

Edgar Filing: INVESTMENT AGENTS INC - Form 10QSB

INVESTMENT AGENTS INC  
Form 10QSB  
January 23, 2003

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

FORM 10-QSB

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED NOVEMBER 30, 2002.

OR

/  TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION FROM \_\_\_\_\_ TO \_\_\_\_\_.

COMMISSION FILE NUMBER 333-61286

INVESTMENT AGENTS, INC.  
(Name of Small Business Issuer in its charter)

Nevada  
(State or other jurisdiction of  
incorporation or organization)

88-0467944  
(I.R.S. Employer  
Identification No.)

#13F., NO. 77, Hsin Tai Wu Road, Sec. 1  
His-Chih, Taipei County, Taiwan, ROC  
(Address of principal executive offices)

89103-4754  
(Zip code)

Issuer's telephone number: (011) 886-2-2698-8588

N/A  
(Former name, former address and former fiscal  
year, if changed since last report.)

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

State the number of shares outstanding of each of the issuer Sections classes of common equity, as of the latest practicable date:

At November 30, 2002, there were outstanding 1,970,000 shares of the Registrant's Common Stock, \$.001 par value. At January 22, 2002, there were outstanding 24,500,000 shares of the Registrant's Common Stock, \$.001 par value

Transitional Small Business Disclosure Format: Yes  /  No  /

PART I

FINANCIAL INFORMATION

# Edgar Filing: INVESTMENT AGENTS INC - Form 10QSB

## ITEM I. FINANCIAL STATEMENTS

-2-

INVESTMENT AGENTS, INC.  
(A DEVELOPMENT STAGE COMPANY)

### FINANCIAL REPORTS

NOVEMBER 30, 2002  
FEBRUARY 28, 2002

-3-

INVESTMENT AGENTS, INC.  
(A DEVELOPMENT STAGE COMPANY)

### CONTENTS

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS	1
FINANCIAL STATEMENTS	
Balance Sheets	2
Statements of Income	3-4
Statements of Stockholders' Equity	5
Statements of Cash Flows	6-7
Notes to Financial Statements	8-11

-4-

### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Investment Agents, Inc.  
Las Vegas, Nevada

## Edgar Filing: INVESTMENT AGENTS INC - Form 10QSB

I have audited the accompanying balance sheet of Investment Agents, Inc. (A Development Stage Company) as of November 30, 2002, and February 28, 2002 and the related statements of income, stockholders' (deficit), and cash flows for the three months ended November 30, 2002, the nine months ended November 30, 2002, the year ended February 28, 2002 and the period August 8, 1996 (inception) through November 30, 2002. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I 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 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Investment Agents, Inc. (A Development Stage Company) as of November 30, 2002 and February 28, 2002 and the results of its operations and cash flows for the three months ended November 30, 2002, the nine months ended November 30, 2002, the year ended February 28, 2002 and the period August 8, 1996 (inception) through November 30, 2002, in conformity with generally accepted accounting principles.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 8 to the financial statements, the Company has limited operations and has not established any source of revenue. This raises substantial doubt about its ability to continue as a going concern. Management's plan in regard to these matters is also described in Note 8. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Kyle L. Tingle, CPA, LLC

January 22, 2003  
Henderson, Nevada

F-1

INVESTMENT AGENTS, INC.  
(A DEVELOPMENT STAGE COMPANY)  
BALANCE SHEETS

	November 30, 2002	February 28, 2002
	-----	-----
ASSETS		
CURRENT ASSETS		
Accounts receivable	\$ 49	\$ 49
Prepaid expenses	9,000	11,025

