

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

CAVU Resources Inc.

6000 Fairview Road; Suite 150
Charlotte, NC 28210

704-564-2372

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ir@ltbh.com

SIC CODE 7374

Annual Report
For the Period Ending: December 31, 2022
(the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

1,673,706,502 as of December 31, 2022

1,673,706,502 as of December 31, 2022

Shell Company

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 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 of Control

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

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

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

Yes: No:

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

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

The Company was originally incorporated under the laws of the state of Nevada on August 23, 1995.

The Company was originally incorporated as Magic Lantern Group, Inc. on August 23, 1995.

The Company changed its name to CasinoBuilders.com, Inc. on May 13, 1999.

The Company changed its name to Proximity Digital Networks, Inc. on October 16, 2001.

The Company changed its name to Proximity, Inc. on January 3, 2005.

The Company changed its name to CAVU Resources, Inc. on April 27, 2009.

The Company changed its name to LiveToBeHappy, Inc. on June 6, 2021.

The Company was originally incorporated under the laws of the state of Nevada on August 23, 1995.

The Company is in good standing with the state of Nevada. The Company's establishing its corporate headquarters in Charlotte, North Carolina, and has subsidiaries located in Charlotte, North Carolina, Tulsa, Oklahoma, Cleveland, Ohio, Buffalo, New York, and Atlanta, Georgia.

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

None.

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

The company merged with ParagonX Holdings, LLC and revised the Articles of Incorporation changing the name to ParagonX Holdings, Inc. The company is working diligently to up-list to the QB and is considering a number of proposals its received that would provide much needed capital to the business. The company is considering, and currently has three Letters of Intent in place, to acquire businesses that would compliment the current real estate, logistics, and healthcare platforms. The Company has divested Growing Together Academy as part of a separation agreement it reached with Bob Silver, the former Chairman of the Company. The Board of Directors has authorized the divestiture of other businesses that don't fit well within our three platforms, real estate, healthcare, and logistics and using its best business judgement, the management team determines the divestiture is in the best interest of the shareholders. The Company is considering registering RenuYou as a franchise and selling franchise rights across the country.

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

6000 Fairview Road
Suite 150
Charlotte, NC 28210

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

Check box 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?

Yes: No:

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below:

N/A

2) Security Information

Transfer Agent

Name: Pacific Stock Transfer Company
Phone: (702) 361-3033
Email: luke@pacificstocktransfer.com
Address: 6725 Via Austi Pkwy, Suite 300
Las Vegas, NV 89119, USA

Is the Transfer Agent registered under the Exchange Act?² Yes: No:

Trading symbol: CAVR
Exact title and class of securities outstanding: PREFERRED A
CUSIP: N/A
Par or stated value: \$0.0001

Total shares authorized: 11,000,000 as of date: December 31, 2022
Total shares outstanding: 1,000,000 as of date: December 31, 2022

Number of shares in the Public Float³: 720,108,856 as of date: December 31, 2022
Total number of shareholders of record: 285 as of date: December 31, 2022

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

Trading symbol: CAVR
Exact title and class of securities outstanding: PREFERRED B
CUSIP: N/A
Par or stated value: \$0.0001

² To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

³ "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

Total shares authorized:	11,000,000	as of date: December 31, 2022
Total shares outstanding:	5,025,000	as of date: December 31, 2022
Trading symbol:	CAVR	
Exact title and class of securities outstanding:	COMMON	
CUSIP:	14965R 104	
Par or stated value:	\$0.0001	
Total shares authorized:	2,350,000,000	as of date: December 31, 2022
Total shares outstanding:	1,673,706,502	as of date: December 31, 2022

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.

Common equity has voting rights of 1:1.

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

Preferred A and B have voting rights of 1000 votes per 1 share of preferred. 1 share of preferred converts to 100 shares of common.

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

None.

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

None.

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct 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

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods:

Shares Outstanding as of Second Most Recent Fiscal Year End:

Opening Balance

Date December 31, 2020

Common: 1,472,331,117

Preferred A: 1,000,000

Preferred B: 275,000

*Right-click the rows below and select "Insert" to add rows as needed.

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
6-Apr-21	Issuance	384,616	Common	0.0065	No	Tangela Johnson	Services	Restricted	144 Reg D
6-Apr-21	Issuance	769,231	Common	0.0065	No	Derrick Johnson	Services	Restricted	144 Reg D
6-Apr-21	Issuance	1,428,572	Common	0.007	No	Christopher Shinn	Services	Restricted	144 Reg D
6-Apr-21	Issuance	4,000,000	Common	0.007	No	Wendy Moyer	Services	Restricted	144 Reg D
6-Apr-21	Issuance	714,286	Common	0.007	No	Brett Humphrey	Services	Restricted	144 Reg D
6-Apr-21	Issuance	4,000,000	Common	0.007	No	Kevin Burrell (6)	Services	Restricted	144 Reg D
14-Apr-21	Issuance	150,000	Common	0.02	No	Keith Higgins	Services	Restricted	144 Reg D
14-Apr-21	Issuance	250,000	Common	0.02	No	Teresa Brown	Services	Restricted	144 Reg D
14-Apr-21	Issuance	1,000,000	Common	0.005	No	Angela McClure	Services	Restricted	144 Reg D
14-Apr-21	Issuance	5,000,000	Common	0.005	No	Joe Caprino	Services	Restricted	144 Reg D
14-Apr-21	Issuance	285,715	Common	0.007	No	Tate Boorse	Services	Restricted	144 Reg D
14-Apr-21	Issuance	1,500,000	Common	0.007	No	Wendy Moyer	Services	Restricted	144 Reg D
14-Apr-21	Issuance	4,763,637	Common	0.015	No	James Stock	Services	Restricted	144 Reg D
27-Apr-21	Issuance	250,000	Common	0.02	No	Mitchell Jackson	Services	Restricted	144 Reg D
27-Apr-21	Issuance	250,000	Common	0.02	No	Tyler Nottingham	Services	Restricted	144 Reg D
27-Apr-21	Issuance	250,000	Common	0.02	No	Subba Puttagunta	Services	Restricted	144 Reg D
10-May-21	Issuance	1,000,000	Common	0.05	No	Charles Treviso	Services	Restricted	144 Reg D
1-Jul-21	Issuance	3,400,000	Common	0.05	No	Thomas Resser	Services	Restricted	144 Reg D

