

# TRANS GLOBAL GROUP, INC.

## **FORM 10-Q** (Quarterly Report)

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Sector	Consumer Non-Cyclicals

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 10-Q**

**(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended September 30, 2023**

or

**( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from \_\_\_\_\_ to \_\_\_\_\_**

**Commission File Number: 000-56383**

**TRANS GLOBAL GROUP INC.**

(Exact name of registrant issuer as specified in its charter)

**Delaware**

**88-0298190**

(State or other jurisdiction  
of incorporation or organization)

(I.R.S. Employer  
Identification No.)

**Rm 2701, Block A, Zhantao Technology Building, Minzhi Street, Shenzhen 518000, Guangdong Province, China**

(Address of principal executive offices, including zip code)

**+86 138 2338 3535**

(Registrant's phone number, including area code)

**N/A**

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

<b>Title of each class</b>	<b>Trading Symbol</b>	<b>Name of each exchange on which registered</b>
Common stock	TGGI	OTC Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes (X) No ( )

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ( ) No (X)

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" or an "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	( )	Accelerated filer	( )
Non-accelerated Filer	(X)	Smaller reporting company	(X)
(Do not check if a smaller reporting company)		Emerging growth company	(X)

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Yes (X) No ( )

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ( )

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).  
Yes ( ) No (X)

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of latest practicable date.

Class	Outstanding at September 30, 2023
Common Stock, \$.0001 par value	22,131,339,996

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## PART I – FINANCIAL INFORMATION

### Item 1. Financial statements

**TRANS GLOBAL GROUP INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**AS OF SEPTEMBER 30, 2023 AND DECEMBER 31, 2022**  
(Currency expressed in United States Dollars ("US\$"), except for number of shares)

As of September 30, 2023	As of December 31, 2022
(Unaudited)	(Audited)

	\$	\$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	2,795	7,136
Amount due from the related parties	50,846	53,669
Prepayments and other receivables	181,315	207,690
<b>TOTAL CURRENT ASSETS</b>	<b>234,956</b>	<b>268,495</b>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment, net	1,247	1,832
Intangible assets, net	8,631,131	10,254,058
Right-of-use assets	-	55,206
<b>TOTAL NON-CURRENT ASSETS</b>	<b>8,632,378</b>	<b>10,311,096</b>
<b>TOTAL ASSETS</b>	<b>\$ 8,867,334</b>	<b>\$ 10,579,591</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	373,690	406,375
Accrued liabilities and other payables	53,689	76,869
Contract liabilities	460,681	470,281
Amount due to a director	269,391	186,716
Income tax payables	340	-
Lease liabilities	-	55,785
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,157,791</b>	<b>1,196,026</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 1,157,791</b>	<b>\$ 1,196,026</b>
<b>STOCKHOLDERS' EQUITY</b>		
Preferred stock, \$0.0001 par value, 1,500,000 shares authorized, 20,000 shares issued and outstanding, September 30, 2023 and December 31, 2022, respectively	2	2
Common stock, \$0.0001 par value, 99,995,000,000 shares authorized, 22,131,339,996 shares issued and outstanding as of September 30, 2023 and December 31, 2022, respectively	2,213,134	2,213,134
Additional paid-in capital	11,943,072	11,943,072
Accumulated other comprehensive loss	(253,081)	(345,137)
Accumulated deficit	(6,193,584)	(4,427,506)
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>7,709,543</b>	<b>9,383,565</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 8,867,334</b>	<b>\$ 10,579,591</b>

See accompanying notes to the unaudited condensed consolidated financial statements.

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**TRANS GLOBAL GROUP INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022**  
(Currency expressed in United States Dollars ("US\$"), except for number of shares)

	Three months ended September 30, 2023 (Unaudited)	Three months ended September 30, 2022 (Unaudited)	Nine months ended September 30, 2023 (Unaudited)	Nine months ended September 30, 2022 (Unaudited)
REVENUE	-	422,548	-	422,548
COST OF REVENUE	-	669,975	-	669,975
GROSS PROFIT	-	(247,427)	-	(247,427)

<b>OPERATING EXPENSES</b>				
Sales & marketing expenses	-	482,892	7,810	482,892
General & administrative expenses	553,727	106,011	1,758,304	211,103
<b>TOTAL OPERATING EXPENSES</b>	<b>553,727</b>	<b>588,903</b>	<b>1,766,114</b>	<b>693,995</b>
<b>OPERATING LOSS</b>	<b>(553,727)</b>	<b>(836,330)</b>	<b>(1,766,114)</b>	<b>(941,422)</b>
<b>OTHER INCOME</b>				
Bank interest	-	68	-	68
Non-operating income	-	3,684	36	3,684
<b>TOTAL OTHER INCOME</b>	<b>-</b>	<b>3,752</b>	<b>36</b>	<b>3,752</b>
<b>LOSS BEFORE INCOME TAX</b>	<b>(553,727)</b>	<b>(832,578)</b>	<b>(1,766,078)</b>	<b>(937,670)</b>
<b>INCOME TAX EXPENSE</b>	<b>-</b>	<b>(2,179)</b>	<b>-</b>	<b>(2,179)</b>
<b>NET LOSS</b>	<b>\$ (553,727)</b>	<b>\$ (834,757)</b>	<b>\$ (1,766,078)</b>	<b>\$ (939,849)</b>
<b>Other comprehensive loss</b>				
Foreign currency translation adjustment	6,979	(11,241)	92,056	(11,241)
<b>COMPREHENSIVE LOSS</b>	<b>\$ (546,748)</b>	<b>\$ (845,998)</b>	<b>\$ (1,674,022)</b>	<b>\$ (951,090)</b>
<b>Net loss per share- Basic and diluted</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>
<b>Weighted Average Number of shares outstanding</b>	<b>22,131,339,996</b>	<b>18,307,760,860</b>	<b>22,131,339,996</b>	<b>18,307,760,860</b>

See accompanying notes to the unaudited condensed consolidated financial statements.

