

Annual Report

Cover Page

Name of issuer:

Sun & Swell Inc.

Legal status of issuer:

Form: Corporation
Jurisdiction of Incorporation/Organization: CA
Date of organization: 4/19/2018

Physical address of issuer:

40 Oceano Ave
#1
Santa Barbara CA 93109

Website of issuer:

http://www.sunandswellfoods.com

Name of intermediary through which the offering will be conducted:

Wefunder Portal LLC

CIK number of intermediary:

0001670254

SEC file number of intermediary:

007-00033

CRD number, if applicable, of intermediary:

283503

Current number of employees:

3

| | Most recent fiscal year-end: | Prior fiscal year-end: |
|-------------------------|------------------------------|------------------------|
| Total Assets | \$557,033.00 | \$749,087.00 |
| Cash & Cash Equivalents | \$152,464.00 | \$397,656.00 |
| Accounts Receivable | \$2,874.00 | \$8,825.00 |
| Short-term Debt | \$268,794.00 | \$191,638.00 |
| Long-term Debt | \$360,364.00 | \$379,641.00 |
| Revenues/Sales | \$950,562.00 | \$670,875.00 |
| Cost of Goods Sold | \$545,674.00 | \$306,646.00 |
| Taxes Paid | \$0.00 | \$0.00 |
| Net Income | (\$612,237.00) | (\$551,735.00) |

Select the jurisdictions in which the issuer intends to offer the securities:

AL, AK, AZ, AR, CA, CO, CT, DE, DC, FL, GA, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY, BS, GU, PR, VI, IV

Offering Statement

Respond to each question in each paragraph of this part. Set forth each question and any notes, but not any instructions thereto, in their entirety. If disclosure in response to any question is responsive to one or more other questions, it is not necessary to repeat the disclosure. If a question or series of questions is inapplicable or the response is available elsewhere in the Form, either state that it is inapplicable, include a cross-reference to the responsive disclosure, or omit the question or series of questions.

Be very careful and precise in answering all questions. Give full and complete answers so that they are not misleading under the circumstances involved. Do not discuss any future performance or other anticipated event unless you have a reasonable basis to believe that it will actually occur within the foreseeable future. If any answer requiring significant information is materially inaccurate, incomplete or misleading, the Company, its management and principal shareholders may be liable to investors based on that information.

THE COMPANY

1. Name of issuer:

Sun & Swell Inc.

3. Has the issuer or any of its predecessors previously failed to comply with the ongoing reporting requirements of Rule 202 of Regulation Crowdfunding?

☒ Yes ☐ No

Reason for failure to comply:

<p>Submitting 2022 Annual Report late</p>

DIRECTORS OF THE COMPANY

4. Provide the following information about each director (and any persons occupying a similar status or performing a similar function) of the issuer.

| Director | Principal Occupation | Main Employer | Year Joined as Director |
|-------------|----------------------|-------------------|-------------------------|
| Kate Flynn | President | Sun & Swell | 2018 |
| Kate Flynn | CEO | Sun & Swell Foods | 2018 |
| Bryan Flynn | Sales | Sun & Swell Foods | 2018 |

For three years of business experience, refer to [Appendix D: Director & Officer Work History](#).

OFFICERS OF THE COMPANY

5. Provide the following information about each officer (and any persons occupying a similar status or performing a similar function) of the issuer.

| Officer | Positions Held | Year Joined |
|-------------|----------------|-------------|
| Kate Flynn | CEO | 2018 |
| Kate Flynn | CFO | 2018 |
| Kate Flynn | President | 2018 |
| Bryan Flynn | Secretary | 2018 |
| Bryan Flynn | COO | 2018 |

For three years of business experience, refer to [Appendix D: Director & Officer Work History](#).

DISTINCTION TO QUESTION 5: For purposes of this Question 5, the term officer means a president, vice president,

secretary, treasurer or principal financial officer, comptroller or principal accounting officer, and any person that routinely performing similar functions.

