

UNITED STATES BANKRUPTCY COURT

Southern DISTRICT OF New York

In Re. Pareteum Europe B.V.

§  
§  
§  
§

Case No. 22-10620

Lead Case No. 22-10615

Debtor(s)

☒ Jointly Administered

**Monthly Operating Report**

Chapter 11

Reporting Period Ended: 05/31/2022

Petition Date: 05/15/2022

Months Pending: 1

Industry Classification: 

5	1	7	9
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Reporting Method:

Accrual Basis ☒

Cash Basis ☐

Debtor's Full-Time Employees (current):

7

Debtor's Full-Time Employees (as of date of order for relief):

7

**Supporting Documentation** (check all that are attached):

(For jointly administered debtors, any required schedules must be provided on a non-consolidated basis for each debtor)

- ☒ Statement of cash receipts and disbursements
- ☒ Balance sheet containing the summary and detail of the assets, liabilities and equity (net worth) or deficit
- ☒ Statement of operations (profit or loss statement)
- ☒ Accounts receivable aging
- ☒ Postpetition liabilities aging
- ☒ Statement of capital assets
- ☐ Schedule of payments to professionals
- ☒ Schedule of payments to insiders
- ☒ All bank statements and bank reconciliations for the reporting period
- ☐ Description of the assets sold or transferred and the terms of the sale or transfer

/s/

Signature of Responsible Party

07/01/2022

Date

Laura W. Thomas

Printed Name of Responsible Party

1185 Avenue of the Americas 2nd Floor New York, NY  
10036

Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore § 1320.4(a)(2) applies.



2210615220701000000000010

Debtor's Name Pareteum Europe B.V.

Case No. 22-10620

Part 1: Cash Receipts and Disbursements	Current Month	Cumulative
a. Cash balance beginning of month	\$18,354	
b. Total receipts (net of transfers between accounts)	\$1,960,415	\$1,960,415
c. Total disbursements (net of transfers between accounts)	\$22,869	\$22,869
d. Cash balance end of month (a+b-c)	\$1,955,901	
e. Disbursements made by third party for the benefit of the estate	\$0	\$0
f. Total disbursements for quarterly fee calculation (c+e)	\$22,869	\$22,869

Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.)	Current Month
a. Accounts receivable (total net of allowance)	\$6,453,895
b. Accounts receivable over 90 days outstanding (net of allowance)	\$1,038,838
c. Inventory (Book <input type="radio"/> Market <input type="radio"/> Other <input checked="" type="radio"/> (attach explanation))	\$0
d. Total current assets	\$8,828,956
e. Total assets	\$94,961,084
f. Postpetition payables (excluding taxes)	\$93,815
g. Postpetition payables past due (excluding taxes)	\$0
h. Postpetition taxes payable	\$0
i. Postpetition taxes past due	\$0
j. Total postpetition debt (f+h)	\$93,815
k. Prepetition secured debt	\$0
l. Prepetition priority debt	\$0
m. Prepetition unsecured debt	\$9,645,855
n. Total liabilities (debt) (j+k+l+m)	\$9,739,670
o. Ending equity/net worth (e-n)	\$85,221,415

Part 3: Assets Sold or Transferred	Current Month	Cumulative
a. Total cash sales price for assets sold/transferred outside the ordinary course of business	\$0	\$0
b. Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$0	\$0
c. Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$0	\$0

Part 4: Income Statement (Statement of Operations) (Not generally applicable to Individual Debtors. See Instructions.)	Current Month	Cumulative
a. Gross income/sales (net of returns and allowances)	\$1,504,471	
b. Cost of goods sold (inclusive of depreciation, if applicable)	\$23,163	
c. Gross profit (a-b)	\$1,481,307	
d. Selling expenses	\$388	
e. General and administrative expenses	\$-73,158	
f. Other expenses	\$-211,544	
g. Depreciation and/or amortization (not included in 4b)	\$146,088	
h. Interest	\$3,285	
i. Taxes (local, state, and federal)	\$0	
j. Reorganization items	\$0	
k. Profit (loss)	\$1,616,249	\$1,616,249

Debtor's Name Pareteum Europe B.V.

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**Part 5: Professional Fees and Expenses**

a.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
	Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i>		\$0	\$0	\$0	\$0
	<i>Itemized Breakdown by Firm</i>					
	Firm Name	Role				
i			\$0	\$0	\$0	\$0
ii						
iii						
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Debtor's Name Pareteum Europe B.V.

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b.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
	Debtor's professional fees & expenses (nonbankruptcy) <i>Aggregate Total</i>		\$0	\$0	\$0	\$0
	<i>Itemized Breakdown by Firm</i>					
	Firm Name	Role				
i			\$0	\$0	\$0	\$0
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Debtor's Name Pareteum Europe B.V.

