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Zacks Small-Cap Research

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Logiq Inc. (OTCQX: LGIQ)

LGIQ: INITIATION Capitalizing on the Growth in Mobile and Digital Commerce in the US and Asia

Based on blended comparable valuations of its peers at 12.5 times enterprise value to sales, and discounted for risk, we believe Logiq's stock is worth at least $20.00 per share.

Current Price (11/20/20)	$7.50
Valuation	**$20.00**

OUTLOOK

Logiq (fka Weyland Technologies) is a provider of a SaaS platform for small businesses to create their own mobile app for use by consumers, as well as a digital marketing platform to help businesses target potential customers. The former operates internationally while the latter serves US customers. We expect the stock valuation to increase through a right sizing of the legacy business and growth in the newly acquired digital marketing businesses, as well as its new fintech venture in mobile lending, combined with margin expansion.

SUMMARY DATA

52-Week High	**$10.70**
52-Week Low	**$1.77**
One-Year Return (%)	**36.2**
Beta	**2.3**
Average Daily Volume (sh)	**85,019**
Shares Outstanding (mil)	**13.7**
Market Capitalization ($mil)	**$103**
Short Interest Ratio (days)	**0**
Institutional Ownership (%)	**0**
Insider Ownership (%)	**10**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**73.1**
Earnings Per Share (%)	**N/M**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/M**
P/E using 2020 Estimate	**N/M**
P/E using 2021 Estimate	**N/M**

Risk Level	**High**
Type of Stock	**Small-Growth**
Industry	**Internet Commerce**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2018	4.2 A	4.7 A	8.4 A	5.4 A	22.7 A
2019	8.5 A	7.1 A	9.0 A	10.0 A	34.6 A
2020	15.0 A	9.3 A	7.0 A	6.7 E	38.0 E
2021					40.0 E

EPS

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2018	-$0.29 A	-$0.46 A	-$0.71 A	$0.03 A	-$1.85 A
2019	-$0.01 A	-$0.48 A	-$0.17 A	-$0.77 A	-$1.49 A
2020	-$0.24 A	-$0.14 A	-$0.23 A	-$0.17 E	-$0.77 E
2021					-$0.40 E

KEY POINTS

- Logiq is the new name of Weyland Technologies, changed to better reflect its current eCommerce SaaS product offerings for businesses. Its revenues are reported in two business segments named *AppLogiq* and *DataLogiq*. AppLogiq is a platform used by a business to create a mobile app to transact eCommerce on a smartphone combined with other services, while DataLogiq is a Martech (marketing technology) platform used to digitally market products to consumers. The first operates primarily internationally and more specifically in Asia and the second serves customers in the US.

- Logiq revamped its legacy business model for AppLogiq and has eliminated low margin partnerships in favor of a much higher margin structure that is expected to show profits in 2021. It also recently created a joint venture to provide a fintech platform to facilitate loans to consumers and small businesses (SMBs) in Indonesia and could provide considerable revenues in 2021. Its alpha testing is already in progress.

- In January 2020, Logiq bought PUSH Interactive for $25 million in stock. Combined with newly purchased Fixel, the products they sell comprise the segment of the company named *DataLogiq*. This segment is rapidly growing and could account for 77% of total revenues next year up from 38% in 2020 and even more of the gross margin.

- DataLogiq should benefit from the end of the use of cookies in 2022 to track consumers. Its products not only function without cookies, but also can provide excellent cost savings on ad spending for brands.

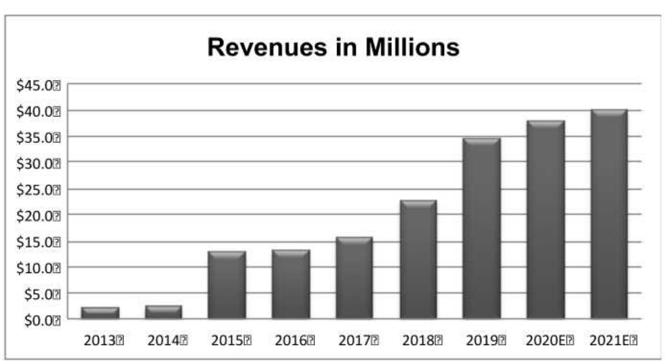
- The company has applied to list on the Canadian NEO exchange and from there will seek a NYSE exchange listing making the stock more marketable to both Canadian and US investors.

- Versus other companies in its space, Logiq is undervalued. It currently trades at $98 million enterprise value or 2.6 times estimated 2020 sales of $38 million. Its peers trade at blended 12.5 times.

OVERVIEW

Logiq is the new name for the former Weyland Technologies. It is a mobile marketing SaaS provider, based in NYC, with operations in California, Minneapolis, Singapore, Myanmar, Israel, and Indonesia. It has 125 employees. It rebranded itself this September to align its name with its newly acquired business, Data Logiq (formerly PUSH Interactive) that was purchased in January 2020 from ConversionPoint for $25 million in stock. Its recently appointed CEO and COO come from ConversionPoint, while the company's former CEO moved to the position of President and Executive Chairman.

Graph 1. Total Revenues by Year

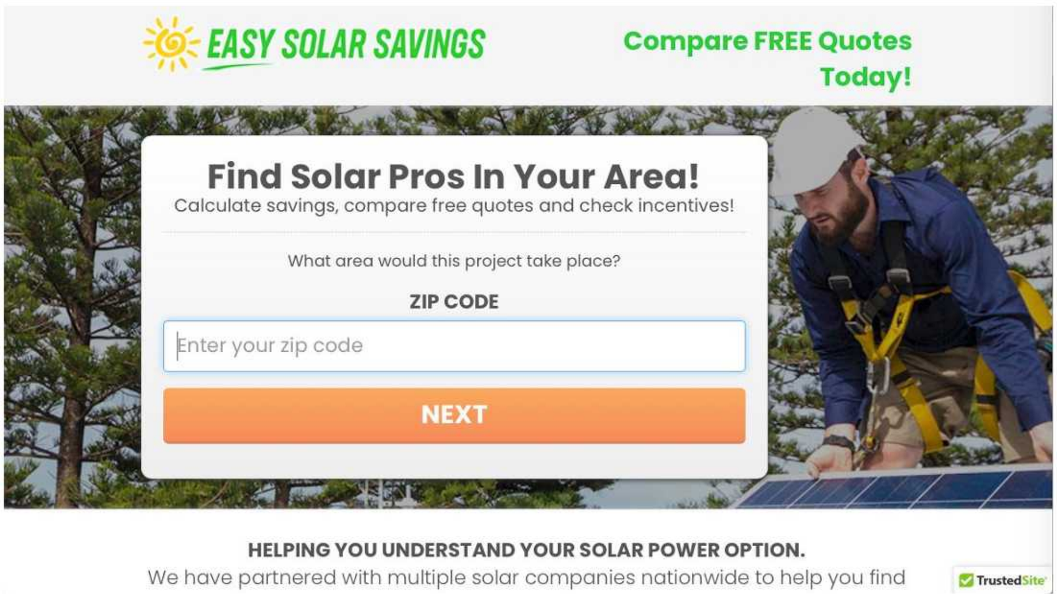


Logiq is comprised of two main divisions: DataLogiq, the business that was formerly PUSH Interactive and had been owned by ConversionPoint plus recently acquired Fixel and AppLogiq, the legacy Weyland CreateApp business and related services.

