

TREES CORPORATION
10030 W 27th Ave. Wheat Ridge, CO 80215

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

Annual Report

For the period ending December 31, 2025 (the “Reporting Period”)

Outstanding Shares

The number of shares outstanding of our Common Stock was:

115,094,256 as of May 15, 2026 (Current Reporting Period Date or More Recent Date)

110,934,222 as of December 31, 2025 (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.

See Notes to unaudited condensed consolidated financial statements.

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 – Name changed 6/8/2022)
General Cannabis Corp (Name changed 6/8/2022)
Advanced Cannabis Solutions, Inc. (Name changed 10/1/2013)
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 Corporation 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:

In January 2025, the Company, through its subsidiary Trees Colorado LLC, entered into a Membership Interest Purchase Agreement with Beddor Claude LLC d/b/a Chronic Therapy (“Chronic”) and the equity owners of Chronic, pursuant to which the Company agreed to acquire all of the membership interests of Chronic, principally consisting of a licensed dispensary located in Wheat Ridge, Colorado. The purchase price for the acquisition of Chronic is \$1,750,000, of which \$1,487,500 is to be paid upon the closing, and the remaining \$262,500 is to be held back for a period of up to two years to satisfy indemnification obligations of Chronic and the equity owners.

The acquisition was subject to certain conditions, including regulatory approval of the Colorado Marijuana Enforcement Division. The Colorado Marijuana Enforcement Division approved the Beneficial Change of Ownership as of July 1st, 2025 and the Company took over operational control as of this date.

The foregoing description of the above agreements do not purport to be complete and are qualified in their entirety by reference to the full texts thereof, which can be found in the June 20, 2025 8-K.

Address of the issuer’s principal executive office:

10030 W 27th Ave. Wheat Ridge, CO 80215

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:

See Notes to unaudited condensed consolidated financial statements.

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:	_____	
Par or stated value:	<u>\$.001</u>	
Total shares authorized:	<u>200,000,000</u>	<u>as of date: 5-15-2025</u>
Total shares outstanding:	<u>115,094,256</u>	<u>as of date: 5-15-2025</u>
Total number of shareholders of record:	<u>84</u>	<u>as of date: 5-15-2025</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: May 15, 2026</u>
Total number of shareholders of record:	<u>8</u>	<u>as of date: May 15, 2026</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.
<u>January 23, 2026</u>	<u>New Issuance</u>	4,160,034 shares	<u>Common Stock</u>	_____	<u>No</u>	<u>Adam Hershey</u>	<u>Quarterly issuance as part of executive consulting agreement</u>	<u>restricted</u>	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____

See Notes to unaudited condensed consolidated financial statements.

Shares Outstanding on Date of This Report:	
<u>Ending Balance:</u>	
Date _____	Common: _____
	Preferred: _____

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. FBC 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

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. See Notes to unaudited condensed consolidated financial statements.

Total Outstanding Balance:

Total Shares:

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

4) Issuer’s Business, Products and Services

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, Beddor Claude 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 six (6) 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*

See Notes to unaudited condensed consolidated financial statements.

- Wheat Ridge, Colorado
 - o 10030 W 27th Ave. – *Recreational license only*
- Two (2) in Oregon
 - o SW Corbett Avenue, Portland, OR – *Medical and Recreational licenses*
 - o 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	21,472,051	Common Stock	18.7%
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	19,880,310	Common Stock	17.3%
Mikayla Gilbert	CFO	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 19,880,310 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.

See Notes to unaudited condensed consolidated financial statements.

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: **Mikayla Gilbert**
Title: **Chief Financial Officer**
Relationship to Issuer: **Chief Financial Officer**

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: **Chief Financial Officer**
Relationship to Issuer: **Chief Financial Officer**

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. See Notes to unaudited condensed consolidated financial statements.

FINANCIAL STATEMENTS
TREES CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS

	December 31, 2025 (unaudited)	December 31, 2024 (unaudited)
Assets		
Current assets		
Cash and cash equivalents	\$ 1,475,914	\$ 214,334
Accounts receivable, net of allowance of \$51,096 and \$42,000, respectively	—	—
Inventories	290,058	603,864
Prepaid expenses and other current assets	217,791	386,068
Total current assets	1,983,763	1,204,266
Right-of-use operating lease asset	1,555,685	1,399,754
Property and equipment, net	642,525	1,143,285
Intangible assets, net	967,967	1,137,067
Goodwill	17,498,736	15,880,097
Total assets	\$ 22,648,676	\$ 20,764,469
Liabilities and Stockholders' Equity (Deficit)		
Current liabilities		
Accounts payable and accrued expenses	\$ 2,121,985	\$ 2,861,719
Interest payable	—	2,063,146
Income tax payable	392,765	392,765
Uncertain tax benefit liability, net	990,731	990,731
Operating lease liability, current	575,110	729,591
Finance lease liability, current	25,816	54,174
Accrued stock payable	60,900	60,900
Accrued dividends	141,600	123,900
Accrued legal fees	—	36,000
Notes payable - current	20,540,195	23,932
Total current liabilities	24,849,102	7,336,858
Operating lease liability, non-current	1,103,046	768,375
Finance lease liability, non-current	549,524	578,442
Notes payable - non-current (net of unamortized discount)	—	15,151,694
Total liabilities	26,501,672	23,835,369
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	99,729,914
Accumulated deficit	(104,843,526)	(103,983,006)
Total stockholders' equity (deficit)	(3,931,420)	(3,070,900)
Total liabilities and stockholders' equity (deficit)	\$ 22,648,676	\$ 20,764,469

See Notes to unaudited condensed consolidated financial statements.