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All professional fees and expenses (debtor & committees)				\$0	\$0	\$0	\$0

**Part 6: Postpetition Taxes****Current Month****Cumulative**

a.	Postpetition income taxes accrued (local, state, and federal)	\$0	\$0
b.	Postpetition income taxes paid (local, state, and federal)	\$0	\$0
c.	Postpetition employer payroll taxes accrued	\$3,655	\$3,655
d.	Postpetition employer payroll taxes paid	\$7,082	\$7,082
e.	Postpetition property taxes paid	\$0	\$0
f.	Postpetition other taxes accrued (local, state, and federal)	\$0	\$0
g.	Postpetition other taxes paid (local, state, and federal)	\$0	\$0

**Part 7: Questionnaire - During this reporting period:**

- a. Were any payments made on prepetition debt? (if yes, see Instructions) Yes ☒ No ☐
- b. Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions) Yes ☐ No ☒
- c. Were any payments made to or on behalf of insiders? Yes ☒ No ☐
- d. Are you current on postpetition tax return filings? Yes ☒ No ☐
- e. Are you current on postpetition estimated tax payments? Yes ☒ No ☐
- f. Were all trust fund taxes remitted on a current basis? Yes ☒ No ☐
- g. Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) Yes ☐ No ☒
- h. Were all payments made to or on behalf of professionals approved by the court? Yes ☐ No ☐ N/A ☒
- i. Do you have:
- Worker's compensation insurance? Yes ☐ No ☒
- If yes, are your premiums current? Yes ☐ No ☐ N/A ☒ (if no, see Instructions)
- Casualty/property insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- General liability insurance? Yes ☐ No ☒
- If yes, are your premiums current? Yes ☐ No ☐ N/A ☒ (if no, see Instructions)
- j. Has a plan of reorganization been filed with the court? Yes ☐ No ☒
- k. Has a disclosure statement been filed with the court? Yes ☐ No ☒
- l. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? Yes ☒ No ☐



Debtor's Name Pareteum Europe B.V.

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**Part 8: Individual Chapter 11 Debtors (Only)**

- |                                                                      |       |     |
|----------------------------------------------------------------------|-------|-----|
| a. Gross income (receipts) from salary and wages                     | _____ | \$0 |
| b. Gross income (receipts) from self-employment                      | _____ | \$0 |
| c. Gross income from all other sources                               | _____ | \$0 |
| d. Total income in the reporting period (a+b+c)                      | _____ | \$0 |
| e. Payroll deductions                                                | _____ | \$0 |
| f. Self-employment related expenses                                  | _____ | \$0 |
| g. Living expenses                                                   | _____ | \$0 |
| h. All other expenses                                                | _____ | \$0 |
| i. Total expenses in the reporting period (e+f+g+h)                  | _____ | \$0 |
| j. Difference between total income and total expenses (d-i)          | _____ | \$0 |
| k. List the total amount of all postpetition debts that are past due | _____ | \$0 |
- l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? Yes ☐ No ☒
- m. If yes, have you made all Domestic Support Obligation payments? Yes ☐ No ☐ N/A ☒

**Privacy Act Statement**

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: [http://www.justice.gov/ust/eo/rules\\_regulations/index.htm](http://www.justice.gov/ust/eo/rules_regulations/index.htm). Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

