GINSMS INC.

NEWS RELEASE

GINSMS ANNOUNCES FINANCIAL RESULTS FOR THE THREE AND TWELVE MONTHS ENDED MARCH 31, 2013

Calgary, Alberta, July 29, 2013 – GINSMS Inc. (TSXV: GOK) has announced its financial results for the fourth quarter and year ended March 31, 2013.

PERFORMANCE HIGHLIGHTS FOR THE THREE AND TWELVE MONTHS ENDED MARCH 31, 2013:

- The acquisition of Inphosoft Group Pte Ltd ("Inphosoft") was completed on September 28, 2012. GINSMS's income statement for the quarter ended March 31, 2013 includes the operating results of Inphosoft Group Pte Ltd and its subsidiaries resulting in total revenue of $518,678, compared to $158,652 for the corresponding quarter the previous year.
- Activities for the three-month period ended March 31, 2013 resulted in a net loss of $717,852, including a non-realized exchange gain of $15,486 and a non-cash charge to earnings of $307,994 representing accretion on obligations related to the convertible debentures and promissory notes issued in connection with the acquisition of Inphosoft. For the quarter ended March 31, 2012, the Company recorded a net loss of $367,239. For the twelve months to March 31, 2013, the net loss was $1,534,662, compared to a loss of $493,704 for the same period the previous year. For the twelve-month period, the increase in net loss including a non-realized exchange gain of $63,799 and a non-cash charge to earnings of $654,904 representing accretion on obligations related to the convertible debentures and promissory notes issued in connection with the acquisition of Inphosoft.
- EBITDA of negative $183,325 for the quarter ended March 31, 2013. This is an improvement of $142,662 compared to EBITDA of negative $325,987 during the corresponding quarter the previous year. For the twelve-month period, EBITDA was a negative $561,057, compared to a negative EBITDA of $345,348 for the corresponding period the previous year. The lower EBITDA principally reflect much higher losses due to lower revenue generated by the IOSMS platform and, principally but not exclusively, substantially higher professional fees due to the acquisition of Inphosoft.
- Volume of inter-SMS traffic for the three-month period ended March 31, 2013 was down by 46.4% to 13,419,073 million from the same period the previous year. When compared to the previous quarter ended December 31, 2012, traffic is down 33.3%. GINSMS believes that this downward trend in SMS traffic is largely caused by cellphone users migrating to mobile instant messaging ("MIM") applications and the removal of bundle fees in the new agreements signed with the mobile network operators that came into effect on the 1st March 2013.
- Liquidity improved considerably with cash on hand of $965,917, up 76.0% from March 31, 2012. Net current assets as at March 31, 2013 were $797,995, compared to $614,907 as at March 31, 2012.

RESULTS OF OPERATIONS

Financial Highlights	Three-month period ended March 31, (Audited)		Twelve-month period ended March 31, (Audited)	
	2013	**2012**	**2013**	**2012**
Revenues $	**518,678**	**158,652**	**1,302,915**	**686,934**
Cost of sales $	(154,237)	(71,378)	(400,908)	(268,454)
Gross profit $	364,441	87,274	902,007	418,480
Gross margin %	70.3%	55.0%	69.2%	60.9%
EBITDA (1) **$**	**(183,325)**	**(325,987)**	**(561,057)**	**(345,348)**
EBITDA margin	(35.3%)	(205.5)%	(43.1)%	**(50.3)%**
Net earnings $	**(717,852)**	**(367,239)**	**(1,534,662)**	**(493,704)**
Net earnings margin	(138.4)%	(231.5)%	(117.8)%	**(71.9)%**
Net earnings (loss) per share $				
Basic	(0.02)	(0.01)	(0.04)	(0.01)
Diluted	(0.02)	(0.01)	(0.04)	(0.01)

(1) EBITDA is a non-GAAP measure related to cash earnings and is defined for these purposes as earnings before income taxes, depreciation, amortization (share-based compensation included) and the accretion on obligations.

	Consolidated as at March 31, 2013 (Audited)(1)	Consolidated as at March 31, 2012 (Audited)(1)
Total assets $	**6,686,027**	**883,952**
Total liabilities $	**7,056,584**	**157,577**
Shareholders' equity $	**(370,557)**	**726,375**

(1) The figures reported above are based on the consolidated financial statements of the Company which have been prepared in accordance with international Financial Reporting.

