

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

SPROUT TINY HOMES, INC.

2652 N 162nd Avenue, Goodyear, AZ 85395

Phone: 720.810.4228

Email: info@sproutinghomes.com

Website: http://sprouttinyhomes.com

SIC: 1522 - Residential construction, misc.

Annual Report

For the Period Ending December 31, 2025 (the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

116,402,278 as of December 31, 2025

116,402,278 as of December 31, 2024

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: No:

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: No:

Change in Control

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes: No:

¹ "Change in Control" shall mean any events resulting in:

- (i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

1) Name and address(es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer any names used by predecessor entities, along with the dates of the name changes.

The legal name of the Company is Sprout Tiny Homes, Inc. See Corporate History for the names of predecessor companies.

Corporate History

On February 26, 2015, we were incorporated as a Delaware corporation named “Sprout Tiny Homes (DE), Inc.” On February 27, 2015, RG America, Inc., a Nevada corporation, merged into its wholly owned Delaware subsidiary, RG America Merger Corp. This moved RG America, Inc.’s state of incorporation from Nevada to Delaware. On March 5, 2015, RG America Merger Corp. merged into its wholly owned Delaware subsidiary RG America (DE), Inc. (“RG Delaware”) as part of a Delaware Section 251(g) holding company reorganization. Sprout Tiny Homes (DE), Inc. was designated as the public holding company and RG Delaware became its wholly owned subsidiary, with all the assets and liabilities of the pre-existing insurance related business of RG America Inc. Under the plan of merger, each shareholder of RG Merger Corp. received shares of stock of Sprout Tiny Homes (DE), Inc. on a one-for-one basis. On March 19, 2015, Sprout Tiny Homes (DE), Inc. changed its domicile to Colorado; as part of this process our corporate name changed to Sprout Tiny Homes, Inc., a Colorado corporation. On March 27, 2015, a 1 for 150 reverse split was approved by the Company’s Board of Directors and a majority of the voting power of its shareholders.

The above corporate actions were approved by the Company’s Board of Directors and a majority of the voting power of the Company’s stockholders. These corporate actions required approval by FINRA, which was granted on April 20, 2015, effective April 21, 2015. The Company’s new trading symbol, “STHI,” became effective 20 business days later.

On April 22, 2015, the Company acquired Sprout Tiny Homes, LLC, a Colorado limited liability company. We issued 35,000,000 shares of common stock to Rod Stambaugh as the purchase price for Sprout Tiny Homes, LLC.

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer’s current standing in its state of incorporation (e.g. active, default, inactive):

Colorado - The Company is in good standing.

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:

The Company has no trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception.

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

The Company has had no stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months. The Company has not, nor any of its predecessors have, been in bankruptcy, receivership, or any similar proceeding in the past five years.

The address(es) of the issuer’s principal executive office:

The Company executive office is located at 2652 N 162nd Avenue, Goodyear, AZ 85395. The Company vacated its 45,000 sq. ft. manufacturing facility in September 2020. The Company also moved manufacturing equipment, delivery equipment and tools associated with the manufacturing of its homes, into moveable storage containers. The Company's contact information is: Phone: 720.810.4228; Email:info@sprouttinyhomes.com; Website: http://sprouttinyhomes.com.

The address(es) of the issuer's principal place of business:

Check if principal executive office and principal place of business are the same address:

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: Yes: If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: Dominion Stock Transfer
Address 1: 1900 Glades Rd., 4th Floor
Address 2: Boca Raton, FL 33431
Phone: 561-349-7780

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

The Company has two classes of stock (common and preferred). Under the Articles of Incorporation of the Company, the authorized capital stock of the Company consists of 300,000,000 shares of common stock, \$0.001 par value (the "Common Stock"), and 35,000,000 shares of Preferred Stock (the "Preferred Stock"), \$0.001 par value, of which 1,000,000 are designated Series A preferred stock. No shares of the Company's capital stock are redeemable.

Trading symbol:	STHI	
Exact title and class of securities outstanding:	Common Stock	
CUSIP:	85208W100	
Par or stated value:	\$0.001	
Total shares authorized:	300,000,000	As of December 31, 2025
Total shares outstanding:	116,402,278	As of December 31, 2025
Total number of shareholders of record:	492	As of December 31, 2025

All additional class(es) of publicly quoted or traded securities (if any):

None

Other classes of authorized or outstanding equity securities:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g. preferred shares). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Trading symbol:	STHI	
Exact title and class of securities outstanding:	Series A Convertible Preferred Stock	
CUSIP:	N/A	
Par or stated value:	\$0.001	
Total shares authorized:	35,000,000	As of December 31, 2025
Total shares outstanding:	0	As of December 31, 2025
Total number of shareholders of record:	0	As of December 31, 2025

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. For common equity, describe any dividend, voting and preemption rights.

The common stock shall have unlimited voting rights. Each share of Common Stock shall entitle the holder thereof to one vote on each matter submitted to a vote of holders of Common Stock.

Subject to the prior rights and preferences of the Preferred Stock set forth in any resolution or resolutions providing for the issue of a series of Preferred Stock, and to the extent permitted by the laws of the State of Incorporation, the holders of Common Stock shall be entitled to receive such cash dividends as may be declared and made payable by the Board.

After payment shall have been made in full to the holders of any series of Preferred Stock having preferred liquidation rights, upon any voluntary or involuntary liquidation, dissolution or winding-up of the affairs of the corporation, the remaining net assets and funds of the corporation shall be distributed among the holders of the Common Stock according to their respective shares.

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

We have no preferred stock outstanding

3. Describe any other material rights of common or preferred stockholders.

None

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

None

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.**

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: Yes: (If yes, you must complete the table below)

Number of Shares outstanding as of Second Most Recent Fiscal Year End: Date: December 31, 2023 Opening Balance Common: 100,924,718 Preferred: 0		*Right-click the rows below and select "Insert" to add rows as needed.
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Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
04/11/2024	Issuance	746,260	Common	0.02	No	Thomas Andreas Groth	Settlement agreement erroneous shares issued	Restricted	Exempt
04/11/2024	Issuance	3,731,300	Common	0.02	No	Vanquish AG	Settlement agreement erroneous shares issued	Restricted	Exempt
04/11/2024	Issuance	2,000,000	Common	0.02	No	Quentin Mercantile Group LTD	Consulting	Restricted	Exempt
04/11/2024	Issuance	2,000,000	Common	0.02	No	Kenneth E. Taylor	Consulting	Restricted	Exempt
04/11/2024	Issuance	4,000,000	Common	0.02	No	Rod Stambaugh	BOD duties	Restricted	Exempt
04/11/2024	Issuance	1,000,000	Common	0.02	No	DHN Enterprises	OTC Markets application	Restricted	Exempt
04/11/2024	Issuance	2,000,000	Common	0.02	No	Kelly Green	BOD duties	Restricted	Exempt

Number of Shares outstanding as of The Most Recent Fiscal Period: Date: December 31, 2025 Opening Balance Common: 116,402,278 Preferred: 0	
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Example: A company with a fiscal year end of December 31st, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2022 through December 31, 2023 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

None

B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities:

No: Yes: (If yes, you must complete the table below)

Loans and Related Party Convertible notes at December 31, 2025:									
Date of Note Issuance	Outstanding Balance \$	Principal Amount at Issuance \$	Interest Accrued \$	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder	Reason for Issuance (e.g. Loan, Services, etc.)	Secured or Unsecured Note	Status of Note (Default, Payment)
03/15/2021	115,000	115,000	-	03/15/2022		Puebloplex Chris Turner	Loan	Unsecured	Convertible Short-Term
06/30/2021	105,000	105,000	-	06/30/2022		Evergreen Capital Jeff Pazdro	Loan	Unsecured	Convertible Short-Term
03/29/2023	67,427	228,000	-	open		Agile Capital Funding Caesar	Loan	Draw on Revenue	Short-term
TOTAL OTHER	287,427	448,000	-						

Non-Convertible Notes at December 31, 2025:

