GRAVITAS FINANCIAL INC.

Interim condensed consolidated financial report

Periods of three months and nine months ended on September 30, 2015 and 2014

Unaudited

GRAVITAS FINANCIAL INC.

INTERIM CONDENSED CONSOLIDATED FINANCIAL REPORT

Notice to Reader

The accompanying unaudited interim condensed consolidated financial statements of GRAVITAS FINANCIAL INC. (the "Company") for the periods of three months and nine months ended on September 30, 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	September 30, 2015	December 31, 2014
		$	$
ASSETS			
Current assets			
Cash		25,211,287	20,106,400
Restricted cash	7	7,090,032	-
Guaranteed investments certificates		25,089,000	42,000,000
Trade and other receivables		2,400,259	1,145,258
Inventory		296,640	-
Prepaid expenses		253,266	429,952
Equity investments and other	9	-	150,000
Loans receivable	11	2,059,090	880,000
Convertible debentures	12	1,367,336	794,137
		63,766,910	65,505,747
Non-current assets			
Property and equipment	8	6,937,655	174,334
Equity investments and other	9	5,323,719	4,507,028
Investments in associates	10	6,865,850	5,528,607
Loans receivable	11	4,318,855	2,566,270
Convertible debentures	12	1,079,832	1,545,174
Intangible assets	13	691,185	958,134
		25,217,096	15,279,547
Total assets		88,984,006	80,785,294
LIABILITIES			
Current liabilities			
Trade and other payables		4,107,170	2,237,677
Customer deposits		119,000	157,000
Debentures current portion	15	478,910	421,001
		4,705,080	2,815,678
Non-current liabilities			
Lease inducement		25,987	30,968
Derivative warrant liability	16	-	410,211
Loan	14	4,586,677	-
Debentures	15	142,494,035	130,707,226
		147,106,699	131,148,405
Total liabilities		151,811,779	133,964,083
EQUITY (DEFICIENCY)			
Share capital	17	1,400,600	1,400,600
Contributed surplus		471,685	86,738
Deficit		(63,890,207)	(56,103,842)
Accumulated other comprehensive loss (income)			
Available-for sale financial assets		1,022,434	1,691,796
Foreign currency translation		(57,077)	-
Total equity (deficiency) attributable to owners of the parent company		(61,052,565)	(52,924,708)
Non-controlling interests		(1,775,208)	(254,081)
Total equity (deficiency)		(62,827,773)	(53,178,789)
Total liabilities and equity (deficiency)		88,984,006	80,785,294

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 and nine months ended on **(Unaudited - in Canadian dollars)**

	Notes	September 30, 2015 (3 months)	September 30, 2014 (3 months)	September 30, 2015 (9 months)	September 30, 2014 (9 months)
			Restated Note 3		Restated Note 3
		$	$	$	$
Revenue					
Listing and research		115,050	207,650	489,050	453,260
Advisory services		-	6,600	-	59,949
Consulting		122,011	73,983	364,164	165,746
Royalties		145,148	84,404	309,663	220,638
Interest	19	439,341	387,234	1,357,830	2,019,722
Other		49,425	1,700	132,267	7,085
		870,975	761,571	2,652,974	2,926,400
Expenses					
Salaries and management fees	23	341,286	215,218	916,926	601,389
Consulting and professional fees	23	695,852	423,522	2,041,168	1,268,481
General and administrative	23	657,797	318,657	2,113,270	1,083,724
Interest expense	20	1,681,886	448,094	7,213,601	1,319,581
Exchange loss (gain)		(647,554)	6,029	(700,600)	(30,765)
Loss on settlement of trade and other receivables		29,054	12,204	11,931	1,880
Loss on settlement of a loan		200,000	-	200,000	-
Loss on settlement of investments		114,771	-	164,771	-
Gain on settlement of a debenture payable		-	-	(22,895)	-
Gain on settlement of a loan payable to a company controlled by shareholders		-	-	-	(33,900)
Loss (gain) on disposal of available-for-sale investments		(243,445)	10,000	(633,352)	48,000
Change in fair value of convertible debentures - conversion feature	12	(71,987)	954,942	61,136	1,384,857
Change in fair value of FVTPL investments		(567,118)	358,596	(860,562)	646,616
Change in fair value of derivative warrant liability	16	-	-	(44,423)	-
Impairment	21	1,054,435	-	1,503,825	-
Share in results in associates	10	360,559	(429,813)	971,209	(429,813)
		3,605,536	2,317,449	12,936,005	5,860,050
Loss before income taxes		(2,734,561)	(1,555,878)	(10,283,031)	(2,933,650)
Income taxes					
Current income taxes		-	(58,919)	1,157	(58,919)
Net loss		**(2,734,561)**	**(1,496,959)**	**(10,284,188)**	**(2,874,731)**
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		290,935	(206,760)	(543,415)	428,676
Reclassification of impairment to net loss		508,217	-	508,217	-
Reclassification to net loss, net of tax effect		(244,257)	-	(634,164)	48,000
		554,895	(206,760)	(669,362)	476,676
Foreign currency translation					
Net change in fair value, net of tax effect		-	-	-	-
Reclassification to net loss, net of tax effect		40,967	-	-	-
		40,967	-	-	-
Total comprehensive income (loss)		595,862	(206,760)	(669,362)	476,676
Comprehensive loss		**(2,138,699)**	**(1,703,719)**	**(10,953,550)**	**(2,398,055)**
Net loss attributable to:					
Shareholders of Gravitas Financial Inc.		(993,645)	(1,504,774)	(6,991,909)	(2,882,220)
Non-controlling interests		(1,740,916)	7,815	(3,292,279)	7,489
		(2,734,561)	(1,496,959)	(10,284,188)	(2,874,731)
Comprehensive loss attributable to:					
Shareholders of Gravitas Financial Inc.		(385,640)	(1,711,534)	(7,632,732)	(2,405,544)
Non-controlling interests		(1,753,059)	7,815	(3,320,818)	7,489
		(2,138,699)	(1,703,719)	(10,953,550)	(2,398,055)
Basic and diluted net loss per share		(0.041)	(0.022)	(0.154)	(0.043)
Weighted average number of common shares outstanding		66,601,305	66,601,305	66,601,305	66,601,305

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 nine months ended on September 30, 2015 and 2014 **(Unaudited - in Canadian dollars)**

	Notes	Share Capital		Accumulated Other Comprehensive Income (Loss)		Contributed surplus	Deficit	Non-controlling interest	Total
				Available-for-sale financial assets	Foreign currrency translation				
		Number	$	$	$	$	$	$	$
Balance on January 1st, 2014		66,601,305	1,400,600	(92,044)	-	86,000	(1,042,507)	-	352,049
Net loss		-	-	-		-	(2,882,220)	7,489	(2,874,731)
		-	-	-	-	-	(2,882,220)	7,489	(2,874,731)
Other comprehensive income									
Net change in fair value, net of tax effect		-	-	428,676	-	-	-	-	428,676
Reclassification to net loss, net of tax effect		-	-	48,000	-	-	-	-	48,000
Total comprehensive income		-	-	476,676	-	-	-	-	476,676
Balance on September 30, 2014		66,601,305	1,400,600	384,632	-	86,000	(3,924,727)	7,489	(2,046,006)
Balance on January 1st, 2015		66,601,305	1,400,600	1,691,796	-	86,738	(56,103,842)	(254,081)	(53,178,789)
Change in functional currency	4	-	-	-	-	365,788	-	-	365,788
Broker warrants issued as part of the Serie C debenture	15	-	-	-	-	18,650	-	-	18,650
Stock-based compensation	18	-	-	-	-	509	-	-	509
Non-controlling interest	6						(794,456)	1,771,152	976,696
Net loss		-	-	-	-	-	(6,991,909)	(3,292,279)	(10,284,188)
		-	-	-	-	384,947	(7,786,365)	(1,521,127)	(8,922,545)
Other comprehensive loss									
Net change in fair value, net of tax effect		-	-	(543,415)	-	-	-	-	(543,415)
Exchange difference on translating foreign operations		-	-	-	(51,252)	-	-	-	(51,252)
Reclassification of impairment to net loss, net of tax effect		-	-	508,217	-	-	-	-	508,217
Reclassification to net loss, net of tax effect		-	-	(634,164)	-	-	-	-	(634,164)
Total comprehensive loss		-	-	(669,362)	(51,252)	-	-	-	(720,614)
Balance on September 30, 2015		66,601,305	1,400,600	1,022,434	(51,252)	471,685	(63,890,207)	(1,775,208)	(62,821,948)

