

**GINSMS INC.**

Condensed Interim Consolidated Financial Statements  
Three months period ended March 31, 2025 and March 31, 2024  
(Unaudited)

To the Shareholders of GINSMS Inc.:

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with IFRS Accounting Standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the unaudited condensed interim consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The majority of the Audit Committee is composed of Directors who are neither management nor employees of the Corporation. The Committee is responsible for overseeing management in the performance of its financial reporting responsibilities. The Audit Committee has the responsibility of meeting with management and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Audit Committee is also responsible for recommending the appointment of the Corporation's external independent auditors.

The auditor of GINSMS Inc. has not performed a review of the unaudited condensed interim consolidated financial statements for the three months periods ended March 31, 2025 and 2024.

May 12, 2025

/s/ "Joel Siang Hui Chin"  
Chief Executive Officer

/s/ "Benedict Leung"  
Director

**GINSMS INC.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND MARCH 31, 2024 (Unaudited)**

(In Canadian Dollars)

	Note	<u>(Unaudited)</u> <b>March 31,</b> <b>2025</b> <b>\$</b>	<u>(Unaudited)</u> <b>March 31,</b> <b>2024</b> <b>\$</b>
<b>Revenue</b>	7	<b>345,893</b>	710,305
<b>Cost of sales</b>		<b>(239,911)</b>	(409,187)
<b>Gross profit</b>		<b>105,982</b>	301,118
<b>Expenses</b>			
Salaries and wages		(161,794)	(118,813)
Professional fees		(85,541)	(88,089)
Directors' fees		(10,000)	(10,000)
General and administrative		(57,914)	(68,946)
Research & development costs		(39,620)	-
Depreciation of property, plant and equipment		(364)	(77)
Depreciation of right-of-use assets		(12,318)	(11,356)
Foreign currency exchange (loss)/gain		(34,171)	2,781
<b>(Loss)/profit from operations</b>		<b>(295,740)</b>	6,618
<b>Finance costs</b>			
Interest expenses		(1,385)	(872)
<b>(Loss)/profit before tax</b>		<b>(297,125)</b>	5,746
Income tax expense		-	(3,832)
<b>Net (loss)/profit for the period</b>		<b>(297,125)</b>	1,914
<b>Other comprehensive income, net of tax:</b>			
<i>Item that may be reclassified to profit or loss:</i>			
Foreign exchange differences on translating foreign operations		24,223	5,994
<b>Total comprehensive (loss)/income for the period</b>		<b>(272,902)</b>	7,908
<b>Net (loss)/profit for the period attributable to:</b>			
Shareholders		(295,708)	1,977
Non-controlling interests		(1,417)	(63)
		<b>(297,125)</b>	1,914
<b>Total comprehensive (loss)/income for the period attributable to:</b>			
Shareholders		(271,651)	7,778
Non-controlling interests		(1,251)	130
		<b>(272,902)</b>	7,908
<b>(Loss)/earnings per share</b>	10		
Basic and Diluted (in Canadian cents)		<b>(0.158)</b>	0.001

The accompanying notes are an integral part of these consolidated financial statements.

**GINSMS INC.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2025 AND DECEMBER 31, 2024**

(In Canadian Dollars)

	Note	<u>(Unaudited)</u> March 31, 2025 \$	<u>(Audited)</u> December 31, 2024 \$
<b>Non-current assets</b>			
Property, plant and equipment	11	38,323	48,375
Right-of-use assets	12	68,878	81,912
Goodwill	13	-	-
		<u>107,201</u>	<u>130,287</u>
<b>Current assets</b>			
Accounts receivable	14	736,968	671,730
Deposits and prepayments		68,067	68,360
Current tax assets		154	156
Bank and cash balances		82,611	191,903
		<u>887,800</u>	<u>932,149</u>
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	15	816,418	719,374
Advances from related parties	17	879,402	780,755
Loans from related parties	19	1,476,073	1,453,662
Promissory note payable	18	580,000	580,000
Lease liabilities	20	45,192	49,116
		<u>3,797,085</u>	<u>3,582,907</u>
<b>Net current liabilities</b>		<u>(2,909,285)</u>	<u>(2,650,758)</u>
<b>Total assets less current liabilities</b>		<u>(2,802,084)</u>	<u>(2,520,471)</u>
<b>Non-current liabilities</b>			
Lease liabilities	20	17,163	25,874
<b>NET LIABILITIES</b>		<u>(2,819,247)</u>	<u>(2,546,345)</u>
<b>EQUITY</b>			
Share capital	21	15,148,160	15,148,160
Deficit		(18,187,375)	(17,891,667)
Accumulated other comprehensive income		236,712	212,655
Total deficiency attributable to equity shareholders of the Corporation		<u>(2,802,503)</u>	<u>(2,530,852)</u>
Non-controlling interests		<u>(16,744)</u>	<u>(15,493)</u>
<b>TOTAL DEFICIENCY</b>		<u>(2,819,247)</u>	<u>(2,546,345)</u>
Going concern (Note 2)			

Approved on behalf of the board on May 12, 2025

/s/ "Joel Siang Hui Chin"  
Director

/s/ "Benedict Leung"  
Director

The accompanying notes are an integral part of these consolidated financial statements.

