

INTERNATIONAL CONSOLIDATED COMPANIES, INC.

FINANCIAL STATEMENTS

June 30, 2017

BALANCE SHEETS

STATEMENTS OF OPERATIONS

STATEMENTS OF CASH FLOWS

NOTES TO FINANCIAL STATEMENTS

INTERNATIONAL CONSOLIDATED COMPANIES, INC.

BALANCE SHEETS

	June 30, 2017	December 31, 2016
ASSETS		
CURRENT ASSETS		
Cash	\$ 100	\$ 100
TOTAL CURRENT ASSETS	100	100
TOTAL ASSETS	\$ 100	\$ 100
LIABILITIES AND STOCKHOLDERS' (DEFICIT)		
CURRENT LIABILITIES		
Accrued expenses and Accounts payable	\$ 641,322	\$ 636,341
Due to related party	1,429,607	1,417,209
Short term – notes payable	250,000	250,000
Accrued interest	1,488,630	1,381,675
TOTAL CURRENT LIABILITIES	3,809,559	3,685,225
NOTES PAYABLE – LONG TERM	1,088,500	1,341,000
TOTAL LIABILITIES	4,898,059	5,026,225
STOCKHOLDERS' (DEFICIT)		
Capital stock		
Authorized		
100,000,000 shares of preferred stock no par value		
4,900,000,000 shares of common stock no par value		
Issued and outstanding		
1,000,000 shares of Preferred A Stock (December 31, 2015 – 1,000,000)	50,000	50,000
Issued and outstanding		
3,042,110,158 shares of common stock (December 31, 2016 – 2,499,660,158)	27,314,872	27,006,741

Treasury Stock: 3,000,000,000 no par value at March 31, 2017	(9,944,392)	(9,944,392)
Accumulated deficit	(22,318,439)	(22,138,474)
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TOTAL STOCKHOLDERS' (DEFICIT)	(4,897,959)	(5,026,125)
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TOTAL LIABILITIES AND STOCKHOLDERS' (DEFICIT)	\$ 100	\$ 100
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The accompanying notes are an integral part of these financial statements.

INTERNATIONAL CONSOLIDATED COMPANIES, INC.
STATEMENT OF OPERATIONS
For the Three and Six months period ended June 30, 2017 and 2016

	Three months ended June 30, 2017	Three months ended June 30, 2016	Six months ended June 30, 2017	Six months ended June 30, 2016
REVENUES	\$ -	\$ -	\$ -	\$ -
OPERATING EXPENSES				
Consulting expenses	\$ -	\$ 62,500	\$ 31,112	\$ 125,000
General and Administrative expenses	3,000	7,500	29,501	21,886
TOTAL OPERATING EXPENSES	3,000	70,000	60,613	146,886
NET OPERATING (LOSS)	(3,000)	(70,000)	(60,613)	(146,886)
OTHER INCOME (EXPENSES)				
Interest expense	(60,117)	(62,977)	(119,352)	(125,595)
LOSS OTHER INCOME (EXPENSES)	\$ (60,117)	\$ (62,977)	\$ (119,352)	\$ (125,595)
NET LOSS	\$ (63,117)	\$ (132,977)	\$ (179,965)	\$ (272,481)
BASIC LOSS PER COMMON SHARE	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)

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

INTERNATIONAL CONSOLIDATED COMPANIES, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Six month period ended June 30, 2017 and 2016

	Six months ended June 30, 2017	Six Months ended June 30, 2016
OPERATING ACTIVITIES		
Net loss for the period	\$ (179,965)	\$ (272,481)
Adjustments to reconcile net loss to net cash used in operating activities:		
Security Deposit	-	5,500
Notes payable	-	12,000
Shares issued for services	5,000	-
Changes in operating assets and liabilities:		
Accounts payable	4,981	-
Due to related parties	12,397	125,000
Accrued interest payable	106,955	125,595
NET CASH USED IN OPERATING ACTIVITIES	(50,632)	(4,386)
CASH FLOW FROM INVESTING ACTIVITIES	-	-
NET CASH USED IN INVESTING ACTIVITIES	-	-
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds on sale of common stock	50,632	4,367
NET CASH PROVIDED BY FINANCING ACTIVITIES	-	4,367
NET INCREASE (DECREASE) IN CASH	-	(19)

CASH, BEGINNING OF PERIOD	100	119
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CASH, ENDIN OF PERIOD	\$ 100	\$ 100
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The accompanying notes are an integral part of these financial statements.