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 and nine months ended on **(Unaudited - in Canadian dollars)**

	Notes	September 30, 2015 (3 months)	September 30, 2014 (3 months)	September 30, 2015 (9 months)	September 30, 2014 (9 months)
		$	$	$	$
OPERATING ACTIVITIES					
Net loss		(2,734,561)	(1,496,959)	(10,284,188)	(2,874,731)
Adjustments					
Stock-based compensation		-	-	509	-
Amortization - Property and equipment		11,883	8,360	36,230	28,270
Amortization - Intangible assets	13	88,983	-	266,949	177,966
Accreted interest on convertible debenture	12	(104,124)	(212,979)	(267,513)	(447,434)
Accreted interest on loans	11	-	-	(76,350)	-
Accreted interest on equity investments and other	9	(7,116)	-	(9,887)	-
Accreted interest on debenture	15	320,705	28,680	2,277,615	71,359
Lease inducement		(1,660)	(1,660)	(4,981)	(4,981)
Loss on settlement of trade and other receivables		29,054	12,204	11,931	1,880
Loss on settlement of equity investments and other	9	114,771	-	164,771	-
Loss on settlement of a loan	11	200,000	-	200,000	-
Gain on settlement of a debenture	15	-	-	(22,892)	-
Gain on settlement of a loan payable to a company controlled by hareholders		-	-	-	(33,900)
Loss (gain) on disposal of available-for-sale investments		(243,445)	(68,817)	(633,352)	48,000
Change in fair value of convertible debentures - conversion feature	12	(71,987)	954,942	61,136	1,384,857
Change in fair value of FVTPL investments		(567,118)	437,413	(860,562)	646,616
Change in fair value of derivative warrant liability	16	-	-	(44,423)	-
Common shares and warrants received as an incentive for early conversion of a convertible debenture		-	-	(47,909)	-
Impairment of investments	10, 11 and 12	1,054,435	-	1,503,825	-
Share of results in associates	10	360,559	(429,813)	971,209	(429,813)
		(1,549,621)	(768,629)	(6,757,882)	(1,431,911)
Change in working capital items	22	(1,014,957)	(159,783)	194,859	(494,837)
Cash flows from operating activities		(2,564,578)	(928,412)	(6,563,023)	(1,926,748)
INVESTING ACTIVITIES					
Investment in restricted cash, net		2,534,171	-	(7,090,032)	-
Cash acquired through business acquisition	**6**	80,656	-	80,656	-
Guaranteed investments certificates		-	-	16,911,000	20,000
Additions to property and equipment	8	(2,527)	-	(20,966)	(21,299)
Additions to intangible assets	13	-	(50,000)	-	(50,000)
Purchase of equity investments and other	9	(336,017)	(116,376)	(2,503,762)	(838,209)
Proceeds from disposal of investments	9	315,498	848,272	1,341,432	848,272
Purchase of investments in associates	10	(1,459,730)	(6,625)	(2,619,755)	(4,033,723)
Dividends received on investments in associates	10	80,000	40,000	313,600	120,000
Loans receivable		(1,526,550)	(738,360)	(4,003,470)	(6,055,693)
Reimbursement of loans receivable		-	25,000	360,000	7,584,366
Convertible debentures		(540,001)	-	(652,361)	(1,715,595)
Cash flows from investing activities		(854,500)	1,911	2,116,342	(4,141,881)
FINANCING ACTIVITIES					
Due to directors		-	(23,639)	-	(91,238)
Due to a related company		-	(200)	-	(51,930)
Repayment of loans to related companies		-	(20,750)	-	(20,750)
Issuance of a debenture	15	-	-	9,632,750	-
Repayment of a debenture	15	-	-	(24,105)	-
Cash flows from financing activities		-	(44,589)	9,608,645	(163,918)
Translation effect on cash		(16,110)	-	(57,077)	-
Net change in cash		**(3,435,188)**	**(971,090)**	**5,104,887**	**(6,232,547)**
Cash, beginning of period		**28,646,475**	**20,953,676**	**20,106,400**	**26,215,133**
Cash, end of period		**25,211,287**	**19,982,586**	**25,211,287**	**19,982,586**

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 September 30, 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 November 30, 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 and nine-month periods ended September 30, 2014 and the consolidated statement of changes in equity for the nine-month period ended September 30, 2014 are summarized below. The adjustments between amounts previously reported and amounts restated had no effect on the consolidated statement of cash flows.

			September 30, 2014 (3 months)
	Previously reported	Adjustments	Restated
	$	$	$
Consolidated Statement of Comprehensive Loss			
Revenue	536,407	225,164	761,571
Expenses	1,407,435	910,014	2,317,449
Loss before income taxes	(871,028)	(684,850)	(1,555,878)
Net loss	(812,109)	(684,850)	(1,496,959)
Other comprehensive loss	(206,760)	-	(206,760)
Net loss and comprehensive loss	(1,018,869)	(684,850)	(1,703,719)
Basic and diluted net loss per share	(0.012)	(0.010)	(0.022)

			September 30, 2014 (9 months)
	Previously reported	Adjustments	Restated
	$	$	$
Consolidated Statement of Comprehensive Loss			
Revenue	2,540,088	386,312	2,926,400
Expenses	4,612,459	1,247,591	5,860,050
Loss before income taxes	(2,072,371)	(861,279)	(2,933,650)
Net loss	(2,013,452)	(861,279)	(2,874,731)
Other comprehensive loss	476,676	-	476,676
Net loss and comprehensive loss	(1,536,776)	(861,279)	(2,398,055)
Basic and diluted net loss per share	(0.030)	(0.013)	(0.043)

GRAVITAS FINANCIAL INC.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of September 30, 2015 and 2014 and December 31, 2014 **(Unaudited - in Canadian dollars)**

NOTE 3. RESTATEMENT (CONTINUED)

			September 30, 2014 (9 months)
	Previously reported	Adjustments	Restated
	$	$	$
Consolidated Statement of Changes in Equity			
Balance on January 1st, 2014	(731,671)	1,083,720	352,049
Dividend	(10,000)	10,000	-
Net loss	(2,013,452)	(861,279)	(2,874,731)
	(2,023,452)	(851,279)	(2,874,731)
Other comprehensive loss	476,676	-	476,676
Balance on September 30, 2014	(2,278,447)	232,441	(2,046,006)

NOTE 4. CHANGES TO ACCOUNTING POLICIES

Functional currency

Effective April 1, 2015, The Mint Corporation ("Mint"), a subsidiary of the Company, changed its functional currency to the Canadian dollar. The change in functional currency was applied on a prospective basis. This change reflects the subsidiary's financing and operating activities, which are now primarily in the Canadian dollar.

The impact of the change in functional currency on the measurement and reporting is discussed below. The change in functional currency will result in no additional changes in the cumulative translation adjustment going forward as Mint's functional currency is the Canadian dollar.

Prior to the change in functional currency, the financial results and positions of foreign operations whose functional currency is different from the reporting currency were translated as follows:

- Assets and liabilities were translated at period end exchange rates prevailing at the reporting date, and
- Income and expenses were translated at the average exchange rate for the period

Exchange gains and losses were included as part of accumulated other comprehensive income on the statement of financial position.

