GRAVITAS FINANCIAL INC.

Management's Discussion and Analysis

For the periods ended March 31, 2021 and 2020
(expressed in Canadian dollars)

As approved by the Board of Directors on May 28, 2021

GENERAL

The following discussion of performance, financial condition and prospects of Gravitas Financial Inc. (the "Company" or "Gravitas", a publicly listed Corporation on the Canadian Stock Exchange or "CSE")) should be read in conjunction with the unaudited condensed interim consolidated financial statements as of March 31, 2021 and the audited consolidated financial statements as of December 31, 2020 (the "Financial Statements"), and the accompanying notes thereto. The Company's Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The Financial Statements and the Management Discussion and Analysis ("MD&A") have been reviewed by the Audit Committee and approved by the Company's Board of Directors on May 29, 2021. The Canadian dollar is the functional and reporting currency of Gravitas. Unless otherwise noted, all dollar amounts within this report are expressed in Canadian dollars. In addition to reviewing this report, readers are encouraged to read the Company's public filings, including the consolidated financial statements as of December 31, 2021, on SEDAR at www.sedar.com.

CAUTIONARY STATEMENT ON FORWARD LOOKING STATEMENTS

Certain statements contained in this MD&A constitute "forward-looking statements" for the purpose of applicable Canadian securities legislation. These statements reflect our management's expectations with respect to future events, the Company's financial performance and business prospects. All statements other than statements of historical fact are forward-looking statements. The use of the words "anticipate", "believe", "continue", "could", "estimate", "expect", "intends", "may", "might", "plan", "possible", "potential", "predict", "project", "should", "would", and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. These statements involve known and unknown risks, uncertainties, and other factors that may cause actual results or events to differ materially from those anticipated or implied in such forward-looking statements. The forward-looking information contained in this MD&A is presented to assist shareholders in understanding the Company's strategic priorities and objectives as at the periods indicated and may not be appropriate for other purposes. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon. Circumstances affecting the Company may change rapidly. Except as may be required by applicable law, the Company does not undertake any obligation to update publicly or revise any such forward looking statements, whether as a result of new information, future events or otherwise. Unless otherwise indicated, these statements speak only as of the date of this MD&A. Actual results could differ materially from those anticipated in forward-looking statements stated within the MD&A.

CORPORATE OVERVIEW

Gravitas was a platform company that creates businesses in key traditional and emerging sectors with strong industry partners. Our industry focus included financial services and fintech. We leveraged our unique platform to develop a continuous pipeline of new ventures with significant blue-sky potential. Our platform was complimented by strong investment research and digital investment media groups. The Company disposed substantially all businesses in the year 2019, and is now actively looking for new business opportunitities.

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 March 31, 2021, the Company's current liabilities exceed current assets by $69,333. The Company has incurred several years of losses and as of March 31, 2021, has a cumulative deficit of $6,288,195 (December 31, 2020: $6,242,255); negative cash flows from operations for the period ended March 31, 2021 total $54,811 ; and had a shareholder deficiency of $98,172 as at March 31, 2021 (December 31, 2020: $52,232). These conditions raise a material uncertainty that causes significant doubt about the Company's ability to continue as a going concern. 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 Unaudited Condensed Interim Consolidated financial 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.

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, on April 21, 2020 the Company had closed the Debt Repurchase Agreement and retired all the debentures and accrued interest payable ($83,569,333 principal and $2,684,557 interest payable as of March 31, 2020).

Management is pursuing initiatives intended to address the current working capital deficiency. Due to the continuing operating losses, the Company's ability to continue as a going concern is dependent upon its ability to obtain adequate financing and to reach profitable levels of operation. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operation. Management believes it will be successful In obtaining necessary funding to continue operations in the normal course of operations. However there is no assurance that these funds will be available on terms acceptable to the Company. 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 balance sheet classifications that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

Management of the Company had been successful in liquidating some of its assets to pay the liabilities.

SELECTED FINANCIAL INFORMATION

As at March 31, 2021, the total liabilities of the Company were $175,007 compared to $166,210 at December 31, 2020.

Shareholder total equity deficiency of the Company was $98,172 as at March 31, 2021 compared to $52,232 at December 31, 2020.

SELECTED QUARTERLY RESULTS AND TRENDS (EXPRESSED IN THOUSANDS)

	2021	2020	2020	2020	2020	2019	2019	2019
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
	$	$	$	$	$	$	$	$
Revenue	20	75	26	45	37	7,433	5,660	3,546
Net income (loss)	(46)	(42)	188	84,768	(768)	49,367	(27,330)	(7,394)
Basic & diluted net income (loss) per share	(0.00)	0.00	0.00	1.17	(0.01)	0.69	(0.38)	(0.10)

The quarterly results for Q4 2019 and before were for both continued and discontinued operations.

The continuing operations reported $19,982 revenue for the period ended March 31, 2021 (2020 - $36,829) and a net loss of $45,940 (2020 – $768,250) for the period in 2021 and a net loss per share of $0.00 (2020 – $0.01) for theperiod in 2021 from continuing operations.

