GRAVITAS FINANCIAL INC.
Consolidated Financial Statements

For the years ended December 31, 2020 and 2019

McGovern Hurley

Audit. Tax. Advisory.

Independent Auditor's Report

To the Shareholders of Gravitas Financial Inc.

Opinion

We have audited the consolidated financial statements of Gravitas Financial Inc. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2020 and 2019, and the consolidated statements of income and comprehensive income, consolidated statements of changes in deficiency and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2020 and 2019 and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2 in the consolidated financial statements, which indicates that the Company incurred several years of losses and negative cash flows from operations. As stated in Note 2, these conditions indicate that material uncertainties exist that cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially

251 Consumers Road, Suite 800
Toronto, Ontario
M2J 4R3
mcgovernhurley.com
t. 416-496-1234

inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner of the audit resulting in this independent auditor's report is Soheil Talebi.

McGovern Hurley LLP

McGovern Hurley LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
April 30, 2021

Gravitas Financial Inc.
Consolidated Statements of Financial Position
As at December 31, 2020 and 2019
(Presented in Canadian dollars)

	Notes	2020	2019
		$	$
Assets			
Current assets			
Cash and cash equivalents		99,056	2,010,390
Trade and other receivables	5	14,497	944,697
Total current assets		113,553	2,955,087
Equity investment and other investments		425	69
Total assets		113,978	2,955,156
Liabilities			
Current liabilities			
Trade and other payables	7, 13	145,377	3,315,482
Debentures	8	-	83,569,333
Total current liabilities		145,377	86,884,815
Loan payable	9	20,833	-
Deferred income tax liability	16	-	267,566
Total liabilities		166,210	87,152,381
Equity			
Share capital	11	2,000,600	2,000,600
Contributed surplus		4,373,695	4,373,695
Accumulated other comprehensive loss		(184,272)	(184,272)
Deficit		(6,242,255)	(90,387,248)
Total equity		(52,232)	(84,197,225)
Total liabilities and equity		113,978	2,955,156

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

Going Concern (Note 2)
Related Party Transact ions (Note 13)
Contingencies (Note 20)
Subsequent Events (Note 21)

On behalf of the Board:

/s/ Vikas Ranjan
Director

/s/ Winfield Ding
Director

Gravitas Financial Inc.

Consolidated Statements of Income and Comprehensive Income

For the years ended December 31, 2020 and 2019
(Presented in Canadian dollars, except for share and per share amounts)

	Notes	2020	2019
CONTINUING OPERATIONS		$	$
Revenues			
Listing and research fees		74,093	1,015,217
Consulting and management fees		-	100,580
Interest earned		42,386	425,993
Product sales, royalties and other		15,000	55,182
Government grants	9	51,775	-
Total revenues		183,254	1,596,972
Expenses			
Professional fees and transaction costs	13	604,383	4,930,915
Compensation and management fees	13	471,379	1,314,544
General and administrative expenses	13	281,440	555,077
Interest expense		13,029	2,991,443
Impairment expense		-	1,401,920
Stock-based compensation	14	-	25,682
Share of results of associates		-	(68,565)
Amortization		-	10,972
Gain on restructuring of debentures	8	(85,064,496)	-
Loss on disposal of investments		-	1,231,530
Loss on settlement		-	5,670,812
Foreign exchange (gain) loss		448	4,031
Change in fair value of investments		(356)	178,690
Total expenses		(83,694,173)	18,247,051
Income (Loss) before income taxes		83,877,427	(16,650,079)
Deferred tax (expense) recovery	16	267,566	(64,674)
Income (Loss) from continuing operations		84,144,993	(16,714,753)
Net income from discontinuing operations	6	-	25,141,558
Net income		84,144,993	8,426,805
Other comprehensive income			
Cumulative translation adjustment		-	16,717
Total other comprehensive income for the year		-	16,717
Total comprehensive income for the year		84,144,993	8,443,522
Net income (loss) attributed to			
Non-controlling interests		-	(5,764,804)
Shareholders of the Company		84,144,993	14,191,609
		84,144,993	8,426,805
Total comprehensive income (loss) attributed to			
Non-controlling interests		-	(5,764,804)
Shareholders of the Company		84,144,993	14,208,326
		84,144,993	8,443,522
Net income (loss) per share, basic and diluted			
Continuing operations	12	1.16	(0.23)
Discontinued operations		-	0.35
		1.16	0.12
Weighted average number of shares outstanding			
Basic and diluted	21	72,601,305	72,601,305

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

Gravitas Financial Inc.

Consolidated Statements of Change in Deficiency

(Presented in Canadian dollars, except for common shares)

	Notes	Common shares Shares	Common shares Amount	Contributed surplus	Accumulated other comprehensive Income (loss)	Deficit	Subtotal shareholders' equity	Non-controlling interests	Total deficiency
			$	$	$	$	$	$	$
Balance at December 31, 2018	21	**72,601,305**	**2,000,600**	**6,778,324**	**(200,989)**	**(104,109,150)**	**(95,531,215)**	**20,893,552**	**(74,637,663)**
Net income (loss) for the year		-	-		-	14,191,609	14,191,609	(5,764,804)	8,426,805
Stock-based compensation		-	-	691,225	-	-	691,225	-	691,225
Additional non-controlling interest		-	-	-	-	-	-	33,485	33,485
Non-controlling interest - adjustment to change in ownership		-	-	-	-	(469,707)	(469,707)	469,707	-
Disposal of discontinuing operations		-	-	(3,095,854)	-	-	(3,095,854)	(15,631,940)	(18,727,794)
Translation of foreign operations		-	-	-	16,717	-	16,717	-	16,717
Balance at December 31, 2019	21	**72,601,305**	**2,000,600**	**4,373,695**	**(184,272)**	**(90,387,248)**	**(84,197,225)**	**-**	**(84,197,225)**
Net income for the year		-	-		-	84,144,993	84,144,993	-	84,144,993
Balance at December 31, 2020	21	**72,601,305**	**2,000,600**	**4,373,695**	**(184,272)**	**(6,242,255)**	**(52,232)**	**-**	**(52,232)**

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

Gravitas Financial Inc.

