

GRAVITAS FINANCIAL INC.

Interim condensed consolidated financial report
Periods of three months ended on March 31, 2015 and 2014

Unaudited

GRAVITAS FINANCIAL INC.

INTERIM CONDENSED CONSOLIDATED FINANCIAL REPORT

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Notice to Reader

The accompanying unaudited interim condensed consolidated financial statements of GRAVITAS FINANCIAL INC. (the "Company") for the periods of three months ended on March 31, 2015 and 2014 have been prepared by management and are its responsibility. These unaudited interim condensed consolidated financial statements, together with the accompanying notes, have been reviewed by the audit committee and approved by the Company's Board of Directors. These unaudited interim condensed consolidated financial statements have not been reviewed by the Company's auditors.

GRAVITAS FINANCIAL INC.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of	(Unaudited - in Canadian dollars)		
	Notes	March 31, 2015	December 31, 2014
		\$	\$
ASSETS			
Current assets			
Cash		28,302,587	20,106,400
Guaranteed investments certificates		30,189,000	42,000,000
Trade and other receivables		1,549,143	1,145,258
Inventory		269,665	-
Prepaid expenses		190,086	429,952
Equity investments and other	6	100,000	150,000
Loans receivable	8	1,656,769	880,000
Convertible debentures	9	838,427	794,137
		63,095,677	65,505,747
Non-current assets			
Property and equipment		169,394	174,334
Equity investments and other	6	3,254,454	4,507,028
Investments in associates	7	5,666,459	5,528,607
Loans receivable	8	2,685,000	2,566,270
Convertible debentures	9	1,711,233	1,545,174
Intangible assets	5	869,151	958,134
		14,355,691	15,279,547
Total assets		77,451,368	80,785,294
LIABILITIES			
Current liabilities			
Trade and other payables		3,071,889	2,237,675
Customer deposits		43,750	157,000
Debenture	10	438,672	421,001
		3,554,311	2,815,676
Non-current liabilities			
Lease inducement		29,307	30,968
Derivative warrant liability	11	365,788	410,211
Debentures	10	132,030,501	130,707,228
		132,425,596	131,148,407
Total liabilities		135,979,907	133,964,083
EQUITY (DEFICIENCY)			
Share capital	12	1,400,600	1,400,600
Contributed surplus	13	87,247	86,738
Deficit		(58,073,338)	(56,103,842)
Accumulated other comprehensive loss (income)			
Available-for sale financial assets		(104,813)	1,691,796
Foreing currency translation		(32,791)	-
Total equity attributable to owners of the parent company		(56,723,095)	(52,924,708)
Non-controlling interests		(1,805,444)	(254,081)
Total equity (deficiency)		(58,528,539)	(53,178,789)
Total liabilities and equity (deficiency)		77,451,368	80,785,294

Commitments (Note 19)

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

Approved on behalf of the Board of directors

/S/ David Carbonaro
Director

/S/ Vikas Ranjan
Director

GRAVITAS FINANCIAL INC.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

Periods of three months ended on

(Unaudited - in Canadian dollars)

	Notes	March 31, 2015	March 31, 2014
		\$	\$
Revenue			Restated Note 3
Listing and research		213,450	91,755
Advisory services		-	46,749
Consulting		127,006	21,482
Royalties		63,210	75,941
Interest	14	509,188	910,848
Finder's fees		15,000	-
Other		36,191	2,885
		<u>964,045</u>	<u>1,149,660</u>
Expenses			
Salaries and management fees		290,424	181,454
Consulting and professional fees		597,549	446,393
General and administrative		673,108	357,222
Interest expense	15	3,158,284	433,822
Exchange gain		(234,162)	(46,362)
Gain on settlement of trade and other receivables		-	(10,324)
Gain on settlement of a debenture	10	(22,895)	-
Loss on settlement of a debenture	6	50,000	-
Loss (gain) on disposal of available-for-sale investments		(280,384)	38,000
Change in fair value of convertible debentures - conversion feature	9	20,363	(186,135)
Change in fair value of FVTPL investments		(33,683)	128,672
Change in fair value of derivative warrant liability	11	(44,423)	-
Share of results in associates	7	310,723	-
		<u>4,484,904</u>	<u>1,342,742</u>
Net loss		(3,520,859)	(193,082)
Other comprehensive income (loss)			
Items that will be reclassified subsequently to net loss			
Available-for-sale-financial assets			
Net change in fair value, net of tax effect		(1,516,225)	100,721
Reclassification to net loss, net of tax effect		(280,384)	38,000
		<u>(1,796,609)</u>	<u>138,721</u>
Foreing currency translation			
Net change in fair value, net of tax effect		-	-
Reclassification to net loss, net of tax effect		(32,791)	-
		<u>(32,791)</u>	<u>-</u>
Total comprehensive income (loss)		<u>(1,829,400)</u>	<u>138,721</u>
Net loss and comprehensive loss		<u>(5,317,468)</u>	<u>(54,361)</u>
Net loss attributable to:			
Shareholders of Gravitas Financial Inc.		(1,969,496)	(192,756)
Non-controlling interests		(1,551,363)	(326)
		<u>(3,520,859)</u>	<u>(193,082)</u>
Comprehensive loss attributable to:			
Shareholders of Gravitas Financial Inc.		(3,749,709)	(54,035)
Non-controlling interests		(1,567,759)	(326)
		<u>(5,317,468)</u>	<u>(54,361)</u>
Basic and diluted net loss per share		<u>(0.053)</u>	<u>(0.003)</u>
Weighted average number of common shares outstanding		<u>66,601,305</u>	<u>66,601,305</u>

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

GRAVITAS FINANCIAL INC.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Periods of three months ended on March 31, 2015 and 2014

(Unaudited - in Canadian dollars)