1-Jul-21	Issuance	1,760,000	Common	0.05	No	Polly Tetrault	Services	Restricted	144 Reg D
16-Jul-21	Issuance	3,111,111	Common	0.05	No	Dale Fussell	Services	Restricted	144 Reg D
23-Jul-21	Issuance	10,000,000	Common	0.05	No	Sara Ahdidiznab	Services	Restricted	144 Reg D
23-Jul-21	Issuance	5,000,000	Common	0.05	No	Alfia Sinacori	Services	Restricted	144 Reg D
23-Jul-21	Issuance	4,000,000	Common	0.05	No	Adriana Boulton Samuels (2)	Services	Restricted	144 Reg D
23-Jul-21	Issuance	2,000,000	Common	0.05	No	Edward Estridge	Services	Restricted	144 Reg D
16-Aug-21	Issuance	1,000,000	Common	0.05	No	Edward Estridge	Services	Restricted	144 Reg D
30-Sep-21	Issuance	545,455	Common	0.0275	No	Robert Wade Edwards	Cash	Restricted	144 Reg D
30-Sep-21	Issuance	5,454,546	Common	0.0275	No	Asif Ramji (7)	Cash	Restricted	144 Reg D
08-Feb-22	Issuance	16,500,000	Common	0.01	No	Mark McLaughlin	Services	Restricted	144 Reg D
20-Feb-22	Cancelled	(192,000,000)	Common	0.01	No	Russell Sinacori	Conversion	Restricted	144 Reg D
28-Feb-22	Issuance	6,734,750	Common	0.01	No	Helen Demes	Conversion	Restricted	144 Reg D
28-Feb-22	Issuance	400,000	Common	0.015	No	Don Millen	Services	Restricted	144 Reg D
28-Feb-22	Issuance	100,000	Common	0.015	No	Blair Thompson	Services	Restricted	144 Reg D
28-Feb-22	Issuance	10,909,000	Common	0.015	No	Barry & Cyndi Gardner	Acquisition of RenuYou	Restricted	144 Reg D
3-Mar-22	Issuance	125,000,000	Common	\$0.015	No	3A10	Various Acquisitions	Unrestricted	3(a)10
3-Mar-22	Issuance	400,000	Common	\$0.01	No	Joshua Blanchar	Cash	Restricted	144 Reg D
16-Mar-22	Issuance	2,000,000	Common	\$0.015	No	Timothy Samuels	Services	Restricted	144 Reg D
16-Mar-22	Issuance	2,000,000	Common	\$0.015	No	Robert Cornaglia	Services	Restricted	144 Reg D
16-Mar-22	Issuance	300,000	Common	\$0.015	No	Charles Treviso	Services	Restricted	144 Reg D
22-Mar-22	Issuance	12,540,000	Common	\$0.015	No	Pradeep Singh	Cash	Restricted	144 Reg D

22-Mar-22	Issuance	6,099,250	Common	\$0.015	No	Robert Demes	Conversion	Restricted	144 Reg D
28-Mar-22	Issuance	4,750,000	Pref B	N/A	N/A	Russell Sinacori	Conversion	Restricted	144 Reg D
8-Apr-22	Issuance	2,000,000	Common	\$0.015	No	Don Millen	Services	Restricted	144 Reg D
26-Apr-22	Issuance	20,000,000	Common	\$0.015	No	Jonathan Kidd	Acquisition of HRS	Restricted	144 Reg D
27-Apr-22	Issuance	5,000,000	Common	\$0.015	No	Anthony Battaglia	Acquisition of AV Rover	Restricted	144 Reg D
5-May-22	Issuance	952,000	Common	\$0.015	No	Mary Ann Battaglia	Acquisition of AV Rover	Restricted	144 Reg D
5-May-22	Issuance	4,761,904	Common	\$0.015	No	Joseph Gibson	Acquisition of AV Rover	Restricted	144 Reg D
5-May-22	Issuance	4,761,904	Common	\$0.015	No	Doug Smith	Acquisition of AV Rover	Restricted	144 Reg D
5-May-22	Issuance	18,095,238	Common	\$0.015	No	Chris Rantanen	Acquisition of AV Rover	Restricted	144 Reg D
5-May-22	Issuance	14,285,712	Common	\$0.015	No	Joe Caprino	Acquisition of AV Rover	Restricted	144 Reg D
27-May-22	Issuance	3,809,529	Common	\$0.015	No	Ralf Mueller	Cash	Restricted	144 Reg D
17-June-22	Issuance	4,000,000	Common	\$0.015	No	Don Millen	Services	Restricted	144 Reg D
20-July-22	Issuance	58,222,429	Common	\$0.015	No	Spartan Capital	Services	Restricted	144 Reg D
9-Aug-22	Issuance	1,000,000	Common	\$0.01	No	Royce M Aultman Jr	Cash	Restricted	144 Reg D
15-Aug-22	Issuance	2,500,000	Common	\$0.015	No	Joe Caprino(8)	Services	Restricted	144 Reg D
23-Aug-22	Issuance	500,000	Common	\$0.01	No	Royce Aultman III	Cash	Restricted	144 Reg D
30-Aug-22	Issuance	1,000,000	Common	\$0.01	No	James Mangus	Cash	Restricted	144 Reg D
6-September-22	Issuance	6,000,000	Common	\$0.015	No	Joe Caprino(8)	Services	Restricted	144 Reg D
15-September-22	Issuance	500,000	Common	\$0.01	No	Jonathan Seller	Cash	Restricted	144 Reg D
30-September-22	Issuance	250,000	Common	\$0.015	No	Tim Suvannoparat	Services	Restricted	144 Reg D
30-September-22	Issuance	250,000	Common	\$0.015	No	Logan Hartle	Services	Restricted	144 Reg D

30-September-22	Issuance	250,000	Common	\$0.015	No	Jonnell Walker	Services	Restricted	144 Reg D
30-September-22	Issuance	250,000	Common	\$0.015	No	Xavier Grier	Services	Restricted	144 Reg D
10-October-22	Issuance	7,000,000	Common		No	Joe & Rhonda Russ Living Trust		Restricted	144 Reg D
10-October-22	Issuance	1,000,000	Common	\$0.01	No	Royce Aultman Jr	Cash	Restricted	144 Reg D
27-October-22	Issuance	20,000,000	Common	\$0.075	No	Pond Investments	Cash	Restricted	144 Reg D
11-November-22	Issuance	5,000,000	Common		No	Anthony Battaglia		Restricted	144 Reg D
23-November-22	Issuance	2,000,000	Common	\$0.075	No	Scott Green	Cash	Restricted	144 Reg D
23-November-22	Issuance	3,000,000	Common	\$0.075	No	Adam Sokol	Cash	Restricted	144 Reg D
8-December 22	Issuance	800,000	Common		No	Charles Treviso		Restricted	144 Reg D
8-December-22	Issuance	10,000,000	Common		No	Joe Caprino		Restricted	144 Reg D
23-November-22	Issuance	3,000,000	Common	\$0.075	No	Adam Sokol	Cash	Restricted	144 Reg D

Shares Outstanding on Date of This Report:		
	<u>Ending</u>	<u>Balance</u> <u>Ending</u>
<u>Balance:</u>		
Date of this Report	Common:	
December 31, 2022	1,673,706,502	

Example: A company with a fiscal year end of December 31st, in addressing this item for its quarter ended September 30, 2020, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2018 through September 30, 2020 pursuant to the tabular format above.

