

WATER TECHNOLOGIES INTERNATIONAL, INC.

A Florida Corporation

1385 SW BENT PINE CV
PORT ST LUCIE, FL 34986

(561) 841-6024

<http://www.gr8water.net>

info@gr8water.net

SIC Code: 5078 - Refrigeration Equipment and Supplies

Quarterly Report

For the Period Ending: June 30, 2024 (the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

1,520,975,090 shares as of June 30, 2024

1,320,975,090 shares as of December 31, 2023

992,254,120 shares as of December 31, 2022

Shell Status

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: ☒

Change in Control

Indicate by check mark whether a Change in Control⁴ of the company has occurred during this reporting period:

Yes: ☐ No: ☒

⁴ "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

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

In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.

Current since May 19, 2011:

Water Technologies International, Inc.

Date and state (or jurisdiction) of incorporation (also describe any changes to incorporation since inception, if applicable) Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

Water Technologies International, Inc. was originally incorporated as Latitude Industries, Inc. ("Latitude") in the State of Florida on April 21, 2005 and manufactured custom powerboats. Later in 2005 Latitude engaged in a reorganization transaction with Cypress International Inc., a Delaware corporation ("Cypress"), to acquire its shareholder base. After the reorganization, both Latitude and Cypress continued to exist and had separate tax identification numbers. Cypress was dissolved in 2006. On May 19, 2011, the Company changed its name to Water Technologies International Inc. and entered its present line of business. The Company's current standing in Florida is active.

Current State and Date of Incorporation or Registration: Florida

Standing in this jurisdiction: (e.g. active, default, inactive): Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:
None

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

None

List any stock split, dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

Address of the issuer's principal executive office:

1385 SW Bent Pine Cv
Port St. Lucie, FL 34986

Address of the issuer's principal place of business:

☒ *Check if principal executive office and principal place of business are the same address:*

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: ☒ Yes: ☐ If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: Clear Trust, LLC

Phone: (813) 235-4490

Email: inbox@cleartrusttransfer.com

Address: 16540 Pointe Village Dr. Ste 205 Lutz, FL 33558

Publicly Quoted or Traded Securities:

Trading symbol:	<u>WTII</u>	
Exact title and class of securities outstanding:	<u>Common Stock</u>	
CUSIP:	<u>94114G 100</u>	
Par or stated value:	<u>\$.00001</u>	
Total shares authorized:	<u>2,000,000,000</u>	as of date: <u>June 30, 2024</u>
Total shares outstanding:	<u>1,520,975,090</u>	as of date: <u>June 30, 2024</u>
Total number of shareholders of record:	<u>59</u>	as of date: <u>June 30, 2024</u>

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

Exact title and class of the security:	<u>Series A Convertible Preferred Stock</u>
Par or stated value:	<u>\$.00001</u>
Total shares authorized:	<u>800,000</u> as of date: <u>June 30, 2024</u>
Total shares outstanding:	<u>800,000</u> as of date: <u>June 30, 2024</u>
Total number of shareholders of record:	<u>5</u> as of date: <u>June 30, 2024</u>

Exact title and class of security:	<u>Series B Convertible Preferred Stock</u>
Par or stated value:	<u>\$.00001</u>
Total shares authorized:	<u>600,000</u> as of date: <u>June 30, 2024</u>
Total shares outstanding:	<u>500,000</u> as of date: <u>June 30, 2024</u>
Total number of shareholders of record:	<u>6</u> as of date: <u>June 30, 2024</u>

Exact title and class of security:	<u>Series C Convertible Preferred Stock</u>
Par or stated value:	<u>\$.00001</u>
Total shares authorized:	<u>500,000</u> as of date: <u>June 30, 2024</u>
Total shares outstanding:	<u>500,000</u> as of date: <u>June 30, 2024</u>
Total number of shareholders of record:	<u>5</u> as of date: <u>June 30, 2024</u>

Exact title and class of security:	<u>Series D Preferred Stock</u>
Par or stated value:	<u>\$.00001</u>
Total shares authorized:	<u>100,000</u> as of date: <u>June 30, 2024</u>
Total shares outstanding:	<u>100,000</u> as of date: <u>June 30, 2024</u>
Total number of shareholders of record:	<u>1</u> as of date: <u>June 30, 2024</u>

Exact title and class of security:	<u>Series E Convertible Preferred Stock</u>
Par or stated value:	<u>\$.00001</u>
Total shares authorized:	<u>10,000</u> as of date: <u>June 30, 2024</u>
Total shares outstanding:	<u>None</u> as of date: <u>June 30, 2024</u>
Total number of shareholders of record:	<u>None</u> as of date: <u>June 30, 2024</u>

Security Description:

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

N/A

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

(a) 800,000 shares were designated as Series A Convertible Preferred Stock, which shall be convertible, at the option of the holder thereof, at any time after the date of issuance into one hundred (100) shares of fully paid and non-assessable shares of Common Stock

(b) 600,000 shares were designated as Series B Convertible Preferred Stock, which shall be convertible, at the option of the holder thereof, at any time after the date of issuance into one hundred (100) shares of fully paid and non-assessable shares of Common Stock

(c) 500,000 shares were designated as Series C Convertible Preferred Stock, which shall be convertible, at the option of the holder thereof, at any time after the date of issuance into one thousand (1,000) shares of fully paid and non-assessable shares of Common Stock

(d) 100,000 shares were designated as Series D Preferred Stock, which shall have one hundred thousand (100,000) times that number of votes on all matters submitted to the common shareholders, but no conversion rights.

(e) 10,000 shares were designated as Series E Convertible Preferred Stock, which shall be convertible, at the option of the holder thereof, into fifty thousand (50,000) shares of Common Stock. Each shares of Series E Convertible Preferred Stock shall have fifty thousand (50,000) shares that number of votes on all matters submitted to the common shareholders.

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

N/A

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.

N/A

3) Issuance History

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: ☐ Yes: ☒ (If yes, you must complete the table below)

Shares Outstanding <u>Opening Balance:</u> Date <u>01/01/2022</u> Common: <u>639,192,039</u> Preferred: <u>1,820,000</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to. ***You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) - OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
2/9/2022	New	10,526,315	Common	\$0.001	Yes	The Brewer Group, Inc Jack Brewer	Debt conversion	Unrestricted	Rule 144
3/1/2022	New	45,000	Preferred C	\$1.00	No	Educational Group, LLC Teresa Haynes	Cash	Restricted	Rule 144

3/21/2022	New	32,947,788	Common	\$0.001	Yes	Greentree Financial Group Chris Cottone	Debt conversion	Unrestricted	Rule 144
05/11/2022	New	11,764,706	Common	\$0.0008	Yes	The Brewer Group, Inc Jack Brewer	Debt conversion	Unrestricted	Rule 144
06/16/2022	Cancelled	(25,000)	Preferred C	\$1.00	No	Educational Group, LLC Teresa Haynes	n/a	Restricted	Rule 144
06/16/2022	New	25,000,000	Common	\$0.001	Yes	Educational Group, LLC Teresa Haynes	Preferred C conversion	Unrestricted	Rule 144
07/11/2022	New	16,666,667	Common	\$0.0006	Yes	The Brewer Group, Inc Jack Brewer	Debt conversion	Unrestricted	Rule 144
08/05/2022	New	40,533,824	Common	\$0.0006	Yes	Greentree Financial Group Chris Cottone	Debt conversion	Unrestricted	Rule 144
08/30/2022	New	10,769,230	Common	\$0.0006	Yes	The Brewer Group, Inc Jack Brewer	Debt conversion	Unrestricted	Rule 144
09/09/2022	New	54,007,937	Common	\$0.0006	Yes	Greentree Financial Group Chris Cottone	Debt conversion	Unrestricted	Rule 144
9/13/2022	New	16,666,667	Common	\$0.0015	No	Mudai Nakagawa	Reg A Offering	Unrestricted	Rule 144
11/10/2022	New	66,678,947	Common	\$0.0004	Yes	Greentree Financial Group Chris Cottone	Debt conversion	Unrestricted	Rule 144
12/12/2022	New	67,500,000	Common	\$0.0004	Yes	Educational Group, LLC Teresa Haynes	Debt conversion	Restricted	Rule 144
02/01/2023	New	33,333,333	Common	\$0.0015	Yes	Ben Heuser	Cash	Unrestricted	Rule 144
02/06/2023	New	38,565,000	Common	\$0.0002	Yes	The Brewer Group, Inc Jack Brewer	Debt conversion	Restricted	Rule 144
04/20/2023	New	76,785,714	Common	\$0.0003	No	The Brewer Group, Inc Jack Brewer	Debt conversion	Restricted	Rule 144
05/08/2023	New	80,036,923	Common	\$0.0003	Yes	Educational Group, LLC Teresa Haynes	Debt conversion	Unrestricted	Rule 144
06/07/2023	New	100,000,000	Common	\$0.0003	Yes	Anything Media, Inc. Chris Jensen	Debt conversion	Restricted	Rule 144
01/29/2024	New	100,000,000	Common	\$0.0003	Yes	Macro Services, Inc. Richard Wilson	Debt conversion	Restricted	Rule 144
01/29/2024	New	100,000,000	Common	\$0.0003	Yes	QBJ Enterprises, Inc. Quinn Brady	Debt conversion	Restricted	Rule 144
04/10/2024	New	60,000	Preferred C	\$0.25	No	Educational Group, LLC Teresa Haynes	Cash	Restricted	Rule 144
Shares Outstanding on Date of This Report:									
Ending Balance:									
Date 6/30/2024 Common: 1,520,975,090									
Preferred: 1,900,000									