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**TRANS GLOBAL GROUP INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022**  
(Currency expressed in United States Dollars ("US\$"), except for number of shares)

**For the three and nine months ended September 30, 2023**

	<b>Preferred stock</b>		<b>Common stock</b>		<b>Additional paid-in capital</b>	<b>Accumulated other comprehensive loss</b>	<b>Accumulated deficit</b>	<b>Total equity</b>
	<b>Number of shares</b>	<b>Amount</b>	<b>Number of shares</b>	<b>Amount</b>				
Balance as of December 31, 2022								
(Audited)	20,000	\$ 2	22,131,339,996	\$ 2,213,134	\$ 11,943,072	\$ (345,137 )	\$ (4,427,506)	\$ 9,383,565
Accumulated other comprehensive loss	-	-	-	-	-	42,594	-	42,594
Net loss	-	-	-	-	-	-	(630,331)	(630,331)
Balance as of March 31, 2023								
(Unaudited)	20,000	\$ 2	22,131,339,996	\$ 2,213,134	\$ 11,943,072	\$ (302,543)	\$ (5,057,837)	\$ 8,795,828
Accumulated								

other comprehensive loss	-	-	-	-	-	42,483	-	42,483
Net loss	-	-	-	-	-	-	(582,020)	(582,020)
Balance as of June 30, 2023 (Unaudited)	20,000	\$ 2	22,131,339,996	\$ 2,213,134	\$ 11,943,072	\$ (260,060)	\$ (5,639,857)	\$ 8,256,291
Accumulated other comprehensive loss	-	-	-	-	-	6,979	-	6,979
Net loss	-	-	-	-	-	-	(553,727)	(553,727)
Balance as of September 30, 2023 (Unaudited)	20,000	\$ 2	22,131,339,996	\$ 2,213,134	\$ 11,943,072	\$ (253,081)	\$ (6,193,584)	\$ 7,709,543

**For the three and nine months ended September 30, 2022**

	Preferred stock		Common stock		Additional paid-in capital	Accumulated other comprehensive loss	Accumulated deficit	Total deficit
	Number of shares	Amount	Number of shares	Amount				
Balance as of December 31, 2021 (Audited)	220,000	\$ 22	8,665,578,306	\$ 866,558	\$ 215,523	\$ -	\$ (1,160,273)	\$ (78,170)
Conversion, series AA preferred stock converted into common stock	(200,000)	(20)	12,000,000,000	1,200,000	(215,523)	-	(984,457)	-
Net loss	-	-	-	-	-	-	(4,234)	\$ (4,234)
Balance as of March 31, 2022 (Unaudited)	20,000	\$ 2	20,665,578,306	\$ 2,066,558	\$ -	\$ -	\$ (2,148,964)	(82,404)
Net loss	-	-	-	-	-	-	(100,858)	\$ (100,858)
Balance as of June 30, 2022 (Unaudited)	20,000	\$ 2	20,665,578,306	\$ 2,066,558	\$ -	\$ -	\$ (2,249,822)	\$ (183,262)
Acquisition of ZXG Holdings	-	-	1,465,761,690	146,576	11,943,070	-	(454,658)	11,634,990
Accumulated other comprehensive loss	-	-	-	-	-	(11,241)	-	(11,241)
Net loss	-	-	-	-	-	-	(834,757)	(834,757)
Balance as of September 30, 2022 (Unaudited)	20,000	2	22,131,339,996	2,213,134	11,943,070	(11,241)	(3,539,237)	10,605,730

See accompanying notes to the unaudited condensed consolidated financial statements.

**TRANS GLOBAL GROUP INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022**  
(Currency expressed in United States Dollars (“US\$”), except for number of shares)

	Nine months ended September 30, 2023	Nine months ended September 30, 2022
	(Unaudited)	(Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net loss	\$ (1,766,078)	\$ (939,849)
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization expenses	1,680,694	588,827
Non-cash lease expenses	-	68,815
Changes in operating assets and liabilities:		
Prepayments and other receivables	16,476	(44,100)
Accounts payable	(12,648)	53,874
Accrued liabilities and other payables	(21,692)	458,708
Contract liabilities	14,586	237,382
Income tax payable	-	2,179
Operating lease obligations	-	(64,031)
<b>Net cash used in operating activities</b>	<b>(88,662)</b>	<b>(40,195)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from the acquisition of ZXG Holdings	-	52,523
Purchases of property, plant and equipment	-	(630)
Proceeds from disposal of property, plant and equipment	86	-
<b>Net cash provided by investing activities</b>	<b>86</b>	<b>51,893</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Advanced from the related parties	477	(34,909)
Advanced from a director	83,975	79,671
<b>Net cash provided by financing activities</b>	<b>84,452</b>	<b>44,762</b>
Effect of exchange rate changes on cash and cash equivalents	(217)	(7,796)
Net change in cash and cash equivalents	(4,341)	48,664
Cash and cash equivalents, beginning of period	7,136	-
<b>CASH AND CASH EQUIVALENTS, END OF PERIOD</b>	<b>\$ 2795</b>	<b>\$ 48,664</b>
<b>SUPPLEMENTAL CASH FLOWS INFORMATION</b>		
Cash paid for income taxes	\$ -	\$ 2,179
Cash paid for interest paid	\$ -	\$ -
Interest expense for lease liabilities	79	1,986

See accompanying notes to the unaudited condensed consolidated financial statements.

