GRAVITAS FINANCIAL INC.

Unaudited Interim Condensed Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2019 and 2018

Notice of Disclosure of Non-Auditor Review of Interim Condensed Consolidated Financial Statements as at September 30, 2019 for the three and nine-month periods ended September 30, 2019 and 2018.

Pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim condensed consolidated financial statements, they must be accompanied by a notice indicating that these interim condensed consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited interim condensed consolidated financial statements of Gravitas Financial Inc. (the "Company") and its subsidiaries as at September 30, 2019 and for the three and nine-month periods ended September 30, 2019 and 2018, have been prepared in accordance with International Financial Reporting Standards and are the responsibility of the Company's management.

The Company's independent auditors, MNP LLP, have not performed a review of the interim condensed consolidated financial statements as at September 30, 2019 and for the three and nine-month periods ended September 30, 2019 and 2018 in accordance with the standards established by the Chartered Professional Accountants Canada for a review of interim condensed consolidated financial statements by an entity's auditor.

Gravitas Financial Inc.

Unaudited Interim Condensed Consolidated Statements of Financial Position

(Presented in Canadian Dollars)

As at	Notes	September 30, 2019	December 31, 2018
		$	$
ASSETS			
Current assets			
Cash and cash equivalents		**324,251**	3,630,378
Guaranteed investment certificates	9	**748,921**	1,278,283
Receivable from brokers and clients	6	-	25,416,704
Trade and other receivables	7	**394,975**	1,918,005
Loan receivables	8	-	434,259
Prepaid expenses		-	314,295
Current assets		**1,468,147**	32,991,924
Assets held for sale	13	**1,124,512**	-
Disposal group classified as held for sale	13	**23,708,777**	-
Non-current assets			
Loan receivables	8	-	472,310
Investments in associates	10	-	4,003,777
Equity investments and other investments	11	**58,996**	18,760,902
Goodwill	12	-	3,366,877
Intangible assets		-	330,035
Property and equipment	14	**1,317,020**	287,629
Non-current assets		**26,209,305**	27,221,530
Total assets		**27,677,452**	60,213,454
LIABILITIES			
Current			
Trade and other payables	15	**2,185,953**	7,564,937
Payable to brokers and clients	6	-	23,549,585
Loans payable and other liabilities	17	**750,463**	1,813,014
Income taxes payable	26	**272,582**	289,197
Deferred revenue		**735,570**	2,456,086
Current liabilities		**3,944,568**	35,672,819
Liabilities associated with disposal group held for sale	13	**73,032,170**	-
Non-current liabilities			
Debentures	16	**83,569,333**	95,951,421
Loans payable and other liabilities	17	**599,482**	1,059,564
Deferred revenue		-	1,896,094
Deferred taxes	26	-	264,579
Lease inducement		-	6,640
Non-current liabilities		**157,200,985**	99,178,298
Total liabilities		**161,145,553**	134,851,117
DEFICIENCY			
Share capital	19	**2,000,600**	2,000,600
Contributed surplus		**7,457,703**	6,778,324
Deficit		**(142,548,899)**	(104,109,150)
Accumulated other comprehensive income		**(184,272)**	(200,989)
Total deficiency to shareholders		**(133,274,868)**	(95,531,215)
Non-controlling interest	20	**(193,233)**	20,893,552
Total deficiency		**(133,468,101)**	(74,637,663)
Total liabilities and deficiency		**27,677,452**	60,213,454

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

Going Concern (Note 2)
Contingencies (Note 29)
Subsequent Events (Note 31)
Related party transactions (Note 22)

On behalf of the Board:

/s/ Vikas Ranjan
Director

/s/ Viswanathan Karamadam
Director

Gravitas Financial Inc.

Unaudited Interim Condensed Consolidated Statements of Loss and Comprehensive Loss

(Presented in Canadian Dollars)

	Note	For the three-months ended September 30, 2019	2018	For the nine-months ended September 30, 2019	2018
		$	$	$	$
Revenues					
Investment banking and wealth management		**4,234,851**	2,489,122	**7,830,976**	12,472,469
Recruitment services fees		**-**	2,531,755	**-**	5,115,263
Listing and research fees		**816,119**	933,823	**1,670,196**	2,111,122
Consulting and management fees		**378,251**	439,288	**1,663,890**	1,050,496
Interest earned		**227,151**	437,042	**547,746**	745,034
Product sales, royalties and other		**3,786**	190,838	**78,761**	930,468
Total revenues		**5,660,158**	7,021,868	**11,791,569**	22,424,852
Expenses					
Professional fees and transaction costs		**174,635**	1,853,468	**7,721,307**	7,814,848
Recruitment services expense		**-**	2,335,292	**-**	4,904,912
Compensation and management fees		**1,154,179**	2,149,725	**5,260,777**	7,825,221
General and administrative		**4,859,576**	2,446,178	**5,517,075**	7,550,223
Interest expense		**1,856,142**	1,398,085	**5,399,648**	4,556,182
Impairment expense (recovery)	18	**20,153,418**	(580,364)	**20,250,784**	1,036,553
Stock-based compensation	23	**15,731**	348,006	**679,379**	2,013,541
Share of results in associates	10	**(38,923)**	568,061	**220,153**	1,430,123
Amortization	14	**-**	32,495	**581,800**	159,909
Gain on restructuring of Mint debentures	16	**-**	(58,376)	**(5,972)**	(46,158,564)
Gain on sale of subsidiary	5(c),5(e)	**-**	-	**2,942,388**	-
Loss (gain) on disposal of investments		**-**	346,514	**395,115**	51,291
Loss (gain) on settlement		**227,869**	-	**219,778**	-
Foreign exchange (gain) loss		**(7,042)**	78,613	**(19,499)**	(76,221)
Share of joint venture profit, net of tax	11	**-**	-	**-**	(80,078)
Change in fair value of investments		**4,595,388**	2,047,657	**3,498,820**	7,208,018
Total Expenses, net of (gains)		**32,990,973**	12,965,354	**52,661,553**	(1,764,042)
Income (loss) before income taxes		**(27,330,815)**	(5,943,486)	**(40,869,984)**	24,188,894
Current income taxes	26	**(1,900)**	(80,715)	**69,690**	(40,430)
Net income (loss) from continuing operations		**(27,328,915)**	(5,943,631)	**(40,939,674)**	24,148,464
Net income (loss) from discontinued operations		**-**	(12,436)	**-**	414,067
Net income (loss) from operations		**(27,328,915)**	(5,956,067)	**(40,939,674)**	24,562,531
Other comprehensive income (loss)					
Foreign currency translation					
Cumulative translation adjustment		**235,247**	(8,714)	**16,717**	10,412
Total other comprehensive income		**235,247**	(8,714)	**16,717**	10,412
Net income (loss) and comprehensive loss		**(27,093,668)**	(5,964,781)	**(40,922,957)**	24,572,943
Net income (loss) attributable to:					
Shareholders		**(27,328,915)**	(3,648,173)	**(38,439,749)**	3,171,332
Non-controlling interest	20	**-**	(2,307,894)	**(2,499,925)**	21,391,199
		(27,328,915)	(5,956,067)	**(40,939,674)**	24,562,531
Net comprehensive income (loss) attributable to:					
- Shareholders		**(27,093,668)**	(3,656,887)	**(38,423,032)**	3,181,744
- Non-controlling interest	20	**-**	(2,307,894)	**(2,499,925)**	21,391,199
		(27,328,915)	(5,964,781)	**(40,922,957)**	24,572,943
Income (loss) per common share, basic					
- Continuing operations		**(0.38)**	(0.08)	**(0.56)**	0.34
- Discontinued operations		**-**	-	**-**	(0.01)
Net income (loss) per share, basic and diluted	21	**(0.38)**	(0.08)	**(0.56)**	0.33
Weighted average shares outstanding					
Basic	21	**72,601,305**	72,601,305	**72,601,305**	72,601,305
Diluted	21	**72,601,305**	72,601,305	**72,601,305**	72,601,305

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

Gravitas Financial Inc.

Unaudited Interim Condensed Consolidated Statements of Change in Deficiency

(Presented in Canadian Dollars)

	Note	Number of common shares	Share capital	Accumulated other comprehensive (loss) income		Contributed surplus	Deficit	Non-controlling interest	Total
				Available-for-sale financial assets	Foreign currency translation				
			$	$	$	$	$	$	$
Balance, December 31, 2017		**72,601,305**	**2,000,600**	**4,592,217**	**17,541**	**1,470,151**	**(107,577,744)**	**240,375**	**(99,256,860)**
Impact of adopting IFRS 9 and IFRS 15		-	-	(4,592,217)	-	-	4,361,821	-	(230,396)
Restated as at January 1, 2018		**72,601,305**	**2,000,600**	**-**	**17,541**	**1,470,151**	**(103,215,923)**	**240,375**	**(99,487,256)**
Non-controlling interest – adjustment to change in ownership	20	-	-	-	-	-	-	13,375,732	13,375,732
Foreign currency translation		-	-	-	10,412	-	-	-	10,412
Stock-based compensation	24	-	-	-	-	2,013,541	-	-	2,013,541
Net income for the year		-	-	-	-	-	3,171,332	21,391,199	24,562,531
Balance, September 30, 2018		**72,601,305**	**2,000,600**	**-**	**27,953**	**3,483,692**	**(100,044,591)**	**35,007,306**	**(59,525,040)**
Balance, December 31, 2018		**72,601,305**	**2,000,600**	**-**	**(200,989)**	**6,778,324**	**(104,109,150)**	**20,893,552**	**(74,637,663)**
Foreign currency translation		-	-	-	16,717	-	-	-	16,717
Additional non controlling interest	20	-	-	-	-	-	-	602,928	602,928
Deconsolidation of subsidiaries	5(c), 5(e)	-	-	-	-	-	-	(718,178)	(718,178)
Non-controlling interest in subsidiaries classified as held for sale								(18,471,610)	(18,471,610)
Stock-based compensation	24	-	-	-	-	679,379	-	-	663,648
Net loss for the period		-	-	-	-	-	(38,439,749)	(2,499,925)	(13,610,759)
Balance, September 30, 2019		**72,601,305**	**2,000,600**	**-**	**(184,272)**	**7,457,703**	**(142,548,899)**	**(193,233)**	**(133,468,101)**

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

Gravitas Financial Inc.

