

**New World Solutions Inc.**  
**(formerly Graph Blockchain Inc.)**

**Interim Condensed Consolidated Financial Statements**  
**For the Three and Six Months Ended October 31, 2024 and 2023**  
(Expressed in Canadian dollars, unless otherwise noted)  
(Unaudited)

**Interim Condensed Consolidated Financial Statements**

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### **NOTICE TO READER**

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

The accompanying interim condensed consolidated financial statements of New World Solutions Inc. (formerly Graph Blockchain Inc.) (the “Company”) have been prepared by and are the responsibility of the Company’s management.

The Company’s independent auditor has not performed a review of these interim condensed consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity’s auditor.

# New World Solutions Inc.

(formerly Graph Blockchain Inc.)

## Interim Condensed Consolidated Statements of Financial Position

(Expressed in Canadian dollars)

(Unaudited)

	October 31, 2024	April 30, 2024
<b>Assets</b>	<b>\$</b>	<b>\$</b>
<b>Current assets</b>		
Cash and cash equivalents	57,711	-
Receivables	69,499	-
Short-term investments (Notes 4 and 11)	59,840	30,000
Goods and Services Tax receivable	197,187	150,417
Prepaid expenses	64,410	65,136
Inventory (Note 5)	85,862	-
<b>Total current assets</b>	<b>534,509</b>	<b>245,553</b>
<b>Non-current assets</b>		
Property and equipment (Notes 3 and 6)	879,904	925,018
Intangible assets (Notes 3, 8 and 11)	694,254	44,000
<b>Total assets</b>	<b>2,108,667</b>	<b>1,214,571</b>
<b>Liabilities and shareholders' equity</b>		
<b>Current liabilities</b>		
Bank indebtedness	94,645	18,637
Accounts payable and accrued liabilities (Note 11)	837,449	372,280
Loans payable (Notes 11 and 15)	144,928	10,000
Earn-out payments payable (Notes 3 and 16)	197,942	187,870
<b>Total current liabilities</b>	<b>1,274,964</b>	<b>588,787</b>
<b>Non-current liabilities</b>		
Loans payable (Notes 11 and 15)	54,018	-
Earn-out payments payable (Notes 3 and 16)	131,943	123,752
<b>Total liabilities</b>	<b>1,460,925</b>	<b>712,539</b>
<b>Shareholders' equity</b>		
Share capital (Note 9)	43,953,973	42,328,973
Reserves (Note 9)	18,963,902	18,231,239
Accumulated other comprehensive income	484	1,165
Accumulated deficit	(62,271,744)	(60,059,345)
<b>Total equity attributable to New World Solutions Inc.</b>	<b>646,615</b>	<b>502,032</b>
<b>Non-controlling interest</b>	<b>1,127</b>	<b>-</b>
<b>Total shareholders' equity</b>	<b>647,742</b>	<b>502,032</b>
<b>Total liabilities and shareholders' equity</b>	<b>2,108,667</b>	<b>1,214,571</b>

Signed "Paul Haber" Director

Signed "Binyomin Posen" Director

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

# New World Solutions Inc.

(formerly Graph Blockchain Inc.)

## Interim Condensed Consolidated Statements of Net Loss and Comprehensive Loss

(Expressed in Canadian dollars, except number of common shares)

(Unaudited)

	<b>Three months ended October 31, 2024</b>	Three months ended October 31, 2023	<b>Six months ended October 31, 2024</b>	Six months ended October 31, 2023
	\$	\$	\$	\$
<b>Sales</b>	<b>8,375</b>	-	<b>14,530</b>	-
<b>Gross margin</b>	<b>8,375</b>	-	<b>14,530</b>	-
<b>Expenses</b>				
Advertising and promotion	1,436	-	1,436	-
Depreciation and amortization (Notes 6 and 8)	92,222	-	166,234	-
Loss on sale of digital assets (Note 7)	-	20,400	-	4,755
Office and general	96,723	36,547	127,057	70,570
Other operating expenses (Note 11)	96,045	230,706	346,453	440,223
Salaries, benefits and management fees (Note 11)	62,470	14,396	117,454	68,724
Share-based compensation (Notes 9 and 11)	-	164,225	-	403,000
	<b>348,896</b>	466,274	<b>758,634</b>	987,272
<b>Loss before other income (expenses)</b>	<b>(340,521)</b>	(466,274)	<b>(744,104)</b>	(987,272)
<b>Other income (expenses)</b>				
Gain on sale of short-term investments (Note 4)	-	-	294	-
Impairment of digital assets (Note 7)	-	21,487	-	(116,577)
Interest expense	(10,730)	-	(20,528)	-
Interest income	-	7,383	-	15,148
Other income (Note 11)	213	-	213	14,531
Fair value adjustment on short-term investments (Notes 4 and 11)	-	(74,910)	30,160	60,769
Consideration paid in excess of net assets acquired (Note 3)	(1,481,002)	-	(1,481,002)	-
<b>Net loss</b>	<b>(1,832,040)</b>	(512,314)	<b>(2,214,967)</b>	(1,013,401)
<b>Other comprehensive income (loss)</b>				
Foreign exchange translation adjustment	(641)	3,680	(641)	17,000
<b>Comprehensive loss</b>	<b>(1,832,681)</b>	(508,634)	<b>(2,215,608)</b>	(996,401)
<b>Net loss attributable to:</b>				
New World Solutions Inc.	(1,829,472)	(512,314)	(2,212,399)	(1,013,401)
Non-controlling interest	(2,568)	-	(2,568)	-
<b>Comprehensive loss attributable to:</b>				
New World Solutions Inc.	(1,830,153)	(508,634)	(2,213,080)	(996,401)
Non-controlling interest	(2,528)	-	(2,528)	-
<b>Basic and diluted net loss per share (Note 10)</b>	<b>(0.012)</b>	(0.007)	<b>(0.017)</b>	(0.014)
<b>Weighted average number of common shares (Note 10)</b>	<b>148,215,770</b>	75,953,814	<b>131,069,031</b>	72,364,140

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

# New World Solutions Inc.

(formerly Graph Blockchain Inc.)

