

INDUSTRIAL NANOTECH, INC.
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800-767-3998
ini-worldwide.com
info@ini-worldwide.com
SIC - 3999

Quarterly Report

For the Quarter Ended: March 31, 2023
(the "Reporting Period")

As of March 31, 2023, the number of shares outstanding of our Common Stock was:

3,775,482,790 shares

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934, and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes: ☐ No: ☒

1) Name and address(es) of the issuer and its predecessors (if any)

Industrial Nanotech Inc., a Delaware corporation incorporated on February 7, 2005. Our status is "active".
We have not had any trading suspension orders issued by the SEC.

We issued a 7.5% Stock Dividend on June 6, 2022, to all shareholders holding the Company's common stock as of the close of OTC Markets trading day on January 5, 2022.

The address of our principal executive office and our principal place of business is 1415 Panther Lane Suite 397, Naples, FL 34109

We have not been in bankruptcy, receivership, or any similar proceeding in the past five years.

2) Security Information

Transfer Agent

Name: Pacific Stock Transfer Company
Phone: 571-485-9999
Email: info@pacificstocktransfer.com
Address: 6725 Via Austi Pkwy, Suite 300 Las Vegas, Nevada 89119

"Publicly Traded Securities"

Trading symbol:	INTK	
Exact title and class of securities outstanding:	Common	
CUSIP:	456277 102	
Par or stated value:	\$0.0001	
Total shares authorized Common:	4,000,000,000	as of date: March 31, 2023
Total shares outstanding Common:	3,775,482,790	as of date: March 31, 2023
Number of shares in the Public Float:	2,152,710,656	as of date: March 31, 2023
Total number of shareholders of record:	274	as of date: March 31, 2023

"Other classes of authorized or outstanding equity securities"

Trading symbol:	INTK	
Exact title and class of securities outstanding:	Preferred	
Par or stated value:	\$0.0001	
Total shares authorized Preferred:	25,000,000	as of date: March 31, 2023
Total shares outstanding Preferred:	7,500,000	as of date: March 31, 2023
Total number of shareholders of record:	3	as of date: March 31, 2023

Security Description:

1. For common equity, describe any dividend, voting, and preemption rights.

For common equity, the voting right is one vote per one share of common stock.

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

For Preferred stock, 1000/1 Dividend rights, 1000/1 Voting rights and 1000/1 Conversion rights.

3. Describe any other material rights of common or preferred stockholders.

The common or preferred stockholders have no other material rights.

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

There have not been any material modifications to rights of holders of the company's securities during the reporting period covered by this report.

