

**UHF LOGISTICS GROUP, INC./
ENTREX CARBON MARKET, LLC**

CONSOLIDATED BALANCE SHEETS
As at August 31, 2022 and February 28, 2022
(Unaudited)

	August 31, 2022	February 28, 2022
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 1,577.35	\$ -
Accounts Receivable	\$ 6,712,917.00	\$ -
Total Current Assets	\$ 6,714,494.35	\$ -
Other Assets		
Equity Value of Executed Projects	\$ 106,771,597.00	\$ -
Total Other Assets	\$ 106,771,597.00	\$ -
Total Assets	\$ 113,486,091.35	\$ -
Liabilities		
Current Liabilities		
Accounts Payable	\$ 375,714.00	\$ 5,714.00
Vendor Accruals	\$ 3,270,717.00	\$ -
Note(s) Payable	\$ -	\$ -
Due to Related Party	\$ 9,891.00	\$ 8,820.00
Total Current Liabilities	\$ 3,656,322.00	\$ 14,534.00
Total Liabilities	\$ 3,656,322.00	\$ 14,534.00
Stockholders' Equity (Deficit)		
Common Stock, par value \$0.001, 300,000,000 authorized shares 208,816,666 shares issued and outstanding as at August 31, 2022 and February 28, 2022	\$ 208,817.00	\$ 208,817.00
Additional Paid in Capital	\$ 6,126,976.00	\$ 6,126,976.00
Retained Earnings (Accumulated Deficit)	\$ (3,421,124.00)	\$ (6,350,318.00)
Adjustment to APIC from Merger	\$ 106,915,100.35	\$ -
Total Stockholders' Equity (Deficit)	\$ 109,829,769.35	\$ (14,534)
Total Liabilities and Stockholders' Equity (Deficit)	\$ 113,486,091.35	\$ -

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

UHF LOGISTICS GROUP, INC./
ENTREX CARBON MARKET, LLC

CONSOLIDATED INCOME STATEMENTS
Six Months Ended August 31, 2022 and August 31, 2021
(Unaudited)

	Six Months Ended August 31, 2022	Six Months Ended August 31, 2021
Revenues	6,712,917.00	-
Cost of Services	\$ -	\$ -
Cost of Goods Sold	\$ 3,270,717.00	\$ -
Gross Margin	\$ 3,442,200.00	\$ -
Expenses		
Operating Expenses		
Marketing Expense	\$ 6,597.44	\$ -
Legal & Professional Fees & Expenses	\$ 63,675.00	\$ 6,315.00
Officers' Salaries	\$ 100,000.00	\$ -
Sales and Marketing Staff Salaries	\$ 149,000.00	\$ -
IT Staff	\$ 70,000.00	\$ -
Advisor Fees	\$ -	\$ -
Sub Contractor Expense	\$ 110,540.90	\$ -
Telephone, Internet & Tech	\$ 559.88	\$ -
Travel and Entertainment	\$ 12,065.75	\$ -
Total Operating Expense	\$ 512,438.97	\$ 6,315.00
Other Income (Expense)		
Interest Expense	\$ -	\$ -
Banking Service Fees	\$ (567.00)	\$ -
Total Other Income (Expense)	\$ (567.00)	\$ -
Income (Loss) Before Provision for Taxes	\$ 2,929,194.04	\$ (6,315.00)
Provision for Taxes	\$ -	\$ -
Net Income (Loss)	\$ 2,929,194.04	\$ (6,315.00)
Gain (Loss) Per Share, Basic & Diluted	\$ 0.01403	\$ (0.00003)
Weighted Average Common Shares Outstanding, Basic & Diluted	208,816,666	208,816,666

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

UHF LOGISTICS GROUP, INC./
ENTREX CARBON MARKET, LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
Six Months Ended August 31, 2022 and August 31, 2021
(Unaudited)