Unaudited Interim Condensed Consolidated Statements of Cash Flows

(Presented in Canadian Dollars)

For the nine months ended September 30,	Note	2019 $	2018 $
OPERATING ACTIVITIES			
Net income (loss) from continuing operations		**40,939,674**	24,148,464
Net loss from discontinued operations			414,067
Adjustments:			
Amortization - intangible assets		-	60,060
Amortization - equipment	14	**581,800**	99,849
Interest accretion – Investment in convertible debt		**2,577,961**	(157,578)
Interest accretion - debentures	16	-	1,151,348
Lease inducement		**(6,640)**	(15,323)
Stock based compensation	23	**679,379**	2,013,543
Gain on settlements	16	-	(46,158,564)
Gain on settlement of receivables		-	14,345
Loss on disposal of investments		-	51,291
Gain (Loss) on disposal of subsidiary	5,10	**2,942,388**	-
Change in fair value of convertible debentures – conversion feature		-	236,649
Change in fair value of FVTPL investments		**(1,043,971)**	6,971,369
Impairment	18	**20,383,546**	1,036,553
Share of results in associates	10	**220,153**	1,430,123
Share of joint venture profit, Net of tax		-	(80,078)
Unrealized exchange gain (loss)		**(12,457)**	(76,221)
Accretion on loans receivables		**(11,612)**	-
Loss on disposal of loans receivables		**(5,971)**	-
		(14,635,095)	(8,860,103)
Change in working capital	24	**9,570,504**	3,651,199
Cash flows used in operating activities		**(5,064,594)**	(5,208,904)
Cash flows used in operating activities of discontinued operations		-	(454,277)
Net cash used in operating activities		**(5,064,594)**	(5,663,181)
INVESTING ACTIVITIES			
Guaranteed investment certificates		-	958,219
Proceeds from issuance of preference shares		**500,000**	
Transaction cost related to investment in debentures		-	(417,265)
Settlement of debentures		-	(8,081)
Net cash consideration paid for business acquisition		-	(683,105)
Net cash disposed on loss of control of subsidiaries	5,10	**(39,020)**	-
Net cash acquired in business combination	5(d)	**88,212**	(305,063)
Proceeds from disposal of equity investments		**742655**	8,751,567
Purchase of equity investments and other		**243,917**	(14,032,190)
Proceeds from loan receivables	28	**180,432**	1,176,331
Purchase of loan receivables		-	(1,164,336)
Proceeds from convertible debentures		-	284,252
Purchase of convertible debentures		-	(1,149,068)
Payments for property and equipment	14	**(31,069)**	(27,970)
Proceeds from disposal of subsidiaries	4(e)	**810,598**	-
Additional investments in associates		-	(1,780,321)
(Advances to)/Repayment from associates		-	(4,693,003)
Net cash generated in investing activities			(3,093,901)
FINANCING ACTIVITIES			
Proceeds from issuance of shares to non-controlling interest	20	-	6,007,282
Lease payments – ROU assets		**465,256**	-
Net cash generated (used in) from financing activities		**465,256**	6,007,282
Foreign currency translation effect on cash and cash equivalents		**16,717**	15,997
Net change in cash and cash equivalents during the period		**(3,306,126)**	(2,733,805)
Cash and cash equivalents, beginning of period		**3,630,377**	9,865,153
Cash and cash equivalents, end of period		**324,251**	7,131,348

The accompanying notes are an integral part of the unaudited interim condensed consolidated financial statements.
Supplemental cash flow information [Note 24]

1. NATURE OF OPERATIONS

Gravitas Financial Inc. (the "Company" or "Gravitas") is an investment holding and merchant banking firm with a focus on financial services and financial technology. It has an active presence in North America, as well as in the fast-growing international regions including India and the Middle East. Gravitas seeks to make strategic investments in high quality and well-managed financial technology and aims to generate significant shareholders' value through the growth in its investments.

Gravitas is a publicly listed company on the Canada Securities Exchange ("CSE") and trades under the symbol, GFI. The Company was incorporated under the Canada Business Corporation Act with its registered office and principal place of business at 333 Bay Street, Suite 1700, Toronto, Ontario M5H 2R2.

These Unaudited Interim Condensed Consolidated Financial Statements ("Financial Statements") were approved by the Board of Directors on November 29, 2019.

2. STATEMENT OF COMPLIANCE, BASIS OF PRESENTATION AND GOING CONCERN

These Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and with interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") which the Canadian Accounting Standards Board has approved for incorporation into Part 1 of the CAP Canada Handbook – Accounting, as applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, "Interim Financial Reporting". These Financial Statements should be read in conjunction with the Company's audited financial statements as at and for the year ended December 31, 2018, which were prepared in accordance with IFRS as applicable for the annual financial statements. These Financial Statements have been prepared on a going concern basis, under the historical cost convention, modified to include the fair valuation of certain financial instruments to the extent required or permitted under accounting standards as set out in the relevant accounting policies.

Going Concern

These Financial Statements have been prepared on a going concern basis, which assumes the Company will continue its operations in the foreseeable future and that it will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company incurred a net loss of $40,939,674 during the nine-month period ended September 30, 2019 and, as of that date, the Company's current liabilities exceed current assets by $2,476,421. The Company has incurred several years of losses and as of September 30, 2019, has a cumulative deficit of $142,548,899 (December 31, 2018: $104,109,150); negative cash flows from operations for the nine-month period ended September 30, 2019 of $5,064,594 (for the year ended December 31, 2018 - $16,848,445); and has a shareholder deficiency of $133,468,101 as at September 30, 2019 (December 31, 2018: $95,531,215). These conditions raise a material uncertainty that causes significant doubt about the Company's ability to continue as a going concern.

A material portion of the Company's historical losses relate to one of the Company's subsidiaries, the Mint Corporation ("Mint") with its cumulative deficit of $72,265,491 as at September 30, 2019 (December 31, 2018: $69,626,552). During the nine-months period ended September 30, 2019, Mint has incurred a net loss of $4,638,938. The assets and liabilities of The Mint Corporation are held for sale as at September 30, 2019 (Note 13).

On May 28, 2019, the Company announced that it has entered into an accommodation agreement with the majority holder of its debentures to implement a sale and investment solicitation process ("SISP") for all or a portion of the business and property of the Company. As part of the accommodation agreement, the majority debenture holder agreed to waive the payment of interest for the nine-month period (Note 15(a)) until the earlier of July 12, 2019 and such later date as is agreed to with the debtholder, unless earlier terminated.

On June 11, 2019, as part of the SISP, the Company has entered into a sale of its shares in its subsidiary, Principle Capital Partners Corp., formerly known as Gravitas Mining Corp., as well as certain receivables for cash proceeds of $1,150,000.

(Presented in Canadian Dollars excepted where noted)

The proceeds will be used in accordance with the accommodation agreement and will permit the Company to obtain the needed working capital in order to continue operations in the short term as well as to further the sale process.

Subsequent to September 30, 2019, the Company has entered into additional sale and purchase agreements pursuant to the SISP (Note 31). On October 29, 2019, the Shareholders approved the sale of substantially all of the Company's assets and the Company intends to use all of the proceeds of the transactions to repurchase all of the debentures in order to satisfy and discharge its obligations under the Indentures, other than such portion of the proceeds that the debtholder has approved for use to pay Gravitas' operating expenses. None of the proceeds from the transactions shall be distributed to shareholders.

Given that the Company's ability to continue as a going concern cannot be predicted at this time, there is a material uncertainty that causes significant doubt as to the ability of the Company to meet its obligations as they become due and, accordingly, the ultimate statements do not reflect adjustments to the carrying value of assets and liabilities or reported expenses and balance sheet classifications that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Company are the same as those applied as at and for the year ended December 31, 2018 as described in Note 3 of the Company's audited consolidated financial statements, except for the changes to the accounting for leases resulting from the adoption of International Financial Reporting Standards ("IFRS") 16, Leases as further described in note 4.

Use of Estimates, Judgements and Assumptions
The preparation of these Financial Statements requires the Company to make judgments in applying its accounting policies and estimates and assumptions about the future. Judgments, estimates and assumptions affect the Company's reported amounts of assets, liabilities, and items in net income or loss, and related disclosure. Estimates are based on various assumptions that the Company believes are reasonable under the circumstances. These estimates form the basis for making judgments about the carrying value of assets and liabilities and the reported amounts of items in net earnings or loss that are not apparent from other sources. The Company evaluates its estimates on an ongoing basis. Actual results may differ from the Company's estimates.

Basis of consolidation
These Financial Statements include the accounts of the Company and its subsidiaries. Subsidiaries are entities which the Company has power over decisions about relevant activities. The existence and effect of potential voting rights that are currently exercisable, or convertible are considered when assessing whether control exists. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. Entities are deconsolidated from the date on which control ceases. Accounting policies of subsidiaries have been changed, where necessary, to ensure consistency with the Company's policies. The purchase method of accounting is used to account for the acquisition of subsidiaries. Purchase consideration is measured as the fair value of the assets given, equity instruments issued, and liabilities assumed at the date of exchange. The transaction costs directly attributable to the acquisition are expensed.

Consolidated subsidiaries	**Jurisdiction of incorporation**	**Direct or Indirect Percentage Ownership (a)**
The Mint Corporation ("Mint") (b)	Canada	52.57% (2018: 53.9%)
Gravitas Ventures Inc. ("GVI") (b)	Canada	100%
New India Investment Corporation(b)	Canada	100% (by GVI)
2474184 Ontario Inc. ("2474")	Canada	44.3% (by GVI)
Revenue.com US Corporation	USA	100% (by 2474)
Capital Ideas Media Inc.	Canada	49.98% (by GVI)
Gravitas Ilium Corporation ("GIC") (b)	Canada	46.1%
2242257 Ontario Inc. ("2242") (b)	Canada	49.54% (by GIC)

(Presented in Canadian Dollars excepted where noted)

Consolidated subsidiaries	Jurisdiction of incorporation	Direct or Indirect Percentage Ownership (a)
Gravitas Securities Inc. (b)	Canada	95.2% (by 2242)
Gravitas Wealth Advisors, LLC(b)	USA	100% (by 2242)
2434355 Ontario Inc. (b)	Canada	100% (by 2242)
Gravitas Capital International Inc. (b)	USA	100% (by 2242)
Gravitas Independent Portfolio Manager(b)	Canada	100% (by 2242)
Foregrowth Inc. ("FGI") (b)	Canada	93% (by GIC)
Foregrowth Holdco Inc. ("FGH") (b)	Canada	100% (by FGI)
Foregrowth Holdco 1 Inc. (b)	Canada	100% (by FGI)
Foregrowth Holdco 2 Inc. (b)	Canada	100% (by FGI)
Foregrowth Wealth Management Inc. (b)	Canada	100% (by FGI)
Gravitas Corporate Services Inc. ("GCS")	Canada	100%
Ubika Corp. ("Ubika") (b)	Canada	100% (by GCS)
SmallCapPower Corp.	Canada	100% (by Ubika)
Capital Ideas Media Inc.	Canada	50.02% (by Ubika)
Branson Corporate Services Inc.	Canada	0% (2019); 51% (2018: by GCS)
Gravitas Financial Services Holdings Inc. ("GFSHI")	Canada	100%
Gravitas Siraj Holdco Inc.	Canada	100%
Principle Capital Partners Corp., formerly known as Gravitas Mining Corp. ("PCPC")	Canada	0% (2019); 64.6% (2018)
Gravitas Investment GP Inc	Canada	0% (2019); 100% (2018: by PCPC)
Zhaojin Gravitas Mining Investments Inc.	Canada	0% (2019); 60% (2018: by PCPC)
Gravitas Special Situations GP Inc.	Canada	0% (2019); 80% (2018: by PCPC)
Gravitas Global GP Inc.	Canada	100%
Siraj Ontario Corporation	Canada	100%
Gravitas Select Flow-Through GP Inc. ("GSFT")	Canada	100%
Prime City One Capital Corporation ("Prime City") (b)	Canada	54.1% (2018: 4.7%)
SearchGold Guinee SARL	Guinee, Africa	100%
Global Compliance Network Inc.	Canada	100%

(a) Unless otherwise noted, the percentage noted in the table are as of September 30, 2019 and December 31, 2018.
(b) Wholly and partially owned subsidiaries held for sale (Note 13).

Investment in associates

Associates are all entities over which the Company has significant influence but not control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method after initially being recognized at cost.

The Company's investments in associates are as follows:

Investment in associates	Jurisdiction of incorporation	Percentage of ownership (%)
Portfolio Analysts Inc. ("PAI") (1)	Canada	40%
Mint United Arab Emirates ("UAE") Operations (Note 10) (1)	U.A.E.	51% (by Mint)

(1) Investments in Mint and PAI are classified as held for sale as at September 30, 2019 (Note 13)

4. STANDARDS, AMENDMENTS, AND INTERPRETATIONS ISSUED AND ADOPTED

IFRS 16, Leases

In January 2016, the International Accounting Standards Board (IASB) issued IFRS 16, Leases, to set out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a lease agreement. The standard supersedes IAS 17, Leases and other lease related interpretations, eliminates the classification of leases as either operating lease or finance leases and introduces a single lessee accounting model.

