

TREES CORPORATION
215 Union Blvd. #415 Lakewood, CO 80228

303-759-1300
treescann.com
dfishkin@treescann.com

Annual Report

For the period ending December 31, 2024 (the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

108,746,520 as of May 31, 2025 (Current Reporting Period Date or More Recent Date)

108,746,520 as of December 31, 2024 (Most Recent Completed Fiscal Year End)

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 Control⁴ of the company has occurred during this reporting period:

Yes: No:

⁴ "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 and names used by predecessor entities, along with the dates of the name changes.

TREES Corporation (current)
General Cannabis Corporation (changed 6/8/2022)
Promap Corp. (filed 11/12/1987)

Current State and Date of Incorporation or Registration: COLORADO
Standing in this jurisdiction: (e.g. active, default, inactive): Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:
General Cannabis Corp – changed name to TREES Corp. on 6/8/2022

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

none

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

none

Address of the issuer's principal executive office:

215 Union Blvd. #215 Lakewood, CO 80228

Address of the issuer's principal place of business:

Yes: 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: Odyssey Transfer and Trust Company
Phone: 888-290-1175
Email: _____
Address: 2155 Woodlane Dr. Suite 100 Woodbury, MN 55125

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.

Trading symbol:	<u>CANN</u>	
Exact title and class of securities outstanding:	<u>Trees Corporation</u>	
CUSIP:	<u></u>	
Par or stated value:	<u>\$.001</u>	
Total shares authorized:	<u>200,000,000</u>	<u>as of date: 6-26-2025</u>
Total shares outstanding:	<u>108,746,520</u>	<u>as of date: 6-26-2025</u>
Total number of shareholders of record:	<u>83</u>	<u>as of date: 6-26-2025</u>

Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

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 that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of the security:	<u>Series A Convertible Preferred Stock</u>	
Par or stated value:	<u>none</u>	
Total shares authorized:	<u>5,000</u>	<u>as of date: 9/15/2021</u>
Total shares outstanding:	<u>1,180</u>	<u>as of date: June 26, 2025</u>
Total number of shareholders of record:	<u>8</u>	<u>as of date: June 26, 2025</u>

Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.

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.**

regular voting rights, no dividend or preemption rights

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

Voting rights upon conversion; dividends accrue; each preferred share convertible into 1,000 shares of common stock; no voluntary conversion; mandatory conversion upon merger/acquisition, or \$5mm minimum offering.

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

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.**

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 for the two most recently completed fiscal years and any subsequent period.

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)

Shares Outstanding <u>Opening Balance</u> :			*Right-click the rows below and select "Insert" to add rows as needed.						
Date _____ Common: _____ Preferred: _____									
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. ***You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) - OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
July 1, 2023	Redemption	9,917,574 shares	Common Stock	_____	No	TREES Corp.	Settlement agreement with former large shareholders	restricted	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Shares Outstanding on Date of This Report:									
Date _____ Common: _____ Preferred: _____									
Ending Balance:									

Example: A company with a fiscal year end of December 31st 2024, 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, 2023 through December 31, 2024 pursuant to the tabular format above.

Any additional material details, including footnotes to the table are below:

B. Convertible Debt

The following is a complete list of the Company's Convertible Debt which includes all promissory notes, convertible notes, convertible debentures, or any other debt instruments convertible into a class of the issuer's equity securities. The table includes all issued or outstanding convertible debt at any time during the last complete fiscal year and any interim period between the last fiscal year end and the date of this Certification.

Check this box to confirm the Company had no Convertible Debt issued or outstanding at any point during this period.