Notes	Share Capital		Accumulated Other Comprehensive Income (Loss)		Contributed surplus	Deficit	Non-controlling interest	Total
	Number	\$	Available-for-sale financial assets \$	Foreign currency translation \$	\$	\$	\$	\$
Balance on January 1st, 2014	66,601,305	1,400,600	(92,044)	-	86,000	(1,042,507)	-	352,049
Net loss	-	-	-	-	-	(192,756)	(326)	(193,082)
Other comprehensive income						(192,756)	(326)	(193,082)
Net change in fair value, net of tax effect	-	-	100,721	-	-	-	-	100,721
Reclassification to net loss, net of tax effect	-	-	38,000	-	-	-	-	38,000
Total comprehensive income	-	-	138,721	-	-	-	-	138,721
Balance on March 31, 2014	<u>66,601,305</u>	<u>1,400,600</u>	<u>46,677</u>	<u>-</u>	<u>86,000</u>	<u>(1,235,263)</u>	<u>(326)</u>	<u>297,688</u>
Balance on January 1st, 2015	66,601,305	1,400,600	1,691,796	-	86,738	(56,103,842)	(254,081)	(53,178,789)
Stock-based compensation	-	-	-	-	509	-	-	509
Net loss	-	-	-	-	-	(1,969,496)	(1,551,363)	(3,520,859)
Other comprehensive loss					509	(1,969,496)	(1,551,363)	(3,520,350)
Net change in fair value, net of tax effect	-	-	(1,516,225)	-	-	-	-	(1,516,225)
Reclassification to net loss, net of tax effect	-	-	(280,384)	(32,791)	-	-	-	(313,175)
Total comprehensive loss	-	-	(1,796,609)	(32,791)	-	-	-	(1,829,400)
Balance on March 31, 2015	<u>66,601,305</u>	<u>1,400,600</u>	<u>(104,813)</u>	<u>(32,791)</u>	<u>87,247</u>	<u>(58,073,338)</u>	<u>(1,805,444)</u>	<u>(58,528,539)</u>

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

GRAVITAS FINANCIAL INC.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

Periods of three months ended on

(Unaudited - in Canadian dollars)

	Notes	March 31, 2015 \$	March 31, 2014 \$
OPERATING ACTIVITIES			
Net loss		(3,520,859)	(193,082)
Adjustments			
Stock-based compensation		509	-
Amortization - Property and equipment		12,513	10,935
Amortization - Intangible assets		88,983	88,983
Accreted interest on convertible debenture		(118,966)	(113,961)
Accreted interest on loans		(66,699)	-
Accreted interest on investments		(807)	-
Accreted interest on debenture		1,387,944	18,907
Lease inducement		(1,661)	(1,661)
Gain on settlement of a debenture	10	(22,895)	-
Loss on settlement of a debenture	6	50,000	-
Loss on settlement of trade and other receivables		-	(10,324)
Loss (gain) on disposal of available-for-sale investments		(280,384)	38,000
Change in fair value of convertible debentures - conversion feature	9	20,363	(186,135)
Change in fair value of FVTPL investments		(33,683)	128,672
Change in fair value of derivative warrant liability	11	(44,423)	-
Common shares and warrants received as an incentive for early conversion of a convertible debenture		(47,909)	-
Share of results in associates	7	310,723	-
		<u>(2,267,251)</u>	<u>(219,666)</u>
Change in working capital items	16	287,280	(672,218)
Cash flows from operating activities		<u>(1,979,971)</u>	<u>(891,884)</u>
INVESTING ACTIVITIES			
Guaranteed investments certificates		11,811,000	-
Additions to property and equipment		(7,573)	(17,183)
Purchase of equity investments and other		(532,247)	-
Proceeds from disposal of investments		547,345	-
Purchase of investments in associates	7	(542,175)	(4,188,448)
Dividends received on investments in associates	7	93,600	40,000
Loans receivable		(1,005,150)	(2,434,546)
Reimbursement of loans receivable		100,000	-
Convertible debentures		(231,746)	(1,138,920)
Cash flows from investing activities		<u>10,233,054</u>	<u>(7,739,097)</u>
FINANCING ACTIVITIES			
Due to directors		-	(67,599)
Due to a related company		-	(51,730)
Reimbursement of debenture	10	(24,105)	-
Cash flows from financing activities		<u>(24,105)</u>	<u>(119,329)</u>
Translation effect on cash		(32,791)	-
Net change in cash		8,196,187	(8,750,310)
Cash, beginning of period		20,106,400	26,215,133
Cash, end of period		<u>28,302,587</u>	<u>17,464,823</u>

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

GRAVITAS FINANCIAL INC.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of March 31, 2015 and 2014 and December 31, 2014

(Unaudited - in Canadian dollars)

NOTE 1. NATURE OF OPERATIONS

Gravitas Financial Inc. and its subsidiaries (hereinafter the "Company" or "Gravitas") specializes in investment research and capital market services in Toronto and Vancouver.

Gravitas shares and debentures are publicly traded on the Canadian Stock Exchange (CSE) under symbol GFI.

Gravitas Financial Inc. is incorporated under the Canada Business Corporations Act. The new address of Gravitas registered offices and its principal place of business is 333 Bay St., suite 650, Toronto, Ontario, M5H 2R2.

These unaudited interim condensed consolidated financial statements, prepared in accordance with International Financial Reporting Standards ("IFRS"), have been approved by the Board of Directors on May 29, 2015 in preparation of their filing.

NOTE 2. STATEMENT OF COMPLIANCE

These unaudited interim condensed consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and in accordance with IAS 34 Interim Financial Reporting. The unaudited interim condensed consolidated financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2014, as they follow the same accounting policies and methods of application, unless otherwise indicated.