Use the space below to provide any additional details, including footnotes to the table above:

None

B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities :

No: ☐ Yes: ☒ (If yes, you must complete the table below)

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder. *** You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g. Loan, Services, etc.)
10/23/2015	\$254,370	Up to \$600,000	\$58,710	One year	50% of the average of the lowest 3 closing prices for the ten (10) trading days immediately prior to but not including the Conversion Date.	Greentree Financial Group Chris Cottone	Convertible Notes
1/1/2016	\$10,200	\$10,200	\$10,436	12/31/2016	n/a	Fernanda Rose Griggs	Promissory Note
3/20/2018	\$29,500	\$48,000	\$7,524	3/20/2019	70% of the lowest trading price for the twenty (20) trading days immediately prior to but not including the Conversion Date.	The Brewer Group Jack Brewer	Service Note
5/22/2018	\$188,058	\$355,000	\$109,795	5/22/2021	n/a	Water Zone Holding, Inc. William J. McClarty	Promissory Note
10/7/2021	\$93,700	Up to \$200,000	\$11,184	One year	65% of the average of the lowest three closing price for the ten (10) trading days immediately prior to but not including the Conversion Date.	Educational Group, LLC Teresa Haynes	Convertible Note
10/25/2021	\$27,500	\$27,500	\$12,472	10/25/2022	50% of the lowest trading price for the seven (7) trading days immediately prior to but not including the Conversion Date.	The Brewer Group Jack Brewer	Convertible Note
4/5/2022	\$16,500	\$16,500	\$4,301	4/5/2023	50% of the lowest trading price for the twenty (20) trading days immediately prior to but not including the Conversion Date.	The Brewer Group Jack Brewer	Convertible Note
6/9/2023	\$25,000	\$25,000	\$2,651	6/9/2024	55% of the lowest trading price for the one hundred twenty (120) trading days prior to the day that the Noteholder requests conversion but not including the conversion date. The conversion price for the accrued interest shall be \$0.0001 per share regardless of the trading price.	Macro Services Inc. Richard Wilson	Convertible Note
8/16/2023	\$69,920	Up to \$150,000	\$4,568	One year	55% of the lowest trading price for the one hundred twenty (120) trading days prior to the day that the Noteholder requests conversion but not including the conversion date. The conversion price for the accrued interest shall be \$0.0001 per share regardless of the trading price.	Anything Media, Inc. Chris Jensen	Convertible Note

12/5/2023	\$21,960	\$21,960	\$1,251	12/5/2024	55% of the lowest trading price for the one hundred twenty (120) trading days prior to the day that the Noteholder requests conversion but not including the conversion date. The conversion price for the accrued interest shall be \$0.0001 per share regardless of the trading price.	Anything Media, Inc. Chris Jensen	Convertible Note
3/26/2024	\$28,960	\$28,960	\$868	3/26/2024	55% of the lowest trading price for the one hundred twenty (120) trading days prior to the day that the Noteholder requests conversion but not including the conversion date. The conversion price for the accrued interest shall be \$0.0001 per share regardless of the trading price.	Anything Media, Inc. Chris Jensen	Convertible Note

Use the space below to provide any additional details, including footnotes to the table above:

None

4) Issuer's Business, Products and Services

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Water Technologies International, Inc. and its wholly owned subsidiaries, GR8 Water, Inc. (Great Water) and Aqua Pure International, Inc. (specializing in filtration systems) are engaged in the manufacture and distribution of technologically advanced Atmospheric Water Generators (AWG). These unique devices utilize a patent pending air purification input system to produce clean, great-tasting, safe water from the humidity in the air. GR8 Water makes freestanding water factory units for the home or office and large, industrial-sized water units using a modular design that can produce up to thousands of gallons of water each day from ambient air. GR8 Water strives to make safe drinking water available to everyone on the planet, making the world a better place in which to live while nurturing the environment. The Company has patents issued by the USPTO and has filed for additional patents with the USPTO. It has also filed globally through the Patent Cooperation Treaty. Its "Water village" trademark has been issued by the USPTO.

Water Technologies International, Inc. has evolved as a "Pure Water Play" generating water, supplying DI water regenerating tanks, cleaning water for drinking, water for agriculture and a full line of waste water treatment solutions. With the completion of the acquisition, the Company is providing commercial and industrial wastewater solutions.

In June 2021, Water Technologies International, Inc. entered into an agreement with Terra Sustainable Technologies, Inc., a part of Terra Group Holdings, LLC. out of Austin, TX., to offer Atmospheric Water Generators that are powered by alternative energy. Terra Sustainable Technologies will custom design systems using solar, wind turbine, geothermal and waste to energy systems to provide electricity to power the atmospheric water generators. Water Technologies International, Inc. plans to offer our 1-to-5-ton units with Terra's alternative energy solutions, which will quickly be followed by our larger commercial solutions for hotels and resorts, alongside our commercial and industrial wastewater and desalinization solutions capable of cleaning hundreds of thousands of gallons of drinking water.

A video showing the proof of concept prototype is available at the company's website, www.gr8water.net & all products link www.gr8water.net/products/

For a direct link to a copy of the company's Atmospheric Water Generator product information "Slick Sheets" visit our website at: <https://gr8water.net/products/slick-sheets/>.

The Company had tried developing and producing its CBD infused products mentioned in prior annual and annual reports for the past two years, for its Now Brands healthy solutions. However, the Company had not yet introduced a finished CBD product line to the market due to unexpected supplier issues and the oversaturation of the market. Consequently, the Company had decided to discontinue the development of the CBD product lines during the fourth quarter of 2021.

On March 1, 2023, Water Zone, the Company's subsidiary, closed its facility due to the significant recurring monthly operating losses. Our board of directors decided to cease its operation permanently.

B. List any subsidiaries, parent company, or affiliated companies.

Water Technologies International, Inc., a Florida public holding company, operates through three wholly owned subsidiaries. GR8 Water, Inc., “Great Water” is focused on home and office as well as large commercial AWG’s (Atmospheric Water Generators). The second wholly owned subsidiary is Aqua Pure International, Inc. a Florida corporation that is focused on filtration devices for the AWG’s. The third wholly owned subsidiary is Water Technologies International, LLC, a Florida limited liability company, which holds the “Patents Pending” and licenses the intellectual property for the holding company.

C. Describe the issuers’ principal products or services.

The Company has patent pending products in water generation, air filtration, water filtration and dehumidification. The Company sells and distributes home and office AWG's and commercial units that produce drinking water, ranging from seven gallons to several thousands of gallons per day by extracting water from the air.

5) Issuer’s Facilities

The Company is located at 1385 SW Bent Pine CV Port St. Lucie, FL 34986. The Company has no leased property.

