



# Fireswirl

Technologies Inc.

April 26, 2013

## **FIRESWIRL ANNOUNCES AUDITED ANNUAL FINANCIAL RESULTS FOR FISCAL 2012 – STRONG REVENUE INCREASE OF 38% COUPLED WITH 77% DECREASE IN OPERATING LOSS**

**Vancouver, B.C. – April 26, 2013 – Fireswirl Technologies Inc. (TSXV: FSW)**, “the Company”, is pleased to announce its audited annual financial results for the twelve months ended December 31, 2012. All figures are quoted in Canadian dollars. Financial statements and accompanying MD&A are available on SEDAR.

### **Financial Highlights:**

- Total revenue increased to \$27,551,357 for the year ended December 31, 2012 compared to \$20,038,277 for the year ended December 31, 2011, representing an increase of 37.5%. The increase was due to increase in both merchandise and service revenue, which in turn was due to the Company’s new focus in technology development and workflow adjustment for the expansion into new product categories for tackling a bigger e-commerce market.
- Total expenses increased to \$27,803,202 for the year ended December 31, 2012 from \$21,111,796 for the year ended December 31, 2011, representing an increase of 31.7%. The increase was mainly due to the corresponding increase in purchases with increase in revenue.
- Salaries and benefits remained the Company’s single largest expenditure, \$1,859,094 for the twelve months ended December 31, 2012 compared to \$1,633,509 for the same period of 2011, representing an increase of 13.8%. The increase in salary expenditure is due to increase in headcounts in our Beijing operation as the company is expanding into other consumer sectors instead of relying on cell phones.
- As of December 31, 2012, the Company had cash and cash equivalents of \$594,921 and restricted cash \$319,400 compared to \$75,677 and \$1,696,800 respectively at December 31, 2011, representing an increase of 686.1% and a decrease of 81.2% respectively. As of December 31, 2012, the Company had working capital of \$752,508 compared to \$1,005,472 at December 31, 2011, representing a decrease of 25.2%. The Company does not have long term portion of long term debt of December 31, 2012 and 2011.
- The Company reported a comprehensive loss attributable to common shares is \$851,963 for the year ended December 31, 2012 compared to a loss of \$911,555

for the same period of 2011, representing a decrease in loss of 6.5%.

- Fully diluted loss per share was \$0.02 for the year ended December 31, 2012 compared to fully diluted losses of \$0.03 for the same period of 2011.

#### **Strategic Partner Highlights:**

- The Company's formed partnership with GSI Commerce Inc, a world leader in e-commerce solutions servicing over 1000 retailers and brands globally.
- The Company's two subsidiaries have jointly signed an agreement with Toys"R"Us Retailing (China) Limited ('Toys"R"Us, China') to provide e-commerce operation service, including to its Taobao Flagship Store in China.

#### **Marketing Highlights:**

- The Company's subsidiary was named China's Best Service Outsourcing Provider in the 16th Best Customer Service Award Presentation Ceremony co-organized by China Information Industry Association and China Service Trade Association.
- The Company's subsidiary was selected as a TOP20 Business Process Outsourcing Enterprise ("BPO TOP20") of China in the Chinese Service Outsourcing Leaders Conference 2012. It was the only e-commerce service provider among the 20 award winners.

"In 2012, we continued the expansion of our business partnerships with well-known international brands and global strategic partners. Through growth in the number of brands and leveraging off from existing economies of scale, our sales revenue increased significantly while our profitability gap narrowed substantially within the fiscal year," stated Tony Lau, CEO.

"Although the on-boarding and launch cycle for each branded online store is relatively long, the effect of our multi-brand growth strategy has started to show its positive effect on our top line sales growth in 2012," added Mr. Lau, "our dedicated management team will continue our efforts to working on the strong pipeline of international brand clients in achieving our profitability targets."

#### **About Fireswirl**

Fireswirl Technologies Inc. (TSXV: FSW) is focused on creating transactional revenue by engineering electronic and mobile commerce solutions for content providers. The Company's technology has broad applications for solutions requiring multiple payment interfaces, multicurrency and multi-language capabilities. Our solutions can be adapted to any industry seeking high volume or micro-payment solutions involving a wide base of users through internet or wireless applications.

Further information can be found on the company at: [www.fireswirl.com](http://www.fireswirl.com) or contact:

## **Fireswirl Technologies Inc.**

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