

CANASIA FINANCIAL INC.
Interim Condensed Financial Statements
For the Period Ended June 30, 2015
(Expressed in Canadian Dollars)
(Unaudited)

**NOTICE OF NO AUDITOR REVIEW OF INTERIM
CONDENSED FINANCIAL STATEMENTS**

Under National Instrument 51-102, "Continuous Disclosure Obligations", Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim condensed financial statements, they must be accompanied by a notice indicating that the interim condensed financial statements have not been reviewed by an auditor.

The Company's external auditors, Collins Barrow Edmonton LLP, have not performed a review of these interim condensed financial statements.

"James Louie"
Signed
Chief Executive Officer

"Jacob Sung Kyung Kim"
Signed
Chief Financial Officer

August 25, 2015

CANASIA FINANCIAL INC.

Interim Condensed Statement of Financial Position

(Expressed in Canadian Dollars)

June 30, 2015

(Unaudited)

	June 30 2015	December 31 2014
ASSETS		
Current Assets		
Cash	\$ 14,751	\$ 9,226
Deposit (Note 9)	600,000	600,000
Deferred issuance cost	56,500	56,500
	\$ 671,251	\$ 665,726
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities (Note 3)	\$ 331,385	\$ 32,032
Amounts due to related parties (Note 4)	193,196	120,141
	524,581	152,173
EQUITY		
Share capital (Note 5)	2,084,144	2,084,144
Share premium	997,920	997,920
Contributed surplus	391,839	391,839
Deficit	(3,327,233)	(2,960,350)
	146,670	513,553
	\$ 671,251	\$ 665,726

Commitment (Note 9)

Approved and authorized for issue on behalf of the Board of Directors

"James Louie"

Signed

"Jacob Sung Kyung Kim"

Signed

See accompanying notes to the interim condensed financial statements

CANASIA FINANCIAL INC.

Interim Condensed Statement of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

For the Period Ended June 30, 2015

(Unaudited)

	Three Months Ended June 30 2015	Three Months Ended June 30 2014	Six Months Ended June 30 2015	Six Months Ended June 30 2014
Expenses				
Administrative and other operating costs	\$ 285,185	\$ 109,370	\$ 366,883	\$ 177,886
Net loss before other income	(285,185)	(109,370)	(366,883)	(177,886)
Other income				
Interest	-	308	-	308
Net loss and Comprehensive loss	\$ (285,185)	\$ (109,062)	\$ (366,883)	\$ (177,578)
Net Loss per share - basic (Note 5)	\$ 0.00	\$ 0.00	\$ (0.01)	\$ 0.00
- diluted (Note 5)	\$ 0.00	\$ 0.00	\$ (0.01)	\$ 0.00

See accompanying notes to the interim condensed financial statements

CANASIA FINANCIAL INC.

Interim Condensed Statement of Changes in Equity

(Expressed in Canadian Dollars)

For the Period Ended June 30, 2015

(Unaudited)

	Common Shares Amount	Warrants Amount	Preferred Share Amount	Total	Share Premium	Contributed Surplus	(Deficit)	Total Equity
Balance, January 1, 2015	\$ 1,350,881	\$ 244,324	\$ 488,939	\$ 2,084,144	\$ 997,920	\$ 391,839	\$ (2,960,350)	513,553
Net loss for the period	-	-	-	-	-	-	(366,883)	(366,883)
Balance, June 30, 2015	\$ 1,350,881	\$ 244,324	\$ 488,939	\$ 2,084,144	\$ 997,920	\$ 391,839	\$ (3,327,233)	146,670
Balance, January 1, 2014	\$ 1,350,881	\$ 257,804	\$ 488,939	\$ 2,097,624	\$ 997,920	\$ 376,470	\$ (2,608,425)	863,589
Share-based compensation	-	-	-	-	-	944	-	944
Net loss for the period	-	-	-	-	-	-	(177,578)	(177,578)
Balance, June 30, 2014	\$ 1,350,881	\$ 257,804	\$ 488,939	\$ 2,097,624	\$ 997,920	\$ 377,414	\$ (2,786,003)	686,955

See accompanying notes to the interim condensed financial statements

CANASIA FINANCIAL INC.

Interim Condensed Statement of Cash Flows

(Expressed in Canadian Dollars)

For the Period Ended June 30, 2015

(Unaudited)

	June 30 2015	June 30 2014
Operating Activities		
Net loss	\$ (366,883)	\$ (177,578)
Add items non affecting cash:		
Interest	3,002	-
Share-based compensation	-	944
Changes in non-cash working capital:		
Accounts payable and accrued liabilities	299,353	(115,074)
Cash flow from operating activities	(64,528)	(291,708)
Financing Activities		
Repayment to related parties	-	(3,552)
Advances from related parties	70,053	-
Cash flow from financing activities	70,053	(3,552)
Increase (decrease) in cash	5,525	(295,260)
Cash - beginning of period	9,226	497,076
Cash - end of period	\$ 14,751	\$ 201,816

See accompanying notes to the interim condensed financial statements

CANASIA FINANCIAL INC.

