



820 Gessner Road Suite 300 Houston, Texas 77024

## **Independent Accountant's Review Report**

Yiannis Papapetrou  
Privacy Management Group  
Email: [yp@eu-ibc.com](mailto:yp@eu-ibc.com)

We have reviewed the accompanying financial statements of Privacy Management Group, which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Privacy Management Group and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

### **Accountant's Conclusion**

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter – Related Party Transactions**

We draw attention to Note 2 of the financial statements, which describes transactions with related parties. These transactions, conducted in the normal course of business, include a long-term receivable from a company that is 90% owned by two of the Company's shareholders, and a related party payable. Management has appropriately disclosed these transactions in accordance with Generally Accepted Accounting Principles (GAAP). While no modification to our conclusion is necessary, we emphasize the importance of understanding the nature and extent of these related-party transactions when evaluating the financial statements.

/s/

A handwritten signature in black ink, reading "J. Vincent Villanueva". The signature is written in a cursive, flowing style.

J. Vincent Villanueva

Partner

JV CPA, INC.  
Houston, TX

April 24, 2025

PRIVACY MANAGEMENT PLC  
CONSOLIDATED BALANCE SHEET  
DECEMBER 31, 2024 AND 2023

	<u>December 31,2024</u>	<u>December 31,2023</u>
ASSETS		
CURRENT ASSETS:		
Cash	\$ 763,528	\$ 427,668
Accounts receivable	326,181	283,809
Prepaid expenses and other current assets	33,446	164,561
Prepaid IPO Expense	<u>360,000</u>	<u>360,000</u>
Total Current Assets	<u>1,483,155</u>	<u>1,236,038</u>
OTHER ASSETS:		
Property and equipment, net	41,632	17,128
Other Assets		
Related Party Receivable	<u>183,296</u>	<u>477,762</u>
Total Assets	\$ <u><u>1,708,082</u></u>	\$ <u><u>1,730,928</u></u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 659,050	\$ 770,861
VAT Payable	212,172	134,832
Due to Related Party		
Total Current Liabilities		
Long Term Liabilities		
Total Liabilities	<u>871,222</u>	<u>905,694</u>
Commitments and Contingencies - (Note 6)		
STOCKHOLDERS' EQUITY:		
Common stock (0.0024 par value; 163,000,000 shares authorized; 113,894,600 shares issued and outstanding at December 31,2024	272,185	269,879
Additional paid-in capital	357,601	357,601
Retained earnings	207,074	197,755
Total Stockholders' Equity	<u>836,860</u>	<u>825,235</u>
Total Liabilities and Stockholders' Equity	\$ <u><u>1,708,082</u></u>	\$ <u><u>1,730,928</u></u>

PRIVACY MANAGEMENT PLC  
CONSOLIDATED STATEMENT OF OPERATIONS  
FOR THE YEARS DECEMBER 31, 2024 AND 2023

	December 31,2024	December 31,2023
NET REVENUES	\$ 3,056,354	\$ 2,531,604
OPERATING EXPENSES:		
Compensation and related expenses	481,772	481,556
Professional fees	1,307,902	906,992
Technology-related expenses	292,509	301,565
Selling and commission expenses	657,351	562,134
General and administrative	227,651	194,680
Total operating expenses	<u>2,967,186</u>	<u>2,446,928</u>
Total operating income	89,168	84,676
Total Other Expense, net	(3,246)	6,039
NET INCOME	<u>92,414</u>	<u>78,637</u>
NET INCOME PER COMMON SHARE:		
Basic and diluted	\$.00008	\$0.0007
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING:		
Basic and diluted	<u>113,894,600</u>	<u>113,894,600</u>

The accompanying notes are an integral part of these financial statements

PRIVACY MANAGEMENT PLC  
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY  
DECEMBER 31, 2024 AND 2023

