



7711 Idlewild Road  
Indian Trail, NC 28079  
Telephone: (704) 882-4624  
<https://equitechintl.com>

August 11, 2022

Dear Equitech Shareholders,

Knowledge, perseverance, and discipline continues to pay off.

During the first six months of 2022, the company had revenues nearly 20% higher than our revenues for the entire 2021!

Our flagship product, the EquiSpec, continues to make inroads in the plastics production and compounding markets. During the first 6 months of the year, we sold multiple systems and probes, ran several trials at the Polymer Center of Excellence and/or at companies' facilities, and more than doubled our sales pipeline.

To facilitate customer trials, we installed a permanent EquiSpec system at the Polymer Center of Excellence (<https://polymers-center.org/>) in Charlotte, NC. There, potential customers can schedule trials to measure color directly in the plastic melt or they can select to rent a system and run trials at their own facilities.

The above positive results are great proof that our strategy is correct, and its implementation is spot on!

We are the inventors and developers of a unique technology that provides great benefit to the plastics industry. Thus, we continue a very focused marketing campaign in this industry. To this end, we continue advertising in Plastics Technology (<https://www.ptonline.com/zones/extrusion>) since a year ago. During Q2, we committed to advertise with Plastics Engineering, the Society of Plastics Engineers magazine, in its 80<sup>th</sup> anniversary issue. See supporter company profile on page 70 and full page ad on page 97 (<https://www.4spe.org/i4a/pages/index.cfm?pageid=4771>). In addition, Equitech was featured in a recent article in Compounding World magazine (<http://www.compoundingworld.com/>).

Quarter 2; however, proved quite challenging because of logistics and inflation issues with electronic parts. This inflationary pressure has caused our COGS to increase ten points relative to Q1 and consequently affected our gross profits. As I write this report in early August, I can confirm that the company took steps to counter this situation in early July by adjusting our prices where possible. It also appears that the logistics issue is beginning to improve slowly, and we should see some easing of the inflationary pressures in the months to come.

Nonetheless, we invested most of our gross profits of this period on our efforts to return Equitech to a growth path, thus the small amount of Net Income reported at the end of this quarter. The results speak for themselves: we are now a Current Information company with the OTC Markets (Pink Sheets), we are reporting periodically meeting OTC requirements, we are investing in new technology and marketing, and we are paying liabilities off rapidly.

On this topic, I am happy to report that we were able to reduce the company's liabilities from \$1.576M in Q1 to \$852K at the end of Q2, a 46% reduction! This milestone was achieved thanks to the collaboration and commitment of previous and current employees and some noteholders who accepted a debt-for-equity swap. The company is in its strongest financial position since more than 10 years ago and getting stronger by the day!



7711 Idlewild Road  
Indian Trail, NC 28079  
Telephone: (704) 882-4624  
<https://equitechintl.com>

Finally, and as you well know, Equitech is the inventor and developer of the in-line color measurement technology for the measurement of liquids, pastes, and slurries using fiber optic probes that are in full contact with the sample. Some of our first probes included the Reflection Polymer Melt Probe (RPMP), the Transmission Polymer Melt Probe (TPMP) and the Diffuse Reflectance Probe (DRP). After many years of using the initial designs quite successfully, and thanks to the feedback provided by many customers, Equitech has significantly modified and improved these probe's designs seeking to obtain better manufacturability and service, and of course, a better ROI for our customers.

Equitech has a very bright future!

A handwritten signature in black ink, appearing to read 'Jaime', written over a horizontal line.

Jaime A. Gómez, PhD  
President & CEO

**EQUITECH INT'L CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2022**

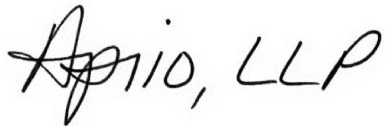
# EQUITECH INT'L CORPORATION AND SUBSIDIARIES

## TABLE OF CONTENTS

	<u>PAGE</u>
Independent accountants' compilation report	1
Consolidated financial statements:	
Consolidated balance sheet	2 - 3
Consolidated statement of income	4
Consolidated statement of stockholders' deficit	5
Consolidated statement of cash flows	6
Notes to consolidated financial statements	7 - 13

To the Stockholders of  
Equitech Int'l Corporation and Subsidiaries

Management is responsible for the accompanying consolidated financial statements of Equitech Int'l Corporation and Subsidiaries (a C corporation), which comprise the consolidated balance sheet as of June 30, 2022, and the related consolidated statements of income, stockholders' equity, and cash flows for the period of January 1, 2022 through June 30, 2022, and the related notes to the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the consolidated financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide assurance on these consolidated financial statements.



