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

FORM 10-Q

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

For the quarterly period ended **June 30, 2021**

or

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

For the transition period from _____to _____

333-194748
Commission file number

GigWorld Inc.

(Exact name of registrant as specified in its charter)

Delaware	**45-4742558**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
4800 Montgomery Lane, Suite 210 Bethesda MD	**20814**
(Address of principal executive offices)	(Zip Code)

301-971-3940
Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required 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** ☒ **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 ☐

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

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

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. ☐

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

Indicate the number of shares outstanding of each the registrant's classes of common stock, as of the latest practicable date. As of August 11, 2021, there were 506,898,576 shares outstanding of the registrant's common stock $0.0001 par value.

Throughout this Report on Form 10-Q, the terms "Company," "we," "us" and "our" refer to GigWorld Inc., and "our board of directors" refers to the board of directors of GigWorld Inc.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements that involve a number of risks and uncertainties. Although our forward-looking statements reflect the good faith judgment of our management, these statements can be based only on facts and factors of which we are currently aware. Consequently, forward-looking statements are inherently subject to risks and uncertainties. Actual results and outcomes may differ materially from results and outcomes discussed in the forward-looking statements.

Forward-looking statements can be identified by the use of forward-looking words such as "may," "will," "should," "anticipate," "believe," "expect," "plan," "future," "intend," "could," "estimate," "predict," "hope," "potential," "continue," or the negative of these terms or other similar expressions. Such forward-looking statements are based on our management's current plans and expectations and are subject to risks, uncertainties and changes in plans that may cause actual results to differ materially from those anticipated in the forward-looking statements. You should be aware that, as a result of any of these factors materializing, the trading price of our common stock may decline. These factors include, but are not limited to, the following:

- the availability and adequacy of capital to support and grow our business;
- economic, competitive, business and other conditions in our local and regional markets;
- actions taken or not taken by others, including competitors, as well as legislative, regulatory, judicial and other governmental authorities;
- competition in our industry;
- changes in our business and growth strategy, capital improvements or development plans;
- the availability of additional capital to support development; and
- other factors discussed elsewhere in this annual report.

The cautionary statements made in this quarterly report are intended to be applicable to all related forward-looking statements wherever they may appear in this report.

We urge you not to place undue reliance on these forward-looking statements, which speak only as of the date of this report. We undertake no obligation to publicly update any forward looking-statements, whether as a result of new information, future events or otherwise.

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GIGWORLD INC. (FORMERLY KNOWN AS HOTAPP BLOCKCHAIN INC.)

CONSOLIDATED BALANCE SHEETS AS OF JUNE 30, 2021 AND DECEMBER 31, 2020 (UNAUDITED)

	June 30, 2021	December 31, 2020
ASSETS		
CURRENT ASSETS:		
Cash	$ 182,253	$ 158,057
Deposit, prepaid expenses and other receivable	737	-
Investment in Securities at Fair Value	1,300,000	-
TOTAL CURRENT ASSETS	1,482,990	158,057
Other non-current assets	102	102
TOTAL ASSETS	**$ 1,483,092**	**$ 158,159**
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$ 22,645	$ 18,043
Accrued taxes	7,742	7,742
Amount due to related parties	2,234,684	1,522,104
TOTAL CURRENT LIABILITIES	2,265,071	1,547,889
TOTAL LIABILITIES	2,265,071	1,547,889
STOCKHOLDERS' DEFICIT:		
Preferred stock, $0.0001 par value, 15,000,000 shares authorized, 0 issued and outstanding as of June 30, 2021 and December 31, 2020	-	-
Common stock, $0.0001 par value, 1,000,000,000 shares authorized, 506,898,576 shares issued and outstanding, as of June 30, 2021 and December 31, 2020	50,690	50,690
Additional paid-in capital	4,604,191	4,604,191
Accumulated other comprehensive loss	(318,798)	(378,361)
Accumulated deficit	(5,118,062)	(5,666,250)
TOTAL STOCKHOLDERS' DEFICIT	(781,979)	(1,389,730)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	**$ 1,483,092**	**$ 158,159**

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

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GIGWORLD INC. (FORMERLY KNOWN AS HOTAPP BLOCKCHAIN INC.)

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020 (UNAUDITED)

	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Operating expenses:				
General and administrative	$ 39,247	$ 20,555	$ 69,375	$ 38,605
Total operating expenses	**39,247**	**20,555**	**69,375**	**38,605**
(Loss) from operations	**(39,247)**	**(20,555)**	**(69,375)**	**(38,605)**
Other income (loss):				

Interest income	1	1	1	3
Foreign exchange gain (loss)	4,033	36,002	(32,438)	(56,656)
Unrealized Gain on Securities Investment	650,000	-	650,000	-
Total other income (loss)	**654,034**	**36,003**	**617,563**	**(56,653)**
Income (Loss) before taxes	**614,787**	**15,448**	**548,188**	**(95,258)**
Income tax provision	-	-	-	-
Net income (loss) applicable to common shareholders	**$ 614,787**	**$ 15,448**	**$ 548,188**	**$ (95,258)**
Net income (loss) per share - basic and diluted	$ 0.00	$ 0.00	$ 0.00	$ (0.00)
Weighted number of shares outstanding - Basic and diluted	506,898,576	506,898,576	506,898,576	506,898,576
Comprehensive Income (Loss):				
Net income (loss)	$ 614,787	$ 15,448	$ 548,188	$ (95,258)
Foreign currency translation (loss) gain	(3,715)	(64,361)	59,563	105,179
Total comprehensive income (loss)	**$ 611,072**	**$ (48,913)**	**$ 607,751**	**$ 9,921**

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

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GIGWORLD INC. (FORMERLY KNOWN AS HOTAPP BLOCKCHAIN INC.)

