

**nextech AR**  
solutions



# **Nextech AR Solutions 2023**

CSE: NTAR  
OTCQX: NEXCF  
FSE: EP2

# Disclaimer / Safe Harbour



This communication may contain statements, other than statements of current or historical fact, that constitute “forward-looking statements”. In some cases, you can identify forward-looking statements by terminology such as “anticipate,” “believe,” “expect,” “intend,” “estimate,” “project,” “forecast,” “plan,” “predict,” “seek,” “goal,” “will,” “may,” “likely,” “should,” “could,” and similar expressions or expressions of the negative of these terms. This presentation contains forward-looking statements that are based on our management’s current estimates, beliefs and assumptions which are based on management’s perception of historic trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. Although we believe that the plans, intentions, expectations, assumptions and strategies reflected in these forward-looking statements are reasonable, these statements relate to future events or our future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results to be materially different from any future results expressed or implied by these forward-looking statements. Although the forward-looking statements contained in this presentation are based upon what we believe are reasonable assumptions, investors are cautioned against placing undue reliance on these statements since actual results may vary from the forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which are, in some cases, beyond our control and which could materially affect our results. These risks are described in further detail our Management’s Discussion and Analysis for the year ended December 31, 2021 and are discussed more fully in Nextech’s filings with the Ontario Securities Commission (OSC).

Total Bookings and Backlog are not defined by and does not have a standardized meaning under International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board. This non-IFRS financial performance measure is defined below. Non-IFRS financial measures are used by management to assess the financial and operational performance of the Company. The Company believes that this non-IFRS financial measure, in addition to conventional measures prepared in accordance with IFRS, enables investors to evaluate the Company’s operating results, underlying performance and prospects in a similar manner to the Company’s management. As there are no standardized methods of calculating these non-IFRS measures, the Company’s approaches may differ from those used by others, and accordingly, the use of these measures may not be directly comparable. Accordingly, this non-IFRS measure is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Total Bookings: the total dollar value of technology services and license services included in contracts with our customers. ‘Value’ is the total revenue (recognizable or not) associated with each transaction, as opposed to the amount invoiced or recognized as revenue in the period. This information provides the user with information on the performance of our sales efforts in the period, as there is a timing difference between when we close a deal and when it is ultimately ‘earned’ as defined in IFRS for revenue due to the term of our contracts and delivery timelines.

Backlog: the estimated unearned portion of technology services and license services in customer contracts that are in process and have not been completed as at the specified date. This includes billed and unbilled amounts within each contract. Since our revenue is recognized as earned, this will translate to total bookings to date less earned revenue recognized on the financial statements. This information provides the user with an estimate of the work expected to be completed and earned in the future at a given point and is used by management to allocate resources to our revenue delivery team.

Total Bookings and Backlog should not be considered a substitute for or in isolation from measures prepared in accordance with IFRS. These non-IFRS measures should be read in conjunction with our annual audited consolidated financial statements for the year ended December 31, 2021. Readers should not place undue reliance on non-IFRS measures and should instead view them in conjunction with the most comparable IFRS financial measures. See the reconciliations to these IFRS measures in the “Reconciliation of Non-IFRS Measures” section of the recent MD&A dated May 19, 2022, found on Sedar.com.

# Reasons to **Invest** in Nextech AR

Nextech AR is creating a valuable 3D ecosystem around 3-operating companies:

- ARitize3D- 3D Models for Ecomm
- ARway- Spatial Computing - Wayfinding
- Nextech Event Solutions- NexGen Live Event technology





# Blue Chip Leadership Team



**Evan Gappelberg**  
CEO and Founder



**Nima Sarshar**  
CTO



**Andrew Chan**  
CPA, CA CFO

## Engineering Team



**Max Hwang**  
SVP, Engineering



**Boon Tan**  
Director, AR Engineering



**Daniel Yu**  
VP, Engineering

# Rapid Expansion of customers Is Happening...

## Partnerships



## Integrations



In 2022 we are experiencing a rapid expansion of MAJOR 3D modeling customers





# Product-Market Fit Achieved in eCommerce

*Huge **ROI** Driving Adoption!!*

**+94%**

higher  
CTR rates (1)

**+250%**

Higher Conversions (2)

**-40%**

reduction in  
product returns (3)



**Hurley Bike Created for Joy Ride Bikes**



**Sofa Created for Habitt Furniture**

View in 3D



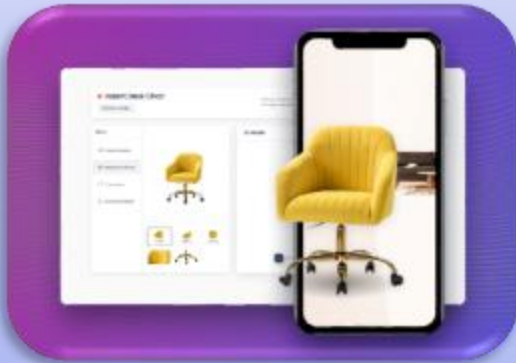
View in 3D



1: Harvard Business Review Article, "How AR Is Redefining Retail in the Pandemic"  
2: Digital Marketing Institute Article, "How Augmented Reality is Transforming Retail"  
3: AR Insider Article, "Does AR Really Reduce eCommerce Returns?"

