KS INTERNATIONAL HOLDINGS INC

UNAUDITED FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED MAY 31, 2018 AND 2017

PREPARED BY MANAGEMENT

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KS INTERNATIONAL HOLDINGS INC
BALANCE SHEETS
(Unaudited)

	May 31 2018	November 30, 2017
ASSETS		
Total assets	$ --	$ --
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable and accrued liabilities	$ 4,550	$ 4,550
Accrued interest	42,711	39,227
Advances – related party	65,450	65,450
Convertible notes payable- net	38,726	38,726
Total current liabilities	151,437	147,953
Total liabilities	151,437	147,593
Stockholders' deficit:		
Preferred Stock, $0.0001 par value, 25,000,000 authorized, Series B convertible, 10,000 issued and outstanding	1	1
Common stock, $0.0001 par value, 500,000,000 authorized, 417,269,763 and 409,088,003issued and outstanding	49,091	40,909
Additional paid in capital	2,139,015	592,662
Accumulated deficit	(2,339,544)	(781,525)
Total stockholders' deficit	(151,437)	(147,953)
Total liabilities and stockholder deficit	$ --	$ --

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

KS INTERNATIONAL HOLDINGS INC
STATEMENTS OF OPERATIONS
AS OF MAY 31,
(Unaudited)

	Three Months		Six Months	
	2018	2017	2018	2017
Operating expenses:				
General and administrative expense	$ --	$ (6,550)	$ 1,554,535	$ (6,550)
Loss from operations	--	(6,550)	(1,554,535)	(6,550)
Other income(expense)				
Interest expense	(1,742)	(1,742)	(3,484)	(3,484)
Total other income (expense)	(1,742)	(1,742)	(3,484)	(3,484)
Net loss	$ (1,742)	$ (8,292)	$(1,558,019)	$ (10034)
Net loss per share, basic and diluted	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Weighted average number of shares outstanding, basic and diluted	417,269,763	409,088,033	412,324,743	409,088,033

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

KS INTERNATIONAL HOLDINGS INC
STATEMENTS OF CASH FLOWS
AS OF MAY 31,

	2018	2017
Cash flows from operating activities:		
Net loss	$ (1,558,019)	$ (10,034)
Adjustments to reconcile net income to net cash		
Used in operating activities:		
Stock based compensation	1,554,535	--
Changes in operating assets and liabilities:		
Accounts payable and accrued expenses	3,484	4,034
Net cash used in operating activities	--	(6,000)
Cash Flows From Financing Activity		
Advances		6,000
Net cash provided by financing activities		6,000
Net increase (decrease) in cash	--	--
Cash – beginning of year	--	--
Cash – end of year	$ --	--
SUPPLEMENT DISCLOSURES:		
Interest paid	$ --	--
Income taxes paid	--	--

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

KS INTERNATIONAL HOLDINGS INC
NOTES TO FINANCIAL STATEMENTS
(Unaudited)

NOTE 1 - ORGANIZATION

KS INTERNATIONAL HOLDINGS CORPORATION (the "Company") was incorporated in Nevada on December 2, 2013. It is domiciled in the State of Nevada. On December 3, 2013, the Company completed a merger with KS International Holdings Corporation, Delaware, KS International Holdings, Inc., Nevada becoming the surviving entity. The Company issued 200,000,000 shares of its common stock for 100% (500,000,000) of KS International Holdings, Inc., Delaware.

KS International Holdings Corporation is seeking to invest in various cloud-based Internet Technologies.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

This summary of significant accounting policies is presented to assist in understanding the Company's financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Accounting Method

The Company's financial statements are prepared using the accrual method of accounting. The Company has elected a fiscal year ending on November 30.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Revenue Recognition

The Company does not have any revenue to report.

Impairment of Long-Lived Assets

The Company reviews the carrying value of its long-lived assets annually or whenever events or changes in circumstances indicate that the historical-cost carrying value of an asset may no longer be appropriate. The Company assesses recoverability of the asset by comparing the undiscounted future net cash flows expected to result from the asset to its carrying value. If the carrying value exceeds the undiscounted future net cash flows of the asset, an impairment loss is measured and recognized. An impairment loss is measured as the difference between the net book value and the fair value of the long-lived asset. Fair value is estimated based upon either discounted cash flow analysis or estimated salvage value.

Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. The Company's significant estimates include the fair value of common stock issued for services. Actual results could differ from those estimates.

Income Taxes

Deferred tax assets and liabilities are determined based on the differences between the financial reporting and tax bases of assets and liabilities using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. A valuation allowance is established when necessary to reduce deferred tax assets to the amounts expected to be realized.

The Company accounts for income taxes under the provisions of Financial Accounting Standards Board) Accounting Standards Codification 740, *Accounting for Income Taxes*. It prescribes a recognition threshold and measurement attributes for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. As a result, the Company has applied a more-likely-than-not recognition threshold for all tax uncertainties. The guidance only allows the recognition of those tax benefits that have a greater than 50% likelihood of being sustained upon examination by the various taxing authorities.

The Company classifies penalties and interest related to unrecognized tax benefits as income tax expense in the Consolidated Statements of Operations.

Basic and diluted net loss per share

Basic and diluted net loss per share calculations are calculated on the basis of the weighted average number of common shares outstanding during the year. Diluted loss per share calculations includes the dilutive effect of common stock. Basic and diluted net loss per share is the same due to the absence of common stock equivalents.

Recent Accounting Pronouncements

Because the Company has been recently reorganized and has not yet transacted any business, the new accounting standards have no significant impact on the financial statements and related disclosures. As new accounting pronouncements are issued, the

Company will adopt those that are applicable under the circumstances.

NOTE 3 - GOING CONCERN

The Company's financial statements are prepared using accounting principles generally accepted in the United States of America applicable to a going concern that contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company, as shown in the accompanying balance sheets, has no assets and an accumulated deficit of $2,339,544 as of May 31, 2018. The Company has not established any source of revenue to cover its operating costs. These factors raise substantial doubt about the company's ability to continue as a going concern. The Company will engage in very limited activities that must be satisfied in cash until a source of funding is secured. The Company will offer noncash consideration and seek equity lines as a means of financing its operations. If the Company is unable to obtain revenue producing contracts or financing or if the revenue or financing it does obtain is insufficient to cover any operating losses it may incur, it may substantially curtail or terminate its operations or seek other business opportunities through strategic alliances, acquisitions or other arrangements that may dilute the interests of existing stockholders.

NOTE 4 – NOTES PAYABLE

On October 12, 2011 the Company issued a one year convertible note for $38,726 to one individual. The note bears an interest rate of 8% annually and is in default. The Company had the right until December 31, 2012 to convert the principal and accrued interest to common stock. Thereafter the note holder has the right to convert the note and accrued interest to common stock at the higher of $0.001 or the par value of the shares at time of conversion. As of May 31, 2018, the outstanding principal and accrued interest of the note is $81,437.

NOTE 5 – EQUITY

On January 19, 2018 the Company issued 8,181,760 shares of common stock to one individual with a value of $1,554,535 for service.