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' (DEFICIT) FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020 (UNAUDITED)

	Common Shares	Par Value	Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Stockholders' Equity (Deficit)
Balance December 31, 2020	**506,898,576**	**$ 50,690**	**$ 4,604,191**	**$ (378,361)**	**$ (5,666,250)**	**$ (1,389,730)**
Net loss for the period	**-**	**-**	**-**	**-**	**(66,599)**	**(66,599)**
Foreign currency translation adjustment	-	-	-	63,278	-	63,278
Balance March 31, 2021	**506,898,576**	**$ 50,690**	**$ 4,604,191**	**$ (315,083)**	**$ (5,732,849)**	**$ (1,393,051)**
Net income for the period	-	-	-	-	614,787	614,787
Foreign currency translation adjustment	-	-	-	(3,715)	-	(3,715)
Balance June 30, 2021	**506,898,576**	**$ 50,690**	**$ 4,604,191**	**$ (318,798)**	**$ (5,118,062)**	**$ (781,979)**

	Common Shares	Par Value	Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Stockholders' Equity (Deficit)
Balance December 31, 2019	**506,898,576**	**$ 50,690**	**$ 4,604,191**	**$ (310,293)**	**$ (5,616,908)**	**$ (1,272,320)**
Net loss for the period	-	-	-	-	(110,706)	(110,706)
Foreign currency translation adjustment	-	-	-	169,540	-	169,540
Balance March 31, 2020	**506,898,576**	**$ 50,690**	**$ 4,604,191**	**$ (140,753)**	**$ (5,727,614)**	**$ (1,213,486)**
Net income for the period	**-**	**-**	**-**	**-**	**15,448**	**15,448**
Foreign currency translation adjustment	**-**	**-**	**-**	**(64,361)**	**-**	**(64,361)**
Balance June 30, 2020	**506,898,576**	**$ 50,690**	**$ 4,604,191**	**$ (205,114)**	**$ (5,712,166)**	**$ (1,262,399)**

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

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GIGWORLD INC. (FORMERLY KNOWN AS HOTAPP BLOCKCHAIN INC.)

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SIX MONTHS ENDED JUNE 30, 2021 AND 2020 (UNAUDITED)

	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income (Loss)	**$ 548,188**	**$ (95,258)**
Adjustments to reconcile net loss to cash used in operations:		
Unrealized (gain) on securities investment	(650,000)	**-**
Foreign exchange transaction loss	-	**56,467**
Change in operating assets and liabilities:		
Deposit, prepaid expenses and other receivable	(737)	-
Accounts payable and accrued expenses	4,602	(5,753)
Net cash used in operating activities	**$ (97,947)**	**$ (44,544)**
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of securities investment in Fair Value	(650,000)	-
Net cash used in investing activities	**$ (650,000)**	**$ -**
CASH FLOW FROM FINANCING ACTIVITIES:		
Advance from related parties	738,499	37,097
Net cash provided by financing activities	**$ 738,499**	**$ 37,097**
NET (DECREASE) IN CASH	(9,448)	(7,447)
Effects of exchange rates on cash	33,644	(331)
CASH AND CASH EQUIVALENTS at beginning of period	**158,057**	**55,752**
CASH AND CASH EQUIVALENTS at end of period	**$ 182,253**	**$ 47,974**
Supplemental disclosure of cash flows information		
Cash paid for:		
Interest	**$ -**	**$ -**
Income taxes	**$ -**	**$ -**

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

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GIGWORLD INC. (FORMERLY KNOWN AS HOTAPP BLOCKCHAIN INC.)

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

Note 1. THE COMPANY HISTORY AND NATURE OF THE BUSINESS

GigWorld Inc., formerly HotApp Blockchain, Inc. (the "Company" or "Group") was incorporated in the State of Delaware on March 7, 2012 and established a fiscal year end of December 31. The Company's business is focused on serving business-to-business (B2B) needs in e-commerce, collaboration and social networking functions. We will help enterprises and community users to transform their business model with digital economy in a more effective manner. With our platform, users can discover and build their own communities and create valuable content. Enterprises can in turn enhance the user experience with premium content, all of which are facilitated by the transactions of every stakeholder via e-commerce.

Our go-to-market model includes working closely with business entities, which are primarily on a membership based business, direct selling being one of them, to provide membership collaboration tools for communications, commerce and social media management. We work with backend systems providers that provide the order processing, commission management capability and enable them with mobile friendly interface and access to the relevant backend services.

