1. DATE AND GENERAL INFORMATION

This management's discussion and analysis ("MD&A") of GINSMS Inc. ("GINSMS" or the "Corporation") has been prepared by management and should be read in conjunction with the Corporation's annual audited financial statements and MD&A as at and for the year ended December 31, 2020, the Corporation's consolidated financial statements as at and for the three and twelve months ended December 31, 2020, and the notes thereto which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

This MD&A was prepared as of March 26, 2021 Additional information regarding the Corporation is available on SEDAR at www.sedar.com. All monetary amounts set forth in the MD&A are expressed in Canadian dollars, except where otherwise stated. Other currencies are mainly United States dollars ("USD"), Hong Kong dollars ("HKD"), China renminbi ("RMB"), Singapore dollars ("SGD"), Malaysian dollars ("MYR") and Indonesian rupiah ("IDR").

The Corporation Board of Directors has reviewed and approved this MD&A.

Caution Regarding Forward-Looking Information

Certain information included in this MD&A may contain forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may", "could", "will", "expect", "intend", "estimate", "anticipate", "believe", or "continue" or the negative thereof or variations thereon or similar terminology. These statements are not historical facts, but reflect management's current beliefs and are based on information currently available to management regarding future results and events. Particularly, these forward-looking statements are based on management's estimate of future events based on technological advances relating to the Corporation's services, current market conditions and past experiences of management in relation to how certain contracts will affect revenues. Forward-looking statements, by their very nature, involve significant risks, uncertainties and assumptions.

A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to dependence on required licenses, dependence on major customers, system failures, delays and other problems, security and privacy breaches, adequacy of network resilience, network diversity and backup systems, loss of significant information, failure to develop, enhance or introduce new value-added services, competition, dependence on third-party software and equipment, market acceptance at desired pricing levels, key members of the management team, credit risk of accounts receivables, conflicts of interest, inability to satisfy customer demand for performance, price or terms, international risks and the potential impact of the COVID-19 pandemic declared by the World Health Organisation on March 11, 2020 (the "COVID-19"). Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, the Corporation cannot assure the reader that actual results will be consistent with these forward-looking statements.

In particular, forward-looking statements include the following assumptions:

- Management's belief that the Corporation's software products and services are expected to take on a different focus based on an outsourcing model approach leveraging on the lower cost base in

Indonesia and Malaysia. Therefore the revenue for the software segment in Indonesia and Malaysia should continue to increase.

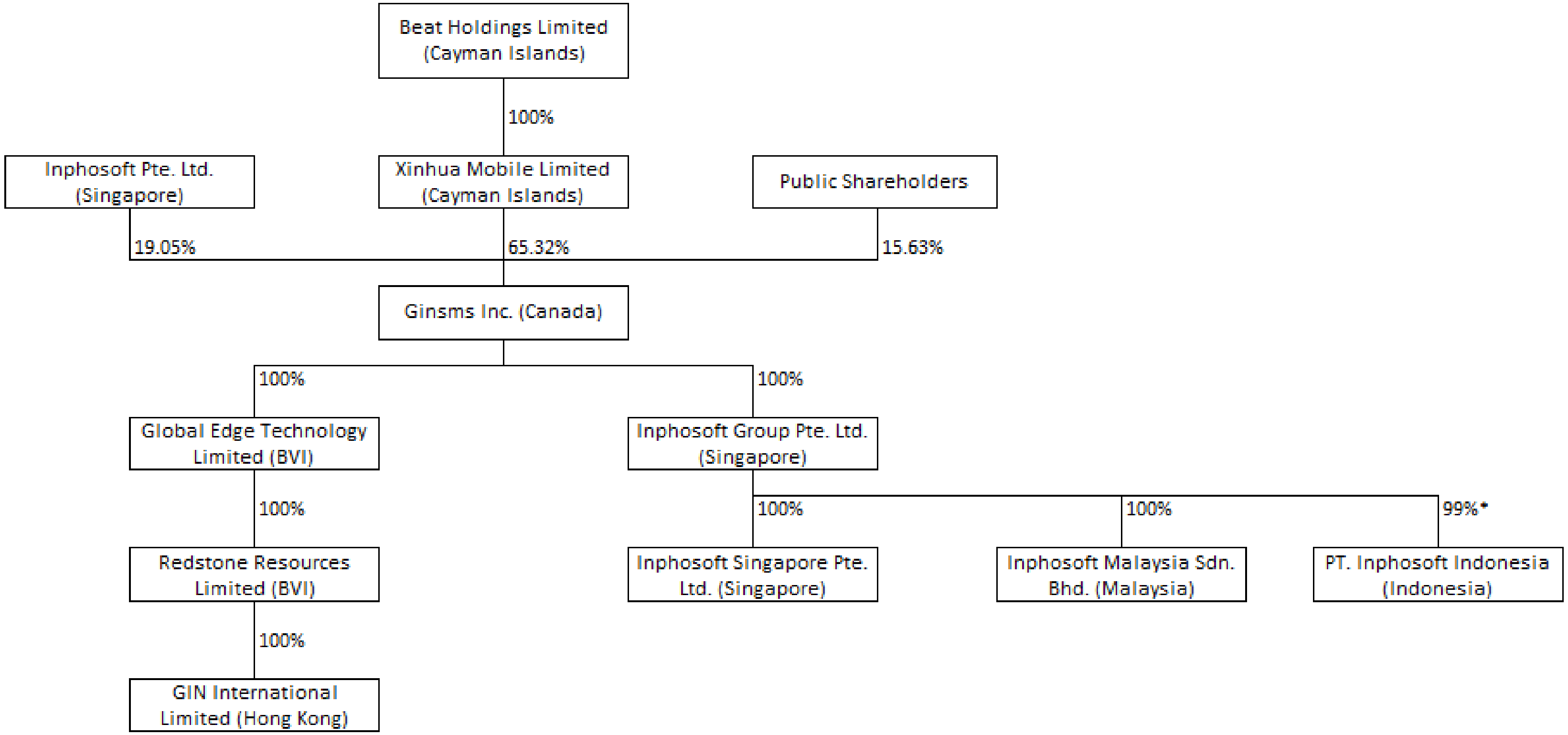
- Management's belief that the future growth in messaging is in the area of application-to-person ("A2P") messaging and the Corporation's investment in this area will create a viable and profitable business in the future.
- Management's belief that the Corporation is able to generate sufficient amounts of cash through operations and financing activities to fulfil the working capital requirements of its present operations.

These forward-looking statements are made as of the date of this MD&A and the Corporation assumes no obligation to update or revise them to reflect new events or circumstances except as may be required by law. Accordingly, readers should not place undue reliance on the forward-looking statements. All forward-looking statements contained in this MD&A are qualified by this cautionary statement.

2. OVERALL PERFORMANCE – DESCRIPTION AND OUTLOOK OF BUSINESS

Group Structure

The following chart depicts the structure of the group. The country of incorporation for each entity in the group is enclosed in brackets next to the name of the entity.



*The remaining 1% is held by Joel Siang Hui Chin, the Chief Executive Officer of the Corporation.

The Corporation has two main business segments:

A. Messaging Business
B. Software Products and Services

The Corporation has faced considerable competition in its existing principal activities, and the profitability of the businesses has been affected.

A. Messaging Business

The Corporation operates its messaging business through GIN International Ltd ("GIN"), its wholly-owned subsidiary in Hong Kong and focus exclusively on the delivery of application-to-peer service ("A2P messaging service").

The A2P messaging service allows the transmission of short message services ("SMS") to mobile subscribers of more than 100 mobile operators globally. This is achieved through partnerships with service providers and direct connections with mobile operators globally. GIN's close working relationships with mobile operators in China, Hong Kong and Southeast Asia puts it in a good position to become a leading provider of A2P messaging service in Asia.

Through its cloud-based A2P messaging service, GIN enables mobile application developers, SMS gateways, enterprises and financial institutions to deliver SMS worldwide without any upfront capital investment through the use of GIN's application programming interface ("API").

Mobile application developers use A2P messaging service to deliver one-time-passwords ("OTP") for authentication of over-the-top ("OTT") mobile applications, in-app purchase confirmations or promotion of latest game releases. Enterprises and financial institutions use the A2P service in the areas of mobile marketing, mobile transactions, security, customer relationship management ("CRM") and enterprise resource planning ("ERP").

A Transparency Market Research report dated October 2018 (https://www.transparencymarketresearch.com/application-to-person-sms-api-market-2018-2026.html) stated that the global A2P SMS market revenue is expected to reach US$93.18 billion by 2026, expanding at a compound annual growth rate ("CAGR") of 4.6% therein.

For the three and twelve months ended December 31, 2020, GIN generated lower revenue of $241,944 and $1,386,756 for its A2P messaging service as compared to $321,329 and $1,589,957 for the three and twelve months ended December 31, 2019. This was primarily the result of the overall decrease in the volume of messaging traffic as some customers reduced business activities as a results of COVID-19 and their governments imposed restrictions on movements of their people and activities of businesses to contain the outbreak during the twelve months ended December 31, 2020.

B. Software Products and Services

GINSMS operates its software products and services through Inphosoft Group Pte. Ltd. ("Inphosoft"), its wholly-owned subsidiary. Inphosoft is headquartered in Singapore with subsidiaries in Malaysia and Indonesia.

The activities of Inphosoft consist of providing software products and services with a focus in the following areas:

i. Provision of support and maintenance services to customers that have purchased its products and solutions.

ii. Maintain the A2P Cloud platform and develops new features as and when necessary, to support the Corporation's A2P messaging business
iii. Outsourcing of technical resources to customers for the purpose of software development based on a time and material basis.

