Weyland Tech Inc. (WEYL) CEO Brent Suen on Q2 2020 Results - Earnings Call Transcript

Weyland Tech Inc. (OTCQX:WEYL) Q2 2020 Earnings Conference Call August 14, 2020 11:00 AM ET

Company Participants

Brent Suen - Chief Executive Officer

Lionel Choong - Chief Financial Officer

Rod Granero - Chief Financial Officer, Logiq

Tom Furukawa - Chief Technology Officer, Logiq

Conference Call Participants

Chris Lacoursiere - Seeking Alpha

Operator

Good morning, and thank you, for joining us today, to discuss Weyland Tech's Second Quarter Ended June 30, 2020. Joining us today is Weyland Tech's Chief Executive Officer, Brent Suen and company's Chief Financial Officer, Lionel Choong; they are joined by Logiq, Chief Financial Officer, Rod Granero and its Chief Technology Officer, Tom Furukawa.

Following their remarks, we'll open the call to questions. Then before we conclude today's call, I'll provide some important cautions regarding the forward-looking statements made by management during the call. I'd also like to remind everyone that today's call is being recorded and will be made available for telephone replay following the instructions provided in today's press release.

Now I'd like to turn the call over to Weyland Tech's CEO, Brent Suen. Please go ahead.

Brent Suen

Thanks Chloe, and good morning to everyone, good evening to those who are joined overseas. Before we begin talking about the quarterly results, I wanted to talk about something I think that we're all quite familiar with.

Normal. What is normal? Six months ago, if you told your boss or your colleagues, Hey, I'm going to work from home indefinitely and we can meet up on zoom. Is that normal? It is now. Instead of going to the gym, would you hop on your peloton bike and get on with your virtual trainer. And so is that normal? Instead of going to the supermarket would you order your groceries to be delivered? Instead of using cash or card would you pay with something -- for something with an ewallet instead? Would any that had been considered normal six months ago?

How about stocks of companies like zoom information, Telecom, Shopify, FCA, Netflix, the Trade Desk? All these have traded to new highs during a global pandemic, and they are all part of what is now considered normal. They also carry valuations of 13 times revenues, 22 times revenues, 56 times revenues, for Shopify and 83 times revenues for Zoom, because they are all part of what is now considered normal.

This is how we do business and this is how we live our lives. And these valuations support further expansion for further enabling what is now the new normal. At Weyland Tech, each one of our business units and our overarching strategy fulfills what is now normal ecommerce, mobile commerce, ewallet payments, ad tech, data analytics, they sound separate but they're all the same but none of them are reactionary to what is now the new normal. We've been doing them all well before any of this happened. Our business is thriving. And we believe that the best is yet to come.

So for Q2, despite the challenges that have been created by the global pandemic, we made strong progress across every segment of our business around the world. This included realizing major gains and revenues and new ecommerce engagements for our newly rebranded, Logiq ecommerce operations in the US. Logiq's larger and higher profile customer stepped up their activity during the quarter, resulting in revenue gains in every month of the second quarter. In Southeast Asia, we expanded our popular food delivery service AtozGo from the commercial business district to actual residential units in Jakarta. Incidentally, Jakarta is thought of as a city, which will soon become the largest in the world by the end of the decade, with the current population of more than 35 million.

We also expanded the reach of CreateApp, our mobile commerce platform as a service, to Italy and other parts of western Europe, where we are helping small businesses as the country reopens following the COVID lockdown. Subsequent to the quarter, we announced a major partnership with ShopeePay, one of Southeast Asia's largest integrated e-money services in the unit of New York Stock Exchange Traded C-Company Limited. Incidentally, C is currently the largest market cap of any company in Southeast Asia. Together, we're launching a new marketing campaign for AtozGo in Jakarta, as well as mutual integration of our mobile platforms.

AtozPay, our mobile payments and ewallet platform has continued to log record transactions through its system, totaling more than $19 million in gross transaction volume this year and has also grown every month during the pandemic. Our strong progress with these businesses and the major attention they've been receiving from companies like ShopeePay is why we're increasing our ownership of our Indonesian unit, Weyland Indonesia Perkasa, which is the local operator of AtozGo and AtozPay from the current 31% ownership to more than 51%. This will allow us to consolidate the revenue numbers for hopefully the current quarter. It also puts us in a better position to control any strategic alternatives that might arise as mergers and acquisitions and business in general in this region of the world continue to increase.

