



## WIALAN TECHNOLOGIES, INC.

1931 NW 150th Ave  
Suite 296  
Pembroke Pines, FL 33028

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COMPANY TELEPHONE: (954) 749-3481

WEBSITE: <http://www.wialan.com>

EMAIL: [Victor.Tapia@wialan.com](mailto:Victor.Tapia@wialan.com)

SIC Code: 48999901

## QUARTERLY REPORT

FOR THE 3 MONTHS ENDED MARCH 31, 2023

### Outstanding Shares

The number of shares outstanding of our Common Stock was:

**2,715,561,474 Common Shares as of March 31, 2023 (and at the date of this filing)**

**2,668,561,474 Common Shares as of December 31, 2022**

**2,583,561,474 Common Shares as of December 31, 2021**

### Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

### Change in Control

Indicate by check mark whether a Change in Control<sup>1</sup> of the company has occurred over this reporting period:

Yes: ☐ No: ☒

## 1). Name and address of the issuer and its predecessors (if any)

Current Name of Issuer: **Wialan Technologies, Inc.** (from January 22, 2014 to date)

Address: **1931 NW 150th Ave, Suite 296, Pembroke Pines, FL 33028**

Predecessor Names: American Community Development Group, Inc. (from February 5, 2010 to January 22, 2014)

Rock Bands, Inc. (from April 2, 2008 to February 5, 2010)

DTI, Inc. (from April 27, 1987 to April 2, 2008)

Fortsbridge, Ltd (from incorporation on February 25, 1985 to April 27, 1987)

State of incorporation or registration of the Issuer and each of its predecessors during the past five years.

Incorporated in the State of Delaware on February 25, 1985. The Issuer is in active status currently.

There have been no trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception.

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

**None**

The address of the Issuer's principal executive office:

**1931 NW 150th Ave, Suite 296, Pembroke Pines, FL 33028**

**The address of the issuer's principal place of business:**

☒ Check if the principal executive office and principal place of business are the same address

Has the issuer or any of its predecessors ever been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: ☒ Yes: ☐

## 2) Security Information

### **Transfer Agent**

Name: Clear Trust, LLC

Phone: 813-235-4490

Email: inbox@ClearTrustTransfer.com

Address: 16540 Pointe Village Dr Suite 205, Lutz, FL 33558

### **Publicly Quoted or Traded Securities:**

Trading symbol:

**WLAN**

Exact title and class of securities outstanding:

Common Shares

CUSIP:

96685 A107

Par or stated value:

\$0.0001

Total shares authorized:

3,500,000,000 as of date March 31, 2023

Total shares outstanding:

2,715,561,474 as of date: March 31, 2023

Total number of shareholders of record:

255 as of date: March 31, 2023

### **Other classes of authorized or outstanding equity securities:**

*Additional class of securities:*

Exact title and class of security:

Preferred Shares

CUSIP:

Not applicable

Par or stated value:

\$0.0001

Total shares authorized:

75,000,000 as of date: March 31, 2023

Total shares outstanding: None as of date: March 31, 2023  
Total number of shareholders of record: None as of date: March 31, 2023

### Security Description:

- Common equity.** Dividend, voting, conversion and preemption rights  
The Board of Directors may declare and pay dividends from time to time as advisable and after setting aside a reserve fund to meet contingencies or for equalizing dividends. Dividends are not cumulative. The holders of each common share are entitled to one vote at a meeting of the stockholders. There are no conversion or preemption rights.
- Preferred equity.** No preferred shares have been issued and there are therefore no preferred stockholders  
The Company's Board of Directors is expressly granted the authority to divide any or all of the preferred stock into series and to fix and determine the relative preferences of the shares of each series established. Upon liquidation, dissolution or winding up of the Company the holders of preferred stock have priority over the common stockholders for the full payment of their capital invested and accrued dividends thereon, if any, from the realizable proceeds from the Company's net assets after settlement of secured and priority debt.
- There are no other material rights of common or preferred stockholders to report.
- There have been no material modifications to rights of holders of the Company's securities that have occurred over the reporting period covered by this report.