(Presented in Canadian Dollars excepted where noted)

At the commencement date of a lease, a lessee recognizes a liability to make lease payments and an asset representing the right to use the underlying asset. The standard includes two recognition exemptions – leases of "low value" assets and short-term leases (i.e. leases with a lease term of 12 months or less). Lessees will be required to recognize an interest expense element on the lease liability and a depreciation expense on the lease right-of-use (ROU) asset. Upon occurrence of certain events, such as a change in the lease term or a change in future lease payments resulting from a change in an index or rate, the lessee is required to remeasure the lease liability and will generally recognize the impact as an adjustment to the lease ROU asset. Lessor accounting under IFRS 16 is substantially unchanged from IAS 17.

IFRS 16 is effective for annual periods beginning on or after January 1, 2019. A lessee can choose to apply the standard using either a full retrospective or a modified retrospective approach.

Initial application of IFRS 16

The Company has applied IFRS 16 from January 1, 2019 using the modified retrospective approach. Accordingly, comparative information was not restated. The Company elected to utilize practical expedients available under the modified retrospective approach in order to:

i) Not reassess whether a contract is, or contains, a lease at the date of initial application, resulting in the Company only applying IFRS 16 to existing contracts previously identified as leases under IAS 17 and IFRIC 4;
ii) Apply a single discount rate to leases with reasonably similar characteristics; and
iii) Not apply the requirements of IFRS 16 to short term leases and leases for which the underlying asset is of low value.

For leases previously classified as operating leases under IAS 17, the Company recognized a lease liability under IFRS 16 equal to the present value of remaining lease payments discounted at the lessee's incremental borrowing rate and chose to recognize a lease ROU asset in an amount equal to the lease liability. As of January 1, 2019, the Company recognized an increase in lease assets and liabilities of $2,788,902 on the consolidated balance sheets. The lease ROU asset balance is included in "property and equipment" in the consolidated balance sheets. The long-term portion of the lease liability balance is included in "loan payable and other liabilities – non-current" and the current portion is included in "loan payable and other liabilities – current" in the consolidated balance sheets.

The table below reconciles the lease commitments disclosed in the 2018 annual audited consolidated financial statements to the lease liability recognized on January 1, 2019:

	2,019
Lease commitments disclosed as at December 31, 2018	1,856,874
Discounted using the lessee's incremental borrowing rate	1,205,514
Add: adjustments relating to changes in the lease rate affecting variable payments	1,599,795
Less: short-term lease recognised on straight-line basis	(16,407)
Lease liability recognized as at January 1, 2019	**2,788,902**
Current lease liabilities	989,288
Non-current	1,799,614
Lease liability recognized as at September 30, 2019	**1,349,945**
Current lease liabilities	750,463
Non-current	599,462

As a result of initial adoption of IFRS 16, general and administrative decreased while depreciation expense and interest expense increased on the consolidated statement of income (loss).

Accounting policy for leases under IFRS 16

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease that conveys to the Company the right to control the use of an underlying asset in return for payment. If the contract meets the definition of a lease, the lease liability is recognized in an amount equal to the present value of the unpaid lease payments discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used. Lease payments include: (i) all fixed payments; (ii) variable payments that depend on an index or rate; and (iii) any purchase option or termination penalty reasonably certain to be incurred. A lease ROU asset is recognized in an amount equal to the lease liability less any lease incentives received and plus: (i) any payments made prior to the start of the lease; (ii) any initial direct costs incurred; and (iii) an estimate of the cost to restore the asset as required by the lease contract. The Company remeasures the lease liability in response to changes in future lease payments, such as consumer price index (CPI) escalations or changes in lease term, adjusting the lease asset by an equivalent amount. Depreciation starts at the commencement date of the lease.

(Presented in Canadian Dollars excepted where noted)

The Company applies the cost model to subsequently measure lease ROU assets and applies same impairment policy as other property and equipment. Lease ROU assets are depreciated over the period of the lease term.

IFRIC 23- Uncertainty Over Income Tax Treatments

On June 2017, the IFRS Interpretations Committee issued IFRIC 23, which clarifies how the recognition an measurement requirements of IAS 12 'Income Taxes' are applied where there is uncertainty over income tax treatments. It is effective for annual periods beginning on or after 1 January 2019. Early application is permitted. The management is currently assessing its impact on income taxes accounting.

Standards, amendments, and interpretations Issued but not yet adopted

The Company assesses each new IFRS or amendment to determine whether it may have a material impact on its consolidated financial statements. As at September 30, 2019, there have been no accounting pronouncements by the IASB that would materially affect the Company's consolidated financial statements.

5. ACQUISITIONS AND DISPOSALS

The Company has determined that the acquisitions below are business combinations under IFRS 3, Business Combinations. Each are accounted for by applying the acquisition method, whereby the assets acquired, and the liabilities assumed are recorded at their fair values with any excess of the aggregate consideration over the fair values of the identifiable net assets allocated to goodwill. Operating results have been included in these Financial Statements from the date of the acquisition. Any goodwill recognized is attributed based on CGUs.

(a) Loss of control of GICMB

During 2018, due to additional issuances of shares by GICMB, the Company's ownership interest decreased from 42.86% to 32.7%. The Company determined that as of February 2, 2018, it no longer had control of GICMB as it no longer had a majority on the board of directors of GICMB and therefore it does not have the practical ability to direct the relevant activities of GICMB. However, the Company retains significant influence over GICMB and has therefore recorded an investment in associate. The Company recognized a gain on deconsolidation of $942,010 (See note 10). The remaining 32.7% interest in GICMB was subsequently disposed on

(b) Loss of control of Claxton

Claxton was dissolved in 2018. Analysis of assets and liabilities over which the Company lost control are as follows:

	$
Cash and cash equivalents	1,306
Trade, prepaid and other receivables	3,246
Trade and other payables	(252,929)
Net liabilities disposed	**(248,377)**
Consideration received	
Fair value of investment retained	-
Non-controlling interest	(1,352,033)
Gain on disposition of subsidiaries	**1,600,409**

(Presented in Canadian Dollars excepted where noted)

(c) Loss of control of Branson

In February 2019, the shareholders of Branson entered into a series of transactions by which the shareholders acquired their proportionate share of the assets of Branson and also redeemed their interests in the company. On February 23, 2019, the Company, through its subsidiary, no longer holds an interest in Branson (2018: 51%).

Analysis of assets and liabilities over which the Company lost control are as follows, and recognized a loss on deconsolidation of $940,193:

	$
Cash and cash equivalents	20,718
Trade, prepaid and other receivables	62,564
Equity investments	574,234
Net assets disposed	**657,515**
Consideration received	
Fair value of assets received	(335,334)
Non-controlling interest	618,012
Loss on disposition of subsidiary	**(940,193)**

(d) Acquisition of Prime City One Capital Corporation ("Prime City").

On January 16, 2019, the Company acquired Prime City through a conversion of its convertible debenture held in Prime City. The Company accounted for this purchase using IFRS 3, Business Combinations. Operating results have been included in the Financial Statements from the date of the acquisition.

The allocated purchase price calculation is as follows:

	$
Fair Value of Identifiable Net Assets	
Cash and cash equivalents	88,212
Trade and other receivable	11,011
Trade and other payable	(30,059)
Net assets acquired	**69,164**
Consideration paid	
Shares received	506,986
Fair value of previously held equity interest	21,833
Non-controlling interest	33,485
Total consideration paid	**562,304**
Total goodwill (a)	**493,141**

(a) The goodwill was impaired subsequently due to the uncertainty of the future cash flows of the business.

Had the above noted business combination occurred on January 1, 2019, revenues and net loss for the nine months ended September 30, 2019 would have been $Nil and $21,970 respectively. Prime City's revenue and net loss for the period from the date of acquisition to September 30, 2019 are $Nil and $24,848 respectively.

(e) Loss of control of PCPC

In June 2019, the Company entered into a sale and purchase agreement with Yuhua International Capital Inc. ("Yuhua") whereby Yuhua will acquire the Company's shares of PCPC as well as certain receivables for cash consideration. The proceeds will permit the Company to obtain the needed working capital in order to continue operations in the short term and to further the SISP. The sale of PCPC shares closed on June 13, 2019.

(Presented in Canadian Dollars excepted where noted)

Analysis of assets and liabilities over which the Company lost control are as follows, and recognized a loss on deconsolidation of $2,002,195:

	$
Fair Value of Identifiable Net Assets	
Cash and cash equivalents	18,300
Trade, prepaid and other receivables	491,826
Due from related parties	948,595
Due to related parties	(1,016,717)
Property and equipment	46,211
Preferred share liability	(760,000)
Loans receivable	100,000
Loans payable	(1,096,500)
Equity and other investments	5,687,887
Trade and other payables	(270,619)
Net assets disposed	**4,148,983**
Consideration received	
Cash received	(810,598)
Non-controlling interest	(1,336,190)
Loss on disposition of subsidiaries	**(2,002,195)**

6. RECEIVABLE FROM AND PAYABLE TO BROKERS AND CLIENTS

The Company's partially owned subsidiary, Gravitas Securities Inc. ("GSI") is required to carry clients' accounts on its statement of financial position, and accordingly receives, delivers or holds cash or securities in connection with such clients. As at September 30, 2019, client funds held in segregated accounts are classified as held for sale (note 13) (December 31, 2018: $25,416,704). Amounts payable to clients and brokers on the Company's books are classified as held for sale (note 13) (December 31, 2018: $23,549,585).

7. TRADE AND OTHER RECEIVABLES

	September 30, 2019	**December 31, 2018**
	$	**$**
Trade receivables	**15,809**	1,349,535
Less: Expected credit losses	-	(222,043)
Interest receivable (a)	-	55,147
Harmonized sales tax receivables ("HST")	**350,049**	392,312
Advances to related companies (b)	**2,911**	138,447
Advances to related companies, at 8% per annum, due on demand	-	176,492
Other	-	28,115
	394,975	1,918,005

(a) Interest income accrued on impaired loan receivables amount to $Nil.

(b) The Company had advances to the Limited Partnerships managed by the Company's subsidiaries. Advances are interest bearing and are due on demand.

(Presented in Canadian Dollars excepted where noted)

8. LOAN RECEIVABLES

	September 30, 2019	December 31, 2018
	$	$
Secured loans	250,000	250,000
Unsecured loans	17,000	242,078
Employee forgivable loans	-	496,751
Less: Expected credit losses	(267,000)	(82,260)
Balance, end of the year	-	906,569
Less: current portion	-	(434,259)
Non-current portion	-	472,310

Secured loans and unsecured loans
These loan receivables bear interest rates ranging from Nil% to 10% per annum with maturity dates of up to February 2020. Secured loans are secured under general security agreements.

Employee forgivable loans
Certain employees of 2242257 Ontario Inc, a partially owned subsidiary of the Company, have interest-free loans. The Company will forgive 14.3% (one-seventh) of the principal amount annually. Loan recipients would be required to repay their outstanding loan balance immediately upon ending their employment. The Company amortizes the loan on a straight-line basis over seven years. These loans are classified as held for sale for the nine-month period ended September 30, 2019

9. GUARANTEED INVESTMENT CERTIFICATES

Guaranteed investment certificates have a maturity date of within one year.

