UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A

(Amendment No. 1)

CURRENT REPORT

Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 31, 2022

UPEXI, INC.

(Exact name of registrant as specified in its charter)

Nevada	**333-25526**	**83-3378978**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

17129 US Hwy 19 N.
Clearwater, FL 33760
(Address of Principal Executive Offices) (Zip Code)

(701) 353-5425
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001	UPXI	NASDAQ

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

EXPLANATORY NOTE

This Amendment No. 1 to the Current Report on Form 8-K/A amends the Current Report on Form 8-K of Upexi, Inc. (the "Company") filed on November 3, 2022 (the "Original Report"). The Original Report was filed to report the completion of the Company's acquisition of E-Core Technology, Inc. d/b/a New England Technology, Inc., a Florida corporation ("E-Core"). In response to parts (a) and (b) of Item 9.01 of the Original Report, the Company stated that it would file the required financial information by amendment, as permitted by Items 9.01(a) and 9.01(b) of Form 8-K. The Company hereby amends the Original Report in order to provide part (a) and (b) of Item 9.01. This Amendment No. 1 does not amend any other items of the Original Report and all other information previously reported in or filed with the Original Report is hereby incorporated by reference to this Form 8-K/A.

The pro forma financial information included in this Amendment No. 1 has been presented for informational purposes only, as required by Form 8-K. It does not purport to represent the actual results of operations that the Company and E-Core would have achieved had the companies been condensed combined during the periods presented in the pro forma financial information and is not intended to project the future results of operations that the condensed combined company may achieve after completion of the acquisition.

Section 9 – Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Businesses Acquired

The audited financial statements of E-Core Technology, Inc. (d/b/a New England Technology, Inc.) as of and for the years ended December 31, 2021, and 2020, and the related Independent Auditor's Report are filed hereto as Exhibit 99.1 and incorporated herein by reference.

The unaudited financial statements of E-Core Technology, Inc. (d/b/a New England Technology, Inc.) as of and for the nine months ended September 30, 2022, and 2021, and the related Independent Accountant's Review Report

(b) Pro Forma Financial Information

The unaudited Pro Forma Condensed combined Balance Sheet of Grove, Inc. and E-Core Technology, Inc. (d/b/a New England Technology, Inc.) as of September 30, 2022, and Unaudited Pro Forma Condensed combined Statement of Income of Upexi, Inc. and E-Core Technology, Inc. (d/b/a New England Technology, Inc.) for the year ended June 30, 2022 are filed hereto as Exhibit 99.3 and incorporated herein by reference.

(d) Exhibits

Exhibit No.	Exhibit Description
23.1	Consent of Marcum LLP
99.1	Audited financial statements of E-Core Technology, Inc. (d/b/a New England Technology, Inc.) as of and for the years ended December 31, 2021 and 2020, and the related Independent Auditor's Report
99.2	Unaudited financial statements of E-Core Technology, Inc. (d/b/a New England Technology, Inc.) as of and for the nine months ended September 30, 2022 and 2021, and the related Independent Accountant's Review Report
99.3	Unaudited Pro Forma Condensed Balance Sheet of Upexi, Inc. and E-Core Technology, Inc. (d/b/a New England Technology, Inc.) as of September 30, 2022, and Unaudited Pro Forma Condensed combined Statement of Operations of Upexi, Inc. and E-Core Technology, Inc. (d/b/a New England Technology, Inc.) for the year ended June 30, 2022
104	Cover Page Interactive Data File (embedded within the Inline XBRL Document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UPEXI, INC.

Dated: February 17, 2023		*/s/ Andrew J. Norstrud*
	Name:	Andrew J. Norstrud
	Title:	Chief Financial Officer

EXHIBIT 23.1

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in the Registration Statements of Upexi, Inc. on Form S-3 (File No 333-266000) and Form S-8 (File No 333-257491) of our report dated February 17, 2023 with respect to our audits of the consolidated financial statements of E-Core Technology, Inc. (d/b/a New England Technology, Inc.) as of December 31, 2021 and 2020 and for the years ended December 31, 2021 and 2020, which report is included in this Form 8-K/A of Upexi, Inc.

/s/ Marcum LLP

Marcum LLP
Marlton, New Jersey
February 17, 2023

EXHIBIT 99.1

E-CORE TECHNOLOGY, INC.
d/b/a NEW ENGLAND TECHNOLOGY, INC.

CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

AND

INDEPENDENT AUDITORS' REPORT

E-CORE TECHNOLOGY, INC.
d/b/a NEW ENGLAND TECHNOLOGY, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of
E-Core Technology, Inc. d/b/a New England Technology, Inc.

Opinion

We have audited the consolidated financial statements of E-Core Technology Inc. d/b/a New England Technology, Inc. (the "Company"), which comprise the balance sheets as of December 31, 2021 and 2020, and the related statements of operations, stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of New England Technology, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about New England Technology, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

/s/ Marcum LLP

Marlton, New Jersey
February 17, 2023

E-CORE TECHNOLOGY, INC. d/b/a NEW ENGLAND TECHNOLOGY, INC.

CONSOLIDATED BALANCE SHEETS

E-CORE TECHNOLOGY, INC. (D/B/A NEW ENGLAND TECHNOLOGY, INC.)
CONSOLIDATED BALANCE SHEETS

	December 31, 2021	December 31, 2020
ASSETS		
Current assets		
Cash	$ 3,504,667	$ 25
Accounts receivable	4,318,660	6,722,821
Inventories	1,434,821	5,161,064
Prepaid expenses and other assets	845,317	778,780
Total current assets	10,103,465	12,662,690
Total assets	$ 10,103,465	$ 12,662,690
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 1,357,391	$ 942,966
Accrued liabilities	725,043	1,134,385
Line of credit, net	-	1,059,062
Deferred revenue	276,980	227,549
Total current liabilities	2,359,414	3,363,962
Stockholders' Equity		
200,000 common shares authorized, no stated par value, and 4,000 and 4,000 issued and outstanding, respectively	-	-
Retained earnings	7,744,051	9,298,728
Total stockholders' equity	7,744,051	9,298,728
Total liabilities and stockholders' equity	$ 10,103,465	$ 12,662,690

See accompanying notes to consolidated financial statements.

