

UNITED STATES BANKRUPTCY COURT

Southern DISTRICT OF New York

In Re. Pareteum Asia PTE

§
§
§
§

Case No. 22-10622

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):

1

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

1

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.



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Debtor's Name Pareteum Asia PTE

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

Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.)		Current Month
a.	Accounts receivable (total net of allowance)	\$163,050
b.	Accounts receivable over 90 days outstanding (net of allowance)	\$0
c.	Inventory (Book <input checked="" type="radio"/> Market <input type="radio"/> Other <input type="radio"/> (attach explanation))	\$0
d.	Total current assets	\$167,548
e.	Total assets	\$811,042
f.	Postpetition payables (excluding taxes)	\$9,783
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)	\$9,783
k.	Prepetition secured debt	\$0
l.	Prepetition priority debt	\$0
m.	Prepetition unsecured debt	\$45,884
n.	Total liabilities (debt) (j+k+l+m)	\$55,666
o.	Ending equity/net worth (e-n)	\$755,376

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)	\$42,644	
b.	Cost of goods sold (inclusive of depreciation, if applicable)	\$9,697	
c.	Gross profit (a-b)	\$32,946	
d.	Selling expenses	\$0	
e.	General and administrative expenses	\$4,755	
f.	Other expenses	\$1,115	
g.	Depreciation and/or amortization (not included in 4b)	\$0	
h.	Interest	\$0	
i.	Taxes (local, state, and federal)	\$0	
j.	Reorganization items	\$0	
k.	Profit (loss)	\$27,076	\$27,076

Debtor's Name Pareteum Asia PTE

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Part 5: Professional Fees and Expenses

			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative	
a.	Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i>						
	<i>Itemized Breakdown by Firm</i>						
		Firm Name	Role				
	i						
	ii						
	iii						
	iv						
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Debtor's Name Pareteum Asia PTE

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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>					
	<i>Itemized Breakdown by Firm</i>					
	Firm Name	Role				
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UST Form 11-MOR (12/01/2021)

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	c						
c.	All professional fees and expenses (debtor & committees)						

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	\$0	\$0
d.	Postpetition employer payroll taxes paid	\$8	\$0
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 Asia PTE

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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. 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 CFO