	September 30, 2019	December 31, 2018
	$	$
Guaranteed investment certificate, 0.50%, maturing during April 2020	-	203,111
Guaranteed investment certificate, 0.60%, maturing during April 2020	**518,721**	518,721
Guaranteed investment certificate, 0.60%, maturing during June 2019	-	20,000
Treasury bill, 1.13%, maturing during March 2020	-	251,251
Guaranteed investment certificate, 0.6%, maturing during October 2019	**230,200**	230,200
Guaranteed investment certificate, 0.45%, maturing during February 2019	-	15,000
Guaranteed investment certificate, 0.6% maturing during July 2019	-	15,000
Guaranteed investment certificate, 0.6% maturing during November 2019	-	25,000
	748,921	1,278,283

10. INVESTMENTS IN ASSOCIATES

	September 30, 2019	December 31, 2018
	$	$
Balance, beginning of the period/year	**4,003,777**	8,959,733
Advances to Mint UAE (a)	**288,718**	2,401,995
Net (repayments) advances to Hafed Holdings Inc.	-	(5,486,325)
Net (repayments) advances to associates	-	(137,322)
Investment held in deconsolidated subsidiary	-	900,000
Investment held in subsidiary Prime City (note 5(d))	**(444,261)**	-
Investment transferred to Equity Investments	**(198,655)**	-
Investment transferred to Assets held for sale (note 13)	**(3,543,561)**	-
Investments disposed	**(377,369)**	
Less: Dividends received	-	(240,000)
Less: Share of results in associates	**(220,153)**	(2,138,720)
Less: (Impairment)/Reversal of Impairment	**491,504**	(255,584)
Balance, end of period/year	-	4,003,777

(Presented in Canadian Dollars excepted where noted)

(a) During the nine-month period ended September 30, 2019, the Company and Mint advanced $288,718 (year ended December 31, 2018: $2,401,995) to Mint UAE. This loan bears interest at 4.5% and matured on October 23, 2018. As at September 30, 2019, the Company has recognized a full provision on the investments in Mint UAE, which has been recorded in the statement of income (loss).

Mint UAE and MGEPS
Mint UAE comprises five primary entities: Mint Middle East LLC ("MME"); Mint Electronic Payment Services Limited ("MEPS"); Mint Capital LLC ("MCO"); Mint Gateway for Electronic Payment Services ("MGEPS"); and Hafed Holding LLC ("Hafed"); MME is 51% owned by Mint, and 49% owned by Global Business Systems for Multimedia ("GBS"). MME and its affiliates focus on payroll cards, merchant network solutions and micro finance loans to existing payroll card holders. MME manages the issuance, administration, customer support, payment processing and set up and reporting of payroll cards and related activities. MCO provides micro finance loans to payroll card holders. MEPS is 49% owned by MME but is a fully controlled subsidiary of MME by virtue of a nominee agreement which provides for Board and management control, as well as a 100% commercial interest in the operations of MEPS. MCO is a 100% subsidiary of Mint. MGEPS is 49% owned by MCO and GBS owns the remaining 51%. Under the terms of a nominee agreement, GBS has nominated a two percent share of its ownership and commercial interest in MGEPS in favor of MCO. Accordingly, MCO beneficially owns 51% of MGEPS. MGEPS owns 10% of Hafed's shares, with 49% commercial interest. All assets and liabilities of the Mint Coproration anits primary entities are classified as held for sale as at September 30, 2019 (Note 13)

GIC Merchant Banking Corporation ("GICMB")
The Company owns a 32.7% interest in GICMB. In 2018, due to additional issuances of shares by GICMB, the Company's ownership interest decreased from 42.86% to 32.7%. The Company determined that as of February 2, 2018, it no longer had control of GICMB as it no longer had a majority on the board of directors of GICMB and therefore it does not have the practical ability to direct the relevant activities of GICMB. On February 2, 2018, as a result of deconsolidation, an equity investment was recorded based on the fair value of the shares held at that date, and a gain on deconsolidation of $942,010 was recognized in 2018.

Analysis of assets and liabilities over which the Company lost control are as follows:

	$
Cash and cash equivalents	1,433,969
Trade, prepaid and other receivables	1,412,909
Due from related parties	(168,210)
Guaranteed investment certificate	20,000
Property and equipment	77,477
Loans receivable	245,266
Trade and other payables	(2,943,455)
Loans payable	(100,000)
Equity investments	1,196,611
Net assets disposed	**1,174,567**
Consideration received	
Fair value of investment retained	(800,000)
Non-controlling interest	(1,316,577)
Gain on disposition of subsidiaries recognized in 2018	**942,010**

The investment in GICMB was disposed in July 2019 (note 31).

Portfolio Analysts Inc.
The Company owns a 40% interest in Portfolio Analysts Inc. ("PAI") giving it significant influence over PAI's operations. 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. As the Company does not have the current ability to control the key operating activities of PAI, it is accounted for using the equity method. As of September 30, 2019, investment in PAI is classified as held for sale (Note 13)

(Presented in Canadian Dollars excepted where noted)

11. EQUITY INVESTMENTS AND OTHER INVESTMENTS

	September 30, 2019 $	December 31, 2018 $
Fair value through profit and loss ("FVTPL")		
Investments in public companies:		
Common shares	**58,996**	5,133,590
Investment in private companies:		
Common shares	-	3,099,986
Preferred shares	-	2,101,188
Options	-	84,300
Warrants	-	2,786,924
Other investments		
Investments in funds and related joint venture	-	5,554,913
Mining properties	-	1
	58,995	18,760,902

Preferred shares
Through its wholly owned subsidiary, New India Investment Corporation, the Company invested a total of $1,806,792 in Innoviti Payments Solutions Private Limited ("Innoviti"), a private company incorporated in India under the Indian Companies Act. The Company acquired Series C Preferred shares of Innoviti, which are compulsorily convertible into common shares on a one-for-one basis within three years and carry a cumulative dividend of 0.1%. During 2017, Innoviti raised additional funds from third parties, diluting the Company's interest to approximately 3.7%. As at September 30, 2019, New India Investment Corporation is classified as Held for sale at lower of fair value less cost to sell of $408,089 (note 13) (December 31, 2018: $1,851,188).

During 2018, the Company's subsidiary Gravitas Ilium Corporation invested $250,000 in preferred shares in GICMB. The preferred shares carry no voting rights. While the preferred shares are outstanding, the common shareholders cannot be paid any dividends that would result in the company having insufficient assets to redeem the preferred shares at their redemption amount. Gravitas Ilium Corporation and its subsidiaries are classified as disposal group held sale as at September 30, 2019.

Warrants
The fair value of the warrants the Company holds in equity investments was estimated using the Black-Scholes pricing model and was based on the following assumptions:

	September 30, 2019		December 31, 2018	
	Range	**Weighted Average**	**Range**	**Weighted Average**
Fair value of warrant	$NIL to $NIL	$NIL	$0.00 to $4.35	$0.07
Stock price	$NIL to $NIL	$NIL	$0.01 to $6.25	$0.17
Expected life (in years)	NIL to NIL	-	0.05 to 10.01	2.05
Volatility	NIL% to NIL%	NIL%	21.5% to 295.01%	115.94%
Risk free rate	NIL% to NIL%	NIL%	1.88% to 2.41%	2.23%

Investment Funds
PCPC is a partially owned subsidiary of the Company as at December 31, 2018 and is no longer a subsidiary as at September 30, 2019. It has invested in the following funds, which make up most of the investment fund balance. These are classified as a FVTPL investment on the statements of financial position:

(i) 90,550 Class O units of an unconsolidated limited partnership called Gravitas Special Situations Limited Partnership or ("GSSLP"). As of September 30, 2019, the value of this investment was $Nil (December 31, 2018: $1,430,690). Gravitas Special Situations GP Inc., an 80% subsidiary is the general partner of GSSLP. As per the confidential information memorandum, 99.99% of the net income or net loss is allocated to Limited Partners of GSSLP. The manager of GSSLP is Gravitas Securities Inc. (a subsidiary of the Company). The Limited Partners in GSSLP are not entitled to participate in the control of GSSLP. The Company is the promoter of GSSLP.

(Presented in Canadian Dollars excepted where noted)

(ii) 320,421 units of an unconsolidated fund called Gravitas Zhaojin Gold Industry Fund. As of September 30, 2019, the value of this investment was $Nil (December 31, 2018: $3,079,246).

(iii) investment in Zijin Midas Exploration Fund LLC. As of September 30, 2019, the value of this investment was $Nil (December 31, 2018: $1,044,977).

12. GOODWILL

The goodwill balance relates to the acquisition of 2242, which management considers to be a separate CGU. Assets and liabilities of 2242 are classified as held for sale in GIC as of September 30, 2019 (Note 13)

A continuity of goodwill of the Company is as follows:

	$
Balance, January 1, 2018	3,366,877
Balance as at December 31, 2018	3,366,877
Goodwill acquired – Prime City	493,141
Goodwill impairment – Prime City	(493,141)
Goodwill classified as held for sale (Note 13)	(3,366,877)
Balance as at September 30, 2019	-

13. ASSETS HELD FOR SALE

During the nine months ended September 30, 2019, the Company decided to dispose Portfolio Analyst Inc. ("PAI"), investment in an associated company. The Company discontinued the use of equity method from the date when the investment ceased to be an associate and classified as held for sale. The disposal of the asset held for sale was completed in November 2019 (note 31) and is currently presented at the lower of carrying value and fair value less cost to sell.

	September 30, 2019	December 31, 2018
	$	$
Investment in associated company, PAI	**1,124,512**	-
Total Assets Held for Sale	**1,124,512**	-

In May 2019 the Company executed a sales and investment solicitation process ("SISP") with the major debenture holder to facilitate the sale of all or substantially all of the assets of the Company. In July 2019 the Company estimated that it will obtain the majority votes from the shareholders to dispose the following subsidiaries and assets of the Company. Shareholders subsequently voted in majority to sell all or substantially all of the subsidiaries and assets of the company in the annual general and special meeting held on October 29, 2019. The assets and liabilities attributable to the subsidiaries, which are expected to be sold within twelve months, have been classified as a disposal group held for sale on September 30, 2019 and are presented separately in the statement of financial position.