**AI is unlocking 3D content creation at mass scale**

 **ARitize 3D**



**2D image – 3D  
model conversion**

 **Toggle3D**



**CAD file – POLY  
conversion**



**1. CAD file – Mesh  
2. Mesh – 3D Model**



# Massive \$5.5 T eCommerce Demand for 3D Models

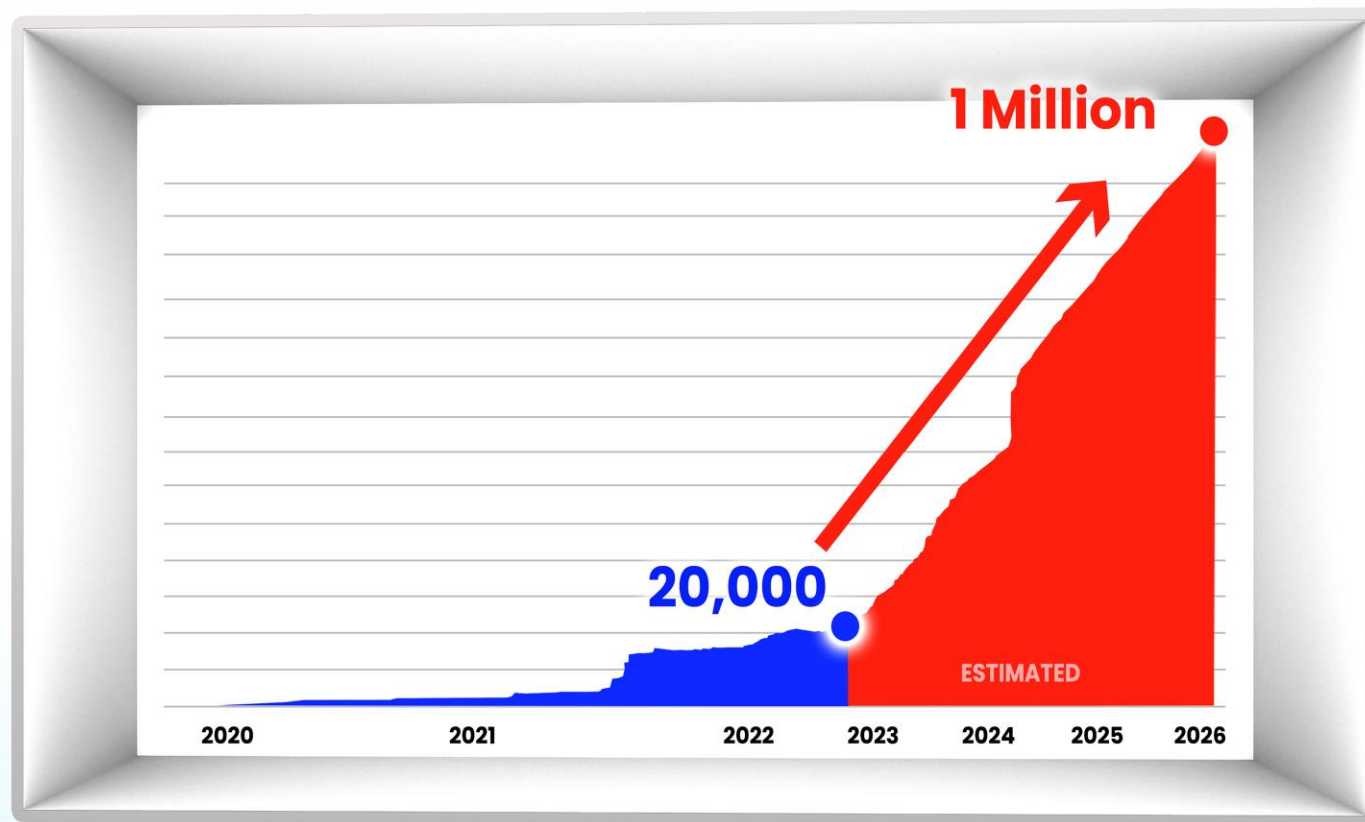


<sup>1</sup><https://www.emarketer.com/worldwide-ecommerce-will-approach-5-trillion-this-year>



# Exponential Growth is Happening Now!

The scaling of 3D model creation has only **just begun!**



## Big Tech is Driving 3D Adoption



Indexing 3D models for higher search ranking



"The **Future** of eCommerce is **3D**"  
Shopify<sup>8</sup>

# ARitize 3D – FAST 2D Images to 3D Models



- ✓ Highest quality models
- ✓ Scalable
- ✓ Competitive pricing

Create models in 3 simple steps



Share your reference  
images



AI creates your  
models



Show off your  
products in 3D

Introducing  
**ARitize 3D**  
for **ecommerce**



# TRY IT YOURSELF: 3D MODELS

Use Your Smartphone Camera To Scan The QR Codes

Furniture



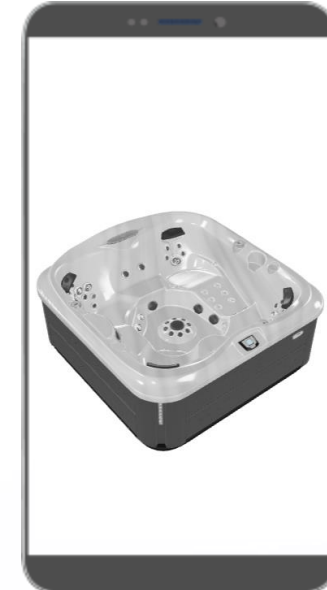
Artwork (NFT)  
Beeple \$69M



FORD  
Mustang Mach-E



Jacuzzi



**2D IMAGE TO 3D MODEL**

**CAD FILE TO 3D MODEL**

# eComm Returns Cost **\$1.47 T** Annually

 Global

**\$4.9 Trillion<sup>3</sup>**

**\$1.47**  
Trillion in  
Returns

Avg. Return Rate<sup>4</sup>

**30%**

 United States

**\$565 Billion<sup>2</sup>**

**\$170**  
Billion in  
Returns

<sup>2</sup> <https://nrf.com/research/customer-returns-retail-industry>

<sup>3</sup> <https://www.emarketer.com/worldwide-ecommerce-will-approach-5-trillion-this-year>

<sup>4</sup> [https://www.cbre.us/cbre-forecasts-online-returns-to-hit-record-\\$70-5b-this-holiday-season](https://www.cbre.us/cbre-forecasts-online-returns-to-hit-record-$70-5b-this-holiday-season)