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**TRANS GLOBAL GROUP INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023**  
(Currency expressed in United States Dollars (“US\$”), except for number of shares)  
**(Unaudited)**

**NOTE 1 – ORGANIZATION AND BUSINESS BACKGROUND**

Trans Global Group, Inc. (the “Company”) was formed in the State of Delaware on December 31, 1993 as Teletek, Inc. On October, 2007, the Company

changed its name to Trans Global Group, Inc., its current name. The Company's purpose is to seek, investigate and, if such investigation warrants, acquire an interest in business opportunities presented to it by persons or firms who or which desire to seek the perceived advantages of an issuer who has complied with the Exchange Act. The Company will not restrict its search to any specific business, industry, or geographical location and the Company may participate in a business venture of virtually any kind or nature and we have not established any particular criteria upon which we consider a business opportunity. This discussion of the proposed business herein is purposefully general and is not meant to be restrictive of the Company's virtually unlimited discretion to search for and enter into potential business opportunities. Management anticipates that it may be able to participate in only one potential business venture because the Company has nominal assets and limited financial resources.

On August 8, 2022, the Company entered into a share exchange agreement (the "Share Exchange Agreement") with ZXG Holdings Limited ("ZXGBVI"), a BVI Business company, the sole shareholder of ZXGBVI, Southsea Global Limited. ("Southsea"), a BVI Business Company, which is wholly 100% owned by Mrs. Woo Shuk Fan ("Woo"), and Woo, as the officer, director and shareholder of Southsea. Under the Share Exchange Agreement, One Hundred Percent (100%) of the ownership interest of ZXGBVI was exchanged for 1,465,761,689 shares of common stock and closed the acquisition of ZXGBVI on June 30, 2022.

The Company's accounting year-end is December 31.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of presentation

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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. Actual results could differ from those estimates.

Management further acknowledges that it is solely responsible for adopting sound accounting practices, establishing and maintaining a system of internal accounting control and preventing and detecting fraud. The Company's system of internal accounting control is designed to assure, among other items, that 1) recorded transactions are valid; 2) valid transactions are recorded; and 3) transactions are recorded in the proper period in a timely manner to produce financial statements which present fairly the financial condition, results of operations and cash flows of the Company for the respective periods being presented.

### Principle of consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany accounts and transactions have been eliminated. The results of subsidiaries acquired during the respective periods are included in the consolidated statements of operations from the effective date of acquisition or up to the effective date of disposal, as appropriate. The portion of the income or loss applicable to noncontrolling interests in subsidiaries is reflected in the consolidated statements of operations.

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**TRANS GLOBAL GROUP INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023**  
**(Currency expressed in United States Dollars ("US\$"), except for number of shares)**  
**(Unaudited)**

As of September 30, 2023, details of the Company's major subsidiaries were as follows:

Entity Name	Date of Incorporation	Parent Entity	Nature of Operation	Place of Incorporation
ZXG Holdings Limited ("ZXGBVI")	May 16, 2022	Trans Global Group, Inc.	Investment holding	The British Virgin Islands ("BVI")
Hong Kong Zuixiangui International Holding Co., Ltd. ("ZXGHK")	March 22, 2021	ZXG Holdings Limited	Investment holding	Hong Kong, PRC
Zui Xian Gui International Holding (Shenzhen) Ltd. ("ZXGWFOE")	September 15, 2021	Hong Kong Zuixiangui International Holding Co., Ltd.	Investment holding	PRC
Shenzhen Zui Xian Gui Brewery Technology Ltd. ("ZXGSZ")	July 24, 2019	Zui Xian Gui International Holding (Shenzhen) Ltd.	Trading of beverages	PRC

### Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of 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 estimates relate to income taxes and contingencies. The Company bases its estimates on historical experience, known or expected trends, and various other assumptions that are believed to be reasonable given the quality of information available as of the date of these financial statements. The results of these assumptions provide the basis for making estimates about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results could differ from these estimates.



### Foreign currency translation and re-measurement

The functional currency of the Company is the Chinese Renminbi (“RMB”).

The Company, whose translates their accounts into the U.S. dollar as follows:

- Assets and liabilities at the rate of exchange in effect at the balance sheet date
- Equities at the historical rate
- Revenue and expense items at the average rate of exchange prevailing during the period

Adjustments arising from such translations are included in accumulated other comprehensive income in stockholders’ equity.

	As of and for the nine months ended September 30,	
	2023	2022
Spot USD: RMB exchange rate	\$ 7.27553	\$ 7.11599
Average USD: RMB exchange rate	\$ 7.02717	\$ 6.59807

The RMB is not freely convertible into foreign currency and all foreign exchange transactions must take place through authorized institutions. No representation is made that the RMB amounts could have been, or could be, converted into US Dollars at the rates used in translation.

### Cash and Cash Equivalents

Cash equivalents consist of highly liquid investments with maturities of three months or less when purchased. Cash and cash equivalents are on deposit with financial institutions without any restrictions. As of September 30, 2023 and December 31, 2022, cash equivalents amounted to \$2,795 and 7,136, respectively.

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**TRANS GLOBAL GROUP INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023**  
**(Currency expressed in United States Dollars (“US\$”), except for number of shares)**  
**(Unaudited)**

### Other receivables

Other receivables are stated at the customer obligations due under normal trade terms net of allowance for doubtful accounts.

### Property, plant and equipment, net

Property, plant and equipment are carried at cost less accumulated depreciation. Depreciation is provided over their estimated useful lives, using the straight-line method. Estimated useful lives of the property and equipment are as follows:

Office equipment	5 years
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The cost of maintenance and repairs is charged to expenses as incurred, whereas significant renewals and betterments are capitalized.