(Presented in Canadian Dollars excepted where noted)

Where the total proceeds of disposal are expected to be lower than the net carrying amount of the relevant assets and liabilities and, accordingly, impairment loss has been recognized on the classification of these operations as held for sale. The major classes of assets and liabilities comprising the disposal group classified as held for sale are as follows:

	GIC Group	Prime City	NIIC	Mint	GVI	UBIKA	Total
Current assets							
Cash and cash equivalents	770,782	41,419	49	6,122	193,623	6,967	1,018,960
Guaranteed investment certificates	35,000	-	-	-	-	15,000	50,000
Trade and other receivables	447,372	15,865	-	3,435	939,660	198,365	1,600,633
Prepaid Expenses	252,482	-	-	48,816	-	-	301,298
Receivables from brokers and clients	29,224,979	-	-	-	-	-	29,224,979
Non-current assets							
Intangible assets	330,035	-	-	-	-	-	330,035
Property and equipment	810,443	-	-	-	-	7,061	817,503
Equity and other investments	2,796,339	-	1,851,188	-	1,179,703	49,500	5,876,729
Loan receivables	416,318	-	-	-	-	-	416,318
Goodwill (net of impairment loss)	2,543,931	-	-	-	-	-	2,543,931
Non-controlling interest	(992,171)	(9,610)	-	(17,649,828)	-	-	(18,471,610)
Total assets of disposal group held for sale	**36,635,509**	**47,674**	**1,851,236**	**(17,411,456)**	**2,312,985**	**272,828**	**23,708,777**
Current liabilities							
Trade and other payables	(5,183,052)	(60,587)	(1,908,671)	(1,608,641)	(856,820)	(692,531)	(10,310,301)
Payable to brokers and clients	(26,286,823)	-	-	-	-	-	(26,286,823)
Deferred revenue	(2,618,300)	-	-	-	-	(347,540)	(2,965,840)
Non-current liabilities							
Convertible debenture	(444,502)	-	-	(1,286,155)	-	-	(1,730,656)
Loan payables and other liabilities	(1,617,209)	-	-	(19,778,264)	(6,636,871)	(3,447,297)	(31,479,642)
Deferred taxes	(258,908)	-	-	-	-	-	(258,908)
Total liabilities directly associated with assets held for sale	**(36,408,793)**	**(60,587)**	**(1,908,671)**	**(22,673,060)**	**(7,493,691)**	**(4,487,368)**	**(73,032,170)**
Net carrying value of the disposal group	226,716	(12,913)	(57,435)	(40,084,515)	(5,180,705)	(4,214,540)	
Fair value less cost to sell of the disposal group	226,716	45,343	408,089	544,119	162,782	68,015	

(Presented in Canadian Dollars excepted where noted)

14. PROPERTY AND EQUIPMENT

A continuity of property and equipment of the Company is as follows:

	Leased office equipment *	Lease of office premise *	Office and Computer equipment	Leasehold improvement	Total
	$	$	$	$	$
Cost					
Balance as at January 1, 2018	-	-	460,844	301,403	762,247
Additions	-	-	14,056	-	14,056
Disposals	-	-	(62,330)	(15,147)	(77,477)
Balance as at December 31, 2018	-	-	412,570	286,256	698,826
Additions	35,071	2,753,830	31,069	-	2,817,611
Disposals	-	-	(6,196)	(40,004)	(46,211)
Assets classified as held for sale	(35,071)	(938,862)	(82,055)	(106,592)	(1,162,580)
Balance as at September 30, 2019	**-**	**1,814,968**	**355,389**	**139,660**	**2,310,017**
Accumulated amortization					
Balance as at January 1, 2018	-	-	226,995	73,595	300,590
Amortization	-	-	48,253	62,354	110,607
Balance as at December 31, 2018	**-**	**-**	**275,248**	**135,949**	**411,197**
Amortization	-	563,265	16,679	1,856	581,800
Balance as at September 30, 2019	**-**	**563,265**	**291,927**	**137,805**	992,997
Carrying amount					
Balance as at December 31, 2018	-	-	137,322	150,307	287,629
Balance as at September 30, 2019	**-**	**1,251,703**	**63,461**	**1,855**	**1,317,020**

* Reflects leases previously classified as operating leases, for which lease assets were recognized on January 1, 2019.

15. TRADE AND OTHER PAYABLES

A summary of trade and other payables of the Company is as follows:

	September 30, 2019	December 31, 2018
	$	$
Trade payables	**182,355**	4,750,368
Interest payables (a)	**2,003,598**	180,285
Option and put derivative liability regarding FGI (note 23)	-	537,537
Due to related parties, non-interest bearing, due on demand	-	18,160
Accrued compensation (b)	-	2,078,587
	2,185,953	7,564,937

(a) Included in this amount is the debenture interest for the nine months ended September 30, 2019 of $1,335,733 outstanding for Gravitas' Debenture Series #1 and Series #2 (note 16). In May 2019, the Company entered into an accommodation agreement with the majority holder of its debentures under which the debtholder have agreed to waive the payment of interest for the nine-month period until the earlier of July 12, 2019 and such later date as is agreed to with the debtholder, unless earlier terminated. The waiver has been extended to September 12, 2019.

(b) Amount represents shares and warrants due as compensation for investment banking services provided to third parties by a subsidiary of the Company.

(Presented in Canadian Dollars excepted where noted)

16. DEBENTURES

Summary of the debentures are as follows:

	Gravitas Series #1 (a)	Gravitas Series #2 (b)	Mint Series A (c)	Mint Series C (c)	FGI Convertible unsecured (d)	Total
	$	$	$	$	$	$
Balance, January 1, 2018	**30,023,000**	**53,347,426**	**48,535,156**	**9,935,500**	**-**	**141,841,082**
Accretion of interest (c)	-	114,299	1,753,021	55,526	-	1,922,846
Reduction of liability on debentures (c)	-	-	(48,631,844)	(9,991,026)	-	(58,622,870)
Present value of Series A debentures (c)	-	-	10,810,363	-	-	10,810,363
Balance, December 31, 2018	**30,023,000**	**53,461,725**	**12,466,696**	**-**	**-**	**95,951,421**
Accretion of interest (c)	-	84,608	2,479,409	-	13,945	2,577,962
Issuance of debentures	-	-	-	-	500,000	500,000
Equity portion of debentures	-	-	-	-	(69,443)	(69,443)
Liabilities held for sale (Note 13)	-	-	(14,946,105)	-	(444,502)	(15,390,607)
Balance, September 30, 2019	**30,023,000**	**53,546,333**	**-**	**-**	**-**	**83,569,333**

Company's Debentures

(a) The Company's Debentures #1 have a face value of $30,023,000 with an interest rate of 3.5% payable quarterly. These debentures are secured by a first ranking lien over the collateral assets of the Company, subject to: (i) the security interest previously granted and registered in respect to 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. During May 2017, the Company, for a fee of $300,230, extended the maturity date of this debenture to December 3, 2020. This amount is included within interest expense.

(b) The Company's Debentures #2 have a face value of $54,022,000 with an interest rate to the greater of: (i) 3% per annum; or (ii) an amount as is equal to 80% of the earnings before interest expense and tax ("EBT") on a consolidated basis, subject to an aggregate maximum amount of 8% per annum. The base 3% interest amount shall be payable quarterly, with the annual adjustment made based on the net earnings calculation annually and paid out on April 30 of each year. The debentures are redeemable at par value on June 23, 2023. The debentures are renewable for an additional ten-year period upon the payment of a renewal fee equal to 1% of the principal amount of the debentures outstanding at the date of the 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 the Government of Canada ten-year bond rate, plus 5%. This debenture is secured by Gravitas' assets.

In May 2019, the Company entered into an accommodation agreement with the majority holder of the Company's debentures. Under the Accommodation Agreement, the Company has agreed to implement a sale and investment solicitation process ("SISP"), the purpose of which is to seek proposals for a debt financing or refinancing and/or equity financing for a restructuring transaction, and/or a sale of all or a portion of the business and property of the Company and to subsequently implement one or more non-overlapping transactions. The sale and investment solicitation process include the Company's equity interests in various portfolio companies and in certain circumstances may include the assets of certain operating entities in which the Company has an equity interest.

Mint's Debentures

On May 31, 2018, Mint completed a transaction to restructure the Corporation's Series A and Series C debentures having an aggregate value of principal and accrued interest of $64,062,727. Substantially all of the Series A debentures were held by two holders (the "majority Series A holders") with all of the Series C debentures being held by one of the majority Series A holders. As part of the transaction, the Corporation acquired for cancellation Series A debentures with an aggregated value of principal and accrued interest of $40,449 for $8,084, thereby leaving the majority Series A holders as the sole holders of the Series A debentures at closing.

Under the transaction, Mint acquired for cancellation $28,979,520 principal amount of the outstanding Series A debentures and all claims for interest and other amounts owing under the Series A debentures, thereby reducing the amount owing to $20,000,000. The Series A debentures were amended to provide that they mature on December 31, 2021 and, commencing on October 1, 2019, will bear cash interest at 10% per annum, payable quarterly.

If Mint does not have sufficient funds to pay cash interest when required, the shortfall will be paid by the issuance of subscription receipts convertible into common shares of Mint priced at the greater of 95% of the 10-day volume weighted average price of the common shares and the minimum price permitted by the TSX Venture Exchange. Each subscription receipt will convert, for no additional consideration, into one common share of Mint at the election of the holder within one year from the date of issuance.

The Series C debentures in the principal amount of $10,000,000 were amended to postpone that debt in favour of the Series A debentures and to provide that the Series C debentures would be cancelled and deemed to be repaid upon payment of the Series A debentures. This amendment retained the security under the Series C debentures but limited the total debt under the Series A and Series C debentures to $20,000,000 owing under the Series A debentures. This $20,000,000 owing under the Series A debentures was the agreed total settlement of the principal and accrued interest on the Series A and Series C debentures. The Series A debentures are secured by a first position security in the assets of Mint and MME. The Series C debentures are secured by security in the assets of Mint and MCO.

In consideration for the settlement, the Series A holders received at no additional cost: (a) 17,300,000 common shares of Mint, (b) 11,700,000 common share purchase warrants of Mint, and (c) subscription receipts to acquire a total of 16,000,000 common shares of Mint. Each warrant is exercisable for one common share at any time on or after January 1, 2019 and on or before December 31, 2021 at an exercise price of $0.10. The subscription receipts were issued in eight series of 2,000,000 subscription receipts per series with each subscription receipt exercisable into one common share of Mint. The subscription receipts are exercisable on or after the respective exercise date until December 31, 2022.

As of September 30, 2019, 16,000,000 subscription receipts (Series 1 through 8) were exercisable but had not been exercised. All subscription receipts are subject to a one-year hold from the date of their respective Subscription Receipt Date. All subscription receipts that are not exercised and converted on or prior to December 31, 2022 expire automatically.

Gain on Restructuring of Series A and Series C Debentures
For the year ended December 31, 2018, Mint recognized a gain of $45,831,643 arising from the restructuring of the Series A and Series C debentures. At the time of the restructuring transaction the principal and accrued interest owing on all Series A debentures held by the "majority" and "minority" holders, and the Series C debentures was $64,062,727. On May 31, 2018, Mint common shares were trading at a price of $0.20 per share.

The Corporation has estimated the fair value of consideration granted, in accordance with accounting standards, as follows:

(i) $10,810,363 being the present value of the $20,000,000 principal amount of the Series A debentures, discounted at an assumed interest rate of 25% per annum. This discount rate reflects the timing and amount of interest coupon payments, and retirement of the principal at its December 31, 2021 maturity date. In accordance with accounting standards, Mint is required to use an interest rate that assumes a debt obligation on an unsecured basis without any adjustment to reflect the security granted for that debt, or the value of the additional securities granted at no cost as part of the transaction (i.e. common shares, warrants and subscription receipts). On this basis, a 25% interest rate has been used as the rate on unsecured debt that a company in Mint's comparable condition would incur on unsecured debt;

(Presented in Canadian Dollars excepted where noted)

(ii) $3,460,000 being the value of the 17,300,000 common shares granted at the May 31, 2018 share price of $0.20 per common share;

(iii) $2,275,977 being the estimated fair value of the 11,700,000 warrants granted at the closing date using the Black-Scholes pricing model;

(iv) $932,474 being the estimated fair value of the 16,000,000 subscription receipts granted at the closing date using the Black-Scholes pricing model; and

(v) $8,084 being the purchase price paid by Mint to acquire for cancellation the Series A debentures not held by the "majority" holders valued at $40,449.

Transaction costs of $744,186, comprising of $417,265 of legal fee and $326,921 of investor warrants, were incurred as part of the transaction and were expensed in 2018. The grant date fair value of the warrants issued was determined using the Black-Scholes model with the following assumptions: an expected volatility of 218%; a risk-free rate of 1.75%; an expected life of 2.8 years; no expected dividends; and a share price of $0.13.

