

# Annual Report

## Cover Page

Name of issuer:

CUBO BEVERAGES INC.

Legal status of issuer:

Form: **Corporation**

Jurisdiction of Incorporation/Organization: **DE**

Date of organization: **5/9/2022**

Physical address of issuer:

5630 Venice Blvd  
Suite 6101  
Los Angeles CA 90019

Website of issuer:

<http://cubopods.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:

283803

Current number of employees:

6

	Most recent fiscal year-end:	Prior fiscal year-end:
Total Assets:	\$2,183,000.00	\$2,498,132.00
Cash & Cash Equivalents:	\$23,000.00	\$165,081.00
Accounts Receivable:	\$0.00	\$0.00
Short-term Debt:	\$50,000.00	\$0.00
Long-term Debt:	\$350,000.00	\$0.00
Revenue/Sales:	\$27,000.00	\$10,761.00
Cost of Goods Sold:	\$20,790.00	\$8,286.00
Taxes Paid:	\$0.00	\$0.00
Net Income:	(\$771,000.00)	(\$515,169.00)

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, TV

## 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:

CUBO BEVERAGES 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:

Raise closed in December 2022 so assumed

### 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
Nicolas Blatt	President	CUBO Beverages, Inc.	2016

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
Grichka Frachisse	CEO	2022
Nicolas Blatt	President	2016

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

*INSTRUCTION TO QUESTION 5: For purposes of this Question 5, the term officer means a president, vice president, secretary, treasurer or principal financial officer, controller or principal accounting officer, and any person that routinely performs 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
Nicolas Blatt	9913760.0 Common Stock	97.76

*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 60 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 there is such direction or control—as, for example, a co-owner they should be included as being “beneficially owned.” You should include an explanation of these relationships in a footnote to the “Number of Class C Shares 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: Respondent will provide your company's Webform public in an appendix (Appendix A) to the Form U-1 in PDF format. The submission will include all Q&A items and “read more” links in an un-redacted format. All “links” will be hyperlinked.*

*This means that any information provided to your Webform profile will be provided to the SEC in response to this question. As a result, your company will be potentially liable 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 Webform 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:

EACH INVESTOR IS AWARE THAT AN INVESTMENT IN THE COMPANY IS SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK, INCLUDING THE POSSIBLE LOSS OF THE ENTIRE INVESTMENT, AND SUCH INVESTOR HAS CAREFULLY READ AND CONSIDERED THE FOLLOWING RISK FACTORS AND ALL MATTERS SPECIFIED IN THESE SUBSCRIPTION DOCUMENTS IN DETERMINING WHETHER OR NOT TO INVEST IN THE COMPANY AS SPECIFIED HEREIN. EACH INVESTOR UNDERSTANDS THAT THE FOLLOWING FACTORS ARE NOT AN ALL-INCLUSIVE LIST OF POSSIBLE RISKS INHERENT IN THE OFFERING.

**No Guarantee of Return.** An investment in the Company will involve various risks and uncertainties. Each prospective investor should carefully consider the following risk factors in conjunction with the other information contained in all disclosure materials before purchasing. The risks discussed in this section can adversely affect the Company operations, operating results, financial condition and prospects. This could cause the value of the Company's shares to decline and could cause potential investors to lose part or all of your investment. The risks and uncertainties described are not the only ones that the Company faces but do represent those risks and uncertainties presently known that the Company believes are material to its operations, operating results, prospects and financial condition. You should review the risks of this investment with your legal and financial advisors.

Potential investors should invest only to the extent that they are able to bear the risk of the loss of their entire investment and have no need for immediate liquidity. An investment should not be a major part of your portfolio of assets.

**Limited Operating History: Early Stage Company.** The Company has not established enough revenues or operations that will provide financial stability in the long term. There can be no assurance that the Company can realize its plans on the projected timetable to reach sustainable or profitable operations. Any material deviation from the Company's timetable could require that the Company seek additional capital. There can be no assurance that such capital shall be available at reasonable cost, or that it would not materially dilute the investment of investors in this Offering if it is obtained. Investment in an early stage company such as this Company is inherently subject to many risks, and investors should be prepared to withstand a complete loss of their investments. The Company only has a limited operating history upon which investors may base an evaluation of its performance; therefore, it is still subject to the entire risks incident to the creation and development of a new business.

**Need for Additional Financing.** Assuming the maximum investment is received, the Company believes that the net proceeds from this Offering and any concurrent offering shall be sufficient to fund the Company's operations as currently conducted for at least the next 12 months. Such belief, however, cannot give rise to an assumption that the Company's cost estimates are accurate or that unforeseen events would not occur that would require the Company to seek additional funding to meet its operational needs. As a result, the Company may require substantial additional financing to implement its business objectives.

There can be no assurances that the Company shall be able to obtain additional funding when needed, or that such funding, if available, shall be available on terms acceptable to the Company. Should the Company's operations not generate sufficient cash flow, or the Company cannot acquire additional funds if and when needed, the Company may be forced to curtail or cease its activities which would likely result in the loss to investors of all or a substantial portion of their investments.