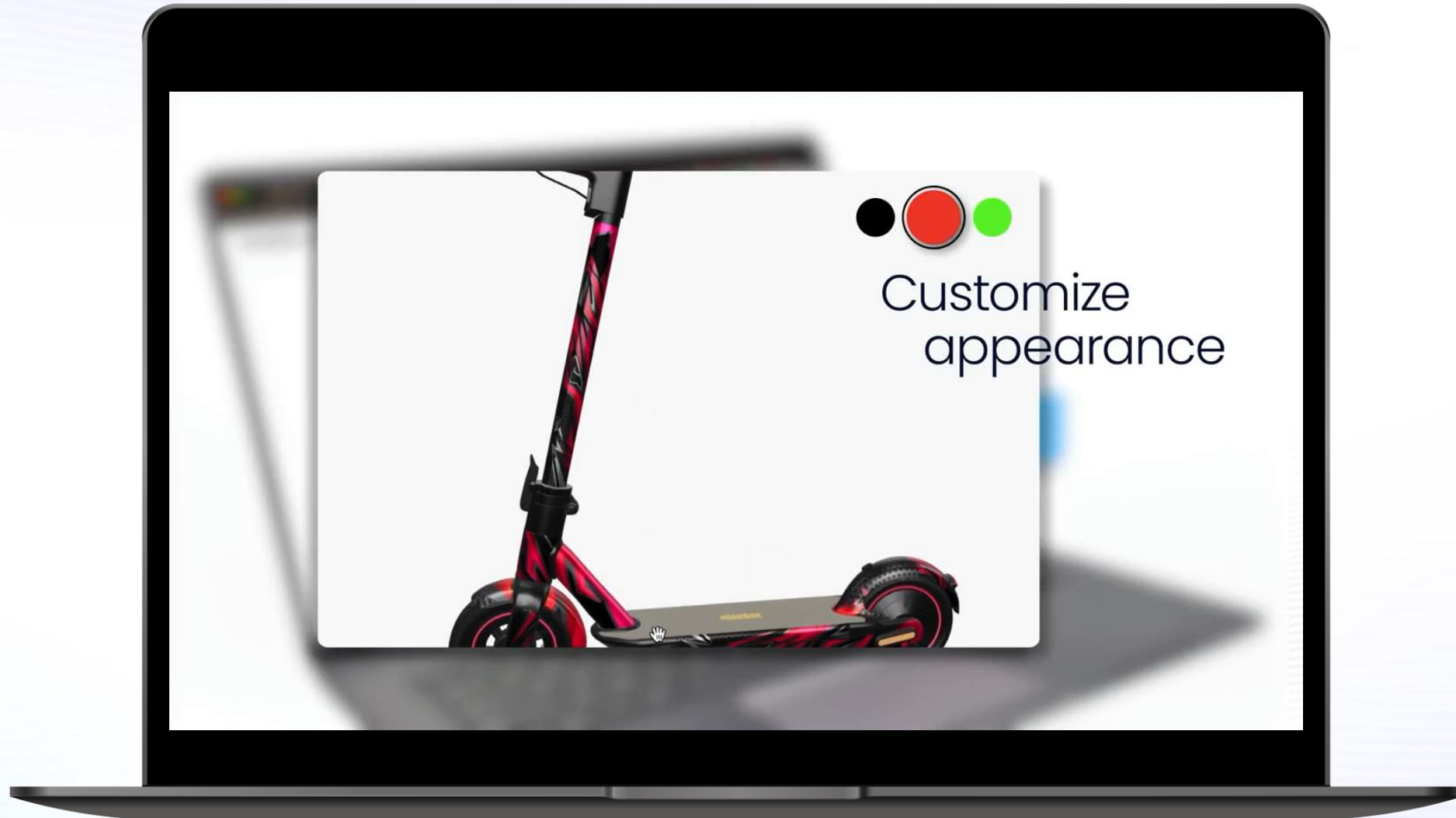
<sup>5</sup> <https://arinsider.co/2020/06/29/does-ar-really-reduce-ecommerce-returns/>



# With **AI** Nextech is Disrupting the Market on **Price & Scale**



# More than just 3D models- **Configurator**



# And Decorator

## Garage Builder for NAPA Auto Parts

  
**ARitize**  
Decorator



# ARitize 3D TAM

**Demand – 16 Million**

E-Commerce Stores Worldwide<sup>6</sup>

**>400 Million** 3D models need to be created<sup>7</sup>

## Merchants on Major E-commerce Sites (Global)



**7.5M Merchants**

**TAM:** **MRR \$ 14 B**  
**ARR \$ 147 B**

**7.5 Million Merchants Globally**  
(SMD, Mid-Market, Enterprise)

**400 Million Product SKUs**  
across all merchants

**TAM factors in**  
3D model creation + increased  
revenue opportunity with 3D  
model enhancements:

- ✓ *Product Hotspots* ✓ *Animations* ✓ *360 Exploded Views*
- ✓ *Color Configurator* ✓ *3D Swirl Ads* ✓ *3D Carousel*
- ✓ *Virtual Staging* ✓ *Room Decorator*

<sup>6</sup> <https://wpforms.com/ecommerce-statistics/>

<sup>7</sup> <https://www.jakobstaudal.com/how-many-products-should-an-e-commerce-site-have/>



# Q3 – 3D Model Revenue Surges 192%!

**On July 12th 2022, Nextech AR announced that it began supplying the world's largest Prime eCommerce marketplace.**



As of October 2022, **4000 3D models** have already been delivered to Amazon.

The deal with Amazon provides significant room for potential growth for many years to come

Nextech is ramping up production to meet the growing demand from the largest Prime eCommerce marketplace.

The production of 3D models for Amazon is continuously increasing on a monthly basis.

**3D Models Created for Amazon**  
Scan QR Code



# Future Catalysts



**Nextech AR** is in talks with some of the world's largest brands for new deals & expansions to existing deals, to supply **many thousands of 3D models**

**450 Million Product SKUs**



**350 Million  
SKUs<sup>1</sup>**



**75 Million  
SKUs<sup>2</sup>**



**25 Million  
SKUs<sup>3</sup>**



**KOHL'S**



**HUDSON'S BAY**  
INCORPORATED 2 MAY 1670



**Amart**  
Furniture

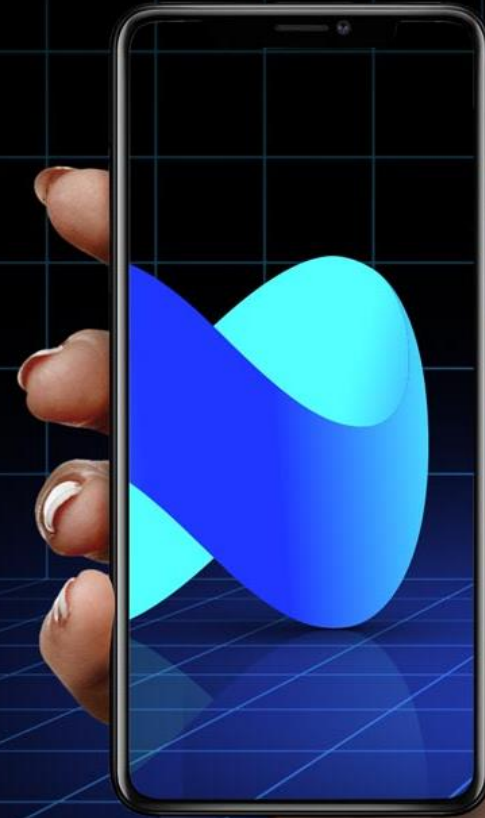
<sup>1</sup> <https://www.businessofapps.com/data/amazon-statistics/>