On the CreateApp side, we recently launched a pilot marketing campaign for Q3 and Q4 that has been designed to increase gross margins to more than double. We're aiming at 35% to 40%. And with that, we'll see a reduced

R&D spend from our historical average of around 20%. That's been dependent upon resellers and has been a long drag on profitability. We recently expanded the digital marketing campaign into Indonesia, following a high ROI piloted this program in Taiwan. And we have many more exciting developments to cover today.

But before we go further, I'd like to turn this over to Lionel Choong, our Chief Financial Officer at Weyland and Rod Granero, our Logiq CFO to take us through the financial results for the quarter and first half. I've also invited Tom Furukawa, the Chief Technology Officer of Logiq on the call again to discuss the changes and progress with Logiq in greater detail, as well as yesterday's announcement of an acquisition of Fixel AI. Afterwards, I'll return to talk a little more about operational activities and our outlook for the remainder of the year. Lionel?

Lionel Choong

Thank you, Brent, that was a good meeting. Good morning, everyone. Earlier today, we issued a press release with the result for our second quarter of 2020. A copy of the release is available from the Investor Relation section of our Web site.

Now starting with our statement of operations for the quarter. Our revenue totaled $9.3 million, up 30% compared to the same year ago quarter. The increase is due to contribution of $3.7 million for our new Logiq subsidiary, which we acquired on January 8th. Our consolidated gross profit decreased 4% to $1.2 million or 13.1% of revenue in the second quarter compared to $1.3 million or 17.7% of revenue in the same year ago period.

Our total operating expenses decreased 11% to $2.6 million compared to the same year ago period. The decrease was primarily due to a decrease in G&A expenses compared to a higher stock compensation issuance from a year ago. R&D and sales and marketing, which was partially offset by an increase in depreciation and amortization expenses. Q2 net loss totaled $1.7 million or $0.14 per basic and fully diluted share compared to net loss of $1.7 million or $0.48 per basic and fully diluted share in the year-ago period.

Now looking at our performance for the first half of the year. Revenue totaled a record total $24.3 million, up 55% versus the first half of last year. The increase was largely due to the contribution of $6.9 million from Logiq. Consolidated gross profit increased 39% to $3.9 million or 15.9% of revenues compared to $2.8 million of 17.7% of revenue in the year ago quarter. The reduction in gross profit is a result of providing complementary services and discounting in an effort to retain our customers affected by COVID-19.

Total operating expenses decreased 81% to $8.1 million versus the same year ago period. The increase was primarily due to the addition of $2 million in G&A expenses from Logiq, as well as an increase in R&D and depreciation and amortization expense. This is partly offset by a decrease in sales and marketing expenses. Net loss totaled $4.5 million or $0.38 above basic and fully diluted per share in the first half of net loss of $1.7 million or $0.52 per basic and fully diluted share in the same year ago period.

Turning to our balance sheet. At June 30, 2020, our cash and cash equivalents totaled $3.9 million as compared to $3 million at March 31, 2020. The is primarily due to the cash included in the Logiq's acquisition. With our additional funding we believe our current cash levels are sufficient to maintain current operations for the current topline.

Now with that, I'd like to turn the call over to our CFO of Logiq, Rod Granero to provide more details on Logiq's financials. Rod?

Rod Granero

Thank you, Lionel and good morning, everyone. Given the impact of COVID-19 as we discussed on our last call, we were able to quickly adjust the mix of our demand partners and advertisers earlier in the quarter to suit the new online environment and stay at home orders throughout the country. As a result, April turned out to be stronger than March and May stronger than April. Then June came in as our strongest June month ever, and this trend had continued through the summer.

And now let's dive into the numbers for the quarter ended June 30, 2020. Logiq's revenues totaled $3.7 million in the second quarter. This was up $2.7 million or 261% compared to the same period a year ago. The increase was due to higher revenues in traffic management and an increase in data monetization revenues, which represented a new revenue stream for us this year. This shift in revenue mix reflects our planned transition to a more data driven company, with this presenting better gross margins than our legacy traffic management services.

