GINSMS INC.

NEWS RELEASE

GINSMS ANNOUNCES AUDITED FINANCIAL RESULTS FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2015 AND PROVIDES EXTENDED NET EARNINGS AND NET ASSET POSITION FORECASTS

Calgary, Alberta, March 30, 2016 – GINSMS Inc. (TSXV: GOK) (the “Corporation” or “GINSMS”) is pleased to announced that its audited financial statements for the nine-month period ended December 31, 2015 have been filed today on SEDAR and are available at www.sedar.com. The nine-month period ended December 31, 2015 constitutes a transitional financial year for GINSMS following the Corporation’s earlier announcement that it would change its financial year end from March 31 to December 31.

On February 11, 2016, GINSMS had disclosed through the issuance of a press release unaudited financial results for the three- and the nine-month periods ended December 31, 2015. This financial disclosure was done in advance of the filing of the audited financial statements of the Corporation to allow GINSMS’ ultimate holding company, Xinhua Holdings Limited (“Xinhua”), a public company in Japan, to use certain of GINSMS’ financial information in the preparation of Xinhua’s financial statements.

GINSMS’ financial information for the nine-month period ended December 31, 2015 was prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

GINSMS is pleased to report that there is no significant change between the audited financial statements filed today and the unaudited financial information it disclosed earlier on February 11, 2016, except for the reclassification of a writeback of deferred tax liability on intangible assets for year ended March 31, 2015 and the presentation of segment information for the nine-month period ended December 31, 2015 and for year ended March 31, 2015.

The auditors of the Corporation are of the opinion that the writeback of deferred tax liability on intangible assets amounting to $126,259 taken in the year ended March 31, 2015 should have been included instead in the income tax credit as shown in the audited financial statements for the nine-month period ended December 31, 2015. Initially, this amount was shown in the loss from operation in the audited financial statements for the year ended March 31, 2015. Accordingly, the writeback of deferred tax liability on intangible assets has been reclassified to now be included as deferred tax credit under “Liquidity and Capital Resources” and as income tax credit under “Segment information - (d) Financial information by business segments”. In the Corporation’s February 11, 2016 press release, the amount had been disclosed separately under “Liquidity and Capital Resources” and not included in income tax credit under “Segment information -(d) Financial information by business segments”.

The auditors of the Corporation have changed the presentation of the segment information in the audited financial statements compared to prior year. In order to be consistent with the presentation in the audited financial statements, the presentation of the segment information for the nine-month period ended December 31, 2015 and for year ended March 31, 2015 as disclosed in the unaudited financial information earlier on February 11, 2016 has been changed. Moreover, the total assets by geographical location not disclosed in the unaudited financial information earlier on February 11, 2016 is now disclosed.

LIQUIDITY AND CAPITAL RESOURCES (AMENDED)

	Nine-month period ended December 31, 2015 (Audited)	Twelve-month period ended March 31, 2015 (Audited)
	$	$
Cash, beginning of period/year	515,208	115,309
Operating activities		
Net loss for the period/year	(2,432,182)	(6,775,846)
Current tax expenses	93,411	-
Deferred tax expenses (credit)	2,570	(127,100)
Foreign currency exchange loss	134,333	83,584
Allowance for doubtful debts	18,056	-
Interest expense	471,005	199,661
Accretion on convertible debentures	818,364	1,433,226
Goodwill impairment	-	2,830,364
Intangible assets impairment	-	393,375
Development costs impairment	-	164,456
Suspended projects impairment	-	144,945
Amortization & depreciation	123,844	489,413
Changes in non-cash working capital	(83,859)	(4,153)
Tax paid	(4,963)	-
Net cash used in operating activities	(859,421)	(1,168,075)
Financing activities		
Loans from related parties	287,373	2,417,973
Repayment of loans from related parties	-	(732,248)
Advance from a related party	680,248	-
Repayment of advance from a related party	(102,994)	-
Net cash generated from financing activities	864,627	1,685,725
Investing activities		
Development costs	(47,036)	(154,130)
Purchase of property, plant and equipment	(19,628)	(9,060)
Net cash used in investing activities	(66,664)	(163,190)
Effect of exchange rate changes on cash	(142,945)	45,439
(Decrease)/Increase in cash	(204,403)	399,899
Cash, end of period/year	310,805	515,208

SEGMENTED INFORMATION (AMENDED)

a) Revenue by customers

	Nine-month period ended December 31, 2015 (Audited)		Twelve-month period ended March 31, 2015 (Audited)	
	$	% of total revenue	$	% of total revenue
Customer A	1,541,256	39.6	571,354	30.0
Next five top customers				
Customer B	713,375	18.3	2,611	0.1
Customer C	543,441	14.0	119,802	6.3
Customer D	390,340	10.0	-	-
Customer E	270,061	6.9	551,458	28.9
Customer F	48,592	1.2	6,055	0.3
All other customers	381,625	10.0	655,187	34.4
Total	3,888,690	100.0	1,906,467	100.0

b) Revenue by geographical locations

	Nine-month period ended December 31, 2015 (Audited)		Twelve-month period ended March 31, 2015 (Audited)	
	$	% of total revenue	$	% of total revenue
Singapore	2,283,942	58.8	895,528	47.0
India	713,375	18.3	2,611	0.1
Other Asia counties	166,539	4.3	252,724	13.3
Europe	123,137	3.2	554,244	29.1
Unite States	552,740	14.2	120,517	6.3
Other regions	48,957	1.2	80,843	4.2
Total	3,888,690	100.0	1,906,467	100.0

