

# ASX Announcement



29<sup>th</sup> January 2009

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Australia

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## MINT WIRELESS REPORTS FIRST POSITIVE QUARTERLY CASH FLOW

Dear Sir,

**Mint Wireless Limited (MNW)** is pleased to announce its first positive quarterly cash flow result.

Please find attached the company's quarterly overview and Appendix 4C for the December 2008 quarter.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Gary Stewart". The signature is fluid and cursive, with a long horizontal line extending to the right.

Gary Stewart  
Company Secretary  
Mint Wireless Limited  
P: 02 8752 7888

### About Mint Wireless Limited:

Mint Wireless Limited ([www.mnw.com.au](http://www.mnw.com.au)) is a technology company focused on providing mobile payment solutions and the development and management of portable technology products and services. Mint's portable payment and invoicing system is a software application for Microsoft Windows or Blackberry smart phones and includes a pocket-sized printer and card reader. Anyone processing payments in situ can accept credit cards and other payment types, process credit card transactions, print an invoice on the spot and download all transactions into their accounting and ERP systems. Mint Wireless Limited also distributes a range of portable technology products, flash memory products and consumer electronic components to many of Australia and New Zealand's largest retailers through its subsidiary Mint Trading Pty Limited.

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## MINT WIRELESS REPORTS FIRST POSITIVE QUARTERLY CASH FLOW

- **Cash position remains strong**
- **Total cash receipts up 359% from previous quarter**
- **Reports first positive quarterly cash flow result**

**Sydney, 29<sup>th</sup> January, 2009:** Portable technology company, Mint Wireless Limited (ASX: MNW) today reported cash flow for the quarter ended 31 December, 2008. The total cash receipts from customers for the quarter were \$5.025 million, up 359% from the previous quarter. Compared to the same period last year, the results represent an increase of 366% in customer cash receipts.

Net operating and investing cash flow totaled a positive inflow of \$1.311 million, up from a net outflow of \$2.320 million for the previous quarter. The quarter marked the first reported positive cash flow for the company.

The company has retained a strong cash position, and the recently secured \$2.005 million financing facility remains largely unused. The remainder of the facility will assist the company to deliver on confirmed customer orders for the Mint Trading subsidiary. The company continues to examine its cost base in light of current market conditions.

Mint Wireless' cash balance as at 31 December is \$1.650 million, in line with company expectation.

### Quarterly update – by division

#### **Mint Portable Payment Solution (PPS)**

- **Secured 3-year agreement with Cadbury Schweppes to supply the PPS to 100 delivery drivers**
- **Secured significant orders for PPS from national service companies – AGL Assist and Tyres 4 U**

The Mint PPS subsidiary experienced sustained growth, securing orders from a range of customers, including international beverage and confectionary company, Cadbury Schweppes. Mint continued to expand its footprint amongst small and mid-market customers as payment terms continued to extend and cash flow remained a primary concern for many businesses.

Mint Wireless' CEO, Alex Teoh said that the PPS business has continued to add a range of new companies from sole traders to large enterprise clients to its recurring revenue base. Further, Mint has developed its capability to take on orders from larger customers with specialised requirements adding significantly to the existing PPS value proposition.

"The agreement with Cadbury Schweppes is a good indicator of the potential for our PPS to deliver significant supply chain benefits to large organisations with disparate mobile workforces," Mr. Teoh added.

## Mint Trading

- **Expanded relationships with major national retailers**
- **Secured over \$2 million in orders for Aiptek Pocket projector**
- **Secured contract to supply 500,000 USB flash drives to Officeworks**

The Mint Trading subsidiary continued to grow during the quarter, securing significant customer orders and further expanded its product range to capitalise on available opportunities.

“The Mint Trading subsidiary has continued to perform above expectation despite challenging market conditions which is a testament to our product offering and distribution strategy. We continue to confirm forward customer orders, and will continue to identify products that will be resilient to the current market downturn.

The introduction of the new brand, Pico, has already delivered results with the Mint Trading subsidiary securing a contract to supply 500,000 USB flash drives for Officeworks’ *Back to School and Office* campaign.

