

**nextech AR**  
solutions



# Nextech AR Solutions 2022

CSE: NTAR  
OTC: 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



**TECHNOLOGY:** Fully Integrated solution driven by AI which has enabled Nextech to scale 3D models.



**TIMING:** Demand for 3D models is taking off, driven by big tech & return on investment (ROI).

**MARKET:** \$5.5 Trillion eCommerce industry where 3D models are fundamentally transforming online shopping

**LEADERSHIP:** A skilled and experienced blue-chip executive leadership team with CEO/Founder owning 10%

**SCALABILITY:** Disruptive Business Model generating MRR/ARR. Highly scalable SaaS based vertically integrated AI technology.

# Blue Chip Leadership Team



**Evan Gappelberg**  
CEO and Founder



**Nima Sarshar**  
CTO



**Feras Abutaha**  
VP, Operations





**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...

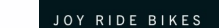
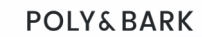
## Partnerships



## 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)

View in 3D



Hurley Bike Created for Joy Ride Bikes



Sofa Created for Habitt Furniture

View in 3D

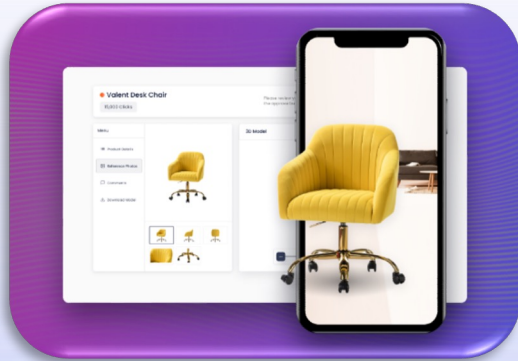


1: Harvard Business Review Article, "How AR Is Redefining Retail in the Pandemic"  
2: Digital Marketing Institute Article, "How Augmented Reality is Transforming Retail"  
3: AR Insider Article, "Does AR Really Reduce eCommerce Returns?"