6) All Officers, Directors, and Control Persons of the Company

Names of All Officers, Directors, and Control Persons	Affiliation with Company (e.g. Officer Title /Director/Owner of 5% or more)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Names of control person(s) if a corporate entity
William Scott Tudor	President, Chief Executive Officer and Director	1385 SW Bent Pine CV Port St. Lucie, FL 34986	33,298,091	Common Stock	2.189%	
Educational Group LLC	Owner of more than 5%	1082 SW Keats Ave. Palm City FL 34990	80,036,923	Common Stock	5.262%	Teresa Haynes
Macro Services, Inc.	Owner of more than 5%	438 Eagle Drive, Ione, CA 95640	100,000,000	Common Stock	6.575%	Richard Wilson
Robert J. Oswald	Owner of more than 5%	12B Pine Ave N. Mississauga, On L5H 2P8, Canada	100,000,000	Common Stock	6.575%	
William Scott Tudor	President, Chief Executive Officer and Director	1385 SW Bent Pine CV Port St. Lucie, FL 34986	630,000	Series A Preferred Stock	78.750%	
Frank Hariton	Owner of more than 5%	1065 Dobbs Ferry Road White Plains, NY 10607	90,000	Series A Preferred Stock	11.250%	

Alliance International Capital Mgmt. Group, Ltd.	Owner of more than 5%	4th Floor Centreville House 2nd Terrace West P.O. BOX N. 8303 Nassau, NP Bahamas	50,000	Series B Preferred Stock	10.000%	Trenton Smith
Educational Group LLC	Owner of more than 5%	1082 SW Keats Ave. Palm City FL 34990	100,000	Series B Preferred Stock	20.000%	Teresa Haynes
First Level Capital LLC	Owner of more than 5%	477 South Rosemary Ave. Suite 202 West Palm Beach, FL 33401	50,000	Series B Preferred Stock	10.000%	Michael Friedman
Frank Hariton	Owner of more than 5%	1065 Dobbs Ferry Road White Plains, NY 10607	125,000	Series B Preferred Stock	25.000%	
Phil New	Owner of more than 5%	8828 Bally Bunion Road Port St. Lucie, FL 34986	75,000	Series B Preferred Stock	15.000%	
Nickolas Panarella, Jr.	Owner of more than 5%	1605 US Highway 1 Jupiter, FL 33477	100,000	Series B Preferred Stock	20.000%	
Educational Group LLC	Owner of more than 5%	1082 SW Keats Ave. Palm City FL 34990	260,000	Series C Preferred Stock	52.000%	Teresa Haynes
Frank Hariton	Owner of more than 5%	1065 Dobbs Ferry Road White Plains, NY 10607	70,000	Series C Preferred Stock	14.000%	
William Scott Tudor	President, Chief Executive Officer and Director	1385 SW Bent Pine CV Port St. Lucie, FL 34986	166,000	Series C Preferred Stock	33.200%	
Epic Group Enterprises, LLC	Owner of more than 5%	1309 Coffeen Ave, Ste 1200 Sheridan, WY 82801	100,000	Series D Preferred Stock	100.000%	Donnell Lee Yarter

7) Legal/Disciplinary History

- A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

None

2. Been the subject of 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, financial- or investment-related, insurance or banking activities;

On March 8, 2024, the Company's Chief Executive Officer, William Scott Tudor, voluntarily filed for Chapter 7 bankruptcy in the State of Florida to eliminate his outstanding personal and corporate debts, which he personally guaranteed. On July 3, 2024, a trustee of bankruptcy court for Mr. Tudor filed against Mr. Tudor, to challenge his bankruptcy filing. On July 8, 2024, the trustee filed another case against the Company seeking recovery of Mr. Tudor's accrued compensation in the amount of \$565,201, the amount of accrued compensation listed on the Company's quarterly report for the three months ended March 31, 2024. Counsel for the Company is attempting to negotiate a reasonable settlement of this claim.

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

None

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

None

5. Been the subject 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.

None

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

None

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

8) Third Party Service Providers

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: Frank J. Hariton, PA
Address 1: 1065 Dobbs Ferry Road
Address 2: White Plains, NY 10607

Phone: (914) 674-4373
Email: hariton@sprynet.com

Accountant

Name: Zia Choe, CPA
Firm: STK FINANCIAL P.C.
Address 1: 1100 Town and Country Rd Suite 1250
Address 2: Orange, CA 92868
Phone: (954) 228-5026
Email: zia@stk.financial

Investor Relations

None

All other means of Investor Communication:

Website: www.gr8water.net

Other Service Providers

Name: Zia Choe, CPA
Firm: STK FINANCIAL P.C.
Address 1: 1100 Town and Country Rd Suite 1250
Address 2: Orange, CA 92868
Phone: (954) 228-5026
Email: zia@stk.financial

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: Zia Choe, CPA
Title: Partner
Relationship to Issuer: Accountant

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

- ☐ IFRS
☒ U.S. GAAP

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

Name: Zia Choe, CPA
Title: Partner
Relationship to Issuer: Accountant

Describe the qualifications of the person or persons who prepared the financial statements: Zia Choe, CPA, a Partner at STK FINANCIAL P.C. has 18 years of combined professional experience including 11 years of financial audit and financial reporting.

WATER TECHNOLOGIES INTERNATIONAL INC.
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(UNAUDITED)

TABLE OF CONTENTS TO CONSOLIDATED FINANCIAL STATEMENTS

	Page
Unaudited Consolidated Balance Sheets as of June 30, 2024 and December 31, 2023.....	F-2
Unaudited Consolidated Statements of Operations for the Six Months Ended June 30, 2024 and 2023	F-3
Unaudited Consolidated Statements of Stockholders' Deficit for the Six Months Ended June 30, 2024 and 2023	F-4
Unaudited Consolidated Statements of Cash Flows for the Six Months Ended June 30, 2024 and 2023	F-5
Notes to Unaudited Consolidated Financial Statements	F-6 ~ F-19

To the Board of Directors and

Water Technologies International Inc.

The accompanying consolidated financial statements of Water Technologies International Inc. and its subsidiaries as of and for the six months ended June 30, 2024, were not subjected to an audit, review, or compilation engagement by us and, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them.

/s/ STK FINANCIAL P.C.

STK FINANCIAL P.C.
Orange, CA

September 3, 2024

WATER TECHNOLOGIES INTERNATIONAL INC. AND SUBSIDIARIES
Consolidated Balance Sheets
As of June 30, 2024 and December 31, 2023
(Unaudited)

	June 30, 2024	December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	\$ 7,489	\$ 4,176
Total current assets	7,489	4,176
Non-current assets		
Intangible assets, net	61,728	65,344
Total non-current assets	61,728	65,344
Total assets	<u>\$ 69,217</u>	<u>\$ 69,520</u>
Liabilities and stockholders' deficit		
Current liabilities		
Accounts payable	\$ 10,000	\$ 10,100
Accrued liabilities and others	349,798	313,543
Accrued officer compensation	589,703	544,388
Notes and loans payable	198,258	198,258
Convertible notes payable	567,410	526,490
Stock to be issued	75,000	75,000
Net, liabilities from discontinued operation	896,197	896,201
Total current liabilities	2,686,366	2,563,980
Total liabilities	2,686,366	2,563,980
Stockholders' deficit		
Preferred stock	19	19
(par value \$.00001, 2,000,000 shares authorized, of which 1,900,000 and 1,840,000 shares issued and outstanding as of June 30, 2024 and December 31, 2023, respectively)		
Common stock	15,209	13,209
(par value \$.00001, 2,000,000,000 shares authorized, of which 1,520,975,090 and 1,320,975,090 shares issued and outstanding as of June 30, 2024 and December 31, 2023, respectively)		
Additional paid in capital	9,377,569	9,314,569
Accumulated deficit	(12,009,946)	(11,822,257)
Total stockholders' deficit	(2,617,149)	(2,494,460)
Total liabilities and stockholders' deficits	<u>\$ 69,217</u>	<u>\$ 69,520</u>

