
Annual Report

Cover Page

Name of issuer:

NovoMoto Inc.

Legal status of issuer:

Form: Corporation

Jurisdiction of Incorporation/Organization: DE

Date of organization: 1/1/2022

Physical address of issuer:

155 N Wacker
FL 42
Chicago IL 60606

Website of issuer:

<http://www.novomoto.net>

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:

12

	Most recent fiscal year-end:	Prior fiscal year-end:
Total Assets:	\$390,339.00	\$665,787.00
Cash & Cash Equivalents:	\$50,648.00	\$194,600.00
Accounts Receivable:	\$279,517.00	\$64,518.00
Short-term Debt:	\$1,201,981.00	\$291,221.00
Long-term Debt:	\$0.00	\$823,085.00
Revenues/Sales:	\$466,420.00	\$108,653.00
Cost of Goods Sold:	\$300,703.00	\$48,084.00
Taxes Paid:	\$982.00	\$1,045.00
Net Income:	(\$563,123.00)	(\$257,068.00)

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:

NovoMoto 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

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
Aaron Olson	CEO	Novomoto	2015
Mehrdad Arjmand	CEO	Novomoto	2015

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
Mehrdad Arjmand	CEO	2015

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, 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
Mehrdad Arjmand	Membership Interest	50.0
Aaron Olson	Membership Interest	50.0

INSTRUCTION TO QUESTION 6: The above information must be provided as of a date that is no more than 180 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 shares 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: Wefunder will provide your company's Wefunder profile as an appendix (Appendix A) to the Form C in PDF format. The submission will include all Q&A items and "read more" links in an uncollapsed format. All videos will be transcribed.

This means that any information provided in your Wefunder 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 Wefunder 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:

Slow traction is one of our biggest risks which will cause us to burn our cash on operations instead of growth. To mitigate that risk, we need to raise enough money to be able to grow as fast as possible.

Lack of adaptivity to the market is another big risk. To mitigate this risk, we are doing ongoing surveys in different segments of the market to observe any changes in the consumption of our user as early as possible.

Having a lean team is another challenge. So far, we have been able to put a small team together and now are working with them and are using their network to bring new talent to the team.

Technology competitive advantage is another risk in our industry. We are leveraging the first mover advantage in our market and at the same time are working on some ideas to modify the product from a technology standpoint to be the best fit for this market and have an advantage against all the other products in the market.

Running a company in a country and fundraising in other countries is another risk to our operations. To address this risk, we are training managers who are capable to run the operations seamlessly at all the times.

Our operations are capital intensive and hence we will need multiple rounds of investment which could be viewed as a risk. However, as soon as we get to multiple thousands of installations, we can use the incoming cash flow to leverage the use of debt financing to reduce our need for equity raise as much as possible.

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.

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 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
Series Seed-4 Preferred	2,333,333	0	No
Series Seed-3 Preferred	108,468	7,321	No
Series Seed-2 Preferred	1,151,654	519,779	No
Series Seed-1 Preferred	551,264	305,225	No
Class B	900,000	0	No
Class A	9,244,719	2,550,000	Yes

Securities Reserved for Issuance upon Exercise or Conversion

Warrants: _____
Options: 450,000

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

Loan

Lender MWERC
Issue date 04/30/17
Amount \$10,000.00
Outstanding principal plus interest \$15,000.00 as of 12/30/21
Interest rate 10.0% per annum
Maturity date 05/01/22
Current with payments Yes

Due in 2022. The company will make quarterly payments amounting to 5% of gross revenue until paid in full. The total amount of interest paid will range from \$1,000 to \$5,000, depending on when the principle is paid.

Loan

Lender WWBIC
Issue date 04/01/18
Amount \$50,000.00
Outstanding principal plus interest \$11,000.00 as of 03/31/22
Interest rate 9.25% per annum
Maturity date 08/15/22
Current with payments Yes

We are paying the monthly payments.

Loan

Lender MWERC
Issue date 04/23/18
Amount \$10,000.00
Outstanding principal plus interest \$14,000.00 as of 12/30/21
Interest rate 10.0% per annum
Maturity date 04/24/23
Current with payments Yes

Due in 2023. The company will make quarterly payments amounting to 5% of gross revenue until paid in full. The total amount of interest paid will range from \$1,000 to \$5,000, depending on when the principle is paid.

Convertible Note

Issue date 06/01/20
Amount \$400,461.00

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	Security Type	Amount Sold	Use of Proceeds
11/2018	Regulation D, Rule 506(b)	Convertible Note	\$50,000	General operations
11/2018	Regulation D, Rule 506(b)	Convertible Note	\$50,000	General operations
12/2018	Regulation D, Rule 506(b)	Convertible Note	\$30,000	General operations
1/2019	Regulation D, Rule 506(b)	Convertible Note	\$60,000	General operations
2/2020	Regulation D, Rule 506(c)	Convertible Note	\$18,000	General operations
3/2020	Regulation D, Rule 506(c)	Convertible Note	\$100,000	General operations
3/2020	Regulation D, Rule 506(c)	Convertible Note	\$100,000	General

	506(c)		operations
3/2020	Regulation D, Rule 506(c)	Convertible Note \$100,000	General operations
6/2020	Regulation Crowdfunding	Convertible Note \$400,461	General operations
12/2020	Regulation D, Rule 506(c)	Convertible Note \$10,000	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:

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 (4) any immediate family member of any of the foregoing persons.