PRINCIPAL SECURITY HOLDERS

6. Provide the name and ownership level of each person, as of the most recent practicable date, who is the beneficial owner of 20 percent or more of the issuer's outstanding voting equity securities, calculated on the basis of voting power.

| Name of Holder | No. and Class of Securities Now Held | % of Voting Power Prior to Offering |
|----------------|--------------------------------------|-------------------------------------|
| Bryan Flynn | 3175925.0 Common Stock | 31.7 |
| Kate Flynn | 5100000.0 Common Stock | 51.0 |

INSTRUCTION TO QUESTION 6: The above information must be provided as of a date that is no more than 120 days prior to the date of filing of this offering statement.

To calculate total voting power, include all securities for which the person directly or indirectly has or shares the voting power, which includes the power to vote or to direct the voting of such securities. If the person has the right to acquire voting power of such securities within 90 days, including through the exercise of any option, warrant or right, the conversion of a security, or other arrangement, or if securities are held by a member of the family, through corporations or partnerships, or otherwise in a manner that would allow a person to direct or control the voting of the securities (or share in such direction or control – *as, for example, a co-trustee*) they should be included as being “beneficially owned.” You should include an explanation of these circumstances in a footnote to the “Number of and Class of Securities Now Held.” To calculate outstanding voting equity securities, assume all outstanding options are exercised and all outstanding convertible securities converted.

BUSINESS AND ANTICIPATED BUSINESS PLAN

7. Describe in detail the business of the issuer and the anticipated business plan of the issuer.

For a description of our business and our business plan, please refer to the attached Appendix A, Business Description & Plan

INSTRUCTION TO QUESTION 7: Wcfunder will provide your company's Wcfunder profile as an appendix (Appendix A) to the Form C in PDF format. The submission will include all Q&A items and “road notes” links to an on-collapse journal. All videos will be transcribed.

This means that any information included in your Wcfunder profile will be provided to the SEC in response to this question. As a result, your company will be potentially subject for misstatements and omissions in your profile under the Securities Act of 1933, which requires you to provide material information related to your business and anticipated business plan. Please review your Wcfunder profile carefully to ensure it provides all material information, is not false or misleading, and does not omit any information that would cause the information included to be false or misleading.

RISK FACTORS

The U.S. Securities and Exchange Commission does not pass upon the merits of any securities offered or the terms of the offering, nor does it pass upon the accuracy or completeness of any offering document or literature.

These securities are offered under an exemption from registration; however, the U.S. Securities and Exchange Commission has not made an independent determination that these securities are exempt from registration.

8. Discuss the material factors that make an investment in the issuer speculative or risky:

We use compostable flexible film packaging as a way to offer plastic-free food to our customers. This packaging is a new technology that is just gaining adoption in the mainstream market. There is risk that consumer adoption may not be what we anticipate or that consumers may move towards a different technology.

The regulatory market for biodegradable and compostable materials is dense and constantly evolving/expanding. New laws may impact how we market and sell our products.

The market for biodegradable/compostable materials is smaller than the market for plastic materials, and raw materials for biodegradable/compostable are not as widely produced. Shortages are possible which could significantly impact our ability to operate.

A large portion of our customer base is through B2B sales. A COVID-like event could significantly impact our business.

Failure to raise sufficient funding would result in changes to our operating plans that may limit our ability to grow at the currently anticipated rates.

Our future success depends on the efforts of a small management team. The loss of services of the members of the management team may have an adverse effect on the company. There can be no assurance that we will be successful in attracting and retaining other personnel we require to successfully grow our business.

The Company may never receive a future equity financing or elect to convert the Securities upon such future financing. In addition, the Company may never undergo a liquidity event such as a sale of the Company or an IPO. If neither the conversion of the Securities nor a liquidity event occurs, the Purchasers could be left holding the Securities in perpetuity. The Securities have numerous transfer restrictions and will likely be highly illiquid, with no secondary market on which to sell them. The Securities are not equity interests, have no ownership rights, have no rights to the Company's assets or profits and have no voting rights or ability to direct the Company or its actions.

INSTRUCTION TO QUESTION 8: Avoid generalized statements and include only those factors that are unique to the issuer. Discussion should be tailored to the issuer's business and the offering and should not repeat the factors addressed in the RegSels set forth above. No specific number of risk factors is required to be identified.

