

nextech AR
solutions



Nextech AR Solutions

2022: 3D AR Models

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).

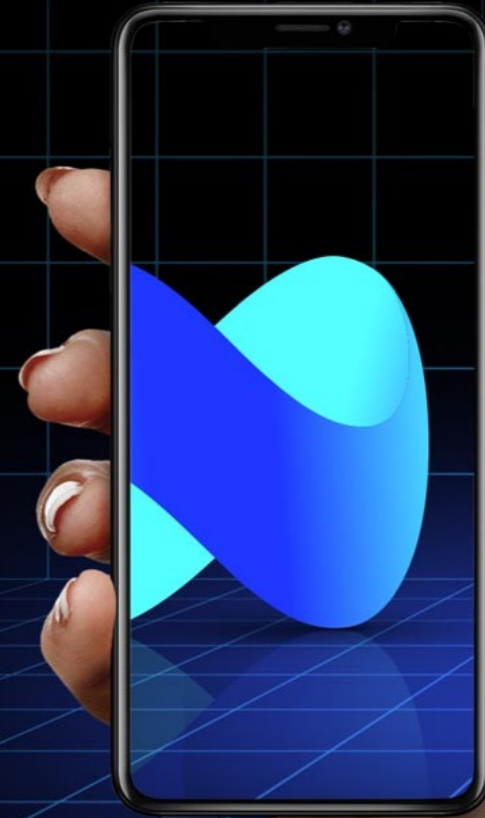
Total Bookings and Backlog are not defined by and does not have a standardized meaning under International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board. This non-IFRS financial performance measure is defined below. Non-IFRS financial measures are used 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.

Nextech's 3D AR Model Factory



What is a 3D Model?

3D modeling is a technique in computer graphics for producing a **three-dimensional (3D)** representation of any object



Pelican Trailblazer 100 NXT Kayak



Nextech logo



Craftsman Toolbox

To build the **first** vertically
integrated **AI-powered**
3D model factory for the
Metaverse

