

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

INTERNATIONAL WIRELESS INC
Form 10KSB
May 25, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON D.C. 20549

FORM 10-KSB

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

For the fiscal year ending December 31, 2003

OR

TRANSITION REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 000-27045

INTERNATIONAL WIRELESS, INC.

(Name of Small Business Issuer in Its Charter)

Maryland

36-4286069

(State or other jurisdiction
of Incorporation)

(IRS Employer
Identification No.)

25 Mound Park Drive
Springboro, Ohio

45066

(Address of principal executive offices)

(Zip Code)

(937) 748-4217

(Issuer's telephone number,
including area code)

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

Securities registered pursuant to Section 12(g) of the Act: Common Stock, 0.009
par value.

Indicate by check mark whether the issuer (1) has filed all reports required to
be filed by Section 13 or 15(d) of the Securities and Exchange Act of 1934
during the preceding 12 months (or 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

1

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405
of Regulation S-B is not contained herein, and will not be contained, to the
best of issuer's knowledge, in definitive proxy or information statements

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. [X]

Issuer's revenues for its most recent fiscal year were: none -----

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Check whether the Issuer filed all documents and reports required to be filed by Section 12, 13, or 15(d) of the Exchange Act after distribution of securities under a plan confirmed by a court. Yes [] No []

APPLICABLE TO CORPORATE ISSUERS

On May 25, 2004, the Issuer had 13,353,606 outstanding shares of its \$.009 par value common stock. The aggregate market value of the Registrant's voting stock held by non-affiliates of the Registrant was approximately \$30,982,372 at the closing quotation for the Registrant's common stock of \$4.00 as of May 25, 2004.

Transitional Small Business Disclosure Format Used (check one): Yes [] No [X]

Documents incorporated by reference: None.

INTERNATIONAL WIRELESS, INC.

TABLE OF CONTENTS

Table with 2 columns: Item and Page. Includes sections for PART I (Items 1-4), PART II (Items 5-8), and PART III.

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

Item 9.	Directors, Executive Officers, Promoters and Control Persons; Compliance with Section 16(a) of the Exchange Act	32
Item 10.	Executive Compensation	36
Item 11.	Security Ownership of Certain Beneficial Owners and Management	38
Item 12.	Certain Relationships and Related Transactions	39
Item 13.	Exhibits, and Reports on Form 8-K	40
	Signatures	42

PART I

ITEM 1. BUSINESS OF THE COMPANY

FORWARD-LOOKING STATEMENTS. This annual report contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that involve risks and uncertainties. In addition, the Company (International Wireless, Inc., a Maryland corporation), may from time to time make oral forward-looking statements. Actual results are uncertain and may be impacted by many factors. In particular, certain risks and uncertainties that may impact the accuracy of the forward-looking statements with respect to revenues, expenses and operating results include without imitation; cycles of customer orders, general economic and competitive conditions and changing customer trends, technological advances and the number and timing of new product introductions, shipments of products and components from foreign suppliers, and changes in the mix of products ordered by customers. As a result, the actual results may differ materially from those projected in the forward-looking statements.

Because of these and other factors that may affect the Company's operating results, past financial performance should not be considered an indicator of future performance, and investors should not use historical trends to anticipate results or trends in future periods.

(A) THE COMPANY

The Company was incorporated in the State of Maryland on April 6, 1999 as Origin Investment Group, Inc. ("Origin"). On December 27, 2001, the Company went through a reverse merger with International Wireless, Inc. ("International Wireless"). Thereafter on January 2, 2002, the Company changed its name from Origin to our current name, International Wireless, Inc.

The Company was originally formed as a non-diversified closed-end management investment company, as those terms are used in the Investment Company Act of 1940 ("1940 Act"). The Company at that time elected to be regulated as a business development company under the 1940 Act. The 1940 Act defines a business development company (a "BDC") as a closed-end management investment company that provides small businesses that qualify as an "eligible portfolio company" with investment capital and also significant managerial assistance. A BDC is required under the 1940 Act to invest at least 70% of its total assets in "qualifying

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

assets" consisting of (a) "eligible portfolio companies" as defined in the 1940 Act and (b) certain other assets including cash and cash equivalents.

The Company's original investment strategy had been, since inception, to invest in a diverse portfolio of private companies that in some way build the Internet infrastructure by offering hardware, software and/or services which enhance the use of the Internet. Prior to its reverse merger with International Wireless, the Company identified two eligible portfolio companies within which they entered into agreements to acquire interests within such companies and to further invest capital in these companies to further develop their business. However, on each occasion and prior to each closing, the Company was either

4

unable to raise sufficient capital to consummate the transaction or discovered information which modified its understanding of the eligible portfolio company's financial status to such an extent where it was inadvisable for it to continue and consummate the transaction. During the 2002 fiscal year, the Company entered into a definitive share exchange agreement and investment agreement with Vivocom, Inc., a San Jose, California based software company that had developed a proprietary all media switching system which enables all forms of data to be sent over a single IP channel. The Company intended on investing a minimum of three million two hundred and fifty thousand dollars (\$3,250,000) within Vivocom over several months. Due to the Company's inability to raise this money, the share exchange never took place and the agreement terminated.

On December 7, 2001, the Company held a special meeting of its shareholders in accordance with a filed Form DEF 14A with the Securities and Exchange Commission whereby the shareholders voted on withdrawing the Company from being regulated as a business development company and thereby no longer be subject to the Investment Company Act of 1940 and to effect a one-for-nine reverse split of its total issued and outstanding common stock. On December 14, 2001 the Company filed a Form N-54C with the Securities and Exchange Commission formally notifying its withdrawal from being regulated as a business development company. The purpose of the withdrawal of the Company from being regulated as a business development company and the one-for-nine reverse split of its total issued and outstanding common stock was to allow the Company to merge with a potential business in the future. By withdrawing from its status as a business development company, the Company chose to be treated as a publicly traded "C" corporation.

On December 27, 2001, the Company went through a reverse merger whereby it acquired all the outstanding shares of International Wireless. Under the said reverse merger, the former Shareholders of International Wireless ended up owning a 88.61% interest in the Company. Thereafter on January 2, 2002, the Company changed its name from Origin to our current name, International Wireless, Inc.

From December 27, 2001 through June 2003, the Company attempted to develop its bar code technology and bring it to market. To that extent, the Company moved its operations to Woburn, Massachusetts, hired numerous computer programmers, developers and sales people in addition to support staff. Due to the Company's inability to raise sufficient capital, the Company was unable to pay current operating expenses and by June, 2003 shut down its operations entirely.

On August 29, 2003, a change in control of the Company occurred in conjunction with naming Attorney Jerry Gruenbaum of First Union Venture Group, LLC as attorney of record for the purpose of overseeing the proper disposition of the Company and its remaining assets and liabilities by any means appropriate, including settling any and all liabilities to the U.S. Internal Revenue Service and the Commonwealth of Massachusetts' Attorney General's office

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

for unpaid wages.

In conjunction with naming Attorney Jerry Gruenbaum of First Union Venture Group, LLC as attorney of record for the purpose of overseeing the proper disposition of the Company and its remaining assets and liabilities, the Company issued First Union Venture Group, LLC, a Nevada Limited Liability Company, Thirty Million (30,000,000) newly issued common shares as consideration for their services. In addition, the Company canceled any and all outstanding options, warrants, and/or debentures not exercised to date. The Company further nullified any and all salaries, bonuses, and benefits including severance pay and accrued salaries to Stanley A. Young and Michael Dewar.

5

On November 12, 2003, the Company approved the spin-off of the two subsidiaries of the Company and any and all remaining assets of the Company, including any intellectual property, to enable the Company to pursue a suitable merger candidate. In addition, the Company approved a 30 to 1 reverse split of all existing outstanding common shares of the Company.

On November 15, 2003, a change in control of the Company occurred whereby the Company entered into an Acquisition Agreement to acquire one hundred percent (100%) of PMI Wireless, Inc., a Delaware corporation with corporate headquarters located in Cordova, Tennessee. The acquisition, in the form of a reverse merger, took place on December 1, 2003 for the aggregate consideration of \$50,000 in cash, all of which was paid to the U.S. Internal Revenue Service for the Company's prior obligations, plus assumption of the Company's existing debts, for 9,938,466 newly issued common shares of the Company.

On December 10, 2003, the Company entered into an Acquisition Agreement to acquire one hundred percent (100%) of Mound Technologies, Inc. ("Mound"), a Nevada corporation with its corporate headquarters located in Springboro, Ohio. The acquisition was a stock for stock exchange in which the Company acquired all of the issued and outstanding common stock of Mound in exchange for 1,256,000 newly issued shares of its common stock. As a result of this transaction, Mound became a wholly owned subsidiary of the Company.

(B) BUSINESS OF THE ISSUER

The Company is in the early stages of business formation and operation. In its present form, the Company's mission is to become a leading diversified company with business interests in well established service organizations and capital goods manufacturing companies. The Company plans to successfully grow by acquiring companies with historically profitable results, strong balance sheets, high profit margins, and solid management teams in place. By providing access to financial markets, expanded marketing opportunities and operating expense efficiencies, the Company expects to become the facilitator for future growth and higher long-term profits. In the process, the Company expects to develop new synergies among the acquired companies, which should allow for greater cost effectiveness and efficiencies, and thus further enhancing each individual company's strengths. To date, the Company has completed company acquisitions in the wireless technology, steel fabrication and heavy machinery industries.

(1) PMI WIRELESS, INC.

PMI Wireless, Inc. is an emerging technology company, incorporated in September 2003, which plans to deliver Customer Premise Equipment (CPE) for Broadband Wireless Access Systems in the ISM, WLL, MMDS and UNII frequency bands. PMI expects to provide a reduction of build-out costs for Broadband Wireless Access Systems while accelerating the speed of deployment. PMI also expects to deliver next-generation wireless services that support expanded

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

coverage, seamless global roaming, higher voice quality, high-speed data and a full range of broadband multimedia services, including full motion video, video conferencing, and high-speed Internet access. Additional services are expected to include on-demand medical imaging, real-time road maps, and anytime, anywhere video conferencing.

6

PMI is also a licensed reseller for Turbowave, Inc. Turbowave develops, manufactures, and markets certain hardware, software, and related materials for use with certain personal computers, wireline and wireless devices. PMI expects to utilize the Turbowave manufactured products in developing and marketing its products and services.

To date, PMI has not produced or sold any products or services.

(2) MOUND TECHNOLOGIES, INC.

Mound was incorporated in the state of Nevada in November of 2002, with its corporate offices located in Springboro, Ohio. Mound is actively involved in the fabricated metals industry as well as property management. This business includes two divisions and Freedom Products of Ohio ("Freedom"), a wholly owned subsidiary.

The Steel Fabrication Division is located in Springboro, Ohio. This division is a full service structural and miscellaneous steel fabricator. It also manufactures steel stairs and railings, both industrial and architectural quality. The present capacity of the facility is 6000 tons per year of structural and miscellaneous steel. This division had been previously known as Mound Steel Corporation which was started at the same location in 1964.

