# International Sustainability Group, Inc. and Subsidiary
## CONSOLIDATED BALANCE SHEETS

| | December 31, 2014 | December 31, 2013 |
|---|---|---|
| **ASSETS** | | |
| **CURRENT ASSETS:** | | |
| Cash | $ 9,540 | $ 174 |
| Total Current Assets | 9,540 | 174 |
| Property and equipment, net | 1,110,154 | - |
| Other assets | 8,121 | - |
| **TOTAL ASSETS** | $ 1,127,815 | $ 174 |
| **LIABILITIES AND STOCKHOLDERS' DEFICIENCY** | | |
| **CURRENT LIABILITIES:** | | |
| Accounts payable and accrued expenses ($23,800; $20,800; $40,000, $25,000; $25,000; $5,000; $10,000 *) | $ 149,600 | $ - |
| Loans payable | - | 5,656 |
| Notes payable ($50,000 **) | 50,000 | - |
| Due to related parties | 4,701 | - |
| Total Current Liabilities | 204,301 | 5,656 |
| **TOTAL LIABILITIES** | 204,301 | 5,656 |
| Commitments and contingencies | | |
| **STOCKHOLDERS' DEFICIENCY** | | |
| Preferred Series A stock, $0.001 par value, 50,000,000 shares authorized; 1,000,000 and 1,000,000 shares issued and outstanding, respectively | 1,000 | 1,000 |
| Common stock, $0.001 par value, 950,000,000 shares authorized; 440,598,400 and 438,986,000 shares issued and outstanding, respectively | 440,598 | 438,986 |
| Additional paid-in capital | 1,241,366 | 104,724 |
| Accumulated deficit | (611,001) | (550,192) |
| **TOTAL STOCKHOLDERS' DEFICIENCY** | 1,071,963 | (5,482) |
| **TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIENCY** | $ 1,127,815 | $ 174 |

The accompanying notes are an integral part of these consolidated financial statements

# International Sustainability Group, Inc. and Subsidiary
## CONSOLIDATED STATEMENTS OF OPERATIONS

| | Year Ended December 31, 2014 | 2013 |
|---|---|---|
| **NET REVENUES:** | | |
| Revenues, net | $ - | $ - |
| **TOTAL NET REVENUES** | - | - |
| **OPERATING EXPENSES** | | |
| General and administrative expenses | 59,658 | 363 |
| **TOTAL OPERATING EXPENSES** | 59,658 | 363 |
| **LOSS FROM OPERATIONS** | (59,658) | (363) |
| **OTHER EXPENSE:** | | |
| Interest expense, net | (1,151) | - |
| **TOTAL OTHER EXPENSE** | (1,151) | - |
| **NET LOSS** | $ (60,809) | $ (363) |
| **NET LOSS PER COMMON SHARE:** | | |
| Basic and diluted | $ 0.00 | $ 0.00 |
| **NET LOSS PER SHARE - BASIC AND DILUTED** | $ 0.00 | $ 0.00 |
| **WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING:** | | |
| Basic and diluted | 439,228,517 | 438,986,000 |

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# International Sustainability Group, Inc. and Subsidiary
## CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIENCY

| | Preferred Stock | | Common Stock | | Additional Paid in | Accumulated | Total Stockholders' |
|---|---|---|---|---|---|---|---|
| | Shares | Amount | Shares | Amount | Capital | Deficit | Deficiency |
| Balances, Dec 31, 2012 | 1,000,000 | 1,000 | 438,986,000 | 438,986 | 104,724 | (549,829) | (5,119) |
| Net loss | - | - | - | - | - | (363) | (363) |
| Balances, Dec 31, 2013 | 1,000,000 | 1,000 | 438,986,000 | 438,986 | 104,724 | (550,192) | (5,482) |
| Issuance of common stock for equipment | - | - | 1,500,000 | 1,500 | 1,108,654 | - | 1,110,154 |
| Issuance of common stock for cash | - | - | 112,400 | 112 | 27,988 | - | 28,100 |
| Net loss | - | - | - | - | - | (60,809) | (60,809) |
| Balances, Dec 31, 2014 | 1,000,000 | 1,000 | 440,598,400 | 440,598 | 1,241,366 | (611,001) | 1,071,963 |

The accompanying notes are an integral part of these consolidated financial statements

# International Sustainability Group, Inc. and Subsidiary
## CONSOLIDATED STATEMENTS OF CASH FLOWS

| | Year Ended December 31, 2014 | 2013 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | |
| Net loss | $ (60,809) | $ (363) |
| Changes in operating assets and liabilities: | | |
| Accounts payable and accrued expenses | 1,151 | - |
| **NET CASH USED IN OPERATING ACTIVITIES** | (59,658) | (363) |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | | |
| Payments towards patents | (8,121) | - |
| **NET CASH USED IN INVESTING ACTIVITIES** | (8,121) | - |
| **CASH FLOWS FROM FINANCING ACTIVITIES:** | | |
| Proceeds from loans payable | 23,344 | 500 |
| Principal payments towards loans payable | (29,000) | - |
| Proceeds from notes payable | 50,000 | - |
| Net advances from related parties | 4,701 | - |
| Issuance of common stock for cash | 28,100 | - |
| **NET CASH PROVIDED BY FINANCING ACTIVITIES** | 77,145 | 500 |
| Net increase in cash | 9,366 | 137 |
| **Cash, beginning of year** | 174 | 37 |
| **Cash, end of year** | $ 9,540 | $ 174 |
| **SUPPLEMENTAL CASH FLOW INFORMATION:** | | |
| Cash paid for interest | $ - | $ - |
| Cash paid for taxes | $ - | $ - |
| **NON-CASH ACTIVITIES:** | | |
| Common stock issued for equipment | $ 1,110,154 | $ - |

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## International Sustainability Group, Inc.

**Notes:**

Accrued Expense (consultants): * = These are for services provided by consultants since July 2014 as per their contracts and ISG couldn't pay; For privacy all consultants are mentioned here in codes: Consultant 1-RB, Consultant 2-GB, Consultant 3-PA, Consultant 4-FR, Consultant 5-RT, Consultant 6-EL and Consultant 7-BT.

Notes payable ** = These are the people lend money to ISG as per promissory notes; For privacy all consultants are mentioned here in codes: Note Holder 1-MO.