Date of Note Issuance	Principal Amount at Issuance (\$)	Outstanding Balance (\$) (include accrued interest)	Maturity Date	Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares)	# Shares Converted to Date	# of Potential Shares to be Issued Upon Conversion ⁵	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g., Loan, Services, etc.)
6-20-2025	\$6,749,829	\$6,749,829	3-15-2026	n/a	0	0	Same as below	Loan, working capital, M&A
9-16-2022	\$13,500,000	\$13,500,000	9-16-2026	convert up to 50% of the outstanding unpaid principal and accrued interest of the Note into the Issuer's Common Stock at a fixed price equal to \$1.00 per share.	0	6,750,000	Horizon Trust, Inc. FBO Adam Hershey Adam Hershey Andrew Chernaik Christine Boyle David Katz Dennis Hakim Roxann Capital Management LLC (Jason Ka Wayne Greenleaf Robert Futterman (RKFGCC LLC) Matt Gould (manager Mark Lundy) Carl J Williams Richard Travia Barker Dalton Dan Doyle Context TCM Tactical Opportunities Series o Series Fund TCM Tactical Opportunities Fund II LP	Loan, working capital
Total Outstanding Balance:				Total Shares:				

Any additional material details, including footnotes to the table are below:

4) Issuer's Business, Products and Services

⁵ The total number of shares that can be issued upon full conversion of the Outstanding Balance. The number should not factor any "blockers" or limitations on the percentage of outstanding shares that can be owned by the Noteholder at a particular time. For purposes of this calculation, please use the current market pricing (e.g. most recent closing price, bid, etc.) of the security if conversion is based on a variable market rate.

The purpose of this section is to provide a clear description of the issuer's current operations. 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")

Retail cannabis dispensaries

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

Standard Cann Inc.; Trees Colorado LLC; Trees Oregon LLC; Green Tree Colorado LLC; SevenFive Farms Cultivation LLC; GT Retail LLC; GT Cultivation LLC; Green Man Colorado LLC

C. Describe the issuers' principal products or services.

Cannabis

5) Issuer's Facilities

The goal of this section is to provide investors 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. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

We presently operate five (5) cannabis dispensaries as follows:

- Englewood, Colorado
 - 5005 S Federal Boulevard – *Recreational license only*
- Denver, Colorado
 - East Hampden Avenue (formerly Green Man) – *Recreational license only*
- Longmont, Colorado
 - 12626 N. 107th Street (formerly Green Tree/Ancient Alternatives) – *Medical and Recreational licenses*
- Two (2) in Oregon
 - SW Corbett Avenue, Portland, OR – *Medical and Recreational licenses*
 - NE 102nd Avenue, Portland, OR – *Medical and Recreational licenses*

6) All Officers, Directors, and Control Persons of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities.

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. 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 investors 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 owners.

Individual Name (First, Last) or Entity Name (Include names of control person(s) if a corporate entity)	Position/Company Affiliation (ex: CEO, 5% Control person)	City and State (Include Country if outside U.S.)	Number of Shares Owned (List common, preferred, warrants and options separately)	Class of Shares Owned	Percentage of Class of Shares Owned (undiluted)
Adam Hershey (1)	Interim CEO	Lakewood, CO	14,926,797	Common Stock	14%
Carl Williams (2)	Chairman of the Board	Lakewood, CO	467,540	Common Stock	*
Richard Travia (3)	Board Member	Lakewood, CO	425,683	Common Stock	*
Timothy Brown (4)	Board Member	Lakewood, CO	22,380,310	Common Stock	19%
Mikayla Gilbert	CFO	Lakewood, CO	0	Common Stock	*
David R. Fishkin	General Counsel	Lakewood, CO	0	Common Stock	*

(1) Includes 7,532,010 shares of common stock, warrants to purchase up to an aggregate of 7,315,722 shares of common stock, and the option to convert certain notes into 53,409 shares of common stock, held by Hershey Strategic Capital, LP, Shore Ventures III, LP and Horizon Trust, FBO Adam Hershey over which Mr. Hershey has sole voting and dispositive power. Notwithstanding the foregoing, the subscription agreement with Hershey Strategic Capital, LP and Shore Ventures III, LP provides that Mr. Hershey's investment shall not exceed 20% or more of the common stock (or securities convertible into or exercisable for common stock) or the voting power of the Company on a post-transaction basis.

(2) Includes options and warrants to purchase up to an aggregate of 414,287 shares of common stock. 100,000 options to purchase common stock are held by ALPHAZULU LLC, over which Mr. Williams is the 51% owner of such entity. Also includes the option to convert certain notes held by Mr. Williams into 53,253 shares of common stock.