**GINSMS INC.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND MARCH 31, 2024 (Unaudited)**

(In Canadian Dollars)

	Attributable to equity shareholders of the Corporation				Non-controlling interests	Total deficiency
	Share capital	Deficit	Accumulated other comprehensive income	Total		
	\$	\$	\$	\$	\$	\$
Balance as at January 1, 2025	15,148,160	(17,891,667)	212,655	(2,530,852)	(15,493)	(2,546,345)
Loss for the period	-	(295,708)	-	(295,708)	(1,417)	(297,125)
Other comprehensive income	-	-	24,057	24,057	166	24,223
Balance as at March 31, 2025	<u>15,148,160</u>	<u>(18,187,735)</u>	<u>236,712</u>	<u>(2,802,503)</u>	<u>(16,744)</u>	<u>(2,819,247)</u>

  

	Attributable to equity shareholders of the Corporation				Non-controlling interests	Total deficiency
	Share capital	Deficit	Accumulated other comprehensive income	Total		
	\$	\$	\$	\$	\$	\$
Balance as at January 1, 2024	15,148,160	(17,913,638)	307,289	(2,458,189)	(14,918)	(2,473,107)
Profit for the period	-	1,977	-	1,977	(63)	1,914
Other comprehensive income	-	-	5,801	5,801	193	5,994
Balance as at March 31, 2024	<u>15,148,160</u>	<u>(17,911,661)</u>	<u>313,090</u>	<u>(2,450,411)</u>	<u>(14,788)</u>	<u>(2,465,199)</u>

The accompanying notes are an integral part of these consolidated financial statements.

**GINSMS INC.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND MARCH 31, 2024 (Unaudited)**

(In Canadian Dollars)

	<i>(Unaudited)</i> March 31, 2025 \$	<i>(Unaudited)</i> March 31, 2024 \$
<b>OPERATING ACTIVITIES</b>		
Net (loss)/profit before tax	(297,125)	5,746
Interest expenses	1,385	872
Foreign currency exchange loss/(gain)	34,171	(2,781)
Depreciation of property, plant and equipment	9,924	11,215
Depreciation of right-of-use assets	12,318	11,356
Changes in non-cash working capital items:		
Accounts receivable	(65,240)	(155,522)
Deposits and prepayments	293	3,687
Accounts payable and accrued liabilities	97,050	4,472
Interest on lease liabilities	(1,385)	(872)
<b>Net cash used in operating activities</b>	<b>(208,609)</b>	<b>(121,827)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	-	(3,155)
<b>Net cash used in investing activities</b>	<b>-</b>	<b>(3,155)</b>
<b>FINANCING ACTIVITIES</b>		
Advances from related parties	89,534	103,633
Repayment of advances from related parties	(1,576)	(922)
Principal elements of lease payments	(11,991)	(12,215)
<b>Net cash generated from financing activities</b>	<b>75,967</b>	<b>90,496</b>
Effect of exchange rate changes on cash held in foreign currencies	23,350	13,761
<b>Decrease in cash</b>	<b>(109,292)</b>	<b>(20,725)</b>
<b>Cash, beginning of period</b>	<b>191,903</b>	<b>239,824</b>
<b>Cash, end of period</b>	<b>82,611</b>	<b>219,099</b>

**GINSMS INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND MARCH 31, 2024 (Unaudited)**

(In Canadian Dollars)

**1. GENERAL INFORMATION**

GINSMS Inc. (the "Corporation") was incorporated in Alberta under the Canada Business Corporations Act on March 20, 2009. The address of its registered office is Suite 3000, 700 - 9th Avenue S.W., Calgary, Alberta, T2P 3V4. The Corporation's shares are listed on the TSX Venture Exchange ("TSXV").

The Corporation is an investment holding company. The principal activities of its subsidiaries are set out in note 23 to the unaudited condensed interim consolidated financial statements.

In the opinion of the management of the Corporation, Xinhua Mobile Limited ("Xinhua Mobile"), a company incorporated in the Cayman Islands, is the immediate parent; Beat Holdings Limited ("Beat Holdings"), a company incorporated in the Cayman Islands, is the ultimate parent.

Beat Holdings' securities are listed on Tokyo Stock Exchange's Standard Section (9399).

The principal activities of the Corporation are as follows:

**(a) Provision of messaging service ("Messaging Service")**

The Corporation, through its subsidiary, GIN International Limited in Hong Kong, was originally involved in the provision of inter-operator short message services. On March 27, 2014, the Corporation launched its cloud-based application-to-peer ("A2P") messaging service ("A2P Service"). Through the provision of A2P Service, the Corporation enables the mobile application developers, short message service ("SMS") gateway, enterprises and financial institution to deliver SMS worldwide without any upfront capital investment through the use of the Corporation's rich application programming interface.

**(b) Provision of software products and services ("Software Products and Services")**

The Corporation operates its Software Products and Services business 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 develop new features as and when necessary, to support the Corporation's A2P business.
- iii. Outsource technical resources to customers for the purpose of software development based on a time and material basis.

Software Products and Services revenues are primarily derived from customers in Singapore, Malaysia and Indonesia.

**GINSMS INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND MARCH 31, 2024 (Unaudited)**

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**2. BASIS OF PREPARATION**

These unaudited condensed interim consolidated financial statements have been prepared in accordance with all applicable International Financial Reporting Standards issued by the International Accounting Standards Board ("IFRS Accounting Standards"). IFRS Accounting Standards comprise International Accounting Standards ("IAS"); and Interpretations.

The unaudited condensed interim consolidated financial statements were authorised for issue by the Board of Directors on May 12, 2025.