Overall, the impact of COVID-19 on our business was considerably less than expected. In fact, we were the beneficiaries of the transformation in consumer behavior as people stayed at home and began to focus more on their homes and home related activities. HomeAdvisor and QuinStreet, two of our larger and higher profile customers significantly stepped up their online marketing activity. These types of customers tend to be timely with their payments, which helps reduce our accounts receivable.

Logiq's gross profit increased 203% to $0.6 million. Although, as a percentage of revenue, it decreased from 18.4% to 15.5% in the second quarter compared to last year. This margin decrease reflects how competitive media costs have become as a result of COVID-19. Our total operating expenses decreased 7.2% from the same period a year ago to $1.5 million. The decrease was primarily due to a decrease in our general and administrative expenses. Net loss from operations was $1 million in the second quarter, which improved by $0.5 million from the net loss of $1.5 million in the same period a year ago. We believe this reflects on overall trend where we see getting to breakeven early next year as revenues continue to ramp up.

Now turning to the first half results. Revenues totaled $6.9 million, up 33% compared to the first half of 2019. The increase was due to a large increase in data monetization revenue, offset by lower revenue in traffic management as compared to the same period a year ago. This shift in product mix during the first half of the year reflects our strategic transition towards becoming a more data driven company, which has higher margins than our legacy traffic management services. For the first half of 2020, gross profit increased 47% to $1.1 million. As a percentage of revenue, we've increased to 16.3% from 14.8%. This margin improvement was again due to the shift towards data monetization related services and we see this trend continuing. Our operating expenses decreased 6.3% from the same period a year ago to $3.1 million. This was primarily due to a decrease in our G&A expenses. Our net loss from operations in the first half was $2 million, which improved roughly $0.6 million from the net loss of $2.6 million in the same period a year ago.

Looking ahead, we expect continued growth in our top line revenues in the current quarter, primarily driven by data monetization. The third quarter has started off strong. July revenues came in over $1.3 million and August is on a climb, so the current quarter is well on its way to beat in Q2. Our annualized revenues run rate is currently at around $15.6 million, which means we're on track to meet or exceeded previous guidance of $13 million to $15 million in revenue for 2020 with margins to improve to around 20%. We expect our expenses to remain flat as our revenues are growing, and we're monitoring it carefully. For the remainder of the year, we will remain focused on operational efficiency on margins with a goal of turning cash flow positive by Q1 2021.

This sums up our financial review of Logiq. Now, I'd like to turn the call over to Tom Furukawa, our Chief Technology Officer. Tom?

Tom Furukawa

Thank you, Rob, and good morning, and good evening, everyone. So as Rob described, we had a pretty good quarter, especially under the circumstances. And like most businesses we did have operational challenges early on with the COVID outbreak. However, we're able to switch up on exit verticals and focus on home improvement and health insurance, and areas we were watching closely even before the pandemic and now everything has accelerated to the beat since March.

Our success has been largely deemed to how our platform enables meaningful connections between brands and the consumers they want to reach at scale. And when our data show softness in certain market segments and strength in others, we can quickly adapt accordingly. For example, to follow consumer demand, we added new subcategories to our home improvement vertical where we saw increased demand from new customers.

We also saw increased demand in our health insurance verticals, especially in Medicare. We added QuinStreet to our home improvement vertical, while HomeAdvisor has grown month over month as we started within late last year. They say that now they have more supply and customers who need help with projects and they have contractors in their network to do them. Many other indicators are showing strong demand for renovation projects, including increases in construction permits.

Our Medicare vertical has also seen activity, growing substantially month over month in Q2 and continuing into Q3. And we're planning to add additional coverage, which will drive greater efficiency. Similar to an auction, the more buyer coverage we attract the more valuable our leads to become. Towards the end of the quarter, we also saw a pop in our ecommerce vertical for consumer products.

Now during the quarter, we also made improvements to our infrastructure designed to support further growth and scale. In addition to display advertising, we improved our email and SMS systems with data enrichment features, all of which have improved our operations and efficiencies. As most everyone has come to realize for effective online marketing data is key. So we have continued to improve the quality of customer data, the scale of the data and the infrastructure that gathers and processes it. At the foundation of our platform is first party audience data, which we collect from various sources and through which we have applied our proprietary AI system to score the data. This enables us to reach the most engaging audiences.