### 3) Issuance History

#### A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years

No: ☐ Yes: ☒

☒

Shares Outstanding as of the beginning of the Second Most Recent Fiscal Year: <u>Opening Balance</u> : <u>At 1/1/2021:</u> Common: <u>2,583,561,474</u> Preferred: <u>None</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
No stock was issued in the 12 Months Ended December 31, 2021									
At December 31, 2021									

Common <u>:2,583,561,474</u> Preferred: <b>None</b>									
<u>May 12, 2022</u>	<u>New issuance</u>	<u>50,000,000</u>	<u>Common</u>	<u>\$0.0001</u>	<u>Yes</u>	<u>EDCA Technical Assistance Consulting / Controlled by Christina Garcia, wife of Eduardo Garcia - former CEO who died April 7, 2022.</u>	<u>For past services</u>	<u>Restricted</u>	<u>144</u>
<u>May 12, 2022</u>	<u>New Issuance</u>	<u>25,000,000</u>	<u>Common</u>	<u>\$0.0001</u>	<u>Yes</u>	<u>Reggie V Bergeron</u>	<u>For past services</u>	<u>Restricted</u>	<u>144</u>
<u>May 12, 2022</u>	<u>New Issuance</u>	<u>10,000,000</u>	<u>Common</u>	<u>\$0.0001</u>	<u>Yes</u>	<u>Richard Gilbert</u>	<u>For past services</u>	<u>Restricted</u>	<u>144</u>
Shares Outstanding at end of the Most Recent Fiscal Year:  Date <u>12/31/2022</u> Common: <u>2,668,561,474</u> Preferred: <b>None</b>									
<u>January 25, 2023</u>	<u>New Issuance</u>	<u>42,000,000</u>	<u>Common</u>	<u>\$0.0001</u>	<u>Yes</u>	<u>Tony R. McDowell  (former CEO)</u>	<u>For services</u>	<u>Restricted</u>	<u>144</u>
<u>January 25, 2023</u>	<u>New Issuance</u>	<u>5,000,000</u>	<u>Common</u>	<u>\$0.0001</u>	<u>Yes</u>	<u>Alan Bailey  (current CFO)</u>	<u>For past services</u>	<u>Restricted</u>	<u>144</u>
Shares Outstanding at March 31, 2023 and at the date of this filing:  Common: <u>2,715,561,474</u> Preferred: <b>None</b>									

## B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities:

No: ☐ Yes ☒

Date of Loan Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Debt holder	Reason for Issuance (e.g. Loan, Services, etc.)
<u>March 15, 2023</u>	<u>\$50,000</u>	<u>\$50,000</u>	<u>\$175</u>	<u>March 15, 2026</u>	At the end of the 3 year term, a bonus of 20% of the outstanding principal <u>is</u> payable either in cash or in common stock (of equivalent value) issued at a 15% discount to the then current stock price	Reggie Bergeron (Director and Sr VP Operations)	Working capital loan to fund business expansion
<u>March 15, 2023</u>	<u>\$20,000</u>	<u>\$20,000</u>	<u>\$70</u>	<u>March 15, 2024</u>	At the end of the 1 year term, a bonus of 6.6% of the outstanding principal <u>is</u> payable either in cash or in common stock (of equivalent value) issued at a 15% discount to the then current stock price	<u>Eugene Rostov</u> (Control person, see Section 6)	Working capital loan to fund business expansion
<u>March 24, 2023</u>	<u>\$30,000</u>	<u>\$30,000</u>	<u>\$46</u>	<u>March 24, 2023</u>	At the end of the 1 year term, a bonus of 6.6% of the outstanding principal <u>is</u> payable either in cash or in common stock (of equivalent value) issued at a 15% discount to the then current stock price	<u>Eugene Rostov</u> (Control person, see Section 6)	Working capital loan to fund business expansion.