**I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.**

/s/

Signature of Responsible Party

Interim Chief Financial Officer

Title

Laura W. Thomas

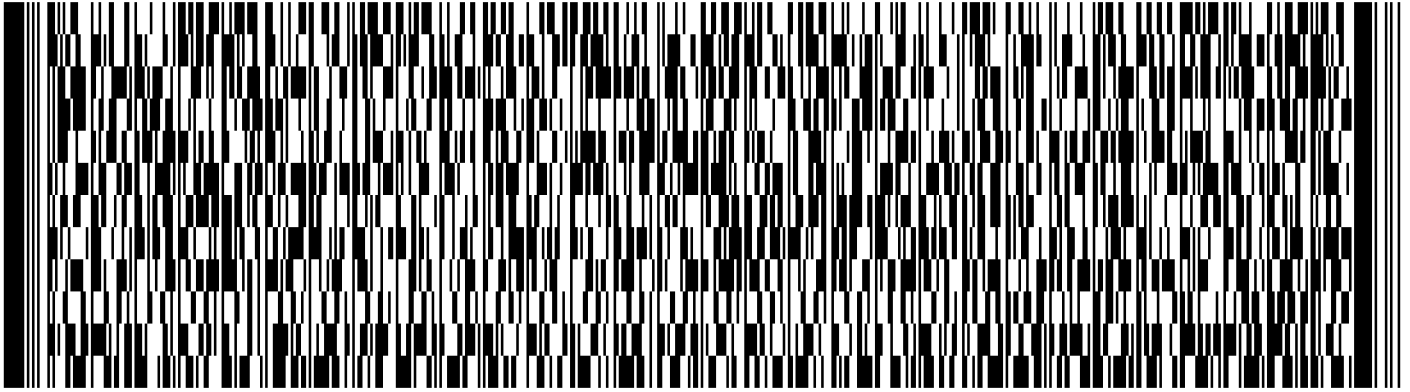
Printed Name of Responsible Party

07/01/2022

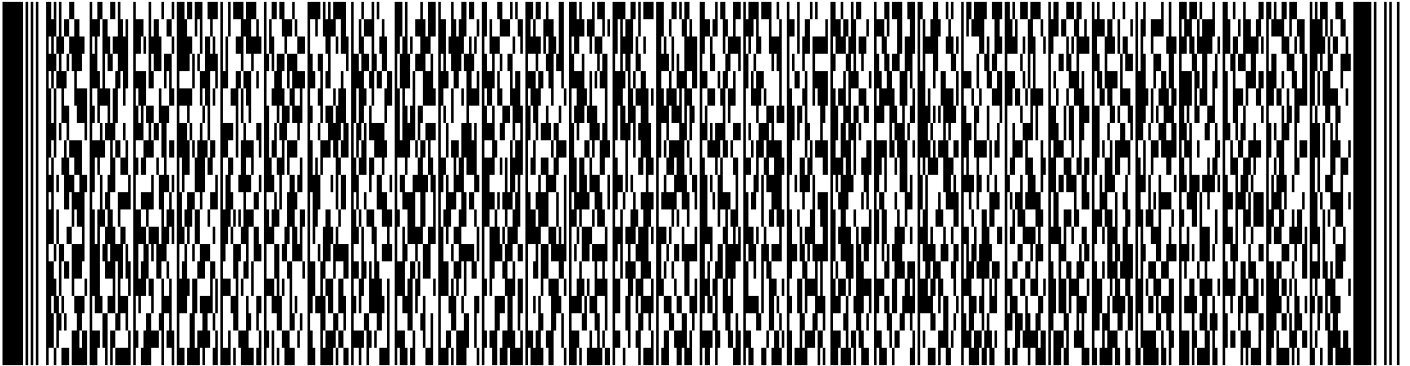
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Debtor's Name Pareteum Europe B.V.