E-CORE TECHNOLOGY, INC. d/b/a NEW ENGLAND TECHNOLOGY, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

E-CORE TECHNOLOGY, INC. (D/B/A NEW ENGLAND TECHNOLOGY, INC.)
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31, 2021	Year Ended December 31, 2020
Revenue	$ 56,325,171	$ 70,310,130
Cost of revenue	49,648,762	61,424,896
Gross profit	6,676,409	8,885,234
Operating expenses		
General and administrative expenses	3,497,370	4,306,569
	3,497,370	4,306,569
Income from operations	3,179,039	4,578,665
Other expense (income), net		
PPP loan forgiveness	-	(244,195)
Interest expense (income), net	(11,662)	26,219
Other expense (income), net	(11,662)	(217,976)
Net income	$ 3,190,701	$ 4,796,641

See accompanying notes to consolidated financial statements.

E-CORE TECHNOLOGY, INC. d/b/a NEW ENGLAND TECHNOLOGY, INC.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

E-CORE TECHNOLOGY, INC. (D/B/A NEW ENGLAND TECHNOLOGY, INC.)
CONSOLIDATED STATEMENTS OF STOCKHOLDER'S EQUITY

	Common Shares	Retained Earnings	Total Stockholders' Equity
Balance, January 1, 2020	4,000	$ 6,202,088	$ 6,202,088
Distributions	-	(1,700,001)	(1,700,001)
Net income	-	4,796,641	4,796,641
Balance, December 31, 2020	4,000	$ 9,298,728	$ 9,298,728
Distributions	-	(4,745,378)	(4,745,378)
Net income	-	3,190,701	3,190,701
Balance, December 31, 2021	4,000	$ 7,744,051	$ 7,744,051

See accompanying notes to consolidated financial statements.

E-CORE TECHNOLOGY, INC. d/b/a NEW ENGLAND TECHNOLOGY, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

E-CORE TECHNOLOGY, INC. (D/B/A NEW ENGLAND TECHNOLOGY, INC.)
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31,	
	2021	**2020**
Cash flows from operating activities		
Net income	$ 3,190,701	$ 4,796,641
Adjustments to reconcile net income to net cash provided by operating activities:		
Change in accrued sales allowance	(51,871)	170,604
Bad debt expense	75,079	5,498
Inventory write-off	265,107	262,375
Gain on forgiveness of PPP Loan	-	(242,904)
Changes in assets and liabilities		
Accounts receivable	2,329,082	480,762
Inventories	3,461,136	(1,518,815)
Prepaid expenses and other assets	(66,537)	1,722,676
Accounts payable and accrued liabilities	56,954	(1,574,529)
Deferred revenue	49,431	(44,030)
Net cash provided by operating activities	9,309,082	4,058,278
Cash flows from financing activities		
Line of credit, net	(1,059,062)	(2,601,181)
Proceeds from PPP loan	-	242,904
Distributions	(4,745,378)	(1,700,001)
Net cash used in financing activities	(5,804,440)	(4,058,278)
Net increase in cash	3,504,642	-
Cash, beginning of period	25	25
Cash, end of period	$ 3,504,667	$ 25
Supplemental cash flow disclosures:		
Interest paid	$ 3,717	$ 26,219
Income tax paid	$ -	$ -

See accompanying notes to consolidated financial statements.

E-CORE TECHNOLOGY, INC. d/b/a NEW ENGLAND TECHNOLOGY, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND BUSINESS

Description of the Business

E-Core Technology, Inc. (d/b/a New England Technology, Inc.) (the "Company") was incorporated in the state of Massachusetts in 2000 and domesticated to Florida in 2014, where it is currently incorporated. The Company is a distributor for name brand consumer electronics and offers several innovative distribution models based on retailer requirements and programs. The Company specializes in e-commerce, Business to Business, and Business to Consumer marketplaces with a focus on price driven success for their customers. The Company has offices in Massachusetts, New York, New Jersey, and Florida and uses third party logistic providers to receive store and distribute its products.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). The consolidated financial statements include the accounts of all subsidiaries in which the Company holds a controlling financial interest as of December 31, 2021 and 2020.

Use of Estimates

The preparation of the financial statements in conformity with U.S. GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results may differ from these estimates. Significant estimates include the valuation of inventory and the allowance for doubtful accounts.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Company considers amounts held by financial institutions and short-term investments with an original maturity of three months or less when purchased to be cash and cash equivalents. As of December 31, 2021 and 2020, the Company had no cash equivalents.

Accounts Receivable

The Company gives credit terms of 10 to 60 days after product shipment. Accounts receivable consist of trade accounts arising in the normal course of business. Accounts for which no payments have been received after the customer's credit terms are considered delinquent and customary collection efforts are initiated. Accounts receivable are carried at original invoice amount less a reserve made for doubtful receivables based on a review of all outstanding amounts on a quarterly basis.

Management has determined the allowance for doubtful accounts by regularly evaluating individual customer receivables and considering a customer's financial condition and credit history, and current economic conditions. As of December 31, 2021, and 2020, the Company determined that no allowance for doubtful accounts was necessary. Bad debt expenses were $75,079 and $5,498 for the years ended December 31, 2021 and 2020, respectively.

Inventory

Inventory is stated at lower of cost or market, with cost being determined using the first-in, first-out ("FIFO"). Cost includes costs directly related to the product including the product cost and the inbound shipping costs to the distribution facilities. All inventories are finished products.

The Company performs an assessment of inventory obsolescence to measure inventory at the lower of cost or net realizable value. Factors considered in the determination of obsolescence include slow-moving or non-marketable items. There were $265,107 and $262,375 of obsolete inventory written off or inventory marked down to market for the years ended December 31, 2021 and 2020, respectively.

Revenue Recognition

The Company follows the guidance of the Accounting Standards Codification ("ASC") Topic 606, "Revenue from Contracts with Customers."