The International Accounting Standards Board (the "IASB") has issued certain new and revised IFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Corporation. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Corporation for the current and prior accounting periods reflected in these unaudited condensed interim consolidated financial statements.

Amounts are reported in Canadian dollars ("CDN" or "\$") unless otherwise indicated.

The Corporation incurred a loss of \$297,125 during the three months ended March 31, 2025 and as of that date, the Corporation had net current liabilities of \$2,909,285 and net liabilities of \$2,819,247. In addition, the Corporation had bank and cash balances of \$82,611, while the outstanding advances from related parties, loans from related parties and promissory note payable amounted to \$879,402, \$1,476,073 and \$580,000 respectively were originally due within one year.

These events and conditions indicate the existence of a material uncertainty which may cast significant doubt about the Corporation's ability to continue as a going concern and to realise its assets and discharge its liabilities in the normal course of business.

Nevertheless, the directors of the Corporation had adopted the going concern basis in the preparation of these unaudited condensed interim consolidated financial statements of the Corporation based on the measures including but not limited to the following:

- (a) As set out in notes 17, 18 and 19, the liquidity risk is mitigated as related parties have confirmed with the Corporation that they will not demand settlement of the interest-free loans of \$1,062,885 and cash advances of \$877,877 until the Corporation is in sound financial position to repay to them. Furthermore, the immediate parent and the promissory note holder have confirmed with the Corporation that they will not demand settlement of the loan of \$413,188 and promissory note of \$580,000, respectively until the Corporation is in sound financial position to repay to them;
- (b) Beat Holdings, the ultimate parent of the Corporation, has agreed to provide financial support at a level sufficient to finance the working capital requirements of the Corporation and to meet all third party obligations for at least the ensuing twelve month period; and
- (c) The management will continuously and closely monitor the Corporation's liquidity position and financial performance and implement measures to improve the Corporation cash flows.

Notwithstanding, material uncertainty exists as to whether the Corporation will be able to continue as a going concern which would depend upon whether the Corporation can continue to extend the advances, loans and promissory note from related parties when the advances, loans and promissory note fall due on the extended maturity dates.



**GINSMS INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND MARCH 31, 2024** (*Unaudited*)

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**2. BASIS OF PREPARATION (CONT'D)**

Should the Corporation be unable to operate as a going concern in the foreseeable future, adjustments would have to be made to write down the carrying value of the Corporation's assets to their recoverable amounts, to provide for any further liabilities that might arise, and to reclassify non-current assets as current assets. The effect of these adjustments has not been reflected in these unaudited condensed interim consolidated financial statements.

**3. ADOPTION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS**

The accounting policies applied in the unaudited condensed interim financial statements are the same as those applied in the Corporation's audited consolidated financial statements as at and for the year ended December 31, 2024. In the current period, the Corporation has adopted all the new and revised IFRS Accounting Standards that are relevant to its operations and effective for its accounting year beginning on January 1, 2025 but they do not have a material effect on the Corporation's unaudited condensed interim financial statements.

A number of new standards and amendments to standards are effective for annual periods beginning on January 1, 2025 and earlier application is permitted. The Corporation has not early adopted any of the forthcoming new or amended standards in preparing these unaudited condensed interim financial statements.

**4. MATERIAL ACCOUNTING POLICY INFORMATION**

These unaudited condensed interim consolidated financial statements have been prepared under the historical cost convention.

The preparation of unaudited condensed interim consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Corporation's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the unaudited condensed interim consolidated financial statements are disclosed in note 5.

The unaudited condensed interim consolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the audited consolidated financial statement for the twelve months ended December 31, 2024 which has been prepared in accordance with IFRS Accounting Standards. The accounting policies (including the significant judgements made by management in applying the Corporation's accounting policies and the key sources of estimation uncertainty) and methods of computation used in the preparation of these unaudited condensed interim consolidated financial statements are consistent with those used in the annual financial statements for the twelve months ended December 31, 2024.

**GINSMS INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND MARCH 31, 2024 (Unaudited)**

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**5. CRITICAL JUDGEMENTS AND KEY ESTIMATES**

In applying the Corporation's accounting policies, which are described in note 4, the management are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**Critical judgements in applying accounting policies**

In the process of applying the accounting policies, the management has made the following judgment that has the most significant effect on the amounts recognised in the unaudited condensed interim consolidated financial statements (apart from those involving estimations, which are dealt with below).

**(a) Going concern basis**

These consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the ongoing availability of finance to the Corporation and enhancement of the various strategies to improve the Corporation cash flows. Details are explained in note 2 to the unaudited condensed interim consolidated financial statements.

**Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

**(a) Impairment of property, plant and equipment and right-of-use assets**

Property, plant and equipment and right-of-use assets are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Corporation has to exercise judgment and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset (including right-of-use assets), the Corporation estimates the recoverable amount of the cash-generating unit to which the assets belongs. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the recoverable amounts.

The carrying amount of property, plant and equipment and right-of-use assets as at March 31, 2025 were \$38,323 (December 31, 2024: \$48,375) and \$68,878 (December 31, 2024: \$81,912) respectively.

**GINSMS INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND MARCH 31, 2024 (Unaudited)**

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**5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (CONT'D)**

**(b) Impairment of trade receivables**

The Corporation uses practical expedient in estimating expected credit losses ("ECL") on trade receivables using a provision matrix. The provision rates are based on aging of debtors as groupings of various debtors taking into consideration the Corporation's historical default rates and forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

As at March 31, 2025, the carrying amount of trade receivables is \$736,968 (net of allowance for doubtful debts of \$155,763) (December 31, 2024: \$671,730 (net of allowance for doubtful debts of \$155,763)).