Talking about data enrichment and building engagement audiences brings us to the acquisition of Fixel that we announced earlier this week. We see Fixel technology greatly complementing and enhancing our LogiqX AI-powered consumer intent engine. This proprietary data system captures and directs consumers from multiple sources, who are in the market to purchase a specific product or service, and it promote engagement and conversion from major enterprises and brands. The addition of Fixel's platform allows us to accelerate our growth in several ways, including providing a more streamlined onboarding of customers through their web-based easy to use interface.

Fixel also provides us a field tested AI-based audience scoring engine, which can provide deep insight into audience engagement right down to ad placement. It can also expand and enhance their data in a audience platform, which contains data from our owned and operated properties, major partners like Oracle and now Fixel. All together, these components allow us to increase our reach to quality audiences, making media buying more efficient.

It is also important to note that the data we collect is predicated on permissions from both the consumer and our partners, since we uphold very stringent privacy policies. Logiq can also leverage Fixel for its own branded Web site and our clients can reach Fixel within their own media efforts. Fixel's existing customer base is also complementary to ours, so we see many cross selling opportunities. We've actually already begun to use Fixel's plug and play technology for scoring our data and building new audiences for remarketing. And we plan to fully integrate our two platforms to create an even stronger overall enhancements and capabilities.

So the future is looking bright for a customer acquisition and consumer intent approach to the market. The more data and more patterns we develop, the more efficient and more ad space we can buy profitably. Meanwhile, we continue to explore other potential technology acquisitions, focusing on those which will support our data enhancement strategy.

Now with that, I'd like to turn the call over to Brent. Brent?

Brent Suen

Thanks, Tom. So as I mentioned earlier, we are increasing ownership of our Indonesia businesses AtozGo, the food delivery app and AtozPay, our ewallet app from 31% to 51%, and we'll be consolidating the numbers in the coming quarters. As such, AtozPay, the ewallet, the gross margins are around 1.5%, which is pretty much standard in that segment. AtozGo, however, is operating around 12.5%. Together, they're generating a gross revenue run rate of more than $50 million on an annualized basis, so this is extremely exciting to us.

The new partnership between AtozGo and FCA’s ShopeePay will allow AtozGo users to transact in app using ShopeePay. And through this integration, AtozGo will benefit from literally hundreds of thousands of merchants and multiple millions of users who are already on the ShopeePay platform. The launch of this new co-marketing campaign with ShopeePay is obviously a huge win for us AtozGo and Weyland, and we believe demonstrates our unique value proposition for both partners and customers, as well as shareholders.

The mutual platform integration with ShopeePay and especially the new co-marketing campaign, which we’ll start to see shortly has raised our profile significantly in the industry and has actually begun to attract interest from other potential partners. Just over the past three weeks, we've had interest from institutional investors, both here in the US and from overseas, mostly who are shareholders of ShopeePay’s parent, FCA. In addition to that, we've also attracted the interest of several super regional and multinational tech companies that are interested in partnering with us as well.

On the CreateApp side, earlier this month we announced the new digital marketing campaign for CreateApp, both in Taiwan and then heading into Indonesia. If you look at our press releases from this past week and a half, talking about the launch in Taiwan and then subsequently into Indonesia. If you read them broadly, it might be easy to miss the real message here. The whole thematic wave of stay at home working and interacting has created within it two mega trends’ the first is no longer having to meet in person and then secondly, home-based businesses have become extremely popular.

And as testament to that, I think it's important to point out Shopify. They're still at rise and valuation, up to 58 times revenues. Further IPOs in that space. Just last week, big commerce IPO. Their bankers priced them at 11 times revenues, which they believe was a fair pricing. They traded through a high of 45 times revenues within two days. So why is this? It's because investors see the underlying megatrend and obtaining up for it. Thereby, enabling those companies to expand further, have the adequate capital to continue that expansion and thereby continue to offer relevant products and services.

The team at CreateApp is transforming entire marketing, sales, training, reselling and support to a 100% digital through the Taiwan pilot program launch, and the results are so much better than before that we are taking the same approach to our Indonesia launch. If you look at our previous gross margins over the years, we have averaged around 17% and its fairly high R&D spend, which has exceeded 20% of revenues.

