

**Charge Enterprises, Inc.
(Formerly TransWorld Holdings, Inc.
And GoIP Global, Inc.)
and Subsidiary**

CONSOLIDATED FINANCIAL STATEMENTS

For the Nine Months Ended

September 30, 2020

**CHARGE ENTERPRISES, INC. (FORMERLY TRANSWORLD HOLDINGS, INC. AND GOIP GLOBAL, INC.)
AND SUBSIDIARY**

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020

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Consolidated Financial Statements

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To Management
Charge Enterprises, Inc.
New York, NY

We have reviewed the accompanying financial statements of Charge Enterprises, Inc. and subsidiaries, which comprise the consolidated balance sheets as of September 30, 2020 and December 31, 2019, and the related consolidated statements of operations and changes in stockholders' deficiency for the nine and three months ended September 30, 2020 and 2019, and the consolidated statement of cash flows for the nine months ended September 30, 2020 and 2019, and the related notes to the consolidated financial statements (the "financial statements"). A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Substantial Doubt about the Company's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 4 to the financial statements, the Company had significant accumulated net losses and negative working capital. Management's evaluation of the events and conditions and management's plans regarding the matter also are described in Note 4. The realization of a major portion of its assets is dependent upon the success of its future operations. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

|s| Seligson & Giannattasio, LLP
White Plains, New York
February 9, 2021

**CHARGE ENTERPRISES, INC. (FORMERLY TRANSWORLD HDLINGS, INC.
AND GOIP GLOBAL, INC.) AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS**

	September 30, 2020 Unaudited	December 31, 2019
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,415,102	\$ 31
Deposits and prepaids	143,875	-
Notes receivable and accrued interest	755,061	-
Total current assets	<u>3,314,038</u>	<u>31</u>
Goodwill	3,057,907	-
Total assets	<u>\$ 6,371,945</u>	<u>\$ 31</u>
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Accounts payable	\$ 331,592	\$ 33,952
Accrued liabilities	75,397	-
Accrued liabilities, related party	1,946	-
Convertible notes payable, net of discount	3,673,529	-
Related party payable	75,000	302,031
Derivative liabilities	2,530	-
Total current liabilities	<u>4,159,994</u>	<u>335,983</u>
Convertible notes payable, related party, net of discount	243,303	-
Total liabilities	<u>4,403,297</u>	<u>335,983</u>
Commitments and contingencies		
Stockholder's equity (deficit)		
Preferred stock, \$0.001 par value, 10,000,000 shares authorized;		
Series A: 100,000 authorized; 0 shares issued and outstanding	-	-
Series B: 1,000,000 shares authorized; 0 and 200,000 shares issued and outstanding at September 30, 2020 and December 31, 2019, respectively	-	200
Series C: 5,000,000 authorized; 0 and 2,000,000 shares issued and outstanding at September 30, 2020 and December 31, 2019, respectively	-	2,000
Series D: 1,000,000 authorized; 1,000,000 and 0 shares issued and outstanding at September 30, 2020 and December 31, 2019, respectively	1,000	-
Series E: 1,000,000 authorized; 543,251 and 418,251 shares issued and outstanding at September 30, 2020 and December 31, 2019, respectively	543	418
Series F: 1,000,000 authorized; 1,000,000 and 0 shares issued and outstanding at September 30, 2020 and December 31, 2019, respectively	1,000	-
Series G: 100,000 authorized; 8 and 0 shares issued and outstanding at September 30, 2020 and December 31, 2019, respectively	-	-
Common stock, \$0.001 par value; 6,800,000,000 shares authorized 12,741,278 issued and outstanding at September 30, 2020 and December 31, 2019	12,741	9,516
Additional paid in capital	20,463,845	17,150,994
Common stock to be issued	-	3,225
Accumulated deficit	(18,510,481)	(17,502,305)
Total stockholders' equity (deficit)	<u>1,968,648</u>	<u>(335,952)</u>
Total liabilities and stockholders' equity (deficit)	<u>\$ 6,371,945</u>	<u>\$ 31</u>

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

**CHARGE ENTERPRISES, INC. (FORMERLY TRANSWORLD HODLINGS, INC.
AND GOIP GLOBAL, INC.) AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)**

	For the three months ended September 30,		For the nine months ended September 30,	
	2020	2019	2020	2019
Revenues	\$ -	\$ -	\$ -	\$ -
Operating expenses				
Professional fees	400,286	33,925	592,146	146,469
General and administrative	34,266	3,114	39,990	30,442
Total operating expenses	434,552	37,039	632,136	176,911
Net operating loss	(434,552)	(37,039)	(632,136)	(176,911)
Other income (expenses):				
Interest expense	(73,836)	(14,146)	(118,831)	(22,422)
Interest expense, related party	(15,086)	-	(15,086)	-
Interest income	16,333	-	20,061	-
Amortization of debt discount	(118,271)	-	(157,028)	(52,450)
Amortization of debt discount, related party	(4,385)	-	(4,385)	-
Amortization of debt issue costs	(7,562)	-	(11,999)	-
Change in fair value of derivative liabilities	291	(370,935)	(537)	(294,690)
Loss on modification of debt	-	-	(98,825)	-
Gain on settlement of accounts payable	-	-	10,590	-
Total other expenses	(202,516)	(385,081)	(376,040)	(369,562)
Net income (loss)	\$ (637,068)	\$ (422,120)	\$ (1,008,176)	\$ (546,473)
Basic and diluted loss per share	\$ (0.05)	\$ (0.05)	\$ (0.08)	\$ (0.06)
Weighted average number of shares outstanding, basic and diluted	12,491,278	8,695,413	12,491,278	9,169,808

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

CHARGE ENTERPRISES, INC. (FORMERLY TRANSWORLD HODLINGS, INC. AND GOIP GLOBAL, INC.) AND SUBSIDIARY
STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020
(UNAUDITED)