The Company's success depends on our ability to obtain, maintain, defend and enforce intellectual property rights. Our ability to compete against other businesses selling similar products depends on our ability to secure and enforce intellectual property rights, including patent, trademark and trade secret rights. However, there is no guarantee that any patent or trademark applications that we have filed (or we may in the future file) will be approved, and any patent or trademark registrations that have issued (or may in the future issue) could be held invalid due to our conduct or challenges by third parties. We could lose our trade secret rights if we fail to properly protect our confidential information. Even to the extent that our intellectual property rights are valid, enforcing those rights could involve costly legal processes that we may not be able to bring to a successful conclusion.

The Company could be held to violate intellectual property rights of third parties. Although the Company is not aware of any third party rights that are infringed by our existing or contemplated business activities, we have not performed any freedom to operate analyses (other than standard trademark searches related to the “Cubo” mark), and there is no guarantee that we will not be sued for infringement by third parties or that we will not need to modify our brand or products to avoid infringement.

**Tax Risks.** No representation or warranty of any kind is made by the Company, the officers, directors, counsel to the Company, or any other professional advisors thereto with respect to any tax consequences of any investment in the Company. EACH PROSPECTIVE INVESTOR SHOULD SEEK THE INVESTOR'S OWN TAX ADVICE CONCERNING THE TAX CONSEQUENCES OF AN INVESTMENT IN THE COMPANY.

**Dilution.** After completion of the Offering, the Company's then existing equity holders may have their interests diluted through any future issuance of securities by the Company to raise capital. Moreover, existing equity holders may experience further dilution to the extent that future shares may be issued for a value less than the price paid in this offering. Subsequent investment into the Company may dilute each investor's percentage of ownership in the future. The purchase of equity in this offering does not confer on the investor any rights or protection against this dilution.

**Control by Existing Stockholders.** Following the Offering, the founders and principal stockholders of the Company will continue to own a majority of the common stock of the Company. As a result, such founders and principal stockholders shall have a significant influence on the affairs and management of the Company, as well as on all matters requiring stockholder approval, and changing the Company's dividend policy. Such concentration of ownership and control including electing and removing members of the Company's board of directors (the “Board”), causing the Company to engage in transactions with affiliated entities, causing or restricting the sale or merger of the could have the effect of delaying, deferring or preventing a change in control of the Company

even when such a change of control would be in the best interests of the Company's other stockholders.

**Payment of dividends.** The Company is not required to, and there is no guarantee that the Company will, pay dividends in any year.

**Limited Liquidity in the Absence of a Public Market.** There is no public market in which the equity in this offering may be sold, and it is not anticipated that any such market shall develop in the foreseeable future. Therefore, purchasers should be prepared to hold their positions indefinitely.

**Restrictions on Transfer.** Investors shall own unregistered securities, the Preferred Stock ("Shares"), comprising a minority interest in a privately owned company. The securities may not be transferable under certain state securities laws, which require registration or qualification. In such cases, the subscribers desiring to dispose of securities must deliver to the Company an opinion of counsel satisfactory to the Company to the effect that the proposed disposition of securities shall not violate the registration or qualification requirement of relevant state securities law.

**Because of potential restrictions on transferability of the Shares, and the fact that no trading market exists or is expected to develop for the Shares, holders of the Shares are not likely to be able to liquidate their investments or pledge the Shares as security on a loan in the event of an emergency. Thus, the Shares should be considered only as a long-term investment. There can be no assurances that the Company shall be able to affect a public registration of its shares, as its present level of business does not merit public ownership. In order to affect value from a public offering, a suitable underwriter must be located and a public market must be maintained following such offering. Typically, in an initial public offering existing shareholders are not permitted to sell their shares in such an offering, and are frequently required by the underwriter to "lock-up" their shares for a period of time thereafter.**

**Determination of Offering Price.** The offering price was determined arbitrarily by the Company based upon several factors. Such price is based primarily on the amount of funds sought from this financing and the number of shares the Board is willing to ultimately issue in order to raise such funds. Accordingly, there is no relationship between the price of the Offering and the assets, earnings or book value of the Company, the market value of the stock, or any other recognized criteria of value. As such, the price does not necessarily indicate the current value of the shares and should not be regarded as an indication of any future market price of the Company's capital stock.

**Use of Proceeds.** The Company intends to use the proceeds from this offering as described in the offering disclosures but the Company retains the right to adjust the use of the proceeds according to its business needs.

**Risk of Managing Growth.** As the Company transitions to what the Company hopes will be a company generating substantial revenues, the Company may not be able to manage its growth effectively, which could adversely affect its operations and financial performance.

The anticipated growth of the Company could place a strain on the Company's management, and operational and financial resources. Effective management of the anticipated growth will require expanding the Company's management and financial controls, hiring additional appropriate personnel as required, and developing additional expertise by existing management personnel. However, there can be no assurances that these or other measures implemented by the Company shall effectively increase the Company's capabilities to manage such anticipated growth or to do so in a timely and cost-effective manner. Moreover, management of growth is especially challenging for a company with a short operating history and limited financial resources, and the failure to effectively manage growth could have a material adverse effect on the Company's operations.

**Dependence on Key Personnel.** The Company is highly dependent on the services of Nicolas Blatt and Grichka Frachisse, and the loss of their services could have an adverse effect on the future operations of the Company. Although the Company does not currently maintain a key-person life insurance policy insuring the lives of Mr. Blatt and Mr. Frachisse, the Company may apply for such a life insurance policy.