3) Issuance History

A. Changes to the Number of Outstanding Shares

Shares Outstanding on January 1, 2021 Common: 2,300,764,752 Preferred: 5,000,000									
Date of Transaction	Transaction type	Number of Shares	Class of Securities	Value of shares issued	Issued at a discount	Issued to	Reason for share issuance	Restricted or Unrestricted	Exemption or Registration Type.
<u>02/04/2021</u>	<u>New</u>	<u>50,000,000</u>	<u>Common</u>		<u>Yes</u>	<u>Dan H Barnett</u>	<u>Consultation Services</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>02/04/2021</u>	<u>New</u>	<u>50,000,000</u>	<u>Common</u>		<u>Yes</u>	<u>James M Pidhurney</u>	<u>Consultation Services</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>4/1/2021</u>	<u>New</u>	<u>200,000,000</u>	<u>Common</u>		<u>Yes</u>	<u>E- Ventures Worldwide LLC*</u>	<u>Debt Conversion</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>12/1/2021</u>	<u>New</u>	<u>150,000,000</u>	<u>Common</u>		<u>Yes</u>	<u>E- Ventures Worldwide LLC*</u>	<u>Debt Conversion</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>12/1/2021</u>	<u>New</u>	<u>50,000,000</u>	<u>Common</u>		<u>Yes</u>	<u>Mark Moss</u>	<u>Consultation Services</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>12/1/2021</u>	<u>New</u>	<u>1,500,000</u>	<u>Common</u>		<u>Yes</u>	<u>Andrew Sarkany</u>	<u>Debt Conversion</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>12/1/2021</u>	<u>New</u>	<u>100,000,000</u>	<u>Common</u>		<u>Yes</u>	<u>Seth Farbman</u>	<u>Consultation Services</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>02/11/2022</u>	<u>New</u>	<u>200,000,000</u>	<u>Common Stock</u>		<u>Yes</u>	<u>George Stuart Burchill</u>	<u>Officer Compensation</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/18/2022</u>	<u>New</u>	<u>231,000,000</u>	<u>Common Stock</u>		<u>Yes</u>	<u>E-Ventures Worldwide LLC *</u>	<u>Consultation Services</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/18/2022</u>	<u>New</u>	<u>5,000,000</u>	<u>Common Stock</u>		<u>Yes</u>	<u>Juneyeta Mattix</u>	<u>Consultation Services</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/18/2022</u>	<u>New</u>	<u>25,000,000</u>	<u>Common Stock</u>		<u>Yes</u>	<u>North Equities USA LTD **</u>	<u>Consultation Services</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/24/2022</u>	<u>New</u>	<u>205,600</u>	<u>Common Stock</u>		<u>Yes</u>	<u>Joseph AB Investments ***</u>	<u>Debt Conversion</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/24/2022</u>	<u>New</u>	<u>51,400</u>	<u>Common Stock</u>		<u>Yes</u>	<u>Noam J. Cohen, PA</u>	<u>Legal Services</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>03/04/2022</u>	<u>New</u>	<u>10,000,000</u>	<u>Common Stock</u>		<u>Yes</u>	<u>Proactive Capital Partners LP****</u>	<u>Debt Conversion</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/18/2022</u>	<u>New</u>	<u>2,500,000</u>	<u>Preferred Stock</u>		<u>Yes</u>	<u>E-Ventures Worldwide LLC *</u>	<u>Consultation Services</u>	<u>Restricted</u>	<u>Rule 144</u>

<u>4/20/2022</u>	<u>Canceled</u>	<u>300,000,000</u>	<u>Common Stock</u>		<u>Yes</u>	<u>E-Ventures Worldwide LLC *</u>	<u>Cancellation</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>6/9/2022</u>	<u>New</u>	<u>15,000,000</u>	<u>Common Stock</u>		<u>Yes</u>	<u>Stuart Kratky</u>	<u>Debt Conversion</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>6/16/2022</u>	<u>New</u>	<u>55,000,000</u>	<u>Common Stock</u>		<u>Yes</u>	<u>Joseph AB Investments ***</u>	<u>Debt Conversion</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>6/6/2022</u>	<u>New</u>	<u>217,669,868</u>	<u>Common Stock</u>		<u>Yes</u>	<u>All Stock holders</u>	<u>Stock Dividend</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>8/31/2022</u>	<u>New</u>	<u>60,468,750</u>	<u>Common Stock</u>		<u>Yes</u>	<u>DOUGLAS SCHILLER</u>	<u>Consulting Fee</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>8/17/2022</u>	<u>New</u>	<u>3</u>	<u>Common Stock</u>		<u>Yes</u>	<u>EDWARD JONES</u>	<u>Miscellaneous</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>7/17/2022</u>	<u>New</u>	<u>45,000,000</u>	<u>Common Stock</u>		<u>Yes</u>	<u>GEORGE STUART BURCHILL</u>	<u>Replacement for lost/cancelled certificate *</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>7/19/2022</u>	<u>Canceled</u>	<u>50,000,000</u>	<u>Common Stock</u>		<u>Yes</u>	<u>GEORGE STUART BURCHILL</u>	<u>Cancellation</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>12/21/2022</u>	<u>New</u>	<u>13,022,560</u>	<u>Common Stock</u>		<u>Yes</u>	<u>Jeffrey Miller</u>	<u>Consulting Fee</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>11/29/2022</u>	<u>New</u>	<u>35,000,000</u>	<u>Common Stock</u>		<u>Yes</u>	<u>George Burchill</u>	<u>Management Fee</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>10/18/2022</u>	<u>New</u>	<u>273,799,200</u>	<u>Common stock</u>		<u>Yes</u>	<u>BB Winks LLC****</u>	<u>Debt conversion</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>03/06/2023</u>	<u>New</u>	<u>37,000,000</u>	<u>Common Stock</u>		<u>Yes</u>	<u>GEORGE STUART BURCHILL</u>	<u>Management Fee</u>	<u>Restricted</u>	<u>Rule 144</u>
Shares Outstanding on Date of This Report: March 31, 2023 Common: 3,775,482,790 Preferred: 7,500,000			Managing Members: *Jeev Trika, **Benjamin Henderson, *** Moshe Joseph, **** Jeffrey S. Ramson, *****Stuart Burchill						