Yes
 No

INSTRUCTIONS TO QUESTION 26: The term transaction includes, but is not limited to, any financial transaction, arrangement or relationship (including any indebtedness or guarantee of indebtedness) 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 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 cohabitant 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

NovoMoto sells high-quality solar systems for off-grid homes and small businesses in Sub-Saharan Africa. The systems transform customers' lives! Customers use our systems to improve how their children study, boost their business activities & save money. NovoMoto's systems are made affordable with payment plans. They are secured with technology that enables customers to use electricity only when they are up to date with their payments. All NovoMoto systems include customer service & a warranty.

Our goal is to bring reliable electricity to 1 million customers across multiple markets in Sub-Saharan Africa. To date, we have done over 1500 installations. Our goal for 2022 is to do 5000 total installations.

Milestones

NovoMoto Inc. was incorporated in the State of Delaware in January 2022. Before that, NovoMoto was an LLC based in Wisconsin from November 2015 until December 2021.

Since the incorporation of the company in November 2015, we have:

- Provided electricity to 1500 homes (~7500 people)
- Reduced the CO2 emissions by 320 Tonnes
- Created 10 jobs in DRC
- Provided more than \$500,000 in expected 5 years customer savings

Historical Results of Operations

Our company was organized in January 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, 2021, the Company had revenues of \$466,420. Our gross margin was 35.53%.
- *Assets.* As of December 31, 2021, the Company had total assets of \$390,339, including \$50,648 in cash.
- *Net Loss.* The Company has had net losses of \$363,123 for 2021.
- *Liabilities.* The Company's liabilities totaled \$1,201,981 for 2021.

Liquidity & Capital Resources

To date, the company has been financed with \$70,000 in debt and equity.

future, the company has used raised with \$1,000,000 in debt and equity \$1,000,000 in convertibles.

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. We plan to raise capital immediately. 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

NovoMoto Inc. cash in hand is \$30,000, as of March 2022. Over the last three months, revenues have averaged \$30,000/month, cost of goods sold has averaged \$0/month, and operational expenses have averaged \$30,000/month, for an average burn rate of \$0 per month

A significant portion of the convertible notes were converted to equity. This means that our current liability is reduced from \$1,201,981 at the beginning of 2022 to \$280,252.

We are out of stock now and hence our revenue (accrual) will be zero for the next 6 months. However, we expect to collect our receivables (\$279,517) in the next 6 months. We are expecting to receive our new shipments from Q4-2022 and hence will resume to generate revenue.

No, we are not profitable at the moment. Based on our financial projections, we will need \$14m in equity and debt financing to become profitable. If we achieve our milestones on time and there are no unexpected delays, we are expecting to become profitable by 2024.

We are planning to reach out to venture capital groups, social impact groups, angel groups and individual angel investors outside of a crowdfunding campaign.

We will collect and use our receivables to cover the short-term burn while we are raising our round.

INSTRUCTIONS TO QUESTION 28: 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 investors 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 affect liquidity, whether receiving these 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 28 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, Mehrdad Arjmand, certify that:

- (1) the financial statements of NovoMoto Inc. included in this Form are true and complete in all material respects; and
- (2) the tax return information of NovoMoto Inc. included in this Form reflects accurately the information reported on the tax return for NovoMoto Inc. filed for the most recently completed fiscal year.

Mehrdad Arjmand
CEO

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.

All information presented to investors hosted on Wefunder.com is available in [Appendix A: Business Description & Plan](#).

INSTRUCTIONS TO QUESTION 30: If information is presented to investors in a format, media or other means not able to be reflected in text or portable document format, the issuer should include:
(a) a description of the material contents 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 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.novomoto.net/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](#)

[Aaron Olson](#)

[Mehrdad Arjmand](#)

[Appendix E: Supporting Documents](#)

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](#)

[AMENDED Novomoto Convertible Note](#)

[NEW Novomoto Convertible Note](#)

[Appendix C: Financial Statements](#)

[Financials 1](#)

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

[Aaron Olson](#)

[Mehrdad Arjmand](#)

[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.), 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.

NovoMoto Inc.

By

Mehrdad Arjmand

Co-Founder/CEO

Pursuant to the requirements of Sections 4(a)(5) 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.

Aaron Olson

Co-Founder
4/14/2022

Mehrdad Arjmand

Co-Founder/CEO
4/11/2022

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.