Edgar Filing: INVESTMENT AGENTS INC - Form 10QSB

	-----	-----
Total current assets	\$ 9,049	\$ 11,074
	-----	-----
Total assets	\$ 9,049	\$ 11,074
	=====	=====
LIABILITIES AND STOCKHOLDERS' (DEFICIT)		
CURRENT LIABILITIES		
Accounts payable	\$ 319	\$ 8,290
Officer advances (Note 5)	33,745	20,399
	-----	-----
Total current liabilities	\$ 34,064	\$
	-----	-----
		28,689
STOCKHOLDERS' EQUITY (DEFICIT)		
Common stock: \$.001 par value;		
authorized 25,000,000 shares;		
issued and outstanding:		
1,970,000 shares at February 28, 2002;	\$	\$ 1,970
1,970,000 shares at November 30, 2002	1,970	
Additional Paid In Capital (Notes 2 and 5)	13,500	13,500
Accumulated deficit during development stage	(40,485)	
	-----	-----
		(33,085)
Total stockholders' (deficit)	\$ (25,015)	\$ (17,615)
	-----	-----
Total liabilities and stockholders' (deficit)	\$ 9,049	\$ 11,074
	=====	=====

See Accompanying Notes to Financial Statements.

F-2

INVESTMENT AGENTS, INC.  
(A DEVELOPMENT STAGE COMPANY)

STATEMENTS OF INCOME

	Three months ended		Nine months ended	
	November 30, 2002	November 30, 2001	November 30, 2002	November
	-----	-----	-----	-----
Revenues	\$ 0	\$ 49	\$ 0	\$

Edgar Filing: INVESTMENT AGENTS INC - Form 10QSB

Cost of revenue	225	225	675	
	-----	-----	-----	-----
Gross profit	\$ (225)	\$ (176)	\$ (450)	\$
General, selling and administrative expenses	2,034	8,749	6,725	1
	-----	-----	-----	-----
Operating (loss)	\$ (2,259)	\$ (8,925)	\$ (7,400)	\$ (1
Nonoperating income (expense)				
Interest income	0	0	0	
	-----	-----	-----	-----
Net (loss)	\$ (2,259)	\$ (8,925)	\$ (7,400)	\$ (1
	=====	=====	=====	=====
Net (loss) per share, basic and diluted (Note 2)	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$
	=====	=====	=====	=====
Average number of shares of common stock outstanding	1,970,000	1,970,000	1,970,000	1,97
	=====	=====	=====	=====

See Accompanying Notes to Financial Statements.

F-3

INVESTMENT AGENTS, INC.  
(A DEVELOPMENT STAGE COMPANY)

STATEMENTS OF INCOME

	Years ended		Aug. 8, 1996
	February 28, 2002	February 28, 2001	(inception) to November 30, 2002
	-----	-----	-----
Revenues	\$ 49	\$ 0	\$ 49
Cost of revenue	825	0	1,500
	-----	-----	-----
Gross profit	\$ (776)	\$ 0	\$ (1,451)
General, selling and administrative expenses	30,339	0	39,034
	-----	-----	-----
Operating (loss)	\$ (31,115)	\$ 0	\$ (40,485)
Nonoperating income (expense)			
Interest income	0	0	0
	-----	-----	-----

Edgar Filing: INVESTMENT AGENTS INC - Form 10QSB

Net (loss)	\$ (31,115) =====	\$ 0 =====	\$ (40,485) =====
Net (loss) per share, basic and diluted (Note 2)	\$ (0.02) =====	\$ 0.00 =====	\$ (0.02) =====
Average number of shares of common stock outstanding	1,970,000 =====	1,970,000 =====	1,970,000 =====

See Accompanying Notes to Financial Statements.

F-4

INVESTMENT AGENTS, INC.  
(A DEVELOPMENT STAGE COMPANY)

STATEMENTS OF STOCKHOLDERS' EQUITY

	Common Stock		Additional Paid-In Capital	Accumul (Defic Duri Develop Stag
	Shares	Amount		
Sale of 1,970,000 shares, October 17, 1997	1,970,000	\$1,970	\$ 0	\$
Net (loss), February 28, 1998				(1,
Balance, February 28, 1998	1,970,000	\$1,970	\$ 0	\$ (1,
Net income, February 28, 1999				
Balance, February 28, 1999	1,970,000	\$1,970	\$ 0	\$ (1,
Net (loss), February 29, 2000				
Balance, February 29, 2000	1,970,000	\$1,970	\$ 0	\$ (1,
Capital contribution, February, 2001			13,500	
Net (loss), February 28, 2001				
Balance, February 28, 2001	1,970,000	\$1,970	\$13,500	\$ (1,
Net (loss), February 28, 2002				(31,