Building Relationships With Big Tech & Ecommerce

Partnerships



Integrations



Ecommerce Customers

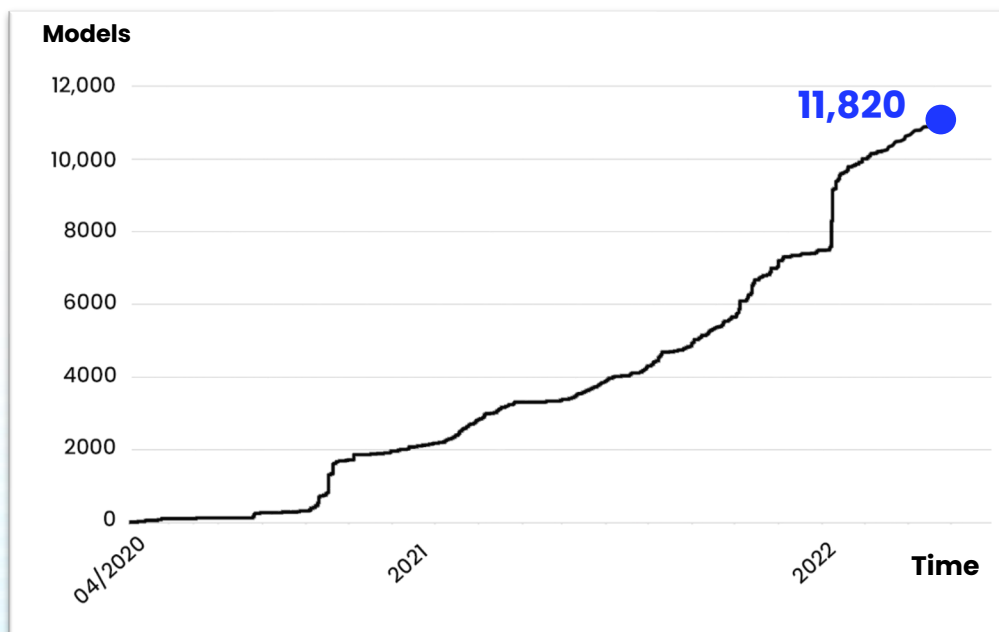


Explosive 3D Model Orders & Views as Demand Rises

3D Model Creation

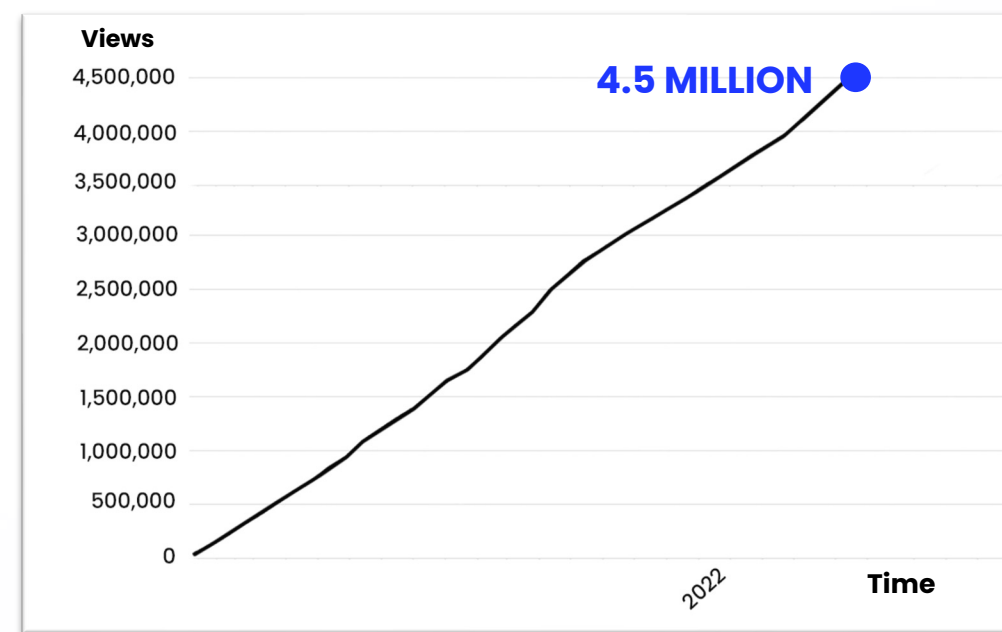
- Total 3D models created all time: **11,820**
- Total 3D models created in 2022 thus far: **3566**
- % of all 3D models created in 2022: **30%**

***As of June 1, 2022**



3D Model Views

- Total 3D models served all time: **Over 4.5 MILLION**
- Total 3D models served in Q1: **Approx. 1 MILLION**
- Average/month last year: **47,161**
- Average/month in Q1 2022: **72,536**
- Increase in average download: **154%**



3D Asset Creation Needs To Scale

Major Challenges in 3D Model Creation

-  Time consuming
1-2 weeks/model
-  Requires technical talent
-  Inconsistent quality
-  High costs
>\$100-200/3D model
-  Unscalable

Demand – 16 Million E-Commerce Stores Worldwide⁶

>400 Million 3D models need to be created⁷

Merchants on Major E-commerce Sites (Global)



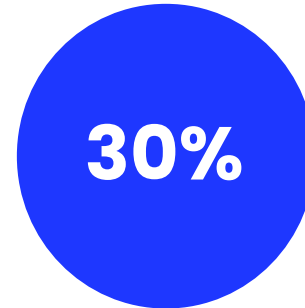
⁶ <https://wpforms.com/ecommerce-statistics/>

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

E-Comm Returns Cost **\$1.47 T Annually**



Avg. Return Rate⁴



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

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

⁴ [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)

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

✓ Product-Market Fit Achieved in ECommerce

Why Products in 3D+ AR?

+94%

higher conversion rates
when consumers interact
with products with AR
experiences(1)

+61%

of **consumers prefer**
retailers with AR
experiences (2)

-40%

**reduction in product
returns** with use of 3D
and AR on the web (3)

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?"



Indexing 3D models for higher search ranking

>5,000 – 3D Models indexed by Nextech



“With 3D models, your Shopify store will rank higher on Google and your models may even show up on the first page of search results.”