Atlanta, Georgia

August 8, 2022

EQUITECH INT'L CORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEET  
JUNE 30, 2022

ASSETS

	<u>Amount</u>
<u>Current assets</u>	
Cash	\$ 109,418
Accounts receivable - trade	124,271
Inventory	62,041
Other current assets	<u>519</u>
Total current assets	<u>296,249</u>
 <u>Other assets</u>	
Investment in Optoniks Corp.	<u>125,000</u>
Total other assets	<u>125,000</u>
Total assets	<u>\$ 421,249</u>

See accountants' compilation report and accompanying notes

EQUITECH INT'L CORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEET  
JUNE 30, 2022

LIABILITIES AND STOCKHOLDERS' DEFICIT

	<u>Amount</u>
<u>Current liabilities</u>	
Accounts payable	\$ 158,503
Accrued compensation	139,467
Other accrued liabilities	219,733
Notes payable	265,724
Income taxes payable	69,167
Total current liabilities	852,594
<u>Stockholders' deficit</u>	
Class A preferred stock, \$0.001 par value, 2,000,000 shares authorized; 179,906 shares issued and outstanding at June 30, 2022	180
Class B preferred stock, \$0.001 par value, 1,000,000 shares authorized; 0 shares issued and outstanding at June 30, 2022	-
Common stock, \$0.001 par value, 12,500,000 shares authorized; 1,453,072 shares issued and outstanding at June 30, 2022	1,453
Additional paid-in capital	14,190,460
Accumulated deficit	(14,665,327)
Deficit attributable to Equitech Int'l Corporation	(473,234)
Non-controlling interest	41,889
Stockholders' deficit	(431,345)
Total liabilities and stockholders' deficit	\$ 421,249

See accountants' compilation report and accompanying notes

EQUITECH INT'L CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENT OF INCOME  
FOR THE PERIOD OF JANUARY 1, 2022 THROUGH JUNE 30, 2022

	<u>Amount</u>
<u>Net sales</u>	\$ 583,882
<u>Cost of goods sold</u>	<u>380,875</u>
Gross profit	<u>203,007</u>
<u>Operating expenses</u>	
General and administrative	<u>322,008</u>
Total operating expenses	322,008
Loss from operations	<u>(119,001)</u>
<u>Other income (expense)</u>	
Interest expense	(3,514)
Miscellaneous income	1,909
Gain on expiration of tax liens	<u>136,441</u>
Total other income	<u>134,836</u>
Consolidated net income	15,835
Less: income attributable to non-controlling interests	<u>9,739</u>
Net income attributable to Equitech Int'l Corporation	<u>\$ 6,096</u>

See accountants' compilation report and accompanying notes



EQUITECH INT'L CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIT  
FOR THE PERIOD OF JANUARY 1, 2022 THROUGH JUNE 30, 2022

	<u>Class A Preferred Stock</u>		<u>Class B Preferred Stock</u>		<u>Common Stock</u>		<u>Additional Paid-in Capital</u>	<u>Accumulated Deficit</u>	<u>Non-controlling Interests</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>				
Balance at January 1, 2022	179,906	\$ 180	-	\$ -	1,453,072	\$ 1,453	\$ 13,402,651	\$(14,671,423)	\$ 32,150	\$ (1,234,989)
Repurchase of common stock	-	-	-	-	-	-	(2,500)	-	-	(2,500)
Issuance of stock options	-	-	-	-	-	-	736,165	-	-	736,165
Debt to stock options conversion	-	-	-	-	-	-	54,144	-	-	54,144
Net income	-	-	-	-	-	-	-	6,096	9,739	15,835
Balance at June 30, 2022	<u>179,906</u>	<u>\$ 180</u>	<u>-</u>	<u>\$ -</u>	<u>1,453,072</u>	<u>\$ 1,453</u>	<u>\$ 14,190,460</u>	<u>\$(14,665,327)</u>	<u>\$ 41,889</u>	<u>\$ (431,345)</u>

See accountants' compilation report and accompanying notes

EQUITECH INT'L CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD OF JANUARY 1, 2022 THROUGH JUNE 30, 2022