So it was no surprise that our company has traded at lower than average SaaS valuation metrics. However, the new platform approach with 100% digital everything will command gross margins of more than double the current ratio and R&D drops down significantly with that. So we believe that this sets the stage for becoming a profitable and attracting investors seeking typical SaaS company margins and outlook. So with that, if you look at Shopify, again, they carry roughly 41.5% gross margins. So heading up to 35%, 40% on CreateApp, we're starting to look a lot more like a typical SaaS model. And at our current valuation metric of around two times revenues, there's clearly a disparity between us and our larger peers.

As Tom mentioned, the Logiq business has provided a data driven end-to-end ecommerce marketing solution for both enterprises and major US brands. And in light of our shift to a more data driven company overall, we might have seen that we filed an 8-K last Friday to rebrand Weyland's corporate name. So we will be adopting the name of Logiq at the corporate level and we filed with FINRA and currently awaiting new symbol issuance.

With that we will be rebranding all of our business segments accordingly. So you will see CreateApp be referred to as AppLogiq. The current Logiq business, formerly known as Push and currently Logiq Nevada, is becoming DataLogiq. AtozGo and AtozPay become GoLogiq and PayLogiq respectively. And our newly acquired AI business Fixel becomes FixelLogiq and will also integrate into DataLogiq.

This rebranding not only reflects our transition towards higher margin revenues as a result of evolving into a more data driven organization and one that continues to become more cohesive and interconnected over time. I'm sure that many of you are curious about our planned uplisting to a listed exchange as with many things in the new normal era. It has been slowed by several factors, which we continue to work through. However, it has not prevented us from having a recent attention paid to us by investors and a stock price appreciation.

We do not have a precise indication of timing for the uplist right at this moment. However, there are alternatives that have come to us unsolicited from other exchanges and we will be providing more details on them as they progressed and come to fruition. Looking ahead, we're extremely optimistic about the continued demand for all of our products and services, and continue to focus on making Weyland soon to be Logiq and ever more commercially successful and profitable business.

So with that, we can open up the call to questions. Chloe, please go ahead with instructions.

Question-and-Answer Session

Operator

Certainly. [Operator Instructions] We'll take our first question that comes from Chris Lacoursiere from Seeking Alpha. Please go ahead.

Chris Lacoursiere

Hi, Brent. Thank you for taking my call. Congratulations on the past quarter, especially the milestones that have been reached recently. What I was especially excited about was the launching of really, really actually now launching CreateApp worldwide and then the surprise of AR technology. I did a rudimentary analysis of the company and I called, you guys gave and you're basically up against Goliath out there. And a lot of big investors have contacted me. And their biggest question is, Chris, how can they compete? How will they scale? Has the company engaged investment bank, money is everything, is what these guys told me. Has the company engaged SoftBank, RBC, Goldman Sachs? That's what this little company needs [Indiscernible], if you will. Thank you.

Thanks, Chris. Good points. Incidentally, I see that we have been joined this time by number of very highly regarded, if not the largest institutional investors in the world. So I'm guessing that they're microcap and SaaS-focused analysts, or portfolio managers are representing those firms. So thank you all for joining us.

In terms of competing. When we started six years ago, looking around the landscape, there's clearly more new leaders today that six years ago were not necessarily leaders in terms of where they are now. However, they've gone public and have attracted hundreds of millions, if not billions of dollars. That is in a extraordinarily challenging environment. But the view we took was not to compete. It was more positioning. And what does that mean? So if you look at where their sweet spots are and where their target demographics are and you focus on areas that will eventually migrate up that chain and become important to them, then you can position yourself to become either a strategic partner, or recipient of a strategic investment, or even an acquisition candidate.

So across the board, everything we've done has never necessarily been to compete. It's been more to position. We're starting to see that a lot more frequently in terms of ShopeePay coming to us and several others, the feedback we've gotten from institutional investors once they start to understand the business. So that is the underlying ecosystem of our approach to competition and positioning. As far as capital goes, historically, we funded through the help of private investors. I see a number of participants here now, and we owe our success in great parts of them by being supportive.

Going forward, I think what is extremely important and pointed out to me by one of our bankers Benchmark is that as we start to show up on the radar screens of institutional investors and potential strategic partners, they're going to look at the balance sheet. And having a strong balance sheet is paramount. Being undercapitalized is a mistake. Trying to be too conservative is also detrimental. However, we believe that we have navigated that very well over the past six years with modest capital, and putting ourselves in a position of being better capitalized will certainly enable scale that is greater than what we've done in past. So I hope, I answered your question for this.