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Retained Earnings	Equity (Deficit)
Balance 01 January, 2023	113,894,600	\$ 268,933	\$ 357,601	\$ 81,200	\$ 707,733
Sale of common stock, net of offering costs					
Common stock issued for services					
Common stock issued for cashless exercise of stock warrants					
Cancellation of repurchase common stock					
Foreign currency exchange		946		37,918	38,864
Net income for the period ended December 31,2023				78,637	78,637
Balance December 31,2023	113,894,600	269,879	357,601	197,755	825,235
Balance 01 January, 2024	113,894,600	269,879	357,601	197,755	825,235
Sale of common stock, net of offering costs					
Common stock issued for services					
Common stock issued for cashless exercise of stock warrants					
Cancellation of repurchase common stock					
Foreign currency exchange		2,306		(83,095)	(80,788)
Net income for the period ended December 31,2024				92,414	92,414
Balance December 31,2024	113,894,600	\$ 272,185	\$ 357,601	\$ 207,074	\$ 836,860

PRIVACY MANAGEMENT PLC  
CONSOLIDATED STATEMENT OF CASH FLOW  
DECEMBER 31, 2024 AND 2023

	December 31,2024	December 31,2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income	\$ 92,414	\$ 78,637
<b>Adjustments to reconcile net income to net cash used in operating activities:</b>		
Depreciation and amortization	12,364	6,320
(Gain)/Loss on Sale of Assets		
Unrealized Exchange Differences (Gains) /Losses		
<b>Changes in operating assets and liabilities</b>		
Accounts receivable	(42,373)	15,071
Prepaid expenses and other current assets	131,116	(37,639)
Prepaid IPO Expense		
Other Assets		
Related Party Receivable	294,467	(30,612)
Accounts payable and accrued expenses	(111,812)	(222,320)
VAT Payable	77,340	31,984
Due to Related Party		
Net cash (used in) operating activities	<u>453,515</u>	<u>(158,558)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of Property Plant and Equipment	(36,868)	(2,473)
Proceeds from sale of assets		
Net cash (used in) investing activities	<u>(36,868)</u>	<u>(2,473)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from debt		
Repayment of debt		
Dividends paid		
Proceeds from sale of stock		
Common stock (0.0024 par value; 163,000,000 shares authorized; shares issued and outstanding at 357600.95		
Additional paid-in capital		
Net cash provided by financing activities	<u>-</u>	<u>-</u>
<b>Net (decrease) increase in cash</b>	<u>416,648</u>	<u>(161,031)</u>
<b>Effect of exchange rate changes on cash</b>	<u>(80,788)</u>	<u>38,864</u>
<b>Cash and cash equivalents, beginning of period</b>	<u>427,668</u>	<u>549,834</u>
<b>Cash and cash equivalents , end of period</b>	<u>\$ 763,528</u>	<u>\$ 427,668</u>

PRIVACY MANAGEMENT PLC  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**Disclosures Pursuant to Subsection (b)(5) of SEC Rule 15c2-11**

A Name and Address of Issuer :

Privacy Management PLC (the “Company”). The Company has had no predecessors during the past five years.

B. The Address of the Issuer’s Principal Executive Office Principal Place of Business

The following is both the Principal Executive Office and Principal Place of Business:

61-63 Lord Byron Street,  
5th Floor  
6023 Larnaca  
Cyprus.

C State of Incorporation of Issuer and predecessors during the past five years

Republic of Cyprus. Company has had no predecessors during the past five years.

D Title, class and ticker symbol (if assigned) of the security.

Common Stock, no class.  
Symbol Not Assigned Yet

E Par or stated value of security

\$0.0024 par value

F Number of Shares or total amount of securities outstanding as of the end of issuer’s most recent fiscal year.

113,894,600 Common Stock Outstanding as of December 31, 2024 .

G Name and Address of the Transfer Agent

West Coast Stock Transfer, Inc.  
721 N. Vulcan Ave. Suite 106

PRIVACY MANAGEMENT PLC  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

Encinitas, CA 92024

H A description of the issuer's business

The Company is an international consultancy firm that specializes in residency, establishment of, management and administration of European and International Companies and Projects. The Company focuses on providing actionable insights and strategic planning for successful market entry and sustained growth.

I A description of products or services offered by the issuer

Marketing Consultancy

J A description of and extent of the issuer's facilities

The Company occupies 2928 sq feet of office space at 61-63 Lord Byron Street,  
5th Fl, 6023 Larnaca. Cyprus.

K Name and title of all company insiders

Name	Title
Yiannis Papapetrou	CEO/Director
Nicos Michaelides	Director
Michael Ferentinos	Founder/Controlling Person
Christian Workert	Founder/Controlling Person
Constantinos Avraam	Director
Pezounou Michael	Director

L The issuer's most recent balance sheet (as of a date less than 16 months before the publication or submission of the quotation) and the profit and loss and retained earnings statement (for 12 months preceeding the date of the most recent balance sheet.