Date of Note Issuance	Outstanding Balance \$	Principal Amount at Issuance \$	Interest Accrued \$	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder	Reason for Issuance (e.g. Loan, Services, etc.)	Secured or Unsecured Note	Status of Note (Default, Payment)
8/10/2016	15,000	15,000	13,738.00	7/11/2021	None	Akin, Mary Ellen	Loan	Secured	Default
10/21/2014	-	-	12,496.26	12/10/2015	None	Alires-Palomarez, Barbara	Loan	Secured	Repaid
8/5/2015	11,543	12,432	21,600.00	8/1/2021	None	Alires-Palomarez, Barbara	Loan	Secured	Default
5/23/2016	27,000	27,000	23,133.71	6/23/2021	None	Alires-Palomarez, Barbara	Loan	Secured	Default
7/1/2016	19,000	19,000	17,327.94	7/1/2021	None	Ayala, George	Loan	Secured	Default
7/31/2015	35,045	35,045	-	7/1/2021	None	Boddie, Lorraine	Loan	Secured	Default
8/10/2015	35,000	35,000	-	7/1/2021	None	Boddie, Lorraine	Loan	Secured	Default
11/12/2015	40,000	40,000	-	7/1/2021	None	Boddie, Lorraine	Loan	Secured	Default
12/4/2015	50,000	50,000	141,356.74	7/1/2021	None	Boddie, Lorraine	Loan	Secured	Default
12/8/2015	50,000	50,000	88,000.26	7/1/2021	None	Boddie, Lorraine	Loan	Secured	Default
5/1/2016	25,000	25,000	-	7/1/2021	None	Boddie, Lorraine	Loan	Secured	Default
12/5/2017	-	665,003	722.46	1/0/1900	None	Broadmark Jeffrey Pyatt	Loan	Secured	Repaid
5/20/2016	9,000	9,000	9,274.02	6/18/2021	None	Brown-Sawyer, Mary Sue	Loan	Secured	Default
7/1/2016	10,000	10,000	6,000.00	6/30/2021	None	Brown-Sawyer, Mary Sue	Loan	Secured	Default
1/23/2016	100,000	100,000	-	6/3/2021	None	Collette, Carolyn	Loan	Secured	Default
4/29/2016	90,002	90,002	-	8/1/2021	None	Collette, Carolyn	Loan	Secured	Default
6/3/2016	380,000	380,000	614,171.38	6/3/2021	None	Collette, Carolyn	Loan	Secured	Default
7/1/2016	100,000	100,000	-	6/3/2021	None	Collette, Carolyn	Loan	Secured	Default
11/9/2015	10,000	10,000	16,389.16	11/5/2016	None	Fortino, Carol	Loan	Secured	Default
9/22/2016	15,000	15,000	-	9/22/2021	None	Fortino, Carol	Loan	Secured	Default
5/23/2016	10,000	10,000	7,191.78	6/23/2021	None	Gomez, Maria	Loan	Secured	Default
10/21/2014	-	-	11,958.12	12/9/2015	None	Gonzalez, Patricia	Loan	Secured	Repaid
5/23/2016	17,500	17,500	84,609.13	6/23/2021	None	Gonzalez, Patricia	Loan	Secured	Default
7/1/2016	75,000	75,000	646.32	6/30/2021	None	Gonzalez, Patricia	Loan	Secured	Default
7/1/2016	1,000	1,000	1,035.58	7/1/2021	None	Ikelman, Richard	Loan	Secured	Default
5/23/2016	18,000	18,000	12,495.00	6/23/2021	None	Lopez, Patricia	Loan	Secured	Default
7/1/2016	10,000	10,000	8,999.35	7/1/2021	None	Masters, Ronnie	Loan	Secured	Default
10/1/2014	-	-	8,456.00	9/1/2015	None	Oreskovich, Karen	Loan	Secured	Repaid
5/23/2016	30,000	30,000	20,575.00	6/23/2021	None	Oreskovich, Karen	Loan	Secured	Default
8/5/2015	5,224	5,668	4,548.00	8/1/2021	None	Oreskovich, Michael	Loan	Secured	Default
5/23/2016	40,000	40,000	37,877.21	6/23/2021	None	Oreskovich, Michael	Loan	Secured	Default
7/1/2016	10,000	10,000	5,337.00	7/1/2021	None	Oreskovich, Michael	Loan	Secured	Default
1/6/2015	17,935	19,560	17,576.68	12/23/2015	None	Quintana, Luis	Loan	Secured	Default
8/5/2016	10,000	10,000	9,405.02	7/4/2021	None	Ramos, Darlene	Loan	Secured	Default
8/5/2016	12,000	12,000	11,287.00	7/4/2021	None	Ramos, Vinicio	Loan	Secured	Default
7/1/2016	8,484	16,817	19,786.56	7/1/2021	None	Rodriguez, John	Loan	Secured	Default
5/23/2016	50,000	50,000	12,209.74	6/23/2021	None	Rodriguez, Patricia	Loan	Secured	Default
7/1/2016	3,333	11,667	33,150.94	7/1/2021	None	Rodriguez, Patricia	Loan	Secured	Default

Non-Convertible Notes at December 31, 2025:

Date of Note Issuance	Outstanding Balance \$	Principal Amount at Issuance \$	Interest Accrued \$	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder	Reason for Issuance (e.g. Loan, Services, etc.)	Secured or Unsecured Note	Status of Note (Default, Payment)
8/2/2018	25,000	25,000	41034.4	12/1/2018	None	Rodriguez, Patricia	Loan	Secured	Default
12/24/2015	-	-	499	6/30/2018	None	Vigil Land & Cattle Praxie Vigil	Loan	Secured	Default
TOTAL NON-CONVERTIBLE	\$1,365,065	\$1,384,690	\$1,312,888						

Convertible Notes at December 31, 2025

Date of Note Issuance	Outstanding Balance \$	Principal Amount at Issuance \$	Interest Accrued \$	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder	Reason for Issuance (e.g. Loan, Services, etc.)	Class of Stock Upon Conversion	Secured or Un-secured Note	Status of Note
12/11/2017	50,000	50,000	-	12/8/2018	Convert 1sh/\$debt	Alires-Palomarez, Barbara	Loan	Common	Unsecured	Default
6/28/2018	20,000	20,000	-	12/29/2018	Convert 1sh/\$debt	Alires-Palomarez, Barbara	Loan	Common	Unsecured	Default
8/21/2018	30,000	30,000	42,631	12/1/2018	Convert 1sh/\$debt	Alvarado, Anna	Loan	Common	Unsecured	Default
12/11/2017	50,000	50,000	32,219	12/7/2018	Convert 1sh/\$debt	Boddie, Lorraine / Joshua	Loan	Common	Unsecured	Default
12/11/2017	15,000	15,000	9,666	12/11/2018	Convert 1sh/\$debt	Boddie, Lorraine / Orona, Linda	Loan	Common	Unsecured	Default
12/31/2017	(57,507)	(57,507)	-	6/30/2021	Convert 1sh/\$debt	Boddie, Lorraine / Orona, Linda	Loan	Common	Unsecured	Default
12/31/2017	(57,507)	(57,507)	-	6/30/2021	Convert 1sh/\$debt	Boddie, Lorraine / Orona, Rudy	Loan	Common	Unsecured	Default
10/10/2019	-	350,000	174,367	3/30/2020	Convert 1sh/\$debt	Burke, J. Gary	Loan	Common	Unsecured	Default
7/31/2015	-	-	107	8/1/2016	Convert 1sh/\$debt	Chamberlin, Catherin	Loan	Common	Secured	Default
8/21/2018	30,000	40,000	44,236	12/1/2018	Convert 1sh/\$debt	Cisneros, James	Loan	Common	Unsecured	Default
9/27/2017	200,000	200,000	164,000	9/27/2021	Convert 1sh/\$debt	Donohue, James	Loan	Common	Unsecured	Default
9/28/2017	200,000	200,000	(4,000)	9/29/2021	Convert 1sh/\$debt	Donohue, James	Loan	Common	Unsecured	Default
10/4/2017	100,000	100,000	82,000	10/2/2021	Convert 1sh/\$debt	Donohue, James	Loan	Common	Unsecured	Default
10/10/2017	100,000	100,000	(2,000)	10/10/2021	Convert 1sh/\$debt	Donohue, James	Loan	Common	Unsecured	Default
11/3/2017	400,000	400,000	273,409	11/3/2021	Convert 1sh/\$debt	Donohue, James	Loan	Common	Unsecured	Default
7/1/2016	-	-	463	7/1/2021	Convert 1sh/\$debt	Fearhighly, Raymond	Loan	Common	Secured	Default
12/14/2017	8,000	8,000	3,862	12/13/2018	Convert 1sh/\$debt	Fernandez, Robert	Loan	Common	Unsecured	Default
8/21/2018	25,000	25,000	37,717	12/1/2018	Convert 1sh/\$debt	Fernandez, Robert	Loan	Common	Unsecured	Default
12/6/2017	15,000	15,000	12,448	12/6/2018	Convert 1sh/\$debt	Fortino, Carol	Loan	Common	Secured	Default
8/21/2018	111,000	111,000	159,402	12/1/2018	Convert 1sh/\$debt	Fred E Williams Trust, c/o Diane L Graham	Loan	Common	Unsecured	Default
2/1/2018	125,000	125,000	67,448	2/20/2019	Convert 1sh/\$debt	FV Williams & Co, c/o Diane L Graham	Loan	Common	Unsecured	Default
10/25/2017	-	-	790	10/20/2021	Convert 1sh/\$debt	Gale, Karen	Loan	Common	Unsecured	Default
8/24/2018	25,000	25,000	35,497	12/1/2018	Convert 1sh/\$debt	Gonzalez, Angelina	Loan	Common	Unsecured	Default
8/22/2018	30,000	30,000	44,413	12/1/2018	Convert 1sh/\$debt	Gonzalez, Patricia	Loan	Common	Unsecured	Default
12/4/2018	50,000	50,000	28,011	12/4/2019	Convert 1sh/\$debt	Gonzalez, Patricia	Loan	Common	Unsecured	Default
7/15/2016	-	-	1,514	7/14/2021	Convert 1sh/\$debt	Graves, Gary	Loan	Common	Secured	Default
9/6/2018	47,000	50,000	71,151	12/1/2018	Convert 1sh/\$debt	Gray, Michael	Loan	Common	Unsecured	Default
10/23/2018	25,000	25,000	-	12/1/2018	Convert 1sh/\$debt	Gray, Michael	Loan	Common	Unsecured	Default
8/22/2018	12,500	12,500	18,822	12/1/2018	Convert 1sh/\$debt	Griggs, Thomas (Cathy Chamberlin)	Loan	Common	Unsecured	Default
7/1/2016	30,000	30,000	28,480	7/1/2021	Convert 1sh/\$debt	Holcomb, Dean	Loan	Common	Unsecured	Default