## Interim Condensed Consolidated Statements of Change in Shareholder's Equity

(Expressed in Canadian dollars, except number of common shares)

(Unaudited)

	Common Shares			Accumulated Other Comprehensive Income \$	Accumulated Deficit \$	Non- Controlling Interest \$	Total \$
	Number	Amount \$	Reserves \$				
<b>Balance – April 30, 2023</b>	<b>67,770,118</b>	<b>41,595,973</b>	<b>18,231,239</b>	<b>1,165</b>	<b>(58,272,143)</b>	<b>-</b>	<b>1,556,234</b>
Shares issued for RSUs (Note 9)	13,500,000	403,000	(403,000)	-	-	-	-
Share-based compensation (Note 9)	-	-	403,000	-	-	-	403,000
Foreign exchange translation	-	-	-	17,000	-	-	17,000
Net loss for the period	-	-	-	-	(1,013,401)	-	(1,013,401)
<b>Balance – October 31, 2023</b>	<b>81,270,118</b>	<b>41,998,973</b>	<b>18,231,239</b>	<b>18,165</b>	<b>(59,285,544)</b>	<b>-</b>	<b>962,833</b>
<b>Balance – April 30, 2024</b>	<b>103,270,118</b>	<b>42,328,973</b>	<b>18,231,239</b>	<b>1,165</b>	<b>(60,059,345)</b>	<b>-</b>	<b>502,032</b>
Shares issued for Panyo AI Technologies Inc. acquisition (Note 3)	20,000,000	500,000	372,857	-	-	-	872,857
Shares and warrants issued for dialMKT Corp. acquisition (Note 3)	45,000,000	1,125,000	359,806	-	-	3,655	1,488,461
Foreign exchange translation	-	-	-	(681)	-	40	(641)
Net loss for the period	-	-	-	-	(2,212,399)	(2,568)	(2,214,967)
<b>Balance – October 31, 2024</b>	<b>168,270,118</b>	<b>43,953,973</b>	<b>18,963,902</b>	<b>484</b>	<b>(62,271,744)</b>	<b>1,127</b>	<b>647,742</b>

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

# New World Solutions Inc.

(formerly Graph Blockchain Inc.)

## Interim Condensed Consolidated Statements of Cash Flows

(Expressed in Canadian dollars)

(Unaudited)

	Six months ended October 31, 2024 \$	Six months ended October 31, 2023 \$
<b>Cash flows used in operating activities</b>		
Net loss	(2,214,967)	(1,013,401)
Adjustments to reconcile net loss to operating cash flow		
Accrued interest	20,456	-
Depreciation and amortization	166,234	-
Loss on sale of digital assets	-	4,755
Gain on sale of short-term investments	(294)	-
Interest income	-	(14,991)
Share-based compensation	-	403,000
Bad debts	-	-
Impairment on digital assets	-	116,577
Consideration paid in excess of net assets acquired	1,481,002	-
Fair value adjustment on short-term investments	(30,160)	(60,769)
Net change in operating assets and liabilities		
Trade and other receivables	43,500	-
Goods and Services Tax receivable	(46,770)	(1,726)
Prepaid expenses	726	6,416
Inventory	(1,956)	-
Accounts payable and accrued liabilities	460,033	8,646
	<u>(122,196)</u>	<u>(551,493)</u>
<b>Cash flows provided by investing activities</b>		
Proceeds from sale of short-term investments	614	-
Proceeds from the sale of digital assets	-	434,703
Acquisition of Panyo AI Technologies Inc., net of cash received	45,775	-
Acquisition of dialMKT Corp., net of cash received	59,679	-
	<u>106,068</u>	<u>434,703</u>
<b>Cash flows provided by financing activities</b>		
Bank indebtedness	76,008	-
Payments on loans payable	(1,709)	-
Receipt on loan receivable	-	5,000
	<u>74,299</u>	<u>5,000</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	(460)	17,000
<b>Increase (Decrease) in cash and cash equivalents</b>	57,711	(94,790)
<b>Cash and cash equivalents, beginning of period</b>	-	296,729
<b>Cash and cash equivalents, end of period</b>	<u>57,711</u>	<u>201,939</u>

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

# **New World Solutions Inc.**

(formerly Graph Blockchain Inc.)

Notes to Interim Condensed Consolidated Financial Statements

For the six months ended October 31, 2024 and 2023

(Expressed in Canadian dollars)

(Unaudited)

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## **1 Description of business and going concern**

New World Solutions Inc. (formerly Graph Blockchain Inc.) (the “Company”) is a technology company that provides shareholders with exposure to various areas of Decentralized Finance (DeFi) and electric vehicle charging solutions. Focusing on altcoins (cryptocurrencies other than Bitcoin) through its wholly owned subsidiaries Babbage Mining Corp., a Proof of Stake (POS) miner, and Beyond the Moon Inc., an IDO focused company, the Company gave investors exposure to the vast emerging market of cryptocurrencies. In addition, through its investment in New World Inc. and Niftable Inc. the Company provided its shareholders with exposure to the Non-Fungible Token (“NFT”) market. During the year ended April 30, 2024, the Company shifted its focus into providing environmentally sustainable solutions through its acquisition of New World EV Solutions Inc. (formerly DataMetrex Electric Vehicle Solutions Inc.).

The Company is a publicly traded corporation, incorporated in the province of British Columbia, and its head office is located at 2300 Yonge St., Suite 2802, Toronto, Ontario, M4P 1E4 Canada. On December 22, 2023, the Company changed its name from “Graph Blockchain Inc.” to “New World Solutions Inc.”. The Company’s common shares are listed on the Canadian Securities Exchange under the trading symbol “NEWS”. The Company was incorporated under the laws of the Province of British Columbia on October 6, 1982. On November 6, 2018, the Company completed its acquisition of BluStem Ltd. (formerly Graph Blockchain Limited) (“BluStem”) through a reverse takeover, and changed the Company’s name to Graph Blockchain Inc.

The Company has incurred net losses of \$2,214,967 and negative cash flows from operations of \$122,196 that have primarily been funded through financing activities. The Company will need to raise additional capital during the next twelve months and beyond to support current operations and planned development. Although the Company has been successful in raising funds in the past, there can be no assurance that adequate financing will be available in the future or available under terms acceptable to the Company. These factors indicate the existence of a material uncertainty that may cast significant doubt as to the Company’s ability to continue as a going concern.

These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitment in the normal course of business. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported revenues and expenses, and the statement of financial position classifications used, that would be necessary if the Company were unable to realize its assets and settle its liabilities and commitment as a going concern in the normal course of operations. Such adjustments could be material.

## **2 Material accounting policy information**

### **Basis of presentation and statement of compliance**

These unaudited interim condensed consolidated financial statements (“interim financial statements”) were prepared using the same accounting policies and methods as those used in the Company’s audited consolidated financial statements for the year ended April 30, 2024. These interim condensed consolidated financial statements are in compliance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”). Accordingly, certain information and footnote disclosure normally included in the annual consolidated financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”), have been omitted or condensed.

# **New World Solutions Inc.**

(formerly Graph Blockchain Inc.)

Notes to Interim Condensed Consolidated Financial Statements

For the six months ended October 31, 2024 and 2023

(Expressed in Canadian dollars)

(Unaudited)

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## **2 Material accounting policy information (continued)**

### **Basis of presentation and statement of compliance (continued)**

These interim condensed consolidated financial statements were approved and authorized for issuance by the Company's Board of Directors on December 30, 2024. These consolidated financial statements are presented in Canadian dollars which is also the Company's functional currency. The Company has the following wholly owned entities, the South Korean branch of the Company (unincorporated) with a Korean Won functional currency, BluStem Ltd., Babbage Mining Corp., Beyond the Moon Inc., New World Inc., Optimum Coin Analyser Inc., New World EV Solutions Inc. (formerly DataMetrex Electric Vehicle Solutions Inc.), Panyo AI Technologies Inc. and Niftable Inc. with a Canadian dollars functional currency. In addition, the Company indirectly owns 51% of dialMKT Corp. with a United States dollar functional currency by way of its ownership of 51% of 1491150 B.C. Ltd. with a Canadian dollars functional currency. The accounting policies have been applied consistently in these consolidated financial statements, unless otherwise indicated.