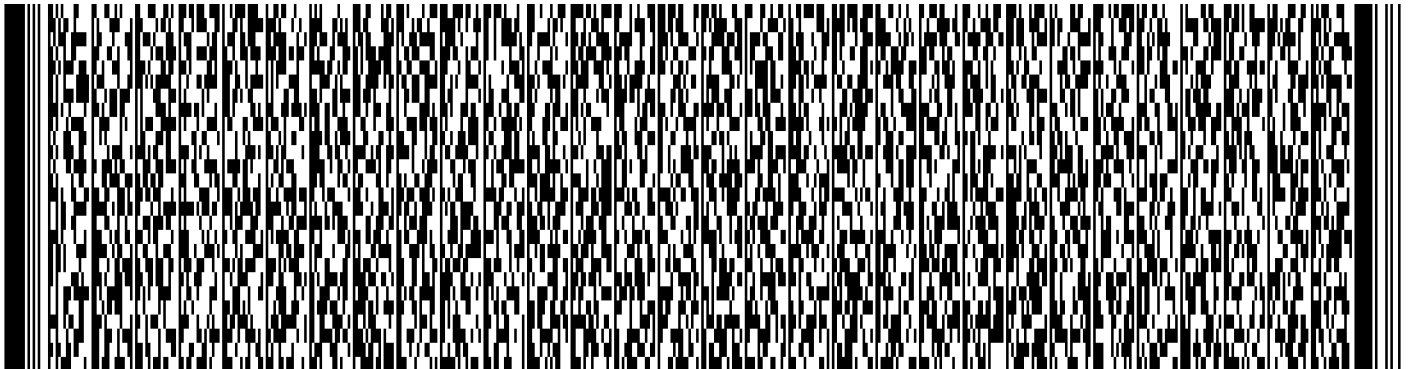
Case No. 22-10620



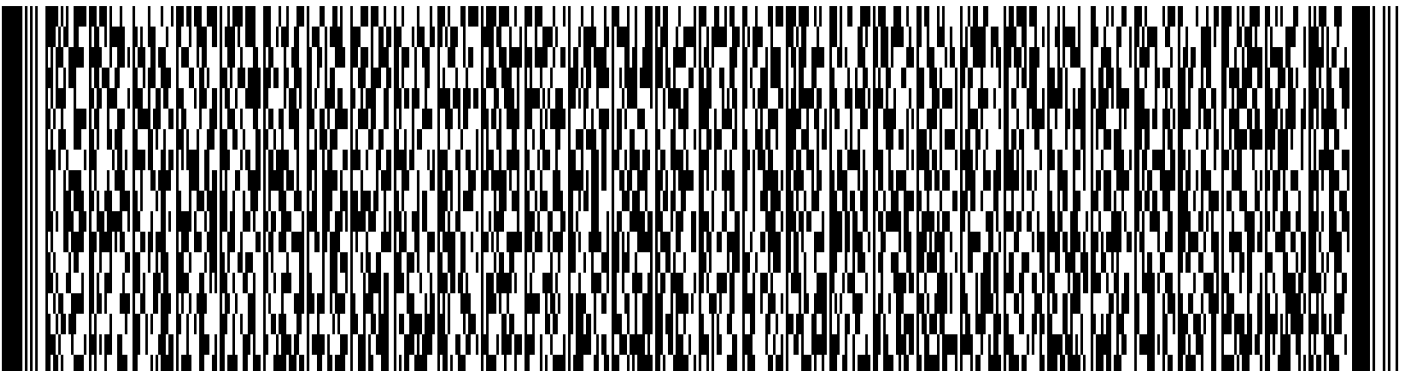
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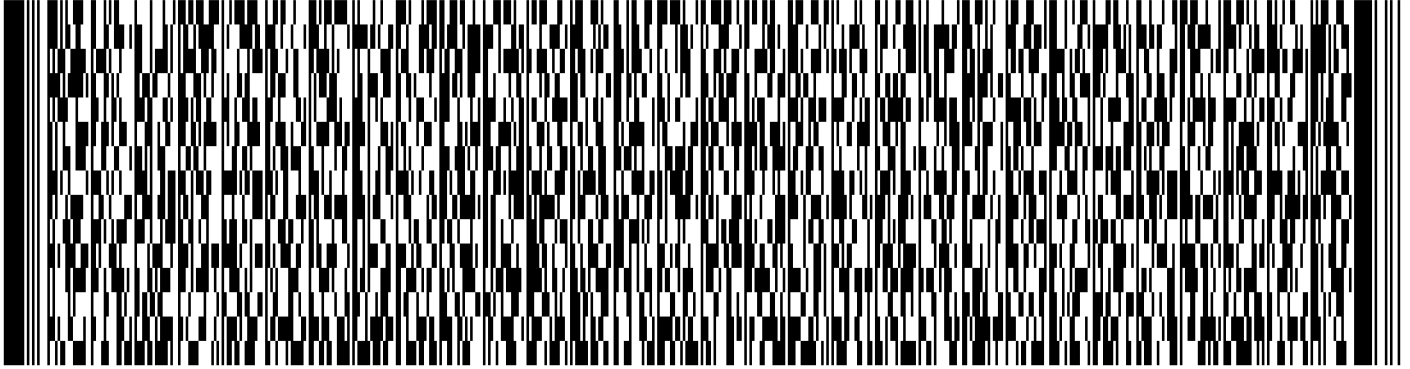
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Debtor's Name Pareteum Europe B.V.