WATER TECHNOLOGIES INTERNATIONAL INC. AND SUBSIDIARIES
Consolidated Statements of Operations
For the Six Months Ended June 30, 2024 and 2023
(Unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2024	2023	2024	2023
Operating expenses				
Amortization	\$ 1,808	\$ 1,808	\$ 3,616	\$ 3,616
Other selling, general and administrative expenses	66,044	82,577	137,326	139,756
Total operating expenses	67,852	84,385	140,942	143,372
Loss from operations	(67,852)	(84,385)	(140,942)	(143,372)
Other income (expense)				
Amortization of discount to note payable	-	(15,193)	-	(26,818)
Changes in derivative liabilities expense	-	20,173	-	(41,249)
Gain on forgiveness of debt	-	37,251	-	37,251
Interest expense, net	(24,235)	(19,984)	(46,252)	(41,561)
Total income (expense), net	(24,235)	22,247	(46,252)	(72,377)
Net loss before discontinued operations	(92,087)	(62,138)	(187,194)	(215,749)
Loss from discontinued operations	-	(23,300)	(495)	(95,453)
Net loss for the period	<u>\$ (92,087)</u>	<u>\$ (85,438)</u>	<u>\$ (187,689)</u>	<u>\$ (311,202)</u>
Basic and dilutive income (loss) per common share				
Continued and discontinued operations	**	**	**	**
Weighted average common shares outstanding				
Basic & Dilutive	<u>1,320,975,090</u>	<u>1,195,951,822</u>	<u>1,489,106,958</u>	<u>1,116,639,585</u>
** Less than \$.01				

WATER TECHNOLOGIES INTERNATIONAL INC. AND SUBSIDIARIES
Consolidated Statements of Stockholders' Deficit
For the Six Months Ended June 30, 2024 and 2023
(Unaudited)

	Preferred Stock		Common Stock		Additional	Accumulated	Stockholders'
	Shares	Amount	Shares	Amount	Paid in Capital	Deficit	Deficit
Balance, December 31, 2022	1,840,000	\$ 19	992,254,120	\$ 9,922	\$ 8,159,816	\$ (11,194,175)	\$ (3,024,418)
Common stock issued for partial settlements of convertible notes	-	-	295,387,637	2,954	77,271	-	80,225
Reclassification of derivative liability associated with debt conversion	-	-	-	-	70,339	-	70,339
Common stock issued for cash proceeds	-	-	33,333,333	333	49,667	-	50,000
Net loss for the period ended June 30, 2023	-	-	-	-	-	(311,202)	(311,202)
Balance, June 30, 2023	1,840,000	\$ 19	1,320,975,090	\$ 13,209	\$ 8,357,093	\$ (11,505,377)	\$ (3,135,056)
	Preferred Stock		Common Stock		Additional	Accumulated	Total
	Shares	Amount	Shares	Amount	Paid in Capital	Deficit	Stockholders'
Balance, December 31, 2023	1,840,000	\$ 19	1,320,975,090	\$ 13,209	\$ 9,314,569	\$ (11,822,257)	\$ (2,494,460)
Common stock issued for partial settlements of convertible notes	-	-	200,000,000	2,000	48,000	-	50,000
Preferred Series C Stock issued for subscription agreement	60,000	0	-	-	15,000	-	15,000
Net loss for the period ended June 30, 2024	-	-	-	-	-	(187,689)	(187,689)
Balance, June 30, 2024	1,900,000	\$ 19	1,520,975,090	\$ 15,209	\$ 9,377,569	\$ (12,009,946)	\$ (2,617,149)

WATER TECHNOLOGIES INTERNATIONAL INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For The Six Months Ended June 30, 2024 and 2023
(Unaudited)

	For the Six Months Ended	
	June 30, 2024	June 30, 2023
Cash flows from operating activities		
Net loss	\$ (187,689)	\$ (311,202)
Adjustments to reconcile net loss to net cash (used in) operations:		
Amortization on intangible assets	3,616	3,616
Amortization of debt discount	-	26,818
Change in derivative liabilities	-	41,249
Convertible notes issued for services rendered	-	4,000
Changes in operating assets and liabilities:		
Accounts payable	(100)	1,650
Interest payable	46,251	3,958
Accrued liabilities, officer compensation and others	45,315	44,790
Net cash used in operating activities	(92,607)	(185,121)
Net cash provided by discontinued operation - operating	-	117,747
Cash flows from financing activities		
Proceeds from the third party	-	61,000
Repayments to the third party	-	(10,000)
Proceeds for share issuance	15,000	-
Proceeds from convertible notes payable	80,920	20,200
Net cash provided by financing activities	95,920	71,200
Net cash used in discontinued operation - financing	-	(3,564)
Net increase in cash and cash equivalents	3,313	262
Cash and cash equivalents,		
Beginning of the period	4,176	20
End of the period	\$ 7,489	\$ 282
Non-cash investing and financing activities:		
Common stock issued to settle partial accrued interest	\$ 10,000	\$ 16,725
Common stock issued to settle partial convertible notes	\$ 40,000	\$ 63,500
Debt discount related to derivative liabilities	\$ -	\$ 20,200
Derivative liability settled upon conversion	\$ -	\$ 70,339

Water Technologies International Inc.
Notes to Unaudited Consolidated Financial Statements
June 30, 2024

NOTE 1- Description of Business and Basis of Presentation

Organization and Description of Business

Water Technologies International, Inc. (the “WTII” or “Company”) was originally incorporated as Latitude Industries, Inc. (“Latitude”) in the State of Florida on April 21, 2005 and manufactured custom powerboats. Later in 2005 Latitude engaged in a reorganization transaction with Cypress International Inc., a Delaware corporation (“Cypress”), to acquire its shareholder base. After the reorganization, both Latitude and Cypress continued to exist and had separate tax identification numbers. Cypress was dissolved in 2006. On May 19, 2011, the Company changed its name to Water Technologies International Inc. and the Company entered its present line of business.

On May 5, 2011, the Company entered into a Plan of Exchange agreement (the “Plan of Exchange”) between and among the Company, GR8 Water Inc. (“GR8”), a Florida Corporation, the shareholders of GR8 (“GR8 Shareholders”), the majority shareholders of the Company. Pursuant to the Plan of Exchange, the Company acquired 26,100,000 shares of GR8 Common Stock, representing 100% ownership in GR8, in exchange for 583,159 shares of Company’s Common Stock to the GR8 shareholders.

The transaction resulted in a change in control of the Company. The Company and GR8 were hereby reorganized, such that the Company acquired 100% capital stock of GR8, and GR8 Water Inc., as well as its two 100%-owned subsidiaries, Aqua Pure International Inc. and WTII, which became wholly-owned subsidiaries of the Company.

The reorganization between the Company and GR8 has been accounted for as a reverse acquisition and recapitalization of the Company whereby GR8 was deemed to be the accounting acquiree (legal acquiror) and the Company to be the accounting acquiror (legal acquiree). The accompanying consolidated financial statements are in substance those of GR8 and its subsidiaries, with the assets, liabilities, revenues and expenses, of the Company being included effective from the date of stock exchange transaction. The Company is deemed to be a continuation of the business of GR8. Accordingly, the accompanying consolidated financial statements include the following:

- (1) The balance sheets consist of the net assets of the accounting acquirer at historical cost
- (2) The financial position, results of operations, and cash flows of the accounting acquirer for all periods presented as if the recapitalization had occurred at the beginning of the earliest period presented

On May 23, 2018, the Company completed the acquisitions of Water Zone Inc., a Florida corporation based in West Palm Beach, FL (“Water Zone”). Water Zone’s operation ceased on March 1, 2023 and was reported in discontinued operations.

WTII, GR8, as well as GR8’s two 100%-owned subsidiaries, Aqua Pure International Inc. and Water Technologies International LLC, and Water Zone, Inc. are hereinafter referred to as (the “Company”).

Basis of Presentation

The accompanying consolidated financial statements have been prepared by management in accordance with generally accepted accounting principles in the United States (“GAAP”).

Water Technologies International Inc.
Notes to Unaudited Consolidated Financial Statements
June 30, 2024

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned or controlled operating subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation. Subsidiaries discontinued are shown as discontinued operation. All significant intercompany accounts are eliminated in consolidation. Certain prior period amounts may have been reclassified for consistency with the current period presentation. These reclassifications would have no material effect on the reported consolidated financial results.