**Risks Associated with Financial Projections.** The financial projections discussed in our offering materials have been prepared by management and are based upon assumptions that the Company believes to be reasonable. The projected results are dependent on the successful implementation of management's growth strategies and are based on hypothetical assumptions and events over which the Company has only partial or no control. Such assumptions may, however, be incomplete or inaccurate, and unanticipated events and circumstances may occur. The selection of assumptions underlying such projected information has required the exercise of judgment, and the projections are inherently subject to significant uncertainty because that economic, legislative, political or other changes may have on future events. Changes in the facts or circumstances underlying such assumptions could materially affect our ability to achieve the projected results. For these reasons, actual results achieved during the periods covered may be materially and adversely different.

Even if the assumptions underlying the Company's plans prove to be correct, there can be no assurances that the Company shall not incur substantial operating losses in attaining its goals. The Company's plans are based on the premise that customers desire the advantages provided by the Company's products and services. However, there can be no assurances that the Company's objectives shall be realized if any of the assumptions underlying its plans prove to be incorrect. Investors should also be aware that no independent market studies have been conducted by the Company regarding the Company's plan, nor are any such studies currently planned.

**Risks Related to Economic Conditions.** Economic recessions or downturns may have an adverse effect on the Company, its financial condition, results of operations and the Company performance. Negative general economic conditions could continue to reduce the overall amount of demand, which may in turn adversely affect our revenues.

**Government Risks.** Costs imposed pursuant to governmental laws and regulations, including and not limited to health department regulations and FDA regulations, may reduce the Company's net income and the cash available for distributions to Investors. Privacy issues are subject to federal, state and local laws and regulations relating to protection of individuals. SP could be subject to liability in the form of fines, penalties, or damages for noncompliance with these laws and regulations

The Company could fail to obtain necessary regulatory approvals. The Company must obtain certain state and federal regulatory approvals for operation of the project. These approvals must be obtained in order for the project to proceed as described.

The Company or its products could be subject to unanticipated regulations. Although to management's knowledge the Company and its products/services are not currently subject to any material regulation, there could be existing regulations that management is not aware of, and new regulations affecting the Company's business or products could be adopted in the future. Any such regulations could be costly or impossible for the Company to comply with.

**Litigation Risks.** Lawsuits arise from unexpected quarters. Litigation is both expensive and time consuming even when one's position eventually prevails completely. Obviously, any litigation or threats of litigation could have a significant impact on the Company from the standpoint of daily operations and eventual financial return.

The food automation business is highly technical and changeable and our failure to introduce new products to the market may harm our business. We operate in a highly technical industry, which is characterized by frequent introductions of new machines and food products into the market. Our success will depend, in part, on our ability to improve our present products, to develop new products and to provide necessary services and support. The proceeds of this offering may not provide us with sufficient funds to finance our research and development needs.

We may not have sufficient financial resources to successfully compete in the food automation business. A large number of enterprises provide products or services similar to ours. We will be competing with established businesses that have an operating history, and greater financial resources, management experience and market share than we have. There can be no assurance that we will be able to compete or capture adequate market share. We will not be profitable if we cannot compete successfully with other businesses.

The Company may face increased competition in the food automation business market. The Company may face increased competition in this market especially as the Process demonstrates the financial viability of its technology and food

THE COMPANY UNDERSTANDS THE ECONOMIC VALUE OF ITS TECHNOLOGY AND KNOWLEDGE. In addition, new beverage machines could be developed that are more efficient or cost-effective, thereby undermining the value of this project.

The Company may not be able to compete against established competitors. The Company will be competing with established businesses that have an operating history and greater financial resources, management experience and market share than we have. There can be no assurance that we will be able to compete or capture adequate market share. The Company will not be profitable if we cannot compete successfully with other businesses.

Equipment failure or major production issues. An equipment failure, a major components shortage, a supply chain disruption or a change in production partner that derails the Company's production for several weeks or months would seriously compromise our business plan. Major components shortage, supply chain disruption/issues, change of major production partners.

The company may not develop compelling enough products. Product designs and styles need to be refreshed periodically; new styles have to be added and some styles retired periodically. There is no guarantee that this process will result in an attractive enough product offering over time. Much of the design work may be performed by outside contractors over whom we have little control.

The Company may not be able to source its food products reliably or affordably enough. The Company could face unexpected food product and machine component cost increases that make its economic model unviable. Delays in production, shipping, or customs clearance could materially impact product delivery and thus customer experience and cash flow. Products can be lost or damaged in transit. Products that are designed, developed or assembled poorly could adversely affect sales due to poor quality, fit or color selection. Our products may not meet the sustainability standards that we claim they will meet, which could result in harm to our reputation.

Our products could cause bodily injury or harm to property. Although we believe our products will be safe, depending on the manner in which they are manufactured and/or used, our products could cause bodily injury or harm to property (and even if such injury or harm is not actually caused by our products, people could claim that our products caused such injury or harm). In the event that any such harm is caused (or claimed to be caused) by our products, there could be lawsuits against the Company that are costly to defend and/or result in costly settlements or judgments against the Company.