B. Promissory and Convertible Notes

<u>Date</u>	<u>Outstanding Balance</u>	<u>Principal Amount at Issuance)</u>	<u>Interest Accrued</u>	<u>Maturity Date</u>	<u>Conversion Terms</u>	<u>Name of Noteholder</u>	<u>Reason for Issuance</u>
<u>5/26/2022</u>	<u>\$25,166.66</u>	<u>\$25,000.00</u>	<u>\$166.66</u>	<u>5/25/2023</u>	<u>N/A</u>	<u>John Hawley</u>	<u>Loan</u>
<u>6/27/2022</u>	<u>\$25,000.00</u>	<u>\$25,000.00</u>	<u>\$0</u>	<u>6/26/2023</u>	<u>N/A</u>	<u>Sol Wahba</u>	<u>Loan</u>
<u>7/20/2022</u>	<u>\$50,000.00</u>	<u>\$50,000.00</u>	<u>0</u>	<u>7/20/2023</u>	<u>N/A</u>	<u>Zennifer Inc.*</u>	<u>Loan</u>
<u>8/26/2022</u>	<u>\$60,000.00</u>	<u>\$60,000.00</u>	<u>0</u>	<u>8/26/2023</u>	<u>N/A</u>	<u>Zennifer Inc.*</u>	<u>Loan</u>
<u>8/02/2022</u>	<u>\$50,000.00</u>	<u>\$50,000.00</u>	<u>0</u>	<u>8/02/2023</u>	<u>N/A</u>	<u>Legend Capital **</u>	<u>Loan</u>
Managing Members: *Emily Leah Burnett, **Evan Greenberg							

4) Issuer's Business, Products, and Services

A. Business operations:

Industrial Nanotech Inc. is a rising global nanoscience solution and research leader. The Company develops and commercializes new and innovative applications for sustainable manufacturing and buildings which are sold worldwide, including patented thermal insulation and asset protection coatings which provide energy savings, thermal insulation, corrosion resistance, prevention of CUI, moisture resistance, UV resistance, chemical resistance, and other protective benefits. The coatings are low VOC, water-based, and sustainable. The Company manufactures the products at a factory in Sumter, South Carolina, and sells the products directly through the Company's subsidiaries and through distributors in the US and internationally. Additional information about the company's products can be found at www.syneffex.com and www.talkingpaint.com.

B. Subsidiary: Syneffex Inc. & Talking Paint Inc.

C. Principal products:

The current product line developed, patented, and sold by the Company is a line of specialty coatings containing a nanotechnology-based material which are well-documented to provide the combined performance qualities of thermal insulation, corrosion prevention, and resistance to mold growth in an environmentally safe, water-based, coating formulation. Industrial Nanotech currently owns patent rights to the combination of a specific category of nanocomposites and a variety of secondary "carrier" components used in these products. The Company is an active participant in research and development with leading laboratories exploring nanotechnology. Additional products are either in the Research and Development Phase or the Product Launch Phase of development and commercialization.

The Company's products are sold throughout the world both directly to the consumer through the Company's websites and through a network of exclusive distributors, non-exclusive distributors, and independent sales representatives

5) Issuer's Facilities

We rent warehouse space and office space in Denver, CO, and Naples, FL. Total rent is \$1,175 and is on a month-to-month basis. The majority of the issuer's research, manufacturing, warehousing, and order processing is performed at the facilities of third-party vendors or contract partners at their facilities.