Convertible Notes at December 31, 2025

Date of Note Issuance	Outstanding Balance \$	Principal Amount at Issuance \$	Interest Accrued \$	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder	Reason for Issuance (e.g. Loan, Services, etc.)	Class of Stock Upon Conversion	Secured or Un-secured Note	Status of Note
3/12/2018	100,000	100,000	34,612	3/12/2019	Convert 1sh/\$debt	JDKH Family Partners LLC	Loan	Common	Unsecured	Default
9/4/2019	100,000	-	49,271	9/4/2020	Convert 1sh/\$debt	Kennedy, Rose	Loan	Common	Unsecured	Default
7/22/2019	100,000	75,000	38,712	6/26/2021	Convert 1sh/\$debt	Mansch, Hans	Loan	Common	Unsecured	Default
10/03/2019	75,000	75,000	37,549	6/26/2021	Convert 1sh/\$debt	Mansch, Hans	Loan	Common	Unsecured	Default
6/28/2018	75,000	15,000	9,022	12/29/2018	Convert 1sh/\$debt	Martinez, Esther	Loan	Common	Unsecured	Default
12/23/2015	15,000	-	6,440	6/30/2016	Convert 1sh/\$debt	McWhorter, Paul	Loan	Common	Secured	Default
5/20/2016	-	-	3,264	6/19/2021	Convert 1sh/\$debt	McWhorter, Paul	Loan	Common	Secured	Default
6/28/2018	-	10,000	-	12/29/2018	Convert 1sh/\$debt	McWhorter, Paul	Loan	Common	Unsecured	Default
8/6/2018	10,000	10,000	12,180	12/1/2018	Convert 1sh/\$debt	McWhorter, Paul	Loan	Common	Unsecured	Default
8/28/2018	10,000	25,000	35,437	12/1/2018	Convert 1sh/\$debt	Medina, Linda	Loan	Common	Unsecured	Default
6/28/2018	25,000	15,000	9,976	12/29/2018	Convert 1sh/\$debt	Medina, Nicole	Loan	Common	Unsecured	Default
12/13/2018	15,000	20,000	-	12/13/2019	Convert 1sh/\$debt	Oreskovich, Karen	Loan	Common	Unsecured	Default
12/14/2018	20,000	10,000	(217)	12/13/2019	Convert 1sh/\$debt	Oreskovich, Michael	Loan	Common	Unsecured	Default
12/11/2017	10,000	88,836	98,257	12/11/2018	Convert 1sh/\$debt	Oreskovich, Robert	Loan	Common	Unsecured	Default
12/11/2017	88,836	10,000	3,501	12/7/2018	Convert 1sh/\$debt	Orona, Linda	Loan	Common	Unsecured	Default
12/31/2017	-	57,507	46,008	6/30/2021	Convert 1sh/\$debt	Orona, Linda	Loan	Common	Unsecured	Default
12/31/2017	57,507	37,507	17,649	6/30/2021	Convert 1sh/\$debt	Orona, Rudy	Loan	Common	Unsecured	Default
8/21/2018	4,790	25,000	38,663	12/1/2018	Convert 1sh/\$debt	Perkins, Catherine (Paul McWhorter)	Loan	Common	Unsecured	Default
12/14/2017	25,000	5,000	2,400	12/13/2018	Convert 1sh/\$debt	Rodriguez, John	Loan	Common	Unsecured	Default
8/02/2018	5,000	25,000	15,167	12/1/2018	Convert 1sh/\$debt	Rodriguez, John	Loan	Common	Unsecured	Default
9/4/2018	25,000	12,500	17,268	12/1/2018	Convert 1sh/\$debt	Rodriguez, John	Loan	Common	Unsecured	Default
10/1/2018	12,500	25,000	36,217	12/1/2018	Convert 1sh/\$debt	Rodriguez, John	Loan	Common	Unsecured	Default
11/9/2018	25,000	20,000	17,496	11/9/2019	Convert 1sh/\$debt	Rodriguez, Tina	Loan	Common	Unsecured	Default
12/30/2015	10,000	-	1,876	6/30/2016	Convert 1sh/\$debt	Sanchez, Pete	Loan	Common	Secured	Default
9/4/2019	-	-	49,271	9/4/2020	Convert 1sh/\$debt	Steinman, Francis	Loan	Common	Unsecured	Default
7/1/2016	100,000	-	125	7/1/2021	Convert 1sh/\$debt	Steir, Terry	Loan	Common	Secured	Default
7/18/2019	-	-	28,413	6/26/2021	Convert 1sh/\$debt	Stickel, Ingmar	Loan	Common	Unsecured	Default
9/4/2018	55,000	50,000	29,298	12/1/2018	Convert 1sh/\$debt	Vargas, Terry	Loan	Common	Unsecured	Default
4/12/2018	50,000	100,000	29,851	4/12/2019	Convert 1sh/\$debt	Wolf, Ashly (Trust)	Loan	Common	Unsecured	Default
9/4/2018	100,000	23,000	32,631	12/1/2018	Convert 1sh/\$debt	Woods, Edna L.	Loan	Common	Unsecured	Default
TOTAL CONVERTIBLE	\$2,620,119	\$2,780,836	\$2,026,991							
COMBINED LOANS, NON-CONVERTIBLE AND CONVERTIBLE TOTAL										
	Outstanding Balance \$	Principal Amount at Issuance \$	Interest Accrued \$							
	\$4,272,613	\$ 5,755,167	\$3,339,878							

Use the space below to provide any additional details, including footnotes to the table above:

None

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. (Please ensure that these descriptions are updated on the Company's Profile on www.otcmarkets.com).

- A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Sprout Tiny Homes is a leading designer, developer, and manufacturer of high-quality, Zero Energy Ready Homes with chemical free interiors.

The Pure Zero Construction ("PZC") revenue decline in 2024 vs 2023 and 2022 was due to: [1] being at the end of 2022, the Developer wanted to slow down new home starts until some of the homes were finished in 2023 either sold or rented. [2] the principal became ill after a back surgery in late 2022. That illness degraded Mr Burke's health pretty rapidly and he passed away in the May / June timeframe of 2023. Mr Burke's passing put a "hold" on additional home starts as PZC was about 60% done with 2 new home starts that began in Q1, 2023. Upon Mr Burke's passing, his family attempted to take over the development responsibility per the original contract. In summary, the relationship with the family rapidly deteriorated with outstanding invoices not being paid and general knowledge of development was outside the family's abilities. Resulting from the strained relationship, PZC stopped construction on the homes in progress and PZC received a termination notice indicating that the developer would take on the responsibility of completing the homes in progress.

- B. List any subsidiaries, parent company, or affiliated companies.

On February 26, 2015, we were incorporated as a Delaware corporation named "Sprout Tiny Homes (DE), Inc." On February 27, 2015, RG America, Inc., a Nevada corporation, merged into its wholly owned Delaware subsidiary, RG America Merger Corp. This moved RG America, Inc.'s state of incorporation from Nevada to Delaware. On March 5, 2015, RG America Merger Corp. merged into its wholly owned Delaware subsidiary RG America (DE), Inc. ("RG Delaware") as part of a Delaware Section 251(g) holding company reorganization. Sprout Tiny Homes (DE), Inc. was designated as the public holding company and RG Delaware became its wholly owned subsidiary, with all the assets and liabilities of the pre-existing insurance related business of RG America Inc. Under the plan of merger, each shareholder of RG Merger Corp. received shares of stock of Sprout Tiny Homes (DE), Inc. on a one-for-one basis. On March 19, 2015, Sprout Tiny Homes (DE), Inc. changed its domicile to Colorado; as part of this process our corporate name changed to Sprout Tiny Homes, Inc., a Colorado corporation. On March 27, 2015, a 1 for 150 reverse split was approved by the Company's Board of Directors and a majority of the voting power of its shareholders.

The Company has never been in bankruptcy, receivership, or any similar proceeding, nor has there been any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets.

On February 5, 2019, the Company entered into a cross-licensing agreement with Utopian Villas of Texas, LLC to debut an enhanced line of tiny homes on wheels. This collaboration is centered around Utopian Villas granting Sprout the rights to manufacture the floor plans and designs of Utopian Villa's RVIA Certified Park Models in the Colorado market. With Utopian Villas unique designs and Sprouts production facility located in Pueblo, CO the goal of both companies is that the collaboration will focus on new technology integration around HVAC systems, zero energy ready home certification and increasing loft headroom. The Agreement leverages both companies' strengths in design, technology and manufacturing capacity that will be delivered to commercial

clients in Colorado that demand cutting edge design and technology in the expanding small home market. Under the terms of the agreement, the Company will elect one member to its Board of Directors. In addition, the Company will issue 1,200,000 shares of its restricted common stock and agreed to issue future share grants commensurate with the value and manufacturing capacity created for each phase of expansion. The future grants will be defined and agreed to in a separate share grant Agreement.

On May 13, 2019, the Company entered into an operating agreement with Champion Homes to increase production capacity and reduce the time to market for its high-quality homes on wheels. This collaboration is centered around some process changes on the production line and integration of Sprout technology and innovation. Under the agreement, Champion Homes will supply major components and production efficiencies out of its Mansfield, TX production facility.

In 2021, the Company formed a relationship with a well-capitalized developer to address outstanding debt on NVH and move the project forward. The Company agreed to sell the NVH project to a new LLC for \$3,080,000 and is in the process of completing the incremental cost of approximately \$4 million of infrastructure for the 162 lots. Simultaneously, the Company agreed that the developer would retire the existing debt with NVH lenders before the notes reach maturity, and the NVH lenders agreed to settle all debt at a substantial discount, thereby avoiding discussions of foreclosure. On a go forward basis, the Company agreed that the new owner/developer would complete most of the vertical construction of homes at NVH. It is anticipated that vertical construction will begin late May/early June 2021 and provides the Company with an opportunity to realize profits from the vertical building and sales of homes. In 2020, the Company recorded a \$3,474,822 write-down in the carrying value of the land and undeveloped land to reflect the sales price received at the close of the 2021 transaction.

On January 25, 2021, the Company announced the signing of a term sheet to acquire 100% of the Common Stock of Pure Zero Construction, LLC a modern technology and home building company. Upon execution of a definitive agreement Pure Zero will be an outward facing home builder brand focused on building affordable, healthy, Zero Energy Ready homes in a post pandemic market. The plan is to scale Pure Zero through an aggressive acquisition strategy as it builds single family homes in the North Vista Highlands housing development in Pueblo, CO. The homes being constructed in North Vista Highlands will set a standard for the future of housing. Technology innovation will highlight nontoxic interiors, superior indoor air quality, high performance HVAC technology to take comfort to a new level. A resort style clubhouse and pool is in final planning stages to create day one living for its residents. The mixed use / downtown area will feature a variety of retail, restaurants, and community centric activities.