Consolidated Statements of Cash Flows

For the years ended December 31, 2020 and 2019
(Presented in Canadian dollars)

	Notes	2020	2019
		$	$
Operating activities			
Net income		84,144,993	8,426,805
Items not involving cash			
Share based payments		-	573,148
Deferred income taxes		(267,566)	-
Amortization of property, plant and equipment		-	581,800
Lease inducement		-	(6,640)
Accrued interest expense		-	4,011,330
Loss on disposal of subsidiary		-	(38,262,960)
Loss on investments		(356)	1,231,530
Impairment		-	1,582,395
(Gain) loss on debentures settlement	8	(85,064,496)	5,670,812
Debenture interest payable		2,684,557	-
Share of results in associates		-	220,153
Foreign exchange loss		(448)	(12,457)
Accretion on loans receivables		-	(11,612)
Interest and dividends		-	3,143,014
		1,496,684	(12,852,682)
Changes in non-cash working capital	15	(2,578,663)	6,815,858
Net cash used in operating activities		(1,081,979)	(6,036,824)
Investing activities			
Short term investments		246,039	6,868,530
Payment for lease deposit		(226,000)	-
Net cash disposed on loss of control of subsidiaries		-	(1,536,338)
Net cash acquired in asset acquisition		-	88,212
Purchase of equity investments		-	(4,413,106)
Purchased of property and equipment		-	(31,009)
Proceeds from disposal of subsidiaries		300,000	3,608,697
Net cash provided by investing activities		320,039	4,584,986
Financing activities			
Proceeds from loan payable	9, 8	40,000	500,000
Payments of loans payable	8	(1,189,394)	(668,150)
Net cash used in financing activities		(1,149,394)	(168,150)
(Decrease) in cash		(1,911,334)	(1,619,988)
Cash and cash equivalents, beginning of year		2,010,390	3,630,378
Cash and cash equivalent, end of year		99,056	2,010,390

The accompanying notes are an integral part of the consolidated financial statements.
See Note 15 for additional cash flow information.

1. NATURE OF OPERATIONS

Gravitas Financial Inc. (the "Company" or "Gravitas") is an investment holding firm. On May 28, 2019, the Company announced that it has entered into an accommodation agreement (the "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, on April 21, 2020 the Company closed the Debt Repurchase Agreement and retired all the debentures and accrued interest payable as of March 31, 2020 (note 8).

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 100 Wellington Street West, Suite 1240, Toronto, Ontario, M5K 1B7.

These Consolidated Financial Statements ("Financial Statements") were approved by the Board of Directors on April 30, 2021.

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"). 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. These financial statements are also prepared on an accrual basis, except for cash flow information.

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. As of December 31, 2020, the Company's current liabilities exceed current assets by $31,824 (2019 - $83,929,728). The Company has incurred several years of losses and as of December 31, 2020, has a cumulative deficit of $6,242,255 (2019: $90,387,248); negative cash flows from operations for the year ended December 31, 2020 total $1,081,979 (2019 - $6,036,824); and has a shareholder deficiency of $52,232 as at December 31, 2020 (2019: $84,197,225). These conditions indicate the existence of material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern. The consolidated financial statements do not reflect adjustments to the carrying value of assets and liabilities or reported expenses and statement of financial position classifications that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

3. SIGNIFICANT ACCOUNTING POLICIES

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 income 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.

The following are significant management judgments and estimates in applying the accounting policies of the Company that have the most significant effect on these financial statements.

Loss of control - An investee is de-consolidated from the date control is lost. This assessment requires significant judgment based on the characteristics of the investee, and timing of the transaction.

Fair value of financial assets and financial liabilities - Fair value of financial assets and financial liabilities on the statement of financial position that cannot be derived from active markets, are determined using a variety of techniques including the use of mathematical models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to established fair values. The judgments include, but are not limited to, consideration of model inputs such as volatility, estimated life and discount rates.

Income taxes - The estimate of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions, the Company assesses whether it is probable that some or all of the deferred income tax assets will not be realized the ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. If changes were made to the Company's assessment regarding its ability to use future tax deductions, the Company may be required to recognize more or fewer deferred tax assets and future income tax provisions or recoveries could be affected.

Expected credit losses - Management must exercise judgment to estimate the expected credit losses related to various financial assets. The evaluation of the expected credit losses is established considering the specific credit risk to its counterparties, historical trends and economic conditions.

Share-based compensation – The determination of the share-based compensation expense resulting from the Company granting stock options or options to certain of the Company's assets depends on the use of option pricing and probability weighted models, which are subject to measurement uncertainty. Subjective assumptions are required for these models, including expected stock price volatility and the use of historical data points which may or may not be indicative of future performance.

Provisions – The Company and its subsidiaries from time to time are subject to legal proceedings. Contingent loss provisions are recorded by the Company when it is probable that loss will occur and it can be estimated.

Contingencies – See Note 20.

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 acquisition 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)
Gravitas Financial Services Holdings Inc. ("GFSHI")	Canada	100%
Capital Ideas Media Inc.	Canada	100%
Revenue.com US Corporation	USA	55%
Gravitas Siraj Holdco Inc.	Canada	100%
Gravitas Global GP Inc.	Canada	100%
Siraj Ontario Corporation	Canada	100%
Gravitas Select Flow-Through GP Inc. ("GSFT")	Canada	100%
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 December 31, 2020 and 2019.

Non-controlling interests
Non-controlling interests ("NCI") represent equity interests owned by outside parties. NCI may be initially measured at fair value or at the NCI's proportionate share of the recognized amounts of the acquirees' identifiable net assets. The choice of measurement is made on a transaction by transaction basis. The share of net assets attributable to NCI are presented as a component of equity. Their share of net income or loss and comprehensive income or loss is recognized directly in equity. Total comprehensive income or loss of subsidiaries is attributed to the shareholders of the Company and to the NCI, even if this results in the NCI having a deficit balance.