Inphosoft Singapore Pte. Ltd. ("ISPL")

ISPL's business was scaled down in the quarter ended March 31, 2019 to better streamline Inphosoft's business and to reduce the operational cost of Inphosoft. Mr. Joel Siang Hui Chin ("Mr. Chin"), the Chief Executive Officer and a director of the Corporation, has stopped drawing salary from ISPL effective February 1, 2019 and the key functions of ISPL have been transferred to other companies within the Inphosoft group. As part of this restructuring, the staff in ISPL has been transferred to Activate Interactive Pte. Ltd. ("Activate") during the quarter ended March 31, 2019. Prior to August 20, 2020, Activate was 43% owned by Xinhua Mobile Limited ("Xinhua Mobile"), the immediate parent of the Corporation, and 42% beneficially owned by Mr. Chin. On August 20, 2020, Xinhua Mobile had disposed all the shareholding in Activate to Mr. Chin. Activate is currently 98% beneficially owned by Mr. Chin.

ISPL has stopped selling products and solutions for mobile operators in the areas of 3G/4G mobile data value-added services like mobile entertainment and mobile advertising. ISPL continues to provide mobile application development services and support and maintenance services to its existing customers that have purchased its products and services, but the services are now fulfilled through Inphosoft Malaysia Sdn. Bhd., its fellow subsidiary in Malaysia.

Inphosoft Malaysia Sdn. Bhd. ("IMSB")

IMSB is providing services to enterprise customers in Malaysia and global companies in the telecommunication industry to develop bespoke software solutions that meet the requirements of customers. IMSB will charge a customer a negotiated fixed fee for each project. The cost of sales incurred consists mainly of the salary of employees working on these projects. IMSB provides technical and sales resources to support GIN's A2P messaging business operations.

IMSB also has time and material agreements ("T&M Agreements") with Activate to provide technical resources to Activate for the purpose of developing software for Activate's customers and to perform certain pre-sales roles, on a time and material basis.

In addition, IMSB provides technical support for the A2P Cloud platform and also develops new features as and when necessary, to support the Corporation's A2P messaging business.

Salaries and office rental are the major costs of IMSB.

PT Inphosoft Indonesia ("PTIN")

PTIN provides A2P messaging service and also has T&M Agreements with Activate to provide technical resources to Activate for the purpose of developing software for Activate's customers and to perform certain pre-sales roles, on a time and material basis.

Salaries, subcontractor costs and office rental are the major costs of PTIN.

The current focus of Inphosoft is to provide solution to support the need of existing customers and to look for additional enterprise customers to increase sales. Inphosoft is no longer focusing on creating new products. Hence professional fee and support and maintenance revenue will continue to increase or be stable.

The improvement of gross margin of software products and services segment was caused by an increase in chargeable hours and man-hour charge out rates of Inphosoft staff providing technical and support resources to Activate and other key customers from January 1, 2019.

This segment of the Corporation's business managed to improve its revenue to $442,316 and $1,436,579 for the three and twelve months ended December 31, 2020, compared to the 312,622 and $1,048,760 for the three and twelve months ended December 31, 2019, respectively. The outbreak of COVID-19 did not affect the segment materially.

3. RESULTS OF OPERATIONS FOR THE THREE AND TWELVE MONTHS ENDED DECEMBER 31, 2020

Selected Profit and Loss Information

Financial Highlights	Three-month period ended December 31, 2020 (Unaudited) $	Three-month period ended December 31, 2019 (Unaudited) $	Twelve-month period ended December 31, 2020 (Audited) $	Twelve-month period ended December 31, 2019 (Audited) $
Revenue ($)				
A2P Messaging Service	241,944	321,329	1,386,756	1,589,957
Software Products & Services	442,316	312,622	1,436,579	1,048,760
	684,260	633,951	2,823,335	2,638,717
Cost of sales ($)				
A2P Messaging Service	220,288	234,705	1,102,704	1,292,061
Software Products & Services	182,218	171,082	689,066	620,262
	402,506	405,787	1,791,770	1,912,323
Gross profit ($)				
A2P Messaging Service	21,656	86,624	284,052	297,896
Software Products & Services	260,098	141,540	747,513	428,498
	281,754	228,164	1,031,565	726,394
Gross margin				
A2P Messaging Service	9.0%	27.0%	20.5%	18.7%
Software Products & Services	58.8%	45.3%	52.0%	40.9%
	41.2%	36.0%	36.5%	27.5%
Adjusted EBITDA(1) ($)	108,147	(56,041)	85,953	(183,524)
Adjusted EBITDA margin	15.8%	(8.8)%	3.0%	(7.0)%
Net profit / (loss) ($)	85,094	(87,334)	(3,508)	(315,311)
Net profit / (loss) margin	12.4%	(13.8)%	(0.1)%	(11.9)%
Profit / (Loss) per share ($)				
Basic (In Canadian cents)	0.06	(0.06)	(0.001)	(0.21)
Diluted	0.06	N/A	N/A	N/A

(1) Adjusted EBITDA is a non-IFRS measure which does not have any standardized meaning under IFRS. Adjusted EBITDA is related to cash earnings and is defined for these purposes as earnings before income taxes, depreciation and amortization (in both cost of sales and general and administration expenses), interest expenses, and also excludes certain non-recurring or non-cash expenditure and income. This non-IFRS measure is not recognized under IFRS and accordingly, shareholders are cautioned that this measure should not be construed as an alternative to net income determined in accordance with IFRS. The non-IFRS measure presented is unlikely to be comparable to similar measure presented by other issuers. The Corporation believes that Adjusted EBITDA is a meaningful financial metric as it measures cash generated from operations which the Corporation can use to fund working capital requirements, service interest and principal debt repayment and fund future growth initiatives.

Revenue

For the three and twelve months ended December 31, 2020, revenue was $684,260 and $2,823,335 compared to $633,951 and $2,638,717 for the three and twelve months ended December 31, 2019, respectively. Higher revenue for three and twelve months ended December 31, 2020 was due to the increase in revenue in the software products and services segment which exceeded the decline in revenue in the messaging business segment.

a) Messaging business segment

The A2P messaging business generated revenue of $241,944, $405,925, $328,660, $410,227, $321,329, $326,582, $486,229 and $455,817 for the three-month periods ended December 31, 2020, September 30, 2020, June 30, 2020, March 31, 2020, December 31, 2019, September 30, 2019, June 30, 2019 and March 31, 2019, respectively.

Pricing of the A2P messaging business is affected by volume, regulatory requirement in each country (i.e. destination of messages delivered), competition within the country and other factors. The margin varies from country to country and varies from customer to customer as the Corporation attempts to gain market share in different countries. The price per message is fixed for each customer but different customers may have different price per message. The margin is lower in some countries where the messaging market is more competitive. In other market, due to the regulatory requirement, the Corporation can earn higher margin. The following analysis is based on the volume of messages delivered to various destinations. This differs from the segmented information for revenue by geographical location, which is based on the location of operations of our customers.

The decrease in the revenue of the A2P messaging business is primarily caused by the decrease in the volume of A2P messages delivered across all regions.

Messages delivered to South East Asia represent 39.0% of the total volume for the three months ended December 31, 2020, which decreased by 29.7% from the three months ended September 30, 2020. During the quarter ended December 31, 2020, the Corporation suffered a huge decease in traffic in this region as business activities continued to be low as a results of the outbreak of COVID-19 and their governments imposed restrictions on movements of their people and activities of businesses to contain the outbreak during the quarter ended December 31, 2020.

Messages delivered to North Asia represent 52.5% of the total volume for the three months ended December 31, 2020, which slightly increased by 3.1% from the three months ended September 30, 2020. During the quarter ended December 31, 2020, there was an increase in volume of messaging traffic by one major customer despite of the outbreak of COVID-19.

The average price per message charged to customers is $0.0274 for the three months ended December 31, 2020 compared to $0.0417 for the three months ended September 30, 2020. The price per message charged to customers may differ greatly depending on the location where the A2P message is delivered. For example, A2P messages delivered to China are priced at less than 50% of A2P messages delivered to Indonesia, Malaysia and Taiwan. Therefore, the average price per message for the A2P messaging business is dependent on the number of messages delivered to each country. Furthermore, the price per message per country charged to a customer may depend on the volume commitment of the customer. For the three months ended December 31, 2020, the overall average price per message decreased primarily due to the fact that the Corporation reduced the pricing for some customers in view of the lower traffic volume. In addition, revenue of the A2P messaging business was mainly invoiced in United States dollars ("USD") and Euro dollars ("Euro"). USD weakened drastically against CAD that is reporting currency of the Corporation.

b) Software products and services segment

Revenue in the software products and services segment increased by 41.5% from $312,622 for the three months ended December 31,2019, and increased by 22.6% from $360,868 for the three months ended September 30, 2020, to $442,316 for the three months ended December 31, 2020.

The increase for the three-month period ended December 31, 2020 compared to the three-month period ended December 31, 2019 was due to increase in chargeable hours and man-hour rates of Inphosoft staff providing technical and support resources to Activate and other key customers during the year ended December 31, 2020.

Cost of Sales

	Three-month period ended December 31, 2020 (Unaudited)	Three-month period ended December 31, 2019 (Unaudited)	Twelve-month period ended December 31, 2020 (Audited)	Twelve-month period ended December 31, 2019 (Audited)
Depreciation - Property, plant and equipment	5,087	5,411	22,469	19,819
Loss on written off of suspended project costs	-	-	-	9,466
Salaries and wages	188,818	164,997	675,716	581,141
Subcontractor costs	208,427	234,015	1,091,158	1,293,792
Software and hardware	-	37	147	279
Others	174	1,327	2,280	7,826
	402,506	405,787	1,791,770	1,912,323

For the three and twelve months ended December 31, 2020, cost of sales was $402,506 and $1,791,770 compared to $405,787 and $1,912,323 for three and twelve months ended December 31, 2019, respectively.