The pricing model will be based on a subscription model with a possible one-time integration support fee.

GigWorld Inc. will work closely with business development consultants to promote our platform to enterprises.

As of June 30, 2021, details of the Company's subsidiaries are as follows:

Subsidiaries	Date of Incorporation	Place of Incorporation	Percentage of Ownership
1st Tier Subsidiary:			
HotApp BlockChain Pte. Ltd., formerly known as HotApps International Pte Ltd ("HIP")	May 23, 2014	Republic of Singapore	100% by Company
Gig Stablecoin Inc., formerly known as Crypto Exchange Inc.	December 15, 2017	State of Nevada, the United States of America	100% by Company
HWH World Inc.	August 28, 2018	State of Delaware, the United States of America	100% by Company
2nd Tier Subsidiaries:			
HWH World Pte. Ltd.	September 15, 2014	Republic of Singapore	100% owned by HIP
HotApp International Limited*	July 8, 2014	Hong Kong (Special Administrative Region)	100% owned by HIP

* On March 25, 2015, HotApp BlockChain Pte. Ltd., formerly known as HotApps International Pte Ltd acquired 100% of the issued and outstanding shares of HotApp International Limited.

Going Concern

These financial statements have been prepared using accounting principles generally accepted in the United States of America applicable for a going concern, which assumes that the Company will realize its assets and discharge its liabilities in the ordinary course of business. Since inception, the Company has incurred net losses of $5,118,062 and has net working capital deficit of $782,081 at June 30, 2021. Management has concluded that due to the conditions described above, there is substantial doubt about the entities ability to continue as a going concern through August 11, 2022. We have evaluated the significance of the conditions in relation to our ability to meet our obligations and believe that our current cash balance along with our current operations will not provide sufficient capital to continue operation through 2021. Our ability to continue as a going concern is dependent upon achieving sales growth, management of operating expenses and ability of the Company to obtain the necessary financing to meet its obligations and pay its liabilities arising from normal business operations when they come due, and upon profitable operations.

Our majority shareholder has advised us not to depend solely on them for financing. We have increased our efforts to raise additional capital through equity or debt financings from other sources. However, we cannot be certain that such capital (from our shareholders or third parties) will be available to us or whether such capital will be available on terms that are acceptable to us. Any such financing likely would be dilutive to existing stockholders and could result in significant financial operating covenants that would negatively impact our business. If we are unable to raise sufficient additional capital on acceptable terms, we will have insufficient funds to operate our business or pursue our planned growth.

These 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 result from this uncertainty.

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Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). These consolidated financial statements should be read in conjunction with the financial statements and additional information as contained in our Annual Report on Form 10-K for the year ended December 31, 2020 filed on March 22, 2021. Results of operations for the three and six months ended June 30, 2021 are not necessarily indicative of the operating results that may be expected for the year ending December 31, 2021. The other information in these consolidated financial statements is unaudited but, in the opinion of management, reflects all adjustments necessary for a fair presentation of the results for the periods covered. All such adjustments are of a normal recurring nature unless disclosed otherwise.

Basis of consolidation

The consolidated financial statements of the Group include the financial statements of GigWorld Inc. and its subsidiaries. All inter-company transactions and balances have been eliminated upon consolidation.

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and revenues, cost and expenses in the financial statements and accompanying notes. Significant accounting estimates reflected in the Group's consolidated financial statements include revenue recognition, the useful lives and impairment of property and equipment, valuation allowance for deferred tax assets.

Cash and cash equivalents

The Company considers all highly liquid investments with a maturity of three months or less at the date of acquisition to be cash equivalents. There were no cash equivalents as of June 30, 2021 and December 31, 2020.

Foreign currency risk

Because of its foreign operations, the Company holds cash in non-US dollars. As of June 30, 2021, cash and cash equivalents of the Group includes, on an as converted basis to US dollars, $49,002 and $122,312 in Hong Kong Dollars ("HK$") and Singapore Dollars ("S$"), respectively. As of December 31, 2020, cash and cash equivalents of the Group include, on an as converted basis to US dollars, $24,448, and $122,671, in Hong Kong Dollars ("HK$"), and Singapore Dollars ("S$"), respectively.

Investment Securities

Investments represent equity investments with readily determinable fair values.

The Company account for investments in equity securities that have readily determinable fair values are measured at fair value, with unrealized gains and losses from fair value changes recognized in net income in the consolidated statements of comprehensive income.

Concentrations

Financial instruments that potentially expose the Group to concentration of credit risk consist primarily of cash. Although the cash at each particular bank in the United States is insured up to $250,000 by Federal Deposit Insurance Corporation (FDIC), the Group exposes to risk due to its concentration of cash in foreign countries. The Group places its cash with financial institutions with high-credit ratings and quality.

Income taxes

Current income taxes are provided for in accordance with the laws of the relevant tax authorities. Deferred income taxes are recognized when temporary differences exist between the tax bases of assets and liabilities and their reported amounts in the consolidated financial statements. Net operating loss carry forwards and credits are applied using enacted statutory tax rates applicable to future years. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more-likely-than-not that a portion of or all of the deferred tax assets will not be realized. The components of the deferred tax assets and liabilities are individually classified as non-current based on their characteristics.