Ownership and Capital Structure

DESCRIPTION OF ISSUER'S SECURITIES

17. What other securities or classes of securities of the issuer are outstanding? Describe the material terms of any other outstanding securities or classes of securities of the issuer.

| Class of Security | Securities (or Amount) Authorized | Securities (or Amount) Outstanding | Voting Rights |
|-------------------|-----------------------------------|------------------------------------|--------------------------------------|
| Common Stock | 10,000,000 | 10,000,000 | Yes <input type="button" value="v"/> |
| Preferred Stock | 10,000,000 | 0 | Yes <input type="button" value="v"/> |

Securities Reserved for Issuance upon Exercise or Conversion

Warrants:

Options:

24. Describe the material terms of any indebtedness of the issuer:

| | |
|-------------------------------------|----------------------------|
| Loan | |
| Lender | Kate Flynn |
| Issue date | 03/20/19 |
| Amount | \$38,900.00 |
| Outstanding principal plus Interest | \$38,900.00 as of 07/17/23 |
| Interest rate | 0.0% per annum |
| Maturity date | 03/21/25 |
| Current with payments | Yes |

401K Loan:

Loan

Lender SBA
Issue date 05/18/20
Amount \$295,100.00
Outstanding principal plus interest \$295,100.00 as of 07/17/23
Interest rate 3.75% per annum
Maturity date 05/19/50
Current with payments Yes

FIDI Loan

Loan

Lender Navitas Credit Corp.
Issue date 08/02/21
Amount \$30,102.00
Outstanding principal plus interest \$12,600.00 as of 07/17/23
Interest rate 10.0% per annum
Maturity date 08/04/31
Current with payments Yes

Equipment Financing 1

Loan

Lender Paypal
Issue date 02/12/23
Amount \$100,000.00
Outstanding principal plus interest \$69,039.00 as of 07/17/23
Interest rate 23.13% per annum
Maturity date 02/12/24
Current with payments Yes

Paypal Business Loan

Loan

Lender Intuit
Issue date 04/30/23
Amount \$30,000.00
Outstanding principal plus interest \$26,988.00 as of 07/17/23
Interest rate 15.5% per annum
Maturity date 10/30/24
Current with payments Yes

QuickBooks Loan

Loan

Lender Shopify
Issue date 05/06/23
Amount \$34,000.00
Outstanding principal plus interest \$29,257.00 as of 07/17/23
Interest rate 27.72% per annum
Maturity date 03/03/24
Current with payments Yes

Shopify Loan 4

Loan

Lender Navitas Credit Corp.
Issue date 05/09/23
Amount \$95,000.00
Outstanding principal plus interest \$100,100.00 as of 07/17/23
Interest rate 10.13% per annum
Maturity date 12/09/27
Current with payments Yes

Equipment Financing 2

Loan

Lender Pacific Western Bank
Issue date 05/21/23
Amount \$100,000.00
Outstanding principal plus interest \$100,000.00 as of 07/17/23
Interest rate 8.5% per annum
Maturity date 05/21/24
Current with payments Yes

PacWest Line of Credit \$500K

DISTRICTION TO QUESTION 24, name the creditor, amount owed, interest rate, maturity date, and any other material terms.

25. What other exempt offerings has the issuer conducted within the past three years?

| Offering Date | Exemption | Security Type | Amount Sold | Use of Proceeds |
|---------------|-----------------|---------------|-------------|--------------------|
| 10/2018 | Section 4(a)(2) | Common stock | \$110,000 | General operations |
| 8/2019 | Section 4(a)(2) | SAFE | \$215,000 | General operations |
| 8/2020 | Section 4(a)(2) | SAFE | \$20,000 | General operations |
| 12/2021 | Section 4(a)(2) | SAFE | \$130,000 | General operations |
| 1/2022 | Section 4(a)(2) | SAFE | \$540,000 | General operations |
| 1/2022 | Section 4(a)(2) | SAFE | \$540,000 | General operations |

26. Was or is the issuer or any entities controlled by or under common control with the issuer a party to any transaction since the beginning of the issuer's last fiscal year, or any currently proposed transaction, where the amount involved exceeds five percent of the aggregate amount of capital raised by the issuer in reliance on Section 4(a)(b) of the Securities Act during the preceding 12- month period, including the amount the issuer seeks to raise in the current offering, in which any of the following persons had or is to have a direct or indirect material interest:

1. any director or officer of the issuer;
2. any person who is, as of the most recent practicable date, the beneficial owner of 20 percent or more of the issuer's outstanding voting equity securities, calculated on the basis of voting power;
3. if the issuer was incorporated or organized within the past three years, any promoter of the issuer;
4. or any immediate family member of any of the foregoing persons.