<sup>2</sup> <https://jungletopp.com/walmart-stats/>

<sup>3</sup> Internal estimate



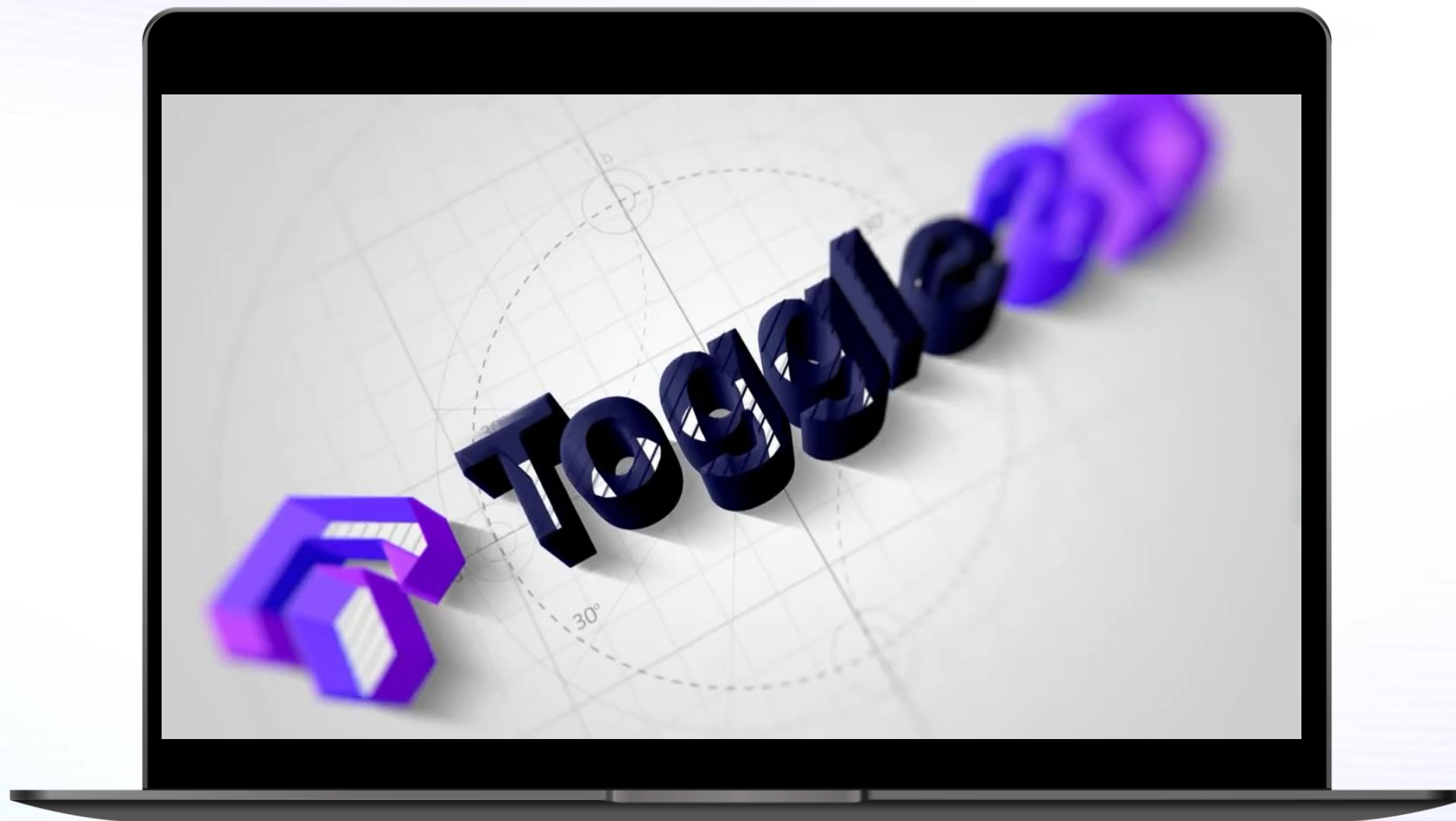
***The Ultimate  
Design Studio for 3D***





**Toggle3D**

Plans for **SPIN-OUT** of Toggle3D Announced Dec 14, 2022

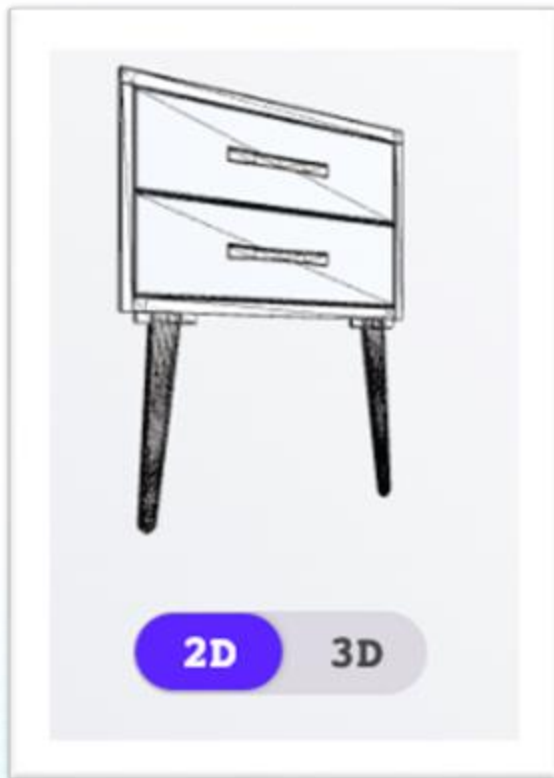


[Watch Video](#)



# Toggle3D Design Studio

Create and **texture 3D models, build product configurators** for e-commerce or **prototype design**. Toggle is a tool anyone can use to turn 2D into 3D with **no relevant 3D design experience required**.



**CAD TO 3D  
CONVERSION**



**1**

**Upload CAD  
file or 3D Model**

**2**

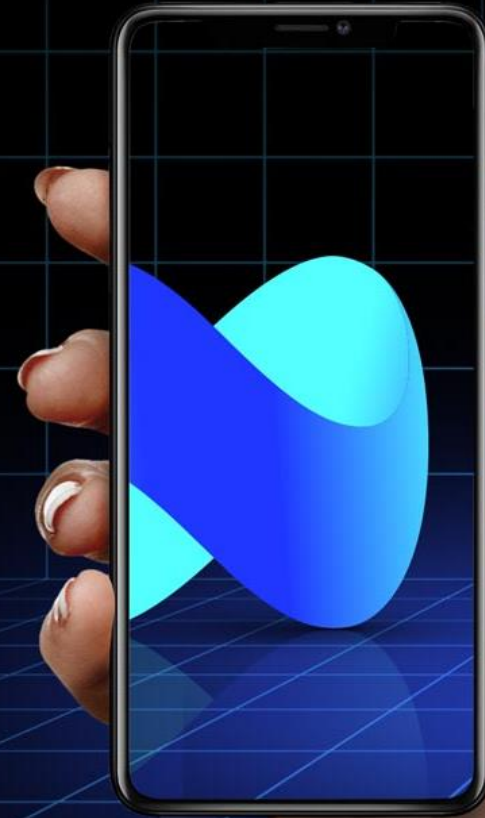
**Create 3D  
visualizations**

**3**

**Publish & Share  
or Embed on  
Website**



***No-code AR wayfinding  
solution***



# ARway Spin-Out

## First of its Kind

First publicly traded pure-play spatial computing Company

## Majority Shareholder

Nextech AR remains the majority shareholder of the spin-out Company **with 13M shares or a 50% stake**