On February 22, 2021, the Company announced the next step in its acquisition and growth strategy with its subsidiary, Pure Zero Construction, executing a letter of intent to acquire 100% of the Common Stock of Legacy Homes of Pueblo. Legacy is a home builder that has been building quality homes for over 29 years and is recognized as a high-quality home builder that utilizes the latest technology in home building practices, pride in its work ethic, material quality, and understands the comfort, joy, and longevity a high-quality home brings. The Legacy Homes management team will head up the combined entity and bring its network of sub-contractors, suppliers, and 29 years of experience to establish Pure Zero Construction as the scalable builder in the North Vista subdivision with the first homes beginning construction in May 2021.

On March 1, 2022, the Company officially announced that its residential construction division, Pure Zero Construction, has begun vertical construction of 28 high-performance single-family homes in the recently completed North Vista Highlands residential subdivision. There will be 3 different all electric floor plans ranging from 1580 to 1980 sq ft on the main level with basements built and certified to the Zero Energy Ready specification resulting in significantly lower energy bills when

compared to traditional building codes. With solar PV panels, the homes achieve net zero energy status meaning no electric energy usage bills other than the monthly service fee.

Pure Zero Construction is building the initial 28 single family homes under contract with a developer that will begin vertical construction upon receipt of foundation engineering and building permits. The high performance homes will feature high indoor air quality through the use of high performance Energy Recovery Ventilation (ERV) HVAC systems that exchange the energy contained in normally exhausted air of the home using it to treat (precondition) the incoming outdoor ventilation air. During the warmer seasons, the ERV system pre-cools and dehumidifies; During cooler seasons the system humidifies and pre-heats and significantly improves HVAC design to meet and exceed ventilation and energy standards. Other attributes include a focus on healthy living interiors through the use of no VOC paints, clear coats, flooring and other interior finish materials that reduce volatile organic compounds that release chemicals or off-gas into the indoor air we breathe. In summary, Pure Zero Construction is committed to building healthy, high performance, energy efficient all electric homes with high indoor air quality.

On March 28, 2022, the Company received a large production order from a major ski development company. Preparation for the construction of several homes began immediately, with the completion of all homes by the end of spring 2023.

From time to time, the Company has notes payable where maturities have expired and thus are reflected in default. The Company is engaged in on-going discussions with the noteholders with respect to settlement of outstanding notes payable.

C. Describe the issuers' principal products or services.

Sprout Tiny Homes is a **DOE Zero Energy Ready Home Partner** with a unique and experienced team to scale production of high-quality tiny homes with useful design, personality and chemical free interiors in mind. From our streamlined manufacturing facility to our network of innovative vendors, HVAC, furniture and high-tech features, we are the most innovative manufacturer of tiny homes on wheels and modular homes on foundations. Sprout homes are built with modern building practices and focuses exclusively on building commercial grade homes to satisfy the growing demand of affordable housing communities, employee housing, overnight hotel / resort markets and homes for disabled and exceptional people. Sprout homes are built with structural insulated panels resulting in stronger, greener and straighter homes that are highly energy efficient and feature chemical free interiors to encourage healthy living lifestyles. Using sustainable building materials where possible and pushing the boundaries of design and energy efficiency are key attributes of Sprout homes. Further, Sprout Tiny Homes is proud to meet the ANSI-119.5 safety standards in all workforce housing that we build. This standard requires that all models meet or exceed more than 500 building and safety standards. We pride ourselves on being able to deliver high quality tiny homes in volume. Sprout, through its Pure Zero Construction subsidiary manufactures Zero Energy Ready homes up to 4200 sq. ft. of living space. The company provides consulting and custom design services to customers that engage the Company to build homes on-site.

5) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The Company's executive office is located at 2652 N 162nd Avenue, Goodyear, AZ 85395. The Company vacated its 45,000 sq. ft. manufacturing facility in September 2020. The Company also moved manufacturing equipment, delivery equipment and tools associated with the manufacturing of its homes, into moveable storage containers.

The Company, through its wholly owned subsidiary Pure Zero Construction, leased office space in Pueblo, CO. The lease is approximately \$2,530 on a month-to-month basis. During the quarter ended September 30, 2023, the Company terminated this lease.

The Company, through its wholly owned subsidiary Pure Zero Construction, leased production space for the ski company contract, in Pueblo, CO. The lease is approximately \$3,500 on a month-to-month basis. Subsequent to September 31, 2023, the Company terminated this lease after delivering all 26 units to the ski Company.

6) Officers, Directors, and Control Persons

Using the table below, please provide information, as of the period end date of this report, regarding any officers, or directors of the company, individuals or entities controlling more than 5% of any class of the issuer's securities, or any person that performs a similar function, regardless of the number of shares they own. **If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity in the note section.**

Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

Names of All Officers, Directors and Control Persons	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Names of control person(s) if a corporate entity
Rod L. Stambaugh	Chairman of the Board of Directors, Control Person	Pueblo, CO USA	23,962,500	Common	20.59%	N/A
Kelly Green	Director		3,200,000	Common	2.75%	N/A
Pueblo West CD Warehouse – Control Person, Greg Jensen	Owner of more than 5%	Westcliffe, CO USA	14,693,709	Common	12.62%	N/A
The Burke Revocable Declaration of Trust - Gary Burke Control person Gary Burke	Owner of more than 5%	Del Mar, CA USA	15,625,209	Common	13.42%	N/A
Pueblo Sprout Development, LLC – Control Person Gary Burke, managing partner	Owner of more than 5%	Hubbard, OH USA	5,000,000	Common	4.30%	N/A
DHN Enterprises, LLC – Control person David Roberts	Owner of more than 5%	Denver, CO USA	6,860,000	Common	5.89%	N/A
Ken Taylor	Acting Financial Officer**	Goodyear, AZ	2,250,000	Common	1.93%	N/A

7) Legal/Disciplinary History

A. Identify whether any of the persons or entities listed above have, in the past 10 years, been the subject of:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

None

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

None

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

None

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

None

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

None

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding, and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Securities Counsel (must include Counsel preparing Attorney Letters).

Contact Name:	Ross David Carmel, Esq.
Firm Name:	Sichenzia Ross Ference Carmel, LLP
Address 1:	1185 Avenue of the Americas, 31st Floor
Address 2:	New York, NY 10036
Phone Number:	(212) 930-9700 ext 645
Email:	rcarmel@srfc.law

Accountant or Auditor

Contact Name: Open
Firm Name: Open
Address 1: Open
Address 2: Open
Phone Number: Open
Email: Open

Investor Relations

Contact Name: Open
Firm Name: Open
Address 1: Open
Address 2: Open
Phone Number: Open
Email: Open

All other means of Investor Communication:

Twitter: None
Discord: None
LinkedIn: None
Facebook: None
[Other] None

Other Service Providers

Provide the name of any other service provider(s) **that assisted, advised, prepared, or provided information with respect to this disclosure statement.** This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Contact Name: Ken Taylor
Firm Name: Aragonite Consulting LLC
Nature of Services: Accounting and Finance (Acting CFO)
Address 1: 2652 N 162nd Avenue
Address 2: Goodyear, AZ 85395
Phone Number: (720) 470-0147
Email: ken.e.taylor@gmail.com

9) Financial Statements

A. This Disclosure Statement was prepared by (name of individual):

Name: **Ken Taylor**
Title: Interim Financial Officer
Relationship to Issuer: **Consultant**

B. The following financial statements were prepared in accordance with:

- IFRS
 U.S. GAAP

C. The following financial statements were prepared by (name of individual)²:

Name: **Ken Taylor**
Title: **Interim Financial Officer**
Relationship to Issuer: **Consultant**

Describe the qualifications of the person or persons who prepared the financial statements:

Mr. Taylor is the acting CFO through his consulting practice, Aragonite Consulting LLC. Mr. Taylor has been running Aragonite since 1994, has over 40 years as a business consultant providing finance and accounting expertise to over 30 clients in oil and gas, mining of precious minerals, manufacturing, construction, service and media companies, acting in the capacity of Corporate Controller/CFO, and held full fiduciary responsibility.

Provide the following financial statements for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- a. Audit letter, if audited;
- b. Balance Sheet;
- c. Statement of Income;
- d. Statement of Cash Flows;
- e. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- f. Financial Notes

Financial Statement Requirements:

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable". Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

² The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Rod Stambaugh certify that:

1. I have reviewed this Disclosure Statement for Sprout Tiny Homes, Inc., for the period ending December 31, 2025;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

March 31, 2026

/s/ [Rod Stambaugh]

(Digital Signatures should appear as “/s/ [OFFICER NAME]”)

Principal Financial Officer:

I, Ken Taylor certify that:

1. I have reviewed this Disclosure Statement for Sprout Tiny Homes, Inc. for the period ending December 31, 2025;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

March 31, 2026

/s/ [Ken Taylor]

(Digital Signatures should appear as “/s/ [OFFICER NAME]”)

Sprout Tiny Homes, Inc.