The Company's revenue contracts represent a single performance obligation related to the fulfillment of customer orders for the purchase of name brand consumer electronics. Net sales reflect the transaction prices for these contracts based on the Company's selling list price, which is then reduced by estimated costs for trade promotional programs, consumer incentives, and allowances and discounts used to incentivize sales growth and build brand awareness.

Revenue is recognized based on the following five step model:

- Identification of the contract with a customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenue when, or as, the Company satisfies a performance obligation

The Company recognizes revenue at the point the product is shipped to the customer or when the customer picks up the ordered product from a Company warehouse.

The Company policy is to not accept returns of product after the sale occurs, however there are limited returns negotiated to maintain customer relationships. As of December 31, 2021 and 2020, the Company maintained an allowance recorded in accrued liabilities, of $188,073 and $239,944, respectively, for product returns.

Shipping and handling fees billed to customers are included in revenue. Shipping and handling fees associated with freight are generally included in cost of revenue.

Deferred Revenue

The Company records deposits as deferred revenue when a customer pays in advance of shipping the product. Once the product is shipped, the deposit is recorded as revenue and the related commissions are paid. All products were shipped related to deposits in deferred revenue, in less than one year.

Advertising

The Company supports its products with advertising to build brand awareness of the Company's various products in addition to other marketing programs executed by the Company's marketing team. The Company believes the continual investment in advertising is critical to the development and sale of its products. Advertising costs of $12,711 and $25,491 were expensed as incurred during the years ended December 31, 2021, and 2020, respectively.

Paycheck Protection Program loans

The Company's policy is to account for the Paycheck Protection Program loan (See Note 4) as debt. The Company continued to record the loan as debt until either (1) the loan is partially or entirely forgiven and the Company has been legally released, at which point the amount forgiven will be recorded as income or (2) the Company pays off the loan. The full amount of the Paycheck Protection Program loan and accrued interest were forgiven on November 2, 2020 and reported as other income during the year ended December 31, 2020.

Income Taxes

The Company has elected S Corporation status for federal income tax and state tax purposes. Under these elections, the Company is not a taxpaying entity for federal and state income tax purposes and, accordingly, no provision has been made for such income taxes, except for a minimum state corporate business tax. The stockholders' allocable share of the Company's income or loss is reportable on his or her income tax returns.

Accounting Pronouncements

No recent accounting pronouncements were issued by Financial Accounting Standards Board ("FASB") that are believed by management to have a material impact on the Company's present or future financial statements.

3. INVENTORY

Inventory consisted of the following:

	December 31,	
	2021	**2020**
Finished goods	$ 1,484,821	$ 5,211,064
Inventory reserve	(50,000)	(50,000)
	$ 1,434,821	$ 5,161,064

The Company writes off the value of inventory deemed excessive, obsolete or to the lower of cost or market. During the years ended December 31, 2021, and 2020, the Company did not have any material inventory adjustments.

E-CORE TECHNOLOGY, INC. d/b/a NEW ENGLAND TECHNOLOGY, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

4. LINE OF CREDIT AND OTHER NOTES PAYABLE

The Company maintains a $10,000,000 line of credit with an interest rate of the alternate base rate, as provided in the loan agreement, with a minimum interest rate of 1%. The loan is interest only and is paid on a monthly basis with the advance rate based on 80% of accounts receivable and 50% of inventory with a limit of $3,000,000 advanced for inventory. On December 31, 2021, and 2020 there was no balance outstanding on the line of credit and $3,292,763 and $6,192,049 available. The line of credit was fully repaid and the agreement terminated on October 31, 2022.

On May 22, 2020, the Company entered into a Paycheck Protection Program loan for $242,904 in connection with the CARES Act related to COVID-19. The promissory note has a fixed payment schedule, commencing ten months following the funding of the note and consisting of seventeen monthly payments of principal and interest, with the principal component of each payment based upon the level of amortization of principal over a two-year period from the funding date. The note will bear interest at a rate of 1.00% per annum and is deferred for the first six months of the loan. On November 2, 2020 the Paycheck Protection Program loan of $242,904 and accrued interest of $1,291 was forgiven and is recorded as other income.

5. RELATED PARTY TRANSACTIONS

On July 1, 2018, the Company signed a five-year lease for office space in a building owned by some of the Company's owners. The lease is for approximately 2,000 square feet, which represents less than 10% of the leasable square footage of the building and less than 10% of the total revenue the owners receive from the building. The lease expense for the years ended December 31, 2021, and 2020 was $49,103 and $48,357, respectively.

The above related party transactions are not necessarily indicative of the amounts and terms that would have been incurred had comparable transactions been entered into with independent parties.

6. SIGNIFICANT CUSTOMERS AND VENDORS

The Company had significant customers during the years ended December 31, 2021 and 2020. A significant customer is defined as one that makes up ten percent or more of total revenues in a particular year or ten percent of outstanding accounts receivable balance as of the year end.

Net revenues for the years ended December 31, 2021, and 2020 include revenues from significant customers as follows:

	2021	**2020**
Customer A	19%	25%
Customer B	-	15%

Accounts receivable balances as of December 31, 2021 and 2020 from significant customers are as follows:

	2021	2020
Customer A	20%	22%
Customer C	34%	-
Customer D	13%	-
Customer E	-	12%

The Company had significant vendors during the years ended December 31, 2021 and 2020. A significant vendor is defined as one that makes up ten percent or more of total purchases in a particular year.

Net purchases for the years ended December 31, 2021, and 2020 include purchases from significant vendors as follows:

	2021	2020
Vendor A	11%	-
Vendor B	-	11%
Vendor C	-	10%

7. SUBSEQUENT EVENT

On October 31, 2022, the owners of the Company completed a Securities Purchase Agreement, effective October 21, 2022, to sell 100% of the Company to Upexi, Inc., for $24,100,000, subject to adjustments. The consideration consisted of $3,100,000 in cash, 1,247,402 shares of the Upexi, Inc's restricted common stock with a value equal to $6,000,000, two promissory notes in the original principal amount of $5,750,000 each, payable upon maturity and a convertible promissory note in the original principal amount of $3,500,000, convertible in full on the two-year anniversary of the issuance of the note at a conversion price of $4.81 per share. The principal amount of the convertible promissory note is subject to a two-way adjustment based on the Company's Adjusted EBITDA for the three-year period commencing on the closing date.