Title

Laura W. Thomas

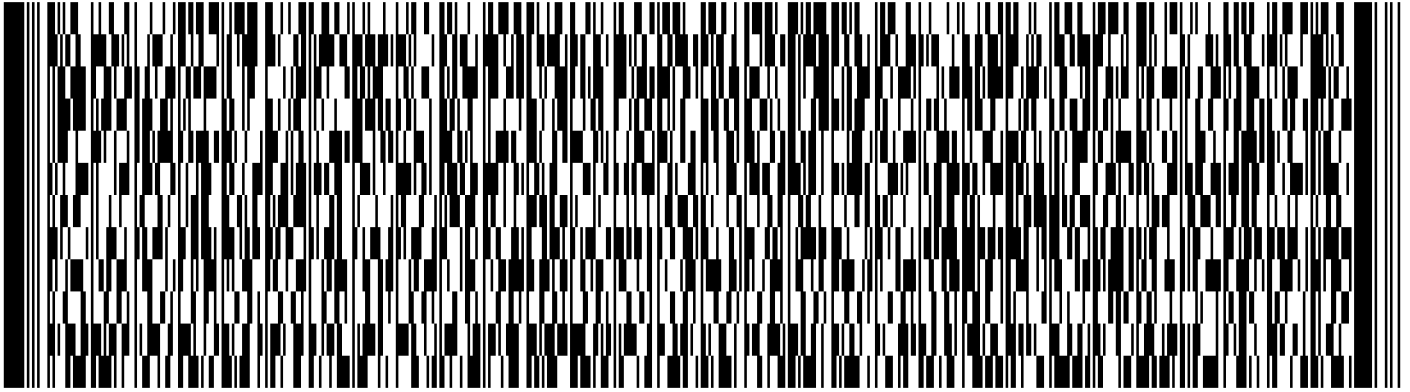
Printed Name of Responsible Party

07/01/2022

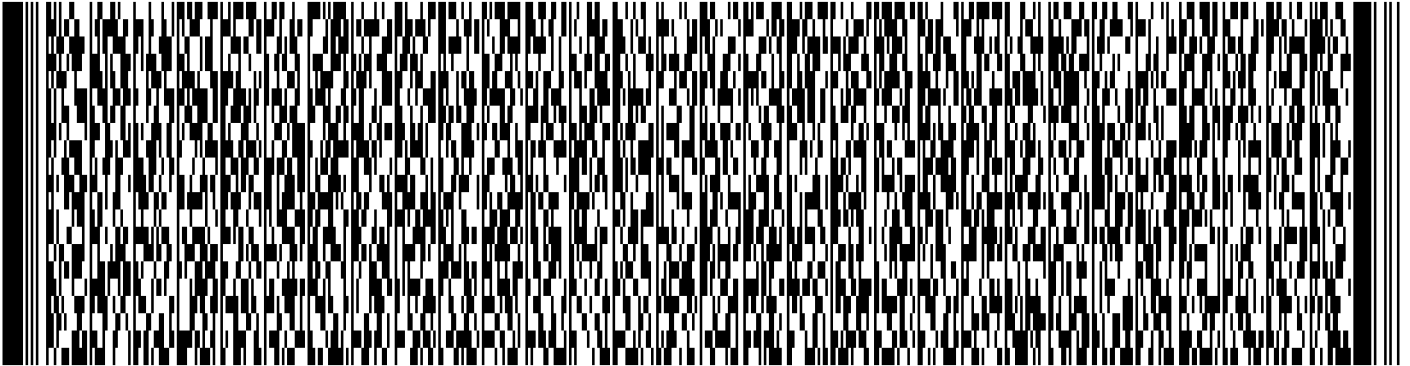
Date

Debtor's Name Pareteum Asia PTE

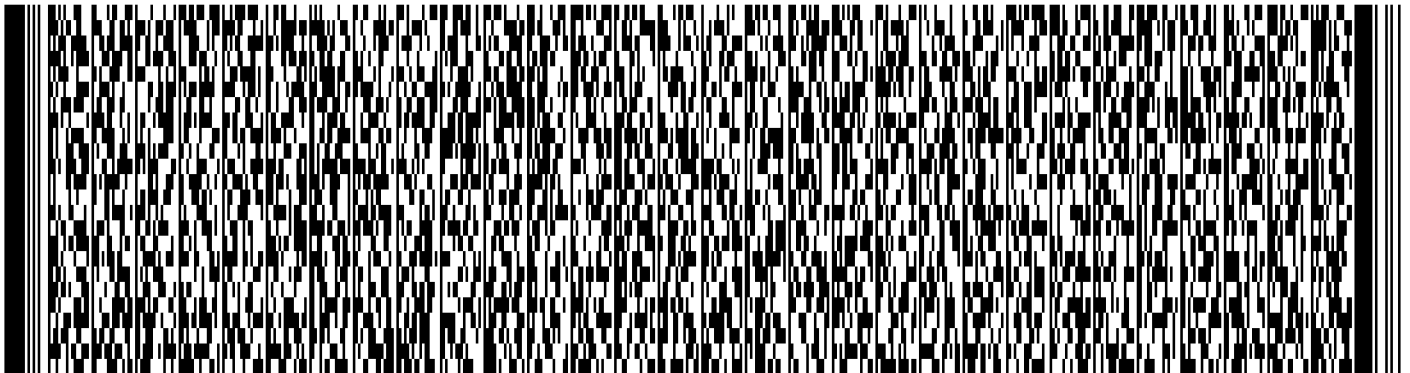
Case No. 22-10622



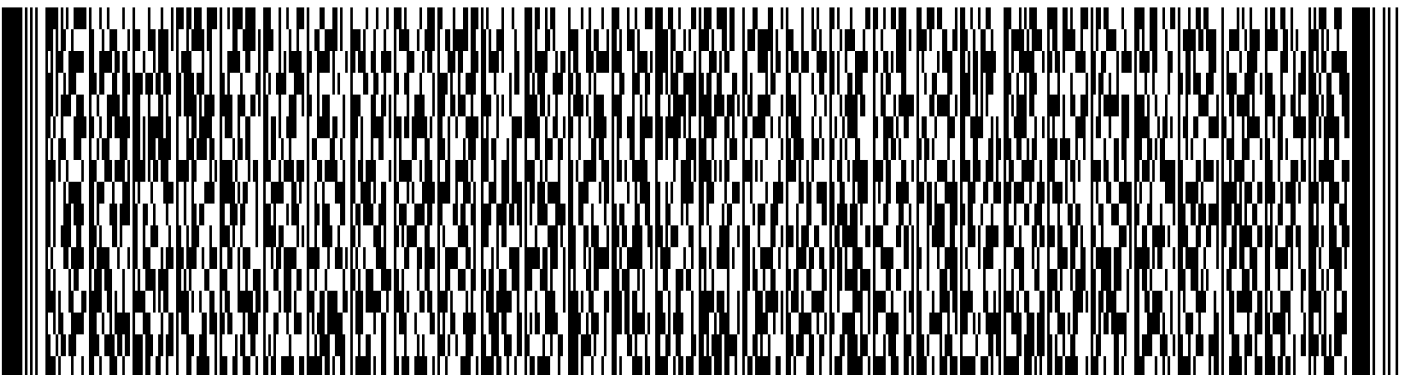
PageOnePartOne