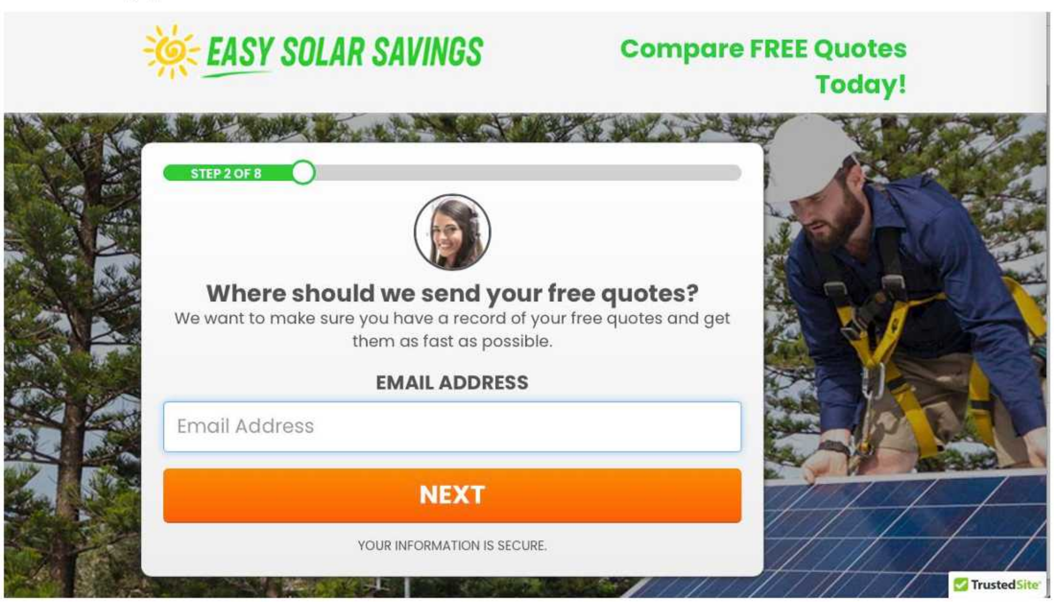
DataLogiq

DataLogiq is a US-focused marketing technology company with an AI driven data engine that provides highly qualified leads to marketers for their products for prices ranging from $30-$200 per lead. It does this by analyzing data on its platform of buyers and sellers, targeting the most likely buyers with ads, directing them to a DataLogiq owned landing page, getting those buyers to fill out information on themselves, and then sending those leads over to the seller. The business is operating at a $16 million run rate with over 100 customers. These customers include: HomeAdvisor, Vivent, QuinnStreet, Purple Innovation, and SunRun.

DataLogiq creates its own websites to attract potential customers. As an example, DataLogiq owns the website, Easy Solar Savings. A screenshot of its home page is shown below. Someone truly interested in solar energy, will enter all the steps, and provide information in order to get a quote. This lead is then sent to the customer.

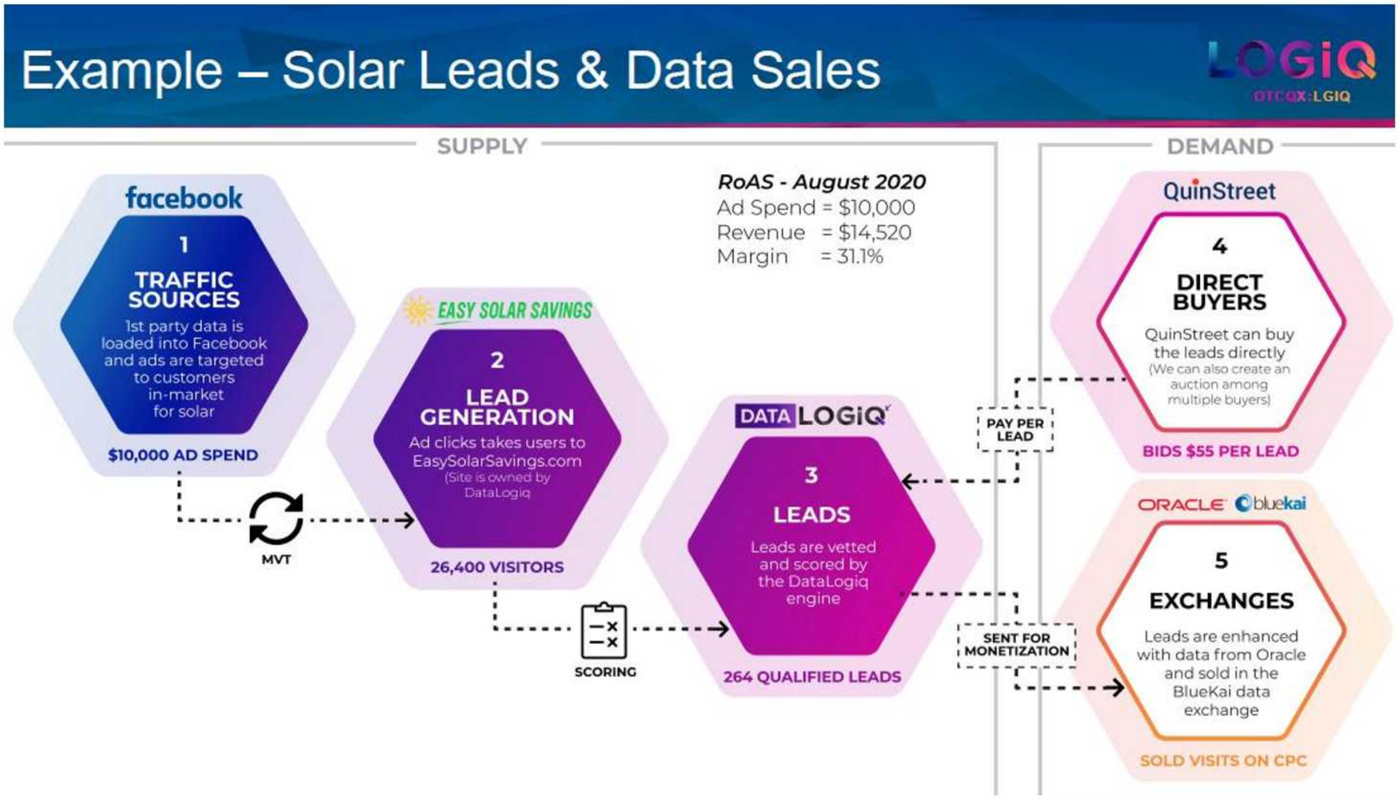


Source: Logiq



Source: Logiq

Once DataLogiq has this lead, it also has someone's email it knows is probably a homeowner and who may be a target to sell other products or services.



Source: Logiq

Fixel AI

The acquisition of Fixel AI adds more resources to DataLogiq, including a solution to the digital advertising industry's impending Y2K equivalent--- the elimination of the use of cookies. Located in Israel, Fixel is a highly specialized team of data scientists, selected to participate in the Techstars Atlanta 2018 program, in partnership with Cox Enterprises. Fixel was purchased for $5 million in stock in October 2020. Its solution costs $299 for three months for up to 100,000 sessions per month and has custom pricing above that level. It provides a cookie-less method of retargeting customers as well as a way to optimize ad spending and it integrates seamlessly with all major ad platforms, CMS and DMP services, including Facebook, Google Ads, Shopify, and WordPress. It specializes in retargeting. Retargeting means looking at the traffic of potential customers that have visited your site (this is called first party data, because its yours) and trying to get them to come back and buy something. These visitors may not have ever bought anything from you, nor put anything in a shopping cart, but they have exhibited behavior that predicts they may be a buyer some other time. Currently most marketers use cookies to track these people. In January, Google announced that by 2022 it would ban the use of cookies on its Chrome browser thus forcing all web sites to find another solution as Google Chrome has 64% market share of the world's browsers. A cookie-less solution is only available from a handful of companies and Fixel is one of them.

Fixel takes a website's (first party) data, analyzes it, and tells the marketer where to put ads to bring these people back to buy in the most cost-effective manner. Tests by CLX Institute found that using AI based retargeting reduced the amount spent on ads by 30% for the same results. Fixel's main competitor is Google itself with its two analytic features *Session Quality* and *Conversion Quality*. However not only do you have to transact more than 1,000 sales per month to use them, they only work with Google ads. So if you don't qualify, or want to put ads on Facebook or Twitter too, it is of no help. Criteo and AdRoll also have competitive products but they require moving workflow to their platform before it can even be tested.