“The supply agreement with Officeworks is a strong endorsement for our strategy to pursue larger customer orders. The Officeworks agreement is one of the largest Australian USB flash drive orders ever awarded to a supplier,” Mr. Teoh said.

## Outlook

“The nature of the Mint Portable Payment Solution means that as businesses look more closely at innovative technology to streamline their operations, bolster cashflow and remain commercially buoyant, we expect a strong sales pipeline through 2009,” Mr. Teoh said.

“In addition to our strong cash position, we are constantly examining our cost base to ensure that our capital outflow is minimised. Our strategy to invest in our people, products and sales and marketing, will place the company on a stable footing for 2009.

“Given the current state of the market, we are currently working on product developments for the PPS geared towards improving cash flows for businesses, which is absolutely critical in the current economic environment. We will update the market shortly with these developments” Mr. Teoh concluded.

A copy of the company’s Appendix 4C follows.

-ENDS-

## For more information please contact:

Alex Teoh  
Chief Executive Officer  
P: (02) 8752 7888  
E: alex.teoh@mint-wireless.com

## Appendix 4C

### Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

Mint Wireless Limited

ABN

51 122 043 029

Quarter ended ("2nd quarter")

31-Dec-08

#### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A (000's)	Year to date Dec-08 (6 months) \$A (000's)
1.1 Receipts from customers	5,025	6,120
1.2 Payments for		
(a) staff costs	(350)	(829)
(b) advertising and marketing	(36)	(118)
(c) research and development	-	-
(d) leased assets	(58)	(102)
(e) other working capital	(3,198)	(5,891)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	3	41
1.5 Interest and other costs of finance paid	(28)	(31)
1.6 Income taxes paid	0	0
1.7 Other (provide details if material)	89	89
<b>Net operating cash flows</b>	<b>1,447</b>	<b>(721)</b>

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**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	Current quarter \$A (000's)	Year to date Dec-08 (6 months) \$A (000's)
1.8 Net operating cash flows (carried forward)	1,447	(721)
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:	-	-
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(136)	(288)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(136)</b>	<b>(288)</b>
<b>1.14 Total operating and investing cash flows</b>	<b>1,311</b>	<b>(1,009)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	650	650
1.18 Repayment of borrowings	(576)	(576)
1.19 Dividends paid	-	-
1.20 Other (IPO Expenses)	-	-
<b>Net financing cash flows</b>	<b>74</b>	<b>74</b>
<b>Net increase (decrease) in cash held</b>	<b>1,385</b>	<b>(935)</b>
1.21 Cash at beginning of quarter/year to date	265	2,585
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 <b>Cash at end of quarter</b>	<b>1,650</b>	<b>1,650</b>

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**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A (000's)
1.24	Aggregate amount of payments to the parties included in item 1.2	101
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Director's remuneration & superannuation payments as well as services, re-imbursment of expenses & fees provided by entities related to executive & non executive directors.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/a

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/a

**Financing facilities available**

*Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).*

		Amount available \$A (000's)	Amount used \$A (000's)
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	2,176	74

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**Reconciliation of cash**


Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A (000's)	Previous quarter \$A (000's)
4.1 Cash on hand and at bank	1,300	264
4.2 Deposits at call	350	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.23)</b>	<b>1,650</b>	<b>264</b>

**Acquisitions and disposals of business entities**

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity	N/a	N/a
5.2 Place of incorporation or registration	N/a	N/a
5.3 Consideration for acquisition or disposal	N/a	N/a
5.4 Total net assets	N/a	N/a
5.5 Nature of business	N/a	N/a

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does ~~not~~ *not* ~~give~~ *not* ~~a true and fair view of the matters disclosed.~~ *(delete one)* give a true and fair view of the matters disclosed.

Sign here:  Date: 29 January 2008  
 (Managing Director)

Print name: Alex Teoh

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**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
  
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
  - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
  - 9.2 - itemised disclosure relating to acquisitions
  - 9.4 - itemised disclosure relating to disposals
  - 12.1(a) - policy for classification of cash items
  - 12.3 - disclosure of restrictions on use of cash
  - 13.1 - comparative information
  
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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