	<u>Preferred Stock</u>		<u>Common Stock</u>			<u>Additional Paid-In</u>	<u>Accumulated</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>	<u>To Be Issued</u>	<u>Capital</u>	<u>Deficit</u>	
Balance, January 1, 2020	2,618,251	\$ 2,618	12,741,278	\$ 9,516	\$ 3,225	\$ 17,150,994	\$ (17,502,305)	\$ (335,952)
Sale of common stock	-	-	-	3,225	(3,225)	-	-	-
Sale of Series E Preferred Stock	125,000	125	-	-	-	12,375	-	12,500
Series D Preferred stock issued in merger with Transworld Enterprises, Inc.	1,000,000	1,000	-	-	-	1,527,159	-	1,528,159
Series F Preferred stock issued in merger with Transworld Enterprises, Inc.	1,000,000	1,000	-	-	-	1,528,953	-	1,529,953
Series G Preferred stock issued in connection with Convertible Notes	8	-	-	-	-	143,339	-	143,339
Series B Preferred stock cancelled	(200,000)	(200)	-	-	-	200	-	-
Series C Preferred stock cancelled	(2,000,000)	(2,000)	-	-	-	2,000	-	-
Loss on modification of debt	-	-	-	-	-	98,825	-	98,825
Net loss	-	-	-	-	-	-	(1,008,176)	(1,008,176)
Balance, September 30, 2020	<u>2,543,259</u>	<u>\$ 2,543</u>	<u>12,741,278</u>	<u>\$ 12,741</u>	<u>\$ -</u>	<u>\$ 20,463,845</u>	<u>\$ (18,510,481)</u>	<u>\$ 1,968,648</u>

	Preferred Stock	
	Shares	Amount
Series D Preferred Stock	1,000,000	\$ 1,000
Series E Preferred Stock	543,251	543
Series F Preferred Stock	1,000,000	1,000
Series G Preferred Stock	8	-
Balance, September 30, 2020	2,543,259	\$ 2,543

The accompanying notes are an integral part of these unaudited consolidated financial statements

CHARGE ENTERPRISES, INC. (FORMERLY TRANSWORLD HODLINGS, INC. AND GOIP GLOBAL, INC.) AND SUBSIDIARY
STATEMENTS OF STOCKHOLDERS' DEFICIT
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2019
(UNAUDITED)

	<u>Preferred Stock</u>		<u>Common Stock</u>			<u>To Be Issued</u>	<u>Additional Paid-In Capital</u>	<u>Accumulated Deficit</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>					
Balance, January 1, 2019	2,300,000	\$ 2,300	8,286,329	\$ 8,286	\$ 20	\$ 12,110,640	\$ (17,209,889)	\$ (5,088,643)	
Sale of common stock	-	-	880,000	880	(20)	(350,000)	-	(349,140)	
Net loss	-	-	-	-	-	-	(546,473)	(546,473)	
Balance, September 30, 2019	<u>2,300,000</u>	<u>\$ 2,300</u>	<u>9,166,329</u>	<u>\$ 9,166</u>	<u>\$ -</u>	<u>\$ 11,760,640</u>	<u>\$ (17,756,362)</u>	<u>\$ (5,984,256)</u>	

*Detail of Preferred Stock as of September 30, 2019

	<u>Preferred Stock</u>	
	<u>Shares</u>	<u>Amount</u>
Series B Preferred Stock	200,000	\$ 200
Series A Preferred Stock	100,000	100
Series C Preferred Stock	2,000,000	2,000
Series D Preferred Stock	-	-
Series E Preferred Stock	-	-
Series F Preferred Stock	-	-
Series G Preferred Stock	-	-
Balance, September 30, 2019	<u>2,300,000</u>	<u>\$ 2,300</u>

The accompanying notes are an integral part of these unaudited consolidated financial statements

**CHARGE ENTERPRISES, INC. (FORMERLY TRANSWORLD HODLINGS, INC.
AND GOIP GLOBAL, INC.) AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)**

	For the nine months ended September 30,	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (1,008,176)	\$ (546,473)
Adjustments to reconcile net loss to net cash used in operating activities:		
Change in fair value of derivative liabilities	537	294,690
Amortization of debt discount	157,028	52,450
Amortization of debt discount, related party	4,385	-
Amortization of debt issue costs	11,999	-
Loss on modification of debt	98,825	-
Gain on settlement on accounts payable	(10,590)	-
Changes in working capital requirements:		
Deposits	(142,500)	-
Prepaid expenses	(1,375)	-
Accounts payable	308,230	(1,075)
Accrued interest	75,397	(8,465)
Accrued interest, related party	1,946	-
Interest receivable	(20,061)	-
Related party advances	(28,074)	(17,496)
Net cash used in operating activities	<u>(552,429)</u>	<u>(226,369)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash issuance for notes receivable	(735,000)	-
Net cash (used in) provided by investing activities	<u>(735,000)</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from sale of common stock	-	89,990
Cash receipts from sale of Series E Preferred Stock	12,500	-
Cash receipts from issuance of notes payable	-	27,500
Cash receipts from issuance of convertible notes payable	3,195,000	108,500
Cash receipts from issuance of convertible notes payable, related party	495,000	-
Net cash provided by financing activities	<u>3,702,500</u>	<u>225,990</u>
NET INCREASE IN CASH	2,415,071	(379)
CASH, BEGINNING OF PERIOD	31	379
CASH, END OF PERIOD	<u>\$ 2,415,102</u>	<u>\$ -</u>
Supplemental disclosure of cash flow information		
Cash paid for interest expense	<u>\$ 49,183</u>	<u>\$ -</u>
Cash paid for income taxes	<u>\$ -</u>	<u>\$ -</u>
Non-cash operating and financing activities:		
Goodwill acquired in a business combination through the issuance of stock	<u>\$ 3,057,907</u>	<u>\$ -</u>
Debt discount associated with convertible notes	<u>\$ 499,669</u>	<u>\$ -</u>
Series G Preferred Stock issued in connection with convertible notes financing	<u>\$ 143,339</u>	<u>\$ -</u>

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

**CHARGE ENTERPRISES, INC. (FORMERLY TRANSWORLD HDOLINGS, INC.
AND GOIP GLOBAL, INC.) AND SUBSIDIARY
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**

1. Nature of operations

Charge Enterprises, Inc. (“Charge Enterprises” (formerly known as “Transworld Holdings, Inc.” “GoIP Global, Inc.”, “GoIP”) was incorporated on May 8, 2003 as E Education Network, Inc. (“EEN”) under the laws of the State of Nevada. On August 10, 2005, the Company’s name was changed to GoIP Global, Inc. On December 28, 2017, the Company was redomiciled in Colorado. On October 1, 2020, the Company was redomiciled to Delaware and the name was changed to TransWorld Holdings, Inc.