Logiq is targeting smaller companies that do not have the in-house expertise to do analysis and plans to make Fixel's product easy to use to attract these businesses. Longer term, Logiq plans to add capabilities through acquisition and it will look to add a demand side platform (DSP) like that offered by The Trade Desk (NASDAQ: TTD) in order reduce its costs as well as to have the ability to offer a cost-optimized omnichannel ad solution. This means using AI to scour ad rates and buy ads anywhere the software calculates will give the customer the most bang for the buck whether it be Facebook, Google, LinkedIn, or even OTT (over the top) AVOD (advertising based video on demand) channels like Hulu or Crackle. DataLogiq plans to integrate all its capabilities and create a self-serve solution for smaller businesses to bring advertising in house to increase control and save money as many of the larger brands such as Taco Bell and Target are now doing. New customer wins by Fixel/DataLogiq include Purple Mattresses (NASDAQ:PRPL), Kelly Blue Book, and AutoTrader (Cox Media).

AppLogiq (aka CreateApp)

AppLogiq address the needs of both emerging and developed markets for mobile applications. In contrast to the US where everyone has a computer and accesses the internet both through a computer and a phone, Asia has leapfrogged desktop and operates primarily on mobile. AppLogiq services are entirely based on mobile and allow users to both use and develop mobile apps completely though a phone.

AppLogiq is a platform as a service (PaaS) for businesses that allows them to quickly and easily develop a mobile app to market and transact with their customers. The AppLogiq business began on September 1, 2015 when Weyland acquired the exclusive right to use the *CreateApp* do-it-yourself (DIY) M-commerce applications platform. It is targeted at small to medium businesses (SMBs), and initially was only available in Singapore. The *CreateApp* platform is now offered in fourteen languages: English, Chinese, Japanese, Korean, Bahasa Malay, Bahasa Indonesia, Thai, Hindi, Vietnamese, Spanish, French, Arabic, German and Italian). That platform allows a business to create its own app for its customers to use to see what's on sale, place orders, find a store or whatever that owner wants. It allows online payments, fulfillment and even has a business financing component. The business is charged a flat monthly fee ranging from $12 to $80 per month from which Logiq books approximately $10 a month. It currently has about 360,000 end user customers that use the CreateApp platform.

The platform had been marketed through white label partnerships in a variety of countries, but as structured, this led to a low margin and an ultimately unprofitable business model. As customers have adjusted to the impacts of COVID-19, Logiq management took the opportunity to right size this business moving away from lower margin white-label and reseller relationships to higher margin direct sales. While leading to lower revenue, the impact to gross and operating margins is expected to be incrementally positive. It recently announced a Letter of Intent to create a joint venture to provide a loan-matching platform in Indonesia.
The loan platform should provide revenue upside as well as it launches in its initial target market and then adds additional financial products as a new line of business.

Logiq has taken the decision to allow some of its existing marketing partnerships to expire and has replaced them with three new relationships this year, combined with renewed efforts to market directly. These new agreements are:

A partnership with Now Mastery in Taiwan, which was announced on Feb. 06, 2020. Now Mastery, LLP, is an affiliate of $12 billion Line Corporation (LN) based in Tokyo. Line provides a platform for mobile messaging and communication services, content distribution and financial services primarily in Japan, Taiwan, Thailand, and Indonesia. Joseph Kay, a best-selling author in Taiwan who is widely considered the preeminent authority on Internet marketing for small business owners, leads Now Mastery. Kay has attracted more than 400,000 followers on Line's small-business marketplace and 67,000 on Facebook. Now Mastery will offer its followers special subscription pricing for CreateApp of $25 - $110 per month, depending on the features and modules they use. It will also provide ongoing advice and support for users on the platform. Taiwan has more than 1.3 million small-and-medium sized businesses (SMBs) and a population of 28 million. In Taiwan, 48 percent of all online transactions are mobile-based, and this number is expected to reach 61 percent by 2022.

A partnership in Italy with Medias-Com'S SA, a Swiss company specializing in media and communication, Informaniak, one of the leading web solutions companies in Switzerland, and Proteus, a provider of Internet access and eCommerce applications to businesses across Italy. Together they are targeting the more than 172,000 small businesses in Italy and eventually hope to penetrate Germany, France, Switzerland, and the Benelux region. CreateApp will be offered under the brand name, Medias-ComApps, and cost 25-110 euros per month.

Another partnership, announced on Feb. 27, 2020, is with Indosat Ooredoo, Indonesia's second largest telecom provider. Indosat will offer the more than six million SMBs in its network a 30-day free trial subscription to CreateApp. Indosat will be responsible for the selling, customer support, and billing through their Indosat cell phone bills. Indonesia has strong smartphone penetration and virtually no competition for DIY app platforms like CreateApp. There is also an opportunity to cross-sell the company's AtozPay service.

These partnerships started to generate revenues for Logiq at the end of Q3. We expect these partnership structures will generate gross margins in the 35% range versus former agreements that yielded just 17% gross margins. These arrangements will also reduce customer support expenses for end users from 22% of revenues to 2% resulting in an improvement in operating margins and potentially profitability for the AppLogiq business.

Consolidating with AtoZPay

Another recent change to Logiq's business model is its increased ownership of PT Weyland Indonesia Perkasa (WIP), operator of AtoZPay, to 51% that will allow the company to consolidate its operations as of December 31st, 2020. It was on the September 30, 2020 balance sheet as an asset called "Amount due from affiliate" of $5.02 million, which is the sum of the amount that had been invested by Logiq in the business. AtoZPayGo is a food and grocery delivery service and AtozPay is a mobile e-wallet. They operate in Jakarta and 23 other cities in Indonesia. Altogether, AtozGo and AtozPay are generating an annualized gross transaction run rate of more than $20 million, which would result in a small amount of revenues to AppLogiq starting in Q4.

In August, AtoZPayGo partnered with ShopeePay, a wholly owned subsidiary of SEA, Company Ltd. (NYSE:SE) one of Indonesia's largest integrated e-money services. ShopeePay is now offering the AtozGo its user base in Jakarta, Indonesia. Access to the AtozGo delivery service now integrated into the ShopeePay app where it already has begun to show some successful adoption. AtoZGo is a delivery service that can be used by businesses in lieu of delivery by vehicle. Transportation by foot and bicycle can easily beat cars and trucks in the city of Jakarta where it has had great success. Jakarta is expected to become the largest city in the world by the end of the decade, reaching a population of more than 35 million. It is a place where In September, PayLogiq partnered with the microfinance unit of $5.2 billion Tech Mahindra (BSE:TECHM) to offer loans via the PayLogiq mobile app in Indonesia using the Tech Mahindra credit report capabilities.

Newly Announced Partnership with KMSB

In October, Logiq announced a Letter of Intent to partner with Koperasi Mona Santoso Berjaya (KMSB), Indonesia's social security program provider to enable mobile micro lending to the 48 million Indonesians it services. Logiq and KMSB will jointly own and operate this business each contributing equal capital but with Logiq owning 70% the first year and 60% of the venture thereafter. Logiq will design, build, manage, and host the platform while KMSB will provide the financial institutional relationships. KMSB will then provide micro lending services to Badan Perlayanan Jaminan Sosial Ketenagakerjaan (BPJSTK) the social security agency that administers retirement and pension plans for the Indonesian government and serves about 600,000 SMBs whose employees plus the individual participants total to 48 million members.

Through a mobile app, members will be able to borrow up to 20% of their future salaries as payday loans as well as borrow against their social security savings. The joint venture will earn 20% of 5% annual rate in interest paid on the loan, although in Muslim countries the interest is called a fee. For example, if an employee borrows $10,000 for a year, he would pay back $10,500. The lender would get $400 and the joint venture would earn $100. In addition members could borrow against their social security savings. These loans would typically be at higher amounts, longer terms, and lower rates. The JV's split on these loans would vary by size.

An alpha pilot program began development on November 18th with 6,000 BPJSTK employees. It will then roll out in beta to the five million contract/delivery drivers of Garda Digital Indonesia. The drivers will be able to take out microloans for personal or business use such as buying or repairing their cars. Thereafter the program will be introduced to all of BPJSTK's 48 million members and the 600,000 SMBs. Logiq's other services (CreateApp, the PayLogiq, and GoLogiq) will be part the lending app allowing borrowers to easy start using them if they desire.

