Flower Turbines, Inc.

ANNUAL REPORT

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This Annual Report is dated November 20, 2026.

BUSINESS

Company Overview

We design, manufacture, and sell small vertical axis wind turbines, which, compared with current small drag-type wind turbines, are more aerodynamically efficient, emit less noise and vibrations, and are aesthetically designed. We have solved the aerodynamic blade design issues that plague many of our competitors' wind turbines. We also have a patented cluster effect, wherein the turbines perform much better when arranged nearby in the correct manner. Our goal is to make our sleek, innovative, and efficient small wind turbines the foundation of a large global renewable energy company. We currently offer, one, two, three, four, five, and six-meter high versions of our wind turbines, that can produce power ranging from tens of watts up to 10,000 watts.

Flower Turbines has been in existence since 2013, originally founded as an LLC in New York and most recently converted to Flower Turbines, Inc., a Delaware corporation. In 2019 Flower Turbines LLC completed a Regulation Crowdfunding campaign on StartEngine. In December 2019, Flower Turbines LLC became Flower Turbines, Inc., a Delaware Corporation.

The business entities are the same and all business-related materials transferred from the LLC to the new corporation. Flower Turbines, Inc. operates a wholly owned subsidiary Flower Turbines BV in the Netherlands. It addresses the EU market, which is currently more advanced than the US. Today, we are providing an opportunity to invest in Flower Turbines, Inc., the head company.

On March 27, 2019, we formed Flower Turbines B.V., a Netherlands company, to sell, install, and develop sustainable energy solutions in the European Union. In January 2020, we extended our business into the electric mobility vertical through Flower Turbines B.V.'s acquisition of a product line of charging stations, which include stationary poles, outdoor benches, and workstations, which can charge electric vehicles and other products such as mobile phones. The charging stations generate power through wind, solar, and grid energy. We outfit some of these charging stations with our wind turbines.

Previous Offerings

Here are the Startengine raises:

CF1, flowerturbines-1 (Reg CF)
$10.00 per share, 06/27/2018 to 12/02/2019. Gross confirmed; net calculated. 1,845 investors, 107,232 shares. Dollar figures: $1,069,533.77, $210.00, $64,172.03, $1,005,361.74, $1,069,533.77.

CF2, flowerturbines-2 (Reg CF)
$30.00 per share, 03/23/2020 to 12/27/2020. Gross confirmed; net calculated. 1,346 investors, 35,840 shares. Dollar figures: $1,020,750.00, $35,726.25, $61,245.00, $959,505.00, $1,020,750.00.

A+1, flowerturbines-3 (Reg A+)
$70.00 per share, 01/05/2021 to 12/30/2021. Gross confirmed; net calculated. 5,165 investors, 134,953 shares. Dollar figures: $8,426,950.00, $290,237.20, $505,617.00, $7,921,333.00, $8,426,950.00.

A+2, flowerturbines-rega-1 (Reg A+)
$12.00 per share, 06/06/2023 to 02/22/2024. Fully confirmed (ledger). 2,462 investors, 385,125 shares. Dollar figures: $4,180,020.00, $145,005.28, $234,581.36, $3,554,018.54, $3,788,599.90.

CF3, flowerturbines-4 (Reg CF)
$12.00 per share, 03/13/2024 to 05/31/2024. Fully confirmed (ledger). 866 investors, 165,640 shares. Dollar figures: $1,615,164.00, $56,415.18, $91,579.78, $1,368,891.13, $1,460,470.91.

CF4, flowerturbines (Reg CF)
$14.00 per share, 09/05/2024 to 04/30/2025. Fully confirmed (ledger). 845 investors, 106,502 shares. Dollar figures: $1,265,586.00, $43,555.30, $71,787.32, $1,108,667.71, $1,180,455.03.

Concurrent offering to Canadian investors, FrontFundr (Canadian offering memorandum exemption)
Closings: September 20, 2024 (2,399 shares; 10 subscribers), November 25, 2024 (1,384; 24), March 6, 2025 (3,731; 27) and April 30, 2025 (1,997; 21). Price $14.00 (effective prices after bonus shares from $11.20 to $14.00). 9,511 shares total, registered in the name of Dr. Farb as voting trustee. Dollar figures: $121,074 and $96,845.

Concurrent offering to Canadian investors, DealMaker (Canadian offering memorandum exemption)
January 31, 2025 to April 30, 2025. $14.00 per share. 1,148 shares (issued April 20, 2025). Dollar figures: approximately $16,072 and $10,315.

REGULATORY INFORMATION

The company has not previously failed to comply with the requirements of Regulation Crowdfunding;

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

Operating Results – 2025 Compared to 2024

Circumstances which led to the performance of financial statements:

For the 2025 Annual Period we had a net loss of approximately the same amount as 2024.

This is due to heavy investment in patents and new production capabilities. We are an R&D heavy company. We believe this will pay off more in 2026 and 2027 as we bring the expanding product line to market and offer customers more choices.

We were confronted by challenges from the decreased interest in cleantech following the 2024 elections so 2025 was a time of downsizing and cost reduction combined with a change in focus from many small sales to a smaller number of large sales. That resulted in 2026 having double the sales of earlier years along with lesser expenses. We expect that 2027 sales, partially thanks to the initiation of project financing, could be several million and bring us to the point of profitability.

The debt has increased but so have sales and profit per transaction.

In 2025 we closed both of our facilities (US and NL) in the second half of the year and have moved to a leaner outsourcing model.

Liquidity and Capital Resources

At December 31, 2025, the Company had cash of $5000.

Debt

Creditor: Leaf Financing
Outstanding balance: $78,000.00
Interest rate: 10%

Creditor: RaboBank

Outstanding balance: $25000
Interest rate: 7.5%

Debt instrument	Current Principal	Interest rate	Maturity
On Deck line of credit	$16,042.20	17.99%	12 months
American Express line of credit	$10,482.15	10.44–10.65%	6 months
Due to Dr. Mark Daniel Farb	$570,300	0%	On demand
Leaf Capital Funding equipment loan	$75000	7.50%	April 2030
Rabobank innovation loans (Flower Turbines B.V.)	$25000	7.50%	11/30/2026
Total	$696,824.35		

DIRECTORS, EXECUTIVE OFFICERS AND SIGNIFICANT EMPLOYEES

Our directors and executive officers as of the date hereof, are as follows:

Name: Dr. Mark Daniel Farb

Dr. Mark Daniel Farb's current primary role is with the Issuer.

Positions and offices currently held with the issuer:

• Position: Chief Executive Office, Chief Financial Officer, Secretary & Director
• Dates of Service: December 2019 — Present
• Responsibilities: Dr. Mark Daniel Farb serves as the chief executive officer, chief financial officer, chief technical and patent officer, secretary and sole director, since our inception in December 2019. Prior thereto, Dr. Farb served as the Manager of our predecessor-in interest, Flower Turbines LLC, since its founding in September 2014. Dr. Mark Daniel Farb currently receives cash compensation of $183,000 per year for this role.

Other business experience in the past three years:

• Employer: Leviathan Energy
Title: CEO
Dates of Service: June 2006 — Present
Responsibilities: Oversees corporate decisions. Leviathan Energy has been put on hold while Mr. Farb grows Flower Turbines. Mr. Farb does not work on Leviathan Energy during a work week.

Name: Warren Stoll

Warren Stoll's current primary role is with the Issuer.

Positions and offices currently held with the issuer:

• Position: Chief Operating Officer
• Dates of Service: May 2021 — Present
• Responsibilities: Mr. Stoll manages operations to provide strategic advice, and oversees administrative and operational functions - reporting directly to the CEO. Mr. Stoll currently receives salary compensation of $144,000 for this role.

Other business experience in the past three years:

• Employer: Loantime
Title: CEO
Dates of Service: June 2017 — May 2021
Responsibilities: Setting the organizations direction, aligning the organization and managing personal effectiveness.

PRINCIPAL SECURITY HOLDERS

Set forth below is information regarding the beneficial ownership of our Common Stock, our only outstanding class of capital stock, as of December 31, 2025, by (i) each person whom we know owned, beneficially, more than 10% of the outstanding shares of our Common Stock, and (ii) all of the current officers and directors as a group. We believe that, except as noted below, each named beneficial owner has sole voting and investment power with respect to the shares listed. Unless otherwise indicated herein, beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and includes voting or investment power with respect to shares beneficially owned.

Title of class: Common Stock
Stockholder Name: Dr. Mark Daniel Farb
Amount and nature of Beneficial ownership: 7,311,000
Percent of class: 91%

RELATED PARTY TRANSACTIONS

Intercompany loan facility with Flower Turbines B.V.
On January 1, 2023, Flower Turbines, Inc., as lender, and Flower Turbines B.V., as borrower, entered into a Loan Facility Agreement under which the lender agreed to provide a facility of up to $4,000,000 for market development. Advances bear simple interest at 5% per annum, accruing on the anniversary of each advance, each advance has a term of five years and automatically revolves unless repaid, and interest is pro-rated for the

year if an advance is repaid early. There is no facility fee, there are no financial covenants, and there is no fixed repayment schedule; repayment is to be decided by the lender as the borrower becomes increasingly profitable. The agreement is governed by New York law. Dr. Farb signed the agreement on behalf of both parties. Both sides of the balance and the interest eliminate on consolidation. On December 3, 2025, we issued a letter of support in favor of Flower Turbines B.V. running for twelve months from that date.

During 2025, Dr. Mark Daniel Farb, our chief executive officer and director, provided us with unsecured, non-interest-bearing advances totaling $570,300. The advances are payable on demand.

Summit CFO Group LLC

We receive bookkeeping, corporate tax preparation, and SEC and Regulation Crowdfunding compliance services from Summit CFO Group LLC, an entity managed by Avraham Farb, a shareholder and the son of Dr. Farb. Avraham Farb holds a degree in technology marketing and management and a master's degree in accounting. Professional fees paid to Summit CFO Group LLC were approximately $19,991.83 for the fiscal year ended December 31, 2025

Personal guarantees given by Dr. Farb

Dr. Farb is a personal guarantor of the American Express and Citi credit cards used by the company, of our borrowings from external parties, including the Leaf Capital Funding facility for the CNC machine purchased by the company, and of various other loans taken out by the company. Such guarantees provide additional recourse to the lenders in the event we do not satisfy our obligations. Dr. Farb receives no fee for these guarantees.

Use of premises owned by Dr. Farb

We use a cooperative apartment at 240 Central Avenue, Suite 1J, Lawrence, New York, which is personally owned by Dr. Farb, as our U.S. corporate mailing address, administrative headquarters and permanent place of business. The arrangement provides a low-cost U.S. presence and executive housing during business travel. We pay approximately $800 to $900 per month (approximately $9,600 annually, as recorded in the audited consolidated financial statements) for cooperative maintenance charges, utilities and insurance, which is recorded in operating expenses. Dr. Farb takes no profit on the transaction.

Leviathan (Qingdao) New Energy Tech Co. Ltd

Leviathan (Qingdao) New Energy Tech Co. Ltd is a Chinese entity owned by Dr. Farb. It was opened by Dr. Farb to represent Flower Turbines in China and is used as an intermediary to source components and to pass on income from activities in China such as the payment for a project there. It is entitled to a small charge on the transactions it handles but has taken none. Surpluses held by it are an asset of the company and are retained for sourcing from China; an account in the name of that entity, with a balance of RMB 192,888.24 at December 31, 2025, appears on our balance sheet. In March 2026 an advance of $2,000 from Dr. Farb was paid directly to that entity on our behalf.

Flower Turbines Projects Series 1 LLC and Series 2 LLC
Flower Turbines Projects Series 1 LLC was formed in 2025 and was originally wholly owned by us. On completion of its funding its ownership was transferred to the investors in its offering. We act as manager of Series 1, and we signed the Forvia power purchase agreement and the Vangarda Build project management agreement on its behalf. On July 7, 2026 we invoiced Series 1 $680,000 for eighteen 8-meter AL13 turbines and projected installation for its United Kingdom project. The terms of that sale were set by us and were not negotiated but were at arm's length standard turbine prices, and the sale is contingent on the project obtaining planning permission.

Intellectual property license
We have a royalty-free license to use certain patents, trademarks, copyrights and other intellectual property rights from Dr. Farb, all of them pursuant to a 20 year, royalty-free, world-wide, exclusive license.

OUR SECURITIES

The Company has authorized Common Stock.

Common Stock

Authorized: 20,000,000
Outstanding: 11,071,546
Voting Rights: One vote per share. Please see voting rights of the securities sold in this offering which contain a voting proxy below.
Material Rights:
The total amount outstanding does not include outstanding stock options or stock options reserved but unissued.

The total amount outstanding does not include any shares that may be issued in connection with the Company's securities offering through Frontfundr.

Voting Rights of Securities Sold in this Offering

Voting Proxy. Each Subscriber shall appoint the Chief Executive Officer of the Company (the “CEO”), or his or her successor, as the Subscriber’s true and lawful proxy and attorney, with the power to act alone and with full power of substitution, to, consistent with this instrument and on behalf of the Subscriber, (i) vote all Securities, (ii) give and receive notices and communications, (iii) execute any instrument or document that the CEO determines is necessary or appropriate in the exercise of its authority under this instrument, and (iv) take all actions necessary or appropriate in the judgment of the CEO for the accomplishment of the foregoing. The proxy and power granted by the Subscriber pursuant to this Section are coupled with an interest. Such proxy and power will be irrevocable. The proxy and power, so long as the Subscriber is an individual, will survive the death, incompetency and disability of the Subscriber and, so long as the Subscriber is an entity, will survive the

merger or reorganization of the Subscriber or any other entity holding the Securities. However, the Proxy will terminate upon the closing of a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933 covering the offer and sale of Common Stock or the effectiveness of a registration statement under the Securities Exchange Act of 1934 covering the Common Stock.

Dividends

The holders of our common stock will be entitled to receive pro rata dividends, if any, declared by our Board of Directors out of legally available funds, however, subject to any preferential right of the holders of any preferred stock that may be authorized and issued in the future.

Liquidation

Upon our liquidation, dissolution or winding-up, the holders of our common stock are entitled to share ratably in all assets that are legally available for distribution, however, subject to any preferential right of the holders of any preferred stock that may be authorized and issued in the future.

Voting Rights

The holders of our common stock are entitled to one vote per share, however, all holders of common stock who are investors have granted, and all holders of common stock issued in this offering shall grant, a voting proxy to our chief executive officer, that will limit investors' ability to vote their common stock until the occurrence of events specified in the proxy. See "Securities Being Offered - Voting Proxy".

Other Rights

The holders of our common stock have no preemptive, subscription, redemption or conversion rights.

Is the above Company Securities information accurate? *
Required

No - updates needed

Copy and paste the information above and edit appropriately: *
Required
The updated Company Securities information provided below will override the above Company Securities information in your C-AR filing.

What it means to be a minority holder

As a minority holder of Common Stock of this offering, you have granted your votes by proxy to the CEO of the Company. Even if you were to receive control of your voting rights, as a minority holder, you will have limited rights in regards to the corporate actions of the Company, including additional issuances of securities, company repurchases of securities, a sale of the Company or its significant assets, or company transactions with related parties. Further, investors in this offering may have rights less than those of other investors, and will have limited influence on the corporate actions of the Company.

Dilution

Investors should understand the potential for dilution. The investor's stake in a company could be diluted due to the Company issuing additional shares. In other words, when the Company issues more shares, the percentage of the Company that you own will go down, even though the value of the Company may go up. You will own a smaller piece of a larger company. This increase in the number of shares outstanding could result from a stock offering (such as an initial public offering, another crowdfunding round, a venture capital round, or angel investment), employees exercising stock options, or by conversion of certain instruments (e.g. convertible bonds, preferred shares or warrants) into stock.

If the Company decides to issue more shares, an investor could experience value dilution, with each share being worth less than before, and control dilution, with the total percentage an investor owns being less than before. There may also be earnings dilution, with a reduction in the amount earned per share (though this typically occurs only if the Company offers dividends, and most early-stage companies are unlikely to offer dividends, preferring to invest any earnings into the Company).

RISK FACTORS

Uncertain Risk

An investment in the Company (also referred to as "we", "us", "our", or the "Company") involves a high degree of risk and should only be considered by those who can afford the loss of their entire investment. Furthermore, the purchase of any securities should only be undertaken by persons whose financial resources are sufficient to enable them to indefinitely retain an illiquid investment. Each investor in the Company should research thoroughly any offering before making an investment decision and consider all of the information provided regarding the Company as well as the following risk factors, in addition to the other information in the Company's Form C. The following risk factors are not intended, and shall not be deemed to be, a complete description of the commercial, financial, and other risks inherent in the investment in the Company.

The transferability of the Securities you are buying is limited

You should be prepared to hold this investment for several years or longer. For the 12 months following your investment, there will be restrictions on the securities you purchase. More importantly, there are a limited number of established markets for the resale of these securities. As a result, if you decide to sell these securities

in the future, you may not be able to find, or may have difficulty finding, a buyer, and you may have to locate an interested buyer when you do seek to resell your investment. The Company may be acquired by an existing player in the industry. However, that may never happen or it may happen at a price that results in you losing money on this investment.

Your investment could be illiquid for a long time
You should be prepared to hold this investment for several years or longer. For the 12 months following your investment, there will be restrictions on how you can resell the securities you receive. More importantly, there are limited established markets for these securities. As a result, if you decide to sell these securities in the future, you may not be able to find a buyer. The Company may be acquired by an existing player in the same or a similar industry. However, that may never happen or it may happen at a price that results in you losing money on this investment.

The Company may undergo a future change that could affect your investment
The Company may change its business, management or advisory team, IP portfolio, location of its principal place of business or production facilities, or other change which may result in adverse effects on your investment. Additionally, the Company may alter its corporate structure through a merger, acquisition, consolidation, or other restructuring of its current corporate entity structure. Should such a future change occur, it would be based on management's review and determination that it is in the best interests of the Company.

Your information rights are limited with limited post-closing disclosures
The Company is required to disclose certain information about the Company, its business plan, and its anticipated use of proceeds, among other things, in this offering. Early-stage companies may be able to provide only limited information about their business plan and operations because it does not have fully developed operations or a long history to provide more disclosure. The Company is also only obligated to file information annually regarding its business, including financial statements. In contrast to publicly listed companies, investors will be entitled only to that post-offering information that is required to be disclosed to them pursuant to applicable law or regulation, including Regulation CF. Such disclosure generally requires only that the Company issue an annual report via a Form C-AR. Investors are generally not entitled to interim updates or financial information.

Some early-stage companies may lack professional guidance
Some companies attribute their success, in part, to the guidance of professional early-stage advisors, consultants, or investors (e.g., angel investors or venture capital firms). advisors, consultants, or investors may play an important role in a company through their resources, contacts, and experience in assisting early-stage companies in executing their business plans. An early-stage company primarily financed through Regulation Crowdfunding may not have the benefit of such professional investors, which may pose a risk to your investment.

If the Company cannot raise sufficient funds it will not succeed

The Company is offering Common Stock in the amount of up to $5,000,000 in this offering, and may close on any investments that are made. Even if the maximum amount is raised, the Company is likely to need additional funds in the future in order to grow, and if it cannot raise those funds for whatever reason, including reasons relating to the Company itself or the broader economy, it may not survive. If the Company manages to raise only the minimum amount of funds sought, it will have to find other sources of funding for some of the plans outlined in "Use of Proceeds."

We may not have enough capital as needed and may be required to raise more capital.
We anticipate needing access to credit in order to support our working capital requirements as we grow. It is a difficult environment for obtaining credit on favorable terms. If we cannot obtain credit when we need it, we could be forced to raise additional equity capital, modify our growth plans, or take some other action. Issuing more equity may require bringing on additional investors. Securing these additional investors could require pricing our equity below its current price. If so, your investment could lose value as a result of this additional dilution. In addition, even if the equity is not priced lower, your ownership percentage would be decreased with the addition of more investors. If we are unable to find additional investors willing to provide capital, then it is possible that we will choose to cease our sales activity. In that case, the only asset remaining to generate a return on your investment could be our intellectual property. Even if we are not forced to cease our sales activity, the unavailability of credit could result in the Company performing below expectations, which could adversely impact the value of your investment.

Terms of subsequent financings may adversely impact your investment
Even if we are successful in this offering, we may need to engage in common equity, debt, or preferred stock financings in the future. Your rights and the value of your investment in the common stock could be reduced. Interest on debt securities could increase costs and negatively impact operating results. Preferred stock could be issued in series from time to time with such designations, rights, preferences, and limitations as needed to raise capital. The terms of preferred stock could be more advantageous to those investors than to the holders of common stock, including, but not limited to, having dividend and liquidation preferences. In addition, ifwe need to raise more equity capital from the sale of equity securities, institutional or other investors may negotiate terms at least as, and possibly more, favorable than the terms of your investment.