INTERNATIONAL CONSOLIDATED COMPANIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – NATURE OF OPERATIONS AND GOING CONCERN

International Consolidated Companies, Inc. (the “Company”) was previously known Sign Media Systems Inc. The Company was incorporated on January 28, 2002 as a Florida corporation.

International Consolidated Companies, Inc. (INCC) is focused on acquiring and expanding businesses that offer services and technologies to assist medical marijuana growers and patients. The company will provide or arrange for venture capital funding for qualified projects in the expanding legal cannabis industry. Through targeted acquisitions, brand recognition and real-estate and technology joint ventures the company believes it can capture significant market share in Colorado, Washington State, and California. Working with a team of experienced growers and financial experts, the company will evaluate small and large business opportunities. International Consolidation Companies, Inc. will provide both technology and consulting services to medical cannabis growers, activists and industry professionals. Through perpetual rental agreements, the company offers growers’ state of the art turnkey solutions to improve efficiency, efficacy and increase yield. The company believes it will generate revenue by renting its propriety technologies to qualified licensed medical growers; and by providing training and consulting services to assist lessees in operating their businesses more profitably.

Going concern

To date the Company has generated no revenues from its business operations and has incurred operating losses since inception of \$22,318,439. As at June 30, 2017, the Company has a working capital deficit of \$4,897,959. The Company will require additional funding to meet its ongoing obligations and to fund anticipated operating losses. The ability of the Company to continue as a going concern is dependent on raising capital to fund its initial business plan and ultimately to attain profitable operations. Accordingly, these factors raise substantial doubt as to the Company’s ability to continue as a going concern. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classification of liabilities that might result from this uncertainty.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements present the balance sheet, statements of operations, stockholders’ equity and cash flows of the Company. These financial statements are presented in the United States dollars and have been prepared in accordance with accounting principles generally accepted in the United States.

Use of Estimates and Assumptions

Preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts 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 period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers highly liquid financial instruments purchased with a maturity of three months or less to be cash equivalents.

Fair Value of Financial Instruments

The carrying amount of the Company’s financial assets and liabilities approximates their fair values due to their short term maturities.

Income Taxes

The Company follows the liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax balances and tax loss carry-forwards. Deferred tax assets and liabilities are measured using enacted or substantially enacted tax rates expected to apply to the taxable income in the years in which those

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes (continued)

INTERNATIONAL CONSOLIDATED COMPANIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment.

Stock-based Compensation

The Company follows ASC 718-10, "Stock Compensation", which addresses the accounting for transactions in which an entity exchanges its equity instruments for goods or services, with a primary focus on transactions in which an entity obtains employee services in share-based payment transactions. ASC 718-10 is a revision to SFAS No. 123, "Accounting for Stock-Based Compensation," and supersedes Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees," and its related implementation guidance. ASC 718-10 requires measurement of the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award (with limited exceptions). Incremental compensation costs arising from subsequent modifications of awards after the grant date must be recognized. The Company has not adopted a stock option plan and has not granted any stock options. As at June 30, 2017 the Company had not adopted a stock option plan nor had it granted any stock options. Accordingly no stock-based compensation has been recorded to date.

Recent Accounting Pronouncements

The Company does not expect the adoption of any recent accounting pronouncements to have a material impact on its financial statements.

NOTE 3 – PATENT LICENSE AGREEMENTS

On May 24, 2017 the Company ("Licensor") entered in to a Patent License Agreement with Kevin H. Fortin ("Licensee") to acquire an non-exclusive license to make use and sell the products systems and methods embodying the invention(s) under the United States Letters Patent entitled, "Chewing Gum Including Nanosome Encapsulated Cannabidiol, collectively referred to as the "Patents". In consideration for the licenses granted the Licensee agrees to pay to the Licensor a \$10,000 (Royalty) in a lump sum fee. As of the filing of these financial statements the Company had not yet received the Royalty payment.