The Property Management Division is also located in Springboro, Ohio. This division presently owns two properties and manages three other properties, all in Ohio, which includes 37,000 square feet of light and heavy manufacturing buildings on approximately 6 acres. An additional 33 acres of industrial property is managed but not owned, all in Ohio.

Freedom is a wholly owned subsidiary of Mound. Freedom manufactures products for the heavy machinery industry and has the ability to do complete assembly and testing if required. This includes machine bases, breeching, pollution control abatement fabrications and material handling fabrications. Freedom has the capacity to fabricate weldments and assemblies up to 50 tons total weight. Freedom is located in Middletown, Ohio.

(3) STEEL FABRICATION DIVISION:

The Steel Fabrication Division is focused on the fabrication of metal products. This Division produces structural steel, miscellaneous metals, steel stairs, railings, bar joists, metal decks and the erection thereof. This Division produced net sales of \$4.4 million in 2003.

The State of Ohio is the second largest producing state for fabricated metal products in the country. The fabricated metal component of the Ohio Gross State Product was \$8.995 million for 2001. Over the past three years, from the first quarter of 2001 to the first quarter of 2003, the economic downturn has hit this manufacturing segment hard. A substantial number of factory jobs have been lost in this Division's operating region. During this time, nearly 60% of the durable goods manufacturers were concentrated in these two struggling industries - fabricated metal and machinery manufacturing. Along with the

7

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

economic manufacturing downturn, intense competition from China also contributed to the challenging economic climate of this industry. With the economy emerging out of its doldrums in late 2003, coupled with steel tariffs being ended, business prospects for the metal fabrication industry have improved. For the first quarter of 2004, this Division has approximately \$3,300,000 in order backlog.

This Division's customers are typically U.S. based companies that require large structural steel fabrication, with needs such as building additions, new non-residential construction, etc. Customers are typically located within a one-day drive from the Company's facilities. The Company is able to reach 70% of the U.S. population, yielding a significant potential customer base. Marketing of our products is done by advertising in industry directories, word-of-mouth from existing customers, and by the dedicated efforts of in-house sales staff monitoring business developments opportunities within the Company's region. Large clients typically work with the Company on a continual basis for all their fabricated metal needs.

Competition overall in the U.S. steel fabrication industry has been reduced by approximately 50% over the last few years due to economic conditions leading to the lack of sustained work. The number of regional competitors has gone from ten down to three over the past five years. Larger substantial work projects have declined dramatically with the downturn in the economy. Given the geographical operating territory of the Company, foreign competition is not a major factor. In addition to competition, steel pricing represents another significant challenge. The cost of steel, our highest input cost, has seen significant increases in recent years. The Company will manage this challenge by stockpiling the most common steel component products and incorporating price increases in job pricing as deemed appropriate.

(4) PROPERTY MANAGEMENT DIVISION:

The Property Management Division is focused on the ownership and management of industrial property, principally in Ohio. This Division owns two properties and manages three other properties, which include 37,000 square feet of light and heavy manufacturing buildings on approximately 6 acres. An additional 33 acres of industrial property is managed but not owned. All properties owned and/or managed are in the State of Ohio.

The real estate component of the Ohio Gross State Product was \$33.251 million for 2001. With the downturn in the economic climate in the most recent years, the volume of vacant industrial space has edged up slightly. As the economy rebounds, industrial construction is expected to improve as companies begin to occupy space in existing buildings. Increased construction is also expected for growing companies seeking improved facilities that include taller ceilings and other operating features.

This Division faces competition from real estate investment trusts (REIT's), which are already among the largest commercial property owners in the United States. With over 300 public and private REIT's in the United States, they have slowly been growing their holdings through acquisitions. Most REIT's, however, do not specialize in industrial and office properties.

8

(5) FREEDOM PRODUCTS OF OHIO, INC.:

Freedom Products of Ohio ("Freedom") is a wholly owned subsidiary of Mound. Freedom manufactures products for the heavy machinery industry and has the

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

ability to do complete assembly and testing if required. This includes machine bases, breeching, pollution control abatement fabrications and material handling fabrications. Freedom has the capacity to fabricate weldments and assemblies up to 50 tons total weight. Freedom is located in Middletown, Ohio.

(6) EMPLOYEES

As of May 25, 2003, the Company, including its subsidiaries has forty-five employees, consisting of full-time officers and in-house-counsel. The Company believes that our relationship with our current employees is good. The Company is however in dispute with former employees as to back salaries and severance pay. The Company's success is dependent, in part, upon our ability to attract and retain qualified management and technical personnel. Competition for these personnel is intense, and the Company will be adversely affected if it is unable to attract key employees. The Company presently does not have a stock option plan for key employees and consultants.

(7) GOING CONCERN QUALIFICATION BY INDEPENDENT AUDITORS

The Company's independent auditors have reported that the Company has suffered recurring net operating losses and has a working capital deficit and a shareholders' deficit that raises substantial doubt about our Company's ability to continue as a going concern. As shown in the accompanying financial statements, the Company incurred a net loss of \$809,596 during the year ended December 31, 2003 resulting in a deficit accumulated during the development stage of \$9,907,926. Failure to raise capital or generate revenue in the future may result in the Company depleting its available funds, being unable to fund its investment pursuits and cause it to curtail or cease operations. Additionally, even if the Company does raise sufficient capital or generate revenue, there can be no assurances that the net proceeds or the revenue will be sufficient to enable it to develop business to a level where it will generate profits and cash flows from operations.

ITEM 2. PROPERTIES

The Company's executive offices are located at 25 Mound Park Drive, Springboro, Ohio which is the office of Mound Technologies, Inc. the operating subsidiary of the Company. The Company does not pay any rent to Mound Technologies, Inc. for the space it utilizes and shares with Mound. Mound Technologies pays rent for the entire manufacturing facility and general office space.

ITEM 3. LEGAL PROCEEDINGS

On November 20, 2001 a judgment in the amount of \$10,497 was entered against the Company, and Omar A. Rizvi, the former Chairman of the Board of Directors of Origin, by the Labor Commissioner in the State of California for

9

past wages, interest and penalties owed to a former employee of the Company who alleged to have performed paralegal and bookkeeping services in California for Origin. To date the judgment has not been paid.

In December, 2002 the Company was sued by Greg Laborde in U.S. District Court for the District of New Jersey for Breach of Employment Contract and Defamation seeking monetary damages including additional stocks and warrants. The Company has settled the dispute in May 2004 for 170,000 newly issued shares of the Company.

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

On February 20, 2003 a judgment in the amount of \$28,750 was entered against the Company for unpaid rent on behalf of Graham Paxton, the former President and CEO of the Company as part of his employee benefit plan. To date the judgment has not been paid.

On March 20, 2003 a judgment in the amount of \$2,000 was entered against the Company by Beyond Words Communication, Inc. for prior unpaid marketing services rendered to the Company. To date the judgment has not been paid.

On March 31, 2003 a judgment in the amount of \$99,090 was entered against the Company for breach of contract for non payment of rent on the Company's former office facility in Woburn, Massachusetts. To date the judgment has not been paid.

In May, 2003 certain former employees filed complaints with the Commonwealth of Massachusetts Attorney General's office for unpaid salaries and accrued vacation pay. In accordance with Company's records, the Company owes a total of approximately \$73,000 for back fees, gross salaries and accrued vacation. From its records, which the employees dispute, the Company owes the following to individuals who filed a complaint with the Attorney General's Office:

Thomas C. Antognini	\$12,273.03
John Poupolo	\$14,344.44
James K. Levinger	\$11,454.31
Tom Gosselin	\$ 5,332.40

Total	\$41,404.18
	=====

In April 2004, a judgment was obtained against Mound Technologies, Inc., a newly acquired subsidiary, in the amount of \$175,000 by a vendor. The Company has recently negotiated a settlement agreement with payment of a reduced amount due by July 12, 2004.

Other than the matters above, there is no other past, pending or, to the Company's knowledge, threatened litigation or administrative action which has or is expected by the Company's management to have a material effect upon our Company's business, financial condition or operations, including any litigation or action involving our Company's officers, directors, or other key personnel.

10

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On August 29, 2003, a majority of the shareholders of record by special meeting of the shareholders approved a change in control of the Company in conjunction with naming Attorney Jerry Gruenbaum of First Union Venture Group, LLC as attorney of record for the purpose of overseeing the proper disposition of the Company and its remaining assets and liabilities by any means appropriate, including settling any and all liabilities to the U.S. Internal Revenue Service and the Commonwealth of Massachusetts' Attorney General's office for unpaid wages.

In conjunction with naming Attorney Jerry Gruenbaum of First Union Venture Group, LLC as attorney of record, the Company issued First Union Venture Group, LLC, a Nevada Limited Liability Company, Thirty Million (30,000,000) newly issued common shares as consideration for their services. In addition, the

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

Company canceled any and all outstanding options, warrants, and/or debentures not exercised to date. The Company further nullified any and all salaries, bonuses, and benefits including severance pay and accrued salaries of Stanley A. Young and Michael Dewar.

On November 12, 2003, at a Special meeting of the Shareholders, a majority of the Shareholders of the Company being present, approved the spin-off of the two subsidiaries of the registrant and any and all remaining assets of the registrant, including any intellectual property, to enable the registrant to pursue a suitable merger candidate. Also approved was a 30 to 1 reverse split of all existing outstanding common shares of the corporation.

On November 15, 2003, a change in control of the Company occurred whereby the Company entered into a reverse merger Acquisition Agreement to acquire one hundred percent (100%) of PMI Wireless, Inc., a Delaware corporation with corporate headquarters located in Cordova, Tennessee. The acquisition, took place on December 1, 2003 for the aggregate consideration of \$50,000 in cash, all of which was paid to the U.S. Internal Revenue Service for the Company's prior obligations, plus assumption of the Company's existing debts, for 9,938,466 common shares of the Company.

PART II

ITEM 5. MARKET FOR THE COMPANY'S COMMON EQUITY AND RELATED SHAREHOLDER MATTERS

The Company common stock is currently trading on the Pink Sheet as a result of its failure to timely file its required annual and quarterly reports which it is now correcting. The Company was formed on April 6, 1999. In April 1999, the Company's common stock had been listed for trading on the OTC Bulletin Board under the symbol "OGNI." The trading market for the Company's stock is limited and sporadic and should not be deemed to constitute an "established trading market". In connection with the change of the Company's name to International Wireless, Inc., the Company's symbol was changed to "IWIN" on January 2, 2002. As a result of the 30-1 reverse split of the shares outstanding, the Company's symbol was changed to "IWLJ.PK" on November 12, 2003.

11

The following table sets forth the range of bid prices of the Company's common stock during the periods indicated. Such prices reflect prices between dealers in securities and do not include any retail markup, markdown or commission and may not necessarily represent actual transactions. The information set forth below was provided by NASDAQ Trading & Market Services. These quotations have not been adjusted for the December 7, 2001, one for nine reverse stock split.