	<u>Amount</u>
<u>Cash flows from operating activities</u>	
Net income	\$ <u>15,835</u>
Adjustments to reconcile net income to net cash provided by operating activities:	
Gain on expiration of tax liens	(136,441)
Change in operating assets and liabilities:	
Accounts receivable - trade	(76,572)
Inventory	38,804
Other current assets	(519)
Accounts payable	11,933
Accrued compensation	93,060
Other accrued liabilities	25,649
Income taxes payable	<u>42,398</u>
Total adjustments	<u>(1,688)</u>
Cash provided by operating activities	<u>14,147</u>
 <u>Cash flows from financing activities</u>	
Proceeds from issuance of long-term debt	2,500
Repurchase of common stock	<u>(2,500)</u>
Cash provided by financing activities	<u>-</u>
Net increase in cash	14,147
Cash, beginning of the period	<u>95,271</u>
Cash, end of period	<u>\$ <u>109,418</u></u>

SUPPLEMENTAL DISCLOSURE OF NON-CASH TRANSACTIONS

During the six month period ended June 30, 2022, the Company granted stock options to employees and members of the board of directors from accrued compensation from prior years totaling \$736,165.

During 2022, the Company made agreements where debt was converted to stock options (see Note B) with creditors where \$54,144 of outstanding obligations was converted to 5,432 options.

See accountants' compilation report and accompanying notes

EQUITECH INT'L CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022

**Note A**  
**Summary of Significant Accounting Policies**

Nature of Operations:

Equitech Int'l Corporation ("Equitech"), a Nevada Corporation, was formed on March 28, 1995, to specialize in the design, sales, installation of service of fiber optic instrumentation systems. Equitech is a publicly held corporation trading over the counter on pink sheets whose product lines will include a wide range of sensors, analytical products and electronic equipment used in research, industrial process control and commercial consumer electronics. Equitech is headquartered in Indian Trail, North Carolina.

Principles of Consolidation:

The accompanying consolidated financial statements include the accounts of Equitech and CompSOL USA Inc ("CompSOL"). Significant intercompany balances and transactions have been eliminated in consolidation. Equitech Int'l Corporation and Subsidiaries will be collectively referred to as "the Company".

Noncontrolling Interest:

Noncontrolling interest is the portion of the ownership in CompSOL not directly attributable to the Company and is reported as a separate component of the Company's stockholders' equity in its consolidated financial statements. The Company's consolidated net loss is reported at amounts that include the amounts attributable to both the Company and the noncontrolling interest.

Liquidity:

The consolidated financial statements have been prepared assuming the Company will continue as a going concern. The Company has incurred net losses since its inception, with an accumulated deficit of approximately \$14.7 million and a negative current ratio as of June 30, 2022. Management's plans with regard to these matters include converting the notes payable due to stockholders and accrued compensation to equity and leveraging the strengths of both Equitech and CompSOL to increase financial viability. Management projected that they will start generating enough cash flow to cover the operating needs in the coming years. The consolidated financial statements do not include any adjustments that might result from the outcome of these uncertainties.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement. Estimates are used for, but not limited to, accrued liabilities and contingencies. Actual results could differ from these estimates.

EQUITECH INT'L CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022

**Note A**  
**Summary of Significant Accounting Policies (Continued)**

**Concentration of Credit Risk Arising From Cash Deposits in Excess of Insured Limits:**

The Company maintains its cash in bank deposits that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant risks on cash.

**Accounts Receivable - Trade:**

The Company extends credit to customers located throughout the world based on the size of the customer, its payment history, and other factors. The Company generally does not require collateral to support customer receivables. The Company provides an allowance for doubtful accounts based upon a review of the outstanding accounts receivable, historical collection information and existing economic conditions. The Company determines if receivables are past due based on days outstanding, and amounts are written off when determined to be uncollectible by management. The maximum accounting loss from the credit risk associated with accounts receivable is the amount of the receivable recorded, which is the face amount of the receivable, net of the allowance for doubtful accounts. As of June 30, 2022, the Company believes all receivables are fully collectible, and accordingly, no allowance for doubtful accounts has been established.

**Inventory:**

Inventory consists of parts, and is stated at the lower of cost or net realizable value. Inventory is valued using the first-in, first-out method. Provisions are made in each period for the estimated effect of obsolete and slow-moving inventories. As of June 30, 2022, the Company determined no reserve for obsolete and slow-moving inventories was necessary.

**Investment in Optoniks Corp:**

The company owns a 2% ownership interest in Optoniks Corp. ("Optoniks"). This investment is accounted for using the cost method of accounting. Accordingly, the investment is recorded at the historical cost of the Company's equity in Optoniks.

**Impairment of Long-Lived Assets:**

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be fully recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the assets to their fair value, which is normally determined through analysis of the future net cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount that the carrying amount of the assets exceeds the fair value of the assets. There is no impairment necessary for the period ended June 30, 2022.