Edgar Filing: INVESTMENT AGENTS INC - Form 10QSB

Balance, February 28, 2002	1,970,000	\$1,970	\$13,500	\$(33,
Net (loss), November 30, 2002	-----	-----	-----	(7,
Balance, November 30, 2002	<u>1,970,000</u>	<u>\$1,970</u>	<u>\$13,500</u>	<u>\$(40,</u>

See Accompanying Notes to Financial Statements.

F-5

INVESTMENT AGENTS, INC.  
(A DEVELOPMENT STAGE COMPANY)

STATEMENTS OF CASH FLOWS

	Three months ended November 30, 2002	November 30, 2001	Nine months ended November 30, 2002	November
	-----	-----	-----	-----
Cash Flows From				
Operating Activities				
Net (loss)	\$ (2,259)	\$ (1,681)	\$ (7,400)	
Adjustments to reconcile net (loss) to cash (used in) operating activities:				
Changes in assets and liabilities				
(Increase) in Accounts receivable	0	0	0	
(Increase) decrease in Prepaid expense	675	675	2,025	
Increase (decrease) in Accounts payable	(1,397)	0	(7,971)	
Increase in Officer payable	<u>2,981</u>	<u>1,006</u>	<u>13,346</u>	
Net cash (used in) operating activities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	
Cash Flows From				
Investing Activities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	
Cash Flows From				
Financing Activities				
Issuance of common stock	\$	\$	\$	
Capital contribution	<u>0</u>	<u>0</u>	<u>0</u>	

Edgar Filing: INVESTMENT AGENTS INC - Form 10QSB

Net cash (used in) financing activities	\$	\$ 0	\$ 0
		-----	-----
Net increase (decrease) in cash	\$ 0	\$ 0	\$ 0
Cash, beginning of period	0	0	0
	-----	-----	-----
Cash, end of period	\$ 0	\$ 0	\$ 0
	=====	=====	=====

See Accompanying Notes to Financial Statements.

F-6

INVESTMENT AGENTS, INC.  
(A DEVELOPMENT STAGE COMPANY)

STATEMENTS OF CASH FLOWS

	Years ended February 28, 2002	February 28, 2001	Aug. 8, 1996 (inception) to November 30, 2002
	-----	-----	-----
Cash Flows From			
Operating Activities			
Net (loss)	\$ (31,115)	\$ 0	\$ (40,485)
Adjustments to reconcile net (loss) to cash (used in) operating activities:			
Changes in assets and liabilities			
(Increase) in Accounts receivable	(49)	0	(49)
(Increase) decrease in Prepaid expense	2,475	(13,500)	(9,000)
Increase (decrease) in Accounts payable	8,290	0	319
Increase in Officer payable	20,399	0	33,745
	-----	-----	-----
Net cash (used in) operating activities	\$ 0	\$ (13,500)	\$ (15,470)
	-----	-----	-----
Cash Flows From			
Investing Activities	\$ 0	\$ 0	\$ 0
	-----	-----	-----
Cash Flows From			
Financing Activities			
Issuance of common stock	\$	\$ 0	\$ 1,970
Capital contribution	0	13,500	13,500
	-----	-----	-----



Edgar Filing: INVESTMENT AGENTS INC - Form 10QSB

Net cash (used in) financing activities	\$ 0 -----	\$ 13,500 -----	\$ 15,470 -----
Net increase (decrease) in cash	\$ 0	\$ 0	\$ 0
Cash, beginning of period	0 -----	0 -----	\$ 0 -----
Cash, end of period	\$ 0 =====	\$ 0 =====	\$ 0 =====

See Accompanying Notes to Financial Statements.