The impact of an uncertain income tax position on the income tax return is recognized at the largest amount that is more-likely-than-not to be sustained upon audit by the relevant tax authority. An uncertain income tax position will not be recognized if it has less than a 50% likelihood of being sustained. Interest and penalties on income taxes will be classified as a component of the provisions for income taxes. The Group did not recognize any income tax due to uncertain tax position or incur any interest and penalties related to potential underpaid income tax expenses for the period ended June 30, 2021 or 2020, respectively.

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Foreign currency translation

Items included in the financial statements of each entity in the group are measured using the currency of the primary economic environment in which the entity operates (“functional currency”).

The functional and reporting currency of the Company is the United States dollar (“U.S. dollar”). The financial records of the Company’s subsidiaries located in Singapore and Hong Kong are maintained in their local currencies, the Singapore Dollar (S$) and Hong Kong Dollar (HK$), which are also the functional currencies of these entities.

Monetary assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency at the rates of exchange ruling at the balance sheet date. Transactions in currencies other than the functional currency during the year are converted into functional currency at the applicable rates of exchange prevailing when the transactions occurred. Transaction gains and losses are recognized in the statement of operations.

The Company’s entities with functional currency of Hong Kong Dollar and Singapore Dollar, translate their operating results and financial positions into the U.S. dollar, the Company’s reporting currency. Assets and liabilities are translated using the exchange rates in effect on the balance sheet date. Revenues, expenses, gains and losses are translated using the average rate for the year. Translation adjustments are reported as cumulative translation adjustments and are shown as a separate component of comprehensive income (loss).

For the three and six months ended June 30, 2021, the Company recorded other comprehensive income from translation (loss) gain of $(3,715) and $59,563 in the consolidated financial statements, respectively. For the three and six months ended June 30, 2020, the Company recorded other comprehensive income from translation (loss) gain of $(64,361) and $105,179 in the consolidated financial statements, respectively.

Comprehensive income (loss)

Comprehensive income (loss) includes gains (losses) from foreign currency translation adjustments. Comprehensive income (loss) is reported in the consolidated statements of operations and comprehensive loss.

Income (Loss) per share

Basic income (loss) per share is computed by dividing net income (loss) attributable to shareholders by the weighted average number of shares outstanding during the period.

As of June 30, 2021, there are no potentially dilutive securities that were excluded from the computation of diluted EPS.

Fair Value Measurements

ASC 820, Fair Value Measurement and Disclosures, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. This topic also establishes a fair value hierarchy which requires classification based on observable and unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

Level 1: Observable inputs such as quoted prices (unadjusted) in an active market for identical assets or liabilities.

Level 2: Inputs other than quoted prices that are observable, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3: Unobservable inputs that are supported by little or no market activity; therefore, the inputs are developed by the Company using estimates and assumptions that the Company expects a market participant would use, including pricing models, discounted cash flow methodologies, or similar techniques.

Recent accounting pronouncements

Management does not believe that any recently issued, but not effective, accounting standards, if currently adopted, would have a material effect on the Company’s consolidated financial statements.

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Note 3. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accrued expenses and other current liabilities consisted of the following:

	June 30, 2021	December 31, 2020
Accrued professional fees	$ 20,842	$ 16,892
Other	1,803	1,151
Total	$ 22,645	$ 18,043

Note 4. RELATED PARTY BALANCES AND TRANSACTIONS

Effective as of September 1, 2020, Chan Heng Fai resigned as the Acting Chief Executive Officer of the Company, and the Company’s Board of Directors appointed Lee Wang Kei (“Nathan”) as the Company’s Chief Executive Officer. Alset International Limited (“AIL”) is the Company’s majority stockholder. Chan Heng Fai, the Executive Chairman of the Company’s Board of Directors, is also the Chief Executive Officer and a member of AIL’s Board of Directors, as well as the majority stockholder of AIL. Lui Wai Leung Alan, the Company’s Chief Financial Officer, is also the Executive Director and Chief Financial Officer of AIL. Both Chan Heng Fai and Lui Wai Leung Alan are being paid by AIL, the Company’s majority stockholder. We have not entered into any employment arrangement with any employees except for our Chief Executive Officer, Lee Wang Kei. Mr. Lee is paid $2,000 per month by HotApp International Limited, a subsidiary of the Company. AIL has provided staff without charge to our Company.

As of June 30, 2021, the Company has an amount due to AIL of $2,234,581 plus an amount due to an associated company of AIL of $103. As of December 31, 2020, the Company has amount due to AIL of $1,521,999 plus an amount due to an associated company of AIL of $105.