EQUITECH INT'L CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022

**Note A**  
**Summary of Significant Accounting Policies (Continued)**

Accrued Compensation:

Accrued compensation consists of wages earned by employees, but not paid by the Company. The employees have deferred the receipt of these wages through verbal and written agreements.

Revenue Recognition:

The Company recognizes revenue in accordance with ASC 606 when: (i) a contract with a client has been identified, (ii) the performance obligation(s) in the contract have been identified, (iii) the transaction price has been determined, (iv) the transaction price has been allocated to each performance obligation in the contract, and (v) the Company has satisfied the applicable performance obligation.

The Company designs, sells, installs and services fiber optic instrumentation systems. Revenue is recognized when performance obligations under the terms of the contracts with customers are satisfied. The Company's performance obligation generally consists of the promise to manufacture and install finished products to its customers. The performance obligation is satisfied upon transfer of control of finished goods, which occurs upon shipment to or installation at the customer locations, as determined by specific terms. Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring goods and is recognized upon transfer of control. The Company also performs maintenance and repair services for the systems and the performance obligation is recognized at a point in time upon the completion of the services since the services are completed within a short period of time. The Company also rents out the systems and recognizes revenue over the rental period. The Company's invoices are due within 30 days.

Shipping and Handling Costs:

The Company classifies shipping and handling amounts billed to customers as sales, and shipping and handling costs as a component of cost of goods sold.

Advertising:

The Company expenses advertising costs as incurred. Advertising expenses were approximately \$15,200 for the six months ended June 30, 2022.

Income Taxes:

The Company accounts for income taxes using the asset and liability approach. Deferred tax assets and liabilities are recognized for the future tax consequences of differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates scheduled to be in effect when temporary differences are expected to be recovered or settled. The effect of a change in enacted tax rates on the deferred tax assets and liabilities is recognized in income in the financial statement period when the new tax rates are enacted. The Company assesses the realizability of its deferred tax assets annually and records a valuation allowance when it is determined more likely than not that a deferred tax asset will not be realized in full.

EQUITECH INT'L CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022

**Note A**  
**Summary of Significant Accounting Policies (Continued)**

The Company accounts for the uncertainty in income taxes as prescribed by the minimum probability threshold that a tax position must meet before a financial statement benefit is recognized. The minimum threshold is defined as a tax position that is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement. There were no uncertain tax positions as of June 30, 2022.

The Company is no longer subject to Federal or State income tax examination for calendar years prior to 2018.

**Fair Value of Financial Instruments:**

The Company's financial instruments, including cash, accounts receivable, accounts payable, and accrued liabilities, are carried at cost, which approximates their fair value because of the short-term nature of these financial instruments. The carrying value of notes payable are based on the instruments' interest rate, terms, maturity date and collateral, if any, in comparison to the Company's incremental borrowing rate for similar financial instruments.

**Note B**  
**Notes Payable**

Notes payable consists of unsecured agreements with certain stockholders and other employees. The notes bear interest at fixed rates ranging from 0% to 10% and are due upon demand. The total outstanding balance as of June 30, 2022, was \$265,724. Certain agreements, if elected, can be converted to shares of common stock.

EQUITECH INT'L CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022

**Note C**  
**Stock-Based Compensation**

During 2021, the Company's Board approved a stock option plan for employees, directors, officers, and other service providers of the Company (the "Equity Plan"). The Equity Plan provided the Board the authority to grant options to purchase up to 620,000 shares of common stock. The option exercise price for each grant of incentive stock option shall not be less than the fair market value of a share on the grant date. Fair market value of each share is determined by the amount of the obligation being exchanged compared to the amount of options granted, agreed upon by both parties. The options generally vest 100% after the first year of service following the grant date. Certain options were granted with an immediate vesting. The options expire as set forth by the Board, but not more than 10 years from the date of grant.

A summary of the Company's common stock option activity and related information is as follows:

	<u>Options</u>	<u>Weighted Average Exercise Price</u>	<u>Weighted Average Remaining Contractual Term (in years)</u>
Outstanding at January 1, 2022	398,132	\$ 5.00	10.00
Granted	78,496	5.00	10.00
Exercised	-	-	
Forfeited	-	-	
Outstanding at June 30, 2022	<u>476,628</u>	5.00	10.00
Vested and exercisable at June 30, 2022	<u>476,628</u>	5.00	10.00
Vested and expected to vest at June 30, 2022	<u>476,628</u>	\$ 5.00	10.00

As of June 30, 2022, there was no unrecognized stock-based compensation. During the period ended June 30, 2022, the weighted average grant date fair value of common stock options granted was \$10.90.