As a result of the change in functional currency, Mint's outstanding warrants that were previously accounted for as derivative liabilities and measured at fair value with changes in fair value accounted through the consolidated statement of loss and comprehensive loss will no longer be treated as derivative liabilities as the exercise price is in the functional currency of the Company. The fair value of the warrants outstanding at March 31, 2015 was reclassified to a separate component of equity on April 1, 2015 and no future fair value measurements will be required. The net impact of the change in functional currency is as follows:

	Previously reported at March 31, 2015	Impact of change in fucntional currency	Balance April 1, 2015
	$	$	$
Derivative warrant liability	365,788	(365,788)	-
Total equity	(52,449,737)	365,788	(52,083,949)

Exchange differences are recognized in profit or loss in the period in which they arise.

New and revised standards that are effective for annual periods beginning on or after January 1, 2015.

The Company has adopted the following standards, effective January 2015. There was no consequential impact upon adoption.

IFRS 8 – Operating Segments

IFRS 8, "Operating Segments" was amended to require (i) disclosure of judgements made by management in aggregating segments, and (ii) a reconciliation of segment assets to the entity's assets when segments are reported.

IAS 24 – Related Party Transactions

IAS 24, "Related Party Transactions" was amended to (i) revise the definition of "related party" to include an entity that provides key management personnel services to the reporting entity or its parent, and (ii) clarify related disclosure requirements.

GRAVITAS FINANCIAL INC.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of September 30, 2015 and 2014 and December 31, 2014 **(Unaudited - in Canadian dollars)**

NOTE 5. 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%
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. (inactive)	Canada	100%
Gravitas Venture Inc.	Canada	100%
Gravitas Consolidated Corp. (a) (b)	Canada	100%
Gravitas Investor Platform Inc. (a)	Canada	100%
Gravitas International Corp. (a)	Canada	100%
New India Investment Corporation	Canada	100%
Luxury Quotient International Inc.	Canada	100%
Global Compliance Network Inc. (a)	Canada	100%
Foundation Investment Management Inc.	Canada	100%
The Mint Corporation	Canada	63.5%
Claxton Capital Management	Canada	100%
Branson Corporate Services Inc.	Canada	51%
Luxury Quotient India Private Ltd.	India	100%
SearchGold Guinée SARL (inactive)	Africa	100%
Claxton Real Estate Company Ltd.	USA	42%

(a) Incorporated in 2015
(b) Discontinued in 2015

The Company's investments in associates are as follows:

Investments in associates	Jurisdiction of incorporation	% of ownership
Portfolio Analysts Inc.	Canada	40%
Mint Middle East (MME)	Canada	51%
Prime City One Capital Corp.	Canada	18%

NOTE 6. BUSINESS ACQUISITION

The Mint Corporation

On July 31, 2014, the Company converted an amount of $295,412 in connection with the 12% convertible subordinate secured debenture held in The Mint Corporation ("Mint") at a conversion price of $0.05 per share. As a result of this conversion, Mint issued 5,908,240 common shares to Gravitas, representing 18% of the issued and outstanding common shares of Mint. At the time of this transaction, the Company determined that it obtained significant influence over Mint and therefore accounted its investment at equity value.

On November 21, 2014, the Company converted another amount of $1,040,352, in connection with the 12% convertible subordinate secured debenture held in Mint at a conversion price of $0.05 per share. As a result of this conversion, Mint issued 20,807,037 common shares to the Company, thereby increasing its ownership interest from 18% to 50% of the issued and outstanding common shares of Mint. At the time of this transaction, the Company determined that it obtained control over Mint and accordingly consolidation of this entity is now required.

Mint is a niche financial services company in United Arab Emirates, one of the richest countries in the world and an attractive market in Middle East. Most significant assets of Mint are its unbanked customers, strong local partner with a deep expertise, relationship with the institutions and government of UAE and UAE central bank license to operate as a Wages Protection System Agent to offer this service. Mint as a financial services company with a scalable business model fits within the investment framework of Gravitas.

The incremental investment in Mint was accounted for using the acquisition method of accounting which requires, among other things, that assets acquired and liabilities assumed be recognized at their fair values as of the acquisition date which is November 21, 2014. Step-acquisition accounting guidance requires that the pre-existing investment be re-measured at fair value and any gains or losses be recognized in income. The estimated value of the Company's interest accounted at equity value immediately before the effective date was $1,342,389, which resulted in the recognition of a loss on step acquisition of $672,007.

The Company accounted for this purchase using the acquisition method of accounting, whereby the assets acquired and the liabilities assumed are recorded at their fair values with any excess of the aggregate consideration over the fair value of the identifiable net assets allocated to goodwill. Operating results have been included in the consolidated financial statements from the date of acquisition.

GRAVITAS FINANCIAL INC.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of September 30, 2015 and 2014 and December 31, 2014 **(Unaudited - in Canadian dollars)**

NOTE 6. BUSINESS ACQUISITION (Continued)

The net liabilities assumed and assets acquired were as follows:

	$
Assets	
Cash	1,449,781
Trade and other receivables	353,953
Prepaid expenses	190,828
Investment	150,000
Equipments	1,504
Investments in Mint Middle East ("MME")	1,413,677
	3,559,743
Liabilities	
Trade and other payables	2,408,896
Debentures	46,889,222
Convertible debentures	1,286,156
Loan payable	226,800
Derivative warrant liability	286,249
	51,097,323
Net liabilities assumed	(47,537,580)
Consideration paid	670,382
Non-controlling interest	670,382
Total	1,340,764
Goodwill	48,878,344

Mint’s unbanked customer base is a quarter million strong and are currently outside the purview of mainstream banks and hence under serviced, under courted and under marketed to by banks in UAE. This customer base represents an excellent opportunity for Mint to generate significant revenue and earnings if they can be tapped into by offering products and services. The Company believes it can help Mint achieve it's business plan.

Losses of Mint which are included in the Company's consolidated statement of Comprehensive Loss amount to $1,738,107. If the acquisition of Mint had taken place on January 1, 2014, revenue of $52,204 would have been included in the Company's consolidated statement of Comprehensive Loss and losses of $14,160,586 would have increased the Company's net loss.

The fair value of the NCI at the time of acquisition, was estimated based on the market price of $0,025 and applied to the portion of commons shares not held by the Company of 26,815,277.

Acquisition of an additionnal interest

On June 23, 2015, the Company purchased 20 million units of Mint at $0.05 per unit for $1,000,000, thereby increasing its ownership interest from 50% interest to 63.5% interest. Each unit consisting of one common share of Mint and one-half of one common share purchase warrant of Mint. Each whole warrant is exercisable into one common share at an exercise price of $0.05 until December 23, 2016. The fair value of the warrants was estimated at $347,000 using the Black&Scholes pricing model 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.

The Company obtained control of Mint in November 2014 and has consolidated the results of Mint thereafter. The transaction described above only increased the voting interests that the Company already had.

Under IFRS 10, *Consolidated financial statements* , when the proportion of the equity held by non-controlling interests changes, an entity shall adjust the carrying amounts of the controlling and non-controlling interests to reflect the changes in their relative interests in the subsidiary. The entity shall recognize directly in equity any adjustment and attribute it to the owners of the parent. Following that transaction, the Company recorded an adjustment of $794,456 in the consolidated statement of changes in equity to reduce the non-controlling interest.

Claxton Capital Management and Claxton Real Estate Company Ltd.

On August 31, 2015, the Company converted its 6,666,667 preferred shares held in Claxton Real Estate Company Ltd. ("CREC") into common shares. As a result of this conversion, the Company acquired 42% of the issued and outstanding common shares of CREC. The Company also acquired 100% of the issued and outstanding common shares of Claxton Capital Management ("CCM") in consideration of $1,980 in cash. At the time of these transaction, the Company determined that it obtained control over CREC and CCM and accordingly consolidation of these entity is required.

CREC is a holding company that has a 100% indirect interest in Palm Valley Pavilions East ("Palm Valley"), a commercial plaza and apartment land in Goodyear, Arizona. Palm Valley has approximately 35,000 square feet of net rentable area and is situated on approximately 8 acres of land. CCM is a management company and the general limited partnership that owns Palm Valley.

The Company accounted for this purchase using the acquisition method of accounting, whereby the assets acquired and the liabilities assumed are recorded at their fair values with any excess of the aggregate consideration over the fair value of the identifiable net assets allocated to goodwill. Operating results have been included in the consolidated financial statements from the date of acquisition.