Management's Discretion as to Use of Proceeds
Our success will be substantially dependent upon the discretion and judgment of our management team with respect to the application and allocation of the proceeds of this offering. The Use of Proceeds described below is an estimate based on our current business plan. We, however, may find it necessary or advisable to re-allocate portions of the net proceeds reserved for one category to another, and we will have broad discretion in doing so.

Projections: Forward Looking Information
Any projections or forward-looking statements regarding our anticipated financial or operational performance are hypothetical and are based on management's best estimate of the probable results of our operations and may not have been reviewed by our independent accountants. These projections are based on assumptions that

management believes are reasonable. Some assumptions invariably will not materialize due to unanticipated events and circumstances beyond management's control. Therefore, actual results of operations will vary from such projections, and such variances may be material. Any projected results cannot be guaranteed.

The amount raised in this offering may include investments from company insiders or immediate family members
Officers, directors, executives, and existing owners with a controlling stake in the Company (or their immediate family members) may make investments in this offering. Any such investments will be included in the raised amount reflected on the campaign page.

Supply Chain and Logistics Risks
The availability of raw materials, transportation costs, and supply chain disruptions can all impact the ability to manufacture and distribute products or services, leading to lost revenue or increased costs. Products and services that are not available when customers need them can lead to lost sales and damage to the brand's reputation.

Quality and Safety of our Product and Service
Our products may contain defects in design and manufacture that may cause them not to perform as expected or that may require repair. There can be no assurance that we will not be required to recall any products in the future. There can be no assurance that we will be able to detect and fix any defects in our products prior to their sale. Any product defects or any other failure of our products to perform as expected could harm our reputation and result in adverse publicity, lost revenue, delivery delays, product recalls, product liability claims, harm to our brand and reputation, and significant warranty and other expenses, and could have a material adverse impact on our business, financial condition, operating results and prospects.

Minority Holder; Securities with Voting Rights
The Common Stock that an investor is buying has voting rights attached to them. However, you will be part of the minority shareholders of the Company and have agreed to appoint the Chief Executive Officer of the Company (the "CEO"), or his or her successor, as your voting proxy. You are trusting in management discretion in making good business decisions that will grow your investments. Furthermore, in the event of a liquidation of our Company, you will only be paid out if there is any cash remaining after all of the creditors of our Company have been paid out.

You are trusting that management will make the best decision for the company
You are trusting in management's discretion. You are buying securities as a minority holder, and therefore must trust the management of the Company to make good business decisions that grow your investment.

Insufficient Funds
The Company might not sell enough securities in this offering to meet its operating needs and fulfill its plans, in which case it may cease operating and result in a loss on your investment. Even if we sell all the Common Stock

we are offering now, the Company may need to raise more funds in the future, and if unsuccessful in doing so, the Company will fail. Even if we do make a successful offering in the future, the terms of that offering might result in your investment in the Company being worth less, if later investors have better terms than those in this offering.

This offering involves “rolling closings,” which may mean that earlier investors may not have the benefit of information that later investors have.
Once we meet our target amount for this offering, we may request that StartEngine instruct the escrow agent to disburse offering funds to us. At that point, investors whose subscription agreements have been accepted will become our investors. All early-stage companies are subject to a number of risks and uncertainties, and it is not uncommon for material changes to be made to the offering terms, or to companies' businesses, plans, or prospects, sometimes with little or no notice. When such changes happen during the course of an offering, we must file an amendment to our Form C with the SEC, and investors whose subscriptions have not yet been accepted will have the right to withdraw their subscriptions and get their money back. Investors whose subscriptions have already been accepted, however, will already be our investors and will have no such right.

Non-accredited investors may not be eligible to participate in a future merger or acquisition of the Company and may lose a portion of their investment
Investors should be aware that under Rule 145 under the Securities Act of 1933 if they invest in a company through Regulation CrowdFunding and that company becomes involved in a merger or acquisition, there may be significant regulatory implications. Under Rule 145, when a company plans to acquire another and offers its shares as part of the deal, the transaction may be deemed an offer of securities to the target company's investors, because investors who can vote (or for whom a proxy is voting on their behalf) are making an investment decision regarding the securities they would receive. All investors, even those with non-voting shares, may have rights with respect to the merger depending on relevant state laws. This means the acquirer's "offer" to the target's investors would require registration or an exemption from registration (such as Reg.Dor Reg. CF), the burden of which can be substantial. As a result, non-accredited investors may have their shares repurchased rather than receiving shares in the acquiring company or participating in the acquisition.
This may result in investors' shares being repurchased at a value determined by a third party, which may be at a lesser value than the original purchase price. Investors should consider the possibility of a cash buyout in such circumstances, which may not be commensurate with the long-term investment they anticipate.

Our new product could fail to achieve the sales projections we expect
Our growth projections are based on the assumption that with an increased advertising and marketing budget, our products will be able to gain traction in the marketplace. It is possible that our products will fail to gain market acceptance for any number of reasons. If our products fail to achieve significant sales and acceptance in the marketplace, this could materially and adversely impact the value of your investment.

We are an early stage company and have not yet generated any profits

We are an early stage company and have a limited history upon which an evaluation of its performance and future prospects can be made. Our current and proposed operations are subject to all business risks associated with new enterprises. These include likely fluctuations in operating results as the Company reacts to developments in its market, managing its growth and the entry of competitors into the market. We will only be able to pay dividends on any shares once our directors determine that we are financially able to do so. Flower Turbines has incurred a net loss and has had limited revenues generated since inception, if any. There is no assurance that we will be profitable in the near future or generate sufficient revenues to pay dividends to our shareholders.

We have existing patents that we might not be able to protect properly
One of the Company's most valuable assets is its intellectual property. The Company's owns around 70 trademarks, copyrights, Internet domain names, and trade secrets. We believe one of the most valuable components of the Company is our intellectual property portfolio. Due to the value, competitors may misappropriate or violate the rights owned by the Company. The Company intends to continue to protect its intellectual property portfolio from such violations. It is important to note that unforeseeable costs associated with such practices may invade the capital of the Company.

We have pending patent approval's that might be vulnerable
One of the Company's most valuable assets is its intellectual property. The Company's intellectual property such as patents, trademarks, copyrights, Internet domain names, and trade secrets may not be registered with the proper authorities. We believe one of the most valuable components of the Company is our intellectual property portfolio. Due to the value, competitors may misappropriate or violate the rights owned by the Company. The Company intends to continue to protect its intellectual property portfolio from such violations. It is important to note that unforeseeable costs associated with such practices may invade the capital of the Company due to its unregistered intellectual property.

Our trademarks, copyrights and other intellectual property could be unenforceable or ineffective
Intellectual property is a complex field of law in which few things are certain. It is possible that competitors will be able to design around our intellectual property, find prior art to invalidate it, or render the patents unenforceable through some other mechanism. If competitors are able to bypass our trademark and copyright protection without obtaining a sublicense, it is likely that the Company's value will be materially and adversely impacted. This could also impair the Company's ability to compete in the marketplace. Moreover, if our trademarks and copyrights are deemed unenforceable, the Company will almost certainly lose any potential revenue it might be able to raise by entering into sublicenses. This would cut off a significant potential revenue stream for the Company.

The cost of enforcing our trademarks and copyrights could prevent us from enforcing them
Trademark and copyright litigation has become extremely expensive. Even if we believe that a competitor is infringing on one or more of our trademarks or copyrights, we might choose not to file suit because we lack the cash to successfully prosecute a multi-year litigation with an uncertain outcome; or because we believe that the

cost of enforcing our trademark(s) or copyright(s) outweighs the value of winning the suit in light of the risks and consequences of losing it; or for some other reason. Choosing not to enforce our trademark(s) or copyright(s) could have adverse consequences for the Company, including undermining the credibility of our intellectual property, reducing our ability to enter into sublicenses, and weakening our attempts to prevent competitors from entering the market. As a result, if we are unable to enforce our trademark(s) or copyright(s) because of the cost of enforcement, your investment in the Company could be significantly and adversely affected.

The loss of one or more of our key personnel, or our failure to attract and retain other highly qualified personnel in the future, could harm our business

Our business depends on our ability to attract, retain, and develop highly skilled and qualified employees. As we grow, we will need to continue to attract and hire additional employees in various areas, including sales, marketing, design, development, operations, finance, legal, and human resources. However, we may face competition for qualified candidates, and we cannot guarantee that we will be successful in recruiting or retaining suitable employees. Additionally, if we make hiring mistakes or fail to develop and train our employees adequately, it could have a negative impact on our business, financial condition, or operating results. We may also need to compete with other companies in our industry for highly skilled and qualified employees. If we are unable to attract and retain the right talent, it may impact our ability to execute our business plan successfully, which could adversely affect the value of your investment. Furthermore, the economic environment may affect our ability to hire qualified candidates, and we cannot predict whether we will be able to find the right employees when we need them. This would likely adversely impact the value of your investment.

Our ability to sell our product or service is dependent on outside government regulation which can be subject to change at any time

Our ability to sell our products is subject to various government regulations, including but not limited to, regulations related to the manufacturing, labeling, distribution, and sale of our products. Changes in these regulations, or the enactment of new regulations, could impact our ability to sell our products or increase our compliance costs. Furthermore, the regulatory landscape is subject to regular change, and we may face challenges in adapting to such changes, which could adversely affect our business, financial condition, or operating results. In addition to government regulations, we may also be subject to other laws and regulations related to our products, including intellectual property laws, data privacy laws, and consumer protection laws. Non-compliance with these laws and regulations could result in legal and financial liabilities, reputational damage, and regulatory fines and penalties. It is also possible that changes in public perception or cultural norms regarding our products may impact demand for our products, which could adversely affect our business and financial performance, which may adversely affect your investment.

We rely on third parties to provide services essential to the success of our business

Our business relies on a variety of third-party vendors and service providers, including but not limited to manufacturers, shippers, accountants, lawyers, public relations firms, advertisers, retailers, and distributors. Our

ability to maintain high-quality operations and services depends on these third-party vendors and service providers, and any failure or delay in their performance could have a material adverse effect on our business, financial condition, and operating results. We may have limited control over the actions of these third-party vendors and service providers, and they may be subject to their own operational, financial, and reputational risks. We may also be subject to contractual or legal limitations in our ability to terminate relationships with these vendors or service providers or seek legal recourse for their actions. Additionally, we may face challenges in finding suitable replacements for these vendors and service providers, which could cause delays or disruptions to our operations. The loss of key or other critical vendors and service providers could materially and adversely affect our business, financial condition, and operating results, and as a result, your investment could be adversely impacted by our reliance on these third-party vendors and service providers.

The Company is vulnerable to hackers and cyber-attacks

As an internet-based business, we may face risks related to cybersecurity and data protection. We rely on technology systems to operate our business and store and process sensitive data, including the personal information of our investors. Any significant disruption or breach of our technology systems, or those of our third-party service providers, could result in unauthorized access to our systems and data, and compromise the security and privacy of our investors. Moreover, we may be subject to cyber-attacks or other malicious activities, such as hacking, phishing, or malware attacks, that could result in theft, loss, or destruction of our data, disruption of our operations, or damage to our reputation. We may also face legal and regulatory consequences, including fines, penalties, or litigation, in the event of a data breach or cyber-attack. Any significant disruption or downtime of our platform, whether caused by cyber-attacks, system failures, or other factors, could harm our reputation, reduce the attractiveness of our platform, and result in a loss of investors and issuer companies. Moreover, disruptions in the services of our technology provider or other third-party service providers could adversely impact our business operations and financial condition. This would likely adversely impact the value of your investment.

Economic and market conditions

The Company's business may be affected by economic and market conditions, including changes in interest rates, inflation, consumer demand, and competition, which could adversely affect the Company's business, financial condition, and operating results.

Force majeure events

The Company's operations may be affected by force majeure events, such as natural disasters, pandemics, acts of terrorism, war, or other unforeseeable events, which could disrupt the Company's business and operations and adversely affect its financial condition and operating results.

Adverse publicity

The Company's business may be negatively impacted by adverse publicity, negative reviews, or social media campaigns that could harm the Company's reputation, business, financial condition, and operating results.

Adverse publicity
The Company's business may be negatively impacted by adverse publicity, negative reviews, or social media campaigns that could harm the Company's reputation, business, financial condition, and operating results.

We depend on certain key personnel and must attract and retain additional talent.
Our future success depends on the efforts of key personnel and consultants, especially our sole officer and director, Dr. Mark Daniel Farb. As we grow, we will need to attract and hire additional employees in sales, marketing, design, development, operations, finance, legal, human resources, and other areas. Depending on the economic environment and our performance, we may not be able to locate or attract qualified individuals for such positions when we need them. We may also make hiring mistakes, which can be costly in terms of resources spent in recruiting, hiring, and investing in the incorrect individual and in the time delay in locating the right employee fit. If we are unable to attract, hire, and retain the right talent or make too many hiring mistakes, it is likely that our business will suffer from not having the right employees in the right positions at the right time. This would likely adversely impact the value of your investment.

The success of our business is highly correlated to general economic conditions.
Demand for our products is highly correlated with general economic conditions, as a substantial portion of our revenue is derived from discretionary spending, which typically declines during times of economic instability. Declines in economic conditions in the United States or in other countries in which we operate and may operate in the future may adversely impact our financial results. Because such declines in demand are difficult to predict, we or our industry may have increased excess capacity as a result. An increase in excess capacity may result in declines in prices for our products. Our ability to grow or maintain our business may be adversely affected by sustained economic weakness and uncertainty, including the effect of wavering consumer confidence, high unemployment, and other factors. The inability to grow or maintain our business would adversely affect our business, financial conditions, and results of operations, and thereby an investment in our common stock.

Natural disasters and other events beyond our control could materially adversely affect us.
Natural disasters or other catastrophic events may cause damage or disruption to our operations, international commerce and the global economy, and thus could have a strong negative effect on us. Our business operations are subject to interruption by natural disasters, fire, power shortages, pandemics and other events beyond our control. Although we maintain crisis management and disaster response plans, such events could make it difficult or impossible for us to deliver our products to our customers and could decrease demand for our products. In addition, if the intensity and frequency of hurricanes, tornados, and other adverse weather conditions results from global warming, or otherwise, the same could affect the viability of our turbines to withstand such adverse weather in certain markets, which could adversely effect our business.

We face intense competition, and many of our competitors have substantially greater resources than we do.
We compete with major international and domestic renewable energy companies, including, GE, Siemens, and Enercon. Some of our current and potential competitors have greater market recognition and customer bases,

longer operating histories and substantially greater financial, technical, marketing, distribution, purchasing, manufacturing, personnel, and other resources than we do. As a result, they may be able to respond more quickly to changing customer demands or to devote greater resources to the development, promotion, and sales of alternative energy products than we can. In addition, many of our competitors are developing and are currently producing products based on new solar energy technologies that may ultimately have costs similar to, or lower than, our projected costs.

If our products fail to perform as expected, we may have to recall them and our ability to develop, market and sell our products could be harmed.

Our products may contain defects in design and manufacture that may cause them not to perform as expected or that may require repair. There can be no assurance that we will not be required to recall any products in the future. There can be no assurance that we will be able to detect and fix any defects in our products prior to their sale. Any product defects or any other failure of our products to perform as expected could harm our reputation and result in adverse publicity, lost revenue, delivery delays, product recalls, product liability claims, harm to our brand and reputation, and significant warranty and other expenses, and could have a material adverse impact on our business, financial condition, operating results and prospects.

We are exposed to risks associated with product liability claims in the event that the use or installation of our products results in injury or damage.

Since our products are electricity-delivering devices and our turbines have fast moving blades, it is possible that users or services providers, could be injured or killed by our products, whether by product malfunctions, defects, improper installation or other causes. As a manufacturer of products that are used by consumers, we face an inherent risk of exposure to product liability claims or class action suits in the event that the use of the products we sell or install results in injury or damage. Moreover, to the extent that a claim is brought against us we may not have adequate resources in the event of a successful claim against us. The successful assertion of product liability claims against us could result in potentially significant monetary damages and, if our insurance protection is inadequate, to the extent we hold applicable insurance coverage, could require us to make significant payments.

We could incur substantial costs to comply with environmental, health and safety ("EHS") laws and regulations and to address violations of or liabilities under these requirements.

Our operations are subject to a variety of EHS laws and regulations in the jurisdictions in which we operate and sell products governing, among other things, health, safety, pollution and protection of the environment and natural resources, including the use, handling, transportation and disposal of non-hazardous and hazardous materials and wastes, as well as emissions and discharges into the environment, including discharges to air, surface water, groundwater and soil, product content, performance and packaging. We cannot guarantee that we have been, or will at all times be, in compliance with such laws and regulations. Changes in existing EHS laws and regulations, or their application, could cause us to incur additional or unexpected costs to achieve or maintain compliance. Failure to comply with these laws and regulations, obtain the necessary permits to operate our business, or comply with the terms and conditions of such permits may subject us to a variety of

administrative, civil and criminal enforcement measures, including the imposition of civil and criminal sanctions, monetary fines and penalties, remedial obligations, and the issuance of compliance requirements limiting or preventing some or all of our operations. The assertion of claims relating to regulatory compliance, on or off site contamination, natural resource damage, the discovery of previously unknown environmental liabilities, the imposition of criminal or civil fines or penalties and/or other sanctions, or the obligation to undertake investigation, remediation or monitoring activities could result in potentially significant costs and expenditures to address contamination or resolve claims or liabilities. Such costs and expenditures could have a material adverse effect on our business, financial condition or results of operations.

Under certain circumstances, violation of such EHS laws and regulations could result in us being disqualified from eligibility to receive federal government contracts or subcontracts under the federal government's debarment and suspension system. We also are subject to laws and regulations that impose liability and cleanup responsibility for releases of hazardous substances into the environment. Under certain of these laws and regulations, such liabilities can be imposed for cleanup of currently and formerly owned, leased or operated properties, or properties to which hazardous substances or wastes were sent by current or former operators at our current or former facilities, regardless of whether we directly caused the contamination or violated any law at the time of discharge or disposal. The presence of contamination from hazardous substances or wastes could interfere with ongoing operations or adversely affect our ability to sell, lease or use our properties as collateral for financing. We also could be held liable under third-party claims for property damage, natural resource damage or personal injury and for penalties and other damages under such environmental laws and regulations, which could have a material adverse effect on our business, financial condition and results of operations.

Our ability to comply with regulatory requirements is critical to our future success, and there can be no guarantee that our businesses are in full compliance with all such requirements.

As a manufacturer and distributor of wind and other energy industry products we are subject to the requirements of federal, state, local, and foreign regulatory authorities. In addition, we are subject to several authorities setting industry standards. Changes in the standards and requirements imposed by such authorities could have a material adverse effect on us. In the event we are unable to meet any such standards when adopted, our businesses could be adversely affected. We may not be able to obtain all regulatory approvals, licenses, and permits that may be required in the future, or any necessary modifications to existing regulatory approvals, licenses and permits, or maintain all required regulatory approvals, licenses and permits. There can be no guarantee that our businesses are fully compliant with such standards and requirements.

The U.S. wind energy industry is significantly impacted by tax and other economic incentives. A significant change in these incentives could significantly impact our results of operations and growth.

The U.S. wind energy industry is significantly impacted by federal tax incentives and state Renewable Portfolio Standards ("RPSs"), which have provided material incentives to develop wind energy generation facilities and thereby impact the demand for our products. One such federal government program is the production tax credit ("PTC"), which provides economic incentives to the owners of wind energy facilities in the form of a tax credit. Despite recent reductions in the cost of wind energy, due to variability in wind quality and consistency, and other regional differences, wind energy may not be economically viable in certain parts of the country absent

such incentives. The increased demand for our products that generally results from the credits and incentives could be impacted by the expiration or curtailment of these programs. A new set of incentives under the Inflation Reduction Act of 2022 have just been released and could affect our finances positively because we sell and manufacture in the US for North America.

Risks of borrowing and restrictions on our ability to borrow.
We currently have outstanding loans and may have to seek loans in the future from financial institutions. Typical loan agreements might contain restrictive covenants which may impair our operating flexibility. A default under any loan agreement could result in a charging order that would have a material adverse effect on our business, results of operations or financial condition.