Operator

[Operator Instructions] It appears there are no further questions. At this time, this concludes our question-and-answer session. I'd now like to turn the call -- we just had another question queue in. Would you like to take the question at this time?

Brent Suen

Sure, please

Operator

Perfect. The question comes from [Mike Kenna] and he's a Private Investor.

Unidentified Analyst

And I wanted to congratulate you again on all the success, especially during the COVID times and sounds like you guys are really getting the rapid growth point here. My question is, is that with extreme growth in the costs, when do you expect to see profitability in what quarter in the coming future?

Brent Suen

That’s a good question. I would answer that by saying, if you look at things on a larger scale, whether it’d be the companies that I mentioned in the opening, clearly, they’re considerably larger and have access to greater capital. However, if you look at profitability, you won't see it. You do see a roadmap to profitability that I believe on average extends out two to three years. So carrying huge valuation metrics of, again, anywhere between the low end of 10 to a high of 83 times revenues, there is clear institutional forgiveness out there for not being profitable currently. Profitability is important to us on our roadmap. And if you look at where we are now, where we're heading, I think that with certain parts of our business can approach that more quickly than we had anticipated in the past.

What I pointed out earlier about CreateApp, being able to effectively double margins and eliminate a large R&D spend could very well take us to profitability within several quarters. Logiq and Fixel and subsequent tuck-in acquisitions we make, we will have an eye on those being accretive. And I believe the team there has done extremely good job of managing growth and not overspending. And certainly, we do not want to do this at the expense of growth. So going forward, we do intend to commit additional resources to that part of the business in order to scale as our peers have done. But we believe that that is well can see even in profitability possibly latter part of next year maybe sooner. So I hope that answered it.

Unidentified Analyst

Yeah, that's great. Excellent. I've been investing in Weyland Tech for a couple of years now. And I have to say I'm very excited about my investment. And I do continue to invest in you guys. So I think the future looks bright. So congratulations.

Brent Suen

Thanks Mike. Much I appreciate it.

Operator

[Operator Instructions] Our next question comes from [Indiscernible]. Please go ahead.

Unidentified Analyst

Hi, I'm a individual private investor as well. You have this incredible plan to expand and rebrand. And I was wondering what are some of the associated costs with that, given the significant exposure to Weyland Tech the news has received over the past few months?

Brent Suen

Okay, are you asking about the actual costs of the rebranding exercise? Or what we believe to be possible detrimental effects given just the change in name and symbol, and people maybe not being able to find us, or is it both?

Unidentified Analyst

Yes, both.

Brent Suen

Okay. Well, firstly, we did not engage a branding firm or anyone outside to do this. The team at Logiq has significant experience in the ad space. Essentially, what we do at Logiq, at its core is what's called ad tech or advertising technology. So there is a tremendous amount of experience and skill sets in that. So the actual branding exercise was driven by them. And it is not purely just in name and rebranding only. Everything that we've been doing in terms of operations under the previous brands continues to operate under those brands, because those are already in place. By no means would we intend to change CreateApp in the segments that we operate as CreateApp, in AtozPay AtozGo, we're not going to rebrand those because that can create confusion.

On a current going forward basis, being able to rebrand and describe those existing business units in a very simplistic and straightforward manner is what we're aiming towards. So really nothing under the surface changes in terms of how they operate. They can rebrand it. And then if we go into new markets, we would go in with the new name or localize them as applicable. As far as creating the scenario where someone might not be able to find us. Once we change the symbol, even if someone types in Weyland Tech, it will immediately forward them to our new name and symbol. And as we receive the information from FINRA over the next few days, we will have subsequent press releases and probably a special investor call to further detail our plans and not just saying it was a name and rebranding change.

Unidentified Analyst

Thank you much. If I could ask a second question. In 2016 and -- through 2017, I guess that consumers can higher valuations during that time and has since been little bit harder hit over the past two years. Could you go into what your expectations are going forward?