### 4) Issuer's Business, Products and Services

The Company designs, builds, installs, operates and services/maintains industrial grade Wireless Access Points (APs), for both indoor and outdoor use. These units have extensive coverage and can support a high density of users. The point-to-point capabilities provide an extended range, as the radios can be deployed in most frequencies, both (licensed and unlicensed) and public safety in the 4.9 GHz frequency spectrum. Once the wireless network has been deployed, the built in APs can provide wireless access for many types of communications and can support services, including, but not limited to the following: WiFi, Streaming, Video Surveillance, PA Systems, VoIP, and IoT connectivity. These Wireless Solutions have been deployed successfully in Convention Centers, Auditoriums, Stadiums, Large Office Spaces, Warehouses, Public Parks and Marinas. Most provisioned services have an existing customer base.

The Company has also acquired the exclusive license to build and sell a patented street light fixture that can host micro wireless devices, including cellular small cells for cellular operators, to significantly improve internet reception and connectivity from the reach of each street light pole. This product has been deployed already in a Miami Dade County city and in several sites in Mexico and is operating efficiently. The light fixture has the technology to host a variety of LTE devices and is also ready for the next generation of newer technologies, including 5G devices, as well as hosting Wi Fi devices and video surveillance equipment. The light fixture is manufactured in South Florida, The Company believes that this patented technology will substantially improve both connectivity and security in urban areas that presently suffer from insecure and unstable WiFi internet. The Company is developing plans to roll-out these devices in greater numbers to a variety of city locations, both in

the U.S. and overseas, and these results are expected to be reflected during fiscal 2023 and increasingly thereafter.

## 5) Issuer's Facilities

The Company's present executive and business office is rented on a month-to-month basis and is located at 1931 NW 150th Ave, Suite 296, Pembroke Pines, FL 33028. The Company also rents a storage space on a month-to-month basis in the Pembroke Pines area to store its equipment and parts.

## 6) Officers, Directors, and Control Persons controlling more than 5% of any class of the issuer's securities:

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding as of March 31, 2023	Names of control persons of corporate entity
<b>Officers and Directors:</b>						
<u>Victor Tapia</u> (Held in the name of Vicana T, LLC)	<b>Deputy Chairman of the Board of Directors and , President</b>	Southwest Ranches/FL	<u>686,000,000</u>	<u>Common Shares</u> (Restricted)	<u>25.262%</u>	Victor Tapia
<u>Reggie V. Bergeron</u>	<b>Director and Sr. VP Operations</b>	Ponce Inlet, FL	25,000,000	<u>Common Shares</u> (Restricted)	<u>0.921%</u>	
<u>Fernando Scazzi</u>	<b>Chief Technology Officer and Director</b>	Hialeah, FL	10,000,000	<u>Common Shares</u> (Restricted)	<u>0.368%</u>	
<u>Alan Bailey</u>	<b>CFO &amp; Director</b>	Palos Verdes/ CA	7,750,000	<u>Common Shares</u> (Restricted)	<u>0.285%</u>	
<u>Cindy Perez</u>	<b>Director</b>	Winnie, TX	None at March 31, 2023			
<b><u>Control Persons owning more than 5%</u></b>						
<u>Investment Properties Revocable Trust</u>	<b>Owner of more than 5%</b>	<u>Safety Harbor/FL</u>	<u>380,000,000</u>	<u>Common Shares</u> (Restricted)	<u>13.993%</u>	Mike Connor
<b><u>Eugene Rostov</u></b>	<b>Owner of more than 5%</b>	<u>Coral Gables, FL</u>	200,000,000	<u>Common Shares</u> (Restricted)	<u>7.365%</u>	
<b><u>Irwin L. Zalberg</u></b>	<b>Owner of more than 5%</b>	<u>Elgin, Illinois</u>	182,000,000	<u>132,000,000</u> (Restricted) <u>50,000,000</u> (Unrestricted)	<u>6.702%</u>	

## 7) Legal/Disciplinary History

A. Identify whether any of the persons listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated;

None

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

**No current or pending legal proceedings.**

## 8) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

### Securities Counsel

Jonathan D. Leinwand, P.A.  
18305 Biscayne Blvd, Suite 200,  
Aventura, FL 33160  
Tel: 954-903-7856, email: jonathan@jdlpa.com

### Accountant or Auditor

**None**

### Investor Relations:

**None.**

*All other means of Investor Communication (not applicable)*

Twitter:

Discord:

LinkedIn:

Facebook:

