INNOVATIVE HOLDINGS ALLIANCE, INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOVEMBER 30, 2015

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(UNAUDITED)

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Innovative Holdings Alliance, Inc.
Consolidated Balance Sheet
November 30, 2015
(Unaudited)

	November 30 2015
ASSETS	
Current assets	
Cash and cash equivalents	$ 5,452
Advanced expenses	43,393
Total current assets	48,845
Other assets	5,000
Total assets	$ 53,845
LIABILITIES AND STOCKHOLDERS' EQUITY	
Current liabilities	
Accrued payroll	$ 219,000
Other accrued expenses	26,131
Total current liabilities/Total liabilities	245,631
Notes payable	102,000
Total liabilities	347,131
Stockholders' equity	
Series A Preferred shares, $.001 par value, 500,000 shares authorized; 500 shares issued and outstanding at November 30, 2015	1
Series B Preferred convertible shares, $.001 par value, 500,000 shares; authorized; 0 shares issued and outstanding at November 30, 2015	-
Common shares, $.001 par value, 500,000,000 shares authorized; 17,155,429 shares issued and outstanding at November 30, 2015	59,519
Additional paid in capital	848,135
Accumulated deficit	(1,249,441)
Total stockholders' equity	(282,915)
Total liabilities and stockholders' equity	$ 53,845

Innovative Holdings Alliance, Inc.
Consolidated Statement of Operations
For the Three Months Ended November 30, 2015
(Unaudited)

	November 30 2015
Revenues	$ -
Operating expenses	
General and administrative expenses	20,744
Total operating expenses	20,744
Income (loss) from operations	(20,744)
Other income (expense)	
Interest expense	(2,390)
Income (loss) before provision for income tax	(23,134)
Provision for income taxes	-
Net income (loss)	$ (23,134)
Allocation of net income (loss) to shareholders:	
Preferred shareholders based on cumulative dividend	-
Common shareholders	(23,134)
	(23,134)
Net income (loss) per common share:	
Basic	$ (0.01)
Diluted	$ (0.01)
Weighted average number of common shares:	
Basic	13,457,070
Diluted	13,457,070

Innovative Holdings Alliance, Inc.
Consolidated Statement of Stockholders' Equity
For the Three Months Ended November 30, 2015
(Unaudited)

	Series A Preferred Shares $.001 Par Value		Series B Preferred Shares $.001 Par Value		Common Shares $.001 Par Value		Additional Paid In	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Shares	Amount	Capital	Deficit	Equity
BALANCES, May 31, 2015	500	$ 1	-	$ -	13,916,429	$ 40,519	$ 848,135	$ (1,167,436)	$ (278,781)
Shares issued	-	-	-	-	3,239,000	19,000	-	-	19,000
Net income	-	-	-	-	-	-	-	(23,134)	(23,134)
BALANCES, November 30, 2015	500	1	-	-	17,155,429	59,519	848,135	(1,190,570)	(282,915)

Innovative Holdings Alliance, Inc.
Consolidated Statement of Cash Flows
For the Three Months Ended November 30, 2015
(Unaudited)

	November 30 2015
Cash flows from operating activities:	
Net income (loss) attributable to common shareholders	$ (23,134)
Adjustments to reconcile net income (loss) to net cash flows used in operating activities	
Increase in advanced expenses	(9,179)
Decrease in prepaid expenses	597
Increase in accrued payroll	13,500
Increase in other accrued expenses	3,423
Decrease in stock deposits	(4,000)
Decrease in due to shareholder	-
Net cash used for operating activities	(18,793)
Cash flows from financing activities:	
Proceeds from stock issuance	19,000
Net cash from financing activities	19,000
Net increase in cash	207
Cash at beginning of period	1,116
Cash at end of period	$ 1,323
Cash paid for interest	$ 2,390
Cash paid for income taxes	$ -

INNOVATIVE HOLDINGS ALLIANCE INC. AND SUBSIDIARIES
NOTES TO UNAUDITED FINANCIAL STATEMENTS

NOVEMBER 30, 2015
2015

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Innovative Holdings Alliance, Inc. ("IHAI") was organized on February 24, 2011 under the laws of the State of Delaware. The Company has instituted a plan to participate in and acquire interests that are leading edge in their respective market niches and have expectations of enhancing shareholder value.

