QUARTERLY REPORT
PURSUANT TO
PINK SHEETS GUIDELINES FOR PROVIDING ADEQUATE PUBLIC DISCLOSURE

COVERING PERIODS ENDING JUNE 30, 2012 AND DECEMBER 31, 2011

LEGENDS BUSINESS GROUP, INC.

Date: August 20, 2012

We previously were a shell company, therefore the exemption offered pursuant to Rule 144 is not available. Anyone who purchased securities directly or indirectly from us or any of our affiliates in a transaction or chain of transactions not involving a public offering cannot sell such securities in an open market transaction.

Part A **General Company Information**

Item I **The exact name of the issuer and its predecessor (if any).**

Legends Business Group, Inc. The company has no predecessor names.

Item II **The address of the issuer's principal executive offices.**

The address and telephone number is:
555 NE 15th Street Miami, FL 33132 Phone: (305)767-7993.
The website for the company is: www.legendspower.com
The company does not employ an investor relations firm. All inquiries may be addressed to our president, Rodolfo Sablon, 555 NE 15th Street Miami, FL 33132 Phone: (305)767-7993, Email: info@legendspower.com.

Item III **The jurisdiction and date of issuer's incorporation or organization.**

Legends Business Group, Inc. was incorporated in Nevada on March 2, 2006.

Part B **Share Structure**

Item IV **The exact title and class of securities outstanding.**

Legends Business Group has two classes of stock:

2,000,000,000 shares common stock, traded on the pink sheets under the symbol LGBS, CUSIP 52467N106.

250,000 shares preferred A stock, CUSIP 52467N205.

Item V **Par or stated value and description of the security.**

Common Stock par value $0.001, Preferred A Stock par value $0.0001 and convertible to common stock at a ratio of 1:1,000 (one to one thousand).

Item VI **The number of shares or total amount of the securities outstanding for each class of securities authorized.**

For the three months ended June 30, 2012:
(i) Common Stock Shares authorized: 2,000,000,000
(ii) Preferred A Stock Shares authorized: 250,000
(iii) Number of shares outstanding:
Common Stock: 1,234,215,000
Preferred Stock: 240,000
(iv) Freely Tradable Shares (public float): 1,234,215,000
(v) Total Number of beneficial shareholders: 52
(vi) Total number of shareholders of record: 52

For the year ended December 31, 2011:
(i) Common Stock Shares authorized: 2,000,000,000
(ii) Preferred A Stock Shares authorized: 250,000

(iii) Number of shares outstanding:
Common Stock: 1,234,215,000
Preferred Stock: 240,000
(iv) Freely Tradable Shares (public float): 1,234,215,000
(v) Total Number of beneficial shareholders: 52
(vi) Total number of shareholders of record: 52

For the year ended December 31, 2010:
(i) Common Stock Shares: 2,000,000,000
(ii) Preferred A Stock Shares: 250,000
(iii) Number of shares outstanding:
Common Stock: 1,124,215,000
Preferred Stock:240,000
(iv) Freely Tradable Shares (public float): 1,124,215,000
(v) Total Number of beneficial shareholders: 53
(vi) Total number of shareholders of record: 53

For the year ended December 31, 2009:
(i) Common Stock Shares: 500,000,000
(ii) Preferred A Stock Shares: 100,000
(iii) Number of shares outstanding:
Common Stock: 32,615,000
Preferred Stock:45,000
(iv) Freely Tradable Shares (public float): 32,615,000
(v) Total Number of beneficial shareholders: 46
(vi) Total number of shareholders of record: 46

Item VII The name and address of the transfer agent

Madison Stock Transfer
PO Box 145
Brooklyn, NY 11229
Phone: 718-627-4453
Fax: 718-627-6341

The transfer agent is registered under The Exchange Act and is under the regulatory authority of the Securities and Exchange Commission.

Part C Business Information

Item VIII The nature of the issuer's business.

A. Business Development

- The organization is a corporation.
- The issuer was organized on March 2, 2006. The issuer has no predecessor.
- The issuer's fiscal year end date is December 31.
- The issuer has not been in bankruptcy, receivership or any similar proceeding.

- A Canadian company, Intercontinental Systech, Inc. was merged into the issuer, in June 2010, with the issuer as the surviving entity.
- The issuer is not in default of any note, loan, lease or other indebtedness or financing arrangement.
- The founder of Legends Business Group, Inc. was Larry Powalisz. In April 2010, Mr. Powalisz resigned as President and CEO, and Mark Powalisz resigned as Secretary, and Mr. Chong Lee became the President and CEO. Mr. Lee resigned as President and CEO in September 2010 and Mr. Rolando Sablon was appointed President and CEO. Mr. Rolando Sablon resigned as President and CEO in April 2011 and Mr. Rodolfo Sablon was appointed President and CEO.
- Under the terms of the June 2010 merger, the outstanding common stock and preferred stock increased by more than 10%.
- There are no past, pending or anticipated stock splits, stock dividends, recapitalizations, spin-offs or re-organizations. In June 2010 the merger of Intercontinental Systech, Inc. occurred, and the issuer was the surviving entity.
- In January 2009 the company filed a form 15 with the Securities and Exchange Commission.
- There are no current, past, pending or threatened legal proceedings or administrative actions by or against the issuer that could have a material effect on the issuer's business, financial condition or operations. There are no current, past or pending trading suspensions by a securities regulator.

Business Development Narrative
Legends Business Group, Inc. (the "Company") was organized March 2, 2006 (Date of Inception) under the laws of the State of Nevada. In 2009, the Company provided consulting services to companies that offer any or all of the following services: ISP (internet service provider), long distance provider, VOIP (Voice Over Internet Protocol) provider, and digital content providers. These clients used independent billing houses to bill their monthly fees directly to their customers' telephone bill. The Company focused on three stages of consulting with client businesses: billing, customer service and scripting. In January 2010, it was determined that this industry was no longer viable due to increased regulations and restrictions by the telephone billing companies. In May 2010, the controlling interest in the Company changed and the Company entered the mind control software and hardware business. The technology required by the new business model could not be obtained as anticipated, thereby making further advances under this model no longer viable. In September 2010, a new business plan was initiated to develop and market alternative and exotic energy products. The company offers alternative energy products on their website. During the quarter ended June 30, 2011, the Company entered into a one-year commission agreement to locate buyers for an energy project. In April 2011, the company established a grant writing division to procure government, corporate, foundation and trust grant money for research and development of alternative energy solutions. This division will offer their services to other companies, in addition to procuring grants for Legends Business Group, Inc.