## Stock Listings

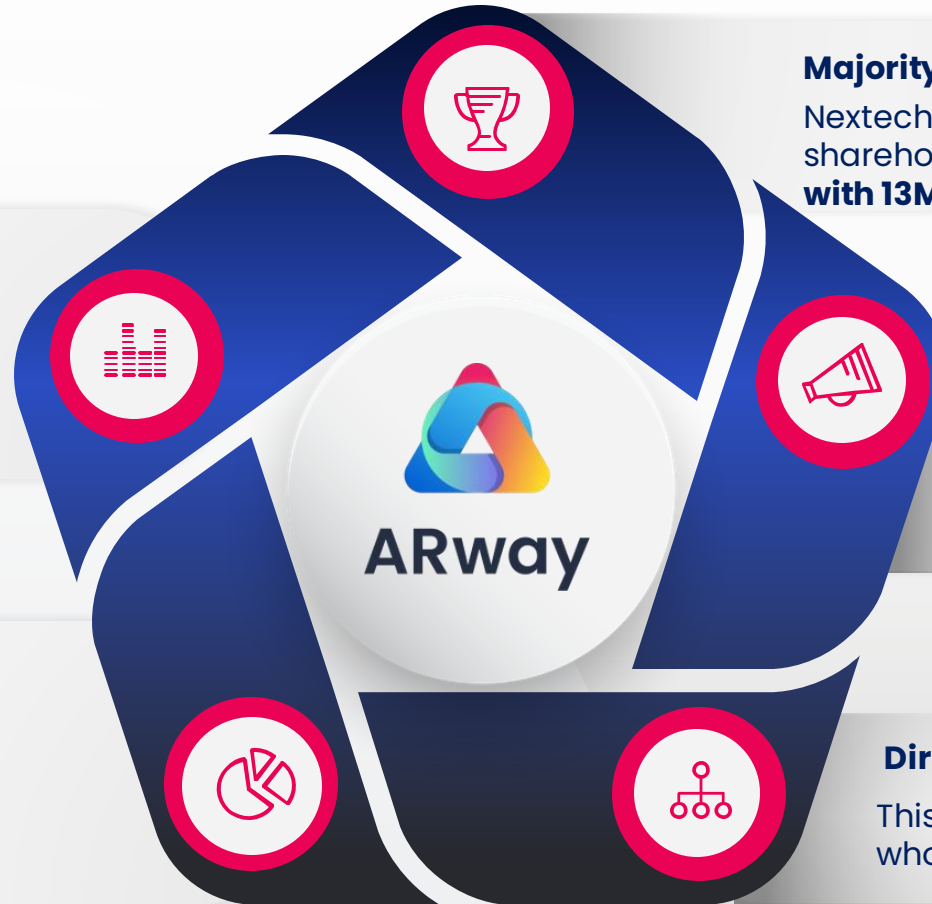
Started trading Oct 26 2022  
(CSE:ARWY) (OTC: ARWYF) (FSE:E65)