### Intangible assets, net

Intangible assets with definite lives are stated at cost less accumulated amortization and consist mainly of distribution channel that was acquired in the acquisition of ZXGBVI.

Amortization is calculated on the straight-line basis over the following estimated useful lives:

Categories	Estimated useful life
Distribution channel	5 years

### Operating leases

The Company recognizes its leases in accordance with ASC 842 - Leases. Under ASC 842, operating lease right-of-use (“ROU”) assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. The initial lease liability is equal to the future fixed minimum lease payments discounted using the Company’s incremental borrowing rate, on a secured basis. The lease term includes option renewal periods and early termination payments when it is reasonably certain that the Company will exercise those rights. The initial measurement of the ROU asset is

equal to the initial lease liability plus any initial direct costs and prepayments, less any lease incentives. The Company elected the short-term lease exemption for contracts with lease terms of 12 months or less. The Company accounts for the lease and non-lease components of its leases as a single lease component. Lease expense is recognized on a straight-line basis over the lease term.

#### Revenue recognition

The Company follows the guidance of ASC 606, revenue from contracts with customers is recognized using the following five steps:

1. Identify the contract(s) with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognize revenue when (or as) the entity satisfies a performance obligation.

Under Topic 606, revenues are recognized when the promised products have been confirmed of delivery or services have been transferred to the consumers in amounts that reflect the consideration the customer expects to be entitled to in exchange for those services. The Company presents value added taxes ("VAT") as reductions of revenues. The Company recognizes revenues net of value added taxes ("VAT") and relevant charges.

We generate revenue primarily from the sales of beverages directly to agents, wholesalers and end users. We recognize product revenue at a point in time when the control of the products has been transferred to customers. The transfer of control is considered complete when products have been picked up by or delivered to our customers. We account for packaging, shipping and handling fees as a fulfillment cost.

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**TRANS GLOBAL GROUP INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023**  
**(Currency expressed in United States Dollars ("US\$"), except for number of shares)**  
**(Unaudited)**

#### Contract liabilities

Contract liabilities consist mainly of advances from customers. On certain occasions, the Company may receive prepayments from downstream retailers or wholesales customers for wines prior to them taking possession of the Company's products. The Company records these receipts as customer advances until the control of the products has been transferred the customers. As of September 30, 2023 and December 31, 2022, the Company had customer advances of \$460,681 and \$470,281, respectively. During the nine months ended September 30, 2023 and 2022, the Company recognized nil and nil, respectively, of customer advances in the opening balance.

#### Value-added taxes

Revenue is recognized net of value-added taxes ("VAT"). The VAT is based on gross sales price and VAT rates applicable to the Company is 3% for the period from the beginning of July 2019 till the end of February 2020, then changed to 1% from the beginning of 2020 till the end of September 2022. Entities that are VAT general taxpayers are allowed to offset qualified input VAT paid to suppliers against their output VAT liabilities. Net VAT balance between input VAT and output VAT is recorded as VAT payable if output VAT is larger than input VAT and is recorded as VAT recoverable if input VAT is larger than output VAT. For entities that are VAT small taxpayers, VAT rate applicable is 3% for the period from the beginning of July 2019, then during the COVID-19, the small taxpayers are allowed to enjoy the preferred tax policy, tax rate from 3% to 1% for the period from March 1, 2020 to September 30, 2021. All of the VAT returns filed by the Company's subsidiaries in the PRC, have been and remain subject to examination by the PRC tax authorities for five years from the date of filing. VAT payables are included in accrued liabilities.

#### Income Taxes

The Company follows FASB ASC Subtopic 740, Income Taxes, for recording the provision for income taxes. Deferred tax assets and liabilities are computed based upon the difference between the financial statement and income tax basis of assets and liabilities using the enacted marginal tax rate applicable when the related asset or liability is expected to be realized or settled.

Deferred income tax expenses or benefits are based on the changes in the asset or liability each period. If available evidence suggests that it is more likely than not that some portion or all of the deferred tax assets will not be realized, a valuation allowance is required to reduce the deferred tax assets to the amount that is more likely than not to be realized. Future changes in such valuation allowance are included in the provision for deferred income taxes in the period of change.

#### Stock-based Compensation

The Company follows FASB ASC Subtopic 718, Stock Compensation, for accounting for stock-based compensation. The guidance requires that new, modified and unvested share-based payment transactions with employees, such as grants of stock options and restricted stock, be recognized in the consolidated financial statements based on their fair value at the grant date and recognized as compensation expense over their vesting periods. The Company also follows the guidance for equity instruments issued to consultants.

### Earnings (loss) per Share

The Company computes earnings (loss) per share (“EPS”) in accordance with ASC Topic 260, “Earnings per share”. Basic EPS is measured as the income or loss available to common shareholders divided by the weighted average common shares outstanding for the period. Diluted EPS is similar to basic EPS but presents the dilutive effect on a per share basis of potential common shares (e.g., convertible securities, options, and warrants) as if they had been converted at the beginning of the periods presented, or issuance date, if later. Potential common shares that have an anti-dilutive effect (i.e. those that increase income per share or decrease loss per share) are excluded from the calculation of diluted EPS.

### Related party transactions

Transactions involving related parties cannot be presumed to be carried out on an arm’s-length basis, as the requisite conditions of competitive, free market dealings may not exist. Representations about transactions with related parties, if made, shall not imply that the related party transactions were consummated on terms equivalent to those that prevail in arm’s-length transactions unless such representations can be substantiated.