On April 30, 2020, the Company entered into a Share Exchange Agreement with TransWorld Enterprises Inc. (“TW”), a Delaware Corporation. As part of the exchange the Company has agreed to issue 1,000,000 share of Series D Preferred Stock and 1,000,000 shares of Series F Preferred Stock in exchange for all the equity interest of TW. TW, as a holding company, will focus on acquiring controlling interests in profitable basic businesses. Initially, TW will focus on acquiring transportation companies and simple manufacturing and or consumer products businesses.

On July 13, 2020, the Board of Directors of the Company approved, subject to shareholder approval, (i) a Plan of Conversion, pursuant to which the Company will convert from a corporation incorporated under the laws of the State of Colorado to a corporation incorporated under the laws of the State of Delaware (the “Reincorporation”), and such approval includes the adoption of the Certificate of Incorporation (the “Delaware Certificate”) and the Bylaws (the “Delaware Bylaws”) for the Company under the laws of the State of Delaware, and a change in the name of the Company from “GoIP Global, Inc.” to “Transworld Holdings, Inc.”, each to become effective concurrently with the effectiveness of the Reincorporation and (ii) a reverse stock split of our outstanding common stock in a ratio of one-for-five hundred (1:500), provided that all fractional shares as a result of the split shall be automatically rounded up to the next whole share (the “Reverse Split”), to become effective immediately prior to the effectiveness of the Reincorporation. On August 7, 2020, shareholder approval for these actions was obtained. The Reincorporation was effective October 1, 2020 and the reverse split was effective on October 6, 2020.

On January 26, 2021, following its acquisitions of PTGI and GetCharged, we changed our name from Transworld Holdings, Inc. to Charge Enterprises, Inc.

2. Summary of significant accounting policies

Basis of Presentation

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”).

Principles of Consolidation

The consolidated unaudited financial statements include the accounts of Transworld Holdings, Inc. (formerly known as GoIP Global, Inc.) and its wholly owned subsidiary TransWorld Enterprises, Inc., collectively referred to as the Company. All material intercompany accounts, transactions and profits were eliminated in consolidation. These consolidated financial statements should be read in conjunction with the company’s latest annual financial statements.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The most significant assumptions and estimates relate to the valuation of equity issued for services, valuation of equity associated with convertible debt, the valuation of derivative liabilities, and the valuation of deferred tax assets. Actual results could differ from these estimates.

Revenue Recognition

The Company recognizes revenue in accordance with Accounting Standards Update (“ASU”) 2014-09, “*Revenue from contracts with customers*,” (Topic 606). Revenue is recognized when a customer obtains control of promised goods or services. In addition, the standard requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The amount of revenue that is recorded reflects the consideration that the Company expects to receive in exchange for those goods. The Company applies the following five-step model in order to determine this amount: (i) identification of the promised goods in the contract; (ii) determination of whether the promised goods are performance obligations, including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the transaction price to the performance obligations; and (v) recognition of revenue when (or as) the Company satisfies each performance obligation. The Company’s main revenue stream is from services. The Company recognizes as revenues the amount of the transaction price that is allocated to the respective performance obligation when the performance obligation is satisfied or as it is satisfied. Generally, the Company's performance obligations are transferred to customers at a point in time, typically upon delivery.

Fair Value Measurements and Fair Value of Financial Instruments

Accounting Standard Codification (“ASC”) Topic 820, *Fair Value Measurements*, clarifies the definition of fair value, prescribes methods for measuring fair value, and establishes a fair value hierarchy to classify the inputs used in measuring fair value as follows:

Level 1: Inputs are unadjusted quoted prices in active markets for identical assets or liabilities available at the measurement date.

Level 2: Inputs are unadjusted quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, inputs other than quoted prices that are observable, and inputs derived from or corroborated by observable market data.

Level 3: Inputs are unobservable inputs which reflect the reporting entity's own assumptions on what assumptions the market participants would use in pricing the asset or liability based on the best available information.

The estimated fair value of certain financial instruments, including all current liabilities are carried at historical cost basis, which approximates their fair values because of the short-term nature of these instruments.

Fair Value of Financial Instruments

ASC subtopic 825-10, *Financial Instruments* ("ASC 825-10") requires disclosure of the fair value of certain financial instruments. The carrying value of cash and cash equivalents, accounts payable and accrued liabilities as reflected in the balance sheets, approximate fair value because of the short-term maturity of these instruments. All other significant financial assets, financial liabilities and equity instruments of the Company are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk. Where practicable the fair values of financial assets and financial liabilities have been determined and disclosed; otherwise only available information pertinent to fair value has been disclosed.

The Company follows ASC subtopic 820-10, *Fair Value Measurements and Disclosures* ("ASC 820-10") and ASC 825-10, which permits entities to choose to measure many financial instruments and certain other items at fair value.

Derivative Liability

The Company evaluates convertible instruments, options, warrants or other contracts to determine if those contracts or embedded components of those contracts qualify as derivatives to be separately accounted for under ASC Topic 815, "*Derivatives and Hedging*". The result of this accounting treatment is that the fair value of the derivative is marked-to-market each balance sheet date and recorded as a liability. In the event that the fair value is recorded as a liability, the change in fair value is recorded in the statement of operations as other income (expense). Upon conversion or exercise of a derivative instrument, the instrument is marked to fair value at the conversion date and then that fair value is reclassified to equity. Equity instruments that are initially classified as equity that become subject to reclassification under ASC Topic 815 are reclassified to liabilities at the fair value of the instrument on the reclassification date.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Stock Based Compensation

The Company records stock-based compensation in accordance with the provisions of FASB ASC Topic 718, "Accounting for Stock Compensation," which establishes accounting standards for transactions in which an entity exchanges its equity instruments for goods or services. In accordance with guidance provided under ASC Topic 718, the Company recognizes an expense for the fair value of its stock awards at the time of grant and the fair value of its outstanding stock options as they vest, whether held by employees or others. As of September 30, 2020 and December 31, 2019, there were no options outstanding.