Our intellectual property could be unenforceable or ineffective.
One of our most valuable assets is our intellectual property. We own or license from Dr. Farb, various patents issued by various jurisdictions, which cover various aspects of our technology. We also own or license from Dr. Farb various domain names and trademarks, and we hold various trade secrets related to the manufacturing and construction of our turbines. In addition, we plan to explore other opportunities to patent parts of our core technology; however, such patents may never be issued or certain claims may be rejected or may need to be narrowed, which may limit the protection we are attempting to obtain. In addition, companies, organizations, or individuals, including competitors, may hold or obtain patents, trademarks, or other proprietary rights that would prevent, limit, or interfere with our ability to make, use, develop, sell, or market our products, which would make it more difficult for us to operate our business. These third parties may have applied for, been granted, or obtained patents that relate to intellectual property, which competes with our intellectual property or technology. This may require us to develop or obtain alternative technology, or obtain appropriate licenses under these patents, which may not be available on acceptable terms or at all. Such a circumstance may result in us having to significantly increase development efforts and resources to redesign our technology in order to safeguard our competitive edge against competitors. There is a risk that our means of protecting our intellectual property rights may not be adequate, and weaknesses or failures in this area could adversely affect our business or reputation, financial condition, and/or operating results. From time to time, we may receive communications from holders of patents or trademarks regarding their proprietary rights. Companies holding patents or other intellectual property rights may bring suits alleging infringement of such rights or otherwise assert their rights and urge us to take licenses. In addition, ifwe are determined to have infringed upon a third party's intellectual property rights, we may be required to cease deploying our products, pay substantial damages, seek a license from the holder of the infringed intellectual property right, which license may not be available on reasonable terms or at all, and/or establish and maintain alternative branding for our business. We may also need to file lawsuits to protect our intellectual property rights from infringement from third parties, which could be expensive, time consuming, and distract management's attention from our core operations.

We rely on third parties to provide services essential to the success of our business.
We rely on third parties to provide a variety of essential business functions for us, including research and development, engineering, manufacturing, shipping, advertising, retailing, and distribution. It is possible that

some of these third parties will fail to perform their services or will perform them in an unacceptable manner. Any significant delays or other complications in maintaining our research and development partners, third party manufacturers, or manufacturing our products, including, but not limited to, complications associated with production or supply chain, or regulatory approvals, or any disruptions or failures to maintain our relationships, could materially damage our brand, business, prospects, financial condition, and operating results. There is currently a risk that the coronavirus outbreak in countries around the world may disrupt parts supply. We intend to mitigate this risk through inventory and supply chain management practices.

If we are unable to adequately control the costs associated with operating our business, our business, financial condition, operating results and prospects will suffer.
If we are unable to maintain a sufficiently low level of costs for manufacturing, marketing, selling, and distributing our products relative to their selling prices, our operating results, gross margins, business, and prospects could be materially and adversely impacted. Many of the factors that impact our operating costs are beyond our control. If we are unable to keep our operating costs aligned with the level of revenues we generate, our operating results, business and prospects will be harmed.

We do not own all of our intellectual property.
We have a royalty free license to use certain patents, trademarks, copyrights and other intellectual property rights from Dr. Farb, all of them pursuant to a 20 year, royalty free, world-wide, exclusive license, and an assignment to Leviathan Energy Wind Lotus, Ltd. Therefore, our investors will not receive any benefits associated with the ownership of such intellectual property rights. Although our license has a term of 20 years, if we were to default under the license agreement and lose our ability to use these patents, trademarks and other intellectual property, it would have a material adverse impact on our business, financial condition, operating results and prospects, and you could lose your investment.

Because no public trading market for our common stock currently exists, it will be difficult for you to sell the common stock and, if you are able to sell the common stock, you may have to sell them at a substantial discount to the price you paid for the common stock.
While our common stock has registered to be listed on StartEngine Secondary, we have not yet commenced such listing, and therefore, there is no public trading market. In addition, we may never commence such listing, and ifwe do, we may terminate such listing at any time. Even ifwe commence such listing, an active public trading market may never develop.
Until the common stock is listed on an exchange on which there is an active trading market, if ever, you may not be able to sell your common stock, unless through a private sale in which the buyer meets the applicable suitability and minimum purchase standards. Therefore, it will be difficult for you to sell your common stock promptly or at all. If you can sell your common stock, you may have to sell them at a substantial discount to the price you paid for the common stock.

Investors in our common stock will have to assign their voting rights.

The holders of common stock issued in this offering will grant an irrevocable voting proxy to our chief executive officer (the "Proxy"), that will limit their ability to vote their common stock until the occurrence of certain events specified in the proxy, which may never occur. The inability of the holders of common stock issued in this offering to vote their common stock, and the provision of a voting proxy to our chief executive officer, could have an anti-takeover effect as a potential acquirer may wish to call a special meeting of stockholders for the purpose of considering the removal of directors or an acquisition offer, in which case the investors would not have the right to vote in favor of the same.

Our Subscription Agreement limits the liability of the proxy.
Pursuant to the Subscription Agreement, other than with respect to the gross negligence or willful misconduct of the Proxy, the Proxy will not be liable for any actions he/she takes or fails to take, in his/her capacity as the Proxy, while acting in good faith. Therefore, if the Proxy takes actions or omits to take actions which investors deem to be not in their best interests, as long as such actions do not constitute gross negligence or willful misconduct, and the Proxy is acting in good faith, the investors would not have any recourse against the Proxy.

Our Subscription Agreement provides the proxy with certain indemnification rights against the investors
Under the Subscription Agreement, except to the extent prohibited by applicable federal and state securities laws, each investor agrees to indemnify the Proxy from all losses, liabilities, damages, claims, penalties, fines, forfeitures, actions, fees, costs and expenses arising out of or in connection with any act done or omitted in the Proxy's capacity as representative of such investor, in each case as such losses are suffered or incurred. While it is the opinion of the Securities and Exchange Commission, that such indemnification is against public policy and is therefore unenforceable, and it is uncertain whether a court would enforce such provision, if it did, investors in this offering could have indemnification obligations to the Proxy.

Our sole director and chief executive officer has voting control.
As of the date of this Offering Circular, Dr. Mark Daniel Farb our sole executive officer and director, holds over 70% of our common stock, and via voting proxies, holds substantially all voting power. As a result, Dr. Farb is able to control our management and affairs and most matters requiring stockholder approval, including, but not limited to, the election of directors and approval of significant corporate transactions. This concentration of ownership and voting power could have an anti-takeover effect as a potential acquirer may wish to call a special meeting of stockholders for the purpose of considering the removal of directors or an acquisition offer, in which case the investors would not have the right to vote in favor of the same.

The subscription agreement has a forum selection provision that requires disputes be resolved in state or federal courts in the State of New York, regardless of convenience or cost to you, the investor.
In order to invest in this offering, investors agree to resolve disputes arising under the subscription agreement in state or federal courts located in the State of New York, for the purpose of any suit, action or other proceeding arising out of or based upon the agreement. Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. We believe that the exclusive forum provision applies to claims arising under

the Securities Act, but there is uncertainty as to whether a court would enforce such a provision in this context. Section 27 of the Exchange Act creates exclusive federal jurisdiction over all suits brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder. As a result, the exclusive forum provision will not apply to suits brought to enforce any duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. You will not be deemed to have waived the company's compliance with the federal securities laws and the rules and regulations thereunder. This forum selection provision may limit your ability to obtain a favorable judicial forum for disputes with us. Although we believe the provision benefits us by limiting our litigation costs, to the extent it is enforceable, the forum selection provision may limit investors' ability to bring claims in judicial forums that they find favorable to such disputes, may increase investors' costs of bringing suit and may discourage lawsuits with respect to such claims. Alternatively, if a court were to find the provision inapplicable to, or unenforceable in an action, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business, financial condition or results of operations.

Investors in this offering may not be entitled to a jury trial with respect to claims arising under the subscription agreement, which could result in less favorable outcomes to the plaintiff(s) in any action under the agreement.

Investors in this offering will be bound by the subscription agreement, which includes a provision under which investors waive the right to a jury trial of any claim they may have against the company arising out of or relating to the agreement, including any claims made under the federal securities laws. By signing the agreement, the investor warrants that the investor has reviewed this waiver with his or her legal counsel, and knowingly and voluntarily waives the investor's jury trial rights following consultation with the investor's legal counsel. Ifwe opposed a jury trial demand based on the waiver, a court would determine whether the waiver was enforceable based on the facts and circumstances of that case in accordance with the applicable state and federal law. To our knowledge, the enforceability of a contractual pre-dispute jury trial waiver in connection with claims arising under the federal securities laws has not been finally adjudicated by a federal court.

However, we believe that a contractual pre-dispute jury trial waiver provision is generally enforceable, including under the laws of the State of New York, which governs the agreement, by a federal or state court in the State of New York. In determining whether to enforce a contractual pre-dispute jury trial waiver provision, courts will generally consider whether the visibility of the jury trial waiver provision within the agreement is sufficiently prominent such that a party knowingly, intelligently and voluntarily waived the right to a jury trial. We believe that this is the case with respect to the subscription agreement. You should consult legal counsel regarding the jury waiver provision before entering into the subscription agreement.

We are not likely to pay cash dividends in the foreseeable future.

We currently intend to retain any future earnings for use in the operation and expansion of our business. Accordingly, we do not expect to pay any cash dividends in the foreseeable future but will review this policy as circumstances dictate.

Using a credit card to purchase shares may impact the return on your investment.

Investors in this offering have the option of paying for their investment with a credit card. Transaction fees charged by your credit card company (which can reach 5% of transaction value if considered a cash advance)

and interest charged on unpaid card balances (which can reach almost 25% in some states) add to the effective purchase price of the shares you buy and would be in addition to the StartEngine Primary processing fee. See "Plan of Distribution." The cost of using a credit card may also increase if you do not make the minimum monthly card payments and incur late fees. These increased costs may reduce the return on your investment. The SEC's Office of Investor Education and Advocacy issued an Investor Alert dated February 14, 2018 entitled: Credit Cards and Investments - A Risky Combination, which explains these and other risks you may want to consider before using a credit card to pay for your investment.

You must keep records of your investment for tax purposes.
As with all investments in securities, if you sell the common stock, you will probably need to pay tax on the long- or short term capital gains that you realize if you make a profit, and record any loss to apply it to other taxable income. If you do not have a regular brokerage account, or your regular broker will not hold the common stock for you (and many brokers refuse to hold Regulation CF securities for their customers) there will be nobody keeping records for you for tax purposes and you will have to keep your own records, and calculate the gain on any sales of the stock you sell. If you fail to keep accurate records or accurately calculate any gain on any sales of the stock, you may be subject to tax audits and penalties.

Our financial statements include a going concern note.
Our ability to continue as a going concern for the next twelve months is dependent upon our ability to generate sufficient cash flows from operations to meet our obligations, and/or to obtain additional capital financing from investors and/or third parties. No assurance can be given that we will be successful in these efforts. These factors, among others, raise substantial doubt about our ability to continue as a going concern for a reasonable period of time.

The growth of our business depends on our ability to finance new products.
We operate in a rapidly changing industry. Technological advances, the introduction of new products and new design and manufacturing techniques could adversely affect our business unless we are able to adapt to the changing conditions. To remain competitive, we must continue to incur significant costs in product development, equipment, facilities and invest in working capital. These costs may increase, resulting in greater fixed costs and operating expenses.

Developing new products and technologies entails significant risks and uncertainties.
The failure of our products to meet our performance estimates may be caused by, among other things, unanticipated technological hurdles, difficulties in manufacturing, changes to design and regulatory hurdles. Any of these events could materially and adversely affect our operating performance and results of operations.

We are exposed to risks associated with product liability claims in the event that the use or installation of our products results in injury or damage.
Since our products are electricity-delivering devices and our turbines have fast moving blades, it is possible that users or services providers, could be injured or killed by our products, whether by product malfunctions,

defects, improper installation or other causes. As a manufacturer of products that are used by consumers, we face an inherent risk of exposure to product liability claims or class action suits in the event that the use of the products we sell or install results in injury or damage. Moreover, to the extent that a claim is brought against us we may not have adequate resources in the event of a successful claim against us. The successful assertion of product liability claims against us could result in potentially significant monetary damages and, if our insurance protection is inadequate, to the extent we hold applicable insurance coverage, could require us to make significant payments.

Investors in our common stock will have to assign their voting rights
The holders of common stock issued in this offering will grant an irrevocable voting proxy to our chief executive officer (the "Proxy"), that will limit their ability to vote their common stock until the occurrence of certain events specified in the proxy, which may never occur. The inability of the holders of common stock issued in this offering to vote their common stock, and the provision of a voting proxy to our chief executive officer, could have an anti-takeover effect as a potential acquirer may wish to call a special meeting of stockholders for the purpose of considering the removal of directors or an acquisition offer, in which case the investors would not have the right to vote in favor of the same.

Our sole director and chief executive officer has voting control.
As of the date of this Offering Circular, Dr. Mark Daniel Farb our sole executive officer and director, holds over 70% of our common stock, and via voting proxies, holds substantially all voting power. As a result, Dr. Farb is able to control our management and affairs and most matters requiring stockholder approval, including, but not limited to, the election of directors and approval of significant corporate transactions. This concentration of ownership and voting power could have an anti-takeover effect as a potential acquirer may wish to call a special meeting of stockholders for the purpose of considering the removal of directors or an acquisition offer, in which case the investors would not have the right to vote in favor of the same.

Changes to trade regulation, quotas, duties or tariffs, and sanctions caused by changing U.S. and geopolitical policies, may impact our competitive position or adversely impact our margins.
New tariffs have resulted in increased prices, including with respect to certain steel products, and could adversely affect our consolidated results of operations, financial position, and cash flows. These tariffs, along with any additional tariffs or trade restrictions that may be implemented by the U.S. or other countries, could result in further increased prices and a decreased available supply of steel and other imported components and inputs. We may not be able to pass price increases on to our customers and may not be able to secure adequate alternative sources of steel on a timely basis.

RESTRICTIONS ON TRANSFER

The common stock sold in the Regulation CF offering, may not be transferred by any purchaser, for a period of one-year beginning when the securities were issued, unless such securities are transferred:
(1) to the Company;

(2) to an accredited investor;
(3) as part of an offering registered with the SEC; or
(4) to a member of the family of the purchaser or the equivalent, to a trust controlled by the purchaser, to a trust created for the benefit of a member of the family of the purchaser or the equivalent, or in connection with the death or divorce of the purchaser or other similar circumstance.

SIGNATURES

Pursuant to the requirements of Sections 4(a)(6) and 4A of the Securities Act of 1933 and Regulation Crowdfunding (§ 227.100-503), the issuer certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form C and has duly caused this Form to be signed on its behalf by the duly authorized undersigned, on November 10, 2025.

Flower Turbines, Inc.

By /s/ Mark Daniel Farb

Title: CEO

By /s/ Mark Daniel Farb

Name: Mark Daniel Farb
Title: CEO

By /s/ Mark Daniel Farb

Name: Mark Daniel Farb
Title: CFO

Exhibit A

FINANCIAL STATEMENTS

Flower Turbines — Consolidated Balance Sheet (As of December 31, 2025)					
FX Translation Rate (Dec 31, 2025 Closing): 1 EUR = 1.17320 USD					
Consolidated Ca	FT Inc. (USD)	FT B.V. (EUR)	FT B.V. (USD)	Intercompany Eli	Consolidated 2025 (USD)
ASSETS					
CURRENT ASSETS					
Cash & Bank Bal	-13553.72	-10581.89	-12414.67	0	-25968.39
Trade Accounts F	4230	23379.92	27429.32	0	31659.32
Inventories (Net	696729.53	275383.11	323079.46	0	1019808.99
Funds Held in Es	183686.22	0	0	0	183686.22
Prepayments, VA	0	-22740.75	-26679.45	0	-26679.45
Intercompany Re	0	-186.02	-218.24	218.24	0
Total Current Ass	871092.03	265254.37	311196.43	218.24	1182506.7
NON-CURRENT ASSETS					
Intangible Fixed A	0	54390.63	63811.09	0	63811.09
Tangible Fixed As	101785.16	18651.08	21881.45	0	123666.61
Right-of-Use (RO	25727.87	0	0	0	25727.87
Deposits & Guara	0	16582	19454	0	19454
Deferred Tax Ass	0	508684	596788.07	0	596788.07
Intercompany Lo	2995406.36	0	0	-2995406.36	0
Loan to Flower T	100	0	0	0	100
Total Non-Curren	3123019.39	598307.71	701934.6	-2995406.36	829547.63
TOTAL ASSETS	3994111.42	863562.08	1013131.03	-2995188.12	2012054.33
LIABILITIES & EQUITY					
CURRENT LIABILITIES					
Trade Accounts F	0	58301.75	68399.61	0	68399.61
Credit Cards & S	48295.07	4150	4868.78	0	53163.85
Customer Depos	342143.84	48203.79	56552.69	0	398696.53
Payroll & State T	38925.43	2827	3316.64	0	42242.07
Short-Term Leas	19534.31	0	0	0	19534.31
Intercompany Int	0	409962	480967.42	-480967.42	0
Total Current Lial	448898.65	523444.54	614105.13	-480967.42	582036.36
NON-CURRENT LIABILITIES					
External Long-Te	716397.83	25000	29330	0	745727.83
Long-Term Lease	6686.16	543	637.05	0	7323.21
Intercompany Lo	0	2632364.04	3088289.49	-3088289.49	0
Total Non-Curren	723083.99	2657907.04	3118256.54	-3088289.49	753051.04
Total Liabilities	1171982.64	3181351.58	3732361.67	-3569256.91	1335087.4
SHAREHOLDERS' EQUITY					
Share Capital / C	2699	100	117.32	-117.32	2699
Additional Paid-ir	17395253.76	14992	17588.61	-17588.61	17395253.76
Investment in Flo	-71949.23	0	0	71949.23	0
Opening Balance	112262.22	1109.03	1301.11	0	113563.33
Accumulated Def	-13372536.62	-2042824.47	-2396641.67	0	-15769178.29
Current Year Net	-1195746.45	-288339.06	-338279.39	141965.13	-1392060.71
Intercompany & F	-47853.9	17173	16683.37	377860.36	346689.83
Total Shareholde	2822128.78	-2317789.5	-2719230.64	574068.79	676966.93
TOTAL LIABILITI	3994111.42	863562.08	1013131.03	-2995188.12	2012054.33

Flower Turbines — Consolidated Profit & Loss Statement (FY 2025)						
FX Translation Rate (2025 Average): 1 EUR = 1.10483 USD						
Consolidated Ca	FT Inc. (USD)	FT B.V. (EUR)	FT B.V. (USD)	Intercompany Eli	Consolidated 2025 (USD)	
REVENUE & OTHER INCOME						
Product & Projec	4016.67	-4143.26	-4577.6	0	-560.93	
Interest, Dividenc	-86604.17	0	0	0	-86604.17	
Total Revenue &	-82587.5	-4143.26	-4577.6	0	-87165.1	
COST OF SALES						
Direct Materials,	-44804.38	-13207.52	-14592.06	0	-59396.44	
Gross Profit / (Lo	-127391.88	-17350.78	-19169.66	0	-146561.54	
OPERATING EXPENSES						
Payroll, Wages, E	-246434.2	-32200.82	-35576.43	0	-282010.63	
Consulting, Acco	-433119.2	-48067.95	-53106.91	0	-486226.11	
Rent, Facilities, S	-53934.26	-66248.88	-73193.75	0	-127128.01	
Marketing, Adver	-104728.78	7661.11	8464.22	0	-96264.56	
Patents & IP Mai	-60023.28	-739.67	-817.21	0	-60840.49	
Software, IT, Tele	-64537.55	-1597.87	-1765.37	0	-66302.92	
Travel, Auto, Fue	-39770.32	-4234.49	-4678.39	0	-44448.71	
Insurance, Taxes	-16256.85	-7541.78	-8332.38	0	-24589.23	
Depreciation & A	-700	-18202.18	-20110.31	0	-20810.31	
Total Operating E	-1019504.44	-171172.53	-189116.55	0	-1208620.99	
Operating Incom	-1146896.32	-188523.31	-208286.21	0	-1355182.53	
FINANCIAL INCOME & EXPENSE						
Intercompany Lo	0	-128495	-141965.13	141965.13	0	
External Interest	-55559.82	-2945.42	-3254.19	0	-58814.01	
Earnings Before	-1202456.14	-319963.73	-353505.53	141965.13	-1413996.54	
Deferred Tax Ber	0	30884	34121.57	0	34121.57	
Net Income / (Lo	-1202456.14	-289079.73	-319383.96	141965.13	-1379874.97	

	As of December	As of December 31, 2025	
OPERATING ACTIVITIES			
Net Loss	$ -2581983	-1514312	
Adjustments to reconcile Net Loss to Net Cash provided by (used in) operations:			
Depreciation Expense	18216.15166	13796.49	
Amortization Expense	7669.4865	7013.83	
Stock-Based Compensation	0	0	
Prior Period Adjustment	84542	0	
Change in Cumulative Translation	-132893	172940.79	
Decrease (Increase) in:			
Accounts Receivable	-220617	234339	
Prepaid Expenses	-45727	71501	
Inventory	-104767	-500928	
Other Current Assets	18619	-30114	
Funds held in escrow	-181194	-2492	
Increase (Decrease) in:			
Accounts Payable	-301617	-5252	
Unearned Revenue	165820	205435	
Lease Liability	360	20098	
Other Current Liabilities	-117006	-37463	
Non-Current Liabilities:	0	0	
Total Adjustments to reconcile Net	-808594.3618	148875.11	
Net Cash used ir	$ -3390577.362	-1365436.89	
INVESTING ACTIVITIES			
Fixed Assets, net	$ -448.154188	0	
Intangible Assets, net	-11165.4865	-13831.11	
Net Cash used ir	$ -11613.64069	-13831.11	
FINANCING ACTIVITIES			
Due to Related Party	-40640	-37161	
Loans Payable	$ 44499	547394	
Common Stock	3434500	797708	
Net Cash provide	$ 3438359	1307941	
Cash at the beginning of period	9025.002528	45193	
Net Cash increas	$ 36167.99747	-71327	
Cash at end of p	$ 45193	-26134	
Supplemental Disclosures of Cash Flow Information:			
Cash paid during the year for:			
Interest	4951.1	55023.09	
Income taxes	0	0	