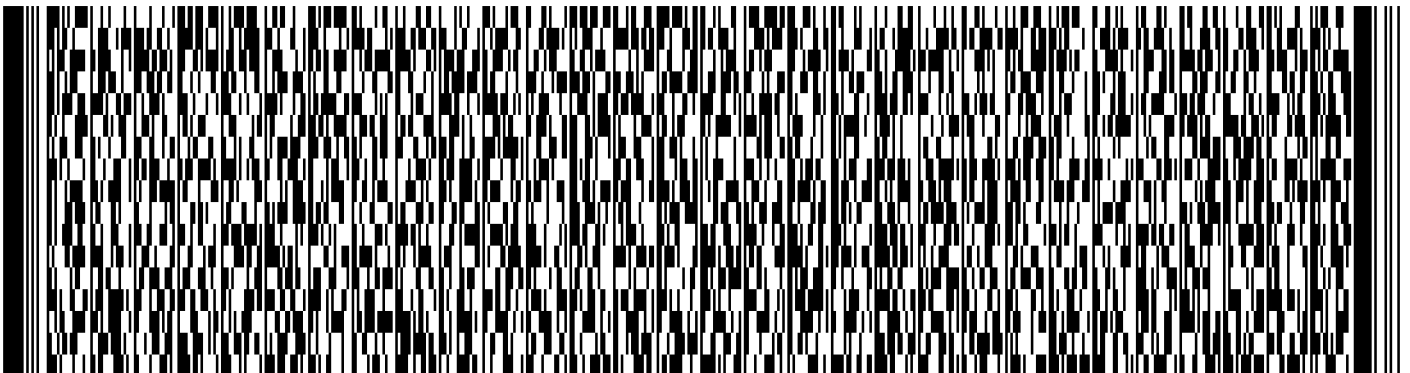
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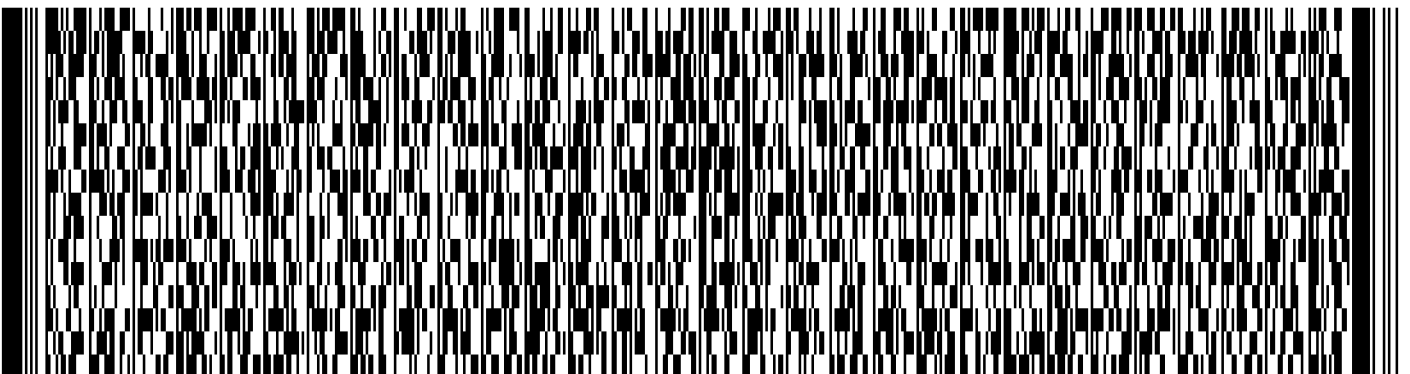
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Bankruptcy51to100



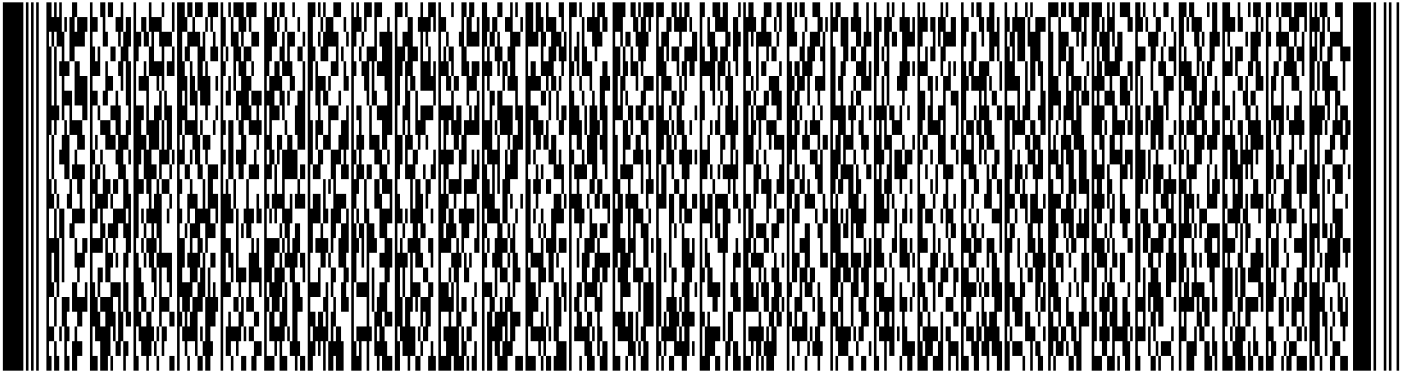
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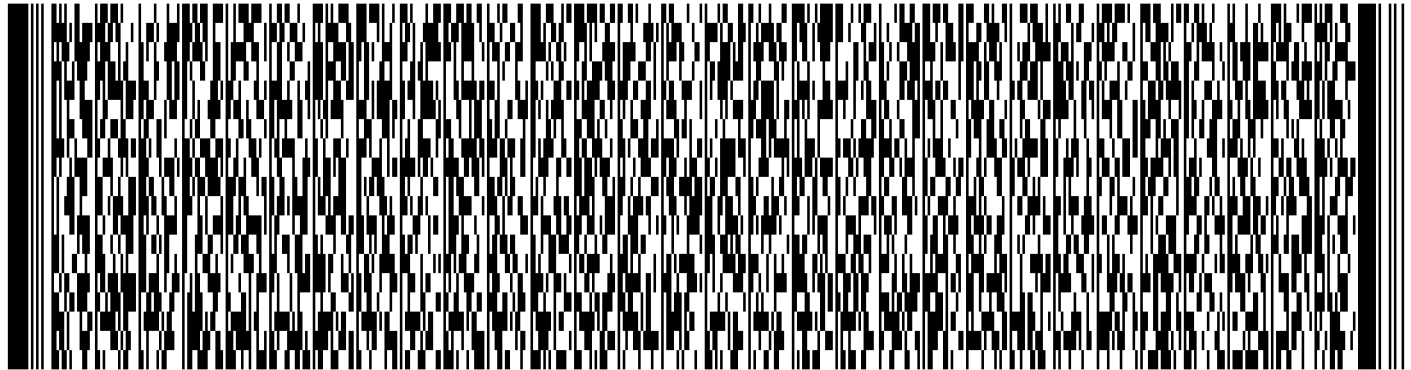
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Debtor's Name Pareteum Europe B.V.