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PageTwoPartTwo

Debtor's Name Pareteum Asia PTE

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Bankruptcy1to50



Bankruptcy51to100



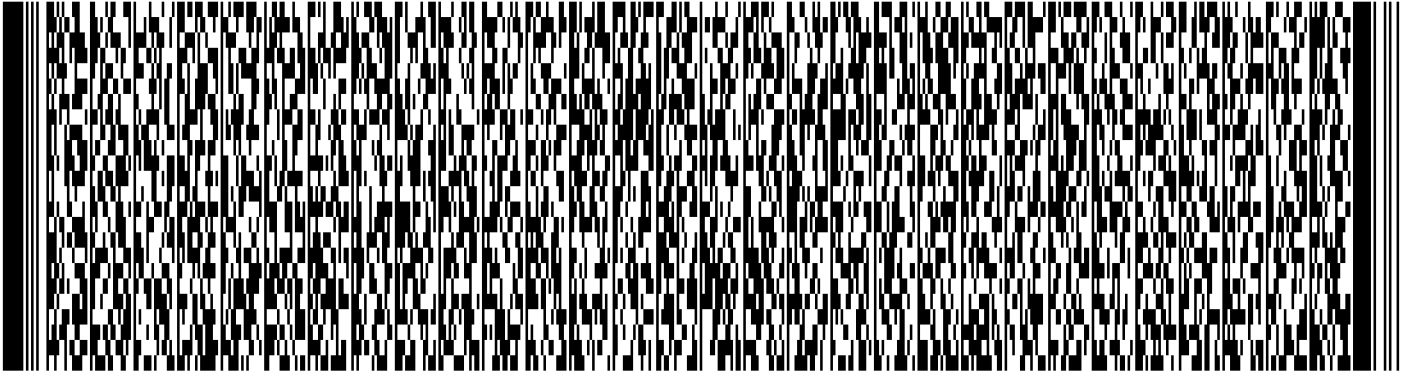
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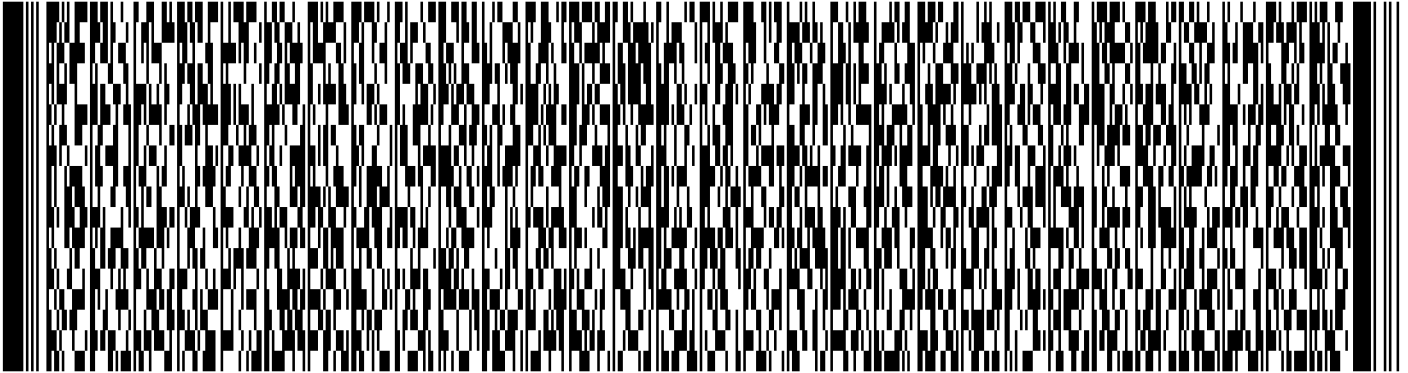
NonBankruptcy51to100