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

- (1) Held through the Sinacori Family Irrevocable Trust
- (2) Held through V and T Realty LLC
- (3) Held through Campitelli Law PLLC
- (4) Held through Innovative Healthcare Distribution LLC
- (5) Held through Resources Unlimited NW LLC
- (6) Held through Premier Investments of the Carolinas
- (7) Held through RH Venture Worx LLC
- (8) Held through Caprino Management LLC

B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements:

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
July 1, 2020	\$55,154	\$55,154	-0-	June 30, 2021	Conversion Price \$0.010	Russell Sinacori	Compensation
January 15, 2021	\$66,000	\$66,000	-0-	January 15, 2022	Conversion Price \$0.010	Russell Sinacori	Compensation
October 18, 2021	\$99,000	\$99,000	-0-	October 18, 2022	Conversion Price \$0.025	EMA Financial	Services
April 22, 2022	\$588,235	\$588,235	-0-	July 22, 2023	Conversion Priced varies based on market price	RB Capital Partners Inc	Loan
May 16, 2022	\$1,176,470	\$1,176,470	-0-	August 16, 2023	Conversion Price varies based on market price	Stock Loan Services LLC	Loan

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

- (1) Security has been converted to common stock.
- (2) The company has several debt instruments included and disclosed in the financial section of this filing with the financial statements. Only debt instruments that can be converted to stock are included in this section.

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

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

CAVU Resources, Inc. (the "Company" or "CAVU") was incorporated under the laws of the State of Nevada on August 23, 1995 as Magic Lantern Group, Inc. The Company has operated continuously since incorporation in various business entities including Internet companies, Magic Lantern, Inc., CasinoBuilders.com, Inc., Proximity Digital Networks, Inc. and Proximity, Inc. The Company has continued as an operating entity throughout this period and as business environments have changed it has redirected its business model, by acquiring its operating subsidiary, CAVU Resources, Inc. on April 24, 2009. The Company acquired and developed assets and technologies within the energy sector. Certain assets already held by the Company as a result of the acquisition of CAVU Resources, Inc. include mineral rights, oil and gas leases and equipment for oil and gas exploration. With the collapse of the energy market in 2014 and 2015 Management made the decision to liquidate its energy assets. This

was a four-year process with a large percentage of assets sold and the related debts paid. Subsequently, CAVU has targeted undervalued companies and assets for acquisition. On January 1, 2016 the company decided to divest itself of the balance of its oil and gas assets and liquidate all of the non-operating and minority holding to pay debt settle outstanding lawsuits and to redirect the company's efforts in a new direction. Current operations include building a lifestyle and real estate services platform that includes several wholly owned subsidiaries. These operating subsidiaries have operations inclusive of real estate services, land development, home-building, mental health and neurofeedback, travel and entertainment, health and fitness, education, and supply chain and logistics. The Company is focused, however, on three platforms: logistics, real estate, and healthcare. The Company is focused on building its holdings in each of these three platforms with an aim to create a strong, diversified, cash creating consolidated entity.

B. Please list any subsidiaries, parents, or affiliated companies.

On February 12, 2020, the Company completed the acquisition of Sinacori Builders, LLC ("Sinacori") and created the brand "Growing Together". The Sinacori purchase price is \$4,700,000 to be paid in cash or the Company's stock. On the date of acquisition, the Company issued 150,000,000 shares valued at \$0.005 per share or an aggregate value of \$750,000. The Company issued an interest free convertible note for the remaining purchase price of \$3,950,000. The Company issued 75,000,000 additional shares valued at \$0.005 per share with an aggregate value of \$375,000. in July 2020 towards the purchase price. The Company was not able to make additional payments required by the Purchase Agreement. To avoid default, the Company and Sinacori Builders, LLC, reached an agreement to amend the purchase agreement wherein the cash required was reduced by \$1 Million, the periodic payments were eliminated, and the Company issued additional preferred and common stock. With this additional preferred issuance, Russ Sinacori, via beneficial ownership, including that in the The Sinacori Family Irrevocable Trust, has voting control of the company. . Russell Sinacori will stay on as CEO of Sinacori. As part of the acquisition the company also added two new members to the board; Russell Sinacori and Tim Samuels. In December of 2021, the Company completed the acquisitions of HoneyBee Enterprises, Inc., DBA RenuYou Neurofeedback and Brain Fitness Center, AV Rover, Inc., Canary Travel, LLC, Hospitality Restoration Services LLC (51%) and Trudant Executive Services, LLC. The Company also acquired an exclusive license of the patented Physical Therapy Bike and formalized its acquisition of DRIP Fitness, LLC a subsidiary in which all inventors of the DRIP climber assigned all their rights to the invention to DRIP Fitness, LLC, a wholly owned subsidiary of the Company. The Company is currently evaluating divesting this entity or its rights to the climber patents in exchange for royalties. The Company acquired a minority interest in 1Ahead Technologies Inc., and acquired the distribution right to its patented logistics solution, "GLO." The Company has opened its first RenuYou location. The Company is considering registering RenuYou as a franchise and selling franchises across the country, including its current locations in Tulsa Oklahoma and Charlotte, North Carolina.

C. Describe the issuers' principal products or services.

CAVU closed all oil and gas operations and sold all of the related assets. It also closed down all of its existing Partnerships, Limited Liability Companies and all operating subsidiaries.

The Company has refocused its business plan and is intensely focused on raising capital for the purchase of properties, technologies and businesses in the business sectors pertaining to logistics, real estate, and healthcare. As described in 5 (B) Sinacori Builders will continue to build state of the art new homes, townhouses and apartments.

Sinacori Builders– Land Development and Construction

Hospitality Restoration Services – Commercial property restoration services

RenuYou – Neurofeedback and Mental Health

Trudant Executive Services – Outsourced professional and financial services for entrepreneurs

AV Rover – educational broadcast and remote learning equipment

Canary Travel – consumer and business travel services, septicallly large group travel and major event travel services
DRIP Fitness – design, engineering, prototype, manufacture and distraction of useful and novel exercise equipment
Monument Group – Real Estate Brokerage

5) Issuer's Facilities

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

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

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

The Company's principal corporate office is located at 6000 Fairview Road, Suite 150 Charlotte, NC 28210. . The Company's establishing its corporate headquarters in Charlotte, North Carolina, and has subsidiaries located in Charlotte, North Carolina, Tulsa, Oklahoma, Cleveland, Ohio, Buffalo, New York, and Atlanta, Georgia.