	HIGH	LOW
	----	----
FISCAL YEAR ENDED DECEMBER 31, 2002		
First Quarter	3.25	2.60
Second Quarter	1.42	1.10
Third Quarter	0.45	0.33
Fourth Quarter	0.15	0.14
FISCAL YEAR ENDING DECEMBER 31, 2003		

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

First Quarter	0.04	0.04
Second Quarter	0.02	0.02
Third Quarter	0.02	0.02
Fourth Quarter	5.00	5.00

The closing bid price for the common stock as reported by the OTC Bulletin Board on May 25, 2004 was \$4.00.

As of May 25, 2004, there were approximately 557 holders of record of the Company's common stock.

TRANSFER AGENT

The Company's transfer agent and registrar of the common stock is Securities Transfer Corporation, 2591 Dallas Parkway, Suite 102, Frisco, Texas 75034.

DIVIDEND POLICY

The Company has never paid dividends on the common stock and does not anticipate paying dividends on its common stock in the foreseeable future. It is the present policy of the Board of Directors to retain all earnings to provide for the future growth of the Company. Earnings of the Company, if any, are expected to be retained to finance the expansion of the Company's business. The payment of dividends on the Company's common stock in the future will depend on the results of operations, financial condition, capital expenditure plans and other cash obligations of the Company and will be at the sole discretion of the Board of Directors.

RECENT SALES OF UNREGISTERED SECURITIES

The following is information for all securities that the Company has sold since inception without registering the securities under the Securities Act. These securities do not reflect a one-for-nine reverse split of the total issued and outstanding common stock of the Company that took place in December 7, 2001, or the thirty-for-one reverse split of the total issued and outstanding common stock of the Company that took place November 12, 2003:

12

The Company sold 100,000 shares of common stock for \$100,000 to an accredited investor on January 18, 2000, and sold 21,390 shares of common stock for \$99,998.25 to another accredited investor on February 12, 2000. These investors were individuals personally known to members of the Company's management. Each of the sales was conducted in accordance with Rule 606 of Regulation E of the Securities Act of 1933 (as amended, the "Act") exempt from registration and free trading.

On April 14, 2000 the Company sold 50,000 shares of common stock to an accredited investor for \$50,000 or \$1.00 per share. These shares were sold in connection with a private offering pursuant to Section 4(2) of the Securities Act and are restricted from resale pursuant to Rule 144 of the Act.

On May 8, 2000 the Company offered to sell and on May 24, 2000 completed the sale of 142,000 units to private accredited investors for an aggregate of \$106,500 or \$0.75 per unit. We received net proceeds totaling \$96,500 after payment of a 10% finder's fee to a non affiliated third party. Each Unit was comprised of one share of common stock (free trading pursuant to Rule 606 of

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

Regulation E) and one Class A common stock purchase warrant. Each Class A common stock purchase warrant is exercisable for one restricted common stock upon payment of \$.75 per warrant. The Class A warrants are exercisable for a five year period.

On February 29, 2000 the Company offered for sale 16,000 shares of Series A Convertible Preferred Stock for \$4,600,000 or \$287.50 per share. The Series A Convertible Preferred Stock was convertible into common stock in stages occurring at one months intervals over a ten month period. The Series A Convertible provided for (a) a liquidation preference of \$1.00 per share (plus all declared but unpaid dividends); (b) full voting rights based upon the number of shares of common stock into which each share is convertible; (c) no conversion price per share of common stock; and (d) an automatic conversion into common stock on specified dates. Class 1 Series A investors received the above terms and had their funds placed into an escrow account which was set up where the aggregate proceeds deposited in this account was to be released to the Company when it reached \$2,650,000. The use of proceeds was allocated for a proposed acquisition of Encore/Sigma and for working capital. If the funds did not reach that amount by a specified date, all principal and interest earned was to be returned to the Class 1 Series A Preferred holders. Class 2 Series A Convertible Preferred holders were offered one additional restricted common stock for every \$10.00 they invested if they agreed to allow the Company to use their funds for current working capital rather than have their funds deposited in the escrow account.

On June 6, 2000 the Company terminated the Series A Convertible Preferred Stock offering, and on June 23, 2000, we returned to our Class 1 investors an aggregate of \$638,763 plus accrued interest which was previously recorded as restricted cash. Also on June 6 we offered our Class 2 investors, in lieu of each Series A Convertible Preferred Stock and restricted stock awarded, 383.33 Units. Each Unit was comprised of one share of common stock and one Common Stock Purchase Warrant where each Common Stock Purchase Warrant is redeemable for one share of common stock at an exercise price of \$1.50 per share. As a result of

13

this exchange, we issued 324,999 shares of common stock for \$243,750 or \$0.75 per share along with 324,999 Common Stock Purchase Warrants. The warrants are exercisable for a period of five years. The common stock was free trading based on filing an offering circular pursuant to Rule 604 of Regulation E of the Securities Act. No shares underlying the Common Stock Purchase Warrants are restricted from resale pursuant to Rule 144 of the Act. Proceeds received from the sale were used for working capital purposes and payment of the break up fee paid to Encore/Sigma.

On June 12, 2000 the Company sold 20,000 shares of common stock to two accredited investors for \$25,000 or \$1.25 per share. These shares are restricted from resale pursuant to Rule 144 of the Act. Proceeds received from the sale were used for working capital purposes.

On August 24, 2000 the Company sold an aggregate of 344,827 shares of common stock to ten accredited investors for \$100,000 or \$0.29 per share. These shares were sold in connection with a private offering pursuant to Rule 606 of Regulation E and are free trading. Proceeds received from the sale were used for working capital purposes.

On August 29, 2000 the Company offered to sell and on September 12, 2000 completed the sale of 350,000 shares of common stock to an accredited investor for an aggregate of \$507,500 or \$1.45 per share. Net proceeds received were \$456,750, net of direct related costs of \$50,750. These shares were sold in connection with filing an offering circular pursuant to Rule 604 of Regulation E

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

of the Securities Act. Use of proceeds from this offering include payment of accounting fees, legal fees associated the Alpha transaction and Vivocom transaction, and with the evaluation of Vivocom's patent application, and for general working and operating capital purposes.

On March 28, 2001 the Company sold 33,333 units to an investor for an aggregate of \$10,000 or \$.30 per share. Each unit is comprised of one share of common stock and one common stock warrant. Each warrant is redeemable for one share of common stock upon the payment of \$.40.

On April 4, 2001, the Company sold 100,000 units to an investor for an aggregate of \$30,000 or \$.030 per unit. Each unit was comprised of one share of common stock and one and one half common stock warrants, or 150,000 common stock warrants. Each common stock warrant is redeemable for one share of common stock upon payment of \$.40 per warrant.

On May 9, 2001 the Company sold 50,000 units to an investor for an aggregate of \$20,000, or \$.40 per unit. Each unit is comprised of one share of common stock and one common stock warrant. Each common stock warrant is redeemable for one share of common stock upon the payment of \$.40 per warrant.

On May 15, 2001, the Company received \$10,000 in the form of a short term bridge loan from an investor. The duration of this loan is one month and has an interest rate of 12% per annum. This investor also received common stock warrants to purchase an aggregate of 15,000 shares of our common stock exercisable at \$.51 per share.

On May 17, 2001 the Company issued warrants to a non-affiliated consultant to purchase an aggregate of 12,500 shares of common stock at an exercise price of \$.40 per share.

14

On May 31, 2001 the Company sold 49,019.60 units to an investor for an aggregate of \$25,000, or \$.51 per unit. Each unit was comprised of one share of common stock and six common stock purchase warrants. Each common stock warrant is redeemable for one share of common stock upon the payment of \$.40 per warrant.

On August 20, 2001 the Company offered to sell pursuant to a private placement an aggregate of 5,400,000 shares of its common stock at \$0.02 per share for an aggregate of \$108,000. Said shares shall be restricted pursuant to Rule 144 of the Securities Act of 1933. Proceeds from the sale shall be used for covering outstanding liabilities of the company and to pay for costs associated with its continual listing on the NASDAQ OTC:BB exchange. At the time of filing of this Form 10-K, One investor had purchased 1,500,000 of these shares for an aggregate purchase price of \$30,000.

On May 15, 2001, the Company received \$10,000 in the form of a short-term bridge loan from an investor. The duration of this loan is one month and has an interest rate of 12% per annum. This investor also received common stock warrants to purchase an aggregate of 15,000 shares of our common stock originally exercisable at \$.51 per share but adjusted to \$.40 per share and also received an additional 10,000 common stock purchases warrants to purchase an additional 10,000 shares of our common stock for extending the due date of the note.

On May 17, 2001 the Company received \$7,500 in the form of a short-term bridge loan from an investor and on May 21, 2001 we received an additional \$2,500 from that investor as a short-term bridge loan. The duration of the loans were 90 days and jointly due on August 21, 2001 and has an interest rate of 12%

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

per annum. This investor also received common stock purchase warrants to purchase an aggregate of 25,000 shares of our common stock exercisable at \$0.40 per share.

On May 21, 2001 the Company received \$20,000 in the form of a short-term bridge loan from an investor. The duration of the loan was 90 days and due on August 21, 2001 and has an interest rate of 12% per annum. This investor also received common stock purchase warrants to purchase an aggregate of 50,000 shares of our common stock exercisable at \$0.40 per share.

On July 15, 2001 the Company received \$12,000 in the form of a short-term bridge loan from an investor. The duration of the loan was 60 days and due on September 15, 2001 and has an interest rate of 12% per annum. This investor also received common stock purchase warrants to purchase an aggregate of 50,000 shares of our common stock exercisable at \$0.40 per share.

On August 20, 2001 the Company offered to sell five million four hundred thousand shares (5,400,000) at a purchase price of \$0.02 per share for an aggregate of \$108,000 ("Private Offering"). These shares are sold pursuant to an exemption under the registration requirements of the Securities Act of 1933 (the "Securities Act") and are restricted from resale pursuant to Rule 144 of the Securities Act.

On August 29, 2001 the Company sold 1,500,000 shares of the Private Offering to an investor for an aggregate of \$30,000. The investor was an accredited investor as that term is defined pursuant to Rule 501 of the

15

Securities Act of 1933. The offering was done pursuant to Rule 606 of Regulation E.

On September 4, 2001 the Company sold 1,875,000 shares of the Private Offering to an investor for an aggregate of \$38,696 in the form of 101,834 shares of Telehublink, Inc. ("THLC") free trading common stock.

On September 19, 2001 the Company sold 525,500 shares of the Private Offering to an investor for an aggregate of \$10,500 in the form of 53,000 shares of THLC free trading common stock at a value of \$0.198 per share of THLC stock.

On October 3, 2001 the Company sold 250,000 shares of the Private Offering to an investor for an aggregate of \$5,000. The investor was an accredited investor as that term is defined pursuant to Rule 501 of the Securities Act of 1933. The offering was done pursuant to Rule 606 of Regulation E.