Functional and presentation currency and basis of evaluation
These Financial Statements are presented in Canadian dollars, which is also the functional currency of the Company and its subsidiaries, with the exception of one non-operating subsidiary whose functional currency in United States dollars. Monetary assets and liabilities in foreign currency are translated at the exchange rate in effect at the statement of financial position date, whereas other assets and liabilities are translated at the exchange rate in effect at the transaction date. Revenues and expenses are translated at the average rate in effect during the year. Gains and losses are included in consolidated statement of loss and comprehensive loss for the year.

Each subsidiary determines its own functional currency and items included in their financial statements are measured using that functional currency. The determination of functional currency is based on the primary economic environment (including monetary policy) in which an entity operates. The functional currency of an entity reflects the underlying transactions, events and conditions that are relevant to the entity. Factors that an entity considers when determining its functional currency include: (1) the currency that mainly influences sale price for goods and services; (ii) the currency of the country whose competitive forces and regulations mainly determine that sale price of its goods and services; (iii) the currency that mainly influences labour, material and other costs of providing goods and services; (iv) the currency in which funds from financing activities are generated; and (v) the currency in which receipts from operating activities are usually retained.

The assets and liabilities of any foreign operations having a functional currency other than the Canadian dollar are translated into Canadian dollar at the exchange rate prevailing at the consolidated statement of financial position date, and at the average exchange rate for the reporting period for revenue and expense accounts. The cumulative foreign currency translation adjustment is recorded as a component of accumulated other comprehensive income or loss in shareholder's equity.

On disposal of a subsidiaries' entire interest in a foreign operation or the Company's loss control of that operation: (i) all of the exchange differences accumulated in equity in respect of that operation attributable to the Company are reclassified to profit or loss; and (ii) any cumulative amount of exchange differences relating to that foreign operation attributable to the non-controlling interests is de-recognized but is not reclassified to profit or loss. In the case of a partial disposal that does not result in the Company losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and not recognized in profit of loss.

Cash and cash equivalents
Cash and cash equivalents include all cash and investments with an original maturity of three months or less. The Company maintains its cash in bank accounts in amounts that may exceed federally insured limits. The Company has not experienced any losses in these accounts in the past. The fair value of cash and cash equivalents approximates their current carrying amounts since all such items are short-term in nature.

Assets held for sale and discontinued operations
Non-current assets, or disposal groups comprising of assets and liabilities are classified as held for sale, if it is highly probable that they will be recovered primarily through the sale rather than through continuing use. Such assets or disposal groups are generally measured at the lower of their carrying amount and fair value less costs to sell.

A discontinued operations is a component that either has been disposed off or is classified as held for sale and represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale.

Valuation of equity investments and other
Investment transactions are recorded on a trade date basis. The cost of investments represents the amount paid for each security and is determined on an average cost basis excluding transaction costs. Transactions costs directly attributable to the acquisition of financial assets classified as FVTPL are recognized immediately in net income. The fair value of the Company's investments as at the financial reporting date are determined as follows:

Common shares in quoted companies - All securities listed on a recognized public stock exchange are generally valued at their last bid price. The Company uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point within the bid-ask to spread that is most representative of the fair value based on the specific facts and circumstances.

Options and warrants - The options and warrants are valued at fair value using the Black-Scholes pricing model which considers factors such as the market value of the underlying security, strike price, volatility and terms.

Investments in private companies - Investments in private companies are valued by certain subjective measures, including recent share transactions, prices for comparable entities, review of cash flow projections and the company prospects, financial ratios and discounted cash flows are techniques used to determine fair value

Provisions
Provisions represent a liability to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a legal obligation as a result of prior events, it is probable that a financial outflow of resources will occur, and the amount can be reasonably estimated.

Income taxes
Income tax expense includes current and deferred tax. This expense is recognized in profit or loss, except for income tax related to the components of other comprehensive income (loss) or equity, in which case the tax expense is recognized in other comprehensive income (loss) or equity, respectively. Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect to previous period. Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it

is probable that taxable income will be available against which those deductible temporary differences and the carry forward of non-capital losses can be utilized.

Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to offset current tax assets against current tax liabilities and the deferred tax relates to the same taxable entity and the same taxation authority. A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future profit will allow the deferred tax assets to be recovered.

Equity
Share capital represents the amount received upon the share issuance. If shares are issued when options and warrants are exercised, the share capital account also comprises the share-based payment cost previously recognized in contributed surplus. Other elements of equity include the following: (i) contributed surplus includes share-based payments related to options and warrants until such equity instruments are exercised; (ii) retained earnings (deficit) includes all current and prior period profits or losses and issuance costs net of any tax benefits; and (iii) foreign currency translation adjustments.

Equity settled share-based remuneration
The Company operates equity settled share-based remuneration plans for its eligible directors, officers, employees and consultants. Occasionally during the process of raising capital, the Company or its subsidiaries issues warrants to the brokers. All goods and services received in exchange for the grant of any share-based payments are measured at their fair value unless the fair value cannot be estimated reliably. If the Company cannot estimate reliably the fair value of the goods and services received, the Company shall measure their value indirectly by reference to the fair value of the equity instruments granted. For transactions with employee and others providing similar services, the Company measures the fair value of the services by reference to the fair value of the equity instruments granted.

Equity settled share-based payments under equity settled share-based payments plans (except warrants to brokers) are ultimately recognized as an expense in profit or loss with a corresponding credit to contributed surplus, in equity. Warrants issued to brokers are recognized as issuance costs of equity instruments with a corresponding credit to contributed surplus in equity.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in the assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from the previous estimate. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior period if share options ultimately exercised are different to that estimated on vesting.