B. Business of the Issuer

- The primary SIC Code of the issuer is 5063.
- The issuer is not in the developmental state, and is currently conducting operations.
- The issuer was a shell company.
- There are no parent, subsidiary or affiliate of issuer to report.
- The Company does not anticipate any effect of probable governmental regulations.
- The amount estimated that has been spent on research and development activities for the six months ended June 30, 2012 and year ended December 31, 2011 is $0 and $0, respectively. The amount we estimate to have been borne directly by our customers is $0.
- The cost of complying with federal, state and local environmental laws is $0.
- We have one employee, with 0 being employed full time.

Item IX The nature of products or services offered

- Currently we are working on testing various sources of alternative and exotic energy products to bring to the world marketplace.
- Our principal products would entail
  - Solar Power
  - Wind Power
  - BioMass Energy
  - Exotic Energy Sources
  - Alternative Energy Grant Writing Services
- Once a viable product has been found, we would look to license this technology out to numerous manufacturing groups with the understanding that they would be built in the USA. Our goal is to utilize as many parts as practicable that would be manufactured in the USA
- Currently we are testing new and promising products and concepts and anticipate bringing these products and technologies out on the open market
- We currently do not distribute any of our own alternative energy products.
- We currently have not released any of our own alternative energy products.
- We currently offer solar, wind, and electric charging products from our affiliates through our website, http://www.legendspower.com. Legends expects some revenue from this affiliate partnership but its main source of revenue will come from its own products. The affiliate products are not in our inventory.
- Legends does not have any principal suppliers.
- Legends does not depend on any major customers.
- We currently hold no patents, trademarks, licenses, franchises, concessions, royalty agreements or labor contracts.
- There are no government approvals for products or services pending at this time.

Item X **The nature and extent of the issuer's facilities**

Legends Business Group, Inc. does not currently own any Real Estate. Legends Business Group utilized space offered by the President and CEO at no cost up until the end of March 31, 2011. The space was leased by the previous President as retail space in clean and good condition for an unrelated business he owns and operates. The office space used for the quarter ended March 31, 2011 was at 1177 71st Street, Miami Beach, FL 33141. Upon the resignation of Rolando Sablon and the appointment of Rodolfo Sablon as President in April 2011, the office location became 555 NE 15th Street STE 200 Miami FL 33132. Legends Business Group leased 555 NE 15th Street STE 200 Miami FL 33132 from Barclays Business Group on a month-to-month basis. As of May 1, 2012 Legends Business Group discontinued the Barclays Business Group lease. On August 1, 2012 Legends Business Group re established a month-to-month lease with Barclays Business Group and current utilizes this space.

Part D. **Management Structure and Financial Information**

Item XI **The name of the chief executive officer, members of the board of directors, as well as control persons**

Directors, Executive Officers, Promoters and Control Persons

The current executive officers, directors and significant employees of Legends Business Group, Inc. are as follows:

Name	Age	Position
Rodolfo Sablon	32	President, Chief Executive Officer, & Director
Charles D Quick	27	Vice President, Secretary, Treasurer & Director

Provide investor with the identity of management, those advising and developing business

The following sets forth certain biographical information with respect to the directors and executive officers of Legends Business Group, Inc.

For each officer/director:

Full name Rodolfo Melquiades Sablon

Business address 555 NE 15th Street Miami, FL 33132

Employment history (five years, positions held, responsibility and dates)

Science and Math Educator - 2002-2009 - Implemented a highly intensive curriculum for youth in urban Miami-Dade County.

Program Director - The Motivational Edge - 2008 - Present - Develops programs and events and assures they are implemented with fidelity, grant procurement, staff development and public relations.

Founder and President - Apex Tutorial Services - 2010 - Present - Directed and oversaw all operations of a government-funded SES

program.   Including managing the public relations, effective program implementation and marketing of the company and its services.
Founder and CEO - Race 2 the Top, Inc. - 2010 - Present - Oversaw day to day operations on a government-funded SES program, that has franchised and expanded to four other states.
President & CEO - Sablon Consulting Services, Inc. – 2011 - Present - Provides organizations with business strategies and exceptional grant writing services.
Board memberships/affiliations: Resides as a Board of Director Member - Youth For The Arts Forum - Since 2010
Compensation from issuer: $50,000 per year
Number/class of issuer securities held: Preferred Stock 110,000; Common Stock 650,000,000.
Legal/discipline history: None
Disclosure of family relationships: None
Disclosure of related party transactions (5%): None
Disclosure of conflicts of interest: None. The President and CEO currently devotes the time and effort to run the Company as he sees fit, within his sole discretion.

Full name Charles Dustin Quick
Business address 555 NE 15th Street Miami, FL 33132
Employment history (five years, positions held, responsibility and dates)
Current: Webstars Group, LLC - Length: 1 Year 11 Months (September 2010 - Current 2012) - Position Held: Controller - Responsibility: All Financial Positions.
Previous: Epixtar Corp. - Length: Approx. 8 Years (May 2002 - September 2010) - Positions Held: (Q/A, Billing Analyst, Accounts Payable, Accounts Receivables, Payroll Manager, Controller) - Responsibility: All Financial Positions - Last position was Controller / Payroll Manager
Previous: Fresh Studios   - Length: 1 Year (2001) - Position Held: Flash Designer - Responsibility: Designer
Board memberships/affiliations: None
Legal/discipline history: None
Disclosure of family relationship: None
Disclosure of related party transactions (5%): None
Disclosure of conflicts of interest: None

Each director is elected to hold office for a one year term or until the next annual meeting of stockholders and until his successor is elected and qualified. The officers of Legends Business Group, Inc. serve at the pleasure of Legends' Board of Directors.

Compensation

The following table shows the cash compensation paid to our executive officers for our fiscal year ended 2011 and for the six months ended June 30, 2012.