In the period in 2021, the continuing listing and research business reported a revenue of $7,079 (2020 - $27,927). The Company reported $nil interest revenue (2020 - $8,902) , and $12,903 (2020 - $nil) government grants for the period in 2021.

The continuing operations of the Company paid $6,000 professional fees and transactiohn costs (2020 - $520,415) in the period in 2021. The Company paid $47,520 (2020 - $201,607) for compensation and management fees due to downsize of management team, incurred $10,884 (2020 - $83,057) general and administratve expenses, and recorded $1,633 (2020 - $nil) interest and bank charges expenses.

SELECTED STATEMENT OF FINANCIAL POSITION INFORMATION

Selected balance sheet (assets) information as at March 31, 2021 and December 31, 2020 are as follows:

Assets	March 31, 2021 $	Dec 31, 2020 $
Cash and cash equivalents	64,245	99,056
Equity investments and other investments	425	425
Trade and other receivables	12,165	14,497

SELECTED BALANCE SHEET (LIABILITIES)

Selected balance sheet (liabilities) information as at March 31, 2021 and December 31, 2020 are as follows:

Liabilities	March 31, 2021 $	Dec 31, 2020 $
Debentures	-	
Trade and other payables	145,743	145,377
Loan payable (non-current)	29,264	20,833

Company's Debentures

	Gravitas Series #1 (a)	Gravitas Series #2 (b)	Total
	$	$	$
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	-	-	-

(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 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.

RELATED PARTIES AND 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 periods ended March 31, 2021 and 2020. 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 period ended March 31, 2021, the Company:

- Incurred $30,000 (2020: $177,000) 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. $55,690 (December 2020 - $50,605) was outstanding at March 31, 2021.
- Incurred rent expense of $7,500 (2020 - $nil) plus HST for office shared with tenant controlled by directors of the Company, of which $31,05 was payable as of March 31, 2021.

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 year. During the year ended December 31, 2019, 1,750,000 options were cancelled due to resignation of one of the Directors. As of December 31, 2020, there were 3,750,000 stock options outstanding with an exercise price of $0.10 expiring February 28, 2021. .

SUMMARY OF SHARES OUTSTANDING

As at March 31, 2021, the Company's authorized share capital consists in an unlimited number of common shares of which 72,601,305 are currently outstanding. The fully diluted outstanding number of shares of the Company was 72,601,305 as for the period ended March 31, 2021 (2020: 72,601,305) as the outstanding options were antidilutive.

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

SEGMENTED INFORMATION FOR CONTINUED OPERATION

With the disposal of discontinued operations, the Company's continuing operation has only on segment in financial services and consulting business.

BASIS OF CONSOLIDATION OF THE COMPANY'S FINANCIAL STATEMENTS

The 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.

CRITICAL ACCOUNTING ESTIMATES AND SIGNIFICANT ACCOUNTING POLICIES

The preparation of the 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. Please refer to the Note 3 to the December 31, 2020 consolidated financial statements for the estimates and assumptions that may have significant effects.

STANDARDS, AMENDMENTS, AND INTERPRETATIONS ISSUED AND ADOPTED

The Company has adopted the no new standards and policies in 2021.

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]

Amendments to IAS 1 and IAS 8 Definition of Material[1]

Amendments to IFRS 9, IAS 29 and IFRS 7 1 Interest Rate Benchmark Reform[2]

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

[2] Effective for annual years beginning on or after January 1, 2022

In addition to the above new and amendments to IFRSs, a revised Conceptual Framework for Financial Reporting was issued in 2019. Its consequential amendments, the Amendments to References to the Conceptual Framework in IFRS Standards, will be effective for annual years beginning on or after January 1, 2020. The management is currently assessing its impact of adopting these amendments and don't expect material impact on the Consolidated financial statements in the foreseeable future.

RISKS RELATED TO FINANCIAL INSTRUMENTS

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 amortized costs

While cash and cash equivalents 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

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 $76,835 which will be used to cover its operating and investing activities. The expected timing of consolidated cash flows relating to financial liabilities as at March 31, 2021, are as follows:

	Less than 1 year	1-5 years	6-10 years	Total
	$	$	$	$
Current liabilities	145,743		-	145,743
Loan payable	-	40,000	-	40,000
	145,743	**40,000**	**-**	**185,743**

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 March 31, 2021, 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.

CONTINGENCIES

A service provider has charged the Company $47,811 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.

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. During the three months in 2021, $1,037 interest was accrued.

In 2021 the Canadian Government increased the CEBA loan available to small businesses to $60,000. The Company made another draw of $20,000 on January 11, 2021. 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). The Company recorded the $12,903 of the $20,000 as government grant income, and $7,097 as new loan portion. $307 interest was accrued for the new loan principle in the period in 2021.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

DISCLOSURE CONTROLS AND PROCEDURES

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) theconsolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by theconsolidated financial statements; and (ii) the consolidated financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109), the Venture Issuer Basic Certificate filed by the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

- controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

ADDITIONAL INFORMATION

Readers are referred to the more detailed information described in other disclosure documents filed with the applicable Canadian securities regulatory authorities and available at www.sedar.com.

Dated: Toronto, Ontario, Canada,
May 28, 2021