On October 4, 2001 the Company sold 250,000 shares of the Private Offering to an investor for an aggregate of \$5,000. The investor was an accredited investor as that term is defined pursuant to Rule 501 of the Securities Act of 1933. The offering was done pursuant to Rule 606 of Regulation E.

On October 10, 2001 the Company sold 500,000 shares of the Private Offering to an investor for an aggregate of \$10,000. The investor was an accredited investor as that term is defined pursuant to Rule 501 of the Securities Act of 1933. The offering was done pursuant to Rule 606 of Regulation E.

On October 12, 2001 the Company sold 375,000 shares of the Private Offering to an investor for an aggregate of \$7,500. The investor was an accredited investor as that term is defined pursuant to Rule 501 of the Securities Act of 1933. The offering was done pursuant to Rule 606 of Regulation E.

On October 17, 2001 the Company sold 125,000 shares of the Private Offering

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

to an investor for an aggregate of \$2,500. The investor was an accredited investor as that term is defined pursuant to Rule 501 of the Securities Act of 1933. The offering was done pursuant to Rule 606 of Regulation E.

During the year ended December 31, 2002, \$42,000 of loans payable at December 31, 2001 were converted into the Company's common stock under a private placement for 49,900 shares and the exercise of 50,000 warrants.

During the year ended December 31, 2002, \$160,149 of notes payable to related parties was converted into 1,550,414 shares of common stock under the Company's private placement offering.

During the year ended December 31, 2002, 5,863,928 shares of common stock were issued for \$691,772 in connection with a private placement offering.

During the year ended December 31, 2002, 620,351 shares of the Company's common stock were issued to consultants for services rendered at a value of \$364,545.

16

During the year ended December 31, 2002, 890,832 common stock warrants were exercised for \$385,983 at prices ranging from \$0.00 to \$0.10 per share.

During the year ended December 31, 2002, 510,107 shares of common stock were issued for the exercise of stock options for a consideration of \$204,050.

During the year ended December 31, 2003 the Company issued 220,080 shares of the Company's common stock to a consultant for services provided at a price of \$0.15 per share. Stock based compensation expense of \$34,555 was recorded in connection with this issuance.

During the year ended December 31, 2003 the Company issued 500,000 shares of common stock as payment of a loan payable to a related party. The shares were valued at \$0.01 per share and the outstanding loan was reduced by \$50,000.

During the year ended December 31, 2003, 70,000 shares were issued in connection with the exercise of 70,000 non-qualified stock options at an exercise price of \$0.01 per share. Total proceeds were \$7,000.

During the year ended December 31, 2003, the company received proceeds of \$219,125 from the sale of 2,191,250 shares of its common stock under a private placement at \$0.10 per share.

During the year ended December 31, 2003, the Company issued 268,000 shares to private placement holders who had subscribed to the private placement at higher prices. The effect of this additional issuance was to reduce these holders' purchase price basis to \$0.10 per share.

In August, the Board of Directors issued 30,000,000 shares to First Union Venture Group, LLC as consideration for their performance of duties related to finalizing the Company's affairs.

The Company believes that the transactions described from inception through January 3, 2001 above were exempt from registration under Regulation E "Exemptions For Small Business Investment Companies" of the Securities Act of 1933 because the Company qualified at the time as a Small Business Investment Company, the aggregate amount of the subject securities was not in excess of \$100,000 and the subject securities were sold to a limited group of persons, each of whom was believed to have been a sophisticated investor. Restrictive legends were placed, as applicable, on stock certificates evidencing the

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

securities.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS AND PLAN OF OPERATION

The following discussion and analysis provides certain information, which the Company's management believes is relevant to an assessment and understanding of the Company's results of operations and financial condition for the year ended December 31, 2003. This discussion and analysis should be read in conjunction with the Company's financial statements and related footnotes.

The Company's auditors have issued a going concern opinion. The Company's auditors have reported that the Company has suffered net operating losses and has a working capital deficit that raises substantial doubt about our Company's ability to continue as a going concern.

17

The statements contained in this section that are not historical facts are forward-looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Such forward-looking statements may be identified by, among other things, the use of forward-looking terminology such as "believes," "expects," "may," "will," "should" or "anticipates" or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy that involve risks and uncertainties. From time to time, we or our representatives have made or may make forward-looking statements, orally or in writing. Such forward-looking statements may be included in our various filings with the SEC, or press releases or oral statements made by or with the approval of our authorized executive officers.

These forward-looking statements, such as statements regarding anticipated future revenues, capital expenditures and other statements regarding matters that are not historical facts, involve predictions. Our actual results, performance or achievements could differ materially from the results expressed in, or implied by, these forward-looking statements. We do not undertake any obligation to publicly release any revisions to these forward-looking statements or to reflect the occurrence of unanticipated events. Many important factors affect our ability to achieve its objectives, including, among other things, technological and other developments in the Internet field, intense and evolving competition, the lack of an "established trading market" for our shares, and our ability to obtain additional financing, as well as other risks detailed from time to time in our public disclosure filings with the SEC.

The Company was incorporated in the State of Maryland on April 6, 1999 as Origin Investment Group, Inc. ("Origin"). On December 27, 2001, the Company went through a reverse merger whereby it acquired all the outstanding shares of International Wireless, Inc. ("International Wireless"). Under the said reverse merger, the former Shareholders of International Wireless ended up owning an 88.61% interest in the Company. Thereafter on January 2, 2002, the Company changed its name from Origin to our current name, International Wireless, Inc.

The Company was originally formed as a non-diversified closed-end management investment company, as those terms are used in the Investment Company Act of 1940 ("1940 Act"). The Company at that time elected to be regulated as a business development company under the 1940 Act. The 1940 Act defines a business development company (a "BDC") as a closed-end management investment company that provides small businesses that qualify as an "eligible portfolio company" with investment capital and also significant managerial assistance. A BDC is required under the 1940 Act to invest at least 70% of its total assets in "qualifying

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

assets" consisting of (a) "eligible portfolio companies" as defined in the 1940 Act and (b) certain other assets including cash and cash equivalents.

The Company's original investment strategy had been, since inception, to invest in a diverse portfolio of private companies that in some way build the Internet infrastructure by offering hardware, software and/or services which enhance the use of the Internet. Prior to its reverse merger with International Wireless, the Company identified two eligible portfolio companies within which they entered into agreements to acquire interests within such companies and to further invest capital in these companies to further develop their business.

18

However, on each occasion and prior to each closing, the Company was either unable to raise sufficient capital to consummate the transaction or discovered information which modified their understanding of the eligible portfolio company's financial status to such an extent where it was unadvisable for them to continue and consummate the transaction. During the 2002 fiscal year, the Company entered into a definitive share exchange agreement and investment agreement with Vivocom, Inc., a San Jose, California based software company that had developed a proprietary all media switching system which enables all forms of data to be sent over a single IP channel. The Company intended on investing a minimum of three million two hundred and fifty thousand dollars (\$3,250,000) within Vivocom over several months. Due to the Company's inability to raise this money, the share exchange never took place and the agreement terminated.

On December 27, 2001, the Company went through a reverse merger whereby it acquired all the outstanding shares of International Wireless. Under the said reverse merger, the former Shareholders of International Wireless ended up owning a 88.61% interest in the Company. Thereafter on January 2, 2002, the Company changed its name from Origin to our current name, International Wireless, Inc. The historical financial statements prior to December 27, 2001 are those of International Wireless, Inc. the Delaware corporation.

On January 15, 2002, the Company acquired Mitigo, Inc. a Delaware corporation with its corporate headquarters located in Woburn, Massachusetts. The Acquisition consisted of a stock for stock exchange in which the Company acquired all of the issued and outstanding common stock of Mitigo in exchange for the issuance of a total of 4,398,000 shares of its common stock. As a result of this transaction, Mitigo became a wholly-owned subsidiary of the Company. On November 12, 2003 Mitigo was spun out as a separate company to the existing shareholders at that time.

From December 27, 2001 through June 2003, the Company attempted to develop its bar code technology and bring it to market. To that extent, the Company moved its operations to Woburn, Massachusetts, hired numerous computer programmers, developers and sales people in addition to support staff. Due to the Company's inability to raise sufficient capital, the Company was unable to pay current operating expenses and by June, 2003 shut down its operations entirely.

On August 29, 2003, a change in control of the Company occurred in conjunction with naming Attorney Jerry Gruenbaum of First Union Venture Group, LLC as attorney of record for the purpose of overseeing the proper disposition of the Company and its remaining assets and liabilities by any means appropriate including settling any and all liabilities to the U.S. Internal Revenue Service and the Commonwealth of Massachusetts' Attorney General's office for unpaid wages.

In conjunction with naming Attorney Jerry Gruenbaum of First Union Venture Group, LLC as attorney of record for the purpose of overseeing the proper

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

disposition of the Company and its remaining assets and liabilities, the Company issued First Union Venture Group, LLC, a Nevada Limited Liability Company, Thirty Million (30,000,000) newly issued common shares as consideration for their services. In addition, the Company canceled any and all outstanding options, warrants, and/or debentures not exercised to date. The Company further nullified any and all salaries, bonuses, and benefits including severance pay and accrued salaries to Stanley A. Young and Michael Dewar.

19

On November 12, 2003, the Company approved the spin-off of the two subsidiaries of the Company and any and all remaining assets of the Company including any intellectual property, to enable the Company to pursue a suitable merger candidate. In addition, the Company approved a 30 to 1 reverse split of all existing outstanding common shares of the Company.

On November 15, 2003, a change in control of the Company occurred whereby the Company entered into an Acquisition Agreement to acquire one hundred percent (100%) of PMI Wireless, Inc., a Delaware corporation with corporate headquarters located in Cordova, Tennessee. The acquisition, in the form of a reverse merger, took place on December 1, 2003 for the aggregate consideration of \$50,000 in cash, all of which was paid to the U.S. Internal Revenue Service for the Company's prior obligations, plus assumption of the Company's existing debts, for 9,938,466 newly issued common shares of the Company.

On December 10, 2003, the Company entered into an Acquisition Agreement to acquire one hundred percent (100%) of Mound Technologies, Inc., a Nevada corporation with its corporate headquarters located in Springboro, Ohio. The acquisition was a stock for stock exchange in which the Company acquired all of the issued and outstanding common stock of Mound in exchange for 1,256,000 newly issued shares of its common stock. As a result of this transaction, Mound became a wholly owned subsidiary of the Company.

RESULT OF OPERATIONS FOR FISCAL YEARS ENDED 2003 AND 2002

We are a Development Stage Company, and had no revenues for the fiscal year ended December 31, 2003. Our net loss for the year ended December 31, 2003 was \$809,596.