Financial Review for the Three- and Twelve-Month Period ended March 31, 2013

The table below outlines the changes in the major categories:

	Three months March 31, 2013 $	Three months March 31, 2012 $	Twelve months March 31, 2013 $	Twelve months March 31, 2012 $
Selling, General & Admin	563,252	413,261	1,526,863	763,828
Amortization	233,791	26,148	327,092	103,077
Net Earnings (loss) per share				
Basic	(0.02)	(0.01)	(0.04)	(0.01)
Diluted	(0.02)	(0.01)	(0.04)	(0.01)

Revenue for the fourth quarter ending March 31, 2013 was $518,678, representing an increase of 226.9%, compared to $158,652 during the corresponding quarter the previous year. 115.6% of the increase is due to the inclusion for the first time of the revenue from Inphosoft in the consolidated statement of income as revenue from the Company's IOSMS activities, taken separately, declined by 35.5%. The decline in the revenue generated from the IOSMS platform is due to the less favourable terms of the contracts signed with mobile network operators that came into effect on 1st March 2013 as well as a 46.4% drop in SMS traffic during the quarter ended March 31, 2013, compared to the corresponding quarter the previous year. Note that in comparison with the immediately preceding quarter ending December 31, 2012, revenue dropped by 26.9%.

For the twelve-month period ended March 31, 2013 revenue increased by 89.7% to $1,302,915, compared to the same period the previous year. 122.3% of the increase in revenue came from Inphosoft as revenue from the IOSMS platform dropped by 20.0%. The drop manifested as SMS traffic during the twelve-month period under review dropped by approximately 40 million SMS or 32.7%. This is a significant drop given that the latest available statistics from the Office of the Communications Authority (OFCA) in Hong Kong covering the periods up to and including April 2013 continue to show a considerable increase in all categories of customers in the 2G to 3G/4G space. In spite of this, however, overall traffic of both sent and received short messages are trending downward. By way of an example, during April of 2013, the average traffic sent and received per mobile customers averaged 25 and 34 messages respectively. This is the fifth consecutive monthly decline. For all of 2012 the average traffic sent and received averaged 24 and 33 messages respectively.

GINSMS believes that the lower trend in SMS traffic is partly caused by cellphone users migrating to OTT (over-the-top) applications such as Research in Motion's BBM, Apple's Imessage or other cross-platform mobile messaging applications such as WhatsApp, Line, WeChat, IM+, Skype or Google Talk. This migration enables smart phone users to send messages using device data channel or WI-FI. Given that most smart phone users now have inclusive data plans they can forward their messages at a fraction of the cost required to send an SMS. Also, as reported in previous quarters, during the last two years, Hong Kong MNOs have been upgrading their networks causing network downtimes and interruptions. Toward the end of 2012, over 93% of mobile customers were connected via 3G/4G networks, up from 84% two years earlier. Finally, aggressive relay fee promotions adopted by GINSMS' competitors added additional downward pressure on SMS traffic volume

Inphosoft is now GINSMS' main subsidiary. GINSMS' consolidated results for the quarter ended March 31, 2013 comprise a full three months of operations from Inphosoft. Revenue from Inphosoft during that period aggregated $416,360 and is broken down as follow: Professional Services - $122,020 (29.3%), License fees – $110,976 (26.7%), and Support and Maintenance (S&M) -$183,364 (44.0%). Professional Services essentially represent contract work provided customers for an array of software services and solutions including software installation services, software customization services, or the design and development of bespoke software solutions for customers.

The net loss for the quarter ended March 31, 2013 amounted to $717,852, compared to a loss of $367,239 during the same quarter the previous year. The loss for the fourth quarter this fiscal year includes a net foreign exchange gain of $15,486 and a non-cash charge to earnings of $307,994 representing accretion on obligations related to the convertible debentures and promissory notes issued in connection with the acquisition of Inphosoft. EBITDA for the fourth quarter ended March 31, 2013 amounted to negative $183,325 but reflected a substantial improvement over EBITDA for the corresponding period the previous year which showed a deficit of $325,987. These results underline a much improved gross profit picture with gross income increasing by 317.6% to $364,441, the result of substantially higher gross profit margins at Inphosoft which, on a fully consolidated basis, translate into a gross margin of 70.3%, compared to 55.0% during the corresponding quarter the previous year.