See Page 1 Above

M Similar financial information for such part of the two preceding fiscal years as the issuer or its predecessors has been in place.



PRIVACY MANAGEMENT PLC  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**Organization**

Privacy Management PLC (the "Company") was incorporated in Cyprus on 11 August 2020 as a private company Incorporated under the Cyprus Companies Law. Its registered office is at 61-63 Lord Byron Street, 6023 (Office Business Address: 5th Floor), Larnaca, Cyprus. The Company has had no predecessors during the past five (5) years.

**Basis of presentation and liquidity**

As reflected in the accompanying financial statements, the Company recorded income of \$ 92,414. In addition, the Company had retained earnings of approximately \$207,074 on the balance sheet.

The Company believes that ongoing cash flow from operations, along with the anticipated proceeds from the sale of shares from common stock, will provide sufficient cash flow to meet its obligations for a minimum of twelve months from the date of this filing

**Use of estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses, and the related disclosures at the date of the financial statements and during the reporting period. Actual results could materially differ from these estimates. Significant estimates include the valuation of deferred tax assets, and the value of stock-based compensation expenses.

**Reclassifications**

Certain prior period amounts have been reclassified to conform to the current period presentation. The reclassified amounts have no impact on the Company's previously reported financial position or results of operations and relates to the presentation of marketing and advertising expenses separately on the statements of operation previously included in general and administrative expenses.

**Cash and cash equivalents**

The Company considers all highly liquid debt instruments and other short-term investments with a maturity of three months or less, when purchased, to be cash equivalents. The Company maintains cash and cash equivalent balances at two US financial institutions that is insured by the Federal Deposit Insurance Corporation ("FDIC"). The Company's account at this institution is insured by the FDIC up to \$250,000.

PRIVACY MANAGEMENT PLC  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

At December 31, 2024 the company held approximately \$203,778 in US dollar denominated accounts. The Company also maintains Euro-denominated accounts in Cyprus of approximately \$559,749 that are protected by the banking institutions that they are held in under their national Deposit Guarantee Schemes.

**Prepaid IPO Expense**

The IPO prepaid expense account denotes IPO related expense that have been paid to third parties related to services received in connection with the public listing process and have not been realized as an expense. These expenses have been paid by the Company to third parties in the form of stock issued through services agreements with said third parties. These expenses will be realized when the Company completes its IPO filing.

**Fair value measurements and fair value of financial instruments**

The carrying value of certain financial instruments, including cash, accounts payable and accrued expenses, deferred revenues, notes payable, notes payable – related party and due to related party are carried at historical cost basis, which approximates their fair values because of the short-term nature of these instruments.

**Revenue recognition**

The Company recognizes revenue in accordance with ASC Topic 606 Revenue from Contracts with Customers, which requires revenue to be recognized in a manner that depicts the transfer of goods or services to customers in amounts that reflect the consideration to which the entity expects to be entitled in exchange for those goods or services. The Company recognizes revenue when the parties have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations, the Company can identify each party's rights and the payment terms for the goods or services to be transferred, the contract has commercial substance (i.e. the risk, timing or amount of the Company's future cash flows is expected to change as a result of the contract), it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer and when specific criteria have been met for each of the Company's contracts with customers.

**Leases**

The Company applied ASC Topic 842, Leases (Topic 842) to arrangements with lease terms of 12 months or more. Operating lease right of use assets ("ROU") represents the right to use the leased asset for the lease term and operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. As most leases do not provide an implicit rate, the Company use an incremental borrowing rate based on the information available at the adoption date in determining the present value of future payments.

The company does not have any material lease obligations as of December 31, 2024.

PRIVACY MANAGEMENT PLC  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**Income taxes**

The Company accounts for income taxes pursuant to the provision of Accounting Standards Codification (“ASC”) 740-10, “Accounting for Income Taxes” (“ASC 740-10”), which requires, among other things, an asset and liability approach to calculating deferred income taxes. The asset and liability approach require the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. A valuation allowance is provided to offset any net deferred tax assets for which management believes it is more likely than not that the net deferred asset will not be realized.