On October 31, 2022, the Company obtained a new line of credit with a new $10,000,000 line of credit at an interest rate of prime minus one half percent. The line of credit will advance up to 80% of eligible accounts receivable and 50% of eligible inventory. The maximum advance on the line related to inventory is $5,000,000. The loan only requires interest to be paid on a monthly basis and any balance in excess of the monthly borrowing base calculation. Standard financial covenants and default provisions are included in the loan. The available funds of $7,201,079 at the closing were used to terminate and repay the previous line of credit.

EXHIBIT 99.2

E-CORE TECHNOLOGY, INC.
d/b/a NEW ENGLAND TECHNOLOGY, INC.

INTERIM UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
AS OF FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2022 AND 2021

E-CORE TECHNOLOGY, INC.
d/b/a NEW ENGLAND TECHNOLOGY, INC.

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors of
E-Core Technology, Inc..(d/b/a New England Technology, Inc.)

We have reviewed the accompanying consolidated financial statements of E-Core Technology, Inc. (d/b/a New England Technology, Inc.) (the "Company"), which comprise the balance sheets as of September 30, 2022 and December 31, 2021, and the related statements of operations, changes in stockholders' equity and cash flows for the nine month periods ended September 30, 2022 and 2021, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

/s/ Marcum LLP

Marlton, New Jersey
February 17, 2023

E-CORE TECHNOLOGY, INC.
d/b/a NEW ENGLAND TECHNOLOGY, INC.
UNAUDITED CONSOLIDATAED BALANCE SHEETS

E-CORE TECHNOLOGY, INC. (D/B/A NEW ENGLAND TECHNOLOGY, INC.)
UNAUDITED CONSOLIDATED BALANCE SHEETS

	September 30, 2022	December 31, 2021
ASSETS		
Current assets		
Cash	$ 16,974	$ 3,504,667
Accounts receivable	3,926,663	4,318,660
Inventories	9,833,980	1,434,821
Prepaid expenses and other assets	1,946,286	845,317
Total current assets	15,723,903	10,103,465
Total assets	$ 15,723,903	$ 10,103,465
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 763,797	$ 1,357,391
Accrued liabilities	422,487	725,043
Line of credit	6,754,127	-
Deferred revenue	58,196	276,980
Total current liabilities	7,998,607	2,359,414
Shareholders' Equity		
200,000 common shares authorized, no stated par value, and 4,000 and 4,000 issued and outstanding, respectively	-	-
Retained earnings	7,725,296	7,744,051
Total shareholders' equity	7,725,296	7,744,051
Total liabilities and shareholders' equity	$ 15,723,903	$ 10,103,465

See accompanying notes to unaudited consolidated financial statements.

E-CORE TECHNOLOGY, INC.
d/b/a NEW ENGLAND TECHNOLOGY, INC.
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

E-CORE TECHNOLOGY, INC. (D/B/A NEW ENGLAND TECHNOLOGY, INC.)
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

	Nine Month's Ended September 30,	
	2022	**2021**
Revenue	$ 39,617,674	$ 43,262,763
Cost of revenue	36,687,399	38,011,252
Gross profit	2,930,275	5,251,511
Operating expenses		
General and administrative expenses	1,977,717	2,053,072
	1,977,717	2,053,072
Income from operations	952,558	3,198,439
Other expense, net		
Interest expense, net	78,763	3,717
Other expense, net	78,763	3,717
Net income	$ 873,795	$ 3,194,722

See accompanying notes to unaudited consolidated financial statements.

E-CORE TECHNOLOGY, INC.
d/b/a NEW ENGLAND TECHNOLOGY, INC.
UNAUDITED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

E-CORE TECHNOLOGY, INC. (D/B/A NEW ENGLAND TECHNOLOGY, INC.)
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended September 30,	
	2022	**2021**
Cash flows from operating activities		
Net income	$ 873,795	$ 3,194,722
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Change in accrued sales allowance	(16,625)	(48,818)
Inventory write-offs	2,313,174	-
Changes in assets and liabilities		
Accounts receivable	391,997	25,353
Inventories	(10,712,333)	(232,006)
Prepaid expenses and other assets	(1,100,969)	474,182
Deferred revenue	(218,784)	(33,670)
Accounts payable and accrued liabilities	(879,525)	1,748,557
Net cash (used in) provided by operating activities	(9,349,270)	5,128,320
Cash flows from financing activities		
Line of credit, net	6,754,127	(1,059,062)
Distribution to members	(892,550)	(2,969,999)
Net cash provided by (used in) financing activities	5,861,577	(4,029,061)
Net (decrease) increase in cash	(3,487,693)	1,099,259
Cash, beginning of period	3,504,667	25
Cash, end of period	$ 16,974	$ 1,099,284
Supplemental cash flow disclosures:		
Interest paid	$ 78,763	$ 3,717
Income tax paid	$ -	$ -

See accompanying notes to unaudited consolidated financial statements.

E-CORE TECHNOLOGY, INC.
d/b/a NEW ENGLAND TECHNOLOGY, INC.
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

E-CORE TECHNOLOGY, INC. (D/B/A NEW ENGLAND TECHNOLOGY, INC.)
UNAUDITED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Common Shares	Retained Earnings	Total Shareholders' Equity
Balance, December 31, 2020	4,000	$ 9,298,728	$ 9,298,728
Distributions	-	(2,969,999)	(2,969,999)
Net income	-	3,194,722	3,194,722
Balance, September 30, 2020	4,000	9,523,451	9,523,451
Balance, December 31, 2021	4,000	$ 7,744,051	$ 7,744,051
Distributions	-	(892,550)	(892,550)
Net income for nine months ended September 30, 2022	-	873,795	873,795
Balance, September 30, 2022	4,000	$ 7,725,296	$ 7,725,296

See accompanying notes to unaudited consolidated financial statements.