Executive Officer	12 months ended December 31, 2011	6 months ended June 30, 2012
Rolando Sablon	$3,824	$0
Rodolfo Sablon	$0	$0
Charles Quick	$0	$0

No compensation other than cash compensation was paid to our executive officers during the periods covered. Our directors have not been compensated for their services as directors.

Shareholdings of Officers, Directors and Control Persons

Name	Shares	Other Securities
Rodolfo Sablon	650,000,000	Common Stock
	110,000	Preferred Stock

Legal/Disciplinary History

None of the foregoing person has, in the last five years, been the subject of:

- A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);
- The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities or banking activities;
- A finding or judgment by a court of competent jurisdiction (in a civil action), the SEC, the CFTC, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated.
- The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

Related Party Transactions in last two full fiscal years

The Corporation previously utilized space at no cost from the President and CEO of the Company. As of May 2011 the Corporation leased office space from Barclays Business Center at a cost of $99 a month. On May 1, 2012 Legends Business Group discontinued its lease with Barclays Business Group to look for other options. As of August 1, 2012 Legends Business Group has re established its month-to-month lease with Barclays Business Group. The Company has benefited from related party financing under prior ownership. Please see the financial statements and related footnotes for complete disclosure.

Disclosure of Conflicts of Interest
None

Item XII Financial information for the issuer's most recent fiscal period.

The financial statements for the quarter ended June 30, 2012 and notes thereto are included herein.

Item XIII Similar financial information for the preceding fiscal years

The financial statements for the year ended December 31, 2011 are included herein.

Item XIV Beneficial Owners

Security Ownership of Certain Beneficial Owners and Management.

The following table sets forth certain information regarding beneficial ownership of our common stock as of June 30, 2012 (a) by each person known by us to own beneficially 5% or more of any class of our common stock, (b) by each of our executive officers and directors and (c) by all executive officers and directors of Legends Business Group, Inc. as a group.

Name and, as Appropriate, Address of Beneficial Owner	**Amount and Nature of Beneficial Owner**	**Percent of Common Stock**
RODOLFO SABLON 555 NE 15th STREET STE 200 MIAMI, FL 33132	650,000,000 shares of common stock	52.665%
JEFFREY MYATT 7935 EAST DR PH 4 NORTH BAY VILLAGE FL 33141	76,800,000 shares of common stock	6.223%
CEDE & CO PO BOX 222 BOWLING GREEN STATION NEW YORK NY 10274	284,055,000 shares of common stock	23.015%
HANS HOCHSTEDLER, 2462 INDIANA AVE COLUMBUS OH 43202	96,000,000 shares of common stock	7.778%

Name and, as Appropriate, Address of Beneficial Owner	**Amount and Nature of Beneficial Owner**	**Percent of Preferred Stock**
RODOLFO SABLON 555 NE 15th STREET STE 200 MIAMI, FL 33132	110,000 shares of Preferred Stock	45.833%
BRENT MULLETT 809 S CALHOUNT ST FORT WAYNE IN 46802	50,000 shares of Preferred Stock	20.833%
RICARDO SABLON 3084 HIATUS ROAD DAVIE FL 33330	40,000 shares of Preferred Stock	16.667%
PINPOINT INVESTMENTS LLC 4918 SUDBURY COURT ORLANDO FL 32826 (Individual Shareholder & Agent Information Not Available)	40,000 shares of Preferred Stock	16.667%

Item XV Name, address, information for certain outside Providers:

We do not have an investment banker.
We do not have promoters.
We have employed the following Legal Counsel at this time: Jason Myatt, P.L., 11900 Biscayne Blvd STE 620, North Miami, FL, 33181, United States
We do not employ an outside Accountant or Auditor.
We currently do not employ a public relations firm.
We currently do not employ a investor relations firm.
Legends Business Group, Inc. does not have arrangements with any investment bankers~~.~~
We currently do not consult with any financial advisory firm.

Item XVI Management's Discussion and Analysis or Plan of Operation.

Special Note Regarding Forward-Looking Information

Legends Business Group, Inc. is hereby providing cautionary statements identifying important factors that could cause our actual results to differ materially from those projected in forward-looking statements made in this Disclosure Statement. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "likely will result," "are expected to," "will continue," "is anticipated," "estimated," "intends," "plans" and "projection") are not historical facts and may be forward-looking statements and involve estimates and uncertainties which could cause actual results to differ materially from those expressed in the forward-looking statements. Accordingly, any such statements are qualified in their entirety by reference to, and are accompanied by, the following key factors that have a direct bearing on our results of operations: the absence of contracts with customers or suppliers; our ability to maintain and develop relationships with customers and suppliers; our ability to successfully integrate acquired businesses or new brands; the impact of competitive products and pricing; supply constraints or difficulties; the retention and availability of key personnel; and general economic and business conditions.

We caution that the factors described herein could cause actual results to differ materially from those expressed in any forward-looking statements and that the investors should not place undue reliance on any such forward-looking statements. Further, any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events or circumstances. Consequently, no forward-looking statement can be guaranteed.

New factors emerge from time to time, and it is not possible for us to predict all such factors. Further, we cannot assess the impact of each such factor on our results of operations or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

Introduction to Our Business

Legends Business Group, Inc. ("LEGENDS", "We", "Us", or "Our"), was organized under the laws of the State of Nevada in March 2006 and is an alternative and exotic energy acquisition, exploration and development company.

Our principal strategy is to focus on the acquisition of alternative and exotic energy products and technologies. Once acquired, we intend to implement an accelerated development program utilizing capital resources, a regional operating focus, recruit an experienced management and technical team, and hopefully deploy these technologies to attempt to increase production and increase returns for our stockholders. Our acquisition and development activities are currently focused in the USA.

The Opportunity in the United States

There is a great and growing need for alternative energy products within the USA. Historically, the USA has been leading the world in the field of alternative and exotic energy products and technology and we believe that a confluence of the following factors make it an attractive area for development:

Traditional Roll-Up Strategy. We are seeking to employ a traditional roll-up strategy utilizing a combination of capital resources, operational and management expertise, technology, and strategic partnerships, which have experience operating in the USA.

Numerous Acquisition Opportunities. There are many small inventors and manufacturers of alternative energy products in the US, which afford us opportunities to pursue negotiated transactions verses having to competitively bid on fundamentally sound assets.