Foreign currency transactions are translated into Canadian dollars at exchange rates in effect on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to Canadian dollars at the foreign exchange rate applicable as at that date. Realized and unrealized exchange gains and losses are recognized through profit or loss.

The assets and liabilities of foreign operations are translated in Canadian dollars at year-end exchange rates. Income and expenses, and cash flows of foreign operations are translated into Canadian dollars using average exchange rates. Exchange differences resulting from translating foreign operations are recognised in other comprehensive loss and accumulated in equity.

### **Basis of consolidation**

These consolidated financial statements include the accounts of the Company's wholly owned subsidiaries, BluStem Ltd., Babbage Mining Corp., Beyond the Moon Inc., New World Inc., Optimum Coin Analyser Inc., Niftable Inc., and New World EV Solutions Inc. (formerly DataMetrex Electric Vehicle Solutions Inc.) effective on December 7, 2023 (Note 3), Panyo AI Technologies Inc. effective on June 12, 2024 (Note 3), a branch located in South Korea, and a 51% ownership interest of 1491150 B.C. Ltd. and dialMKT Corp. effective on September 10, 2024 (Note 3). Any references to Company include references to such entities. Intercompany balances and transactions are eliminated upon consolidation and preparation of these consolidated financial statements, and any unrealized income and expenses arising from intercompany transactions, are eliminated.

### **Critical Accounting Estimates and Judgements**

The preparation of these consolidated financial statements in conformity with IFRS requires management to make estimates and judgements that affect the applications of accounting policies regarding certain types of assets, liabilities, revenues, and expenses in the preparation of these consolidated financial statements. Estimates and judgments are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected. These estimates and assumptions are based on management's historical experience, best knowledge of current events and conditions and activities that the Company may undertake in the future. Actual results could differ materially from these estimates.



# New World Solutions Inc.

(formerly Graph Blockchain Inc.)

Notes to Interim Condensed Consolidated Financial Statements

For the six months ended October 31, 2024 and 2023

(Expressed in Canadian dollars)

(Unaudited)

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## 2 Material accounting policy information (continued)

### Critical Accounting Estimates and Judgements (continued)

#### Judgements

Areas requiring judgements include timing of recognizing revenue, impairment of financial assets, digital assets accounting treatment, valuation of equity instruments issued under share-based payment arrangements, going concern, functional currency, useful life of assets, income taxes and business combination.

#### a) Revenue recognition

The Company uses judgement to assess whether contracts contain multiple products and services sold and whether these should be considered distinct and accounted as separate performance obligations or together. Estimates are required when allocating revenue where multiple performance obligations exist in a contract. Judgment is required as to determining when control of the product has been transferred to the customer.

#### b) Impairment of financial assets

The Company uses judgement to estimate the ECL which is determined based on stage assessment. The ECL model requires judgement including but not limited to consideration of how changes in economic factors affect the ECLs.

#### c) Digital assets – accounting

There is limited guidance on the recognition and measurement of digital currencies. The Company accounts for its digital assets using the cost model under IAS 38 with changes in fair value recorded to profit and loss. There was significant judgement applied by the Company in making this assessment as accounting for cryptocurrencies depends on the nature of the asset, the use of the asset including the expected timeline or use, and how the asset is held. This judgement included consideration of the Company's operations, strategy, and intent of management.

Management is required to use judgement in determining the frequency with which the digital assets are to be tested for impairment. The assessment of impairment of these digital assets is dependant upon estimates of the recoverable amounts that take into account factors such as the economic and market conditions.

#### d) Share-based payment

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

# **New World Solutions Inc.**

(formerly Graph Blockchain Inc.)

Notes to Interim Condensed Consolidated Financial Statements

For the six months ended October 31, 2024 and 2023

(Expressed in Canadian dollars)

(Unaudited)

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## **2 Material accounting policy information (continued)**

### **Critical Accounting Estimates and Judgements (continued)**

#### e) Going concern

The determination of the Company's ability to continue as a going concern requires the Company to make certain judgements about whether the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

#### f) Functional currency

The functional currency of the Company has been assessed by management based on consideration of the currency and economic factors that mainly influence the Company's compensation and operating costs. Specifically, the Company considers the currencies in which expenses are settled by each entity as well as the currency in which each entity receives or raises financing. Changes to these factors may have an impact on the judgement applied in the determination of the Company's functional currency.

#### g) Useful life of assets

Property and equipment, and intangible assets are depreciated over their estimated useful lives. Estimated useful lives are determined based on current factors and past experience and take into consideration the anticipated physical life of the asset, the potential for technological obsolescence, and regulations. Accordingly, these estimates are subject to measurement uncertainty.

#### h) Income taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective Company's domicile. As the Company assesses the probability for litigation and subsequent cash outflow with respect to taxes as remote, no contingent liability has been recognized.

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

# New World Solutions Inc.

(formerly Graph Blockchain Inc.)

Notes to Interim Condensed Consolidated Financial Statements

For the six months ended October 31, 2024 and 2023

(Expressed in Canadian dollars)

(Unaudited)

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## 2 Material accounting policy information (continued)

### Critical Accounting Estimates and Judgements (continued)

#### i) Business combinations

In a business combination, the Company may acquire assets and assume certain liabilities of an acquired entity. Estimates are made as to the fair value of property, plant and equipment, intangible assets, and goodwill, among other items. In certain circumstances, such as the valuation of intangible assets acquired and the measurement of contingent consideration, the Company may rely on independent third-party valuers. The determination of these fair values involves a variety of assumptions, including revenue growth rates, expected operating income, and discount rates.

#### Estimates

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the changes affect both.

#### Accounting Standards Adopted

#### Improving Accounting Policy Disclosures and Clarifying Distinction between Accounting Policies and Accounting Estimates (Amendments to IAS 1 and IAS 8)

In February 2021, the IASB issued narrow-scope amendments to IAS 1 Presentation of Financial Statements, IFRS Practice Statement 2 Making Materiality Judgments and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

The amendments to IAS 1 require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures.

The amendments to IAS 8 clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

The amendments are effective for annual reporting periods beginning on or after January 1, 2023. Earlier application is permitted. These amendments did not have a material impact on the Company's consolidated financial statements.

# New World Solutions Inc.

(formerly Graph Blockchain Inc.)

Notes to Interim Condensed Consolidated Financial Statements

For the six months ended October 31, 2024 and 2023

(Expressed in Canadian dollars)

(Unaudited)

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## 2 Material accounting policy information (continued)

### Accounting Standards Issued But Not Yet Applied

#### IFRS 18, Presentation and Disclosure in Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date. The Company is in the process of assessing the potential impact of this new standard upon adoption.

#### Amendment to CSDS1, General Requirements for Disclosure of Sustainability-related Financial Information

Amendment to CSDS1 General Requirements for Disclosure of Sustainability-related Financial Information includes requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The amendments are applied prospectively for annual periods beginning on or after January 1, 2025. The Company is in the process of assessing the potential impact of this new standard upon adoption.