## Unlocking Value

Spin-out from Nextech AR unlocks the true value of this technology

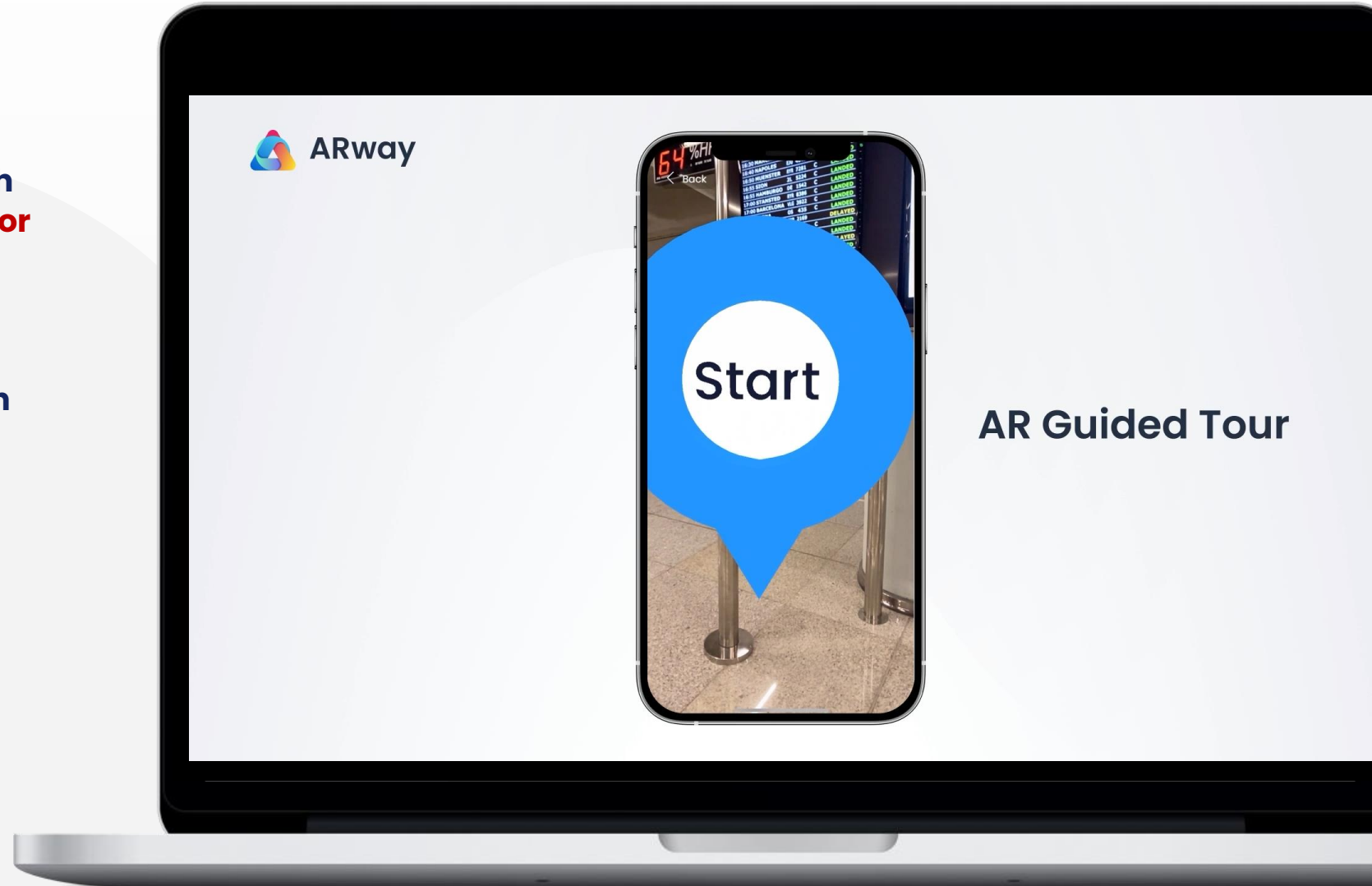
## Direct Spin-Out

This was a direct spin-out through a wholly-owned subsidiary of the Nextech AR



# ARway Uses Spatial Computing to Solve Indoor Wayfinding

- ARway has found early market fit with our **no-code, augmented reality indoor wayfinding solution** for large, multi-purpose venues
- End-users simply scan a QR code with their smartphone to **navigate to any Point of Interest (POI)** with step-by-step directions and interact with rich AR content
- The indoor navigation market is booming – **growing to \$44B in 2025**





# Why Industries Demand AR



**Improved end-user experience**



**Increased engagement & impressions**



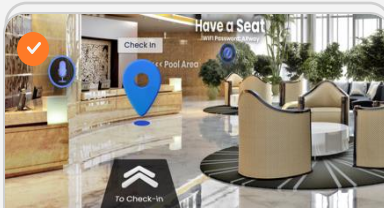
**Reduced costs**



**Monetize airspace & generated revenue**



**Expanded distribution channels & user reach**



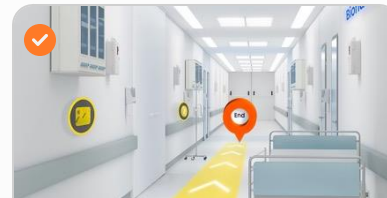
**Corporate Offices**



**Museums & Galleries**



**University Campuses**



**Hospitals**



**Malls & Retail**



**Sports Stadiums**



**Events & Tradeshows**



**Real Estate**

**+71%**

of people experience better navigation with AR

**+40%**

Higher conversion rates with AR product displays

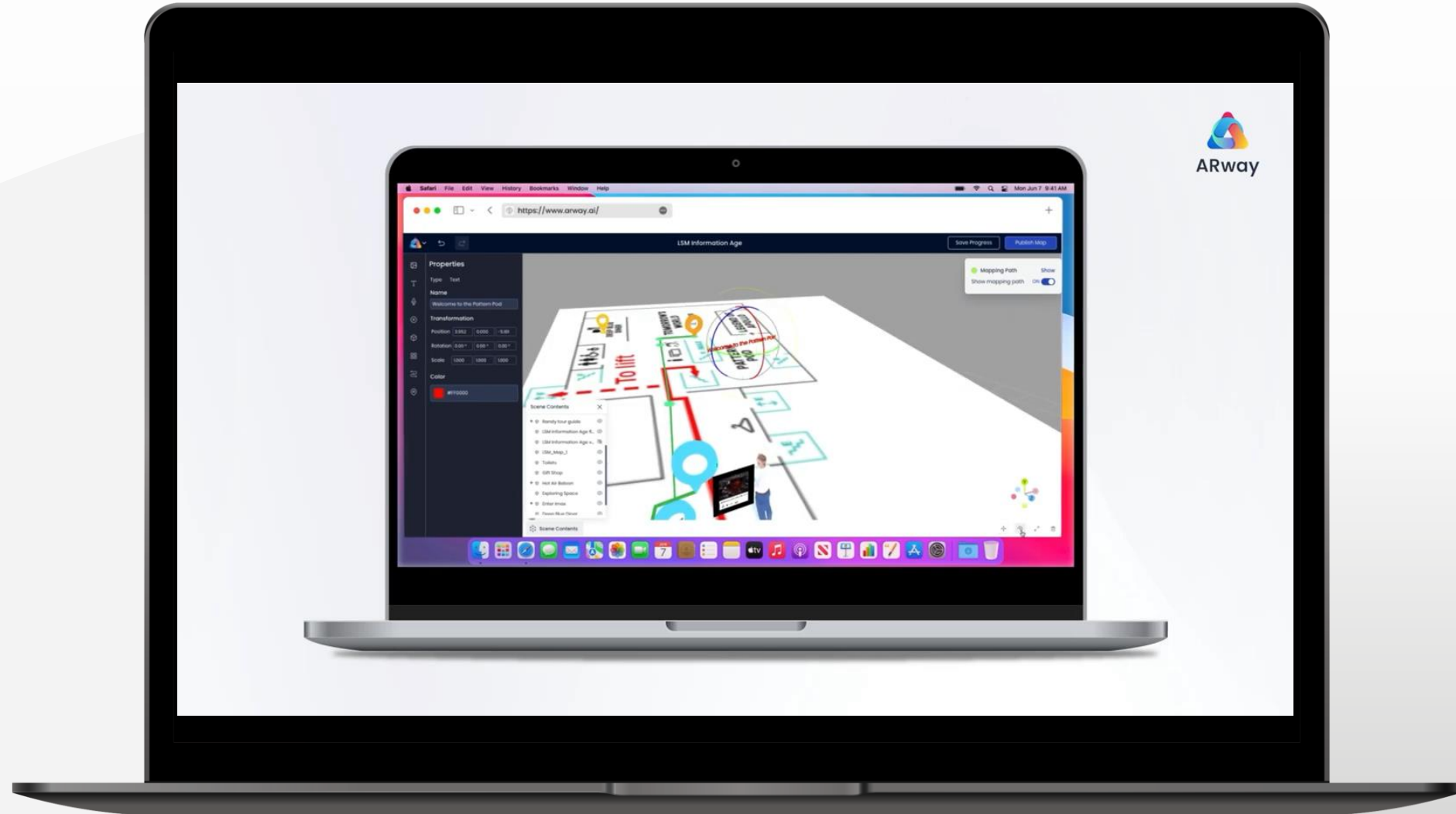
**+84%**

of people feel more engaged by AR-Enriched experiences

**+72%**

Consumer purchases of products with AR activated displays

# Use Case: London Science Museum



# Size of Market Opportunity

## Global Augmented Reality (AR) Software Market

**\$137B<sup>1</sup>**

**57.21% CAGR  
2021-2028**

- **AR Software Development Kits (SDK)**
- **AR WYSIWYG (What You See Is What You Get) editor software**
- **AR 3D engine software**
- **AR training simulator software**
- **Industrial AR platforms**