Flower Turbines, LLC
Capitalization History

		Current Capitalization		Common Stock (Post-Conversion)		Offering Assuming Fully Subscribed ($1,070		
	Shareholder	**Shares**	**Percentage**	Common Stock Outstanding	Percentage of Outstanding	Common Stock	Percent of Outstanding Common Stock	
	Holders:							
	Mark Daniel Farb	7,311,000	66.03%	7,311,000	66.03%	7,311,000	66.03%	
	Marcel Engelstein	160,000	1.45%	160,000	1.45%	160,000	1.45%	
	Avraham Farb	6,000	0.05%	6,000	0.05%	6,000	0.05%	
	Samuel Farb	3,000	0.03%	3,000	0.03%	3,000	0.03%	
	Miriam Farb	3,000	0.03%	3,000	0.03%	3,000	0.03%	
	Menucha Farb	3,000	0.03%	3,000	0.03%	3,000	0.03%	
	Simcha Farb	3,000	0.03%	3,000	0.03%	3,000	0.03%	
	Devra Feschbach-Meriney	1,000	0.01%	1,000	0.01%	1,000	0.01%	
	Sidney Feshbach	1,000	0.01%	1,000	0.01%	1,000	0.01%	
	Riva Feschbach	1,000	0.01%	1,000	0.01%	1,000	0.01%	
	Judy Terracina	1,000	0.01%	1,000	0.01%	1,000	0.01%	
	Moshe Rosenfeld	2,000	0.02%	2,000	0.02%	2,000	0.02%	
	Dean Blumenthal	1,000	0.01%	1,000	0.01%	1,000	0.01%	
	Guido Teichner	20,000	0.18%	20,000	0.18%	20,000	0.18%	
	Maximilain Fieguth	6,500	0.06%	6,500	0.06%	6,500	0.06%	
	James Cowles	50,000	0.45%	50,000	0.45%	50,000	0.45%	
	Aluma Farb	1,000	0.01%	1,000	0.01%	1,000	0.01%	
	Batsheva Farb	1,000	0.01%	1,000	0.01%	1,000	0.01%	
	Esther Farb	1,000	0.01%	1,000	0.01%	1,000	0.01%	
	Aliza Farb	1,000	0.01%	1,000	0.01%	1,000	0.01%	
	Leah Farb	1,000	0.01%	1,000	0.01%	1,000	0.01%	
	Startengine shares from cf1 through cf4 including rega1 a	45,904	0.41%	45,904	0.41%	45,904	0.41%	
x	Regulation CF Investors Round 1	1,072,320	9.69%	1,072,320	9.69%	1,072,320	9.69%	
	Regulation CF Investors round 2	358,400	3.24%	358,400	3.24%	358,400	3.24%	
	Regulation CF investors round 3	165640	1.50%	165,640	1.50%	165520	1.50%	
	Regulation CR Investors Round 4	106,502	0.96%	106,502	0.96%	106,502	0.96%	
	Regulation A+1	1,349,530	12.19%	1,349,530	12.19%	1,349,530	12.19%	
	Regulation A+2	385,125	3.48%	385,125	3.48%	385,125	3.48%	
	Dealmaker Canada closed 2025	1,148	0.01%	1,148	0.01%	1,148	0.01%	
	Frontfundr Canada closed 2025	9,477	0.09%	9,477	0.09%	9,477	0.09%	estimate
		11,071,546	**100.00%**	**11,071,546**	**100.00%**	**11,071,426**	**100.000%**	
	Conversion Ratio:	1.00						
	Reg A			RegA2	RegCF4			
	Each share	$7	after split	$12	14			
	Valuation	$77,500,822		132,858,552	155,001,644			

Flower Turbines, Inc.

	Name of Certificate Holder	Shares Issued	Shares Outstanding	Date Issued	Price Per Share Before Split	Consideration	From Whom Transferred (IF Original Issue Enter As Such)
1	Mark Daniel Farb	7,311,000	7,311,000	12/31/2019		investment, sweat equity	
2	Marcel Engelstein	80,000	80,000	12/31/2019		investment previous company	
2a	Marcel Engelstein	80,000	80,000	4/20/2020		advisory board	
3	Avraham Farb	5,000	5,000	12/31/2019	10	gift	
3a	Avraham Farb	1,000	1,000	12/23/2021	70	gift	
4	Samuel Farb	2,000	2,000	12/31/2019	10	gift	
4a	Samuel Farb	1,000	1,000	12/23/2021	70	gift	
5	Miriam Farb	2,000	2,000	12/31/2019	10	gift	
5a	Miriam Farb	1,000	1,000	12/23/2021	70	gift	
6	Menucha Farb	2,000	2,000	12/31/2019	10	gift	
6a	Menucha Farb	1,000	1,000	12/23/2021	70	gift	
7	Simcha Farb	2,000	2,000	12/31/2019	10	gift	
7a	Simcha Farb	1,000	1,000	12/23/2021	70	gitt	
8	Devra Feschbach-Meriney	1,000	1,000	12/31/2019	10	gift	
9	Sidney Feshbach	1,000	1,000	12/31/2019	10	gift	
10	Riva Feschbach	1,000	1,000	12/31/2019	10	gift	
11	Judy Terracina	1,000	1,000	12/31/2019	10	past employee	
12	Moshe Rosenfeld	2,000	2,000	12/31/2019	10	past employee	
13	Dean Blumenthal	1,000	1,000	12/31/2019	30	investment	
14	Aluma Farb	1,000	1,000	12/23/2021	70	gift	
15	Batsheva Farb	1,000	1,000	12/23/2021	70	gift	
16	Esther Farb	1,000	1,000	12/23/2021	70	gift	
17	Aliza Farb	1,000	1,000	12/23/2021	70	gift	
18	Leah Farb	1,000	1,000	12/23/2021	70	gift	
19	Guido Teichner	20,000	20,000	2/9/2021	50	investment	
20	Maximilain Fieguth	6,500	6,500	12/15/2021	54	investment	
21	James Cowles	50,000	50,000	12/23/2021	50	investment	
22	Startengine shares CF1 to cf4	45,904	45,904	1/1/2020	10	commission	
25	Regulation CF Investors round 1	1,072,320	1,072,320	12/31/2019	10	investment	
26	Regulation CF Investors round 2	358,400	358,400	12/6/2020	30	investment	
27	Reg CF3	165640	165640	5/31/2024	12		
	Regulation CR Investors Round 4	106,502	106,502	4/20/2025	14		
28	RegA+1	1,349,530	1,349,530	2/17/2023	70		
29	RegA+2	385,125	385,125	$45,503.00	12	investment	

	Dealmaker Canada closed 2025	1,148	1,148	4/20/2025	14
31	Frontfundr investors 4-30-25	9,477	9,477	4/30/2025	14
			11,071,546		

transfer of shares by Mark Farb on 12/23/2021 as gift

Date of Transfer	To Whom Transferred	Number of Shares Transferred	Number of Shares Kept (Balance)	From Whom Transferred
12/24/2019	2-13	10,000		Units transferred to Lines 2-13
				Units transferred from Daniel Farb
				Units transferred from Daniel Farb
				Units transferred from Daniel Farb
				Units transferred from Daniel Farb
				Units transferred from Daniel Farb
				Units transferred from Daniel Farb
				Units transferred from Daniel Farb
				Units transferred from Daniel Farb
				Units transferred from Daniel Farb
				Units transferred from Daniel Farb
				Units transferred from Daniel Farb
				Units bought 4-20-20
				Units transferred from Daniel Farb
				Units bought round 1 CF
				Units bought round 2 CF
				price after split
				asjusted for split, 815 shares at70
				price after split

Stock Options and Date Offered

Person	Date	Number	note		
Mark Daniel Farb	2021	500000	50000 before split		
Warren Stoll	2021	130000	21000 before split	after that would be 210000	C4 shows number actually vested, so he left August 2025 so he gets ((1000+(.6*20000)) *10 for the split
Ali Grattan	2023	4000			
Milan Adamovic	2023	100			
Alvaro Wong	2023	100			
Avraham Farb	2023	200			
Sharon Vanbrussel	2023	50			
Salomon Zafir	2023	250			
Milan Adamovic	2024	200			
Avraham Farb	2024	400			
Salomon Zafir	2024	2000			
Sharon Vanbrussell	2024	50			
~~Warren Stoll~~	~~2024~~		not signed and returned	~~10000~~	
Frontfundr warrants	2024-2025	553.44			
Total		637903.44			
Shares		11,071,5			
Total including options		11,709,4			

FLOWER TURBINES, INC.

A Delaware corporation



ANNUAL REPORT

FOR

FISCAL YEAR ENDING DECEMBER 31, 2024

240 Central Avenue, Suite 1J
Lawrence, NY 11559
www.flowerturbines.com

THE COMPANY AND ITS BUSINESS

*This discussion should be read in conjunction with (1) the other sections of this Report, including, but not limited to, "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and the attached Financial Statements and related exhibits, and (2) our Offering Circular for our Regulation A+ offering and the offering statements for our Regulation Crowdfunding offerings, including, but not limited to, the sections titled "Risk Factors," and the Supplements thereto. The various sections of this discussion contain a number of forward-looking statements, all of which are based on our current expectations and could be affected by the uncertainties and risk factors described throughout this Report and the Offering Circular.*

Introduction

We design, manufacture, and sell small vertical axis wind turbines, which, compared with current small drag-type wind turbines, are more aerodynamically efficient, emit less noise and vibrations, and are aesthetically designed. We have solved the aerodynamic blade design issues that plague many of our competitors' wind turbines. One of our most important advances is the bouquet effect, whereby closely placed turbines make the whole group perform better. Our goal is to make our sleek, innovative, and efficient small wind turbines the foundation of a large global renewable energy company. We currently offer one, two, three and five-meter blade-height Tulip versions of our wind turbines, that can produce power ranging from tens of watts up to 10,000 watts, and modular units made of aluminum blades called the AL13 Power Tower™. The modules, of one meter height each, can be stacked up to eight modules. They have a more industrial look and are more cost-effective.

Flower Turbines has been in existence since 2013, originally founded as an LLC in New York and most recently converted to Flower Turbines, Inc., a Delaware corporation. In 2019 Flower Turbines LLC completed a Regulation Crowdfunding campaign on StartEngine. On December 26, 2019, Flower Turbines LLC became Flower Turbines, Inc., a Delaware corporation.

The business entities are the same and all business-related materials transferred from the LLC to the new corporation. Flower Turbines, Inc. operates a wholly owned subsidiary, Flower Turbines B.V., in the Netherlands. Flower Turbines B.V. is registered in the Commercial Register of the Netherlands Chamber of Commerce under file number 74439901 and has its registered office in Rotterdam. It addresses the EU market, which is currently more advanced than the US.

On March 27, 2019, we formed Flower Turbines B.V., a Netherlands company, to sell, install, and develop sustainable energy solutions in the European Union. In January 2020, we extended our business into the electric mobility vertical through Flower Turbines B.V.'s acquisition of a product line of charging stations, which include stationary poles, outdoor benches, and workstations, which can charge electric vehicles and other products such as mobile phones. The charging stations generate power through wind, solar, and grid energy. We outfit some of these charging stations with our wind turbines.

In the EU, we are actively selling charging systems in the electric mobility vertical which include stationary poles, outdoor benches, and workstations, which can charge electric bicycles and scooters and other products such as mobile phones. The charging poles are on-grid and off-grid, with solar alone or our wind turbines and solar together.

The Current Problem

Producing clean energy in or near cities is challenging. Solar energy can be inefficient and expensive in areas without a good solar resource. As a result of the size, weight, vibrational and noise output, and aesthetic appearance of most current wind energy producing devices on the market, their installation and operation in urban and suburban settings, including parking lots and on building rooftops, is impractical or prohibited by

zoning laws. In addition, in largely populated areas, the high-speed rotation of windmill blades poses safety and environmental concerns for both humans and wildlife. Even in locations where solar is cost-effective, adding wind helps to balance the grid, with power at different times of the day, and may lead to the need for fewer batteries.

Our Solution

We have designed small and efficient wind turbines that overcome many of these barriers, making the operation, production, and use of wind energy in urban and suburban settings viable. Our turbines offer the following advantages over many of the competing products on the market:

- Small design
- Significantly higher efficiency
- Ability to cluster to reduce cost per unit installation through efficiencies of scale and obtain more energy per square meter
- Low starting speed
- Different sizes for different environments and spaces
- Lower noise and vibration
- Lower maintenance due to lower vibration
- Beautiful and kinetic tulip design
- Significantly lower rotational speed making them safer for humans and animals

We are currently working on various wind turbine innovations that could substantially reduce the cost of turbines, particularly in electronics and installations. We have begun to file patents in this area and it is an additional potential growth area for the company.

Our Technology

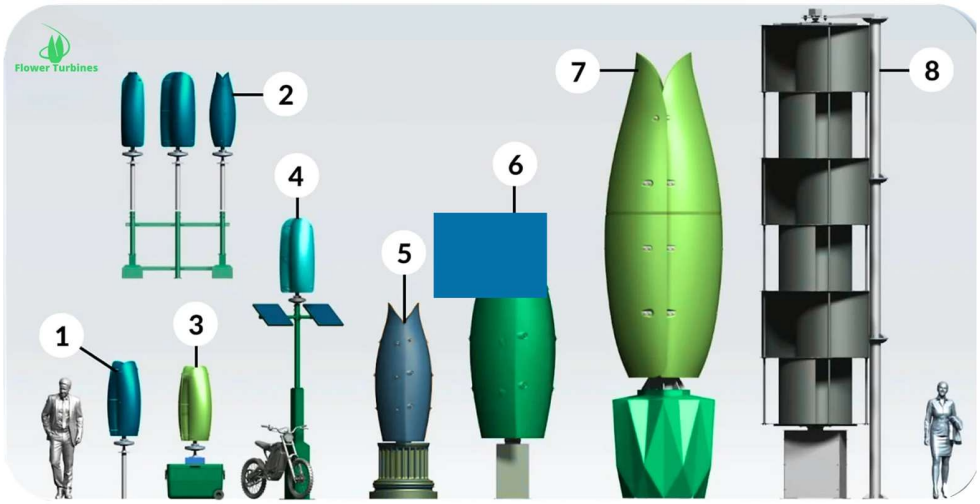
The efficiency and size of our turbines primarily result from aerodynamic science that increases the efficiency of vertical axis drag-type turbines. Our designs and technology, which are the subject of many US and international patents, cover the following art:

- Through segmenting parts of the blade's trailing edge according to a specific formula, our design reduces aerodynamic interference on the trailing edge of the turbine after the wind strikes the blade, resulting in an increase in efficiency.
- Through our tapered design of different degrees of cupping at different heights, which is different from the typical semicircular cup turbine, wind can enter the cups at more angles, making it easier for the turbine to begin spinning from many different wind directions.
- Our drag vertical axis design has a cluster effect, whereby one turbine creates a wind tunnel at a specific distance from the blades that increases the velocity of the wind entering the adjacent turbine if placed within that stream, which, according to tests of up to 5 turbines, increases power output by 25% for each turbine added to a group.
- Fluid dynamics in our designs combines internal air space, blade overlap, blade extension, blade diameter, and tip speed ratios, in a manner that we believe makes our turbines more efficient than other small wind turbines on the market. The blades and shaft have optimized air space ratios for greater efficiency so the wind is accelerated internally after it hits the first blade and before it recirculates and hits the second blade.

- Our patent pending process for adding an aerodynamic spoiler to rooftops on which our wind turbines are installed ameliorates the problem of the building's vertical surface which has the effect of scattering the wind force.

In addition, our turbines can reduce transmission cost through balancing the energy grid load at times when solar systems are not generating power, thereby decreasing the operational cost while increasing power production.

Our Products



1	**One Meter Blade Tulip:** On an individual pole for the ground.
2	**Eco-roof Energy Hub:** A product line of installation products for combined wind and solar on flat roofs that (1) require no bolts to be inserted in the roof; they stay in place from balance, weight, and friction, (2) have a special design that enables the turbines to be adjusted to the vertical, and (3) are preset to take advantage of the bouquet effect (better performance when close to each other). The picture shown is for 3 small turbines on a flat roof; we have a version for 5 on a flat roof. Not shown is a system for a slanted roof that can adjust to any angle.
3	**Wind/Solar Charging Pole:** Wind and solar, solar alone, or grid-tied charging poles for bicycles and devices, with a small turbine on top. We are in the middle of extending their use with an app and providing new versions for recreational environments, and have filed a patent for how to handle them with drones — a hot new potential market.
4	**Two Meter Blade Tulip:** A popular choice for many roofs and for easy ground mounting.
5	**Three Meter Blade Tulip:** Added to our available product mix as a 1 kilowatt turbine for most locations, and 3 kilowatts for high wind locations.
6	**Five Meter Blade Tulip:** For serious power needs at ground level.
7	**AL13 Power Tower™:** The blades are made of aluminum sheet metal and are easily shipped and assembled. Modular in heights of one meter each, up to eight meters. They are priced slightly lower than the Tulips and made for more industrial uses.

Research and Development

We have been through several cycles of research and development, including computer simulation, patent development, and engineering. Our research and development activities are conducted mostly in the US, and some in Israel and the Netherlands, both internally and with the assistance of high-level external engineers, an academic institution, and engineering agencies to assure our products comply with applicable regulations. Research and development is an important ongoing activity as we are now developing new electronics and rooftop installation products. Research and development expense was $1,132,679 for the fiscal year ended December 31, 2024.

Competition

We compete with other manufacturers of wind turbines, and other alternative energy providers such as solar technology. We believe that our turbines provide more than economic value for the customers — something that was often missing with other small turbines. Because we created so many innovative technologies, we believe that we compete more with the grid than with other small turbines, which we believe do not come close to us in terms of the many features we offer, such as low starting speed, high speed durability, bird friendliness, low noise, esthetics, and ability to cluster the turbines synergistically. Large turbines are more cost-effective in a distant field, but what counts for a consumer is the cost by the time it reaches them, and that is where we compete.

Marketing and Sales

We have an in-house sales and marketing team to sell our turbines and charging stations directly, and we also sell through partnerships and resellers. We are exploring developing a leasing program similar to those commonly used in the solar industry.

We intend to focus marketing our wind turbines in selected markets in the United States and abroad characterized by high winds and high electricity prices, such as the east and west coasts of the United States, the Midwest, Hawaii, and the North Sea and Baltic Sea adjacent countries in Europe. We intend to focus marketing our power stations in flat areas of Europe, such as the Netherlands, Belgium, Germany, and Denmark, and in other cities worldwide.

Manufacturing

At December 31, 2024, we manufactured a number of items ourselves at our Lubbock, Texas facility, including both metal parts and electronics, and we assembled certain products there. We had begun to produce some of our own wind turbine electronics, starting with charge controllers, and we plan to develop this into a related business in which we sell our electronics to other wind turbine companies. We also outsourced manufacturing and assembly to various manufacturers located in the United States, Poland, China, India, and the Netherlands. During 2025 we closed our Lubbock facility and moved to a fully outsourced manufacturing model. See “Subsequent Events”.

Employees

At December 31, 2024, we had five full-time employees and one part-time employee in the United States, and we used one independent contractor for multimedia marketing. Flower Turbines B.V., our Netherlands subsidiary, had one employee and used four independent contractors for engineering, project management, marketing, sales, and administrative services. We also use various sales representatives and resellers around the world. Our headcount has since been reduced substantially: by August 31, 2025 all of our United States employees other than Dr. Farb had left the company, our one Netherlands employee was dismissed during 2025, and the people who work for us now do so as independent contractors. See “Subsequent Events”.

Government Regulation

We are subject to various federal, state, and foreign governmental regulations related to the manufacturing, marketing and sale of our products, such as health and safety codes, environmental laws and zoning laws. In addition, the U.S. wind energy industry is significantly impacted by federal tax incentives, which have provided material incentives to develop wind energy generation facilities and thereby impact the demand for our products. Two such federal government programs are the investment tax credit ("**ITC**") and the production tax credit ("**PTC**"), which provide economic incentives to the owners of wind energy facilities in the form of a tax credit. Wind energy may not be economically viable in certain parts of the country absent such incentives. The availability, amount and duration of these incentives have been subject to legislative change, and the increased demand for our products that generally results from the credits and incentives could be impacted by the expiration, reduction or curtailment of these programs.