Previously, the company was involved in the healthcare industry.

Basis of Presentation

The accompanying financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. These financial statements represent the Company's financial position at November 30, 2015 and results of operations for the three months then ended.

Principles of Consolidation

The accompanying consolidated financial statements for the three months ended November 30, 2015 include the accounts of Innovative Holdings Alliance, Inc. and its wholly-owned and majority owned subsidiaries. All significant intercompany balances and transactions have been eliminated in the accompanying consolidated financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Estimates include the valuation on deferred tax assets and valuation of stock issued for services. Actual results could differ from those estimates.

Cash and Cash Equivalents

IHAI considers all highly liquid cash investments to with an original maturity of twelve months or less to be cash equivalents. At November 30, 2015, the Company had no cash equivalents. Cash shown on the balance sheet consists of deposits held in a major financial institution. All cash accounts were within the insured limits at all times during the three months ended November 30, 2015.

Fair Value of Financial Instruments

The carrying amounts reported on the balance sheet for accounts payable and accrued expenses is the approximate fair value based on the short-term maturity of these instruments.

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

The Company accounts for income taxes under the liability method as prescribed by Professional Standards. Under this method, deferred tax liabilities and assets are determined based on the difference between the financial statement and tax bases of assets and liabilities using enacted rates expected to be in effect during the three months in which the basis difference reverses. The reliability of deferred tax assets are evaluated annually and a valuation allowance is provided if it is more likely than not that the deferred tax assets will not give rise to future benefits in the Company's tax returns.

The Company has assessed the likelihood of utilization of the deferred tax assets in light of recent losses. As a result of this assessment, an existing deferred tax asset of $510 has been totally reserved. At November 30, 2015, the Company had a net operating loss carryforward for income tax purposes of approximately $1,500 expiring in 2032. There was no tax liability for the year ended May 31, 2015.

Accounting for Uncertain Tax Positions

The Company follows Professional Standards in applying Accounting for Uncertainty in Income Taxes. IHAI accounts for the effect of any uncertain tax positions in the financial statements based on a “more likely than not” basis, such that current or deferred tax assets or liabilities are immediately recognized when the related uncertain tax position is taken or expected to be taken. Any changes in uncertain tax positions are recorded in the period the outcome becomes known.

Management has evaluated significant tax positions against the criteria established by professional standards and believes that there are no such positions requiring accounting recognition as of November 30, 2015. None of the company’s federal or state income tax returns are currently under examination by the Internal Revenue Service or state authorities. The company had no revenues for the year ended May 31, 2015 and did not file a tax return for that period.

Basic and Diluted Net Income (Loss) Per Share

Basic income (loss) per share is calculated pursuant to Professional Standards by dividing net income (loss) for the three months by the weighted average number of common shares outstanding. Diluted income per share is calculated by dividing net income (loss) for the three months by the outstanding weighted average number of common shares (“dilutive securities”), if any. Dilutive securities include outstanding stock options, warrants and convertible securities and are not included in computing weighted average number of common shares outstanding during the three months where there is a net loss since their effect would be anti-dilutive. At November 30, 2015, the Company had no outstanding convertible securities.

Other Comprehensive Income

The Company has no material components of other comprehensive income (loss) and accordingly, net income is equal to comprehensive income in all periods presented.

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-Based Compensation

The Company accounts for the share-based payments under authoritative guidance on stock compensation as set forth in Professional Standards. The guidance requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on their fair values.

NOTE 2 – ACCRUED SALARIES

IHAI has entered into employment agreements with certain executives of the corporation. Accrued salaries totaled $205,500 at November 30, 2015 and are reflected on the balance sheet as accrued payroll. No compensation was paid to any executive during 2014 or 2015.