The Company follows the provision of ASC 740-10 related to Accounting for Uncertain Income Tax Positions. When tax returns are filed, there may be uncertainty about the merits of positions taken or the amount of the position that would be ultimately sustained. In accordance with the guidance of ASC 740-10, the benefit of a tax position is recognized in the financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are not offset or aggregated with other positions. Tax positions that meet the more likely than not recognition threshold are measured at the largest amount of tax benefit that is more than 50 percent likely of being realized upon settlement with the applicable taxing authority. The portion of the benefit associated with tax positions taken that exceed the amount measured as described above should be reflected as a liability for uncertain tax benefits in the accompanying balance sheet along with any associated interest and penalties that would be payable to the taxing authorities upon examination. The Company believes its tax positions are all more likely than not to be upheld upon examination. As such, the Company has not recorded a liability for uncertain tax benefits.

The Company has adopted ASC 740-10-25, “Definition of Settlement”, which provides guidance on how an entity should determine whether a tax position is effectively settled for the purpose of recognizing previously unrecognized tax benefits and provides that a tax position can be effectively settled upon the completion and examination by a taxing authority without being legally extinguished. For tax positions considered effectively settled, an entity would recognize the full amount of tax benefit, even if the tax position is not considered more likely than not to be sustained based solely on the basis of its technical merits and the statute of limitations remains open. The federal and state income tax returns of the Company are subject to examination by the IRS and state taxing authorities, generally for three years after they are filed.

**Property, Plant & Equipment**

Property, plant and equipment are stated at historical cost less accumulated depreciation and any impairment losses recognized. Depreciation is calculated on the straight-line method over its useful life less residual value. The Company’s motor vehicles and computers are depreciated over five years and furniture and fixtures are depreciated over ten years.

Expenditure for repairs and maintenance of property, plant and equipment is charged to profit or loss of the year in which it is incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

PRIVACY MANAGEMENT PLC  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

**Stock-based compensation**

Stock-based compensation is accounted for based on the requirements of ASC 718 – “Compensation–Stock Compensation”, which requires recognition in the financial statements of the cost of employee, non-employee and director services received in exchange for an award of equity instruments over the period the employee or director is required to perform the services in exchange for the award (presumptively, the vesting period). The ASC also requires measurement of the cost of employee and director services received in exchange for an award based on the grant-date fair value of the award.

**Basic and diluted net loss per share**

Basic net profit/(loss) per share is computed by dividing the net profit/(loss) by the weighted average number of common shares during the period. Diluted net profit/loss per share is computed using the weighted average number of common shares and potentially dilutive securities outstanding during the period.

**Recent accounting pronouncements**

Management does not believe that any recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on its financial statements.

**NOTE 2 – RELATED PARTY TRANSACTIONS**

**Due to Related Party**

The Company has a long term receivable from ongoing activities and services that are rendered to a company in United Arab Emirates that is **90% owned by two of the shareholders at the Company, \$187,731**. The Company assesses that there is no credit risk and hence no need to consider any impairment of balances issues.

As of December 31, 2024 the due to related party payable of \$4,435 is monies owed to a related party .

PRIVACY MANAGEMENT PLC  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

NOTE 3 – STOCKHOLDERS' EQUITY

Shares Authorized

The authorized capital stock consists of 113,894,600 which are shares of common stock. The Company holds an internal stock ledger of 13,000,000 shares of common stock which is recorded on the balance as Share Capital. The remaining 100,894,600 are recorded on the Balance Sheet as common stock and are held by the Company's transfer agent.

Sale of Common Stock

There were no shares of common stock sold during the twelve months ended December 31, 2024

NOTE 4 – VALUE ADDED TAXES

As part of its ongoing operations, the Company collects Value Added Taxes (VAT) from its customers and remits it to the tax jurisdiction that the services are being performed. In instances when customers pay invoices in advance of services being rendered, the Company will collect the VAT liability prior to the due date. These amounts are classified on the balance sheet as VAT Payable.

NOTE 5 – SUBSEQUENT EVENTS

Management has reviewed all events through the date of this report and concluded there are no subsequent events as of December 31, 2024

NOTE 6 – COMMITMENTS AND CONTINGENCIES

There are no significant commitments or contingencies that have not been disclosed in the financial statements or in the footnotes.