Our technology and manufacturing processes are still in development. There is no guarantee that we will be able to design and develop the technology and know how necessary for our products to perform as intended on our projected timelines or at all. Some of the necessary development work will be performed by third party contractors over whom we have little control. Even if our technology is successfully developed, there could be additional delays in developing the manufacturing processes necessary to produce our products at new facilities at an appropriate scale, and there is no guarantee that we will ever be able to efficiently manufacture defect-free products at an appropriate scale.

Our business is sensitive to the availability and cost of necessary raw materials. We may encounter difficulties procuring the raw materials necessary to produce our food products. Even if those raw materials remain available, depending on their cost we may not be able to produce our products at a cost that allows us to sell them to businesses or consumers at a profit.

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 6: *Insert generalized statements and include only those factors that are unique to the issuer. Disclosures should be tailored to the issuer's business and the offering and should not repeat the factors addressed in the legends 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
Preferred	5,281,975	1,234,614	No <input type="button" value="v"/>
Common	14,324,608	10,140,774	Yes <input type="button" value="v"/>

Class of Security	Securities Reserved for Issuance upon Exercise or Conversion
Warrants:	1,429,794
Options:	1,923,888

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

*Convertible Note*

Issue date	06/08/23
Amount	\$50,000.00
Interest rate	10.0% per annum
Discount rate	0.0%
Valuation cap	\$7,500,000.00
Maturity date	06/09/25

*Previous significant investor - bridge note*

*Convertible Note*

Issue date	06/11/23
Amount	\$150,000.00
Interest rate	10.0% per annum
Discount rate	0.0%
Valuation cap	\$10,500,000.00
Maturity date	06/12/25

*Bridge note*

*Convertible Note*

Issue date	06/11/23
Amount	\$50,000.00
Interest rate	10.0% per annum
Discount rate	0.0%
Valuation cap	\$7,500,000.00
Maturity date	06/12/25

*Bridge note*

*Convertible Note*

Issue date	08/14/23
Amount	\$100,000.00

**Interest rate** 10.0% per annum  
**Discount rate** 0.0%  
**Valuation cap** \$11,633,000.00  
**Maturity date** 06/15/25

*Bridge note*

None.

*INSTRUCTION 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 Section 4(a)(2)	Security Type Priced Round	Amount Sold \$150,000	Use of Proceeds General operations
4/2022	Other	Common stock	\$2,111,966	General operations
5/2022	Regulation D, Rule 506(c)	Preferred stock	\$95,000	General operations
6/2022	Regulation D, Rule 506(c)	Preferred stock	\$200,000	General operations
12/2022	Regulation Crowdfunding	Priced Round	\$189,928	General operations
2/2023	Section 4(a)(2)	Preferred stock	\$400,000	General operations
6/2023	Section 4(a)(2)	Convertible Note	\$50,000	General operations
6/2023	Section 4(a)(2)	Convertible Note	\$150,000	General operations
6/2023	Section 4(a)(2)	Convertible Note	\$50,000	General operations
6/2023	Section 4(a)(2)	Convertible Note	\$100,000	General operations
10/2023	Section 4(a)(2)	Common stock	\$20,000	General operations
10/2023	Section 4(a)(2)	Common stock	\$100,000	General operations
11/2023	Section 4(a)(2)	Priced Round	\$100,000	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)(6) 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:

- any director or officer of the issuer;
  - 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;
  - if the issuer was incorporated or organized within the past three years, any promoter of the issuer;
  - 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** Nicolas Blatt  
**Amount Invested** \$500,000.00  
**Transaction type** Priced round  
**Issue date** 01/30/18  
**Relationship** Owner

**Name** Nicolas Blatt  
**Amount Invested** \$2,111,966.00  
**Transaction type** Priced round  
**Issue date** 04/29/22  
**Relationship** Owner

**Name** Nicolas Blatt  
**Amount Invested** \$95,000.00  
**Transaction type** Priced round  
**Issue date** 05/19/22  
**Relationship** Chairman / President

**Name** DMB  
**Amount Invested** \$200,000.00  
**Transaction type** Priced round  
**Issue date** 06/20/22  
**Relationship** Family President

**Name** VB  
**Amount Invested** \$400,000.00  
**Transaction type** Priced round  
**Issue date** 02/21/23  
**Relationship** Family President

**Name** DMB  
**Amount Invested** \$50,000.00  
**Transaction type** Convertible note  
**Issue date** 06/08/23  
**Interest rate** 10.0% per annum  
**Discount rate** 0.0%  
**Maturity date** 06/09/25  
**Valuation cap** \$7,500,000.00  
**Relationship** Family President

**Name** Yehui Huang  
**Amount Invested** \$150,000.00  
**Transaction type** Convertible note  
**Issue date** 06/11/23  
**Interest rate** 10.0% per annum  
**Discount rate** 0.0%  
**Maturity date** 06/12/25  
**Valuation cap** \$10,500,000.00  
**Relationship** Broker

**Name** CMB  
**Amount Invested** \$50,000.00  
**Transaction type** Convertible note  
**Issue date** 06/11/23  
**Interest rate** 10.0% per annum  
**Discount rate** 0.0%  
**Maturity date** 06/09/25



measurably value	USD 142,402
Valuation cap	\$7,500,000.00
Relationship	Family President
Name	Nicolas Blatt
Amount invested	\$100,000.00
Transaction type	Priced round
Issue date	10/31/23
Relationship	President
Name	Cloudsberry Holdings Inc
Amount invested	\$100,001.00
Transaction type	Priced round
Issue date	11/27/23
Relationship	Family President

**INSTRUCTIONS TO QUESTION 26:** The term transaction includes, but is not limited to, any financial transaction, arrangement or relationship (including any sideletters or guarantee of indebtedness) or any series of similar transactions, arrangements or relationships.