Brent Suen

Sure, within regulatory regions. That's actually a good point. As many of you know, we've had a reasonable price rise in the past week, two weeks. Last Friday, I got a call in the morning from someone congratulating me on our share price expanding by 400% and which was nice. That same afternoon, I got a call from someone who's been a shareholder since late 2016. And he said that, although, he's pleased with the recent stock appreciation, he wanted to know how we're intending on gaining back shares, 90% from the highs of 2020 in early 2018. So I would point out that we did have a somewhat smaller share base. However, at the peak our market cap was roughly $200 million. At that time, the business was tracking at a trailing 12 month revenue rate of about $15.6 million and we're only operating with CreateApp and have just started with AtozPay.

If you look at us now, we've got roughly $100 million market cap. We have in addition of Logiq and now Fixel, both of which will add considerable value in terms of product and service offerings. Certainly, financials, as well as a AtozGo, which we launched last year. So does that imply that we should be trading at a more normalized valuation, even a quarter or a half of what our peers stayed at, I hope so but that's really dependent upon opening up the audience to more retail investors who look at us to the due diligence and make decisions upon that and certainly the addition of institutional investors who have been drawn to us by our partnership with ShopeePay. And they're starting to conduct due diligence in there. So we're very optimistic and extremely excited.

Operator

It appears, there are no further questions. And at this time, I'd like to turn the call back over to Mr. Suen. Please go ahead.

Brent Suen

Actually, Chloe, I believe there's [Mr. Tim Brower], who has a question on. And I can take one more.

Operator

Absolutely. We'll take his question at this time. [Mr. Brower], please go ahead. Caller your line is open. You maybe muted.

Unidentified Analyst

Yes, I think I'm unmuted now. Can you hear me now?

Brent Suen

Yes. I can. How are you Tim?

Unidentified Analyst

Fine. Very well, thanks. Calling from Cheltenham in the UK, like no other place in the world, you might come visit some time. I'm doing research on the [indiscernible] that was on the Wall Street Journal yesterday, which I saw. I really enjoyed that. So that was a good update. Obviously, somebody asked the question there about the uplist and the progress about and the time scales for that. But can I also ask that question but also want to ask, what other alternatives you are considering in order to become -- uplist to a more senior index. So we are able to see institutional investors and the wider audience for the shares, which will hopefully be reflected in the share price?

Brent Suen

Just providing context on the application with NASDAQ. I'm not sure if many noticed, but there were five examiners at NASDAQ of which there are now four. All of them have responsibility for IPOs, which the IPO calendar has been quite active lately. Also, continued listings of currently listed NASDAQ stocks. And then third uplistings, of which on an annual basis 200 to 300 companies making attempt and usually only 20 to 30 make it out. And that's mostly due to just internal bandwidth constraints in NASDAQ.

We have been in a fair amount of time, it is frustrating. However, with the recent appreciation in share price and the announcement of our partnership with ShopeePay, we have been talking to several other exchanges. It's possible that with our Indonesia division, we could possibly even IPO in Singapore or Jakarta. We've looked very carefully at the TSX and the NEO up in Canada. We've had discussions with NYSC. So any of those we believe would offer a good alternative. And so we will be updating little more closely as we progress there.

Operator

[Operator Instructions] We have [Edward Kuchinski] on the line as a Private Investor. Would we like to take his question at this time?

Brent Suen

Sure, yes, yes.

Q - Edward Kochinsky

My question is with the reduced amount of shares due to the reverse. How are you going to supply start to make institutions who might want to buy enormous amounts of stock? That's my question.

Brent Suen

That's a good question. Thanks Ed. I think a lot of it depends upon what the supply demand looks like. It's tough to answer that in a very short discussion. But I believe that what we would see is initial positions being established if there is interest and then follow ons as they see us progress. I would also say that given last year's lack of upward price movement, there are a number of what we would define as fatigue shareholders who've been with us for some time, I suspected rise in prices, they probably be looking to exit thereby bringing in new audience. But we'll see. Our floats relatively small but that could be soft and certainly conversations that they have with us about that. We'd be able to just probably structure something along those lines, but look like it is case by case basis. But I think overall the liquidity will find itself.

Operator

We do have [Timothy Brower] on the line once more. Would you like to take his question at this time?

Brent Suen

Sure. And we can wrap right after.

Operator

Absolutely.