Certain share-based payment awards might provide the employee with either cash or equity, but the choice as to which option occurs is outside the control of both the employee and the Company. Such arrangements are accounted as cash settled and equity settled. The probability of cash settlement is reflected in the fair value of the liability and the results in recognition of a change (with the expected outcome applied to the fair value) over the vesting period. If the award is ultimately settled in equity, the fair value of the liability is reduced to nil.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

Basic and diluted net income (loss) per share
Basic income (loss) per share is calculated by dividing the income (loss) attributable to ordinary equity holders of the Company by the weighted average number of common shares outstanding during the period. Diluted income (loss) per share is calculated by adjusting the income (loss) attributable to ordinary equity holders of the Company, and the weighted average number of common shares outstanding, for the effects of all dilutive potential common shares which include options and warrants. Dilutive potential common shares shall be deemed to have been converted into common shares at the beginning of the period or, if later, at the date of issue of the potential common shares.

Financial Instruments

Debt instruments and business model assessment
On initial recognition, all debt instruments are classified based on both the business model under which the asset is held and the contractual cash flow characteristics of the financial instrument. The business model assessment involves determining whether financial assets are held and managed by the Company for generating and collecting contractual cash flows, selling the financial assets or both. The Company assesses the business model at a portfolio level using judgment supported by relevant objective evidence including: (i) how the performance of the asset is evaluated and reported to the Company's management; (ii) the frequency, volume, reason and timing of sales in prior periods and expectations about future sales activity; (iii) whether the assets are held purely for trading purposes i.e., assets that are acquired by the Company principally for the purpose of selling or repurchase in the near term or held as part of a portfolio that is managed for short-term profits; and (iv) the risks that affect the performance of assets held within a business model and how those risks are managed.

Cash flow characteristics assessment
The contractual cash flow characteristics assessment involves assessing the contractual features of an instrument to determine if they give rise to cash flows that are consistent with a basic lending arrangement i.e. if they represent cash flows that are solely payments of principal and interest ("SPPI"). Principal is defined as the fair value of the instrument at initial recognition. Principal may change over the life of the instruments due to repayments. Interest is defined as consideration for the time value of money and the credit risk associated with the principal amount outstanding and for other basic lending risks and costs (liquidity risk and administrative costs), as well as a profit margin. In assessing whether the contractual cash flows are SPPI, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains any contractual terms that could change the timing or amount of contractual cash flows such that the financial asset would not meet the SPPI criteria. In making the assessment, the Company considers: (i) contingent events that would change the amount and/or timing of cash flows; (ii) leverage features; (iii) prepayment and extension terms; (iv) penalties relating to prepayments; terms that limit the Company's claim to cash flows from specified assets; and (v) features that modify consideration of the time value of money.

Debt instruments measured at AMC
Debt instruments are measured at AMC using the effective interest rate, if they are held within a business model whose objective is to hold the financial asset for collecting contractual cash flows where those cash flows represent SPPI. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. AMC is calculated considering any discount or premium on acquisition, transaction costs and fees that are an integral part of the effective interest rate. Amortization of these deferred costs is included in interest income in the consolidated statements of income (loss). Impairment on debt instruments measured at AMC is calculated using the ECL approach. Loans and debt securities measured at amortized cost are presented net of the allowance for credit losses in the consolidated statements of financial position.

Equity instruments
Equity instruments are measured at FVTPL unless they are not held for trading purposes and an irrevocable election is made to designate these instruments at FVOCI upon initial recognition. The measurement election is made on an

instrument-by-instrument basis. Changes in fair value are recognized in the consolidated statement of income (loss) for equity instruments measured at FVTPL. These instruments are measured at fair value in the statement of financial position, with transaction costs being added to the cost of the instrument. Dividends received that are return on capital, are recorded in income in the statements of income (loss). Unrealized fair value gains/losses are recognized in OCI and are not subsequently reclassified to the statement of income (loss) when the instrument is derecognized or sold. The realized gain or loss on de-recognition are directly transferred from OCI to retained earnings, unlike AFS under IAS 39 which were recycled through the statement of income (loss).

Financial assets designated at FVTPL
Financial assets classified in this category are those that have been designated so by management on initial recognition or are held for trading purposes. Financial assets are designated at FVTPL if doing so eliminates or significantly reduces an accounting mismatch which would otherwise arise. Financial assets designated at FVTPL are recorded in the statement of financial position at fair value. For assets designated at FVTPL, changes in fair values are recognized in income in the statements of income (loss).

Based on this assessment, management has determined that all the debt instruments held are classified as AMC and none of the debt instruments are considered FVTOCI. Further, cash and cash equivalents, trade and other receivables, and guaranteed investment certificates are classified as amortized cost.

Impairment
The Company applies the three-stage approach to measure allowance for credit losses, using the expected credit loss impairment approach as required under IFRS 9, for the following categories of financial instruments that are not measured at FVTPL: (i) financial assets at AMC; (ii) debt securities as at FVOCI (which there are none); and (iii) off-balance sheet loan commitments (which there are none). The Company has adopted the simplified approach for calculation of impairment for trade and other receivables based on a provision matrix.

Write-offs
The Company writes off an impaired financial asset, either partially or in full, when there is no realistic prospect of recovery. Where financial assets are secured, write-off is after the expected receipts from the realization of collateral. In subsequent periods, recoveries if any, against written off loans are credited to the provision for credit losses in the statements of income (loss) and comprehensive income (loss).

Derecognition
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are recognized in the statements of income (loss) and comprehensive income (loss).

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statements of income (loss) and comprehensive income (loss).

Revenue recognition
The Company has established a five step model for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The core principles of revenue recognition policy are to identify the contract with the customer, identify the performance obligation, determine the transaction price, allocate the transaction price and recognize revenue when the entity satisfies the performance obligation. The transaction price is allocated to each separate performance obligation in proportion to the stand-alone selling price. In addition, variable consideration are only recognized to the extent that is highly probable that a significant reversal in the amount of the cumulative revenue recognized will not occur.

Listing and research fees – Revenue consists of marketing services which includes publishing articles, videos and other content on behalf of customers. The contract includes indeterminate number of acts and revenue is recognized when the "control" of goods and services is transferred to the customer at a point in time. Revenue for listing and research is deferred until all the performance obligations identified in the contract are performed and delivered to the customer.