c) Total assets by geographical location

	Nine-month period ended December 31, 2015 (Audited)		Twelve-month period ended March 31, 2015 (Audited)	
	$	% of total revenue	$	% of total revenue
Canada	33,697	1.3	5,482	0.3
Hong Kong & China	1,360,033	52.0	1,322,085	63.5
Singapore	940,490	36.0	561,245	26.9
Malaysia	50,704	1.9	36,831	1.8
Indonesia	229,505	8.8	157,032	7.5
Total	2,614,429	100.0	2,082,67	100.0

d) Financial information by business segments

	Messaging	Software products and services	Unallocated	Total
Nine-months ended December 31, 2015 (audited)	$	$	$	$
Revenues	3,069,374	819,316	-	3,888,690
Intersegment revenue	-	115,828	-	115,828
Amortization and depreciation	375	123,380	89	123,844
Interest income	4	30	-	34
Interest and finance expenses	259,971	211,034	818,364	1,289,369
Income tax expense	-	95,981	-	95,981
Segment losses	(45,159)	(1,082,895)	(1,304,128)	(2,432,182)
Additions to segment non-current assets	-	66,664	-	66,664
As at December 31, 2015 (audited)				
Segment assets	1,360,033	1,220,699	33,697	2,614,429
Segment liabilities	(3,467,382)	(1,769,000)	(600,616)	(5,836,998)

	Messaging	Software products and services	Unallocated	Total
	$	$	$	$
Twelve-months ended March 31, 2015 (audited)				
Revenues	1,152,433	754,034	-	1,906,467
Intersegment revenue	-	136,697	-	136,697
Amortization and depreciation	1,247	488,047	119	489,413
Interest income	3	36	-	39
Interest and finance expenses	102,600	97,061	1,433,226	1,632,887
Income tax credit	-	(126,366)	-	(126,366)
Segment losses	(185,325)	(1,553,985)	(5,036,536)	(6,775,846)
Other material non-cash items:				
Goodwill impairment	-	2,830,364	-	2,830,364
Intangible assets impairment	-	393,375	-	393,375
Development expenditure impairment	-	164,456	-	164,456
Additions to segment non-current assets	-	163,190	-	163,190
As at March 31, 2015 (audited)				
Segment assets	1,322,085	755,108	5,482	2,082,675
Segment liabilities	(1,610,523)	(1,691,973)	(8,843,954)	(12,146,450)

In addition, the Corporation expects to record net earnings in the financial year ending December 2019 and recover from its current negative net asset position by the end of the 2020 financial year. The purpose of this financial outlook is to allow the Corporation's ultimate holding company, Xinhua, to make reference to use such outlook in its own financial disclosure. The operation of GINSMS is a major part of the growth strategy of

Xinhua. As such, Xinhua believes that disclosing such information would be useful for its shareholders. Consequently readers of this press release are cautioned that the financial outlook of GINSMS concerning its net earnings and net assets positions is forward looking information and may not be appropriate for other purposes.

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 have 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 press release 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 GINSMS’ 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 major customers, system failures, delays and other problems, increasing competition, security and privacy breaches, dependence on third-party software and equipment, adequacy of network reliance, network diversity and backup systems, loss of significant information, insurance coverage, capacity limits, rapid technology changes, market acceptance, decline in volume of attractions, retention of key members of the management team, success of expansion into Chinese and other Asian markets, credit risk, consolidation of existing customers, dependence on required licenses, economy and politics in countries where the Corporation operates, conflicts of interest and residency of directors and officers. 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 included in the present press release are based on the following assumptions:

- For the next five financial years, the Corporation expects to continue to benefit from the business of its current five major customers currently representing 88.8% of its revenues as stated in GINSMS' most recent audited financial statements for the nine-month period ended December 31, 2015.

- The future launch of certain additional value-added services aimed at GINSMS' current and future A2P customers operating mainly in the financial and logistic industries will be successful.

- The Corporation's marketing strategies and efforts will continue to be effective and successful in the future.

- Over the next five financial years, the Corporation will preserve its current profit margin in its A2P messaging business.

- Over the next five financial years, the Corporation's expected revenues will be as follows:

Financial Year	**Assumptions**
2016	The Corporation expects to generate new revenues for its A2P messaging business from one new country in Southeast Asia and continue to benefit from its existing business in China and Taiwan. Revenues for the twelve-month period ending December 31, 2016 is expected to grow to approximately CAD$7.04M.
2017	The Corporation expects to continue generating new revenues for its A2P messaging business from 2 new countries in Southeast Asia while maintaining business in its existing markets. Revenues for that period are expected to grow by approximately 111% year over year.
2018	The Corporation expects to continue generating new revenues for its A2P messaging business from 2 new countries: one in North Asia and one in Southeast Asia while maintaining revenues level in its existing markets. Revenues for that period are expected to grow by approximately 86% year over year.
2019 and 2020	The Corporation expects to still continue its growth in revenues for its A2P messaging business through organic growth in its then existing markets with revenues for those financial years expected to increase approximately by 61% and 67% year over year for 2019 and 2020 respectively.

- The Corporation does not expect to actively promote its software product division business and expects the revenues derive from this division to be flat or experience minimal growth. The Corporation will instead focus its energy on its A2P messaging business.

- The Corporation expects the inflation rate to be approximately 4% per year on average for the next five years.

- The Corporation expects to progressively increase its advertising spend from CAD$60,000 in the financial year 2016 to CAD$198,000 in the financial year ending December 31, 2020.

- By the end of the third quarter of the financial year 2018, the Corporation expects to have raised additional financing of an aggregate amount of approximately CAD$11.5 million in one or more tranches.

These forward-looking statements are made as of the date of this press release, have been approved by management as of the date hereof 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 press release are qualified by this cautionary statement.

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