(3) Includes options and warrants to purchase up to an aggregate of 367,130 shares of common stock. Also includes the option to convert certain notes held by Mr. Travia into 58,553 shares of common stock.

(4) Includes 22,380,310 shares of common stock held by TDM, LLC over which Mr. Brown has sole voting and dispositive power.

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile.

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

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 to 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.

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, update your company profile.

Securities Counsel

None.

Accountant or Auditor

Name: Haynie & Company
Address 1: 1785 W 2300 S
2nd Floor
Salt Lake City, UT 84119

Address 2: _____
Phone: 801-972-4800
Email: heidir@hayniecpas.com

Investor Relations

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

All other means of Investor Communication:

X (Twitter): _____
Discord: _____
LinkedIn: _____
Facebook: _____
[Other] _____

Other Service Providers

Provide the name of any other service provider(s) that **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.

Name: _____
Firm: SAX Accounting
Nature of Services: Tax services
Address 1: PO Box 51049
Newark, NJ 07101-5149
Phone: 973-472-6250
Email: invoices@saxllp.com

9) Disclosure & Financial Information

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

Name: David R. Fishkin
Title: General Counsel
Relationship to Issuer: General Counsel

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):

Name: **Mikayla Gilbert**

Title: **CFO**

Relationship to Issuer: **CFO**

Describe the qualifications of the person or persons who prepared the financial statements:⁶

Ms. Gilbert served as the Company's Controller from October 6, 2023 to February 1, 2025, where Ms. Gilbert oversaw all accounting-related matters, including cash, accounts receivable, inventory, fixed assets, accounts payable and payroll. From July 2022 to October 2023, Ms. Gilbert served as Accounting Manager for Desibl LLC, where Ms. Gilbert oversaw all financial and accounting tasks, including implementation of new processes and systems around billing and invoicing for construction and design clients. Prior to that, Ms. Gilbert served in multiple roles in the Company between July 2020 and July 2022 including Staff Accountant and Senior Accountant. Additionally, Ms. Gilbert served as an accounting consultant for the Company from October 2021 to October 2023, when Ms. Gilbert returned to the Company full time as the Controller. Ms. Gilbert holds a B.S. in Accounting from Capella University where Ms. Gilbert graduated in 2023.

⁶ 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.

FINANCIAL STATEMENTS
TREES CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS

	December 31, 2024	December 31, 2023
	(unaudited)	(audited)
Assets		
Current assets		
Cash and cash equivalents	\$ 214,334	\$ 969,676
Accounts receivable, net of allowance of \$51,096 and \$42,000, respectively	—	111,863
Inventories	603,864	860,918
Prepaid expenses and other current assets	386,068	411,911
Total current assets	1,204,266	2,354,368
Right-of-use operating lease asset	1,399,754	1,979,833
Property and equipment, net	1,143,285	1,395,104
Intangible assets, net	1,137,067	1,637,491
Goodwill	15,880,097	15,880,097
Total assets	\$ 20,764,469	\$ 23,246,893
Liabilities and Stockholders' Equity (Deficit)		
Current liabilities		
Accounts payable and accrued expenses	\$ 2,861,719	\$ 2,617,536
Interest payable	2,063,146	1,570,077
Income tax payable	392,765	392,765
Uncertain tax benefit liability, net	990,731	—
Operating lease liability, current	729,591	846,201
Finance lease liability, current	54,174	205,400
Accrued stock payable	60,900	60,900
Accrued dividends	123,900	106,200
Warrant derivative liability	—	4,716
Accrued legal fees	36,000	102,000
Notes payable - current	23,932	1,092,382
Contingent earnout liability	—	367,056
Total current liabilities	7,336,858	7,365,233
Operating lease liability, non-current	768,375	1,218,392
Finance lease liability, non-current	578,442	501,248
Notes payable - non-current (net of unamortized discount)	15,151,694	14,013,861
Total liabilities	23,835,369	23,098,734
Commitments and contingencies (Note 6)		
Stockholders' equity (deficit)		
Preferred stock, no par value; 5,000,000 and 5,000,000 shares authorized; 1,180 and 1,180 issued and outstanding, respectively	1,073,446	1,073,446
Common stock, \$0.001 par value; 200,000,000 and 200,000,000 shares authorized; 108,746,520 and 108,746,520 shares issued and outstanding, respectively	108,746	108,746
Additional paid-in capital	99,729,914	99,450,307
Accumulated deficit	(103,983,006)	(100,484,340)
Total stockholders' equity (deficit)	(3,070,900)	148,159
Total liabilities and stockholders' equity (deficit)	\$ 20,764,469	\$ 23,246,893

See Notes to unaudited condensed consolidated financial statements.