# Content Creation Powered by

AI is unlocking 3D content creation at mass scale

 **ARitize 3D**



**2D image – 3D  
model conversion**

 **Toggle3D**



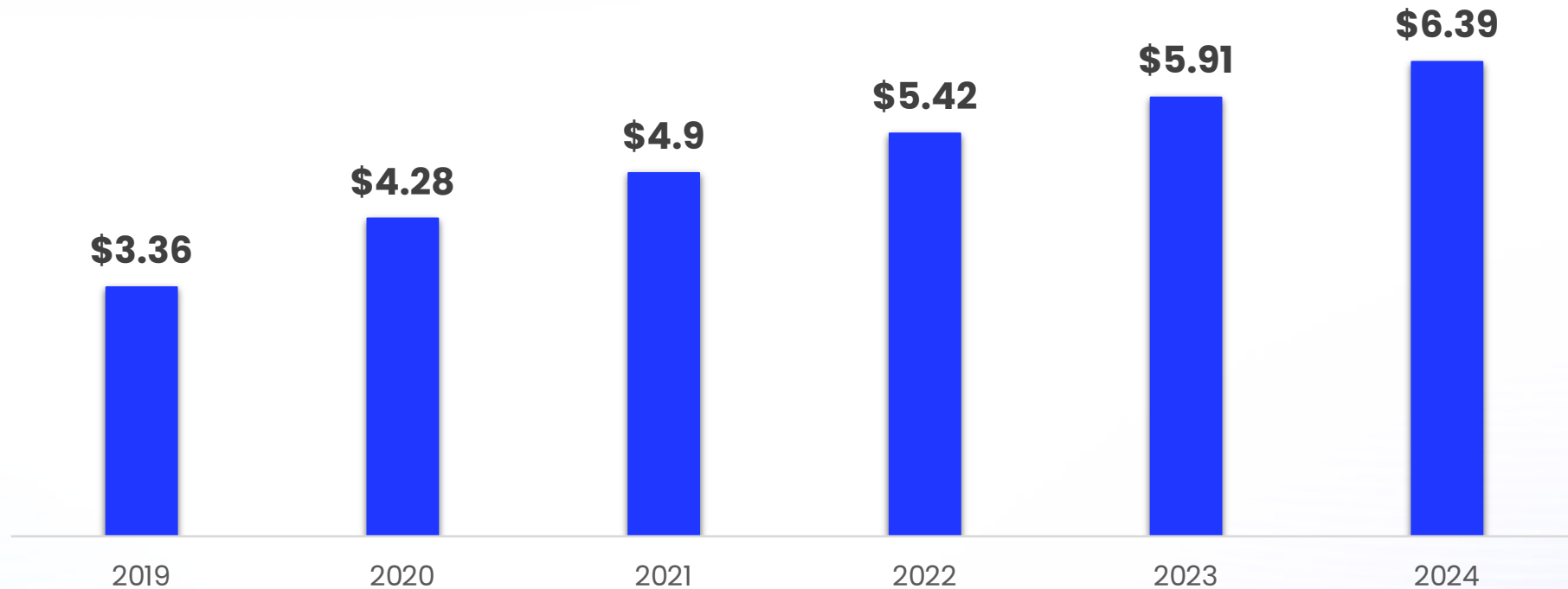
**CAD file – POLY  
conversion**



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

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

**Global Online Sales<sup>1</sup>  
(Trillions\$)**

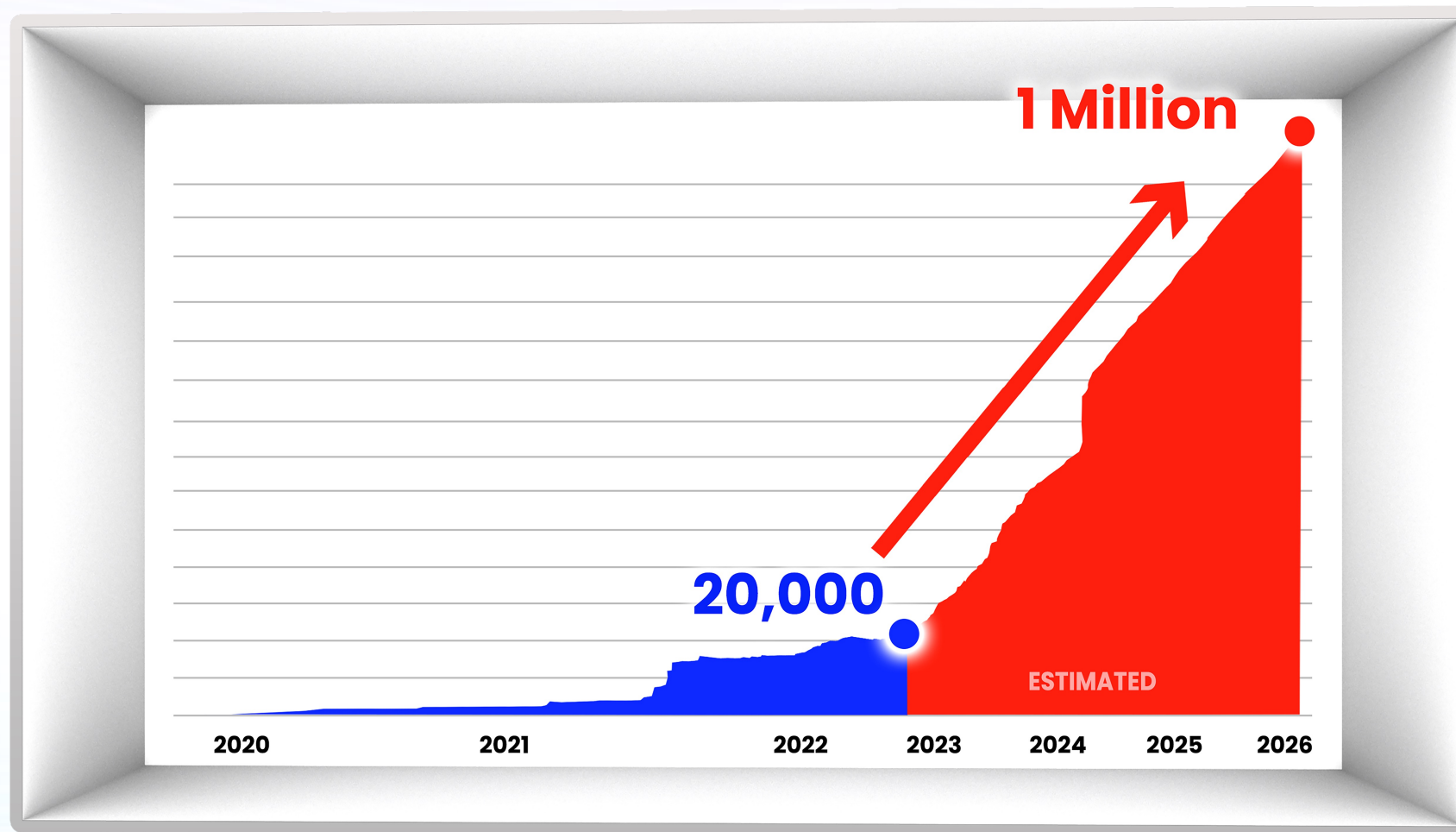


<sup>1</sup><https://www.emarketer.com/worldwide-ecommerce-will-approach-5-trillion-this-year>



# Exponential Growth is Happening Now!

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



# FAST 2D Images to 3D Models

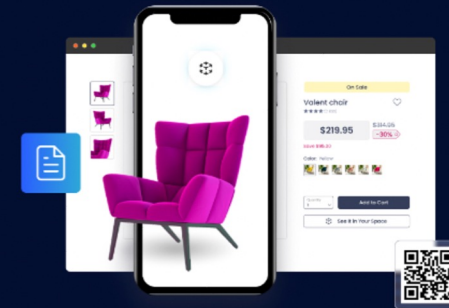
## Create models in 3 simple steps



Share your reference  
images



AI creates your  
models



Show off your  
products in 3D

3D model creation for mass-production.

# ARitize 3D Now Available On...



## ARitize 3D

- ✓ **2D Images to 3D Models**
- ✓ Available on:
  - Shopify
  - BigCommerce
  - WooCommerce
- ✓ Highest quality models
- ✓ Scalable
- ✓ Competitive pricing

## Introducing ARitize 3D for ecommerce



# TRY IT YOURSELF: 2D to 3D Examples

Use Your Smartphone Camera To Scan The QR Codes

Accessories



Furniture



Artwork (NFT)  
Beeple \$69M



Sports Equip



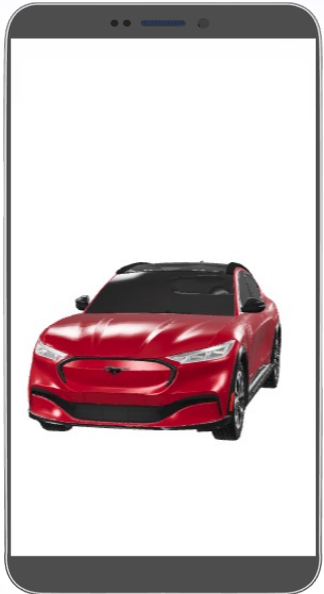
Bikes



# CAD to 3D Examples

Use Your Smartphone Camera To Scan The QR Codes

FORD  
Mustang Mach-E



FORD  
Escape Hybrid



Jacuzzi



Boat



Boat



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



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

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

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

**\$1.47**  
Trillion in  
Returns

**30%**

**\$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/>

# Big Tech is Driving 3D Adoption



Indexing 3D models for higher  
search ranking



"The **Future** of  
eCommerce is **3D**"