Fragmented Ownership Structure. There are opportunities to acquire producing properties at attractive prices due to the current inefficient and fragmented ownership structure.

Our Products and Technology

The Company has added affiliate products to its website as of December 31, 2011.

Our Business Strategy

Our goal is to increase stockholder value by finding and developing alternative energy products and reselling them through strategic partnerships at costs that provide an attractive rate of return on our investments. The principal elements of our business strategy are:

Source and develop new technology and products.

Maximize Operational Control. We seek to operate properties and maintain a substantial working interest. We believe the ability to control the licensing of the technology will provide us with the opportunity to more efficiently allocate capital, manage resources, control operating and development costs, and utilize our experience and knowledge.

Pursue Selective Acquisitions and Joint Ventures. Due to our presence in Southern Florida, we believe we are well positioned to pursue selected acquisitions from the fragmented and capital-constrained owners of the various types of alternative energy technology.

Significant Developments in Fiscal 2011 and 2nd Quarter 2012

Please see our Financial Statements and Footnotes, which are an integral part of this Annual Report.

Competition

The alternative energy industry is intensely competitive and, as an exploration-stage company, we must compete against larger companies that may have greater financial and technical resources than we do and substantially more experience in our industry. These competitive advantages may better enable our competitors to sustain the impact of higher exploration and production costs, overall industry cycles and other factors related to our industry. Their advantage may also negatively impact our ability to acquire prospective technologies, develop reserves, attract and retain quality personnel and raise capital.

Research and Development Activities

We have not spent any material amount of time in the last fiscal year on research and development activities. We are planning on spending the majority of our time in this fiscal year to the development, testing, marketing and sales of alternative energy products for consumer use. These products will be built in the USA using as many components and assemblies that are manufactured in the USA.

Governmental Regulations
Currently there are no government regulations concerning the development of alternative and exotic energy products on the scale that we are working with.

Liquidity and Capital Resources

To date, we have financed our operations from funds raised from private investment and publicly registered shares.

Please see our Financial Statements and Footnotes, which are an integral part of this Annual Report.

Part E Issuance History

Item XVII List of securities offerings and shares issued for services in the past two years

No shares have been issued for services in the past two years.

Part F Exhibits

LEGENDS BUSINESS GROUP, INC.

INDEX TO EXHIBITS

Item XVIII Material Contracts

Feb 09, 2011
OTC Disclosure & News Service
Agreement With Electrical Engineering Firm - Research and development of existing solar energy and wind power designs with the goal of enhancing the efficiency within these types of technologies.

May 26, 2011
OTC Disclosure & News Service
Agreement With Cartina International (Small Hydroelectric Power (SHP) - Exclusive United States sales and distribution rights of what is believed to be one of the world's most efficient Small Hydroelectric Power (SHP) plants.

Jun 23, 2011
OTC Disclosure & News Service
Affiliate agreement with Miami-based Excellent Energies - offer Excellent Energies' highly effective, energy products and local services.

Jun 30, 2011
OTC Disclosure & News Service
Agreement with Excellent Energies - To help develop alternative energy products for the Miami-based firm.

Salary Contract (Rodolfo Sablon) - Salary Agreement to pay Rodolfo Sablon $50,000 per year.

Item XIX Articles of Incorporation and Bylaws.

Description of Documents Incorporated by Reference

Articles of Incorporation and Bylaws - Please see Articles of Incorporation and Bylaws filed December 29, 2010 under separate online postings on the OTC/Pink Sheets Disclosure Service.

Item XX Purchases of Equity Securities by the Issuer and Affiliated Purchasers.

ISSUER PURCHASES OF EQUITY SECURITIES				
Period	**Column (a)** Total Number of Shares (or Units) Purchased	**Column (b)** Average Price Paid per Share (or Unit)	**Column (c)** Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	**Column (d)** Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
Month #1 (APR 1, 2012 – APR 30, 2012)	0	0	0	0
Month #2 (MAY 1, 2012 - MAY 31, 2012)	0	0	0	0
Month #3 (JUN 1, 2012 - JUN 30, 2012)	0	0	0	0
Total	0	0	0	0

There are no purchases of equity securities by the issuer and/or affiliated purchasers.

Other comments:

1 Certification of President/CEO
2 Financial Statements and Notes

EXHIBITS DESCRIBED ABOVE ARE FILED HEREWITH

Exhibit 1

CERTIFICATION

I, Rodolfo Sablon, certify that:

1. I have reviewed this initial disclosure statement of Legends Business Group, Inc.;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, no misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: August 20, 2012

/s/ Rodolfo Sablon

Rodolfo Sablon
President and CEO
Legends Business Group, Inc.

Exhibit 2
Financial Statements and Notes

Legends Business Group , Inc.

Balance Sheet

	June 30, 2012	December 31, 2011
Assets		
Current assets		
Cash	$ 113	$ 625
Prepaid expenses	900	3,700
Total current assets	1,013	4,325
Other assets		
Development costs	440,000	440,000
Marketable securities	30,000	30,000
Total other assets	470,000	470,000
Total assets	$ 471,013	$ 474,325
Liabilities and Stockholders' Equity		
Liabilities		
Current liabilities		
Trade accounts payable	$ 7,885	$ 8,740
Accrued expenses	172,105	122,443
Total current liabilities	179,990	131,183
Long term liabilities		
Officer loan	42,852	39,159
Note payable	341,260	341,260
Total long term liabilities	384,112	380,419
Total liabilities	564,102	511,602
Stockholders' equity		
Preferred stock, par value $.0001 250,000 shares authorized; 240,000 issued and outstanding	24	24
Common stock, par value $.001 2,000,000,000 shares authorized; issued and outstanding 1,234,215,000 shares at June 30, 2012 and 1,234,215,000 shares at December 31, 2011	1,234,215	1,234,215
Additional paid in capital	7,841,361	7,841,361
Accumulated deficit	(9,168,689)	(9,112,877)
Total stockholders' equity (deficit)	(93,089)	(37,277)
Total liabilities and stockholders' equity	$ 471,013	$ 474,325

See accompanying notes to financial statements

Legends Business Group , Inc.