#### Amendment to CSDS2, Climate-related Disclosures

Amendment to CSDS2 Climate-related Disclosures sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The amendments are applied prospectively for annual periods beginning on or after January 1, 2025. The Company is in the process of assessing the potential impact of this new standard upon adoption.

## 3 Asset acquisitions and business combinations

### New World EV Solutions Inc. (formerly DataMetrex Electric Vehicle Solutions Inc.)

On November 13, 2023, the Company signed a definitive agreement to acquire New World EV Solutions Inc. (formerly DataMetrex Electric Vehicle Solutions Inc.) ("NEVS") from Datametrex AI Limited ("Datametrex"). The Company issued 15,000,000 common shares of the Company to DataMetrex. In addition, up to three Earn-Out Payments of \$1,000,000 each may be payable by the Company to Datametrex if NEVS achieves certain financial milestones ("earn-out payments") over the next three years. The transaction closed on December 7, 2023.

The acquisition of NEVS was accounted for a business combination and the purchase price was determined based on IFRS 2 – Share Based Payments. A gain on bargain purchase was recognized on the acquisition of NEVS as the share consideration was based on the share price at the closing date which was lower than the fair value of identifiable net assets of NEVS.

# New World Solutions Inc.

(formerly Graph Blockchain Inc.)

## Notes to Interim Condensed Consolidated Financial Statements

For the six months ended October 31, 2024 and 2023

(Expressed in Canadian dollars)

(Unaudited)

### 3 Asset acquisitions and business combinations (continued)

The acquisition provided for contingent consideration made up of three earn-out payments of \$1,000,000 each which may be payable by the Company to Datametrex if NEVS achieves certain financial milestones over three years from the closing date of the transaction. On the acquisition date, the Company recognized these earn-out payments, discounted to present value of \$297,089 using a discount rate of 11%. The estimated earn-out payments are based on management's assumption of the probability of the earn-out payments based on budget projections of NEVS over the three year period.

	<b>Amount</b>
	<b>\$</b>
<b>Purchase price</b>	
15,000,000 common shares	225,000
Contingent consideration on earn-out payments	297,089
<b>Total consideration paid</b>	<b>522,089</b>
<b>Less net equity acquired</b>	
Cash and cash equivalents	240
Trade and other receivables	1,070
Goods and Services Tax receivable	58,177
Prepaid expenses	66,373
Property and equipment	1,064,613
Intangible assets	48,370
Accounts payable and accrued liabilities	(20,322)
<b>Total identifiable net equity acquired</b>	<b>1,218,521</b>
<b>Gain on bargain purchase</b>	<b>696,432</b>

The purchase price allocation is preliminary and is subject to change up to a period of one year from the acquisition date upon finalization of fair value determinations.

Revenue and net loss of the Company had if the acquisition occurred on May 1, 2023 is as follows:

	<b>As reported for the</b>	<b>Pro-forma for the</b>
	<b>year ended April 30,</b>	<b>year ended April 30,</b>
	<b>2024</b>	<b>2024</b>
Revenue	\$ 3,175	\$ 6,093
Net income (loss) <sup>(1)</sup>	\$ 192,250	\$ (250,994)

<sup>(1)</sup> Net income (loss) includes gain on bargain purchase of \$696,432 related to the acquisition of NEVS.

# New World Solutions Inc.

(formerly Graph Blockchain Inc.)

Notes to Interim Condensed Consolidated Financial Statements

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(Unaudited)

## 3 Asset acquisitions and business combinations (continued)

### Panyo AI Technologies Inc.

On June 4, 2024, the Company entered into an amended and restated share exchange agreement with Panyo AI Technologies Inc. (“Panyo”), a private British Columbia company, and shareholders of Panyo to acquire 100% of the issued and outstanding shares of Panyo. Panyo provides electric vehicle rental services to promote eco-friendly transportation. Pursuant to the share exchange agreement, the Company will issue 20,000,000 units of the Company to the shareholders of Panyo. Each unit consists of one common share and one share purchase warrant of the Company. Each warrant entitles the holder to acquire one additional common share of the Company at a price of \$0.05 per share for a period of two years. The share purchase warrants were accounted for as an equity instrument under IFRS 2 – Share Based Payments and recorded at fair value on the acquisition date using the Black-Scholes pricing model using the following assumptions: (i) expected warrant life of 2 years; (ii) risk free rate of 3.80%; (iii) dividend yield of nil; and (iv) expected volatility of 283.10%. The transaction closed on June 12, 2024.

The acquisition of Panyo does not constitute a business combination because the entity does not meet the definition of a business under IFRS 3 – Business Combination. As a result, the transaction has been measured at the fair value of equity consideration issued to acquire this entity.

	<b>Amount</b>
	<b>\$</b>
<b>Purchase price</b>	
20,000,000 common shares	500,000
20,000,000 share purchase warrants	372,857
	<hr/>
<b>Total consideration paid</b>	<b>872,857</b>
	<hr/>
<b>Less net equity acquired</b>	
Cash and cash equivalents	45,775
Other receivables	122,999
Equipment	61,433
Intangible asset	709,941
Accounts payable and accrued liabilities	(5,000)
Loan payable	(62,291)
	<hr/>
<b>Total identifiable net equity acquired</b>	<b>872,857</b>
	<hr/>
<b>Consideration paid in excess of net equity acquired</b>	<b>-</b>
	<hr/>

### dialMKT Corp.

On August 30, 2024, the Company entered into a share purchase agreement with 1491150 B.C. Ltd. (“dialMKT Holdco”), a private company which wholly-owns dialMKT Corp. (“dialMKT”) and the shareholders of dialMKT Holdco to acquire 51% of the issued and outstanding shares of dialMKT Holdco. dialMKT is developing a comprehensive digital ecosystem for the global wristwatch market. Pursuant to the share purchase agreement, the Company will issue 45,000,000 units of the Company. Each unit consists of one common share and 0.35 of one share purchase warrant of the Company. Each warrant entitles the holder to acquire one additional common share of the Company at a price of \$0.05 per share for a period of two years. The transaction closed on September 10, 2024.

# New World Solutions Inc.

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### 3 Asset acquisitions and business combinations (continued)

The acquisition of Panyo does not constitute a business combination because the entity does not meet the definition of a business under IFRS 3 – Business Combination. As a result, the transaction has been measured at the fair value of equity consideration issued to acquire this entity. The share purchase warrants are recorded at fair value of \$359,806 on the acquisition date using the Black-Scholes pricing model using the following assumptions: (i) expected warrant life of 2 years; (ii) risk free rate of 2.93%; (iii) dividend yield of nil; and (iv) expected volatility of 262.50%. The difference between the fair value of the common shares and share purchase warrants issued of \$1,484,806 and the fair value attributed to the identifiable net assets of \$3,804 did not meet the criteria for recognition as an asset and consisted of unidentifiable goods or services, which were recognized at \$1,481,002 in profit or loss.