NOTE 3. RESTATEMENT

Subsequent to the issuance of the Company's consolidated financial statements for the year ended December 31, 2013, it was determined that the fair value of the conversion feature and the initial carrying value of the loan component of the convertible debentures issued during the year ended December 31, 2013, disclosed throughout the Company's consolidated financial statements, was incorrectly calculated. The effects of the restatement on the consolidated statement of comprehensive loss for the three-month period ended March 31, 2014 are summarized below. The adjustments between amounts previously reported and amounts restated had no effect on the consolidated statement of cash flows.

	Previously reported	Adjustments	Restated
	\$	\$	\$
Consolidated Statement of Comprehensive Loss			
Revenue	1,117,790	31,870	1,149,660
Expenses	1,545,868	(203,126)	1,342,742
Loss before income taxes	(428,078)	234,996	(193,082)
Net loss	(428,078)	234,996	(193,082)
Other comprehensive loss	138,721	-	138,721
Net loss and comprehensive loss	(289,357)	234,996	(54,361)
Basic and diluted net loss per share	(0.006)	0.004	(0.003)
Consolidated Statement of Changes in Equity			
Balance on January 1st, 2014	(731,671)	1,083,720	352,049
Net loss	(428,078)	234,996	(193,082)
Other comprehensive loss	138,721	-	138,721
Balance on March 31, 2014	(1,021,028)	1,318,716	297,688

GRAVITAS FINANCIAL INC.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of March 31, 2015 and 2014 and December 31, 2014

(Unaudited - in Canadian dollars)

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries.

Subsidiaries	Jurisdiction of Incorporation	% of Ownership
Ubika Corp.	Canada	100%
SmallCapPower	Canada	100%
Gravitas Select Flow-Through GP Inc.	Canada	100%
Gravitas Financial Services Holdings Inc.	Canada	100%
Gravitas Corporate Services Inc.	Canada	100%
Gravitas Global GP Inc.	Canada	100%
Gravitas Venture Inc.	Canada	100%
New India Investment Corporation	Canada	100%
Luxury Quotient International Inc.	Canada	100%
Global Compliance Network Inc. (a)	Canada	100%
Gravitas Consolidated Corp. (a)	Canada	100%
Gravitas Investor Platform Inc. (a)	Canada	100%
The Mint Corporation	Canada	50%
Branson Corporate Services Inc.	Canada	51%
Luxury Quotient India Private Ltd.	India	100%
SearchGold Guinée SARL (inactive)	Africa	100%

(a) Incorporated in 2015

NOTE 5. INTANGIBLE ASSETS

	Net smelter royalty	Brand Names	Total
	\$	\$	\$
Cost			
Balance as at January 1st, 2014	-	196,272	196,272
Acquisitions	1,245,760	50,000	1,295,760
Balance as at December 31, 2014	1,245,760	246,272	1,492,032
Acquisitions	-	-	-
Balance as at March 31, 2015	1,245,760	246,272	1,492,032
Accumulated amortization			
Balance as at January 1st, 2014	177,966	-	177,966
Amortization	355,932	-	355,932
Balance as at December 31, 2014	533,898	-	533,898
Amortization	88,983	-	88,983
Balance as at March 31, 2015	622,881	-	622,881
Carrying amount			
Balance as at December 31, 2014	711,862	246,272	958,134
Balance as at March 31, 2015	622,879	246,272	869,151

GRAVITAS FINANCIAL INC.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of March 31, 2015 and 2014 and December 31, 2014

(Unaudited - in Canadian dollars)

NOTE 6. EQUITY INVESTMENTS AND OTHER

	March 31, 2015	December 31, 2014
	\$	\$
Investments in quoted companies, at fair value		
Common shares (a)	1,376,846	2,974,861
Options (b)	27,689	21,959
Warrants (c)	338,274	105,047
Debentures (d)	216,884	150,000
Investments in a private companies		
Common shares	394,760	405,160
Preferred shares in a private company, 8%, payable annually, convertible into common shares at \$0.15 per share	1,000,000	1,000,000
Mining properties	1	1
	3,354,454	4,657,028
Current portion	(100,000)	(150,000)
	<u>3,254,454</u>	<u>4,507,028</u>

(a) The fair value of the common shares in quoted companies was based on bid prices ranging from \$Nil to \$0.56 per share as at March 31, 2015 (\$Nil to \$0.54 per share as at December 31, 2014).

(b) The fair value of the options using the Black-Scholes pricing model was based on the following assumptions:

	March 31, 2015	December 31, 2014
Weighted average exercise price	\$0.59	\$0.59
Expected dividend	- %	- %
Expected average volatility	204%	140%
Risk-free average interest rate	0.46%	1.02%
Expected average life (years)	1.07	1.36
Weighted average fair value	\$0.01	\$0.02

(c) The fair value of the warrants using the Black-Scholes pricing model was based on the following assumptions:

	March 31, 2015	December 31, 2014
Weighted average exercise price	\$0.21	\$0.16
Expected dividend	- %	- %
Expected average volatility	161%	125%
Risk-free average interest rate	0.48%	1.02%
Expected average life (years)	2.40	1.81
Weighted average fair value	\$0.07	\$0.02

(d) Debentures

As part of the acquisition of Mint, the Company acquired an unsecured non-convertible debenture in Upsnap Inc. ("UP"), formerly Voodooovox Inc., an unrelated publicly listed company in Canada, for an amount of \$150,000. The unlisted debentures bear interest at a rate of 12% per annum and are payable quarterly in arrears on the last business day of June, September, December, and March of each year. The debentures matured on March 18, 2015. As a result of financial difficulties at UpSnap and their inability to redeem these debentures at face value, on April 25, 2015, the Company and UpSnap entered a minutes of settlement to redeem the debentures at \$100,000 plus accrued interest of \$3,797 in full and final settlement and the Company received the \$103,797 on April 25, 2015. Accordingly, at March 31, 2015, the Company has written down the debentures to \$100,000 and recognized a loss on settlement of a debenture of \$50,000 in the consolidated statement of loss and comprehensive loss.