Statements of Operations

	Six Months Ended June 30, 2012	Year Ended June 30, 2012	Year Ended December 31, 2011
Income			
Agent broker income	$ -	$ -	$ -
Consulting income	-	-	-
Total income from operations	-	-	-
Operating expenses			
Administration fees	-	-	-
Depreciation expense	-	-	-
Filing fees	1,725	1,725	650
Interest expense	12,519	24,661	46,191
Marketing expenses	250	1,000	2,000
Office expenses	234	279	3,459
Payroll expense	12,500	25,000	50,000
Professional fees	1,550	2,750	47,789
Rent	99	396	792
Travel	-	-	43
Total Operating expenses	28,877	55,811	150,924
Operating income (loss)	(28,877)	(55,811)	(150,924)
Other income (expense)			
Impairment of intellectual property	-	-	-
Total other expense	-	-	-
Income (loss) before taxes	(28,877)	(55,811)	(150,924)
Income tax (expense) benefit	-	-	-
Net income (loss)	$ (28,877)	$ (55,811)	$ (150,924)
Weighted average number of common shares outstanding, basic	1,234,215,000	1,234,215,000	1,124,264,863
Net income (loss) per weighted share basic	$ (0.0000)	$ (0.00005)	$ (0.000)
Weighted average number of common shares outstanding fully diluted	1,474,215,000	1,474,215,000	1,364,244,522
Net income (loss) per weighted share fully diluted	$ (0.0000)	$ (0.00004)	$ (0.000)

See accompanying notes to financial statements

Legends Business Group , Inc.
Statements of Changes in Stockholders' Equity

	Preferred Stock		Common Stock		Additional Paid-in Capital	Retained Earnings (Deficit)	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
Balance December 31, 2009	45,000	$ 5	32,615,000	$ 32,615	$ 7,728,880	$ (7,874,509)	$ (113,009)
Issuance of shares for purchase of Intercontinental Systech, Inc.	205,000	20	641,600,000	641,600	204,980	-	846,600
Issuance of shares for business plan	40,000	4	400,000,000	400,000	39,996	-	440,000
Conversion of preferred shares into common shares	(50,000)	(5)	50,000,000	50,000	(49,995)	-	-
Net income (loss) for the year	-	-	-	-	-	(1,087,445)	(1,087,445)
Balance December 31, 2010	240,000	$ 24	1,124,215,000	$ 1,124,215	$ 7,923,861	$ (8,961,954)	$ 86,146
Net income (loss) for the year ended December 31, 2011	-	-	-	-	-	(150,924)	(150,924)
Issuance of Common shares to former officer to reduce note payable	-	-	110,000,000	110,000	(82,500)	-	27,500
Balance December 31, 2011	240,000	24	1,234,215,000	1,234,215	7,841,361	(9,112,877)	(37,278)
Net income (loss) for the six months ended June 30, 2012	-	-	-	-	-	(55,811)	$ (55,811)
Balance June 30, 2012	240,000	$ 24	1,234,215,000	$ 1,234,215	$ 7,841,361	$ (9,168,689)	$ (93,089)

See accompanying notes to financial statements

Legends Business Group , Inc.

Statements of Cash Flows

	Six Months Ended June 30, 2012	Year Ended June 30, 2012	Year Ended December 31, 2011
Cash flows provided by operating activities:			
Net income (loss)	$ (28,877)	$ (55,811)	$ (150,924)
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation	-	-	-
Impairment of intellectual property	-	-	-
Changes in operating assets and liabilities:			
Decrease in trade accounts receivable	-	-	-
Decrease in other receivables	-	-	-
Decrease in promissory note receivable	-	-	-
Decrease (increase) in prepaid expenses	1,150	2,800	(3,700)
Increase in trade accounts payable	(1,155)	(855)	(1,355)
Increase in accrued expenses	25,019	49,661	91,889
Increase (decrease) in deferred revenue	-	-	-
Cash provided (used) by operating activities	(3,863)	(4,205)	(64,090)
Cash flows from investing activities:			
Purchase of stock			
Cash used by investing activities	-	-	-
Cash flows from financing activities:			
Proceeds from officer loan	-	3,693	69,182
Repayment of officer loan	-	-	(10,023)
Reclass of officer loan	-	-	(80,750)
Increase in notes payable	-	-	80,750
Net cash provided by financing activities	-	-	-
Net cash increase for period	(3,863)	(513)	(4,930)
Cash at beginning of period	3,976	625	5,556
Cash at end of period	$ 113	$ 113	$ 625
Supplemental disclosure of cash flow information:			
Cash paid during the period for interest	$ -	$ -	$ 179
Non-cash investing and financing activities:			
Intellectual property acquired through issuance of stock	$ -	$ -	$ -
Development costs paid for with issuance of stock	$ -	$ -	$ -
Promissory Note reduction with issuance of stock	$ -	$ -	$ 27,500

See accompanying notes to financial statements

Legends Business Group, Inc.
Notes to the Financial Statements
Six Months Ended June 30, 2012 and Year Ended December 31, 2011

(1) Organization and summary of significant accounting principles

(a) *Organization*

Legends Business Group, Inc. (the "Company") was organized March 2, 2006 (Date of Inception) under the laws of the State of Nevada. In 2009, the Company provided consulting services to companies that offered any or all of the following services: ISP (internet service provider), long distance provider, VOIP (Voice Over Internet Protocol) provider, and digital content providers. These clients used independent billing houses to bill their monthly fees directly to their customers' telephone bill. The Company focused on three stages of consulting with client businesses: billing, customer service and scripting. In January 2010, it was determined that this industry was no longer viable due to increased regulations and restrictions by the telephone billing companies. In May 2010, the controlling interest in the Company changed and the Company entered the mind control software and hardware business. The technology required by the new business model could not be obtained as anticipated, thereby making further advances under this model no longer viable. In September 2010, a new business plan was initiated to develop and market alternative and exotic energy products. The company offers alternative energy products on their website. During the quarter ended June 30, 2011, the Company entered into a one year commission agreement to locate buyers for an energy project. In April 2011, the company established a grant writing division to procure government, corporate, foundation and trust grant money for research and development of alternative energy solutions. This division will offer their services to other companies, in addition to procuring grants for Legends Business Group, Inc.

(b) *Accounting period*

The Company has a calendar year-end.

(c) *Use of estimates*

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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(d) *Cash and cash equivalents*

For the purpose of the statements of cash flows, all highly liquid investments with a maturity of three months or less are considered to be cash equivalents.