Messaging business segment

For the A2P messaging business, the subcontractor costs are the costs paid to mobile operators and gateway providers ("A2P Suppliers") for usage of their infrastructure to deliver A2P messages to mobile subscribers. The A2P Suppliers charged GIN a per-message cost for delivering the message. The cost per message differs depending on the country where the message was delivered and the volume commitment that GIN has made with the A2P suppliers. The higher the volume commitment, the lower the rates that GIN will be charged by the providers.

The decrease of 10.9% in the subcontractor costs in the quarter ended December 31, 2020 from the quarter ended December 31, 2019 was lower than the decrease in revenue in the A2P messaging service in the same quarter mainly due to the fact that the Corporation could not get more favourable cost price from the A2P suppliers in view of the lower traffic volume in the current quarter. In addition, the A2P Suppliers invoiced mainly in Euro and Euro weakened drastically against USD during the quarter ended December 31, 2020.

Software product and services segment

Revenues for the software products and services segment are not dependent on the amount of message volume. The cost of sales for the software products and services business is comprised of salaries and wages, amortization, depreciation and purchase of software and hardware.

There was an increase of 14.4% in salaries and wages in costs of sales for the quarter ended December 31, 2020 compared to the corresponding quarter ended December 31, 2019 which is lower than the increase of in revenue for the quarter ended December 31, 2020. That was mainly due to higher chargeable hour rates of staff for providing technical and support resources during the quarter ended December 31, 2020.

Gross Margin

The overall gross margin of the Corporation improved to 41.2% in the three months ended December 31, 2020 from 36.0% in the quarter ended December 31, 2019. This was mainly due to improvement in gross margin in the software products and services segment.

Revenue from the contracts with Activate and other key customers contributed to the significant increase in gross margin of the software products and services segment in recent years. Revenue from broad-based professional services provided to Activate is based on a time and material costs. Activate is a government contractor that provides software products and services tailored to the needs of agencies and ministries of the Singapore government. Activate values the skills and expertise of Inphosoft and Inphosoft is able to command a premium for its service to Activate. Gross margin of 59.0% was earned from the services rendered to Activate for the year ended December 31, 2020.

For the A2P messaging business, the gateway fee charged depends on how GIN negotiated the fees based on the estimated volume of messages to pass through the gateway. The Corporation increased the pricing of the messaging service which in turns boosted the gross margin to 13.3% during the quarter ended March 31, 2019 and 21.6% during the quarter ended June 30, 2019. However, the gross margin dipped to 14.1% during the quarter ended September 30, 2019 as the Corporation had lowered the pricing of one international route for a major customer in order to boost its traffic volume. The gross margin improved to 27.0% during the quarter ended December 31, 2019 as the same major customer reduced the usage of the international route that earned low gross margin. The gross margin decreased slightly to 25.2% during the quarter ended March 31, 2020 as some customers increased the usage of some international routes that earned lower gross margin. The gross margin decreased to 17.5% during the quarter ended June 30, 2020 as some customers reduced the usage of some international routes and the A2P Suppliers increased the unit cost of messaging in view of the lower messaging traffic volume. The gross margin increased to 25.0% during the quarter ended September 30, 2020 mainly due to the fact that the Corporation could get better price from the A2P suppliers in view of the higher traffic volume in the current quarter. However, the gross margin decreased to 9.0% during the quarter ended December 31, 2020 mainly due to the fact that the Corporation reduced the pricing for some customers and also could not get more favourable cost price from the A2P suppliers in view of the lower traffic volume in the current quarter.

For the software products and services segment, the revenue is mainly generated from the following two streams:

a) Professional services fees
   Professional services revenue is generated by two methods:

   - Charging a fixed fee to a customer for a project with a defined scope of work. This is mainly for developing be-spoke software solutions that meet the need of such customers.

- Charging a customer for the resources provided to this customer on a time and material basis. A fixed fee per resource per unit time (usually hour or day) is charged to the customer based on a negotiated fee for the said resource. An example is the time and materials contract with Activate.

The cost of sales incurred consists of the salary of employees working on these projects (tracked by the timesheets they fill). For the development of a be-spoke software solution based on a fixed fee, the gross margin can fluctuate depending on the fee that was negotiated and also the ability to deliver the project as per planned. The gross margin has been in the range of 10% to 20%. For time and material contracts, the gross margin is based on the mark-up for each resource, range from 30% to 50% for resources based in Malaysia and Indonesia.

b) Support and maintenance fees
Inphosoft charges a fee to customers who have elected to purchase after sale support and maintenance services. The fee is usually charged on a yearly basis pre-paid in advance. Support and maintenance is provided round the clock seven days a week to customers who have purchased Inphosoft's products or bespoke software, or both, and the support and maintenance services. Cost of sales incurred is mainly the salary of the employees providing round the clock support services. The gross margin for the support and maintenance contracts is usually more than 20%.

Inphosoft research and develops its own software products for the telecommunication industry and these software products are sold by charging customers the license fees in return for the right-to-use the software. The license fee revenue has been decreasing because Inphosoft has not been creating new products and the old products did not achieve the sales volume initially expected. The revenue from license fees has now become insignificant.

The gross margin for the software products and services of 58.8% for the three months ended December 31, 2020 exceeded the management's long-term expectations of approximately 20% to 25% as the Corporation set the man-hour charge out rates to be in line with market rates. This margin could be adversely affected if there are cases of project cost overrun. Project cost overrun can occur during the delivery of a software solution to customers.

Operating Expenses and Finance Costs

	Three-month period ended December 31, 2020 (Unaudited)	Three-month period ended December 31, 2019 (Unaudited)	Twelve-month period ended December 31, 2020 (Audited)	Twelve-month period ended December 31, 2019 (Audited)
Salaries and wages	199,835	175,992	496,128	485,726
Directors' fees	10,000	40,000	40,000	40,000
Professional fees	52,610	58,081	272,101	273,470
Foreign currency exchange loss/(gain)	(118,487)	(25,332)	20,192	(68,688)
Other general & administrative expenses	34,221	37,729	137,577	202,911
Allowance for doubtful debts	515	-	2,083	6,131
Reversal of allowance for doubtful debts	-	-	-	(12,959)
Depreciation				
- Property, plant and equipment	1,596	1,550	6,217	2,732
- Right-of-use assets	10,892	3,749	44,340	15,017
Interest expenses	-	23,275	-	91,081

	Three-month period ended December 31, 2020 (Unaudited)	Three-month period ended December 31, 2019 (Unaudited)	Twelve-month period ended December 31, 2020 (Audited)	Twelve-month period ended December 31, 2019 (Audited)
Loss on written-off of property, plant and equipment	-	-	-	-
Lease interest on right-of-use assets	3,237	1,573	15,486	6,531
	194,419	316,617	1,034,124	1,041,952

Operating expenses and finance costs amounted to $194,419 for the three months ended December 31, 2020, and were lower than the operating expenses and finance costs for the three months ended December 31, 2019.

This was mainly due to the fact that there was no interest expense on loan for the quarter ended December 31, 2020 compared to the corresponding quarter ended December 31, 2019. From January 1, 2020, Xinhua Mobile agreed to convert the loan from interest-bearing to an interest-free loan.

The Corporation also enjoyed higher foreign currency exchange gain for the quarter ended December 31, 2020 with the strengthening of Singapore Dollars and Canadian Dollar against United States Dollars, as compared to corresponding quarter ended December 31, 2019.

Net loss

The net profit for the three months ended December 31, 2020 amounted to $85,094 compared to a net loss of $87,334 for three months ended December 31, 2019.

The net profit for the three months ended December 31, 2020 is mainly due to higher gross margin and lower operating expenses and finance costs.

The net loss for the twelve months ended December 31, 2020 amounted to $3,508 compared to a net loss of $315,311 for the twelve months ended December 31, 2019.

Selected Balance Sheet Information

The figures reported below are based on the audited consolidated financial statements of the Corporation which have been prepared in accordance with IFRS.

	December 31, 2020 (Audited) $	December 31, 2019 (Audited) $
Current Assets		
Accounts receivable	**557,834**	360,885
Other receivables, prepayments and deposits	**76,576**	82,133
Bank and cash balances	**296,312**	194,411
	930,722	637,429
Non-Current Assets		
Property, plant and equipment	**73,331**	50,859
Right-of-use assets	**39,999**	120,385
TOTAL ASSETS	**1,044,052**	808,673
Current Liabilities		
Accounts payable and accrued liabilities	**749,061**	670,400
Advances from related parties	**1,100,130**	887,512
Loan from related parties	**4,933,186**	4,168,840
Promissory note payable	**580,000**	580,000
Lease liabilities	**38,717**	40,071
Current tax liabilities	**1,490**	590
	7,402,584	6,347,413
Non-Current Liabilities		
Loans from a related party	**-**	824,628
Lease liabilities	**34,629**	76,777
TOTAL LIABILITIES	**7,437,213**	7,248,818
Equity		
Share capital	**11,415,709**	11,415,709
Deficit	**(18,034,210)**	(18,032,088)
Accumulated other comprehensive income	**239,449**	189,253
Total deficiency attributable to equity shareholders	**(6,379,052)**	(6,427,126)
Non-controlling interest	**(14,109)**	(13,019)
TOTAL DEFICIENCY	**(6,393,161)**	(6,440,145)
TOTAL LIABILITIES & EQUITY	**1,044,052**	808,673

Total assets of GINSMS including cash, accounts receivable, other receivables, prepayments and deposits, property, plant and equipment and right-of-use assets as at December 31, 2020 amounted to $1,044,052 compared to December 31, 2019 amounted to $808,673. Bank and cash balances amounted to $296,312 as at December 31, 2020 an increase of 52.4% compared to $194,411 as at December 31, 2019. This increase was mainly due to decrease of cash flow used in the operation of the Corporation as a results of the overall improvement in business of the Corporation for the year ended December 31, 2020. The cash flow used in operating activities is $7,787 for the twelve months ended December 31, 2020 against the cash flow used in operating activities of $477,633 for the twelve months ended December 31, 2019. The lower cashflow used in the operating activities is partially offset by the lower cash flow generated from financing activities which was $166,183 for the twelve months ended December 31, 2020 as compared to $469,503 for the twelve months ended December 31, 2019.