6) Officers, Directors, and Control Persons

Name	Affiliation	Residential Address	Number of shares owned	Share type/class	Ownership Percentage
G.Stuart Burchill	Director, Chief Executive Officer	Naples FL	237,000,000	Common	6.278 %
G.Stuart Burchill	Director, Chief Executive Officer	Naples FL	2,500,000	Preferred	33.33%
G.Stuart Burchill	Director, Chief Executive Officer	Naples FL	2,737,000,000*	Common & Preferred	72.49%**
Jeev Trika	Consultant	Naples FL	2,500,000	Preferred	33.33%
Laurie Ann Burchill	Co-Founder	Naples FL	2,500,000	Preferred	33.33%

Footnotes:

*The Preferred shares include as converted and voting rights at 1000/1 common shares at 2,500,000,000 common shares plus currently owned 237,000,000 common shares.

** Percentage is as on share basis, as converted/voting rights over the quarter ending March 2023 issued and outstanding common shares.

G. Stuart Burchill, CEO/CFO/CTO Founder of the company is not taking a salary since the inception of the company in 2004 and the stock was given as executive compensation for the past 10 years.

7)

Legal/Disciplinary History

A. The persons or entities listed above have, in the past 10 years, have not been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);
2. 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;
3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, 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; or
4. 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.

N/A

B. Neither we nor our subsidiary has any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which we or our subsidiary is a party or of which any of our property is the subject.

8) Third Party Service Providers

Please provide the name, address, telephone number, and email address of each of the following outside providers:

Securities Counsel

Name: Jackson L. Morris, Esq.
Address: 126 21st Avenue SE, St. Petersburg, Florida 33705
Phone: 813-892-5969
Email: jackson.morris@rule144solution.com

Accountant or Auditor

Name: Maria Lourdes R. Balino
Position: Staff Accountant
Address 1: 999 Vanderbilt Beach Road, Suite 2 Naples, Florida 34108 USA
Phone: 720-452-4303
Email: maria.b@syneffex.com

All other means of Investor Communication:

Twitter: <https://twitter.com/indnanotech>
LinkedIn: <https://www.linkedin.com/company/industrial-nanotech/>
Facebook: <https://www.facebook.com/IndustrialNanoTechnology>
[Others] Press Releases
Live Zoom Meetings

9) Financial Statements

A. The following financial statements were prepared in accordance with:

- ☐ IFRS
☒ U.S. GAAP

B. The following financial statements were prepared by (name of individual)²:

Name: Maria Lourdes Balino
Title: Comptroller
Relationship to Issuer: Comptroller

The financial statements identified below are published at OTC Markets as a separate document.

- a. Balance Sheet;
- b. Statement of Income;
- c. Statement of Cash Flows;
- d. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- e. Financial Notes

Industrial Nanotech, Inc.
Consolidated Balance Sheets
(Unaudited)

	As of March 31, 2023	As of December 31, 2022
ASSETS		
Cash	\$ 1,160.06	100
Accounts Receivable	\$ 11,601,727.88	11,573,076
Total Current Assets	11,602,888	11,573,176
Prepaid Expenses	1,000.00	1,000
Inventory	\$ 1,990.42	2,305
Equipment, Net	14,857.30	14,857
Total Assets	<u>11,620,736</u>	<u>11,591,338</u>
Accounts Payable	\$ 4,630,109.80	4,602,474.88
Accrued Payroll Expenses		
Accrued Expenses	\$ 172,108.88	168,107
Notes Payable	\$ 1,055,816.57	1,055,817
Notes Payable - Related Party	106,266.01	106,266
Total Current Liabilities	<u>5,964,301</u>	<u>5,932,664</u>
Total Liabilities	<u>5,964,301</u>	<u>5,932,664</u>
Preferred Stock, Par Value \$0.0001 25,000,000 shares authorized, 5,000,000 issued and outstanding	750.00	750.00
Common Stock, Par Value \$0.0001, 4,000,000,000 shares authorized, 3,775,482,790 and 3,775,482,790 issued and outstanding	377,548.28	373,848
Paid in Capital	18,029,530.56	18,039,319
Accumulated Deficit	-12,751,394.44	-12,755,244
Total Stockholders' Equity	<u>5,656,434</u>	<u>5,658,674</u>
Total Liabilities and Stockholders' Equity	<u>11,620,736</u>	<u>11,591,338</u>