### Other Service Providers:

**None**

## 9) Financial Statements

A. The following financial statements were prepared in accordance with:

- ☒ U.S. GAAP  
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual)<sup>2</sup>:

Name: Alan Bailey  
Title: CFO  
Relationship to Issuer: Director

Alan Bailey is a Chartered Accountant with more than 50 years as a senior accountant, senior auditor and financial executive in both public accounting and industry, and has maintained the books of account and prepared quarterly and annual financial reports, for both 12g SEC reporting and for alternative OTCMarkets reporting, for variety of businesses and enterprises for approximately 14 years

**ATTACHED ON PAGES 10-17 ARE THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF WIALAN TECHNOLOGIES, INC. FOR THE 3 MONTHS ENDED MARCH 31, 2023**

- a. Audit letter (not applicable)
- b. Balance Sheet
- c. Statement of Income
- d. Statement of Cash Flows
- e. Statement of Retained Earnings (Statement of Changes in Stockholder's Equity)
- f. Financial Notes.

## 10) Issuer Certification

**Principal Executive Officer:**

**Acting Chief Executive Officer**

I, Victor Tapia, certify that:

1. I have reviewed this Disclosure Statement for Wialan Technologies, Inc (Issuer).
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

May 10, 2023 [Date]

/s/ Victor Tapia (Acting CEO, President and Vice Chairman's Signature)

(Digital Signatures should appear as "/s/ [OFFICER NAME]")



**Principal Financial Officer:**

I, Alan Bailey, certify that:

1. I have reviewed this Disclosure Statement for Wialan Technologies, Inc.(Issuer)
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

May 10, 2023[Date)

*"/s/ Alan Bailey* [CFO's Signature]

(Digital Signatures should appear as *"/s/* [OFFICER NAME)

**FOLLOWING ARE THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF WIALAN  
TECHNOLOGIES, INC. FOR THE 3 MONTHS ENDED MARCH 31, 2023**

**QUARTERLY FINANCIAL STATEMENTS**  
**WIALAN TECHNOLOGIES, INC.**  
**for the 3 Months Ending**  
**MARCH 31, 2023**

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Consolidated Statements of Cash Flows for the 3 Months Ended March 31, 2023 and March 31, 2022 (unaudited).	Page F3
Statement of Changes in Shareholders' Equity for the period January 1, 2021 Through March 31, 2023 (unaudited).	Page F4
Financial Notes to the Consolidated Financial Statements (unaudited).	Pages F5-F7

**WIALAN TECHNOLOGIES, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
(Unaudited)

	<u>March 31, 2023</u>	<u>December 31, 2022</u>
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ 104,717	\$ 17,023
Inventory of parts and equipment	5,600	5,600
Prepaid expense	<u>5,280</u>	<u>-</u>
Total current assets	<u>115,597</u>	<u>22,623</u>
<b>Fixed assets</b>		
Equipment, software, furniture, at cost	27,430	27,430
Less: accumulated depreciation	<u>(27,430)</u>	<u>(27,430)</u>
	<u>-</u>	<u>-</u>
<b>Total assets</b>	<b>\$ <u>115,597</u></b>	<b>\$ <u>22,623</u></b>
<b>Liabilities and shareholders' equity</b>		
<b>Current liabilities</b>		
Accounts payable and accrued expenses	\$ 2,457	\$ 2,457
Shareholder loan, including accrued interest	50,116	-
Deferred income	<u>7,320</u>	<u>9,800</u>
	<u>59,893</u>	<u>12,257</u>
<b>Non-Current liability</b>		
Shareholder loan, including accrued	<u>50,175</u>	<u>-</u>
<b>Total liabilities</b>	<u>110,068</u>	<u>12,257</u>
<b>Shareholders' equity</b>		
<b>Preferred stock: 75,000,000 authorized, \$0.0001 par value</b>		
None issued and outstanding	-	-
<b>Common stock, \$ 0.0001 par value each:</b>		
3,500,000,000 authorized; 2,715,561,474 and		
2,668,561,474 issued and outstanding at		
March 31, 2023 and December 31, 2022, respectively	271,556	266,856
<b>Additional paid in capital</b>	4,338,639	4,338,639
<b>Accumulated deficit</b>	<u>( 4,604,666)</u>	<u>(4,595,129)</u>
	<u>5,529</u>	<u>10,366</u>
<b>Total liabilities and shareholders' equity</b>	<b>\$ <u>115,597</u></b>	<b>\$ <u>22,623</u></b>