**6. FINANCIAL RISK MANAGEMENT**

The Corporation's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Corporation's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Corporation's financial performance.

**(a) 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 United States Dollars ("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 Hong Kong Dollars ("HKD") and Singapore Dollars ("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.

**GINSMS INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND MARCH 31, 2024 (Unaudited)**

**6. FINANCIAL RISK MANAGEMENT (CONT'D)**

**(a) Foreign currency risk (cont'd)**

The following presents the carrying amounts of the financial instruments that are denominated in the currencies:

	At March 31, 2025) (Unaudited)						Total \$
	CDN \$	SGD \$	HKD \$	USD \$	Euro \$	Others \$	
Bank and cash balances	866	16,700	3,024	3,610	2,853	55,558	82,611
Trade receivables	-	722,145	-	694	14,129	-	736,968
Deposits	-	-	-	-	28,813	23,131	51,944
Accounts payable and accrued liabilities	(89,664)	(78,049)	(163,580)	(7,211)	(43,868)	(372,160)	(754,532)
Advances from related parties	-	(199,689)	(679,713)	-	-	-	(879,402)
Promissory note payable	(580,000)	-	-	-	-	-	(580,000)
Loans from related parties	-	(515,965)	-	(960,108)	-	-	(1,476,073)

  

	At December 31, 2024 (Audited)						Total \$
	CDN \$	SGD \$	HKD \$	USD \$	Euro \$	Others \$	
Bank and cash balances	3,177	26,645	3,069	15,020	2,467	141,525	191,903
Trade receivables	-	644,302	-	-	20,307	7,121	671,730
Deposits	-	-	-	-	27,936	23,141	51,077
Accounts payable and accrued liabilities	(79,650)	(72,298)	(185,210)	(6,990)	(41,996)	(313,277)	(699,421)
Advances from related parties	-	(175,388)	(605,367)	-	-	-	(780,755)
Promissory note payable	(580,000)	-	-	-	-	-	(580,000)
Loans from related parties	-	(498,259)	-	(955,403)	-	-	(1,453,662)

At March 31, 2025, if the SGD had weakened or strengthened 5 per cent (December 31, 2024: 5 per cent) against USD with all other variables held constant, consolidated loss (December 31, 2024: profit) after tax would have been approximately \$27,000 (December 31, 2024: \$27,000) higher or lower, arising mainly as a result of the foreign exchange loss or profit denominated on net payables denominated in USD.

At March 31, 2025, if the CAD had weakened or strengthened 5 per cent (December 31, 2024: 5 per cent) against USD with all other variables held constant, consolidated loss (December 31, 2024: profit) after tax would have been approximately \$21,000 (December 31, 2024: \$21,000) higher or lower, arising mainly as a result of the foreign exchange loss or gain denominated on net payables denominated in USD.

**(b) Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Corporation is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Corporation's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions with high credit-rating assigned by international credit-rating agencies, for which the Corporation considers to have low credit risk.

**GINSMS INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND MARCH 31, 2024 (Unaudited)**

**6. FINANCIAL RISK MANAGEMENT (CONT'D)**

**(b) Credit risk (cont'd)**

Trade receivables

Customer credit risk is managed by each business unit subject to the Corporation's established policy, procedures and control relating to customer credit risk management. Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30 days from the date of billing. Debtors with balances that are more than 180 days past due are requested to settle all outstanding balances before any further credit is granted. Normally, the Corporation does not obtain collateral from customers.

The Corporation has concentration of credit risk as 83% (December 31, 2024: 76%) and 97% (December 31, 2024: 97%) of the total trade receivables was due from the Corporation's largest customer and the five largest customers respectively.

The Corporation measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Corporation's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Corporation's different customer bases.

Expected loss rates are based on actual loss experience over the past 8 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Corporation's view of economic conditions over the expected lives of the receivables.

Movement in the loss allowance account in respect of trade receivables during the period/year is as follows:

	<u>(Unaudited)</u>	<u>(Audited)</u>
	<u>As at</u>	<u>As at</u>
	<u>March 31,</u>	<u>December</u>
	<u>2025</u>	<u>31, 2024</u>
	<u>\$</u>	<u>\$</u>
At beginning of period/year	<b>155,763</b>	116,802
Allowance for doubtful debt	-	33,932
Exchange differences	-	5,029
At end of period/year	<u><b>155,763</b></u>	<u>155,763</u>

Other financial assets at amortised cost

All of the Corporation's financial assets at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12-month expected losses. These instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

**GINSMS INC.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND MARCH 31, 2024 (Unaudited)**

**6. FINANCIAL RISK MANAGEMENT (CONT'D)**

**(c) Liquidity risk**

The Corporation's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The maturity analysis based on contractual undiscounted cash flows of the Corporation's non-derivative financial liabilities is as follows:

	Less than 1 year	Between 1 and 2 years	Total
	\$	\$	\$
<b>At March 31, 2025</b>			
Accounts payable and accrued liabilities	754,532	-	754,532
Advances from related parties	879,402	-	879,402
Promissory note payable	580,000	-	580,000
Loans from related parties	1,476,073	-	1,476,073
Lease liabilities	52,243	13,061	65,304
<b>At December 31, 2024</b>			
Accounts payable and accrued liabilities	699,421	-	699,421
Advances from related parties	780,755	-	780,755
Promissory note payable	580,000	-	580,000
Loans from related parties	1,453,662	-	1,453,662
Lease liabilities	52,810	26,405	79,215

