

# **Financial Reports**

*pNeo LLC Consolidated*

Q4:

The fourth quarter of 2024 has seen ongoing investment in Inventory and Marketing activities, with all planned new products launched under the Shusher brand. Product development continues for new products that will further grow the brand into broader market segments, including the adult sleep market.

We have invested heavily in additional inventory to maintain supply of products across Chinese and Vietnamese Lunar New Year. We have been advised to expect a significant pipeline fill order for Walmart in early 2025, who will be launching Baby Shusher in 2000 stores in February of 2025.

For tax purposes, entries such as amortization and depreciation have reduced the bottom line, but EBITDA for 2024 is profitable.

2024:

Overall, 2024 has been a positive year. We continue to invest in Inventory and advertising, and we have made significant positive strides toward our long-term goals.

We have diversified our key customer base, with CVS Pharmacy, Kohls, and Walmart Corporation added as new customers, and we received confirmation of product expansion with Target Corporation in Q2 2025.

We continue to negotiate with large retail chains in Canada that represent over 50% of our target market, with indications that these will be finalized in mid-2025.

The unanticipated costs related to importation and customs holds are not expected to repeat in 2025, and we continue to grow our capacity with new systems and processes implemented that increase efficiency while reducing costs.

## Consolidated Balance Sheet

As on 31st December, 2024

<b>ASSETS</b>	<b>Amount in US\$</b>
<b>Current Assets</b>	
Bank Accounts	63,121
Accounts Receivable	513,842
Inventory On Hand	437,774
Deposits	80,468
Undeposited Funds	0
Other Assets	59,178
<b>Total Current Assets</b>	<b>1,154,383</b>
<b>Fixed Assets</b>	
Property	925,438
Vehicle Asset	309,600
Tooling	70,708
Intangible Assets	4,826,103
Investments	517,247
Amortization	(2,288,797)
Depreciation	(652,263)
<b>Total Fixed Assets</b>	<b>3,708,035</b>
<b>TOTAL ASSETS</b>	<b>4,862,418</b>
 <b>LIABILITIES AND EQUITY</b>	
<b>Current Liabilities</b>	
Accounts Payable	(32,617)
Credit Cards	69,064
Lines Of Credit	1,051,046
Accrual	36,536
Taxes Payable	24,649
<b>Total Current Liabilities</b>	<b>1,148,678</b>
<b>Long Term Liabilities</b>	
Long Term Investor Loan	396,957
Note Payable - Owner/Investor	1,516,911
Mortgage	445,250
Vehicle Loan	64,077
<b>Total Long Term Liabilities</b>	<b>2,423,195</b>
Total Equity	1,290,545
<b>Total Liabilities &amp; Equity</b>	<b>4,862,418</b>

## Profit and Loss Statement

Period : January-2024 to December-2024

	<b>Amount in US\$</b>
<i>Revenue</i>	
Product Sales	6,854,718
Digital Sales (App)	42,467
Shipping & Handling	89,900
Returns and Refunds	<u>(470,356)</u>
<b>Total Revenue</b>	<b><u>6,516,729</u></b>
<i>Cost of Good Sold</i>	
COGS	2,421,741
Amazon Fees	608,839
Freight Out	<u>179,538</u>
<b>Total Cost of Goods Sold</b>	<b><u>3,210,117</u></b>
<b>Gross Profit</b>	<b><u>3,306,612</u></b>
<i>Expenses</i>	
Accounting & Audit Expenses	27,897
Advertising & Marketing	697,519
Commissions	6,924
Consultants	371,310
Dues & Subscriptions	27,613
Insurance	120,412
Legal & Professional Services	52,783
Merchant Fees	2,941
Other Expenses	159,455
Office Supplies	32,392
Rent	0
Software	84,226
Recruitments & Benefits	117,270
Taxes - Payroll	71,739
Telephone / Internet	16,602
Trade Shows	56,705
Travel	94,160
Utilities	15,972
Wages & Salaries	913,079
Website & Hosting	3,958
Research & Development	<u>60,322</u>
<b>Total Expenses</b>	<b><u>2,933,280</u></b>
<i>EBIDTA</i>	373,332
Other Expenses	
Amortization	510,922
Depreciation	77,004
Interest-Expenses	<u>159,415</u>
<b>Total Other Expenses</b>	<b><u>747,341</u></b>
<b>Net Income</b>	<b><u>(374,009)</u></b>