GRAVITAS FINANCIAL INC.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of March 31, 2015 and 2014 and December 31, 2014

(Unaudited - in Canadian dollars)

NOTE 6. EQUITY INVESTMENTS AND OTHER (Continued)

In February 2015, the Company invested in a secured non-convertible debenture in SQI Diagnostic Inc. ("SQI"), an unrelated publicly listed company in Canada, for an amount of \$186,000. The debenture bear interest at a rate of 10% payable annually and mature on February 20, 2020. As part of the investment, the Company received a total of 186,000 warrants of SQI. Each warrant entitles the holder to acquire one common share of SQI at an exercise price of \$0.60 per share until February 20, 2020. The initial value of the debenture is determined by measuring the fair value of the warrants and assigning the residual value to the debenture component. Subsequently, the debenture component is measured at amortized cost using the effective interest method over the term of the debenture. The debenture component will be accreted to the face value of the debenture by the recording of additional interest expense. The fair value of the warrant of \$69,923 was estimated using the Black-Scholes model pricing with the following assumptions: an expected volatility of 107%, a risk-free interest rate of 0.57%, an expected unit life of 5 years, no expected dividend yield and a share price of \$0.50.

NOTE 7. INVESTMENTS IN ASSOCIATES

The following are the associates of the Company:

	Jurisdiction of Incorporation	% of Ownership
Portfolio Analysts Inc.	Canada	40%
Mint Middle East (MME)	Canada	51%

Portfolio Analysts Inc.

The Company acquired 40% interest of the issued and outstanding shares of Portfolio Analysts Inc. ("PAI"), giving it significant influence over PAI's operations for a total consideration of \$4,032,682. Management does not have the current ability to control the key operating activities of PAI; therefore, it does not have control and does not consolidate PAI. The Company accounts for its investment in PAI using the equity method.

Portfolio Analysts Inc. ("PAI") is a Canadian-controlled private corporation and is incorporated under the Alberta Business Corporations Act. PAI is a holding company for Portfolio Strategies Corporation ("PSC"), which is a dealer in mutual funds and exempt securities in the provinces of Alberta, British Columbia, Saskatchewan, Manitoba and Ontario. PSC, a 100% owned subsidiary of PAI, is a registered member of the Mutual Fund Dealers Association of Canada ("MFDA"). Its registered offices and principal place of business is 1850 – 14 Street S.W., Calgary, Alberta, T2T 3S9.

Mint Middle East

Mint Middle East comprises four entities: Mint Middle East LLC (MME LLC), Mint Electronic Payment Services Ltd (MEPS), Mint Capital LLC (MCO) and Mint Gateway for Electronic Payment Services (MGEPS). Mint Middle East LLC is 51% owned by Mint. MEPS is owned 49% by MME LLC, but is a fully controlled subsidiary of MME LLC by virtue of a nominee agreement which provides for Board and management control to MME LLC as well as a 100% commercial interest in the operations of MEPS. At March 31, 2015, MEPS and MGEPS had no significant operations or assets or liabilities. The above four entities are together referred to as Mint Middle East (MME).

MME is owned 51% by Mint and 49% by Global Business Services for Multimedia ("GBS"). MME and its affiliates operate through their registered offices at G02, CBD Building, Sheikh Zayed Road, Dubai, United Arab Emirates ("UAE"). MME and affiliates focus on payroll cards, mobile airtime top up, merchant network solutions and microfinance products to existing payroll cardholders.

MME manages the issuance, administration, customer support, payment processing and set-up and reporting of payroll cards and related activities. Mint Capital LLC ("MCO") provides microfinance loans to payroll card holders.

Mint finalized a management agreement (the "Management Agreement") with GBS, effective December 31, 2014. Under the terms of the Management Agreement, GBS is entitled to a fixed management fee of AED 120,000 (\$36,068) per month and a variable management fee of 20% of the net income of MME. The fixed management fee is payable effective May 1, 2014 and the variable management fee is payable effective January 1, 2015. In addition, GBS assumes the oversight of the day-to-day operations of the Company's UAE operations. As a result of the Management Agreement, Mint no longer controls MME or its affiliates with effect from December 31, 2014 and de-consolidated these operations as of that date. Consequently, Mint's investment in MME was measured at fair value as a result of the loss of control. The fair value was determined based on the latest available financing undertaken by MME.

GRAVITAS FINANCIAL INC.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of March 31, 2015 and 2014 and December 31, 2014

(Unaudited - in Canadian dollars)

NOTE 7. INVESTMENTS IN ASSOCIATES (Continued)

The Company's continuity of its investments in associates is as follows:

	March 31, 2015	December 31, 2014
	\$	\$
Balance, beginning of period	5,528,607	-
Acquisitions	-	5,375,071
Acquired through business acquisition	-	1,413,677
Additional working capital funds invested	542,175	-
Reclassification due to acquisition of control	-	(1,342,389)
Dividends received	(93,600)	(240,000)
Share of results in associates	(310,723)	322,248
	<u>5,666,459</u>	<u>5,528,607</u>

During the three-month period ended March 31, 2015, the Company invested additional working capital funds in MME.