FGI's Debentures

(c) In May 2019, FGI, a subsidiary of the Company, issued a debenture with a face value of $500,000 with an interest rate of 12% per annum. Interests are payable on the maturity date of May 1, 2021 or the date of prepayment. If no event of default has occurred, FGI have the option to prepay in cash the entire principal amount outstanding on the debenture plus any accrued interest. These debentures are unsecured and the principal sum outstanding under the debenture is convertible, upon and subject to certain conditions, into common shares of FGI at a conversion price of $0.5976 for each $1.00 of principal amount of the debenture being converted, at any time on or prior to the earlier of the maturity date or the date of prepayment of the debenture. There are also provisions for the adjustment of the number of common shares issuable upon the conversion of the debenture in certain events. This is classified as liabilities held for sale for the nine months period ended September 30, 2019.

17. LOANS PAYABLE AND OTHER LIABILITIES

	September 30, 2019 $	December 31, 2018 $
Bridge loans, due by PCPC (a)	-	1,777,533
Lease liability (b)	1,349,945	-
Preferred share liability, due by PCPC (a)	-	760,000
Promissory notes, due by Mint (c)	-	335,481
Other (d)	-	(436)
Balance, end of the period	**1,349,945**	2,872,578
Less: current portion	**750,463**	(1,813,014)
Non-current portion	**599,482**	1,059,564

(a) PCPC was a subsidiary in 2018, but the Company's investment in PCPC was disposed in June 2019 (note 5(e)). PCPC ceased to be consolidated in the financial statements of the Company as at September 30, 2019.

(b) This reflects the lease liability recognized on January 1, 2019 as a result of adopting IFRS 16 as detailed in Note 4.

(c) On August 30, 2018, Mint issued $305,000 principal amount of Series 2018N unsecured promissory notes with a maturity twelve months from the first closing of the offering. Mint also issued a total of 610,000 investor warrants (two bonus nontransferable warrants for every $1 principal amount of the promissory notes). Each warrant is exercisable for one common shares of Mint at any time during the 12 months following the first closing at an exercise price of $0.20. If the common shares trade at a price that closes at or above $0.40 per share for 10 consecutive trading days, Mint may accelerate the expiration date of the warrants to a date that not less than 30 days from the date Mint provides the notice of such acceleration, provided such accelerated expiration date may not be earlier than four months plus one day after the last closing of the offering Mint will pay the entire principal and accrued interest on the maturity date. The promissory notes bear interest at 15% per annum which accrues and is payable at maturity. Overdue principal and interest bears interest at 18% per annum from maturity date until paid. Mint may prepay all or a portion of the promissory notes, plus accrued interest, at any time, provided that a minimum of nine months interest is paid. On November 12, 2018, Mint conducted a second closing of the Series 2018N financing with net proceeds of $50,000. Mint issued 100,000 investor warrants and 4,000 finder warrants in conjunction with the second closing. The holders of the promissory notes are entitled to participate in any equity private placement (a "Subsequent Offering") closed by Mint prior to the repayment of the notes, in the case of each note holder up to an amount equal to the principal plus interest payable on the holder's note at the time of the Subsequent Offering. The price payable by note holders who elect to participate in a Subsequent Offering will be the greater of (i) a 15% discount to the price payable by subscribers who are not note holders, and (ii) the minimum price permitted by the TSX Venture Exchange. If a note holder elects to participate in a Subsequent Offering, the holder's note will be exchanged for securities under the Subsequent Offering.

(Presented in Canadian Dollars excepted where noted)

The above promissory notes were determined to be compound financial instruments comprising a host debt component and a residual equity component representing the warrants. The host or liability component of the promissory note was recognized initially at the fair value, by discounting the stream of future payments of interest and principal at the prevailing market rate of 25% per annum for a similar liability of comparable credit status and providing substantially the same cash flows that do not have an associated warrant. The carrying amount of the warrants was estimated using the residual method, comprising the difference between the principal amount and the initial carrying value of host debt component and is included as a reserve in shareholders' deficiency.

Below is the movement in Mint's promissory notes:

	$
Proceeds from issuance of promissory notes	355,000
Amount allocated to equity/warrants on issuance	(28,400)
Accretion expense	8,881
Balance, December 31, 2018	335,481
Accretion expense	19,519
Interest expense	58,198
Promissory note Held for sale	(413,198)
Balance, September 30, 2019	-

(d) During the nine-month period, a subsidiary of the Company received a loan of $50,000 from a director of the Company.

18. IMPAIRMENT

	September 30, 2019 $	September 30, 2018 $
Impairment/ (reversal of impairment) of investments in associates (a)	**(457,932)**	292,520
Impairment of convertible debentures and loans receivables	**-**	500,000
Impairment of accounts receivable	**74,436**	27,993
Impairment of loans to subsidiaries and related parties	**17,284,303**	-
Impairment of investment in equity	**2,419,048**	-
Reversal of impairment	**(45,000)**	(186,969)
Loss allowance on trade and notes receivables	**146,733**	403,009
Impairment on held for sale assets	**829,196**	
	20,250,784	1,036,553

(a) The Company fully impaired: $Nil of funds transferred from Mint to Mint UAE during the nine-months ended September 30, 2019 (September 30, 2018: $292,520). As a result of these impairments, the value of Mint UAE within the investment in associates remains $Nil (December 31, 2018: $Nil). In 2019, the Company reversed the impairment of investment in associated company, Prime City, when it was fair valued in January 2019.

19. SHARE CAPITAL

The authorized share capital of the Company consists of an unlimited number of common shares. As at September 30, 2019, outstanding shares were 72,601,305 (December 31, 2018: 72,601,305). Share capital totals $2,000,600 (December 31, 2018: $2,000,600).

20. INTERESTS IN SUBSIDIARIES

As at September 30, 2019							
Expressed in thousands	GIC(1) $	BCS $	Mint(1) $	PCPC $	Rev $	Prime City(1) $	Total
Minority Shareholder %	**53.9%**	**49%**	**46.1%**	**35.4%**	**55%**	**54.1%**	
Statement of Financial Position Amounts							
Current assets	-	-	-	-	-	-	-
Non-current assets	-	-	-	-	-	-	-
Total assets	-	-	-	-	-	-	-
Current liabilities	-	-	-	-	-	-	-
Non-current liabilities	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	-
Accumulated NCI	**992**	-	**17,470**	-	**(193)**	**9**	**18,278**
NCI classified as Held for sale	**(992)**		**(17,470)**	-	-	**(9)**	**(18471)**
Total comprehensive loss (income) allocated to NCI:							
For the three-month period ended September 30, 2019	-	-	-	-	-	-	-
For the nine-month period ended September 30, 2019	-	-	-	-	-	-	-

GIC – Gravitas Ilium Corp, BCS – Branson Corporate Services Inc., Mint – The Mint Corp., PCPC – Principle Capital Partners Corp., Rev – Revenue.com US Corp, Prime City – Prime City One Capital Corporation. Branson ceased to be a subsidiary in February 2019, PCPC ceased to be a subsidiary in June 2019, and Prime City became a subsidiary in Jan 2019.

(1) Assets and Liabilities of GIC, Mint and Prime City are classified as assets held for sale as at September 30, 2019 (Note 13)

As at December 31, 2018							
Expressed in thousands	GIC $	BCS $	Mint $	PCPC $	Rev $	Other * $	Total $
Minority Shareholder %	**53.9%**	**49%**	**46.1%**	**35.4%**	**55%**	-	
Statement of Financial Position Amounts							
Current assets	29,760	144	224	631	1	-	30,760
Non-current assets	9,934	574	-	6,987	-	-	17,495
Total assets	**39,694**	**718**	**224**	**7,618**	**1**	-	**48,255**
Current liabilities	35,347	13	6,769	2,044	350	-	44,523
Non-current liabilities	2,157	-	12,467	1,060	-	-	15,684
Total liabilities	**37,504**	**13**	**19,236**	**3,104**	**350**	-	**60,207**
Accumulated NCI	**1,548**	**(584)**	**18,547**	**1,576**	**(193)**	-	**20,894**

GIC – Gravitas Ilium Corp, BCS – Branson Corporate Services Inc., Mint – The Mint Corp., PCPC – Principle Capital Partners Corp., Rev – Revenue.com US Corp,
* Other – includes deconsolidated subsidiaries: CREC – Claxton Real Estate Company Ltd, GICMB – GIC Merchant Bank Corporation and subsidiary CIM – Capital Ideas Media Inc which is now a wholly-owned subsidiary.

During the nine-month period ended September 30, 2019, the proportion of the equity held by non-controlling interests changed as a result of cash proceeds from common share equity raises in subsidiaries of $500,000 (December 31, 2018: $6,197,889) and the conversion by Mint's debenture holders of its debentures into Mint's common shares valued at $Nil (December 31, 2018: $6,668,450). The changes in ownership interest was recorded to non-controlling interests to adjust the carrying amounts of the controlling and non-controlling interests for reflecting the changes in their relative interests in the subsidiary.

Changes in the Company's interest in subsidiaries during the nine-month period ended September 30, 2019 and the year ended December 31, 2018 are as follows.

The Mint Corporation ("Mint")

During January 2018, Mint completed the sale of units (comprising of one common share and one warrant) at $0.20 each for proceeds of $3,000,000 and 3,409,090 units at $0.22 each for proceeds of $750,000. Each unit consists of one common share in Mint and one warrant. Each warrant is exercisable for one common share during the 12 months following the first closing of the offering for an exercise price of $0.30. As a result of these offerings, the Company issued 791,954 finder warrants. A subsidiary of the Company subscribed for a total of 227,273 shares in the financing. As a result of these financings, the Company's interest in Mint was reduced from 68.23% to 60.63%.

During the year ended December 31, 2018, broker warrants in Mint were exercised for a total of $486,018 resulting in the issuance of 3,555,615 common shares. As a result of these issuances, the Company's interest in Mint was reduced from 60.63% to 58.30%.

As noted within Note 16, on May 31, 2018 Mint restructured its Series A and Series C debt resulting in a reduction in debt owed to $20,000,000. As a result of this, during the year ended December 31, 2018, the debenture holders received 17,300,000 common shares of Mint. As a result of this issuance, the Company's interest in Mint was reduced from 58.30% to 53.90%.

In March 2019, Mint completed the sale of 5,000,000 units (the "Units") at a price of $0.10 per Unit, for gross proceeds of $500,000. Each Unit consists of one common shares and one-half common share purchase warrant. Each whole warrant is exercisable for one common share during the period ending March 13, 2021 for an exercise price of $0.20. If the volume weighted average price of the common shares on the TSX Venture Exchange is over $0.40 per share for five consecutive trading days ending more than four months after the last closing of the private placement, Mint may give written notice to the registered holders of the warrants accelerating the expiry date to a date not less than 30 days following the date of that notice. The warrants and common shares issued as part of the Units are subject to a four month hold period which expires on July 14, 2019. As a result of the issuance of the common shares, the Company's interest in Mint was reduced from 53.90% to 52.57%.

Assets and liabilities of Mint are classified as held for sale as of September 30, 2019 (Note 13).

Revenue.com
On February 28, 2018, the Company sold its assets of Revenue.com to a subsidiary of Aeon Ventures Inc ("Aeon"), a United States listed public company on the OTC. The consideration is as follows: (i) cash proceeds of $55,075 (US$43,000), (ii) 500,000 common shares of Aeon, and (iii) a possible earnout of up to $12,808,150 (US$10 million) based on certain revenue achievement targets. These targets had not been reached as at December 31, 2018 therefore no earnout has been recorded with respect to the sale.

Gravitas Ilium Corporation ("GIC")
In 2018, FGI raised $375,000, which decreased GIC's ownership in FGI from 96% to 93.2%.

During September 2018, China Central Securities via its Hong Kong subsidiary, Central China International, has acquired a 9.9% interest in 2242 for total consideration of $1,500,000. As a result of this transaction, GIC's interest in 2242 decreased from 54.99% to 49.54%.