The Corporation has working capital deficiency of \$2,909,285 as at March 31, 2025 (December 31, 2024: \$2,650,758). The liquidity risk is mitigated as related parties have confirmed with the Corporation that they will not demand settlement of the interest-free loans of \$1,062,885 (December 31, 2024: \$1,039,953) and cash advances of \$877,877 (December 31, 2024: \$779,501) until the Corporation is in sound financial position to repay to them. Furthermore, the immediate parent and the promissory note holder have confirmed with the Corporation that they will not demand settlement of the loan of \$413,188 (December 31, 2024: \$413,709) and promissory note of \$580,000 (December 31, 2024: \$580,000) until the Corporation is in sound financial position to repay to them.

**(d) Interest rate risk**

As the Corporation has no significant interest-bearing assets, its earnings and operating cash flows are substantially independent of change in market interest rates.

The Corporation's borrowings issued at a fixed rate expose the Corporation to fair value interest rate risk. The Corporation is not exposed to cash flow interest rate risk as at March 31, 2025 and December 31, 2024.

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**6. FINANCIAL RISK MANAGEMENT (CONT'D)**

**(e) Categories of financial instruments**

	<u>(Unaudited)</u>	<u>(Audited)</u>
	<u>As at</u>	<u>As at</u>
	<u>March 31,</u>	<u>December 31,</u>
	<u>2025</u>	<u>2024</u>
	\$	\$
<b>Financial assets:</b>		
Financial assets measured at amortised cost	<b>871,523</b>	914,710
<b>Financial liabilities:</b>		
Financial liabilities at amortised costs	<b>3,690,007</b>	3,513,838
Lease liabilities	<b>62,355</b>	74,990

**(f) Fair values**

The carrying amounts of the Corporation's financial assets and financial liabilities as reflected in the unaudited condensed interim consolidated statement of financial position approximate their respective fair values.

**(g) Capital management**

Capital is comprised of shareholders deficiency on the unaudited condensed interim consolidated statement of financial position. The Corporation's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders. The Corporation's sources of additional capital and policies for distribution of excess capital may also be affected by the Corporation's capital management objectives.

The Corporation manages capital by regularly monitoring its current and expected liquidity requirements rather than using debt/equity ratio analysis. The capital is generally used for defraying the administrative expenses in promoting the objectives of the Corporation. The external imposed capital requirement for the Corporation is to have a public float of at least 10% of the shares in order to maintain its listing on the TSX Venture Exchange. As at March 31, 2025, 12.51% (December 31, 2024: 12.51%) of the shares were held in public hands.

There have been no changes in the Corporation's capital management policies for the period ended March 31, 2025 and year ended December 31, 2024.

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**7. REVENUE**

An analysis of the Corporation's revenue is as follows:

	<u>(Unaudited)</u> Three months ended March 31, 2025 \$	<u>(Unaudited)</u> Three months ended March 31, 2024 \$
<b>Revenue from contracts with customers within the scope of IFRS 15</b>		
A2P Messaging Service income	73,365	148,960
Software Products & Services income	266,141	555,313
	339,506	704,273
<b>Other income</b>		
Administrative fee income	6,387	6,032
	<u>345,893</u>	<u>710,305</u>

**8. SEGMENT INFORMATION**

The Corporation's reportable segments are (1) provision of Messaging Service ("MS") and (2) Software Products and Services ("SPS"). They are managed separately because each business requires different technology and marketing strategies. In addition, the Corporation has corporate expenses, assets and liabilities, and such information is included in the "unallocated" column.

**(a) Revenue by customers**

The revenues are primarily generated in HKD, USD, and SGD. Six major customers have contributed to sales revenue for the three months ended March 31, 2025 and three months ended March 31, 2024 as indicated in the following table.

	<u>(Unaudited)</u> Three months ended March 31, 2025 \$	<u>(Unaudited)</u> Three months ended March 31, 2024 \$	<u>(Unaudited)</u> Three months ended March 31, 2024 % of total revenue	<u>(Unaudited)</u> Three months ended March 31, 2024 % of total revenue
Customer A	127,404	36.8	341,728	48.1
Next five top customers				
Customer B	114,818	33.2	114,254	16.1
Customer C	32,718	9.5	19,097	2.7
Customer D	23,916	6.9	32,881	4.6
Customer E	10,006	2.9	13,463	1.9
Customer F	6,386	1.8	6,032	0.8
All other customers	30,645	8.9	182,850	25.8
	<u>345,893</u>	<u>100.0</u>	<u>710,305</u>	<u>100.0</u>



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**8. SEGMENT INFORMATION (CONT'D)**

**(b) Revenue by geographical location**

	<i>(Unaudited)</i>		<i>(Unaudited)</i>	
	Three months ended March 31, 2025		Three months ended March 31, 2024	
	\$	% of total revenue	\$	% of total revenue
Singapore	248,608	71.9	462,015	65.0
Indonesia	32,718	9.5	85,547	12.0
Other Asian countries	17,595	5.1	76,768	10.8
Europe	35,687	10.3	46,387	6.5
United States	9,614	2.8	34,957	4.9
Other regions	1,671	0.4	4,631	0.8
	<b>345,893</b>	<b>100.0</b>	<b>710,305</b>	<b>100.0</b>