Accounts receivable

	December 31, 2020 (Audited) $	December 31, 2019 (Audited) $
Trade receivables (third parties)	**88,286**	135,177
Less: Allowance for doubtful debts (third parties)	**(25,876)**	(25,872)
Receivable from related parties	**495,424**	251,580
Contract assets	**-**	-
	557,834	360,885

Included in accounts receivable at December 31, 2020 are receivables of $261,732 due from Activate and receivable of $233,692 due from Actxa Pte Ltd ("Actxa"), which are both 85% beneficially owned by the Chief Executive Officer of the Corporation.

Prior to the quarter ended September 30, 2020, Activate was 43% owned by Xinhua Mobile Limited ("Xinhua Mobile"), the immediate parent of the Corporation, and 42% beneficially owned by Mr. Chin. On August 20, 2020, Xinhua Mobile had disposed all the shareholding in Activate to Mr. Chin. Activate is currently 98% beneficially owned by Mr. Chin.

Decrease in trade receivables (third parties) is due to the improvement of debtor turnover in the quarter ended December 31, 2020.

Accounts payable and accrued liabilities

	December 31, 2020 (Audited) $	December 31, 2019 (Audited) $
Trade payables (third parties)	**73,195**	31,636
Trade payables from related parties	**3,320**	3,322
Contract liabilities	**60,874**	55,657
Deferred income	**-**	1,942
Accrued liabilities and other payable	**611,672**	577,843
	749,061	670,400

a) Increase in trade payables as at December 31, 2020 compared to December 31, 2019 is is due to the deterioration of creditor turnover in the quarter ended December 31, 2020.

   Included in accounts payables at December 31, 2020 are payables of $3,320 due to Actxa.

b) Contract assets / contract liabilities are related to the professional fees revenue of the software products and services segment. For the professional fees revenue, the subsidiaries will issue invoice to the customers based on the timeframe specified in the contracts but the project manager will assess the progress of the project work and determine the percentage of completion based on actual work performed by the staff at the end of the month. When the revenue computed using the percentage of completion is more than the invoiced amount for the month, the understated revenue is considered contract assets. When the revenue computed using the percentage of completion is less than the invoiced amount for the month, the overstated revenue is considered contract liabilities. There was no contract asset as at December 31, 2020 and December 31, 2019.

c) Deferred income is related to the support and maintenance revenue of the software products and services segment. For support and maintenance revenue, the subsidiaries will usually invoice the customers in advance for the support and maintenance services to be provided in the coming year. Deferred income is computed for the number of months of unutilized support and maintenance service paid in advance by the customers. There was no deferred income as at December 31, 2020.

d) Increase in accrued liabilities and receipt in advance as at December 31, 2020 compared with December 31, 2019 was mainly due to accrued staff bonus for the year ended December 31, 2020 and was partially offset by less accrual of messaging service fees that were incurred but not invoiced by the mobile operators and gateway providers for the quarter ended December 31, 2020.

Loans from Related Parties

		December 31, 2020 (Audited) $	December 31, 2019 (Audited) $
Loans from the director and Chief Executive Officer of the Corporation	(a)	**3,743,500**	3,794,150
Loan from IPL	(b)	**822,911**	824,628
Loan from the immediate parent	(c)	**366,775**	374,690
		4,933,186	4,993,468

All above loans from related parties are non-trade in nature and unsecured.

(a) The loans are from the Corporation's director and Chief Executive Officer, Mr. Chin, and bear interest at 12% per annum (compounded daily based on a 365-day year) until December 31, 2018. On January 1, 2019, these loans were converted to interest free loans and repayable on demand. During the quarter ended December 31, 2020, Mr. Chin confirmed to the Corporation that he will not demand settlement of the loans until the Corporation is in sound financial position to repay.

(b) The loan is from IPL, the former holding company of Inphosoft Group Pte. Ltd., and is interest-free. On September 24, 2015, IPL converted its convertible debentures of the Corporation and became a shareholder of the Corporation. A director and the Chief Executive Officer of the Corporation, Mr. Chin, and two directors of the Corporation's subsidiaries, Mr. Wang Xianxiang and Mr. Xu Hongwei, each has significant influence over IPL. With effect from the quarter ended June 30, 2020, this loan was converted to be on demand. During the quarter ended December 31, 2020, IPL confirmed to the Corporation that it will not demand settlement of the loan until the Corporation is in sound financial position to repay.

(c) The loan is from Xinhua Mobile, the immediate parent of the Corporation, bears interest at nil% (2019: 12% per annum) (compounded daily based on a 365-day year) and due on March 31, 2021. Subsequent to the end of the reporting period, Xinhua Mobile agreed to extend the due date of the loan to March 31, 2022 and confirmed to the Corporation that it will not demand settlement of the loan until the Corporation is in sound financial position to repay.

In addition to the above loans, Mr. Chin, Activate, and IPL have also provided interest-free advances of $289,228, $766,088 and $44,814 to the Corporation, respectively. The loans and advance are used to finance the operations of the Corporation.

Promissory note payable

On partial consideration of the acquisition of Inphosoft Group on September 28, 2012, the Corporation issued a $400,000 non-interest bearing promissory note, due on the first anniversary date of the closing date. The note had an initial present value of $366,523 with accretion recorded at an annual interest rate of 6%. The promissory note payable is charged a simple interest of 12% per annum by the note holder, Inphosoft Pte. Ltd. ("IPL") effective from April 1, 2016 until December 31, 2019, after that IPL agreed to convert the promissory note payable from interest-bearing to interest-free from January 1, 2020 thereafter. IPL has also agreed to extend the due date of the promissory note payable to March 31, 2022 and confirmed to the Corporation that it will not demand settlement of the note payable until the Corporation is in sound financial position to repay.

4. SUMMARY OF QUARTERLY RESULTS

The quarterly information set forth below has been presented on the same basis as the unaudited consolidated financial statements, and all necessary adjustments have been included in the amounts stated below to present fairly the unaudited quarterly results when read in conjunction with the unaudited consolidated financial statements and the notes thereto.

	Jan-Mar19	Apr-Jun19	Jul-Sep19	Oct-Dec19	Jan-Mar20	Apr-Jun20	Jul-Sep 20	Oct-Dec 20
Revenue								
A2P Messaging Service	455,817	486,229	326,582	321,329	410,227	328,660	405,925	**241,944**
Software Products & Services	198,999	222,596	314,543	312,622	314,519	318,876	360,868	**442,316**
	654,816	708,825	641,125	633,951	724,746	647,536	766,793	**684,260**
Cost of Sales								
A2P Messaging Service	395,326	381,377	280,653	234,705	306,895	271,072	304,449	**220,288**
Software Products & Services	153,731	150,363	145,086	171,082	157,147	169,324	180,377	**182,218**
	549,057	531,740	425,739	405,787	464,042	440,396	484,826	**402,506**
Operating Expenses(1)	157,816	262,515	239,068	288,020	476,137	91,220	225,083	**179,775**
Net (Loss) / Profit Before Income Taxes	(74,191)	(101,264)	(51,650)	(88,453)	(231,302)	99,258	42,150	**87,335**
Income Taxes expense (recovery)	67	98	707	(1,119)	(207)	244	(1,329)	**2,241**
Net (Loss) / Profit	(74,258)	(101,362)	(52,357)	(87,334)	(231,095)	99,014	43,479	**85,094**
Net (Loss) / Profit (per share)								
Basic (in Canadian cents)	(0.05)	(0.07)	(0.04)	(0.06)	(0.15)	0.07	0.03	**0.06**
Diluted	N/A	N/A	N/A	N/A	N/A	0.07	0.03	**0.06**

(1) Represent the sum of selling, general and administrative expense. For comparative purpose, interest expenses, allowance for doubtful debts, reversal of allowance for doubtful debts, and non-recurring expenditure and income were excluded from the Operating Expenses calculation.

The A2P messaging service generated revenue declined due to the stiff competition faced by the Corporation especially in both the North Asia and South East Asia regions. The Corporation lost one key customer in the quarter ended March 31, 2018 and revenue declined in the quarters ended June 30, 2018 and September 30, 2018. During the quarter ended December 31, 2018, the Corporation managed to regain some messaging traffic in both the North Asia and the South East Asia regions which improved its revenue. However, revenue dipped for the quarter ended March 31, 2019 as the Corporation increased pricing to improve the gross margin. During the quarters ended June 30, 2019 to December 31, 2019, the messaging traffic and revenue fluctuated from quarter to quarter. During the quarter ended March 31, 2020, the Corporation managed to regain some messaging traffic in the North Asia region which improved its revenue. During the quarter ended June 30, 2020, the Corporation lost messaging traffic in all regions primarily due to the outbreak of COVID-19. During the quarter ended September 30, 2020, the Corporation gained messaging traffic in the North Asia region despite the outbreak of COVID-19. However, during the quarter ended December 31, 2020, the Corporation also lost messaging traffic in Southeast Asia region as the outbreak of COVID-19 persisted. Management has set a goal to steer the A2P messaging business to more growth in the coming quarters. The Corporation intends to continue its focus on increasing the revenue from existing markets in the North Asia and Southeast Asia regions.

The revenue from software products and services segment fluctuated from the quarter ended March 31, 2018 to the quarter ended December 31, 2018. From the quarter ended March 31, 2019 to the quarter ended September 30, 2019, the revenue increased as the Corporation increased the man-hour charge out rates and chargeable hours since the beginning of year 2019. Revenue remained fairly stable since the quarter ended September 30, 2019. The outbreak of COVID-19 did not affect this segment materially.