Direct or indirect 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 calculation 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 spousal 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 "spousal equivalent" means a substantial 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 profit 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 transaction.

## 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

Revolutionary Functional beverages - B2B & B2C - One touch wellness

Having families & kids at home we realized that there was no easy ways to make great beverages quickly without spending time doing it! As Engineers, both founders built their own solution for their personal needs! Everyone wanted one in their own home or businesses when they saw and tasted the product => CUBO was born as a business!

Enhanced juices & Lattes, soups and protein shakes maker that uses pods, features touch screen commands and premium features such as self-cleaning, or delivering hot and cold beverages from a single group-head.

In 5 years CUBO would like to address both B2B and B2C market and would like to be in thousands high traffic business premium locations (Airport Lounges, Conventions centers, Coffee & restaurant chains, Hotels, etc.) and have captured 2% of the B2C wellness market in people's homes.

#### Milestones

CUBO BEVERAGES INC. was incorporated in the State of Delaware in May 2022.

Since then, we have:

- 👤 Former CEO of Nestlé India in the team. Head of R&D centers at time of product development of Nespresso
- 💰 \$2.5M invested by the founding team in building the company
- 📈 6+ years of DEVELOPMENT | We're shaking up a \$65B+ market
- 🏢 229 current clients: Gyms, Beauty salons, Restaurants, Lounges, Offices, Hotels
- 🌱 UNIQUE FEATURES: Self-Cleaning | Push-Button | Hot & Cold | Recyclable Pods
- 62,000+ potential Business Clients locations identified in CA

The Company is subject to risks and uncertainties common to early-stage companies. Given the Company's limited operating history, the Company cannot reliably estimate how much revenue it will receive in the future.

#### Historical Results of Operations

Our company was organized in May 2022 and has limited operations upon which prospective investors may base an evaluation of its performance.

• **Revenues & Gross Margin.** For the period ended December 31, 2023, the Company had revenues of \$27,000 compared to the year ended December 31, 2022, when the Company had revenues of \$10,761. Our gross margin was 23.0% in fiscal year 2023, compared to 23.0% in 2022.

• **Assets.** As of December 31, 2023, the Company had total assets of \$2,183,000, including \$23,000 in cash. As of December 31, 2022, the Company had \$2,495,132 in total assets, including \$165,081 in cash.

• **Net Loss.** The Company has had net losses of \$771,000 and net losses of \$515,169 for the fiscal years ended December 31, 2023 and December 31, 2022, respectively.

#### 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 \$3,676,967 in equity and \$850,000 in convertible notes.

We will require additional financing in excess of the proceeds from the Reg CF past Offering in order to perform operations over the lifetime of the Company. We are currently raising through another round of funding. Because of the complexities and uncertainties in establishing a new business strategy, it is not possible to adequately project whether the proceeds of this current 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 money raised in this round is raised. 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

CUBO BEVERAGES INC. cash in hand is \$24,770.04, as of March 2024. Over the last three months, revenues have averaged \$4,456/month, cost of goods sold has averaged \$3,432/month, and operational expenses have averaged \$70,000/month, for an average burn rate of \$68,974 per month. Our intent is to be profitable in 8 months.

More people have been added to the team to develop our B2B sales strategy, nationally and internationally. For the next 6 months, CUBO will be focusing on selling to its CUBO Labs account and creating domestic and international partners. Monthly Recurring Revenues (MRR) are expected to be \$30,000 within 6 months. CUBO Beverages Inc. is currently not profitable and is conducting a new round of funding to sustain its growth and reach profitability.

The Founding team is another source of capital for CUBO Beverages Inc, who has already invested over \$2.5M so far. Short-term burn is currently being covered by Founding team and new round of funding. All projections in the above narrative are forward-looking and not guaranteed.

## Cubo Beverages Risk Factors

### General

EACH INVESTOR IS AWARE THAT AN INVESTMENT IN THE COMPANY IS SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK, INCLUDING THE POSSIBLE LOSS OF THE ENTIRE INVESTMENT, AND SUCH INVESTOR HAS CAREFULLY READ AND CONSIDERED THE FOLLOWING RISK FACTORS AND ALL MATTERS SPECIFIED IN THESE SUBSCRIPTION DOCUMENTS IN DETERMINING WHETHER OR NOT TO INVEST IN THE COMPANY AS SPECIFIED HEREIN. EACH INVESTOR UNDERSTANDS THAT THE FOLLOWING FACTORS ARE NOT AN ALL-INCLUSIVE LIST OF POSSIBLE RISKS INHERENT IN THE OFFERING.