**(c) Total non-current assets by geographical location**

	<i>(Unaudited)</i>		<i>(Audited)</i>	
	As at March 31, 2025		As at December 31, 2024	
	\$	% of total non-current assets	\$	% of total non-current assets
Indonesia	101,065	94.3	122,695	94.2
Other Asian countries	6,136	5.7	7,592	5.8
	<b>107,201</b>	<b>100.0</b>	<b>130,287</b>	<b>100.0</b>

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**8. SEGMENT INFORMATION (CONT'D)**

**(d) Financial information by business segments**

	<b>MS</b>	<b>SPS</b>	<b>Unallocated</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Period ended March 31, 2025</b>				
<b>(Unaudited)</b>				
Revenue	73,365	272,528	-	345,893
Intersegment revenue	4,992	71,582	-	76,574
Amortisation and depreciation	4,583	17,659	-	22,242
Other material items of income and expense:				
Staff costs	76,933	244,817	-	321,750
Interest income	-	115	-	115
Interest and finance expenses	51	1,334	-	1,385
Segment losses	(65,149)	(160,215)	(71,761)	(297,125)
<b>As at March 31, 2025</b>				
<b>(Unaudited)</b>				
Segment assets	103,488	878,491	13,022	995,001
Segment liabilities	<u>(488,702)</u>	<u>(1,660,645)</u>	<u>(1,664,901)</u>	<u>(3,814,248)</u>
	<b>MS</b>	<b>SPS</b>	<b>Unallocated</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Period ended March 31, 2024</b>				
<b>(Unaudited)</b>				
Revenue	148,960	561,345	-	710,305
Intersegment revenue	18,735	67,165	-	85,900
Amortisation and depreciation	1,759	20,812	-	22,571
Other material items of income and expense:				
Staff costs	51,188	357,539	-	408,727
Interest income	-	103	-	103
Interest and finance expenses	494	378	-	872
Income tax credit	179	3,653	-	3,832
Segment profits	24,289	44,225	(66,600)	1,914
Additions to segment non-current assets	147	3,008	-	3,155
<b>As at March 31, 2024</b>				
<b>(Unaudited)</b>				
Segment assets	205,452	936,565	21,048	1,163,065
Segment liabilities	<u>(484,295)</u>	<u>(1,737,142)</u>	<u>(1,406,827)</u>	<u>(3,628,264)</u>

The totals of above items disclosed in the segment information are the same as the consolidated totals.

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**9. EMPLOYEE BENEFITS EXPENSE**

	<i>(Unaudited)</i> <b>Three months ended March 31, 2025</b> \$	<i>(Unaudited)</i> <b>Three months ended March 31, 2024</b> \$
Directors' fees	<b>10,000</b>	10,000
Employee benefits expense (including key management personnel):		
Salaries, bonuses and allowances (Note)	<b>269,818</b>	344,732
Retirement benefit scheme contributions	<b>51,932</b>	63,995
	<b>321,750</b>	408,727
	<b>331,750</b>	418,727

Note: Included expenses of \$159,956 (Three months ended March 31, 2024: \$289,914) recognised in cost of sales.

**10. (LOSS)/EARNINGS PER SHARE**

The calculation of the basic (loss)/earnings per share is based on the following:

	<i>(Unaudited)</i> <b>Three months ended March 31, 2025</b> \$	<i>(Unaudited)</i> <b>Three months ended March 31, 2024</b> \$
<b>(Loss)/earnings</b>		
(Loss)/earnings for the purpose of calculating basic (loss)/earnings per share	<b>(295,708)</b>	1,977
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of calculating basic (loss)/earnings per share	<b>187,118,368</b>	187,118,368

The Corporation did not have any dilutive potential ordinary shares. Diluted (loss)/earnings per share was the same as the basic (loss)/earnings per share for the three months ended March 31, 2025 and March 31, 2024..

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**11. PROPERTY, PLANT AND EQUIPMENT**

	<b>Computer equipment and software</b>
	<b>\$</b>
<b>Cost</b>	
At January 1, 2024	221,670
Additions	10,730
Exchange difference	<u>5,569</u>
At December 31, 2024 and January 1, 2025	237,969
Exchange difference	<u>(452)</u>
At March 31, 2025	<u>237,517</u>
<b>Accumulated depreciation and impairment</b>	
At January 1, 2024	138,609
Depreciation	45,669
Exchange difference	<u>5,316</u>
At December 31, 2024 and January 1, 2025	189,594
Depreciation	9,924
Exchange difference	<u>(324)</u>
At March 31, 2025	<u>199,194</u>
<b>Carrying amount</b>	
At March 31, 2025	<u><u>38,323</u></u>
As at December 31, 2024	<u><u>48,375</u></u>

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**12. RIGHT-OF-USE ASSETS**

	Leased properties
	<u>\$</u>
At January 1, 2024	30,954
Addition	95,682
Depreciation	(46,250)
Exchange differences	<u>1,526</u>
At December 31, 2024 and January 1, 2025	81,912
Depreciation	(12,318)
Exchange differences	<u>(716)</u>
At March 31, 2025	<u><u>68,878</u></u>

Lease liabilities of \$62,355 (December 31, 2024: \$74,990) are recognised with related right-of-use assets of \$68,878 (December 31, 2024: \$81,912) as at March 31, 2025. The lease agreements do 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.