Financial Statements

December 31, 2025 (unaudited) and December 31, 2024 (unaudited)

Sprout Tiny Homes, Inc.
Financial Statements
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Sprout Tiny Homes, Inc.
Balance Sheets
As of December 31, 2025 and December 31, 2024

	(unaudited) December 31, 2025	(unaudited) December 31, 2024
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ -	\$ -
Total Current Assets	-	-
Total Assets	\$ -	\$ -
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 4,321,008	\$ 3,866,857
Accounts payable and accrued liabilities - related parties	220,885	220,885
Convertible notes payable, in default	417,796	417,796
Notes payable, current	287,427	287,427
Notes payable, in default	3,567,389	3,567,389
Total Current Liabilities	8,814,505	8,255,206
Total liabilities	8,814,505	8,360,354
Shareholders' Deficit		
Common stock, \$0.001 par value, 300,000,000 shares authorized, 116,402,278 issued and outstanding at December 31, 2025 and December 31, 2024, respectively	116,408	116,408
Common stock issuable, 231,481 shares outstanding at December 31, 2025 and December 31, 2024, respectively	231	231
Additional paid in capital	17,488,581	17,488,581
Accumulated deficit	(26,419,725)	(25,965,574)
Total Shareholders' Deficit	(8,814,505)	(8,360,354)
Total Liabilities and Shareholders' Deficit	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

Sprout Tiny Homes, Inc.
Statements of Operations
For the three and twelve months ending December 31, 2025 and December 31, 2024

	(unaudited) Three Months Ended December 31, 2025	(unaudited) Three Months Ended December 31, 2024	(unaudited) Year ended December 31, 2025	(unaudited) Year ended December 31, 2024
Total Revenue	\$ -	\$ -	\$ -	\$ -
Cost of goods sold	-	-	-	-
Gross Margin	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Costs and Expenses				
General and administrative expense	-	(8,728)	-	244,078
Accounting and finance expense	-	-	-	89,619
Depreciation and amortization expense	-	-	-	20,000
Total Costs and Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>353,697</u>
Operating Income (Loss)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (353,697)</u>
Other Income (Expense)				
Other income (expense)	-	-	-	-
Loss on impairment of goodwill	-	-	-	(1,859,899)
Interest (expense)	(113,876)	(113,876)	(454,150)	(501,393)
Total Other Income (Expense)	<u>(113,876)</u>	<u>(113,876)</u>	<u>(454,150)</u>	<u>(2,247,416)</u>
Net Income (Loss)	<u>\$ (113,876)</u>	<u>\$ (105,148)</u>	<u>\$ (454,150)</u>	<u>\$ (2,714,989)</u>
Weighted Average common shares outstanding				
Basic	116,402,278	110,640,559	116,402,278	110,640,559
Fully Diluted	116,402,278	110,640,559	116,402,278	110,640,559
Net Income (loss) per share:				
Basic	\$(0.00)	\$(0.02)	\$(0.00)	\$(0.02)
Fully Diluted	\$(0.00)	\$(0.02)	\$(0.00)	\$(0.02)

The accompanying notes are an integral part of these financial statements.

Sprout Tiny Homes, Inc.
Statements of Shareholders' Deficit
For the periods ended December 31, 2025 and December 31, 2024

	<u>Preferred Stock</u>		<u>Common Stock</u>		<u>Common Stock Issuable</u>		<u>Additional Paid-in Capital</u>	<u>Accumulated Deficit</u>	<u>Shareholders' Deficit</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>			
Balance at December 31, 2023 (unaudited)	-	\$ -	100,924,718	\$ 100,930	1,375,000	\$ 1,375	\$ 16,818,124	\$ (23,250,585)	\$ (6,330,156)
Shares issuable for consulting services	-	-	-	-	8,231,481	8,231	169,568	-	177,799
Shares issuable for settlement of erroneous stock issuance	-	-	-	-	4,477,560	4,478	92,238	-	96,716
Shares issuable for accounting services	-	-	-	-	2,000,000	2,000	41,200	-	43,200
Shares issuable for OTC Markets application	-	-	-	-	1,000,000	1,000	20,600	-	21,600
Shares issued for consulting services	-	-	8,000,000	8,000	(8,000,000)	(8,000)	-	-	-
Shares issued for settlement of erroneous stock issuance	-	-	4,477,560	4,478	(4,477,560)	(4,478)	-	-	-
Shares issued for accounting services	-	-	2,000,000	2,000	(2,000,000)	(2,000)	-	-	-
Shares issued for OTC Markets application	-	-	1,000,000	1,000	(1,000,000)	(1,000)	-	-	-
Shares issuable cancelled	-	-	-	-	(1,375,000)	(1,375)	1,375	-	-
Adjustment of Shareholder Equity / contributions	-	-	-	-	-	-	345,476	-	345,476
Net (loss)	-	-	-	-	-	-	-	(2,714,989)	(2,714,989)
Balance at December 31, 2024 (unaudited)	-	\$ -	116,402,278	\$ 116,408	231,481	\$ 231	\$ 17,488,582	\$ (25,965,574)	\$ (8,360,353)
Net (loss)	-	-	-	-	-	-	-	(454,150)	(454,150)
Balance December 31, 2025 (unaudited)	-	\$ -	116,402,278	\$ 116,408	231,481	\$ 231	\$ 17,488,582	\$ (26,419,724)	\$ (8,814,503)

The accompanying notes are an integral part of these financial statements.

Sprout Tiny Homes, Inc.
Statements of Cash Flows
For the years ended December 31, 2025 and December 31, 2024

	(unaudited) December 31, 2025	(unaudited) December 31, 2024
Cash flows from operating activities		
Net income (loss) for the period	\$ (454,150)	\$ (2,714,989)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities		
Depreciation	-	40,000
Amortization of debt discounts	-	-
Loss on adjustment of Property, plant and equipment	-	270,590
Loss on settlement of undeveloped land	-	70,098
Loss on impairment of goodwill	-	1,859,899
Changes in operating assets and liabilities		
Accounts receivable	-	32,778
Prepaid expenses and other assets	-	32,190
Accounts payable and accrued liabilities	454,150	52,673
Net Cash Provided by (Used by) Operating	-	(356,761)
Cash flows (used in) investing activities		
Assets acquired, liabilities assumed, and Goodwill	-	-
Net Cash Provided by (Used by) Investing	-	-
Cash flows from financing activities		
Common stock issued for services	-	339,314
Adjustment of Shareholder Equity / contributions	-	16,993
Net Cash Provided by (Used by) Financing	-	356,307
Net Increase (Decrease) in Cash	-	(454)
Cash at Beginning of Period	-	454
Cash at End of Period	\$ -	\$ -
Non-cash investing and financing transactions		
None	\$ -	\$ -
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

Sprout Tiny Homes, Inc.

Notes to Financial Statements
December 31, 2025 and December 31, 2024

Throughout this report, terms “our”, “we”, “us” and the “Company” refer to Sprout Tiny Homes, Inc. The accompanying financial statements, presented in U.S. dollars, are prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as of the date of the financial statements, and revenue and expenses during the reporting periods. Our actual results could differ from those estimates and assumptions. In management’s opinion, all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair presentation to make our financial statements not misleading have been included. The results of operations for the years ended December 31, 2025 and December 31, 2024 presented are not necessarily indicative of the results to be expected for the future periods.

Note 1 - Nature of Business and Significant Accounting Policies

Nature of Business

On February 26, 2015, we were incorporated as a Delaware corporation named “Sprout Tiny Homes (DE), Inc.” On February 27, 2015, RG America, Inc., a Nevada corporation, merged into its wholly owned Delaware subsidiary, RG America Merger Corp. This moved RG America, Inc.’s state of incorporation from Nevada to Delaware.

On March 5, 2015, RG America Merger Corp. merged into its wholly owned Delaware subsidiary RG America (DE), Inc. (“RG Delaware”) as part of a Delaware Section 251(g) holding company reorganization. Sprout Tiny Homes (DE), Inc. was designated as the public holding company and RG Delaware became its wholly owned subsidiary, with all the assets and liabilities of the pre-existing insurance related business of RG America Inc. Under the plan of merger, each shareholder of RG Merger Corp. received shares of stock of Sprout Tiny Homes (DE), Inc. on a one-for-one basis. On March 19, 2015, Sprout Tiny Homes (DE), Inc. changed its domicile to Colorado; as part of this process our corporate name changed to Sprout Tiny Homes, Inc., a Colorado corporation. On March 27, 2015, a 1 for 150 reverse split was approved by the Company’s Board of Directors and a majority of the voting power of its shareholders. The above corporate actions were approved by the Company’s Board of Directors and a majority of the voting power of the Company’s stockholders. These corporate actions required approval by FINRA, which was granted on April 20, 2015, effective April 21, 2015. The Company’s new trading symbol, “STHI,” became effective 20 business days later.

On April 22, 2015, the Company acquired Sprout Tiny Homes, LLC, a Colorado limited liability company. We issued 35,000,000 shares of common stock to Rod Stambaugh as the purchase price for Sprout Tiny Homes, LLC.

On January 22, 2021, the Company finalized a term sheet to acquire 100% of the Common Stock of Pure Zero Construction, LLC a modern technology and home building company. Upon execution of a definitive agreement Pure Zero will be an outward facing home builder brand focused on building affordable, healthy, Zero Energy Ready homes in a post pandemic market. The plan is to scale Pure Zero through an aggressive acquisition strategy as it builds single family homes in the North Vista Highlands housing development in Pueblo, CO. The homes being constructed in North Vista Highlands will set a standard for the future of housing. Technology innovation will highlight nontoxic interiors, superior indoor air quality, water filtration, EMF reduction, a COVID sanitation locker, virus resistant flooring / surfaces, new kitchen technology, and innovative work / workout space with HVAC technology to take comfort to a new level. A resort style clubhouse and pool is in final planning stages to create day one living for its residents. The mixed use / downtown area will feature a variety of retail, restaurants, and community centric activities.

On February 1, 2021, the Company finalized its next step in its acquisition and growth strategy with its subsidiary, Pure Zero Construction, to acquire 100% of the Common Stock of Legacy Homes of Pueblo. Legacy is a home builder that has been building quality homes for over 29 years and is recognized as a high-quality home builder that utilizes the latest technology in home building practices, pride in its work ethic, material quality, and understands the comfort, joy, and longevity a high-quality home brings. The Legacy Homes management team will head up the combined entity and bring its network of sub-contractors, suppliers, and 29 years of experience to establish Pure Zero Construction as the scalable builder in the North Vista subdivision with the first homes anticipated to begin construction in Spring 2022.

On March 1, 2022, the Company officially announced that its residential construction division, Pure Zero Construction, has begun vertical construction of 28 high-performance single-family homes in the recently completed North Vista Highlands residential subdivision. There are 3 different “all electric” floor plans ranging from 1580 to 1980 sq ft on the

Sprout Tiny Homes, Inc.