NOTE 2- Summary of Significant Accounting Policies

Use of Estimates

The preparation of the consolidated financial statements in conformity with GAAP in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and costs and expenses during the reporting period. These accounts and estimates include, but are not limited to, the valuation of trade receivables, inventories, income taxes and the estimation on useful lives of property, plant and equipment. Actual results could differ from these estimates.

Cash and Cash Equivalents

Cash and cash equivalents are carried at cost and represent cash on hand, demand deposits placed with banks or other financial institutions, and all highly liquid investments with an original maturity of three months or less of the purchase date of such investments.

Accounts Receivable and Allowance for Doubtful Account

Accounts receivables are recorded at gross amounts due to the Company and it does not bear interest. The Company extends unsecured credit to its customers in the ordinary course of business but mitigates the associated risks by performing credit checks and actively pursuing past due accounts. An allowance for doubtful accounts is established and determined based on managements' assessment of known requirements, aging of receivables, payment history, the customer's current creditworthiness and the economic environment.

Inventories

Inventories are stated at the lower of cost or net realizable value, cost being determined using the first-in first-out ("FIFO") method. The Company periodically reviews historical sales activity to determine excess, slow-moving items and potentially obsolete items and also evaluates the impact of any anticipated changes in future demand. The Company's inventory is comprised of machine components and finished goods.

Property and Equipment, Net

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is calculated on a straight-line basis over the following expected useful lives from the date on which

Water Technologies International Inc.
Notes to Unaudited Consolidated Financial Statements
June 30, 2024

they become fully operational and after taking into account their estimated residual values. The estimated useful lives used for consolidated financial statements purposes are:

Vehicle	3 ~ 5 years
Machinery and equipment	3 ~ 5 years
Furniture and fixture	3 ~ 7 years
Leasehold improvements	3 ~ 15 years

Maintenance and repairs are charged to expense when incurred, while capital expenditures that enhance the value or materially extend the useful life of the related assets are capitalized and reflected as additions to property and equipment. When assets have been retired or sold, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in the other income (expense) section of the consolidated statement of operations.

Impairment of Long-lived Assets

In accordance with the provisions of Accounting Standards Codification (“ASC”) Topic 360-10-5, “*Impairment or Disposal of Long-Lived Assets*”, all long-lived assets, other than goodwill and acquisition-related intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets might not be recoverable. Conditions that would necessitate an impairment assessment include a significant decline in the observable market value of an asset, a significant change in the extent or manner in which an asset is used, or any other significant adverse change that would indicate that the carrying amount of an asset may not be recoverable. For long-lived assets used in operations, including operating lease right of use (“ROU”) assets, impairment losses that are only recorded in the asset’s carrying amount is not recoverable through its undiscounted, probability-weighted future cash flows. Measurement of the impairment losses are based on the difference between the carrying amount and estimated fair value.

Intangible Assets, Net

The Company developed several patents for its products. Costs incurred for submitting the applications to the United States Patent and Trademark Office for these patents have been capitalized. The Company begins amortizing patent costs once the patents are approved by the authority.

The estimated useful lives used for consolidated financial statements purposes are:

Patent	15 years
Trademark.....	Indefinite
License.....	3 years

Impairment of Goodwill and Other Intangible Assets

Goodwill and indefinite-lived brands are not amortized but are evaluated for impairment annually or when indicators of a potential impairment are present. The Company’s impairment testing of goodwill is performed separately from our impairment testing of indefinite-lived intangibles. The annual evaluation for impairment of goodwill and indefinite-lived intangibles is based on valuation models that incorporate assumptions and internal projections of expected future cash flows and operating plans.

Water Technologies International Inc.
Notes to Unaudited Consolidated Financial Statements
June 30, 2024

Operating Lease Right-of-Use Assets

The Company accounts for leases under ASU 2016-02, *Leases (Topic 842)*. The Company's operating leases are presented in operating ROU assets and operating lease liabilities on the Company's consolidated balance sheets for the operating leases with a lease term more than twelve months. ROU assets represent the Company's right to control the use of an underlying asset for the lease term and operating lease liabilities represent the Company's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of future lease payments. The Company determines its incremental borrowing rate based on information available at lease commencement date to calculate the present value of future lease payments. Lease expenses are recognized on a straight-line basis over the lease term.

Debt

Debt is initially recognized at fair value, net of transaction costs incurred. Balances from debt are subsequently measured at amortized cost using the effective interest method.

Debt is classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the date of the balance sheet. All interest-related charges are included within other expense sections on the statements of operations.

Convertible Notes Payable

In accordance with ASC 470, *Debt* ("ASC 470") the Company records its Convertible Notes at the aggregate principal amount, less discount. The Company amortizes the debt discount over the life of the convertible notes as an additional non-cash interest expense utilizing the effective interest method. All interest-related charges are included within other income (expense) sections on the consolidated income statements.

In August 2020, the FASB issued ASU 2020-06, "*Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815 – 40)*" ("ASU 2020-06"). ASU 2020-06 reduces the number of accounting models for convertible debt instruments by eliminating the cash conversion and beneficial conversion accounting models. As a result, the Company's convertible debt instruments will be accounted for as a single liability measured at its amortized cost as long as no other features require bifurcation and recognition as derivatives. For contracts in an entity's own equity, the type of contracts primarily affected by this update are freestanding and embedded features that are accounted for as derivatives under the current guidance due to a failure to meet the settlement conditions of the derivative scope exception.

Revenue Recognition

The Company recognizes revenue following the provisions of ASC Topic 606, Revenue from contracts with customers.

Substantially all of the Company's revenue is recognized at the time control of the products transfer to the customer and the underlying performance obligations have been satisfied. Initial customer deposit from the sale of the products are initially recorded as deferred revenue until the underlying performance obligations are satisfied. The Company measures revenue based on the amount of consideration the Company expects to be entitled to in exchange for those goods. The transaction price the Company expects to be entitled to is primarily comprised of product revenue, net of returns and variable other considerations, including sales discounts and market development funds provided to

Water Technologies International Inc.
Notes to Unaudited Consolidated Financial Statements
June 30, 2024

customers. The Company determines variable consideration by estimating the most likely amount of consideration the Company expects to receive from the customers based on historical analysis.

Stock Based Compensation

The Company recognizes compensation costs to employees and non-employees under FASB Accounting Standards Codification 718 "*Compensation - Stock Compensation*" ("ASC 718") and ASU 2018-07, "Compensation - Stock Compensation (Topic 718): Improvements, to Non-employee Share-Based Payment Accounting". The Company measures the compensation costs of share-based compensation arrangements based on the grant-date fair value and recognizes the costs in the financial statements over the period during which employees are required to provide services. Share-based compensation arrangements include stock options and warrants. As such, compensation cost is measured on the date of grant at their fair value. Such compensation amounts, if any, are amortized over the respective vesting periods of the option grant.

Net Loss Per Share

The Company calculates net loss per share in accordance with ASC Topic 260, "Earnings per Share". Basic net loss per share is computed by dividing net loss by the weighted average number of shares of common stock outstanding during the period. If applicable, diluted earnings per share assume the conversion, exercise or issuance of all common stock instruments such as options, warrants, convertible securities and preferred stock, unless the effect is to reduce a loss or increase earnings per share. Convertible debentures and preferred stock conversions are not considered in the calculations, as the impact of the potential common shares would be to decrease the loss per share.

Income Taxes

Income taxes are determined in accordance with ASC Topic 740, "*Income Taxes*" ("ASC 740"). Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to be applied to taxable income in the years in which those temporary differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the statement of income in the period that includes the enactment date. A valuation allowance is provided for deferred tax assets if it is more likely than not these items will either expire before the Company is able to realize their benefits, or that future deductibility is uncertain.

ASC 740 prescribes a comprehensive model for how companies should recognize, measure, present, and disclose in their financial statements uncertain tax positions taken or expected to be taken on a tax return. Under ASC 740, tax positions must initially be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. Such tax positions must initially and subsequently be measured as the largest amount of tax benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the tax authority assuming full knowledge of the position and relevant facts.

For the six months ended June 30, 2024, the Company did not have any interest and penalties associated with tax positions. As of June 30, 2024, the Company did not have any significant unrecognized uncertain tax positions.