On December 10, 2003, the Company acquired 100% of the issued and outstanding stock of Mound Technologies, Inc. ("Mound") for an aggregate purchase price of 1,256,000 newly issued shares of the Company's common stock. Mound, a Nevada corporation, is a steel fabricator meeting industrial and architectural standards for commercial buildings. The acquisition is being accounted for as a purchase under SFAS No. 141, Business Combinations. Since the acquisition occurred on December 10, 2003, it was included in the Company's financial statements as an investment in Mound and its financials were not fully consolidated into the Company's financial statements on an item by item basis since the period of inclusion was not deemed significant.

Mound's condensed results of operations for the year ended December 31, 2003 was as follows:

Net sales	\$ 4,428,836
Cost and expenses	
Cost of good sold	4,055,404
Selling, general and administrative expenses	1,281,975
Depreciation and amortization	64,400

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

Total Cash and Expenses	5,401,779

Operating loss	(972,943)
Non-operating expenses	(537,507)

Net Loss	\$ (1,510,450)
	=====

20

LIQUIDITY AND CAPITAL RESOURCES

We are seeking to raise up to \$10 million of additional capital from private investors and institutional money managers in the next few months, but there can be no assurance that we will be successful in doing so. If we are not successful in raising any of this additional capital, our current cash resources may not be sufficient to fund our current operations. We intend to accelerate our development and infrastructure spending in the coming calendar quarters if we have sufficient capital resources available to do so, however, our ability to do so is highly uncertain at this time. Our independent auditors have noted in their report on our 2003 financial statements that there are existing uncertain conditions that we face relative to our capital raising activities, and these conditions raise substantial doubt as to our ability to continue as a going concern.

RECENT ACCOUNTING PRONOUNCEMENTS:

In July 2001, the Financial Accounting Standards Board ("FASB") issued SFAS No. 141, "Business Combinations". SFAS No. 141 requires the purchase method of accounting for business combinations initiated after June 30, 2001 and eliminates the pooling-of-interests method.

In July 2001, the FASB issued SFAS No. 142, "Goodwill and Other Intangible Assets", which the Company adopted during 2003. SFAS No. 142 requires, among other things, the discontinuance of goodwill amortization. In addition, the standard includes provisions for the reclassification of certain existing recognized intangibles as goodwill, reassessment of the useful lives of existing recognized intangibles, reclassification of certain intangibles out of previously reported goodwill and the identification of reporting units for purposes of assessing potential future impairment of goodwill.

In August 2001, the FASB issued SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets". SFAS No. 144 changes the accounting for long-lived assets to be held and used by eliminating the requirement to allocate goodwill to long-lived assets to be tested for impairment, by providing a probability weighted cash flow estimation approach to deal with situations in which alternative courses of action to recover the carrying amount of possible future cash flows and by establishing a primary-asset approach to determine the cash flow estimation period for a group of assets and liabilities that represents the unit of accounting for long-lived assets to be held and used. SFAS No. 144 changes the accounting for long-lived assets to be disposed of other than by sale by requiring that the depreciable life of a long-lived asset to be abandoned be revised to reflect a shortened useful life and by requiring the impairment loss to be recognized at the date a long-lived asset is exchanged for a similar productive asset or distributed to owners in a spin-off if the carrying amount of the asset exceeds its fair value. SFAS No. 144 changes the accounting for long-lived assets to be disposed of by sale by requiring that discontinued operations no longer be recognized on a net realizable value basis (but at the lower of carrying amount or fair value less

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

costs to sell), by eliminating the recognition of future operating losses of discontinued components before they occur and by broadening the presentation of discontinued operations in the income statement to include a component of an entity rather than a segment of a business. A component of an entity comprises operations and cash flows that can be clearly distinguished, operationally, and for financial reporting purposes, from the rest of the entity.

The Company has adopted SFAS No. 144 effective January 2, 2002. The adoption of the new statement will not have a significant impact on the Company's financial statements.

21

ITEM 7. FINANCIAL STATEMENTS

International Wireless, Inc. and Subsidiaries

Consolidated Financial Statements
December 31, 2003

22

Contents

Independent Auditors' Report	Page	F 1
Consolidated Balance Sheet		F 2
Consolidated Statement of Stockholders' Deficit		F 3
Notes to Consolidated Financial Statements		F 5

23

MEYLER & COMPANY, LLC
CERTIFIED PUBLIC ACCOUNTANTS
ONE ARIN PARK
1715 HIGHWAY 35
MIDDLETOWN, NJ 07748

Independent Auditors' Report

To the Board of Directors
International Wireless, Inc.
Springboro, Ohio

We have audited the accompanying consolidated balance sheet of International Wireless, Inc. and subsidiaries as of December 31, 2003 and the related consolidated statement of stockholders' deficit for the year then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of International Wireless, Inc. and subsidiary as of December 31, 2003 in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note A to the consolidated financial statements, the Company has a negative working capital of \$704,512 and there are existing uncertain conditions which the Company faces relative to its obtaining capital in the equity markets. These conditions raise substantial doubt about its ability to continue as a going concern. Management's plans regarding those matters also are described in Note A. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Meyler & Company, LLC

Middletown, NJ
April 11, 2004

F1

INTERNATIONAL WIRELESS, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET December 31, 2003

ASSETS

Investment in Mound Technologies, Inc.	\$ 12,560
	=====

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Bank overdraft	\$ 4,625
Accounts payable	427,228
Notes payable to related parties	77,188
Accrued salaries	73,242
Note payable to vendors	15,000
Accrued payroll taxes	71,103
Accrued income taxes	36,126

Total Current Liabilities	704,512

STOCKHOLDERS' DEFICIT

Preferred stock \$.001 par value, 5,000,000 shares authorized, none issued and outstanding	
Common stock, \$.001 par value,	

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

100,000,000 shares authorized;	
13,077,758 at December 31, 2003	13,077
Paid-in-capital	11,304
Accumulated deficit	(716,333)

STOCKHOLDERS' DEFICIT	(691,952)

TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 12,560
	=====

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

F2

INTERNATIONAL WIRELESS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIT
For the Year Ended December 31, 2003

	Capital Stock		Additional	Accumulated
	Shares	Capital	Paid - In Capital	Deficit
	-----	-----	-----	-----
Balance December 31, 2002	23,249,442	\$209,245	\$8,612,489	\$ (9,098,330)
Issuance of stock in private placement at \$0.10 per share	1,166,250	10,497	106,128	
Issuance of stock for the exercise of non- qualified stock options at \$0.01 per share	70,000	630	6,370	
Issuance of stock to consultants for services provided at \$0.15 per share	220,080	1,981	32,574	
Issuance of stock for loan conversion at \$0.10 per share	500,000	4,500	45,500	
Issuance of stock for adjustments in private placement	268,000	2,411	(2,411)	
Issuance of stock for loan conversion at \$0.10 per share	1,000,000	9,000	91,000	
Issuance of stock in private placement at \$0.10 per share	25,000	225	2,275	
Issuance of stock to investment banker as fee to finalize company affairs	30,000,000	270,000	(270,000)	
Net loss for the year ended December 31, 2003				(809,596)
	-----	-----	-----	-----

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

Subtotal	56,498,772	508,489	8,623,925	(9,907,926)
Reverse Merger:				
Revenue 30 to 1 stock split, par value increases to \$0.28 per share	54,615,480			
Adjustment of par value to \$0.001 to recapitalize com- pany		(506,606)	506,606	
	-----	-----	-----	-----
Subtotal	1,883,292	1,883	9,130,531	(9,907,926)

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

F3

INTERNATIONAL WIRELESS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIT (CONTINUED) For the
Year Ended December 31, 2003

	Capital Stock		Additional	Accumulated
	Shares	Capital	Paid - In Capital	Deficit

Balance carried forward	1,883,292	1,883	9,130,531	(9,907,926)
Issuance of common stock to PMI Wireless, Inc.	9,938,466	9,938	61,062	
Issuance of common stock to acquire Mound Technologies, Inc.	1,256,000	1,256	11,304	
Recapitalization of accumulated deficit in Reverse Merger			(9,191,593)	9,191,593
Balance, December 31, 2003	13,077,758	\$13,077	\$ 11,304	(716,333)

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

F4

INTERNATIONAL WIRELESS, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2003

NOTE A - DESCRIPTION OF BUSINESS, GOING CONCERN UNCERTAINTY AND MANAGEMENT'S
PLANS

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

The Company and Nature of Business

International Wireless, Inc. a Maryland corporation was previously involved with the development of wireless technology and acquisition of companies developing wireless technology for cell phones. The Company, after finding it difficult to obtain capital for its development efforts, ceased operation in 2003.

Reverse Merger

On December 1, 2003, PMI Wireless, Inc., a private company, acquired 9,938,466 shares of International Wireless, Inc. common stock for \$50,000 cash and the assumption of the Company's liabilities, thereby obtaining control of the company. Subsequent to the merger and prior to December 31, 2003, an additional \$21,000 was invested to liquidate liabilities. Simultaneously, the Company authorized a 30 for 1 reverse split. Subsequent to this split, PMI Wireless, Inc. controlled 84% of the outstanding common stock of the Company. As a result of the reverse merger, PMI Wireless, inc. became a wholly owned subsidiary of the Company. Prior to the merger, International Wireless, Inc. was a non-operating shell corporation. Pursuant to Securities and Exchange Commission rules, the merger of a private operating company (PMI Wireless, Inc.) into a non-operating public shell corporation with nominal net assets (International Wireless, Inc.) is considered a capital transaction. Accordingly, for accounting purposes, the merger has been treated as an acquisition of PMI Wireless, Inc. by the Company and a recapitalization of the Company. Since the merger is a recapitalization of the Company and not a business combination, pro-forma information is not presented.

Going Concern Uncertainty and Management's Plans

As reflected in the accompanying financial statements, the Company has liabilities of 704,512 and no current assets. It has a negative stockholder's equity of \$691,952. Management's plans include the raising of capital and acquiring other companies. On December 10, 2003, the Company acquired Mound Technologies, Inc. ("Mound"), a structural steel fabricator. (See Note C to the financial statements.) Failure to raise capital or generate sufficient revenues through Mound will cause the Company to further increase its liabilities, negative working capital and negative stockholders' equity ultimately resulting in curtailment or ceasing of operations. Additionally, even if the Company does raise sufficient capital or generate sufficient revenue through Mound, there can be no assurances that the net proceeds or the revenue will be sufficient to enable it to develop business to a level where it will generate profits and cash flows from operations.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

INTERNATIONAL WIRELESS, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2003

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The company considers all highly-liquid investments, with a maturity of three months or less when purchased, to be cash equivalents.

Net Loss Per Common Share

The Company computes per share amounts in accordance with Statement of Financial Accounting Standards ("SFAS") No. 128, "Earnings per Share". SFAS No. 128 requires presentation of basic and diluted EPS. Basic EPS is computed by dividing the income (loss) available to Common Stockholders by the weighted-average number of common shares outstanding for the period. Diluted EPS is based on the weighted-average number of shares of Common Stock and Common Stock equivalents outstanding during the periods.