Note 5. INVESTMENT

The Company acquired 6,500,000 shares of Value Exchange International Inc.’s common shares for an aggregate subscription price of $650,000. Financial assets measured at fair value on a recurring basis are summarized below and disclosed on the consolidated balance sheet as of June 30, 2021:

	Amount at Cost	Fair Value Measurement Using			Amount at Fair Value
		Level 1	Level 2	Level 3	

June 30, 2021					
Asset					
Investment Securities – Fair Value	$ 6,500,000	$ 1,300,000	$ -	$ -	$ 1,300,000
Total Investment in securities at Fair Value	$ 6,500,000	$ 1,300,000	$ -	$ -	$ 1,300,000

Note 6. SUBSEQUENT EVENTS

Smart Reward Express Limited ("Smart Reward") was incorporated in Hong Kong on 13 July 2021 with an issued and paid-up share capital of HK$10,000 comprising 10,000 ordinary shares. Smart Reward plans to be principally engaged in the business of software development of a platform allowing small and medium sized merchants to set-up their own reward programme, with the aim of creating Asia's largest loyalty exchange programme for participating merchants.

HotApp International Limited will hold 5,000 shares in the share capital of Smart Reward, representing 50% of the total issued and paid-up share capital of Smart Reward. HotApp International Limited is a wholly-owned subsidiary of HotApp BlockChain Pte. Ltd., which is a wholly-owned subsidiary of GigWorld Inc.

The remaining 5,000 shares in the share capital of Smart Reward, representing 50% of the total issued and paid-up share capital of Smart Reward, will be held by Value Exchange Int'l (China) Limited, a wholly-owned subsidiary of Value Exchange International Inc. GigWorld Inc. owns 18% of the of the total issued and paid-up share capital of Value Exchange International Inc.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

FORWARD-LOOKING STATEMENTS

Certain matters discussed herein are forward-looking statements. Such forward-looking statements contained in this Form 10-Q involve risks and uncertainties, including statements as to:

1. our future operating results;
2. our business prospects;
3. any contractual arrangements and relationships with third parties;
4. the dependence of our future success on the general economy;
5. any possible financings; and
6. the adequacy of our cash resources and working capital.

These forward-looking statements can generally be identified as such because the context of the statement will include words such as we "believe," "anticipate," "expect," "estimate" or words of similar meaning. Similarly, statements that describe our future plans, objectives or goals are also forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties which are described in close proximity to such statements and which could cause actual results to differ materially from those anticipated as of the date of filing of this Form 10-Q. Shareholders, potential investors and other readers are urged to consider these factors in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements included herein are only made as of the date of filing of this Form 10-Q, and we undertake no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

This discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results may differ materially from those anticipated in these forward-looking statements.

The coronavirus or other adverse public health developments could have a material and adverse effect on our business operations, financial condition and results of operations

In December 2019, a novel strain of coronavirus (COVID-19) was first identified in Wuhan, Hubei Province, China, and has since spread to a number of other countries, including the United States. The COVID-19 pandemic's far-reaching impact on the global economy could negatively affect various aspects of our business. The extent to which the COVID-19 pandemic may impact our business will depend on future developments, which are highly uncertain and cannot be predicted.

The COVID-19 pandemic may adversely impact our potential to expand our business activities. The COVID-19 pandemic has impacted, and may continue to impact, the global supply of certain goods and services in ways that may impact the sale of products to consumers that we, or companies we may partner with, will attempt to make. The COVID-19 pandemic may prevent us from pursuing otherwise attractive opportunities.

In addition, the COVID-19 pandemic could directly impact the ability of our management and service providers to continue to work, and our ability to conduct our operations in a prompt and efficient manner. Our management has shifted to mostly working from home since March 2020, but this has had minimal impact on our operations to date. However our management's ability to travel has been significantly limited, and limitations on the mobility of our management may slow down our ability to enter into new transactions and expand existing projects.

Background and business

GigWorld Inc., formerly known as HotApp Blockchain Inc. (the "Company" or "Group"), was incorporated in the State of Delaware on March 7, 2012. The Company's initial business plan was to be a financial acquisition intermediary which would serve buyers and sellers for companies that are in highly fragmented industries. Our Board determined it was in the best interest of the Company to expand our business plan. On October 15, 2014, through a sale and purchase agreement, the Company acquired all the issued and outstanding stock of HotApp BlockChain Pte. Ltd., formerly known as HotApps International Pte Ltd ("HIP") from Alset International Limited ("AIL"), formerly known as Singapore eDevelopment Limited. AIL is presently our largest stockholder. HIP owned certain intellectual property relating to instant messaging for portable devices (referred to herein as the "HotApp Application").

The HotApp Application is a cross-platform mobile application that incorporates instant messaging and ecommerce. This application can be used on any mobile platform (i.e. IOS Online or Android). The HotApp Application offered messaging and calling services for HotApp Application users (text, photo, audio); however, the messaging and calling services we offered were terminated in 2017.

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In December of 2017, the Company's name was changed from "HotApp International, Inc." to "HotApp Blockchain Inc." to reflect the Board of Directors' determination that it was in the best interest of the Company to expand its activities to include the development and commercialization of blockchain-related technologies. One area we are presently exploring is providing technology consulting for security token offerings ("STO"). Such services, which have not yet commenced commercially, would include STO white paper development, technology design and web development. We intend to outsource certain aspects of these projects to potential partners we have identified. We have no plans to launch our own token offering, but rather may develop technologies that could facilitate such offerings by other companies.