### Recent Accounting Pronouncements

In October 2021, the FASB issued ASU 2021-08, “Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers”, which provides guidance on the acquirer’s accounting for acquired revenue contracts with customers in a business combination. The amendments require an acquirer to recognize and measure contract assets and contract liabilities acquired in a business combination at the acquisition date in accordance with ASC 606 as if it had originated the contracts. This guidance also provides certain practical expedients for acquirers when recognizing and measuring acquired contract assets and contract liabilities from revenue contracts in a business combination. The new guidance is required to be applied prospectively to business combinations occurring on or after the date of adoption. This guidance is effective for the Company for the year ending March 31, 2024 and interim reporting periods during the year ending March 31, 2024. Early adoption is permitted. The Company does not expect that the adoption of this guidance to have a material impact on the financial position, results of operations, and cash flows.

In March 2022, the FASB issued ASU No. 2022-02, Financial (Topic 326): Troubled Debt Instruments-Credit Losses Restructurings and Vintage Disclosures, which eliminates the troubled debt restructurings (TDRs) accounting model for creditors that have already adopted Topic 326, which is commonly referred to as the current expected credit loss (CECL) model. For entities that have adopted Topic 326, the amendments in this Update are effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. The FASB’s decision to eliminate the TDR accounting model is in response to feedback that the allowance under CECL already incorporates credit losses from loans modified as TDRs and, consequently, the related accounting and disclosures - which preparers often find onerous to apply - no longer provide the same level of benefit to users. The Company is currently evaluating the impact of the new guidance on our consolidated financial statements.

In June 2022, the FASB issued ASU No. 2022-03, Fair Value Measurement (Topic 820) - Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions, which stipulates that a contractual restriction on the sale of an equity security should not be considered part of the equity security’s unit of account and, therefore, should not be considered in measuring its fair value. For public business entities, the amendments in this Update are effective for fiscal years beginning after December 15, 2023, and interim periods within those fiscal years. The Company is currently evaluating the impact of the new guidance on our consolidated financial statements.

The Company has reviewed all recently issued, but not yet effective, accounting pronouncements and does not believe the future adoption of any such pronouncements may be expected to cause a material impact on its financial condition or the results of its operations.

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**TRANS GLOBAL GROUP INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023**  
**(Currency expressed in United States Dollars (“US\$”), except for number of shares)**  
**(Unaudited)**

### **NOTE 3 - GOING CONCERN**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates continuity of operations, realization of assets, and liquidation of liabilities in the normal course of business.

As reflected in the accompanying financial statements, For the nine months ended September 30, 2023, net loss was \$1,766,078, compared to net loss of \$939,849 for the nine months ended September 30, 2022, reflecting an increase of \$8,216,229. The increase was mainly the amortization cost of intangible assets and marketing expenses for sales. As of September 30, 2023, the Company incurred an operating loss of \$1,766,114 for nine months ended September 30, 2023, compared to operating loss of \$941,422 for the nine months ended September 30, 2022, reflecting an increase of \$824,692. The Company had accumulated losses of \$6,193,584, and working capital deficit of \$922,835 as of September 30, 2023. These conditions among others, raise substantial doubt about the Company’s ability to continue as a going concern. The financial statements do not include adjustments that might result from the outcome of this uncertainty.

The ability of the Company to continue as a going concern is dependent on the undertaking of its shareholders to provide continuing financial support to enable the Company to meet its liabilities as and when they fall due.

**NOTE 4 – PREPAYMENTS AND OTHER RECEIVABLES**

Prepayments and other receivables consisted of the following as of September 30, 2023 and December 31, 2022:

	As of September 30, 2023	As of December 31, 2022
Prepayments	\$ 13,005	\$ 161,420
Other receivables	302,946	188,046
Less: Allowance for doubtful accounts	(134,636)	(141,776)
Other receivables, net	168,310	46,270
Total prepayments and other receivables	\$ 181,315	\$ 207,690

Balance of prepayments represented the advanced payments to suppliers. And the balance of other receivables included deposit of office rent and JD platform, and FA consulting fee.

**NOTE 5 – AMOUNT DUE FROM THE RELATED PARTIES**

		As of September 30, 2023	As of December 31, 2022
Guizhou Zui Xian Gui Liquor Co., Ltd.	Ren Chen is the legal representative and shareholder of the Guizhou Zui Xian Gui Liquor Co., Ltd.	\$ 44,767	\$ 47,141
Shenzhen Zui Xian Gui Supply Chain Co., Ltd.	Ren Chen is the legal representative and shareholder of the Shenzhen Zui Xian Gui Supply Chain Co., Ltd.	6,079	6,402
Zhiyu Lv	Manager of the ZXGSZ	-	126
Total amount due from the related party		\$ 50,846	\$ 53,669

The amount due from the related parties are unsecured with non-interest bearing, that are expected to be collect at the year ended 2023.

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**TRANS GLOBAL GROUP INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023**  
(Currency expressed in United States Dollars (“US\$”), except for number of shares)  
(Unaudited)

**NOTE 6 – PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment consisted of the following as of September 30, 2023 and December 31, 2022:

	As of September 30, 2023	As of December 31, 2022
Office equipment	\$ 1,887	\$ 2,074
Less: Accumulated depreciations	(640)	(242 )
Total property, plant and equipment, net	\$ 1,247	\$ 1,832

Depreciation expense, which was included in general and administrative expenses, for the nine months ended September 30, 2023 and 2022 was \$398 and nil, respectively.

**NOTE 7 – INTANGIBLE ASSETS**

Intangible assets and related accumulated amortization were as follows:

As of September 30, 2023	As of December 31, 2022
--------------------------------	-------------------------------

Distributor channel	\$ 11,749,874	\$ 11,749,874
Less: Accumulated amortization	(2,850,566)	(1,170,280)
Less: Effect on exchange rate	(268,177)	(325,536)
Total	<u>\$ 8,631,131</u>	<u>\$ 10,254,058</u>

Amortization expense for the nine months ended September 30, 2023 and December 31, 2022 was \$2,850,566 and \$1,170,280 respectively, included in cost of revenues.