Convertible Debentures

If the conversion features of conventional convertible debt provide for a rate of conversion that is below market value at issuance, this feature is characterized as a beneficial conversion feature ("BCF"). A BCF is recorded by the Company as a debt discount pursuant to ASC Topic 470-20 "Debt with Conversion and Other Options". In those circumstances, the convertible debt is recorded net of the discount related to the BCF, and the Company amortizes the discount to interest expense, over the life of the debt. The Company does not have any BCFs.

Advertising, Marketing and Public Relations

The Company follows the policy of charging the costs of advertising, marketing, and public relations to expense as incurred. There were no advertising expenses for the nine months ended September 30, 2020 and 2019, respectively.

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss, capital loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The Company records interest and penalties related to unrecognized tax benefits as a component of general and administrative expenses. Our federal tax return and any state tax returns are not currently under examination.

The Company has adopted FASB ASC 740-10, *Accounting for Income Taxes*, which requires an asset and liability approach to financial accounting and reporting for income taxes. Deferred income tax assets and liabilities are computed annually from differences between the financial statement and tax basis of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

Net Income (Loss) Per Common Share

The Company computes loss per common share, in accordance with FASB ASC Topic 260, *Earnings Per Share*, which requires dual presentation of basic and diluted earnings per share. Basic income or loss per common share is computed by dividing net income or loss by the weighted average number of common shares outstanding during the period. Diluted income or loss per common share is computed by dividing net income or loss by the weighted average number of common shares outstanding, plus the issuance of common shares, if dilutive, that could result from the exercise of outstanding stock options and warrants. No potential dilutive common shares are included in the computation of any diluted per share amount when a loss is reported. Accordingly, we did not include 99,205,163 and 1,915,590 of potentially dilutive warrants, convertible notes and convertible preferred stock at September 30, 2020 and 2019 respectively.

	For The Nine Months Ended	
	September 30,	
	2020	2019
Potentially dilutive warrants	9,844,402	0
Potentially dilutive convertible notes	17,360,063	1,915,590
Potentially dilutive convertible preferred stock	72,000,698	0
	99,205,163	1,915,590

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which will require lessees to recognize almost all leases on their balance sheet as a right-of-use asset and a lease liability. For income statement purposes, the FASB retained a dual model, requiring leases to be classified as either operating or finance. Classification will be based on criteria that are largely similar to those applied in current lease accounting, but without explicit bright lines. Lessor accounting is similar to the current model, but updated to align with certain changes to the lessee model and the new revenue recognition standard. This ASU is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. The Company has adopted this guidance effective January 1, 2019. The Company currently has no leases.

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the consolidated financial statements unless otherwise disclosed, and the Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

3. Concentration of credit risks

The Company maintains accounts with financial institutions. All cash in checking accounts is non-interest bearing and is fully insured by the Federal Deposit Insurance Corporation (FDIC). At times, cash balances may exceed the maximum coverage provided by the FDIC on insured depositor accounts. The Company believes it mitigates its risk by depositing its cash and cash equivalents with major financial institutions. At September 30, 2020, the Company had \$2,090,102 in excess of FDIC insurance.

4. Going Concern

The Company's consolidated financial statements are prepared using the GAAP applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. At September 30, 2020 and December 31, 2019, the Company had \$2,415,102 and \$31 in cash and \$845,956 and \$335,952 in negative working capital, respectively. For the nine months ended September 30, 2020 and 2019, the Company had a net loss of \$1,008,176 and \$546,473, respectively. Continued losses may adversely affect the liquidity of the Company in the future.

In view of the matters described in the preceding paragraph, recoverability of a major portion of the recorded asset amounts shown in the accompanying consolidated balance sheets is dependent upon continued operations of the Company, which in turn is dependent upon the Company's ability to raise additional capital, obtain financing and to succeed in its future operations. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

The Company has operating costs and expenses at the present time for development of its business activities. The Company, however, will be required to raise additional capital over the next twelve months to meet its current administrative expenses, and it may do so in connection with or in anticipation of possible acquisition transactions. This financing may take the form of additional sales of its equity securities loans from its directors and or convertible notes. There is no assurance that additional financing will be available, if required, or on terms favorable to the Company.

5. Asset purchase

TransWorld Enterprises, Inc.

Effective April 30, 2020, the Company entered into an agreement to acquire 100% of the outstanding equity interests of TransWorld, pursuant to that certain Share Exchange Agreement (referred to as the "Exchange Agreement"), by and among the Company, TransWorld and the shareholders of TransWorld. The transactions contemplated by the Exchange Agreement closed on May 8, 2020. In accordance with the Exchange Agreement, the Company acquired all of the outstanding shares of TransWorld in exchange for 1,000,000 shares of each of the Company's series D and series F preferred stock. The series D preferred stock is convertible into 12.5% of the Company's issued and outstanding shares of common stock upon consummation of a reverse stock split and votes on an as converted basis. The series F preferred stock is convertible into 12.5% of the Company's issued and outstanding shares of common stock at any time at the option of the holder and votes on an as converted basis.

TransWorld did not meet the definition of a business under ASC 805, *Business Combinations*. As such the transaction was treated as an asset purchase. According to ASC 805-50-30-2 if the consideration given is not in the form of cash, measurement is based on either the cost which shall be measured based on the fair value of the consideration given or the fair value of the asset (or net assets) acquired, whichever is more clearly evident and, thus, more reliably measurable. In this case, TransWorld did not have any assets. As such the value of the consideration was valued at \$3,057,907, which was the value of the Series D and Series F Preferred stock. The entire value was recorded as goodwill.

Romolos Corp.