Assets and liabilities of GIC are classified as held for sale as of September 30, 2019 (Note 13).

Prime City One Capital Corporation ("Prime City")

On January 16, 2019, the Company acquired Prime City through a conversion of its convertible debenture held in Prime City and holds 54.1% of Prime City as a result.

Assets and liabilities of Prime City are classified as held for sale as of September 30, 2019 (Note 13).

21. LOSS PER SHARE

Loss per share is based on the weighted average number of common shares of the Company outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding share options and warrants. The weighted average number of shares outstanding for the nine-month period ended September 30, 2019 are 72,601,305 (September 30, 2018: 72,601,305). In addition, 5,500,000 (September 30, 2018: 6,250,000) stock options are outstanding. No warrants were outstanding as of September 30, 2019 and December 31, 2018. The fully diluted outstanding number of shares of the Company was 72,601,305 as of September 30, 2019 (September 30, 2018: 72,601,305) as the outstanding options were antidilutive.

Basic net loss per share for the nine-month period ended September 30, 2019 totaled $0.56 (net income of $0.33 for the nine-month period ended September, 30, 2018). Diluted net loss per share for the nine-month period ended September 30, 2019 totaled $0.56 (net income of $0.33 for the nine-month period ended September 30, 2018).

22. RELATED PARTY TRANSACTIONS

Parties are considered related if the party has the ability, either directly or indirectly, to control the other party or exercise significant influence over the other party in making operating and financial decisions. This would include the Company's and their subsidiaries' senior management. Parties are also related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is a related party transaction when there is a transfer of resources or obligations between related parties. The following are the related party transactions during the nine-month period ended September 30, 2019. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. Usually outstanding balances are settled in cash.

During the nine-month period ended September 30, 2019, the Company:

- Incurred $2,470,052 (September 30, 2018: $4,649,286) to directors and senior officers of the Company and its subsidiaries, including the Chief Executive Officer, its Chief Financial Officer, its former Chief Financial Officer, and Executive Vice Presidents or Vice Presidents of the Company and/or its subsidiary companies. This amount has been included in compensation and management fees, professional fees and general and administrative fees.
- Expensed $45,535 (September 30, 2018: $10,047) to Soigne Technologies Inc., a company in which an employee has an interest.
- Through Mint UAE, paid $390,851 (September 30, 2018: $503,976) to Global Business Systems ("GBS") management and consulting fee in connection with the management agreement for the Mint UAE operations. The amount form part of the Company's share of losses of associates.
- Charged rent of $103,817 (September 30, 2018: $93,591) to associated companies which had offices within the Company's premise.
- Expensed $Nil (September 30, 2018: $30,000) of management fees to a shareholder of one of its subsidiaries

As of September 30, 2019, amounts due from and due to related parties are as follows:

- $424,999 (December 31, 2018: $424,999) represents the interest-free amount outstanding and payable to GBS by Mint. GBS is the operator of the day-to-day activities of Mint UAE operations. Additionally, Mint had a loan receivable from GBS for $1,750,927, which was impaired during 2017. These amounts are unsecured and due on demand.

(Presented in Canadian Dollars excepted where noted)

- Parties related to the Company purchased $Nil (December 31, 2018: $100,000) of Mint's promissory notes described in Note 17(c).
- Loan and interests of $322,164 (December 31, 2018: $310,945) is due from a director of an associated company. The loan was disbursed in 2014.

23. STOCK OPTION PLAN AND STOCK BASED COMPENSATION

The Company has adopted a stock-based option plan under which the Board of Directors may award options for common shares to directors, officers, employees and consultants. The maximum number of common shares issuable pursuant to the share option plan must not exceed 10% of the total number of the Company's outstanding. The exercise price of each option is determined by the Board of Directors and cannot be less than the discounted market value of the common shares on the eve of the award. The term of the options cannot exceed five years. On February 28, 2018, the Company issued a total of 6,250,000 stock options to directors and officers. Each option expires on February 28, 2021 and has an exercise price of $0.10, subject to certain vesting provisions over two years. The Company valued these options at $366,875 using the Black-Scholes option valuation model. Due to the vesting provisions, this amount will be expensed to stock-based compensation over a two-year period. During 2018, a total of 750,000 options were cancelled as result of employees' resignations. During the nine-months period ended September 30, 2019, a total of $663,648 (September 30, 2018: $276,989) has been expensed.

The fair value of the stock options granted was estimated with the following assumptions:

	December 31, 2018
Expected dividend yield	**0%**
Expected average volatility (a)	**171%**
Risk-free average interest rate	**2.01%**
Expected option life (years)	**3.0**
Share price	**$0.07**
Exercise price	**$0.10**

(a) Volatility was determined based on various valuation model and inputs from comparable companies, as appropriate.

Option on Mint Shares Held by Gravitas

During November 2017, to incentivize the directors and officers of the Company to enhance the value of its investment in Mint, the Company agreed to grant a total of 16,250,000 options. These three-year options, subject to certain conditions including the requirement that the stock price of Mint trade over $0.50 for a consecutive ten-day period, entitle the holder to acquire one share of Mint's shares held by the Company for each option granted. For the nine-month period ended September 30, 2019, a total of $Nil (December 31, 2018: $256,717) has been expensed.

Stock Options of Subsidiaries

During the nine-month period ended September 30, 2019, a total of 3,000,000 options (year ended December 31, 2018: 5,025,000) were issued by Mint. No stock options were forfeited and cancelled for Mint during the nine-month period ended September 30, 2019 (December 31, 2018: 650,000), and a total of 400,000 options expired during the nine-month period (year ended December 31, 2018: Nil). No stock options were exercised during the nine-month period ended September 30, 2019 (December 31, 2018: Nil). A total of 14,525,000 options are outstanding as at September 30, 2019 (December 31, 2018: 11,925,000).

Using the fair value method, the recorded expense of the noted stock options for the nine-month period ended September 30, 2019 was $519,888 (September 30, 2018: $1,479,837). The fair value of stock options granted during the three and nine months ended September 30, 2019 was nil and $376,079 respectively (year ended December 31, 2018: $768,783). The fair value of the stock options granted was estimated using the various valuation models with the following assumptions:

(Presented in Canadian Dollars excepted where noted)

	September 30, 2019	December 31, 2018
Expected dividend yield	**0%**	0%
Expected average volatility (a)	**184%**	**112% - 209%**
Risk-free average interest rate	**1.77%**	**1.75% - 2.26%**
Expected option life (years)	**3.0**	**0.6 – 3.0**
Share price	**$0.14**	**$0.12- $0.46**
Exercise price	**$0.13**	**$0.10 - $0.25**

(a) Volatility was determined based on various valuation model and inputs from comparable companies, as appropriate.

During the nine-month period ended September 30, 2019, a total of Nil (December 31, 2018: 1,677,872) options were issued by FGI. Using the fair value method, the recorded expense in discontinued operation of the noted stock options was $118,078 (December 31, 2018: $156,775).

The fair value of the stock options granted was estimated using the various valuation models with the following assumptions:

	December 31, 2018
Expected dividend yield	**0%**
Expected average volatility (a)	**100%**
Risk-free average interest rate	**1.93%**
Expected option life (years)	**4**
Share price	**$0.60**
Exercise price	**$0.60**

(b) Volatility was determined based on various valuation model and inputs from comparable companies, as appropriate.

Option and Put Agreement of Subsidiary
On December 22, 2017, FGI entered into option and put agreements with certain officers. These agreements offered an option to acquire 5,896,304 shares of FGI, which would represent 25% of the issued and outstanding shares of FGI. In addition, a grant of a put right was issued. This put right allows the officers the right to force FGI to re-purchase for cancellation the same shares on exercise of those options. The Company has treated these options as compensation expense for the services provided by these officers in the amount of $496,720 as cash and equity settled with corresponding credits to liability of $324,725 and contributed surplus of $171,995. Fair value change in the liability component for the nine-month period ended September 30, 2019 was $Nil (December 31, 2018: $212,812). The following assumptions were used to value the liability: risk free interest rate: 1.93%, volatility: 100%, dividend yield: $Nil, expected life: 9 years and stock price: $0.60.

24. ADDITIONAL INFORMATION – CASH FLOWS

The changes in working capital items are detailed as follows:

For the nine-month period ended	September 30, 2019 $	September 30, 2018 $
Change in:		
Trade and other receivables	**5,636,863**	(1,873,968)
Receivable from brokers and clients	**(1,049,632)**	(2,568,086)
Prepaid expenses	**7,045**	1,095,794
Trade and other payables	**2,623,328**	702,750
Payable to brokers and clients	**2,737,238**	4,970,960
Customer deposits	**(650,770)**	2,146,890
Other liabilities	**(22,286)**	734,564
Changes in working capital	**9,281,786**	(5,208,904)

There were no cash equivalents as at September 30, 2019 and 2018.

Additional supplementary information:

(Presented in Canadian Dollars excepted where noted)

For the nine-month period ended	**September 30, 2019**	**September 30, 2018**
	$	**$**
Interest paid	-	-
Interest received	-	-
Income taxes paid	-	-
Income taxes received	-	-

25. INCOME TAXES

During the nine-month period ended September 30, 2019, the Company expensed $69,690 (September 30, 2018: $40,285) in income tax expense. In addition, $272,582 (December 31, 2018: $289,197) and $NIL (December 31, 2018: $264,579) were reflected in the statement of financial position as income taxes payable and deferred taxes payable, respectively.

26. FINANCIAL INSTRUMENTS

Fair value

The carrying value of cash, trade and other receivables and trade and other payables are considered to be a reasonable approximation of the fair value due to the short-term maturity of these instruments. The carrying value of guaranteed investment certificates are considered to be a reasonable approximation of the fair value since these instruments are redeemable at any time. Equity interests in private entities are measured at fair value using subjective measures, including recent share transactions, prices for comparable entities, review of cash flow projections and the company prospects, financial ratios and other discounted cash flow techniques.

The table below summarizes the assets and liabilities that are included at their fair values in the Company's statement of financial position as at September 30, 2019 and December 31, 2018. These assets and liabilities have been categorized into hierarchical levels, according to the significance and reliability of the inputs used in determining fair value measurements.

The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted pries included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the assets or liabilities are not based on observable market data (unobservable inputs).

				As at September 30, 2019
	Level 1	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Common shares in quoted companies	58,996	-	-	58,996
Common shares in private companies	-	-	-	-
Preferred shares in private companies	-	-	-	-
Warrants	-	-	-	-
Equity investments and other	**58,996**	**-**	**-**	**58,996**

				As at December 31, 2018
	Level 1	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Common shares in quoted companies	6,602,310	-	-	6,602,310
Common shares in private companies	-	-	1,631,266	1,631,266
Preferred shares in private companies	-	-	2,101,188	2,101,188
Warrants	-	2,871,224	-	2,871,224
Investment fund and related joint venture	-	-	5,554,914	5,554,914
Equity investments and other	**6,602,310**	**2,871,224**	**9,287,368**	**18,760,901**

(Presented in Canadian Dollars excepted where noted)

The Company's options, warrants, investment funds and related joint venture and conversion features on debentures held are classified within Level 2 of the fair value hierarchy since the fair value is determined using a model that includes the volatility and price of the companies in which the Company invested. The method and valuation techniques used for purpose of measuring fair value, are unchanged compared to the previous reporting periods.

For investments classified in level 3, the fair value was determined through several methods, including recent private placements made by third parties and financial models.

27. CAPITAL MANAGEMENT

The Company manages its capital structure and adjusts related to changes in the economic environment and the underlying risks of its assets. In its definition of capital, the Company includes debentures and equity (deficiency). The following table shows the items included in the definition of capital. There has been no change with respect to the overall capital management strategy during the nine-month period ended September 30, 2019.