F-7

INVESTMENT AGENTS, INC.  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2002 AND FEBRUARY 28, 2002

NOTE 1. NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of business:

Investment Agents, Inc. ("Company") was organized August 8, 1996 under the laws of the State of Nevada. The Company currently has limited operations through an agreement with Verio, Inc. The Company acts as a referral source for domain registration and web hosting provided by Verio. Due to the limited nature of the operations, and, in accordance with Statement of Financial Accounting Standard (SFAS) No. 7, "Accounting and Reporting by Development Stage Enterprises," is considered a development stage company.

A summary of the Company's significant accounting policies is as follows:

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

For the Statements of Cash Flows, all highly liquid investments with maturity of three months or less are considered to be cash equivalents. There were no cash equivalents as of November 30, 2002, February 28, 2002, and February 28, 2001.

Income taxes

Income taxes are provided for using the liability method of accounting in accordance with SFAS No. 109 "Accounting for Income Taxes." A deferred tax asset or liability is recorded for all temporary differences between financial and tax reporting. Temporary differences are the differences

## Edgar Filing: INVESTMENT AGENTS INC - Form 10QSB

between the reported amounts of assets and liabilities and their tax basis. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effect of changes in tax laws and rates on the date of enactment.

### NOTE 2. STOCKHOLDERS' EQUITY

#### Common stock

The authorized common stock of the Company consists of 25,000,000 shares with par value of \$0.001. On October 15, 1997, the Company authorized and issued 19,700 shares of its no par value common stock in consideration of \$1,970 in cash.

F-8

INVESTMENT AGENTS, INC.  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2002 AND FEBRUARY 28, 2002

### NOTE 2. STOCKHOLDERS' EQUITY (CONTINUED)

On November 29, 2000, the State of Nevada approved the Company's amended Articles of Incorporation, which increased its capitalization from 25,000 common shares to 25,000,000 common shares. The no par value was changed to \$0.001 per share.

On November 29, 2000, the Company's shareholders approved a forward split of its common stock at one hundred shares for one share of the existing shares. The number of common stock shares outstanding increased from 19,700 to 1,970,000. Prior period information has been restated to reflect the stock split

An officer contributed \$13,500 to the Company through a retainer to a legal firm for services to be rendered.

The Company has not authorized any preferred stock.

#### Net loss per common share

Net loss per share is calculated in accordance with SFAS No. 128, "Earnings Per Share." The weighted-average number of common shares outstanding during each period is used to compute basic loss per share. Diluted loss per share is computed using the weighted averaged number of shares and dilutive potential common shares outstanding. Dilutive potential common shares are additional common shares assumed to be exercised.

Basic net loss per common share is based on the weighted average number of shares of common stock outstanding of 1,970,000 during the nine months ended November 30, 2002, the year ended February 28, 2002, and since inception. As of November 30, 2002, February 28, 2002, and since inception, the Company had no dilutive potential common shares.

### NOTE 3. INCOME TAXES

## Edgar Filing: INVESTMENT AGENTS INC - Form 10QSB

There is no provision for income taxes for the period ended November 30, 2002, due to the net loss and no state income tax in Nevada, the state of the Company's domicile and operations. The Company's total deferred tax asset as of November 30, 2002 is as follows:

Net operating loss carry forward	\$ 38,226
Valuation allowance	\$(38,226)
	-----
Net deferred tax asset	\$ 0

The net federal operating loss carry forward will expire in 2018 and 2022. This carry forward may be limited upon the consummation of a business combination under IRC Section 381.

F-9

INVESTMENT AGENTS, INC.  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2002 AND FEBRUARY 28, 2002

#### NOTE 4. RELATED PARTY TRANSACTIONS

The Company neither owns nor leases any real or personal property. An officer of the corporation provides office services without charge. Such costs are immaterial to the financial statements and accordingly, have not been reflected therein. The officers and directors for the Company are involved in other business activities and may, in the future, become involved in other business opportunities. If a specific business opportunity becomes available, such persons may face a conflict in selecting between the Company and their other business interest. The Company has not formulated a policy for the resolution of such conflicts.