*See accompanying notes to these consolidated financial statements*

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**WIALAN TECHNOLOGIES, INC.**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(Unaudited)

	<u>3 Months Ended</u>	
	<u>March 31</u>	
	<u>2023</u>	<u>2022</u>
<b>Revenue</b>		
Sales	\$ 11,221	\$19,478
Less: Cost of sales	<u>982</u>	<u>4,207</u>
<b>Gross margin</b>	<u>10,259</u>	<u>15,271</u>
<b>Operating expenses</b>		
Management compensation and other payroll	9,514	6,921
Facility rent	1,495	1,571
All other general and administrative	<u>8,496</u>	<u>7,405</u>
	<u>19,505</u>	<u>15,897</u>
<b>Operating income(loss) for period</b>	<u>(9,246)</u>	<u>(626)</u>
<b>Other income(expense)</b>		
Loan interest expense	<u>(291)</u>	<u>-</u>
	<u>(291)</u>	<u>-</u>
<b>Net Loss</b>	<b>\$ ( 9,537)</b>	<b>\$ ( 626)</b>
<b>Weighted average common shares outstanding</b>	<b><u>2,702,505,944</u></b>	<b><u>2,575,811,874</u></b>
<b>Net loss per share outstanding</b>	<b><u>\$ - *</u></b>	<b><u>\$ - *</u></b>

(\*less than 0.0001)

*See accompanying notes to the consolidated financial statements*

**WIALAN TECHNOLOGIES, INC.**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Unaudited)

	<b>3 Months Ended</b>	
	<b><u>March 31, 2023</u></b>	<b><u>March 31, 2022</u></b>
<b>Net cash from operating activities:</b>		
Net loss for period	\$ ( 9,537)	\$ ( 626)
Stock issued for management services	4,700	-
Decrease in deferred income	(2,480)	-
Increase in prepaid expense	<u>(5,280)</u>	<u>-</u>
<b>Net cash from (used in) operating activities</b>	<b><u>(12,597)</u></b>	<b><u>(626)</u></b>
<b>Net cash used in investment activities</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Net cash from financing activities</b>		
Shareholder loans, including accrued interest	<u>100,291</u>	<u>-</u>
<b>Net increase in cash</b>	<b>87,694</b>	<b>(626)</b>
<b>Cash – beginning of year</b>	<b><u>17,023</u></b>	<b><u>13,686</u></b>
<b>Cash – end of year</b>	<b><u>\$ 104,717</u></b>	<b><u>\$ 13,060</u></b>

*See accompanying notes to these consolidated financial statements*

**WIALAN TECHNOLOGIES, INC.**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**For the Period January 1, 2021 Through March 31, 2023**  
(Unaudited)

	<u>COMMON SHARES</u> <u>NUMBER</u>	<u>AMOUNT</u>	<u>ADDITIONAL</u> <u>PAID IN CAPITAL</u>	<u>ACCUMULATED</u> <u>DEFICIT</u>	<u>SHAREHOLDERS'</u> <u>EQUITY</u>
At January 1, 2021	2,583,561,474	\$ 258,356	\$ 4,338,639	\$(4,570,523)	\$ 26,472
Net Loss for 12 Months ended December 31, 2021	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,686)</u>	<u>(5,686)</u>
At December 31, 2021	2,583,561,474	\$ 258,356	\$ 4,338,639	\$ (4,576,209)	\$ 20,786
May 12, 2022 Stock issued for past executive services	85,000,000	8,500	-	-	8,500
Net Loss for 12 Months ended December 31, 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,920)</u>	<u>(18,920)</u>
At December 31, 2022	2,668,561,474	\$266,856	\$4,338,639	\$ (4,595,129)	\$ 10,366
Stock issued for services	47,000,000	4,700	-	-	4,700
Net Loss for 3 Months ended March 31, 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>( 9,537)</u>	<u>(9,537)</u>
At March 31, 2023	<u>2,715,561,474</u>	<u>\$271,556</u>	<u>\$4,338,639</u>	<u>\$(4,604,666)</u>	<u>\$ 5,529</u>