- Shopify¹²

¹²<https://www.shopify.ca/blog/3d-model-products>

Nextech AR: Market Disruptor on **Price & Scale**



The Nextech **Double** Advantage

3D + AR for RETAILERS



ARitize 3D

2D to 3D



3D + AR for MANUFACTURERS



ARitize CAD

CAD to 3D

The Nextech Double Advantage

Pricing, Quality, Scalability
for **BOTH retail & manufacturing** is unmatched

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

ARitize 3D

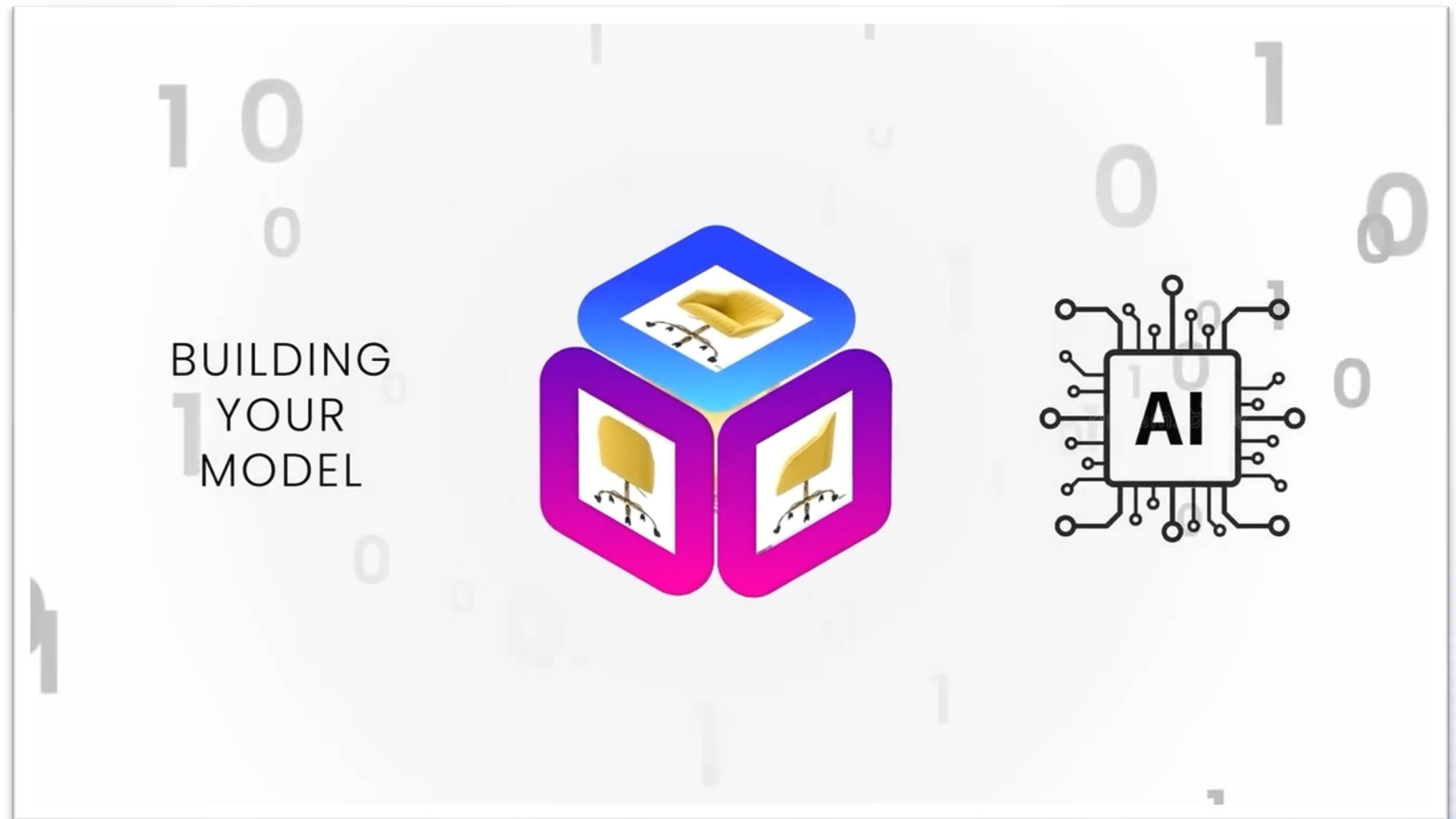
AI Powered 3D Model Creation At Scale For
Ecommerce


Now integrated with  **shopify**



ARitize 3D

- ✓ **2D Images to 3D Models**
- ✓ Available in Shopify
- ✓ Highest quality models
- ✓ Scalable
- ✓ Competitive pricing



 [Click here to watch](#)