6) Company Insiders (Officers, Directors, and Control Persons)

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

Using the tabular format below, please provide information, as of the period end date of this report, regarding any person or entity owning 5% or more of any class of the issuer's securities, as well as any officer, and any director of the company, or any person that performs a similar function, regardless of the number of shares they own. The Company currently owes, due to lack of compensation pursuant to the employment agreements with each of them, Kevin V Cox, Grant Edwards, and Russell Sinacori an aggregate of \$1.6 million. The company did not make any compensation payments to them for the I calendar year of 2022. The Company entered into a separation agreement with its former Chairman Bob Silver. Mr. Silver was the only Officer who received his full compensation in 2022. . **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) representing the corporation or entity in the note section.**

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Notes
Kevin Cox	Chief Executive Officer	Tulsa, Oklahoma	-0-	N/A	5.5%	100 million Restricted Stock Units
Joe Caprino	President	Buffalo, New York	44,585,712	Common	2.4%	Includes common owned by Caprino Management LLC
Grant Edwards	Chief Financial Officer	Atlanta, Georgia	-0-	N/A	4.4%	80 million Restricted Stock Units
Robert Silver	Former Chairman and Chief Innovations Officer	Charlotte, North Carolina	270,000,000	Common	16.4%	Terminated employment and officer status effective October 27, 2022
Russell Sinacori	Chairman and Chief Operating Officer	Charlotte, North Carolina	42,000,000 Common 20,000,000 Common in Sinacori Family Trust 5,050,000 Preferred B in Sinacori Holdings 1,000,000 Preferred A in the Sinacori Family Trust	Common & Preferred	36%	Includes Preferred, Common, and Beneficial ownership via the Sinacori Trust

7) Legal/Disciplinary History

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

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None

2. 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, or banking activities;

None

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

None

4. The entry 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

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

While the company works diligently to avoid litigation, the company has no fear of litigating to protect the company and its shareholders. Any such litigation is usually taken in a pro-active manner knowing that the possibility of counter-litigation exists. Investors in the company should know that the company has threatened litigation against usurious lenders, vendors and suppliers who have not lived up to the terms of their contracts, former employees who failed to adhere to their contracts, and former acquisition targets who may have misled the company regarding their financial status. As a result, the company always may be the subject of a claim or counterclaim because of the company's activities.

Active litigation involves a current lawsuit filed by the company to recover damages from its former Chief Technology Officer. The Former Chief Technology Officer filed a countersuit for wrongful termination.

The company received a claim filed in Nassau County New York filed by Jaffee Capital, that was dismissed without prejudice. The Company received a notice for payment from Dr. Singh. The company's position is that the note was paid in full via issuance of stock pursuant to the note. The company is filing a motion to dismiss. The company received a claim from Lloyd Kurth, the company is not a party to any employment agreements with him, and therefore will be filing a motion to dismiss. The Company received a claim from Capital Assist in the State of Connecticut which was subsequently dismissed and withdrawn.

The company received numerous "threats" of litigation including requests for documentation or clarification of contracts, filings, etc. The company researches every request and threat and as of the time of this filing does not believe these threats or request have merit. If warranted, the company engages outside counsel to verify these findings. Further, if the threats or requests for clarification do have merit, the current officers act in good faith and use their best business judgement to fulfill their fiduciary obligations to the shareholders. The Company has at the request of its former Chairman, engaged its securities counsel in a forensic review of its disclosures and handling of securities. The investigation turned up no malfeasance on the part of its current Officers and Directors, but the investigation remains ongoing.

The Company has several "MCA" loans that it is working on settlements with where the Company has been notified it is in technical default of. The Company has not paid its CEO, CFO, President, or COO as required in their respective employment agreements for the period of 2022. The

Company anticipates entering into agreements to amend the employment agreements wherein they will be paid retroactively. These agreements, as of the date of these filings, have not been entered into, creating a potential for litigation and liability which is accounted for within the financial statements and use of funds provided to equity and lending capital institutions the company is working with. The only Officer compensated for their services in 2022 to the Company was its former Chairman, Bob Silver.

The Company is evaluating potential loss of assets from the resignation of its previous CEO's and may litigate to recover such losses should it be necessary and in the best interest of the shareholders to do so.

The Company has recently paid its annual tax filing fee with the State of Nevada to remain a Company in Good Standing (November 2022).

8) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

Independent Accounting Firm

Firm: BF Borgers CPA
Address 1: 5400 West Cedar Avenue
Address 2: Lakewood, CO 80226
PHONE: +1 303-953-1454

Securities Counsel

Name: Byron Thomas
Firm: Law Offices of Byron Thomas
Address 1: 3275 S Jones Blvd; Suite 104
Address 2: Las Vegas, Nevada 89146
Phone: 702-747-3103
Email: byronthomaslaw@gmail.com

Corporate Counsel:

Name: Lawrence Metelitsa
Firm: Lucosky Brookman
Address 1: 101 Wood Ave South
Address 2: Woodbridge, New Jersey 08830
Phone: 732-395-4400
Email: lmelitsa@lucbro.com

Investment Banker

FIRM: Spartan Capital
PHONE: +1 877-772-7818
Email: info@spartancapital.com

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) or consultant(s) or provided assistance or services to the issuer during the reporting period.

None.

9) Financial Statements

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

- U.S. GAAP
- IFRS

B. The financial statements for this reporting period were prepared by (name of individual)⁴:

Name: **Grant Edwards**
Title: Chief Financial Officer (current)
Relationship to Issuer: Officer

Describe the qualifications of the person or persons who prepared the financial statements: Certified Public Accountant and over 20 years in financial reporting.

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

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

Important Notes:

- Financial statements must be "machine readable". Do not publish images/scans of financial statements.
- All financial statements for a fiscal period must be published together with the disclosure statement in one Annual or Quarterly Report.

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 Annual Report.