5. LIQUIDITY AND CAPITAL RESOURCES

Financial Highlights	**Three-month period ended December 31, 2020 (Unaudited) $**	Three-month period ended December 31, 2019 (Unaudited) $	**Twelve-month period ended December 31, 2020 (Audited) $**	Twelve-month period ended December 31, 2019 (Audited) $
Cash, beginning of period/year	**264,303**	159,798	**194,411**	267,951
Operating activities				
Net profit/(loss) for the period/year	**85,094**	(87,334)	**(3,508)**	(315,311)
Deferred tax expenses/(credit)	**1,292**	(1,119)	**-**	(1,034)
Current tax expenses	**949**	-	**949**	787
Interest expenses on other borrowings	**-**	23,275	**-**	91,081
Interest expenses on lease liabilities	**3,237**	1,573	**15,486**	6,531
Foreign currency exchange (gain)/loss	**(118,487)**	(25,332)	**20,192**	(68,688)
Allowance for doubtful debts	**515**	-	**2,083**	6,131
Reversal of allowance for doubtful debts	**-**	-	**-**	(12,959)
Loss on written off of suspended project costs	**-**	-	**-**	9,466
Depreciation of property, plant and equipment	**6,683**	6,961	**28,686**	22,551
Depreciation of right-of-use assets	**10,892**	3,749	**44,340**	15,017
Changes in working capital items	**104,274**	(51,331)	**(100,529)**	(223,887)
Interest expenses on lease liabilities	**(3,237)**	(6,531)	**(15,486)**	(6,531)
Income tax paid	**-**	-	-	(787)
Net cash generated from / (used in) operating activities	**91,212**	(136,089)	**(7,787)**	(477,633)
Financing activities				
Advances from related parties	**2,000**	220,628	**212,377**	570,806
Repayment of advance from a related party	**(845)**	(26,929)	**(2,690)**	(82,758)
Principal elements of lease payments	**(8,600)**	(4,314)	**(43,504)**	(18,545)
Net cash (used in) / generated from financing activities	**(7,445)**	189,385	**166,183**	469,503
Investing activities				
Purchase of property, plant and equipment	**(7,226)**	(6,012)	**(18,732)**	(37,579)
Net cash used in investing activities	**(7,226)**	**(6,012)**	**(18,732)**	**(37,579)**
Effect of exchange rate changes on cash held in foreign currencies	**(44,532)**	**(12,671)**	**(37,763)**	**(27,831)**
Increase/(Decrease) in cash	**32,009**	**34,613**	**101,901**	**(73,540)**
Cash, end of period/year	**296,312**	**194,411**	**296,312**	**194,411**

The capital resources of the Corporation are comprised mainly of the equity of the Corporation. The debts of the Corporation are comprised mainly of a promissory note payable, loans and advances from related parties.

GINSMS has an improved liquidity position for the twelve months ended December 31, 2020 compared to the twelve months ended December 31, 2019 primarily due to the fact that the Corporation relied more on the revenue generated from its operation.

Nevertheless, GINSMS is facing a slightly higher liquidity risks as it has a working capital deficiency of $6,471,862 as at December 31, 2020 as compared $5,709,984 as at December 31, 2019. The Corporation's liabilities now include a promissory note payable, advance from related parties and the loans from related parties.

The operation of the Corporation is partially financed by the loans from related parties and the advances from related parties amounting to $4,933,186 and $1,100,130 respectively as at December 31, 2020. The terms and conditions of the loans are described above under *Section 3 – Loans from Related Parties*.

The Corporation entered into an office lease for its operations during the quarter ended December 31, 2019. The lease is for fixed term of 3 years. Lease liabilities of $73,346 (December 31, 2019: $116,848) are recognised with related right-of-use assets of $73,331 (December 31, 2019: $120,385) as at December 31, 2020. The lease agreement does not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Mr. Chin, Xinhua Mobile and IPL confirmed that they will not demand settlement of the loans until the Corporation is in sound financial position to repay them. Moreover, during the prior quarter ended March 31, 2020, Xinhua Mobile and IPL have agreed to extend the maturity date of the loan and the promissory note to March 31, 2021. Subsequent to the end of the reporting period, Xinhua Mobile and IPL agreed to extend the due date to March 31, 2022.

The ultimate parent has agreed to provide adequate funds for the Corporation to meet all third party obligations until December 31, 2021.

The directors will continuously and closely monitor the Corporation's liquidity position and financial performance and implement measures to improve the Corporation's cash flow.

Based on these actions, the Corporation expects to generate/obtain sufficient cash flows to fund its operations, working capital requirements and capital program until December 31, 2021.

6. OFF BALANCE SHEET ARRANGEMENTS

GINSMS does not have off-balance sheet arrangements.

7. TRANSACTIONS WITH RELATED PARTIES

The Corporation was a party to the following related party transactions that have been recorded at their exchange amounts for the three and twelve months ended December 31, 2020 and December 31, 2019:

	Three-month period ended December 31, 2020 (Unaudited) $	Three-month period ended December 31, 2019 (Unaudited) $	**Twelve-month period ended December 31, 2020 (Audited) $**	Twelve-month period ended December 31, 2019 (Audited) $
Software products and services revenue from companies controlled by immediate parent [1]	**-**	233,385	**492,579**	836,322
Software products and services revenue from companies controlled by a director [2]	**392,080**	34,184	**679,554**	44,289
Cost of hardware paid to a company controlled by a director [3]	**-**	-	**-**	159
Accounting fee paid to an officer[4]	**1,578**	11,570	**42,578**	51,212
Interest charged on loan from immediate parent	**-**	11,275	**-**	43,081
Interest charged on promissory note payable to a shareholder [5]	**-**	12,000	**-**	48,000

Notes:
1. Software products and services revenue earned from Activate, Beat Chain and/or Xinhua Mobile (HK) Limited, companies controlled by Xinhua Mobile, for the professional services rendered by Inphosoft Subsidiaries on a time and material basis.
2. Software products and services revenue earned from Activate and/or Actxa, companies controlled by Mr. Chin, for the professional services rendered by Inphosoft Subsidiaries on a time and material basis.
3. Cost of hardware purchased from Actxa, a company controlled by Mr. Chin.
4. Accounting fee paid to the Interim Chief Financial Officer, Ms. Shum Chee Ming, in relation to her role as finance manager preparing management reports of the Corporation.
5. IPL is a shareholder of the Corporation.

As of December 31, 2020, the Corporation has non-trade loans from related parties of $4,933,186 (Section 3 – *Loans from Related Parties*) and advance of $1,100,130 (December 31, 2019 - $4,993,468 and $887,512). The loans and advances are used to finance the operations of the Corporation.

As of December 31, 2020, included in accounts payables and accrued liabilities are amounts of $90,677 (December 31, 2019 - $90,694) owed to related parties. As of December 31, 2020, included in accounts receivable are trade receivables of $495,424 (December 31, 2019 - $251,580) owed by related parties.

The T&M Agreements, entered into by IMSB and PTIN with Activate allow the customers to use resources from IMSB and PTIN on a time and material basis. Activate generates revenue by providing software products and services, primarily in the area of mobile applications and games to its customers that include various agencies and ministries of the Singapore government. Activate can subcontract parts of its projects to IMSB and PTIN which possess software development skill sets and use the staff of such IMSB and PTIN to perform certain pre-sales roles, on a time and material basis. The professional services provided by IMSB and PTIN are broad-based ranging from account management, pre-sales support, design and development of software programs, project management, testing, deployment and support and maintenance of software programs.

The non-exclusive T&M Agreements were initially entered into for a period of one year and have been subsequently automatically renewed on a yearly basis. These T&M Agreements can be terminated at any time upon one party giving to the other a 30-day termination notice. Under these T&M Agreements, Activate will settle invoices within 14 days, any late payment is subject to a 1% late interest charge. The

IMSB and PTIN and Activate are bound by the terms and conditions of a non-disclosure agreement concluded between them.

IMSB and PTIN agreed to provide intellectual property indemnity to Activate and its customers in the event of any suit or proceeding being brought against Activate and its customers for a violation of intellectual property rights by IMSB and PTIN. All rights, titles and interests to any copyrights and other intellectual property rights produced by IMSB and PTIN solely in the course of services provided to Activate are the sole and exclusive properties of Activate, once the services provided by IMSB and PTIN have been paid in full. Activate has the right to assign to its customers any and all such intellectual property rights, without limitation.

Gross margin of IMSB and PTIN from work performed for Activate is higher because the invoicing to Activate is in SGD and a higher margin is built-in to cater for currency risk as revenue is charged in SGD. During the arm's-length negotiation in April 2016, Activate was willing to pay IMSB and PTIN the rates quoted as they are still a lot cheaper than paying for similar resources in Singapore.

The above transactions are in the normal course of business, are at arm's-length and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

8. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CHANGES) AND BASIS OF PRESENTATION AND ADOPTION OF IFRS

The basis of presentation is described in Note 2 of the audited consolidated financial statements for the twelve-month financial year ended December 31, 2020.

The disclosure in Note 2 highlighted that the spread of COVID-19 in all relevant jurisdictions has impacted the Corporation's operation and customer base and uncertainty regarding the extent, duration and are having a material impact in all aspects of the Corporation's operations. The Corporation confirmed it is adopting the going concern basis in preparing its consolidated financial statements.

The significant accounting policies used in the preparation of the Corporation's audited consolidated financial statements are described in Note 4 of the audited consolidated financial statements for the twelve-month financial year ended December 31, 2020. There have been no changes to our accounting policies since December 31, 2019.

9. FINANCIAL INSTRUMENTS

Financial instruments of the Corporation consist of cash, accounts receivable, accounts payable, accrued liabilities, interest-free advance from related parties, interest-free/interest-bearing loans of related parties and a promissory note payable. GINSMS limits exposure to credit loss by placing its cash with high credit quality financial institutions.