Shopify<sup>8</sup>

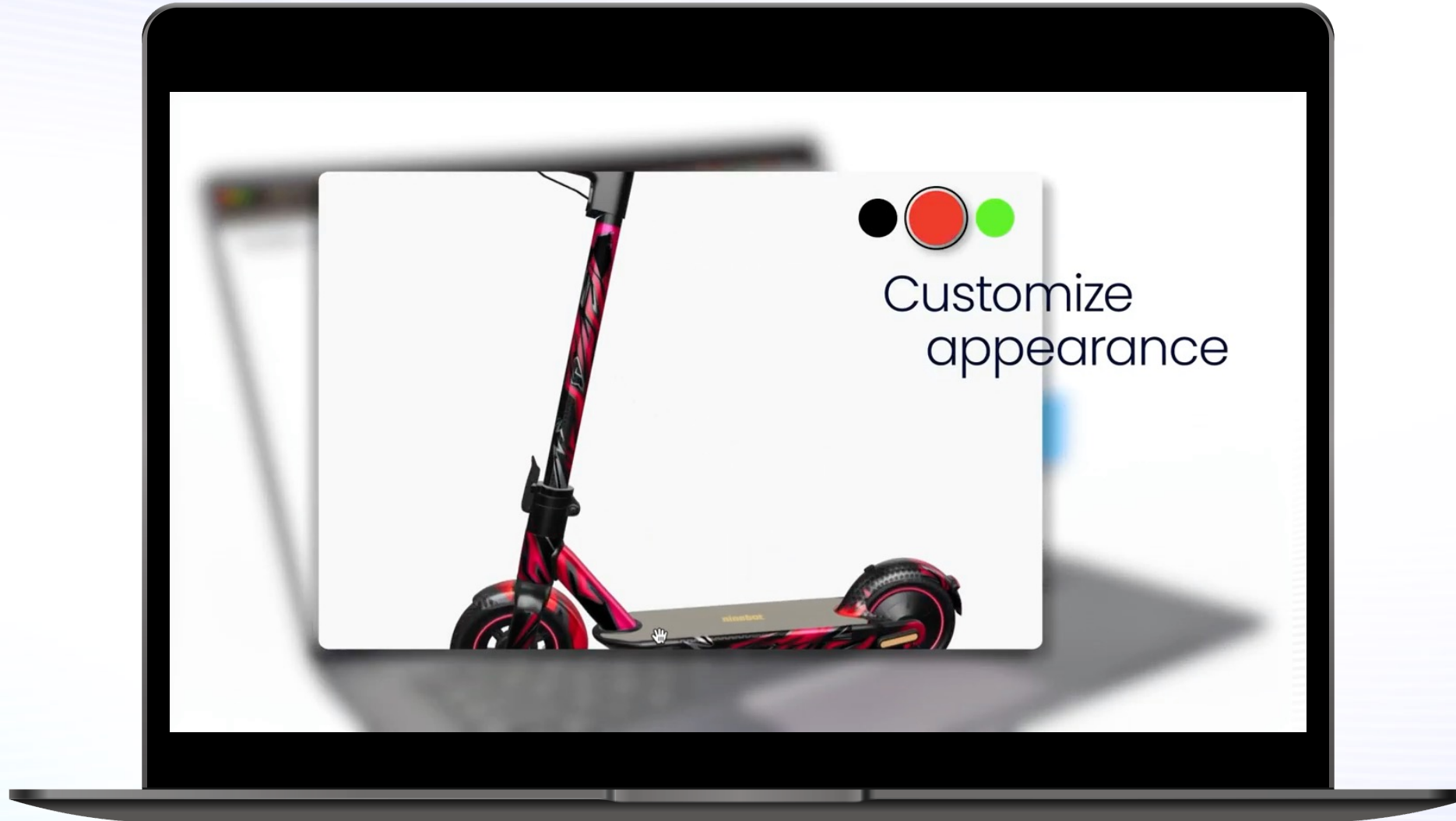
<sup>8</sup> <https://www.shopify.ca/blog/3d-model-products>

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





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



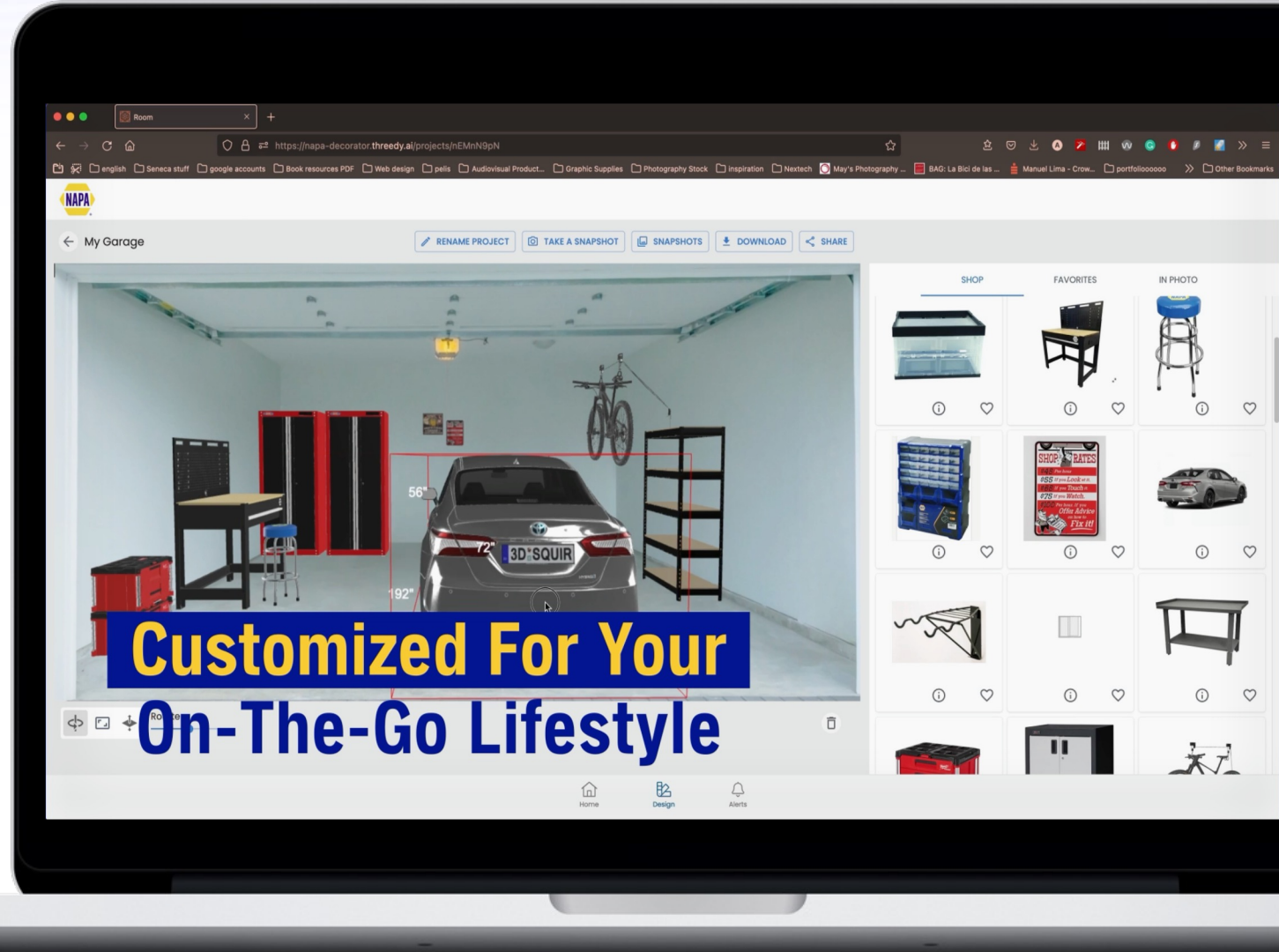
 [Watch Video](#)

# 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.

Nextech created more than 2800 models for Amazon in the month of October alone.

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

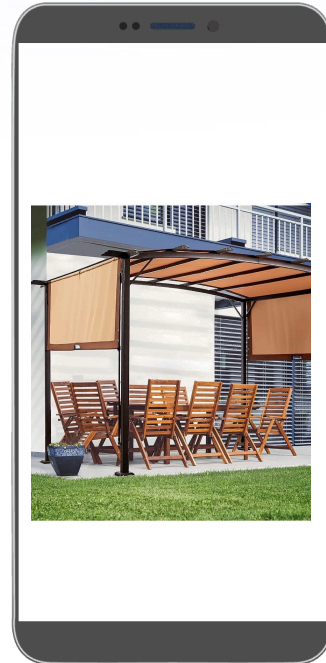
# TRY IT YOURSELF: Models Created for Amazon

Use Your Smartphone Camera To Scan The QR Codes

Exercise Equip.