The certifications shall follow the format below:

I, Kevin V Cox certify that:

1. I have reviewed this Disclosure Statement for CAVU Resources Inc.;
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

⁴ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

March 31, 2023

/s/ Kevin Cox, Chief Executive Officer

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

Principal Financial Officer:

I, Grant Edwards certify that:

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

March 31, 2023

/s/ Grant Edwards, Chief Financial Officer

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

FINANCIAL STATEMENTS

CAVU Resources Inc.
Consolidated Statements of Operations (Unaudited)
For the years ended December 31, 2022 and 2021

	2022	2021
Total revenue	11,462,686	12,629,893
Total cost of revenues	6,963,923	11,492,358
Total gross profit (loss)	4,498,763	1,137,535
Selling, general, and administrative expenses	5,837,128	5,313,761
Interest expense	624,851	226,091
Other expense (income), net	-	(1,138)
Loss before income taxes	(1,963,216)	(4,401,179)
Income tax expense (benefit)	-	-
Net loss	\$ (1,963,216)	\$ (4,401,179)
Loss per share:		
Basic and diluted	\$ (0.00)	\$ (0.00)
Shares used in per share calculation:		
Basic and diluted	1,605,770,500	1,537,835,000

CAVU Resources Inc.
Consolidated Balance Sheets (Unaudited)
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 346,910	\$ 425,240
Receivables	52,752	72,689
Contract assets	52,687	76,058
Inventory	4,988,080	4,115,606
Total current assets	<u>5,440,429</u>	<u>4,689,593</u>
Other Assets		
Other assets	25,000	60,367
Contract assets	430,997	451,500
Goodwill and intangible assets, net	5,597,220	5,880,915
Right of use assets	315,826	415,503
Property and equipment	135,435	169,294
Total other assets	<u>6,504,478</u>	<u>6,977,579</u>
Total assets	<u>\$11,944,907</u>	<u>\$11,667,172</u>
Liabilities and Stockholders' Deficit		
Current Liabilities		
Accounts payable	\$ 923,466	\$ 731,340
Credit card payable	323,643	215,612
Accrued expenses	1,458,000	510,220
Unearned revenue	792,462	724,180
Right of use liabilities	85,642	104,784
Purchase price payables	2,187,000	4,784,000
Demand loans payable	7,154,284	5,230,220
Total current liabilities	<u>12,924,497</u>	<u>12,300,356</u>
Long Term Liabilities		
Related party seller note payable, less current portion	1,950,000	2,382,632
Right of use liabilities	-	349,458
Debt and notes payable	150,000	1,813,459
Total long term liabilities	<u>2,100,000</u>	<u>4,545,549</u>
Total liabilities	<u>15,024,497</u>	<u>16,845,905</u>
Stockholders' Deficit		
Additional paid in capital	5,517,978	1,483,121
Accumulated deficit	(8,791,774)	(6,828,558)
Common stock, par value \$0.0001	193,603	166,301
Preferred Stock	603	403
Total stockholders' deficit	<u>(3,079,590)</u>	<u>(5,178,733)</u>
Total liabilities and stockholders' deficit	<u>\$11,944,907</u>	<u>\$11,667,172</u>

CAVU Resources Inc.
Consolidated Statements of Stockholders' Deficit
December 31, 2022 and 2021

	Common Stock		Series A Preferred		Series B Preferred		Additional Paid in Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount			
Balance at December 31, 2020	1,472,331,117	\$ 147,233	1,000,000	\$ 100	275,000	\$ 28	\$ (2,222,888)	\$ (2,427,379)	\$ (4,502,906)
Shares issued in debt conversion	125,000,000	12,500	-	-	2,750,000	275	987,225	-	1,000,000
Sale of common stock	20,049,421	2,005	-	-	-	-	825,840	-	827,845
Shares issued for serviced rendered	45,634,748	4,563	-	-	-	-	1,892,944	-	1,897,507
Net loss	-	-	-	-	-	-	-	(4,401,179)	(4,401,179)
Balance at December 31, 2021	1,663,015,286	\$ 166,301	1,000,000	\$ 100	3,025,000	\$ 303	\$ 1,483,121	\$ (6,828,558)	\$ (5,178,733)
Shares issued in for acquisitions	203,765,758	\$ 20,377	-	-	-	-	3,698,563	-	3,718,940
Conversion from common to preferred	(200,000,000)	-	-	-	2,000,000	200	-	-	-
Shares issued for cash or services	6,925,458	6,925	-	-	-	-	336,293	-	343,219
Net loss	-	-	-	-	-	-	-	(1,963,216)	(1,963,216)
Balance at December 31, 2022	1,673,706,502	\$ 193,603	1,000,000	\$ 100	5,025,000	\$ 503	\$ 5,517,978	\$ (8,791,774)	\$ (3,079,791)

CAVU Resources Inc.
Consolidated Statements of Cash Flows
For the years ended December 31, 2022 and 2021

	2022	2021
Cash flows from operating activities		
Net loss	\$ (1,963,216)	\$ (4,401,179)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Noncash stock compensation expense	-	2,447,342
Changes in operating assets and liabilities:	1,509,886	1,867,228
Net cash (used in) provided by operations	(453,330)	(86,609)
Cash flows used in investing activities		
Purchase of property and equipment	-	(169,294)
Acquisition of a business, net of cash received	-	87,256
Net cash used in investing activities	-	(82,038)
Cash flows from financing activities		
Proceeds from equity transactions	375,000	6,473,333
Net cash provided by (used in) financing activities	375,000	481,634
Net change in cash and cash equivalents	(78,330)	312,987
Cash and cash equivalents at beginning of year	425,240	112,253
Cash and cash equivalents at end of year	\$ 346,910	\$ 425,240

CAVU Resources Inc.
December 31, 2022
NOTES TO THE FINANCIAL STATEMENTS

CAVU Resources, Inc. was incorporated under the laws of the State of Nevada under the name Magic Lantern Group, Inc. on August 23, 1995. CAVU Resources, Inc. became a shell company after the divestiture of all of its operating assets and remained a shell company until February 2020. In September 2021, CAVU Resources, Inc. changed its corporate name to LiveToBeHappy, Inc., which was changed again in February 2023 to ParagonX Holdings, Inc. ("the Company", "PGXH", "we", or "us").

At December 31, 2021, the Company had the following operating entities:

Sinacori Builders, LLC ("Sinacori") is a Limited Liability Company organized under the laws of the state of North Carolina in 2010 as a residential home builder. Sinacori constructs custom single-family homes along with multifamily developments in and around Charlotte, North Carolina. At December 31, 2021, Sinacori is the sole asset in the PGXH's Construction segment.

Trudant Inc. ("Trudant") is a Corporation organized under the laws of the state of Georgia in 2021 as a executive services and consulting business. Trudant was launched by PGXH in September 2021. Trudant is based in Atlanta, Georgia. At December 31, 2021, Trudant's operations were reported in PGXH's Professional Services and Other Segment.

Honey Bee Enterprises, Inc. dba RenuYou ("RenuYou") is a Corporation organized under the laws of the state of Oklahoma in 2012 as a neurofeedback center serving Tulsa, Oklahoma. RenuYou was acquired by PGXH in November 2021. (See Note 15 – Business Combinations). At December 31, 2021, RenuYou's operations were reported in PGXH's Professional Services and Other Segment.

LTBH Canary Travel LLC dba Canary Travel ("Canary Travel") is a Limited Liability Company organized under the laws of the state of Nevada in 2022 as a travel agency. The assets of Canary Travel were acquired by PGXH in December 2021 and the company began operations under the new name in January 2022. Canary Travel is based in Cleveland, Ohio. (See Note 15 – Business Combinations). At December 31, 2021, Canary Travel's operations were reported in PGXH's Professional Services and Other Segment.