See Notes to unaudited condensed consolidated financial statements.

TREES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Year ended December 31,	
	2025	2024
Revenue		
Retail sales	\$ 11,662,749	\$ 13,640,967
Cultivation sales	4,590	15,972
Total revenue	11,667,339	13,656,939
Costs and expenses		
Cost of sales	5,947,326	7,431,918
Selling, general and administrative	4,160,764	5,176,567
Stock-based compensation	—	14,968
Professional fees	498,629	952,369
Depreciation and amortization	347,364	779,031
Total costs and expenses	10,954,083	14,354,853
Operating gain	713,256	(697,914)
Other expenses (income)		
Amortization of debt discount	358,140	490,828
Interest expense	852,304	1,977,076
Gain on extinguishment of debt	(23,218)	(303,420)
Gain on derivative liability	—	(4,716)
Loss on termination of lease	171,760	(6,770)
Loss on disposal of assets	356,074	23,816
Gain on change in fair value of contingent earnout	—	(367,056)
Other (income) expense, net	(159,422)	(19,848)
Total other expenses, net	1,555,638	1,789,910
Net loss from continuing operations before income taxes	(842,382)	(2,487,824)
Provision for income taxes	438	993,142
Loss from continuing operations	(842,820)	(3,480,966)
Income from discontinued operations, net of tax	—	—
Net loss	\$ (842,820)	\$ (3,480,966)
Accrued preferred stock dividend	(17,700)	(17,700)
Net loss attributable to common stockholders	\$ (860,520)	\$ (3,498,666)
Per share data - basic and diluted		
Net loss from continuing operations per share	\$ (0.01)	\$ (0.03)
Net loss from discontinued operations per share	\$ —	\$ —
Net loss attributable to common stockholders per share	\$ (0.01)	\$ (0.03)
Weighted average number of common shares outstanding	110,934,222	108,746,520

See Notes to unaudited condensed consolidated financial statements.

See Notes to unaudited condensed consolidated financial statements.

TREES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	<u>2024</u>	<u>2024</u>
Cash flows from operating activities		
Net loss	\$ (842,820)	\$ (3,480,966)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Amortization of debt discount and equity issuance costs	358,140	727,296
Depreciation and amortization	347,364	779,031
Loss on disposal of assets	356,074	23,816
Gain on lease termination	171,760	(6,770)
Impairment of assets	—	—
Amortization of right of use lease assets	76,662	141,641
Non-cash lease expense	47,994	471,633
Bad debt expense	9,108	(19,811)
(Gain) loss on extinguishment of debt	(23,218)	(303,420)
Loss (gain) on contingent earnout	—	(367,056)
Loss (gain) on derivative liability	—	(4,716)
Stock-based compensation	—	14,968
Changes in operating assets and liabilities, net of acquisitions		
Accounts receivable	(9,108)	131,674
Prepaid expenses and other assets	156,517	21,843
Inventories	421,289	257,054
Income taxes	—	—
Uncertain tax benefit liability	—	990,731
Accounts payable, accrued liabilities, and interest payable	(2,491,170)	426,583
Operating lease liabilities	22,437	(457,684)
Net cash used in operating activities	<u>(1,398,971)</u>	<u>(654,153)</u>
Cash flows from investing activities		
Purchase of property and equipment	(2,902)	(50,604)
Cash acquired in acquisition of subsidiary	3,822	—
Net proceeds from sale of MLK location	55,000	—
Net cash used in investing activities	<u>55,920</u>	<u>(50,604)</u>
Cash flows from financing activities		
Payments on notes payable	(3,965,087)	(1,095,185)
Payments on finance lease	(180,110)	(205,400)
Proceeds from notes payable	6,749,829	1,250,000
Net cash (used in) provided by financing activities	<u>2,604,632</u>	<u>(50,585)</u>
Net decrease in cash and cash equivalents	1,261,581	(755,342)
Cash and cash equivalents, beginning of period	214,334	969,676
Cash and cash equivalents, end of period	<u>\$ 1,475,915</u>	<u>\$ 214,334</u>
Supplemental schedule of cash flow information		
Cash paid for interest	\$ —	\$ 1,479,349
Cash paid for taxes	\$ 438	\$ 6,319
Non-cash investing & financing activities		
Non-cash proceeds from debt restructure	(69,711)	\$ —
Accrued dividends	\$ 17,700	\$ 17,700
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, 2025	1,180	\$1,073,446	108,746,520	\$ 108,746	\$99,729,914	\$(103,983,006)	\$(3,070,900)
Dividend on Preferred Stock	—	—	—	—	—	(17,700)	(17,700)
Net loss	—	—	—	—	—	(842,820)	(842,820)
December 31, 2025	1,180	\$1,073,446	108,746,520	\$ 108,746	\$99,729,914	\$(104,843,526)	\$(3,931,420)

	<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)

See Notes to unaudited condensed consolidated financial statements.

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.

May 15, 2026

/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.

May 15, 2026

/s/ Mikayla Gilbert

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