*See accompanying notes to the consolidated financial statements*

**WIALAN TECHNOLOGIES, INC.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**THE 3 MONTHS ENDED MARCH 31, 2023**  
**(Unaudited)**

**1. History and Nature of Activities:**

Wialan Technologies, Inc., was incorporated in the State of Delaware on February 25, 1985 under the name of Fortsbridge, Ltd. (“Fortsbridge”), a business involved in investing in various companies. The Company was a Reporting Issuer subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act until November 17, 1989, when it filed a Form 15-12G with the Commission to become an alternative reporting entity with unaudited financial statements,

On April 27, 1987, the Company effected a corporate name change to DTI, Inc. as the result of the Company purchasing the assets of DTI, Inc., a discount travel business. On May 29, 2008, the Company then merged with Rockbands, LLC (acquiring 100% of the shareholders’ equity), a jewelry-based entity incorporated in the State of Florida in January, 2007, involving the exchange of 180,000,000 restricted shares of the Company’s common stock. At this time, the Issuer modified its business plan to that of Rockbands, LLC, acquired the assets of Rockbands, LLC, and spun off the assets of DTI, Inc. to Airport Road Associates One, LLC. Simultaneously, control of the Company was transferred from DTI, Inc. to the shareholders of Rockbands, LLC and the Company subsequently effected a corporate name change to Rockbands, Inc. (“Rockbands”). However, in the fourth quarter of 2009, the Issuer concluded that capital requirements needed for the Company to remain in business could no longer be satisfied solely through the sale of its “RockBands” products, and that it needed to consider other avenues for generating revenue. The Company accordingly decided to make a radical change to its business plan and divested itself of the business and assets of Rockbands, and acquired a business line that would make available potential business opportunities and capital to the Company

The Company’s business plan was revamped to involve the development, acquisition, ownership and operation of low cost housing for specialty classifications of individuals and the indigent and financially challenged. Accordingly, control of the Company was transferred on December 31, 2009 to American Community Development Corporation, a State of Florida entity, and the Company subsequently effected a corporate name change to American Community Development Group, Inc. (“ACYD”) on February 5, 2010. The transfer involved 9,000,000 restricted shares of the Company’s common stock being issued to the shareholders of ACYD.

On August 28, 2013 ACYD changed its business plan by acquiring all of the assets and business operations of Wialan Technologies, LLC (“Wialan”), through the execution of an Acquisition Agreement and Plan of Merger (the “Merger Agreement”), as a business combination and tax-free reorganization. The name of the Company was changed to Wialan Technologies, Inc. on January 22, 2014 and its trading symbol was changed from “ACYD” to “WLAN”. The former “ACYD” community assistance business ceased effective September 30, 2013. The terms of the Merger Agreement required, as consideration for the acquisition, the issuance to the owners of Wialan of a total of 1.9 billion common shares of the Company. Effective that date, John Folger resigned as President, CEO and Director and Victor Tapia was appointed Vice President, Secretary and Director.

Since August 28, 2013 the Company’s new business focus has been the design, marketing, servicing and installation of industrial wireless access equipment (Wi-Fi Access Points) primarily for the corporate owners of marinas, municipal parks, and other public areas.

## **2. Basis for the Consolidated Financial Statements**

The consolidated financial statements include the balance sheet, statements of operations, statements of cash flows and statement of changes in stockholders' equity relating to Wialan Technologies, Inc. from date of incorporation, plus the consolidation of the balance sheet and operating activities of Wialan Technologies, LLC ("Wialan") from the August 28, 2013 date of acquisition to date. The financial statements are reported in accordance with generally accepted accounting principles ("GAAP").