E-CORE TECHNOLOGY, INC.
d/b/a NEW ENGLAND TECHNOLOGY, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND BUSINESS

Description of the Business

E-Core Technology, Inc. (d/b/a New England Technology, Inc.) (the "Company") was incorporated in the state of Massachusetts in 2000 and domesticated to Florida in 2014, where it is currently incorporated. The Company is a distributor for name brand consumer electronics and offers several innovative distribution models based on retailer requirements and programs. The Company specialize in e-commerce, Business to Business, and Business to Consumer marketplaces with a focus on price driven success for their customers. The Company has offices in Massachusetts, New York, New Jersey, and Florida and uses third party logistic providers to receive store and distribute its products.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). The consolidated financial statements include the accounts of all subsidiaries in which the Company holds a controlling financial interest as of September 30, 2022 and December 31, 2021.

In the opinion of management, the unaudited interim consolidated financial statements reflect all adjustments of a normal recurring nature that are necessary for a fair presentation of the results for the interim periods presented. All significant intercompany transactions and balances are eliminated in consolidation. However, the results of operations included in such financial statements may not necessarily be indicative of annual results.

Use of Estimates

The preparation of the financial statements in conformity with U.S. GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results may differ from these estimates. Significant estimates include the valuation of inventory and the allowance for doubtful accounts.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Company considers amounts held by financial institutions and short-term investments with an original maturity of three months or less when purchased to be cash and cash equivalents. As of September 30, 2022 and December 31, 2021, the Company had no cash equivalents.

Accounts Receivable

The Company gives credit terms of 10 to 60 days after product shipment. Accounts receivable consist of trade accounts arising in the normal course of business. Accounts for which no payments have been received after the customer's credit terms are considered delinquent and customary collection efforts are initiated. Accounts receivable are carried at original invoice amount less a reserve made for doubtful receivables based on a review of all outstanding amounts on a quarterly basis.

Management has determined the allowance for doubtful accounts by regularly evaluating individual customer receivables and considering a customer's financial condition and credit history, and current economic conditions. As of September 30, 2022, and December 31, 20210, the Company determined that no allowance for doubtful accounts was necessary. There were no bad debt expenses for the nine months ended September 30, 2022 and 2021.

Inventory

Inventory is stated at lower of cost or market, with cost being determined using the first-in, first-out ("FIFO"). Cost includes costs directly related to the product including the product cost and the inbound shipping costs to the distribution facilities. All inventories are finished products.

Revenue Recognition

The Company follows the guidance of the Accounting Standards Codification ("ASC") Topic 606, "Revenue from Contracts with Customers."

The Company's revenue contracts represent a single performance obligation related to the fulfillment of customer orders for the purchase of name brand consumer electronics. Net sales reflect the transaction prices for these contracts based on the Company's selling list price, which is then reduced by estimated costs for trade promotional programs, consumer incentives, and allowances and discounts used to incentivize sales growth and build brand awareness.

Revenue is recognized based on the following five step model:

- Identification of the contract with a customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenue when, or as, the Company satisfies a performance obligation

The Company recognizes revenue at the point the product is shipped to the customer or when the customer picks up the ordered product from a Company warehouse.

The Company policy is to not accept returns of product after the sale occurs, however there are limited returns negotiated to maintain customer relationships. As of September 30, 2022 and December 31, 2021, the Company maintained an allowance of $171,488 and $188,073 for product returns, respectively.

Shipping and handling fees billed to customers are included in revenue. Shipping and handling fees associated with freight are generally included in cost of revenue.

Deferred Revenue

The Company records deposits as deferred revenue when a customer pays in advance of shipping the product. Once the product is shipped, the deposit is recorded as revenue and the related commissions are paid. All products were shipped related to deposits in deferred revenue, in less than one year.

E-CORE TECHNOLOGY, INC.
d/b/a NEW ENGLAND TECHNOLOGY, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

Advertising

The Company supports its products with advertising to build brand awareness of the Company's various products in addition to other marketing programs executed by the Company's marketing team. The Company believes the continual investment in advertising is critical to the development and sale of its products. Advertising costs of $7,318 and $9,753 were expensed as incurred during the nine months ended September 30, 2022, and 2021, respectively.

Income Taxes

The Company has elected S Corporation status for federal income tax and state tax purposes. Under these elections, the Company is not a taxpaying entity for federal and state income tax purposes and, accordingly, no provision has been made for such income taxes, except for a minimum state corporate business tax. The stockholders' allocable share of the Company's income or loss is reportable on his or her income tax returns.

Accounting Pronouncements

No recent accounting pronouncements were issued by Financial Accounting Standards Board ("FASB") that are believed by management to have a material impact on the Company's present or future financial statements.

3. INVENTORY

Inventory consisted of the following:

	September 30, 2022	December 31, 2021
Finished goods	$ 9,883,980	$ 1,484,821
Inventory reserve	(50,000)	(50,000)
	$ 9,833,980	$ 1,434,821

The Company writes off the value of inventory deemed excessive, obsolete or to the lower of cost or market. During the nine months ended September 30, 2022, the Company wrote off $2,313,174 to mark the inventory to market value. There was no material write offs of inventory during the nine months ended September 30, 2021

E-CORE TECHNOLOGY, INC.
d/b/a NEW ENGLAND TECHNOLOGY, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

4. LINE OF CREDIT

The Company maintains a $10,000,000 line of credit with an interest rate of the alternate base rate, as provided in the loan agreement, with a minimum interest rate of 1%. The loan is interest only and is paid on a monthly basis with the advance rate based on 80% of accounts receivable and 50% of inventory with a limit of $3,000,000 advanced for inventory. On September 30, 2022 and December 31, 2021 there was $6,754,127 and $0 outstanding on the line of credit, respectively and no availability and $3,293,763 available on the line of credit, respectively. The line of credit was fully repaid, and the agreement terminated on October 31, 2022.