The carrying amounts of cash, accounts receivable and other accounts payable, accrued liabilities, interest-free advance from related parties and interest-free/interest-bearing loans of related parties approximate their values due to the short-term nature of these instruments. The functional currency of Global Edge Technology Limited and GIN is the HKD. In the case of Inphosoft Group, the functional currency is principally that of the SGD but also the IDR and the MYR. In accordance with Canadian GAAP, the consolidated financial statements of the Corporation, which are prepared using the functional currencies, have been translated into Canadian dollars. Assets and liabilities are translated at exchange rates applicable at the balance sheet dates; revenues and expenses are translated at the average exchange rates applicable during the period covered by the financial statements; and capital and statutory capital reserves are translated at historical exchange rates.

10. SHAREHOLDERS' EQUITY & DISCLOSURE OF OUTSTANDING SHARE DATA

Shareholders' equity

	December 31, 2020 (Audited) $	December 31, 2019 (Audited) $
Share capital	**11,415,709**	11,415,709
Deficit	**(18,034,210)**	(18,032,088)
Accumulated other comprehensive income	**239,449**	189,253
Non-controlling interest	**(14,109)**	(13,019)
	(6,393,161)	(6,440,145)

Shareholders' equity as at December 31, 2020, showed a deficit of $6,393,161, is improving slightly from a deficit of $6,440,145 as at December 31, 2019. The improvement in shareholders' equity is due to the increase in other comprehensive income of $50,492 offset by the net loss of $3,508 for the twelve months ended December 31, 2020.

To address the going concern issue, the Corporation has instituted the following plan:

(a) The Corporation intends to focus on increasing its gross profit margin in both its A2P messaging business and its software products and services business by scrutinizing existing and new business contracts to ensure that they generate satisfactory gross profit margins. The management has seen significant improvement in both gross profit margin and adjusted EBITDA due to these measures and believes that the Corporation will have the ability to continue its operations for the next twelve months.

(b) Despite of the Corporation's liabilities which include a promissory note payable, the interest-free advance from related parties and the interest-free/interest-bearing loans from the related parties, the liquidity risk is addressed and mitigated as mentioned in Section 5 of this MD&A.

As a result, the management has concluded that the Corporation is able to continue as a going concern for a period of 12 months from December 31, 2020.

Authorized share capital

The authorised share capital of the Corporation consists of an unlimited number of common shares and an unlimited number of preferred shares.

The holders of the common shares are entitled to dividends, if, as and when declared by the Board of Directors, to one vote per share at meetings of the shareholders and, upon dissolution, to share equally in such assets of the Corporation as are distributable to the holders of common shares.

The holders of the preferred shares are entitled to preference over the holders of common shares with respect to the payment of dividends, dissolution or winding-up or any other return of capital or distribution of assets for the purpose of winding up the Corporation's affairs. As at the date thereof, there are no preferred shares issued and outstanding.

The table below summarizes the issued and outstanding shares of the Corporation for the year ended December 31, 2020 versus the year ended December 31, 2019.

Issued	**December 31, 2020 (Audited)**		December 31, 2019 (Audited)	
	Shares	**Amount ($)**	Shares	Amount ($)
Balance, beginning and end of period/year	**149,793,861**	**11,415,709**	149,793,861	11,415,709

Information on the Corporation's capital, including the numbers of common shares issued and outstanding is contained in the Corporation's audited consolidated financial statements which are available at www.sedar.com.

11.SEGMENTED INFORMATION

a) Revenue by customers

	Three-month period ended December 31, 2020 (Unaudited)		Three-month period ended December 31, 2019 (Unaudited)	
	$	% of total revenue	$	% of total revenue
Customer A	350,777	51.3	105,232	16.6
Next five top customers				
Customer B	59,348	8.7	34,245	5.4
Customer C	99,369	14.5	112,129	17.7
Customer D	24,626	3.6	71,884	11.3
Customer E	41,305	6.0	36,757	5.8
Customer F	35,803	5.2	20,393	3.2
All other customers	73,032	10.7	253,311	40.0
Total	684,260	100.0	633,951	100.0

	Twelve-month period ended December 31, 2020 (Audited)		Twelve-month period ended December 31, 2019 (Audited)	
	$	% of total revenue	$	% of total revenue
Customer A	967,115	34.3	715,735	27.1
Next five top customers				
Customer B	466,487	16.5	306,676	11.6
Customer C	418,707	14.8	508,608	19.3
Customer D	233,917	8.3	301,059	11.4
Customer E	201,072	7.1	44,289	1.7
Customer F	164,597	5.8	134,064	5.1
All other customers	371,440	13.2	628,286	23.8
Total	2,823,335	100.0	2,638,717	100.0

b) **Revenue by geographical location (by location of operations)**

	Three-month period ended December 31, 2020 (Unaudited)		Three-month period ended December 31, 2019 (Unaudited)	
	$	% of total revenue	$	% of total revenue
Singapore	394,756	57.7	159,600	25.2
Indonesia	37,365	5.5	203,855	32.2
Other Asia countries	42,353	6.2	60,431	9.5
Europe	47,434	6.9	`45,971	7.3
United States	158,718	23.2	146,377	23.1
Other regions	3,634	0.5	17,717	2.7
Total	684,260	100.0	633,951	100.0

	Twelve-month period ended December 31, 2020 (Audited)		Twelve-month period ended December 31, 2019 (Audited)	
	$	% of total revenue	$	% of total revenue
Singapore	1,228,385	43.5	778,854	29.5
Indonesia	293,055	10.4	441,679	16.7
Other Asia countries	160,856	5.7	289,087	11.0
Europe	225,155	8.0	234,651	8.9
United States	885,199	31.4	815,840	30.9
Other regions	30,685	1.0	78,606	3.0
Total	2,823,335	100.0	2,638,717	100.0

c) Total assets by geographical location

	As at December 31, 2020 (Audited)		As at December 31, 2019 (Audited)	
	$	% of total assets	$	% of total assets
Singapore	45,245	4.3	83,739	10.4
Indonesia	586,881	56.2	435,139	53.8
Other Asia countries	381,092	36.5	205,461	25.4
Europe	5,006	0.5	11,512	1.4
United States	20,717	2.0	51,005	6.3
Other regions	5,111	0.5	21,817	2.7
Total	1,044,052	100.0	808,673	100.0

d) Financial information by business segments

	Messaging	Software products and services	Unallocated	Total
	$	**$**	**$**	**$**
Twelve-months period ended December 31, 2020 (Audited)				
Revenue	1,386,756	1,436,579	-	2,823,335
Intersegment revenue	-	11,382	-	11,382
Amortization and depreciation	-	73,026	-	73,026
Interest income	1	200	-	201
Interest and finance expenses	-	15,486	-	15,486
Income tax expense	-	949	-	949
Segment profit/(loss)	255,253	(102,672)	(156,089)	(3,508)
Additions to segment non-current assets	-	18,732	-	18,732
At December 31, 2020 (Audited)				
Segment assets	195,671	846,158	2,223	1,044,052
Segment liabilities	(3,730,960)	(1,386,298)	(2,319,955)	(7,437,213)

	Messaging	Software products and services	Unallocated	Total
	$	$	$	$
Twelve-months period ended December 31, 2019 (Audited)				
Revenue	1,589,957	1,048,760	-	2,638,717
Intersegment revenue	-	364,701	-	364,701
Amortization and depreciation	-	37,568	-	37,568
Interest income	119	267	-	386
Interest and finance expenses	-	6,531	91,081	97,612
Income tax credit	-	(247)	-	(247)
Segment profit/(loss)	583,856	(104,342)	(794,825)	(315,311)
Additions to segment non-current assets	-	37,579	-	37,579
At December 31, 2019 (Audited)				
Segment assets	171,894	636,021	758	808,673
Segment liabilities	(3,119,501)	(2,971,487)	(1,157,830)	(7,248,818)

12. FOREIGN CURRENCY RISK

The Corporation is exposed to foreign currency rate variability primarily in relation to certain assets and liabilities denominated in foreign currencies such as USD. However, the Corporation has no material exposure to foreign currency risk as most of its foreign operations are self-sustaining and these foreign operations' functional currencies are in HKD and SGD. The Corporation is mainly exposed to the effects of fluctuation in SGD and USD.

The Corporation also mitigates foreign currency risks, within each segment, by transacting in their functional currency for material procurement, sales contracts and financing activities.

The Corporation currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Corporation monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

13. EVENTS AFTER THE REPORTING PERIOD

Uncertainty of the Coronavirus (COVID-19) Outbreak

The extent to which the COVID-19 outbreak will spread and its impact on our result will depend on future developments, which are highly uncertain and unpredictable. Although uncertain at this time, the outbreak could impede our ability to sell, grow and attract new customers. A number of our employees travel frequently to establish and maintain relationships with our customers. Although we continue to monitor the situation and may adjust our current policies as more information and guidance become available, suspending travel, not doing business in-person, and employees government imposed quarantined or sanitary public health authority imposed closures could negatively impact our operations and marketing efforts and also challenge our ability to enter into new customer contracts in a timely manner, which in turn could harm our business performance and the recoverability of the account receivables.

Due to the COVID-19 outbreak, the Corporation will again need to switch its Annual Shareholder Meeting to a "virtual" meeting and may have to adopt other means of distribution for its proxy material this year.

For additional details, refer to our risk factors included under "Risks and Uncertainties" below in Section 14 - OTHER MD&A REQUIREMENTS.

14. OTHER MD&A REQUIREMENTS

The Company announced its financial forecasts for the twelve months ending December 31, 2020 on February 13, 2020 and reforecast for the third and fourth quarter of 2020 on August 12, 2020. The table below shows an analysis of the difference between the actual and reforecasted financial highlights for the three months ended December 31, 2020.