Patio Furniture



Trampoline



Timing Clock



# Potential 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**

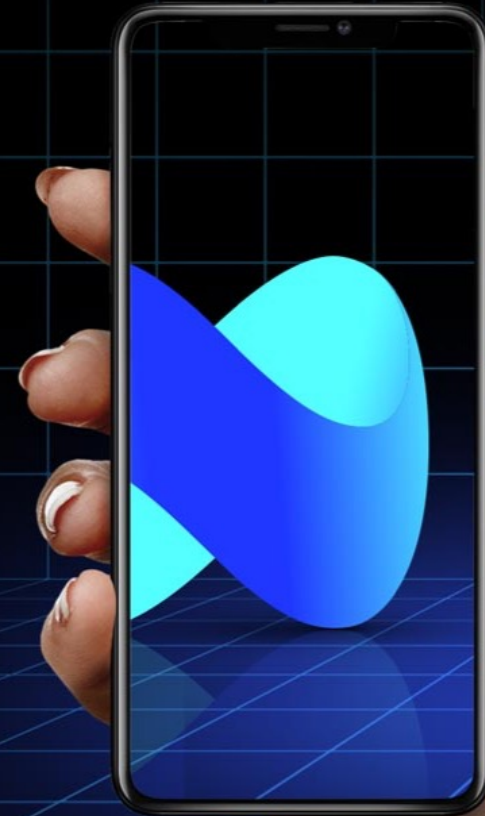


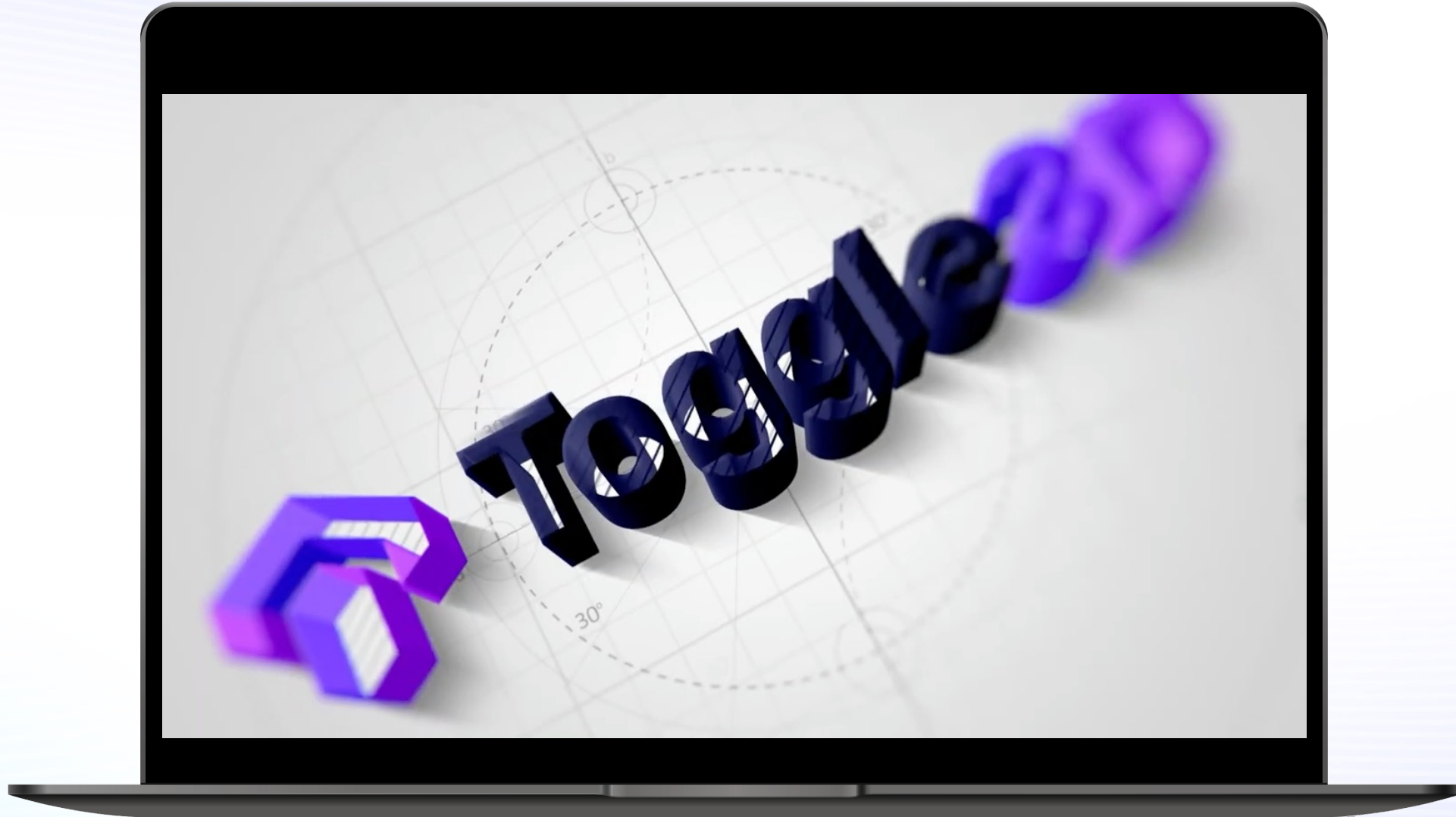
**HUDSON'S BAY**  
INCORPORATED 2 MAY 1670