	Six Months Ended August 31, 2022	Six Months Ended August 31, 2021
CASH FLOW FROM OPERATING ACTIVITIES		
Net Income (Loss) for the Period	\$ 2,929,194.04	\$ (6,315.00)
Adjustments to reconcile net income (loss) to net cash used by operating activities		
Increase (Decrease) in Accounts Receivable	\$ (6,712,917.00)	\$ -
Increase (Decrease) in Accounts Payable	\$ 375,714.00	\$ -
Increase (Decrease) in Vendor Accruals	\$ 3,270,717.00	\$ -
Increase (Decrease) in Related Party Debt	\$ 1,071.00	\$ 715.00
Net Cash Used in Operating Activities	\$ (136,220.96)	\$ (5,600.00)
CASH FLOW FROM INVESTING ACTIVITIES		
Executed Project Value	\$ (106,771,597.00)	\$ -
Net Cash Provided from Investing Activities	\$ (106,771,597.00)	\$ -
CASH FLOW FROM FINANCING ACTIVITIES		
Adjustment Additional Paid in Capital from Merger	\$ 106,915,100.00	\$ -
Adjustment to Equity Accumulated Other Comprehensive Income	\$ -	\$ -
Proceeds from related party debt	\$ -	\$ 5,600.00
Net Cash Provided by Financing Activities	\$ 106,915,100.00	\$ 5,600.00
Net (Decrease) Increase in Cash	\$ (7,282.04)	\$ -
Cash at Beginning of Period	\$ 8,859.39	\$ -
Cash at End of Period	\$ 1,577.35	\$ -
Supplemental Disclosure		
Cash paid during the period for		
Interest	\$ -	\$ -
Income Taxes	\$ -	\$ -
Non-Cash Investing and Financing Activities		
Common Stock Issued for conversion of debt	\$ -	\$ -

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

UHF LOGISTICS GROUP, INC. /
ENTREX CARBON MARKET, LLC
CONSOLIDATED STATEMENT
OF
CHANGES IN SHAREHOLDERS'
EQUITY (DEFICIT)
Six Months Ended August 31, 2022
And
Year Ending February 28, 2022
(Unaudited)

	<u>Shares</u>	<u>Amount</u>	<u>Additional Paid-in Capital</u>	<u>Retained Earnings (Accumulated Deficit)</u>	<u>Total</u>
Balance at February 28, 2021	208,816,666	\$ 208,817	\$ 6,126,967	\$ (6,343,288)	\$ (7,504)
Net loss for the year ending February 28, 2022	-	\$ -	\$ -	\$ (7,030)	\$ (7,030)
Balance at February 28, 2022	<u>208,816,666</u>	<u>\$ 208,817</u>	<u>\$ 6,126,967</u>	<u>\$ (6,350,318)</u>	<u>\$ (14,534)</u>
Adjustments to APIC from Merger	-	\$ -	\$ 106,915,100	\$ -	\$ -
Net Income (Loss) for the Six Months ended August 31, 2022	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,929,194</u>	<u>\$ 2,929,194</u>
Balance at August 31, 2022 (pre- merger)	<u>208,816,666</u>	<u>\$ 208,817</u>	<u>\$ 6,126,967</u>	<u>\$ -</u>	<u>\$ -</u>
Balance at August 31, 2022 with Adjustments to APIC	<u>208,816,666</u>	<u>\$ 208,817</u>	<u>\$ 113,042,067</u>	<u>\$ (3,421,124)</u>	<u>\$ 2,914,666</u>

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

UHF LOGISTICS GROUP, INC./ ENTREX CARBON MARKET, LLC

NOTES TO FINANCIAL STATEMENTS

Six Months Ending August 31, 2023

(Unaudited)

NOTE 1 – ORGANIZATION AND OPERATIONS

UHF Logistics Group, Inc. (the "Company") was originally incorporated in the State of Nevada on July 1, 2005 as Regal Rock, Inc. On December 3, 2007, the Company changed its name to Regal Life Concepts, Inc. and on March 31, 2010, the Company changed its name to Regal Group, Inc. On January 6, 2011, the Company changed its name to UHF Logistics Group, Inc. its current name. The Company changed to its most recent name to reflect its change in becoming a consulting services provider to private companies for purposes of expansion. The Company entered into an acquisition agreement with Entrex Carbon Market, LLC ("Entrex") in August of 2022. Entrex operates as a wholly owned subsidiary of the Company.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Management further acknowledges that it is solely responsible for adopting sound accounting practices, establishing and maintaining a system of internal accounting control and preventing and detecting fraud. The Company's system of internal accounting control is designed to assure, among other items, that 1) recorded transactions are valid; 2) valid transactions are recorded; and 3) transactions are recorded in the proper period in a timely manner to produce financial statements which present fairly the financial condition, results of operations and cash flows of the Company for the respective periods being presented. The Company and its subsidiary, Entrex, use the Company's fiscal year and the work in process ("WIP") method of accounting used by Entrex. The Company's consolidated financial statements are presented on a WIP basis beginning with the Company's second quarter ending August 31, 2022.

