

# **Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines**

## **CAVU Resources Inc.**

3470 Peachtree Street NE  
2<sup>nd</sup> Floor, Suite 156  
Atlanta, Georgia 30326

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SIC CODE 7374

**Quarterly Report**  
**For the Period Ending: June 30, 2023**  
(the "Reporting Period")

### **Outstanding Shares**

The number of shares outstanding of our Common Stock was:

1,678,706,502 as of June 30, 2023

1,673,706,502 as of March 31, 2023

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 Control<sup>1</sup> of the company has occurred over this reporting period: Yes: No: ☒

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<sup>1</sup> "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

**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 changed its name to ParagonX Holdings on February 1, 2023.

The Company is expected to rebrand its name in September 2023.

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 two 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. In the three months ended June 30, 2023, the Company divested Sinacori Builders, Monument Group and RenuYou. In the three months ending September 30, 2023, Asher Homes, Precision Project Management, Inc. ("PPM") and Ruhl Construction (collectively "Ruhl Construction"). The non-dilutive acquisition should create over \$60 million in annual revenues and over \$8 million in EBITDA based upon the historical performance of the companies being acquired and expected revenue from ParagonX's other

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(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.

subsidiaries, including Hospitality Renovation Services (HRS). The Company is considering other acquisitions that are expected to close in 2023.

The Company repurchased 250,000,000 shares of stock from former executive Robert Silver. These shares were retired in July 2023.

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

3470 Peachtree Street NE  
2<sup>nd</sup> Floor, Suite 156  
Atlanta, Georgia 30326

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?<sup>2</sup> Yes: ☒ No: ☐

|  |   |
|--|---|
| 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: June 30, 2023 |
| Total shares outstanding:                        | 1,678,706,502 as of date: June 30, 2023 |

|   |                                       |
|---|---------------------------------------|
| Number of shares in the Public Float <sup>3</sup> : | 745,108,856 as of date: June 30, 2023 |
| Total number of shareholders of record:             | 285 as of date: June 30, 2023         |

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

<sup>3</sup> "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.

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

None

Other classes of authorized or outstanding equity securities:

*The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g. preferred shares). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.*

|  |             |                           |
|--|-------------|---------------------------|
| 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: June 30, 2023 |
| Total shares outstanding:                        | 1,000,000   | as of date: June 30, 2023 |

|  |             |                           |
|--|-------------|---------------------------|
| Trading symbol:                                  | CAVR        |                           |
| Exact title and class of securities outstanding: | PREFERRED B |                           |
| CUSIP:   | N/A         |                           |
| Par or stated value:                             | \$0.0001    |                           |
| Total shares authorized:                         | 11,000,000  | as of date: June 30, 2023 |
| Total shares outstanding:                        | 5,025,000   | as of date: June 30, 2023 |

**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 | Vince Sbarra (9)            | 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 | \$0.01   | No | Joe & Rhonda Russ Living Trust | Services   | 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 | \$0.0075 | No | Pond Investments               | Cash       | Restricted | 144 Reg D |
| 11-November-22  | Issuance | 5,000,000  | Common | \$0.01   | No | Anthony Battaglia              | Cash       | Restricted | 144 Reg D |
| 23-November-22  | Issuance | 2,000,000  | Common | \$0.0075 | No | Scott Green                    | Cash       | Restricted | 144 Reg D |
| 23-November-22  | Issuance | 3,000,000  | Common | \$0.0075 | No | Adam Sokol                     | Cash       | Restricted | 144 Reg D |
| 8-December-22   | Issuance | 800,000    | Common | \$0.01   | No | Charles Treviso                | Services   | Restricted | 144 Reg D |
| 8-December-22   | Issuance | 10,000,000 | Common | \$0.0075 | No | Joe Caprino                    | Cash       | Restricted | 144 Reg D |
| 5-June-23       | Issuance | 5,000,000  | Common | \$0.004  | No | James Sambree                  | Settlement | Restricted | 144 Reg D |

|  |                                     |
|--|-------------------------------------|
| Shares Outstanding on Date of This Report: |                                     |
|  | <u>Ending Balance</u> <u>Ending</u> |
| <u>Balance:</u>                            |                                     |
| Date of this Report                        | Common:                             |
| June 30, 2023                              | 1,678,706,502                       |

**Example:** A company with a fiscal year end of December 31<sup>st</sup>, 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
- (9) Held through EROP Enterprises 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 (3)  | Services  |
| April 22, 2022        | \$588,235                | \$588,235                         | -0-                   | July 22, 2023    | Conversion Priced varies based on market price and is triggered upon an uplist to a major US exchange | RB Capital Partners Inc (4)  | Loan  |
| May 16, 2022          | \$1,176,470              | \$1,176,470                       | -0-                   | August 16, 2023  | Conversion Priced varies based on market price and is triggered upon an uplist to a major US exchange | Stock Loan Services LLC (5)  | 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.
- (3) Controlled person for EMA Financial is Felicia Preston.
- (4) Controlled person for RB Capital Partners Inc is Brett Rosen
- (5) Controlled person for Stock Loan Services LLC is Harvey Carmichael.