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main level with basements built and certified to the Zero Energy Ready specification resulting in significantly lower energy bills when compared to traditional building codes. With solar PV panels, the homes achieve net zero energy status meaning no electric energy usage bills other than the monthly service fee.

Pure Zero Construction is building the initial 28 single family homes under contract with a developer that will begin vertical construction upon receipt of foundation engineering and building permits. The high performance homes will feature high indoor air quality through the use of high performance Energy Recovery Ventilation (ERV) HVAC systems that exchange the energy contained in normally exhausted air of the home using it to treat (precondition) the incoming outdoor ventilation air. During the warmer seasons, the ERV system pre-cools and dehumidifies; During cooler seasons the system humidifies and pre-heats and significantly improves HVAC design to meet and exceed ventilation and energy standards. Other attributes include a focus on healthy living interiors through the use of no VOC paints, clear coats, flooring and other interior finish materials that reduce volatile organic compounds that release chemicals or off-gas into the indoor air we breathe. In summary, Pure Zero Construction is committed to building healthy, high performance, energy efficient all electric homes with high indoor air quality.

On March 28, 2022, the Company received a large production order from a major ski development company. Preparation for the construction of several homes began immediately, with the completion of all homes by the end of spring 2023.

During the year ending December 31, 2023, the Company experienced operational and contractual issues related to the North Vista Highlands developer and additional lot purchases in other locations, that we are in discussion with legal counsel to evaluate our recourse, possible damages, and an approach to resolve those issues, which may include legal action.

Sprout Tiny Homes is a leading designer, developer and manufacturer of high-quality, Zero Energy Ready Homes with chemical free interiors. Sprout Tiny Homes is a DOE Zero Energy Ready Home Partner with a unique and experienced team to scale production of high-quality tiny homes with useful design, personality and chemical free interiors in mind. From our streamlined manufacturing facility to our network of innovative vendors, HVAC, furniture and high-tech features, we are the most innovative manufacturer of tiny homes on wheels and modular homes on foundations. Sprout homes are built with modern building practices and focuses exclusively on building commercial grade homes to satisfy the growing demand of affordable housing communities, employee housing, overnight hotel / resort markets and homes for disabled and exceptional people. Sprout homes are built with structural insulated panels resulting in stronger, greener and straighter homes that are highly energy efficient and feature chemical free interiors to encourage healthy living lifestyles. Using sustainable building materials where possible and pushing the boundaries of design and energy efficiency are key attributes of Sprout homes. Further, Sprout Tiny Homes is proud to meet the ANSI-119.5 safety standards in all homes that we build. This standard requires that all models meet or exceed more than 500 building and safety standards. We pride ourselves on being able to deliver high quality tiny homes in volume. The company provides consulting and custom design services to customers that engage the Company to build homes on-site. The Company's SIC is: 1522 - Residential construction, misc. The Company's fiscal year end is December 31.

Basis of Presentation

The accompanying financial statements, presented in U.S. dollars, are prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as of the date of the financial statements, and revenue and expenses during the reporting periods. Our actual results could differ from those estimates and assumptions. Certain prior period amounts have been reclassified to conform to the current period presentation. The Company's fiscal year end is December 31.

Going Concern Uncertainty, Liquidity, and Capital Resources

Since our incorporation in 2015, the Company has relied primarily on periodic equity financings to fund on-going operations and has successfully raised over \$0.6 million in equity (net of expenses) and more recently \$1.03 million of convertible and non-convertible debt in 2018. In August of 2018, the Company opened a new \$0.5 million offering of its Common Stock at \$0.10 per share. Through December 31, 2018 the Company had raised \$278,000 from this offering (net of offering expenses). In December of 2018, the Company opened a new \$0.5 million offering of its Common Stock

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at \$0.40 per share. During 2019, the Company raised an additional \$150,000 from the sale of 375,000 shares of the Company's common stock, did not raise capital from any offerings in 2020, raised \$50,000 from the sale of 333,333 shares of the Company's common stock in 2021, and raised \$11,003 from the sale of 196,428 shares of the Company's common stock in 2022. Since the Company has not completed these new offerings, fundraising efforts will continue throughout 2023, including management's exploring and considering additional funding strategies.

The Company generated net losses of \$454,150 and \$2,714,989 for the year ended December 31, 2025 and the year ended December 31, 2024, respectively, and had an accumulated deficit of \$26,419,725 and \$25,965,574 at December 31, 2024 and December 31, 2023, respectively. At December 31, 2025 and December 31, 2024, the Company had cash on hand of \$0. Given these circumstances together with continued planned production and other minimally necessary operating expenditures, management currently believes that our cash resources will be insufficient to fund our ongoing production operations general and administrative expenses. This cash resources assessment assumes the continued and potential availability of cash resources provided by recently issued short term convertible debt assuming its maturities are extended or it converts to equity at or prior to maturity. Our ability to continue as a going concern will be dependent therefore on our ability to raise sufficient additional capital to fund our general operations and meet our obligations on a timely basis. If we are unable to successfully raise sufficient additional capital, we may not have sufficient cash and liquidity to fund our operations, forcing us to delay, discontinue or prevent production or curtail our activities and ultimately, potentially cease operations. Even if we are able to raise additional capital, such financing may only be available on unattractive terms, or result in significant dilution of shareholder's interests. These factors raise substantial doubt regarding the Company's ability to continue as a going concern. No adjustments have been made to the carrying value of assets and liabilities as a result of this uncertainty.

Use of Estimates

The preparation of the financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and revenues and expenses during the year reported. Actual results may differ from those estimates.

Revenue Recognition

Contracts with Customers

Most of the Company's revenue is derived from real estate sales of energy efficient homes and commercial property at North Vista Highlands. The majority of the Company's contracts contain a single performance obligation involving significant real estate development activities that are performed together to deliver real estate property to customers. Revenues arising from real estate sales are recognized when or as the control of the asset is transferred to the customer. The control of the asset may transfer over time or at a point in time. For the sales of individual homes in a real estate development project, the Company has an enforceable right to payment for performance completed to date, revenue is recognized over time by measuring the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognized at a point in time when the customer obtains control of the asset.

Under percentage completion method, revenue and profit from the sales of long-term real estate development properties is recognized by the percentage of completion method on the sale of individual units when all the following criteria are met:

- a. Construction is beyond a preliminary stage.
- b. The buyer is committed to the extent of being unable to require a refund except for non-delivery of the home or interest.
- c. Sales prices are collectible.
- d. Aggregate sales proceeds and costs can be reasonably estimated.

If any of the above criteria is not met, proceeds shall be accounted for as deposits until the criteria are met.

Under the percentage of completion method, revenues from individual real estate homes sold under development and related costs are recognized over the course of the construction period, based on the completion progress of a project.

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The progress towards complete satisfaction of the performance obligation is measured based on the Company's efforts or inputs to the satisfaction of the performance obligation, by reference to the contract costs incurred up to the end of reporting period as a percentage of total estimated costs for each contract. In relation to any project, revenue is determined by calculating the ratio of incurred costs, including land use rights costs and construction costs, to total estimated costs and applying that ratio to the contracted sales amounts. Cost of sales is recognized by determining the ratio of contracted sales during the period to total estimated sales value and applying that ratio to the incurred costs. Current period amounts are calculated based on the difference between the life-to-date project totals and the previously recognized amounts.

Any changes in significant judgments and/or estimates used in determining construction and development revenue could significantly change the timing or amount of construction and development revenue recognized. Changes in total estimated project costs or losses, if any, are recognized in the period in which they are determined.

Total revenue from the sales of completed real estate homes is recognized at the time of the closing of an individual unit sale. This occurs when the customer obtains the physical possession, the legal title, or the significant risks and rewards of ownership of the assets and the Company has present right to payment and the collection of the consideration is probable. For municipal road construction projects, fees are generally recognized at the time of the projects are completed.

Cash and Cash Equivalents

Cash and cash equivalents consists of highly liquid investments with an original maturity of three months or less.

Income Taxes

We account for income taxes in interim periods in accordance with ASC Topic 740, *Income Taxes* ("ASC 740"). We have determined an estimated annual effective tax rate. The rate will be revised, if necessary, as of the end of each successive interim period during our fiscal year to our best current estimate. As of December 31, 2025, and December 31, 2024, the estimated effective tax rate for the year was zero as we currently have generated tax losses.

There are open statutes of limitations for taxing authorities in federal and state jurisdictions to audit our tax returns from 2015 through the current period. Our policy is to account for income tax related interest and penalties in income tax expense in the statement of operations. There have been no income tax related interest or penalties, assessed to date.

ASC 740 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The pronouncement also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition.

Stock-Based Compensation

Stock-based compensation expense reflects the fair value of stock-based awards measured at the grant date and recognized at the grant date due to immediate vesting.

Net Loss per Share

We calculate net loss per share in accordance with ASC Topic 260, *Earnings per Share*. Basic net loss per share is computed using the two-class method by dividing net loss attributed to common stockholders by the weighted average number of shares of common stock outstanding for the period, and diluted earnings per share is computed by including common stock equivalents outstanding for the period in the denominator. At December 31, 2025 and December 31, 2024, any equivalents would have been anti-dilutive as we had losses for the periods ended.

Diluted loss per share is calculated by adjusting both the numerator (net loss) and the denominator (weighted-average number of shares outstanding) for the dilutive effects of potentially dilutive securities, including options, warrants and convertible promissory notes.

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- Net loss per share is computed using the two-class method which is an allocation formula that determines net loss per share for common stock and participating securities, which for the Company is the Series A preferred stock. The Company has determined that holders of our outstanding Series A preferred stock share in earnings and losses of the Company on a pro-rata shares allocated basis with our common shareholders.
- The if-converted method is used for convertible promissory notes and Series A preferred stock. Under the if-converted method, interest expense (including interest expense related to the debt discount) in the period on the convertible promissory notes payable is added to net income, and the number of shares that would be obtained upon conversion is added to the denominator. Under the if-converted method, preferred dividends and deemed dividends in the period on the Series A preferred stock are added back to the net income, and the number of shares that would be obtained upon conversion is added to the denominator.