LTBH AV Rover LLC dba AV Rover ("AV Rover") is a Limited Liability Company organized under the laws of the state of Nevada in 2022 as a sound and video installation business. The assets of Sound Video Solutions of WNY LLC and Sound Video Systems of WNY LLC were acquired by PGXH in December 2021 and the company began operations under the new name in January 2022. AV Rover is based in Buffalo, New York. (See Note 15 – Business Combinations). At December 31, 2021, AV Rover's operations were reported in PGXH's Professional Services and Other Segment.

Reverse Acquisition

On February 12, 2020 ("merger date"), PGXH and Sinacori entered into a Purchase and Sale Agreement for PGXH to acquire all of the outstanding membership interests of Sinacori. Pursuant to the purchase and sale agreement, PGXH issued the member of Sinacori 300,000,000 common shares and a convertible promissory note payable in the amount of \$3,950,000. Sinacori Builder LLC became a wholly-owned subsidiary of PGXH and the former member of Sinacori beneficially owned greater than 50% of the voting control on a fully diluted basis. Upon the closing of the Purchase and Sale Agreement, the former Sinacori

member was nominated and elected to the Board of directors, with the option to nominate another director. See Note 4.

Basis of Presentation

Under accounting principles generally accepted in the United States of America (“US GAAP”), the Sinacori acquisition was treated as a “reverse acquisition” under the purchase method of accounting. The consolidated statements of operations herein reflect the historical results of Sinacori prior to the completion of the reverse acquisition since it was determined to be the accounting acquirer, and do not include the historical results of PGXH prior to the completion of the acquisition. PGXH’s assets and liabilities were consolidated with the assets and liabilities of PGXH as of February 12, 2020, consummation of the acquisition and are included in the consolidated balance sheets. The number of shares issued and outstanding and additional paid-in-capital of PGXH have been retroactively adjusted to reflect the equivalent number of shares issued by PGXH in the Purchase and Sale Agreement, while Sinacori’s historical member’s deficit is being carried forward as the Company’s accumulated deficit. All costs attributable to the reverse acquisition were expensed as incurred.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with the United States generally accepted accounting principles (“US GAAP as set forth in the Financial Accounting Standards Board’s (“FASB”) Accounting Standards Codification (“ASC”) and applicable regulations of the Securities and Exchange Commission (“SEC”).

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of PGXH, and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

Reclassifications

Certain prior period amounts have been reclassified to conform to the current year presentation. These reclassifications had no effect on previously reported net loss or accumulated deficit.

Use of Estimates

The preparation of the consolidated financial statements in conformity with US GAAP requires management of the Company to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes, including the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could materially differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less at the time of purchase to be cash equivalents. The cash balances of the Company are held with multiple financial institutions. At times, cash balances at certain banks and financial institutions may exceed federally insured amounts. The Company believes it mitigates this risk by monitoring the financial stability of institutions holding material cash balances. The Company has not experienced any losses in such accounts and believes that the risk of loss is minimal.

Receivables

Receivables consist of amounts collectible from customers for customer contracts where the Company can invoice the customer under the terms of the agreement. As of December 31, 2021, and 2020, all amounts are considered fully collectible and no allowance for doubtful accounts is recorded. Any allowance for doubtful accounts is estimated based on our historical losses, the existing economic conditions, and the financial stability of our customers. Receivables are written off in the period that they are deemed uncollectible against the allowance account.

Inventory and Cost of Revenues

Inventory consists of land purchased for development, land under development, and residential properties under construction. Inventory is valued at cost unless the carrying value is determined to be not recoverable in which case the affected inventory is written down to fair value. Cost includes any related pre-acquisition costs that are directly identifiable with a specific property so long as those pre-acquisition costs are anticipated to be recoverable when the property is sold. Non-capitalizable costs in conjunction with developed lots and completed homes and other selling and general and administrative costs are charged to earnings when incurred.

Residential lots held for sale and lots held for development include the initial cost of acquiring the land as well as certain costs capitalized related to developing the land into individual residential lots including direct overhead, interest and real estate taxes. Capitalized costs of residential lots are charged to earnings when the related revenue is recognized.

Land development and other project costs, including direct overhead, interest and property taxes incurred during development and home construction, are capitalized. Land development and other common costs that benefit an entire community are allocated to individual lots or homes based on relative sales value. The costs of completed lots are transferred to residential construction inventory when home construction begins or recorded as costs of land and lot revenue if sold to a customer. Home construction costs and related carrying charges are allocated to the cost of individual homes.

Inventory costs for completed homes are expensed upon closing and delivery of the home to the customer. Changes to estimated total land development costs subsequent to initial home closings in a community are generally allocated to the unclosed homes and lots in the community on a pro-rata basis. The life cycle of a community generally ranges from 24 to 72 months, commencing with the acquisition of land, continuing through the land development phase, construction, and concluding with the sale and delivery of homes.

Impairment of Inventory

We evaluate our inventory for indicators of impairment by individual community and development during each reporting period. Indicators of impairment include market conditions in the geographic area of the community or development, increasing cost estimates to complete the community or development, current experienced average gross margin on similar homes or land development, current negotiations with customers, and other indicators that might exist at the time of the evaluation.

Each reporting period, management reviews each real estate asset which has an indicator of impairment in order to determine whether the estimated remaining undiscounted future cash flows are more or less than the asset's carrying value. If the estimated undiscounted cash flows are more than the asset's carrying value, no impairment adjustment is required. However, if the estimated undiscounted cash flows are less than the asset's carrying value, the asset is deemed impaired and will be written down to fair value less associated costs to sell. These impairment evaluations require management to make estimates and assumptions regarding future conditions, including the timing and amounts of development costs and sales prices of real estate assets, to determine if expected future cash flows will be sufficient to recover the asset's carrying value. There were no such impairments recognized during either of the years ended December 31, 2021 and 2020, respectively.

Capitalization of Interest

The Company capitalizes interest costs incurred to inventory during development and other qualifying activities. Interest capitalized as cost of inventory is charged to cost of revenues as related homes, land and lots are closed. Interest incurred on undeveloped land is directly expensed and included in interest expense in our consolidated statements of operations.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed over the estimated useful lives of the assets using the straight-line method. The estimated useful lives of assets range from 1 to 7 years. Repairs and maintenance are expensed as incurred.