We believe that the increasing acceptance of distributed ledger technologies by potential customers will benefit us. The growth of network marketing throughout the world would impact our technologies that target that industry. In this rapidly evolving field, however, technology is advancing quickly and it is possible that our competitors could create products that gain market acceptance before our products.

In 2018, one of our main developments was a broadening of our scope of planned operations into a digital transformation technology business. As a digital transformation technology business, we are committed to enabling enterprises we work with to engage in a digital transformation by providing consulting, implementation and development services with various technologies, including instant messaging, blockchain, e-commerce, social media and payment solutions. We continue to advise businesses in network marketing and brands in block chain services and mobile collaboration.

We are focused on serving business-to-business (B2B) needs in e-commerce, collaboration and supply chains. We will help enterprises and community users to transform their business model with digital economy in a more effective manner. With our platform, users can discover and build their own communities and create valuable content. Enterprises can in turn enhance the user experience with premium content, all of which are facilitated by the transactions of every stakeholder via e-commerce.

Our technology platform consists of instant messaging systems, social media, e-commerce and payment systems, network marketing platforms and e-real estate. We are focused on business-to-business solutions such as enterprise messaging and workflow. We have successfully implemented several strategic platform developments for clients, including a mobile front-end solution for network marketing, a hotel e-commerce platform for Asia and a real estate agent management platform in China. We have also enhanced our technological capability from mobile application development to include blockchain architectural design, allowing mobile-friendly front-end solutions to integrate with software platforms. Our main digital assets at the present time are our applications. We continue to strengthen our technology architecture and develop Application Development Interface (API) for collaboration partners such as network marketing back end service providers. In addition we are continuing our development activities in blockchain preparing for future clients opportunities.

In January 2017, we entered into a revenue-sharing agreement with iGalen, a network marketing company selling health products (AIL, our majority stockholder, was a significant stockholder of iGalen). Under the agreement, we customized a secure app for iGalen's communication and management system. The app enables mobile friendly backend access for iGalen Inc. members, among other functions. We are continuing to improve this secure app. In particular, we intend to utilize blockchain supply logistics to improve its functions (the original iGalen app did not utilize the latest distributed ledger technology). Once the improvements to this technology are completed, and initially utilized by iGalen, We intend to then attempt to sell similar services to other companies engaged in network marketing, as members of our management have a particular experience offering services to that industry and we believe our solutions are particularly suited to that industry's needs. This app can be modified to meet the specific needs of any network marketing company. We believe that these technologies will, among other benefits, make it easier for network marketing companies to securely and effectively manage their systems of compensation. Our current plan is to commence sales of this technology in 2021.

In February of 2021, the Company's name was changed to "GigWorld Inc."

The direct selling industry has been adopting gig economy practices and relying heavily on digital marketing technology in team development and customer engagement. We have positioned ourselves to serve the growing demand in the transformation of the direct selling industry towards the gig economy.

The Group has relied significantly on AIL, our majority stockholder, as its principal sources of funding during the period. AIL has advised us not to depend solely on it for financing. We have increased our efforts to raise additional capital through equity or debt financings from other sources. However, we cannot be certain that such capital (from our stockholders or third parties) will be available to us or whether such capital will be available on terms that are acceptable to us. Any such, financing likely would be dilutive to existing stockholders and could result in significant financial operating covenants that would negatively impact our business. If we are unable to raise sufficient additional capital on acceptable terms, we will have insufficient funds to operate our business or pursue our planned growth.

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Trends in the Market and Our Opportunity

The gig economy has become very appealing to those seeking flexibility in how and when they work. Technology has been a key driver along with reducing complexity to simplicity in how work is done and how the worker is compensated.

Technology has changed pretty much every aspect of a business, opening up work opportunities for those who want to work in the gig economy. This change has also helped employers increase profitability because they only have to only hire workers when they need them.

While there is no universal definition of a gig worker, making them a difficult cohort to categorize, some estimates predict that gig workers represent around 35 percent of the U.S. workforce in 2020, up from between 14 and 20 percent in 2014.

That means roughly 57 million Americans currently engage in some type of gig work that contributes more than $1 trillion to the U.S. economy annually. Those figures are only expected to grow, with some predicting that freelance workers will make up more than half of the U.S. workforce by 2023.

Based upon the above trends, we believe significant opportunities exist for:

- As the world starts to more fully embrace the new way of working after the pandemic, talent leaders must plan for this inevitable shift and find new ways to support workers to ensure the gig economy's long-term viability.
- Technology has made the workforce digital, and jobs are changing to compensate. People who work as gig workers often don't work at a company's site and instead work at home, in coffee shops, and other places. They communicate with potential employers mostly via email, messaging apps and collaboration tools. These workers find potential gigs on job boards or through their networking efforts.
- Industries such as Network Marketing and Hospitality and Franchising businesses are utilizing Mobile friendly solutions to reach out effectively to their marketing network on a global basis.
- The application of Block Chain technology enable trusted transactions in the highly connected gig economy.
- Payment services are also changing as a result of globalized gig economy workers earning their income through building a global network.

