                               |                              |
| <b>Current assets</b>  |                               |                              |
| Cash and cash equivalents  | \$ 4,628,333                  | \$ 3,611,438                 |
| Accounts receivable, net   | 9,125,447                     | 13,005,718                   |
| Prepaid expenses   | 605,100                       | 374,380                      |
| Assets from discontinued operations  | -                             | 10,596                       |
| <b>Total current assets</b>  | <u>14,358,880</u>             | <u>17,002,132</u>            |
| <b>Property and equipment, net</b>   | <u>380,093</u>                | <u>449,949</u>               |
| <b>Other assets</b>  |                               |                              |
| Capitalized software development costs, net  | 971,263                       | 1,485,285                    |
| Intangible assets:   |                               |                              |
| Patents, net   | 637,353                       | 742,574                      |
| Other intangible assets, net   | 964,757                       | 1,168,007                    |
| Goodwill   | 6,444,225                     | 6,444,225                    |
| Other assets   | 109,003                       | 92,420                       |
| <b>Total other assets</b>  | <u>9,126,601</u>              | <u>9,932,511</u>             |
| <b>Total assets</b>  | <u>\$ 23,865,574</u>          | <u>\$ 27,384,592</u>         |
| <b>Liabilities and Stockholders' Equity</b>  |                               |                              |
| <b>Current liabilities</b>   |                               |                              |
| Accounts payable   | \$ 4,155,128                  | \$ 6,506,902                 |
| Accrued expenses   | 5,794,867                     | 9,911,540                    |
| Deferred revenue   | 350,772                       | -                            |
| Current obligations under capital lease  | 3,556                         | 2,756                        |
| Warrant liability  | 381,820                       | 1,539,388                    |
| Liabilities from discontinued operations   | -                             | 210,789                      |
| <b>Total current liabilities</b>   | <u>10,686,143</u>             | <u>18,171,375</u>            |
| <b>Long-term liabilities</b>   |                               |                              |
| Obligations under capital lease  | <u>8,542</u>                  | <u>-</u>                     |
| <b>Total long-term liabilities</b>   | <u>8,542</u>                  | <u>-</u>                     |
| <b>Total liabilities</b>   | <u>10,694,685</u>             | <u>18,171,375</u>            |
| <b>Commitments and contingencies - See notes 16</b>  |                               |                              |
| <b>Stockholders' Equity</b>  |                               |                              |
| Preferred stock, \$.0001 par value, 5,000,000 shares authorized; none outstanding  | -                             | -                            |
| Common stock, \$.001 par value; 100,000,000 shares authorized, 25,437,536 shares issued and outstanding as of September 30, 2018; and 22,039,529 shares issued and outstanding as of December 31, 2017 | 25,435                        | 22,038                       |
| Additional paid-in capital   | 184,952,739                   | 165,008,928                  |
| Accumulated deficit  | <u>(171,807,285)</u>          | <u>(155,817,749)</u>         |
| <b>Total stockholders' equity</b>  | <u>13,170,889</u>             | <u>9,213,217</u>             |
| <b>Total liabilities and stockholders' equity</b>  | <u>\$ 23,865,574</u>          | <u>\$ 27,384,592</u>         |

**SITO MOBILE, LTD.****Reconciliation of GAAP Net Income to Adjusted EBITDA**

|   | <b>For the Three Months Ended</b> |                    | <b>For the Nine Months Ended</b> |                     |
|---|-----------------------------------|--------------------|----------------------------------|---------------------|
|   | <b>September 30,</b>              |                    | <b>September 30,</b>             |                     |
|   | <b>2018</b>                       | <b>2017</b>        | <b>2018</b>                      | <b>2017</b>         |
| <b>Net (loss)</b>   | \$ (5,005,943)                    | \$ (3,070,392)     | \$ (15,989,536)                  | \$ (8,292,602)      |
| <b>Net income (loss) from discontinued operations</b>                                     | -                                 | 2,788              | -                                | (312,844)           |
| <b>Net (loss) from continuing operations</b>  | (5,005,943)                       | (3,073,180)        | (15,989,536)                     | (7,979,758)         |
| <b>Adjustments to reconcile net (loss) to EBITDA:</b>                                     |                                   |                    |                                  |                     |
| Depreciation and amortization expense included in cost of revenue and operating expenses: |                                   |                    |                                  |                     |
| Amortization included in cost of revenue  | 207,690                           | 225,609            | 602,013                          | 438,094             |
| Depreciation and other amortization   | 144,803                           | 713,903            | 501,096                          | 996,590             |
| Total depreciation and amortization expense   | 352,493                           | 939,512            | 1,103,109                        | 1,434,684           |
| Interest income (expense), net  | 2,404                             | (555,288)          | 8,297                            | (1,299,049)         |
| Income tax expense  | (26,925)                          | -                  | (80,369)                         | -                   |
| <b>EBITDA</b>   | (4,628,929)                       | (1,578,380)        | (14,814,355)                     | (5,246,025)         |
| <b>Adjustments to reconcile EBITDA:</b>   |                                   |                    |                                  |                     |
| <b>Stock based compensation expense included in operating expenses:</b>                   |                                   |                    |                                  |                     |
| Sales and marketing   | 451,271                           | 235,104            | 1,503,354                        | 474,386             |
| General and administrative  | 835,735                           | 431,185            | 3,648,952                        | 787,392             |
| Total stock based compensation expense  | 1,287,006                         | 666,289            | 5,152,306                        | 1,261,778           |
| Gain (loss) on warrant revaluation  | 182,048                           | (636,456)          | 1,157,568                        | (636,456)           |
| <b>Certain non-recurring expenses</b>   |                                   |                    |                                  |                     |
| Other litigation  | 256,274                           | 175                | 517,676                          | 175                 |
| Investigations of former executives   | 22,850                            | 66,905             | 44,071                           | 674,913             |
| Class action lawsuits   | -                                 | -                  | 35,991                           | 234,169             |
| Section 382 rights plan   | -                                 | 305                | -                                | 135,228             |
| Contested proxy solicitation pending of threatened against the Company                    | -                                 | 176,571            | 59,998                           | 1,923,590           |
| Total non-recurring expenses  | 279,124                           | 243,956            | 657,736                          | 2,968,075           |
| <b>Adjusted EBITDA</b>  | <u>\$ (3,244,847)</u>             | <u>\$ (31,679)</u> | <u>\$ (10,161,881)</u>           | <u>\$ (379,716)</u> |