Notes to Interim Condensed Financial Statements

(Expressed in Canadian Dollars)

For the Period Ended June 30, 2015

(Unaudited)

1. Nature of Operations

CanAsia Financial Inc. (the "Company") is incorporated on June 26, 2008 under the Business Corporations Act (Alberta). The Company has no significant assets other than cash and has paid a deposit of \$600,000 to acquire all the outstanding shares of Global Neuro Technologies Inc. The proposed acquisition is subject to a number of conditions including Exchange acceptance (See Note 9). There is no assurance that the proposed acquisition will be completed. The Company's head office is located at Suite 1000, 888 – 3 Street S.W., Calgary, Alberta, Canada.

2. Basis of Presentation

a) Statement of Compliance

These interim condensed financial statements have been prepared in accordance and compliance with International Accounting Standard 34, ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). Accordingly certain financial information and disclosures normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed. The disclosures herein are incremental to the disclosure included in the annual financial statements. The interim condensed financial statements should be read in conjunction with the annual audited financial statements for the year ended December 31, 2014.

The policies in these interim condensed financial statements are based on IFRS issued and outstanding as of August 28, 2015; the date the Company's Board of Directors approved the interim condensed financial statements.

b) Significant Accounting Policies

The accounting policies applied by the Company in these interim condensed financial statements are the same as those applied by the Company in its audited financial statements for the year ended December 31, 2014.

3. Accounts Payables and Accrued Liabilities

	<i>June 30</i> 2015	<i>December 31</i> 2014
Trade payables	\$ 326,135	\$ 17,032
Other payables and accrued liabilities	5,250	15,000
	\$ 331,385	\$ 32,032

CANASIA FINANCIAL INC.

Notes to Interim Condensed Financial Statements

(Expressed in Canadian Dollars)

For the Period Ended June 30, 2015

(Unaudited)

4. Amounts Due to Related Parties and Related Party Transactions

The amounts due to related parties are denominated in Canadian dollars and are due to directors of the Company. The amounts are unsecured, bear interest at 12.00% per annum and are due six months from the date of the loan, or upon completion or termination of the transaction with Global Neuro Technologies Inc.

Accounts payables includes an amount of \$252,352 payable to a company controlled by a director of the Company.

During the period, the Company has recorded total consulting fees of \$nil (June 30, 2014 - \$50,000) paid to a director of the Company.

The compensation paid to key management personnel during the period is \$nil (June 30, 2014 - \$37,839).

5. Share Capital

Authorized:

Unlimited number of common shares

Unlimited number of preferred shares

	June 30, 2015		December 31, 2014	
	Number	Stated Value	Number	Stated Value
Issued:				
Common shares	72,390,274	\$ 1,350,881	72,390,274	\$ 1,350,881
Warrants	7,500,000	244,324	7,500,000	244,324
Preferred shares	44,000,000	488,939	44,000,000	488,939
		\$ 2,084,144		\$ 2,084,144

The holders of common shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All common shares issued rank equally with regard to the Company's residual assets subject to the rights of the preferred shares.

The preferred shares are non-voting. Each preferred share is convertible into one common share of the Company. The preferred shares are comprised of 29,000,000 Series B Preferred Shares and 15,000,000 Series C Preferred Shares. The holders of Series B Preferred Shares and Series C Preferred Shares have the right for a period of five years from November 25, 2010 and September 9, 2013 respectively to convert any or all Series B and Series C Preferred Shares into common shares of the Company on the basis of one Series B or Series C Preferred Share for one common share of the Company. If not converted within the five year period, the Series B and Series C Preferred Shares will be cancelled.

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CANASIA FINANCIAL INC.

Notes to Interim Condensed Financial Statements

(Expressed in Canadian Dollars)

For the Period Ended June 30, 2015

(Unaudited)

5. SHARE CAPITAL (continued)

Per share amounts

Basic net loss per share has been calculated using the weighted average number of common shares of 72,390,274 (June 30, 2014 – 72,390,274) outstanding during the period. No common shares have been added to the denominator in calculating diluted net loss per share for the dilutive effect of convertible preferred shares and options outstanding as they are anti-dilutive.

6. Stock Options

The Company has a stock option plan (the "Plan"), which provides employees, directors, officers and consultants of the Company with the opportunity to acquire common shares of the Company through the exercise of stock options. The maximum number of unissued common shares that may be subject to options granted and outstanding under the Plan at any time shall be 10% of the number of the issued and outstanding common shares at the time the options are granted. Stock options granted under the Plan are limited to a maximum term of five years and vest immediately.