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GRAVITAS FINANCIAL INC.

NOTE 6. BUSINESS ACQUISITION (Continued)

The Company recorded a preliminary allocation of the purchase price to tangible assets acquired and liabilities assumed, including certain contingent liabilities, based on their fair values as of the August 31, 2015 acquisition date. The preliminary purchase price allocation is as follows:

	$
Assets	
Cash	80,656
Trade and other receivables	361,824
Prepaid expenses	60,567
Property and equipment	6,779,397
	7,282,444
Liabilities	
Trade and other payables	637,091
Loan payable (Note 14)	4,586,677
	5,223,768
Net assets acquired	2,058,676
Consideration paid	1,081,980
Non-controlling interest	976,696
Total	2,058,676

Losses of Claxton which are included in the Company's consolidated statement of Comprehensive Loss amount to $nil. If the acquisition of Claxton had taken place on January 1, 2015, revenue of $766,154 would have been included in the Company's consolidated statement of Comprehensive Loss and results of $119,615 would have decreased the Company's net loss.

The NCI at the time of acquisition, was estimated based on the net assets acquired. The preliminary purchase price allocation is based on valuations performed to determine the fair value of the net assets as of the acquisition date. The final purchase price, as well as the purchase price allocation, is subject to the final determination of acquired working capital and completion of the final valuation of the net assets acquired.

NOTE 7. RESTRICTED CASH

The net proceeds received on the issuance of Mint's Series C debentures have been invested in a one year guaranteed investment certificate, bearing interest at 1.15% per annum pending the finalization of:

- A general security agreement on all of the undertaking, property and assets of Mint;
- A security interest on all of the property and assets of Mint Capital LLC ("MCO"), present and future to be registered in the Dubai International Financial Center ("DIFC");
- An inter-creditor agreement with Gravitas confirming the ranking of the Series C debentures; and
- A security interest on the ownership interest of MCO in Mint Gateway for Electronic Payment Services ("MGEPS").

During the three-month period ended September 30, 2015, the Company redeemed $2,534,171 of the restricted cash for operating purposes as approved by the Series C Debenture holders. The required documentation was finalized on October 23, 2015. As a result, the restricted guaranteed investment certificate can now be redeemed as required by the Company's.

NOTE 8. PROPERTY AND EQUIPMENT

	Equipment	Leasehold improvements	Building	Land	Total
	$	$	$	$	$
Cost					
Balance as at January 1st, 2014	162,689	14,645	-	-	177,334
Acquisitions	48,390	16,760	-	-	65,150
Acquisitions through business acquisition (Note 6)	1,504	-	-	-	1,504
Balance as at December 31, 2014	212,583	31,405	-	-	243,988
Acquisitions	20,966	-	-	-	20,966
Acquisitions through business acquisition (Note 6)	-	-	6,144,261	635,136	6,779,397
Disposal	(974)	-	-	-	(974)
Balance as at September 30, 2015	232,575	31,405	6,144,261	635,136	7,043,377
Accumulated amortization					
Balance as at January 1st, 2014	27,899	1,220	-	-	29,119
Amortization	36,418	4,117	-	-	40,535
Balance as at December 31, 2013	64,317	5,337	-	-	69,654
Amortization	32,496	3,734	-	-	36,230
Disposal	(162)	-	-	-	(162)
Balance as at September 30, 2015	96,651	9,071	-	-	105,722
Carrying amount					
Balance as at December 31, 2014	148,266	26,068	-	-	174,334
Balance as at September 30, 2015	135,924	22,334	6,144,261	635,136	6,937,655

GRAVITAS FINANCIAL INC.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of September 30, 2015 and 2014 and December 31, 2014 **(Unaudited - in Canadian dollars)**

NOTE 9. EQUITY INVESTMENTS AND OTHER

	Investments in quoted companies, at fair value					Investments in private companies, at costs		Other	
	Common shares	Options	Warrants	Debentures	Subscription receipts	Common shares	Preferred shares	Mining properties	Total
	$	$	$	$	$	$	$	$	$
Balance as at January 1st, 2014	448,136	71,520	325,786	848,272	-	81,000	1,000,000	1	2,774,715
Acquired through cash payment	932,087	-	6,215	-	163,185	55,675	-	-	1,157,162
Acquired through the conversion of a convertible debenture	289,658	-	-	-	-	-	-	-	289,658
Acquired as part of a settlement	110,551	10,324	-	-	-	-	-	-	120,875
Acquired through business acquisition	-	-	-	150,000	-	-	-	-	150,000
Reclassification due to acquisition of control (Note 6)	(6,625)	-	-	-	-	-	-	-	(6,625)
Fair value allocated to warrants	(154,234)	-	154,234	-	-	-	-	-	-
Disposal and/or redemption	-	-	-	(848,272)	-	-	-	-	(848,272)
Change in fair value of FVTPL investments	-	(266,402)	(449,923)	-	-	-	-	-	(716,325)
Change in fair value recognized in other comprehensive income	1,460,588	206,517	68,735	-	-	-	-	-	1,735,840
	2,632,025	(49,561)	(220,739)	(698,272)	163,185	55,675	-	-	1,882,313
Balance as at December 31, 2014	3,080,161	21,959	105,047	150,000	163,185	136,675	1,000,000	1	4,657,028

GRAVITAS FINANCIAL INC.

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NOTE 9. EQUITY INVESTMENTS AND OTHER (Continued)

	Investments in quoted companies, at fair value					Investments in private companies, at costs		Other	
	Common shares	Options	Warrants	Debentures	Subscription receipts	Common shares	Preferred shares	Mining properties	Total
	$	$	$	$	$	$	$	$	$
Balance as at January 1st, 2015	3,080,161	21,959	105,047	150,000	163,185	136,675	1,000,000	1	4,657,028
Acquired through cash payment	647,723	-	-	476,000	160,000	1,980	1,218,059	-	2,503,762
Acquired through the conversion of a convertible debenture	120,000	-	-	-	-	-	-	-	120,000
Acquired as part of an investment in a loan	-	-	76,350	-	-	-	-	-	76,350
Acquired as part of a settlement	127,701	-	5,576	-	-	-	-	-	133,277
Received as an incentive for early conversion of a convertible debenture	7,200	-	40,709	-	-	-	-	-	47,909
Share exchange	(10,000)	-	-	-	-	10,000	-	-	-
Reclassification due to acquisition of significant									-
influence (Note 10)	(68,229)	-	-	-	-	-	-	-	(68,229)
Reclassification due to acquisition of control (Note 6)	-	-	-	-	-	(81,980)	(1,000,000)	-	(1,081,980)
Fair value allocated to warrants	(134,646)	-	204,569	(69,923)	-	-	-	-	-
Fair value allocated to equity components	53,360	-	-	(53,360)	-	-	-	-	-
Disposal and/or redemption	(1,077,247)	-	-	(100,000)	(163,185)	(1,000)	-	-	(1,341,432)
Change in fair value of FVTPL investments	229,620	5,265	681,352	-	-	(55,675)	-	-	860,562
Change in fair value recognized in other comprehensive income	(543,415)	-	-	-	-	-	-	-	(543,415)
Accretion of interest	-	-	-	9,887	-	-	-	-	9,887
Loss on settlement of investments	-	-	-	(50,000)	-	-	-	-	(50,000)
	(647,933)	5,265	1,008,556	212,604	(3,185)	(126,675)	218,059	-	666,691
Balance as at September 30, 2015	2,432,228	27,224	1,113,603	362,604	160,000	10,000	1,218,059	1	5,323,719

As of September 30, 2015 and 2014 and December 31, 2014 (Unaudited - in Canadian dollars)

NOTE 9. EQUITY INVESTMENTS AND OTHER (Continued)

Common shares in quoted companies

The fair value of the common shares in quoted companies was based on closing prices ranging from $nil to $0.445 per share as at September 30, 2015 ($Nil to $0.54 per share as at December 31, 2014).