5. RELATED PARTY TRANSACTIONS

On July 1, 2018, the Company signed a five-year lease for office space in a building owned by some of the Company's owners. The lease is for approximately 2,000 square feet, which represents less than 10% of the leasable square footage of the building and less than 10% of the total revenue the owners receive from the building. The lease expense for the nine month periods ended September 30, 2022 and 2021 were $37,745 and $36,646, respectively.

The above related party transactions are not necessarily indicative of the amounts and terms that would have been incurred had comparable transactions been entered into with independent parties.

6. SIGNIFICANT CUSTOMERS

The Company had significant customers during the nine-month periods ended September 30, 2022 and 2021. A significant customer is defined as one that makes up ten percent or more of total revenues in a particular year or ten percent of outstanding accounts receivable balance as of the year end.

Net revenues for the nine-month periods ended September 30, 2022, and 2021 include revenues from significant customers as follows:

	Nine month's ended September 30,	
	2022	**2021**
Customer A	19%	22%
Customer B	13%	0%

Accounts receivable balances as of September 30, 2022, from significant customers are as follows:

Customer A	22%	0%

The Company had no significant vendors during the nine-months ended September 30, 2022 and one for the nine-months ended September 30, 2021. A significant vendor is defined as one that makes up ten percent or more of total purchases in a particular year.

E-CORE TECHNOLOGY, INC.
d/b/a NEW ENGLAND TECHNOLOGY, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

Net purchases for the nine-months ended September 30, 2021, include purchases from significant vendors as follows:

Vendor A	13%	0%

7. SUBSEQUENT EVENT

On October 31, 2022, the owners of the Company completed a Securities Purchase Agreement, effective October 21, 2022, to sell 100% of the Company to Upexi, Inc., for $24,100,000, subject to adjustments. The consideration consisted of $3,100,000 in cash, 1,247,402 shares of the Upexi, Inc's restricted common stock with a value equal to $6,000,000, two promissory notes in the original principal amount of $5,750,000 each, payable upon maturity and a convertible promissory note in the original principal amount of $3,500,000, convertible in full on the two-year anniversary of the issuance of the note at a conversion price of $4.81 per share. The principal amount of the convertible promissory note is subject to a two-way adjustment based on the Company's Adjusted EBITDA for the three-year period commencing on the closing date.

On October 31, 2022, the Company obtained a new line of credit with a new $10,000,000 line of credit at an interest rate of prime minus one half percent. The line of credit will advance up to 80% of eligible accounts receivable and 50% of eligible inventory. The maximum advance on the line related to inventory is $5,000,000. The loan only requires interest to be paid on a monthly basis and any balance in excess of the monthly borrowing base calculation. Standard financial covenants and default provisions are included in the loan. The available funds of $7,201,079 at the closing were used to terminate and repay the previous line of credit.

EXHIBIT 99.3

UPEXI, INC.
UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION

The following unaudited pro forma combined financial information is based on the historical financial statements of Upexi, Inc. (the "Company") and E-Core Technology, Inc. (d/b/a New England Technology, Inc.) ("E-Core"), after giving effect to the Company's acquisition of the assets of E-Core. The notes to the unaudited pro forma combined financial information describe the reclassifications and adjustments to the financial information presented.

The unaudited pro forma combined balance sheet as of September 30, 2022, and statements of operations for the year ended June 30, 2022 and the three months ended September 30, 2022, are presented as if the acquisition of E-Core had occurred on July 1, 2021 and were carried forward through each of the periods presented.

The allocation of the purchase price used in the unaudited pro forma combined financial information is based upon the respective fair values of the assets and liabilities of E-Core as of the date on which the E-Core Stock Purchase agreement was signed.

The unaudited pro forma combined financial information is not intended to represent or be indicative of the Company's consolidated results of operations or financial position that the Company would have reported had the E-Core acquisition been completed as of the dates presented and should not be taken as a representation of the Company's future consolidated results of operation or financial position.

The unaudited pro forma combined financial information should be read in conjunction with the historical consolidated financial statements and accompanying notes of the Company included in the annual report on form 10-K for the year ended June 30, 2022 and the Company's quarterly report on form 10-Q for the three months ended September 30, 2022.

UPEXI, INC.
UNAUDITED PRO FORMA COMBINED BALANCE SHEET
AS OF SEPTEMBER 30, 2022
(UNAUDITED)

	Upexi, Inc.	E-CORE TECHNOLOGY, INC.	PROFORMA ADJUSTMENTS	PROFORMA
ASSETS				
Current assets				
Cash	$ 3,298,663	$ 16,974	$ -	$ 3,315,637
Accounts receivable	1,315,933	3,926,663		5,242,596
Inventory, net of allowance for obsolete and slow moving inventory	6,090,242	9,833,980		15,924,222
Deferred tax asset, current	462,070	-		462,070
Prepaid expenses and other receivables	1,231,941	1,946,286		3,178,227
Assets of discontinued operations, net	6,404,209	-		6,404,209
Total current assets	18,803,058	15,723,903		34,526,961
Property and equipment, net	7,367,844	-		7,367,844
Intangible assets, net	12,716,153	-	5,062,500(3)(8)	17,778,653
Goodwill	6,223,393	-	8,350,000(4)	14,573,393
Deferred tax asset	2,732,242	-		2,732,242
Other assets	413,956	-		413,956
Right-of-use asset	843,901	-		843,901
Total other assets	30,297,489	-		43,709,989
Total assets	$ 49,100,547	$ 15,723,903		$ 78,236,950
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable	$ 2,092,122	$ 763,797		$ 2,855,919
Accrued compensation	695,278	-		695,278
Deferred revenue	120,973	58,196		179,169
Accrued liabilities	1,769,989	422,487	575,000(9)	2,767,476
Acquisition payable	1,351,589	-	2,925,296(5)	4,276,885
Current portion of notes payable	5,424,752	-	5,150,000(6)	10,574,752
Line of credit	-	6,754,127		6,754,127
Current portion of operating lease payable	274,847	-		274,847
Total current liabilities	11,729,550	7,998,607		27,803,453
Notes payable, net of current portion	9,743,104	-	5,750,000(6)	15,493,104
Convertible note payable	-	-	3,500,000(7)	3,500,000
Operating lease payable, net of current portion	588,993	-		588,993
Total long-term liabilities	10,332,097	-		19,582,097
Stockholders' equity				
Preferred stock, $0.001 par value, 100,000,000 shares authorized, and 500,000 and 0 shares issued and outstanding, respectively	500	-		500
Common stock, $0.001 par value, 100,000,000 shares authorized, and 16,713,345 and 17,960,747 shares issued and outstanding, respectively	16,713	-	125(1)(2)	16,838
Additional paid in capital	35,983,273	-	5,999,875(1)(2)	41,983,148
Accumulated (deficit) retained earnings	(8,868,401)	7,725,296	(10,487,796)(1)(9)	(11,630,901)
Total stockholders' equity attributable to Grove, Inc.	27,132,085	7,725,296		30,369,585
Non-controlling interest in subsidiary	(93,185)	-		(93,185)
Total stockholders' equity	27,038,900	7,725,296		30,276,400
Total liabilities and stockholders' equity	$ 49,100,547	$ 15,723,903		$ 78,236,950