NOTE 3 – NOTE PAYABLE

Notes payable consists of the following:

Unsecured note payable to an individual dated February 19, 2014, interest due at a rate of 15% per annum, payment of principal and interest was due in full on February 19, 2015. As of the due date, the note converted to being payable on demand. Accrued interest payable at November 30, 2015 totals $2,935.	$ 10,000
Unsecured note payable to Healthmed, Inc. dated March 21, 2014, interest due at a rate of 10% per annum, payment of principal and interest is due in full on March 21, 2015. As of the due date, the note converted to being payable on demand. Accrued interest payable at November 30, 2015 totals $3,187.	20,000
Unsecured note payable to Healthmed, Inc. dated August 20, 2014, interest due at a rate of 10% per annum, payment of principal and interest is due in full on August 21, 2015. The note has a principal amount of $40,000. As of August 31, 2015 $15,000 had been drawn on the note. Accrued interest payable at November 30, 2015 totals $1,921.	15,000
Unsecured note payable to Healthmed, Inc. dated January 21, 2015, interest due at a rate of 10% per annum, payment of principal and interest is due in full on January 21, 2016. Accrued interest payable at November 30, 2015 totals $873.	10,000
Unsecured note payable to Healthmed, Inc. dated March 19, 2015, interest due at a rate of 10% per annum, payment of principal and interest is due in full on March 19, 2016. Accrued interest payable at November 30, 2015 totals $2,547.	35,000
Unsecured note payable to Healthmed, Inc. dated April 1, 2015, interest due at a rate of 10% per annum, payment of principal and interest is due in full on April 1, 2016. Accrued interest payable at November 30, 2015 totals $28.	2,000
	$ 92,000

NOTE 4 – STOCKHOLDERS' DEFICIT

Preferred Shares

The authorized preferred stock of the Company consists of 20,000,000 shares, $.001 par value. The preferred stock August be issued in separate series from time to time as the Board of Directors of the Company August be determine by resolution, unless the nature of a particular transaction and applicable statutes require shareholder approval. The rights, preferences and limitations of each series of preferred stock August differ, including without limitation, the rate of dividends, method and nature of payment of dividends, terms of redemption, amounts payable on liquidation, sinking fund provisions (if any) conversion rights (if any) and voting rights.

Series A Preferred Stock

In connection with an amendment to the articles of incorporation of the Company, the Company authorized 500,000 shares of $.001 par value Series A Preferred Stock ("Series A Stock"). The Series A Stock are entitled to no dividends and the Company has no redemptive right. The holders of the Series A Stock have the right to vote on any matter and the holders of the shares shall have the number of votes equal to that number of common shares which is not less than 60% of the vote required to approve any action. At November 30, 2015, the Company had 500 shares of Series A Stock issued and outstanding.

Series B Preferred Stock

In connection with an amendment to the articles of incorporation of the Company, the Company authorized 500,000 shares of $.001 par value Series B Preferred Convertible Stock ("Series B Stock"). At the option of the holder, the shares are convertible into 100 shares of common stock for each share of Series B Stock. The holders of such Series B Stock are entitled to receive cumulative cash dividends equal to 15% of the issue price per share, payable quarterly beginning September 30, 2011 and continuing until the Series B Stock is redeemed or converted. In the event that the dividends are not paid in any period, the dividends accumulate and must be paid prior to dividends on the common stock or any other class of stock junior to the Series B Stock, except for the Series A Stock. At November 30, 2015 the Company had no shares of Series B Stock issued and outstanding; therefore, no dividends have been accrued.

Common Shares

The Company is authorized to issue 500,000,000 shares of $.001 voting common stock.

At Nov. 30, 2015, the Company has 17,155,429 shares of common stock issued and outstanding.

NOTE 5 - COMMITMENTS AND CONTINGENCIES

Litigation

There are no legal proceedings currently pending or threatened to the best of the Company's knowledge. Therefore, no accrual of any contingent liability is recorded.

NOTE 6 – RELATED PARTIES

Advances due to Shareholders

Certain shareholders of IHAI have advanced, and have been advanced, funds to the Company and its subsidiaries to support ongoing operations. These advances are due and payable as cash flow permits. As of November 30, 2015, the total amount of expenses advanced to shareholders was $43,393.

NOTE 7 – FUTURE MINIMUM LEASE PAYMENTS

Office and Facilities

The Company leases office space on a month to month basis. Therefore, no minimum obligation for lease payments is reflected in the financial statements. Rent expense paid totaled $398 for the period ended November 30, 2015.

NOTE 8 – SUBSEQUENT EVENTS

Date of Management Review

In preparing the financial statements, the Company has considered disclosure of events that have occurred after November 30, 2015 through the date the financial statements were issued on January 21, 2016.