Risk and Uncertainties

The Company is subject to various risks and uncertainties frequently encountered by early-stage home-building companies. Such risks and uncertainties include, but are not limited to, limited operating history, competition from other already approved products, dependence on key personnel, the need for ongoing capital to fund operations, and management of rapid growth. To address these risks, the Company must, among other things, successfully execute on its production development plan, develop its customer base, execute its business and marketing strategy, successfully develop and commercialize its product lines, raise capital on acceptable terms to the Company, and attract and motivate qualified personnel. There can be no guarantee that the Company will be successful in addressing these or other such risks.

Fair Value of Financial Instruments

The Company's financial instruments consist principally of convertible notes payable. Assets and liabilities measured at fair value are categorized based on whether the inputs are observable in the market and the degree that the inputs are observable. The categorization of financial instruments within the valuation hierarchy is based on the lowest level of input that is significant to the fair value measurement. The hierarchy is prioritized into three levels defined as follows:

<i>Level 1</i>	Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
<i>Level 2</i>	Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and
<i>Level 3</i>	Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's financial instruments consist of warrants and convertible notes. The convertible notes are classified within Level 2 of the fair value hierarchy. The fair value of the convertible notes approximates carrying value as the interest rate is considered to approximate a market interest rate.

The Company calculates the fair value of its warrants using various models which are all Level 3 inputs.

The Company does not have any non-financial assets or liabilities that it measures at fair value. During the years ended December 31, 2025 and December 31, 2024, there were no transfers of assets or liabilities between levels.

Recent Pronouncements Adopted

In February 2016, the FASB issued ASU No. 2016-02, *Leases*, to improve financial reporting about leasing transactions. This ASU will require organizations that lease assets ("lessees") to recognize a lease liability and a right-of-use asset on its balance sheet for all leases with terms of more than twelve months. A lease liability is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis and a right-of-use asset represents the lessee's right to use, or control use of, a specified asset for the lease term. The amendment in this ASU leaves the accounting for the

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organization that own the assets leased to the lessee (“lessor”) largely unchanged except for targeted improvements to align it with the lessee accounting model and Topic 606, Revenue from Contracts with Customers.

The amendments in ASU 2016-02 are effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. During 2020, the Company vacated its production facility. During 2021, the Company settled its facility lease obligations by issuing a Note Payable of \$115,000, at an annualized interest rate of 6%, with a maturity date of March 15, 2022. The Company recorded an additional expense (loss) in 2020 of \$41,496 related to this settlement. As the Company agreed to settle the leased production facility in 2021, and under ASU 2016-02, there was no impact on the 2021 financial statements.

Recent Pronouncements Not Yet Adopted

From time to time, new accounting pronouncements are issued that we adopt as of the specified effective date or elect to early adopt. We believe that the impact of recently issued standards not yet effective may have an impact on our results of operations and financial position.

Note 2 - Capital Stock

The Company has two classes of stock (common and preferred). Under the Articles of Incorporation of the Company, the authorized capital stock of the Company consists of 300,000,000 shares of common stock, \$0.001 par value (the “Common Stock”), and 5,000,000 shares of preferred stock, \$0.001 par value, of which 1,000,000 are designated Series A preferred stock. No shares of the Company’s capital stock are redeemable.

Common Stock Transactions – 2025

There were no Common Stock transactions during the year ended December 31, 2025

Common Stock Transactions – 2024

During the year ended December 31, 2024, the Company issued 15,477,560 shares of common stock for settlement of erroneous stock issued in a prior period, consulting fees, accounting fees, and OTC Markets application fees. Subsequent to the issuance of these shares, there remains 231,481 shares issuable.

In addition, 1,375,000 issuable shares were forfeited and cancelled during the nine months ended September 30, 2024.

Preferred Stock

We are authorized to issue 5,000,000 shares of preferred stock, par value \$0.001. We currently have one series of Preferred stock outstanding, our Series A Convertible Preferred Stock. On November 25, 2015, our Board of Directors approved the designation of 1,000,000 preferred shares of Series A Convertible Preferred Stock, par value \$0.001. The rights of both classes of stock are outlined below.

The rights and preferences of Series A are set forth in our Articles of Incorporation as filed with the Secretary of State of Colorado. The Series A Convertible Preferred Stock are not entitled to receive dividends. The holders of each share of Series A Convertible Preferred Stock then outstanding shall be entitled to be paid, out of the Available Funds and Assets, and prior and in preference to any payment or distribution (or any setting apart of any payment or distribution) of any Available Funds and Assets on any shares of Common Stock or subsequent series of preferred stock, an amount per share equal to the Original Issue Price of the Series A Convertible Preferred Stock plus all declared but unpaid dividends on the Series A Convertible Preferred Stock. Each share of Series A Convertible Preferred Stock shall be convertible, at the option of the holder thereof, at any time after issuance of such share into 100 shares of common stock. Each share of Series A Convertible Preferred Stock shall be entitled to 100 votes on any matter brought before our common stockholders. The Series A Convertible Preferred Stock is not redeemable. The Company may not take any of the following actions without the approval of a majority of the holders of the outstanding Series A Convertible Preferred Stock: (i) effect a sale of all or substantially all of our assets or which results in the holders of our capital stock prior to

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the transaction owning less than fifty percent (50%) of the voting power of the our capital stock after the transaction, (ii) alter or change the rights, preferences, or privileges of the Series A Convertible Preferred Stock, (iii) increase or decrease the number of authorized shares of Series A Convertible Preferred Stock, (iv) authorize the issuance of securities having a preference over or on par with the Series A Convertible Preferred Stock, or (v) effectuate a forward or reverse stock split or dividend of the Corporation’s common stock.

During the year ending December 31, 2021, the holder of our preferred stock, rescinded all shares outstanding. As of December 31, 2024, and December 31, 2023, we had -0- and -0- shares, respectively, of our Series A Convertible Preferred Stock issued and outstanding. There was no activity of Series A preferred stock during the year ended December 31, 2024.

Note 3 - Net Loss Per Share

The Company computes net loss per share using the two-class method which is an allocation formula that determines net loss per share for common stock and participating securities, which for the Company is the preferred stock. The Company’s preferred stock does not provide for dividends, and as such is not included in the calculation.

The following table sets forth the computation of net loss:

	<i>Year Ended</i> <i>December 31,</i>	<i>Year Ended</i> <i>December 31,</i>
	2025	2024
Numerator		
Net loss	\$ (454,150)	\$ (2,714,989)
Denominator		
Weighted average common shares outstanding	116,402,278	110,640,559
Potential diluted shares	-	-
Weighted average diluted shares outstanding	116,402,278	110,640,559
Net loss per share		
Basic	\$ (0.00)	\$ (0.02)
Diluted	\$ (0.00)	\$ (0.02)

The potentially dilutive securities outstanding have been excluded from the computations of diluted weighted average shares outstanding because such securities have an anti-dilutive impact due to losses reported (in common stock equivalent shares). To have a dilutive effect, the securities need to be “in-the-money” which is defined as having an exercise price that is lower than the average fair market price of the shares during the period.

In addition, “in-the-money” potentially dilutive securities at December 31, 2025 and December 31, 2024, include convertible notes payable to acquire 10,879,877 and 10,879,877 shares, respectively, of common stock if converted, have not been included in the calculation of loss per common share because their effect would be anti-dilutive.

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Note 4 - Revenue from Contracts with Customers

The Company had no revenues for the years ended December 31, 2025 and December 31, 2024.

Contracts with Customers

Historically, most of the Company's revenue was derived from real estate sales of energy efficient homes and commercial property at North Vista Highlands. The majority of the Company's contracts contain single performance obligations involving significant real estate development activities that are performed together to deliver a real estate property to customers. Revenues arising from real estate sales are recognized when or as the control of the asset is transferred to the customer. The control of the asset may transfer over time or at a point in time. For the sales of individual homes in a real estate development project, the Company has an enforceable right to payment for performance completed to date, revenue is recognized over time by measuring the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognized at a point in time when the customer obtains control of the asset.

Under percentage completion method, revenue and profit from the sales of long-term real estate development properties is recognized by the percentage of completion method on the sale of individual units when all the following criteria are met:

- a. Construction is beyond a preliminary stage.
- b. The buyer is committed to the extent of being unable to require a refund except for non-delivery of the home or interest.
- c. Sales prices are collectible.
- d. Aggregate sales proceeds and costs can be reasonably estimated.

If any of the above criteria is not met, proceeds shall be accounted for as deposits until the criteria are met.

Under the percentage of completion method, revenues from individual real estate homes sold under development and related costs are recognized over the course of the construction period, based on the completion progress of a project. The progress towards complete satisfaction of the performance obligation is measured based on the Company's efforts or inputs to the satisfaction of the performance obligation, by reference to the contract costs incurred up to the end of reporting period as a percentage of total estimated costs for each contract. In relation to any project, revenue is determined by calculating the ratio of incurred costs, including land use rights costs and construction costs, to total estimated costs and applying that ratio to the contracted sales amounts. Cost of sales is recognized by determining the ratio of contracted sales during the period to total estimated sales value, and applying that ratio to the incurred costs. Current period amounts are calculated based on the difference between the life-to-date project totals and the previously recognized amounts.

Any changes in significant judgments and/or estimates used in determining construction and development revenue could significantly change the timing or amount of construction and development revenue recognized. Changes in total estimated project costs or losses, if any, are recognized in the period in which they are determined.

Total revenue from the sales of completed real estate homes is recognized at the time of the closing of an individual unit sale. This occurs when the customer obtains the physical possession, the legal title, or the significant risks and rewards of ownership of the assets and the Company has present right to payment and the collection of the consideration is probable. For municipal road construction projects, fees are generally recognized at the time of the projects are completed.

