



NEWS RELEASE

GINSMS ANNOUNCES FINANCIAL RESULTS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2017

Calgary, Alberta, August 11, 2017 – GINSMS Inc. (TSXV: GOK) (the “Company”) has announced its financial results for the second quarter and six months ended June 30, 2017.

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

- Revenue of \$1,929,361 and \$3,528,998 for the three-month and six-month periods ended June 30, 2017 respectively as compared to \$1,679,421 and \$3,340,833 for the three-month and six-month periods ended June 30, 2016 respectively.
- Gross Profit of \$181,286 and \$435,249 for the three-month and six-month periods ended June 30, 2017 respectively as compared to gross profit of \$237,768 and \$505,169 for the three-month and six-month periods ended June 30, 2016 respectively.
- Operating expenses and finance costs decreased from \$738,484 and \$1,204,758 for the three-month and six-month periods ended June 30, 2016 respectively to \$465,302 and \$1,085,843 for the three-month and six-month periods ended June 30, 2017 respectively.
- Net loss of \$284,083 and \$650,661 for three-month and six-month periods ended June 30, 2017 as compared to a net loss of \$501,012 and \$700,415 for three-month and six-month periods ended June 30, 2016 respectively.
- The cloud-based application-to-person messaging service (the “A2P messaging”) that was introduced in March 27, 2014 has generated revenue of \$1,623,150 for the three-month period ended June 30, 2017.

• **Selected Profit and Loss Information**

Financial Highlights	Three-month period ended June 30, 2017 (Unaudited)	Three-month period ended June 30, 2016 (Unaudited)	Six-month period ended June 30, 2017 (Unaudited)	Six-month period ended June 30, 2016 (Unaudited)
Revenue (\$)				
A2P Messaging Service	1,623,150	1,483,777	2,972,610	2,889,177
Software Products & Services	306,211	195,644	556,388	451,656
	1,929,361	1,679,421	3,528,998	3,340,833
Cost of sales (\$)				
A2P Messaging Service	1,562,606	1,267,443	2,756,542	2,477,187
Software Products & Services	185,469	174,210	337,207	358,477
	1,748,075	1,441,653	3,093,749	2,835,664

Financial Highlights	Three-month period ended June 30, 2017 (Unaudited)	Three-month period ended June 30, 2016 (Unaudited)	Six-month period ended June 30, 2017 (Unaudited)	Six-month period ended June 30, 2016 (Unaudited)
Gross profit (\$)				
A2P Messaging Service	60,544	216,334	216,068	411,990
Software Products & Services	120,742	21,434	219,181	93,179
	181,286	237,768	435,249	505,169
Gross margin				
A2P Messaging Service	3.7%	14.6%	7.3%	14.3%
Software Products & Services	39.4%	11.0%	39.4%	20.6%
	9.4%	14.2%	12.3%	15.1%
Adjusted EBITDA ⁽¹⁾ (\$)	(109,086)	(244,271)	(217,543)	(201,388)
Adjusted EBITDA margin	(5.7)%	(14.5)%	(6.2)%	(6.0)%
Net loss (\$)	(284,083)	(501,012)	(650,661)	(700,415)
Net loss margin	(14.7)%	(29.8)%	(18.4)%	(21.0)%
Loss per share (\$)				
Basic	(0.002)	(0.004)	(0.004)	(0.005)
Diluted	(0.002)	(0.004)	(0.004)	(0.005)

- (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, the accretion on obligations. Adjusted EBITDA also excludes certain non-recurring or non-cash expenditure. 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.

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