On August 10, 2020, the Company entered into an Asset Purchase Agreement with Romolos Corp. The agreement provides for the purchase of the rights and assets related to the operation of a FedEx Route for a purchase price of \$900,000. The route is currently serving no less than an average of 3,000 weekly stops based upon annual 2020 deliveries made to date. The purchase will be all cash. The acquisition is subject to approval by FedEx, an overlap of an additional acquisition, which is expected to sign in the near term, and customary due diligence. During the nine months ended September 30, 2020, the Company paid a \$90,000 deposit towards the purchase.

APS Transportation Inc.

On August 27, 2020, the Company entered into an Asset Purchase Agreement with APS Transportation, Inc. The agreement provides for the purchase of the rights and assets related to the operation of a FedEx Route for a purchase price of \$525,000. The route is currently serving no less than an average of 3,000 weekly stops based upon annual 2020 deliveries made to date. The purchase will be all cash. The acquisition is subject to approval by FedEx, an overlap of an additional acquisition, which is expected to sign in the near term, and customary due diligence. During the nine months ended September 30, 2020, the Company paid a \$52,500 deposit towards the purchase.

GetCharged, Inc.

On August 27, 2020, the Company entered into a stock purchase agreement with GetCharged, Inc. (“GetCharged”). In connection with the agreement, the Company will purchase the outstanding shares of GetCharged in exchange for \$17,500,000 in consideration. The consideration will be paid in common stock. The Closing on the acquisition is scheduled for October 12, 2020. In connection with the closing, the Company will owe a success fee of 3%, or \$525,000, to TransWorld’s CEO.

6. Note receivable

On June 9, 2020, the Company issued \$405,000 for a promissory note to Root Protocols Corp. The note has an interest rate of 16% and a maturity date of 120 days. As of the maturity date and as of September 30, 2020, this note remained unpaid and is still outstanding. During the nine months ended September 30, 2020, the Company recorded \$20,016 in interest receivable.

In connection with the GetCharged acquisition, the Company gave \$330,000 as a loan with no interest. After the date of the closing, this loan will be an intercompany loan.

7. Related party payables

As of December 31, 2019, the balance in related party payables amounted to \$302,031. The Company had an oral agreement with the Company’s former CEO (Isaac H. Sutton), who provided management services through a private entity that he owns. On April 30, 2020 Isaac H. Sutton stepped down as CEO of the Company and is no longer a related party. The related party payable was converted to a convertible note payable in the amount of \$300,000. The balance of that convertible note payable as of September 30, 2020 was \$228,751. See Note 8.

On September 30, 2020, KORR Value LP, an entity controlled by Kenneth Orr, the Company’s Executive Chairman advanced the Company \$75,000. There is no advance due on this advance and it is payable on demand.

8. Convertible notes payable

The carrying value of convertible notes payable, net of discount, as of September 30, 2020 was \$3,673,529 as summarized below:

	September 30,
Convertible Notes Payable	2020
Convertible notes payable issued April 30, 2020 (8% interest)	\$ 228,751
Convertible notes payable issued May 8, 2020 (8% interest)	3,000,000
Convertible notes payable issued August 25, 2020 (8% interest)	386,667
Convertible notes payable issued August 27, 2020 (8% interest)	288,889
Convertible notes payable issued September 2, 2020 (8% interest)	110,000
Convertible notes payable issued September 14, 2020 (8% interest)	49,777
Total face value	4,064,084
Less: unamortized discount	(390,555)
Carrying value	\$ 3,673,529

Sutton Global Note

On April 30, 2020, the former CEO converted his payable into a convertible note with a face value of \$300,000. The note has a coupon rate of 6% and a maturity date of December 31, 2021. The note is convertible at a rate of \$.0005 per share. Since the note added a conversion option, it resulted in a debt modification requiring the Company to record a loss on modification of debt in the amount of \$98,825. The Company recorded interest expense related to this note in the amount of \$4,751 for the nine months ended September 30, 2020. As of September 30, 2020 the balance of the note was \$228,751 and is recorded on the balance sheet as a non-current liability.

May 2020 Financing

On May 8, 2020, the Company entered into a securities purchase agreement with certain institutional investors (collectively, the “May 2020 Investors”) pursuant to which the Company issued convertible notes in an aggregate principal amount of \$3 million for an aggregate purchase price of \$2.7 million (collectively, the “Notes”). In connection with the issuance of the Notes, the Company issued to the May 2020 Investors warrants to purchase an aggregate of 7,600,000 shares of Common Stock (collectively, the “Warrants”) and 7.5 shares of series G convertible preferred stock (the “Series G Preferred Stock”). The Notes each have a term of twelve months and mature on May 8, 2021, unless earlier converted. The Notes accrue interest at a rate of 8% per annum, subject to increase to 20% per annum upon and during the occurrence of an event of default. Interest is payable in cash on a quarterly basis beginning on September 30, 2020. The May 2020 Notes are convertible at any time, at the holder’s option, into shares of our common stock at an initial conversion price of \$0.25 per share, subject to certain beneficial ownership limitations (with a maximum ownership limit of 9.99%) and subject to a decrease in the conversion price to the greater of (i) \$0.01 or (ii) 75% of the average VWAP of the Common Stock for the immediately preceding five (5) Trading Days on the date of conversion. The conversion price is also subject to adjustment due to certain events, including stock dividends, stock splits and in connection with the issuance by the Company of common stock or common stock equivalents at an effective price per share lower than the conversion price then in effect. The Notes may be redeemed by the Company, in its sole discretion, in an amount equal to 110% of the principal amount, interest and any other amounts owed under the Notes, subject to certain limitations.

Each Warrant is exercisable for a period of two years from the date of issuance at an initial exercise price of \$0.50 per share, subject to certain beneficial ownership limitations (with a maximum ownership limit of 9.99%). The exercise price is also subject to adjustment due to certain events, including stock dividends, stock splits and in connection with the issuance by the Company of common stock or common stock equivalents at an effective price per share lower than the exercise price then in effect. The May 2020 Investors may exercise the Warrants on a cashless basis if the shares of common stock underlying the Warrants are not then registered pursuant to an effective registration statement. In the event the May 2020 Investors exercise the Warrants on a cashless basis, then we will not receive any proceeds.

The Series G Preferred Stock have no voting rights and shall convert into 7.5% of our issued and outstanding shares of common stock upon consummation of a reverse stock split of our Common Stock.

