

New Lotus Web Limited (in liquidation)

Liquidator's Preliminary Report

28 September 2026

**Preliminary Report pursuant to Section 218 of the Insolvency Act
2011**



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1 Brief History

1.1 Liquidator's appointment

On 30 July 2026, I was appointed Liquidator of New Lotus Web Limited ("NLW" or "the Company") pursuant to Section 160 of the Insolvency Act 2011 ("the Act"). I was appointed on grounds of insolvency by the Supreme Court of Gibraltar, on application by NLW as the Company was unable to pay its creditors as and when they fell due.

Notice of my appointment, together with an invitation to creditors to submit details of their claims to the Liquidator, was advertised on 5 August 2026 in a local newspaper and on 6 August 2026 in the Gibraltar Gazette.

1.2 Statutory information

The Company was incorporated in Gibraltar on 14 November 2017 under company number 116478. Its registered office was recorded as Unit 2A-5, 143 Main Street, Gibraltar.

The sole shareholder and director of the Company is Mr. Jerome Morel, who, based on the affidavit submitted by the director, acquired the Company on 15 December 2021. The issued share capital comprises 5,000,000 ordinary shares held by Mr. Morel.

The Company's principal activity was the provision of online psychic services supported through digital marketing activities.

1.3 Preliminary investigations

Following the appointment, my team commenced investigations into the affairs of the Company, including its assets, liabilities and business activities. Initial work has included:

- Compliance with statutory requirements following appointment;
- Identification and notification to creditors;
- Requests for books and records from the director;
- Recovery of cash balances and identification of banking relationships;
- Investigation of potential asset recoveries; and
- Liaison with creditors and other stakeholders.

1 Brief History – continued

1.3 Preliminary investigations – continued

Assets

As part of our investigations, we have obtained information relating to a number of banking and payment service provider relationships held by the Company.

We are currently investigating potential recoveries from several financial institutions and payment service providers, including:

- Banca CIS (now Banca Nazionale Sammarinese S.p.A.);
- Nuvei; and
- Other payment processing providers identified from the Company's books and records.

Creditors

Initial investigations identified that the Company had a substantial international creditor base, comprising of a large number of marketing affiliates, lead generation providers, advertising networks, payment service providers and other trade suppliers. However, at the date of my appointment, a complete and accurate list of creditors had not been made available.

As a result, my team undertook a creditor tracing exercise using the available information, historical correspondence, and publicly available sources. This process enabled us to identify and contact a significant number of potential creditors and invite the submission of claims.

Following requests by my team, the director provided a schedule of creditors which presents creditor balances in excess of £3.7 million. Based on the information currently available, the Company's liabilities appear to be concentrated amongst a number of significant trade creditors, including digital advertising platforms, lead generation providers and marketing affiliates.

My team continues to review creditor claims received. To date, we have received 15 claim forms, claiming a total sum of £287,381.

1 Brief History – continued

1.3 Preliminary investigations – continued

Statement of Affairs

Following my appointment, I requested that the director submit a Statement of Affairs pursuant to the Act. The Statement of Affairs was subsequently submitted on 27 August 2026 together with supporting financial information. To date, the Statement of Affairs is incomplete and requires notarisation. We are currently liaising with the director on this so that it can be finalised and thereafter filed with Companies House and the Registrar of the Supreme Court accordingly. In the meantime, my team is presently reviewing the information provided.

1.4 What we have done so far

To date, the principal work undertaken by my team has included:

- Securing control of available cash balances;
- Issuing notices to creditors and convening the First Creditors' Meeting;
- Identifying and tracing creditors;
- Obtaining books and records from the director;
- Reviewing bank account and payment processor information;
- Investigating potential recoveries from third parties;
- Reviewing creditor claims received; and
- Commencing investigations into the Company's affairs prior to liquidation.