	<u>(Unaudited)</u> <b>Three months ended March 31, 2025</b> <u>\$</u>	<u>(Unaudited)</u> <b>Three months ended March 31, 2024</b> <u>\$</u>
Depreciation expenses on right-of-use assets	<b>12,318</b>	11,356
Interest expense on lease liabilities (included in finance costs)	<b>1,385</b>	872
Expenses relating to short-term lease (included in administrative)	<u><b>6,310</b></u>	<u>5,579</u>

The Corporation leases an office, for its operations. Lease contract is entered into for fixed term of 2 years (December 31, 2024: 2 years). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Corporation applies the definition of a contract and determines the period for which the contract is enforceable.

**13. GOODWILL**

The goodwill represents the excess of the consideration on acquisition of Inphosoft Group Pte. Limited and its subsidiaries (the "Inphosoft Group") in prior years. Due to changes in market condition, the recoverable amount of the goodwill was determined to be below its carrying value at March 31, 2015, and accordingly, the goodwill allocated to the Inphosoft Group of \$2,830,364 was considered fully impaired during the year ended March 31, 2015.

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**14. ACCOUNTS RECEIVABLE**

	<i>(Unaudited)</i>	<i>(Audited)</i>
	<u>As at</u>	<u>As at</u>
	<u>March 31,</u>	<u>December 31,</u>
	<u>2025</u>	<u>2024</u>
	<u>\$</u>	<u>\$</u>
Trade receivables	<b>892,731</b>	827,493
Less: Allowance for doubtful debts	<u><b>(155,763)</b></u>	<u>(155,763)</u>
Total	<u><b>736,968</b></u>	<u>671,730</u>

As at March 31, 2025, an allowance of \$155,763 (December 31, 2024: \$155,763) was made for ECL on trade receivables.

The carrying amounts of the Corporation's accounts receivable are denominated in the following currencies:

	<i>(Unaudited)</i>	<i>(Audited)</i>
	<u>As at</u>	<u>As at</u>
	<u>March 31,</u>	<u>December 31,</u>
	<u>2025</u>	<u>2024</u>
	<u>\$</u>	<u>\$</u>
SGD	<b>722,145</b>	644,302
USD	<b>694</b>	-
Euro	<b>14,129</b>	20,307
Others	<u>-</u>	<u>7,121</u>
	<u><b>736,968</b></u>	<u>671,730</u>

**15. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<i>(Unaudited)</i>	<i>(Audited)</i>
	<u>As at</u>	<u>As at</u>
	<u>March 31,</u>	<u>December 31,</u>
	<u>2025</u>	<u>2024</u>
	<u>\$</u>	<u>\$</u>
Trade payables	<b>24,452</b>	11,505
Contract liabilities (Note 16)	<b>30,061</b>	-
Accrued liabilities and other payables	<u><b>761,905</b></u>	<u>707,869</u>
Total	<u><b>816,418</b></u>	<u>719,374</u>

Accrued liabilities consist mainly of accrued staff cost, professional fees and general administration expenses.

## GINSMS INC.

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND MARCH 31, 2024 (Unaudited)

## 16. CONTRACT LIABILITIES

	<u>(Unaudited)</u>	<u>(Audited)</u>
	<u>As at</u>	<u>As at</u>
	<u>March 31,</u>	<u>December 31,</u>
	<u>2025</u>	<u>2024</u>
	<u>\$</u>	<u>\$</u>
Billings in advance of performance obligation		
- Software products and services	<u>30,061</u>	<u>-</u>

Contract liabilities relating to software products and services are balances due to customers under software products and services. These arise if a particular milestone payment exceeds the revenue recognised to date under the cost-to-cost method.

## 17. ADVANCES FROM RELATED PARTIES

The balances represent advances from an officer, ultimate parent and related companies which are unsecured, interest-free and repayable on demand.

The officer, ultimate parent and related companies have confirmed to the Corporation that they will not demand settlement of the advances until the Corporation is in sound financial position to repay to them.

## 18. PROMISSORY NOTE PAYABLE

\$

As at January 1, 2024, December 31, 2024,  
January 1, 2025 and March 31, 2025

580,000

The promissory note payable is from Inphosoft Pte. Ltd. ("IPL") (Note 19(a)) and is interest free, unsecured and repayable on demand. IPL has confirmed that it will not demand settlement of the note payable until the Corporation is in sound financial position.

## 19. LOANS FROM RELATED PARTIES

		<u>(Unaudited)</u>	<u>(Audited)</u>
		<u>As at</u>	<u>As at</u>
	Note	<u>March 31,</u>	<u>December 31,</u>
		<u>2025</u>	<u>2024</u>
		<u>\$</u>	<u>\$</u>
Current:			
Loan from a related party	(a)	909,147	887,684
Loan from immediate parent	(b)	413,188	413,709
Loans from a director	(c)	153,738	152,269
Total		<u>1,476,073</u>	<u>1,453,662</u>

**GINSMS INC.**  
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**19. LOANS FROM RELATED PARTIES (CONT'D)**

All above loans from related parties are interest-free, non-trade nature, unsecured and repayable on demand.

- (a) The loan is from IPL. A director and the chief executive officer of the Corporation, Mr. Joel Siang Hui Chin and a director of the Corporation's subsidiaries, Mr. Xu Hongwei, each has significant influence over IPL. IPL confirmed to the Corporation that it will not demand settlement of the loan until the Corporation is in sound financial position to repay.
- (b) The loan is from Xinhua Mobile, the immediate parent of the Corporation. Xinhua Mobile 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 loans are from the Corporation's director and the chief executive officer, Mr. Joel Siang Hui Chin who confirmed to the Corporation that he will not demand settlement of the loans until the Corporation is in sound financial position to repay.