Intellectual Property

We hold or license an aggregate of 63 patents, patent applications and provisional patent applications, issued by various jurisdictions, 47 of which are issued patents, 15 of which are pending applications and 1 of which is a provisional application. We also own or license various domain names and trademarks or trademark applications, in various jurisdictions, which include "Flower Turbines," "Flower Power," "Tulip Power," "Wind Tulip," "Tulip," "AL13 Power Tower," "Survival Unit," "Charge To Go" and "Flower Charge." We also hold various copyrights, as well as trade secrets related to the manufacturing and construction of our turbines. See "Risk Factors" — *Our intellectual property could be unenforceable or ineffective.*

Property

At December 31, 2024, we leased the following properties:

Address	Use	Lessee entity	Monthly rent	Term / expiry
2601 SE Loop 289, Lubbock, Texas	Warehouse, manufacturing and assembly	Flower Turbines, Inc.	$4,391.77	Expired August 30, 2025, after a six-month extension from February 28, 2025
240 Central Avenue, Suite 1J, Lawrence, New York	Office	Flower Turbines, Inc.	Approximately $900, representing maintenance, utility and insurance costs only	No stated term
Platinastraat 125, 2718 ST Zoetermeer, Netherlands	Warehouse and assembly	Flower Turbines B.V.	€4,166, subject to annual indexation on April 1 (€5,513.30 per month in 2025 including VAT and service charges)	Commenced April 1, 2023; vacated November 30, 2025
Diamond Center, Antwerp, Belgium	Office for Belgian employees	Flower Turbines B.V.	€600	April 1, 2024 to March 31, 2025

We also leased administrative office space under a 36-month lease entered into on March 1, 2022 at monthly payments escalating from $2,955 to $3,076, which expired on February 28, 2025. The Lubbock lease has since expired and the Zoetermeer premises were vacated on November 30, 2025. See “Subsequent Events”.

Previous Offerings

In November 2021 we granted Mr. Stoll an option to purchase 210,000 shares of common stock at an exercise price of $7.00 per share, and in 2024 a further option to purchase 10,000 shares, in each case pursuant to Rule 701. Mr. Stoll did not sign and return the option agreements for either grant and they are not treated as outstanding. A separate grant to Mr. Stoll made in 2021 vested, according to the company, as to approximately 12,000 shares on his departure in August 2025.

During 2021 and 2022 we conducted a Regulation A+ offering of common stock through StartEngine at $70.00 per share before our 1-for-10 forward stock split ($7.00 per share as adjusted). According to the StartEngine ledger, 5,165 investments were accepted for 134,953 pre-split shares (1,349,530 shares as adjusted for the split), including bonus shares, for gross proceeds of $8,426,950 (the ledger does not record the net proceeds after StartEngine's fees), and 19,340 shares (as adjusted) were issued to StartEngine as compensation.

Our second Regulation A+ offering, also through StartEngine, was conducted during 2023 and closed on February 22, 2024, at $12.00 per share. It raised gross proceeds of $4,180,020 from 2,462 investments for 385,125 shares of common stock, including bonus shares, which were issued during the fiscal year ended December 31, 2024; net proceeds after StartEngine's fees were $3,788,600, of which $234,581 was held back by the platform as a deposit hold and released later. We also issued 4,954 shares to StartEngine on February 8, 2024 as compensation.

The following table sets forth information regarding each offering that was open or that closed during the fiscal year ended December 31, 2024. All securities sold were shares of our common stock. The StartEngine and FrontFundr figures are taken from the platforms' settlement records; in each offering bonus shares were issued to investors meeting time- or amount-based thresholds, so that gross proceeds are less than the number of shares issued multiplied by the offering price. The proceeds of each offering were used for working capital and general corporate purposes.

Offering / platform / exemption	Dates	Offering price per share	Shares issued	Gross proceeds	Net proceeds after platform fees
Regulation CF (third CF round) — StartEngine — Section 4(a)(6)	March 13, 2024 to May 31, 2024	$12.00	165,640 (issued May 31, 2024) from 866 investments	$1,615,164	$1,460,471 (of which $91,580 was held as a deposit hold and released later)
Regulation CF (fourth CF round) — StartEngine — Section 4(a)(6)	September 5, 2024 to April 30, 2025	$14.00	106,502 (issued April 20, 2025) from 845 investments	$1,265,586	$1,180,455 (of which $71,787 was held as a deposit hold and released later)

Offering / platform / exemption	Dates	Offering price per share	Shares issued	Gross proceeds	Net proceeds after platform fees
Concurrent offering to Canadian investors — FrontFundr — Canadian offering memorandum exemption	Closings September 20, 2024 (2,399 shares; 10 subscribers), November 25, 2024 (1,384; 24), March 6, 2025 (3,731; 27) and April 30, 2025 (1,997; 21)	$14.00 (effective prices after bonus shares from $11.20 to $14.00)	9,511, registered in the name of Dr. Farb as voting trustee	$121,074	$96,845
Concurrent offering to Canadian investors — DealMaker — Canadian offering memorandum exemption	January 31, 2025 to April 30, 2025	$14.00	1,148 (issued April 20, 2025)	$12530	-$1560

We also issued 4,952 shares of common stock to StartEngine as compensation in connection with the third Regulation Crowdfunding round, and 3,195 shares in connection with the fourth Regulation Crowdfunding round. In connection with the FrontFundr portion of that round, under our agency agreement with FrontFundr Financial Services Inc. dated June 6, 2024 we pay FrontFundr a cash commission of 6% of the funds it processes and issue to it at each closing a warrant to purchase a number of shares equal to six percent of the shares issued at that closing, exercisable at $14.00 per share for five years from issue. Warrants over an aggregate of 553.44 shares were issued across the four closings, of which warrants over 218 shares were issued in respect of the two 2024 closings.

The pre-money valuations used in the offerings open during 2024 were $128,386,368 for the Regulation A+ offering at $12.00 per share and $149,784,096 for the Regulation CF offering at $14.00 per share.

RISK FACTORS

Investing in our common stock (the "Shares") involves risk. In evaluating us and an investment in the Shares, careful consideration should be given to the following risk factors, in addition to the other information included in this Report. Each of these risk factors could materially adversely affect our business, operating results, or financial condition, as well as adversely affect the value of an investment in the Shares. The following is a summary of the risk factors that we currently believe make an investment in us speculative or substantially risky. We are still subject to all the same risks faced by all companies in our industry, and to which all such companies in the economy are exposed. These include risks relating to economic downturns, political and economic events, and technological developments (such as cyber-security). Additionally, early-stage companies are inherently riskier than more developed companies. You should consider general risks as well as specific risks when deciding whether to invest.

We are delinquent in our Regulation Crowdfunding and Regulation A+ reporting obligations.

This annual report, which covers the fiscal year ended December 31, 2024, is being filed after the date on which it was due. Our annual report for the fiscal year ended December 31, 2025 is also outstanding. An issuer that has not filed the ongoing annual reports required by Regulation Crowdfunding for the two most recently completed fiscal years is not eligible to rely on the Regulation Crowdfunding exemption for a new offering. We are also delinquent in the ongoing reporting obligations under Regulation A+ arising from our prior Regulation A+ offerings: we have not filed our annual reports on Form 1-K for the fiscal years ended December 31, 2024 and December 31, 2025, or our semiannual reports on Form 1-SA for the six-month periods ended June 30, 2025 and June 30, 2026. An issuer that is not current in its Regulation A+ reporting obligations is ineligible to conduct a new Regulation A+ offering until it has filed all required reports, and continued failure to file may result in enforcement action by the Securities and Exchange Commission. Our delinquencies may therefore delay or prevent future offerings under Regulation Crowdfunding and Regulation A+, including any offering by Flower Turbines Projects Series 2 LLC, and may affect an investor's ability to obtain current information about us.

Our auditors have raised substantial doubt about our ability to continue as a going concern.

The report of our independent auditors on our consolidated financial statements for the year ended December 31, 2024 includes a paragraph drawing attention to substantial doubt about our ability to continue as a going concern. During that year we incurred a consolidated net loss of $2,581,983 (a comprehensive loss, after foreign currency translation, of $2,714,876) and used $3,390,577 of cash in operating activities, and at December 31, 2024 we had an accumulated deficit of $15,795,848 and cash of $45,193. Our ability to continue as a going concern is dependent upon our ability to generate sufficient cash flows from operations to meet our obligations, and to obtain additional capital financing from investors or third parties. No assurance can be given that we will be successful in these efforts. Our consolidated financial statements have not been adjusted for the potential consequences of our being unable to continue in operation. Separately, the financial statements of our Netherlands subsidiary are the subject of a material uncertainty as to going concern, and that subsidiary had negative shareholders' equity of €2,026,627 at December 31, 2024.

Our fiscal 2023 financial statements have been restated.

In connection with the audit of our fiscal 2024 consolidated financial statements, our fiscal 2023 consolidated financial statements, which had been audited by another firm, were restated to correct misstatements relating to inventory valuation, funds held in escrow, the expensing of recurring patent maintenance fees, accounts payable and expense cutoff. The restatement increased our 2023 net loss and our accumulated deficit, and the fiscal 2023 figures presented in this report differ from those in our annual report for that year. Our current auditors audited the restatement adjustments but express no opinion on the fiscal 2023 financial statements as a whole. The need for a restatement indicates weaknesses in our financial reporting processes, and investors should not rely on our previously issued fiscal 2023 financial statements.

We depend on Dr. Farb to a degree that would be unusual in a more mature company.

Dr. Mark Daniel Farb is our chief executive officer, our chief financial officer, our secretary and our sole director. He is also the sole officer and director of our Netherlands subsidiary. He controls a majority of our outstanding common stock and, through irrevocable voting proxies granted by investors in our crowdfunding offerings and a voting trust covering shares subscribed through FrontFundr, substantially all of our voting power. He has personally guaranteed credit card facilities, equipment financing and other borrowings used by the company, has made loans to the company, licenses to us much of the intellectual property on which our business depends, owns the entity through which we source components and receive income in China, and owns the premises we use in New York. Our bookkeeping, tax and compliance services are provided by an entity managed by a shareholder who is related to him. He alone approves the related party arrangements described in this report. We have no independent directors and no audit or compensation committee. The loss of Dr. Farb, or a disagreement between Dr. Farb and the company, would have a material adverse effect on

our business, and investors have no practical means of influencing the terms on which the company deals with him.

Our Netherlands subsidiary depends on funding from us, and our receivable from it may not be recoverable.

Flower Turbines B.V. has been funded principally by advances from us under an intercompany loan facility. At December 31, 2024 our books recorded a receivable from Flower Turbines B.V. of approximately $2.8 million. That receivable is unsecured, and its recoverability depends entirely on the future profitability of Flower Turbines B.V., which has not been profitable. We have issued a letter of support in favor of Flower Turbines B.V. If we were unable or unwilling to continue funding Flower Turbines B.V., it may be unable to continue in operation, and we would be unlikely to recover the amounts advanced. On consolidation this receivable is eliminated against the corresponding payable, so it does not represent an asset available to satisfy claims of investors in Flower Turbines, Inc.

We reduced our operations significantly after the period covered by this report.

Following a decline in funding that began in late 2024, we made staff reductions during 2025, lost the lease on and closed our Texas manufacturing facility, vacated our Netherlands premises at the end of 2025, and moved to a model in which we sell and outsource production rather than manufacturing in-house. Our chief operating officer left the company in August 2025 and our chief executive officer ceased taking a salary in the spring of 2025. These changes reduce our fixed costs but also reduce our control over production quality, lead times and cost, and leave us more exposed to the performance of third-party manufacturers, which has been a source of difficulty for us in the past.

An arbitration award has been made against us.

On October 9, 2026 an arbitrator of the American Arbitration Association awarded a customer, Tom McClellan and Tom McClellan Electric, $46,378 in compensatory damages, $13,387.50 in attorneys' fees, $2,049.84 in pre-award interest and $2,450 in fees and costs, a total of $64,265.34, on claims for breach of contract and breach of warranty in respect of five turbines, payable within thirty days and bearing interest at 6.75% per annum until paid. We represented ourselves in the arbitration. We believe the award is contrary to Texas law and intend to challenge it, but a challenge may not succeed, and the award, the cost of challenging it, and the possibility of similar claims by other customers could adversely affect our results of operations and our already constrained liquidity. The award was made after the date of our auditors' report and is not reflected in the audited consolidated financial statements. We have not recorded a warranty reserve because we do not consider a material warranty liability to be reasonably estimable.

Our project financing structure creates conflicts of interest and does not benefit holders of our common stock directly.

We have formed separate limited liability companies to raise project financing and to own and operate wind turbine projects. The first of these, Flower Turbines Projects Series 1 LLC, was funded by outside investors, and our ownership of it was to be transferred to those investors on completion of that funding; that transfer has not yet been documented, and we act as manager of Series 1. A second entity, Flower Turbines Projects Series 2 LLC, has been formed. We sell turbines to, and provide services to, these entities; in July 2026 we invoiced Series 1 $680,000 for turbines for a project in the United Kingdom that remains subject to planning permission and will not proceed if permission is refused. The terms on which we deal with these entities are set by us, and were not the subject of arm's-length negotiation. Investors in our common stock will not own an interest in these project entities and will not share directly in any revenue they generate. Our management's time and attention will be divided between the company and these entities.

Our revenue and our receivables are concentrated.

For the year ended December 31, 2024, our largest European reseller accounted for approximately 25% of our consolidated revenues. At the same date, approximately 94% of our net accounts receivable was held by our Netherlands subsidiary, and we had recorded an allowance for doubtful accounts of $44,412 against gross trade receivables of $310,410. The loss of our largest reseller, or a failure to collect the receivables held by our Netherlands subsidiary, would have a disproportionate effect on our results and on our liquidity, which is already constrained. We generally extend 30-day credit terms to customers and we do not hold security for our receivables.

We have borrowed on expensive short-term terms.

Since December 31, 2024 we have funded operations in part through short-term facilities carrying high costs, including a revolving line of credit entered into in July 2025 with an initial annual percentage rate of 46.50%, and a business line of credit on which borrowing costs range from 0.50% to 3.50% per month. Access to the latter facility was suspended in January 2026 before being reinstated in April 2026 under a new agreement. At September 10, 2026 the balance on our American Express business card was $45,168.49. Borrowing at these rates consumes cash that would otherwise fund operations, and the suspension of a facility demonstrates that these sources are not dependable. We have also relied on non-interest-bearing advances from our chief executive officer, which totaled $731,100 at September 30, 2026, are repayable on demand, and which he is under no obligation to continue.

A small number of contracts account for a large part of our expected future revenue.

We have invoiced a related project entity $680,000 for turbines for a project in the United Kingdom, under a power purchase agreement between that entity and its customer that remains subject to planning permission, which we do not expect before late 2026 or early 2027; if permission is not obtained the project, and our sale, will not proceed. An exclusivity agreement we signed for India has been cancelled because the counterparty did not perform, and an agreement for a joint venture and the sale of eleven turbines in China did not proceed because the counterparty neither paid nor performed. Our expected revenue therefore depends on a very small number of arrangements, the failure of any one of which would have a disproportionate effect on our revenue, and we may be unable to enforce our rights against counterparties located outside the United States.

We depend on certain key personnel and must attract and retain additional talent.

Our future success depends on the efforts of key personnel and consultants. As we grow, we will need to attract and hire additional employees in sales, marketing, design, development, operations, finance, legal, human resources, and other areas. Depending on the economic environment and our performance, we may not be able to locate or attract qualified individuals for such positions when we need them. We may also make hiring mistakes, which can be costly in terms of resources spent in recruiting, hiring, and investing in the incorrect individual and in the time delay in locating the right employee fit. If we are unable to attract, hire, and retain the right talent or make too many hiring mistakes, it is likely that our business will suffer from not having the right employees in the right positions at the right time. This would likely adversely impact the value of your investment.

The success of our business is highly correlated to general economic conditions.

Demand for our products is highly correlated with general economic conditions, as a substantial portion of our revenue is derived from discretionary spending, which typically declines during times of economic instability. Declines in economic conditions in the United States or in other countries in which we operate and may operate in the future may adversely impact our financial results. Because such declines in demand are difficult to predict, we or our industry may have increased excess capacity as a result. An increase in excess capacity may result in declines in prices for our products. Our ability to grow or maintain our business may be adversely affected by sustained economic weakness and uncertainty, including the effect of wavering

consumer confidence, high unemployment, and other factors. The inability to grow or maintain our business would adversely affect our business, financial conditions, and results of operations, and thereby an investment in our common stock.

Natural disasters and other events beyond our control could materially adversely affect us.

Natural disasters or other catastrophic events may cause damage or disruption to our operations, international commerce and the global economy, and thus could have a strong negative effect on us. Our business operations are subject to interruption by natural disasters, fire, power shortages, pandemics and other events beyond our control. Although we maintain crisis management and disaster response plans, such events could make it difficult or impossible for us to deliver our products to our customers and could decrease demand for our products.

In addition, if the intensity and frequency of hurricanes, tornados, and other adverse weather conditions results from global warming, or otherwise, the same could affect the viability of our turbines to withstand such adverse weather in certain markets, which could adversely affect our business.

Developing new products and technologies entails significant risks and uncertainties.

The failure of our products to meet our performance estimates may be caused by, among other things, unanticipated technological hurdles, difficulties in manufacturing, changes to design and regulatory hurdles. Any of these events could materially and adversely affect our operating performance and results of operations.

The growth of our business depends on our ability to finance new products.

We operate in a rapidly changing industry. Technological advances, the introduction of new products and new design and manufacturing techniques could adversely affect our business unless we are able to adapt to the changing conditions. To remain competitive, we must continue to incur significant costs in product development, equipment, facilities and invest in working capital. These costs may increase, resulting in greater fixed costs and operating expenses.

We face intense competition, and many of our competitors have substantially greater resources than we do.

We compete with major international and domestic renewable energy companies, including GE, Siemens, and Enercon. Some of our current and potential competitors have greater market recognition and customer bases, longer operating histories and substantially greater financial, technical, marketing, distribution, purchasing, manufacturing, personnel, and other resources than we do. As a result, they may be able to respond more quickly to changing customer demands or to devote greater resources to the development, promotion, and sales of alternative energy products than we can. In addition, many of our competitors are developing and are currently producing products based on new solar energy technologies that may ultimately have costs similar to, or lower than, our projected costs.

We depend on third-party suppliers and manufacturers, whose performance has not always met our expectations.

We rely on outside suppliers and, increasingly, on outside manufacturers located in the United States, Europe and Asia. Poor supplier performance contributed to the decline in our revenue during the fiscal year covered by this report. Following our decision to outsource manufacturing entirely, we are more exposed to delays, quality failures, price increases and capacity constraints at our suppliers and manufacturers than we were when we manufactured in-house, and we may be unable to replace a supplier or manufacturer on acceptable terms or within an acceptable time.

If our products fail to perform as expected, we may have to recall them.

Our products may contain defects in design and manufacture that may cause them not to perform as expected or that may require repair. There can be no assurance that we will not be required to recall any products in the future. There can be no assurance that we will be able to detect and fix any defects in our products prior to their sale. Any product defects or any other failure of our products to perform as expected could harm our reputation and result in adverse publicity, lost revenue, delivery delays, product recalls, product liability claims, harm to our brand and reputation, and significant warranty and other expenses, and could have a material adverse impact on our business, financial condition, operating results and prospects.

We are exposed to risks associated with product liability claims.

Since our products are electricity-delivering devices and our turbines have fast moving blades, it is possible that users or service providers could be injured or killed by our products, whether by product malfunctions, defects, improper installation or other causes. As a manufacturer of products that are used by consumers, we face an inherent risk of exposure to product liability claims or class action suits in the event that the use of the products we sell or install results in injury or damage. Moreover, to the extent that a claim is brought against us we may not have adequate resources in the event of a successful claim against us. The successful assertion of product liability claims against us could result in potentially significant monetary damages and, if our insurance protection is inadequate, to the extent we hold applicable insurance coverage, could require us to make significant payments.

We could incur substantial costs to comply with environmental, health and safety ("EHS") laws and regulations and to address violations of or liabilities under these requirements.

Our operations are subject to a variety of EHS laws and regulations in the jurisdictions in which we operate and sell products governing, among other things, health, safety, pollution and protection of the environment and natural resources, including the use, handling, transportation and disposal of non-hazardous and hazardous materials and wastes, as well as emissions and discharges into the environment, including discharges to air, surface water, groundwater and soil, product content, performance and packaging. We cannot guarantee that we have been, or will at all times be, in compliance with such laws and regulations. Changes in existing EHS laws and regulations, or their application, could cause us to incur additional or unexpected costs to achieve or maintain compliance. Failure to comply with these laws and regulations, obtain the necessary permits to operate our business, or comply with the terms and conditions of such permits may subject us to a variety of administrative, civil and criminal enforcement measures, including the imposition of civil and criminal sanctions, monetary fines and penalties, remedial obligations, and the issuance of compliance requirements limiting or preventing some or all of our operations. The assertion of claims relating to regulatory compliance, on or off site contamination, natural resource damage, the discovery of previously unknown environmental liabilities, the imposition of criminal or civil fines or penalties and/or other sanctions, or the obligation to undertake investigation, remediation or monitoring activities could result in potentially significant costs and expenditures to address contamination or resolve claims or liabilities. Such costs and expenditures could have a material adverse effect on our business, financial condition or results of operations. Under certain circumstances, violation of such EHS laws and regulations could result in us being disqualified from eligibility to receive federal government contracts or subcontracts under the federal government's debarment and suspension system.