*The Ultimate 3D  
Design Studio for 3D*

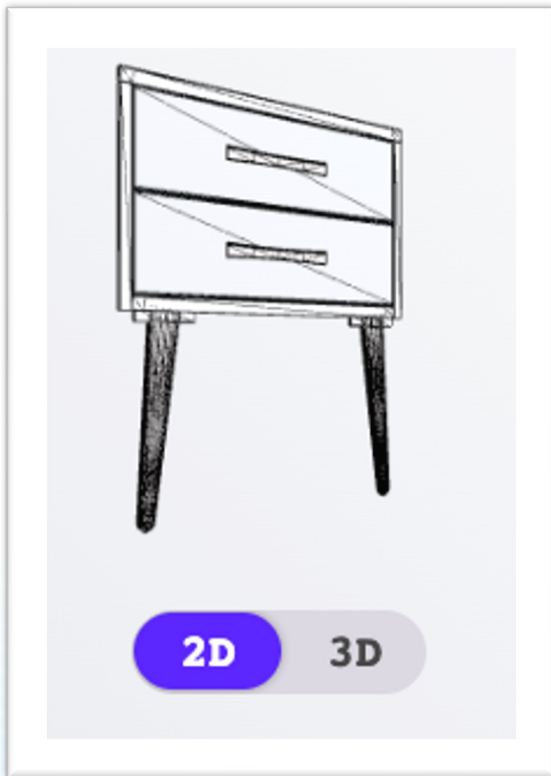






# Toggle3D Design Studio

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**

## ✓ In-Browser Experience

No app downloads allowing users to jump in directly using web browser



## ✓ Templates

Pre-made templates to making 3D visualization easy and fast



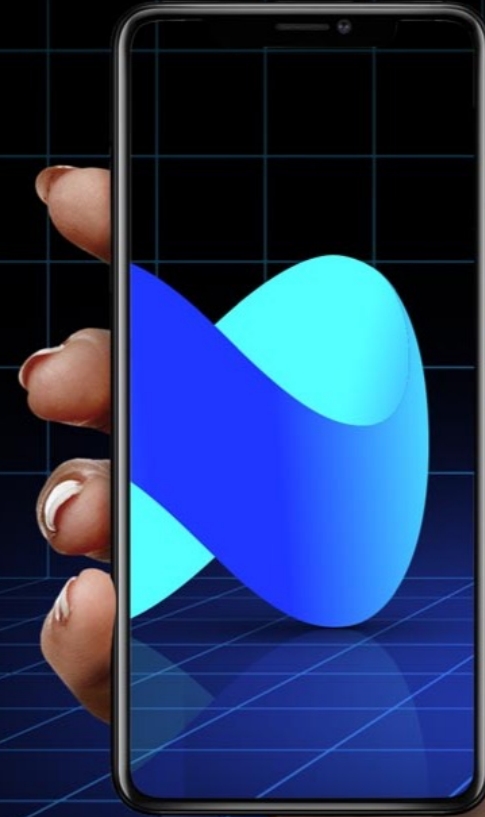
## ✓ Pre-Built Libraries

Thousands of high-quality PBR materials. Edit in real time to make a model come to life





***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

 [Watch Video](#)



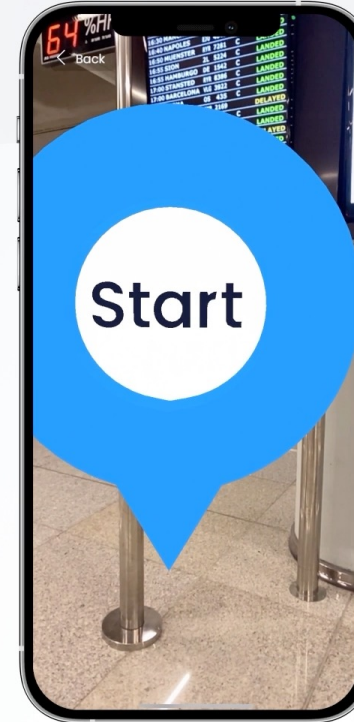
ARway has found early market fit with our **no-code, augmented reality indoor wayfinding solution** for large, multi-purpose venues



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



AR Guided Tour

# Why Industries Demand AR



Improved end-user experience



Increased engagement & impressions



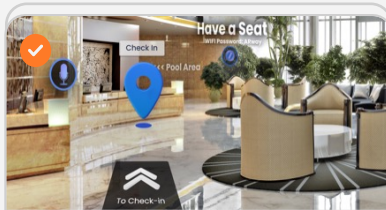
Reduced costs



Monetize airspace & generated revenue



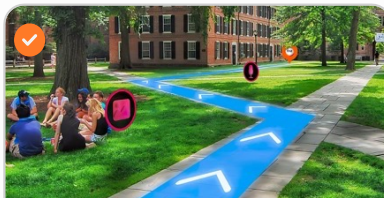
Expanded distribution channels & user reach