To determine the magnitude of the opportunity, if 15% of BPJSTK's base which is eligible for $1.6 billion in loans took a loan that would result in potential revenues of up to $16 million using a 1% fee to the JV. Logiq believes this venture will be successful because the fragmented market and general unavailability of micro loans. In Asia often questionable lenders with unethical practices serve this market. By being backed by the Indonesia government, customers will be far more amenable to borrowing this way as they are protected and will be offered reasonable loan products. Additionally, low value/high-velocity 'payday' loans average 0.8% interest per day (28% monthly) and these are estimated to be done six times per year. The average loan size, in advance of payday, is $100.Therefore, even a low estimate of 2% of the accessible base borrowing $100 six times per year, yields approximately $24 million net revenues to Logiq, as shown below.

Total Members	Percentage users	Number of users	ave amount	fee	Total Loans	total fees	number of times	annual	% split with bank	% of Koop
				28%			per year	revenue to banks	25%	60%
48,000,000.00	2%	960,000	$ 100.00	28%	$ 96,000,000.00	$ 26,880,000	6	$ 161,280,000	$ 40,320,000	$ 24,192,000

COMPETITION

AppLogiq Competitors

AppLogiq competes primarily with a number of small private vendors through Asia as well as against businesses coding their own apps or using open source tools and then customizing them.

One large company in the space is **Como**, a private Israeli company founded in 2006 that provides a full platform of digital marketing tools and turnkey POS solutions for retail and hospitality from desktop to mobile. It has $110 million in venture funding. It also has a DIY mobile app solution for small businesses.

Appy Pie was founded in 2011 in NYC and primarily located in New Delhi. ONSInteractive, founded in 2007, owns it, as well as owning: Profit By Search, India's leading SEO company, Profit By Outsourcing, India's leading Web Design company, and Profit By RPO, a recruitment process outsourcing company.

Good Barber is a small developer with 45 app specialists headquartered in France and founded in 2011. It provides tools for building apps for mobile without any knowledge of programming. Pricing starts at $16 per month. It claims 30,000 apps have been built on its platform.

BiznessApp is an eight-person shop founded in 2010 and acquired by the private equity firm Think3 in 2018. It is based in La Jolla, California. At that time they had over 100,000 businesses using their platform.

Unbound Commerce (acquired Apptive) is headquartered in Boston, was founded in 2008, and looks to have under 15 employees. It claims to be the industry's top provider of dedicated mobile commerce solutions for mid-market retailers with over 600 merchants using its software. Unbound says its platform allows ecommerce operations to be leveraged and extended into native apps, mobile commerce sites, and in-store engagement.

DataLogiq Competitors

Criteo (CRTO) is a $1.1 billion Paris based public company specializing in digital performance marketing. Its engine consists of machine learning algorithms for prediction, recommendation, and ad bidding. It can deliver omnichannel advertising using display banners, native advertising and opt-in e-mails on desktop and mobile. It is a global operation with a presence in 90 countries.

Inuvo (INUV) is a 32-year-old $35 million Little Rock based public company specializing in native advertising. Inuvo, Inc., It has a real-time ad platform to buy and sell digital advertising space. Its *ValidClick* product allows marketer to target consumers without using cookies and its *IntentKey*, identifies exactly what a consumer is reading or searching for based on context.

Kubient ((KBNT) is a $20 million, two year old NYC based startup with a platform for real-time trading of programmatic advertising using machine learning.

LiveRamp (RAMP) (fka Acxiom) is $4 billion San Francisco-based global company that provides *IdentityLink*, an identifier that provides onboarding, identity resolution, data network, and measurement and analytics solutions for marketers across industries.

Marin Software (MRIN) is an $18 million company also based in San Francisco that offers: *MarinOne*, an advertising platform; *Marin Search* to manage ad campaigns; and *Marin Socia*l that enables advertisers to manage their Facebook, Instagram, and Twitter advertising. It was founded in 2006.

SharpSpring (SHSP) is a $190 million global marketing technology company. It offers a SaaS marketing platform for web tracking, lead scoring, and automated workflow; *SharpSpring Mail+*, traditional high volume email marketing service and *Perfect Audience*, a cloud-based platform that offers display retargeting software products and services. It was founded in 1998 and is now headquartered in Gainesville, Florida.

The Trade Desk (TTD) is a $38 billion company founded in 2009 and located in Ventura, CA. It provides a highly successful self-service platform that allows buyers to create, manage, and optimize data-driven digital advertising campaigns in various advertising formats across devices.

TechTarget (TTGT) is a $1.4 billion company based in Newton, MA. It owns 140 web sites that provide information on enterprise IT products and services. It takes information gleaned from those sites to provide purchase-intent marketing and sales services for enterprise technology vendors. It also sells IT Deal Alert, qualified sales leads, deal data services and content such as white papers, webcasts, podcasts, videocasts, and virtual trade shows. TechTarget was founded in 1999.

FINANCIALS

First Nine Months of 2020

For the first nine months of 2020, Logiq generated $31.3 million in revenues versus $24.6 million a year ago, up 27%, due entirely to the acquisition of the DataLogiq business. The CreatApp business was particularly hard hit by the pandemic as its small business customers were shut down. As a result the company and its partners granted customer a free three months of usage, which has now been used up. As structured, many of the company's marketing partnerships were ultimately unprofitable even without a pandemic, and Logiq chose to let them expire. So for the first nine months of 2020, the company had $10.7 million in new revenues from the DataLogiq side, while the AppLogiq businesses declined to $20.6 million from $24.6 million last year, or 16%. We expect that business to decline further before it revives under the new more profitable business model.

Gross margin improved in the nine months from $4.4 million to $5.0 million, or 14%. The margin percentage declined to 15.9% from 17.7% last year for all the reasons discussed above. We expect margins to improve as the remaining customers start paying again and the DataLogiq business grows. Also in late Q3, AppLogiq, introduced a pilot program through a 100% digital, direct sales channel, which has shown profit margins in the 35-40% range that should improve margins going forward.

Operating expenses increased to $12.1 million from $7.2 million in 2019. G&A increased $2.9 million with the addition of the new business line. R&D was up slightly by $440,000 and Sales and Marketing increased $308,000 as the company is switching its AppLogiq business to direct sales from channel sales. In Q3 alone it jumped to $545,000 in the quarter from $99,000 in Q2 2020. With the acquisition, depreciation and amortization increased by $1.3 million to a $1.8 million run rate and we expect that to increase since Fixel was just bought.

Other income was negligible except for the $256,000 one-time expense in Q2 2020 incurred by DataLogiq from early withdrawal from an escrow account. Pretax income, net income and income to common shareholders were all a loss of $7.4 million for the nine months in 2020 versus a loss of $2.8 million in 2019. This resulted in a GAAP loss per share of $0.61 versus a loss per share of $0.68.

Balance Sheet

As of September 30, 2020, Logiq had $4.8 million in cash and debt of $3.5 million. $2.9 million of that debt is from a new convertible promissory note and $504,000 from a government PPP loan. Its current ratio is 1.8 times and it had $5.9 million in working capital. The company had negative cash flow for the quarter of $2.4 million and negative free cash flow of $3.4 million and burned $1.5 million in cash. We expect a slightly higher cash burn in Q4.

Subsequent Events

On October 13, 2020, Logiq sold 150,000 shares of common stock at $5.00 per share resulting in gross proceeds of approximately $750,000.

On November 2nd, Logiq completed the acquisition of Fixel for $5 million comprised 564,467 restricted shares of common stock. Priced at a trailing 20 day VWAP of $8.86 per share. Logiq also entered into employment agreements and non-competition agreements with the founders and plans to issue equity compensation for future services to the company.

On November 9, 2020, Logiq sold 208,696 shares of common stock at $5.75 per share resulting in gross proceeds of $1,200,000.