See accompanying Notes to the Consolidated Financial Statements

Industrial Nanotech Inc.
Consolidated Statements of Operations
(Unaudited)

	Quarter Ended March 31st 2023	Quarter Ended December 31st 2022
INCOME		
Revenue	86,663	15,400,309
Less: Cost of Goods Sold	30,166	8,351,586
Gross Profit	\$ 56,497	\$ 7,048,723
OPERATING EXPENSES		
Professional and Consulting	19,149	350,694
Payroll Expenses	13,007	134,659
General and Administrative	15,113	181,271
Sales and Marketing	5,379	55,568
Total Expenses	\$ 52,648	\$ 722,192
Net Income (Loss) From Operations	3,849	6,326,531
Other Income and Expense		
Gain(Loss) on Extinguishment of Debt		
Interest Expense		(17,600)
Net Income (Loss)	3,849	6,308,931

See accompanying Notes to the Consolidated Financial Statements

Consolidated Statements of Stockholder's Deficit

Consolidated Statements of Stockholder's Deficit

(Unaudited)

Balance December 31, 2022	7,500,000	\$	750	3,738,487,552	\$	373,849	\$	18,048,203	\$	(12,764,127)	\$	5,658,674
Issuance of stocks	-	-	-	37,000,000	-	3,700	-	-	-	-	-	3,700
Additional Paid In-Adjustment								(9,789)				(9,789)
Net Income (Loss)								\$		3,849	\$	3,849
Balance March 31, 2023	7,500,000	\$	750	3,775,487,552	\$	377,549	\$	18,038,414	\$	(12,760,278)		5,656,434

See accompanying Notes to the Consolidated Financial Statements

Industrial Nanotech, Inc.
Consolidated Statement of Cash Flows
(Unaudited)

	Quarter Ending March 31, 2023	Quarter Ending December 31, 2022
OPERATING ACTIVITIES		
Net Loss	\$ 3,849	\$ 6,308,931
Non-Cash Effects on Profit and Loss		
Shares Issued for Services		
Derivative Expense		
Adjustment to Reconcile Prior Year	0	8,883
Changes in Operating Accounts		
Change in Accounts Receivable	(28,652)	(11,303,601)
Change in Prepaid Expenses	-	49,625
Change in Inventory	314	11,207
Change in Customer Deposits		
Change in Accounts Payable	27,635	4,287,636
Change in Accrued Expenses	4,002	33,781
Change in Accrued Payroll	-	-
Net Cash Used in Operations	7,149	(603,538)
INVESTING ACTIVITIES		
Proceeds from Owner's Investment	(0)	(21,804)
Net Proceeds from Investing Activities	(0)	(21,804)
FINANCING ACTIVITIES		
Payments/Proceeds on Loans	-	484,951
Proceeds from Sale of Common/Preferred Stock	3,700	83,872
Payment on Notes Payable - Related Party	(9,789)	56,552
Net Cash Provided by (Used In) Financing Activities	(6,089)	625,375
Net Increase/(Decrease) in Cash	1,060	34
Cash, Beginning of Period	99	66
Cash, End of Period	\$ 1,160	\$ 99

See accompanying Notes to the Consolidated Financial Statements

Industrial Nanotech Inc.
Notes to Consolidated Financial Statements
March 31, 2023

Note 1 - General Organization and Business

Industrial Nanotech, Inc. (the "Company") is a Delaware corporation organized on February 7, 2005. On March 14, 2005, the Company acquired a corporation with the same name organized in Wyoming on January 14, 2004. The Delaware Corporation is the surviving legal entity with the Wyoming Corporation being the historical accounting entity for reporting purposes. Both companies were organized by the same founders, therefore there was no change of control. The Wyoming Corporation is operated as a wholly owned subsidiary.

On June 28, 2005, the Company organized a Florida corporation of the same name to provide management services to the Company and is also operated as a wholly owned subsidiary.

The Company develops, manufactures and markets industrial grade insulation products utilizing emerging nanotechnology. The Company currently owns patent rights to the combination of a specific category of nanocomposites and a variety of secondary "carrier" components used in these products. The Company is an active participant in research and development with leading laboratories exploring nanotechnology.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") on the accrual basis of accounting.

Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

Earnings (Loss) per Share

The basic earnings (loss) per share is calculated by dividing the Company's net (loss) available to common shareholders by the weighted average number of common shares during the year. The diluted earnings (loss) per share are calculated by dividing the Company's net income (loss) available to common shareholders by the diluted weighted average number of shares outstanding during the year. The diluted weighted average number of shares outstanding is the basic weighted average number of Shares adjusted as of the first of the year for any potentially dilutive debt or equity. Basic and diluted losses per share were the same at the reporting dates as there were no common stock equivalents outstanding at December 31, 2022 and March 31, 2023.

Use of Estimates

The preparation of financial statements in conformity with CAAP 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers cash on hand, cash in banks and other highly liquid instruments purchased with an original maturity date of three months or less to be cash equivalents.

Property and Equipment

Property and Equipment is stated at cost less accumulated depreciation. The Company capitalizes all additions and improvements with a cost greater than \$500. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, ranging from five to seven years. Maintenance and repairs are charged to expense as incurred. Property and equipment consists of the following:

	March 31, 2023
Computer Equipment	\$ 43,208
Equipment	16,195
Furniture and Fixtures	6,528
Less: Accumulated Depreciation	(51,074)
Property and Equipment, Net	<u>\$ 14,857</u>

Revenue Recognition

The Company recognizes revenue when a sale is made and the product is shipped. The Company receives payment for orders that have not yet met the revenue recognition criteria. These payments are recorded as customer deposits within current liabilities until the revenue is earned.

Accounts receivable consist of amounts due from customers which arise in the normal course of business. Management determines the allowance for doubtful accounts based on historical losses and current economic conditions. On a continuing basis, management analyzes delinquent receivables, and once those receivables are determined to be uncollectible, they are written off against an existing allowance account. As of December 31, 2022 and March 31, 2023, the Company determined that an allowance for doubtful accounts is not necessary.

Shipping and Handling Fees

All amounts billed to a customer in sales transaction related to shipping and handling represent revenues and are reported as revenues in the consolidated statements of operations. Costs incurred by the Company for shipping and handling are reported within costs of revenues in the consolidated statements of operations.

Income Tax

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. Additionally, the recognition of future tax benefits, such as net operating loss carry forwards, is required to the extent that realization of such benefits is more likely than not. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which the assets and liabilities 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 tax expense in the period that includes the enactment date.

In the event the future tax consequences of differences between the financial reporting bases and the tax bases of the Company's assets and liabilities result in deferred tax assets. Periodic reviews of the carrying amount of deferred tax assets are made to determine if the establishment of a valuation analysis is necessary. A valuation allowance is provided for the portion of the deferred tax asset when it is more likely than not that some or all of the deferred tax asset will not be realized. Management considers the scheduled reversals of deferred tax liabilities, projected future taxable income, and tax planning strategies when making this determination.

The Company's income tax returns are subject to examination by tax authorities. Generally, the statute of limitations related to the Company's federal and state income tax return is three years from the date of filing. The state impact of any federal changes for prior years remains subject to examination for a period up to five years after formal notification to the states.

Management has evaluated tax positions in accordance with Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC") 740, Income Taxes, and has not identified any significant tax positions.

Fair Value of Financial Instruments

FASB ASC 820, Fair Value Measurements and Disclosures, establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below.

Level I Valuations based on unadjusted quoted market prices in active markets for identical assets and liabilities.

Level 2 Valuations based on observable inputs (other than Level 1), such as quoted prices for similar assets at the measurement date; quoted prices in markets that are not active; or other inputs that are observable, either directly or indirectly.

Level 3 Valuations based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value measurement.

Recent Accounting Pronouncements

The Company has implemented all new accounting standards and does not believe there are any other new accounting pronouncements that have been issued that may have a material impact on the consolidated financial statements.

Note 3 - Going Concern

Management is presently creating new technologies, launching new brands and product lines, and is pursuing the acquisition of additional intellectual property in nanotechnology. The overall objective is to develop a nanocomposite manufacturing and research facility and expansion of distribution networks worldwide. The Company must continue increase revenue to support the growth of product development. Management has been successful in 2022 at sufficiently increasing revenues; however, failure to do so would cause the Company to further increase its negative working capital deficit and could result in the Company having to curtail or cease operations.