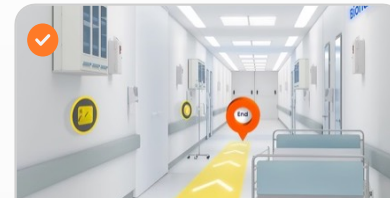
Corporate Offices



Museums & Galleries



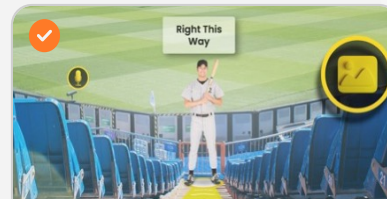
University Campuses



Hospitals



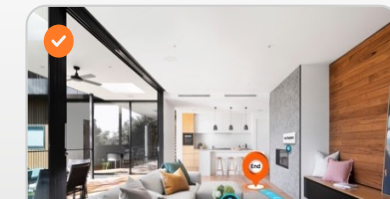
Malls & Retail



Sports Stadiums



Events & Tradeshows



Real Estate

**+71%**

of people experience better navigation with AR

**+40%**

Higher conversion rates with AR product displays

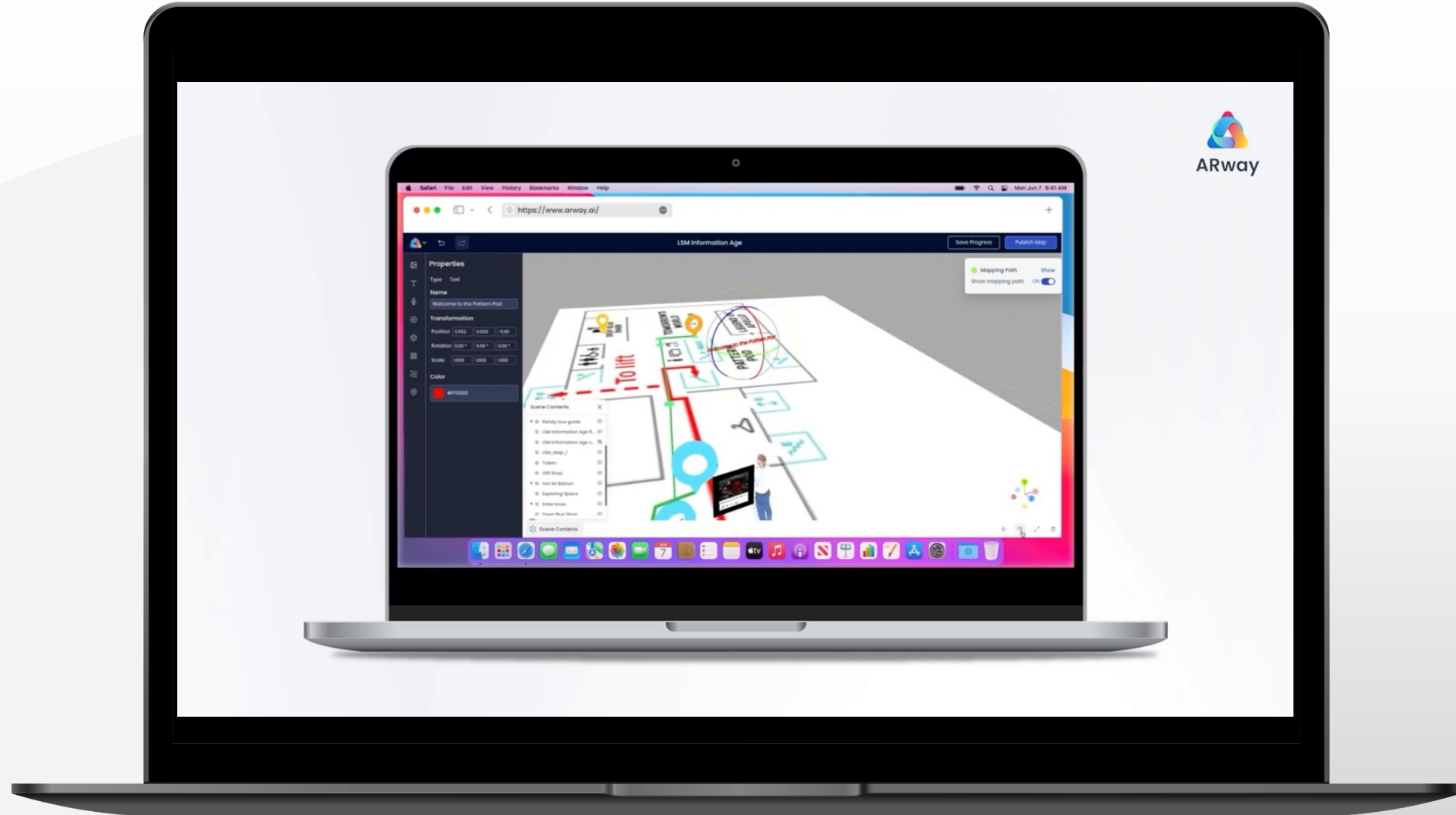
**+84%**

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



- 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



- 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 Spatials

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



## In-House 3D Model Factory

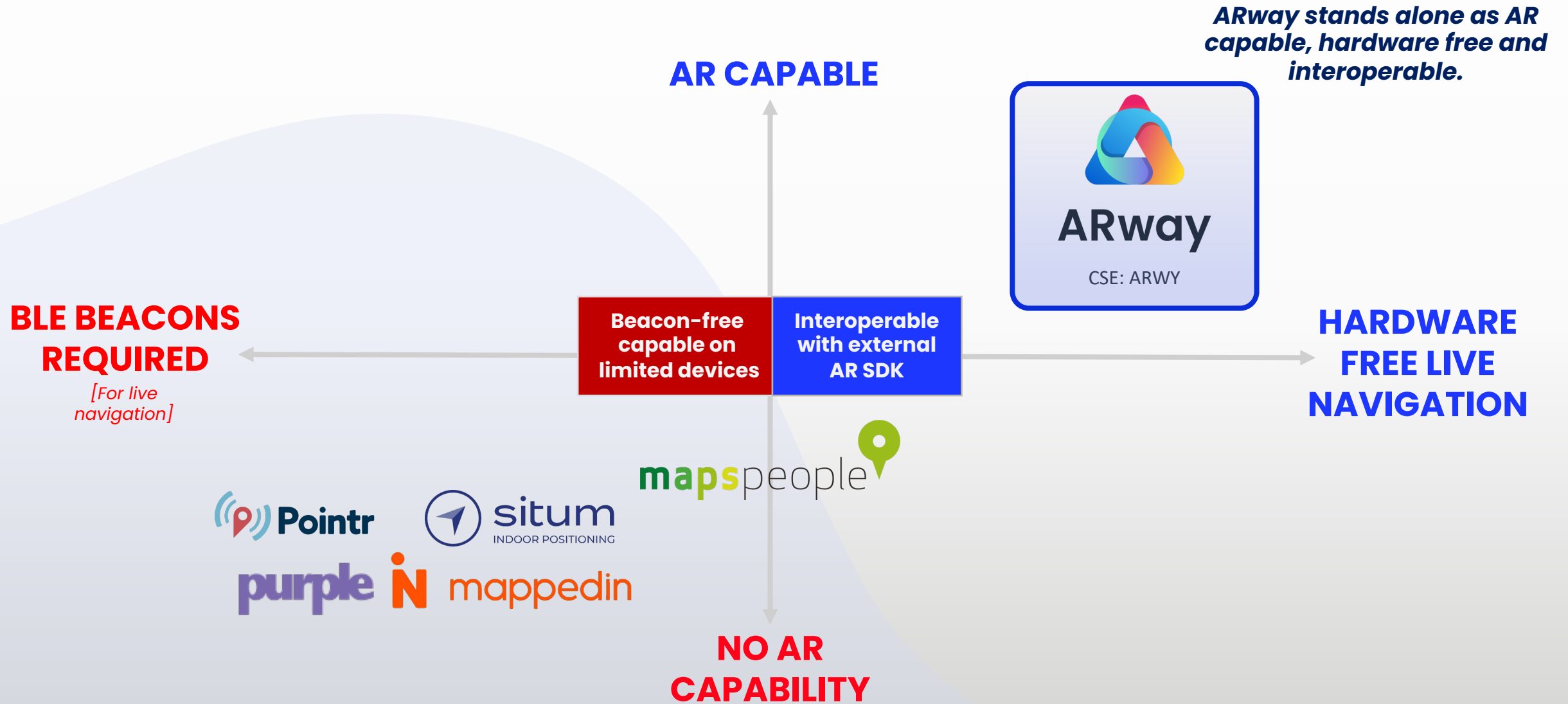
### Integration

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!