FORECASTS

For 2020, management has already said it expects $38 million in sales for the 2020 year versus $34.6 million showing growth of 9.4%. We expect gross margins to improve as the free period at AppLogiq ends and volumes increase at DataLogiq. With increased expenses from the Fixel acquisition we expect a loss of $9.6 million in 2020 compared to a loss of $6.5 million in 2019. This would be a loss per share of $0.77 compared to a loss of $1.49 in 2019. We expect in the 2020 loss there are some one-time expenses due to the Fixel acquisition, capital raises, and listing on the NEO.

Company Guidance

For 2021 management has stated a goal of $43 to $45 million in revenues at gross margins of 35%. This number includes unannounced acquisitions that the company has planned that we have not factored into our estimate. This revenue estimate does not include the impact of the new microlending business in Indonesia, which could provide a wide range of outcomes. We believe this range could be a low of $5 million in revenues to Logiq to a high of $25 million and beyond. It will take a few months of testing to see where that part of the business may go and for now we are leaving it out of forecasts. We believe the first quarter showing revenue growth should be in Q2 2021 and from Q3 2020 forward the company should show improving margins.

Since we cannot factor in unknown acquisitions that have not closed nor do we know what Indonesia might yield, we are starting with a 2021 estimate of $40 million up from $38 million in 2020. We are expecting gross margins to improve to 30%, with the possibility it goes much higher than that as all the businesses improve and revenues from Indonesian lending kick in. We expect those gross margins to be over 80% increasing the corporate average. For 2021, we are starting with a loss of $5.8 million or $0.40 per share factoring in an increase of shares to 14.7 million. Without the Indonesian lending factored in, but with unannounced acquisitions, management's plan for revenues in 2022 is $67-70 million at margins of 40% plus.

MANAGEMENT

BRENT SUEN, President & Executive Chairman

Brent has 31 years of experience in the capital markets / investment banking industry. He was the youngest hire at Bear Stearns merger arbitrage department in 1987. He also has significant experience with Telecom, Media and Technology (TMT) companies as both investor and advisor. Brent has significant operational experience with both start-ups and expansion stage companies in Silicon Valley during the 1990's, emerging markets experience in Asia, Eastern Europe, and Latin America, and more recently mobile and Internet companies in Southeast Asia.

TOM FURUKAWA, Chief Executive Officer

Tom was appointed CEO on September 3, 2020. From startups and IPOs to major global enterprises, over last 15 years he has been responsible for defining and building products for some of the world most successful companies, including Yahoo!, IBM, Rubicon Project, and Enthusiast Network. Previously he was, CTO of Logiq's DataLogic subsidiary, and served as CPO at ConversionPoint, leading product development with clients including Intel, Samsung, Nikon & Logitech. At Ad Exchange, Tom created the firm's award-winning next-generation marketing technologies. Earlier he led product marketing at IBM Tivoli, and as head of monetization for Kelly Blue Book, drove 20% increase in website annual advertising revenue.
Tom earned a BA in Information & Computer Science at the University of California at Irvine.

JOHN MACNEIL, Chief of Staff

John has established extensive experience in the financial services and technology industries over the course of a thirty-year career. From 2008 to present, John advised technology, financial technology, and renewable energy companies on strategic relationships, financial forecasting, investor relations, and capital formation. He was a portfolio manager for technology funds at Schroders Investment Management from 1999-2008. He holds an MBA from Columbia Business School, as well as a BSEE from University of Connecticut.

LIONEL CHOONG, Chief Financial Officer

Lionel has had over 30 years of experience in finance across a number of fields, such as 'Big 4' audit, compliance and chief financial officer. He was former vice chairman of Emerson Radio (NYSE: MSN). He was also the former Chief Financial Officer of Byford London, listed on the Hong Kong Stock Exchange. Lionel is a chartered accountant & retired as a partner of Deloitte where he headed up the biz development for Corporate finance service lines. He has an MBA from Kellogg-HKUST and a Corporate Finance Diploma from the Institute of Chartered Accountants in England & Wales, UK.

DANIEL URBINO, Chief Operating Officer

Dan brings over a decade of experience in corporate finance and accounting, strategy, and operations, working with startups and large publicly traded companies. He was the Chief Operating Officer of ConversionPoint Technologies, Inc. where he played a key role in several transactions, including the sale of two subsidiaries. Prior to ConversionPoint, Dan served in a senior leadership role for a division of VCA Inc. that was responsible for approximately $400M in annual revenue. He earned his BA and an MBA from the University of California, Santa Barbara. Dan is a licensed CPA in the state of California.

STEVEN J. HARTMAN, Chief Product Officer

Steven is a product and marketing executive with over 25 years of experience in enterprise software and marketing at major technology companies, including Yahoo!, IBM, Acxiom, Kenshoo, The Rubicon Project, and Siebel Systems.

An accomplished MarTech innovator, Hartman is named on several technology patents covering programmatic advertising, private exchange, and inventory ad tagging innovations. He holds a Bachelor of Science with Honors in Industrial Engineering from Purdue University.

EDDIE FOONG, VP, Products AppLogiq

Eddie has over 17 years of experience in IT, sales and marketing and operations. He was involved in a RFID technology company that developed and changed Singapore National Library Books borrowing system island-wide. He previously headed the sales and marketing department of Information Technology within MNCs and government agencies. He graduated with a Class 1 BEng Honors Degree and IBM Award holder from University of Strathclyde, U.K.

THET TWE AUNG, Chief Technology Officer

Spending over 11 years in software development industries, Thet has in-depth knowledge in various development methodologies, software design patterns, data modeling and hands-on experience with mobile/web programming, socket programming, frameworks, SDKs and APIs. In 2015, he founded and served as a CEO of Escape Pixel, a digital startup in Singapore that provides customized digital solutions to enterprises and businesses. With vision to shape the future of its community, he is also an active contributor/developer of many open source software projects, which advance linguistic evolution, localization, and cognition. Thet holds a Bachelor of Science with honors degree in Business Computing and Information Technology from the University of Wales, Prifysgol Cymru.

MATTHEW BRENT, Chief Strategy Officer

Matt has over 10 years' experience in software and product development. During that time, he built and lead teams from across North America, China, and Southeast Asia to deliver global product for entertainment, media, and technology companies including Sony Computer Entertainment America, Activision Blizzard, The Upper Deck Company, and The Sesame Street Workshop. He received his BA in Philosophy from the University of Illinois, Chicago.

BOARD OF DIRECTORS

BRENT SUEN, Executive Chairman

LIONEL CHOONG, Chief Financial Officer

JOHN MACNEIL, Chief of Staff

MATTHEW BURLAGE

Matt has spent the last three decades involved in financing and advising Asia's leading corporations, government enterprises and financial institutions and has been involved in some of the most groundbreaking transactions in Asia, particularly in the telecom, media and technology (TMT) sectors. In 2000, Matt co-founded IRG, a boutique financial advisory and investment firm focused on the core growth sectors in Asia. Matt advises Asian and global corporates, private equity funds, hedge funds and sovereign wealth funds on a range of transactions including mergers, acquisitions, corporate restructurings, and debt capital and equity capital financings. Matt is also responsible for the firm's investment strategy and management of its proprietary capital. Before co-founding IRG, Matt was a Managing Director and Head of Industry Groups at Lehman Brothers in Hong Kong. Matt has a MBA from Harvard Business School and a Bachelor of Arts from Yale University, and attended the Japanese Language Institute of Sophia University.

ROSS O'BRIEN

Ross is an analyst, writer, presenter, and consultant focused on the economies and business environments of the Asia-Pacific, with over 25 years of experience in the region. His analysis surrounds Asia's Innovation Economy—the intersection of information technology and the region's broader society and economy. For nine years he was Director of the Economist Corporate Network. Currently, and beginning in 2003, Ross was Managing Director of the Hong Kong operations of Intercedent Asia, a region-wide partnership of B2B market consultants, which provides research based market entry and positioning advice in several verticals across Asia. Ross' practice focuses on market entry strategies for telecoms and IT companies, in managed services and wireless solutions. His client work involved extensive research work in over a dozen economies in Asia, including extended field research in China, Indonesia, Vietnam, and Bangladesh. Ross has an AB in Asian Studies and Anthropology from Dartmouth College (1989), and an MBA from the University of California at Berkeley's Haas School (1996). He is conversant and literate in Mandarin and Indonesian.