## Global Indoor Positioning and Indoor Navigation (IPIN) Market

**\$44 B<sup>2</sup>**

**42% CAGR  
2018-2025**

- **Navigation and maps**
- **Location-based analytics**
- **Asset and personnel tracking**
- **Others**

# ARway Competitive Differentiation



## No Hardware

### NO CAPEX

No expenditure on installation & configuration of BLE Beacons

### NO OPEX

No expenditure on maintenance and replacement of beacons

### Low Commitment

Without the effort and resources that hardware installation requires



## Hours (Not Weeks) for Map Activation

### Simple Map Setup

1. Place QR Code on location
2. Scan QR Code to anchor map to location
3. Drop location pins around POIs
4. Upload floor plan & align it to location pins
5. Drag & drop AR content and publish map



## Monetize Airspace with AR Ads

### Monetize

More than just an A to B wayfinding tool

### Marketing

AR marketing in the airspace with AR content and activation

### AR Spatial

Create and populate animated AR spatial into the maps via the Creation Studio



## In-House 3D Model Factory

### Integration

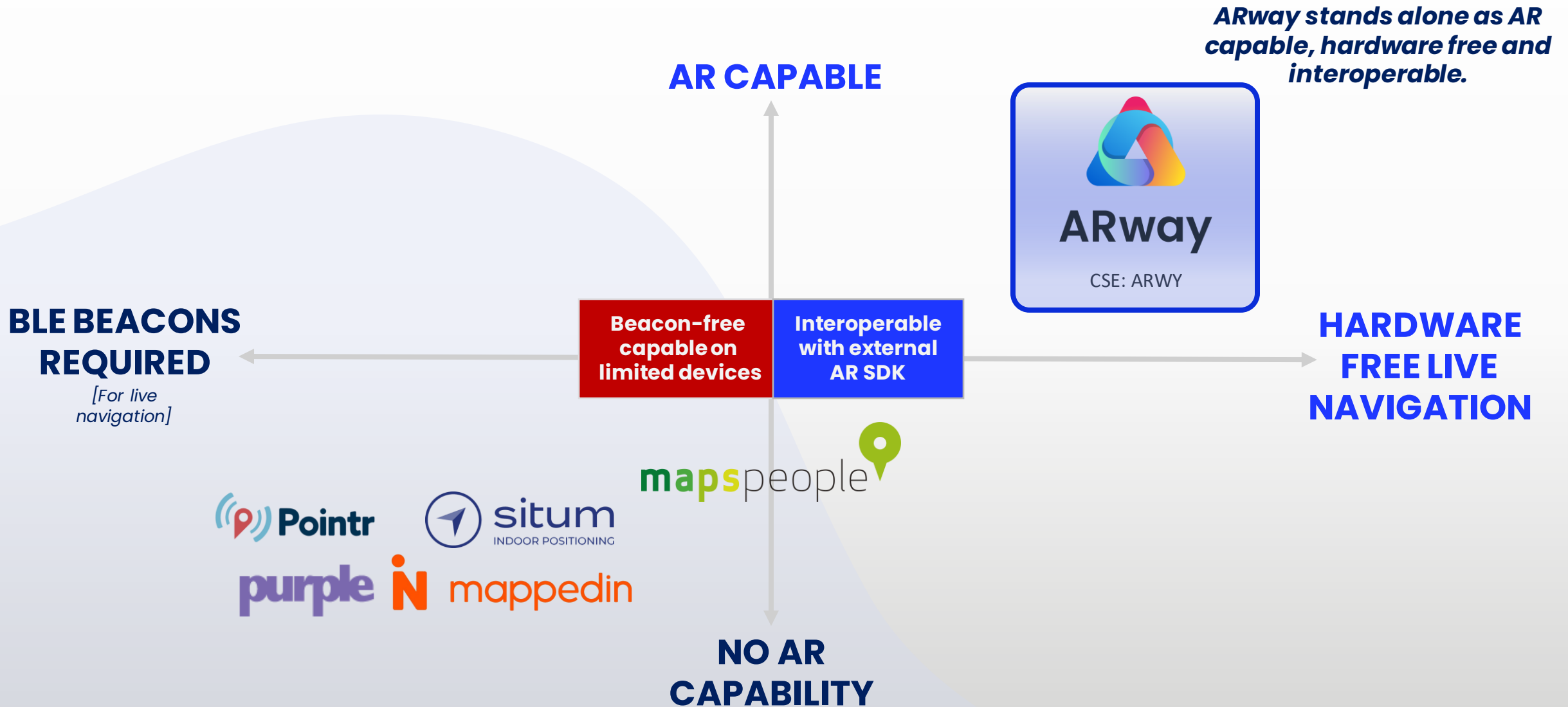
Direct integration to our in-house 3D model library via the Creation Studio