Our ability to comply with regulatory requirements is critical to our future success.

As a manufacturer and distributor of wind and other energy industry products we are subject to the requirements of federal, state, local, and foreign regulatory authorities. In addition, we are subject to several authorities setting industry standards. Changes in the standards and requirements imposed by such authorities could have a material adverse effect on us. In the event we are unable to meet any such standards when adopted, our businesses could be adversely affected. We may not be able to obtain all regulatory approvals, licenses, and permits that may be required in the future, or any necessary modifications to existing regulatory

approvals, licenses and permits, or maintain all required regulatory approvals, licenses and permits. There can be no guarantee that our businesses are fully compliant with such standards and requirements. Our project entities are also dependent on obtaining zoning and construction permits, which may be delayed, made subject to conditions, or refused.

The U.S. wind energy industry is significantly impacted by tax and other economic incentives. A significant change in these incentives could significantly impact our results of operations and growth.

The U.S. wind energy industry is significantly impacted by federal tax incentives and state Renewable Portfolio Standards ("**RPSs**"), which have provided material incentives to develop wind energy generation facilities and thereby impact the demand for our products. Such federal government programs include the investment tax credit and the production tax credit, which provide economic incentives to the owners of wind energy facilities in the form of a tax credit. Despite reductions in the cost of wind energy, due to variability in wind quality and consistency, and other regional differences, wind energy may not be economically viable in certain parts of the country absent such incentives. The availability, amount and duration of these incentives have been subject to legislative change, and the increased demand for our products that generally results from the credits and incentives could be impacted by the expiration, reduction or curtailment of these programs.

Changes to trade regulation, quotas, duties or tariffs, and sanctions caused by changing U.S. and geopolitical policies, may impact our competitive position or adversely impact our margins.

Tariffs have resulted in increased prices, including with respect to certain steel and aluminum products, and could adversely affect our consolidated results of operations, financial position, and cash flows. These tariffs, along with any additional tariffs or trade restrictions that may be implemented by the U.S. or other countries, could result in further increased prices and a decreased available supply of steel, aluminum and other imported components and inputs. We source components from suppliers in China, India, Poland and the Netherlands, and we may not be able to pass price increases on to our customers or to secure adequate alternative sources of supply on a timely basis.

We are exposed to foreign currency risk.

A substantial part of our operations, our revenue and our costs are denominated in euros through Flower Turbines B.V., and our intercompany loan facility is denominated in euros while our financial statements are presented in U.S. dollars. Movements in the euro/dollar exchange rate affect our reported results, the reported value of our intercompany receivable, and the dollar amount we must advance to fund our subsidiary. We recorded a foreign currency translation loss of $132,893 in 2024. We do not hedge this exposure.

Risks of borrowing and restrictions on our ability to borrow.

We have borrowed, and may in the future need to borrow, from financial institutions, equipment finance providers and our chief executive officer, and we use credit card facilities guaranteed by him. Typical loan agreements might contain restrictive covenants which may impair our operating flexibility. A default under any loan agreement could result in a charging order, in the loss of financed equipment, or in a call on Dr. Farb's guarantees, any of which would have a material adverse effect on our business, results of operations or financial condition.

Our intellectual property could be unenforceable or ineffective.

One of our most valuable assets is our intellectual property. We own or license from Dr. Farb various patents issued by various jurisdictions, which cover various aspects of our technology. We also license from Dr. Farb various domain names and trademarks, and we hold various trade secrets related to the manufacturing and construction of our turbines. In addition, we plan to explore other opportunities to patent parts of our core technology; however, such patents may never be issued or certain claims may be rejected or may need to be narrowed, which may limit the protection we are attempting to obtain. In addition, companies, organizations,

or individuals, including competitors, may hold or obtain patents, trademarks, or other proprietary rights that would prevent, limit, or interfere with our ability to make, use, develop, sell, or market our products, which would make it more difficult for us to operate our business. These third parties may have applied for, been granted, or obtained patents that relate to intellectual property which competes with our intellectual property or technology. This may require us to develop or obtain alternative technology, or obtain appropriate licenses under these patents, which may not be available on acceptable terms or at all. Such a circumstance may result in us having to significantly increase development efforts and resources to redesign our technology in order to safeguard our competitive edge against competitors. There is a risk that our means of protecting our intellectual property rights may not be adequate, and weaknesses or failures in this area could adversely affect our business or reputation, financial condition, and/or operating results.

From time to time, we may receive communications from holders of patents or trademarks regarding their proprietary rights. Companies holding patents or other intellectual property rights may bring suits alleging infringement of such rights or otherwise assert their rights and urge us to take licenses. In addition, if we are determined to have infringed upon a third party's intellectual property rights, we may be required to cease deploying our products, pay substantial damages, seek a license from the holder of the infringed intellectual property right, which license may not be available on reasonable terms or at all, and/or establish and maintain alternative branding for our business. We may also need to file lawsuits to protect our intellectual property rights from infringement from third parties, which could be expensive, time consuming, and distract management's attention from our core operations.

We do not own all of our intellectual property.

We have a royalty free license to use certain patents, trademarks, copyrights and other intellectual property rights from Dr. Farb, all of them pursuant to a 20 year, royalty free, world-wide, exclusive license, and an assignment to Leviathan Energy Wind Lotus, Ltd. Therefore, our investors will not receive any benefits associated with the ownership of such intellectual property rights. Although our license has a term of 20 years, if we were to default under the license agreement and lose our ability to use these patents, trademarks and other intellectual property, it would have a material adverse impact on our business, financial condition, operating results and prospects, and you could lose your investment.

If we are unable to adequately control the costs associated with operating our business, our business, financial condition, operating results and prospects will suffer.

If we are unable to maintain a sufficiently low level of costs for manufacturing, marketing, selling, and distributing our products relative to their selling prices, our operating results, gross margins, business, and prospects could be materially and adversely impacted. Many of the factors that impact our operating costs are beyond our control. If we are unable to keep our operating costs aligned with the level of revenues we generate, our operating results, business and prospects will be harmed. We sold our products at prices below their fully loaded cost of production in both 2024 and 2023.

Terms of our current and subsequent financings may adversely impact your investment.

We expect to need to engage in common equity, debt, or preferred stock financings in the future, and we expect our project entities to raise project financing from outside investors. Your rights and the value of your investment in the common stock could be reduced. Interest on debt securities could increase costs and negatively impact operating results. Preferred stock could be issued in series from time to time with such designations, rights, preferences, and limitations as needed to raise capital. The terms of preferred stock could be more advantageous to those investors than to the holders of common stock, including, but not limited to, having dividend and liquidation preferences. In addition, if we need to raise more equity capital from the sale of equity securities, institutional or other investors may negotiate terms at least as, and possibly more, favorable than the terms of your investment.

No public trading market for our common stock currently exists.

There is no public market for the Shares. Until the Shares are listed on an exchange, if ever, you may not sell your Shares unless the buyer meets the applicable suitability and minimum purchase standards. Therefore, it will be difficult for you to sell your Shares promptly or at all. If you can sell your Shares, you may have to sell them at a substantial discount to the price you paid for the Shares.

Investors in our common stock have assigned their voting rights.

The holders of common stock issued through our various crowdfunding offerings have granted an irrevocable voting proxy to Dr. Mark Daniel Farb, our chief executive officer and sole director, that limits their ability to vote their common stock until the occurrence of certain events specified in the proxy, which may never occur, and the shares subscribed through FrontFundr are registered in his name as voting trustee. Dr. Farb holds approximately 69% of our outstanding common stock and, via voting proxies and the voting trust, holds substantially all voting power. The inability of the holders of common stock issued in our offerings to vote their common stock, and the provision of a voting proxy to our chief executive officer, could have an anti-takeover effect as a potential acquirer may wish to call a special meeting of stockholders for the purpose of considering the removal of directors or an acquisition offer, in which case the investors would not have the right to vote in favor of the same.

We are not likely to pay cash dividends in the foreseeable future.

We currently intend to retain any future earnings for use in the operation and expansion of our business. Accordingly, we do not expect to pay any cash dividends in the foreseeable future but will review this policy as circumstances dictate.

REGULATORY INFORMATION

This annual report on Form C-AR for the fiscal year ended December 31, 2024 is being filed after the date on which it was due under Rule 202 of Regulation Crowdfunding. Our annual report for the fiscal year ended December 31, 2025 has also not yet been filed and is being prepared. In addition, the company is delinquent in its ongoing reporting obligations under Rule 257 of Regulation A+ in respect of its prior Regulation A+ offerings: it has not filed its annual reports on Form 1-K for the fiscal years ended December 31, 2024 and December 31, 2025, or its semiannual reports on Form 1-SA for the six-month periods ended June 30, 2025 and June 30, 2026. The company intends to file the outstanding Regulation A+ reports as soon as practicable. Other than as described in this paragraph, the company has not previously failed to comply with the requirements of Regulation Crowdfunding.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion of our financial condition and results of operations for the twelve-month period ended December 31, 2023 (the "**2023 Annual Period**"), and the twelve-month period ended December 31, 2024 (the "**2024 Annual Period**"). This discussion should be read in conjunction with our audited consolidated financial statements and the related notes included in this report as **Error! Unknown switch argument.**.

Overview

Our predecessor-in-interest, Flower Turbines, LLC, was formed as a New York limited liability company on September 25, 2013, and converted into Flower Turbines, Inc., a Delaware corporation, on December 26, 2019. We develop and manufacture wind turbines. We operate in the European Union through our wholly owned Netherlands subsidiary, Flower Turbines B.V. The consolidated financial statements included in this

report consolidate Flower Turbines, Inc. and Flower Turbines B.V., with all significant intercompany transactions and balances eliminated.

Our consolidated financial statements for the fiscal year ended December 31, 2024 were audited by RNB Capital CPAs, LLC, whose report is dated September 23, 2026. Our fiscal 2023 consolidated financial statements were audited by another firm, whose report was dated March 18, 2024 and expressed an unqualified opinion. In connection with the fiscal 2024 audit, the fiscal 2023 consolidated financial statements were restated to correct misstatements relating to inventory valuation, funds held in escrow, the expensing of recurring patent maintenance fees, accounts payable and expense cutoff. The restatement is described in Note 3 to the audited consolidated financial statements. Among other things, it increased 2023 cost of net revenues by $173,236 and 2023 operating expenses by $836,369 (sales and marketing $40,446, research and development $194,534 and general and administrative $601,389), reduced inventory at December 31, 2023 by $180,092 and eliminated $293,447 previously recorded as funds held in escrow, and increased accounts payable at that date by $256,118. RNB Capital audited the restatement adjustments and concluded that they are appropriate and have been properly applied, but was not engaged to audit, review or apply any procedures to the fiscal 2023 consolidated financial statements as a whole and expresses no opinion on them. The 2023 comparative figures in this report are the restated figures.

Results of Operation

2023 Annual Period Compared to 2024 Annual Period

The following summarizes the results of our operations in 2024 as compared to 2023:

	2024 (audited)	2023 (restated)	$ Change
Net revenues	$ 265,360	$ 301,649	$ (36,289)
Cost of net revenues	$ (433,422)	$ (643,972)	$ 210,550
Gross profit/(loss)	$ (168,062)	$ (342,323)	$ 174,261
Total operating expenses	$ (2,478,006)	$ (4,061,845)	$ 1,583,839
Loss from operations	$ (2,646,068)	$ (4,404,168)	$ 1,758,100
Total other income/(expense)	$ 64,085	$ 4,360	$ 59,725
Income tax expense (benefit)	$ —	$ —	—
Net loss	$ (2,581,983)	$ (4,399,808)	$ 1,817,825
Foreign currency translation gain (loss)	$ (132,893)	$ (111,827)	$ (21,066)
Comprehensive loss	$ (2,714,876)	$ (4,511,635)	$ 1,796,759

Revenues

We had consolidated revenues from the sale of our turbines and related products of $265,360 for the 2024 Annual Period, compared to $301,649 for the 2023 Annual Period. Revenue declined as a result of staffing difficulties and poor supplier performance in both the European Union and the United States. Revenue in the European Union declined in particular as a consequence of our EU director declaring himself sick in October 2023 and remaining unavailable thereafter, and because sales of our charging poles, which had been our largest-selling product in the European Union, were placed on hold when the contract manufacturer that produced them, Vekon, decided to stop doing so; the manufacturer we engaged to replace it, VDL, was subsequently terminated, and we are moving production of the charging poles elsewhere but have not yet

resumed sales of that product line. Sales of our other products were not placed on hold. We are also reorienting our sales effort toward sales of groups of turbines to larger customers. Our largest European reseller accounted for approximately 25% of consolidated revenues for the 2024 Annual Period.

Cost of Goods Sold and Gross Loss

For the 2024 Annual Period, consolidated cost of goods sold was $433,422, compared to $643,972 for the 2023 Annual Period, producing a gross loss of $168,062 compared to a gross loss of $342,323. We continued to sell our products at prices below their fully loaded cost of production during the period.

Operating Expenses

For the 2024 Annual Period, our total consolidated operating expenses were $2,478,006, compared to $4,061,845 for the 2023 Annual Period, a decrease of $1,583,839. Operating expenses comprised the following:

Operating expenses	**2024**	**2023 (restated)**
Sales and marketing	$ 301,810	$ 521,700
Research and development	$ 1,132,679	$ 1,573,600
General and administrative	$ 1,043,517	$ 1,966,545
Total operating expenses	**$ 2,478,006**	**$ 4,061,845**

Sales and marketing expense decreased by $219,890, research and development expense by $440,921 and general and administrative expense by $923,028. General and administrative expenses consist primarily of payroll, contractors, rent, professional and consulting fees, travel, insurance, software and other administrative expenses, and include depreciation and amortization of $25,885 (2023: $25,938). No share-based compensation expense was recognized during the 2024 Annual Period, management having concluded that the grant-date fair value of the options granted during the year was negligible; share-based compensation of $141,662 was recognized in the 2023 Annual Period.

Loss from Operations and Net Loss

For the 2024 Annual Period we had a consolidated operating loss of $2,646,068, compared to an operating loss of $4,404,168 for the 2023 Annual Period. After other income and expense of $64,085, comprising other income of $78,756 and interest income of $381 less interest expense of $15,052, and no income tax expense or benefit, our consolidated net loss for the 2024 Annual Period was $2,581,983, compared to $4,399,808 for the 2023 Annual Period. After a foreign currency translation loss of $132,893, our comprehensive loss for the 2024 Annual Period was $2,714,876, compared to $4,511,635 for the 2023 Annual Period.

We reported approximately $167,000 in losses from foreign operations during the 2024 Annual Period. No dividends were received from our foreign subsidiary. At December 31, 2024 we estimated federal and state net operating loss carryforwards of approximately $15.0 million, against which a full valuation allowance has been recorded.

Going Concern

Our auditors have included a paragraph in their report drawing attention to substantial doubt about our ability to continue as a going concern. During the 2024 Annual Period we incurred a consolidated net loss of $2,581,983 (a comprehensive loss of $2,714,876) and used $3,390,577 of cash in operating activities. As of December 31, 2024 we had an accumulated deficit of $15,795,848 and cash of $45,193. Although we had positive working capital of $583,224, a significant portion of our current assets consisted of inventory and

accounts receivable, limiting available liquidity. These conditions raise substantial doubt about our ability to continue as a going concern.

To address our capital and liquidity requirements we have taken the following steps. During 2025 and through April 28, 2026 we obtained $692,800 in unsecured, non-interest-bearing advances from our chief executive officer and principal shareholder (a total of $731,100 through September 30, 2026), together with revolving credit lines from American Express, ODK Capital, LLC and Fundbox, Inc. In 2025 we closed our two active warehouses and moved to an outsourced manufacturing and distribution model, reducing fixed overhead and generating approximately $20,000 per month in ongoing operating cost savings. In July 2026 we invoiced Flower Turbines Projects Series 1 LLC, a related project entity of which we are the manager and which is funded by project financing raised from its own investors, $680,000 for turbines for a project in the United Kingdom; the project remains subject to planning permission, which we do not expect before late 2026 or early 2027, and the sale will not proceed if permission is not obtained. Management has reported that gross sales in early 2026 increased compared with prior periods. Our broader plan focuses on expanding product sales, controlling operating expenses, and securing additional debt or equity financing as needed to achieve profitable operations, and we intend to continue investing in product engineering and intellectual property development. The advances from our chief executive officer are repayable on demand and he is under no obligation to continue them, and our revolving facilities carry high borrowing costs and have not always been available to us. Our ability to continue as a going concern remains dependent upon successfully executing these plans and achieving sustained profitable operations. There can be no assurance that these plans will be successful.

Our Netherlands subsidiary is separately the subject of a material uncertainty as to going concern. Flower Turbines B.V. had negative shareholders' equity of €2,026,627 at December 31, 2024 and made a loss for the year of €353,397. Its financial statements were prepared on a going concern basis in reliance on a letter of support from Flower Turbines, Inc. and on the expectation that further crowdfunding would be raised.

Liquidity and Capital Resources

As of December 31, 2024, we had cash of $45,193, compared to $9,025 as of December 31, 2023. Our consolidated balance sheet at December 31, 2024 showed total assets of $1,383,840, comprising current assets of $1,089,806 and non-current assets of $294,034; total liabilities of $635,079, comprising current liabilities of $506,582 and non-current liabilities of $128,497; and total stockholders' equity of $748,761, compared with a stockholders' deficit of $55,405 at December 31, 2023. Current assets included accounts receivable of $265,998, net of an allowance for doubtful accounts of $44,412, inventory of $518,881 and funds held in escrow of $181,194.

	2024 (audited)	2023 (restated)	$ Change
Net cash used in operating activities	$ (3,390,577)	$ (3,096,083)	$ (294,494)
Net cash used in investing activities	$ (11,614)	$ (79,246)	$ 67,632
Net cash provided by financing activities	$ 3,438,359	$ 2,931,913	$ 506,446
Net increase (decrease) in cash	$ 36,168	$ (243,416)	$ 279,584

Net cash used in operating activities for the 2024 Annual Period was $3,390,577, reflecting our net loss of $2,581,983, non-cash depreciation and amortization of $25,885, a prior period adjustment of $84,542, the change in the cumulative translation adjustment of $(132,893), and net movements in working capital, principally increases in accounts receivable of $220,617, inventory of $104,767, prepaid expenses of $45,727 and funds held in escrow of $181,194, and decreases in accounts payable of $301,617 and other current liabilities of $117,006, offset in part by an increase in unearned revenue of $165,820 and a decrease in other current assets of $18,619.

Net cash used in investing activities for the 2024 Annual Period was $11,614, consisting of $448 of additions to fixed assets and $11,165 of additions to intangible assets. Net cash provided by financing activities was $3,438,359, consisting of $3,434,500 of proceeds from the issuance of common stock and $44,499 of net loan proceeds, offset by $40,640 of net repayments to a related party.

Cash paid for interest during the 2024 Annual Period was $4,951. No income taxes were paid.

As of October 15, 2026, and excluding any future proceeds raised in offerings by our project entities, we had sufficient operating capital to fund our operations for 2 months.

Debt

The following summarizes our consolidated indebtedness as of December 31, 2024:

Debt instrument	Principal	Interest rate	Maturity	Current portion	Total indebtedness
QuickBooks (Intuit) line of credit	$40,000	17.99%	12 months	$40,000	$40,000
American Express line of credit	$83,800	10.44–10.65%	6 months	$27,305	$27,305
Due to Dr. Mark Daniel Farb	$128,806	0%	On demand	$37,161	$37,161
Leaf Capital Funding equipment loan	$115,210	1.50%	April 2030	$3,891	$100,820
Rabobank innovation loans (Flower Turbines B.V.)	$55,480	7.50%	2026	$3,785	$35,353
Total				**$112,142**	**$240,639**

The QuickBooks facility was entered into in 2024, is unsecured and requires monthly principal and interest payments over a 12-month term. The American Express business line of credit bears variable interest and requires minimum monthly payments; we borrowed $83,800 under it during 2024. The Leaf Capital Funding loan, entered into in April 2023, financed the purchase of a TRAK TMC12 vertical machining center and related tooling from Hillary Machinery Inc. for $115,210, delivered to our Lubbock facility in May 2023; it requires monthly payments of $1,946, matures 84 months after origination and is secured by the machine. The Rabobank innovation loans were entered into by Flower Turbines B.V. in October 2019, with the latest draws made in approximately January 2020, in an aggregate principal amount of €50,000, and are unsecured. The advances from Dr. Farb are unsecured, non-interest-bearing and repayable on demand. See “Related Party Transactions”.