Financial Outlook

Financial Highlights	Actual ($)	Reforecast ($)	Variance ($)	Variance (%)
	Oct-Dec 2020	Oct-Dec 2020	Oct-Dec 2020	Oct-Dec 2020
Revenues $				
A2P Messaging Service	241,944	254,392	(12,448)	(4.9)%
Software Product & Services	442,316	338,571	103,745	30.6%
	684,260	592,963	91,297	15.4%
Cost of sales $				
A2P Messaging Service	220,288	206,486	13,802	6.7%
Software Product & Services	182,218	220,879	(38,661)	(17.5)%
	402,506	427,365	(24,859)	(5.8)%
Gross profit (loss) $				
A2P Messaging Service	21,656	47,906	(26,250)	(54.8)%
Software Product & Services	260,098	117,692	142,406	(121.0)%
	281,754	165,598	116,156	70.1%
Gross margin %				
A2P Messaging Service	9.0%	18.8%	(9.9)%	(52.5)%
Software Product & Services	58.8%	34.8%	24.0%	69.2%
	41.2%	27.9%	13.2%	47.4%
Selling, general and administrative expenses	(309,717)	(237,548)	(72,169)	30.4%
Operating profit / (loss)	(27,963)	(71,950)	43,987	(61.1)%
Non-operating income	118,535	-	118,535	-
Non-operating expenses	(3,236)	(4,791)	1,555	(32.5)%
Ordinary profit/(loss)	87,336	(76,741)	164,077	(213.8)%
Extraordinary gains	-	-	-	-
Extraordinary losses	-	-	-	-
Loss before tax and non-controlling interest	87,336	(76,741)	164,077	(213.8)%
Income taxes	(2,241)	-	(2,241)	-
Non-controlling interest	755	-	755	-
Net profit/(loss) attributable to shareholders	85,850	(76,741)	162,591	(211.9)%
Adjusted EBITDA	108,147	(54,688)	162,835	(297.8)%

Notes:

(1) Adjusted EBITDA is a non-GAAP measure related to cash earnings and is defined for these purposes as earnings before income taxes, depreciation & amortization (in both cost of sales and general and administration expenses), interest

expenses and also excludes certain non-recurring or non-cash expenditure and income.
(2) Non-operating income included interest income and other non-operating income. Non-operating expenses included loss on foreign exchange and interest expense.

For the three months ended December 31, 2020,

- Revenue for the A2P messaging service segment was lower than the forecast primarily because the Corporation suffered a large decease in traffic as business activities continued to be low as a results of the outbreak of COVID-19 and during the quarter ended December 31, 2020, governments imposed restrictions on movements of people and activities of businesses to contain the outbreak during the quarter ended December 31, 2020.

- The actual gross margin of 9.0% for the A2P messaging service segment was lower than forecast mainly due to the fact that the Corporation reduced the pricing for some customers and also could not get more favourable cost price from the A2P suppliers in view of the lower traffic volume in the current quarter.

- The actual gross margin of 58.8% for the software product and services segment was higher than forecast because the Corporation increased pricing of its software product and service.

- The selling, general and administrative expenses were $72,169 higher than forecast primarily because accrual of staff bonus was not forecasted for.

- Net profit attributable to shareholders was $85,850 which improved substantially from the loss of $76,741 forecasted primarily due to increased in pricing to customers software product and services segment that resulted in higher gross margin than forecasted for and foreign currency exchange gains not forecasted for. The increase was partially offset by the lower gross margin in A2P messaging service segment than forecasted for and accrual of staff bonus not forecasted for.

The table below shows an analysis of the difference between the actual and reforecasted financial highlights for the twelve months ended December 31, 2020.

Financial Highlights	Actual ($)	Reforecast ($)	Variance ($)	Variance (%)
	Jan-Dec 2020	Jan-Dec 2020	Jan-Dec 2020	Jan-Dec 2020
Revenues $				
A2P Messaging Service	1,386,756	1,161,496	225,260	19.4%
Software Product & Services	1,436,579	1,354,284	82,295	6.1%
	2,823,335	2,515,780	307,555	12.2%
Cost of sales $				
A2P Messaging Service	1,102,704	942,575	160,129	17.0%
Software Product & Services	689,066	883,516	(194,450)	(22.0)%
	1,791,770	1,826,091	(34,321)	(1.9)%
Gross profit (loss) $				
A2P Messaging Service	284,052	218,921	65,131	29.8%
Software Product & Services	747,513	470,768	276,745	58.8%
	1,031,565	689,689	341,876	49.6%
Gross margin %				
A2P Messaging Service	20.5%	18.8%	1.6%	8.7%
Software Product & Services	52.0%	34.8%	17.3%	49.7%

Financial Highlights	Actual ($)	Reforecast ($)	Variance ($)	Variance (%)
	Jan-Dec 2020	Jan-Dec 2020	Jan-Dec 2020	Jan-Dec 2020
	36.5%	27.4%	9.1%	33.3%
Selling, general and administrative expenses	(998,647)	(950,192)	(48,455)	5.1%
Operating profit / (loss)	32,918	(260,503)	293,421	(112.6)%
Non-operating income	201	-	201	-
Non-operating expenses	(35,678)	(42,136)	6,458	(15.3)%
Ordinary loss	(2,559)	(302,639)	300,080	(99.2)%
Extraordinary gains	-	-	-	-
Extraordinary losses	-	-	-	-
Loss before tax and non-controlling interest	(2,559)	(302,639)	300,080	(99.2)%
Income taxes	(949)	-	(949)	-
Non-controlling interest	1,386	-	1,386	-
Net loss attributable to shareholders	(2,122)	(302,639)	300,517	(99.3)%
Adjusted EBITDA	85,953	(191,455)	277,408	(144.9)%

Risks and Uncertainties

Through its operations, the Corporation is exposed to various business risks and uncertainties which could have an impact on its capacity to achieve its growth objectives. Consequently, the following factors should be taken into account when evaluating the Corporation's future prospects:

Dependence on Required Licenses

The A2P messaging business in Hong Kong is a highly regulated business activity and requires licenses from the Hong Kong Telecommunications Authority ("TA"), without which GIN would be unable to operate. GIN is subject to the rules and regulations of the TA, which regulates the telecom industry in Hong Kong, and the Hong Kong Office of Communications Authority ("HOCA"), which assists the TA in enforcing and administering the *Telecommunications Ordinance*. The TA's authority includes regulating and licensing telecom facilities and managing the radio frequency spectrum. If the TA determines that GIN has violated Hong Kong's telecom laws or regulations or the conditions of its licenses, the TA may suspend or cancel GIN's licenses or take other action detrimental to GIN. GIN is also subject to various other rules, laws and ordinances applicable to companies operating in Hong Kong, including, for example, laws relating to obscenity and privacy. If GIN is found to be in violation of these laws, it may face judgments or consequences detrimental to its business. In addition, the Public Non-exclusive Telecommunications Service (PNETS) licence granted by HOCA to GIN is normally valid for one year, subject to renewal at the discretion of HOCA and compliance of all terms and conditions of the licenses. In the event that HOCA refuses to renew any of the existing licenses of GIN, GIN's ability to offer its services will be adversely affected. The Chief Executive in council of the HOCA may also cancel or suspend licenses if it considers that it is in the public's interest to do so. Moreover, if the TA changes its existing regulations or policies such as those governing interconnection or competition, including the requirement on GIN to obtain separate or further licenses for its existing operations or services, or to obtain licenses in respect of its future operations or services based on new communication technologies, the Corporation's results of operations, financial condition, business and prospects could be adversely affected. GIN may also incur extra costs in order to comply with technical specifications or other conditions resulting from any enacted or proposed changes in the applicable laws and regulations. As a result, the Corporation's financial condition, results of operations and/or prospects may be adversely affected. The business of the Corporation's customers is also subject to regulations. As a result, such regulations could indirectly affect the Corporation's business. As communications technologies and the telecom industry continue to evolve, the regulations governing the telecom industry may change. If this were to occur, the demand for the Corporation's services could change in ways that GIN cannot easily predict and may result in a decline in the Corporation's revenue.

Dependence on Major Customers

The Corporation depends on major customers for a significant portion of its business and the loss of any of such customers could materially and adversely affect the Corporation, and hence the Corporation's business and financial position. A significant portion of the Corporation's revenue has been and is expected to continue to be, derived from a limited number of customers. Most of these customers are major operators of telecom services in the Asia Pacific region. There can be no assurance that its major customers will continue to use its services. In the event that any of these customers cease to use the services of the Corporation and the Corporation fails to replace such customer(s), the Corporation's business and financial position may be materially and adversely affected.

System Failures, Delays and Other Problems

System failures, delays and other problems could harm the Corporation's reputation and business, cause it to lose customers and expose GINSMS to customer liability. GIN's system architecture is contingent on its ability to process a high volume of transactions in a timely and effective manner. GIN may experience failures or interruptions of its systems and services, or other problems in connection with its operations as a result of, amongst others things:

- damage to or failure of its computer software or hardware or its infrastructure and connections;
- data processing errors by its systems;
- computer viruses or software defects;
- physical or electronic break-ins, sabotage, intentional acts of vandalism and similar events; and
- failure of GIN to adapt to rapid technological changes in the telecom industry.

If GIN cannot adequately ensure that its network services perform consistently at a high level or otherwise fails to meet its customers' expectations:

- it may experience damage to its reputation, which may adversely affect its ability to attract or retain customers for its existing services, and may also make it more difficult for GIN to market its existing or future services;
- it may suffer significant damage or expose itself to customer liability claims, under its contracts or otherwise, including the requirement to pay penalties relating to service level requirements in its contracts;
- its operating expenses or capital expenditures may increase as a result of corrective actions that GIN must perform;
- GIN's customers may reduce their use of GIN's services; or
- one or more of its significant contracts may be terminated early, or may not be renewed.

These or other consequences would adversely affect the Corporation's revenue and performance.