Note 5 - Notes Payable

The Company's notes payable (net of discounts) at December 31, 2025 are as follows:

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	Convertible Notes, Net	Convertible Notes, Net In Default	Convertible Notes Payable, In Default - Related Party	Convertible Notes, Net - Related Party	BCF and Warrant Discounts, DFC - Related Party	Notes Payable	Notes Payable, In Default	Mortgage and Equipment Finance Loans	BCF and Warrant Discounts, DFC	Total Notes Payable
Current portion of Notes Payable										
Balance at January 1, 2025	\$ -	\$ 417,796	\$ -	\$ 1,080,785	\$ (231,285)	\$ -	\$ 2,717,889	\$ 287,427	\$ -	\$ 4,272,612
Proceeds from notes payable issued	-	-	-	-	-	-	-	-	-	-
Conversion of notes payable to Common Stock	-	-	-	-	-	-	-	-	-	-
Notes payable issued for settlement of liabilities	-	-	-	-	-	-	-	-	-	-
Repayments of notes payable	-	-	-	-	-	-	-	-	-	-
Transfer of notes payable to notes in default and long-term notes payable	-	-	-	(231,285)	231,285	-	-	-	-	-
Amortization of BCF and Warrant Discounts, DFC	-	-	-	-	-	-	-	-	-	-
Balance at December 31, 2025	\$ -	\$ 417,796	\$ -	\$ 849,500	\$ 0	\$ -	\$ 2,717,889	\$ 287,427	\$ -	\$ 4,272,612
Long-term Notes Payable										
Balance at January 1, 2025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds from notes payable issued	-	-	-	-	-	-	-	-	-	-
Proceeds from Mortgage payable	-	-	-	-	-	-	-	-	-	-
Repayments of notes payable	-	-	-	-	-	-	-	-	-	-
Gain on debt forgiveness	-	-	-	-	-	-	-	-	-	-
Transfer of notes payable from short-term notes payable	-	-	-	-	-	-	-	-	-	-
Amortization of BCF and Warrant Discounts, DFC	-	-	-	-	-	-	-	-	-	-
Balance at December 31, 2025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Notes Payable, Net	\$ -	\$ 417,796	\$ -	\$ 849,500	\$ 0	\$ -	\$ 2,717,889	\$ 287,427	\$ -	\$ 4,272,612

Sprout Tiny Homes, Inc.
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The Company's notes payable (net of discounts) at December 31, 2024 are as follows:

	Convertible Notes, Net	Convertible Notes, Net In Default	Convertible Notes Payable, In Default - Related Party	Convertible Notes, Net - Related Party	BCF and Warrant Discounts, DFC - Related Party	Notes Payable	Notes Payable, In Default	Mortgage and Equipment Finance Loans	BCF and Warrant Discounts, DFC	Total Notes Payable
Current portion of Notes Payable										
Balance at January 1, 2024	\$ -	\$ 1,087,202	\$ 350,000	\$ 1,180,785	\$ (1,180,785)	\$ -	\$ 2,717,889	\$ 287,427	\$ -	\$ 4,442,518
Proceeds from notes payable issued	-	-	-	-	-	-	-	-	-	-
Conversion of notes payable to Common Stock	-	-	-	-	-	-	-	-	-	-
Notes payable issued for settlement of liabilities	-	(669,406)	(350,000)	(100,000)	949,500	-	-	-	-	(169,906)
Repayments of notes payable	-	-	-	-	-	-	-	-	-	-
Transfer of notes payable to notes in default and long-term notes payable	-	-	-	-	-	-	-	-	-	-
Amortization of BCF and Warrant Discounts, DFC	-	-	-	-	-	-	-	-	-	-
Balance at December 31, 2024	\$ -	\$ 417,796	\$ -	\$ 1,080,785	\$ (231,285)	\$ -	\$ 2,717,889	\$ 287,427	\$ -	\$ 4,272,612
Long-term Notes Payable										
Balance at January 1, 2024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 138,000	\$ -	\$ 138,000
Proceeds from notes payable issued	-	-	-	-	-	-	-	-	-	-
Proceeds from Mortgage payable	-	-	-	-	-	-	-	-	-	-
Repayments of notes payable	-	-	-	-	-	-	-	-	-	-
Gain on debt forgiveness	-	-	-	-	-	-	-	(138,000)	-	(138,000)
Transfer of notes payable from short-term notes payable	-	-	-	-	-	-	-	-	-	-
Amortization of BCF and Warrant Discounts, DFC	-	-	-	-	-	-	-	-	-	-
Balance at December 31, 2024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Notes Payable, Net	\$ -	\$ 417,796	\$ -	\$ 1,080,785	\$ (231,285)	\$ -	\$ 2,717,889	\$ 287,427	\$ -	\$ 4,272,612

Convertible Notes Payable

Convertible Notes Payable Transactions - 2025

There were no transactions recorded as Convertible Notes Payable during the year ended December 31, 2025.

Convertible Notes Payable Transactions - 2024

There were no transactions recorded as Convertible Notes Payable during the year ended December 31, 2024.

Convertible Notes Payable – Related Parties Transactions - 2025

There were no transactions recorded as Convertible Notes Payable – Related Parties during the year ended December 31, 2025.

Convertible Notes Payable – Related Parties Transactions - 2024

During the year ended December 31, 2024, the Company recorded a reduction in the convertible notes payable – related parties of \$100,000. This decrease is the result of adjustment of disputes between the Company and the related parties (see shareholder equity / contributions corrections.)

Notes Payable, in Default

As of December 31, 2025 and December 31, 2024, these notes considered in default totaled \$4,055,091 and \$4,055,091, respectively. The Company is engaged in on-going discussions with the noteholders with respect to settlement of outstanding notes payable.

Convertible Notes Payable – Related Party in Default Transactions - 2025

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There were no transactions recorded as Convertible Notes Payable – Related Party in Default Transactions during the year ended December 31, 2025.

Convertible Notes Payable – Related Party in Default Transactions - 2024

During the year ended December 31, 2024, the Company recorded a reduction in the Convertible Notes Payable in Default – related parties of \$350,000. This decrease is the result of adjustment of disputes between the Company and the related parties (see shareholder equity / contributions corrections.)

Notes Payable in Default Transactions - 2025

There were no transactions recorded as Notes Payable in Default Transactions during the year ended December 31, 2025.

Notes Payable in Default Transactions - 2024

During the year ended December 31, 2024, the Company recorded a reduction in the Convertible Notes Payable in Default – related parties of \$669,406. This decrease is the result of adjustment of disputes between the Company and the related parties (see shareholder equity / contributions corrections.)

Discounts on Convertible Notes Payable related to Beneficial Conversion Feature and Warrants

Discounts on Convertible Notes Payable Transactions - 2025

There were no transactions recorded as Discounts on Convertible Notes Payable during the year ended December 31, 2025.

Discounts on Convertible Notes Payable Transactions - 2024

During the year ended December 31, 2024, the Company recorded a reduction in the Discounts on Convertible Notes Payable – related parties of \$949,500. This decrease is the result of adjustment of disputes between the Company and the related parties (see shareholder equity / contributions corrections.)

Amortization of Discounts on Convertible Notes Payable – Related Party

The Company recorded amortization expense of \$0 of amortization expense for the years ended December 31, 2025 and December 31, 2024, related to the 2021 convertible notes, related party.

Notes Payable

Notes Payable Transactions – 2025

There were no transactions recorded as Notes Payable during the year ended December 31, 2025.

Notes Payable Transactions – 2024

During the year ended December 31, 2024, pursuant to the shareholder equity / contributions adjustment, the Company reversed a 2023 note payable with a related party of \$138,000.

Note 6 - Related Party Transactions

Related Party Transactions - 2025

There were no transactions recorded as Related Party during the year ended December 31, 2025.

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Related Party Transactions - 2024

During the year ended December 31, 2024, the Company issued common stock of 9,000,000 shares to related parties for consulting fees and accounting expenses totaling \$194,400.

Note 7 - Commitments, Contingencies, and Legal Proceedings

Commitments and Contingencies

At December 31, 2025 and December 31, 2024, the Company has no outstanding commitments or contingencies. During the normal course of business, from time to time, the Company rents equipment and facilities on a month-to-month basis, as the need arises.

Legal Proceedings

From time to time, we are a party to claims and legal proceedings arising in the ordinary course of business. Our management evaluates our exposure to these claims and proceedings individually and in the aggregate and provides for potential losses on such litigation if the amount of the loss is determinable and the loss is probable.

During the years ended December 31, 2025 and December 31, 2024, the Company was engaged in legal discussions related to the following:

- Pueblo leased production facility. During the year ended December 31, 2020, due partly to market conditions and the impact of the Covid-19 virus, the Company moved out of its 44,000 sq ft manufacturing facility, thereby creating a default under the property lease. During the year ended December 31, 2021, the Company settled its facility lease obligations by issuing a Note Payable of \$115,000, at an annualized interest rate of 6%, with a maturity date of March 15, 2022. The Company recorded an additional expense (loss) in 2020 of \$41,496 related to this settlement. The Company is engaged in on-going discussions with the noteholder with respect to settlement of this note.
- Default on notes payable. At December 31, 2025, the Company was not in financial position to pay notes payable upon reaching maturity. These notes payable have been classified on the Company's Balance Sheet at December 31, 2025, as "Notes payable, in default." The Company is a party to certain assertions made with respect to these notes in default, received during the year ended December 31, 2023. The Company is engaged in on-going discussions with the noteholders with respect to settlement of outstanding notes payable.
- During the years ending December 31, 2024 and December 31, 2023, the Company experienced operational and contractual issues related to the North Vista Highlands developer and additional lot purchases in other locations, that we are in discussion with legal counsel to evaluate our recourse, possible damages, and an approach to resolve those issues, which may include legal action.

Note 8 - Subsequent Events

Subsequent to December 31, 2025, the Company has not had any significant events.