TREES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Year ended December 31,	
	2024	2023
Revenue		
Retail sales	\$ 13,640,967	\$ 17,722,565
Cultivation sales	15,972	414,315
Total revenue	13,656,939	18,136,880
Costs and expenses		
Cost of sales	7,431,918	11,564,386
Selling, general and administrative	5,176,567	8,223,102
Stock-based compensation	14,968	69,071
Professional fees	952,369	1,380,567
Depreciation and amortization	779,031	874,412
Total costs and expenses	14,354,853	22,111,538
Operating loss	(697,914)	(3,974,658)
Other expenses (income)		
Amortization of debt discount	490,828	811,722
Interest expense	1,977,076	1,763,413
Gain on extinguishment of debt	(303,420)	218,237
Loss on impairment of assets	—	1,516,000
Gain on derivative liability	(4,716)	(792)
Gain on termination of lease	(6,770)	—
Loss on disposal of assets	23,816	—
Gain on change in fair value of contingent earnout	(367,056)	(492,148)
Other (income) expense, net	(19,848)	(896,680)
Total other expenses, net	1,789,910	2,919,752
Net loss from continuing operations before income taxes	(2,487,824)	(6,894,410)
Provision for income taxes	993,142	187,848
Loss from continuing operations	(3,480,966)	(7,082,258)
Income from discontinued operations, net of tax	—	—
Net loss	\$ (3,480,966)	\$ (7,082,258)
Accrued preferred stock dividend	(17,700)	(17,700)
Net loss attributable to common stockholders	\$ (3,498,666)	\$ (7,099,958)
Per share data - basic and diluted		
Net loss from continuing operations per share	\$ (0.03)	\$ (0.06)
Net loss from discontinued operations per share	\$ —	\$ —
Net loss attributable to common stockholders per share	\$ (0.03)	\$ (0.06)
Weighted average number of common shares outstanding	108,746,520	117,196,836

See Notes to unaudited condensed consolidated financial statements.

TREES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Net loss	\$ (3,480,966)	\$ (7,082,258)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Amortization of debt discount and equity issuance costs	727,296	811,722
Depreciation and amortization	779,031	874,412
Loss on disposal of assets	23,816	—
Provision for credit losses	—	(114)
Gain on lease termination	(6,770)	—
Impairment of assets	—	1,516,000
Amortization of right of use lease assets	141,641	1,806,918
Non-cash lease expense	471,633	—
Bad debt expense	(19,811)	—
(Gain) loss on extinguishment of debt	(303,420)	218,237
Loss (gain) on contingent earnout	(367,056)	(492,148)
Loss (gain) on derivative liability	(4,716)	(792)
Stock-based compensation	14,968	69,071
Changes in operating assets and liabilities, net of acquisitions		
Accounts receivable	131,674	(70,376)
Prepaid expenses and other assets	21,843	(152,313)
Inventories	257,054	1,040,527
Income taxes	—	187,848
Uncertain tax benefit liability	990,731	—
Accounts payable, accrued liabilities, and interest payable	426,583	1,901,350
Operating lease liabilities	(457,684)	(1,753,566)
Net cash used in operating activities	<u>(654,153)</u>	<u>(1,125,482)</u>
Cash flows from investing activities		
Purchase of property and equipment	(50,604)	(47,839)
Acquisition of Station 2 assets	—	(256,581)
Net cash used in investing activities	<u>(50,604)</u>	<u>(304,420)</u>
Cash flows from financing activities		
Payments on notes payable	(1,095,185)	(516,962)
Payments on finance lease	(205,400)	(167,293)
Proceeds from notes payable	1,250,000	500,000
Net cash (used in) provided by financing activities	<u>(50,585)</u>	<u>(918,852)</u>
Net decrease in cash and cash equivalents	(755,342)	(2,332,142)
Cash and cash equivalents, beginning of period	969,676	2,583,833
Cash and cash equivalents, end of period	<u>\$ 214,334</u>	<u>\$ 251,691</u>
Supplemental schedule of cash flow information		
Cash paid for interest	\$ 1,479,349	\$ 675,477
Cash paid for taxes	\$ 6,319	\$ 6
Non-cash investing & financing activities		
Operating lease right-of-use asset obtained in exchange for new operating lease liabilities	\$ —	\$ 219,438
Reduction of operating lease liabilities and right-of-use assets related to lease modifications	—	(376,053)
Non-cash debt issuance for acquisition of Station 2 assets	\$ —	\$ 333,953
Non-cash extinguishment of debt for the surrender of Station 2 assets	—	(356,152)
Accrued dividends	\$ 17,700	\$ 17,700
12% Warrants recorded as a debt discount and additional paid-in capital	\$ —	177,991