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**PARETEUM EUROPE BV**

**Cash Flow**

<i><b>USD \$'s</b></i>		
<b>Beginning Balance (05/16/2022)</b>	<b>\$</b>	<b>18,354.39</b>
Bank Charges		(54.76)
Funding		(8.25)
Payment to Vendor		(5,746.70)
Payroll		
Receipt from Customer		1,960,415.19
Internal Transfer		(5,809.28)
Board Fees		(11,250.00)
<b>Ending Balance (05/31/2022)</b>	<b>\$</b>	<b>1,955,900.59</b>

**PARETEUM EUROPE BV**

Adjusted balance	
May 31	
US \$	
<b>Balance Sheet as of May 31, 2022</b>	
<b>ASSETS</b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and cash equivalents	\$ 1,950,533
Restricted cash	5,367
Accounts receivable, net of an allowance for doubtful accounts	6,453,895.44
Prepaid expenses and other current assets	419,160
<b>Total current assets</b>	<b>8,828,955.63</b>
<b><u>NON-CURRENT ASSETS</u></b>	
<b>OTHER ASSETS</b>	
	6,960
Intercompany Receivable - Debtor entities	47,072,573
Intercompany Receivable - Non-Debtor entities	34,136,923
INVESTMENTS IN SUBSIDIARIES / INTERCOMPANY	2,554,399
PROPERTY AND EQUIPMENT, NET	2,361,274
<b>TOTAL ASSETS</b>	<b>94,961,084.10</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts payable and customer deposits	905,353.42
Accounts payable and customer deposits (Post Petition)	64,978.47
Net billings in excess of revenues	1,212,204.61
Accrued expenses and other payables	395,800.36
Accrued expenses and other payables (Post petition)	28,836.46
<b>Total current liabilities</b>	<b>2,607,173</b>
<b><u>LONG TERM LIABILITIES</u></b>	
Intercompany Payable - Non-Debtor entities	7,132,496.23
<b>Total long term liabilities</b>	<b>7,132,496</b>
<b>TOTAL LIABILITIES</b>	<b>9,739,670</b>
<b><u>STOCKHOLDERS' EQUITY</u></b>	
Stockholders' equity	85,221,415
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>85,221,415</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 94,961,084</b>

**PARETEUM EUROPE BV**

	MTD May 31
<i>P&amp;L May 16 thru May 31, 2022</i>	US \$
<b>REVENUES</b>	<b>\$ 1,504,471</b>
<b>COST AND OPERATING EXPENSES</b>	
Cost of revenues	(23,163)
Sales and marketing	(388)
General and administrative	73,158
Depreciation and amortization	(146,088)
Total cost and operating expenses	(96,481)
<b>PROFIT / (LOSS) FROM OPERATIONS</b>	<b>1,407,990</b>
<b>OTHER INCOME (EXPENSE)</b>	
Interest expense	(3,285)
Other income (expense), net	211,544
Total other income (expense)	208,259
<b>NET PROFIT / (LOSS)</b>	<b>\$ 1,616,249</b>

**PARETEUM EUROPE BV**

**AR Aging**

USD \$'s	0-60	61-90	>90	Total
AR Aging	\$ 3,834,555.61	\$ 1,580,502.01	\$ 1,038,837.83	\$ 6,453,895.44



**PARETEUM EUROPE BV**

**AP Aging**

USD \$'s	0-30	31-60	61-90	>90	Total
AP Aging	\$ 63,816.51	\$ -	\$ 1,161.96	\$ -	\$ 64,978.47

USD \$'s	0-30	31-60	61-90	>90	Total
Accrued Exp. Aging	\$ 28,836.46	\$ -	\$ -	\$ -	\$ 28,836.46