The Notes rank senior to all current and future indebtedness of the Company and are secured by substantially all of the assets of the Company.

A Registration Rights Agreement was executed in connection with the issuance of the Notes, the Warrants and the Preferred Stock. If we fail to have it declared effective by the SEC within 150 days following the date of the financing, or if the Company fails to maintain the effectiveness of the registration statement until all of such shares of common stock have been sold or are otherwise able to be sold pursuant to Rule 144 under the Securities Act of 1933, as amended, without any volume or manner of sale restrictions, then the Company will be obligated to pay to the May 2020 Investors liquidated damages equal to then, in addition to any other rights the May 2020 Investors may under applicable law, upon the occurrence of any such event and on each monthly anniversary of thereafter until the event is cured, the Company shall pay to the May 2020 Investors an amount in cash equal to their pro rata portion of \$50,000, provided such amount shall increase by \$25,000 on every thirty (30) day anniversary, until such events are satisfied.

Based on the previous conclusions, the Company allocated the face value as follows:

	Allocation
Compound embedded derivative	\$ 66
Derivative warrants	975
Series G convertible preferred stock	143,339
Original issue discount	300,000
Convertible promissory note	2,555,620
	<u>\$ 3,000,000</u>

Notes issued between August 25, 2020 and September 14, 2020

Between August 25, 2020 and September 14, 2020, the Company issued convertible notes in an aggregate principal amount of \$546,444 for an aggregate purchase price of \$495,000. In connection with the issuance of the Notes, the Company issued warrants to purchase an aggregate of 1,092,887 shares of Common Stock.

The Company has accounted for these Notes as a financing transaction, wherein the net proceeds that were received were allocated to the financial instrument issued. Prior to making the accounting allocation, the Company evaluated the notes under ASC 815 *Derivatives and Hedging* (“ASC 815”). ASC 815 generally requires the analysis of embedded terms and features that have characteristics of derivatives to be evaluated for bifurcation and separate accounting in instances where their economic risks and characteristics are not clearly and closely related to the risks of the host contract. The material embedded derivative features consisted of the embedded conversion option and a buy-in put. The conversion option bears risks of equity which were not clearly and closely related to the host debt agreement and required bifurcation. Current accounting principles that are also provided in ASC 815 do not permit an issuer to account separately for individual derivative terms and features that require bifurcation and liability classification. Rather, such terms and features must be and were bundled together and fair valued as a single, compound embedded derivative.

Based on the previous conclusions, the Company allocated the face value as follows:

	Allocation
Compound embedded derivative	\$ 279
Derivative warrants	384
Original issue discount	51,444
Convertible promissory note	494,337
	<u>\$ 546,444</u>

Amortization of debt discount and accrued interest

For the nine months ended September 30, 2020, the Company recorded \$118,271 in amortization of debt discount. The amount of unamortized discount as of September 30, 2020 was \$390,555. As of September 30, 2020, the Company recorded \$71,002 in accrued interest related to the notes, which is included within accounts payable and accrued interest on the consolidated balance sheets. In connection with the financing, the Company paid \$30,000 in debt issue costs. These costs were recorded as a contra-liability and will be amortized over the life of the loan. For the nine months ended September 30, 2020 the Company recorded \$11,999 in amortization of debt issue costs. On July 23, 2020, the Company paid \$36,000 in interest on certain notes.

9. Convertible notes payable, related parties

The carrying value of convertible notes payable related party, net of discount, as of September 30, 2020 was \$243,303 as summarized below:

	September 30, 2020
Convertible Notes Payable	
Convertible notes payable issued April 30, 2020 (8% interest)	\$ 261,111
Total face value	261,111
Less: unamortized discount	(17,808)
Carrying value	<u>\$ 243,303</u>

KORR Value Financing

In May and June 2020, the Company entered into a securities purchase agreement with KORR Value LP, an entity controlled by Kenneth Orr, the Company's Executive Chairman, pursuant to which the Company issued convertible notes in an aggregate principal amount of \$550,000 for an aggregate purchase price of \$495,000 (collectively, the "KORR Notes"). In connection with the issuance of the KORR Notes, the Company issued to KORR Value warrants to purchase an aggregate of 1,266,667 shares of Common Stock (collectively, the "KORR Warrants"). The KORR Notes and KORR Warrants are on substantially the same terms as the Notes and Warrants issued to the Selling Shareholders except that the KORR Notes are subordinated to the Notes.

The Company has accounted for this Note as a financing transaction, wherein the net proceeds that were received were allocated to the financial instrument issued. Prior to making the accounting allocation, the Company evaluated the notes under ASC 815 *Derivatives and Hedging* ("ASC 815"). ASC 815 generally requires the analysis of embedded terms and features that have characteristics of derivatives to be evaluated for bifurcation and separate accounting in instances where their economic risks and characteristics are not clearly and closely related to the risks of the host contract. The material embedded derivative features consisted of the embedded conversion option and a buy-in put. The conversion option bears risks of equity which were not clearly and closely related to the host debt agreement and required bifurcation. Current accounting principles that are also provided in ASC 815 do not permit an issuer to account separately for individual derivative terms and features that require bifurcation and liability classification. Rather, such terms and features must be and were bundled together and fair valued as a single, compound embedded derivative.

Based on the previous conclusions, the Company allocated the face value as follows:

	Allocation
Compound embedded derivative	\$ 17
Derivative warrants	272
Original issue discount	55,000
Convertible promissory note	494,711
	\$ 550,000

On August 27, 2020, the Company repaid \$13,183 in interest to the holder.

On August 27, 2020, the holder reassigned \$288,889 in principal to an unrelated party. The assigned amount has been recategorized to Convertible notes payable.

For the nine months ended September 30, 2020, the Company recorded \$4,385 in amortization of debt discount. The amount of unamortized discount as of September 30, 2020 was \$17,808. As of September 30, 2020, the Company recorded \$15,086 in accrued interest related to the note.