### End-to-End

One stop shop for spatial AR content



# Head and Shoulders Above the Competition!



# Clients and Pilots

Toronto  
Metropolitan  
University

  
ENCORE



 Restaurants  
Canada *Show*  
THE HOSPITALITY EVENT OF THE YEAR

 **TRENDHUNTER™**

 **TUI** GROUP

 ماجد الفطيم  
MAJID AL FUTTAIM

## Future Potential Pilots



amazon



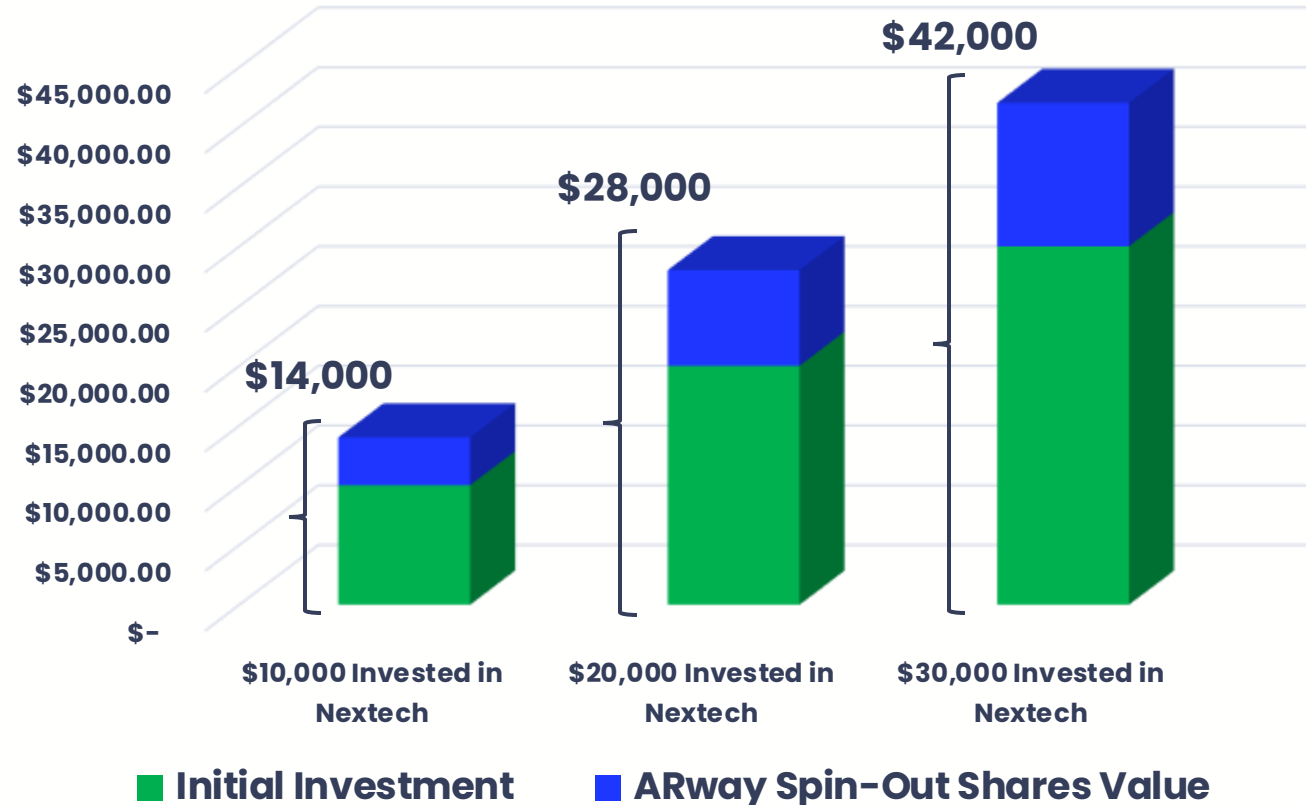
# Future Spin-Outs Unlocking **Massive** Value !

Nextech AR has an additional **3-4 potential spin-outs** unlocking even more value

## Actual Results

- **\$10,000** invested in Nextech yielded an approx. **4% stock dividend of ARway**
- Investors would receive approx. **\$400** worth of ARway spin-out shares
- ARway has **increased 10x**
- This is now worth **\$4000!**
- **Nextech investors have a 40% return in weeks!**

## ARway Spin-out Has Created Tremendous Value



# ARway Stock Information

## Started Trading

10/26/2022 (CSE: ARWY)  
11/4/2022 (OTC: ARWYF)  
11/11/2022 (FSE: E65)



Share Price: **\$1.38 CAD**

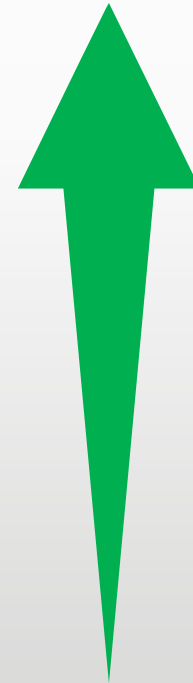
Shares Outstanding \$26.6 Million

52 week high-low \$0.67 – \$2.95

Market Capitalization \$36.7

Insider Ownership 20%

Cash \$1.65 Million







# Nextech Event Solutions

*Event technology and  
management software solution*





nextech event  
solutions

## Self Serve Event Technology Platform & Management Software Solution

- ✓ Virtual, Hybrid & Live Events
- ✓ Interactive Floorplans
- ✓ Ticket sales, booth sales
- ✓ 365 Meta Marketplace
- ✓ AR activations
- ✓ AR Indoor Wayfinding

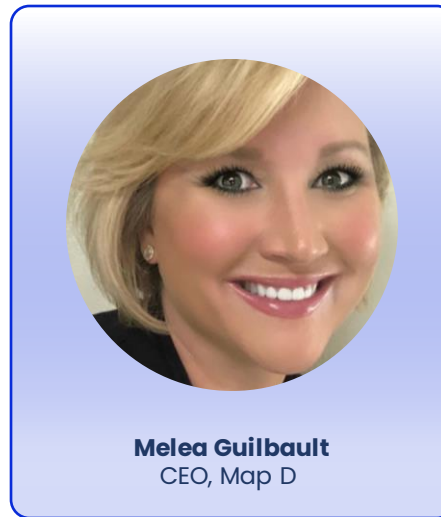
## ARway Technology Integration



**Restaurants Canada RC Show 2022**

[▶ Watch Video](#)

**On September 15, 2022, Nextech AR announced the appointment of Melea Guilbault as CEO of Map D (Nextech Event Solutions)**



Guilbault brings 30 years+ of experience in high-growth companies inclusive of technology, pharmaceuticals, and community-based organizations, and brings extensive commercial, operational and executive management experience.

# Financial Highlights & Information





# 2022 Financial Highlights

- Annual 3D modeling revenue **+266%** vs 2021 at approx **\$1.5 Million**
- Q4 technology services (SaaS) revenue **+21%** from Q3 2022 hitting approx **\$1.1 Million**
- 2022 technology services (SaaS) gross profit margin **improved +53% hitting 43%** vs 28% in 2021
- 2022 total revenue **\$10.3 Million**, with technology services (SaaS) generating **\$3.1 Million**

## **ANALYST COVERAGE**

**Zacks/SCR**

*"AR 3D Subscriptions Grow  
189% Sequentially  
in Q3."*

**PT: \$1.33**

 **HCW**  
H.C. WAINWRIGHT & CO.

*"3Q Results Showcase Increasing  
Demand for 3D Models;  
Momentum to Carry  
Into 2023; Reit. Buy"*

**PT: \$2.50**

 **SingularResearch**  
RESEARCH FOR PROGRESSIVE MONEY MANAGERS

*"Charting Its Own eCommerce  
3D Dimension; Initiate with a  
Buy-Venture rating"*

**PT: \$1.50**

# Company Stats

As of Jan 16, 2023

**Share Price: \$0.90 CAD**

Shares Outstanding	<b>102 Million</b>
52 week (high-low)	<b>\$0.31 – \$1.85 CAD</b>
Market Capitalization	<b>\$91 Million CAD</b>
Insider Ownership	<b>~15%</b>
Cash (as reported for Q2 in CAD)	<b>\$5 Million</b>

# Thank you

## Contact Us

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