Earnest Money Deposits

In the ordinary course of business, the Company enters into land and lot option contracts in order to procure land for the construction of homes in the future. Pursuant to these option contracts, the Company generally provides a deposit to the seller as consideration for the right to purchase land at different times in the future, usually at predetermined prices. Such contracts enable the Company to defer acquiring portions of properties owned by third parties or unconsolidated entities until the Company has determined whether and when to exercise its option, which reduces the Company's financial risk associated with long-term land holdings. Option deposits and pre-acquisition costs (such as environmental testing, surveys, engineering, and entitlement costs) are capitalized if the costs are directly identifiable with the land under option and acquisition of the property is probable. Such costs are reflected in earnest money deposits and are reclassified to inventory upon taking title to the land. The Company writes off deposits and pre-acquisition costs if it becomes probable that the Company will not proceed with the project or recover the capitalized costs. Such decisions take into consideration changes in local market conditions, the timing of required land takedowns, the availability and best use of necessary incremental capital, and other factors.

Under ASC 810, a non-refundable deposit paid to an entity is deemed to be a variable interest that will absorb some or all of the entity's expected losses if they occur and, as such, the Company's land and lot option contracts are considered variable interests. The Company's option contract deposits along with any related pre-acquisition costs represent the Company's maximum exposure to the land seller if the Company elects not to purchase the optioned property. Therefore, whenever the Company enters into an option or purchase contract with an entity and makes a non-refundable deposit, a VIE assessment is performed. However, the Company generally has little control or power to direct the activities that most significantly impact the VIE's economic performance due to the Company's lack of an equity interest in them. Additionally, creditors of the VIE typically have no material recourse against the Company, and the Company does not provide financial or other support to these VIEs other than as stipulated in the option contracts. In accordance with ASC 810, the Company performs ongoing reassessments of whether the Company is the primary beneficiary of a VIE.

Revenue Recognition

Construction Segment

The Company's Construction segment derives revenues from two primary sources consisting of residential home sales and land and lot development sales. All of our revenue is from contracts with customers.

The Company's contracts for home sales generally contain a single performance obligation to deliver a completed home to the customer, which is generally satisfied in less than one year. Revenue from home sales are recognized when the Company has satisfied its performance obligation, which is generally when legal title, possession, and the risks and rewards of ownership are transferred to the homebuyer on the closing date. The Company does not have any variable consideration associated with home sales transactions.

Revenue from contracts in which the Company serves as the general contractor for custom homes where the customer, and not the Company, owns the underlying land and improvements is recognized over time as work progresses. The Company uses a cost-to-cost input method to measure its progress towards satisfaction of its performance obligation, where progress toward completion is measured by relating the actual cost of work incurred to date to the total estimated cost of the respective contract.

The Company sells developed and undeveloped land parcels. If the land parcel is developed prior to the sale of the land, the revenue is recognized at closing since the Company delivers a single performance obligation in the form of a developed parcel. The Company also recognizes revenue at closing on undeveloped land parcel sales as the customer obtains control of the land. If the undeveloped land contract includes a performance obligation to develop the land, the contract price is allocated between the land sale and the land development using their relative stand-alone selling prices and the Company uses the cost-to-cost input method to measure its progress towards satisfaction of the land development obligation.

Homebuyers are not obligated to pay for a home until the closing and delivery of the home. The selling price of a home is based on the contract price adjusted for any change orders, which are considered modifications of the contract price.

Homebuilders are not obligated to pay for developed lots prior to control of the lots and any associated improvements being transferred to them. The term of our lot option contracts is generally based upon the number of lots being purchased and an agreed upon lot takedown schedule, which can be in excess of one year. Lots cannot be taken down until development is substantially complete. There is no significant financing component related to our third-party lot sales.

The Company does not sell warranties outside of the customary workmanship warranties provided on homes or developed lots at the time of sale. The warranties offered to homebuyers are short term. As these are assurance-type warranties, there is no separate performance obligation related to warranties provided to homebuyers or homebuilder.

Contract Assets and Liabilities

The Company occasionally contracts to build custom homes on property owned by the customer. Under these arrangements, the Company recognizes revenue over time based on a cost to cost input measure where the revenue recognized to date is based on the percentage of the cost completed on the measurement date. When the revenue recognized is greater than the amount collected from the customer, the Company records a contract asset. When the amounts collected from the customer exceed the revenue recognized to date, the Company records a contract liability. Contract assets and contract liabilities are recorded on a contract by contract basis.

Professional Services and Other Segment

The Company earns revenue from providing professional services to customers in the executive consulting, travel, and technology markets. Revenues for professional services are recorded as the services are provided for long term contracts and at the point in time services are completed for shorter term contracts. Revenue is recorded at the contractual amount and the Company does not have a history of providing discounts or other forms of variable consideration to its customers after the services have been provided. The Company records a contract asset when revenue for services is earned prior to the Company's ability to invoice the customer for the services provided. The Company records a contract liability when consideration is received by the Company prior to the services being provided.

Significant Judgments and Estimates

The Company sometimes receives additional consideration when it sells developed land and lots to a homebuilder at a specified price when each lot is sold to the homebuyer by the homebuilder.

This represents variable consideration which is recorded at its estimated value at the time the Company completes the performance obligation of transferring title to the land and lots. The Company determines the estimated variable consideration using the expected value method, which is based on an analysis of historical experience with similar contracts and evaluation of the real estate market in the region in which the homebuilder purchased the developed land. The Company performs an evaluation at each reporting period to determine if the recognized variable consideration should be adjusted. Adjustments are made in the period in which there is a change in estimated variable consideration to be received by the Company under the contract with the customer.

Contract Costs

The Company recognizes an asset for the incremental costs of obtaining a contract with a customer if it expects to recover those costs.

The Company pays sales commissions to employees and/or outside realtors related to individual home sales, which are expensed as incurred at the time of closing. Commissions on the sale of land parcels are also expensed as incurred upon closing. Sales commissions on the sale of homes are included in the selling, general, and administrative expenses in the consolidated statements of income.

Advertising costs, sales salaries and certain costs associated with model homes, such as signage, do not qualify for capitalization under ASC 340-40, Other Assets and Deferred Costs - Contracts with Customers, as they are not incremental costs of obtaining a contract. As such, we expense these costs to selling, general and administrative expenses as incurred. Costs incurred related to model home furnishings and sales office construction are capitalized and included in property and equipment, net on the consolidated balance sheets.

Selling, General and Administrative Expense

Selling, general and administrative expense represents salaries, benefits, share-based compensation, property taxes on finished homes, sales commissions, depreciation, amortization, advertising and marketing, rent, and other administrative items, and is recorded in the period incurred.