	<b>Amount</b>
	<b>\$</b>
<b>Purchase price</b>	
45,000,000 common shares	1,125,000
15,750,000 share purchase warrants	359,806
<b>Total consideration paid</b>	<b>1,484,806</b>
<b>Less net equity acquired</b>	
Cash and cash equivalents	59,679
Inventory	83,906
Accounts payable and accrued liabilities	(136)
Loan payable	(135,990)
Non-controlling interest	(3,655)
<b>Total identifiable net equity acquired</b>	<b>3,804</b>
<b>Consideration paid in excess of net assets acquired</b>	<b>1,481,002</b>

### 4 Short-term investments

On December 13, 2022, the Company subscribed 6,000,000 units of the Justera Health Ltd. (formerly ScreenPro Security Inc.) (“Justera”), a company which shares certain officers and directors in common with the Company, at \$0.05 per unit for a total payment of \$300,000. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the Company to further purchase one common share at a price of \$0.05 per share for a period of 18 months from the date of issuance. As these marketable securities are held primarily for the purpose of sale in the near term, the Company classified them as short-term investments under current assets. The fair value of the short-term investments is determined using quoted market price at period end closing date for shares and Black-Scholes pricing method for warrants. As of October 31, 2024, fair value of the shares and warrants were \$59,840 (April 30, 2024 - \$30,000) and \$Nil (April 30, 2024 - \$Nil) respectively. During the six months ended October 31, 2024, the Company sold 16,000 shares of Justera for proceeds of \$614, resulting in a gain of \$294 and recognized a fair value adjustment of \$30,160 (2023 – \$60,769) recorded as unrealized gain on short-term investments in the statement of net loss and comprehensive loss.

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## 5 Inventory

	October 31, 2024	April 30, 2024
dialMKT – Finished goods	85,862	-
	<u>85,862</u>	<u>-</u>

## 6 Property and equipment

	Computer equipment \$	Office equipment and furniture \$	Machinery \$	Total \$
<b>Cost</b>				
Balance at April 30, 2023	22,512	2,616	-	25,128
Acquisition of NEVS (Note 3)	-	-	1,064,613	1,064,613
Disposition	-	-	(47,726)	(47,726)
Balance at April 30, 2024	<u>22,512</u>	<u>2,616</u>	<u>1,016,887</u>	<u>1,042,015</u>
Acquisition of Panyo (Note 3)	-	-	61,433	61,433
<b>Balance at October 31, 2024</b>	<b><u>22,512</u></b>	<b><u>2,616</u></b>	<b><u>1,078,320</u></b>	<b><u>1,103,448</u></b>
<b>Accumulated depreciation</b>				
Balance at April 30, 2023	22,512	2,616	-	25,128
Depreciation	-	-	95,555	95,555
Disposition	-	-	(3,686)	(3,686)
Balance at April 30, 2024	<u>22,512</u>	<u>2,616</u>	<u>91,869</u>	<u>116,997</u>
Depreciation	-	-	106,547	106,547
<b>Balance at October 31, 2024</b>	<b><u>22,512</u></b>	<b><u>2,616</u></b>	<b><u>198,416</u></b>	<b><u>223,544</u></b>
<b>Carrying amounts</b>				
Balance at April 30, 2024	<u>-</u>	<u>-</u>	<u>925,018</u>	<u>925,018</u>
<b>Balance at October 31, 2024</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>879,904</u></b>	<b><u>879,904</u></b>

## 7 Digital assets

As of October 31, 2024 and April 30, 2024, the Company did not hold any digital assets.

During the six months ended October 31, 2024, the Company recognized an impairment loss of \$Nil (2023 – \$116,577) on its investment in digital assets to reflect the market price on October 31, 2024.

During the six months ended October 31, 2024, the Company disposed Nil (2023 – 23,893) units of Polkadot and Nil (2023 – 111) units of Ethereum for total proceeds of \$Nil (2023 - \$434,703) resulting in a loss of \$Nil (2023 - \$4,755).



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## 8 Intangible assets and goodwill

	Artist Relationship \$	Technology \$	Total \$	Goodwill \$
<b>Cost</b>				
Balance at April 30, 2023	-	250,000	250,000	-
Acquisition of NEVS (Note 3)	-	48,370	48,370	-
Impairment loss	-	(250,000)	(250,000)	-
Balance at April 30, 2024	-	48,370	48,370	-
Acquisition of Panyo (Note 3)	-	709,941	709,941	-
Acquisition of dialMKT (Note 3)	-	-	-	-
<b>Balance at October 31, 2024</b>	<b>-</b>	<b>758,311</b>	<b>758,311</b>	<b>-</b>
<b>Accumulated amortization</b>				
Balance at April 30, 2023	-	-	-	-
Amortization	-	4,370	4,370	-
Balance at April 30, 2024	-	4,370	4,370	-
Amortization	-	59,687	59,687	-
<b>Balance at October 31, 2024</b>	<b>-</b>	<b>64,057</b>	<b>64,057</b>	<b>-</b>
<b>Carrying amounts</b>				
Balance at April 30, 2024	-	44,000	44,000	-
<b>Balance at October 31, 2024</b>	<b>-</b>	<b>694,254</b>	<b>694,254</b>	<b>-</b>

In November 2022, the Company made a decision to put New World's operation on hold and laid off the majority of its employees. As a result, the Company conducted an impairment assessment of its goodwill and intangible assets related to New World's artist relationship and technology. Based on the assessment, the Company determined that the carrying value of the goodwill and intangibles were fully impaired, therefore, recognized an impairment loss of \$3,858,425 for goodwill, \$1,037,000 for artist relationship and \$374,810 for technology. Total impairment loss of \$5,270,235 was recognized in the consolidated statements of loss and comprehensive loss in the line item "Impairment of goodwill and intangibles" to a recoverable amount of \$Nil.

Artist relationship acquired from New World is deemed to have a \$Nil recoverable amount since both (1) value in use, which represents the net present value of the Company's expected cash flows to be generated by New World, and (2) fair value less costs to sell are both estimated to be \$Nil at April 30, 2023.

Furthermore, \$900,000 other long-term liability representing contingent consideration in shares related to New World acquisition is reversed to unrealized gain on other long-term liability in the consolidated statement of loss and comprehensive loss as the terms of the payment were not met.

During the year ended April 30, 2022, the Company entered into a software development agreement with Nexalogy Enviroics Inc ("Contractor") to develop a website that list a series of indicators for trading cryptocurrencies. As of April 30, 2023, \$250,000 was paid to the Contractor for the development of the software. No amortization was taken as the software was not completed and ready for use.

The Company will pay the remaining balance of \$250,000 within seven days of the completion date.

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### 8 Intangible assets (continued)

At the end of each year, the Company assesses whether there were events or changes in circumstances that would indicate that a CGU or group of CGUs were impaired. The Company considers external and internal factors, including overall financial performance and relevant entity-specific factors, as part of this assessment.

During the year ended April 30, 2024, the Company made a decision to put Optimum Coin's operation on hold. As a result, the Company conducted an impairment assessment of its intangible assets. Based on the assessment, the Company determined that the carrying value of intangibles were fully impaired, therefore, recognized an impairment loss of \$250,000 in the consolidated statements of loss and comprehensive loss in the line item "Impairment of goodwill and intangibles" to a recoverable amount of \$Nil.

### 9 Share capital and reserves

#### a) Common shares

The Company is authorized to issue an unlimited number of common shares with no par value.

Issuances of common shares are recorded in "Share capital" on the consolidated statements of financial position.