10. Derivative financial instruments

The following tables summarizes the effects on the Company's gain (loss) associated with changes in the fair values of the derivative financial instruments by type of financing for the nine months ended September 30, 2020 and 2019:

The financings giving rise to derivative financial instruments and the income effects:

	Nine Months Ended	
	September 30, 2020	September 30, 2019
Compound embedded derivative	\$ 44	\$ 294,690
Derivative warrants	(581)	-
Total gain (loss)	\$ (537)	\$ 294,690

The Company's Convertible Notes issued between January 16, 2018 and September 14, 2020 gave rise to derivative financial instruments. The Notes embodied certain terms and conditions that were not clearly and closely related to the host debt agreement in terms of economic risks and characteristics. These terms and features consist of the embedded conversion option.

Current accounting principles that are provided in ASC 815 - *Derivatives and Hedging* require derivative financial instruments to be classified in liabilities and carried at fair value with changes recorded in income. In addition, the standards do not permit an issuer to account separately for individual derivative terms and features embedded in hybrid financial instruments that require bifurcation and liability classification as derivative financial instruments. Rather, such terms and features must be bundled together and fair valued as a single, compound embedded derivative. The Company has selected the Monte Carlo Simulations valuation technique to fair value the compound embedded derivative because it believes that this technique is reflective of all significant assumption types, and ranges of assumption inputs, that market participants would likely consider in transactions involving compound embedded derivatives. Such assumptions include, among other inputs, interest risk assumptions, credit risk assumptions and redemption behaviors in addition to traditional inputs for option models such as market trading volatility and risk-free rates. The Monte Carlo Simulations technique is a level three valuation technique because it requires the development of significant internal assumptions in addition to observable market indicators.

Significant inputs and results arising from the Monte Carlo Simulations process are as follows for the compound embedded derivative that has been bifurcated from the Convertible Notes and classified in liabilities:

	Inception	September 30, 2020
Quoted market price on valuation date	\$0.00035 - \$0.00080	\$0.00070
Contractual conversion rate	\$0.25	\$0.25
Range of effective contractual conversion rates	--	--
Contractual term to maturity	1.00 Year	0.85 – 0.93 Years
Market volatility:		
Volatility	81.08% - 265.47%	76.48% - 292.12%
Contractual interest rate	8.0%	8.0%

The following table reflects the issuances of compound embedded derivatives and changes in fair value inputs and assumptions related to the compound embedded derivatives during the nine months ended September 30, 2020.

	September 30, 2020
Balances at January 1	\$ -
Issuances:	
Convertible Note Financing	362
Derivative Warrants	1,631
Changes in fair value inputs and assumptions reflected in income	537
Balances at September 30	\$ 2,530

The fair value of the compound embedded derivative is significantly influenced by the Company's trading market price, the price volatility in trading and the interest components of the Monte Carlo Simulation technique.

11. Equity

Preferred Stock

The Company has 10,000,000 Shares of Preferred Stock authorized with a par value of \$.001. The Company has allocated 100,000 Shares for Series A Preferred, 1,000,000 Shares for Series B Preferred, 5,000,000 Shares for Series C Preferred, 1,000,000 for Series D Preferred, 1,000,000 for Series E Preferred, 1,000,000 for Series F Preferred and 7.5 for Series G Preferred.

Series A—The Series A Preferred has the following designations:

- Convertible at option of holder.
- The holders are entitled to receive dividends.
- 1 Preferred share is convertible to 100 common shares.
- In the event of reorganization this Class of Preferred will not be affected by any such capital reorganization.
- Voting: The holder of this Series of Preferred shall be entitled to elect the majority of the members of the Board of Directors.

Series B—As of September 30, 2020 and December 31, 2019 there were 0 and 200,000 shares issued and outstanding to the Company's officer and CEO. The Series B Preferred has the following designations:

- Convertible at option of holder.
- The holders are entitled to receive dividends.
- 100,000 preferred shares are convertible to 9.9% common shares.
- The Series B holders are entitled to receive liquidation in preference to the common holders or any other class or series of preferred stock.
- Voting: The Series B holders are entitled to vote together with the common holders as a single class.

In 2017, 200,000 shares of Series B Preferred Stock were issued to the Company's CEO in exchange for a conversion of \$200,000 of related party advances. On May 8, 2020, the 200,000 shares were cancelled.

Series C — As of September 30, 2020 and December 31, 2019 there were 0 and 2,000,000 shares issued and outstanding to the Company's officer and CEO. The Series C Preferred has the following designations:

- Convertible at option of holder.
- The holders are entitled to receive dividends.
- 1 Preferred share is convertible to 10 common shares.
- In the event of reorganization this Class of Preferred will not be affected by any such capital reorganization.
- Voting: The holder of this Series of Preferred shall be entitled to vote 1 Preferred Shares for 5,000 votes.

On May 8, 2020, the 2,000,000 shares were cancelled.

Series D — As of September 30, 2020 and December 31, 2019 there were 1,000,000 and 0 shares issued and outstanding. The Series D Preferred has the following designations:

- Convertible into common upon the Company completing a 500 to 1 reverse stock split upon which the amount converted will equal 80% of the issued and outstanding common per the reverse split.
- In the event of reorganization this Class of Preferred will not be affected by any such capital reorganization.
- Voting: The holder of this Series of Preferred shall be entitled to vote and shall in aggregate represent 80% of the votes.

On May 8, 2020, in connection with the Share Exchange (See Note 5), the Company issued 1,000,000 shares of Series D Preferred Stock.

Series E — As of September 30, 2020 and December 31, 2019 there were 543,251 and 418,251 shares issued and outstanding, respectively. On January 15, 2020, the Company sold 125,000 shares of Series E Preferred for \$12,500. On December 31, 2019, the holder of the Series of Preferred converted \$38,100 face value plus \$3,725 in accrued interest into 418,251 shares of Series E preferred stock. The Series E Preferred has the following designations:

- Convertible at option of holder any time after March 30, 2020; 1 preferred share is convertible into 1,000 common shares
- Automatically convertible into common upon the Company completing a 500 to 1 reverse stock split.
- In the event of reorganization this Class of Preferred will not be affected by any such capital reorganization.
- Voting: The holder of this Series of Preferred shall not be entitled to vote.