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PARETUEM ASIA PTE. LTD.

	Adjusted balance May 31 US \$
Balance Sheet as of May 31, 2022	
ASSETS	
<u>CURRENT ASSETS</u>	
Accounts receivable, net of an allowance for doubtful	163,050
Prepaid expenses and other current assets	4,497
Total current assets	167,548
<u>NON-CURRENT ASSETS</u>	
Intercompany Receivable - Debtor entities	643,495
TOTAL ASSETS	\$ 811,042
LIABILITIES AND STOCKHOLDERS' EQUITY	
<u>CURRENT LIABILITIES</u>	
Accounts payable	33,453
Accounts payable (Post petition)	9,783
Net billings in excess of revenues	12,430
Total current liabilities	55,666
<u>LONG TERM LIABILITIES</u>	
Total long term liabilities	-
TOTAL LIABILITIES	55,666
<u>STOCKHOLDERS' EQUITY</u>	
Stockholders' equity	755,376
Total stockholders' equity	755,376
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 811,042

PARETUEM ASIA PTE. LTD.

P&L May 16 thru May 31, 2022		MTD May 31
		US \$
REVENUES	\$	42,644
COST AND OPERATING EXPENSES		
Cost of revenues		9,697
General and administrative		4,755
Total cost and operating expenses		14,452
PROFIT / (LOSS) FROM OPERATIONS		28,192
OTHER INCOME (EXPENSE)		
Other income (expense), net		(1,115)
Total other income (expense)		(1,115)
NET PROFIT / (LOSS)	\$	27,076

PARETUEM ASIA PTE. LTD.

AR Aging

USD \$'s	0-60	61-90	>90	Total
AR Aging	\$ 163,050.10	-	-	\$ 163,050.10

PARETUEM ASIA PTE. LTD.

AP Aging

<i>USD \$'s</i>	0-60	61-90	+90	Total
AP Aging	\$ 9,782.50	-	-	\$ 9,782.50

PARETUEM ASIA PTE. LTD.
Prepetition Debt Payments

USD \$'s		
<u>Payee</u>	<u>Date</u>	Amount
Asiapac Distribution PTE	5/27/2022	\$ 14,846.25

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.