Consolidated Financial Statements

The consolidated financial statements include the Company and its investment in Mound Technologies, Inc. of \$12,560 which was acquired on December 10, 2003. The assets and liabilities acquired and the results of operations have not been included in the accompanying financial statements since the period of inclusion is not deemed significant.

Business Combinations and Goodwill

In July 2001, the Financial Accounting Standards Board ("FASB") issued SFAS NO. 141, "Business Combinations". SFAS No. 141 requires the purchase method of accounting for business combinations initiated after June 30, 2001 and eliminates the pooling-of-interests method.

In July 2001, the FASB issued SFAS NO. 142, "Goodwill and Other Intangible Assets", which the company adopted during 2003. SFAS No. 142 requires, among other things, the discontinuance of goodwill amortization. In addition, the standard includes provisions for the reclassification of certain existing recognized intangibles as goodwill, reassessment of the useful lives of existing recognized intangibles, reclassification of certain intangibles out of previously reported goodwill and the identification of reporting units for purposes of assessing potential future impairment of goodwill.

In August 2001, the FASB issued SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets". SFAS No. 144 changes the accounting for long-lived assets to be held and used by eliminating the requirement to allocate goodwill to long-lived assets to be tested for impairment, by providing a probability weighted cash flow estimation approach to deal with situations in which alternative courses of action to recover the carrying amount of possible future cash flows and by establishing a primary-asset approach to determine the cash flow estimation period for a group of assets and liabilities that represents the unit of accounting for long-lived assets to be held and used. SFAS No. 144 changes the accounting for long-lived assets to be disposed of other than by sale by requiring that the depreciable life of a long-lived asset to be abandoned be revised to

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

reflect a shortened useful life and by requiring the impairment loss to be recognized at the date a long-lived asset is exchanged for a similar productive asset or distributed to owners in a spin-off if the carrying amount of the asset exceeds its fair value. SFAS No 144 changes the accounting for long-lived assets to be disposed of by sale

F6

INTERNATIONAL WIRELESS, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2003

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Business Combinations and Goodwill (Continued)

by requiring that discontinued operations no longer be recognized in a net realizable value basis (but at the lower of carrying amount or fair value less costs to sell), by eliminating the recognition of future operating losses of discontinued components before they occur and by broadening the presentation of discontinued operations in the income statement to include a component of an entity rather than a segment of a business. A component of an entity comprises operations and cash flows that can be clearly distinguished operationally and for financial reporting purposes, from the rest of the entity.

NOTE C - ACQUISITION OF MOUND TECHNOLOGIES

On December 10, 2003, the Company acquired 100% of the issued and outstanding stock of Mound Technologies, Inc. ("Mound") for an aggregate purchase price of 1,256,000 shares of the Company's common stock to be issued to the stockholders of Mound. Mound, a Nevada corporation, is a steel fabricator meeting industrial and architectural standards for commercial buildings. The acquisition is being accounted for as a purchase under SFAS No. 141, Business Combinations. Since the acquisition occurred on December 10, 2003, its operations have not been included in the accompanying financial statements since the period of inclusion was not deemed significant.

The allocation of the purchase price was as follows:

Value of 1,256,000 shares of common stock at \$0.01 per share	\$	12,560
		=====
Fair value of net assets allowed as follows:		
Cash	\$	4,923
Marketable securities		3,020
Accounts receivable		1,120,182
Inventory		619,192
Equipment		982,502
Deposits		1,000
Liabilities assumed		(3,304,315)
Goodwill		586,056

	\$	12,560
		=====

Condensed results of operations for the year ended December 31, 2003 of Mound are as follows:

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

Net sales	\$ 4,428,836
Cost and expenses	
Cost of good sold	4,055,404
Selling, general and administrative expenses	1,281,975
Depreciation and amortization	64,400

Total Cash and Expenses	5,401,779

Operating loss	(972,943)
Non-operating expenses	(537,507)

Net Loss	\$ (1,510,450)
	=====
Pro forma:	
Earnings per share (basic and diluted)	\$ (0.80)
	=====
Average shares outstanding, after reverse split	1,891,367
	=====

F7

INTERNATIONAL WIRELESS, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2003

NOTE D - NOTES PAYABLE TO RELATED PARTIES

In 2002, a former President of International Wireless, Inc. loaned the Company \$125,545 including interest. During the first quarter of 2003, he agreed to convert \$50,000 of this debt into common stock of the Company. The balance remaining at December 31, 2003 is \$77,188 including interest.

NOTE E - STOCKHOLDERS' DEFICIT

PRE-STOCK SPLIT AND REVERSE MERGER (See Consolidated Statement of Stockholders' Deficit)

During the three months ended March 31, 2003 the Company issued 220,080 shares of the Company's common stock to a consultant for services provided at a price of \$0.15 per share. Stock based compensation expense of \$34,555 was recorded in connection with this issuance.

During the three months ended March 31, 2003 the Company issued 500,000 shares of common stock as payment of a loan payable to a related party. The shares were valued at \$0.01 per share and the outstanding loan was reduced by \$50,000.

During the three months ended March 31, 2003, 70,000 shares were issued in connection with the exercise of 70,000 non-qualified stock options at an exercise price of \$0.01 per share. Total proceeds were \$7,000.

During the three months ended March 31, 2003, the company received proceeds of \$219,125 from the sale of 2,191,250 shares of its common

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

stock under a private placement at \$0.10 per share.

During the nine months ended September 30, 2003, the Company issued 268,000 shares to private placement holders had who had subscribed to the private placement at higher prices. The effect of this additional issuance was to reduce these holder's purchase price basis to \$0.10 per share.

In August 2003, the Board of Directors authorized an increase of the Company's authorized shares from 50,000,000 to a maximum authorized of 100,000,000 shares and cancelled all outstanding options, warrants and private placement offerings. The shareholders ratified the increase at an August 29, 2003 shareholders' meeting.

In August, the Board of Directors issued 30,000,000 shares to First Union Venture Group, LLC as consideration for their performance of duties related to finalizing the Company's affairs.

Reverse Merger

On December 1, 2003, the Company reverse merged with PMF Wireless, Inc., effected a 30 for 1 reverse split, readjusted the par value of its common stock and simultaneously changed its name to International Wireless, Inc. See Note A to the Financial Statements - reverse Merger. In connection with the reverse merger, 9,938,466 shares of the company's common stock were issued for \$50,000 in cash and the assumption of liabilities.

On December 10, 2003, the Company issued \$1,256,000 shares of its common stock, at a value of \$0.01 per share, to acquire Mound Technologies, Inc.

F8

INTERNATIONAL WIRELESS, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS December 31, 2003

NOTE F - LITIGATION

On November 20, 2001, a judgment in the amount of \$10,497 was entered against the Company and Omar A. Rizvi, the former Chairman of the Board of Directors of Origin (a predecessor company of International Wireless, Inc.), by the Labor Commissioner in the State of California for past wages, interest and penalties owed to a former employee of the Company who claimed to have performed paralegal and bookkeeping services in California for Origin. To date, this judgment has not been paid.

In December 2002, the Company was sued by Greg Laborde in U.S. District Court for the District of New Jersey for Breach of Employment Contract and Defamation. The suit seeks monetary damages including additional stocks and warrants. The Company, in response, has filed a counter-claim against Mr. Laborde seeking damages relating to his transaction selling Origin Investment Group, Inc., to International Wireless in its reverse merger in January 2002. The company believes the claim is without merit and has adequate defenses.

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

On February 20, 2003, a judgment in the amount of \$28,750 was entered against the Company for unpaid rent on behalf of Graham Paxton, the former President and CEO of the Company as part of his employee benefit plan.

On March 11, 2003, the Company received notice from Omar A. Rizvi, the former Chairman of the Board of Origin, claiming breach of contract for failure to deliver to him 100,000 shares for professional services allegedly performed on behalf of the Company and wrongful cancellation of additional warrants to purchase 200,000 shares of International Wireless for which he claimed damages. No suit has been filed to date and the Company believes that if such a suit is filed, the Company has a good defense and proper grounds for a counter-suit.

On March 20, 2003, a judgment in the amount of \$2,000 was entered against the Company by Beyond Words Communication, Inc. for unpaid marketing services rendered to the company.

On March 31, 2003, a judgment in the amount of \$99,089, including \$50,000 security deposit replenishment, was entered against the company for breach of contract for non-payment of rent on the company's office facility in Woburn, Massachusetts. The company is contingently liable for the balance of this lease in the total amount of \$428,000 through the lease expiration date of July 31, 2005.

In May 2003, certain former employees filed complaints with the Commonwealth of Massachusetts Attorney General's office for unpaid salaries and accrued vacation pay. The Company's records reflect a liability of approximately \$73,000 for back fees, gross salaries and accrued vacation. Potential severance pay due to these employees in accordance with their employment agreement totals an additional \$186,350 which the Company believes is not due.

In April 2004, a judgment was obtained against Mound Technologies, Inc., a newly acquired subsidiary, in the amount of \$175,000 by a vendor. The Company has recently negotiated a settlement agreement with payment of a reduced amount due by July 12, 2004.

F9

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III.

ITEM 9. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS; COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT

DIRECTORS AND EXECUTIVE OFFICERS

The following table and text sets forth the names and ages of all directors and executive officers of the Company and the key management personnel as of December 31, 2003. The Board of Directors of the Company is comprised of only one class. All of the directors will serve until the next annual meeting of stockholders and until their successors are elected and qualified, or until their earlier death, retirement, resignation or removal. Executive officers serve at the discretion of the Board of Directors and are appointed to serve

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

until the first Board of Directors meeting following the annual meeting of stockholders. Also provided is a brief description of the business experience of each director and executive officer and the key management personnel during the past five years and an indication of directorships held by each director in other companies subject to the reporting requirements under the Federal securities laws.

32

NAME ----	AGE ---	POSITION -----
Trent Sommerville	36	Chief Executive officer and Chairman of the Board and Director
Jerry Gruenbaum	48	Secretary, General Counsel and Director
Dr. Kenneth B. Farris	45	Director
Jeff Brandeis	49	President
Craig A. Pietruszewski	42	Chief Financial Officer
Dr. Ira W. Weiss	56	Chairman of the Board (resigned August 29, 2003)
Stanley A. Young	77	Director (resigned August 29, 2003)
Michael Dewar	28	Chief Financial Officer and Director (resigned August 29, 2003)
Adam Young	41	Director (resigned April 2003)
John B. Kelly	69	Director (resigned August 29, 2003)
Christien A. Ducker	52	President and Director (resigned April 2003)

THE OFFICERS AND DIRECTORS OF THE COMPANY ARE SET FORTH BELOW.

TRENT SOMMERVILLE was elected as Director, Chairman of the Board and appointed as Chief Executive Officer in December 1, 2003. Mr. Sommerville attended Perkingston College. Mr. Sommerville worked at Anjet where he obtained a NASD series 63 license. Following his experience there, Mr. Sommerville started IGE Capital where he has been actively involved in many venture capital opportunities including FYBX Corporation, Cyber Operations, WayCool 3D, and PMI Wireless.