(e) *Furniture and equipment*

Furniture and equipment are stated at cost less accumulated depreciation. It is the policy of the company to capitalize items greater than or equal to $1,000 and provide depreciation based on the estimated useful life of individual assets, calculated using the straight line method.

Estimated useful lives range as follows:

	Years
Furniture and Equipment	7
Computer hardware and software	3 – 5

(1) Organization and summary of significant accounting principles (Continued)

(f) *Revenue recognition*

In 2009 the Company provided consulting services (marketing, billing and script writing) to companies that perform services for small to medium companies and to individual consumers which were billed through telecommunications companies. The Company entered into contracts for one year payable monthly. Revenue was recognized as monthly billings were completed. All contracts had expired as of December 31, 2009. Trailing commissions were earned at the beginning of 2010 with the final amounts being received in February 2010 with no expectations of future commissions.

The Company earns commissions from the sale of products offered on their website and for locating buyers for an energy project. The company recognizes the commission in the month of sale.

A grant writing division was created in April 2011. The grant writing revenue will be recognized in the month that the grant writing services have been completed and invoiced to third party companies. Grants that are obtained for the Company through the grant writing division will be recognized in the month that the grant is awarded.

(g) *Investment Securities*

Investment securities at June 30, 2012 and December 31, 2011 consist of equity securities available-for-sale. The Company classifies its equity securities that have readily determinable fair values into trading or available-for-sale. Trading securities are bought and held principally for the purpose of selling them in the near term. Held-to-maturity debt securities are those debt securities in which the Company has the ability and intent to hold the security until maturity. All securities not included in trading or held-to-maturity are classified as available-for-sale.

Trading and available-for-sale securities are recorded at fair value. Unrealized holding gains and losses on trading securities are included in earnings. Unrealized holding gains and losses, net of the related tax effect, on available-for-sale securities are excluded from earnings and are reported as a separate component of accumulated other comprehensive income until realized. Realized gains and losses from the sale of available-for-sale securities are determined on a specific-identification basis.

(h) *Research and Development and Advertising*

Research and advertising costs are expensed as incurred. Development costs are capitalized as a business asset on the balance sheet. There were no research costs for the six months ended June 30, 2012 and for the year ended December 31, 2011. Advertising and marketing costs amounted to $1,000 the six months ended June 30, 2012 and $2000 for the year ended December 31, 2011. Development costs as of June 30, 2012 and December 31, 2011 totaled $440,000. See note 4.

(i) *Income Taxes*

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 bases. Deferred tax assets, including tax loss and credit carryforwards, and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary 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 enactment date. Deferred tax assets are recognized when management determines that it is more likely than not that the asset will be realized. See note 7.

(1) Organization and summary of significant accounting principles (Continued)

(i) *Income Taxes (continued)*

Deferred income tax expense represents the change during the period in the deferred tax assets and deferred tax liabilities. The components of the deferred tax assets and liabilities are individually classified as current and non-current based on their characteristics. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

(j) *Long-Lived Assets*

Long-lived assets, such as property, plant, and equipment, and purchased intangible assets subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require a long-lived asset or asset group be tested for possible impairment, the Company first compares undiscounted cash flows expected to be generated by that asset or asset group to its carrying value. If the carrying value of the long-lived asset or asset group is not recoverable on an undiscounted cash flow basis, an impairment is recognized to the extent that the carrying value exceeds its fair value.

(k) *Concentration of Risk*

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash and cash equivalents. The Company’s investment policy is to invest in low risk, highly liquid investments.

(l) *Commitments and Contingencies*

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, and penalties and other sources, are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated. Legal costs incurred in connection with loss contingencies are expensed as incurred.

(m) *Fair Value of Financial Instruments*

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of June 30, 2012 and December 31, 2011. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values due to their relatively short maturity. These financial instruments include cash, cash equivalents, notes payable, accounts payable and accrued expenses.

(n) *Fair Value Measurements*

On January 1, 2008, the Company adopted the provisions of FASB Statement No. 157, *Fair Value Measurements*, (included in ASC Topic 820, *Fair Value Measurements and Disclosures*), for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. Statement 157 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC Topic 820 (Statement 157) also establishes a framework for measuring fair value and expands disclosures about fair value measurements.

(1) Organization and summary of significant accounting principles (Continued)

(n) *Fair value Measurements (continued)*

On January 1, 2009, the Company adopted the provisions of ASC Topic 820 (Statement 157) to fair value measurements of nonfinancial assets and nonfinancial liabilities that are recognized or disclosed at fair value in the financial statements on a nonrecurring basis.

(o) *Earnings per share*

Basic earnings per common share ("EPS") calculations are determined by dividing net income by the weighted average number of shares of common stock outstanding during the period. Diluted earnings per common share calculations are determined by dividing net income by the weighted average number of common shares and dilutive common share equivalents outstanding. During periods when common stock equivalents, if any, are anti-dilutive they are not considered in the computation.

(2) Furniture and Equipment

Furniture and equipment consists of the following categories:

	06/30/12	12/31/11
Computers	$ -	$ -
Software	-	-
	-	-
Less: accumulated depreciation	-	-
Total	$ -	$ -

Depreciation expense for the year ended December 31, 2011 was $0. As of December 31, 2010, the assets were fully depreciated and were disposed of as obsolete; therefore, there is no depreciation expense in 2012.

(3) Prepaid Expenses

In May 2011, the Company acquired the right to be a sales representative for an energy project that will generate commission income for all United States buyers, which the Company introduces to the project. The contract is for the year ended April 30, 2012. The contract cost of $3,000 is being amortized over the twelve months. As of June 30, 2012, twelve months was recognized as an expense and $0 is prepaid.

In September 2011, the company prepaid a subscription fee that will run from October 1, 2011 to September 30, 2012. The subscription's cost of $3,600 is being amortized over the twelve months. As of June 30, 2012, nine months was recognized as an expense and $900 is prepaid to be recognized over the remaining three months.