☒ Yes
☐ No

For each transaction specify the person, relationship to issuer, nature of interest in transaction, and amount of interest.

| | |
|--|----------------------------|
| Name | Kate Flynn |
| Amount invested | \$38,900.00 |
| Transaction type | Loan |
| Issue date | 03/20/19 |
| Outstanding principal plus interest | \$38,900.00 as of 07/17/23 |
| Interest rate | 0.0% per annum |
| Maturity date | 03/21/25 |
| Current with payments | Yes |
| Relationship | Owner |

DISBURCATIONS TO GUARANTORS: The term guarantors includes, but is not limited to, any financial institutions, arrangement or relationship (including any individuals or guarantors of individuals) or any series of similar transactions, arrangements or relationships.

Beneficial ownership for purposes of paragraph (2) shall be determined as of a date that is no more than 120 days prior to the date of filing of this offering statement and using the same conditions described in Question 6 of this Question and Answer format.

The term "member of the family" includes any child, stepchild, grandchild, parent, stepparent, grandparent, spouse or special equivalent, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of the person, and includes adoptive relationships. The term "spouse equivalent" means a collaborator occupying a relationship generally equivalent to that of a spouse.

Compute the amount of a related party's interest in any transaction without regard to the amount of the profits or loss involved in the transaction. Where it is not practicable to state the approximate amount of the interest, disclose the approximate amount involved in the transactions.

FINANCIAL CONDITION OF THE ISSUER

27. Does the issuer have an operating history?

- ☒ Yes
☐ No

28. Describe the financial condition of the issuer, including, to the extent material, liquidity, capital resources and historical results of operations.

Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and the related notes, and other financial information included elsewhere in this offering. Some of the information contained in this discussion and analysis, including information regarding the strategy and plans for our business, includes forward-looking statements that involve risks and uncertainties. You should review the "Risk Factors" section for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview

Sun & Swell is moving the food industry away from single-use plastic with sustainably packaged snacks.

We are sell plastic-free health foods online and through wholesale channels. We sell healthy shelf-stable foods that you would put in your pantry (like nuts, dried fruits) and bring with you as a grab-and-go-snack (e.g., bars, trail mixes) in plastic-free, compostable packaging.

In 5 years, we hope to be a \$50M company (not guaranteed).

Milestones

Sun & Swell Inc. was incorporated in the State of California in April 2018.

Since then, we have:

- On pace to hit \$2.5M+ in sales this year (not guaranteed)
- Wholesale customers include Fortune 100 corporate offices, global hotel chains, and more
- 1st to market, proprietary plastic free manufacturing line & supply chain
- Huge opportunity to make an impact: snack food industry is \$10B market run entirely on plastic
- Founder is Harvard MBA, Tory Burch Fellow, PepsiCo WomanMade Winner, Completed HAE Accelerator powered by Pegasus Tech Ventures
- Investors & Advisors are industry veterans, with past leadership positions at Laird Superfood, HUMM Kombucha, P&G, & North Face
- Award winning: won leading food industry award (NEXTY) for sustainability

Historical Results of Operations

- Revenues & Gross Margin. For the period ended December 31, 2022, the Company had revenues of \$950,562 compared to the year ended December 31, 2021, when the Company had revenues of \$670,875. Our gross margin was 42.59% in fiscal year 2022, compared to 54.29% in 2021.
- Assets. As of December 31, 2022, the Company had total assets of \$557,033, including \$152,464 in cash. As of December 31, 2021, the Company had \$749,087 in total assets, including \$397,656 in cash.
- Net Loss. The Company has had net losses of \$612,237 and net losses of \$551,735 for the fiscal years ended December 31, 2022 and December 31, 2021, respectively.
- Liabilities. The Company's liabilities totaled \$629,158 for the fiscal year ended December 31, 2022 and \$571,279 for the fiscal year ended December 31, 2021.