1 Brief History – continued

1.5 Causes of failure

My current understanding of the Company's failure is based upon information presently available, including the affidavit submitted by the director to support the application to Court to appoint myself as liquidator and information subsequently provided to my team.

The Company operated within the online lead generation and psychic services sector. According to the director, the business experienced increasing financial difficulties over recent years due to increasing lead acquisition costs, declining lead quality and profitability, banking difficulties and problems involving payment service providers.

The director advised that these factors ultimately resulted in the Company's liabilities exceeding its assets and the Company being unable to pay its creditors as and when they fell due. The Company ceased trading several months prior to the liquidation application. Our investigations into the circumstances leading to the Company's insolvency remain ongoing and no final conclusions have yet been reached.

2 Financial Information

2.1 Assets and liabilities

Based on the information provided to the Court at the date of appointment, the Company's reported financial position was as follows:

Assets		£
Cash at Bank		94,077
Total assets		94,077
Liabilities		£
Trade Creditors and Other Creditors		(3,736,653)
Total liabilities		(3,736,653)
Excess of liabilities over assets		(3,642,576)

2.2 Recovery of assets

The following sections set out the work undertaken and progress made to date in relation to the recovery of the Company's assets.

Cash at bank

The Company currently holds £98,876 in cash balances which are under the control of the Liquidator. The balance includes a recovery of £4,428 from payment service providers.

2 Financial Information – continued

2.2 Recovery of assets

Banca CIS (now Banca Nazionale Sammarinese S.p.A)

The director has advised that the Company may hold funds previously deposited with Banca CIS in the Republic of San Marino. The bank was placed into regulatory resolution proceedings prior to the Company's liquidation, and access to these funds remains restricted.

My team has commenced enquiries and obtained account information relating to this position. This currently represents one of the most significant potential recoveries identified. Investigations remain ongoing and it is too early to determine the likelihood or amount of any recovery.

Nuvei Security Deposit

The director has advised that Nuvei holds a security deposit which of which we are currently investigating the legal and contractual basis of this position and assessing whether the funds may be recoverable for the benefit of creditors.

Other Recoveries

My team continues to investigate the Company's banking and payment processor relationships and is reviewing the information provided through the Statement of Affairs.

3 Outcome for Creditors

3.1 Secured creditors

To date, I have not identified any secured creditors of the Company.

3.2 Preferential creditors

Preferential creditors are those that are paid in priority to the unsecured creditors, with the classification being set out in the Schedule to the Insolvency Rules 2014. These include:

- Employee wages and salaries for the six months prior to my appointment rank as preferential claims, subject to a maximum of £10,000 per employee. Claims in respect of accrued but untaken holiday entitlement also rank as preferential. There were no active employees to my knowledge at the date of my appointment and, therefore, no preferential claims in respect of employee entitlements have been received.
- In addition to employee claims, HM Government of Gibraltar also ranks as a preferential creditor. The balance relates to unpaid PAYE, Social Insurance contributions, and penalties, which amount to £15,759.

The total preferential claims amount to £15,759 and rank ahead of unsecured creditors.

3.3 Unsecured creditors

The director's Statement of Affairs records total unsecured liabilities of approximately £3.7 million. These liabilities principally comprise trade creditors arising from the Company's online marketing and lead generation activities. The largest creditors identified to date include digital advertising platforms, affiliate marketing networks and other service providers.

As at the date of this report, unsecured claims totalling approximately £271,622 have been submitted to me. These claims arise primarily from the Company's trading activities and comprise amounts owed to marketing affiliates, lead generation providers, advertising businesses, software providers, professional advisers and other trade creditors located across several jurisdictions.

3 Outcome from Creditors – continued

3.3 Unsecured creditors – continued

My team continues to receive, review and adjudicate creditor claims. Given the international nature of the Company's business and the ongoing creditor tracing exercise, additional claims may yet be received. Consequently, the total value of unsecured claims is not yet known, and the Liquidator has not adjudicated any claims.