#### 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.

As of June 30, 2023, the Company had the following operating subsidiaries:

Hospitality Restoration Services – Commercial property restoration services  
 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, septic large group travel and major event travel services

The Company has completed additional acquisitions in the three months ended September 30, 2023.

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 logsitics, real estate, and healthcare. As described in 5 (B) Sinacori Builders will continue to build state of the art new homes, townhouses and apartments.

Hospitality Restoration Services – Commercial property restoration services  
 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, septic large group travel and major event travel services

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, Joe Caprino and Russell Sinacori. 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 (resigned as CEO in Q3 2023)                          | Tulsa, Oklahoma                         | -0-                    | TBD Under Board Review                      | 5.5%                                      | Under Board Review                              |
| Joe Caprino                                | President (resigned as President in Q3 2023)                                  | Buffalo, New York                       | 44,585,712             | Common<br><br>Additional Under Board Review | 2.4%                                      | Includes common owned by Caprino Management LLC |

|                  |   |                           |   |                        |       |   |
|------------------|---|---------------------------|---|------------------------|-------|---|
| Grant Edwards    | Chief Financial Officer (assumed role of President in Q3 2023)                | Atlanta, Georgia          | -0-   | TBD Under Board Review | 4.4%  | Under Board review  |
| 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 (resigned from all functions in Q3 2023) | Charlotte, North Carolina | 42,000,000 Common<br><br>4.75 Million Preferred B in Sinacori Holdings, LLC | 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](mailto: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](mailto:lmelitsa@lucbro.com)

#### Investment Banker

FIRM: Spartan Capital  
PHONE: +1 877-772-7818  
Email: [info@spartancapital.com](mailto: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)<sup>4</sup>:

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

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

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 Quarterly Report.

The certifications shall follow the format below:

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.

**May 22, 2023**

**/s/ Grant Edwards, Interim 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.

**May 22, 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 three and six months ended June 30, 2023 and 2022**

|   | <b>3 months</b> |               | <b>6 months</b> |               |
|---|-----------------|---------------|-----------------|---------------|
|   | <b>2023</b>     | <b>2022</b>   | <b>2023</b>     | <b>2022</b>   |
| Revenue   | 900,696         | 1,089,595     | 1,937,282       | 1,636,756     |
| Cost of Revenue                                   | 237,055         | 378,187       | 469,975         | 646,925       |
| Total gross profit (loss)                         | 663,641         | 711,408       | 1,467,307       | 989,831       |
| Selling, general, and administrative expenses     | 715,670         | 486,675       | 1,569,897       | 1,013,592     |
| Interest expense                                  | 42,500          | 39,014        | 92,542          | 84,800        |
| Other expense (income), net                       | (750,000)       | -             | (750,000)       | -             |
| Loss before income taxes                          | 655,471         | 185,719       | 554,868         | (108,561)     |
| Income tax expense (benefit)                      | -               | -             | -               | -             |
| Net income (loss) from continued operations       | 655,471         | 185,719       | 554,868         | (108,561)     |
| Net income (loss) from discontinued operations    | (95,337)        | 88,712        | (186,447)       | (451,243)     |
| Net income (loss)                                 | \$ 560,134      | \$ 274,431    | \$ 368,421      | \$ (559,804)  |
| Net income attributed to Noncontrolling interests | \$ 114,538      | \$ 217,427    | \$ 206,616      | \$ 217,427    |
| Net income (loss) attributed to CAVU Resources    | \$ 445,597      | \$ 57,004     | \$ 161,805      | \$ (777,231)  |
| Loss per share attributed to CAVU Resources:      |                 |               |                 |               |
| Basic and diluted                                 | \$ 0.00         | \$ 0.00       | \$ 0.00         | \$ (0.00)     |
| Shares used in per share calculation:             |                 |               |                 |               |
| Basic and diluted                                 | 1,673,760,502   | 1,456,506,786 | 1,673,760,502   | 1,456,506,786 |