TRY IT YOURSELF: 2D to 3D Examples

Use Your Smartphone Camera To Scan The QR Codes

*NO APP REQUIRED



Accessories



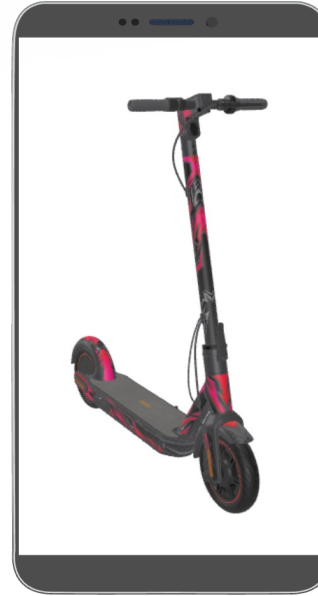
Furniture



Artwork (NFT)
Beeple \$69M



Scooters



Sports Equip



Bikes



TRY IT YOURSELF: 2D to 3D Examples

Use Your Smartphone Camera To Scan The QR Codes

*NO APP REQUIRED



Jewelry



Electronics



Shoes



Small Appliances



Large Appliances



Clothing



ARitize CAD

AI Powered 3D Model Creation At Scale For
Manufacturers



ARitize CAD

- ✓ **CAD files to 3D Models**
- ✓ Solution for Manufacturers
- ✓ Eliminate product photography
- ✓ Highest quality models
- ✓ Scalable
- ✓ Competitive pricing

gtb Ford powered by nextech AR solutions

Try it Yourself!
Scan the QR Code using
your smartphone camera

2021 Ford Mustang
Mach-E

[Click here to watch](#)

TRY IT YOURSELF: CAD to 3D Examples

Use Your Smartphone Camera To Scan The QR Codes

*NO APP REQUIRED



FORD
Mustang Mach-E



FORD
Escape Hybrid



Jacuzzi



Boat



Boat



Packaged into a SaaS solution built for scale for Ecommerce



Create 3D

GLTF, USDZ, etc.
CAD
Cross Platform
Images



Host

Cloud CMS
Analytics



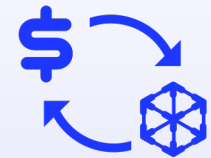
Configure

Animation
Product Hotspots
CTA's



Distribute

WebAR
Product Page
AR Ads
Decorator
Mobile Apps



Transform

+ % Conversion
- % Product Returns
+ Engagement
+ Brand Value
+ More

Enhancements to 3D/AR Content



Product Hotspots



 [Watch Video](#)