As of September 30, 2023, the future estimated amortization costs for distribution channel are as follows:

2023	\$ 540,977
2024	2,163,903
2025	2,163,903
2026	2,163,903
Thereafter	1,081,954
Effect on exchange rate	516,491
Total	<u>\$ 8,631,131</u>

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**TRANS GLOBAL GROUP INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023**  
(Currency expressed in United States Dollars (“US\$”), except for number of shares)  
(Unaudited)

**NOTE 8 – ACCRUED LIABILITIES AND OTHER PAYABLES**

Accrued liabilities and other payables consisted of the following as of September 30, 2023 and December 31, 2022:

	<u>As of September 30, 2023</u>	<u>As of December 31, 2022</u>
Accrued liabilities	\$ 20,800	\$ 57,500
Other payables	32,889	19,369
Total Accrued liabilities and other payables	<u>\$ 53,689</u>	<u>\$ 76,869</u>

Balance of accrued liabilities included the audit & related expenses. The balance of other payables included the accrual staff’s salaries & individual tax, VAT surcharge taxes, and payables to marketing fees.

**NOTE 9 – CONTRACT LIABILITIES**

Contract liabilities consisted of the following as of September 30, 2023 and December 31, 2022:

	<u>As of September 30, 2023</u>	<u>December 31, 2022</u>
Contract liabilities	\$ 460,681	\$ 470,281

Balance of contract liabilities are the prepayment from the customers which are expected to be recognized as revenue during the year of 2023.

**NOTE 10 – AMOUNT DUE TO A DIRECTOR**

As of September 30, 2023 and December 31, 2022, the amount due to a director are \$269,391 and \$186,716, respectively, which are unsecured with non-interest bearing.

**TRANS GLOBAL GROUP INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023**  
(Currency expressed in United States Dollars (“US\$”), except for number of shares)  
(Unaudited)

**NOTE 11 – INCOME TAXES**

The Company’s primary operations are in the PRC, and in accordance with the relevant tax laws and regulations. The corporate income tax rate for each country is as follows:

*United States of America*

The Company is registered in the State of Delaware and is subject to United States of America tax law. The U.S. federal income tax rate is 21%.

*The British Virgin Islands*

Under the current laws of the British Virgin Islands, ZXG Holding Ltd. is registered as a BVI business company which governs by the International Business Companies Act of British Islands and there is no income tax charged in British Virgin Islands.

*Hong Kong*

Hong Kong Zuixiangui International Holding Co., Ltd. is subject to Hong Kong Profits Tax, which is charged at the statutory income rate of 8.25% on its assessable income.

*People’s Republic of China*

Zui Xian Gui International Holding (Shenzhen) Ltd. and Shenzhen Zui Xian Gui Brewery Technology Ltd. are operating in the People’s Republic of China (“PRC”) subject to the Corporate Income Tax governed by the Income Tax Law of the People’s Republic of China with a unified statutory income tax rate of 25%. During the period ended September 30, 2023, the operations in People’s Republic of China incurred the net loss of \$245,492 which can be used to offset the carry forwards retained earnings within 5 years that started from year 2023 to year 2027.

The following tables provide the reconciliation of the differences between the statutory and effective tax expenses for the nine months ended September 30, 2023, and 2022:

	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Loss attributed to PRC operations	\$ (48,492)	\$ -
PRC Statutory tax at 25% rate	-	-
Effect of PRC deductions and other reconciling items	-	-
Income tax	<u>\$ -</u>	<u>\$ -</u>

The difference between the U.S. federal statutory income tax rate and the Company’s effective tax rate was as follows for the period ended September 30, 2023, and 2022:

	Nine months ended September 30, 2023	2022
U.S. federal statutory income tax rate	21.0%	21.0%
Higher rate in PRC, net	4.0%	4.0%
Reconciling items, net operating losses in PRC, election to not recognize tax asset	-25.0%	-25.0%
The Company’s effective tax rate	<u>-%</u>	<u>-%</u>

**TRANS GLOBAL GROUP INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023**  
(Currency expressed in United States Dollars (“US\$”), except for number of shares)  
(Unaudited)

**NOTE 12 – RELATED PARTIES’ TRANSACTIONS**

For the nine months ended September 30, 2023 and 2022, the director, Chen Ren paid \$269,391 and \$186,716, respectively.

**TRANS GLOBAL GROUP INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023**  
(Currency expressed in United States Dollars (“US\$”), except for number of shares)  
(Unaudited)

**NOTE 13– NET LOSS PER SHARE**

Basic net loss per share is computed using the weighted average number of common shares outstanding during the periods. The dilutive effect of potential common shares outstanding is included in diluted net loss per share. Due to the Company’s net loss from its continuing operations, all potential common share issuances had anti-dilutive effect on net loss per share.

The following table sets forth the computation of basic and diluted net loss per share for the nine months ended September 30, 2023, and 2022:

	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Total net loss attributable to common shareholders	\$ 1,766,078	\$ 939,849
Weighted average common shares outstanding – Basic and diluted	22,131,339,996	18,307,760,860
Loss per shares – basic and diluted:		
Loss per shares – basic and diluted:	\$ (0.00)	\$ (0.00)

**NOTE 14 - STOCKHOLDERS’ EQUITY**

*Authorized Capital Stock*

*Common Stock*

The Company is authorized to issue 99,995,000,000 shares of common stock with a par value of \$0.0001 per share. As of September 30, 2023, 22,131,339,996 shares were issued and outstanding.

#### *Preferred Stock*

The Company is authorized to issue 1,500,000 shares of preferred stock with a par value of \$0.0001 per share. As of September 30, 2023, 20,000 shares of series B preferred stock were issued and outstanding.