A summary of the financial information of the associates is as follows:

(In thousands of Canadian dollars)	March 31, 2015		December 31, 2014	
	MME	PAI	MME	PAI
	\$	\$	\$	\$
Balance sheet				
Current assets	2,404	3,663	4,699	3,545
Non-current assets	3,605	3,825	1,871	5,729
Current liabilities	3,663	3,115	3,969	3,233
Non-current liabilities	466	1,343	474	3,225
Statements of earnings				
Revenue	932	6,839	3,718	25,231
Expenses	1,901	6,180	11,829	24,139
Operating income (loss)	(969)	547	(8,111)	1,122
Net earnings (loss)	(969)	465	(8,111)	904
Cash flows				
Dividend paid	-	234	-	(600)

NOTE 8. LOANS RECEIVABLE

	March 31, 2015	December 31, 2014
	\$	\$
Loan to a public company, secured, interest bearing at 10% per annum, due in January 2016 (US\$100,000)	126,420	116,270
Loan to a public company, secured, interest bearing at 10% per annum, due in January 2016	500,000	500,000
Loan to a public company, secured, interest bearing at 36% per annum, due in April 2015 (a)	250,349	-
Loan to a public company, secured, interest bearing at 12% per annum, due in June 2015 (b)	250,000	250,000
Loan to public company, unsecured, interest bearing at 0% per annum, due in January 2015	-	100,000
Loan to public company, unsecured, interest bearing at 8% per annum, due in June 2015 (b)	30,000	30,000
Loan to a private company, secured, interest bearing at 6% per annum, due in May 2015 (b)	500,000	500,000
Loan to a private company, secured, interest bearing at 6% per annum, due in December 2017	750,000	750,000
Loan to a private company, secured, interest bearing at 8% per annum, due in April 2016	160,000	-
Loan to a private company, unsecured, interest bearing at 5% per annum, due in June 2017	200,000	200,000
Loan to a company where a director has a minority interest, unsecured, interest bearing at 6% per annum, due in October 2018	1,575,000	1,000,000
	<u>4,341,769</u>	<u>3,446,270</u>
Less: Current portion	(1,656,769)	(880,000)
	<u>2,685,000</u>	<u>2,566,270</u>

The secured loans are secured under general security agreements.

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NOTE 8. LOANS RECEIVABLE (Continued)

(a) The Company invested in a secured loan for an amount of \$260,000. As part of the investment, the Company received a total of 100,000 warrants. Each warrant entitles the holder to acquire one common share at an exercise of \$1.00 per share until January 19, 2017. The initial value of the loan is determined by measuring the fair value of the warrants and assigning the residual value to the loan component. Subsequently, the loan component is measured at amortized cost using the effective interest method over the term of the loan. The loan component will be accreted to the face value by the recording of additional interest expense. The fair value of the warrant of \$76,350 was estimated using the Black-Scholes model pricing with the following assumptions: an expected volatility of 100%, a risk-free interest rate of 1.00%, an expected life of 2 years, no expected dividend yield and a share price of \$1.30.

(b) These loans were extended.

NOTE 9. CONVERTIBLE DEBENTURES

	March 31, 2015	December 31, 2014
	\$	\$
Loan components		
Convertible debenture, secured, with a face value of \$1,250,000, 9%, maturing on July 16, 2016 or convertible at any time at the Company's option at \$0.18 per share	1,184,003	1,173,101
Convertible debenture, secured, with a face value of \$250,000, 12%, maturing on December 17, 2015 or convertible at any time at the Company's option at \$0.05 per share (b)	239,635	236,360
Convertible debenture, unsecured, with a face value of \$120,000, 12%, maturing on December 20, 2015 or convertible at any time at the Company's option at \$0.20 per share (a)	-	61,420
Convertible debenture, unsecured, with a face value of \$150,000, 12%, maturing on November 20, 2015 or convertible at any time at the Company's option at \$0.10 per share	137,075	132,705
Convertible debenture, unsecured, with a face value of US\$350,000, 12%, maturing on April 29, 2015 or convertible at any time at the Company's option at \$0.125 per share	429,981	363,652
Convertible debenture, unsecured, with a face value of \$17,000, 12%, maturing on March 31, 2017 or convertible at any time at the Company's option at \$0.15 per share	14,832	14,626
Convertible debenture, secured, with a face value of \$88,000, 14%, maturing on June 30, 2017 or convertible at any time at the Company's option at \$0.10 per share	42,601	40,184
Convertible debenture, unsecured, with a face value of \$100,000, 14%, maturing on June 30, 2019 or convertible at any time at the Company's option at \$1.14 per share	54,741	53,342
Convertible debenture, unsecured, with a face value of \$85,000, 12%, maturing on November 24, 2016 or convertible at any time at the Company's option at \$0.15 per share	51,315	48,094
Convertible debenture, unsecured, with a face value of \$200,000, 7.5%, maturing on March 30, 2018 or convertible at any time at the Company's option at \$0.80 per share	106,236	-
	2,260,419	2,123,484
Conversion feature	289,241	215,827
	2,549,660	2,339,311
Less: Current portion	(838,427)	(794,137)
	1,711,233	1,545,174

(a) On January 22, 2015, the Company converted this convertible debenture at a conversion price of \$0.20 per share. As a result of this conversion, the Company received a total of 600,000 common shares which are included in equity investments under common shares in quoted companies. As part of an incentive for early conversion, the Company received, for every common share issued pursuant to the conversion, one common share purchase warrant exercisable in one common share at an exercise price of \$0.30 for a period of 18 months following conversion and the equivalent of an additional six months of interest beyond the conversion date, settled in common share. As a result of this incentive, the Company received an additional 36,000 common shares which are also included in equity investments under common shares in quoted companies. The fair value of the warrant of \$40,709 was recorded under Other revenue in net loss and was estimated using the Black-Scholes model pricing with the following assumptions: an expected volatility of 108%, a risk-free interest rate of 1.00 %, an expected life of 1.5 years, no expected dividend yield and a share price of \$0.185.