Water Technologies International Inc.
Notes to Unaudited Consolidated Financial Statements
June 30, 2024

Fair Value Measurements of Financial Instruments

The Company measures its financial and non-financial assets and liabilities, as well as makes related disclosures, in accordance with FASB ASC No. 820, “*Fair Value Measurements*”, which provides guidance with respect to valuation techniques to be utilized in the determination of fair value of assets and liabilities.

The objective of a fair value measurement is to determine 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 (an exit price). Accordingly, the fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three-tier hierarchy of inputs is summarized in the three broad levels below:

- Level 1 – inputs are unadjusted quoted market prices in active independent markets for identical assets and liabilities;
- Level 2 – inputs are directly or indirectly observable estimates from quotes for similar but not identical assets and liabilities, market trades for identical assets not actively traded, or other external independent means;
- Level 3 – inputs are unobservable and reflect assumptions on the part of the reporting entity.

The carrying values of the Company’s cash and cash equivalents, receivables, inventories, accounts payable, and accrued liabilities approximate their fair value due to their short-term nature. The Company’s loan and convertible notes payable are measured at amortized cost.

Related Party Transactions

Parties are considered to be related to the Company if the parties directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with the Company. Related parties also include principal owners of the Company, its management, members of the immediate families of principal owners of the Company and its management and other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests. The Company discloses all related party transactions. All transactions are recorded at fair value of the goods or services exchanged.

NOTE 3- Going Concern

The Company’s consolidated financial statements have been prepared in accordance with US GAAP applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations in the normal course of business.

The Company had sustained recurring operating losses and has an accumulated deficit of \$12,009,946 as of June 30, 2024. These factors raise a substantial doubt about the Company’s ability to continue as a going concern. The accompanying consolidated financial statements do not reflect any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classifications of liabilities that might result if the Company is unable to continue as a going concern.

These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management believes that the current available resources will not be sufficient to fund the Company’s planned expenditures over the next 12 months. Accordingly, the Company will be dependent upon the raising of additional capital through placement of common shares, and/or debt financing in order to implement its business plan and generate sufficient

Water Technologies International Inc.
Notes to Unaudited Consolidated Financial Statements
June 30, 2024

revenue in excess of costs. If the Company raises additional capital through the issuance of equity securities or securities convertible into equity, stockholders will experience dilution, and such securities may have rights, preferences or privileges senior to those of the holders of common stock or convertible senior notes. If the Company raises additional funds by issuing debt, the Company may be subject to limitations on its operations, through debt covenants or other restrictions. If the Company obtains additional funds through arrangements with collaborators or strategic partners, the Company may be required to relinquish its rights to certain geographical areas, or techniques that it might otherwise seek to retain. There is no assurance that the Company will be successful with future financing ventures, and the inability to secure such financing may have a material adverse effect on the Company's financial condition. These consolidated financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

NOTE 4- Intangible Assets, Net

Intangible assets consisted of the following:

	June 30, 2024
Patent	\$ 116,933
Trademark	10,000
License	30,000
(Less) accumulated amortization	(95,205)
Total intangible asset, net	<u>\$ 61,728</u>

For the six months ended June 30, 2024, the Company had amortization expenses of \$3,616.

Patents

On September 9, 2015, the Company entered into certain Assignment Agreements with Ser-Manukyan Family Holdings, Inc. (the "Assignor"), pursuant to which the Company was assigned 2 patents related to APPARATUS AND METHOD FOR A SPLIT TYPE WATER EXTRACTOR AND WATER DISPENSER in exchange for the issuance of 13,000,000 shares of common stock of the Company to the Assignor. The fair value of this stock issuance was determined by the fair value of the Company's Common Stock on the grant date, at a price of approximately \$0.0035 per share. The transaction was independently negotiated between the Company and the Assignor. The Company evaluated the transaction based on the fact that the Company had nominal trading volume for its stock and had negative shareholder equity at the time of issuance. The issuance of stock for patents assignment preserved the limited cash available currently in the Company.

Trademark

The Company registered "Great Water" as its Trademark for the Atmospheric Water Generator ("AWG") and filtration units with the United States Patent and Trademark Office in 2008. Costs associated with submitting the applications for the Trademark in the amount of \$10,000 have been capitalized. The Company reviews for impairment of the Trademark whenever events or changes in circumstances indicate that the carrying amount of the Trademark may not be recoverable. In the event of impairment, the asset is written down to its fair market value.

Water Technologies International Inc.
Notes to Unaudited Consolidated Financial Statements
June 30, 2024

License

On May 17, 2018, the Company had entered into a Licensing agreement with OriginClear, Inc. a Nevada corporation based in Los Angeles, California, engaging in the business of developing, manufacturing and marketing industry-leading products and services in wastewater treatment and water remediation for the oil and gas, algae, and feed industries as well as others rejecting or using large volumes of water. Pursuant to the Licensing agreement, the Company agreed to pay \$30,000 or issue OriginClear, Inc. 4,000 shares of Series C Preferred Stock in exchange for the technology licenses allowing the Company to sell the equipment for use in the industry for a period of three years. Accordingly, the Company capitalized license of \$30,000 and amortized it over three years.

NOTE 5- Convertible Notes Payable

As of June 30, 2024, the Company had convertible debt outstanding of \$567,410, net of debt discounts. The debt discounts associated with convertible notes were fully amortized As of June 30, 2024.

The Company recorded interest expenses of \$39,074 for the six months ended June 30, 2024, respectively. As of June 30, 2024, the accrued interest was \$103,529. For the six months ended June 30, 2024, a portion of principal and accrued interest in the amount of \$40,000 and \$10,000, respectively were converted into 200,000,000 shares of the Company's common stock.

The following is a schedule of convertible notes payable as of and for the six months ended June 30, 2024.

Note #	Issuance	Maturity	Principal Balance 12/31/23	New Loan	Principal Conversion	Principal Balance 6/30/24	Accrued Interest on Convertible Debt at 12/31/23	Interest Expense on Convertible Debt For the Period Ended 6/30/24	Accrued Interest on Convertible Debt at 6/30/24
A	On demand	On demand	\$ 294,370	\$ —	\$ (40,000)	\$ 254,370	\$ 37,130	\$ 21,580	\$ 58,710
E	3/20/2018	3/20/2019	29,500	—	—	29,500	4,582	2,942	7,524
H	10/25/2021	10/25/2022	27,500	—	—	27,500	9,969	2,503	12,472
I	10/7/2021	10/7/2022	61,700	32,000	—	93,700	6,176	5,008	11,184
J	2/28/2022	2/28/2023	16,500	—	—	16,500	3,163	1,138	4,301
K	6/9/2023	6/9/2024	25,000	—	—	25,000	1,404	1,247	2,651
L	8/16/2023	8/16/2024	49,960	19,960	—	69,920	1,875	2,693	4,568
M	12/5/2023	12/5/2024	21,960	—	—	21,960	156	1,095	1,251
N	3/26/2024	3/26/2025	—	28,960	—	28,960	—	868	868
Total			\$ 526,490	\$ 80,920	\$ (40,000)	\$ 567,410	\$ 64,455	\$ 39,074	\$ 103,529

(A) Line of Credit I

On October 23, 2015, the Company issued an unrelated third party (the "Noteholder") a 15% promissory note (the "Note A"), pursuant to which the Noteholder agreed to invest total amount up to \$600,000 into the Company for

Water Technologies International Inc.
Notes to Unaudited Consolidated Financial Statements
June 30, 2024

working capital. For the six months ended June 30, 2024, the Company received an additional \$20,200 to this Note A. The Note A is convertible at the Noteholder's option into the shares of the common stock of the Company at a conversion price equal to 50% of the average of the lowest 3 closing prices for the ten (10) trading days immediately prior to but not including the Conversion Date. The Note A is in default and currently accrues interest at the default interest rate of 18%.

(E) Brewer Note Payable I

On March 20, 2018, the Company issued an unrelated Noteholder (the "Noteholder") a 15% convertible promissory note (the "Note E") in the amount of \$48,000 for services rendered. The Note E bears interest at a rate of 15% per annum and 20% default rate. The Note E is convertible at the Noteholder's option into the shares of the common stock of the Company at a conversion price of 70% of the lowest trading price for the twenty (20) trading days immediately prior to but not including the conversion date, and the Noteholder should be reimbursed for the conversion cost by adding \$1,500 to the Principal of the Note E for each note conversion effected by Noteholder. The Note E is in default and currently accrues interest at the default interest rate of 18%.