BRETT LAY

Brett is a seasoned business executive with 28 years of operating experience including 15 years as a Chief Financial Officer for both private and public companies. Brett has served as company officer in diverse sized organizations including: Asia Pacific CFO of MediaOne Group, now part of AT&T, CFO at Pihana Pacific/Equinix, and he recently completed the sale of Pacnet to Telstra for $750 million, where he was CFO from 2007 to 2015. Brett has his Masters of Science Finance and Masters of Science Management, from the University of Colorado, Denver.

JOSH JACOBS

Josh joined the board on September 30, 2020. He is a pioneer in the programmatic media-buying industry and has led innovative technology companies on a global scale. Josh also serves as an executive director of Maven, Inc. (OTC: MVEN), a media platform for digital publishers. While on Maven's board, Maven grew from a pre-revenue startup, to a market-leading platform generating more than $100 million in revenue. Prior to Maven, Josh was the Global CEO of Accuen, and a president of Omnicom Media Group growing Accuen from a single office in Chicago, to a global powerhouse with employees in over 65 countries. Prior to Acceun, Josh was: President of Services at Kik Interactive, one of the world's leading chat and messaging platforms, SVP of Advertising Products and Global Marketing at Glam Media (Mode Media), and VP and General Manager of Marketing Technology at Yahoo! He has also led multiple early stage companies through the creation of their initial products, fundraising, and scaling of operations including roles as President of X1 and co-founder of Bigstep.com. In addition to Maven, Mr. Jacobs sits on the board of Resonant (NASD: RESN), and Invoca (privately held).

VALUATION

If we look at Logiq as a company in two distinct businesses we can value it weighted on the revenues it derives from those two segments. The following table shows public companies and their averages in those businesses.

(in $Millions)

AppLogiq

Company	Ticker	Revenue 2021E	Revenue LTM	TTM EBITDA	Enterprise Value / Sales 2021E	Enterprise Value / Sales LTM	EV/ EBITDA	Included in Average?	Enterprise Value
BigCommerce	BIGC	$176	$140	-$31	25.6x	32.1x	-143.1x	y	4,500
SEA Ltd	SE	$7,380	$3,590	-$1,050	11.1x	22.8x	-78.1x	y	82,000
Shopify	SHOP	$2,850	$2,460	$59	39.6x	45.9x	1907.8x	n	113,000
Stone Companies	STNE	$890	$500	$310	22.4x	39.8x	64.2x	y	19,900
Veritone	VERI	$68	$53	-$43	5.4x	6.8x	-8.4x	y	364
Wix	WIX	$1,240	$911	-$141	11.5x	15.7x	-101.7x	y	14,300
Average					**15.2x**	**23.5x**			**$24,213**

DataLogiq

Company	Ticker	Revenue 2021E	Revenue LTM	TTM EBITDA	Enterprise Value / Sales 2021E	Enterprise Value / Sales LTM	EV/ EBITDA	Included in Average?	Enterprise Value
Inuvo	INUV	$53	$50	-$5	0.4x	0.5x	-4.6x	n	24
Kubient	KBNT	$7	$2	NA	3.8x	16.3x	NA	y	25
LiveRamp	RAMP	$495	$412	-$100	6.8x	8.2x	-33.9x	y	3,380
QuinStreet	QNST	$500	$503	$18	1.7x	1.6x	46.4x	y	827
SharpSpring	SHSP	$35	$28	-$6	5.6x	7.1x	-33.4x	y	196
TechTarget	TTGT	$159	$138	$29	9.0x	10.3x	50.1x	y	1,430
The Trade Desk	TTD	$1,060	$732	$112	36.3x	52.5x	342.8x	n	38,430
Average					**5.4x**	**8.7x**			**1,172**

To be conservative, we take out Shopify and The Trade Desk, and also throw out the low, Inuvo. Taking the weighted average of the trailing twelve months of Logiq's revenues of $41.3 million we get a EV to sales average of 12.5 times trailing twelve months. From that we get an enterprise value of $516 million or a market value of $520 million, Using its current share count of 13.7 million we get a price per share of $38.00. Given the risk and another two down quarters coming up, we are starting with a valuation of $20.00.

Private Company Valuations

There are a number of companies in Southeast Asia in similar businesses as Logiq and they trade at much higher valuation metrics as seen in the chart below.

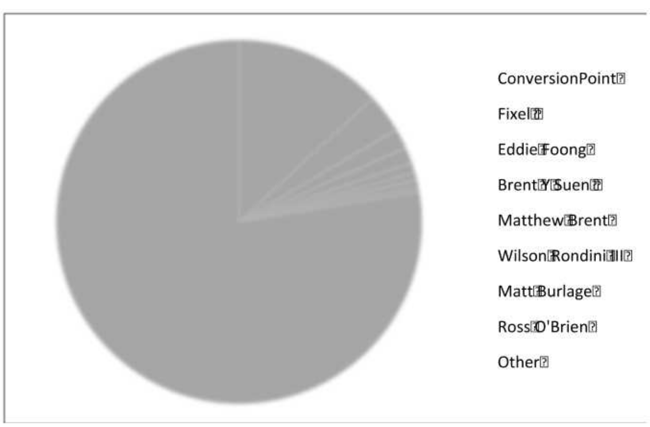
	Company Description	Investors	Amount Invested	Valuation	Latest Funding Valuation /Revenue
sea	e-Commerce, digital entertainment & e-Wallet	Goldman Sachs & Morgan Stanley	$4 billion	$85 billion	25x
Grab	Ride-sharing and delivery App	Alibaba, Softbank, Toyota, Invesco, Yamaha	$7.5 billion	$20 billion	12x
gojek	Ride-sharing and delivery App	Tencent, Sequoia, KKR, Warburg Pincus, WhatsApp, PayPal	$4.7 billion	$10 billion	16x
Lazada	E-commerce platform	JP Morgan, Tesco, Alibaba	$4.2 billion	$9 billion	9x
tokopedia	E-commerce platform in Indonesia	Sequoia, Softbank, Alibaba	$3.3 billion	$7 billion	11x
traveloka	Online airline & travel booking services	Sequoia, JD.com, Expedia	$1.2 billion	$4.5 billion	12.5x
				Average	15x

Source: Logiq

RISKS

- The company has a new CEO and COO that are untested in their new roles and have come in as the result of a recent acquisition.
- The recent acquisitions that comprise DataLogiq may not perform as expected.
- Much of future revenues depend on new business ventures with no track record.
- Logiq recently restructured a large part of its business that contributed 100% of revenues in 2019. It is unknown when and if its restructuring will prove profitable.
- Logiq operates in a variety of geographic locations in a variety of businesses, which could be hard to successfully manage amid fierce competition.
- Since it currently loses money, Logiq may need to raise more capital, which could result in further dilution for current shareholders.