JERRY GRUENBAUM, ESQ., is the Corporate Secretary, General Counsel and member of the Board of Directors. He was appointed as Corporate Secretary and General Counsel in December 2001 and was elected to the board on November 12, 2003. He has been admitted to practice law since 1979 and is a licensed attorney in various states including the State of Connecticut where he maintains his practice as a member of SEC Attorneys, LLC, specializing in Securities Law, Mergers and Acquisitions, Corporate Law, Tax Law, International Law and

Franchise Law. He is the CEO of a licensed brokerage firm in New York City where he maintains a Series 7, 24, 27 and 63 licenses. He is a former President and Chairman of the Board of Directors of a multinational publicly-traded company with operations in Hong Kong and the Netherlands. He worked for the tax departments for Peat Marwick Mitchell & Co. (now KPMG Peat Marwick LLP) and Arthur Anderson & Co. (now Arthur Anderson LLP). He has served as Compliance Director for CIGNA Securities, a division of CIGNA Insurance. He has lectured and taught at various Universities throughout the United States in the areas of Industrial and financial Accounting, taxation, business law, and investments. Attorney Gruenbaum graduated with a B.S. degree from Brooklyn College - C.U.N.Y. Brooklyn, New York; has a M.S. degree in Accounting from Northeastern University Graduate School of Professional Accounting, Boston, Massachusetts; has a J.D. degree from Western New England College School of Law, Springfield, Massachusetts; and an LL.M. in Tax Law from the University of Miami School of Law, Coral Gables, Florida.

DR. KENNETH B. FARRIS was appointed a director of the Company on January 8, 2004. Dr. Farris, a resident of New Orleans, Louisiana is a graduate of Tulane University's School of Medicine where he received his MD and MPH degrees in 1975. He is a graduate of Carnegie-Mellon University where he received his BS degree in 1971. Dr. Farris is board certified in Pathology. He has been teaching at Tulane University School of Medicine since 1975 where he has received numerous awards for outstanding teaching. Since 1991 he has held the position of Clinical Associate Professor, Department of Pathology and Clinical Associate Professor Department of Pediatrics. In addition, Dr Ferris holds the position of Director of Pathology at West Jefferson Medical Center in Marrero, Louisiana, and Medical Director, Laboratory at Pendleton Memorial Methodist Hospital. Dr. Farris is a member of various medical societies and has published extensively. Among his many accomplishments in his field, as of 1982 he holds the position of Laboratory Accreditation Program Inspector for the College of American Pathologists. He is a founding member and past President of the Greater New Orleans Pathology Society. He is currently a Delegate to the House of Delegates to the American Medical Association. He has held various positions including past President, Speaker to the House of Delegates, member of the Board of Governors and a current Delegate to the House of Delegates to the Louisiana State Medical Society. He has held the position of President, Vice President, Secretary and Treasurer for the Tulane Medical Alumni Association. He is a former Drug Control Crew Chief to the United States Olympic Committee.

JEFF BRANDEIS was appointed President of the Company on April 20, 2004. Mr. Brandeis, a resident of Oldsmar, Florida, is a graduate of Baruch College in New York City with a BBA degree, and a graduate of Long Island University - CW Post, in New York with a MBA degree in Taxation. Mr. Brandeis worked five years combined at KPMG Peat Marwick, LLP and Hertz Herson CPA's, a midsize CPA firm in New York City in their tax departments. Over the past twenty 20 years, he has had a very successful career in sales and sales management for a multi billion dollar corporation. He has extensive experience managing and directing a sales staff that sold tax software, Engagement software, Practice Management, along with other financial accounting tools to major Accounting firms and corporations. This includes not only managing their activities, but includes budgeting, forecasting, planning, compensation plans.

CRAIG A. PIETRUSZEWSKI was appointed Chief Financial Officer of the Company on April 20, 2004. Mr. Pietruszewski, a resident of Glen Allen, Virginia, is a graduate of the University of North Dakota with a BSBA degree in Accounting. He holds a license as a Certified Public Accountant and is a member of the

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

Minnesota Society of CPA's. From 1985 to 1991, he worked in the audit department for KPMG Peat Marwick, LLP, ultimately managing audits primarily of insurance and manufacturing companies. In 1991, he joined the W. R. Berkley Corporation ("Berkley"), where for eleven years he served as the Chief Financial Officer for several different companies within Berkley's regional property and casualty group. From 1991 to 1997, he worked as the CFO for American West Insurance Company. From 1997 to 1999, he worked for the Presque Isle Insurance Division, a start-up property and casualty insurance operation. From 1999 to 2002, he served as the CFO of Berkley's Mid-Atlantic Group of Companies, participating in the reorganization and restructuring of this group of four organizations that had been previously run by separate management. Most recently in 2002, he joined The Reciprocal Group as CFO in their malpractice insurance operations.

DR. IRA W. WEISS was appointed a director of the Company in January 2002 as part of the reverse merger with International Wireless, Inc. He assumed the position as Chairman of the Board from April 8, 2002 until August 29, 2003 when he submitted his resignation. Since 1994, he has been the Dean of the College of Business Administration of Northeastern University in Boston, Massachusetts. From January 1992 to July 1994, Dr. Weiss was the Dean of the Madrid School of Business, an education institution affiliated with the University of Houston, in Madrid Spain. From 1989 to 1991, Dr. Weiss was the Vice President and Associate Chancellor of Information Technology at the University of Houston. Dr. Weiss holds a PhD with Distinction from the Graduate School of Management of the University of California and has lectured and published widely in the areas of management and information systems.

STANLEY A. YOUNG was appointed The Chief Executive Officer and the Chairman of the Board of Directors of the Company in January 2002 as part of the reverse merger with International Wireless, Inc. He resigned his position as Chairman of the Board on April 8, 2002 and as a Director on August 29, 2003 when he submitted his resignation. Mr. Young is a co-founder of International Wireless, Inc. He is an accomplished entrepreneur and venture capitalist who over the past 40 years has founded, financed, and directed many successful companies in a variety of industries. In 1996, Mr. Young was instrumental in the successful IPO of Compressent Corporation and, in early 1997, successfully brought out SEEC, Inc. through H.C. Wainwright. In 1994, he played a major role in the IPO of Andyne Computing, a developer of precision support software for end-users. In 1990, as a director of Jet Form, Inc., he helped the company secure financing and go public in 1993. In 1985, Mr. Young restructured and provided \$700,000 of new capital to a small, insolvent garment manufacturer. Nutmeg Mills Industries went on to design and manufacture a popular line of apparel with valuable licensing rights from colleges and professional sports franchises. The company went public within a year of Mr. Young's involvement at a valuation of \$16 million, besting even Microsoft's IPO performance that year. In 1991, Dow Jones recognized Nutmeg as the second best NYSE stock. In 1994, Nutmeg was acquired for \$350 million. Also in 1985, Mr. Young invested the seed money and became a Director of Parametric Technology, a developer of CAD/CAM software. The company went public with Alex Brown in 1989 and today possesses a \$1 billion market cap.

35

MICHAEL DEWAR was appointed The Chief Operating Officer and a director of the Company in January 2002 as part of the reverse merger with International Wireless, Inc until August 29, 2003 when he submitted his resignation. He is the co-founder of International Wireless, Inc. Prior to his association with the Company, Mr. Dewar funded several portfolio companies through debt-equity and equity financing, as well as created a wide variety of offshore strategic partnerships as a General Partner at Atlantic Ventures Management. He has acted as a founder, financier and Director of several companies, particularly early stage technology start-up situations. Prior to Atlantic Ventures Management, Mr. Dewar spent several years working in Europe and Africa, where he continues to

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

serve as a Director for Mercury Inter-Trade Ltd. Mr. Dewar earned his Bachelor of Arts from Rollins College, with a major in Economics, and his MBA in Management and Finance from Northeastern University.

ADAM D. YOUNG was appointed to the Board of Directors in April 2002. He resigned from the Board in April 2003. For the past five years, Mr. Young has worked in the real estate investment and development field as President of Young Development Corp. Previously, Mr. Young worked as a venture capitalist, investing primarily in computer hardware, computer software and telecommunications firms. Mr. Young continues to invest in high tech firms and maintains an ownership position in many promising private companies. He is a significant shareholder in SEEC, Inc. (NASDAQ: SEEC) which provides technologies for using the internet to access legacy data from mainframe systems. Mr. Young received an A.B. degree from Harvard College in 1986.

JOHN B. KELLY was appointed to the Board of Directors in April 2002 and served in that position until August 29, 2003 when he submitted his resignation. Mr. Kelly is currently a principal at Reid Eddison Inc., a Canadian technology mentoring company. Throughout his career, Mr. Kelly has been a pioneer within the Canadian high-technology industry. He was the President and CEO of JetForm Corporation from 1995 until 1999. A global leader in providing open, client/server and web-based E-Process software solutions, Jetform's revenues increased tenfold from \$10 million to \$100 million under his leadership. Mr. Kelly founded and was CEO of Why Interactive Inc., Canada's first interactive multimedia development company. He was also founder, President and CEO at Computer Innovation Distributors Inc. and Nabu Network Corporation, a cable-based software and information distributor. A founder of SHL Systemhouse Ltd., Canada's largest systems integrator, he served as Senior Vice-President and COO from the company's inception in 1974 until 1980. In 1997, Mr. Kelly was recognized as both the City of Ottawa's High Technology Citizen of the Year, and the Province of Ontario's Master Entrepreneur of the Year. In 1998 he won the Ottawa Business Journal's poll for the city's most respected CEO, and in 1999 he was presented with the Ottawa Centre for Research and Innovation (OCRI) Civic Entrepreneur of the Year Award. Mr. Kelly is Co-Chairman of the Board of Directors of the Canadian Advanced Technology Alliance (CATA) and past Chair of Innovators Alliance, an advisory council to the Government of Ontario with members representing Ontario's fastest growing companies. He also serves on the Boards of a number of private and public companies including AutoSkill International Inc., Burntsand Inc., Impatica Inc. and NexInnovations Inc. He holds an honors law degree and an honorary doctorate degree from the University of Ottawa, and an honors B.B.A. degree (Finance) from Iona College in New Rochelle, New York.

36

COMPLIANCE WITH SECTION 16(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires the Company's directors and executive officers and persons who own more than 10% of a registered class of the Company's equity securities to file various reports with the Securities and Exchange Commission concerning their holdings of, and transactions in, securities of the Company. Copies of these filings must be furnished to the Company. The Company is in full compliance with Section 16(a).

ITEM 10. EXECUTIVE COMPENSATION

The following table sets forth the compensation paid during the fiscal years ended December 31, 2003, 2002, and 2001 to the Company's Chief Executive Officer. No officer of the Company received annual compensation in excess of

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

US\$100,000 per annum during such years.