(H) Brewer Note Payable II

On October 25, 2021, the Company issued an unrelated Noteholder (the "Noteholder") a 15% convertible promissory note (the "Note H") in the amount of \$27,500, with original issue discount of \$2,500. The Note H bears interest at a rate of 15% per annum and 18% default rate. The Note H is convertible at the Noteholder's option into the shares of the common stock of the Company at a conversion price of 50% of the lowest trading price for the seven (7) trading days immediately prior to but not including the conversion date, and the Noteholder should be reimbursed for the conversion cost by adding \$1,000 to the Principal of the Note H for each note conversion effected by Noteholder. The note is in default and currently accrues interest at the default interest rate of 18%.

(I) Line of Credit II

On October 7, 2021, the Company issued an unrelated third party (the "Noteholder") a 12% promissory note (the "Note I"), pursuant to which the Noteholder agreed to invest total amount up to \$100,000 for the Company's operating expenses. On August 4, 2024, the Company entered into the addendum to increase additional \$100,000, resulting in total principal amount up to \$200,000 to this LOC Note I. The Note I bears interest at a rate of 12% per semi-annum and 18% default rate. The Note I is convertible at the Noteholder's option into the shares of the common stock of the Company at a conversion price equal to 65% of the average of the lowest 3 closing prices for the ten (10) trading days immediately prior to but not including the Conversion Date. \$16,000 out of \$93,700 is in default and currently accrues interest at the default interest rate of 18%. For the six months ended June 30, 2024, the Company received an additional \$32,000 to this Note I.

(J) Brewer Note Payable III

On February 28, 2022, the Company issued an unrelated Noteholder (the "Noteholder") a 10% convertible promissory note (the "Note J") in the amount of \$16,500, with original issue discount of \$1,500. The Note J bears interest at a rate of 10% per annum and 15% default rate. The Note J is convertible at the Noteholder's option into the shares of

Water Technologies International Inc.
Notes to Unaudited Consolidated Financial Statements
June 30, 2024

the common stock of the Company at a conversion price of 50% of the lowest trading price for the twenty (20) trading days immediately prior to but not including the conversion date, and the Noteholder should be reimbursed for the conversion cost by adding \$1,500 to the Principal of the Note J for each note conversion effected by Noteholder. The note is in default and currently accrues interest at the default interest rate of 15%.

(K) Macro Note Payable I

On June 9, 2023, the Company issued an unrelated Noteholder (the “Noteholder”) a 10% convertible promissory note (“Macro Note K”) in the amount of \$25,000. The Note K bears interest at a rate of 10% per annum and matures on June 9, 2024. The Note K is convertible at the Noteholder’s option into the shares of the common stock of the Company at a conversion price of 55% of the lowest trading price for the one hundred twenty (120) trading days prior to the day that the Noteholder requests conversion but not including the conversion date. The conversion price for the accrued interest shall be \$0.0001 per share regardless of the trading price. The Note K is in default and currently accrues interest at the default interest rate of 10%.

(L) Anything Media Line of Credit Note Payable I

On August 16, 2023, the Company issued an unrelated Noteholder (the “Noteholder”) a 10% convertible promissory note (the “Note L”) in the amount of \$49,960. The Note L bears interest at a rate of 10% per annum and matures on August 16, 2024. The Note L is convertible at the Noteholder’s option into the shares of the common stock of the Company at a conversion price of 55% of the lowest trading price for the one hundred twenty (120) trading days prior to the day that the Noteholder requests conversion but not including the conversion date. The conversion price for the accrued interest shall be \$0.0001 per share regardless of the trading price. On August 21, 2024, the Company entered into the addendum to increase additional \$100,040, resulting in total principal amount up to \$150,000 to this Line of Credit Note L. For the six months ended June 30, 2024, the Company received an additional \$19,960 to this Note L.

(M) Anything Media Note Payable II

On December 5, 2023, the Company issued an unrelated Noteholder (the “Noteholder”) a 10% convertible promissory note (the “Note M”) in the amount of \$21,960. The Note M bears interest at a rate of 10% per annum and matures on December 5, 2024. The Note M is convertible at the Noteholder’s option into the shares of the common stock of the Company at a conversion price of 55% of the lowest trading price for the one hundred twenty (120) trading days prior to the day that the Noteholder requests conversion but not including the conversion date. The conversion price for the accrued interest shall be \$0.0001 per share regardless of the trading price.

(N) Anything Media Note Payable III

On March 26, 2024, the Company issued an unrelated Noteholder (the “Noteholder”) a 10% convertible promissory note (the “Note N”) in the amount of \$28,960. The Note L bears interest at a rate of 10% per annum and matures on March 26, 2025. The Note L is convertible at the Noteholder’s option into the shares of the common stock of the Company at a conversion price of 55% of the lowest trading price for the one hundred twenty (120) trading days prior

Water Technologies International Inc.
Notes to Unaudited Consolidated Financial Statements
June 30, 2024

to the day that the Noteholder requests conversion but not including the conversion date. The conversion price for the accrued interest shall be \$0.0001 per share regardless of the trading price.

NOTE 6- Notes and Loans Payable

On January 1, 2016, the Company issued its landlord a 12% promissory note in the principal amount of \$10,200 (the “Note 1”) to settle the accrued rents payable as of December 31, 2015 in amount of \$10,224. The Note 1 was due on December 31, 2016 and bears the interest at a rate of 12% per annum, payable at the end of each quarter. According to the Note 1, both principal and accrued interest should be converted into a mutually agreed amount of common shares of the Company when due. This Note 1 is currently default. As of June 30, 2024, the carrying value of the Note 1 was \$10,200, and accrued interest was \$10,436. For the six months ended June 30, 2024, the Company recorded interest expenses of \$614 related to Note 1.

In connection with the acquisition of Water Zone on May 23, 2018, the Company agreed to pay the seller a cash payment of \$300,000 and a promissory note for \$355,000 as consideration for the acquisition of 100% ownership of Water Zone. The Company issued the seller a 7% promissory note in the principal amount of \$355,000 (the “Note 2”) payable in three equal annual payments in the amount of \$135,840. The Note 2 is secured by the Security Instruments as defined in Note 2. This Note 2 is currently default. As of June 30, 2024, the carrying value of the Note 2 was \$188,058, and accrued interest was \$109,795. For the six months ended June 30, 2024, the Company recorded interest expenses of \$6,564 related to Note 2.

NOTE 7- Shareholders’ Equity

As of June 30, 2024, the Company had 1,520,975,090 shares of Common Stock issued and outstanding.

As of June 30, 2024, the Company had 800,000 shares of Series A Convertible Preferred Stock, 500,000 shares of Series B Convertible Preferred Stock, 500,000 share of Series C Convertible Preferred Stock, 100,000 shares of Series D Preferred Stock issued and outstanding. There was no issued and outstanding shares of Series E Convertible Preferred Stock as of June 30, 2024.

As of June 30, 2024, the Company was authorized to issue 2,000,000,000 shares of common stock, \$.00001 par value, and 2,000,000 shares of preferred stock, \$.00001 par value, of which (a) 800,000 shares were designated as Series A Convertible Preferred Stock, which shall be convertible, at the option of the holder thereof, at any time after the date of issuance into one hundred (100) shares of fully paid and non-assessable shares of Common Stock; (b) 600,000 shares were designated as Series B Convertible Preferred Stock, which shall be convertible, at the option of the holder thereof, at any time after the date of issuance into one hundred (100) shares of fully paid and non-assessable shares of Common Stock; (c) 500,000 shares were designated as Series C Convertible Preferred Stock, which shall be convertible, at the option of the holder thereof, at any time after the date of issuance into one thousand (1,000) shares of fully paid and non-assessable shares of Common Stock; (d) 100,000 shares were designated as Series D Preferred Stock, which shall have one hundred thousand (100,000) times that number of votes on all matters submitted to the common shareholders, but no conversion rights; and (e) 10,000 shares were designated as Series E Convertible Preferred Stock, which shall be convertible, at the option of the holder thereof, into fifty thousand (50,000) shares of Common Stock. Each shares Series E Convertible Preferred Stock shall have fifty thousand (50,000) shares that number of votes on all matters submitted to the common shareholders.

