

February 28, 2021

Dear Equitech Shareholders,

Needless to say, 2020 was a very difficult year for everyone, but most particularly for Equitech. The Covid-19 pandemic found us in the middle of a turnaround process, defending ourselves from a disgruntled Licensee who wanted Equitech out of business, and with minimal resources to advance our strategy.

Despite these multiple challenges, Equitech made tremendous progress on many fronts as outlined below.

Strategic Alliances

During the third Quarter of 2020, Equitech entered into a Strategic Alliance Agreement with M&M Technology and CompSOL USA, both companies located in Charlotte, NC.

M&M Technology manufactures printed circuit boards (PCBs) and panel assemblies. CompSOL specializes in opto-mechanical, electronic hardware, innovative software, and system integrations.

Equitech has spent significant amount of time with the new partners outlining the modifications and enhancements required for the new generation of instruments and probes, as well as looking at the co-development of additional products for other markets. I am now happy to report that CompSOL will assume the manufacturing of Equitech's systems and probes during the first quarter of 2021.

We also established a Strategic Alliance, with the Polymer Center of Excellence (<https://polymers-center.org/>). The Polymer Center will host Equitech equipment to enable customers to conduct trials with our technology. Because the center is only a few minutes away from Equitech's new operations facility, we will also have the possibility to support those trials and work closely with the Polymer Center and its customers.

Relocation

With the Strategic Alliance Agreement in place, there is no longer a need for Equitech to have operations in South Carolina. After approximately 20+ years in this State, the company is moving to Charlotte, North Carolina where it will share offices and production facilities with both M&M Technology and CompSOL. Being under one roof gives Equitech the opportunity to interact closely with R&D, Engineering, and Manufacturing. The relocation will take place during the month of February; Corporate Headquarters will remain in New Jersey.

Investor Relations

As part of our turnaround plan, we began a process to clean up our financial reports and get us reinstated with the Securities Exchange Commission (SEC). To this end, we retained a well-known financial company to help us prepare our books in accordance with GAAP. We estimate the completion of these efforts during the first quarter of 2021.

We were also determined to relieve the company from old liabilities that had been obstructing the development of Equitech. During the fourth quarter of 2020 we managed to convert

approximately \$1.7M into equity and paid off several short-term loans thanks to our methodic job and with the support of you, the shareholders, and the employees. The company had liabilities close to \$4M two years ago; they are now \$2.3M.

Management presented a proposal to the Board of Directors to convert the Preferred Class A shares into common stock, to approve a 100:1 reverse split of our common shares and to reduce the authorized shares from 125M to 12.5M.

Proposals were presented to the shareholders and approved by a large majority (70%). Equitech will implement the Board's resolution during the first quarter of 2021.

Equitech at a Glance

- Number of shareholders 726
- Tick Symbol: EQTL
- Net Operating Losses \$10M
- Assets \$300K
- Current Liabilities \$2.3M

Financials

The table below outlines the company's financials for the past 2 years and the results for 2020 (unaudited).

	2018	2019	2020
Revenues	\$119,245	\$110,511	\$196,658
COGS	\$98,247	\$50,049	\$173,072
Gross Profit	\$21,827	\$60,462	\$23,585
Operating Expenses	\$104,695	\$47,154	\$81,527
Net Income	(\$82,779.51)	\$13,308	(\$56,514)*

Revenues increased 78% relative to 2019 to close the year at \$196K. The amount is still small, but several factors affected these results. In addition to the limitations imposed to the pandemic, Equitech had to spend considerable resources and had many distractions dealing with a legal battle with its Licensee.

Throughout the year, Equitech's sales representatives have been approaching many companies and generating solid sales leads, several of which have already turned into ongoing trials planting the seeds for future sales.

COGS increased significantly vs. 2019 for two reasons. First, we paid off the debt to our Licensee (a total of \$111,441.00) and second, we purchased parts for the manufacture of several instruments and probes that will be sold during the first quarter of 2021. Operationally (not accounting the Judgement portion), the company had a Gross Profit of \$85,217 and ended the year with a slight positive Net Income.

Expenses nearly doubled compared to 2019 because of legal and interest expenses (\$21.7K and exchange rate adjustments related to the company's defense in the Judgement case. In addition, the company chose to pay off its credit card (\$12K).

ColVisTec

In August of 2020, Equitech paid ColVisTec, our Licensee, money owed for operations that took place prior to this administration and for which they had sued Equitech. The company obtained a Satisfaction of Judgement from the United States District Court of Florida.

Equitech has always contested ColVisTec's unilateral cancelations of the Licensing Agreement as unfounded and not in accord with the terms of the parties' agreement and is prepared to defend any violations to it in the court of law. Equitech recognizes that ColVisTec may have significant business opportunities outside of its assigned territory, especially in the pharmaceutical and plastics industries in the United States and Asia. While maintaining its resolve to enforce the License Agreement, Equitech is open to proposals to amend or cancel the parties' agreement for the benefit of all shareholders.

Company Strategy

Equitech's corporate strategy for the completion of its turnaround is based on the following principles. All these strategic actions are ongoing.

- Advance sales of its products
 - Increase the company's exposure
 - Increase sales presence in the US and internationally
 - Evaluate licensing opportunities in other geographies
- Stabilize company finances
- Enable M&M and CompSOL to manufacture existing and new products
- Upgrade the instrument's electronics and software

After two years at the helm, I can truly say that coming back to Equitech has been a very challenging experience, but very rewarding too. While I am writing this report in early 2021, I also reflect on the opportunities and challenges we have ahead and remain convinced that Equitech's best years are in the near future.

My best,

Jaime