



NEWS RELEASE

GINSMS ANNOUNCES FINANCIAL RESULTS FOR THE THREE MONTHS ENDED MARCH 31, 2023

Calgary, Alberta, May 11, 2023 – GINSMS Inc. (TSXV: GOK) (the “Corporation”) has announced its financial results for the first quarter ended March 31, 2023.

The complete financial results for GINSMS are available at www.sedar.com. Highlights include:

- Revenue of \$820,657 for the three-month period ended March 31, 2023 as compared of \$725,536 for the three-month period ended March 31, 2022.
- Gross Profit of \$344,456 for the three-month period ended March 31, 2023 as compared to gross profit of \$270,688 for the three-month period ended March 31, 2022.
- Operating expenses and finance costs of \$272,788 for the three-month period ended March 31, 2023 increased from \$195,059 for the three-month period ended March 31, 2022.
- Net profit of \$71,668 for three-month period ended March 31, 2023 as compared to a net profit of \$75,629 for three-month period ended March 31, 2022.

Selected Profit and Loss Information

Financial Highlights	Three-month period ended March 31, 2023 (Unaudited) \$	Three-month period ended March 31, 2022 (Unaudited) \$	Twelve-month period ended December 31, 2022 (Audited) \$	Twelve-month period ended December 31, 2021 (Audited) \$
Revenue (\$)				
A2P Messaging Service	288,377	378,560	1,428,885	1,338,627
Software Products & Services	532,280	346,976	1,595,248	1,392,707
	820,657	725,536	3,024,133	2,731,334
Cost of sales (\$)				
A2P Messaging Service	179,758	262,113	951,718	1,016,352
Software Products & Services	296,443	192,735	910,862	691,748
	476,201	454,848	1,862,580	1,708,100
Gross profit (\$)				
A2P Messaging Service	108,619	116,447	477,167	322,275
Software Products & Services	235,837	154,241	684,386	700,959
	344,456	270,688	1,161,553	1,023,234

Financial Highlights	Three-month period ended March 31, 2023 (Unaudited) \$	Three-month period ended March 31, 2022 (Unaudited) \$	Twelve-month period ended December 31, 2022 (Audited) \$	Twelve-month period ended December 31, 2021 (Audited) \$
Gross margin				
A2P Messaging Service	37.7%	30.8%	33.4%	24.1%
Software Products & Services	44.3%	44.5%	42.9%	50.3%
	42.0%	37.3%	38.4%	37.5%
Adjusted EBITDA ⁽¹⁾ (\$)	94,783	99,610	75,120	387,645
Adjusted EBITDA margin	11.5%	13.7%	2.5%	14.2%
Net profit/(loss) (\$)	71,668	75,629	(32,284)	281,162
Net profit/(loss) margin	8.7%	10.4%	(1.1)%	10.3%
Profit/(loss) per share (\$) Basic and Diluted (In Canadian cents)	0.039	0.050	(0.020)	0.187

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.

About GINSMS

GINSMS is a mobile technology and services company focusing on 2 areas namely its A2P Messaging Service and its Software Products and Services. GINSMS operates a cloud-based A2P messaging service that allows the termination of SMS to mobile subscribers of more than 200 mobile operators globally. GINSMS also develops and distribute innovative software products and services for mobile operators and enterprises and has successfully deployed more than 100 solutions worldwide. GINSMS has offices in China, Singapore, Hong Kong, Malaysia and Indonesia.

Forward Looking Statements

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.

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