In April 2001, the Company established a policy that "transactions between the Company and its officers, directors or five percent shareholders, and their respective affiliates, will be on terms no less favorable than those terms which could be obtained from unaffiliated third parties and said transactions will be approved by a majority of the independent and disinterested directors."

#### NOTE 5. CONTRACTS AND OBLIGATIONS

On April 19, 2001, the Company entered into a Web Agent Agreement with Verio, Inc. The Company is a referral partner and hosts a web site to direct customers to the web hosting and registration services of Verio. The non-cancelable agreement requires a payment obligation of \$75 per month for a period of two years. The contract allows for three one-year extensions by notifying Verio, Inc. in writing not more than 180 and not less than 90 days from the expiration of the current contract. The Company intends to exercise these extensions. The minimum future contract payments are:

Edgar Filing: INVESTMENT AGENTS INC - Form 10QSB

Year End February 28,	Contract Payment
2003	225
2004	900
2005	900
2006	900
2007	75
	-----
Total future Obligations	\$3,000 =====

On February 1, 2001, the Company retained a legal firm, prepaying \$13,500 for services related to this contract. Services are to be provided for the three-year term and two one-year renewal periods. Services include paying the monthly fees to Verio, Inc. and reviewing the performance of the Company website. The fee is non-refundable and no additional fees will be required in the normal course of business for these services. If these costs were for a one-time performance or start-up of services for the new products provided by the Company, they would be currently expensed as required by Statement of Position 98-5 "Reporting on the Costs of Start-Up Activities. Due to the continuing nature of the performance required by the contract, this fee not considered a start-up cost and is amortized over the life of the contract, with extensions

F-10

INVESTMENT AGENTS, INC.  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2002 AND FEBRUARY 28, 2002

NOTE 6. WARRANTS AND OPTIONS

There are no warrants or options outstanding to acquire any additional shares of common stock of the Company.

NOTE 7. OFFICERS' ADVANCES

The Company has incurred costs in connection with the implementation of its business plan and in connection with the Company complying with federal securities laws. An officer of the Company has advanced funds on behalf of the Company to pay for these costs. These funds have been advanced interest free.

NOTE 8. GOING CONCERN

The Company's financial statements are prepared in accordance with generally accepted accounting principles applicable to a going concern. This contemplates the realization of assets and the liquidation of liabilities in the normal course of business. Currently, the Company does not have significant cash or other material assets, nor does it have operations or a source of revenue sufficient to cover its operation costs and allow it to continue as a going concern. Until the Company has sufficient operations, the stockholders, officers, and directors have committed to advancing the operating costs of the company.

## Edgar Filing: INVESTMENT AGENTS INC - Form 10QSB

### NOTE 9. SUBSEQUENT EVENTS

On November 14, 2002 the Company entered into an "Exchange Agreement" with City Network, Inc., a company incorporated under the laws of the British Virgin Islands ("City") and certain of its shareholders, wherein the Company will acquire all of the issued and outstanding shares of City in exchange for 12,000,000 shares of the Company. The Exchange Agreement was amended on December 4, 2002. The transaction closed on December 11, 2002. Upon the exchange, the officers and directors of the Company resigned and five new officers and directors were appointed.

To fulfill the provisions of the Exchange Agreement, Section 3 of the By-Laws were amended from "the authorized number of directors shall be three (3) until changed..." to "the authorized number of directors shall be not less than five (5) and shall not be more than eleven (11) until changed..." This became effective with the execution of the Exchange Agreement.

On November 26, 2002, the Company authorized the payment of a dividend on the common shares of the Company to the shareholders of record on December 9, 2002, 20.18644 shares for each share held by the said shareholder. In lieu of fractional shares, the Company will round up a fractional share to a full share. As part of the authorization, prior to December 9, 2002, certain shareholders surrendered cancellation of 1,380,000 shares of common stock. This surrender occurred on December 6, 2002. After the surrender, 590,000 share of common stock were of record on December 9, 2002. After the stock dividend, there were 12,500,000 shares issued and outstanding.