On June 12, 2017 the Company ("Licensee") entered into an Exclusive Patent License Agreement with Brooks Kelly Research, LLC, and ("Licensor"). Whereby the Licensor grants to the Licensee and its affiliates an exclusive license under the Patents to make, use and sell the License Products for, "Extended Time Delivery System CBD Hemp Oil Extract", under United States Patents Nos. US9603887; US8642645; and US Patent Application No. 15/465,729; for a period of two years. In consideration for the licenses granted under this agreement the Licensee agrees to pay to the Licensor \$100,000 on or before September 15, 2017. The Licensor shall have the option to buy back any rights licensed under this agreement during the term of this agreement for \$20,000 payable to the Licensee.

On June 12, 2017 the Company ("Licensee") entered into an Exclusive Patent License Agreement with CBD Medicinals LLC, and ("Licensor"). Whereby the Licensor grants to the Licensee and its affiliates an exclusive license under the Patents to make, use and sell the License Products under US Provisional Patent Application 62/487/072 filed on April 19, 2017 for a period of ten years. In consideration for the licenses granted under this agreement the Licensee agrees to pay to the Licensor \$50,000 on or before September 15, 2017. The Licensor shall have the option to buy back any rights licensed under this agreement during the term of this agreement for \$20,000 payable to the Licensee.

NOTE 4 – STOCKHOLDERS (DEFICIT)

On December 29, 2016 the Board of Directors of the Company amended its Articles of Incorporation to increase the capital stock of the corporations to 5,000,000,000 consisting of 100,000,000 of Preferred Stock at no par value; and 4,900,000,000 of Common Stock at no par value.

On January 10, 2017 the Company converted \$112,000 of the promissory note payable held by Thomas J. Megale into 100,000,000 shares of the Company's common stock.

NOTE 4 – STOCKHOLDERS (DEFICIT) (continued)

On January 10, 2017 the Company converted \$140,000 of the promissory note payable held by Ronald D. Ciaravella into 200,000,000 shares of the Company's common stock.

On January 12, 2017, the Company issued 10,000,000 shares of the Company's common stock to Louis La Susa for services provided to the Company for a value of \$5,000.

As of June 30, 2017, the Company had issued 1,000,000 of its preferred stock series A shares.

INTERNATIONAL CONSOLIDATED COMPANIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

On June 12, 2017 the Company issued 232,450,000 shares of the Company's common stock to Continuation Capital regarding the conversion of \$50,632 in debt.

NOTE 5 – RELATED PARTY

Antonio F. Uccello has a consulting agreement with the Company for \$250,000 per year, which commenced on January 1, 2010. The outstanding Due to Related Party relating to this agreement for the period ending June 30, 2017 is \$1,429,607.

NOTE 6 – NOTES PAYABLE

Details of Long Term Notes Payable	Amount
TJM note payable; interest rate 18%; due July 1, 2019	\$193,000
Trust note payable; interest rate 18%; due on various dates	\$835,500
Uccello note payable; interest rate 12%; due July 1, 2019	\$300,000
Ciaravella note payable; interest rate 12%; due July 1, 2019	\$10,000
Total Long Term Notes Payable	\$1,338,500

Short Term Note Payable; interest rate 12%; Due on demand	\$250,000
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On January 10, 2017 the Company converted \$112,000 of the promissory note payable held by Thomas J. Megale into 100,000,000 shares of the Company's common stock.

On January 10, 2017 the Company converted \$140,000 of the promissory note payable held by Ronald D. Ciaravella into 200,000,000 shares of the Company's common stock.

NOTE 7 – SUBSEQUENT EVENTS

On July 24, 2017 the Company issued 40,000,000 common shares of the Company to Corporateads.Com LLC, in consideration for providing \$25,000 in marketing consulting services.