Options and warrants

The fair value of the options and warrants using the Black-Scholes princing model was based on the following assumptions:

	Options		Warrants	
	September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
Weighted average exercise price	$0.35	$0.59	$0.77	$0.16
Expected dividend	- %	- %	- %	- %
Expected average volatility	212%	140%	193%	125%
Risk-free average interest rate	0.53%	1.02%	0.49%	1.02%
Expected average life (years)	1.01	1.36	1.90	1.81
Weighted average fair value	$0.05	$0.02	$0.13	$0.02

Debentures

As part of the acquisition of Mint, the Company acquired an unsecured non-convertible debenture in Upsnap Inc. ("UP"), formerly Voodoovox 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, 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.

In February 2015, the Company invested in a secured non-convertible debenture in SQI Diagnostic Inc. ("SQD"), an unrelated publicly listed company in Canada, for an amount of $186,000. The debentures 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 SQD. Each warrant entitles the holder to acquire one common share of SQD 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 income using an effective interest rate of 22.77%. The fair value of the warrant of $69,923 was estimated using the Black-Scholes pricing model 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. At September 30, 2015, the carrying value of the debenture component is $121,020.

In February 2015, the Company invested in a secured non-convertible debenture in Enerdynamic Hybrid Technologie Corp. ("EHT"), an unrelated publicly listed company in Canada, for an amount of $290,000. The debentures bear interest at a rate of 18% payable annually and mature on July 3, 2017. As part of the investment, the Company received a total of 116,000 common shares of EHT. The initial value of the debenture is determined by measuring the fair value of the common shares 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 income using an effective interest rate of 30.63%. The fair value of the common share of $53,360 was determined by using the share price of $0.46 at the time of issuance. At September 30, 2015, the carrying value of the debenture component is $241,584.

Subscription receipts

In December 2014, the Company acquired 600,000 subscription receipts at a price of US$0.25 per subscription receipt for a total of US$150,000 ($163,185). Each subscription receipt is exercisable into one common share of the issuer subject to certain conditions. In May 2015, the issuer didn't meet the conditions and reimbursed the Company.

In August 2015, the Company acquired 1,600,000 subscription receipts at a price of $0.10 per subscription receipt for a total of $160,000. Each subscription receipt is exercisable, in certain circumstances and without any further action on the part of the holder, into one common share and one common share purchase warrant. Each warrant will entitle the holder to purchase one common share at a price of $0.15 per share for a period of 24 months from the date of the completion of the proposed business combinaison.

Common shares in private companies

These investments are carried at cost, as they do not have a quoted market price in an active market, and their fair value cannot be reliably measured due to the significant variability in the range of reasonable fair values for these instruments and the inability to assign probabilities to a range of fair value estimates. The market for these financial instruments is a private equity market. The entity intends to dispose of these financial instruments when these companies shares are traded in an active market.

On August 31, 2015, the Company converted its 6,666,667 preferred shares held in CREC. As a result of this transaction, the Company acquired control over CREC and thereby consolidation in now required. Consequently, the investments held in CCM and CREC were reclassified due to the acquisition of control (Note 6).

Preferred shares

In 2013, the Company acquired 6,666,667 preferred shares in CREC for an amount of $1,000,000. These preferred shares are convertible into common shares at a price of $0.15 per share or at the IPO price, are carrying a cumulative dividend of 8% and are redeemable at the holder's option. On August 31, 2015, the Company converted its 6,666,667 preferred shares in CREC. As a result of this transaction, the Company acquired control over CREC and thereby consolidation in now required (Note 6).

On June 12, 2015, New India Investment Corp. ("NIC"), a wholly owned subsidiary of the Company, made a $1,223,994 (US$981,000) investment in Innoviti Payments Solutions Private Limited (formerly Innoviti Embedded Solutions Pvt. Ltd.), a private company incorporated in Bengaluru, India under the Indian Companies Act. The Company acquired 452,061 Series C Preference shares, representing a 6.1% interest. These preferred shares are compulsorily convertible into common shares on a 1:1 basis within 3 years and are carrying a cumulative dividend at 0.1%. NIC has the right to acquire at its option within 12 months after the first closing if the company meets certain revenue targets an additional 226,030 Series C Preference shares.

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GRAVITAS FINANCIAL INC.

NOTE 10. INVESTMENTS IN ASSOCIATES

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

	September 30, 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	2,619,755	-
Reclassification due to acquisition of significant influence (Note 9, 11 and 12)	418,229	-
Reclassification due to acquisition of control	-	(1,342,389)
Dividends received	(313,600)	(240,000)
Share of results in associates	(971,209)	322,248
Impairment	(415,932)	-
Balance, end of period	6,865,850	5,528,607

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 September 30, 2015, MEPS and MGEPS had no significant operations. 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, merchant network solutions and microfinance products to existing payroll cardholders.

MME LLC manages the issuance, administration, customer support, payment processing and set-up and reporting of payroll cards and related activities. 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.

During the nine months period ended September 30, 2015, the Company invested additional working capital funds of $2,619,755 in MME.

Prime City One Capital Corp.

The Company acquired 18% interest in the issued and outstanding shares of Prime City One Capital Corp. ("Prime"), giving it significant influence over Prime's operations following the signature of a purchase and assignment of debt agreement, under which GFI assigned 50% of its rights, interests and obligation in a loan representing an amount of $125,000 in exchange of 13,645,825 common shares in the capital of Prime valued at $68,229. At September 30, 2015, the Company also owns an investment in a loan for $100,000 and a convertible debenture for $250,000 in Prime. These investments were reclassified under investments in associates and are recognized at equity value. The Company recorded a loss on settlement of $56,771 following that transaction. Management does not have the current ability to control the key operating activities of Prime; therefore, it does not have control and does not consolidate Prime. The Company accounts for its investment in Prime using the equity method.

Prime was incorporated under the Business Corporations Act (Ontario) on September 2, 2004 and is currently reviewing several alternative business plans and fully intends to pursue a change of business. Prime's shares are currently listed on the NEX under the Symbol "PMO.H". The head office, principal address and records office are located at 141 Adelaide Street West, Suite 110, Toronto, Ontario, M5H 3L5.

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NOTE 10. INVESTMENTS IN ASSOCIATES (Continued)

During the three months period ended September 30, 2015, the Company evaluated the recoverability of its investment in Prime and determined that as a result of the financial conditions and result of operations at Prime, the Company's entire investment value of $415,932 was impaired in net loss.

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

(In thousands of Canadian dollars)			September 30, 2015		December 31, 2014
	Prime	MME	PAI	MME	PAI
	$	$	$	$	$
Balance sheet					
Current assets	22	1,834	3,946	4,699	3,545
Non-current assets	-	4,773	4,344	1,871	5,729
Current liabilities	423	3,805	3,299	3,969	3,233
Non-current liabilities	4	420	1,883	474	3,225
Statements of earnings					
Revenue	-	2,851	20,152	3,718	25,231
Expenses	13	5,593	18,737	11,829	24,139
Operating income (loss)	(13)	(2,742)	1,415	(8,111)	1,122
Net earnings (loss)	(13)	(2,742)	1,077	(8,111)	904
Cash flows					
Dividend paid	-	-	(784)	-	(600)

NOTE 11. LOANS RECEIVABLE

	September 30, 2015	December 31, 2014
	$	$
Beginning balance	3,446,270	3,547,033
Additional loans	4,003,470	7,483,603
Amount redeemed	(485,000)	(7,584,366)
Convertible debenture converted into a loan	422,520	-
Loan converted into a convertible debenture	(210,000)	-
Reclassification due to acquisition of significant influence (Note 10)	(100,000)	-
Fair value allocated to the equity components (a)	(76,350)	-
Accretion of interest	76,350	-
Loss on settlement of a loan	(200,000)	-
Impairment	(499,315)	-
	6,377,945	3,446,270
Current portion	2,059,090	880,000
Non-current portion	4,318,855	2,566,270
	6,377,945	3,446,270

These loans bear interest from 4.5% to 12% per annum and mature from November 2015 to October 2018. Loans for a total amount of $4,082,945 are secured under general security agreements.