OWNERSHIP



INCOME STATEMENT

	Q1 2019 31-Mar	Q2 2019 30-Jun	Q3 2019 30-Sep	Q4 2019 31-Dec	Q1 2020 31-Mar	Q2 2020 30-Jun	Q3 2020 30-Sep	Q4 2020E 31-Dec	2018	2019	2020E	2021E
AppLogiq	8,491,692	7,141,932	8,996,441	10,018,556	11,785,743	5,653,495	3,206,346	1,400,000	22,667,325	34,648,621	22,045,584	11,420,000
Gross Margin			1,596,858	1,864,946	2,091,960	652,979	387,327	182,000				
GM %			17.7%	18.6%	17.7%	11.6%	12.1%	13.0%				
DataLogiq	-	-	-	-	3,195,651	3,661,565	3,823,959	5,300,000	0	0	15,981,175	25,440,000
					553,172	566,675	723,130	1,060,000				
					17.3%	15.5%	18.9%	20.0%				
Total revenue	**8,491,692**	**7,141,932**	**8,996,441**	**10,018,556**	**14,981,394**	**9,315,060**	**7,030,305**	**6,700,000**	**22,667,325**	**34,648,621**	**38,026,759**	**40,000,000**
Yr-to-yr Growth	103%	53%	7%	86%	76%	30%	-22%	-33%		53%	9.7%	5%
Cost of services	6,984,427	5,874,249	7,399,583	8,153,610	12,336,262	8,095,406	5,919,848	5,458,000	18,643,914	28,411,869	31,809,516	28,000,000
Gross profit	1,507,265	1,267,683	1,596,858	1,864,946	2,645,132	1,219,654	1,110,457	1,242,000	4,023,411	6,236,752	6,217,243	12,000,000
Gross Margin	17.7%	17.7%	17.7%	18.6%	17.7%	13.1%	15.8%	18.5%	17.7%	18.0%	16.3%	30.0%
Operating expenses:												
General and administration	640,921	1,280,869	1,557,960	2,438,910	3,202,042	1,180,246	1,968,763	1,800,000	2,880,387	5,918,660	8,151,051	10,500,000
R&D	867,715	1,242,833	1,126,165	3,176,285	1,757,351	900,844	1,018,389	750,000	4,773,349	6,412,998	4,426,584	3,000,000
Sales & Marketing	0	389,610	0	0	53,015	99,262	544,970	545,000	0	389,610	1,242,247	2,180,000
Depreciation & Amortization	25,483	25,484	25,483	25,483	449,624	449,625	455,424	475,000	268,600	101,933	1,829,673	2,200,000
Total operating expenses	1,534,119	2,938,796	2,709,608	5,640,678	5,462,032	2,629,977	3,987,546	3,570,000	7,922,336	12,823,201	15,649,555	17,880,000
			76,450									
Operating income:	(26,854)	(1,671,113)	(1,112,750)	(3,775,732)	(2,816,900)	(1,410,323)	(2,877,089)	(2,328,000)	(3,898,925)	(6,586,449)	(9,432,312)	(5,880,000)
Operating margin	-0.3%	-23.4%	-12.4%	-37.7%	-18.8%	-15.1%	-40.9%	-34.7%	-17.2%	-19.0%	-24.8%	-14.7%
Other income:												
Other expenses	0	0	0	0	0	0	(2,868)	0	0	0	0	0
Other income	0	0	32,094	0	3,808	(265,223)	1,408	0	250	72,359	(260,007)	0
Impairment loss on associate	0	0	0	0	0	0	0	0	(200,000)	0	0	0
Total other income	0	0	32,094	0	3,808	(265,223)	(1,460)	0	(199,750)	72,359	(260,007)	0
Income before income taxes	(26,854)	(1,671,113)	(1,080,656)	(3,775,732)	(2,813,092)	(1,675,546)	(2,878,549)	(2,328,000)	(4,098,675)	(6,514,090)	(9,692,319)	(5,880,000)
Pretax Margin	-0.3%	-23.4%	-12.0%	-37.7%	-18.8%	-18.0%	-40.9%	-34.7%	-18.1%	-18.8%	-25.5%	-14.7%
Income tax	0	0	0	27,596	0	0	0	0	0	27,596	0	0
Tax rate	0%	0%	0%	-1%	0%	0%	0%	0%	0%	0%	0%	0%
Net income before non-controlling	(26,854)	(1,671,113)	(1,080,656)	(3,803,328)	(2,813,092)	(1,675,546)	(2,878,549)	(2,328,000)	(4,098,675)	(6,541,686)	(9,692,319)	(5,880,000)
Minority income	0	0	0	0	0	0	0	100	0	0	0	5
Income to common shareholders	(26,854)	(1,671,113)	(1,080,656)	(3,803,328)	(2,813,092)	(1,675,546)	(2,878,549)	(2,328,100)	(4,098,675)	(6,541,686)	(9,692,319)	(5,880,005)
Non-GAAP net income	(26,854)	(1,671,113)	(1,080,656)	(3,803,328)	(2,813,092)	(1,675,546)	(2,878,549)	(2,328,100)	(3,898,675)	(6,541,686)	(9,692,319)	(5,880,000)
Net income per share:												
EPS	-$0.01	-$0.48	-$0.19	-$0.78	-$0.24	-$0.14	-$0.23	-$0.17	-$1.85	-$1.49	-$0.77	-$0.40
EPS Diluted	-$0.01	-$0.48	-$0.19	-$0.78	-$0.24	-$0.14	-$0.23	-$0.17	-$1.85	-$1.49	-$0.77	-$0.40
Non-GAAP EPS	**-$0.01**	**-$0.48**	**-$0.19**	**-$0.78**	**-$0.24**	**-$0.14**	**-$0.23**	**-$0.17**	**-$1.76**	**-$1.49**	**-$0.77**	**-$0.40**
Yr-to-yr Growth					2603%	-71%	17%	-78%		53%	11%	15%
Shares												
Basic	3.0	3.5	5.6	4.9	11.6	12.2	12.8	13.7	2.2	4.4	12.6	14.7
Diluted	3.0	3.5	5.6	4.9	11.6	12.2	12.8	13.7	2.2	4.4	12.6	14.7
	74%	-4%	97%	73%	288%	250%	129%	179%		98%	186%	17%
Adjusted EBITDA	(1,371)	(1,645,629)	(1,087,267)	(3,750,249)	(2,367,276)	(960,698)	(2,421,665)	(1,853,000)	(3,630,325)	(6,484,516)	(7,602,639)	(3,680,000)
Yr-to-yr Growth					NM	-42%	123%	-51%		79%	17%	-52%