3.4 Estimated outcome

At present, it is too early to determine the likely outcome for creditors as the liquidation remains at a relatively early stage. The ultimate outcome for creditors will depend upon the success of ongoing recovery efforts, including investigations into funds held with third parties, the adjudication of claims and the costs incurred during the liquidation. Accordingly, no estimate of a dividend can presently be provided.

4 Creditors' Meeting

4.1 Creditors' meeting

The First Creditors' meeting was held virtually on 13 August 2026 at 11:00 a.m. Creditors were also provided with the option to vote by proxy in the event they were unable to attend the meeting in person.

The purpose of the First Meeting was:

- To update creditors on the Company's financial position;
- To outline potential outcomes; and
- To decide whether to form a Creditors' Committee

A vote was taken and it was agreed by the majority of the creditors that a Creditors' Committee will not be formed at this time.

As agreed with the creditors who attended the meeting, I will potentially look to hold another Creditors' Meeting at some point in the future and revisit the possibility of forming a Creditors' Committee should this be considered beneficial to the administration of the liquidation.

5 Liquidator's costs

The total time incurred (in hours) and costs of my team and I, including disbursements, up to 21 September 2026 are set out below:

	Administration, planning and investigations		Creditors		Recovery of assets		Grand Total	
Staff grade	Hours	Value (£)	Hours	Value (£)	Hours	Value (£)	Total Hours	Total Value (£)
Senior Associate	9:00	2,070	23:30	5,405	11:30	2,645	44:00	10,120
Senior Manager	7:45	3,565	2:45	1,265	3:45	1,725	14:15	6,555
Partner	3:30	2,380	4:15	2,890	2:15	1,530	10:00	6,800
Disbursements								126
Total	20:15	8,015	30:30	9,560	17:30	5,900	68:15	23,601

In accordance with the Act, I will seek approval from the Creditors' Committee (if formed) or the general body of creditors prior to billing these costs, which will be paid from the assets of the Company.

6 Further enquiries

6.1 Matters relating to the insolvency of the Company

One of my duties is to look at the actions of anybody who has been a director or shadow director of the Company in the period before my appointment. I also must decide whether any action should be taken against anyone to recover or contribute to the Company's assets. If you think that there is something that I should know about, please contact my team by email at gi_nlw@pwc.com.

Please note that I will not be able to publish my findings and work in this area, but this will be filed with the Official Receiver in Gibraltar.

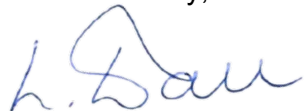
6.2 Future communications

Any future communications will be by email to the creditors who have filed a claim, with the relevant information also posted on our website: https://www.pwc.gi/services/business_recoveries/new-lotus-web-limited.html

Should the liquidation extend beyond one year, my next report will be the annual progress report, which will be issued following 30 July 2027.

If you have any questions, please email gi_nlw@pwc.com. My team may not be able to answer every email, but we will ensure that any questions raised are addressed in my subsequent report.

Yours faithfully,



Luke Walsh

Liquidator

Luke Walsh of PricewaterhouseCoopers Limited ("PwC"), Gibraltar has been appointed Liquidator of New Lotus Web Limited (the "Company") by the Supreme Court of Gibraltar to manage the affairs and property of the Company. The Liquidator acts as agent of the Company only and without personal liability. Luke Walsh is authorised to act as an insolvency practitioner by the Gibraltar Financial Services Commission (IP Licence Number FSC0982FSA).

The Liquidator may act as Data Controller of personal data as defined by the Data Protection Act 2004, depending upon the specific processing activities undertaken. PwC may act as a data processor on the instructions of the Liquidator. Personal data will be kept secure and processed only for matters relating to the Liquidator's appointment.

Registered office: c/o PricewaterhouseCoopers Limited, 327 Main Street, Gibraltar.

For further information on the liquidation of the Company please contact us on gi_nlw@pwc.com.