Unidentified Analyst

Hi Brent. Sorry, again it was there's just -- it is regarding the institutions again, are the institutions able to invest at the moment? Or are they limited by the fact that they're not able to invest on junior indexes? And is that something that you've got a plan to get around? Or is it simply just the case of -- one thing I did ask before, I don't think you really answered was, if the Nasdaq uplist is possible or even a different index? Is there another vehicle in which you can do it, i.e., a merger or a sort of overtaking of another company, one or another turn?

Brent Suen

Sure. Let me address both of those. The conversations that we've had so far with institutional investors, I would say that there is, I wouldn't say it's concern. I would say that there's -- it's a topic of discussion about being listed on a market versus an actual exchange. However, no one has said we cannot buy shares, because you're on the OTCQX. On the individual shareholder level, we are blue skied in 47 states. On the institutional side, if you look at the OTCQX, I believe there's just a little over 200 companies on the QX. Most of which are American depository receipts of very large multinationals. I'm sure you're familiar with Imperial Chemical out of the UK, they're on the OTCQX, Nestle, Roche Pharmaceuticals, BNP Paribas, Walmart Mexico, Adidas. I mean, there are a number of multibillion dollar market cap companies that trade on the QX.

So for an institutional investor to desire to buy shares of Weyland on the QX, I'd say that the majority of them can do so if they have a compelling reason to. So that's, I hope that answered your first question. The second, we have indeed looked at other alternatives. We've looked stacks, we've been in discussions with them. We've looked at spinning off business division through an IPO onto other exchanges and those are ongoing, but for now we are focused on the business. And then parallel to that we will continue to seek more liquidity through an exchange list.

Operator

And that signals the end of our question answer session. Mr. Suen, please go ahead.

Brent Suen

Great. Thanks Chloe. Thank you everyone for taking the time to join us on the call today. And definitely, the new participants, it's nice to see some of the names of institutions on here. So thank you.

The key takeaway is that we are living in a time where normal is vastly different from just six months ago. So living and working has taken on very different meanings and this has created a thematic wave of investing that has propelled many companies in ecommerce, mobile apps, data ad tech, FinTech, healthcare and consumer products and the valuation metrics that far surpass historic norms. You look at NASDAQ hitting new highs and this is driven by companies that provide the things to us on an everyday basis that fit this new theme of normal wailing.

Weyland Tech, soon to be Logiq, operates every line of business within that theme. With the interest from global partners on our Indonesia business, a revised strategy with CreateApp, carrying higher margins and then overall, evolving into data with the addition of LogiQ and Fixel, we're just getting started in terms of our uptake and growth.

So thank you all again and all the best. Thanks Chloe. Please wrap up.

Operator

Before we conclude today's call, I would like to provide the company's safe harbor statement that includes important cautions regarding forward-looking statements made during today's call. Statements made by management during today's call may have contained forward-looking statements within the definition of Section 27A and the Securities Act of 1933, as amended and Section 21E at the Securities Act of 1934 as amended. These forward-looking statements should not be used to make an investment decision.

All statements, other than statements of historical fact included here in, are forward-looking statements, including statements regarding the continued growth of ecommerce segment and the ability of the company to continue its expansion into that segment, the ability of the company to attract customers and partners and generate revenues, the ability of the company to successfully execute its business plan, the business strategy plans and objectives of the company and any other statements of non-historical information. These forward-looking statements are often identified by the use of forward-looking terminology, such as believes, expects or similar expressions and involve known and unknown risks and uncertainties.

Although, the company believes that the expectations reflected in these forward-looking statements are reasonable, they do evolve assumptions, risks and uncertainties, and these expectations may prove to be incorrect. Investors should not place undue reliance on these forward-looking statements, which speak only as of the date of this conference call. The company's actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors, including those discussed in the company's periodic reports that are filed with the Securities and Exchange Commission and available on its Web site, www.sec.gov.

All forward-looking statements attributable to the company or persons acting on its path are expressively qualified in their entirety by these factors. Other than as required under the securities laws, the company does not assume any duty to update these forward-looking statements. Before we end today's conference, I would like to remind everyone that this call will be available for a replay starting later this evening and running through August 28th. Please refer to today's press release for dial-in replay instructions available via the company's Web site at www.weyland-tech.com.

Thank you for joining us today. This concludes today's conference call. You may now disconnect.

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