## A/R Aging Summary

As of December 31, 2024

	At Date	1-30	31-60	61-90	91-120	Older	Total
Amazon Marketplace	66,790	-	-	-	-	-	66,790
B2C Sales	-	151	76	-	-	-	227
Babinski's Baby	-	-	-	183	215	380	777
Babylisit, Inc.	256	198	26	9,297	-	7,665	17,440
Bella Baby	-	-	-	-	-	33	33
CVS Pharmacy	240	-	-	-	-	-	240
Cardinal Health	4,845	389	371	-	-	-	5,605
Children's Healthcare of Atlanta at Egleston	-	-	-	219	-	-	219
Crib & Kids	-	-	-	-	197	-	197
Dimples Baby	-	-	-	-	-	596	596
Faire.com	894	-	-	-	-	-	894
Gigi Baby Inc	-	41	-	-	-	-	41
Haute Totz	-	-	-	-	-	343	343
JWPR Enterprises	-	-	-	-	-	(490)	(490)
Kith + Kissui	-	-	-	-	383	-	383
Kohl's	-	-	-	730	-	-	730
La Be'Be' Boutique	-	-	713	-	-	-	713
Laina Moore	-	6,556	-	-	-	-	6,556
Lullabye Shop	-	-	-	-	215	-	215
Luminize (Coastal Trading Ventures)	247,622	-	-	-	-	-	247,622
McCall's	-	-	-	-	-	710	710
McKesson	1,187	6,441	277	-	1,522	-	9,426
Our New Baby!	-	-	-	-	-	183	183
Quietstore/Фабрика Тиши	-	-	1,149	1,095	-	197	2,441
Reef Agency	-	-	20	-	-	-	20
Storkland-Everything For Your Baby	-	-	-	-	-	297	297
Suite Child	-	-	-	195	-	-	195
TFH USA LTD	-	-	-	478	-	-	478
Target Corporation	-	17,320	-	-	-	33,224	50,544
The Babies' Room & Weecycle	-	-	-	-	195	-	195
The Baby's Room	-	-	-	-	-	197	197
The TJX Companies, Inc	32,550	-	-	-	-	-	32,550
Turquoise	-	1,128	-	-	416	-	1,544
Walmart Corporation	-	15,689	812	2,305	35	-	18,841
Walmart Marketplace	70	140	40	2,859	-	18	3,127
Wayfair	-	-	97	-	-	279	376
Williams Sonoma	55	-	256	91	-	-	402
buybuy BABY	37	-	37	-	-	-	73
iherb.com	2,555	-	-	2,008	-	2,555	7,118
<b>Total Aged Receivable</b>	<b>357,099</b>	<b>48,052</b>	<b>3,872</b>	<b>19,458</b>	<b>3,178</b>	<b>46,190</b>	<b>477,849</b>

## A/P Aging Summary

As of December 31, 2024

	At Date	1-30	31-60	61-90	91-120	Older	Total
AM Testing and Services	-	-	1,831	-	-	-	1,831
AT&T	601	-	-	-	-	-	601
Absolute Motion	-	3,471	-	-	-	-	3,471
BR Messer	-	1,155	-	-	-	-	1,155
BeeZee Kids	-	-	-	-	-	1,139	1,139
Changzhou Baiyang Machinery Co. Ltd.	-	-86,147	-	-	-	-	-86,147
Denton County Tax Office	22,197	-	-	-	-	-	22,197
FedEx	-	1,958	18,643	22,079	20,911	-6,810	56,781
InCorp Services, Inc.	258	-	-	-	-	-	258
LVR Consulting LLC	5,000	-	5,000	-	-	-	10,000
Longshore Limited	-	-	-	-	-	60	60
Maximum Possibilities LLC	-	-	-	2,400	-	-	2,400
Old Dominion Freight Line	-	2,851	-	-	-	-	2,851
Orafox	-	2,600	-	-	-	-	2,600
R Taparia & Associates	-	1,054	-	-	-	-	1,054
SPS Commerce	102	-	-	-	-	-	102
Shenzhen Kenuo Digital Technology Co., Ltd	-	-	-	-	-33,920	-	-33,920
True Growth LLC	-	-	800	-	-	1,280	2,080
Uline Ship Supplies	748	1,903	-	-	-	-	2,651
Zhuhai Ninuo Biological Technology Co., Ltd.	-	-23,781	-	-	-	-	-23,781
<b>Total Aged Payable</b>	<b>28,906</b>	<b>-94,936</b>	<b>26,274</b>	<b>24,479</b>	<b>-13,009</b>	<b>-4,331</b>	<b>-32,617</b>

## **Inventory Aging Summary**

**As of December 31, 2024**

	1 – 30	31- 60	61 and over	Total
Baby Shusher	229,922		612	<b>230,534</b>
Collection		2,842		<b>2,842</b>
Firefly	23,369			<b>23,369</b>
Sloth		27,026		<b>27,026</b>
Saline	6,003			<b>6,003</b>
Shushie 2-pack		8,228		<b>8,228</b>
Shushie 6-pack		13,981		<b>13,981</b>
Doggie Shusher			14,065	<b>14,065</b>
CLEARinse Starter Kit			51,082	<b>51,082</b>
Wash Heads			25,424	<b>25,424</b>
Oto-Tip			17,740	<b>17,740</b>
Replacement Tips - Mixed Pack			9,794	<b>9,794</b>
Replacement Tips - Adult Pack			7,686	<b>7,686</b>
<b>TOTAL</b>	<b>259,294</b>	<b>52,077</b>	<b>126,404</b>	<b>437,774</b>