#### Capital Stock Issued

On January 30, 2020, the Company exchanged 1,200,000 shares of old series AA preferred stock for 200,000 shares of new series AA preferred stock. On September 20, 2020, the Company issued 800,000,000 shares of common stock to VS Services, LLC for conversion of note and accrued interests. On September 22, 2020, the Company issued 20,000 series B preferred stock to Chen Ren. On March 7, 2022, 200,000 shares of series AA preferred stock were converted into 12,000,000,000 shares of common stock. On August 8, 2022, under the Share Exchange Agreement, One Hundred Percent (100%) of the ownership interest of ZXGBVI was exchanged for 1,465,761,690 shares of common stock and closed the acquisition of ZXGBVI on June 30, 2022.

#### **NOTE 15 - SUBSEQUENT EVENTS**

In accordance with FASB ASC 855-10 Subsequent Events, the Company has analyzed its operations subsequent to September 30, 2023, to the date these unaudited condensed consolidated financial statements were issued and has determined that it does not have any material subsequent events to disclose in these consolidated financial statements.

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#### **Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations**

*The following discussion should be read in conjunction with our financial statements, including the notes thereto, appearing elsewhere in this Report. The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward- looking statements. Factors that could cause or contribute to such differences include, but are not limited to those discussed below and elsewhere in this Report. Our audited financial statements are stated in United States Dollars and are prepared in accordance with United States Generally Accepted Accounting Principles.*

#### **Results of Operation**

**For the three and nine months ended September 30, 2023 and 2022**

	<b>Three months ended September 30,</b>		<b>2023 vs 2022</b>
	<b>2023</b>	<b>2022</b>	
Revenues	\$ -	\$ 422,548	\$ (422,548)
Cost of revenues	-	(669,975)	669,975
Gross loss	-	(247,427)	247,427
Gross loss margin	-%	59%	-100%
Operating expenses	(553,727)	(588,903)	35,176
Other income, net	-	3,752	(3,752)
Income tax expense	-	(2,179)	2,179
Net loss	<u>\$ (553,727)</u>	<u>\$ (834,757)</u>	<u>\$ 281,030</u>
	<b>Nine months ended September 30,</b>		<b>2023 vs 2022</b>
	<b>2023</b>	<b>2022</b>	
Revenues	\$ -	\$ 422,548	\$ (422,548)
Cost of revenues	-	(669,975)	669,975
Gross loss	-	(247,427)	247,427
Gross loss margin	-%	59%	(100)%



Operating expenses	(1,766,114)	(693,995)	(1,072,119)
Other income, net	36	3,752	(3,716)
Income tax expense		(2,179)	2,179
Net loss	<u>\$ (1,766,078)</u>	<u>\$ (939,849)</u>	<u>\$ 826,229</u>

### Revenue

Revenue was \$Nil for the three months ended September 30, 2023, reflecting a decrease of \$422,548 for the three months ended September 30, 2022. Such decrease was mainly reflected in absence of the sale of beverages.

Revenue was \$Nil for the nine months ended September 30, 2023, reflecting a decrease of \$422,548 for the nine months ended September 30, 2022. the Company suffered from the Covid-19, and we met the bottleneck since January 1, 2023. We're planned to expand our brand to attract more potential users and customers, however, due to the high-level market competitive and the unsatisfactory operating, the Company decided to shut down the sale of beverages. And we'll focus on the new products in the future operations.

### Cost of Revenues

Cost of revenue was \$Nil for the three months ended September 30, 2023, reflecting a decrease of \$669,975 for the three months ended September 30, 2022. Such decrease was mainly due to the decrease in sales.

Cost of revenue was \$Nil for the nine months ended September 30, 2023, reflecting a decrease of \$669,975 for the nine months ended September 30, 2022. Such decrease was mainly due to the decrease in sales.

### Gross Loss

Gross loss was \$Nil and \$247,427 for the three months ended September 30, 2023 and 2022, respectively, reflecting a decrease of \$247,427.

Gross loss was \$Nil for the nine months ended September 30, 2023, reflecting a decrease of \$247,427 for the nine months ended September 30, 2022. The gross profit margins decreased when the periods are compared to each other, but they have yet to show consistency over time, given the amount time measured is still relatively short.

### Operating Expenses

Operating expense was \$553,727 for the three months ended September 30, 2023, reflecting a decrease of \$35,176 from \$588,903 for the three months ended September 30, 2022. The decrease was mainly due to the decrease of marketing expense.

Operating expense was \$1,766,114 for the nine months ended September 30, 2023, reflecting an increase of \$828,408 from \$693,995 for the nine months ended September 30, 2022. The increase was mainly the amortization cost of intangible assets of 1,091,521.

### Net loss

For the three months ended September 30, 2023, net loss was \$553,727, compared to net loss of \$832,578 for the three months ended September 30, 2022, reflecting a decrease of \$278,851. The decrease was mainly due to the decrease of the gross loss.

For the nine months ended September 30, 2023, net loss was \$1,766,078, compared to net loss of \$937,670 for the nine months ended September 30, 2022, reflecting an increase of \$828,408. The increase was mainly the amortization cost of intangible assets.

## Liquidity and Capital Resources

### Working Capital as of September 30, 2023 and December 31, 2022

	As of		
	September 30, 2023	December 31, 2022	2023 vs 2022
Total current assets	\$ 234,956	\$ 268,495	\$ (33,539)
Total current liabilities	(1,157,791)	(1,196,026)	38,235
Working capital	<u>\$ (922,835)</u>	<u>\$ (927,531)</u>	<u>\$ 4,696</u>

As of September 30, 2023, we had cash and cash equivalents of \$2,795, and we had working capital deficit of \$922,835 as compared to working capital deficit of \$97,531 as of December 31, 2022. The decreasing in working capital deficit was mainly reflected in the customer advances that were recognized as revenue during the period. As a result, we depend substantially on our previous financing activities to provide us with the liquidity and capital resources we need to meet our working capital requirements and to make capital investments in connection with ongoing operations. The Company expects its current capital resources to meet our basic operating requirements for approximately twelve months.