As of December 11, 2002, after the stock dividend and execution of the Exchange Agreement, the Company had 24,500,000 shares of common stock issued and outstanding.

F-11

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

#### Plan of Operation

As at November 30, 2002, we were a referral agent and we collect a selling commission for referring customers who purchase Verio, Inc.'s ("Verio") domain registration services, web hosting services and e-commerce services. We are a development stage company with limited operations and revenues. We were unable to satisfy cash requirements without management's financial support.

Our objective had been to market the web site upon full completion of its development - after we feel it is no longer "under construction". This marketing strategy was subject to our having sufficient funding to carry out our plan which will include the following elements:

1. Strategic listing of our web site with major search engines in order to increase the visibility of our web site when users enter applicable keywords, such as "domain registration" and "web site hosting," with major search engines, and
2. Reciprocal click-through agreements with complementary web sites who are prepared to allow us to place links to our web site on their web sites in consideration for us permitting a reciprocal link to their web site on our web site.

## Edgar Filing: INVESTMENT AGENTS INC - Form 10QSB

On December 11, 2002, after filing a fictitious business name of City Networks Inc. in Nevada, we acquired all of the issued and outstanding stock of City Network Technology, Inc. (formerly Gelchrest Investments Limited), a BVI company ("CNT") pursuant to an Amended Exchange Agreement dated as of December 11, 2002, by and among CNT, the shareholders of CNT, Pamela Ray Stinson, Raymond Robert Acha, Joseph H. Panganiban and us (the "Exchange Agreement"). CNT based in the British Virgin Islands, is the parent company of City Network Inc. (Taiwan).

Pursuant to the Exchange Agreement, CNT became our wholly-owned subsidiary in exchange for the CNT shares and we issued 12,000,000 shares of our common stock to the shareholders of CNT, representing 49% of our outstanding stock at that time. Prior to the exchange, we declared a stock dividend and Pamela Ray Stinson, Raymond Robert Acha, Joseph H. Panganiban surrendered for cancellation all of the shares of stock owned by them prior to the record date. In connection with the exchange and change in control, our current officers and directors resigned and the following five persons were appointed as officers and directors: Tiao-Tsan Lai, Hsin-Nan Lin, Alice Chen, Chin Yuan Liao and I-Min Ou.

We (together with our operating subsidiary, "City Network") are now a provider of Internet broadband and wireless infrastructure equipment and services for the rapidly expanding broadband marketplace. We are dedicated to delivering the most user-friendly, cost-effective, and customer-tailored, high-speed internet broadband access equipment to meet the growing business needs of the hospitality, residential property, telecommunication and SME (Small & Medium Enterprises) marketplace worldwide.

- 5 -

City Network has a limited operating history upon which potential investors may base an evaluation of its prospects and there can be no assurance that City Network will achieve its objectives. City Network's prospects must be considered in light of the risks, expenses and difficulties frequently encountered by companies in their early stages of development, particularly companies in a rapidly evolving market such as the market for Internet broadband and wireless infrastructure equipment and services. Such risks include, but are not limited to: City Network's ability to obtain and retain customers and attract a significant number of new customers, the growth of the satellite, wireless, broadband and Internet markets, City Network's ability to implement its growth strategy, especially the sales and marketing efforts, and the introduction of new devices and computer networks technologies in broadband and Internet services by City Network's competitors and by City Network..

City Network currently anticipates that its available funds and resources, including product sales will be sufficient to meet its anticipated needs for working capital and capital expenditures for the next twelve months. City Network will need to raise additional funds in the future in order to fund more aggressive brand promotion and more rapid expansion, to develop new or enhanced products, to respond to competitive pressures or to acquire complementary businesses or technologies. There can be no assurance that additional financing will be available on terms favorable to City Network, or at all. If adequate funds are not available or not available on acceptable terms, City Network may not be able to fund its expansion, promote its brand names as City Network desires, take advantage of unanticipated acquisition opportunities, develop or enhance products or respond to competitive pressures. Any such inability could have a material adverse effect on City Network's business, results of operations and financial condition.