**No Guarantee of Return.** An investment in the Company will involve various risks and uncertainties. Each prospective investor should carefully consider the following risk factors in conjunction with the other information contained in all disclosure materials before purchasing. The risks discussed in this section can adversely affect the Company's operations, operating results, financial condition and prospects. This could cause the value of the Company's shares to decline and could cause potential investors to lose part or all of your investment. The risks and uncertainties described are not the only ones that the Company faces but do represent those risks and uncertainties presently known that the Company believes are material to its operations, operating results, prospects and financial condition. You should review the risks of this investment with your legal and financial advisors.

**Potential investors should invest only to the extent that they are able to bear the risk of the loss of their entire investment and have no need for immediate liquidity.** An investment should not be a major part of your portfolio of assets. **Certain Factors May Affect Future Success.** Any continued future success that the Company might enjoy will depend upon many factors including factors beyond the Company's control and/or which cannot be predicted at this time. These factors may include but are not limited to: changes in general economic conditions; changes in the regulatory environment that makes it more difficult to operate as planned; the Company's ability to expand our customer base and retain key customers; and reduced margins caused by competitive pressures. These conditions may have a material adverse effect upon the Company's business, operating results, and financial condition.

**Limited Operating History: Early Stage Company.** The Company has not established enough revenues or operations that will provide financial stability in the long term. There can be no assurance that the Company can realize its plans on the projected timetable to reach sustainable or profitable operations. Any material deviation from the Company's timetable could require that the Company seek additional capital. There can be no assurance that such capital shall be available at reasonable cost, or that it would not materially dilute the investment of investors in this Offering if it is obtained. Investment in an early stage company such as this Company is inherently subject to many risks, and investors should be prepared to withstand a complete loss of their investments. The Company only has a limited operating history upon which investors may base an evaluation of its performance; therefore, it is still subject to the entire risks incident to the creation and development of a new business.

**Need for Additional Financing.** Assuming the maximum investment is received, the Company believes that the net proceeds from this Offering and any concurrent offering shall be sufficient to fund the Company's operations as currently conducted for at least the next 12 months. Such belief, however, cannot give rise to an assumption that the Company's cost estimates are accurate or that unforeseen events would not occur that would require the Company to seek additional funding to meet its operational needs. As a result, the Company may require substantial additional financing to implement its business objectives.

There can be no assurances that the Company shall be able to obtain additional funding when needed, or that such funding, if available, shall be available on terms acceptable to the Company. Should the Company's operations not generate sufficient cash flow, or the Company cannot acquire additional funds if and when needed, the Company may be forced to curtail or cease its activities which would likely result in the loss to investors of all or a substantial portion of their investments.

The Company's success depends on our ability to obtain, maintain, defend and enforce intellectual property rights. Our ability to compete against other businesses selling similar products depends on our ability to secure and enforce intellectual property rights, including patent, trademark and trade secret rights. However, there is no guarantee that any patent or trademark applications that we have filed (or we may in the future file) will be approved, and any patent or trademark registrations that have issued (or may in the future issue) could be held invalid due to our conduct or challenges by third parties. We could lose our trade secret rights if we fail to properly protect our confidential information. Even to the extent that our intellectual property rights are valid, enforcing those rights could involve costly legal processes that we may not be able to bring to a successful conclusion.

The Company could be held to violate intellectual property rights of third parties. Although the Company is not aware of any third party rights that are infringed by our existing or contemplated business activities, we have not performed any freedom to operate analyses (other than standard trademark searches related to the "Cubo" mark), and there is no guarantee that we will not be sued for infringement by third parties or that we will not need to modify our brand or products to avoid infringement.

**Tax Risks.** No representation or warranty of any kind is made by the Company, the officers, directors, counsel to the Company, or any other professional advisors thereto with respect to any tax consequences of any investment in the Company. EACH PROSPECTIVE INVESTOR SHOULD SEEK THE INVESTOR'S OWN TAX ADVICE CONCERNING THE TAX CONSEQUENCES OF AN INVESTMENT IN THE COMPANY.

**Dilution.** After completion of the Offering, the Company's then existing equity holders may have their interests diluted through any future issuance of securities by the Company to raise capital. Moreover, existing equity holders may experience further dilution to the extent that future shares may be issued for a value less than the price paid in this offering. Subsequent investment into the Company may dilute each investor's percentage of ownership in the future. The purchase of equity in this offering does not confer on the investor any rights or protection against this dilution.

**Control by Existing Stockholders.** Following the Offering, the founders and principal stockholders of the Company will continue to own a majority of the common stock of the Company. As a result, such founders and principal stockholders shall have a significant influence on the affairs and management of the Company, as well as on all matters requiring stockholder approval, and changing the Company's dividend policy. Such concentration of ownership and control including electing and removing members of the Company's board of directors (the "Board"), causing the Company to engage in transactions with affiliated entities, causing or restricting the sale or merger of the could have the effect of delaying, deferring or preventing a change in control of the Company even when such a change of control would be in the best interests of the

Company's other stockholders.

Payment of dividends. The Company is not required to, and there is no guarantee that the Company will, pay dividends in any year.

Limited Liquidity in the Absence of a Public Market. There is no public market in which the equity in this offering may be sold, and it is not anticipated that any such market shall develop in the foreseeable future. Therefore, purchasers should be prepared to hold their positions indefinitely.