Except for the advances from Dr. Farb, our borrowings from external parties, including our credit card obligations, were personally guaranteed by Dr. Farb. In addition to the indebtedness in the table, accounts payable at December 31, 2024 of $73,652 included approximately $30,369 of credit card obligations with Citi, which Dr. Farb has personally guaranteed.

Our contractual maturities of debt as of December 31, 2024 were $112,142 in 2025, $36,221 in 2026, $5,563 in 2027, $6,651 in 2028, $8,681 in 2029 and $71,382 in 2030.

We also had a lease liability of $6,122 at December 31, 2024, all of which was current, against a right-of-use asset of $5,027, and customer deposits and advance payments of $223,067 recorded as unearned revenue.

Plan of Operations

At December 31, 2024, we were investing in the continued growth of our brand and were seeking to hit the following milestones during 2025:

- Raising project financing through a dedicated project entity in order to develop, own and operate turbine installations, and signing a first project contract.
- Reducing fixed costs by moving from in-house manufacturing at our Lubbock, Texas facility to outsourced manufacturing.
- Concentrating sales on large-entity customers able to benefit from the cluster effect or from an infrastructure plan.
- Continued development of our own wind turbine electronics, beginning with charge controllers, with a view to selling electronics to other wind turbine companies.
- Closing our fourth Regulation Crowdfunding offering, which was open at December 31, 2024.

The extent to which we were able to complete the milestones outlined above was dependent upon the success of our marketing efforts and our utilization of cash. For a description of what occurred after December 31, 2024, including the closing of our fourth Regulation Crowdfunding offering, the reduction in our operations and the closure of our warehouses, see "Subsequent Events".

SUBSEQUENT EVENTS

The following describes material events that occurred after December 31, 2024 and through the date of this report. Our auditors evaluated subsequent events through September 23, 2026, the date the audited consolidated financial statements were available to be issued; see Note 8 to those statements.

Securities Issued and Exempt Offerings

Our fourth Regulation Crowdfunding offering on StartEngine, conducted in reliance on Section 4(a)(6) of the Securities Act and Regulation Crowdfunding, closed on April 30, 2025. On April 20, 2025 we issued 106,502 shares of common stock in respect of that offering, for gross proceeds of $1,265,586 and net proceeds after platform fees of $1,180,455, and ~~2,711~~3,195 shares to StartEngine as compensation. Concurrently we offered common stock to Canadian investors under a Canadian offering memorandum dated September 5, 2024 through FrontFundr Financial Services Inc. and, from January 31, 2025, through a DealMaker portal. The FrontFundr offering closed in four tranches: 2,399 shares on September 20, 2024, 1,384 shares on November 25, 2024, 3,731 shares on March 6, 2025 and 1,997 shares on April 30, 2025, a total of 9,511 shares for gross proceeds of $121,074 and net proceeds of $96,845, all registered in the name of Dr. Farb as voting trustee; 1,148 shares were issued on April 20, 2025 in respect of the DealMaker portion. Warrants over 335.44 shares, exercisable at $14.00 per share for five years, were issued to FrontFundr in respect of the March 6 and April 30, 2025 closings. See "Our Securities".

Separately, we began raising project financing during 2025. Flower Turbines Projects Series 1 LLC, an entity we formed and originally wholly owned, conducted an offering of its own securities to outside investors. On completion of that funding our ownership of Series 1 was to pass to those investors; that transfer has not yet been documented, and we act as manager of Series 1. We are focusing on large-entity customers that can benefit from a strong cluster effect or from an infrastructure plan, and we are raising project financing funds in order to make that possible. A second entity, Flower Turbines Projects Series 2 LLC, has been formed. As

of the date of this report no offering of our securities, or of the securities of Series 1 or Series 2, is open, and no date has been set for a Series 2 offering.

Borrowings

We entered into several financing arrangements and received additional shareholder advances after December 31, 2024:

- **Advances from Dr. Farb.** During 2025 we received $570,300 in short-term, unsecured, non-interest-bearing advances from Dr. Mark Daniel Farb, our chief executive officer and a shareholder. We received additional advances of $122,500 between January 1 and April 28, 2026 and a further $38,300 between April 29 and September 30, 2026, bringing total advances received after December 31, 2024 to $731,100, none of which has been repaid.
- **American Express business line of credit.** During 2025 we received six advances totaling $66,100 under this facility. Access to the facility was temporarily suspended in January 2026 and was subsequently reinstated under a new agreement executed on April 1, 2026, following which we received further advances, including an advance on August 29, 2026. Borrowing costs range from 0.50% to 3.50% per month on outstanding balances. At September 10, 2026 the balance on our American Express business card, which is personally guaranteed by Dr. Farb, was $45,168 against a credit limit of $43,000.
- **ODK Capital, LLC (OnDeck).** On July 15, 2025 we entered into a revolving line of credit with a credit limit of $32,000 and an initial annual percentage rate of 46.50%. We drew $31,000 during July 2025, subject to scheduled payments of $3,279. During 2025 we repaid $15,060 of principal and paid $4,616 of interest, and the principal balance at December 31, 2025 was $15,940.
- **Fundbox, Inc.** On July 16, 2025 we drew $20,000 under a revolving credit facility and incurred $2,679 in borrowing fees. The balance was repaid through weekly installments, with the remaining balance repaid in full in January and February 2026.

The advances from Dr. Farb are related party transactions. See “Related Party Transactions”.

We continued to advance funds to Flower Turbines B.V. under the intercompany loan facility after December 31, 2024, including advances of approximately €141,600 during 2025. These advances eliminate on consolidation. On December 3, 2025, Flower Turbines, Inc. issued a letter of support in favor of Flower Turbines B.V., running for twelve months from that date.

Operations and Personnel

Following a decline in funding that began in late 2024, we reduced staff during 2025: by August 31, 2025 all of our United States employees other than Dr. Farb had left the company, and our one Netherlands employee was dismissed during 2025. The people who now work for us do so as independent contractors. During 2025 we closed our two active warehouses and incurred related shutdown and disposal costs. We expect the closures to reduce ongoing rental, personnel and payroll costs by approximately $20,000 per month. We have transitioned to outsourced manufacturing and distribution, which we expect to provide longer-term operating cost efficiencies. Our Lubbock, Texas lease, extended for six months from February 28, 2025, expired on August 30, 2025 and we closed that facility. We vacated the Zoetermeer premises on November 30, 2025, having first sought the landlord's consent to sublease in April 2025 and engaged a broker in June 2025 to find a replacement tenant; the landlord re-let the premises from January 1, 2026 and returned our deposit of €15,730, less €412.74, on August 12, 2026. The landlord's claims for a broker commission of €8,480 plus VAT and for damage to the premises are disputed and have not been pursued. We have no dedicated staff in the Netherlands. In 2025 we decided to outsource our manufacturing completely to manufacturers located in the United States, Poland, China, India and the Netherlands.

Mr. Warren Stoll ceased to serve as our Chief Operating Officer on August 31, 2025; there were no separation payments or other separation terms. Dr. Farb ceased taking a salary in the spring of 2025 and works without salary, receiving only reimbursement of expenses; no salary has accrued to him. Ms. Ali Grattan, who had become a part-time employee in October 2024, moved to a monthly per-project contract in January 2025.

Our independent auditors are RNB Capital CPAs, LLC, which replaced the firm that audited our fiscal 2023 financial statements, and our accountants are Summit CFO Group LLC, a related party. See "Related Party Transactions".

Commercial Developments

On April 28, 2026, Flower Turbines Projects Series 1 LLC, as provider, entered into a power purchase agreement with Forvia, as customer, in respect of a site at Fradley in the United Kingdom. Under the agreement Series 1 will install and operate eighteen 8-meter AL13 Power Tower wind turbines on the customer's premises at its own cost, will retain ownership of the system, and will be responsible for maintenance, repair and replacement throughout the term. The customer will purchase all electricity generated by the system at a rate below its prevailing utility rate, adjusted each January; the customer has supplied its utility bills, but the initial rate has been left open because installation is not expected until planning permission is obtained, which we do not expect before late 2026 or early 2027. The term is thirty years from the date of commissioning, at the end of which the system becomes the property of the customer at no additional cost, and the customer may purchase the system at a mutually agreed price after the seventh anniversary of commissioning. The agreement is governed by English law and is not binding on the customer if zoning issues are identified and are deemed not reasonably solvable. Flower Turbines, Inc. is not a party to the agreement and is not entitled to the revenue under it; the customer has asked that the agreement not be disclosed in full until the project is operational.

On June 10, 2026 Series 1 engaged Vangarda Build Ltd, of Kent, England, as project manager for the Forvia installation under a project management and delivery agreement with a maximum project budget of £70,000, a minimum project management fee of £15,000 (of which £12,000 was payable on signing, £5,000 of it earmarked for the planning application) and a performance fee equal to any unspent budget. If planning permission is not obtained, the agreement provides that there is retroactively no sale and no contract between Series 1 and the host site.

On July 7, 2026 we invoiced Flower Turbines Projects Series 1 LLC $680,000, being a list amount of $694,512 less a single-payment discount of $14,512, for eighteen 8-meter AL13 turbines and projected installation for the United Kingdom project. The invoice is payable within fifteen days. Series 1 is a related party and we act as its manager. See "Related Party Transactions".

An agreement granting exclusivity in India has been cancelled because the counterparty did not perform. An agreement for a joint venture and the sale of eleven turbines in China did not proceed because the counterparty neither paid nor performed, and there is no joint venture.

Project Entities

Flower Turbines Projects Series 1 LLC is a limited liability company organized in the State of Wyoming and operating from New York. It was originally wholly owned by Flower Turbines, Inc.; on completion of its funding its ownership was to be transferred to the investors in its offering, which transfer has not yet been documented, and Flower Turbines, Inc. acts as its manager. It has not completed any installations and has not begun generating revenue; it is currently applying for planning permission in order to build.

Flower Turbines Projects Series 2 LLC has been organized as a Texas limited liability company with a registered address in Austin, Texas. No date has been set for an offering of its securities.

Litigation

During 2026 a customer, Tom McClellan and Tom McClellan Electric, commenced an arbitration against us before the American Arbitration Association (Case No. 01-26-0000-7126) claiming approximately $60,000 in respect of five damaged turbines, which we defended on the basis that the customer had dropped the turbines, voiding the warranty. We represented ourselves in the arbitration. On October 9, 2026 the arbitrator granted the claims for breach of contract and breach of warranty in part and awarded the claimant $46,378 in compensatory damages, $13,387.50 in attorneys' fees, $2,049.84 in pre-award interest, and $2,450 as our share of the administrative fees and arbitrator's compensation, a total of $64,265.34, payable within thirty days of the award and bearing post-award interest at 6.75% per annum until paid. We believe the award is contrary to Texas law and intend to challenge it. The award was made after the date of our auditors' report and is not reflected in the audited consolidated financial statements. As of December 31, 2024 there were no pending or threatened legal proceedings that management believed would reasonably be expected to have a material adverse effect on our financial position or results of operations.

DIRECTORS, EXECUTIVE OFFICERS AND SIGNIFICANT EMPLOYEES

The following table sets forth information about our executive officers and directors as of December 31, 2024.

Name	Position	Age	Term of Office	Approximate hours per week for part-time employees
Dr. Mark Daniel Farb	Chief Executive Officer, Chief Financial Officer, Secretary & Director	67	December 2019 – Present	Full Time
Warren Stoll	Chief Operating Officer	66	January 2022 – Present (ceased to serve August 31, 2025)	Full Time

There are no arrangements or understandings between our executive officers and directors and any other persons pursuant to which the executive officer or director was selected to act as such.

Dr. Mark Daniel Farb has served as our chief executive officer, chief financial officer, secretary and sole director since our inception in December 2019. Prior thereto, Dr. Farb served as the Manager of our predecessor-in-interest, Flower Turbines LLC, since its founding in September 2013. He is also the sole officer and director of Flower Turbines B.V. In 2006, Dr. Farb founded Leviathan Energy, a group of renewable energy companies in Israel and the U.S. and has been serving as its sole officer and director since its founding. Both Leviathan Energy Hydroelectric and Leviathan Energy Wind Lotus, a predecessor of Flower Turbines, won the prestigious Eurogia label for their work. A strong believer in the importance of ecology and an avid hiker, Dr. Farb is a thought leader in the area of renewable energy. He has filed over 60 patents, written over 100 books, and his small wind invention, the Wind Tulip, a predecessor of our existing products, was featured at Bloomfield Science Museum in Jerusalem as one of Israel's top 45 technologies in 2011. Flower Turbines, Inc. was chosen by Pepperdine University Business School as among 30 finalists for the Most Fundable US Companies for 2020 out of 4,500 companies researched.

Warren Stoll served as our Chief Operating Officer from January 2022 until August 31, 2025, having acted as a contractor to the company from May 2021. Prior to joining Flower Turbines, between June 2017 and May 2021, he served as Chief Executive Officer of Loan Time, a fintech platform for medical loans, and

between September 2009 and June 2017, he served as an independent consultant assisting clients navigate the real estate market and the risks related to real estate investments. Throughout his career, Mr. Stoll has led a series of technology and real estate businesses. Beginning in 1979, Mr. Stoll raised venture capital for four start-ups, and led each company from inception to growth to a successful sale. In 1982, he founded Einstein Software, which developed the Einstein word processor, which he subsequently sold to Microsoft. He has also located, analyzed, appraised, and negotiated the purchase and sale of numerous commercial properties. Mr. Stoll has a BA from CSUN and a JD from Southwestern School of Law. He is an avid fisherman, a devoted grandfather, and a champion chess player.

Compensation

The table below reflects the annual compensation of each of the three highest paid persons who were executive officers or directors during the fiscal year ended December 31, 2024:

Name	Capacities in which compensation received	Cash compensation	Other compensation	Total compensation
Mark Daniel Farb	Chief Executive Officer, Chief Financial Officer, Secretary and Director	$183,000	$0	$183,000
Warren Stoll	Chief Operating Officer	$144,000	$0	$144,000

We have employment agreements with both executives. Neither officer received any compensation from Flower Turbines B.V. or from any project entity during the fiscal year ended December 31, 2024. Dr. Farb ceased taking a salary in the spring of 2025 and no salary has accrued to him since; Mr. Stoll ceased to serve on August 31, 2025 without separation payments. See “Subsequent Events”.

PRINCIPAL SECURITY HOLDERS

Set forth below is information regarding the beneficial ownership of our outstanding common stock (which are our only voting securities) as of December 31, 2024, by (i) each person whom we know owned, beneficially, more than 20% of the outstanding common stock, and (ii) all of the current officers and directors as a group. We believe that, except as noted below, each named beneficial owner has sole voting and investment power with respect to the shares listed. Unless otherwise indicated herein, beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and includes voting or investment power with respect to shares beneficially owned.

Title of class	Name and address of beneficial owner	Amount and nature of beneficial ownership	Amount and nature of beneficial ownership acquirable (1)	Percent of class (2)
Common Stock	Dr. Mark Daniel Farb 240 Central Ave., 1J Lawrence, NY 11559	7,311,000	500,000	70.47%
Common Stock	Warren Stoll 240 Central Ave., 1J Lawrence, NY 11559	0	130000	0.11%

Title of class	Name and address of beneficial owner	Amount and nature of beneficial ownership	Amount and nature of beneficial ownership acquirable (1)	Percent of class (2)
Common Stock	All directors and officers as a group (2 persons)	7,311,000	630,000	70.50%

(1) Includes stock options that are immediately exercisable. The 500,000 options held by Dr. Farb are exercisable at $7.00 per share. The options over 210,000 shares (2021) and 10,000 shares (2024) granted to Mr. Stoll were never accepted by him and are not treated as outstanding; the figure shown for Mr. Stoll is the portion of a separate 2021 grant that vested on his departure, as reported by the company, and is subject to confirmation.

(2) Percentages are calculated on 10,936,659shares of common stock outstanding at December 31, 2024, plus, in the case of each holder, the shares that holder could acquire on exercise of immediately exercisable options. Dr. Farb's holding is 7,311,000 shares, or approximately 69.1% of the shares outstanding, before options. The table does not include shares over which Dr. Farb holds voting power as proxy holder under the irrevocable voting proxies granted by investors in our crowdfunding offerings, or the 9,511 shares registered in his name as voting trustee for the investors who subscribed through FrontFundr, in which he has no beneficial interest. The share count used in this table is under reconciliation with the StartEngine ledger. See “Previous Offerings”.

RELATED PARTY TRANSACTIONS

The following describes each transaction since the beginning of the fiscal year covered by this report, and each currently proposed transaction, to which we were or are a party and in which any director or officer, any person who is the beneficial owner of 20 percent or more of our outstanding voting equity securities, or any immediate family member of any of them, had or is to have a direct or indirect material interest.

Intercompany loan facility with Flower Turbines B.V.

On January 1, 2023, Flower Turbines, Inc., as lender, and Flower Turbines B.V., as borrower, entered into a Loan Facility Agreement under which the lender agreed to provide a facility of up to $4,000,000 for market development. Advances bear simple interest at 5% per annum, accruing on the anniversary of each advance, each advance has a term of five years and automatically revolves unless repaid, and interest is pro-rated for the year if an advance is repaid early. There is no facility fee, there are no financial covenants, and there is no fixed repayment schedule; repayment is to be decided by the lender as the borrower becomes increasingly profitable. The agreement is governed by New York law. Dr. Farb signed the agreement on behalf of both parties.

At December 31, 2024, our books recorded a receivable from Flower Turbines B.V. of approximately $2.8 million, and the books of Flower Turbines B.V. recorded a payable to group companies of €2,775,090 (2023: €2,236,916). During 2024 we advanced a further €421,500, and Flower Turbines B.V. charged €116,674 of interest to group companies (2023: €91,486). Both sides of the balance and the interest eliminate on consolidation. On December 3, 2025, we issued a letter of support in favor of Flower Turbines B.V. running for twelve months from that date.

Advances from Dr. Farb

During 2024, Dr. Mark Daniel Farb, our chief executive officer and director, provided us with unsecured, non-interest-bearing advances totaling $128,806. The advances are payable on demand. At December 31, 2024, $37,161 of those advances remained outstanding, compared with $77,801 at December 31, 2023. During 2025 he advanced a further $570,300, and between January 1 and September 30, 2026 a further $160,800 (of which $122,500 was advanced by April 28, 2026), bringing total advances since December 31, 2024 to $731,100, none of which has been repaid. One advance of $2,000 made on March 2, 2026 was paid on our behalf to Leviathan (Qingdao) New Energy Tech Co. Ltd.

Summit CFO Group LLC

We receive bookkeeping, corporate tax preparation, and SEC and Regulation Crowdfunding compliance services from Summit CFO Group LLC, an entity managed by Avraham Farb, a shareholder and the son of Dr. Farb. Avraham Farb holds a degree in technology marketing and management and a master's degree in accounting. Professional fees paid to Summit CFO Group LLC were approximately $15,600 for the fiscal year ended December 31, 2024, with no amounts payable at year end.

Personal guarantees given by Dr. Farb

Dr. Farb is a personal guarantor of the American Express and Citi credit cards used by the company, of our borrowings from external parties, including the Leaf Capital Funding facility for the CNC machine purchased by the company, and of various other loans taken out by the company. Such guarantees provide additional recourse to the lenders in the event we do not satisfy our obligations. Dr. Farb receives no fee for these guarantees. He will also personally guarantee the Rapid Finance loan described under “Subsequent Events”, if it is completed.

Use of premises owned by Dr. Farb

We use a cooperative apartment at 240 Central Avenue, Suite 1J, Lawrence, New York, which is personally owned by Dr. Farb, as our U.S. corporate mailing address, administrative headquarters and permanent place of business. The arrangement provides a low-cost U.S. presence and executive housing during business travel. We pay approximately $800 to $900 per month (approximately $9,600 annually, as recorded in the audited consolidated financial statements) for cooperative maintenance charges, utilities and insurance, which is recorded in operating expenses.

Leviathan (Qingdao) New Energy Tech Co. Ltd

Leviathan (Qingdao) New Energy Tech Co. Ltd is a Chinese entity owned by Dr. Farb. It was opened by Dr. Farb to represent Flower Turbines in China, and is used to source components and to receive income from activities in China. It is entitled to a small charge on the transactions it handles but has taken none. Surpluses held by it are an asset of the company and are retained for sourcing from China; an account in the name of that entity, with a balance of $3,014 at December 31, 2024, appears on our balance sheet. In March 2026 an advance of $2,000 from Dr. Farb was paid directly to that entity on our behalf.