During 2015, the Company advanced US$700,000 to MGEPS, an affiliate of the Company, for the advancement of its on-going information technology upgrades.

(a) In January 2015, 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 income. The fair value of the warrant of $76,350 was estimated using the Black-Scholes pricing model 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. On April 8, 2015, this loan was reimbursed.

	September 30, 2015
	$
Amount invested	260,000
Fair value allocated to the equity components	(76,350)
Accretion of interest	76,350
Amount redeemed	(260,000)
	-

GRAVITAS FINANCIAL INC.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 12. CONVERTIBLE DEBENTURES

	September 30, 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	1,208,244	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 (Note 10)	250,000	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 (d)	-	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 (b)	-	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 (c)	17,000	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 (e)	-	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	57,933	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 (c)	59,185	48,094
Convertible debenture, unsecured, with a face value of $100,000, 7.5%, maturing on March 30, 2018 or convertible at any time at the Company's option at $0.80 per share	58,232	-
Convertible debenture, secured, with a face value of $650,000, 6%, maturing on July 7, 2017 or convertible at any time at the Company's option at $1,00 per share	379,954	-
Convertible debenture, unsecured, with a face value of $250,000, 12%, maturing on August 14, 2019 or convertible at any time at the Company's option at $0,075 per share until the 24th month, $0.10 until the 36th month and $0,15 until the 48th month	168,224	-
	2,198,772	2,123,484
Conversion feature	578,757	215,827
	2,777,529	2,339,311
Less: Reclassification due to acquisition of significant influence (Note 10)	(250,000)	-
Less: Impairment	(80,361)	-
	2,447,168	2,339,311
Current portion	1,367,336	794,137
Non-current portion	1,079,832	1,545,174
	2,447,168	2,339,311

(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.

GRAVITAS FINANCIAL INC.

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NOTE 12. CONVERTIBLE DEBENTURES (Continued)

(b) At the expiry date, this convertible debenture was converted into a loan.

(c) The Company recorded an impairment on these investments as a result of financial difficulties faced by these companies.

(d) This convertible debenture was reimbursed.

(e) On June 30, 2015, the Company entered into a share settlement under which the Company received a total of 2,500,000 pre-consolidation shares at a price per share equal to $0.012 per Pre-Consolidated share, for the settlement of the convertible debenture and accrued interest. As a result of this settlement, the Company recorded a loss on settlement of investments of $58,000 and a loss on settlement of trade and other receivables of $12,792 in net loss.

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

			September 30, 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	424,064	365,936	790,000	705,258	1,095,337	1,800,595
Amount converted	-	(208,000)	(208,000)	-	(1,625,422)	(1,625,422)
Amount converted into a loan	-	(422,520)	(422,520)	-	-	-
Amount reimbursed	-	(150,000)	(150,000)	-	-	-
Loan converted into a convertible debenture	-	210,000	210,000	-	-	-
Reclassification due to acquisition of significant influence (Note 10)	-	(250,000)	(250,000)	-	-	-
Accretion of interest	-	267,512	267,512	-	1,218,638	1,218,638
Change in fair value of convertible debentures - conversion feature	(61,134)	-	(61,134)	(2,472,798)	-	(2,472,798)
Exchange gain		12,360	12,360	-	-	-
Impairment	(4,176)	(76,185)	(80,361)	-	-	-
Eliminated through business acquisition	-	-	-	-	(1,286,156)	(1,286,156)
Fair value, end of period	574,581	1,872,587	2,447,168	215,827	2,123,484	2,339,311

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 $424,064 ($705,258 at December 31, 2014) was estimated using the Black-Scholes option pricing model based on the following weighted average assumptions:

	September 30, 2015	December 31, 2014
Weighted average conversion price	$0.75	$0.16
Expected dividend	- %	- %
Expected average volatility	178%	257%
Risk-free average interest rate	0.53%	1.10%
Expected average life (years)	2.60	1.73
Weighted average fair value	$0.38	$0.07

The fair value of the conversion feature of $574,581 at September, 2015 ($215,827 at December 31, 2014) was estimated using the Black-Scholes option pricing model based on the following weighted average assumptions:

	September 30, 2015	December 31, 2014
Weighted average conversion price	$0.40	$0.14
Expected dividend	- %	- %
Expected average volatility	175%	184%
Risk-free average interest rate	0.48%	1.02%
Expected average life (years)	1.44	1.14
Weighted average fair value	$0.14	$0.02

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GRAVITAS FINANCIAL INC.

NOTE 13. 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 September 30, 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	266,949	-	266,949
Balance as at September 30, 2015	800,847	-	800,847
Carrying amount			
Balance as at December 31, 2014	711,862	246,272	958,134
Balance as at September 30, 2015	444,913	246,272	691,185

NOTE 14. LOAN

As part of the acquisition of control for CCM and CREC on August 31, 2015, the Company assumed the liability for a loan payable to Ladder Capital Finance I LLC. On October 2, 2013, CREC entered into a loan agreement with Ladder Capital Finance I LLC, a Delaware limited liability company for a principal amount of US$3,510,000 at an interest rate of 5.517% per annum. The loan requires monthly debt service payments of US$19,966, including interest, and matures on October 6, 2023 with the balance outstanding payable on that date and is subject to a cash sweep arrangement where funds in excess of operating costs are used to reduce the principal outstanding under the loan. Under the terms of the loan agreement, all gross revenues of CREC are deposited directly with the lender or their assignee and are held in escrow for debt service. Funds required for day-to-day operations at Palm Valley are released from escrow as requested for by a Property Manager based on an annual budget approved by the lender each year.

The loan is secured by a promissory note and a mortgage on Palm Valley and is subject to normal course covenants.

At September 30, 2015, US$3,422,893 is outstanding.

GRAVITAS FINANCIAL INC.

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NOTE 15. DEBENTURES

	Mint	Mint	Mint	Mint	Gravitas	Gravitas	
	Series VII (a)	Series A (b)	Series B (c)	Series C (d)	#1 (e)	#2 (f)	Total
	(MIT.DB)					(GFI.DB)	
	$	$	$	$	$	$	$
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	5,580	378,022	61,608	-	4,697	100,274	550,181
Capitalization of accrued interests	-	1,055,026	-	-	-	-	1,055,026
	421,002	43,636,780	4,331,676	-	29,717,404	100,274	78,207,136
Balance as at December 31, 2014	421,002	43,636,780	4,331,676	-	29,717,404	53,021,365	131,128,227
Issued	-	-	-	9,614,100	-	-	9,614,100
Repayment/settlement of debentures	-	-	(24,105)		-	-	(24,105)
Gain on repayment/settlement of debentures	-	-	(22,892)		-	-	(22,892)
Accretion of interest	57,908	1,429,681	599,396	44,333	72,480	73,817	2,277,615
	57,908	1,429,681	552,399	9,658,433	72,480	73,817	11,844,718
Balance as at September 30, 2015	478,910	45,066,461	4,884,075	9,658,433	29,789,884	53,095,182	142,972,945
Balance as at December 31, 2014							
Current portion	421,002	-	-	-	-	-	421,002
Non-current portion	-	43,636,780	4,331,676	-	29,717,404	53,021,365	130,707,225
	421,002	43,636,780	4,331,676	-	29,717,404	53,021,365	131,128,227
Balance as at September 30, 2015							
Current portion	478,910	-	-	-	-	-	478,910
Non-current portion	-	45,066,461	4,884,075	9,658,433	29,789,884	53,095,182	142,494,035
	478,910	45,066,461	4,884,075	9,658,433	29,789,884	53,095,182	142,972,945

GRAVITAS FINANCIAL INC.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of September 30, 2015 and 2014 and December 31, 2014 **(Unaudited - in Canadian dollars)**

NOTE 15. DEBENTURES (Continued)

(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. These debentures were fully redeemed at face value on October 15, 2015.