Related Party Transaction

Refer to Question 26 of this Form C for disclosure of all related party transactions.

Liquidity & Capital Resources

To-date, the company has been financed with \$834,467 in debt, \$786,312 in equity, and \$1,445,000 in SAFEs.

After the conclusion of this Offering, should we hit our minimum funding target, our projected runway is 6 months before we need to raise further capital.

We plan to use the proceeds as set forth in this Form C under "Use of Funds". We don't have any other sources of capital in the immediate future.

We will likely require additional financing in excess of the proceeds from the Offering in order to perform operations over the lifetime of the Company, which we plan to finance through additional debt. Except as otherwise described in this Form C, we do not have additional sources of capital other than the proceeds from the offering. Because of the complexities and uncertainties in establishing a new business strategy, it is not possible to adequately project whether the proceeds of this offering will be sufficient to enable us to implement our strategy. This complexity and uncertainty will be increased if less than the maximum amount of securities offered in this offering is sold. The Company intends to raise additional capital in the future from investors. Although capital may be available for early-stage companies, there is no guarantee that the Company will receive any investments from investors.

Runway & Short/Mid Term Expenses

Sun & Swell Inc. cash in hand is \$101,000, as of July 2023. Over the last three months, revenues have averaged \$130,000/month, cost of goods sold has averaged \$69,000/month, and operational expenses have averaged \$84,000/month, for an average burn rate of \$24,000 per month. Our intent is to be profitable within the next 6-12 months.

Our net loss was \$140k for Q1. \$180k of monthly expenses includes our COGS.

We just had 3 major events happen recently that we expect to accelerate wholesale sales shortly. 1) Women Owned Certification (many of our corporate/wholesale customers prioritize certified women-owned businesses) 2) Food Buy Approval - this is a wholesale buying group in the foodservice sector that we play in. Not having this approval was a major barrier for even faster growth in this channel. 3) A formalized partnership with a major customer that should drive both revenue in Q3/Q4 and amplify awareness (partnership details are confidential / can't be disclosed at time of filing).

We are burning about \$25k per month right now. We believe if we raise \$600k, we can achieve our revenue goals set forth for the year and be close to profitability by end of year. We believe we'll break even as a business if we generate about \$180k revenue per month (~\$2.2M annually).

To cover short term burn, we have cut contractor fees and other unnecessary expenses, and are working to collect on receivables (we currently have ~\$200K in receivables outstanding).

Last year we did \$1M of revenue, and in Q1 of this year we did \$400k. We are on pace to hit about \$2.5M of revenue this year, and we believe that the demand is there; our challenge is funding that growth. We believe we'll need to raise at least \$500k in order to hit that milestone. This extra working capital will allow us to build up more inventory to go after larger customers.

All projections in the above narrative are forward-looking and not guaranteed.

INSTRUCTIONS TO QUESTION 29: The discussion must cover each year for which financial statements are provided. For issuers with no prior operating history, the discussion should focus on financial milestones and operational, liquidity and other challenges. For issuers with an operating history, the discussion should focus on whether historical results and cash flows are representative of what issuers should expect in the future. Take into account the proceeds of the offering and any other known or pending sources of capital. Discuss how the proceeds from the offering will effect liquidity, whether receiving those funds and any other additional funds is necessary to the viability of the business, and how quickly the issuer anticipates using its available cash. Describe the other available sources of capital to the business, such as lines of credit or required contributions by shareholders. References to the issuer in this Question 29 and these instructions refer to the issuer and its predecessors, if any.

FINANCIAL INFORMATION

29. Include financial statements covering the two most recently completed fiscal years or the period(s) since inception, if shorter:

Refer to [Appendix C, Financial Statements](#)

I, Bryan Flynn, certify that:

(1) the financial statements of Sun & Swell Inc. included in this Form are true and complete in all material respects ; and

(2) the financial information of Sun & Swell Inc. included in this Form reflects

accurately the information reported on the tax return for Sun & Swell Inc. filed for the most recently completed fiscal year.