Flower Turbines Projects Series 1 LLC and Series 2 LLC

Flower Turbines Projects Series 1 LLC was formed in 2025 and was originally wholly owned by us. On completion of its funding its ownership was to be transferred to the investors in its offering; that transfer has not yet been documented. We act as manager of Series 1, and Dr. Farb signed the Forvia power purchase agreement and the Vangarda Build project management agreement on its behalf. There is no written agreement between us and Series 1 governing our management role or the terms of our supply of turbines; the terms of the relationship were described in the offering materials for that entity's offering. On July 7, 2026 we invoiced Series 1 $680,000 for eighteen 8-meter AL13 turbines and projected installation for its United

Kingdom project. The terms of that sale were set by us and were not negotiated at arm's length, and the sale is contingent on the project obtaining planning permission.

Legal fees incurred in connection with Flower Turbines Projects Series 2 LLC are to be paid out of the proceeds of the first project financing raise; when those funds are raised and received, they will be used to pay service providers and to reimburse Flower Turbines, Inc. for incorporation and similar fees it has advanced.

Intellectual property license

We have a royalty free license to use certain patents, trademarks, copyrights and other intellectual property rights from Dr. Farb, all of them pursuant to a 20 year, royalty free, world-wide, exclusive license.

OUR SECURITIES

Our authorized capital stock consists of 20,000,000 shares of common stock, $0.0001 par value per share. At the time of our conversion to a Delaware corporation we were authorized to issue 2,500,000 shares of common stock; in November 2021 our Board of Directors approved a 1-for-10 forward stock split and amended the Certificate of Incorporation to increase the authorized common stock to 20,000,000 shares. No preferred stock has been authorized or issued. As of December 31, 2024, we had ~~10,579,026~~10,584,098 shares of common stock issued and outstanding.

As of December 31, 2023, we had 10,023,427 shares of common stock issued and outstanding. During the fiscal year ended December 31, 2024 we issued 560,671 shares of common stock, for aggregate proceeds of $3,434,500 credited to common stock and additional paid-in capital, comprising 4,954 shares issued to StartEngine on February 8, 2024, 165,640 shares issued on May 31, 2024 on the closing of our third Regulation Crowdfunding offering, 4,952 shares issued to StartEngine as compensation in connection with that offering, and 385,125 shares issued during 2024 in respect of our second Regulation A+ offering, which closed on February 22, 2024. Following the issuances described under “Subsequent Events” (106,502 and ~~2,711~~3,195 shares to StartEngine investors and StartEngine, 1,148 shares to DealMaker investors and 9,511 shares to Dr. Farb as voting trustee for FrontFundr investors), we had 10,704,454 shares of common stock outstanding as of the date of this report, subject to the reconciliation of the Regulation A+ register described under “Previous Offerings”.

In September 2020 we adopted a 2020 Omnibus Incentive Stock Plan. According to the audited consolidated financial statements, as of December 31, 2024 options to purchase 711,365 shares of common stock were outstanding and exercisable, with a weighted average exercise price of $21 per share; options outstanding at January 1, 2024 were 711,100, and during the fiscal year ended December 31, 2024 we granted options over 2,650 shares at an exercise price of $12 per share and options over 2,385 shares expired or were cancelled. No options were exercised during the period. The option agreements for the grants of 210,000 and 10,000 options to Mr. Stoll were never accepted by him and are not treated by the company as outstanding; excluding them, the company's option register shows 507,350 options outstanding, of which 500,000 are held by Dr. Farb at an exercise price of $7.00 per share.

In addition, warrants over an aggregate of 553.44 shares, exercisable at $14.00 per share for five years from their respective dates of issue, were issued to FrontFundr Financial Services Inc. in connection with the concurrent Canadian offering, of which warrants over 218 shares were issued during the fiscal year ended December 31, 2024.

The rights of investors in the common stock are governed by our Certificate of Incorporation and the Subscription Agreement, and are described below.

Certificate of Incorporation

Our Certificate of Incorporation may be amended by our Board of Directors and by the vote of the holders of a majority of the outstanding shares, to increase the number of authorized shares, and there is no limit on the number of shares that may be authorized and issued. The Board of Directors, with the approval of the holders of our common stock, by a majority vote, may also amend the Certificate of Incorporation to create one or more series of preferred stock that have rights, preferences and privileges senior to the rights, preferences and privileges of the common stock.

Dividends

The holders of our common stock will be entitled to receive pro rata dividends, if any, declared by our Board of Directors out of legally available funds, however, subject to any preferential right of the holders of any preferred stock that may be authorized and issued in the future.

Liquidation

Upon our liquidation, dissolution or winding-up, the holders of our common stock are entitled to share ratably in all assets that are legally available for distribution, however, subject to any preferential right of the holders of any preferred stock that may be authorized and issued in the future.

Voting Rights

The holders of our common stock are entitled to one vote per share, however, the holders of common stock issued in our crowdfunding offerings have granted a voting proxy to our chief executive officer, that limits investors' ability to vote their common stock until the occurrence of events specified in the proxy. See “Securities Being Offered — Voting Proxy” in the applicable offering materials. Separately, the 9,511 shares subscribed for through FrontFundr Financial Services Inc. are registered in the name of Dr. Mark Daniel Farb as voting trustee and are held by him in trust for the beneficial holders, under a Trust Declaration and Voting Trust Agreement dated August 22, 2024 to which each subscriber acceded on subscribing. Under that agreement the voting trustee has no beneficial interest in the deposited shares, the beneficial holders receive all dividends and distributions directly, and the trustee is irrevocably instructed to vote the deposited shares in favor of, among other things, any financing approved by the Board of Directors and any sale of the company approved by the Board and by holders of at least 50.1% of the shares, and on other matters as holders of at least 50.1% of the shares have voted; the beneficial holders are also bound by a drag-along obligation on such a sale. The trust is irrevocable and terminates after 21 years, on a public offering, on the dissolution of the company, or with the written consent of the trustee and the company.

Other Rights

The holders of our common stock have no preemptive, subscription, redemption or conversion rights.

What it means to be a minority holder

As a minority holder you will have limited ability, if at all, to influence our policies or any other corporate matter, including the election of directors, changes to our company's governance documents, additional issuances of securities, company repurchases of securities, a sale of the company or of assets of the company or transactions with related parties.

Dilution

Investors should understand the potential for dilution. The investor's stake in a company could be diluted due to the company issuing additional shares. In other words, when the company issues more shares, the percentage of the company that you own will decrease, even though the value of the company may increase. You will own a smaller piece of a larger company. This increase in number of shares outstanding could result

from a stock offering (such as an initial public offering, another crowdfunding round, a venture capital round or angel investment), employees exercising stock options, or by conversion of certain instruments (e.g. convertible notes, preferred shares or warrants) into stock.

If we decide to issue more shares, an investor could experience value dilution, with each share being worth less than before, and control dilution, with the total percentage an investor owns being less than before. There may also be earnings dilution, with a reduction in the amount earned per share (though this typically occurs only if we offer dividends, and most early stage companies are unlikely to offer dividends, preferring to invest any earnings into the company).

The type of dilution that hurts early-stage investors most occurs when the company sells more shares in a "down round," meaning at a lower valuation than in earlier offerings.

If you are making an investment expecting to own a certain percentage of the company or expecting each share to hold a certain amount of value, it's important to realize how the value of those shares can decrease by actions taken by the company. Dilution can make drastic changes to the value of each share, ownership percentage, voting control, and earnings per share.

Transfer restrictions

The common stock sold in the Regulation CF offering may not be transferred by any purchaser, for a period of one year beginning when the securities were issued, unless such securities are transferred:

- to the Company;
- to an accredited investor;
- as part of an offering registered with the SEC; or
- to a member of the family of the purchaser or the equivalent, to a trust controlled by the purchaser, to a trust created for the benefit of a member of the family of the purchaser or the equivalent, or in connection with the death or divorce of the purchaser or other similar circumstance.

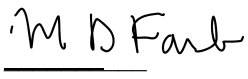
Valuation

We sold shares in our most recent Regulation Crowdfunding campaign at $14.00 per share, at a pre-money valuation of $149,784,096. We created our valuation internally based on evaluations of multiple factors, including, but not limited to, a financial model regarding growth and projections, evaluation of comparable companies at similar stages, a valuation of our IP assets, and an industry multiple.

SIGNATURES

Pursuant to the requirements of Sections 4(a)(6) and 4A of the Securities Act of 1933 and Regulation Crowdfunding (§ 227.100-503), the issuer certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form C and has duly caused this Form to be signed on its behalf by the duly authorized undersigned, on November 6, 2026.

FLOWER TURBINES, INC.

By: 

Dr. Mark Daniel Farb, Chief Executive Officer, Chief Financial Officer, Secretary and Director

Exhibits to this Report:

Audited consolidated financial statements of Flower Turbines, Inc. and its subsidiary as of and for the year ended December 31, 2024, with restated comparative figures for the year ended December 31, 2023, together with the Independent Auditor's Report of RNB Capital CPAs, LLC dated September 23, 2026.

Exhibit A

FINANCIAL STATEMENTS

Audited consolidated financial statements of Flower Turbines, Inc. and its subsidiary as of and for the year ended December 31, 2024, with restated comparative figures as of and for the year ended December 31, 2023, together with the Independent Auditor's Report of RNB Capital CPAs, LLC dated September 23, 2026.

NOTE 1 – NATURE OF OPERATIONS

Flower Turbines Inc. was formed on 12/27/2019 (“Inception”) in the State of Delaware. The financial statements of Flower Turbines Inc.(which may be referred to as the "Company", "we," "us," or "our") are prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The Company’s headquarters are located in Lawrence, NY

We design, manufacture, and sell small vertical axis wind turbines, which, compared with current small drag-type wind turbines, are more aerodynamically efficient, emit less noise and vibrations, and are aesthetically designed. We have solved the aerodynamic blade design issues that plague many of our competitors' wind turbines. One of our most important advances is the bouquet effect, whereby closely placed turbines make the whole group perform better. Our goal is to make our sleek, innovative, and efficient small wind turbines the foundation of a large global renewable energy company. We currently offer one, two, three and five-meter blade-height Tulip versions of our wind turbines, that can produce power ranging from tens of watts up to 10,000 watts, and modular units made of aluminum blades called the AL13 Power Tower™. The modules, of one meter height each, can be stacked up to eight modules. They have a more industrial look and are more cost-effective.
Flower Turbines has been in existence since 2013, originally founded as an LLC in New York and most recently converted to Flower Turbines, Inc., a Delaware corporation. In 2019 Flower Turbines LLC completed a Regulation Crowdfunding campaign on StartEngine. On December 26, 2019, Flower Turbines LLC became Flower Turbines, Inc., a Delaware corporation.
The business entities are the same and all business-related materials transferred from the LLC to the new corporation. Flower Turbines, Inc. operates a wholly owned subsidiary, Flower Turbines B.V., in the Netherlands. Flower Turbines B.V. is registered in the Commercial Register of the Netherlands Chamber of Commerce under file number 74439901 and has its registered office in Rotterdam. It addresses the EU market, which is currently more advanced than the US.
On March 27, 2019, we formed Flower Turbines B.V., a Netherlands company, to sell, install, and develop sustainable energy solutions in the European Union. In January 2020, we extended our business into the electric mobility vertical through Flower Turbines B.V.'s acquisition of a product line of charging stations, which include stationary poles, outdoor benches, and workstations, which can charge electric vehicles and other products such as mobile phones. The charging stations generate power through wind, solar, and grid energy. We outfit some of these charging stations with our wind turbines.
In the EU, we are actively selling charging systems in the electric mobility vertical which include stationary poles, outdoor benches, and workstations, which can charge electric bicycles and scooters and other products such as mobile phones. The charging poles are on-grid and off-grid, with solar alone or our wind turbines and solar together.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates
The preparation of financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, and the reported amount of expenses during the reporting periods. Actual results could materially differ from these estimates. It is reasonably possible that changes in estimates will occur in the near term.

Fair Value of Financial Instruments
Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants as of the measurement date. Applicable accounting guidance provides an established hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs

and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in valuing the asset or liability and are developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the factors that market participants would use in valuing the asset or liability. There are three levels of inputs that may be used to measure fair value:

Level 1 - Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Include other inputs that are directly or indirectly observable in the marketplace.

Level 3 - Unobservable inputs which are supported by little or no market activity.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Fair-value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of December 31, 2024 and 2025. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values.

Cash and Cash Equivalents
For purpose of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Revenue Recognition
The Company will recognize revenues from operations when (a) persuasive evidence that an agreement exists; (b) the service has been performed; (c) the prices are fixed and determinable and not subject to refund or adjustment; and (d) collection of the amounts due is reasonably assured.

Stock Based Compensation
The Company accounts for stock options issued to employees under ASC 718 Share-Based Payment. Under ASC 718, share-based compensation cost to employees is measured at the grant date, based on the estimated fair value of the award, and is recognized as expense over the employee's requisite vesting period. The fair value of each stock option or warrant award is estimated on the date of grant using the Black-Scholes option valuation model.

The Company measures compensation expense for its non-employee stock-based compensation under ASC 505 Equity. The fair value of the option issued or committed to be issued is used to measure the transaction, as this is more reliable than the fair value of the services received. The fair value is measured at the value of the Company's common stock on the date that the commitment for performance by the counterparty has been reached or the counterparty's performance is complete. The fair value of the equity instrument is charged directly to stock-based compensation expense and credited to additional paid-in capital.

Income Taxes
The Company applies ASC 740 Income Taxes ("ASC 740"). Deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial statement reported amounts at each period end, based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized. The provision for income taxes represents the tax expense for the period, if any and the change during the period in deferred tax assets and liabilities.

ASC 740 also provides criteria for the recognition, measurement, presentation and disclosure of uncertain tax positions. A tax benefit from an uncertain position is recognized only if it is "more likely than not" that the position is sustainable upon examination by the relevant taxing authority based on its technical merit.

The Company is subject to tax in the United States ("U.S.") and files tax returns in the U.S. Federal jurisdiction and NY state jurisdiction. The Company is subject to U.S. Federal, state and local income tax examinations by tax authorities for all periods since Inception. The Company currently is not under examination by any tax authority.

Concentration of Credit Risk

The Company maintains its cash with a major financial institution located in the United States of America which it believes to be creditworthy. Balances are insured by the Federal Deposit Insurance Corporation up to $250,000. At times, the Company may maintain balances in excess of the federally insured limits.

NOTE 3 – DEBT

[Add Notes for inventory, PP&E, Accrued Liabilities, Debt (traditional or convertible) if additional detail is needed. If the Company has debt, you will likely need a note for such and thus the example includes some typical language.]

The following summarizes our consolidated indebtedness as of December 31, 2025:

Debt instrument	Current Principal	Interest rate	Maturity
On Deck line of credit	$16,042.20	17.99%	12 months
American Express line of credit	$10,482.15	10.44–10.65%	6 months
Due to Dr. Mark Daniel Farb	$570,300	0%	On demand
Leaf Capital Funding equipment loan	$75000	7.50%	April 2030
Rabobank innovation loans (Flower Turbines B.V.)	$25000	7.50%	11/30/2026
Total	$696,824.35		

The Leaf Capital Funding loan, entered into in April 2023, financed the purchase of a TRAK TMC12 vertical machining center and related tooling from Hillary Machinery Inc. for $115,210, delivered to our Lubbock facility in May 2023; it requires monthly payments of $1,946, matures 84 months after origination and is secured by the machine. The Rabobank innovation loans were entered into by Flower Turbines B.V. in October 2019, with the latest draws made in approximately January 2020, in an aggregate principal amount of €50,000, and are unsecured. The advances from Dr. Farb are unsecured, non-interest-bearing and repayable on demand.

In addition to the indebtedness in the table, accounts payable at December 31, 2025 included approximately $100,000 of credit card obligations with Citi, which Dr. Farb has personally guaranteed.

NOTE 4 – COMMITMENTS AND CONTINGENCIES

As of 12/31/25, the only pending litigation was a dispute of 5 small turbines for which the customer was claiming $70000. As of 12/31/25, it was not resolved, with Flower Turbines claiming that the customer dropped the turbines.

NOTE 5 – STOCKHOLDERS' EQUITY

Common Stock
We have authorized the issuance of 11,071,546 shares of our common stock with par value of $0.001. As of 12/31/2025 the company has currently issued 11,071,546 shares of our common stock.

NOTE 6 – RELATED PARTY TRANSACTIONS

Intercompany loan facility with Flower Turbines B.V.
On January 1, 2023, Flower Turbines, Inc., as lender, and Flower Turbines B.V., as borrower, entered into a Loan Facility Agreement under which the lender agreed to provide a facility of up to $4,000,000 for market development. Advances bear simple interest at 5% per annum, accruing on the anniversary of each advance, each advance has a term of five years and automatically revolves unless repaid, and interest is pro-rated for the year if an advance is repaid early. There is no facility fee, there are no financial covenants, and there is no fixed repayment schedule; repayment is to be decided by the lender as the borrower becomes increasingly profitable. The agreement is governed by New York law. Dr. Farb signed the agreement on behalf of both parties. Both sides of the balance and the interest eliminate on consolidation. On December 3, 2025, we issued a letter of support in favor of Flower Turbines B.V. running for twelve months from that date.

During 2025, Dr. Mark Daniel Farb, our chief executive officer and director, provided us with unsecured, non-interest-bearing advances totaling $570,300. The advances are payable on demand.

Summit CFO Group LLC
We receive bookkeeping, corporate tax preparation, and SEC and Regulation Crowdfunding compliance services from Summit CFO Group LLC, an entity managed by Avraham Farb, a shareholder and the son of Dr. Farb. Avraham Farb holds a degree in technology marketing and management and a master's degree in accounting. Professional fees paid to Summit CFO Group LLC were approximately $19,991.83 for the fiscal year ended December 31, 2025

Personal guarantees given by Dr. Farb
Dr. Farb is a personal guarantor of the American Express and Citi credit cards used by the company, of our borrowings from external parties, including the Leaf Capital Funding facility for the CNC machine purchased by the company, and of various other loans taken out by the company. Such guarantees provide additional recourse to the lenders in the event we do not satisfy our obligations. Dr. Farb receives no fee for these guarantees.

Use of premises owned by Dr. Farb
We use a cooperative apartment at 240 Central Avenue, Suite 1J, Lawrence, New York, which is personally owned by Dr. Farb, as our U.S. corporate mailing address, administrative headquarters and permanent place of business. The arrangement provides a low-cost U.S. presence and executive housing during business travel. We pay approximately $800 to $900 per month (approximately $9,600 annually, as recorded in the audited consolidated financial statements) for cooperative maintenance charges, utilities and insurance, which is recorded in operating expenses. Dr. Farb takes no profit on the transaction.

Leviathan (Qingdao) New Energy Tech Co. Ltd
Leviathan (Qingdao) New Energy Tech Co. Ltd is a Chinese entity owned by Dr. Farb. It was opened by Dr. Farb to represent Flower Turbines in China and is used as an intermediary to source components and to pass on income from activities in China such as the payment for a project there. It is entitled to a small charge on the transactions it handles but has taken none. Surpluses held by it are an asset of the company and are retained for sourcing from China; an account in the name of that entity, with a balance of RMB 192,888.24 at December 31, 2025, appears on our balance sheet. In March 2026 an advance of $2,000 from Dr. Farb was paid directly to that entity on our behalf.

Flower Turbines Projects Series 1 LLC and Series 2 LLC
Flower Turbines Projects Series 1 LLC was formed in 2025 and was originally wholly owned by us. On completion of its funding its ownership was transferred to the investors in its offering. We act as manager of Series 1, and we signed the Forvia power purchase agreement and the Vangarda Build project

management agreement on its behalf. On July 7, 2026 we invoiced Series 1 $680,000 for eighteen 8-meter AL13 turbines and projected installation for its United Kingdom project. The terms of that sale were set by us and were not negotiated but were at arm's length standard turbine prices, and the sale is contingent on the project obtaining planning permission.

Intellectual property license
We have a royalty-free license to use certain patents, trademarks, copyrights and other intellectual property rights from Dr. Farb, all of them pursuant to a 20 year, royalty-free, world-wide, exclusive license.

NOTE 7 – SUBSEQUENT EVENTS

The Company has evaluated subsequent events that occurred after December 31, 2025 through November 19,2026, the issuance date of these financial statements. There have been no other events or transactions during this time which would have a material effect on these financial statements.

I, Mark Daniel Farb, the CEO of Flower Turbines, hereby certify that the financial statements of Flower Turbines and notes thereto for the periods ending 12/31/24 and 12/31/25 included in this Form C offering statement are true and complete in all material respects but are not final ones pending full audit and that the information below reflects accurately the information to be reported on our federal income tax returns.

For the year 2025 the amounts to be reported on our tax returns were total income of $0; taxable income of $0and total tax of $0.

Flower Turbines has not yet filed its federal tax return for 2024 and 2025.

IN WITNESS THEREOF, this Principal Executive Officer's Financial Statement Certification has been executed as of the 19 of November, 2026



Mark Daniel Farb, CEO

November 19, 2026