Consulting and management fees – Revenue consists of consulting and advisory fees. Revenue is recognized on a straight-line basis over the term of the contract which represents the satisfaction of the performance obligation over time.

Other revenues – Other revenue consists of conference income and events held by the Company. Revenue is recognized based on the completion of the conference which represents the completion of the performance obligation.
Interest earned – Revenue is recognised when interest is earned based on effective interest rate.

Government grants
Government grant is recognized when there is reasonable assurance that the grant will be received and the Company will comply with the conditions. The grant is recognized as income over the period to match with the cost that it is intended to compensate. The government grants received by the Company include the Canada Emergency Wage Subsidy ("CEWS") and the Canada Emergency Business Account Loan ("CEBA").

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.

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.

Since February 2020 the Company has sublet a shared office space with a related party company and pays its portion of lease on a monthly basis without long term lease commitment. And therefore no lease asset or liability has been recognized.

4. STANDARDS, AMENDMENTS, AND INTERPRETATIONS ISSUED AND ADOPTED

The Company has adopted the following new accounting standards from January 1, 2020. Adoption of the following standards had no material impact on the financial statements.

a) IAS 1 – Presentation of Financial Statements ("IAS 1") The amendments clarify and align the definition of 'material' and provide guidance to help improve consistency in the application of that concept whenever it is used in IFRS standards.

b) IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") The amendments clarify and align the definition of 'material' and provide guidance to help improve consistency in the application of that concept whenever it is used in IFRS standards.

(Presented in Canadian dollars unless otherwise noted)

c) IFRS 3 – Definition of a Business. The amendments confirmed that a business must include inputs and a process, and clarified that the process must be substantive; and the inputs and process must together significantly contribute to creating outputs. The amendments narrowed the definitions of a business by focusing the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends or other economic benefits directly to investors or lowering costs; and added a test that makes it easier to conclude that a company has acquired a group of asset, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets.

d) IFRS 7 – Financial Instruments Disclosures, IFRS 9 – Financial Instruments & IAS 39 Financial Instruments – Recognition and Measurement. Interest Rate Benchmark Reform: the amendments to IFRS 9, IAS 39 and IFRS 7 amend requirements for hedge accounting to support the provision of useful financial information during the period of uncertainty caused by the phasing out of interest-rate benchmarks such as interbank offered rates (IBORs) on hedge accounting. The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the IBORs reform. In addition the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties.

Standards, amendments, and interpretations Issued but not yet adopted
New and amendments to IFRSs in issue but not yet effective except for the above, the Company has not early applied the following new and amendments to IFRSs that have been issued but are not yet effective:

Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]

[1] Effective for annual periods beginning on or after a date to be determined

The management is currently assessing its impact of adopting these amendments on the consolidated financial statements.

5. TRADE AND OTHER RECEIVABLES

	December 31, 2020	Dedember 31, 2019
	$	$
Trade receivables and other receivables	**3,988**	330,434
Harmonized sales tax receivables ("HST")	**10,509**	614,263
	14,497	944,697

(a) The Company had advances to the Limited Partnerships managed by the Company's subsidiaries. Advances are interest bearing and are due on demand. The receivable was derecognized on sale of a subsidiary.

6. SALE OF ASSETS AND DISCONTINUED OPERATIONS

Loss of control of Branson
In February 2019, the shareholders of Branson Corporate Services Inc. ("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. Effective February 23, 2019, the Company, through its subsidiary, no longer holds an interest in Branson and the Company recognized a loss of $940,193 on deconsolidation during the year ended December 31, 2019.

Disposal of Principle Capital Partners Corp ("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 sale of PCPC shares closed on June 13, 2019 and the Company recognized a loss on deconsolidation of $1,893,923 during the year ended December 31, 2019.

Sales and Investment Solicitation Process ("SISP")

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. Shareholders 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.

In connection with the SISP the following events have occurred:

a. On September 24, 2019, the Company entered into an agreement to dispose of all the shares it owned in Prime City One Capital Corporation for cash consideration of $100,000, and closed the transaction on December 20, 2019. The Company recorded a loss on disposal of subsidiary of $361,632 on the statement of income for this transaction.

b. On September 26, 2019, the Company entered into an agreement to sell the common shares of The Mint Corporation registered and beneficially owned by the Company and certain outstanding loans and other indebtedness owed to the Company by Mint and certain of its affiliates. The agreement was amended October 7, 2019 and December 31, 2019 and the transaction closed on December 31, 2019 for aggregate cash consideration of $1,098,099. The Company also forgave debt and payables in total of $5,261,931. A gain of $36,377,915 was recorded on disposal of subsidiary on the consolidated statement of income for this transaction.

c. On October 8, 2019 the Company sold all of the issued and outstanding shares in Ubika Corp. and certain loans and indebtedness, but excluding Capital Ideas Media Inc. a subsidiary of Ubika Corp., for cash consideration of $150,000. $3,886,229 debt and payables were forgiven. A $13,000 loss on disposal of subsidiary was recorded on the statement of income for this transaction.

d. On October 8, 2019 the Company sold all the issued and outstanding shares in Gravitas Ventures Inc. ("GVI") and various other assets for cash consideration of $250,000. $6,395,682 debt and payables were forgiven. $2,141,376 loss on disposal of subsidiary was recorded for this transaction.

e. On November 5, 2019 Gravitas Financial Services Holdings Inc., a wholly owned subsidiary of Gravitas Financial Inc., sold all of its associate interest in Portfolio Analyst Inc. for consideration of $2,480,000.

f. On November 12, 2019 the Company sold all of the issued and outstanding shares in New India Investment Corp. ("NIIC") and certain debt owed to NIIC to the Company $1,262,423 for cash consideration of $900,000. A $304,989 loss on disposal of subsidiary was recorded.

g. On April 28, 2020 the Company closed the transaction relating to the sale of all of its interest in Gravitas Ilium Corporation ("GIC") and all claims by the Company for indebtedness owed by GIC and its subsidiary, Foregrowth Inc., to the Company pursuant to a share purchase agreement with Ilium Capital Corp. dated October 11, 2019 (as initially amended on December 30, 2019) and for an amended aggregate consideration of $300,000. A debt of $699,698 was settled. The transaction was recorded effective December 30, 2019. A gain on disposal of $3,450,017 was recorded for this transaction.