**PARETEUM EUROPE BV**  
**PP&E Rollforward - May 2022**

<b>Cost</b>	<b>4/30/2022</b>	<b>Additions</b>	<b>Disposals</b>	<b>5/31/2022</b>
Computer & Equip	\$ 854,820			\$ 854,820
Software	3,173,369			3,173,369
Fixed Asset Suspense	313,416			313,416
Capitalized Software	16,255,087	254,445		16,509,533
<b>Total</b>	<b>\$ 20,596,693</b>	<b>\$ 254,445</b>	<b>\$ -</b>	<b>\$ 20,851,138</b>
<b>Accumulated Depreciation</b>				
Computer & Equip	(418,434)	(8,411)		(426,845)
Software	(3,023,589)	(12,860)		(3,036,449)
Fixed Asset Suspense	-			-
Capitalized Software	(14,760,437)	(266,133)		(15,026,570)
<b>Total</b>	<b>\$ (18,202,460)</b>	<b>\$ (287,404)</b>	<b>\$ -</b>	<b>\$ (18,489,864)</b>
<b>Net Book Value</b>	<b>\$ 2,394,233</b>	<b>\$ (32,959)</b>	<b>\$ -</b>	<b>\$ 2,361,274</b>

**PARETEUM EUROPE BV**  
**Payments to Insiders**

Entity	Name	Title	USD Amount		Reason of the Payment
Pareteum Europe BV	Vitale, Mary Beth	Board of Directors	\$	11,250.00	Board fees 2Q 2022
<b>Total</b>			<b>\$</b>	<b>11,250.00</b>	

**PARETEUM EUROPE BV**

**Bank Reconciliation**

<b><i>USD \$'s - Cash and Cash Equivalents</i></b>	
<b><u>Bank Account</u></b>	<b><u>Ending Balance</u></b>
ABN-AMRO X8491	\$ 153.78
ABN-AMRO X0132	1,071.23
ABN-AMRO X0882	42.59
Capital One Bank X6026	1,949,265.79
<b>Total Cash</b>	<b>\$ 1,950,533.39</b>

<b><i>USD \$'s - Restricted Cash</i></b>	
<b><u>Bank Account</u></b>	<b><u>Ending Balance</u></b>
Restricted Cash (VISA)	\$ 5,367.20
<b>Total Cash</b>	<b>\$ 5,367.20</b>

## Pareteum Europe BV

/RFB/IntraCompanymovement

Account	ET14 USD	USD	██████████8491
Account Name	ET14 - ET Europe Holding BV		
Bank	ABNANL2A	ABNANL2A	ABN AMRO BANK N.V.
Account Holder	ET14	ET14 - ET Europe Holding BV	
Book Date:	13-05-2022	Statement Number:	93
Opening Book Balance:	51.18	Closing Book Balance:	153.78
Number Of Debits:	2	Number of Credits:	1
Total Debits:	-72,331.57	Total Credits:	72,434.17



May 22 USD -

Report Date: From 01-05-2022 To 31-05-2022

Account	ET14 GBP	GBP	██████████0882
Account Name	ET14 - ET Europe Holding BV		
Bank	ABNANL2A	ABNANL2A	ABN AMRO BANK N.V.
Account Holder	ET14	ET14 - ET Europe Holding BV	
Book Date:	03-05-2022	Statement Number:	85
Opening Book Balance:	11,704.02	Closing Book Balance:	33.78
Number Of Debits:	2	Number of Credits:	0
Total Debits:	-11,670.24	Total Credits:	0.00

Amount	Value Date	Type	Client Ref.	Bank Ref
44,650.00	03-05-2022	770		

//K1P/SEFA OVERBOUWING/IBAN/NL36ING0003443366/BIC/INGBNL2A/NAME/  
BELASTINGDIENST/REMI/TERUGGAFF NR. 816059147/O012030 OB.MRT.22 (PA  
RETEUM )/EREF/GVSXX20220511066517160

Account	ET14 EUR	EUR	██████████0132
Account Name	ET14 - ET Europe Holding BV		
Bank	ABNANL2A	ABNANL2A	ABN AMRO BANK N.V.
Account Holder	ET14	ET14 - ET Europe Holding BV	
Book Date:	24-05-2022	Statement Number:	100
Opening Book Balance:	1,037.01	Closing Book Balance:	998.09
Number Of Debits:	1	Number of Credits:	0
Total Debits:	-38.92	Total Credits:	0.00

Amount	Value Date	Type	Client Ref.	Bank Ref
-38.92	24-05-2022	526		

ABN AMRO Bank N.V.  
Your monthly statement is  
available under Self service >  
Download statements or you  
receive it by mail.



## MANAGE YOUR CASH

CASH MANAGEMENT | CHECKING | MONEY MARKET | CDs | LOANS

PARETEUM EUROPE B.V.  
1185 AVENUE OF THE AMERICAS, 2ND FLOOR  
NEW YORK NY 10036

► Contact your Relationship Manager to discuss targeted solutions for your evolving business needs.