Adjustments to the Pro Forma Balance Sheet

(1) Elimination of capital stock and retained earnings as part of purchase accounting
(2) Represents those 1,247,402 shares of Upexi, Inc. common stock issued at closing and valued at the market price of $4.812 per common share
(3) Represents the management estimated intangible asset as of closing date, to be verified post acquisition with full purchase price allocation
(4) Represents the management estimated goodwill as of closing date, to be verified post acquisition with full purchase price allocation
(5) Represents the estimated acquisition payable minus the working capital deficit
(6) Represents the Promissory Notes delivered to the Sellers of E-Core Technology, Inc. (d/b/a New England Technology, Inc.)
(7) interest rate for loan Represents the Convertible Note delivered to the Sellers of E-Core Technology, Inc. (d/b/a New England Technology, Inc.)
(8) Includes the $2,187,500 of accumulated amortization of intangible assets for the 15-month period ended September 30, 2022
(9) Represents the accrued interest and interest expense.

See notes to unaudited pro forma combined financial information

UPEXI, INC.
UNAUDITED PRO FORMA COMBINED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2022
(UNAUDITED)

	UPXI, INC.	E-CORE TECHNOLOGY, INC.	PROFORMA ADJUSTMENTS	PROFORMA
Revenue				
Product revenue	$ 23,216,234	$ 56,325,171		$ 79,541,405
Product costs	8,981,853	49,648,762		58,630,615
Gross profit	14,234,381	6,676,409		20,910,790
Operating expenses				
General and administrative expenses	14,405,308	3,497,370		17,902,678
Share-based compensation	3,331,586	-		3,331,586
Amortization of acquired intangible assets	1,432,951	-	1,750,000(a)	3,182,951
Depreciation	557,011	-		557,011
	19,726,856	3,497,370		24,974,226
Income (loss) from operations	(5,492,475)	3,179,039		(4,063,436)
Other expense (income), net				
Interest expense (income), net	215,300	60,640	460,000(d)	735,940
Change in derivative liability	(1,770)	-		(1,770)
Other expense (income), net	213,530	60,640		734,170
Income (loss) before income tax	(5,706,005)	3,118,399		(4,797,606)
Income from discontinued operations	3,141,577	-		3,141,577
Income tax benefit	518,398	-	(441,123) (c)	959,521
Net income (loss)	(2,046,030)	3,118,399		(696,508)
Net loss attributable to noncontrolling interest	(54,820)	-		(54,820)
Net income (loss) attributable to Grove, Inc.	$ (2,100,850)	$ 3,118,399		$ (751,328)
Basic income (loss) per share	$ (0.13)	$ 779.60		$ (0.04)
Diluted income (loss) per share	$ (0.13)	$ 779.60		$ (0.04)
Weighted average shares outstanding	16,713,345	4,000	1,243,402(b)	17,960,747
Fully diluted weighted average shares outstanding	16,713,345	4,000	1,243,402(b)	17,960,747

Adjustments to the Pro Forma Income Statement

(a) Represents estimated amortization of intangible assets
(b) Represents additional shares issued related to the acquisition.
(c) Represents the change in tax benefit (expense)
(d) Represents the estimated interest for the year months at a rate of 4% on the acquisition loans

See notes to unaudited pro forma combined financial information.

UPEXI, INC.
UNAUDITED PRO FORMA COMBINED STATEMENT OF OPERATIONS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022
(UNAUDITED)

	UPXI, INC.	E-CORE TECHNOLOGY, INC.	PROFORMA ADJUSTMENTS	PROFORMA
Revenue				
Product revenue	$ 11,557,011	$ 12,084,535		$ 23,641,546
Product costs	5,516,280	10,290,817		15,807,097
Gross profit	6,040,731	1,793,718		7,834,449
Operating expenses				
General and administrative expenses	7,012,163	754,369		7,766,532
Share-based compensation	927,326	-		927,326
Amortization of acquired intangible assets	880,896	-	437,500(a)	1,318,396
Depreciation	194,497	-		194,497
	9,014,882	754,369		10,206,751
Income (loss) from operations	(2,974,151)	1,039,349		(2,372,302)
Other expense (income), net				
Interest expense (income), net	435,829	60,640	115,000(d)	611,469
Change in derivative liability	(1,770)	-		(1,770)
Other expense (income), net	434,059	60,640		609,699
Income (loss) before income tax	(3,408,210)	978,709		(2,982,001)
(Loss) income from discontinued operations	(45,511)	-		(45,511)
Income tax benefit	708,201	-	(102,699)(c)	605,502
Net income (loss)	(2,745,520)	978,709		(2,376,499)
Net loss attributable to noncontrolling interest	148,005	-		148,005
Net income (loss) attributable to Grove, Inc.	$ (2,597,515)	$ 978,709		$ (2,228,494)
Basic income (loss) per share	$ (0.16)	$ 244.68		$ (0.12)
Diluted income (loss) per share	$ (0.16)	$ 244.68		$ (0.12)
Weighted average shares outstanding	16,713,345	4,000	1,243,402(b)	17,960,747
Fully diluted weighted average shares outstanding	16,713,345	4,000	1,243,402(b)	17,960,747

(a) Represents estimated amortization of intangible assets
(b) Represents additional shares issued related to the acquisition.
(c) Represents the change in tax
(d) Represents the estimated interest for three months at a rate of 4% on the acquisition loans

See notes to unaudited pro forma combined financial information.

