

INNOVATIVE HOLDINGS ALLIANCE, INC.

SUPPLEMENTAL REPORT

SUBSEQUENT EVENTS

March 17, 2023

Entry into Material Definitive Agreement

Brand License Agreement with M2Bio Resulting in Change in Shell Status

On March 14, 2023, IHAI Brands, Inc. a newly formed, Delaware corporation and wholly owned subsidiary of Innovative Holdings Alliance, Inc., (the “Company”) entered into a Brand License Agreement with M2Bio Sciences Food and Beverage (Pty) Ltd., (“M2Bio” or the “Licensor”).

M2Bio has a range of nutritional food and beverage products that are stocked by more than 100 stores in South Africa. M2Bio also conducts research into sustainable products using primarily hemp and mycelium and is developing various cosmetics and complementary medicines using plant-based active ingredients.

The Brand License gives the Company the right to be the first in the United States to market the following lines of products (the “Licensed Products”), by selling direct to consumers via its own ecommerce websites, via wholesale channels to other ecommerce and retail brick-and-mortar stores, via affiliates and influencers.

Licensed Products

MedspressoTM CBD Infused, Organic Coffee

LivianaTM CBD Infused, Organic Olive Oil and Honey

Dr. AnnaRxTM CBD Infused Muscle Rubs

The Company has begun offering the Licensed Products for sale through its ecommerce website, IHABrands.com, and through its Facebook and Instagram pages:

Ecommerce: IHABrands.com

Facebook: [IHA Brands | Alpharetta GA | Facebook](#)

Instagram: Innovative Holdings Alliance (@innovativeholdingsalliance) • Instagram photos and videos

The Company owns additional websites that are currently under development, including IAHIBrands.com, Medspresso.us, Liviana.us, and DrAnnaRx.us.

Licensed Trademarks

The following South African trademarks or trademark applications: 2019/16964, 2019/16965, 2019/16966, 2019/16967, and any other current or future trademarks or trademark applications for Licensed Products under the Dr.AnnaRx™, Medspresso™, and Liviana™ brands. The Licensor is currently planning to register its trademarks with the United States Patent and Trademark Office (USPTO) and once those trademark applications are filed by the Licensor, the Brand License Agreement will automatically cover the Company's use of those trademarks or trademark applications, as well.

The Brand License Agreement gives the Company the non-exclusive right to market the Licensed Products throughout the United States and its Territories, including Puerto Rico, and has an initial term of Two (2) Years, which automatically renews for Renewal Terms of One (1) Year.

The Brand License Agreement allows the Company to market the Licensed Products through "Approved Channels", which are broadly defined, and include all direct-to-consumer sales channels, including Licensee's websites or ecommerce stores or platforms, as well as via affiliates, influencers, and select brick and mortar retail stores, which are subject to the approval by Licensor. The Brand License Agreement requires the Company to start marketing the Licensed Products by the "Marketing Date" of March 31, 2023. The Company has already met this benchmark, as of today, using its ecommerce website and other marketing efforts.

The Brand License Agreement has an "On-Shelf Date" of March 31, 2023, which is the date on which Licensee is required to have the Licensed Products ready to sell, by at least one (1) of the following Approved Channels: whether via online ecommerce direct-to-consumer sales, and/or at select brick and mortar retail stores, which have been approved by Licensor. The Company has already met this benchmark, as of today, using its ecommerce website and other marketing efforts.

Under the terms of the Brand License Agreement, beginning on June 30, 2023, the Company is required to spend 8% of Net Sales on advertising and marketing the Licensed Products ("Advertising and Marketing Requirements"). The Licensor has already provided the Company with marketing collateral, and will continue to do so, tailored to the US market. The Company is also permitted to create its own marketing materials, which are approved by M2Bio.

Sales of Unregistered Equity Securities

As consideration for the License, and in exchange for the right to be the first company to market the Licensed Products in the United States and its Territories (including Puerto Rico), on March 15, 2023, the Company issued a total of 375,000 new shares of restricted Common Stock to the Licensor, valued at \$75,000.00, based on a per share price of \$0.2 per share, as payment of the upfront License Fee. The shares are held in book entry format at Pacific Stock Transfer.

Purchase Order for Inventory and Influencer Marketing Strategy

Under the terms of the Brand License Agreement, the Licensor has accepted the Company's Purchase Order for up to \$100,000.00 worth of inventory, which will be paid for by the Company after Licensor has shipped the products, and their arrival at the port of Savannah, GA, is confirmed.

The first Purchase Order is designed to provide the Company with sufficient inventory to begin shipping sample products to influencers with followings on YouTube, Instagram, TikTok, and Facebook to a) obtain testimonials, b) product reviews, and c) drive customers to the Company's newly created ecommerce website, IHABrands.com. The Company will use additional inventory to provide buyer agents for brick-and-mortar retail stores with samples, and to use as giveaways at certain events, as discussed below. The product makeup of our first Purchase Order reflects the Company's initial marketing focus.