(Presented in Canadian dollars unless otherwise noted)

Gain on disposal of subsidiaries

The major classes of assets and liabilities as at December 31, 2019, of the entities disposed-off and the gain or loss on disposals for the year ended December 31, 2019 are as follows:

2019	GIC	PCOC	NIIC	Mint	GVI	UBIKA	Branson	PCPC	Total
Total assets	41,962,881	57,284	1,851,237	126,446	3,069,860	776,877	657,515	6,344,224	54,846,324
Total liabilities	(45,565,650)	(60,587)	(1,908,671)	(23,373,674)	(7,074,166)	(4,500,106)	-	(2,195,241)	(84,678,095)
Net carrying value of the disposal group	(3,602,769)	(3,303)	(57,434)	(23,247,228)	(4,004,306)	(3,723,229)	657,515	4,148,983	(29,831,771)
Non-controlling interest	891,842	(1,570)	-	(15,702,122)	-	-	618,012	(1,444,462)	(15,638,300)
Derecognition of reserves	(1,138,788)	(364,669)	-	(1,592,397)	-	-	-	-	(3,095,854)
Cash consideration	(300,000)	(100,000)	(900,000)	(1,098,099)	(250,000)	(150,000)	-	(1,150,000)	(3,948,099)
Other consideration	-	-	-	-	-	-	(335,334)	-	(335,334)
Debts and payables settled	699,698	107,910	1,262,423	5,261,931	6,395,682	3,886,229	-	339,402	17,953,275
Gain (loss) on disposal	3,450,017	361,632	(304,989)	36,377,915	(2,141,376)	(13,000)	(940,193)	(1,893,923)	34,896,083

The discontinued operations of the subsidiaries disposed of for the year ended December 31, 2019 is as follows:

2019	GIC Group	Prime City	NIIC	Mint	GVI	UBIKA	Branson	PCPC	Total
Revenues	15,423,664	-	-	-	-	1,457,272	1,936	744,626	17,627,498
Expenses	(13,712,879)	(534,305)	-	(1,998,510)	(19,103)	(990,456)	-	(773,860)	(18,029,113)
Interest expenses	(24,982)	-	-	(3,694,694)	-	-	-	(146,563)	(3,866,239)
Investment and other income (expense)	(2,839,363)	-	1,229	-	(1,521,659)	(936,555)	-	(188,422)	(5,484,770)
Income (loss) before taxes	(1,153,560)	(534,305)	1,229	(5,693,204)	(1,540,762)	(469,739)	1,936	(364,219)	(9,752,624)
Income taxes	-	-	-	-	(1,901)	-			(1,901)
Income (loss) after taxes	(1,153,560)	(534,305)	1,229	(5,693,204)	(1,542,663)	(469,739)	1,936	(364,219)	(9,754,525)
Gain (loss) on disposal of subsidiary	3,450,017	361,632	- 304,989	36,377,915	- 2,141,376	- 13,000	- 940,193	- 1,893,923	34,896,083
Net income (loss) from discontinued operations	2,296,457	(172,673)	(303,760)	30,684,711	(3,684,039)	(482,739)	(938,257)	(2,258,142)	25,141,558

Cashflows from discontinued operations

2019	GIC	PCOC	NIIC	Mint	GVI	UBIKA	Branson	PCPC	Total
Cashflows from operations	(727,782)	29,910	(3,447)	(80,310)	(1,357,259)	(296,614)	9,209	(792,802)	(3,219,095)
Cashflows from investing	-	-	-	-	800,529	282,190	-	1,103,856	2,186,575
Cashflows from financing	500,000	-	-	-	-	-	-	(668,150)	(168,150)
Cash beginning	1,500,728	11,509	3,496	174,068	638,927	21,375	11,509	375,396	2,737,008
Cash ending	1,272,946	41,419	49	93,758	82,197	6,951	20,718	18,300	1,536,338

7. TRADE AND OTHER PAYABLES

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

	December 31, 2020	December 31, 2019
	$	$
Trade payables	**132,877**	581,566
Interest payables (a) (Note 12)	**-**	2,684,557
Accrued compensation	**12,500**	49,359
	145,377	3,315,482

(a) This amount represents the interest accrued on Gravitas' Debenture Series #1 and Series #2 (Note 15) as at December 31. 2019. During 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 year 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 the date until the debentures were repurchased by the Company which was completed on April 21, 2020.

(Presented in Canadian dollars unless otherwise noted)

8. 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, December 31, 2018	**30,023,000**	**53,461,725**	**12,466,696**	**-**	**-**	**95,951,421**
Accretion of interest (c)	-	84,608	3,925,328	-	13,945	4,011,330
Issuance of debentures	-	-	-	-	500,000	500,000
Liabilities disposed	-	-	(16,392,024)	-	(513,945)	(16,905,969)
Balance, December 31, 2019	**30,023,000**	**53,546,333**	**-**	**-**	**-**	**83,569,333**
Liabilities disposed	(30,023,000)	(53,546,333)	-	-	-	(83,569,333)
Balance, December 31, 2020	**-**	**-**	**-**	**-**	**-**	**-**

Company's Debentures

(a) The Company's Debentures Series#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 was included within interest expense.

(b) The Company's Debentures Series#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 Unaudited Condensed Interim 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 includes 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. On April 21, 2020, the Company completed the SISP and repurchased the Debentures Series#1 and Series#2 with interest accrued to that date for cash consideration of $1,189,394. A gain of $85,064,496 was reported for the transaction.

Mint's Debentures

(c) At December 31, 2019, the Mint Debentures were disposed with the disposal of Mint.