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NOTE 9. CONVERTIBLE DEBENTURES (Continued)

The fair value of the conversion feature and the carrying value of loan components are as follows:

	March 31, 2015			December 31, 2014		
	Conversion feature	Loan component	Total	Conversion feature	Loan component	Total
	\$	\$	\$	\$	\$	\$
Fair value, beginning of period	215,827	2,123,484	2,339,311	1,983,367	2,721,087	4,704,454
Amount invested	93,777	106,223	200,000	705,258	1,095,337	1,800,595
Amount converted	-	(120,000)	(120,000)	-	(1,625,422)	(1,625,422)
Accretion of interest	-	118,966	118,966	-	1,218,638	1,218,638
Change in fair value	(20,363)	-	(20,363)	(2,472,798)	-	(2,472,798)
Exchange gain	-	31,746	31,746	-	-	-
Eliminated through business acquisition	-	-	-	-	(1,286,156)	(1,286,156)
Fair value, end of period	<u>289,241</u>	<u>2,260,419</u>	<u>2,549,660</u>	<u>215,827</u>	<u>2,123,484</u>	<u>2,339,311</u>

The initial value of the conversion feature is determined by measuring the conversion feature and assigning the residual value to the loan component. The loan component is not remeasured subsequent to initial recognition.

The fair value of the conversion feature at issuance of \$93,777 (\$705,258 at December 31, 2014) was estimated using the Black-Scholes option pricing model based on the following weighted average assumptions:

	March 31, 2015	December 31, 2014
Weighted average conversion price	\$0.80	\$0.16
Expected dividend	-	-
Expected average volatility	46%	257%
Risk-free average interest rate	184%	1.10%
Expected average life (years)	3.00	1.73
Weighted average fair value	\$0.38	\$0.07

The fair value of the conversion feature of \$289,241 at March 31, 2015 (\$215,827 at December 31, 2014) was estimated using the Black-Scholes option pricing model based on the following weighted average assumptions:

	March 31, 2015	December 31, 2014
Weighted average conversion price	\$0.19	\$0.14
Expected dividend	-	-
Expected average volatility	161%	184%
Risk-free average interest rate	0.46%	1.02%
Expected average life (years)	1.31	1.14
Weighted average fair value	\$0.05	\$0.02

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NOTE 10. DEBENTURES

	Mint Series VII (a) (MIT.DB)	Mint Series A (b)	Mint Series B (c)	Gravitas #1 (d)	Gravitas #2 (e) (GFI.DB)	Total
	\$	\$	\$	\$	\$	\$
Balance as at January 1st, 2014	-	-	-	-	52,921,091	52,921,091
Acquired through business acquisition	415,422	42,203,732	4,270,068	-	-	46,889,222
Issued	-	-	-	30,023,000	-	30,023,000
Issuance costs	-	-	-	(310,293)	-	(310,293)
Accretion of interest	5,579	378,021	61,610	4,697	100,274	550,181
Capitalization of accrued interests	-	1,055,028	-	-	-	1,055,028
	<u>421,001</u>	<u>43,636,781</u>	<u>4,331,678</u>	<u>29,717,404</u>	<u>100,274</u>	<u>78,207,138</u>
Balance as at December 31, 2014	421,001	43,636,781	4,331,678	29,717,404	53,021,365	131,128,229
Repayment/settlement of debentures	-	-	(47,000)	-	-	(47,000)
Accretion of interest	17,671	1,140,538	189,227	20,797	19,711	1,387,944
	<u>17,671</u>	<u>1,140,538</u>	<u>142,227</u>	<u>20,797</u>	<u>19,711</u>	<u>1,340,944</u>
Balance as at March 31, 2015	<u>438,672</u>	<u>44,777,319</u>	<u>4,473,905</u>	<u>29,738,201</u>	<u>53,041,076</u>	<u>132,469,173</u>
Balance as at December 31, 2014						
Current portion	421,001	-	-	-	-	421,001
Non-current portion	-	43,636,781	4,331,678	29,717,404	53,021,365	130,707,228
	<u>421,001</u>	<u>43,636,781</u>	<u>4,331,678</u>	<u>29,717,404</u>	<u>53,021,365</u>	<u>131,128,229</u>
Balance as at March 31, 2015						
Current portion	438,672	-	-	-	-	438,672
Non-current portion	-	44,777,319	4,473,905	29,738,201	53,041,076	132,030,501
	<u>438,672</u>	<u>44,777,319</u>	<u>4,473,905</u>	<u>29,738,201</u>	<u>53,041,076</u>	<u>132,469,173</u>

(a) Series VII debentures have a face value of \$497,700, carry simple interest at 12% per annum payable quarterly on March 31, June 30, September 30 and December 31 and are redeemable on October 18, 2015. Interest has been paid to December 31, 2014.

(b) Series A debentures have a face value of \$40,828,000 and carry simple interest at 10% per annum payable quarterly on February 16, May 16, August 16 and November 16. Interest for the period up to May 16, 2015 is payable in kind and will be added to principal outstanding. Interest payments from August 16, 2015 onwards are payable in cash. Series A debentures have a term of 5 years and are redeemable on May 16, 2019. Series A debentures can be extended for an additional two (2) years at the Company's option at an interest rate of 12% per annum payable from the date of the extension. These debentures are secured by Mint's assets.

(c) Series B debentures have a face value of \$5,049,000 and carry simple interest at 2% per annum payable quarterly on March 7, June 7, September 7 and December 7 each year in cash. Series B debentures were issued in March 2014, are redeemable at par on March 7, 2017 and require a "bonus interest" of 30% of the principal outstanding on March 7, 2017. Interest has been paid up to December 7, 2014. Series B debentures can be redeemed at any date subject to paying a "bonus interest" such that interest paid and payable on the redeemed amounts aggregates to 12% per annum for the period outstanding. Series B debentures can be extended for an additional two (2) years at the Company's option at an interest rate of 12% per annum. These debentures are secured by Mint's assets and are subordinated the Series A debenture.

In March 2015, the Company repaid an amount of \$47,000 for cash payments of \$24,105. As a result the Company recorded a gain on settlement of \$22,895 in net loss.