Non-cash extinguishment of debt for Trees MLK Assets	\$	264,639	\$	—
Non-cash extinguishment of debt for previous year Accounting Fees	\$	43,077	\$	—
Non-cash extinguishment of debt for Green Tree Assets	\$	237,513	\$	—
Non-cash extinguishment of debt for Green Man Assets	\$	267,500	\$	—

See Notes to unaudited condensed consolidated financial statements.

TREES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES
IN STOCKHOLDERS' EQUITY (DEFICIT)
(Unaudited)

	<u>Preferred Stock</u>		<u>Common Stock</u>		<u>Additional Paid-in Capital</u>	<u>Accumulated Deficit</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>			
January 1, 2024	1,180	\$1,073,446	108,746,520	\$ 108,746	\$99,450,307	\$(100,484,340)	\$ 148,159
Share-based compensation	—	—	—	—	14,968	—	14,968
Capital contribution related to the forgiveness of the Trees MLK Note	—	—	—	—	264,639	—	264,639
Dividend on Preferred Stock	—	—	—	—	—	(17,700)	(17,700)
Net loss	—	—	—	—	—	(3,480,966)	(3,480,966)
December 31, 2024	1,180	\$1,073,446	108,746,520	\$ 108,746	\$99,729,914	\$(103,983,006)	\$(3,070,900)

	<u>Preferred Stock</u>		<u>Common Stock</u>		<u>Additional Paid-in Capital</u>	<u>Accumulated Deficit</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>			
January 1, 2023	1,180	\$1,073,446	118,664,094	\$ 118,664	\$98,598,761	\$(93,384,382)	\$ 6,406,489
Share-based compensation	—	—	—	—	69,071	—	54,195
Redeemed shares related to Green Tree settlement	—	—	(9,917,574)	(9,918)	(1,626,482)	—	(1,636,400)
Capital transaction related to Green Tree Note restructuring	—	—	—	—	1,974,384	—	1,974,384
Capital transaction related to the forgiveness of the Trees Englewood Note	—	—	—	—	256,582	—	256,582
Modifications of warrants issued with 12% Notes	—	—	—	—	177,991	—	177,991
Dividend on Preferred Stock	—	—	—	—	—	(17,700)	(17,700)
Net loss	—	—	—	—	—	(7,082,258)	(7,082,258)
December 31, 2023	1,180	\$1,073,446	108,746,520	\$ 108,746	\$99,450,307	\$(100,484,340)	\$ 148,159

See Notes to unaudited condensed consolidated financial statements.

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, Adam Hershey certify that:

1. I have reviewed this Disclosure Statement for TREES Corporation;
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.

June 26, 2025

[Date]

/s/ Adam Hershey

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

Principal Financial Officer:

I, Mikayla Gilbert certify that:

1. I have reviewed this Disclosure Statement for TREES Corporation;
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.

June 26, 2025 [Date]

/s/ Mikayla Gilbert

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