



South Jersey Technology Center
 107 Gilbreth Pkwy
 Mullica Hill, NJ 08062
 Telephone: (706)364-6060
<https://equitechintl.com>

Dear Shareholders,

We have begun to turn the company around!

Second quarter of 2020 is one most companies would like to forget because of the Covid-19 pandemic. Our regular business was indeed affected because many of our customers shut down operations and this has slowed down our recovery speed.

In spite of this, the company managed to have revenues a bit higher than for the same period last year. Our COGS doubled compared to 2019 as we manufactured instruments and probes that will be sold in the third quarter which explains the negative net income for the quarter. In addition, the company was able to control its expenses and managed to pay off another vendor.

Equitech Profit & Loss (Quarter 2 & Half Year Financials)

	2020	2019	2020	2019
	Q2	Q2	HY	HY
Total Income	39099	38293	77821	61167
Total COGS	35412	17369	52086	28477
Gross Profit	3686	20924	25735	32685
Total Expenses	11152	16063	21456	28177
Net Income	-7465	4861	4278	4507

During Q2, Equitech made significant progress in many fields:

- A Grant Proposal is almost ready and will be filed in Q3 with the government
- A close relationship was established with the University of Texas Austin (UTA) Pharmaceutical Department. We sold to them 1 UV-Vis and 1 NIR instrument
- We scheduled 4 trials to be conducted in Q3 in the food and plastics industries
- We continued to expand our Application Sheets while publishing them via Social Media

As of the end of June, we have begun to re-activate many of the contacts we had back in February. We are optimistic that the current pandemic situation may affect Equitech in a positive way. While many of our potential customers face disrupted operations, it is also true that many are considering adding automation to operations that will make them more resilient to disruption while also cutting costs. Equitech has already demonstrated that it can help its customers enable 'close-loop operations' and will use this knowledge to cater to new customers.

On June 30th, I assumed the presidency of the Society of Plastics Engineers (SPE) for 2020-2021. SPE is a not-for-profit association that congregates about 25,000 members worldwide. This is an honor and a huge responsibility. SPE can be of tremendous help to small companies like Equitech and we have begun leveraging the network SPE provides to further our business.

Stay safe!

Jaime A. Gómez, PhD
 President & CEO