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February 26, 2015

Ontario Securities Commission
Alberta Securities Commission
British Columbia Securities Commission
TSX Venture Exchange

RE: Amendments to and refilling of Q1 to Q3 interim financial statements of GINSMS Inc. ("**GINSMS**")

Dear Sirs:

On August 8, 2013, GINSMS announced that the Profit, as such term is defined in the January 12, 2012 Share Purchase Agreement entered into among GINSMS and Inphosoft Pte Ltd. (the "**Share Purchase Agreement**"), as amended, for the fifteen-month period ended March 31, 2013 was $380,792. Pursuant to the Share Purchase Agreement, this lead to the release from escrow in favour of Inphosoft Pte Ltd. of convertible debentures with principal amount of $609,267 leaving GINSMS with issued and outstanding convertible debentures having an aggregate principal amount of $9,109,267. The resulting adjustment to the contingent consideration of approximately $109,000 was initially recorded as "other comprehensive income" in GINSMS' June 30, 2013, September 30, 2013 and December 31, 2013 interim financial statements based upon an estimate which was derived from factors then available to GINSMS as at the date of such interim financial statements.

In connection with preparation of the March 31, 2014 financial statements, GINSMS obtained a third-party appraisal of the convertible debentures. Based on this third-party appraisal, GINSMS increased the fair value of the convertible debentures by approximately $72,000 with a related increase in accretion of approximately $64,000. In the preparation of the audited financial statements for the financial year ended March 31, 2014 this adjustment was included in the computation of "net loss" as part of operating income instead of "other comprehensive income", with no adjustment to the purchase price allocation recorded on the acquisition date.

In the March 31, 2014 audited financial statements, the auditors have also reclassified the depreciation of development costs, computer and office equipment from the operating expenses to the costs of sales to reflect the revenue-generating nature of these assets.

In view of the reclassification of the fair value adjustment of convertible debentures and the depreciation of development costs, computer and office equipment for the year ended March 31, 2014, GINSMS has decided to proceed with a reclassification of the fair value adjustment and depreciation in each of its June 30, 2013, September 30, 2013 and December 31, 2013 interim financial statements using the same classification used in its March 31, 2014 audited financial statements. This is being done to be consistent with the classification used in the March 31, 2014 audited financial statements.

As a consequence, the following amendments have been performed to the 2013 interim financial statements of GINSMS:

A) <u>Interim Financial Statements for the three-month period ended 30 June 2013</u>

Page 2- Statement of Financial Position – amended amount of Accumulated other comprehensive income and Deficit as at June 30, 2013.

Page 3- Statement of Comprehensive Loss – amended cost of sales and amortisation for June 30, 2013 due to the reclassification of depreciation of development costs back to cost of sales by auditors.

Page 3- Statement of Comprehensive Loss – shifted fair value adjustment on convertible debenture from other comprehensive income to operating income for June 30, 2013, corresponding total expenses, loss before income taxes, net loss for the period are amended accordingly.

Page 4- Statement of Equity – amended other comprehensive income and net loss for the quarter and the ending balance of Accumulated other comprehensive income and Deficit as at June 30, 2013 accordingly.

Page 5 – Statement of Cash Flows – amended net loss for the period and added the fair value adjustment on convertible debenture in cash used in operating activities and amended amount of cash used in operating activities accordingly

Page 6 – note 2 second paragraph – amended approval date of interim financial statement to February 26, 2015.

Page 18 – note 14 – amended net loss in Investment segment and total segment.

B) <u>Interim Financial Statements for the six-month period ended 30 June 2013</u>

Page 2- Statement of Financial Position – amended amount of Accumulated other comprehensive income and Deficit as at September 30, 2013.

Page 3- Statement of Comprehensive Loss – amended cost of sales and amortisation for September 30, 2013 due to the reclassification of depreciation of development costs back to cost of sales by auditors.

Page 3- Statement of Comprehensive Loss – shifted fair value adjustment on convertible debenture from other comprehensive income to operating income for September 30, 2013, corresponding total expenses, loss before income taxes, net loss for the period are amended accordingly.

Page 4- Statement of Equity – amended other comprehensive income and net loss for the quarter and the ending balance of Accumulated other comprehensive income and Deficit as at September 30, 2013 accordingly.

Page 5 – Statement of Cash Flows – amended net loss for the period and added the fair value adjustment on convertible debenture in cash used in operating activities and amended amount of cash used in operating activities accordingly

Page 6 – note 2 second paragraph – amended approval date of interim financial statement to February 26, 2015.

Page 18 – note 14 – amended net loss in Investment segment and total segment.

C) <u>Interim Financial Statements for the nine-month period ended 30 June 2013</u>

Page 2- Statement of Financial Position – amended amount of Accumulated other comprehensive income and Deficit as at December 31, 2013.

Page 3- Statement of Comprehensive Loss – amended cost of sales and amortisation for December 31, 2013 due to the reclassification of depreciation of development costs back to cost of sales by auditors.

Page 3- Statement of Comprehensive Loss – shifted fair value adjustment on convertible debenture from other comprehensive income to operating income for December 31, 2013, corresponding total expenses, loss before income taxes, net loss for the period are amended accordingly.

Page 4- Statement of Equity – amended other comprehensive income and net loss for the six months and the ending balance of Accumulated other comprehensive income and Deficit as at December 31, 2013 accordingly.

Page 5 – Statement of Cash Flows – amended net loss for the period and added the fair value adjustment on convertible debenture in cash used in operating activities and amended amount of cash used in operating activities accordingly

Page 6 – note 2 second paragraph – amended approval date of interim financial statement to February 26, 2015.

Page 18 – note 14 – amended net loss in Investment segment and total segment.

Also, please note that concurrently with the filing of the above mentioned interim financial statements, GINSMS will file amended related MD&A and CEO and CFO certifications.

Yours truly,

<u>(Signed)</u>

Joel Chin
Chief Executive Officer

Encls.