(d) The debentures have a face value of \$30,023,000 and carry simple interest at 3.5% payable quarterly, commencing December 31, 2014. The debentures are redeemable on December 3, 2017. The Company has the option to extend the maturity date for a further term of three years upon written notice and the payment of a renewal fee equal to one (1%) percent of the outstanding principal amount due as of the maturity date at the same conditions. These debentures are secured by a first ranking lien over the Collateral assets of Gravitas subject to (i) the security interest previously granted and duly registered in respect of the debenture of \$54,022,000 issued in June 2013 and (ii) any specified priority encumbrances that may be incurred during the term of the indenture and the debenture.

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NOTE 10. DEBENTURES (Continued)

(e) The debentures have a face value of \$54,022,000 and carry simple interest at a rate as is equal to the greater of : i) three percent (3%) per annum; or ii) an amount as is equal to eighty percent (80%) of the earnings before interest expense and tax (EBIT) on a consolidated basis, subject to an aggregate maximum amount of eight percent (8%) per annum. The base three percent (3%) interest payment shall be payable quarterly, commencing June 30, 2013, with the annual adjustment made based on the aforementioned net earnings calculation annually and paid out on April 30 of each year. The debentures are redeemable at par value on June 25, 2023. The term of the debentures is ten (10) years, renewable for an additional ten (10) year period upon the payment of a renewal fee equal to one (1%) percent of the principal amount of the debentures outstanding at the date of renewal. Upon any such renewal, the rate of interest on the debentures shall be adjusted such minimum interest rate shall be equal to Government of Canada 10-year bond rate, plus five percent (5%). For the years ended December 31, 2014 and 2013, the Company paid an interest of 3%. These debentures are secured by Gravitass's assets.

NOTE 11. DERIVATIVE WARRANT LIABILITY

As part of an exchange of old debentures, warrants were issued for the purchase of common share of Mint. These warrants are accounted for as a derivative liability and measured at fair value with subsequent changes in fair value accounted for through the consolidated statements of loss and comprehensive loss. Outstanding warrants are re-measured at fair value in each reporting period and the change in fair value is recognized in profit or loss.

The following table shows the changes in warrants:

	March 31, 2015			December 31, 2014		
	Number of warrants	Weighted average exercise price	Fair value	Number of warrants	Weighted average exercise price	Fair value
		\$	\$		\$	\$
Outstanding on January 1st	12,630,883	0.50	410,211	-	-	-
Acquired through business acquisition	-	-	-	12,630,883	0.50	286,249
Expired	(299,524)	1.50	-	-	-	-
Change in fair value	-	-	(44,423)	-	-	123,962
Outstanding and exercisable	<u>12,630,883</u>	<u>0.48</u>	<u>365,788</u>	<u>12,630,883</u>	<u>0.50</u>	<u>410,211</u>

The fair value of the warrants was determined using the Black-Scholes option pricing model. Expected volatility is based on the historical share price volatility of Mint over the relevant warrant period to expiry. The following inputs were used in the model:

	March 31, 2015	December 31, 2014
Share price	\$0.045	\$0.045
Exercise price	\$0.15 - \$2.25	\$0.25 - \$2.25
Expected dividend	-	-
Expected volatility	175.2% - 192.0%	181.1% - 205.9%
Risk-free interest rate	1.00% - 1.09%	1.00% - 1.09%
Expected average life (years)	0.05 - 3.12	0.77 - 4.05
Fair value per warrant	\$0.001 - \$0.04	\$0.001 - \$0.04

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NOTE 11. DERIVATIVE WARRANT LIABILITY (Continued)

The table below presents a summary of the outstanding warrants as at March 31, 2015.

Number of warrants	Grant date	Expiry date	Exercise price	Fair value
			\$	\$
400,000	20/04/2012	20/04/2015	2.25	-
100,000	27/04/2012	20/04/2015	2.25	-
80,000	27/04/2012	27/04/2015	2.25	-
600,000	01/05/2012	01/05/2015	2.25	-
374,430	04/05/2012	04/05/2015	2.25	-
7,106,041	07/03/2014	07/03/2017	0.25	233,078
3,000,000	16/05/2014	16/05/2018	0.15	111,300
150,000	16/05/2014	16/05/2017	0.25	4,950
520,888	30/05/2014	07/03/2017	0.25	16,460
<u>12,331,359</u>			<u>0.48</u>	<u>365,788</u>

NOTE 12. SHARE CAPITAL

Share capital

The share capital of the Company consists only of fully paid ordinary shares.

Authorized

Unlimited number of common shares voting and participating

Restricted shares

As required by applicable securities commissions and those of the CSE, and under an agreement entered with a transfer agent from Computershare Investor Services Inc., a total of 36,649,958 common shares have been placed in escrow and deposited with a trustee under an escrow agreement before the completion of the Qualifying Transaction described in Note 4. On July 8, 2013, 10% of the escrowed shares were released. The balances of restricted shares will be released at a rate of 15% in each of the anniversaries of 6, 12, 18, 24, 30 and 36 months following the initial release. At March 31, 2015, the balance of the escrowed shares is 21,989,976.

Warrants

The following table shows the changes in warrants:

	March 31, 2015		December 31, 2014	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Outstanding on January 1st	-	-	4,300,000	0.10
Expired	-	-	(4,300,000)	0.10
Outstanding and exercisable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

NOTE 13. SHARE-BASED PAYMENT

Mint had a total of 40,002 stock options outstanding at an exercise price of \$1.75 per share. These options were cancelled during the three-month period ended March 31, 2015. A stock-based compensation of \$509 was recorded in contributed surplus.