(4) Other Assets

(a) *Investments*

On April 30, 2009, the Company purchased a 50% equity interest with a 60% controlling interest in Transaction Clearing, LLC and its holding company, LEC Ventures, LLC, both Texas limited liability companies. Transaction Clearing, LLC is a billing house used to facilitate the customers' billing needs. The Company paid $615,000 at closing, and entered into a note ("Note") in the amount of $2,250,000 for the remainder of the purchase price. The Note carried a 10% interest rate and was secured by the ownership interest in both Transaction Clearing and LEC Ventures. The Note was payable in 24 equal monthly installments, beginning May 1, 2010.

In November 2009, it was determined that the liability of owning part of a billing house in a declining industry created an industry concentrated risk since the billing house was incurring large losses and liabilities. Accordingly, the investment was sold to the other billing house owners for the original investment and net amount lost in the venture. A promissory note receivable was also received and receipt of payment on the promissory note was based on the financial success of the billing house in the future and the continuation of billing services by the Company through the billing house. In May 2010, the Company determined that this promissory note was impaired and collection was not probable and it was distributed to a vendor as settlement for money due and owed from agreements and contracts.

In October 2010, the Company purchased 600,000 shares of restricted common stock of EnergenX, Inc., a Nevada Corporation. EnergenX, Inc. is a technology-based company, engaging in the discovery, research, and development of electromagnetic motor/generator and battery rejuvenator/battery charger systems in the United States. The purchase represents less than 5% of the outstanding shares in the company.

The Company purchased the shares at a cost of $30,000 or $0.05 per share. Subsequent to the investment, shares were sold on the market at prices, which fluctuated between $0.06 and $0.60. As of June 29, 2012, the share price of the most recent sale on the market was $0.34 and as of December 31, 2011, the most recent sale on the market was $0.34. See note 5.

(b) *Promissory Note Receivable*

Promissory note receivable at December 31, 2009 relates to a relationship with the billing house which was bought and sold in 2009 and was recorded at face value at the time of issuance. Interest was to accrue at LIBOR plus 1% beginning July 2010. Receipt of payment on the promissory note was based on the financial success of the billing house in the future and the continuation of billing services by the Company through the billing house after July 2010. In May 2010, this promissory note was not considered collectible due to the financial performance of the billing house and the fact that the Company was no longer using the billing house for services. The note was distributed to a vendor as settlement for money due and owed from agreements and contracts.

(c) *Intellectual Property*

Intellectual Property is an intangible asset representing the creation of the mind: inventions, literary and artistic works, symbols, names, images and designs used in commerce. Intellectual Property is reviewed for impairment at least annually. The impairment test is a two-step test. Under the first step, the fair value of the intellectual property is compared with its carrying value. If the fair value of the intellectual property is less than its carrying value, an indication of impairment exists for the intellectual property and the enterprise must perform step two of the impairment test (measurement). Under step two, an impairment loss is recognized for any excess of the carrying amount of the intellectual property over the

(4) Other Assets (Continued)

(c) *Intellectual Property (Continued)*

fair value of that intangible.

In June 2010, the Company issued stock during the merger of Intercontinental Systech, Inc. with the Company. Per the terms of the agreement, Intercontinental Systech, Inc was merged into the Company and the separate existence of Intercontinental Systech, Inc. ceased and the Company was the surviving corporation. The merger was pursuant to a business plan to develop mind control software and hardware. The Company recorded the transaction with Intercontinental Systech, Inc. as an acquisition of intellectual property due to the fact that it was acquired for the purpose of developing mind control technology. The Company performed its impairment review of intellectual property at September 30, 2010. The Company recorded an impairment loss of $846,000 in 2010 due to the abandonment of the project.

(d) *Development Costs*

In September 2010, a new business plan involving exotic and alternative energy was developed for the Company. Stock in the Company was issued to the new majority shareholder for the current and future development of this business and was recorded as an intangible asset. Development costs are costs incurred in building or developing commercially viable programs or projects and must be capitalized as a business asset on the balance sheet. Development costs are reviewed for impairment at least annually to determine if the program is still viable and that the development could lead to future economic benefits to the business. The Company continues to promote the exotic and alternative energy business model, which was the basis of the development costs, and has entered into contracts in 2011 from which the Company expects to derive economic benefit. Management has determined that this intangible has an indefinite life and, in management's opinion, the asset is not impaired as of June 30, 2012 or December 31, 2011.

(5) Investment Securities

The carrying amount, gross unrealized holding gains, and fair value of available-for-sale equity securities at June 30, 2012 and December 31, 2011 were as follows:

	Aggregate Cost basis	Gross unrealized holding gains	Aggregate fair value
At June 30, 2012	$ 30,000	$ -	$ 30,000
At December 31, 2011	$ 30,000	$ -	$ 30,000

Equity securities classified as available for sale are measured using quoted market prices at the reporting date multiplied by the quantity held. A discount for lack of marketability was applied to the quoted market price due to the fact that the securities were restricted and due to the low volume of activity on the market. In management's opinion cost approximates the fair value of the investment.

(6) Notes Payable

The Company entered into a Revolving Credit agreement with a former officer that permitted the Company to borrow up to $575,000, bearing interest at 12%. At June 30, 2012 and December 31, 2011 the Company owed $260,510, respectively available under this note with accrued interest of

(6) Notes Payable (Continued)

$83,394 at June 30, 2012 and $68,495 at December 31, 2011. In addition, promissory notes bearing interest of 8% were issued to another former officer for funds advanced to the company. The total of the promissory notes was $80,750 at June 30, 2012 and December 31, 2011 with accrued interest payable of $11,025 at June 30, 2012 and $7,438 at December 31, 2011.

(7) Income taxes

At June 30, 2012 and December 31, 2011, the Company had net operating loss carryforwards for Federal income tax purposes of $1,310,287 and $1,262,081, respectively, which begin to expire in 2026. Utilization of Legends Business Group's net operating losses may be subject to substantial annual limitation in the event of ownership changes, operations changes or other provisions of the Internal Revenue Code and similar state provisions. Such limitations could result in the expiration of the net operating loss before utilization.

The Company also has a $10,000 charitable contribution carryover. The Federal tax rules for carryover of charitable contributions are designed to prevent a double tax benefit interaction of net operating loss and charitable contribution carryover. The excess charitable deduction of $10,000 can be used to reduce future taxable income only once. The Company is limited to a maximum deduction of 10% of taxable income for any carryover tax year. The effect of this tax rule is to convert part of a charitable contribution carryforward into a net operating loss carryforward which can be used against future income without a percentage limitation. If the Company's charitable deduction of $10,000 is not used within five years from the year ended December 31, 2008, it will expire. In management's opinion, the charitable deduction is not realizable.