**CAVU Resources Inc.**  
**Consolidated Balance Sheets (Unaudited)**

|  | <b>June 30,<br/>2023</b> | <b>December 31,<br/>2022</b> |
|--|--------------------------|------------------------------|
| <b>Assets</b>  |                          |                              |
| <b>Current Assets</b>                                    |                          |                              |
| Cash and cash equivalents                                | \$ 125,425               | \$ 346,910                   |
| Receivables  | 49,957                   | 52,752                       |
| Contract assets  | -                        | 52,687                       |
| Inventory  | -                        | 4,988,080                    |
| Total current assets                                     | 175,382                  | 5,440,429                    |
| <b>Other Assets</b>                                      |                          |                              |
| Other assets   | 25,000                   | 25,000                       |
| Contract assets  | -                        | 430,997                      |
| Goodwill and intangible assets, net                      | 3,385,007                | 5,597,220                    |
| Right of use assets                                      | 297,826                  | 315,826                      |
| Property and equipment                                   | -                        | 135,435                      |
| Total other assets                                       | 3,707,833                | 6,504,478                    |
| Total assets   | <u>\$ 3,883,215</u>      | <u>\$ 11,944,907</u>         |
| <b>Liabilities and Stockholders' Deficit</b>             |                          |                              |
| <b>Current Liabilities</b>                               |                          |                              |
| Accounts payable   | \$ 564,949               | \$ 923,466                   |
| Credit card payable                                      | -                        | 323,643                      |
| Accrued expenses   | 2,051,349                | 1,458,000                    |
| Unearned revenue   | 858,777                  | 792,462                      |
| Right of use liabilities                                 | 68,514                   | 85,642                       |
| Purchase price payables                                  | 2,187,000                | 2,187,000                    |
| Demand loans payable                                     | 1,500,000                | 7,154,284                    |
| Total current liabilities                                | 7,230,589                | 12,924,497                   |
| <b>Long Term Liabilities</b>                             |                          |                              |
| Related party seller note payable, less current portion  | -                        | 1,950,000                    |
| Right of use liabilities                                 | -                        | -                            |
| Debt and notes payable                                   | -                        | 150,000                      |
| Total long term liabilities                              | -                        | 2,100,000                    |
| Total liabilities  | 7,230,589                | 15,024,497                   |
| <b>Stockholders' Deficit</b>                             |                          |                              |
| Additional paid in capital                               | 5,517,978                | 5,517,978                    |
| Accumulated deficit                                      | (9,059,558)              | (9,335,900)                  |
| Common stock, par value \$0.0001                         | 193,603                  | 193,603                      |
| Preferred Stock  | 603                      | 603                          |
| Total stockholders' deficit attributed to CAVU Resources | (3,347,374)              | (3,623,716)                  |
| Noncontrolling interests                                 | 636,205                  | 544,126                      |
| Total stockholders' deficit                              | (2,711,169)              | (3,079,590)                  |
| Total liabilities and stockholders' deficit              | <u>\$ 3,883,215</u>      | <u>\$ 11,944,907</u>         |

**CAVU Resources Inc.**  
**Consolidated Statements of Stockholders' Deficit**  
**December 31, 2022 and 2023**

|   | Common Stock  |            | Series A Preferred |        | Series B Preferred |        | Additional      | Accumulated    | Total                 |
|---|---------------|------------|--------------------|--------|--------------------|--------|-----------------|----------------|-----------------------|
|   | Shares        | Amount     | Shares             | Amount | Shares             | Amount | Paid in Capital | Deficit        | Stockholders' Deficit |
| 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 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)        |
| Net loss  |               |            |                    |        |                    |        |                 | 368,421        | 368,421               |
| Balance at June 30, 2023                          | 1,673,706,502 | \$ 193,603 | 1,000,000          | \$ 100 | 5,025,000          | \$ 503 | \$ 5,517,978    | \$ (8,423,353) | \$ (2,711,371)        |

Note: Accumulated Deficit is the sum of Accumulated Deficit and Noncontrolling Interest on the Consolidated Balance Sheet.

**CAVU Resources Inc.**  
**Consolidated Statements of Cash Flows (Unaudited)**  
**For the three and six months ended June 30, 2023 and 2022**

|  | <u>2023</u>        | <u>2022</u>       |
|--|--------------------|-------------------|
| Cash flows from operating activities   |                    |                   |
| Net loss   | \$ 368,421         | \$ 368,421        |
| Adjustments to reconcile net loss to net cash provided by<br>(used in) operating activities: |                    |                   |
| Changes in operating assets and liabilities  | <u>(1,089,906)</u> | <u>491,814</u>    |
| Net cash provided by (used in) operations  | (721,485)          | 860,235           |
| Cash flows used in investing activities  |                    |                   |
| Cash received for asset disposal   | <u>500,000</u>     | <u>-</u>          |
| Net cash provided by investing activities  | 500,000            | -                 |
| Net cash provided by (used in) financing activities  | <u>-</u>           | <u>-</u>          |
| Net change in cash and cash equivalents  | (221,485)          | 860,235           |
| Cash and cash equivalents at beginning of year   | <u>346,910</u>     | <u>415,241</u>    |
| Cash and cash equivalents at end of year   | <u>\$ 125,425</u>  | <u>\$ 133,601</u> |

**CAVU Resources Inc.**

**June 30, 2023**

**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").

**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.

## **Reference to Annual Filing**

These statements should be read in conjunction with the annual financial statements and related notes included in the 2022 Annual Report filed on March 31, 2023 with the OTC Markets.

## **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.