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NOTE 14. INTEREST REVENUE

	March 31, 2015	March 31, 2014
	\$	\$
Interest on bank	56,008	71,029
Interest on guaranteed investments certificates	113,842	74,215
Interest on loans receivable	83,179	189,381
Interest on debentures	1,631	337,578
Interest on convertible debentures	68,056	124,684
Accretion of interest on convertible debentures	118,966	113,961
Accretion of interest on loans	66,699	-
Accretion of interest on debentures	807	-
	<u>509,188</u>	<u>910,848</u>

NOTE 15. INTEREST EXPENSE

	March 31, 2015	March 31, 2014
	\$	\$
Interest on debentures	1,762,818	405,165
Accretion of interest	1,387,944	18,907
Interest on current liabilities and bank charges	7,522	9,750
	<u>3,158,284</u>	<u>433,822</u>

NOTE 16. ADDITIONAL INFORMATIONS – CASH FLOWS

The changes in working capital items are detailed as follows:

	March 31, 2015	March 31, 2014
	\$	\$
Trade and other receivables	(403,885)	(809,222)
Prepaid expenses	160,287	(12,026)
Inventory	(190,086)	-
Trade and other payables	834,214	67,486
Customer deposits	(113,250)	81,544
	<u>287,280</u>	<u>(672,218)</u>

Additional disclosures regarding cash flows that did not result in a cash outflow or inflow:

	March 31, 2015	March 31, 2014
	\$	\$
Investments		
Common shares and warrants received as an incentive for early conversion of a convertible debenture	47,909	-

Cash flows from interest and income taxes

	March 31, 2015	March 31, 2014
	\$	\$
Interest paid	(847,652)	(414,915)
Interest received	232,035	76,832

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NOTE 17. RELATED PARTIES

The Company's related parties include its key management and other related parties, as described below.

Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

Transactions with key management personnel

Remuneration of the key management personnel, that is, the President and CEO, the Vice-President Finance and the directors, includes the following expenses:

	March 31, 2015	March 31, 2014
	\$	\$
Transactions with key management personnel		
Salaries and management fees	143,000	111,000
Consulting and professional fees	30,411	35,966
General and administrative	45,500	39,060
	<u>218,911</u>	<u>186,026</u>
Transactions with companies controlled by key management		
Consulting and professional fees	262,000	173,015
	<u>262,000</u>	<u>173,015</u>

The above transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration agreed to by the related parties.

An amount of \$424,999 is payable to Global Business Services ("GBS"), representing a remaining amount on management and consulting charges. GBS is the owner of the remaining 49% interest in MME. This amount is included under Trade and other payables.

NOTE 18. SEGMENTED INFORMATION

Management has determined that the Company operated within two reportable business segments which offers different products and services : Gravitas Financial Inc. and The Mint Corporation. Gravitas Financial Inc. is an integrated financial and advisory services firm who creates shareholder value through strategic acquisitions of high quality and well-managed financial and capital market services companies. The Mint Corporation, through its 51% ownership in Mint Middle East LLC ("MME"), provides a payroll card services, which offers an automated and secure payroll system to employers in the UAE in accordance with the Wages Protection System legislation ("WPS").

Also, the Company has operations in two geographical sectors wick are Canada and Africa.

	March 31, 2015		
	Gravitas Financial Inc.	The Mint Corporation	Total
	\$	\$	\$
Revenue	959,230	4,815	964,045
Expenses			
Salaries and management fees	290,424	-	290,424
Consulting and professional fees	597,549	-	597,549
General and administrative	415,133	257,975	673,108
Interest expense	671,446	2,486,838	3,158,284
Exchange gain	(207,475)	(26,687)	(234,162)
Gain on settlement of a debenture	-	(22,895)	(22,895)
Loss on settlement of a debenture	50,000		50,000
Loss (gain) on disposal of available-for-sale investments	(280,384)		(280,384)
Change in fair value of convertible debentures - conversion feature	20,363		20,363
Change in fair value of FVTPL investments	(33,683)		(33,683)
Change in fair value of derivative warrant liability	-	(44,423)	(44,423)
Share of results in associates	(185,789)	496,512	310,723
	<u>1,337,584</u>	<u>3,147,320</u>	<u>4,484,904</u>
Net loss	<u>(378,354)</u>	<u>(3,142,505)</u>	<u>(3,520,859)</u>

The financial information for the three-month period ended March 31, 2014 was all attributable to the Gravitas Financial Inc.

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NOTE 18. SEGMENTED INFORMATION (Continued)

	March 31, 2015		
	Gravitas Financial Inc.	The Mint Corporation	Total
	\$	\$	\$
Total assets	<u>75,345,605</u>	<u>2,105,763</u>	<u>77,451,368</u>
Total liabilities	<u>81,424,406</u>	<u>54,555,501</u>	<u>135,979,907</u>
Investments in associates	<u>4,207,119</u>	<u>1,459,340</u>	<u>5,666,459</u>

	December 31, 2014		
	Gravitas Financial Inc.	The Mint Corporation	Total
	\$	\$	\$
Total assets	<u>77,802,228</u>	<u>2,983,066</u>	<u>80,785,294</u>
Total liabilities	<u>81,706,067</u>	<u>52,258,016</u>	<u>133,964,083</u>
Investments in associates	<u>4,114,930</u>	<u>1,413,677</u>	<u>5,528,607</u>

The following tables presents the Company's products and non-current assets by geographic areas. The allocation of revenue between geographic areas was determined by the location where the income was earned.

	March 31, 2015	March 31, 2014
	\$	\$
Revenue		
Canada	900,835	1,073,719
Africa	<u>63,210</u>	<u>75,941</u>
	<u>964,045</u>	<u>1,149,660</u>

	March 31, 2015	December 31, 2014
	\$	\$
Non-current assets		
Canada	13,486,540	14,321,413
Africa	<u>869,151</u>	<u>958,134</u>
	<u>14,355,691</u>	<u>15,279,547</u>

NOTE 19. COMMITMENTS

The Company entered into agreements for the lease of premises. Future minimum lease payments, aggregate to \$1,883,378 and include the following payments for the next years:

	\$
Less than 1 year	<u>417,320</u>
1-5 years	1,466,058

NOTE 20. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the financial statement presentation adopted for the current year.