Restrictions on Transfer. Investors shall own unregistered securities, the Preferred Stock ("Shares"), comprising a minority interest in a privately owned company. The securities may not be transferable under certain state securities laws, which require registration or qualification. In such cases, the subscribers desiring to dispose of securities must deliver to the Company an opinion of counsel satisfactory to the Company to the effect that the proposed disposition of securities shall not violate the registration or qualification requirement of relevant state securities law.

Because of potential restrictions on transferability of the Shares, and the fact that no trading market exists or is expected to develop for the Shares, holders of the Shares are not likely to be able to liquidate their investments or pledge the Shares as security on a loan in the event of an emergency. Thus, the Shares should be considered only as a long-term investment. There can be no assurances that the Company shall be able to effect a public registration of its shares, as its present level of business does not merit public ownership. In order to affect value from a public offering, a suitable underwriter must be located and a public market must be maintained following such offering. Typically, in an initial public offering existing shareholders are not permitted to sell their shares in such an offering, and are frequently required by the underwriter to "lock-up" their shares for a period of time thereafter.

Determination of Offering Price. The offering price was determined arbitrarily by the Company based upon several factors. Such price is based primarily on the amount of funds sought from this financing and the number of shares the Board is willing to ultimately issue in order to raise such funds. Accordingly, there is no relationship between the price of the Offering and the assets, earnings or book value of the Company, the market value of the stock, or any other recognized criteria of value. As such, the price does not necessarily indicate the current value of the shares and should not be regarded as an indication of any future market price of the Company's capital stock.

Use of Proceeds. The Company intends to use the proceeds from this offering as described in the offering disclosures but the Company retains the right to adjust the use of the proceeds according to its business needs.

Risk of Managing Growth. As the Company transitions to what the Company hopes will be a company generating substantial revenues, the Company may not be able to manage its growth effectively, which could adversely affect its operations and financial performance.

The anticipated growth of the Company could place a strain on the Company's management, and operational and financial resources. Effective management of the anticipated growth will require expanding the Company's management and financial controls, hiring additional appropriate personnel as required, and developing additional expertise by existing management personnel. However, there can be no assurances that these or other measures implemented by the Company shall effectively increase the Company's capabilities to manage such anticipated growth or to do so in a timely and cost-effective manner.

Moreover, the management of growth is especially challenging for a company with a short operating history and limited financial resources, and the failure to effectively manage growth could have a material adverse effect on the Company's operations.

Dependence on Key Personnel. The Company is highly dependent on the services of Nicolas Blatt and Grichka Frachisse, and the loss of their services could have an adverse effect on the future operations of the Company. Although the Company does not currently maintain a key-person life insurance policy insuring the lives of Mr. Blatt and Mr. Frachisse, the Company may apply for such a life insurance policy.

Risks Associated with Financial Projections. The financial projections discussed in our offering materials have been prepared by management and are based upon assumptions that the Company believes to be reasonable. The projected results are dependent on the successful implementation of management's growth strategies and are based on hypothetical assumptions and events over which the Company has only partial or no control. Such assumptions may, however, be incomplete or inaccurate, and unanticipated events and circumstances may occur. The selection of assumptions underlying such projected information has required the exercise of judgment, and the projections are inherently subject to significant uncertainty because that economic, legislative, political or other changes may have on future events. Changes in the facts or circumstances underlying such assumptions could materially affect our ability to achieve the projected results. For these reasons, actual results achieved during the periods covered may be materially and adversely different.

Even if the assumptions underlying the Company's plans prove to be correct, there can be no assurances that the Company shall not incur substantial operating losses in attaining its goals. The Company's plans are based on the premise that customers desire the advantages provided by the Company's products and services. However, there can be no assurances that the Company's objectives shall be realized if any of the assumptions underlying its plans prove to be incorrect. Investors should also be aware that no independent market studies have been conducted by the Company regarding the Company's plan, nor are any such studies currently planned.

Risks Related to Economic Conditions. Economic recessions or downturns may have an adverse effect on the Company, its financial condition, results of operations and the Company performance. Negative general economic conditions could continue to reduce the overall amount of demand, which may in turn adversely affect our revenues.

Government Risks. Costs imposed pursuant to governmental laws and regulations, including and not limited to health department regulations and FDA regulations, may reduce the Company's net income and the cash available for distributions to investors. Privacy issues are subject to federal, state and local laws and regulations relating to protection of individuals. 3P could be subject to liability in the form of fines, penalties, or damages for noncompliance with these laws and regulations.

The Company could fail to obtain necessary regulatory approvals. The Company must obtain certain state and federal regulatory approvals for operation of the project. These approvals must be obtained in order for the project to proceed as described.

The Company or its products could be subject to unanticipated regulations. Although to management's knowledge the Company and its products/services are not currently subject to any material regulation, there could be existing regulations that management is not aware of, and new regulations affecting the Company's business or products could be adopted in the future. Any such regulations could be costly or impossible for the Company to comply with. Litigation Risks. Lawsuits arise from unexpected quarters. Litigation is both expensive and time consuming even when one's position eventually prevails completely. Obviously, any litigation or threats of litigation could have a significant impact on the Company from the standpoint of daily operations and eventual financial return.

The food automation business is highly technical and changeable and our failure to introduce new products to the market may harm our business. We operate in a highly technical industry, which is characterized by frequent introductions of new machines and food products into the market. Our success will depend, in part, on our ability to improve our present products, to develop new products and to provide necessary services and support. The proceeds of this offering may not provide us with sufficient funds to finance our research and development needs.