### **(a) Cash**

Cash consists of demand deposit accounts. The balance of accounts held in financial institutions at March 31, 2023 and December 31, 2022 did not exceed FDIC limits

### **(b) Inventory of equipment and parts**

Inventory represents equipment and various parts and Wi-Fi components located in the Company's storage. It has been valued by management at the lower of cost and realizable value, resulting in a net remaining value of \$5,600 at March 31, 2023 and at December 31, 2022.

### **(c)Prepaid expense**

Prepaid expense represents the prepayment of the annual OTCMarkets subscription through February 28, 2023 and is being amortized to general and administrative expense on a monthly basis.

### **(d)Fixed Assets**

Fixed assets are stated at cost, less accumulated depreciation. Depreciation is computed over the estimated useful lives of the assets using the straight-line method. At March 31, 2023 and December 31, 2022 all fixed assets were fully depreciated.

### **(e) Deferred Income**

Deferred income at March 31, 2023 represents prepaid cash received from a customer for maintenance covering the 12 months ended December 31, 2023. This deferral will be recognized as revenue at a monthly rate of \$817 during 2023.

### **(f) Estimates**

In preparing financial statements in accordance with generally accepted accounting principles, management makes estimates and assumptions that affect the reported amounts and disclosures of assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **(g) Impairment**

The Company periodically reviews for the impairment of its assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be realizable. An impairment loss would be recognized when estimated future cash flows expected to result from the use of the asset and its eventual disposition is less than its carrying amount.



The Company has previously written off all goodwill initially recorded arising from the excess value between the issuance of the Company's common stock to acquire Wialan Technologies LLC and the value of the Wialan Technologies LLC business.

### **(h) Shareholder loans**

To finance the Company's business expansion plans and update its website and sales materials, during March , 2023 the Company received shareholder loans totaling \$100,000, which are subject to interest at the rate of 8% per annum.

One loan for \$50,000 was received from Eugene Rostov, the holder of 200 million of the Company's common shares (see Section 6 of the Disclosures section of this report). The loan is initially for a 1 year term, of which \$20,000 matures March 15, 2023 and \$30,000 matures March 24, 2023. On repayment after 12 months, the lender is entitled to a cash bonus of \$3,300 or the equivalent in the Company's common stock at a discount of 15% to the then market value. This loan is therefore classified within "current liabilities". In the event that the lender agrees to extend the loan for an additional second year, the lender is entitled to a cash bonus of \$6,600 or the equivalent in the Company's common stock at a discount of 15% to the then market value. In the event that the lender agrees to the further extend the loan for an additional third year,

A second loan for \$50,000 was received from Reggie Bergeron, a Director and Sr VP of Operations and the holder of 25 million of the Company's common stock (see Section 6 of the Disclosures section of this report). The loan is for 3 years, maturing March 15, 2026. This loan is therefore classified as a "non-current liability". On maturity, the lender is entitled to a cash bonus of \$10,000 or the equivalent in the Company's common stock at a discount of 15% to the then market value.

### **3. Going Concern**

The accompanying unaudited consolidated financial statements have been prepared on a going concern basis. The ability of the Company to continue as a going concern depends on the ability of the Company to continue generate revenues from operations sufficient to cover its operating costs, to raise more capital or obtain new sources of financing sufficient to sustain operations. Management anticipates (but cannot guarantee) that the Company will indeed be able to generate operating income and sufficient cash flows in the near future to become self-sustaining and/or that it will be successful in obtaining financing to enable it to adequately continue operations. However, these Financial Statements do not include any adjustments that may be necessary should the Company be unable to continue as a going concern. As referenced in Note 2(h) above the Company received shareholder loans totaling \$100,000 which have significantly enhanced the Company's financial position currently. However, this latest cash resource must be managed carefully such that new business and operating income is indeed generated (which the Company cannot guarantee).

### **4. Income Tax**

The Company is a "C" corporation for federal income tax purposes. As of March 31, 2023 and as of December 31, 2022 there are no items that are expected to create a significant tax difference from the prior financial statements.

### **5. Future Common Stock Grants**

To compensate Officers for future services, Alan Bailey (CFO and a Director), Fernando Scazzi (CTO and a Director) and Reggie Bergeron ( Senior VP of Operations and a Director) were each granted 5 million restricted common shares to vest on December 31, 2025.

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