Bryan Flynn
Sales

OTHER MATERIAL INFORMATION

31. In addition to the information expressly required to be included in this Form, include:

- (1) any other material information presented to investors; and

- (2) such further material information, if any, as may be necessary to make the required statements, in the light of the circumstances under which they are made, not misleading.

The Company is using the services of XX as part of its offering. XX is comprised of XX Investments, LLC, XX Team LLC, and the Lead Investors who provide services on behalf of XX Team LLC. The services of XX are available to companies that offer securities through Wefunder Portal LLC and to investors who invest in such companies through Wefunder Portal, but XX is not affiliated with Wefunder Portal or its affiliates.

XX Investments is the Company's transfer agent and also acts as custodian, paying agent, and proxy agent on behalf of all investors that enter into the Custodial and Voting Agreement with XX Investments through the Wefunder Portal website ("Investors"). XX Investments holds legal title to the securities the Company issues through Wefunder Portal (which are uncertificated) on behalf of Investors. Investors, in turn, hold the beneficial interests in the Company's securities. XX Investments keeps track of each Investor's beneficial ownership interest and makes any distributions to the Investors (or other parties, as directed by the Investors).

In addition to the above services, at the direction of XX Team, XX Investments votes the securities and take any other actions in connection with such voting on behalf of the Investors. XX Investments acts at the direction of XX Team, because XX Team holds a power of attorney from each Investor that has entered into the Investor Agreement to make voting decisions on behalf of that investor. XX Investments will not charge Investors for its services. XX Investments does charge the Company \$1,000/year for services; however, those fees may be paid by Wefunder Inc. on behalf of the Company.

As noted, XX Team holds a power of attorney from each Investor that has entered into the Investor Agreement to make voting decisions on behalf of that investor. Pursuant to the power of attorney, XX Team will make voting decisions and then direct XX Investments to vote and take any other actions in connection with the voting on Investors' behalf. XX Team will act, with respect to the Company, through our Lead Investor, who is a representative of XX Team. As compensation for its voting services, each Investor authorizes XX Investments to distribute to XX Team 10% of any distributions the Investor would otherwise receive from the Company. XX Team will share its compensation with our Lead Investor. XX Team, through our Lead Investor, may also provide consulting services to the Company and may be compensated for these services by the Company; although, fees owed by the Company may be paid by Wefunder Inc. XX Team will share its consulting compensation with our Lead Investor.

The Lead Investor is an experienced investor that we choose to act in the role of Lead Investor, both on behalf of the Company and on behalf of Investors. As noted, the Lead Investor will be a representative of XX Team and will share in compensation that XX Team receives from the Company (or Wefunder Inc. on the Company behalf) or from Investors. The Lead Investor will be chosen by the Company and approved by Wefunder Inc., and the identity of the Lead Investor must be disclosed to Investors before Investors make a final investment decision to purchase the Company's securities. Investors will receive disclosure regarding all fees that may be received by the Lead Investor. In addition to the fees described above, the Lead Investor may receive compensation if, in the future, Wefunder Advisors LLC forms a special purpose vehicle ("SPV") for the purpose of investing in a non-Regulation Crowdfunding offering of the Company. In such a circumstance, the Lead Investor may act as a portfolio manager for that SPV (and as a supervised person of Wefunder Advisors) and may be compensated through that role. Although the Lead Investor may act in multiple roles and be compensated from multiple parties, the Lead Investor's goal is to maximize the value of the Company and therefore maximize the value of the Company's securities. As a result, the Lead Investor's interests should always be aligned with those of the Investors.

Investors that wish to purchase the Company's securities through Wefunder Portal must agree to (1) hire XX Investments to serve as custodian, paying agent, and proxy agent with respect to the Company's securities; (2) give a power of attorney to XX Team to make all voting decisions with respect to the Company's securities; and (3) direct XX Investments to share 10% of the Investor's distribution from the Company with XX Team. The Company may waive these requirements for certain investors with whom the Company has a pre-existing

relationship.