(b) Series A debentures have a face value of $45,066,461 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 has been 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 $4,836,000 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 September 7, 2015. 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 $10,000,000 and carry simple interest at 5.5% payable quarterly. The debentures are redeemable on June 23, 2018. These debentures are secured by Mint's assets. Mint issued 500,000 broker warrants and incurred $367,250 as directly attributable issuance costs. The fair value of the broker warrants of $18,650 was calculated using the Black-Scholes pricing model. The fair value of the broker warrants and the issuance costs were reduced from the gross proceeds and will be accreted over the term of the debentures.

(e) 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 futher 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 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.

(f) 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 that the 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 Gravitas's assets.

NOTE 16. DERIVATIVE WARRANT LIABILITY

Derivative warrant liability

As part of an exchange of old debentures, warrants were issued for the purchase of common share of Mint. These warrants were 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 were 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:

			September 30, 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
Impact of functional currency change (Note 4)	-	-	(365,788)	-	-	-
Outstanding and exercisable (Note 16)	12,331,359	0.48	-	12,630,883	0.50	410,211

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GRAVITAS FINANCIAL INC.

NOTE 16. DERIVATIVE WARRANT LIABILITY (Continued)

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

NOTE 17. 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 in June 2013. 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 September 30, 2015, the balance of the escrowed shares is 16,492,482.

Warrants

The following table shows the changes in Gravitas's warrants:

	September 30, 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	-	-	-	-

The following table shows the changes in Mint's warrants:

	September 30, 2015	
	Number of warrants	Weighted average exercise price
		$
Balance at April 1, 2015 following functional currency change (Note 15)	12,331,359	0.48
Expired during the period	(1,554,430)	2.25
Broker warrants issued	500,000	0.05
Issued on private placement	10,000,000	0.05
Outstanding and exercisable	21,276,929	0.14

The table below presents a summary of Mint's outstanding warrants as at September 30, 2015.

Number of warrants	Grant date	Expiry date	Exercise price
			$
7,106,041	07/03/2014	07/03/2017	0.25
3,000,000	16/05/2014	16/05/2018	0.15
150,000	16/05/2014	16/05/2017	0.25
520,888	30/05/2014	07/03/2017	0.25
500,000	23/06/2015	23/06/2018	0.05
10,000,000	23/06/2015	23/06/2018	0.05
21,276,929			0.14

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NOTE 18. SHARE-BASED PAYMENT

Mint had a total of 40,002 stock options outstanding at an exercise price of $1.75 per share as at December 31, 2014. These options were cancelled in 2015. A stock-based compensation of $509 was recorded in contributed surplus for the nine months period ended September 30, 2015.

NOTE 19. INTEREST REVENUE

	September 30, 2015 (3 months)	September 30, 2014 (3 months)	September 30, 2015 (9 months)	September 30, 2014 (9 months)
	$	$	$	$
Interest on bank	62,220	187,007	181,612	314,591
Interest on guaranteed investments certificates	104,017	75,617	364,890	224,626
Interest on loans receivable	96,961	40,449	264,844	344,104
Interest on debentures	18,131	(281,193)	24,807	280,626
Interest on convertible debentures	46,772	152,375	167,927	408,341
Accretion of interest on convertible debentures	104,124	212,979	267,513	447,434
Accretion of interest on loans	-	-	76,350	-
Accretion of interest on debentures	7,116	-	9,887	-
	439,341	387,234	1,357,830	2,019,722

NOTE 20. INTEREST EXPENSE

	September 30, 2015 (3 months)	September 30, 2014 (3 months)	September 30, 2015 (9 months)	September 30, 2014 (9 months)
	$	$	$	$
Interest on debentures	1,353,655	405,165	4,902,572	1,215,495
Accretion of interest	320,705	28,680	2,277,615	71,359
Interest on current liabilities and bank charges	7,526	14,249	33,414	32,727
	1,681,886	448,094	7,213,601	1,319,581

NOTE 21. IMPAIRMENT

	September 30, 2015 (3 months)	September 30, 2014 (3 months)	September 30, 2015 (9 months)	September 30, 2014 (9 months)
	$	$	$	$
Impairment on investments in associates (Note 10)	415,932	-	415,932	-
Impairment on loans (Note 11)	66,925	-	499,315	-
Impairment on convertible debentures (Note 12)	63,361	-	80,361	-
Reclassification of impairment to net loss	508,217	-	508,217	-
	1,054,435	-	1,503,825	-

NOTE 22. ADDITIONAL INFORMATIONS – CASH FLOWS

The changes in working capital items are detailed as follows:

	September 30, 2015 (3 months)	September 30, 2014 (3 months)	September 30, 2015 (9 months)	September 30, 2014 (9 months)
	$	$	$	$
Trade and other receivables	(331,667)	58,542	(940,156)	(500,975)
Prepaid expenses	77,573	(40,757)	237,253	(38,411)
Inventory	(139,251)	-	(296,640)	-
Trade and other payables	(561,612)	(19,099)	1,232,402	(243,572)
Customer deposits	(60,000)	(99,550)	(38,000)	347,040
Income taxes payable	-	(58,919)	-	(58,919)
	(1,014,957)	(159,783)	194,859	(494,837)

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NOTE 22. ADDITIONAL INFORMATIONS – CASH FLOWS (Continued)

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

	September 30, 2015 (3 months)	September 30, 2014 (3 months)	September 30, 2015 (9 months)	September 30, 2014 (9 months)
	$	$	$	$
Trade and other receivables				
Settlement in equity investments and other	(26,042)	-	(37,342)	-
Equity investments and other				
Common shares and warrants received as an incentive for early conversion of a convertible debenture	-	-	47,909	-
Common shares and warrants received as a settlement	74,854	-	103,277	-
Conversion of a convertible debenture	150,000	295,412	150,000	295,412
Investments in associates				
Reclassification due to acquisition of significant influence	350,000	-	350,000	-
Loans				
Convertible debenture converted into a loan	422,520	-	422,520	-
Amount converted into a convertible debenture	(210,000)	-	(210,000)	-
Settlement in equity investments and other	(125,000)	-	(125,000)	-
Reclassification due to acquisition of significant influence	(100,000)	-	(100,000)	-
Convertible debenture				
Amount converted	(208,000)	-	(208,000)	-
Amount converted into a loan	(422,520)	-	(422,520)	-
Loan converted into a convertible debenture	210,000	-	210,000	-
Reclassification due to acquisition of significant influence	(250,000)	-	(250,000)	-

Cash flows from interest and income taxes

	September 30, 2015 (3 months)	September 30, 2014 (3 months)	September 30, 2015 (9 months)	September 30, 2014 (9 months)
	$	$	$	$
Interest paid	(1,989,517)	(419,414)	(3,565,294)	(1,248,222)
Interest received	211,082	343,374	550,565	1,131,895
Income tax paid	-	-	(1,157)	-

NOTE 23. 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:

	September 30, 2015 (3 months)	September 30, 2014 (3 months)	September 30, 2015 (9 months)	September 30, 2014 (9 months)
	$	$	$	$
Transactions with key management personnel				
Salaries and management fees	180,954	123,000	555,205	369,000
Consulting and professional fees	50,003	11,163	214,512	80,631
General and administrative	47,000	49,000	139,000	126,000
	277,957	183,163	908,717	575,631
Transactions with companies controlled by key management				
Consulting and professional fees	217,486	167,000	656,486	505,135

For the three months and nine months periods ended September 30, 2015, the Company incurred legal fees of $38,797 and $126,237 respectively, from a legal firm in which the former CEO and current director is a partner ($8,916 and $99,052 for the three months and nine months periods ended September 30, 2014).

During the three months and nine months periods ended September 30, 2015, management and consulting charges paid to Global Business Services ("GBS"), the owner of the remaining 49% interest in MME, in connection with the Management Agreement aggregated $128,290 and $384,869 were incurred and recorded in MME and are included in the Company's share of losses of associates on the statement of loss and comprehensive loss. An amount of $424,999 is payable to GBS, representing a remaining amount on management and consulting charges. This amount is included under Trade and other payables.

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.

The Company advanced US$700,000 to MGEPS, an affiliate of the Company, for the advancement of its on-going information technology upgrades and an amount of $2,295,000 to a company where a director has an interest.