We may not have sufficient financial resources to successfully compete in the food automation business. A large number of enterprises provide products or services similar to ours. We will be competing with established businesses that have an operating history, and greater financial resources, management experience and market share than we have. There can be no assurance that we will be able to compete or capture adequate market share. We will not be profitable if we cannot compete successfully with other businesses.



The Company may face increased competition in the food automation business market. The Company may face increased competition in this market especially as it demonstrates the financial viability of its technology and food products. In addition, new beverage machines could be developed that are more efficient or cost-effective, thereby undermining the value of this project.

The Company may not be able to compete against established competitors. The Company will be competing with established businesses that have an operating history and greater financial resources, management experience and market share than we have. There can be no assurance that we will be able to compete or capture adequate market share. The Company will not be profitable if we cannot compete successfully with other businesses. Equipment failure or major production issues. An equipment failure, a major components shortage, a supply chain disruption or a change in production partner that derails the Company's production for several weeks or months would seriously compromise our business plan. Major components shortage, supply chain disruption/issues, change of major production partners.

The company may not develop compelling enough products. Product designs and styles need to be refreshed periodically, new styles have to be added and some styles retired periodically. There is no guarantee that this process will result in an attractive enough product offering over time. Much of the design work may be performed by outside contractors over whom we have little control.

The Company may not be able to source its food products reliably or affordably enough. The Company could face unexpected food product and machine component cost increases that make its economic model unviable. Delays in production, shipping, or customs clearance could materially impact product delivery and thus customer experience and cash flow. Products can be lost or damaged in transit. Products that are designed, developed or assembled poorly could adversely affect sales due to poor quality, fit or color selection. Our products may not meet the sustainability standards that we claim they will meet, which could result in harm to our reputation.

Our products could cause bodily injury or harm to property. Although we believe our products will be safe, depending on the manner in which they are manufactured and/or used, our products could cause bodily injury or harm to property (and even if such injury or harm is not actually caused by our products, people could claim that our products caused such injury or harm). In the event that any such harm is caused (or claimed to be caused) by our products, there could be lawsuits against the Company that are costly to defend and/or result in costly settlements or judgments against the Company.

Our technology and manufacturing processes are still in development. There is no guarantee that we will be able to design and develop the technology and know how necessary for our products to perform as intended on our projected timelines or at all. Some of the necessary development work will be performed by third-party contractors over whom we have little control. Even if our technology is successfully developed, there could be additional delays in developing the manufacturing processes necessary to produce our products at new facilities at an appropriate scale, and there is no guarantee that we will ever be able to efficiently manufacture defect-free products at an appropriate scale.

Our business is sensitive to the availability and cost of necessary raw materials. We may encounter difficulties procuring the raw materials necessary to produce our food products. Even if those raw materials remain available, depending on their cost we may not be able to produce our products at a cost that allows us to sell them to businesses or consumers at a profit.

*INSTRUCTIONS TO QUESTION 30: 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 information 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 investors should expect in the future. Issuers must discuss the proceeds of the offering and any other terms or pending sources of capital. Discuss how the proceeds from the offering will address liquidity, whether reinvesting those funds and any other additional funds is necessary to the viability of the business, and how and why the issuer will continue to use all or a portion of its cash. Describe the other available sources of capital to the business, such as lines of credit or required contributions by third parties. Refer back to the issuer in this Question 30 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, Nicolas Blatt, certify that:

(1) the financial statements of CUBO BEVERAGES INC. included in this Form are true and complete in all material respects; and

(2) the financial information of CUBO BEVERAGES INC. included in this Form reflects accurately the information reported on the tax return for CUBO BEVERAGES INC. filed for the most recently completed fiscal year.

*Nicolas Blatt*  
President

## 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 33: If information is presented to investors in a format, medium or other means not able to be referred to via a portable document format, the issuer should include:*

- (a) a description of the essential content of such information;*
- (b) a description of the format in which such disclosure is presented; and*
- (c) in the case of disclosure in video, audio or other dynamic media or format, a screenshot 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:

/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](#)  
[Financials 2](#)

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

[Grichka Frachisse](#)  
[Nicolas Blatt](#)

[Appendix E: Supporting Documents](#)

[ttw\\_communications\\_107240\\_014101.pdf](#)

## 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 cubo SA](#)  
[cubo SA](#)

[Appendix C: Financial Statements](#)

[Financials 1](#)  
[Financials 2](#)

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

[Grichka Frachisse](#)  
[Nicolas Blatt](#)

[Appendix E: Supporting Documents](#)

[ttw\\_communications\\_107240\\_014101.pdf](#)

*Pursuant to the requirements of Sections 4(a)(6) and 4A of the Securities Act of 1933 and Regulation Crowdfunding (§ 227.100 et seq.), the issuer certifies that it has reasonable grounds to believe that it meets all of the requirements for filing an Annual Report and has duly caused this Form to be signed on its behalf by the duly authorized undersigned.*

CUBO BEVERAGES INC.

By

*Nicolas Blatt*

President

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.

*Grichka Frachisse*

CEO  
4/10/2024

*Nicolas Blatt*

President  
4/26/2024

*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.