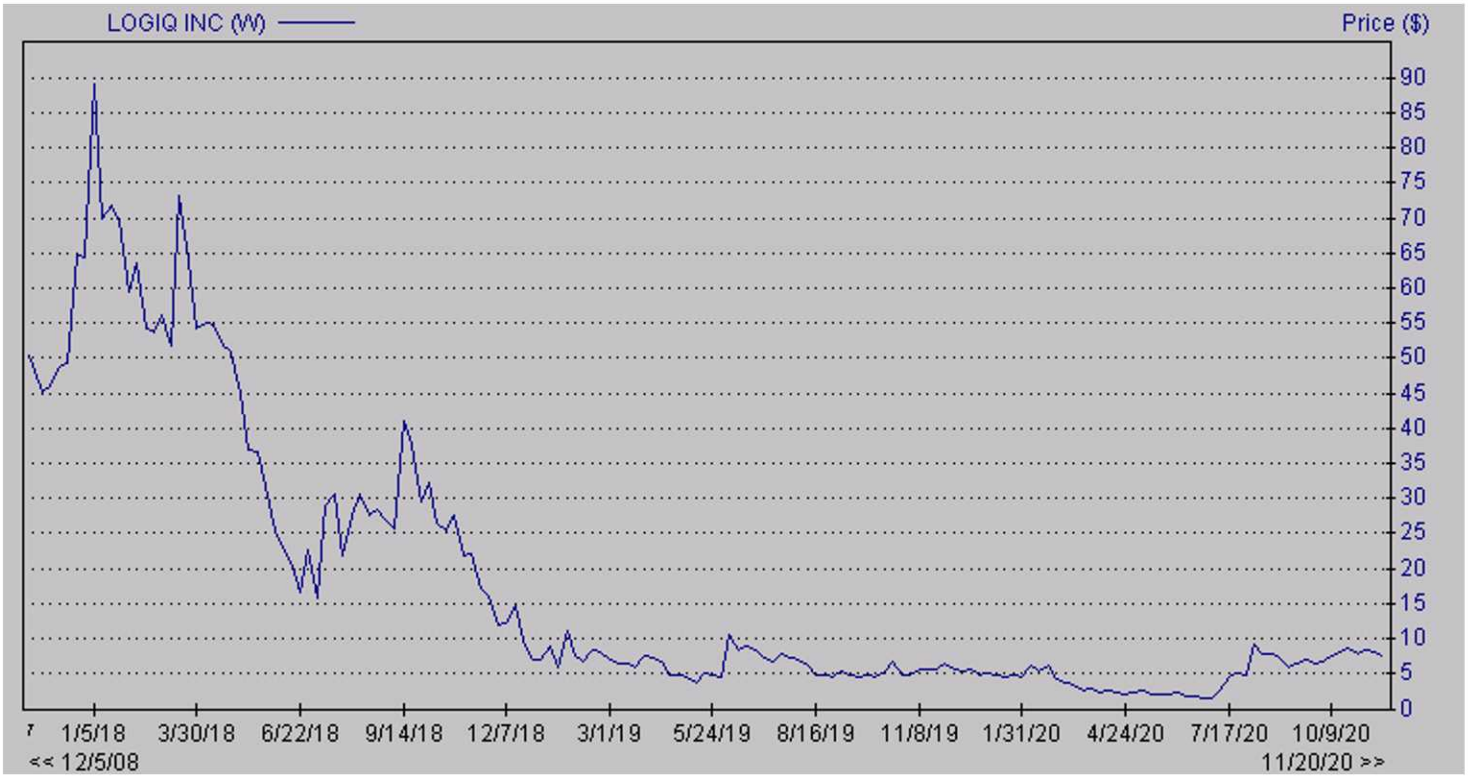
BALANCE SHEET

	Sept. 30, 2020	June 30, 2020	Qtr-Qtr % Change	Sept 30, 2019	Yr-Yr % Change
Current assets					
Cash and equivalents	**$4,847,284**	**$3,859,783**	26%	**$5,820,629**	-17%
Amount due from associate	$5,023,700	$4,323,700	16%	$2,025,250	148%
Accounts receivable, net	1,567,852	1,622,674	-3%	0	NM
Other amount recoverable	49,550	49,550	0%	0	NM
Prepayment deposits and other receivables	121,723	1,794,456	-93%	3,216,151	-96%
Financial assets held for resale	996,414	0	NM	0	NM
Total current assets	12,606,523	11,650,163	8%	11,062,030	14%
Intangible assets, net	7,657,848	7,985,632	-4%	637,081	1102%
Property and equipment, net	190,202	201,843	-6%	0	NM
Goodwill	4,781,208	4,781,208	0%	0	NM
Total non-current assets	12,629,258	12,968,683	-3%	637,081	1882%
TOTAL ASSETS	25,235,781	24,618,846	3%	11,699,111	116%
Current liabilities					
Accounts payable, accruals & other	961,310	1,057,629	-9%	73,350	1211%
Accruals and other payables	917,571	824,966	11%	149,029	516%
Deposits received for shares to be issued	2,235,184	1,482,485	51%	1,898,726	18%
Convertible promissory notes	2,911,000	0	NM	0	NM
Loan from director	0	0	0%	19,000	-100%
Amount due to director	77,500	77,500	0%	77,500	0%
Total current liabilities	7,102,565	3,442,580	106%	2,217,605	220%
Long term loan	10,000	10,000	0%	0	NM
Notes payable	503,700	503,700	0%	0	NM
Total non-current liabilities	513,700	513,700	0%	0	NM
TOTAL LIABILITIES	7,616,265	3,956,280	93%	2,217,605	243%
Stockholder's equity					
Common stock	17,167	15,855	8%	9,682	77%
Additional paid-in capital	58,301,051	58,466,864	0%	53,322,418	9%
Capital reserves	14,282,143	14,282,143	0%	-	NM
Accumulated deficit	(54,980,845)	(52,102,296)	6%	(43,850,594)	25%
Total stockholders' equity	17,619,516	20,662,566	-15%	9,481,506	86%
Total liabilities and stockholders' equity	$25,235,781	$24,618,846	3%	$11,699,111	116%
Current/Quick ratio	1.8	3.4	-48%	5.0	-64%
Working Capital	4,990,258	7,693,883	-35%	8,844,425	-44%
Net Cash as % of assets	19%	16%	23%	50%	-61%
Cash per share	$0.35	$0.30	17%	$0.31	15%
Debt	$3,502,200	$591,200	492%	$77,500	4419%
Debt % of assets	13.9%	2.4%	478%	0.7%	1995%

CASH FLOW

	3 Months Ended 31-Mar-19	3 Months Ended 30-Jun-19	3 Months Ended 30-Sep-19	3 Months Ended 31-Dec-19	Year 2019	3 Months Ended 31-Mar-20	3 Months Ended 30-Jun-30	3 Months Ended 30-Sep-20
Cash Flows from Operating Activities:								
Net profit	$ (26,854)	$ (1,671,113)	$ (1,080,656)	$ (3,763,063)	$ (6,541,686)	$ (2,813,092)	$ (1,675,546)	$ (2,878,550)
Adjustments to reconcile net loss to net cash used in operating activities:								
Depreciation of property & eqt.	0	0	0	0	0	11,641	11,641	11,642
Amortization of intangibles	25,483	25,484	25,483	25,483	101,933	437,983	437,984	443,783
Changes in operating assets and liabilities:								
Intangibile assets					0	0	0	(116,000)
Trade and other receivables	0	0	(34,500)	12,205	(22,295)	(551,083)	(362,538)	54,822
Due from associate	(189,550)	(403,700)	(570,000)	(800,450)	(1,963,700)	(925,000)	(573,000)	(700,000)
Other amounts recoverable	0	0	0	(549,550)	(549,550)	0	0	0
Prepayments	0	0	0	1,562,262	1,562,262	(35,622)	(105,210)	1,672,732
Accounts payable	0	0	(79,417)	76,073	(3,344)	27,356	663,182	(96,319)
Accrued liabilities	136,174	(92,967)	(43,207)	0	0	(178,268)	280,687	92,606
Bank loan	0	0	0	500,000	500,000	0	0	0
Stock subscription payable	0	0	1,898,726	(1,898,726)	0	0	0	0
Due from director	19,000	0	0	(19,000)	0	0	0	0
Net cash used in operating activities	(35,747)	(2,142,296)	116,429	(4,854,766)	(6,916,380)	(4,026,085)	(1,322,800)	(1,515,284)
Cash Flows from Investing Activities:								
Financial assets held of resale - sales	0	0	0	(2,730,363)	(2,730,363)	(90,262)	2,820,625	3,586
Financial assets held of resale - purchase	0	0	0	0	0	0	0	(1,000,000)
Net cash acq. In acquisition	0	0	0	0	0	574,572	(574,572)	0
Net restricted cash acq. In acquisition	0	0	0	0	0	1,025,000	574,572	0
Net cash used in investing activities	0	0	0	(2,730,363)	(2,730,363)	1,509,310	2,820,625	(996,414)
Financing Activities:								
Repayment of bank loan	0	0	0	0	0	1,490,000	(1,990,000)	0
Borrowings under long term loan	0	0	0	0	0	0	10,000	0
Proceeds from convert promissory notes					0	0	0	2,911,000
Proceeds from note payable	0	0	0	0	0	0	503,700	0
Proceeeds from shares to be issued	104,950	4,733,351	(4,838,301)	0	0	1,407,506	74,979	752,699
Proceeds from stock issuance	585,640	1,325,666	5,239,582	4,737,149	11,888,037	668,287	(258,388)	(164,500)
Net cash provided by financing	690,590	6,059,017	401,281	4,737,149	11,888,037	3,565,793	(1,659,709)	3,499,199
Cash and Cash Equivalents, beginning	731,355	1,386,198	5,302,919	5,820,629	731,355	2,972,649	4,021,667	3,859,783
Cash and Cash Equivalents, end of period	1,386,198	5,302,919	5,820,629	2,972,649	2,972,649	4,021,667	3,859,783	4,847,284
Non-cash investing and financing activities:								
Issuance of stock for services received	373,640	873,416	286,348	734,375	2,267,779	668,286	(258,387)	(100,319)
Cash flow	$ (35,747)	$ (2,142,296)	$ 116,429	$ (4,854,766)	$ (6,916,380)	$ (2,363,468)	$ (1,225,921)	$ (2,423,125)
Free cash flow	$ (35,747)	$ (2,142,296)	$ 116,429	$ (7,585,129)	$ (9,646,743)	$ (854,158)	$ 1,594,704	$ (3,419,539)

HISTORICAL STOCK PRICE



DISCLOSURES

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