A summary of the status of the Company's Plan is as follows:

	June 30, 2015		December 31, 2014	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding, beginning of period	475,000	\$ 0.11	475,000	\$ 0.11
Expired	(225,000)	(0.10)	-	-
Outstanding, end of period	250,000	\$ 0.13	475,000	\$ 0.11
Exercisable, end of period	250,000	\$ 0.13	475,000	\$ 0.11

The following table summarizes information on stock options outstanding and exercisable as at June 30, 2015:

	Exercise Price	Number Outstanding	Number Exercisable	Weighted Average Remaining Life (Years)
Stock options (August 8, 2012)	\$ 0.13	250,000	250,000	2.10

CANASIA FINANCIAL INC.

Notes to Interim Condensed Financial Statements

(Expressed in Canadian Dollars)

For the Period Ended June 30, 2015

(Unaudited)

7. Capital Management

The Company's primary objectives when managing capital are to safeguard the Company's ability to continue as a going concern and complete its planned acquisition.

The Company defines "capital" as all components of equity, and amounts due to related parties.

The Company's capital structure is regularly reviewed and managed. Adjustments are made to the capital structure based on financing requirements as well as in response to economic conditions affecting the Company.

The Company's capital includes the following:

	June 30, 2015	December 31, 2014
Shareholders' equity	\$ 146,670	\$ 513,553
Amounts due to related parties	193,196	120,141
	\$ 339,866	\$ 633,694

8. Financial Instruments and Risk Management

The Company is exposed to credit, liquidity and foreign currency risks in the normal course of the Company's operations. These risks are mitigated by the Company's financial management policies and practices described below:

a) Credit risk

The Company is exposed to credit risk associated with cash. The risk is mitigated as the cash are maintained with major financial institutions in Canada and Hong Kong

b) Liquidity risk

The Company's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liabilities when due. The Company has cash of \$ 14,751 (December 31, 2014 - \$9,226) and working capital of \$146,670 as at June 30, 2015 (December 31, 2014 - \$513,553).

The Company's contractual obligations consist of accounts payables and accrued liabilities and the amounts due to related parties. The accounts payable and accrued liabilities are due based on terms with the lender and would not exceed one year and the amounts due to related parties are due six months from the date of the loan or, upon completion or termination of the transaction with GNTI.

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CANASIA FINANCIAL INC.

Notes to Interim Condensed Financial Statements

(Expressed in Canadian Dollars)

For the Period Ended June 30, 2015

(Unaudited)

8. Financial Instruments and Risk Management (*continued*)

c) Foreign currency risk

The Company is exposed to foreign currency risk arising from future commitments and assets and liabilities that are denominated in a currency that is not the functional currency. The Company's exposure to foreign currency risk is not significant.

d) Fair values

The fair values of the Company's cash, deposit and accounts payable and accrued liabilities and amounts due to related parties approximate their carrying values due to their short-term nature.

The following provides an analysis of financial instruments that are measured at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are not observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) ; and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

As at June 30, 2015, the Company had only cash, classified as "fair value through profit or loss", measured at fair value - Level 1. All other financial instruments are measured at amortized cost using the effective interest rate method.

CANASIA FINANCIAL INC.

Notes to Interim Condensed Financial Statements

(Expressed in Canadian Dollars)

For the Period Ended June 30, 2015

(Unaudited)

9. Commitment

The Company signed an amended letter of intent dated August 18, 2014 with Global Neuro Technologies Inc. ("GNTI"), whereby the Company will acquire all of the outstanding shares of GNTI by issuing to the shareholders of GNTI a total of 49,400,000 units of CanAsia ("Units") at a deemed value of \$1.00 per Unit and cash consideration of \$600,000 for an aggregate consideration of \$50,000,000. The Units will be comprised of one non-voting preferred share of the Company and/or one common share of the Company in a ratio to be determined by CanAsia acting reasonably in order to meet the listing requirements of the TSX Venture Exchange, and one-fifth of the one common share purchase warrant of the Company. Pursuant to the letter of intent, the Company paid GNTI a deposit of \$600,000 which is refundable if the proposed acquisition is not completed. On March 25, 2015, the shareholders approved the acquisition of all of the outstanding shares of Global Neuro Technologies Inc. The Company also received conditional acceptance from the TSX Venture Exchange with respect to the acquisition of Global Neuro Technologies Inc. on March 2, 2015.

The Company has entered into an agreement with GNTI and Raymond James Ltd. ("RJL"), wherein RJL has agreed to act as agent for GNTI in connection with a brokered offering of subscription receipts of GNTI (the "Receipts") priced at \$1.00 per Receipt for total gross proceeds of a minimum of \$500,000 (the "Brokered Offering"). The Company has committed to pay RJL a cash commission of 10% of the gross proceeds of the Brokered Offering.

The Company has agreed with GNTI to extend the merger to September 30, 2015 to complete the merger process.

10. Approval of Financial Statements

The financial statements were approved by the Board of Directors on August 25, 2015.