The XX arrangement described above is intended to benefit the Company by allowing the Company to reflect one investor of its capitalization table (XX Investments) and by simplifying the voting process with respect to the Company's securities by having one entity (XX Team), through one person (the Lead Investor), make all voting decisions and having one entity (XX Investments) carry out XX Team's voting instruments and any take any related actions. The XX arrangement also is intended to benefit Investors by providing the services of an experienced Lead Investor (acting on behalf of XX Team) who is expected to make value-maximizing decisions regarding Investors' securities. XX Team (acting through the Lead Investor) may further benefit both the Company and Investors by providing consulting services to the Company that are intended to maximize both the value of the Company's business and also the value of its securities.

INSTRUCTIONS TO QUESTION 35: If information is presented in a format, media or other means not able to be referred to text in particular documents below, the issuer should include:
(a) a description of the material content of such information;
(b) a description of the format in which such disclosure is presented; and
(c) in the case of disclosures in video, audio or other dynamic media in format, a transcript or description of such disclosure.

ONGOING REPORTING

32. The issuer will file a report electronically with the Securities & Exchange Commission annually and post the report on its website, no later than:

120 days after the end of each fiscal year covered by the report.

33. Once posted, the annual report may be found on the issuer's website at:

<http://www.sunandswellfoods.com/invest>

The issuer must continue to comply with the ongoing reporting requirements until:

- 1, the issuer is required to file reports under Exchange Act Sections 13(a) or 15(d);
- 2, the issuer has filed at least one annual report and has fewer than 300 holders of record;
- 3, the issuer has filed at least three annual reports and has total assets that do not exceed \$10 million;
- 4, the issuer or another party purchases or repurchases all of the securities issued pursuant to Section 4(a)(6), including any payment in full of debt securities or any complete redemption of redeemable securities; or the issuer liquidates or dissolves in accordance with state law.

APPENDICES

Appendix A: Business Description & Plan

Appendix C: Financial Statements

Financials 1

Appendix D: Director & Officer Work History

Bryan Flynn

Kate Flynn

Kate Flynn

Appendix E: Supporting Documents

Add new Form C attachment (admin only).

Signatures

Intentional misstatements or omissions of facts constitute federal criminal violations. See 18 U.S.C. 1001.

The following documents will be filed with the SEC:

[Cover Page XML](#)

[Offering Statement \(this page\)](#)

[Appendix A: Business Description & Plan](#)

[Appendix B: Investor Contracts](#)

[Early Bird SAFE \(Simple Agreement for Future Equity\)](#)

[SAFE \(Simple Agreement for Future Equity\)](#)

[Appendix C: Financial Statements](#)

[Financials 1](#)

[Appendix D: Director & Officer Work History](#)

[Bryan Flynn](#)

[Kate Flynn](#)

[Kate Flynn](#)

[Appendix E: Supporting Documents](#)

Pursuant to the requirements of Sections 4(a)(6) and 4A of the Securities Act of 1933 and Regulation Crowdfunding (§ 227.100 et seq.), this Annual Report and Transfer Agent Agreement has been signed by the following persons in the capacities and on the dates indicated.

Sun & Swell Inc.

By

Bryan Flynn

Co-founder & Head of Sales

Pursuant to the requirements of Sections 4(a)(6) and 4A of the Securities Act of 1933 and Regulation Crowdfunding (§ 227.100 et seq.), this Annual Report and Transfer Agent Agreement has been signed by the following persons in the capacities and on the dates indicated.

Laurel Flynn

Co-founder & CEO

8/2/2023

Bryan Flynn

Co-founder & Head of Sales

[INVITE ANOTHER PERSON TO SIGN](#)

The Annual Report must be signed by the issuer, its principal executive officer or officers, its principal financial officer, its controller or principal accounting officer and at least a majority of the board of directors or persons performing similar functions.

I authorize Wefunder Portal to submit a Annual Report to the SEC based on the information I provided through this online form and my company's Wefunder profile.

As an authorized representative of the company, I appoint Wefunder Portal as the company's true and lawful representative and attorney-in-fact, in the company's name, place and stead to make, execute, sign, acknowledge, swear to and file a Annual Report on the company's behalf. This power of attorney is coupled with an interest and is irrevocable. The company hereby waives any and all defenses that may be available to contest, negate or disaffirm the actions of Wefunder Portal taken in good faith under or in reliance upon this power of attorney.