In November 2022, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidation share for every ten pre-consolidation shares. All figures have been retroactively adjusted to reflect the stock consolidation, unless otherwise indicated.

The following summarizes transactions involving the common shares of the Company:

	<b>Number</b>	<b>Amount</b> \$
Shares issued and outstanding on April 30, 2023	67,770,118	41,595,973
Shares issued for acquisition of New World EV Solutions Inc.	15,000,000	225,000
Shares issued for RSUs	<u>20,500,000</u>	<u>508,000</u>
Shares issued and outstanding on April 30, 2024	103,270,118	42,328,973
Shares issued for acquisition of Panyo AI Technologies Inc.	20,000,000	500,000
Shares issued for acquisition of dialMKT Corp.	<u>45,000,000</u>	<u>1,125,000</u>
<b>Shares issued and outstanding on October 31, 2024</b>	<b><u>168,270,118</u></b>	<b><u>43,953,973</u></b>

On June 19, 2023, the Company issued 2,200,000 common shares valued at \$77,000 related to the vesting of RSUs. The Company reclassified \$77,000 from reserves to share capital.

On July 31, 2023, the Company issued 4,000,000 common shares valued at \$143,550 related to the vesting of RSUs. The Company reclassified \$180,000 from reserves to share capital.

On October 6, 2023, the Company issued 7,300,000 common shares valued at \$146,000 related to the vesting of RSUs. The Company reclassified \$146,000 from reserves to share capital.

On December 7, 2023, the Company issued 15,000,000 common shares pursuant to the terms of the definitive agreement related to the acquisition of NEVS valued at an aggregate amount of \$225,000.

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### 9 Share capital and reserves (continued)

#### a) Common shares (continued)

On December 13, 2023, the Company issued 7,000,000 common shares valued at \$105,000 related to the vesting of RSUs. These common shares are subject to 25% being restricted from trading until March 11, 2024, 25% being restricted from trading until June 11, 2024 and 25% restricted from trading until September 11, 2024. The Company reclassified \$105,000 from reserves to share capital.

On June 12, 2024, the Company issued 20,000,000 common shares pursuant to the terms of the definitive agreement related to the acquisition of Panyo valued at an aggregate amount of \$500,000.

On September 10, 2024, the Company issued 45,000,000 common shares pursuant to the terms of the share purchase agreement related to the acquisition of dialMKT valued at an aggregate amount of \$1,125,000.

#### b) Warrants

Issuances of warrants are recorded in reserves on the consolidated statements of financial position. The following summarizes transactions involving warrants issued by the Company:

	Number	Weighted average exercise price \$
Warrants outstanding on April 30, 2023	19,986,799	1.45
Warrants expired	<u>(11,758,231)</u>	<u>1.25</u>
Warrants outstanding on April 30, 2024	8,228,568	1.74
Warrants issued	<u>35,750,000</u>	<u>0.05</u>
<b>Warrants outstanding on October 31, 2024</b>	<b><u>43,978,568</u></b>	<b><u>0.37</u></b>

As of October 31, 2024, the outstanding warrants had a remaining useful life of 1.66 years with a reserve balance of \$12,290,092 (April 30, 2024 – 1.90 years with a reserve balance of \$11,557,429).

As of October 31, 2024, the following warrants were outstanding:

Number of warrants	Exercise price	Expiry date
7,619,045	\$1.750	March 26, 2026
609,523	\$1.6406	March 26, 2026
20,000,000	\$0.050	June 12, 2026*
<u>15,750,000</u>	\$0.050	September 10, 2026
<b><u>43,978,568</u></b>		

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### 9 Share capital and reserves (continued)

#### b) Warrants (continued)

\*Effective on September 17, 2024, the Company amended 20,000,000 warrants with an exercise price of \$0.05 per share for a period of two years such that these warrants will be subject to an acceleration provision whereby if the volume weighted average trading price of common shares for any ten consecutive trading days equals or exceeds \$0.07, the Company may, upon notifying the holder of the warrant, accelerate the expiration of half of the warrants held by such holder to the date that is 30 days following the date of such notice.

#### c) Stock options

Under the Company's stock option plan, the Board of Directors has discretion to grant options for up to a maximum of 10% of the issued and outstanding common shares of the Company at the date the options are granted. The option price of each option shall be not less than the discounted market price on the grant date. The expiry date of an option shall be set by the Board of Directors at the time the option is awarded and shall not be more than five years after the grant date.

Granting of stock options are recorded in reserves on the consolidated statements of financial position. As at October 31, 2024, the Company had no stock options outstanding.

The Company uses the Black-Scholes option pricing model to value the stock options granted. The Black-Scholes model was developed for use in estimating the fair value of traded options that have no vesting restrictions and are fully transferable. The model requires management to make estimates which are subjective and may not be representative of actual results. Changes in assumptions can materially affect estimates of fair values. The forfeiture rate assumption is based on historical results, which is estimated to be nil, and the annualized volatility is based on the Company's historical share prices.

As at March 20, 2023, the Company has cancelled an aggregate of 2,760,000 options to purchase common shares of the Company which were previously granted to employees, directors, and consultants of the Company at exercise prices ranging from \$0.50 to \$1.25, expiring March 29, 2023, and September 23, 2023. The Options were voluntarily surrendered by the holders for no consideration.

#### d) Restricted stock unit ("RSU")

On March 22, 2023, the Company has issued Restricted Stock Units (RSUs) of an aggregate of 5,400,000 to employees, directors and consultants of the Company. Each RSU represents the right to receive one common share of the Company provided that the individual remains in continuous service through the applicable vesting date. These RSUs will vest on January 30, 2024. During the year ended April 30, 2024, a total of 1,400,000 RSUs were cancelled and the Company amended the vesting date of the remaining RSUs to July 31, 2023. The Common Shares underlying the RSUs are subject to a four-month hold period in accordance with the policies of the Canadian Securities Exchange. The Company recorded share-based compensation of \$180,000 (2023 - \$180,000) related to these RSUs calculated as follows: (1) quoted market price of the Company's shares of \$0.045 and (2) forfeiture rate of 26%.

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### 9 Share capital and reserves (continued)

#### d) Restricted stock unit (“RSU”) (continued)

On June 9, 2023, the Company has issued RSUs of an aggregate of 2,200,000 to employees, directors and consultants of the Company. Each RSU represents the right to receive one common share of the Company provided that the individual remains in continuous service through the applicable vesting date. These RSUs vested immediately. The Common Shares underlying the RSUs are subject to a four-month hold period in accordance with the policies of the Canadian Securities Exchange. The Company recorded share-based compensation of \$77,000 (2023 - \$77,000) related to these RSUs calculated using the quoted market price of the Company’s shares of \$0.035.

On October 3, 2023, the Company has issued RSUs of an aggregate of 7,300,000 to employees, directors and consultants of the Company. Each RSU represents the right to receive one common share of the Company provided that the individual remains in continuous service through the applicable vesting date. These RSUs vested immediately. The Common Shares underlying the RSUs are subject to a four-month hold period in accordance with the policies of the Canadian Securities Exchange. The Company recorded share-based compensation of \$146,000 (2023 - \$146,000) related to these RSUs calculated using the quoted market price of the Company’s shares of \$0.02.