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NOTE 24. SEGMENTED INFORMATION

As a result of the growing complexity of operations and investments of the Company, management has evaluated the Company's investments, operations, legal entities and associates and determined that it operates in four segments as follows:

Services

The Company objective is to build and acquire businesses that can service the capital market, advisory, regulatory, compliance and technology needs of publicly listed corporations. The services segment comprises the following entities:

- Ubika Corp.
- Gravitas Corporate Services Inc.
- Branson Corporate Services Inc.
- Gravitas Investor Platform Inc.
- Global Compliance Network Inc.

Regulated financial services

Regulated financial services are operations in financial products and financial products distribution businesses. Regulated financial services are operated independently with their own management teams and require high levels of compliance and governance. Regulated financial services comprises the activities and/or operations of the following entities:

- Gravitas Select Flow-Through GP Inc.
- Gravitas Financial Services Holdings Inc.
- Gravitas International Corp.
- Foundation Investment Management Inc.
- Portfolio Analysts Inc.

Strategic investments

Strategic investments are operations where the Company acquires significant long-term interests in companies that have a high potential for value addition and where the Company provides key strategic inputs and management support either directly or through Board representation. Strategics investments comprises the following entities:

- New India Investment Corporation
- Luxury Quotient International Inc.
- Luxury Quotient India Private Ltd.
- The Mint Corporation
- Claxton Capital Management
- Claxton Real Estate Company Ltd.
- Prime City One Capital Corp.

Other investments

Other investments are operations where the Company acquires meaningful ownership interests in fast growing companies in both public and private markets. The Company will offer strategic guidance and access to its strong network to investee companies to accelerate their strategic growth plans. Other investments comprises Gravitas Venture Inc. operations.

Corporate

Corporate results primarily represent the cost of corporate overhead expenses not allocated to a segment. It comprises Gravitas Financial Inc.

GRAVITAS FINANCIAL INC.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of September 30, 2015 and 2014 and December 31, 2014 **(Unaudited - in Canadian dollars)**

NOTE 24. SEGMENTED INFORMATION (Continued)

The above changes in reporting segments have been applied retrospectively therefore prior period segment information has been amended to be consistent with current period presentation and reports provided to the chief operating decision maker. There is no impact on the consolidated results of the Company and there are no changes to the Company's accounting policies.

September 30, 2015

	Services	Regulated financial services	Strategic investments	Other investments	Corporate	Intercompany transactions	Total
	$	$	$	$	$	$	$
Revenue	936,381	-	35,961	243,911	1,566,803	(130,082)	2,652,974
Expenses							
Salaries and management fees	293,182	-	107,736	-	516,008	-	916,926
Consulting and professional fees	455,634	90,524	103,335	11,619	1,380,056	-	2,041,168
General and administrative	261,577	49,510	751,064	9,421	1,041,698	-	2,113,270
Interest expense	6,675	268	5,174,336	1,045	2,161,359	(130,082)	7,213,601
Exchange loss (gain)	65	-	(37,271)	(44,015)	(619,379)	-	(700,600)
Loss (gain) on settlement of trade and other receivables	(4,331)	-	-	9,637	6,625	-	11,931
Loss on settlement of a loan	-	-	-	200,000	-	-	200,000
Loss on settlement of investments	58,000	-	50,000	-	56,771	-	164,771
Gain on settlement of a debenture payable	-	-	(22,895)	-	-	-	(22,895)
Loss (gain) on disposal of available-for-sale investments	(411,336)	-	812	(222,828)	-	-	(633,352)
Change in fair value of convertible debentures - conversion feature	20,128	-	-	37,363	3,645	-	61,136
Change in fair value of FVTPL investments	(93,844)	-	-	(484,428)	(282,290)	-	(860,562)
Change in fair value of derivative warrant liability	-	-	(44,423)	-	-	-	(44,423)
Impairment	229,037	-	-	389,541	885,247	-	1,503,825
Share in results in associates	-	(437,214)	1,406,126	-	2,297	-	971,209
	814,787	(296,912)	7,488,820	(92,645)	5,152,037	(130,082)	12,936,005
Loss before income taxes	121,594	296,912	(7,452,859)	336,556	(3,585,234)	-	(10,283,031)
Income taxes							
Current income taxes	-	-	-	1,157	-	-	1,157
Net loss	121,594	296,912	(7,452,859)	335,399	(3,585,234)	-	(10,284,188)
Total assets	2,079,538	5,074,109	19,397,478	5,094,187	73,959,824	(16,621,130)	88,984,006
Total liabilities	3,486,554	4,711,375	72,829,813	4,297,378	83,107,789	(16,621,130)	151,811,779
Investments in associates	-	4,238,544	2,627,306	-	-	-	6,865,850

GRAVITAS FINANCIAL INC.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of September 30, 2015 and 2014 and December 31, 2014 **(Unaudited - in Canadian dollars)**

NOTE 24. SEGMENTED INFORMATION (Continued)

September 30, 2014

	Services	Regulated financial services	Strategic investments	Other investments	Corporate	Intercompany transactions	Total
	$	$	$	$	$	$	$
Revenue	712,848	7,085	-	677	2,210,146	(4,356)	2,926,400
Expenses							
Salaries and management fees	223,410	-	2,570	-	375,409	-	601,389
Consulting and professional fees	416,505	53,780	543	4,865	792,788	-	1,268,481
General and administrative	237,216	64,000	32,594	108	719,041	-	1,052,959
Interest expense	8,612	172	3,777	96	1,311,280	(4,356)	1,319,581
Exchange loss (gain)		-	-	-	-	-	-
Loss on settlement of trade and other receivables	1,880	-	-	-	-	-	1,880
Loss on settlement of a loan	-	-	-	-	-	-	-
Loss on settlement of investments	-	-	-	-	-	-	-
Gain on settlement of a debenture payable	-	-	-	-	-	-	-
Gain on settlement of a loan payable to a company controlled by shareholders	(33,900)	-	-	-	-	-	(33,900)
Loss (gain) on disposal of available-for-sale investments	48,000	-	-	-	-	-	48,000
Change in fair value of convertible debentures - conversion feature	19,584	-	-	-	1,365,273	-	1,384,857
Change in fair value of FVTPL investments	290,349	-	-	12,238	344,029	-	646,616
Change in fair value of derivative warrant liability	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
Share in results in associates	-	(429,813)	-	-	-	-	(429,813)
	1,211,656	(311,861)	39,484	17,307	4,907,820	(4,356)	5,860,050
Loss before income taxes	(498,808)	318,946	(39,484)	(16,630)	(2,697,674)	-	(2,933,650)
Income taxes							
Current income taxes	(58,919)	-	-	-	-	-	(58,919)
Net loss	(439,889)	318,946	(39,484)	(16,630)	(2,697,674)	-	(2,874,731)
Total assets	1,972,472	4,451,418	393,096	877,101	52,855,090	(8,620,588)	51,928,589
Total liabilities	2,796,094	4,248,940	432,580	863,819	54,253,750	(8,620,588)	53,974,595
Investments in associates	-	4,336,911	302,037	-	-	-	4,638,948

GRAVITAS FINANCIAL INC.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of September 30, 2015 and 2014 and December 31, 2014 **(Unaudited - in Canadian dollars)**

NOTE 24. SEGMENTED INFORMATION (Continued)

The Company has operations in four geographical sectors. The following tables presents the Company's revenue and non-current assets by geographic areas. The allocation of revenue between geographic areas was determined by the location where the income was earned. The revenue earned in Africa are related to the net smelter return of 0.75% that the company holds on an exploration project in Gabon, Africa.

	September 30, 2015	September 30, 2014
	$	$
Revenue		
Canada	2,343,311	2,705,762
Africa	309,663	220,638
	2,652,974	2,926,400

	September 30, 2015	December 31, 2014
	$	$
Non-current assets		
Canada	15,365,480	14,567,685
Africa	444,913	711,862
USA	6,779,397	-
AED	2,627,306	-
	25,217,096	15,279,547

GRAVITAS FINANCIAL INC.

NOTE 25. COMPARATIVE FIGURES

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