FGI's Debentures

(d) These debentures had been disposed of with the disposal of FGI by the Company as at December 31, 2019.

(Presented in Canadian dollars unless otherwise noted)

9. LOAN PAYABLE

On June 2, 2020, the Company obtained $40,000 in revolving credit from the Government of Canada under the Canada Emergency Business Account (CEBA) COVID-19 Economic Response Plan. The funding is granted in the form of an interest free revolving credit line of which up to $40,000 may be drawn. On January 1, 2021, any balance remaining on the revolving credit line will automatically convert into a non-revolving term loan. Effective January 1, 2023, any outstanding balance on the term loan shall bear interest at a rate of 5% per annum. The term loan matures on December 31, 2025. If 75% of the outstanding balance of the term loan is repaid on or before December 31, 2022, the remaining 25% of the balance shall be forgiven. The Company used the assumption of 20% discount rate to determine the fair value of the interest-free period, and assumes the Company will repay the 75% outstanding balance on December 31, 2022. The difference between the amount received in cash and the related fair value was considered a government grant and was recognized as income in the statement of income.

The Company drew the full $40,000 and intends to repay $30,000 on or before December 31, 2022. The initial recognition of the $40,000 was at its fair value at a discount of 20%. $18,665 was recognized as debt and $21,335 was recognized as government grant income. $2,168 interest was accrued for the period ended December 31, 2020.

10 IMPAIRMENT

	December 31, 2020	December 31, 2019
	$	$
Impairment of convertible debentures and loans receivables	-	182,000
Impairment of accounts receivable and due from related parties	-	1,921,084
Impairment of interest receivable	-	1,307,100
Reversal of impairment	-	(701,164)
	-	2,709,020
Continued operations	-	1,401,920
Discontinued operations	-	1,307,100

11. SHARE CAPITAL

The authorized share capital of the Company consists of an unlimited number of common shares. As at December 31, 2020, outstanding shares were 72,601,305 (2019: 72,601,305). Share capital totals $2,000,600 (2019: $2,000,600).

12. INCOME (LOSS) PER SHARE

Income (loss) per share is based on the weighted average number of common shares of the Company outstanding during the period. The diluted income (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 year ended December 31, 2020 are 72,601,305 (2019: 72,601,305). In addition, 3,750,000 (2019: 3,750,000) stock options are outstanding. No warrants were outstanding during the years ended December 31, 2020 and 2019. The diluted outstanding number of shares of the Company was 72,601,305 as of December 31, 2020 (2019: 72,601,305) as the outstanding options were antidilutive.

Basic and diluted net income per share for the year ended December 31, 2020 totaled $1.16 (2019 - $0.12), of which $1.16 (2019: $0.23 loss) was from continuing operations and $nil (2019: $0.35 income) was from discontinued operations.

13. 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 years ended December 31, 2020 and 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 year ended December 31, 2020, the Company:

- Incurred $451,625(2019: $3,260,591) of fees to directors and 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 in 2020 and also in, professional fees and general and administrative fees for 2019. $50,605 (2019 - $82,692) was outstanding at December 31, 2020.
- Expensed $nil (2019: $51,285) to Soigne Technologies Inc., a company in which a former employee has an interest.
- Through Mint UAE (an associate of MINT), paid $nil (2019: $521,136) to Global Business Systems ("GBS") for management and consulting fees in connection with the management agreement for the Mint UAE operations. The amount forms part of the Company's share of losses of associates in 2019.
- Charged rent of $nil (2019: $143,270) to associated companies which had offices within the Company's premise.
- Incurred rent expense of $31,745.54 (2019 - $nil) plus HST for office shared with tenant controlled by directors of the Company, of which $22,600 (2019 - $nil) was payable as of December 31, 2020.

During the year ended December 31, 2019, the Company also:

- Disposed of its interest in an associate, GICMB, to purchasers connected with key management and directors of GICMB (note 7).
- Disposed of its interest in an associate PAI to a purchaser who is connected to a subsidiary of the Company (note 7).
- Disposed of its interest in Branson to purchasers connected to key management and a minority shareholder of Branson (note 7).
- Disposed of its interest in PCPC and certain loan receivable to a company controlled by one of its independent directors (note 7).
- Disposed of its interest in Prime City to a company controlled by a director of a subsidiary (note 7).
- Disposed of its interest in MINT to purchasers who were minority shareholders of MINT (note 7).
- Disposed of its interest in Ubika and certain loans and indebtedness to a company controlled by three of the Company's directors and a director of a subsidiary (note 7).
- Disposed of its interest in Gravitas Ventures Inc. and various other assets to a company controlled by three directors of the Company and a director of a subsidiary (note 7).
- Disposed of its interests in New India Investment Corp. to a company controlled by three directors of the Company and a director of a subsidiary (note 7).
- Disposed of its interest in GIC and all claims by the Company for indebtedness owed by GIC and its subsidiary to the Company, to a purchaser who is connected with two of the directors of the Company and key management and directors of a subsidiary (note 7).

As of December 31, 2020, amounts due from and due to related parties are as follows:

- $nil (2019- $300,000) was receivable as proceeds for the disposal of GIC (note 6) that was unsecured, interest free, and was received in 2020.

(Presented in Canadian dollars unless otherwise noted)

14. 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 a result of employees' resignations. During the year ended December 31, 2020, nil (2019 - 1,750,000) options were cancelled due to resignation of one of the Directors. During the year ended December 31, 2020, a total of $nil (2019: $25,682) has been expensed. As of December 31, 2020, there were 3,750,000 stock options outstanding with an exercise price of $0.10 that expired February 28, 2021.

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 year ended December 31, 2019, a total of $Nil has been expensed and as a result of disposition of MINT, these options are no longer in these financial statements as at December 31, 2019.

Stock Options of Subsidiaries

During the year ended December 31, 2019, a total of 3,100,000 options were issued by Mint. 4,350,000 options were forfeited and cancelled for Mint during the year ended December 31, 2019, and a total of 400,000 options expired during the year 2019. A total of 10,275,000 options are outstanding as at December 31, 2019. As a result of disposition of MINT, these options are no longer in these financial statements as at December 31, 2019.