*ARway stands alone as AR capable, hardware free and interoperable.*

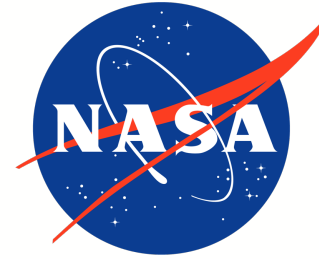
# Clients and Pilots



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



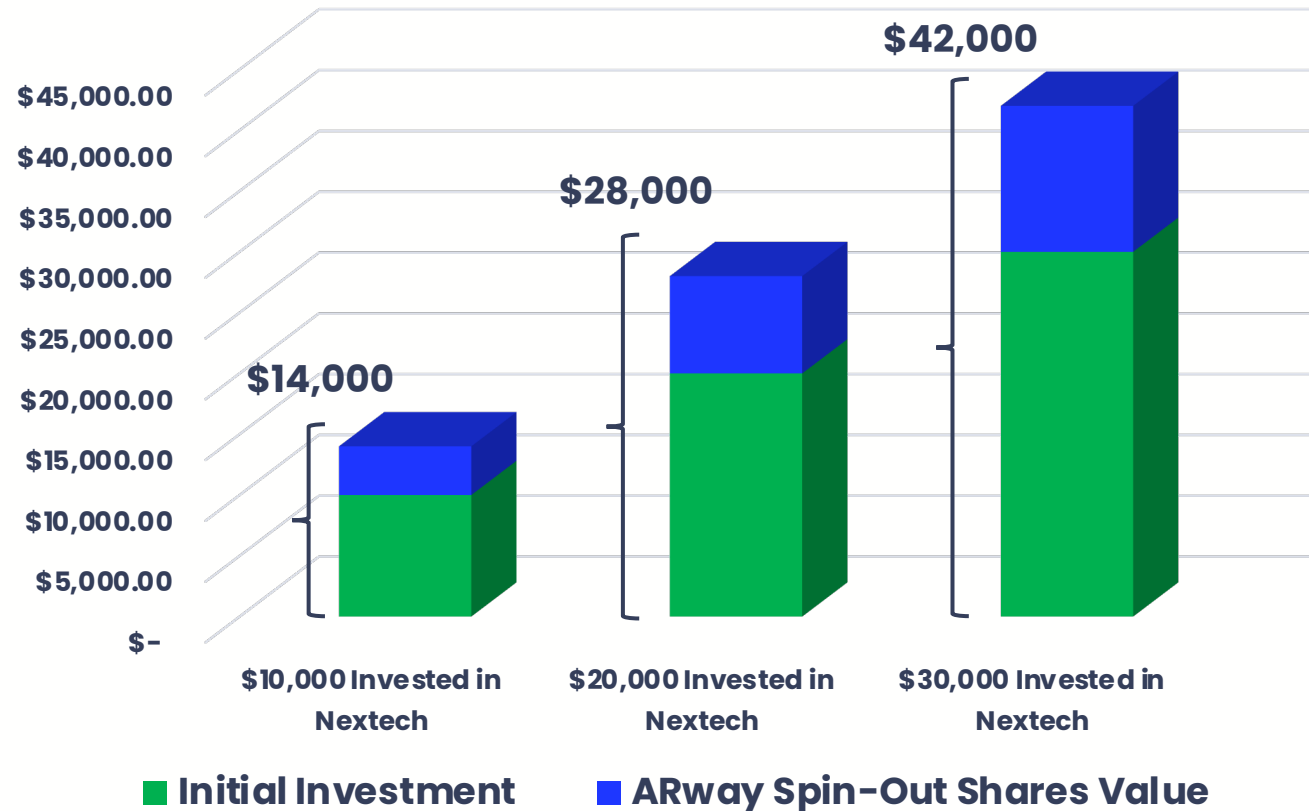
# Future Spin-Outs Unlocking **Massive** Value !

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: **\$2.00**

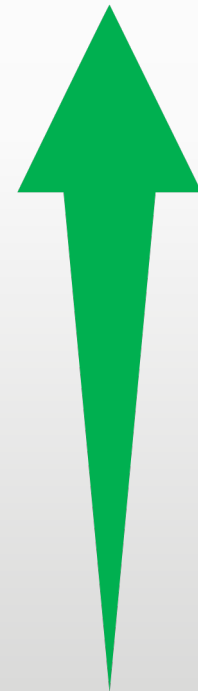
Shares Outstanding \$26.5 Million

52 week high-low \$0.67 - \$2.95

Market Capitalization \$54.3

Insider Ownership 20%

Cash \$1.65 Million





***Event technology and  
management software solution***





## MAP D: 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



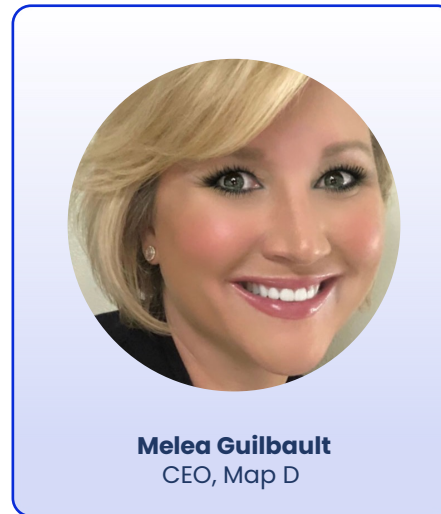
# Map D x ARway Integration



*Restaurants Canada  
RC Show 2022: ARway  
x Map D technology  
on full display*



**On September 15, 2022, Nextech AR announced the appointment of Melea Guilbault as CEO of Map D.**



Guilbault brings more than thirty 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



# Q3 Financial Highlights

- Q3 technology services **revenue up +66%** from Q2 2022 hitting approximately \$920K
- Q3 3D modeling **revenue surges over +192%** versus Q2 2022
- Q3 3D model **production increased +110%** versus Q2 2022
- Q3 technology services gross profit margin **improves to +60%** versus 37% reported in Q2 2022
- Q3 gross profit was approximately \$555K on 920K in Q3 technology revenue with a **gross profit margin of 60%**

- **\$700,000 3D model order** to be delivered in Q4, 2022
- **Several quotes have been issued for large RFPs**, which could close in Q4 2022
- **Ramp up of 3D model production** to meet the growing demand from the largest Prime e-commerce marketplace as well as re-orders, sets the stage for a **substantial increase in 3D model production** in Q4, 2022 and continuing in 2023

# Company Stats

As of Dec 2, 2022

<b>Share Price: \$0.75 USD</b>	
Shares Outstanding	<b>102 Million</b>
52 week (high-low)	<b>\$0.25 - \$1.63 USD</b>
Market Capitalization	<b>\$76.5 Million USD</b>
Insider Ownership	<b>~15%</b>
Cash (as reported for Q2 in CAD)	<b>\$7.1 Million</b>

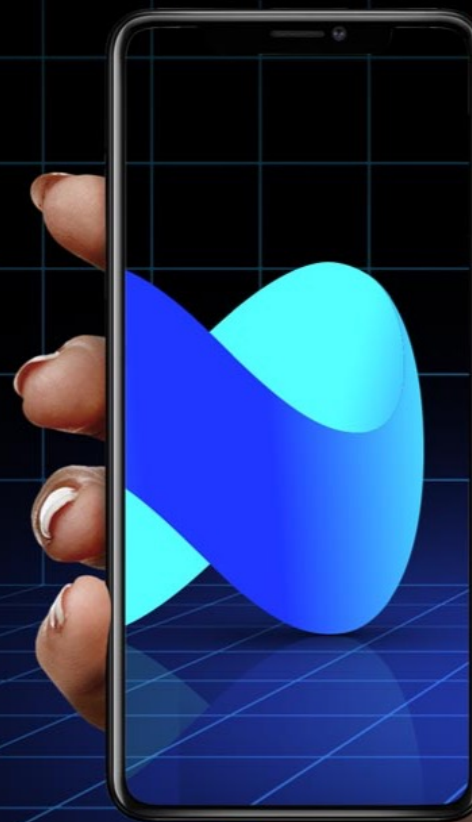


# Thank you

## Contact Us

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[investor.relations@nextechar.com](mailto:investor.relations@nextechar.com) | [www.nextechar.com](http://www.nextechar.com)

# Appendix



# TRY IT YOURSELF: 2D to 3D Examples

Use Your Smartphone Camera To Scan The QR Codes

Jewelry



Electronics



Shoes



Small Appliances



Large Appliances



Clothing





# The AR Revolution Has Begun!

## Early Adopters

Nextech's AR Assets will be compatible with....