Series F — As of September 30, 2020 and December 31, 2019 there were 1,000,000 and 0 shares issued and outstanding, respectively. On May 8, 2020, in connection with the Share Exchange (See Footnote 5), the Company issued 1,000,000 shares of Series F Preferred Stock.

The Series F Preferred has the following designations:

- Convertible into 80% of the Company's issued and outstanding shares of common stock upon consummation of a reverse stock split and votes on an as converted basis.
- In the event of reorganization this Class of Preferred will not be affected by any such capital reorganization.
- Voting: The holder of this Series of Preferred are entitled to whole number of votes equal to the number of shares of common stock.

Series G — As of September 30, 2020 and December 31, 2019 there were 8 and 0 shares issued and outstanding, respectively. In connection with the May 8, 2020 financing, the Company issued 8 of Series G Preferred Stock. The Series G Preferred has the following designations:

- Convertible into 1% of the Company's issued and outstanding shares of common stock at any time at the option of the holder and votes on an as converted basis.
- The shares will automatically convert to common shares once the 500 to 1 reverse split is effective.
- In the event of reorganization this Class of Preferred will not be affected by any such capital reorganization.
- Voting: The holder of this Series of Preferred shall not be entitled to vote.

The Company has evaluated each series of the Preferred Stock for proper classification under ASC 480 - *Distinguishing Liabilities from Equity* and ASC 815 - *Derivatives and Hedging*.

ASC 480 generally requires liability classification for financial instruments that are certain to be redeemed, represent obligations to purchase shares of stock or represent obligations to issue a variable number of common shares. The Company concluded that each series of Preferred Stock was not within the scope of ASC 480 because none of the three conditions for liability classification was present.

ASC 815 generally requires an analysis embedded terms and features that have characteristics of derivatives to be evaluated for bifurcation and separate accounting in instances where their economic risks and characteristics are not clearly and closely related to the risks of the host contract. However, in order to perform this analysis, the Company was first required to evaluate the economic risks and characteristics of each series of the Preferred Stock in its entirety as being either akin to equity or akin to debt. The Company's evaluation concluded that each series of Preferred Stock was more akin to an equity-like contract largely due to the fact the financial instrument is not mandatorily redeemable for cash and the holders are not entitled to any dividends. Other features of the Preferred Stock that operate like equity, such as the conversion option and voting feature, afforded more evidence, in the Company's view, that the instrument is more akin to equity. As a result, the embedded conversion features are clearly and closely related to their equity host instruments. Therefore, the embedded conversion features do not require bifurcation and classification as derivative liabilities.

12. Commitments and contingencies

During the normal course of business, the Company may be exposed to litigation. When the Company becomes aware of potential litigation, it evaluates the merits of the case in accordance with FASB ASC 450-20-50, *Contingencies*. The Company evaluates its exposure to the matter, possible legal or settlement strategies and the likelihood of an unfavorable outcome. If the Company determines that an unfavorable outcome is probable and can be reasonably estimated, it establishes the necessary accruals. As of September 30, 2020 and December 31, 2019, the Company is not aware of any contingent liabilities that should be reflected in the consolidated financial statements.

13. Subsequent events

Reverse stock split

The Company effected a 500:1 reverse stock split on October 6, 2020. Share amounts are reflected given effect to the reverse stock split on a retroactive basis.

PTGI stock purchase agreement

On October 2, 2020, the Company entered into an stock purchase agreement with the shareholders of PTGI International Carrier Services Inc. ("PTGI") pursuant to which the Company agreed to acquire 100% of the outstanding voting securities of PTGI in consideration for \$1,000,000 (the "PTGI Acquisition"). The closing of the PTGI Acquisition occurred on October 31, 2020. PTGI is a global wholesale telecommunications provider offering both international and U.S. domestic voice termination.

Get Charged acquisition agreement

The Get Charged acquisition agreement detailed on Note 5 closed on October 12, 2020. On December 21, 2020, the Company issued 55,274,252 shares in connection with the acquisition.

Redomiciliation and name change

On October 1, 2020, the Company filed a Certificate of Amendment with the Colorado Secretary of State reflecting the 500:1 reverse stock split which was previously announced as well as the conversion of the Company from a Colorado corporation to a Delaware corporation. In connection with the corporate conversion, (i) the Company changed its name from "GoIP Global, Inc." to "Transworld Holdings, Inc." (ii) all issued and outstanding preferred stock in the Colorado corporation other than the Series F Preferred Stock was converted into shares of the Company's common stock and (iii) the Company's Series F Preferred Stock became the Series A Preferred Stock of the Delaware corporation. The transactions described above were approved by FINRA on October 2, 2020 and became effective on the OTC Pink trading market at the open of trading on October 6, 2020.

Private Placement

On December 8, 2020, the Company entered into a Private Placement Agreement for the purchase of up to an aggregate \$2,500,000 at \$0.25 per share. In connection with the Private Placement, the Company sold 8,700,00 shares for an aggregate \$2,175,000. The shares were issued on January 15, 2021.

Securities purchase agreement

On November 3, 2020, the Company entered into a securities purchase agreement with funds affiliated with Arena Investors LP (the “November 2020 Investors”) pursuant to which it issued convertible notes in an aggregate principal amount of \$3.8 million for an aggregate purchase price of \$3.5 million (collectively, the “November 2020 Notes” and together with the May 2020 Notes, the “Notes”). The notes have a coupon rate of 8% and a maturity date of November 3, 2023. The notes have a conversion price of \$0.25. In connection with the issuance of the November 2020 Notes, we issued to the November 2020 Investors 903,226 shares of common stock.

Romolus Corp Acquisition

The Romolus Acquisition did not close by the date set forth in the agreement and the Company has decided to no longer pursue this transaction.

APS Transportation Inc.

The APS Acquisition did not close by the date set forth in the agreement and the Company has decided to no longer pursue this transaction.

2020 Omnibus Equity Incentive Plan

On January 11, 2021, our Board of Directors and a majority of our stockholders adopted the 2020 Omnibus Equity Incentive Plan (the “2020 Plan”). The 2020 Plan provides for the issuance of incentive stock options, non-statutory stock options, stock appreciation rights (“SARs”), restricted stock, restricted stock units (“RSUs”), and other stock-based awards.