Income Taxes

The Company accounts for income taxes using the asset and liability method, under which deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases, operating losses and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in years in which temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Company regularly reviews historical and anticipated future pre-tax results of operations to determine whether we will be able to realize the benefit of deferred tax assets. A valuation allowance is required to reduce the deferred tax asset when it is more-likely-than-not that all or some portion of the deferred tax asset will not be realized due to the lack of sufficient taxable income. The Company assesses the recoverability of deferred tax assets and the need for a valuation allowance on an ongoing basis. In making this assessment, management considers all available positive and negative evidence and available income tax planning to determine whether it is more-likely-than-not that some portion or all of the deferred tax assets will be realized in future periods. This assessment requires significant judgment and estimates involving current and deferred income taxes, tax attributes relating to the interpretation of various tax laws, historical bases of tax attributes associated with certain assets and limitations surrounding the realization of deferred tax assets.

Fair Value Measurements

The Company has adopted and implemented the provisions of ASC 820-10, *Fair Value Measurements*, with respect to fair value measurements of all elected financial assets and liabilities and any nonfinancial assets and liabilities that are recognized or disclosed in the consolidated financial statements at fair value on a recurring basis (at least annually). Under ASC 820-10, fair value is defined as an exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. These provisions establish a three-tiered fair value hierarchy that prioritizes inputs to valuation techniques used in fair value calculations. The three levels of input are defined as follows:

Level 1 unadjusted quoted prices for identical assets or liabilities in active markets accessible by the Company;

Level 2 inputs that are observable in the marketplace other than those classified as Level 1;

Level 3 inputs that are unobservable in the marketplace and significant to the valuation.

Entities are encouraged to maximize the use of observable inputs and minimize the use of unobservable inputs. If a financial instrument uses inputs that fall in different levels of the hierarchy, the instrument will be categorized based upon the lowest level of input that is significant to the fair value calculation.

Our valuation methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company believes our valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Transfers between levels of the fair value hierarchy are deemed to have occurred on the date of the event or change in circumstances that caused the transfer. The carrying amounts of cash, accounts receivable, accounts payable, accrued expenses and other current liabilities approximate fair value due to their short maturities.

Goodwill

Goodwill represents the excess purchase price over the estimated fair value of net assets acquired in a business combination. Goodwill is not amortized and is tested annually for impairment. The Company tests goodwill for impairment in the second quarter or when there are impairment indicators (e.g. a deterioration in general economic conditions or in the environment in which the Company operates). When impairment indicators are identified the Company compares the reporting unit's estimated fair value to its carrying amount, including goodwill. An impairment loss is recognized as the difference, if any, between the reporting unit's carrying amount and its fair value to the extent the difference does not exceed the total amount of goodwill allocated to the reporting unit.

Intangible Assets

Intangible assets consist of indefinite and finite lived assets and include customer relationships, trade names, and non-compete agreements. The finite-lived intangible assets are being amortized over their expected economic benefit period and useful lives of three to five years.

Impairment of Long-Lived Assets

Long-lived assets, including property and equipment and intangible assets, are reviewed for impairment when circumstances indicate the carrying value of an asset may not be recoverable. For assets that are to be held and used, an impairment is recognized when the estimated undiscounted cash flows associated with the asset or group of assets is less than their carrying value. If impairment exists, an adjustment is made to write the asset down to its estimated fair value, and a loss is recorded as the difference between the carrying value and fair value.

Fair values are determined based on quoted market value, discounted cash flows or internal and external appraisals, as applicable. Assets to be disposed of are carried at the lower of carrying value or estimated net realizable value.

NOTE 3 GOING CONCERN

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business for the twelve months following the date of these consolidated financial statements. The Company has incurred significant operating losses since its inception.

The Company expects to generate operating cash flows that will be sufficient to fund presently anticipated operations although there can be no assurances. This raises substantial doubt about the Company's ability to continue as a going concern. Therefore, the Company will need to raise additional funds and is currently exploring alternative sources of financing to supplement expected cash flows. Historically, the Company has raised capital through private placements, as an interim measure to finance working capital needs and may continue to raise additional capital through the sale of common stock or other securities and obtaining short-term loans. The Company will be required to continue to do so until its operations become sufficiently profitable and generate operational cash flows to sustain itself and service the Company's liabilities as they become due.

The Company may attempt to raise capital in the near future through the sale of equity or debt financing; however, there can be no assurances the Company will be successful in doing so. There can also be no assurances that such additional debt or equity financings will be available to the Company on acceptable terms or at all.

NOTE 4 RECAPITALIZATION TRANSACTION

On February 12, 2020, PGXH entered into the Purchase and Sale Agreement ("the agreement") with Sinacori's former member to acquire all of the membership interest in Sinacori for \$4,700,000. The purchase price was paid through the issuance of 150,000,000 shares of PGXH common stock, a \$3,950,000 convertible note, and the obligation to deliver an additional 150,000,000 shares of PGXH common stock with a per share value equal to \$0.005 within four months of the execution of the agreement. The conversion rights under the convertible note provided the seller with the option to receive the scheduled note payments in cash or in common stock at a conversion price of \$0.005 per share. In addition to the consideration, the seller obtained two director seats on PGXH's Board of Directors.

The Company evaluated the control provisions in ASC 805-10-55 and determined that Sinacori Builders, LLC was the accounting acquirer in the transaction due to (1) Sinacori's ownership having the ability to control the majority of voting rights in the combined entity with the shares that were issued to the seller in the transaction along with the shares that would be issued at the option of the seller to convert the convertible note into PGXH common stock, (2) the seller obtaining two Board of Director seats in the transaction, (3) the relative size of Sinacori to PGXH and (4) PGXH being a public shell company. As part of management's evaluation of the transaction, it determined PGXH to be a public shell company, based on PGXH having nominal operations since its divestiture of its operational assets in 2016 and having assets consisting of solely cash and nominal other assets.

For accounting and financial reporting purposes, the transaction was accounted for as a reverse recapitalization. Reverse recapitalization accounting applies when a non-operating public shell company acquires a private operating company and the owners and management of the private operating company have actual or effective voting and operating control of the combined company. A reverse recapitalization is equivalent to the issuance of stock by the private operating company for the net monetary assets of the public shell company accompanied by a recapitalization with the accounting similar to that resulting from a reverse acquisition, except that no goodwill or other intangible assets are recorded. The reverse capitalization resulted in a decrease of \$3,950,000 to additional paid-in capital as of the recapitalization date.

During October 2021, the Company and the holder of the Sinacori acquisition convertible note, Sinacori Holdings, LLC, a related party by virtue of common controlling ownership with the Company, entered into an amendment to the agreement. The amendment effectively reduced the convertible note payable by \$1,000,000 and removed the requirement for the Company to make monthly installment payments. For that amendment, the Company issued Sinacori Holdings, LLC an additional 125,000,000 shares of common stock and 2,750,000 shares of Series B preferred stock. The Company determined that this conversion was a capital transaction and did not recognize any gain or loss on extinguishment of the debt.