Income Taxes

The Company follows FASB ASC Subtopic 740, Income Taxes, for recording the provision for income taxes. Deferred tax assets and liabilities are computed based upon the difference between the financial statement and income tax basis of assets and liabilities using the enacted marginal tax rate applicable when the related asset or liability is expected to be realized or settled.

Deferred income tax expenses or benefits are based on the changes in the asset or liability each period. If available evidence suggests that it is more likely than not that some portion or all of the deferred tax assets will not be realized, a valuation allowance is required to reduce the deferred tax assets to the amount that is more likely than not to be realized. Future changes in such valuation allowance are included in the provision for deferred income taxes in the period of change.

Stock-based Compensation

The Company follows FASB ASC Subtopic 718, Stock Compensation, for accounting for stock-based compensation. The guidance requires that new, modified and unvested share-based payment transactions with employees, such as grants of stock options and restricted stock, be recognized in the consolidated financial statements based on their fair value at the grant date and recognized as compensation expense over their vesting periods. The Company also follows the guidance for equity instruments issued to consultants.

Basic Loss Per Share

FASB ASC Subtopic 260, Earnings Per Share, provides for the calculation of "Basic" and "Diluted" earnings per share. Basic earnings per share is computed by dividing net loss available to common shareholders by the weighted average number of common shares outstanding for the period. All potentially dilutive securities have been excluded from the computations since they would be antidilutive. However, these dilutive securities could potentially dilute earnings per share in the future.

Cash and Cash Equivalents

Cash equivalents consist of highly liquid investments with maturities of three months or less when purchased. Cash and cash equivalents are on deposit with financial institutions without any restrictions. At August 31, 2022 and 2021, cash equivalents amounted to \$1,577.35 and \$0, respectively.

Adjustment to Additional Paid in Capital

As a result of the Company's acquisition of Entrex Carbon Market, LLC, the Company made a one-time adjustment to Additional Paid in Capital by increasing the same by \$106,915,100 to reflect the increase in the value from the Entrex assets with Entrex as a wholly owned subsidiary.

Additional Other Comprehensive Income

Similar to mineral rights, the Company's subsidiary recognizes the value the projects it acquires when the other party to its agreements have executed and received the contractual rights to the carbon off-sets associated with the real property made part of those agreements for the purpose of creating and selling the carbon off-sets the property provides. As a result, it recognizes the value of those projects based on the market value of a carbon off-set credit multiplied by the number of carbon off-set credits associated with the property during the contractual term of each agreement. It recognizes the gain on acquisition where it would not otherwise qualify as work in process.

NOTE 3 – GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates continuity of operations, realization of assets, and liquidation of liabilities in the normal course of business.

As reflected in the accompanying financial statements, the Company had a shareholder's deficit at August 31, 2022 of \$3,421,124 although its assets exceeded its liabilities although it is currently, as stated, its cash and cash equivalents were at \$1,577. If it is unable to do either of these things, these factors among others will raise substantial doubt about the Company's ability to continue as a going concern.

While the Company is continuing its operations and is generating revenues, the Company's cash position may not be significant enough to support the Company's daily operations. Management intends to raise additional funds by way of a public or private offering. Management believes that the actions presently being taken to further implement its business plan and convert its revenues into cash will provide the opportunity for the Company to continue as a going concern. While the Company believes in the viability of its strategy to generate revenues and in its ability to raise additional funds, there can be no assurances to that effect. The ability of the Company to continue as a going concern is dependent upon the Company's ability to further implement its business plan and continue generating revenues. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

NOTE 4 – COMMON STOCK

Shares Authorized

The Company is authorized to issue 300,000,000 shares of common stock with a par value of \$0.001 per share. As of August 31, 2022 and 2021, 208,816,666 shares were issued and outstanding.

NOTE 5 – SUBSEQUENT EVENTS

None.