	September 30, 2019 $	December 31, 2018 $
Debentures:		
Long Term Portion	83,569,333	95,951,421
Equity (deficiency)	(142,548,899)	(74,637,663)
	58,979,566	21,313,758

28. FINANCIAL RISKS

The Company is exposed to the following risks through its financial instruments.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company has two types of financial assets that are subject to the expected credit loss model:

1. Trade and other receivables from wealth management, recruitment, listing and research fees
2. Loans and receivables carried at AMC

While cash and cash equivalents, guaranteed investments certificates and receivable from brokers and clients are also subject to the impairment requirements of IFRS 9, the identified credit risk and impairment loss is not significant.
The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade and other receivables and receivables from brokers and clients, while ECL calculation based on stage assessment has been performed for loan receivables.

The loss allowance at September 30, 2019 determined under IFRS 9 was as follows.

	Current or less than 30 days past due	31-90 days past due	Greater than 90 days past due	Total
As of September 30, 2019	**$**	**$**	**$**	**$**
Trade and other receivables				
Projected loss rate	1.00%	1.30%	1.50%	
Gross carrying amount	413	39	356,515	356,967
Loss allowance	-	-	8,918	8,918

(Presented in Canadian Dollars excepted where noted)

The loss allowance at January 1, 2018 and December 31, 2018 determined under IFRS 9 was as follows.

	Current or less than 30 days past due	31-90 days past due	Greater than 90 days past due	Total
As of December 31, 2018	**$**	**$**	**$**	**$**
Trade and other receivables				
Projected loss rate	1.00%	1.30%	1.50%	
Gross carrying amount	48,935	4,683	1,821,709	1,875,327
Loss allowance	489	61	45,543	46,093

Stage continuity for the allowance for credit losses

	Stage 1	Stage 2	Stage 3	Total
Loans receivable				
Balance at December 31, 2018 (net of loss allowance)	469,839	405,324	31,405	906,568
Repayments	(80,432)	(50,000)	-	(130,432)
Accretion Income	-	11,612	-	11,612
Loss on disposition	-	5,972	-	5,972
Loans classified as held for sale	(416,318)	(172,162)	(20,500)	(608,980)
(Loss) Reversal of expected credit losses	26,911	(200,746)	(10,905)	(184,740)
Projected loss rate	0.00%	100.00%	100.00%	
Balance at September 30, 2019	-	-	-	-

	Stage 1	Stage 2	Stage 3	Total
Loans receivable				
Balance at January 1, 2018	2,028,461	146,708	1,331,529	3,359,990
IFRS 9 – Transition adjustment	-	-	-	(120,815)
Transfer from / (to) Stage 2	(250,000)	250,000	-	-
Loan origination	-	50,000	960,776	1,010,776
Repayments	(616,480)	-	(24,500)	(640,980)
Accretion Income	-	18,207	-	18,207
De-recognition of financial asset	(665,230)	-	-	(665,230)
Impairment	-	-	(2,230,305)	(2,230,305)
Premium on issuance	-	(10,337)	-	(10,337)
Loss allowance on loans receivables	(26,912)	(49,254)	(6,095)	(82,260)
Projected loss rate	5.42%	10.84%	16.25%	
Balance December 31, 2018	469,839	405,324	31,405	906,568

Allowance for credit losses

	Allowance for Trade receivables	Allowance for Loans receivables	Total loss allowance
Allowance for credit losses, December 31, 2018	37,235	82,260	119,495
Increase (decrease) in loan allowances recognised in profit or loss	(37,235)	184,740	147,505
Allowance for credit losses, September 30, 2019	-	267,000	267,000

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations with financial liabilities that would be settled either by delivering cash or another financial asset. See Note 2 for Going Concern uncertainty. The Company has current assets of $1,468,146 which will be used to cover its operating and investing activities. The expected timing of consolidated cash flows relating to financial liabilities as at September 30, 2019, are as follows:

(Presented in Canadian Dollars excepted where noted)

	Less than 1 year	1-5 years	6-10 years	Total
	$	$	$	$
Current liabilities	4,544,046	-	-	4,544,046
Debentures	83,569,333	-	-	83,569,333
Non-current loan payable and accrued	-	-	-	-
	88,113,379	**-**	**-**	**88,113,379**

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to the following three types of market risk: interest rate risk, currency risk and other price risk.

Interest rate risk - Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk since some of the Company's debentures bear interest at a variable rate based on the earnings before interest expense and tax ("EBIT"). Had the interest rate been 1% higher throughout the nine-month period ended September 30, 2019, the net income would have decreased by $840,450 (September 30, 2018: $957,727).

Currency risk - Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates relative to the Company's functional currency, the Canadian dollar. The Company does not hedge its foreign exchange risk. A 10% change in either direction of the United States dollar exchange rate would have changed the net income by USD29,036 (September 30, 2018: $666,821).

Other price risk - The Company is exposed to fluctuations in the market prices of its investments in quoted companies. The fair value of the investments in quoted and private companies represents the maximum exposure to price risk. As at September 30, 2019, a 10% change in the closing price of common shares held by the Company on the stock market would have changed the net income by $5,900 (September 30, 2018: $2,059,249).

29. CONTINGENCIES

A partially owned subsidiary of the Company was named as one of several defendants in legal actions relating to the sale of a specific investment product. The claims made by one of the plaintiffs totals $1,000,000. The subsidiary's management has evaluated this claim and believes the claims is without merit and intends to vigorously defend itself. The second claim approximates $454,000. The claim has been evaluated by the subsidiary's management and a provision has been made for a portion of it.

In addition, the subsidiary received two claims for damages relating to the termination of the sponsorship of the registration for two past Investment Advisors who acted as an Agent for the subsidiary. The claim made by one of the plaintiffs totals $700,000. Management has evaluated this claim and believes the claim is without merit and intends to vigorously defend itself. The second claim totals $100,000. The claim has been evaluated by management and a provision has been made for a portion of it. A third investment advisor filed a counterclaim against the subsidiary in the amount of approximately $30,000 after the subsidiary acted to collect an outstanding loan balance. The subsidiary's management has evaluated the counterclaim and believes that it is without merit and intends to defend itself.

30. SEGMENTED INFORMATION

The entire senior management team of the Company, which includes the Chief Executive Officer, the Chief Financial Officer, senior Vice Presidents and the Board of Directors have been identified as the chief operating decision makers with respect to segmented information disclosures. As the Company's senior officers are operational in function, management believes that they represent the appropriate level of management to analyze and determine the distinct operating segments of the Company. The Company operates in two distinct operating segments plus a corporate segment. In some instances, prior period segment information has been amended to be consistent with the current period. The segments are as follows:

1. **Financial Services**: This group of entities operate in financial product and distribution businesses and require high levels of compliance and governance as well as capital markets, advisory, regulatory and compliance needs of private and publicly listed corporations.
2. **Portfolio Investments:** This group of entities acquires long-term interests in companies that have high potential for value additions and where the Company provides key strategic inputs and management support either directly or through board representations.
3. **Corporate:** This group primarily represents the cost of the corporate overhead expenses not allocated to other segment and is comprised of Gravitas Financial Inc.

Segmented Information – Income Statement

For the three-months ended				**September 30, 2019**				**September 30, 2018**
(expressed in thousands)	**Financial Services** $	**Portfolio Investments** $	**Corporate** $	**Total** $	**Financial Services** $	**Portfolio Investments** $	**Corporate** $	**Total** $
Revenues	(306)	6,069	146	5,909	3,612	2,713	697	7,022
Expenses, net of gains, excluding the undernoted	(1,228)	127	(3351)	4,452	(16,731)	24,697	2,126	10,092
Interest expense	3,119	(1,373)	7747	9,493	89	336	974	1,399
Compensation & management fees	2,749	5,172	10,241	18,162	(1,064)	1,829	435	1,200
Professional fees and recruitment	2,426	126	7,484	10,306	(48)	81	241	274
Net income (loss) before income tax	**7,372**	**2,017**	**(21,975)**	**(27,330)**	**21,366**	**(24,230)**	**(3,079)**	**(5,943)**

For the nine-months ended				**September 30, 2019**				**September 30, 2018**
(expressed in thousands)	**Financial Services** $	**Portfolio Investments** $	**Corporate** $	**Total** $	**Financial Services** $	**Portfolio Investments** $	**Corporate** $	**Total** $
Revenues	3,498	8,215	258	11,971	15,698	5,944	783	22,425
Expenses, net of gains, excluding the undernoted	(3,497)	7,890	(4,371)	22	(9,736)	(16,618)	4,392	(21,926)
Interest expense	3,408	544	9,084	13,036	331	2,137	2,089	4,557
Compensation & management fees	4,710	6,688	10,871	22,269	2,690	3,836	1,298	7,824
Professional fees and recruitment	5,975	2,621	8,987	17,853	4,640	2,088	1,089	7,817
Net income (loss) before income tax	**(7,098)**	**(9,528)**	**(24,313)**	**(40,939)**	**17,773**	**14,501**	**(8,085)**	**24,189**

Segmented Information – Statement of Financial Position

As at				September 30, 2019				December 31, 2018
	Financial Services	Portfolio Investments	Corporate	Total	Financial Services	Portfolio Investments	Corporate	Total
(expressed in thousands)	$	$	$	$	$	$	$	$
Total assets	24,224	4,976	(1,523)	27,677	30,543	918	28,752	60,213
Total liabilities	58,036	16,701	86,407	161,145	28,115	23,169	83,567	134,851
Investment in associates [1]	-	-	-	-	(34)	3,302	735	4,004

(1) The amount noted within investment in associates is included within total assets.

Segmented Information – Geographic Locations

The Company presently has operations in Canada only.

31. SUBSEQUENT EVENTS

Further to the accommodation agreement of May 2019 entered into by the Company with the major debenture holder, an agreement which governs the related sale and investment solicitation process (“SISP”), In connection with the SISP, the Company continues to consider the sales of other businesses and property and has, or may enter into, other non-binding letters of intent.

In connection with the SISP following events have occurred:

a. On October 1, 2019, the Company entered into an agreement to sell all of the issued and outstanding shares in The Mint Corporation for the consideration of $1,778,406. The proceeds of the transaction will be used in accordance with the accommodation agreement and provide the Company with needed working capital.
b. On October 8, 2019 the Company sold all of the issued and outstanding shares in Ubika Corp., GVI and various other assets for the consideration of $557,850 respectively. The proceeds of the transaction will be used in accordance with the accommodation agreement and provide the Company with needed working capital.
c. On October 8, 2019 the Company entered into an agreement to sell all of the issued and outstanding shares in Prime City for the consideration of $100,000. The proceeds of the transaction will be used in accordance with the accommodation agreement and provide the Company with needed working capital.
d. On October 11, 2019 the Company entered into an agreement to sell all of the issued and outstanding shares in Gravitas Ilium Corp. for the consideration of $500,000. The proceeds of the transaction will be used in accordance with the accommodation agreement and provide the Company with needed working capital.
e. On November 5, 2019 Gravitas Financial Services Holdings Inc., a wholly owned subsidiary of Gravitas Financial Inc., sold all of its interest in Portfolio Analyst Inc. for the consideration of $2,480,000 The proceeds of the transaction will be used in accordance with the accommodation agreement and provide the Company with needed working capital.
f. On November 13, 2019 the Company sold all of the issued and outstanding shares in New India Investment Corp. (“NIIC”) for the consideration of $900,000 The proceeds of the transaction will be used in accordance with the accommodation agreement and provide the Company with needed working capital.