Our Plan of Operations and Growth Strategy

We believe that we have significant opportunities to further enhance the value we deliver to our users. We intend to pursue the following growth strategy:

- focus in developing technologies enabling enterprise to capture the gig economy opportunities
- partner with technology providers offer services for membership management, ecommerce, loyalty reward management, CRM, logistics and payment services in the gig economy marketplace
- identify solutions and licensing opportunities in accelerating the digital transformation for direct selling and network marketing organizations.

Results of Operations

Summary of Key Results

For the unaudited three months period ending June 30, 2021 and 2020

Revenue

The Company had no revenue during the three months ended June 30, 2021 and 2020.

Cost of revenue

Total cost of revenue for the three months ended June 30, 2021 and 2020 were $0.

General and Administrative

General and administrative expenses consist primarily of professional fees, consulting fee and maintenance expenses of existing software framework. We expect our general and administrative expenses to maintain with moderate changes in line with business activities. Total general and administrative expenses for the three months ended June 30, 2021 and 2020 were $39,247 and $20,555, respectively.

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Other (Expense) / Income

For the three months ended June 30, 2021 and 2020, we have incurred $4,033 and $36,002 in foreign exchange gain, $1 and $1 in interest income, and $650,000 and $0 in unrealized gain on securities investment respectively.

For the unaudited six months period ending June 30, 2021 and 2020

Revenue

The Company had no revenue during the six months ended June 30, 2021 and 2020.

Cost of revenue

Total cost of revenue for the six months ended June 30, 2021 and 2020 were $0.

General and Administrative

General and administrative expenses consist primarily of professional fees, consulting fee and maintenance expenses of existing software framework. We expect our general and administrative expenses to maintain with moderate changes in line with business activities. Total general and administrative expenses for the six months ended June 30, 2021 and 2020 were $69,375 and $38,605, respectively.

Other (Expense) / Income

For the six months ended June 30, 2021 and 2020, we have incurred $(32,438) and $(56,656) in foreign exchange (loss), $1 and $3 in interest income, and $650,000 and $0 in unrealized gain on securities investment respectively.

Liquidity and Capital Resources

At June 30, 2021, we had cash of $182,253 and working capital deficit of $782,081.

We had a total stockholders' deficit of $781,979 and an accumulated deficit of $5,118,062 as of June 30, 2021 compared with a total stockholders' deficit of $1,389,730 and an accumulated deficit of $5,666,250 as of December 31, 2020. This difference is primarily due to the unrealized gain on securities investment during the period.

For the six months ended June 30, 2021, we recorded a net income of $548,188.

We had net cash used in operating activities of $97,947 for the six months ended June 30, 2021. We had a negative change of $737 in deposit, prepaid expenses and other receivable, and a positive change of $4,602 due to accounts payable and accrued expenses.

For the six months ended June 30, 2020, we recorded a net loss of $ 95,258.

We had net cash used in operating activities of $44,544 for the six months ended June 30, 2020. We had a negative change of $5,753 due to accounts payable and accrued expenses.

For the six months ended June 30, 2021, we had net cash used in investing activities of $650,000 in the purchase of securities investment.

For the six months ended June 30, 2020, we had no investing activities for the period.

For the six months ended June 30, 2021, we had net cash provided by financial activities of $738,499 due to advances from related parties.

For the six months ended June 30, 2020, we had net cash provided by financial activities of $37,097 due to advances from related parties.

As of June 30, 2021, we do not have any fixed operating office lease agreements.

We will need to raise additional capital through equity or debt financings. However, we cannot be certain that such capital (from AIL or third party) will be available to us or whether such capital will be available on terms that are acceptable to us. Any such financing likely would be dilutive to existing shareholders and could result in significant financial and operating covenants that would negatively impact our business. If we are unable to raise sufficient additional capital on acceptable terms, we will have insufficient funds to operate our business and pursue our business plan.

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Consistent with Section 144 of the Delaware General Corporation Law, it is our current policy that all transactions between us and our officers, directors and their affiliates will be entered into only if such transactions are approved by a majority of the disinterested directors, are approved by vote of the stockholders, or are fair to us as corporation as of the time it is authorized, approved or ratified by the board. We will conduct an appropriate review of all related party transactions on an ongoing basis.

Critical Accounting Policies

Our discussion and analysis of the financial condition and results of operations are based upon the Company's financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. We believe that the estimates, assumptions and judgments involved in the accounting policies described below have the greatest potential impact on our financial statements, so we consider these to be our critical accounting policies. Because of the uncertainty inherent in these matters, actual results could differ from the estimates we use in applying the critical accounting policies. Certain of these critical accounting policies affect working capital account balances, including the policies for revenue recognition, allowance for doubtful accounts, inventory reserves and income taxes. These policies require that we make estimates in the preparation of our financial statements as of a given date.

Within the context of these critical accounting policies, we are not currently aware of any reasonably likely events or circumstances that would result in materially different amounts being reported.