On December 11, 2023, the Company has issued RSUs of an aggregate of 7,000,000 to employees, directors and consultants of the Company. Each RSU represents the right to receive one common share of the Company provided that the individual remains in continuous service through the applicable vesting date. These RSUs vested immediately. The Common Shares underlying the RSUs are subject to 25% being restricted from trading until March 11, 2024, 25% being restricted from trading until June 11, 2024 and 25% restricted from trading until September 11, 2024. The Company recorded share-based compensation of \$105,000 (2023 - \$Nil) related to these RSUs calculated using the quoted market price of the Company’s shares of \$0.015.

### 10 Net loss per share

	<b>Six months ended October 31, 2024</b>	Six months ended October 31, 2023
Net loss	\$ (2,214,967)	\$ (1,013,401)
Weighted average number of shares outstanding	<u>131,069,031</u>	<u>72,364,140</u>
Basic and diluted loss per share	<u>\$ (0.017)</u>	<u>\$ (0.014)</u>

Basic loss per share is calculated by dividing the total loss by the weighted average number of shares outstanding during the period. Outstanding warrants, stock options and RSUs as of October 31, 2024 have not been factored into the calculation as they are considered anti-dilutive.

The following table presents the maximum number of shares that would be outstanding if all dilutive and potentially dilutive instruments as described in Note 9 were exercised or converted as of October 31, 2024 and April 30, 2024:

	<b>October 31, 2024</b>	<b>April 30, 2024</b>
Common shares issued and outstanding	168,270,118	103,270,118
Warrants	<u>43,978,568</u>	<u>8,228,568</u>
	<u>212,248,686</u>	<u>111,498,686</u>

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### 11 Related party transactions

#### a) Short-term investments and unrealized loss on short-term investments

Short-term investments represent shares subscription from Justera, a company with certain officers and directors in common with the Company. See note 4.

#### b) Loan receivable

As of October 31, 2024, a loan receivable balance of \$400,570 (April 30, 2024 - \$400,570) that was due from Justera, a company with certain officers and directors in common with the Company, was converted into a loan that is to be repaid over 81 months for an equal payment of \$5,000 per month. During the year ended April 30, 2024, the Company received \$5,000 and \$355,570 remains outstanding. The Company included the difference of \$102,400 between the present value and face value into the consolidated statements of net loss and comprehensive loss to present value the long-term loan receivable using the incremental borrowing rate of 12%. During the year ended April 30, 2024, management determined that the collectability of the loan receivable was unlikely which resulted in the Company recognizing a full impairment of the carrying value in the amount of \$279,950.

#### c) Accounts payable and accrued liabilities

As of October 31, 2024, an amount of \$200,311 (April 30, 2024 - \$81,200) included in accounts payable and accrued liabilities is due to the CEO of the Company, the CFO of the Company, the former CFO of the Company, former Director of the Company and a company with certain officers and directors in common with the Company.

#### d) Loan payable

During the year ended April 30, 2024, the Company acquired a loan payable from Panyo, a company with certain directors and officers in common, in the amount of \$10,000 (Note 15). The loan is unsecured, non-interest bearing and repayable on demand. On June 12, 2024, the Company acquired Panyo (Note 3), resulting in this loan payable being eliminated upon consolidation.

As of October 31, 2024, the Company has a loan payable of US\$100,000 acquired a loan payable to a limited liability company associated with a former Director of the Company of \$139,160 (US\$100,000) related to the acquisition of dialMKT (Notes 3 and 15). The loan is unsecured, non-interest bearing and repayable on demand.

#### e) Intangible assets

As of October 31, 2024, the Company paid a deposit of \$250,000 to Nexalogy Environics Inc. related to software development, a company controlled by certain officers and directors in common. During the year ended April 30, 2024, the Company recognized an impairment of \$250,000 related to this deposit (Note 8).

#### f) Other income

During the six months ended October 31, 2024, the Company recognized \$Nil (2023 - \$14,531) related to consulting fees charged to Justera, a company with certain officers and directors in common with the Company.

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### 11 Related party transactions (continued)

#### g) Acquisition of NEVS

On November 13, 2023, the Company signed a definitive agreement to acquire NEVS from Datametrex, a company with certain directors in common and ownership of approximately 14.5% shares of the Company (Note 3). The Company issued 15,000,000 common shares of the Company to DataMetrex. In addition, up to three earn-out payments of \$1,000,000 each may be payable by the Company to Datametrex if NEVS achieves certain financial milestones over the next three years. The transaction closed on December 7, 2023.

#### h) Acquisition of Panyo

On June 4, 2024, the Company entered into an amended and restated share exchange agreement to acquire Panyo, a company with certain directors and officers in common (Note 3). The Company issued 20,000,000 units of the Company to the shareholders of Panyo. Each unit consists of one common share and one share purchase warrant of the Company. Each warrant entitles the holder to acquire one additional common share of the Company at a price of \$0.05 per share for a period of two years.

#### i) Compensation of key management personnel

Key management includes members of the Board and executive officers of the Company. Compensation awarded to key management is listed below:

	<b>Six months ended October 31, 2024</b>	Six months ended October 31, 2023
	\$	\$
Consulting fees included in other operating expenses	<b>90,000</b>	120,000
Share-based compensation	-	173,083
Salaries and benefits	-	12,517
	<b>90,000</b>	<b>305,600</b>

### 12 Financial instruments and risk management

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented below.

As of October 31, 2024, the Company's financial instruments are comprised of cash and cash equivalents, receivables, short-term investments, bank indebtedness, accounts payable and accrued liabilities, loans payable and earn-out payments payable. The amounts reflected in the statement of financial position are carrying amounts and approximate their fair values due to their short-term nature and, in the case of the long-term earn-out payment payable and loans payable, calculating the present value of the future expected cash flows using an effective interest rate of 11% and 9%, respectively.

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## **12 Financial instruments and risk management (continued)**

### **General objectives, policies and processes**

Management has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function.

The overall objective of management is to set policies that seek to minimize risk as far as possible without unduly affecting the Company's competitiveness and flexibility. The Company has established risk management policies and procedures designed to reduce the potentially adverse effects of price volatility on operating results and distributions. Further details regarding these policies are set out below.

### **Credit risk and economic dependence**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consists primarily of cash, trade and other receivables, and loan receivables carried at amortized cost.

Credit risk associated with cash is minimized by ensuring these financial assets are maintained with financial institutions of reputable credit and may be redeemed upon demand.

The Company applies the simplified approach to providing for ECL prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade and other receivables, while ECL calculation based on stage assessment has been performed for loan receivables.

### **Liquidity risk**

Liquidity risk is the risk the Company will not be able to meet its financial obligations as they become due. The Company's approach is to ensure it will have sufficient liquidity to meet operations, tax, capital and regulatory requirements and obligations, under both normal and stressed circumstances. Cash flow projections are prepared and reviewed by management to ensure a sufficient continuity of funding exists. The Company's financial liabilities are comprised of its accounts payable and accrued liabilities. The payments for the Company's accounts payable and accrued liabilities are due in less than a year.