Using the fair value method, the recorded expense of the noted stock options for the year ended December 31, 2019 was $547,466. The fair value of the stock options granted was estimated using the various valuation models with the following assumptions:

	December 31, 2019
Expected dividend yield	0%
Expected average volatility (a)	177%-184%
Risk-free average interest rate	1.61%-1.77%
Expected option life (years)	3.0
Share price	$0.03 - 0.14
Exercise price	$0.05 - 0.13

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

(Presented in Canadian dollars unless otherwise noted)

15. ADDITIONAL INFORMATION – CASH FLOWS

The changes in working capital items are detailed as follows:

For the year ended	December 31, 2020	December 31, 2019
	$	$
Change in:		
Trade and other receivables	630,220	(3,926,628)
Receivable from brokers and clients	-	(3,319,195)
Prepaid expenses	-	78,306
Trade and other payables	(3,170,105)	11,302,447
Payable to brokers and clients	-	7,054,739
Customer deposits	-	(4,352,180)
Other liabilities	(38,778)	(21,631)
Changes in working capital	(2,578,663)	6,815,858

There were substantially no cash equivalents as at December 31, 2020 and 2019.

Additional supplementary information:

For the year ended	December 31, 2020	December 31, 2019
	$	$
Interest paid	-	(151,571)
Interest received	-	-

16. INCOME TAXES

Relationship between expected tax expense and accounting net earnings (loss)

The relationship between the expected tax expense based on the combined federal and provincial income tax rate in Canada and the reported tax expense in the consolidated statement of comprehensive income can be reconciled as follows:

	For the years ended December 31,	
	2020	2019
	$	$
Expected income tax recovery calculated using the combined federal and provincial income tax rate in Canada of 26.5% (2019 – 26.5%)	22,227,519	2,250,746
Non-deductible expenses	(22,543,201)	(4,770,515)
Tax rate changes and other adjustments	(257,339)	(343,049)
Changes in unrecognized temporary differences	305,456	2,796,243
Income tax (recovery) expense	(267,566)	66,575
Current income tax expense (recovery) - continuing operations	-	-
Deferred income tax expense (recovery)- continuing operations	(267,566)	64,674
Current income tax expense - discontinued operations	-	1,901
Deferred income tax (recovery) - discontinued operations	-	-

(Presented in Canadian dollars unless otherwise noted)

The Company has the following timing differences that have not been recognized on the financial statements:

	For the years ended December 31,	
	2020	2019
	$	$
Debentures	-	475,667
Property and equipment	7,374	485,953
Intangible assets	-	148,106
Investments	2,323	510,680
Mining properties	-	1,967,873
Issuance costs of equity instruments	60,046	120,092
Capital loss carry forwards	4,088,849	41,791,996
Non-capital losses carried forward	1,523,087	39,699,016
Total deductible temporary differences	**5,681,679**	**85,199,382**

The ability to realize the tax benefits is dependent upon several factors, including the future profitability of operations. Deferred tax assets are recognized only to the extent that it is probable that sufficient taxable profits will be available to allow the asset to be recovered. The Company has the following non-capital losses which are available to reduce income taxes in future periods, for which no deferred tax asset has been recognized in the consolidated statement of financial position, that can be carried over the following years:

	For the years ended December 31,
	2020
	$
2034	72,868
2035	53,609
2036	4,850
2038	129,382
2039	15,104
2040	1,247,274
	1,523,087

17. FINANCIAL INSTRUMENTS

Fair value

The carrying value of cash and cash equivalents, 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 reasonable approximate of the fair value since these instruments are redeemable at any time, except the guaranteed investment certificates used as deposit collateral for the office lease disposed are considered to impaired with a fair value of $nil due to estimate of no recoverability. 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 December 31, 2020 and 2019. 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).

(Presented in Canadian dollars unless otherwise noted)

The Company's investment funds 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.

18. 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 year ended December 31, 2020.

	2020 $	2019 $
Loan payable	20,833	-
Deficiency	(52,232)	(84,197,225)
	(31,399)	(84,197,225)

19. 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 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 December 31, 2020 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, 2020					
Trade and other receivables					
Projected loss rate		1.00%	1.30%	1.50%	
Gross carrying amount	$	-	10,510	3,987	14,497
Loss allowance	$	-	105	60	165

(Presented in Canadian dollars unless otherwise noted)

The loss allowance at 2019December 31, 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 December 31, 2019					
Trade and other receivables					
Projected loss rate		1.00%	1.30%	1.50%	
Gross carrying amount	$	606,003	$ 186,282	$ 152,412	$ 944,697
Loss allowance	$	6,060	$ 2,422	$ 2,286	$ 10,768

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 $113,553 which will be used to cover its operating and investing activities. The expected timing of consolidated cash flows relating to financial liabilities as at December 31, 2020, are as follows:

	Less than 1 year	1-5 years	6-10 years	Total
	$	$	$	$
Current liabilities	145,377		-	145,377
Loan payable	-	30,000	-	30,000
	145,377	**30,000**	**-**	**175,377**

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 not exposed to significant interest rate risk as the loan payable is interest free.

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 December 31, 2020, 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 $43 (2019: $7).

20. CONTINGENCIES

A service provider has charged the Company $47,811for for service not demanded by and not provided to the Company. The Company disputes the charges and made no payments. The service provider suspended the account in December 2020. The Company believes this to be an error of the provider and has not provided additional provision for the account.

21. SUBSEQUENT EVENTS

On February 28, 2021, the 3,750,000 options described in Note 14 expired unexercised.

Subsequent to December 31, 2020, the Canadian Government increased the CEBA loan available to small businesses to $60,000. The Company made another draw of $20,000. If the Company would repay the outstanding balance of the loan (other than the forgiven amount) on or before December 31, 2022, the forgiven amount would be $20,000 in total (25% of the first $40,000 and 50% of the second $20,000).