Water Technologies International Inc.
Notes to Unaudited Consolidated Financial Statements
June 30, 2024

On February 1, 2023, the Company issued 33,333,333 shares of common stock to Ben Heuser for cash proceeds of \$50,000 at the conversion price of \$0.0015 per share.

On February 6, 2023, a portion of accrued interest and conversion expense of the Note E in the amount of \$7,713 was converted into 38,565,000 shares of common stock of the Company at the conversion price of \$0.0002 per share.

On April 20, 2023, a portion of principal and conversion expense of the Note E in the amount of \$21,500 was converted into 76,785,714 shares of common stock of the Company at the conversion price of \$0.00028 per share.

One May 8, 2023, a portion of principal, accrued interest and conversion expense of the Note I in the amount of \$26,012 was converted into 80,036,923 shares of common stock of the Company at the conversion price of \$0.00033 per share.

One June 7, 2023, a portion of principal, accrued interest and conversion expense of the Note A in the amount of \$25,000 was converted into 100,000,000 shares of common stock of the Company at the conversion price of \$0.00025 per share.

On July 31, 2023, the Company filed the amended articles of correction for the missing certificate of designation of 10,000 of Series E Convertible Preferred Stock, par value \$0.00001 per share.

On January 29, 2024, a portion of principal and accrued interest of the Note A in the amount of \$40,000 and \$10,000, respectively were converted into 200,000,000 shares of common stock of the Company at the conversion price of \$0.00025 per share.

On April 10, 2024, the Company issued 60,000 shares of Series C Preferred Stock at \$0.25 per share to Educational Group, LLC for the cash proceeds of \$15,000 through a subscription agreement for purchase of 60,000 Shares of Preferred Series C, dated March 27, 2024.

NOTE 8- Discontinued operation

The Company's board of director decided to cease Water Zone's operation on March 1, 2023 due to the significant recurring operating losses. The Company reclassified Water Zone's assets and liabilities to net liabilities from discontinued operation on the consolidated balance sheet. The Company presented in prior periods operating loss as loss from discontinued operation on the consolidated statement of operations. The Company had \$896,197 of net liabilities of discontinued operation as of June 30, 2024 and recognized \$495 of loss from discontinued operation for the six months ended June 30, 2024.

	June 30, 2024
Cash	\$ 19
Receivables, net	148,040
Fixed asset, net	115,411
Accounts payable and accrued expenses	(342,388)
Notes and loans payable	(817,279)
Net liabilities of discontinued operation	\$ (896,197)

Water Technologies International Inc.
Notes to Unaudited Consolidated Financial Statements
June 30, 2024

NOTE 9- Commitment and Contingencies

Commitments

As of June 30, 2024, the Company had stock to be issued in amount of \$75,000, respectively, due to the following:

On April 6, 2018, the Company entered into an advisory service agreement with a consultant for capital markets strategies, marketing, media and event management and cash proceeds of \$200 in exchange for total 10,000,000 shares of Common Stock of the Company, of which 5,000,000 shares were issued on June 25, 2018 and 5,000,000 shares will be issued on or before October 6, 2018. The agreement had a term of twelve months effective from April 6, 2018 ending on April 6, 2019. The fair value of this stock issuance was determined by the fair value of the Company's Common Stock on the grant date, at a price of approximately \$0.015 per share. The second tranche of 5,000,000 shares, in the estimated amount of \$75,000, were not issued as of the date of this report.

As of June 30, 2024, the Company had \$25,500 due to third parties, which was borrowed to cover operating expenses.

Contingencies

On February 17, 2023, Water Zone filed a complaint against the Company seeking \$277,975 claimed due on a Promissory Note (Note 2) dated May 22, 2018, for the purchase of Water Zone, Inc. On November 7, 2023, Water Zone filed a case against the Company and William McCarty who is the seller of Water Zone regarding the breach of the Note 2 promissory note agreement.

October 30, 2023, a third-party complaint was filed by the Company seeking damages against William McCarty, who was the seller of Water Zone, Inc., for violation of his non-compete agreement with the Company. On August 5, 2024, the Company filed an amended third-party complaint filed that joined another former employee of the Company, also seeking damages against that employee, Tony Ciaravino, and his Company, Platinum Industries, for violation of his non-compete agreement and for the theft of customers and business opportunities.

On March 8, 2024, the Company's Chief Executive Officer, William Scott Tudor, voluntarily filed for Chapter 7 bankruptcy in the State of Florida to eliminate his outstanding personal and corporate debts, which he personally guaranteed. On July 3, 2024, a trustee of bankruptcy court for Mr. Tudor filed against Mr. Tudor, to challenge his bankruptcy filing. On July 8, 2024, the trustee filed another case against the Company seeking recovery of Mr. Tudor's accrued compensation in the amount of \$565,201, the amount of accrued compensation listed on the Company's quarterly report for the three months ended March 31, 2024. Counsel for the Company is attempting to negotiate a reasonable settlement of this claim.

All of the above cases are still ongoing, and the Company is unable to estimate the likelihood of the outcome.

NOTE 10- Related Party Transactions

The Company has agreed to compensate \$160,000 per year its Chief Executive Officer since 2015. The Company recognized \$160,000 for officer compensation and is included in selling, general and administrative expenses in the accompanying Consolidated Statements of Operations for the six months ended June 30, 2024. As of June 30, 2024, the balance of accrued officer compensation was \$589,703.

Water Technologies International Inc.
Notes to Unaudited Consolidated Financial Statements
June 30, 2024

On May 12, 2023, the Chief Executive Officer entered into a preferred stock purchase agreement with Epic Group Enterprises, LLC, pursuant to sell the CEO's 100,000 shares of Convertible Preferred Series D for \$25,000. 100,000 shares were designated as Series D Preferred Stock, which shall have 100,000 times that number of votes on all matters submitted to the common shareholders, but no conversion to common stock rights.

NOTE 11- Subsequent Events

In accordance with ASC Topic 855-10 "*Subsequent Events*", the Company has evaluated its operations subsequent to June 30, 2024 to the date these consolidated financial statements were issued, and determined that there were subsequent events or transactions that required recognition or disclosure in the financial statements.

On July 4, 2024, the Company filed the articles of corrections regarding the voting right of its Series E Convertible Preferred Stock. Each shares Series E Convertible Preferred Stock shall have fifty thousand (50,000) shares that number of votes on all matters submitted to the common shareholders.

On March 8, 2024, the Company's Chief Executive Officer, William Scott Tudor, filed for Chapter 7 bankruptcy in the State of Florida to liquidate the discontinued subsidiary' outstanding debts, which he personally guaranteed. On July 3, 2024, a trustee of bankruptcy court for Mr. Tudor filed against Mr. Tudor, to challenge his bankruptcy filing. On July 8, 2024, the trustee filed another case against the Company seeking recovery of Mr. Tudor's accrued compensation in the amount of \$565,201, the amount of accrued compensation listed on the Company's quarterly report for the three months ended March 31, 2024. Counsel for the Company is attempting to negotiate a reasonable settlement of this claim.

On August 4, 2024, the Company entered into the addendum to increase an additional \$100,000, resulting in total principal amount up to \$200,000 to Line of Credit Note I which was originally issued on October 7, 2021.

On various dates in July and August 2024, the Company received the total amount of \$14,980 from its convertible notes.

On August 21, 2024, the Company entered into the addendum to increase an additional \$100,040, resulting in total principal amount up to \$150,000 to Line of Credit Note L.

10) Issuer Certification

Principal Executive Officer:

The certifications shall follow the format below:

I, William Scott Tudor certify that:

1. I have reviewed this Disclosure Statement for WATER TECHNOLOGIES INTERNATIONAL 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.

September 3, 2024

/s/ William Scott Tudor

Principal Financial Officer:

I, William Scott Tudor certify that:

1. I have reviewed this Disclosure Statement for WATER TECHNOLOGIES INTERNATIONAL 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.

September 3, 2024

/s/ William Scott Tudor