# New World Solutions Inc.

(formerly Graph Blockchain Inc.)

## Notes to Interim Condensed Consolidated Financial Statements

For the six months ended October 31, 2024 and 2023

(Expressed in Canadian dollars)

(Unaudited)

### 12 Financial instruments and risk management (continued)

The following table sets out the Company's contractual maturities (representing undiscounted contractual cash flows) of financial liabilities:

	12 months \$	1 to 2 years \$	Over 2 years \$	Total \$
Accounts payable and accrued liabilities	372,280	-	-	372,280
Loan payable	10,000	-	-	10,000
Earn-out payments payable	187,870	123,752	-	311,622
<b>Balance on April 30, 2024</b>	<b>570,150</b>	<b>123,752</b>	<b>-</b>	<b>693,902</b>
Accounts payable and accrued liabilities	837,449	-	-	837,449
Loans payable	144,928	6,332	47,686	198,946
Earn-out payments payable	197,942	131,943	-	329,885
<b>Balance on October 31, 2024</b>	<b>1,180,319</b>	<b>138,275</b>	<b>47,686</b>	<b>1,366,280</b>

#### Interest rate risk

The Company may, from time to time, earn interest income from cash balance and other short-term deposits from the financial institutions. The Company also has a non-interest-bearing long-term loan receivable from an entity with certain officers and directors in common. As a result of amortized cost accounting, the Company will recognize interest income over time. The Company does not consider interest rate risk to be significant.

#### Foreign currency risk

The Company is exposed to foreign currency risk from currency exposures to Canadian dollars. The main currency to which the Company had an exposure is the Korean Won. The Company was exposed to currency risk to the extent of the operations of its South Korean branch. The Company no longer has any operations in South Korea. The Company does not hedge its exposure to fluctuations in the related foreign exchange rates.

#### Fair values of financial instruments

IFRS 7 - Financial Instruments: Disclosures requires disclosure of a three-level hierarchy ("FV hierarchy") that reflects the significance of the inputs used in making fair value measurements and disclosures. Fair values of assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include those whose valuations are determined using inputs other than quoted prices for which all significant outputs are observable, either directly or indirectly. Level 3 valuations are those based on inputs that are unobservable and significant to the overall fair value measurement. As of October 31, 2024, cash and short-term investments have been measured at fair value using level 1 inputs and there has been no change during the year.

All other financial assets and liabilities measured at amortized, with the exception of the long-term loan receivable, are expected to be realized within a year and therefore approximate their value.

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## **Notes to Interim Condensed Consolidated Financial Statements**

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### **13 Capital management**

The Company defines its capital as its shareholders' equity in the amount of \$2,128,744 (April 30, 2024 - \$502,032). The Company's objectives when managing capital are to maintain a sufficient capital base in order to meet its short-term obligations and at the same time preserve investors' confidence required to sustain future development of the business. The Company is not exposed to any externally imposed capital requirements. There were no changes in the Company's approach to capital management during the six months ended October 31, 2024.

### **14 Contingency**

On March 2, 2021, a Notice of Civil Claim ("Claim") was filed against the Company in the Supreme Court of British Columbia related to specific performance of an agreement between the Company and a strategic advisor. According to the agreement, the Company has obligation to grant the advisor share options to purchase common shares in the Company which will equal 2.5% of the total fully diluted shares. The Company also entered into a service agreement with the advisor to make monthly payment of \$15,000 in stock at a deemed price of \$0.50 per share for a period of 12 months. Pursuant to the Claim, the strategic advisor is requesting the Company to pay \$23,400, issue 360,000 common shares of the Company and issue stock options equal to 2.5% of the total fully diluted common shares outstanding of the Company. The Company has filed its Response to Civil Claim in the Action and Reply in the Action on April 23, 2021 and May 5, 2021, respectively. In September 2022, the Company signed a settlement agreement with the advisor and paid \$80,000 as final settlement.

### **15 Loans payable**

On July 5, 2021, the Company acquired loans payable from third party creditors of \$120,500 pursuant to the acquisition of New World Inc. (Note 3). These loans were unsecured, non-interest bearing and repayable on demand. During the year ended April 30, 2022, the Company repaid \$120,000. During the year ended April 30, 2023, the Company settled the remaining \$500 resulting in a gain of \$500. As of October 31, 2024, the loan payable balance was \$Nil.

During the year ended April 30, 2024, the Company acquired a loan payable from Panyo, a company with certain directors and officers in common in the amount of \$10,000 (Note 11). The loan is unsecured, non-interest bearing and repayable on demand. On June 12, 2024, the Company acquired Panyo (Note 3), resulting in this loan payable being eliminated upon consolidation.

Pursuant to the acquisition of Panyo (Note 3), the Company acquired a loan payable in the amount of \$62,291 in relation to acquiring an electric vehicle. The loan is subject to an interest rate of 9.4%, payable on a bi-weekly basis until April 15, 2032 and secured against an electric vehicle. During the six months ended October 31, 2024, the Company recognized interest expense of \$2,193 (2023 - \$Nil) and made payments of \$1,709 (2023 - \$Nil). As at October 31, 2024, the loan payable balance was \$59,786 (April 30, 2024 - \$Nil), of which \$5,768 (April 30, 2024 - \$Nil) was due within one year.

Pursuant to the acquisition of dialMKT (Note 3), the Company acquired a loan payable of US\$100,000 to a former Director of the Company (Note 11). The loan is unsecured, non-interest bearing and repayable on demand. As at October 31, 2024, the loan payable balance was \$139,160 (US\$100,000) (April 30, 2024 - \$Nil).

# New World Solutions Inc.

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## Notes to Interim Condensed Consolidated Financial Statements

For the six months ended October 31, 2024 and 2023

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### 16 Earn-out payments payable

On December 7, 2023, the Company closed the transaction related to the acquisition of NEVS (Note 3). In consideration, the Company recognized a contingent consideration in the amount of \$297,089 related three earn-out payments of \$1,000,000 each over three years from the closing date of the transactions. During the six months ended October 31, 2024, the Company recognized interest expense of \$18,263 (2023 - \$Nil) related to the accretion of the earn-out payments.

### 17 Segment information

For the six months ended October 31, 2024 and 2023, the Company's operations are located in Canada and has two operating and reportable segments being: (1) Cryptocurrencies and (2) Technology.

	<b>Cryptocurrencies</b>	<b>Technology</b>	<b>Total</b>
<b>Six months ended October 31, 2024</b>			
Revenue	-	14,530	14,530
Gross profit	-	14,530	14,530
Depreciation	-	166,234	166,234
Segment loss	-	(2,214,967)	(2,214,967)
<b>Six months ended October 31, 2023</b>			
Segment loss	(1,013,401)	-	(1,013,401)
<b>As at October 31, 2024</b>			
Segment total assets	1,038	2,107,629	2,108,667
Segment non-current assets	-	1,574,158	1,574,158
Segment liabilities	-	1,460,925	1,460,925
<b>As at April 30, 2024</b>			
Segment total assets	1,038	1,213,533	1,214,571
Segment non-current assets	-	969,018	969,018
Segment liabilities	-	712,539	712,539