The Company had deferred tax assets of approximately $560K and $522K as of June 30, 2012 and December 31, 2011, respectively which consisted of the potential benefit related to its net operating loss carryforwards and temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts for income tax purposes. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. As of June 30, 2012 and December 31, 2011, the company has established a valuation allowance for the entire deferred tax asset due to its recurring losses. The Company increased the valuation allowance in the amount of $13K during the quarter ended June 30, 2012 and $522K during the year ended December 31, 2011.

The Company recorded an income tax expense of $41K for the year ended December 31, 2010 which represents the portion of the valuation allowance attributable to the deferred tax asset as of December 31, 2009.

(8) Stockholders' equity

On June 17, 2010, the Company filed a Certificate of Amendment with the State of Nevada indicating that the Company shall be authorized to issue a total of 2,000,000,000 (two billion) shares of $0.001 par value Common Stock and 250,000 (two hundred fifty thousand) shares of $0.0001 par value Preferred Stock. A Certificate of Designation was also filed with the State of Nevada as evidence that the Company had authorized the increase to 250,000 Class A Preferred shares. Shares of the Class A Preferred stock are convertible into common stock at a ratio of 1/1,000 shares of common stock.

After the increase in authorized shares, the Company issued 180,000 shares of Preferred A shares and 391,600,000 Common shares pursuant to the merger agreement with Intercontinental Systech, Inc. The stock issuance was recorded on the books at par to accurately reflect the economic substance of the

(8) Stockholders' equity (continued)

transaction. 50,000 of the Preferred A shares issued in this merger have been converted to 50,000,000 shares of Common as of September 30, 2010.

In September 2010, the majority ownership changed to Rolando Sablon, who became the new CEO and President of the Company. On September 15, 2010, a resolution was passed to issue 40,000 shares of Preferred A stock and 400,000,000 shares of Common Stock to the Rolando Sablon for his creation of the new business plan of the Company. The shares were recorded as development costs at an amount that reflects the economic substance of the transaction.

On July 19, 2011, the Company authorized the issuance of 110,000,000 shares of common stock as partial payment of the 12% promissory note payable to the former officer. See Note 10

(9) Warrants and options

There are no warrants or options outstanding to acquire any additional shares of common stock.

(10) Related party transactions

On April 17, 2008, the Company entered into a $500,000 Revolving Line of Credit Agreement ("Agreement") with its President and CEO ("Lender") at that time. In connection with the execution of the Agreement, the Company issued a promissory note to the Lender for the full amount of the line of credit. On April 27, 2010 the note was modified to reflect the current balance of $288,010 and the terms were changed to a demand note. Interest accrues at the rate of 12% per annum. On July 19, 2011, the Company authorized the issuance of 110,000,000 shares of common stock as partial payment of the 12% promissory note payable to the former officer. The promissory note payable was reduced by $27,500 from $288,010 to $260,510. The $27,500 amount was determined by valuing the stock at the fair market value of the stock as of the date of the conversion and discounted 50% for lack of marketability. At June 30, 2012 and December 31, 2011, the Company owed the Lender $349,246 and $329,006, respectively, under terms of the Agreements, which included accrued interest of $83,394 and $68,496.

In May 2008, the Company entered into an employment agreement with its former President and CEO. The Company agreed to pay an annual salary of $130,000. This employment agreement was terminated in April 2010.

On April 5, 2010, Larry Powalisz resigned as Chairman, CEO and President of Legends Business Group, Inc. and sold his controlling interest to Chong Lee who became the new Chairman, CEO and President. In May, Lee negotiated for the purchase of Intercontinental Systech, Inc. Mr. Lee was also the President of Intercontinental Systech, Inc. Mr. Lee was issued 25,000 shares of Preferred Stock and 250,000,000 shares of Common Stock on June 17, 2010 for his implementation of the merger transaction.

In September 2010, Chong Lee resigned as Chairman, CEO and President of Legends Business Group, Inc and sold his controlling interest to Rolando Sablon who became the new Chairman, CEO and President.

Sablon established a new business plan for the Company and was issued 40,000 shares of Preferred stock and 400,000,000 shares of Common stock for his efforts.

(10) Related party transactions (Continued)

During the six months ended June 30, 2011 and the fourth quarter of 2010, the Company borrowed funds for operations from the President and CEO (Lender) at the time. Interest is accruing at the rate of 8% per annum. At June 30, 2012 and December 31, 2011 the Company owed the Lender $91,775 and $88,188, respectively, which included accrued interest of $11,025 and $7,438.

Beginning October 1, 2010, the Company agreed to pay an annual salary of $50,000 to its President and CEO, Rolando Sablon. The President submitted his resignation on April 29, 2011 which terminated the salary agreement at that time. Total officer salary paid for the twelve months ended December 31, 2011 and year ended December 31, 2010 is $3,824 and $10,416. An additional $12,842 is accrued and payable as of December 31, 2011.

In April 2011, Rolando Sablon's cousin, Rodolfo Sablon, was appointed President of the Company and the Company agreed to pay an annual salary of $50,000. As of June 30, 2012 and December 31, 2011, the Company has accrued fourteen months' salary totaling $58,333 and $33,333.

During the six months ended June 30, 2012 and year ended December 31, 2011, the Company borrowed funds for operations from the new President and CEO, Rodolfo Sablon (Lender). Interest is accruing at 4% per annum. During fiscal year ended December 31, 2011, $10,500 was repaid, which included $477 in interest. At June 30, 2012 and December 31, 2011, the Company owed the Lender $44,020 and $39,493, respectively, under terms of the Agreements, which included accrued interest of $1,168 and $334.

(11) Commitments and contingent liabilities

The Company is occasionally party to litigation or threat of litigation arising in the normal course of business. Management, after consultation with legal counsel, does not believe that the resolution of any such matters will have a material effect on the company's financial position or results of operations.

(12) Subsequent Events

The Company has evaluated subsequent events from the balance sheet date through November 23, 2011, the date at which the financial statements were available to be issued, and determined there are no other items to disclose.