SUMMARY COMPENSATION TABLE

NAME AND PRINCIPAL POSITION -----	YEAR ---	SALARY -----
Trent Sommerville, Chairman and Chief Executive Office	2003	US\$nil
Christien A. Ducker	2003	US\$nil
Graham F. Paxton (1)	2002	US\$nil
Stanley A. Young(2), Chairman, and Chief Executive Officer	2001	\$107,258
Gregory H. Laborde(3), Director, and CEO	2001	US\$nil
Omar A. Rizvi(4), Chairman, and Chief Executive Officer	2001	US\$nil

- (1) On August 19, 2002 Graham Paxton by Agreement with the Company resigned as Chief Executive Officer, President and a member of the Board of Directors.
- (2) On April 5, 2002, Stanley A. Young retired as Chairman, and Chief Executive Officer and Graham F. Paxton became Chief Executive Officer, President and a member of the Board of Directors.
- (3) On December 27, 2001, Gregory H. Laborde resigned as Chief Executive Office of the Company as part of the reverse merger with International Wireless, Inc.
- (4) On August 11, 2001, Omar A. Rizvi resigned as President and Chairman of the Board of the Company for personal reasons.

COMPENSATION AGREEMENTS

The Company has no employment agreement with employees and officers of the company as of this date.

37

BOARD OF DIRECTORS

During the year ended December 31, 2003, all corporate actions were conducted by unanimous written consent of the Board of Directors. Directors receive no compensation for serving on the Board of Directors, but are reimbursed for any out-of-pocket expenses incurred in attending board meetings. The Company had no audit, nominating or compensation committees, or committees performing similar functions, during the year ended December 31, 2003.

STOCK OPTION PLAN

The Company has no Stock Option Plan as of this date.

WARRANTS

The Company has no Warrants outstanding as of this date.

INDEMNIFICATION

Under the Company's Articles of Incorporation and its Bylaws, the Company may indemnify an officer or director who is made a party to any proceeding, including a law suit, because of his position, if he acted in good faith and in a matter he reasonably believed to be in the Company's best interest. The

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

Company may advance expenses incurred in defending a proceeding. To the extent that the officer or director is successful on the merits in a proceeding as to which he is to be indemnified, the Company must indemnify him against all expenses incurred, including attorney's fees. With respect to a derivative action, indemnity may be made only for expenses actually and reasonably incurred in defending the proceeding, and if the officer or director is judged liable, only by a court order. The indemnification is intended to be to the fullest extent permitted by the laws of the State of Maryland.

Regarding indemnification for liabilities arising under the Securities Act of 1933, which may be permitted to directors or officers under Maryland law, the Company is informed that, in the opinion of the Securities and Exchange Commission, indemnification is against public policy, as expressed in the Act and is, therefore, unenforceable.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information as of December 31, 2003 with respect to the beneficial ownership of the common stock of the Company by each beneficial owner of more than 5% of the outstanding shares of common stock of the Company, each director, each executive officer and all executive officers and directors of the Company as a group, the number of shares of common stock owned by each such person and group and the percent of the Company's common stock so owned.

38

As used in this section, the term beneficial ownership with respect to a security is defined by Rule 13d-3 under the Exchange Act as consisting of sole or shared voting power (including the power to vote or direct the vote) and/or sole or shared investment power (including the power to dispose of or direct the disposition of) with respect to the security through any contract, arrangement, understanding, relationship or otherwise, subject to community property laws where applicable. Each person has sole voting and investment power with respect to the shares of common stock, except as otherwise indicated. Beneficial ownership consists of a direct interest in the shares of common stock, except as otherwise indicated. The address of those persons for which an address is not otherwise indicated is 25 Mound Park Drive, Springboro, Ohio 45066.

NAME OF BENEFICIAL OWNER	NUMBER OF SHARES	PERCENTAGE OF CLASS(1)
Trent Sommerville	3,000,100	22.94%
Kenneth B. Farris	50,000	0.38%
Jerry Gruenbaum, Esq.	500,000 (2)	3.82%
Jeffrey Brandeis	230,000 (3)	1.76%
Craig A. Pietruszewski	-0-	---

All Directors and Executive Officers as a group (4 persons)	3,780,100	28.90%
	=====	=====
5% Beneficial Owners		

The Good One Inc.	1,500,000	11.47%
Thomas C. Miller	1,200,000 (4)	9.18%
Lavonne Adams	1,000,000	7.65%
John Zavoral	1,000,000	7.65%

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

First Union Venture Group, LLC 1,000,000(5) 7.65%

- (1) Calculations based upon 13,077,758 shares of common stock issued and outstanding on December 31, 2003.
- (2) Atty. Jerry Gruenbaum holds 500,000 shares as a result of a 50% interest in First Union Venture Group, LLC.
- (3) Jeffrey Brandeis had 230,000 shares as of December 31, 2003. As of May 19, 2004 Mr. Brandeis has an additional 70,000 shares which he purchased from the Company, for a total of 300,000.
- (4) Thomas C. Miller, President of Mound Technologies, Inc. a subsidiary of the Company owns 800,000 directly and an additional 400,000 through relations and shares under his control.
- (5) First Union Venture Group, LLC is owned one half by Atty. Jerry Gruenbaum, Secretary, General Counsel and Director of the Company and one half by another individual who is not related to Atty. Gruenbaum or under his control.

39

CHANGES IN CONTROL

On August 29, 2003, a change in control of the Company occurred in conjunction with naming Attorney Jerry Gruenbaum of First Union Venture Group, LLC as attorney of record for the purpose of overseeing the proper disposition of the Company and its remaining assets and liabilities by any means appropriate including settling any and all liabilities to the U.S. Internal Revenue Service and the Commonwealth of Massachusetts' Attorney General's office for unpaid wages.

In conjunction with naming Attorney Jerry Gruenbaum of First Union Venture Group, LLC as attorney of record for the purpose of overseeing the proper disposition of the Company and its remaining assets and liabilities, the Company issued First Union Venture Group, LLC, a Nevada Limited Liability Company, Thirty Million (30,000,000) newly issued common shares as consideration for their services. In addition, the Company canceled any and all outstanding options, warrants, and/or debentures not exercised to date. The Company further nullified any and all salaries, bonuses, and benefits including severance pay and accrued salaries to Stanley A. Young and Michael Dewar.

On November 15, 2003, a second change in control occurred when the Company entered into an Acquisition Agreement to acquire one hundred percent (100%) of PMI Wireless, Inc., a Delaware corporation with corporate headquarters located in Cordova, Tennessee. The acquisition, in the form of a reverse merger, took place on December 1, 2003 for the aggregate consideration of \$50,000 in cash, all of which was paid to the U.S. Internal Revenue Service for the Company's prior obligations, plus assumption of the Company's existing debts, for 9,938,466 newly issued common shares of the Company.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

None.

PART IV.

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

ITEM 13. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits:

Exhibit Number	Document Description
3.1	Certificate of Incorporation of Origin Investment Group, Inc. as filed with the Maryland Secretary of State on April 6, 1999, incorporated by reference to the Company's Registration Statement on Form 10-SB filed with the Securities and Exchange Commission on August 16, 1999.
3.2	Amended Certificate of Incorporation of International Wireless, Inc. as filed with the Maryland Secretary of State on June 12, 2003, incorporated by reference to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on June 12, 2003.
3.3	Bylaws of Origin Investment Group, Inc., incorporated by reference to the Company's Registration Statement on Form 10-SB filed with the Securities and Exchange Commission on August 16, 1999.
40	
10.1	Acquisition Agreement between Origin Investment Group, Inc. and International Wireless, Inc. to acquire International Wireless, Inc. dated December 27, 2001, incorporated by reference to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on January 17, 2002.
10.2	Acquisition Agreement between International Wireless, Inc. and PMI Wireless, Inc. to acquire PMI Wireless, Inc. Dated November 15, 2003, incorporated by reference to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 17, 2003.
10.3	Acquisition Agreement between International Wireless, Inc. and Mound Technologies, Inc. to acquire Mound Technologies, Inc. date December 8, 2003, incorporated by reference to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on December 12, 2003.
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes Oxley Act.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes Oxley Act.
32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350 as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350 as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) Reports on Form 8-K:

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

The Company filed a Form 8-K on March 4, 2003 relating to adding additional members to the Board of Directors of International Wireless, Inc.

The Company filed a Form 8-K on March 14, 2003 relating to executing a Letter of Intent with Mitsubishi.

The Company filed a Form 8-K on March 14, 2003 relating to Appointment of Christien Ducker as President of the Company.

The Company filed a Form 8-K/A on March 18, 2003 relating to Form 8-K filed on March 14, 2003, filing a conforming a PDA file.

The Company filed a Form 8-K on May 23, 2003 relating to the Letter of Intent with Scanbuy, Inc.

The Company filed a Form 8-K on June 2, 2003 relating to the Merger Agreement with Scanbuy, Inc.

41

The Company filed a Form 8-K on June 2, 2003 relating to Board of Directors Resolution approving the merger with Scanbuy, Inc.

The Company filed a Form 8-K on June 12, 2003 relating to the shareholder approval of the merger with Scanbuy, Inc.

The Company filed a Form 8-K on September 11, 2003 relating to change in control with First Union Venture Group, LLC and cancel the merger with Scanbuy.

The Company filed a Form 8-K on November 17, 2003 relating to reversing the shares outstanding thirty-to-one and the signing of a Letter of Intent with PMI Wireless.

The Company filed a Form 8-K on November 17, 2003 relating to Acquisition with PMI Wireless.

The Company filed a Form 8-K on December 4, 2003 relating to the Change in Control with PMI Wireless.

The Company filed a Form 8-K on December 11, 2003 relating to the Acquisition of Mound Technologies, Inc.

The Company filed a Form 8-K on December 15, 2003 relating to an Acquisition Agreement with Precision Metal Industries, Inc.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

INTERNATIONAL WIRELESS INC.

(Registrant)

Date: 05/25/04

By: /s/ TRENT SOMMERVILLE

Edgar Filing: INTERNATIONAL WIRELESS INC - Form 10KSB

Trent Sommerville
Chief Executive Officer

Date: 05/25/04

By: /s/ JEFFREY BRANDEIS

Jeffrey Brandeis, President

Date: 05/25/04

By: /s/ JERRY GRUENBAUM

Jerry Gruenbaum, Esq.
Secretary and General Counsel

42

In accordance with the Exchange Act, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Date: 05/25/04

By: /s/ TRENT SOMMERVILLE

Trent Sommerville
Chief Executive Officer, and
Chairman of the Board

Date: 05/25/04

By: /s/ JEFFREY BRANDEIS

Jeffrey Brandeis, President

Date: 05/25/04

By: /s/ JERRY GRUENBAUM

Jerry Gruenbaum, Esq.
Secretary, General Counsel and
Director

Date: 05/25/04

By: /s/ CRAIG A.PIETRUSZEWSKI

Craig A. Pietruszewski,
Chief Financial Officer

Date: 05/25/04

By: /s/ DR. KENNETH B. FARRIS

Dr. Kenneth B. Farris, Director

43