Revenue recognition

Accounting Standards Codification ("ASC") 606, Revenue from Contracts with Customers ("ASC 606"), establishes principles for reporting information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts to provide goods or services to customers. Under the new standard, revenue is recognized when a customer obtains control of promised goods or services in an amount that reflects the consideration the entity expects to receive in exchange for those goods or services. The Company adopted this new standard on January 1, 2018 under the modified retrospective method to all contracts not completed as of January 1, 2018 and the adoption did not have a material effect on our financial statements but we expanded our disclosures related to contracts with customers below.

Revenue is recognized when (or as) the Company transfers promised goods or services to its customers in amounts that reflect the consideration to which the Company expects to be entitled to in exchange for those goods or services, which occurs when (or as) the Company satisfies its contractual obligations and transfers over control of the promised goods or services to its customers. Costs to obtain or fulfill a contract are expensed as incurred.

The Company had no revenue for the period ended June 30, 2021 and 2020.

Contract assets and contract liabilities

Based on our contracts, we normally invoice customers once our performance obligations have been satisfied, at which point payment is unconditional. Accordingly, our contracts do not give rise to contract assets or liabilities under ASC 606. Accounts receivable are recorded when the right to consideration becomes unconditional.

Income taxes

Current income taxes are provided for in accordance with the laws of the relevant tax authorities. Deferred income taxes are recognized when temporary differences exist between the tax bases of assets and liabilities and their reported amounts in the consolidated financial statements. Net operating loss carry forwards and credits are applied using enacted statutory tax rates applicable to future years. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more-likely-than-not that a portion of or all of the deferred tax assets will not be realized. The components of the deferred tax assets and liabilities are individually classified as non-current based on their characteristics.

The impact of an uncertain income tax position on the income tax return is recognized at the largest amount that is more-likely-than-not to be sustained upon audit by the relevant tax authority. An uncertain income tax position will not be recognized if it has less than a 50% likelihood of being sustained. Interest and penalties on income taxes will be classified as a component of the provisions for income taxes. The Group did not recognize any income tax due to uncertain tax position or incur any interest and penalties related to potential underpaid income tax expenses for the period ended June 30, 2021 or 2020, respectively.

Off-Balance Sheet Arrangements

As of June 30, 2021, the Company did not have any off-balance sheet arrangements.

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ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a "smaller reporting company" as defined by Item 10(f)(1) of Regulation S-K, the Company is not required to provide the information required by this Item.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

In connection with the preparation of our Quarterly Report on Form 10-Q, an evaluation was carried out by management, with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (Exchange Act)) as of June 30, 2021. Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified, and that such information is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

During evaluation of disclosure controls and procedures as of June 30, 2021 conducted as part of our preparation of our interim financial statements, management conducted an evaluation of the effectiveness of the design and operations of our disclosure controls and procedures and concluded that our disclosure controls and procedures were not effective. Management determined that at June 30, 2021, we had a material weakness that relates to the relatively small number of employees, provided by AIL, who have bookkeeping and accounting functions and therefore prevents us from segregating duties within our internal control system.

Changes in the Company's Internal Controls over Financial Reporting

There have been no changes in the Company's internal control over financial reporting during the most recently completed fiscal quarter that have materially affected or are reasonably likely to materially affect, the Company's internal control over financial reporting.

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PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are not a party to any legal proceedings. Management is not aware of any legal proceedings proposed to be initiated against us. However, from time to time, we may become subject to claims and litigation generally associated with any business venture operating in the ordinary course.

ITEM 1A. RISK FACTORS

Not applicable to a "smaller reporting company" as defined in Item 10(f)(1) of Regulation S-K.

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

On April 8, 2021, the Company entered into a Securities Purchase Agreement with Value Exchange International, Inc., a Nevada corporation ("VEII") pursuant to which the Company purchased 6.5 million restricted shares of VEII Common Stock from VEII for an aggregate purchase price of $650,000. The closing of the transaction occurred on April 12, 2021. Pursuant to this Securities Purchase Agreement, the Company was entitled to appoint one nominee to the Board of Directors of VEII. The Company appointed Mr. Lum Kan Fai as its nominee. Mr. Lum is the Vice Chairman of the Company's Board of Directors. VEII is a provider of customer-centric technology solutions for the retail industry in Hong Kong and certain regions of China and Philippines.

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ITEM 6. EXHIBITS

Exhibit Number	Description
10.1	Securities Purchase Agreement, dated April 5, 2021, by Value Exchange International, Inc. and GigWorld, Inc.
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Section 1350 Certification of Chief Executive Officer and Chief Financial Officer
101.INS	XBRL Instance Document
101.SCH	XBXRL Taxonomy Extension Schema.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase.
101.DEF	XBRL Taxonomy Extenstion Definition Linkbase.
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase

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SIGNATURES

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

GIGWORLD INC.

Date: August 11, 2021

By: /s/ Lee Wang Kei
Lee Wang Kei
Chief Executive Officer
(Principal Executive Officer)

Date: August 11, 2021

By: /s/ Lui Wai Leung, Alan
Lui Wai Leung, Alan
Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)