Note 4 - Note Payable - Related Party

In March 2005, the Company entered into convertible promissory note with G Stuart Burchill, the CEO, to personally provide a line of credit to the Company. The note had no stated amount and accrues interest compounded monthly at 10% per annum. The principal and interest were due on demand. The note could be converted into common stock at a conversion rate to be negotiated at the time of conversion. The conversion rate was at a 50% discount to the previous 10-day average closing price.

On March 10, 2022, G Stuart Burchill, the CEO, amended the promissory note as follows:

- The principal and interest are due with six (6) months written advance notice.
- The note cannot be converted to common stock.

Note 5 - Stockholders' Deficit

The Company has authorized 3,750,000,000 shares of common stock, par value of \$0.0001 per share and 25,000,000 shares of preferred stock, par value of \$0.0001 per share. Of the 25,000,000 shares of preferred stock, 7,500,000 shares are designated as Series A.

The holders of Series A preferred stock ("Series A") are entitled to 1,000 votes per share and the holders of common stock are entitled to one vote. Series A holders are entitled to receive quarterly dividends payable in cash if dividends are declared on common stock. Series A dividends shall be the greater of \$0.10 per share or 1,000 times the aggregate declared dividend per common share. As of December 31, 2017, and December 31, 2018, there were no dividends declared. In case of voluntary or involuntary liquidation or dissolution of the Company, subject to assets being available, holders of Series A will receive \$1,000 per share plus accrued dividends. Once liquidation of Series A is complete, holders of common stock will receive \$1 .00 per share and all remaining available assets shall be distributed proportionally by number of shares outstanding.

During the year ended December 31, 2022, the Company had the following common stock transactions:

- 10,205,600 shares were issued on the conversion of prior year debt principal and interest
- 261,000,000 shares were issued for consultation services
- 51,400 shares were issued for prior year legal fees
- 200,000,000 shares were issued for Executive Compensation for past 10yrs in lieu of salary
- 300,000,000 shares were cancelled for full payment of prior debt principal and interest
- 217,669,868 shares were issued for shares dividend @ 7.50%
- 70,000,657 shares were issued on the conversion of prior year debt principal and interest
- 50,000,000 shares were cancelled
- 45,000,000 shares were issued for lost/cancelled certificate
- 60,468,750 shares were issued for consultation services
- 13,022,560 shares were issued consultation services
- 35,000,000 shares were issued for management services
- 273,799,200 shares were issued for conversion of prior year debt principal and interest

During the quarter ended March 31, 2023, the Company had the following common stock transactions:

- 37,000,000 shares were issued for management services

Note 6 – Note to Profit/Loss Regarding Significant Supply Chain Issue Q4 2022

As reported in the Annual Report Year End 12/31/2022, the Company experienced a major supply chain issue when the primary resin system was discontinued, which eliminated the Company's ability to fill orders for our major product lines. As also reported the issue has been resolved and Q1 2023 was devoted to due diligence and quality control testing of the new formulations and beginning of production. At the end of Q1 2023 production to fill customer orders began again and product is being shipped weekly to customers throughout the US and internationally. Sales continue to trend upward toward previous levels. One good outcome of this difficult past two quarters is that EPX-H2O is now composed of Leeds Certified components and can be used in projects requiring Leeds Certification.

Note 7 - Subsequent Events

In accordance with FASB ASC 855, Subsequent Events, the Company evaluated subsequent events through the date of this report, which the date the consolidated financial statements were available for issue. No material subsequent events were noted.

Note 8 – Litigation

The company has on going case with Filing date May 16, 2022 with demand of \$11,000.00 Cash plus 12,000,000 shares of restricted common stock plus interest.

10) Issuer Certification

Principal Executive and Financial Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Stuart Burchill, certify that:

1. I have reviewed this Disclosure Statement ending March 31, 2023, of Industrial Nanotech 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, not 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.

05/19/2023

/s/ G.Stuart Burchill

G.Stuart Burchill , CEO, CFO and President