UPEXI, INC.
NOTES TO UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION

1. BASIS OF PRO FORMA PRESENTATION

The unaudited pro forma combined balance sheet as of September 30, 2022, and the unaudited pro forma statements of operations for the year ended June 30, 2022 and the three months ended September 30, 2022, are based on the historical financial statements of the Company and E-Core after giving effect to the Company's acquisition of E-Core and reclassification and adjustments described in the accompanying notes to the unaudited pro forma combined financial information.

The Company accounts for its business combinations using the acquisition method of accounting. The cost of an acquisition is measured as the aggregate of the acquisition date fair values of the assets transferred and liabilities assumed by the Company to the seller's cash consideration and equity instruments issued. Transaction costs directly attributable to the acquisition are expensed as incurred. The excess of (i) the total costs of acquisition over (ii) the fair value of the identifiable net assets of the acquiree is recorded as identifiable intangible assets and goodwill.

The fair values assigned to E-Core's assets acquired and liabilities assumed are based on management's estimates and assumptions. The estimated fair values of these assets acquired and liabilities assumed are considered preliminary and are based on the information that was available as of the date of acquisition. The Company believes that the information provides a reasonable basis for estimating the fair values of assets acquired and liabilities assumed, but is waiting for additional information, primarily related to estimated values of current and non-current income taxes payable and deferred taxes, which are subject to change, pending the finalization of certain tax returns. The Company expects to finalize the valuation of the assets and liabilities as soon as practicable, but not later than one year from the acquisition date.

The unaudited pro forma combined financial information is not intended to represent or be indicative of the Company's consolidated results of operations or financial position that the Company would have reported had the E-Core acquisition been completed as of the dates presented and should not be taken as a representation of the Company's future consolidated results of operation or financial position.

The unaudited pro forma combined financial information should be read in conjunction with the historical consolidated financial statements and accompanying notes of the Company included in the annual report on Form 10-K for the year ended June 30, 2022 and the quarterly report on Form 10-Q for the three months ended September 30, 2022.

Accounting Periods Presented

The unaudited pro forma combined balance sheet as of September 30, 2022, and the statements of operations for the year ended June 30, 2022, and the three months ended September 30, 2022, are presented as if the acquisition of E-core had occurred on July 1, 2021 and were carried forward through each of the periods presented.

Reclassifications

The Company reclassified certain accounts in the presentation of E-Core's historical financial statements to conform to the Company's presentation.

2. ACQUISITION OF E-CORE

Effective October 21, 2022, Upexi Inc., a Nevada corporation (the "**Company**") completed a Securities Purchase Agreement (the "**Agreement**") with E-Core Technology, Inc. (d/b/a New England Technology, Inc.), ("E-Core") d/b/a New England Technology, Inc., was incorporated in the state of Massachusetts in 2000 and domesticated to Florida in 2014, where it is currently incorporated. The Company is a distributor for name brand consumer electronics and offers several innovative distribution models based on retailer requirements and programs. The Company specialize in e-commerce, Business to Business, and Business to Consumer marketplaces with a focus on price driven success for their customers. The Company has offices in Massachusetts, New York, New Jersey, and Florida and uses third party logistic providers to receive store and distribute its products.

Pursuant to the terms and conditions of the Agreement, the Buyer agreed to purchase all of the stock of the Seller (the "**Transaction**"). The purchase price for the sale was $24,100,000, subject to adjustments. The consideration consists of $3,100,000 in cash, to be paid by March 15, 2023, 1,247,402 shares of the Upexi, Inc's, restricted common stock with a value equal to $6,000,000, two promissory notes in the original principal amount of $5,750,000 each, payable upon maturity and a convertible promissory note in the original principal amount of $3,500,000, convertible in full on the two-year anniversary of the issuance of the note at a conversion price of $4.81 per share. The principal amount of the convertible promissory note is subject to a two-way adjustment based on the Company's Adjusted EBITDA for the three-year period commencing on the closing date.

The assets acquired primarily consist of accounts receivable, inventory, prepaid expenses and other current assets.

Under the purchase method of accounting, the transaction was valued for accounting purposes at an estimated $23,325,296, which was the estimated fair value of the consideration paid by the Company, after it was determined post-closing net assets were approximately $7,725,296. The estimate was based on the consideration paid of 1,247,402 shares of common stock valued at $6,000,000, cash of 2,925,296, two $5,750,000 note payables and a $3,500,000 convertible note payable based on terms of the agreement and the net assets received.

The assets and liabilities of E-core will be recorded at their respective fair values as of the closing date of the Agreement, and the following table summarizes these values based on the estimated balance sheet at September 30, 2022.

The assets and liabilities of E-core are recorded at their respective fair values as of the closing date of the Agreement, and the following table summarizes these values based on the balance sheet at September 30, 2022, as presented in the proforma balance sheet.

Tangible Assets	$ 15,723,903
Intangible Assets	7,250,00
Goodwill	8,350,000
Liabilities Acquired	(7,998,607)
Total Purchase Price	$ 23,325,296

The acquisition of E-core provided the Company with expanded expertise in retail and wholesale distribution markets and an introduction to the branded toy market with Tytan Tiles. Management expects to increase overall sales with improved gross margin and profitability through synergies recognized with the consolidation of the companies' administrative functions and distribution capabilities. These are the factors of the goodwill recognized in the acquisition.