**20. LEASE LIABILITIES**

	Minimum lease payments		Present value of minimum lease payments	
	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>
	As at	As at	As at	As at
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
	\$	\$	\$	\$
Within one year	<b>52,243</b>	52,810	<b>45,192</b>	49,116
In the second to fifth years, inclusive	<b>13,061</b>	26,405	<b>17,163</b>	25,874
	<b>65,304</b>	79,215	<b>62,355</b>	74,990
Less: Future finance charges	<b>(2,949)</b>	(4,225)	<b>N/A</b>	N/A
Present value of lease obligations	<b>62,355</b>	74,990	<b>62,355</b>	74,990
Less: Amount due for settlement within 12 months (shown under current liabilities)			<b>(45,192)</b>	(49,116)
Amount due for settlement after 12 months			<b>17,163</b>	25,874

The lease liabilities are denominated in Indonesian Rupiahs ("IDR").

**21. SHARE CAPITAL**

**Authorised:**

Unlimited common shares

Unlimited preferred shares, non-voting, non-participating, non-cumulative dividends, redeemable and retractable at the amount paid.



**GINSMS INC.**  
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**21. SHARE CAPITAL (CONT'D)**

**Issued:**

	<i>(Unaudited)</i>		<i>(Audited)</i>	
	As at		As at	
	March 31, 2025		December 31, 2024	
	Common shares	Amount	Common shares	Amount
		\$		\$
Balance, beginning and end of period/year	<b>187,118,368</b>	<b>15,148,160</b>	187,118,368	15,148,160

**22. RELATED PARTY TRANSACTIONS**

- (a) In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements. The Corporation had the following related party transactions for three months ended March 31, 2025 and March 31, 2024:

	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	Three months ended March 31, 2025	Three months ended March 31, 2024
	\$	\$
Revenue from companies controlled by a director	<b>242,222</b>	455,982
Administrative fee income from ultimate parent	<b>6,386</b>	6,032
Accounting fees paid to an officer	<b>9,016</b>	6,394
Research & development costs to a company controlled by a director	<b>1,612</b>	-

- (b) The Corporation had the following related party balances at the end of the reporting period:

	Accounts receivable	Accounts payable and accrued liabilities	Advances payable	Promissory note payable	Loan payables
	\$	\$	\$	\$	\$
<b>As at March 31, 2025</b>					
<i>(Unaudited)</i>					
Directors	-	(90,112)	(256,139)	-	(153,738)
An officer	-	(2,438)	-	-	-
Companies controlled by a director	829,513	(26,878)	(1,525)	-	-
A related party	-	-	(37,619)	(580,000)	(909,147)
Immediate parent	-	-	-	-	(413,188)
Ultimate parent	<b>6,422</b>	-	<b>(584,119)</b>	-	-
<b>As at December 31, 2024</b>					
<i>(Audited)</i>					
Directors	-	(80,113)	(227,591)	-	(152,269)
Companies controlled by a director	737,688	(22,107)	(1,254)	-	-
A related party	-	-	(38,280)	(580,000)	(887,684)
Immediate parent	-	-	-	-	(413,709)
Ultimate parent	<b>6,270</b>	-	<b>(513,630)</b>	-	-

**GINSMS INC.****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS****FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND MARCH 31, 2024 (Unaudited)****22. RELATED PARTY TRANSACTIONS (CONT'D)**

- (b) The amounts due of \$119,428 (December 31, 2024: \$102,220) included in accounts payable and accrued liabilities are interest-free, unsecured and repayable on demand. For trade receivables from related parties, the amounts due are interest-free, unsecured and were repayable according to trade terms.

- (c) Key management personnel compensation

	<i>(Unaudited)</i> Three months ended March 31, 2025	<i>(Unaudited)</i> Three months ended March 31, 2024
	\$	\$
Accounting fees	9,016	6,394
Directors' fees	10,000	10,000
Salaries, bonuses and allowances	18,930	8,291
Retirement benefit scheme contributions	2,272	995
Total	<u>40,218</u>	<u>25,680</u>

**23. PARTICULARS OF SUBSIDIARIES**

Particulars of the principal subsidiaries as at March 31, 2025 and December 31, 2024 are as follows:

Name	Place of incorporation / registration and operation	Particular of Issued share capital	Percentage of ownership interest / voting power / profit sharing		Principal activities
			Direct	Indirect	
Inphosoft Group Pte. Limited	Singapore / Singapore	1,000,000 ordinary shares of SGD1,614,500	100%	-	Investment holding
Inphosoft Singapore Pte. Limited	Singapore / Singapore	300,000 ordinary shares of SGD300,000	-	100%	Provision for messaging service and outsourcing of technical resources to customers
PT Inphosoft Indonesia	Indonesia / Indonesia	962,500 ordinary shares of IDR 962,500,000	-	99%	Provision for messaging service and outsourcing of technical resources to customers
GIN International Limited	Hong Kong / Singapore	100 ordinary shares of HKD100	-	100%	Provision for short message services
Inphosoft Malaysia Sdn. Bhd.	Malaysia / Malaysia	100,000 ordinary Shares of Malaysian Ringgit ("MYR") 100,000	-	100%	Provision for messaging service and outsourcing of technical resources to customers

As at March 31, 2025, the bank and cash balances of the Corporation's subsidiary in the Malaysia denominated in MYR amounted to \$20,344 (December 31, 2024: \$38,565) is subject to local exchange control regulations.