Other than lower revenue generated by the IOSMS platform and the impact the foreign exchange gain have had on the results of the Company for the quarter ended March 31, 2013, the loss of $717,852 reported during the period reflects higher operating expenses albeit more than offset, as mentioned above, by a much higher gross income. With Inphosoft, salaries and wages jumped by 548.4% to $334,769, professional fees are dropped by 47.2% to $136,554, and general and administrative expenses are up 334.0% to $82,673. Consultancy fees incurred a substantial decrease of 89.0% to $9,256. Excluding Inphosoft, a relatively significant drop of $187,563 in professional fees is noted, reflecting lower legal fees in particular following the completion of the acquisition at the end of the second quarter. The consolidation of Inphosoft also resulted in higher amortization charges which amounted to $53,791, compared to $26,148 for the corresponding quarter the previous year.

For the twelve months ended March 31, 2013 the Company incurred a net loss of $1,534,662, compared to a loss of $493,704 during the corresponding period the previous year. Notwithstanding much lower revenue generated by the IOSMS platform, this is due mainly to a 59.9% increase in professional fees which amounted to $648,860 for the period, the bulk of it (62.0%) incurred by the Company before the acquisition and which, in addition to the legal, accountancy and audit fees, also includes fees for the retention of the services of an agent, namely Raymond James Ltd to act as sponsor for the Company and the fees of a business valuation firm, namely BDO Canada LLP to provide a valuation of Inphosoft, as required by the TSX Venture Exchange in connection with the acquisition of Inphosoft. Also contributing to the loss is an increase of 334.3% in wages combined with an increase in general and administrative expenses of 186.3%. Much of these increases are due to the acquisition of Inphosoft as increases in wages and general and administrative expenses before the acquisition were relatively more modest overall. It should be noted that the company benefited from the absence of any share compensation charges which in the twelve-month period in fiscal 2012 amounted to $43,729 and lower income taxes of $9,941 overall. With Inphosoft, the amortization charges during the twelve-month period ended March 31, 2013, increased by 217.3% to $327,092.

For the twelve-month period ended on March 31, 2013, EBITDA was a negative $561,057, compared to a negative $345,348 for the same period the previous year. This is the result of the substantial losses recorded due to the acquisition of Inphosoft reflecting the unusually high professional fees incurred in connection with it. The prevalence of these fees was at its highest during the first six months of this fiscal year as the acquisition closed just at the end of the quarter ended September 30, 2012.

About GINSMS

GINSMS is a mobile technology and services company focusing on 4 areas namely Telecom Platforms and Products, Mobile Advertising, Mobile Messaging and Mobile Applications. GINSMS conducts research and development and also establishes partnerships to develop and distribute innovative products and services globally. Through its wholly owned subsidiaries in Singapore, Hong Kong, Malaysia and Indonesia, GinSMS has successfully deployed more than 100 solutions globally. GINSMS also operates a short message service (“SMS”) hub that provides inter-operator messaging services to mobile telecom operators in Hong Kong and messaging services to enterprises in Asia. Through its Right Here Media brand, GINSMS provides a one-stop mobile advertising service to advertisers. These services include the development of creative mobile advertising campaigns for advertisers, the provision of technology to execute these campaigns and the placement of advertisements on mobile advertising networks.

Forward Looking Statements

This news release includes certain forward-looking statements that are based upon current expectations, which involve risks and uncertainties associated with GINSMS’ business and the environment in which the business operates. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking, including those identified by the expressions “anticipate”, “believe”, “plan”, “estimate”, “expect”, “intend”, and similar expressions to the extent they relate to GINSMS or its management. The forward-looking statements are not historical facts, but reflect GINSMS' current expectations regarding future results or events. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including the matters discussed under "Risks Factors" in GINSMS' Filing Statement filed on August 29, 2012 with the regulatory authorities. GINSMS assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward-looking statements unless required by law.

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