1.8 T



192 B



2.1 T



2.4 T



58 B



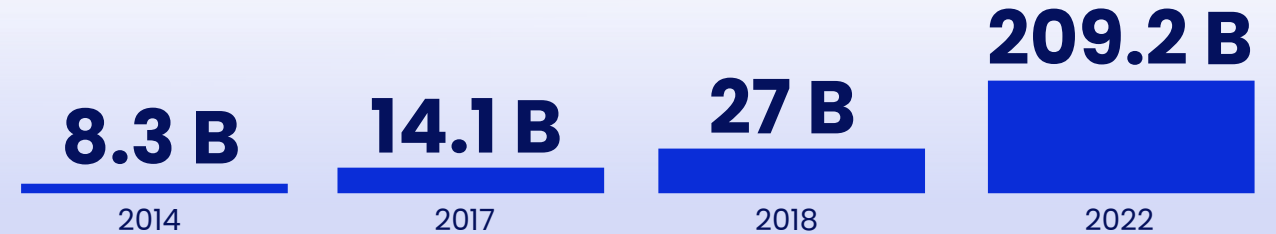
Snap

120 B

VUZIX

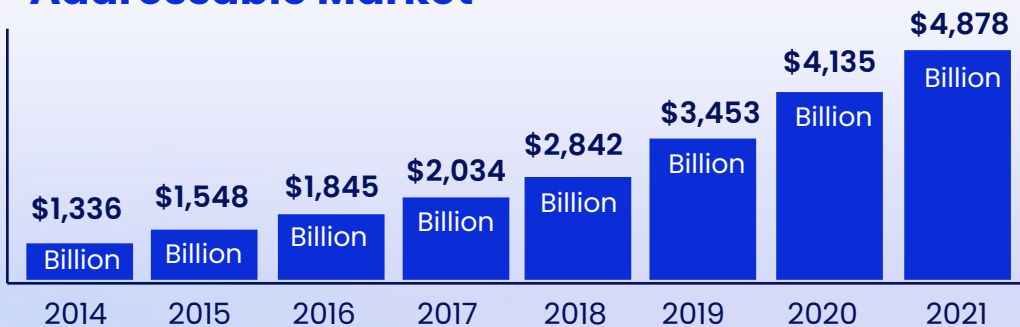
1 B

## Forecast AR Market Size Worldwide in Billions



## E-commerce Addressable Market

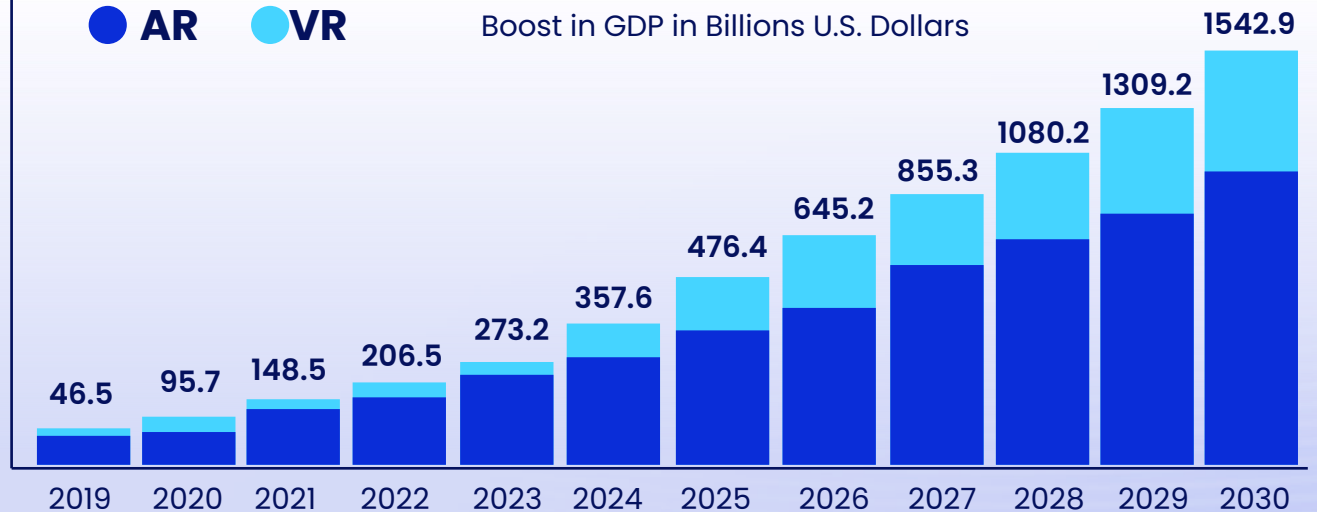
Retail Ecommerce Sales Worldwide from 2014 - 2021



Source: eMarketer ID 379045

● AR ● VR

Boost in GDP in Billions U.S. Dollars



Source: Statista 2021

# What Are The Analysts Saying?

**2020** “Augmented Reality and Virtual Reality Will Transform Selling”

**Gartner**<sup>®</sup>

**2020** “The augmented reality market is expected to register a CAGR of 83.3% over the forecast period 2021 to 2026, expected to reach 225.77 billion by 2026”

**Mordor Intelligence** 

**2020** “By 2025, nearly 75% of the global population and almost all smartphone users will be frequent AR users – providing a massive market opportunity for ecommerce businesses”

**Mordor Intelligence** 

**2021** “Today, there are more than 100 million and growing consumers shopping with AR online and in stores”

**Snap Inc.** 

**2021** “By 2025, nearly 75% of the global population and almost all smartphone users will be frequent AR users – providing a massive market opportunity for ecommerce businesses”

**Snap Inc.** 

# Big Tech's Investment in Augmented Reality

## 1 Billion Apple Devices Use AR



“AR is the next big thing. Whether it's health, education, gaming or retail, I'm already seeing AR take off in some of these areas with use of the phone. And I think the promise is even greater in the future.”

Tim Cook, CEO Apple



## \$15 Billion Invested



“Our goal is to make AR technology more affordable and accessible, including bringing some of these technical advancements into our suite of communication products.”

Sundar Pichai, Google



## \$6 Billion Invested

facebook



“I believe the metaverse is the next chapter For the internet. “

Mark Zuckerberg, CEO Facebook



## \$20 Billion Invested



“We'll probably see a range of AR devices and platforms in the coming years. Obviously with Microsoft and the HoloLens, it's more of a 'full-field glasses' scenario. But I think the world is ready.”

Satya Nadella, CEO Microsoft