Target Markets

The target markets for Medspresso™ CBD Infused, Organic Coffee and Liviana™ CBD Infused, Organic Olive Oil and Honey, share significant overlap, and the Company plans initially to focus on using Micro Influencer platforms (the "Platforms") to perform outreach to influencers in the CBD, Organic and Natural Foods, Gourmet, and Luxury categories.

Those influencers who meet the target criteria will enter into arrangements with the Company through the Platforms whereby they will receive free products in exchange for their reviews, product placements, and testimonials. The Platforms match brands with influencers who typically have between 10,000 and 100,000 followers (known as micro influencers) who express interest in the brands and want to promote them. The Platforms also fully vet the influencer's followers to eliminate those which do not have active followers or who do not fall into the proper target market. Using the Platforms will allow the Company to efficiently and cost effectively keep track of each influencer relationship and track the impact on brand awareness and sales. Those influencers which are successful in promoting the Licensed Brands could then be offered an affiliate/commission-based compensation in the future.

The target market for Dr. AnnaRx™ CBD Infused Muscle Rubs does not overlap with these categories, and the Company intends to begin outreach through the Platforms to influencers in the Bodybuilding, Mens Health, MMA, Exercise & Fitness and Athletics categories beginning around May 1, 2023, once the Company has established relationships with certain Platforms it is starting to work with now. In addition, the Company is researching upcoming MMA events at which it may seek to provide products for giveaways to participating athletes as an opportunity to raise awareness of the brand and to collect testimonials in exchange for future Dr. AnnaRx™ products.

Formation of New Wholly Owned Subsidiary, IHAI Brands, Inc.

Pursuant to the terms of the Brand License Agreement, prior to execution, on March 13, 2023, the Company formed IHAI Brands, Inc., a new Delaware corporation, as a wholly owned subsidiary for the purpose of entering into the Brand License Agreement with M2Bio.

New Office Address and Telephone Number for IHAI Brands, Inc.

On March 15, 2023, the Company entered a one-year virtual office lease for IHAI Brands, Inc., which now provides dedicated telephone support, and a space for meeting with brand representatives, as well as office staff who can provide shipping and receiving services, which can be billed to the Company's account, as incurred. The lease allows the Company the flexibility to expand its office space to accommodate holding inventory and marketing collateral, as needed.

The Company's new office address, email address, and telephone number are:

IHAI Brands, Inc.
2300 Lakeview Pkwy
Ste. 700
Alpharetta, GA 30009

Email: info@ihabrands.com

Tel: (888) 464-4424

Ecommerce Website: www.IHABrands.com

Facebook: [IHA Brands | Alpharetta GA | Facebook](#)

Instagram: [Innovative Holdings Alliance \(@innovativeholdingsalliance\)](#) • [Instagram photos and videos](#)

Change in Shell Status.

Innovative Holdings Alliance, Inc. was previously a shell company, with no operations. Based on the foregoing, the Company is no longer a shell company as defined in Rule 144, which states that a shell company has only

1. Nominal operations;
2. Assets consisting solely of cash and cash equivalents; or

3. Assets consisting of any amount of cash and cash equivalents and nominal other assets.

Black's Law Dictionary defines "nominal" as

...titular, existing in name only, not real or substantial; connected with the transaction or proceeding in name only, not in interest, not real or actual; merely named, stated or given, without reference to actual conditions; often with the implication that the thing named is small, slight, or the like; in comparison to what might properly be expected, as scarcely to entitled to a name...

Assets

As of March 14, 2023, upon the closing of the Brand License Agreement with M2Bio, the Company emerged from shell status, as it now has significant assets, in the form of the Brand License Agreement itself to the Licensed Products and the Licensed Trademarks, its domains IHAIBrands.com, Medspresso.us, Liviana.us and DrAnnaRx.us, which are under development, its Facebook and Instagram pages, its operational ecommerce store at IHABrands.com, the office lease, and the inventory secured by the Purchase Order, allowing the Company to be the first to market and sell the Licensed Products in the United States and its Territories.

Operations

The Company also has commenced operations in pursuit of monetizing the Brand License Agreement, as illustrated by its marketing efforts thus far, including the launch of its ecommerce website, www.IHABrands.com, the ongoing development of its other marketing domains, IHAIBrands.com, Medspresso.us, Liviana.us and DrAnnaRx.us, the creation of Facebook, and Instagram marketing pages, which together will create direct-to-consumer sales, and also capture the emails of each prospective customer, so that the Company can continue to do follow-up marketing to them, and by beginning its outreach to influencers via the Platforms, to whom the Company will be providing products for review, as soon as they are shipped.

Innovative Holdings Alliance, Inc.

By: /s/ M. Chris Winter
M. Chris Winter
President & CEO