### ACCOUNT SUMMARY FOR PERIOD MAY 01, 2022 - MAY 31, 2022

Blended Checking [REDACTED] 6026		PARETEUM EUROPE B.V.	
Previous Balance 04/30/22	\$610,817.83	Number of Days in Cycle	31
23 Deposits/Credits	\$5,555,018.63	Minimum Balance This Cycle	\$12,682.30
46 Checks/Debits	(\$4,216,570.67)	Average Collected Balance	\$678,474.54
Service Charges	\$0.00		
Ending Balance 05/31/22	\$1,949,265.79		



PARETEUM EUROPE BV/BORG  
Office 103  
Hornweg 7  
1432 GD AALSMEER  
[Barcode]



International Card Services BV  
Postbus 46  
1110 AA Diemen  
www.icsbusiness.nl  
Kvk Amsterdam nr. 33.200.596  
Bankrek. NL75ABNA0844997056  
BIC: ABNANL2A

Voor vragen over het rekeningoverzicht kunt u contact opnemen met de Business Card Servicedesk 020 - 6 600 666  
E-mail: businesscards@icscards.nl  
ICS identificatienummer: NL13ZZZ332005960000

### Visa World Card Business

Datum 26 april 2022	ICS-klantnummer [REDACTED] 0014	Volgnummer 4	Bladnummer 1 van 1
Vorig Tegoed € 5.000,74 credit	Totaal credit € 0,00	Totaal debet € 0,00	Nieuw Tegoed € 5.000,74 credit

**PARETEUM EUROPE BV**  
**Prepetition Debt Payments**

<b>USD \$'s</b>			
<u>Payee</u>	<u>Date</u>	<u>Amount</u>	
Equinix SAU (GBP)	5/27/2022	\$	12,504.17
Utilize Business Solutions B.V.	5/27/2022	\$	1,164.99
Colt Technology Services B.V.	5/27/2022	\$	9,083.51
Comviva Technologies Limited	5/27/2022	\$	20,657.08
Ripe Network Coordination Centre	5/27/2022	\$	1,249.88

*All payments made pursuant to the Foreign Vendor Motions as at Docket #0095*

## **Notes to the Monthly Operating Reports (“MOR”):**

### **General Notes:**

The Debtors have made reasonable efforts to present the required financial information according to the appropriate Debtor entity. However, because the Debtors’ accounting systems and practices are disparate reporting systems that had never been fully integrated through the historical acquisitions, it is possible that not all information is attributed or recorded with the correct Debtor entity on these MORs.

Subsequent information may result in material changes to these reports, and inadvertent errors or omissions may have occurred. As the MORs contain unaudited information, which is subject to further review, verification, and potential adjustment, the data presented here is accurate as of the May 31, 2022 report date. Accordingly, the Debtors reserve all rights to amend the MORs.

The Debtors historically prepared consolidated quarterly and annual consolidated financial statements that were audited annually (The last full year SEC-filed audit was for calendar year 2020. There was a subsequent 10-Q filed for Q1 2021) and included all of the Debtors, as well as affiliated non-Debtor entities. Unlike the consolidated financial statements, the MORs generally reflect the operations and financial position of each Debtor on a non-consolidated basis. Accordingly, the amounts listed in the MORs will likely differ, at times materially, from the consolidated financial reports prepared historically by the Debtors.

The MORs may not, at times, incorporate information prepared in accordance with GAAP (General Accepted Accounting Principles). Specifically, under GAAP, certain assets and liabilities are required to be revalued or assessed on a periodic basis. For certain of these balance sheet accounts, that process has not been done. As such, the MORs neither purport to represent nor reconcile to financial statements otherwise prepared and/or distributed by the Debtors in accordance with GAAP.

### **Currency Translation:**

All amounts are reflected in U.S. dollars, which the Debtors use as their reporting currency. The Debtors conduct business in many foreign jurisdictions and foreign currencies. The amounts in U.S. dollars reflect the Debtors’ internal currency translation reporting systems except for Debtor Pareteum N.V. Pareteum N.V.’s books are reported in EUR only. The Debtors have assumed a \$1.07 USD/EUR rate for all of Pareteum N.V.’s amounts.

### **Intercompany Transactions:**

The Debtors are nine entities of a corporate organization with forty-seven entities. As such, there are a large number of intercompany transactions both between Debtor entities and between Debtor and non-Debtor entities. The financial statements of certain Debtor and non-Debtor entities are denominated in currency values other than USD on a standalone reporting basis. As such, the intercompany balances of these certain Debtor and non-Debtor entities denominated in foreign currencies have been translated into USD pursuant to the note above. The Debtors do not present



these intercompany balances on a net basis as a result of currency translation. Certain intercompany balances between counterparties may present reconciling differences due to changes in exchange rates over time.

**Revenue:**

Revenues are based on the allocable revenue to each of the Debtor entities.