City Network expects to experience significant fluctuations in future quarterly operating results that may be caused by many factors, including, among

## Edgar Filing: INVESTMENT AGENTS INC - Form 10QSB

others: delays in introduction of products or product enhancements by City Network, its competitors or other providers of broadband and wireless internet access and equipment; costs associated with product or technology acquisitions; the size and timing of individual orders; competition and pricing in the broadband internet access industry; seasonality of revenues; customer order deferrals in anticipation of new products; market acceptance of new products; reductions in demand for existing products and shortening of product life cycles as a result of new product introductions; changes in operating expenses; changes in City Network's personnel; changes in regulatory requirements; mix of products sold; and general economic conditions. As a result, City Network believes that period-to-period comparisons of its results of operations are not necessarily meaningful and should not be relied upon as indications of future performance.

### Analysis of Financial Condition.

As at November 30, 2002, we had no cash, an account receivable of \$49 and \$9,000 in prepaid expenses, which constitutes our total assets. We have no other liquid current assets. Our loss from inception through November 30, 2002 was \$40,485. As at November 30, 2002, we were obligated for officer advances in the sum of \$33,745. As of December 11, 2002, the officer advances were contributed to capital and, as of the date hereof, the prepaid expenses will be reduced from \$9,000 to \$0.

- 6 -

### Qualitative and Quantitative Disclosures About Market Risk.

As at November 30, 2002, we had neither considered nor conducted any research concerning qualitative and quantitative market risk.

### ITEM III. CONTROLS AND PROCEDURES

Within the 90 days prior to the date of filing this Quarterly Report on Form 10-QSB, the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Exchange Act Rule 13a-14. Based upon that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective in timely alerting them to material information relating to the Company required to be included in the Company's periodic SEC filings.

- 7 -

### PART II

#### OTHER INFORMATION

Item 1 -	Legal Proceedings	None
Item 2 -	Changes in the Rights of the Company's Security Holders	None
Item 3 -	Defaults by the Company on its Senior Securities	None
Item 4 -	Submission of Matter to Vote of Security Holders	None

Edgar Filing: INVESTMENT AGENTS INC - Form 10QSB

Item 5 - Other Information

None

Item 6 - Exhibits and Reports on Form 8-K

(a) Exhibits

99.1 Certifications of Tiao Tsan Lai, pursuant to 18 U.S.C. 1350.

99.2 Certifications of Hsin Nan Lin, pursuant to 18 U.S.C. 1350.

There were no reports on Form 8-K filed during the quarter for which this report is filed. The Company incorporates by this reference the following reports filed subsequent to November 30, 2002:

Current Report on Form 8-K/A filed on December 4, 2002

Current Report on Form 8-K filed on December 10, 2002

Current Report on Form 8-K filed on January 15, 2002

- 8 -

SIGNATURE

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

Dated: January 22, 2003

INVESTMENT AGENTS, INC.  
d/b/a/ City Network Inc.

By: /s/ Tiao - Tsan Lai

-----  
Tiao - Tsan Lai

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, TIAO TSAN LAI, President and Chief Executive Officer (principal executive officer) of Investment Agents, Inc. (the "Registrant"), certifies that:

1. I have reviewed this quarterly report on Form 10-QSB of Investment Agents, Inc.
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:



Edgar Filing: INVESTMENT AGENTS INC - Form 10QSB

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

1 of 2

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

/s/ Tiao Tsan Lai

-----

Tiao Tsan Lai

Date: January 22, 2003

2 of 2

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, HSIN NAN LIN, Chief Financial Officer (principal financial officer) of Investment Agents, Inc. (the "Registrant"), certifies that:

1. I have reviewed this quarterly report on Form 10-QSB of Investment Agents, Inc.

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

Edgar Filing: INVESTMENT AGENTS INC - Form 10QSB

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

1 of 2

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

/s/ Hsin Nan Lin

-----

Hsin Nan Lin

Date: January 22, 2003

2 of 2