### Cash Flows for the nine months ended September 30, 2023 and 2022

	Nine months ended September 30,		
	2023	2022	2023 vs 2022
Cash flows used in operating activities	\$ (88,662)	\$ (40,195)	\$ (48,467)
Cash flows provided by investing activities	86	51,893	(51,807)
Cash flows provided by financing activities	84,452	44,762	39,690
Effect of exchange rate changes in cash during the year	(217)	(7,796)	(8,013)
Net changes in cash during the year	<u>\$ (4,341)</u>	<u>\$ 48,664</u>	<u>\$ (53,005)</u>

#### *Cash Flow from Operating Activities*

For the nine months periods ended September 30, 2023 and 2022, net cash used in operating activities was \$88,662 and \$40,195, respectively. Such an increase was primarily due to the increase of amortization expenses.

#### *Cash Flow from Investing Activities*

For the nine months periods ended September 30, 2023 and 2022, net cash provided by investing activities was \$86 and \$51,893, respectively. Such a decrease was primarily due to the purchase of equipment.

#### *Cash Flow from Financing Activities*

Net cash used in financing activities was \$84,452 and \$44,762 for nine months ended September 30, 2023 and 2022, respectively. Such increase was a result of more advances from the director.

#### *Off-balance Sheet Arrangements*

We have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to our stockholders.

#### *Recent accounting pronouncements*

The Company has reviewed all recently issued, but not yet effective, accounting pronouncements and do not believe the future adoption of any such pronouncements may be expected to cause a material impact on its financial condition or the results of its operations.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

As a “smaller reporting company” as defined by Item 10 of Regulation S-K, the Company is not required to provide information required by this Item.

### **Item 4. Controls and Procedures.**

#### *Evaluation of Disclosure Controls and Procedures*

Disclosure controls and procedures are controls and other procedures designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is accumulated and communicated to our Certifying Officer or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure.

We conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of September 30, 2023. This evaluation was carried out under the supervision and with the participation of our Chief Executive Officer and our Chief Financial Officer. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of September 30, 2023, our disclosure controls and procedures were not effective due to the presence of material weaknesses in internal control over financial reporting.

#### *Material Weakness in Internal Control Over Financial Reporting*

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. Management has identified the following material weaknesses which have caused management to conclude that, as of September 30, 2023, our disclosure controls and procedures were not effective: (i) lack of a functioning audit committee due to a lack of a majority of independent members and a lack of a majority of outside directors on our board of directors, resulting in ineffective oversight in the establishment and monitoring of required internal controls and procedures; (ii) inadequate segregation of duties consistent with control objectives; and (iii) ineffective controls over period end financial disclosure and reporting processes. Because a material weakness in the Company's internal controls over financial reporting existed as of September 30, 2023 and has not been remediated, the Company's disclosure controls and procedures were not effective as of September 30, 2023.

In an effort to remediate the identified material weaknesses and other deficiencies and enhance our internal controls, we plan to initiate, the following series of measures in connection with identifying an operating business to acquire and when funds are available to us:

1. We plan to appoint one or more outside directors to our board of directors who would be appointed to an audit committee resulting in a fully functioning audit committee who will undertake oversight in the establishment and monitoring of required internal controls and procedures.
2. We plan to create a position to segregate duties consistent with control objectives and will increase our personnel resources and technical accounting expertise within the accounting function.
3. We plan to prepare written policies and procedures for accounting and financial reporting to establish a formal process to close our books monthly on an accrual basis and account for all transactions, including equity and debt transactions.

We anticipate that we will, at least partially, begin to implement these initiatives in the current fiscal year.

This Report does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting and none is required.

#### ***Changes in Internal Control over Financial Reporting***

As of the end of the period covered by this report, there were no changes in the internal controls over financial reporting that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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## **PART II — OTHER INFORMATION**

### **Item 1. Legal Proceedings.**

We know of no materials, active or pending legal proceedings against us, nor are we involved as a plaintiff in any material proceedings or pending litigation. There are no proceedings in which any of our directors, officers or affiliates, or any beneficial shareholder are an adverse party or has a material interest adverse to us.

### **Item 1A. Risk Factors.**

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

### **Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.**

None.

### **Item 3. Defaults Upon Senior Securities.**

None.

### **Item 4. Mine Safety Disclosures.**

Not applicable.

### **Item 5. Other Information.**

None.

## **ITEM 6. Exhibits**

Exhibit No.	Description
31.1	<a href="#">Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>
32.1	<a href="#">Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

\* Filed herewith.

### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TRANS GLOBAL GROUP INC.  
(Name of Registrant)

Date: December 5, 2023

By: /s/ **Chen Ren**  
Title: Chief Executive Officer  
Chief Financial Officer  
Director

## CERTIFICATION

I, Chen Ren, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Trans Global Group, Inc. (the “Company”) for the quarter ended September 30, 2023;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.
  - c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting;
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: December 5, 2023

By: /s/ **Chen Ren**

Title: Chief Executive Officer  
Director

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
  
AS ADOPTED PURSUANT TO  
  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Trans Global Group, Inc. (the “Company”) on Form 10-Q for the period ending September 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), The undersigned hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: December 5, 2023

By: /s/ **Chen Ren**  
Title: Chief Executive Officer  
Director

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.