**Note D**  
**Stockholders' Equity**

The Company has two classes of preferred stock: Class A Preferred Stock and Class B Preferred Stock (collectively, "Preferred Stock"). The Board of Directors of the Company establishes the rights, privileges, voting, liquidation preference, series, convertibility, dividend and redemption provisions of the Preferred Stock. The holders of the Preferred Stock are entitled to dividends at a rate established by the Board of Directors with Priority over the holders of common stock. Upon dissolution, the holders of Preferred Stock will hold first priority over the holders of common stock. Upon dissolution, the holders of Preferred Stock will hold first priority of the liquidation value of the remaining assets of the Company. All outstanding preferred shares are convertible at \$1.00 per share at a rate of 1 to 3 shares of common stock, depending on the stockholder's agreement.

EQUITECH INT'L CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022

**Note E**  
**Revenue From Contracts With Customers**

The revenue by service line consists of the following for the period ended June 30, 2022:

	Amount
Parts sales	\$ 31,086
System sales	509,469
Design services	10,058
Maintenance and repair services	12,640
Shipping	4,129
Unit rentals	16,500
Total revenue from contracts with customers	\$ 583,882

**Note F**  
**Income Taxes**

The tax effects of temporary differences that give rise to significant portions of the deferred tax asset at June 30, 2022, consist of:

	Amount
<u>Deferred tax asset:</u>	
Available net operating loss carryforwards	\$ 1,932,987
Valuation allowance	(1,932,987)
Net deferred tax asset	\$ -

As of June 30, 2022, the Company has generated a net operating loss ("NOL") carryforward for tax purposes of approximately \$9,204,700, which can be carried forward to offset future taxable income. The NOL carryovers created prior to 2017 amount to approximately \$7,637,000 and expire 20 years from the year generated. The NOL carryovers created beginning in 2018 amount to approximately \$1,567,000 and do not expire. No benefit for income taxes has been recorded due to the uncertainty of the realization of any tax assets, accordingly, the Company recorded a full valuation allowance on the deferred tax asset as of June 30, 2022.

As of December 31, 2020, the Company had tax liens with federal and state governments filed in 2013 of approximately \$354,000 and \$70,000, respectively. During 2021 and 2022, the statute of limitations on certain liens ended causing the liabilities to expire totaling approximately \$293,000 for federal liens and \$50,000 for state liens. As of June 30, 2022, the Company has outstanding tax liens with federal and state governments of approximately \$61,000 and \$8,000, respectively. These amounts are included in income taxes payable on the consolidated balance sheet. Interest expense accrued on these liens totaled \$226 for the period ended June 30, 2022.



EQUITECH INT'L CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022

**Note G**  
**Commitments and Contingencies**

Operating Leases:

On February 10, 2021, the Company entered into a Strategic Alliance Agreement with four other companies to consolidate expenses and integrate commercial synergies between all parties. Prior to this agreement, the Company leased office space under a noncancelable operating lease agreement that was set to expire in June 2023. The lease agreement was cancelled upon execution of the Strategic Alliance Agreement with no penalty. As part of the Strategic Alliance Agreement, a facility was leased in which the Company's portion of the rent is \$1,250 per month for 24 months.

At June 30, 2022, future minimum lease payments under the noncancelable operating lease were as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2023	\$ <u>10,000</u>

Rent expense under this agreement totaled \$12,100 for the six months ended June 30, 2022.

**Note H**  
**Concentrations**

Significant Vendor:

A significant vendor is defined as one from which the company receives at least 10% its total purchases. For the period ended June 30, 2022, the Company had purchases from one supplier totaling \$226,400, which comprised approximately 69% of the Company's annual purchases. The accounts payable balance included approximately \$129,100 to this vendor at June 30, 2022.

Significant Customer:

A significant customer is defined as one from whom at least 10% of annual revenue is derived. The Company had sales to four customers totaling approximately \$461,000, which comprised approximately 79% of annual revenues for the period ended June 30, 2022. The accounts receivable balance included approximately \$113,200 from these four customers at June 30, 2022.

**Note I**  
**Subsequent Events**

The Company evaluated subsequent events through August 8, 2022, when these financial statements were available to be issued. The Company is not aware of any additional significant events that occurred subsequent to the balance sheet date, but prior to the filing of this report, that would have a material impact on the consolidated financial statements, other than those below.