Security and Privacy Breaches

Security or privacy breaches may result in an interruption of service or a reduced quality of service, which could increase GIN's costs or result in a reduction in the use of GIN's services by its customers. GIN's systems may be vulnerable to physical break-ins, computer viruses, attacks by computer hackers or similar disruptive problems. If unauthorized users gain access to GIN's databases, they may be able to steal, publish, delete or modify sensitive information that is stored or transmitted on GIN's networks and which GIN is required by its contracts to keep confidential. A security or privacy breach could result in an interruption of service or a reduced quality of service. Confidential information internal to GIN may also be disclosed to unauthorized personnel who may use such information in a manner adverse to the interests of GIN. Hackers may attempt to "flood" the network, thereby preventing legitimate network traffic or to disrupt the connection between two machines, thereby preventing access to a service or preventing a particular individual from accessing a service. The Corporation may therefore be required to make significant expenditures in connection with corresponding corrective or preventive measures. In addition, a security or privacy breach may harm GIN's reputation and cause its customers to reduce their use of GIN's services, which could harm the Corporation's revenue and business prospects. In addition, GIN's revenue may be adversely affected by un-captured usage, in the event that GIN's system is "hacked" into, resulting in transmissions that may not be detected by its billing system. Further, the increase in traffic as a result of such unauthorized "hacking" may slow or overload GIN's transmission network, thereby adversely affecting the overall quality of services which GIN provides to its paying customers. GIN's exposure to telecom security concerns is heightened as Hong Kong and Chinese laws relating to liability under such circumstances are relatively new. In addition, GIN does not carry "errors and omissions" or other insurance covering losses or liabilities caused by computer viruses or security breaches, which under such circumstances could mitigate damages that GIN may suffer. If GIN incurs any such losses or liabilities, the Corporation's operating results, financial condition, business and prospects may be adversely affected.

Recent Measures Taken Due to the Outbreak of COVID-19

In light of the uncertain and rapidly evolving situation relating to the spread of the COVID-19, the Corporation has taken temporary precautionary measures intended to help minimize the risk of the virus to its employees which could negatively impact its business. We are temporarily requiring all employees to work remotely, have suspended all non-essential travel worldwide for our employees, and are discouraging employee attendance at industry events and in-person work-related meetings. While we have a distributed workforce and our employees are accustomed to working remotely or working with other remote employees, our workforce is not fully remote. Our employees travel frequently to establish and maintain relationships with one another and with our customers and some of our business processes assume that employees can review and sign documents in person. Although we continue to monitor the situation and may adjust our current policies as more information and guidance become available, temporarily suspending travel and doing business in-person could negatively impact our marketing efforts, challenge our ability to enter into customer contracts in a timely manner, slow down our recruiting efforts, or create operational or other challenges as we adjust to a fully-remote workforce, any of which could harm our business. The extent to which the COVID-19 and our precautionary measure may impact our business will depend on future developments, which are highly uncertain and cannot be predicted at this time.

Adequacy of Network Resilience, Network Diversity and Backup Systems

Inadequate network resilience, network diversity and backup systems may result in service disruptions. Any failure of GIN's backup systems or any insufficiency in GIN's redundancy capacity may disrupt GIN's operations. GIN regularly reviews its network and assesses its vulnerability to such outside factors. However, there can be no assurance that GIN's existing alternative routes and cable diversity will provide adequate backup for all types of service interruptions that may occur. Moreover, even with these contingency measures, service disruptions could last for a considerable period of time before complete service can be restored. This may cause customers to reduce their use of GIN's services, which could harm the Corporation's revenue and business prospects.

Loss of Significant Information

Loss of significant information may adversely affect the Corporation's business. In cases of a failure of GIN's data storage system, GIN may lose critical network or billing data, source code, proprietary production system designs or important email correspondence with its customers and suppliers.

Failure to Develop, Enhance or Introduce New Value-Added Services ("VAS")

If the Corporation fails to develop or introduce on a timely basis new VAS, its business will suffer. Rapid change in technology, short product life cycles, changes in customer requirements and evolving industry standards characterize the markets for the Corporation's products. The success of the Corporation depends on the Corporation's ability to timely develop and introduce innovative new VAS that gain market acceptance. The Corporation may not be successful in forecasting future customer requirements or in selecting, developing and marketing new products or enhancing the Corporation's existing products on a timely or cost-effective basis. Moreover, the Corporation may encounter technical problems in connection with its product development that could result in delayed introduction or its inability to introduce new products or product enhancements. Such cancellations or delays could result in a decrease in sales or a loss of customers, or both. The Corporation may also focus on technologies that do not function as expected or are not widely adopted. In addition, products or technologies developed by others may render the Corporation's products non-competitive or obsolete and result in a significant reduction in traffic volume from the Corporation's customers and the loss of existing and prospective customers.

Competition

The market for communications services is extremely competitive and rapidly changing. The Corporation faces competition from other providers of connectivity and value-added services, some of which are larger and may be better funded than the Corporation. A number of the Corporation's current and potential competitors may have greater name recognition and/or more extensive customer bases than GIN. Increasing competition could result in reduced revenue, reduced sales margins and loss of market share, any one of which could harm the business of the Corporation.

Dependence on Third-Party Software and Equipment

The failure of third-party software and equipment that GIN uses in its systems may cause interruptions or failures of its systems. In addition to the use of the internet and certain telecom networks maintained by broker carriers and other third parties for the transmission of data traffic, GIN also incorporates hardware, software and equipment developed by third parties into its systems. As a result, GIN's ability to provide interoperability services depends in part on the continued performance and support of these third-party products. If these products experience failures or contain defects, and the third parties supplying these products fail to provide adequate remedial support, this may result in the interruption or unsatisfactory performance of GIN's systems or services.

Market Acceptance at Desired Pricing Levels

The Corporation's failure to achieve or sustain market acceptance at desired pricing levels may impact its ability to maintain profitability or positive cash flow. The Corporation's competitors and customers may cause the Corporation to reduce the prices it charges for its services which in turn could adversely affect the Corporation's profitability and cash flow. The primary sources of pricing pressure include:

- competitors offering competing services at reduced prices, or bundling and pricing services in a manner which makes it difficult for the Corporation to compete; and
- customers with a significant volume of transactions may have enhanced leverage in pricing negotiations with the Corporation;

GINSMS may not be able to offset the effects of all or any price reductions.

Key Members of the Management Team

The loss of any key members of the management team may impair the Corporation's ability to identify and secure new contracts with customers or otherwise manage its business effectively. The Corporation's success depends, in part, on the continued contributions of its senior management. Most of them are well experienced in the telecom industry and have in depth knowledge of various aspects of the development of a telecom business.

Credit Risk of Accounts Receivable

The Corporation is subject to credit risk in respect of its accounts receivable. GINSMS provides credit periods to its customers, which are calculated from the dates the invoices are issued by GINSMS to the dates of payment by the customers. Although GINSMS implements credit control policies and measures, GINSMS cannot assure that these measures are adequate in protecting GINSMS against material credit risks. GINSMS may provide services to customers who do not provide sufficient deposits, advance payments or bank guarantees for GINSMS' services. Moreover, should GINSMS' customers be unable to pay in full for any reason, the Corporation's profit and cash flow will be adversely affected. Any delay in the payment by customers may also adversely affect the Corporation's operations and financial position. The Corporation may have to sustain legal costs in pursuing unsettled invoices, a process which is time-consuming and may be affected by a variety of factors including any counterclaim from such non-paying customers. Even if the Corporation obtains favourable judgments, enforcement of such judgments may take time and may not always be successful.

Conflicts of Interest

Certain directors and officers of the Corporation are also directors, officers, or shareholders of other companies that may operate in the same sectors as the Corporation. Such associations may give rise to conflicts of interest from time to time. The directors of the Corporation are required by law to act honestly and in good faith with a view to the best interests of the Corporation and to disclose any interest which they may have in any project or opportunity of the Corporation. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict is required under the *Canada Business Corporations Act* to disclose his interest and to abstain from voting on such matter.

Inability to Satisfy Customer Demand for Performance, Price or Terms

The market in which Inphosoft operates is highly competitive, and Inphosoft expects that the level of competition on pricing and product offering will continue to be intense. Additionally, certain emerging markets, such as countries in the Middle-East, Africa, South America and Southeast Asia, are particularly sensitive to pricing as a key differentiator. Where price is a primary decision driver, Inphosoft may not be able to effectively compete or it may chose not to compete due to unacceptable margins. If Inphosoft is not able or chooses not to compete against its current and future competitors, its current and potential customers may choose to purchase similar products offered by Inphosoft's competitors, which would negatively affect its revenues or profitability, or both. The markets for Inphosoft's products are subject to rapid technological changes, evolving industry standards and regulatory developments, and its operating results depend to a significant extent on its ability to adapt to these changes. Inphosoft competes principally on the basis of: (i) product performance and functionality; (ii) product quality and reliability; (iii) customer service and support; and (iv) price. Many of Inphosoft competitors have substantially broader product portfolios and financial and technological resources, product development, marketing, distribution and support capabilities, name recognition and established relationships with telecommunications service providers than it has. Certain competitors of Inphosoft may price their products at unsustainably low levels in an effort to acquire market share or delay or avoid business failures. Inphosoft may not be able to compete effectively against existing or future competitors or to maintain or capture meaningful market share, and Inphosoft's business could be harmed if its competitors' products and services provide higher performance, offer additional features and functionality or are more reliable or less expensive than its products. Increased competition could force Inphosoft to lower its prices or take other actions to differentiate its products, which could adversely affect its business.

International Risks

GINSMS's international operations are significant and it intends to continue to expand these international operations, particularly in Asia. Foreign operations face additional specific local risks, which may adversely affect GINSMS, including but not limited to, change in legal and regulatory requirements and less favourable intellectual property laws, change in local tax rates and other potentially adverse tax consequences (including the cost of repatriation of earnings), collectability of accounts in foreign jurisdictions, and burdens of complying with a wide variety of foreign laws, including changing import and export regulations.