Enhancements to 3D/AR Content



Animations

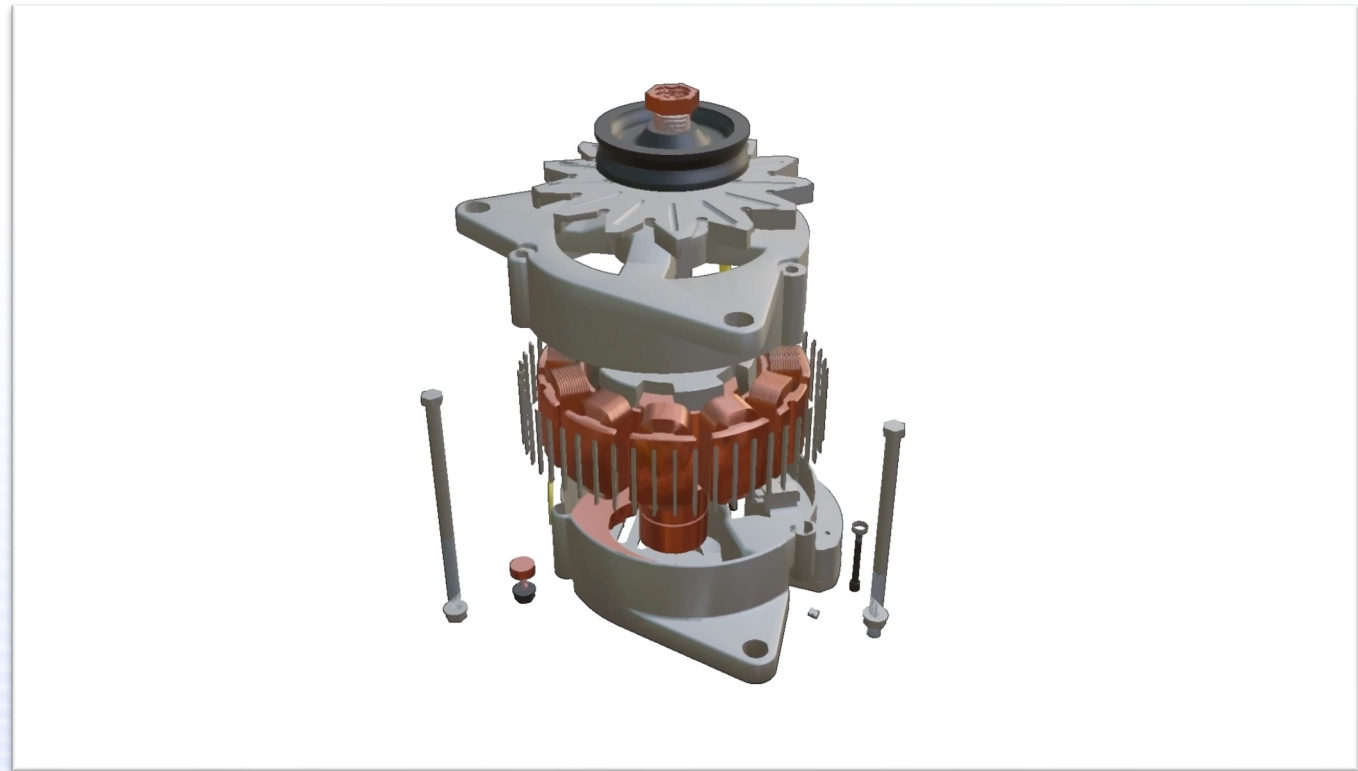


 [Watch Video](#)

Enhancements to 3D/AR Content



360 + Exploded Views

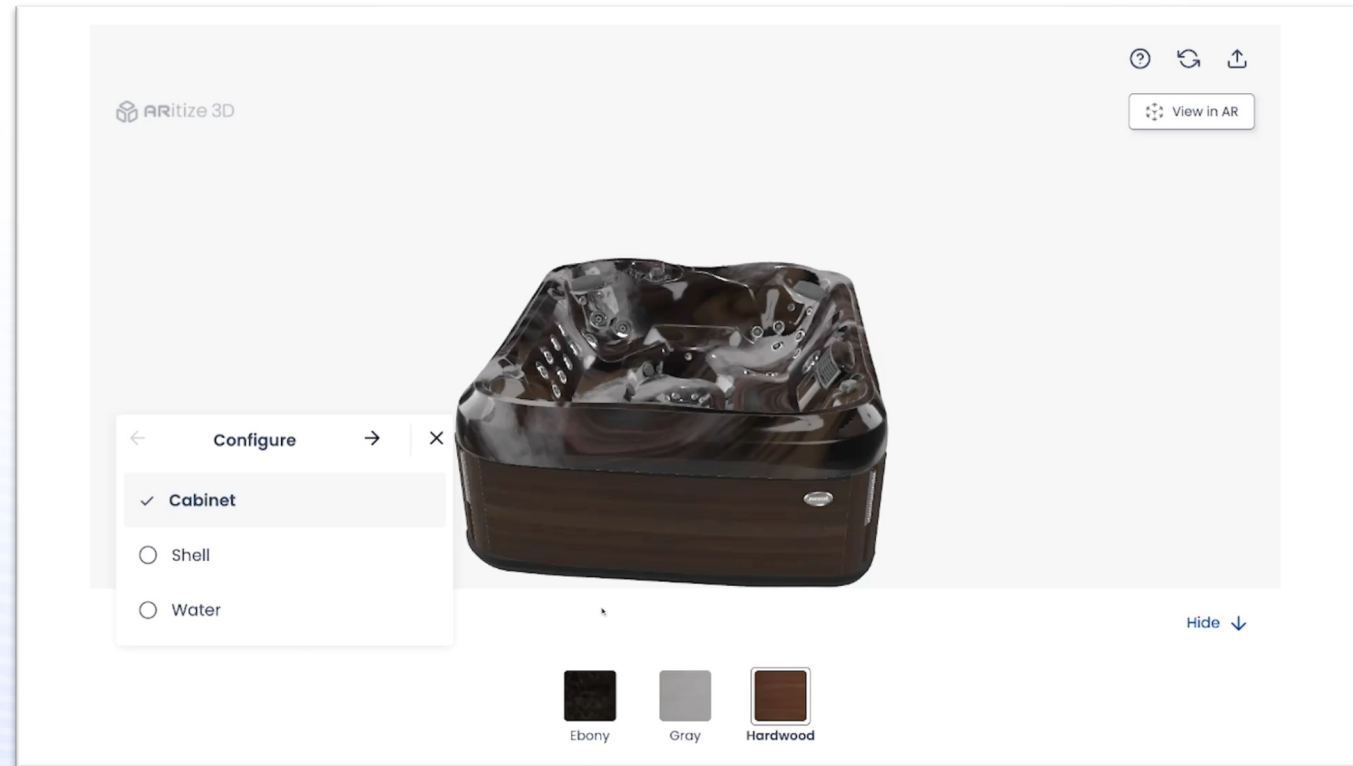


 [Watch Video](#)

Enhancements to E-commerce Sites



Configurator

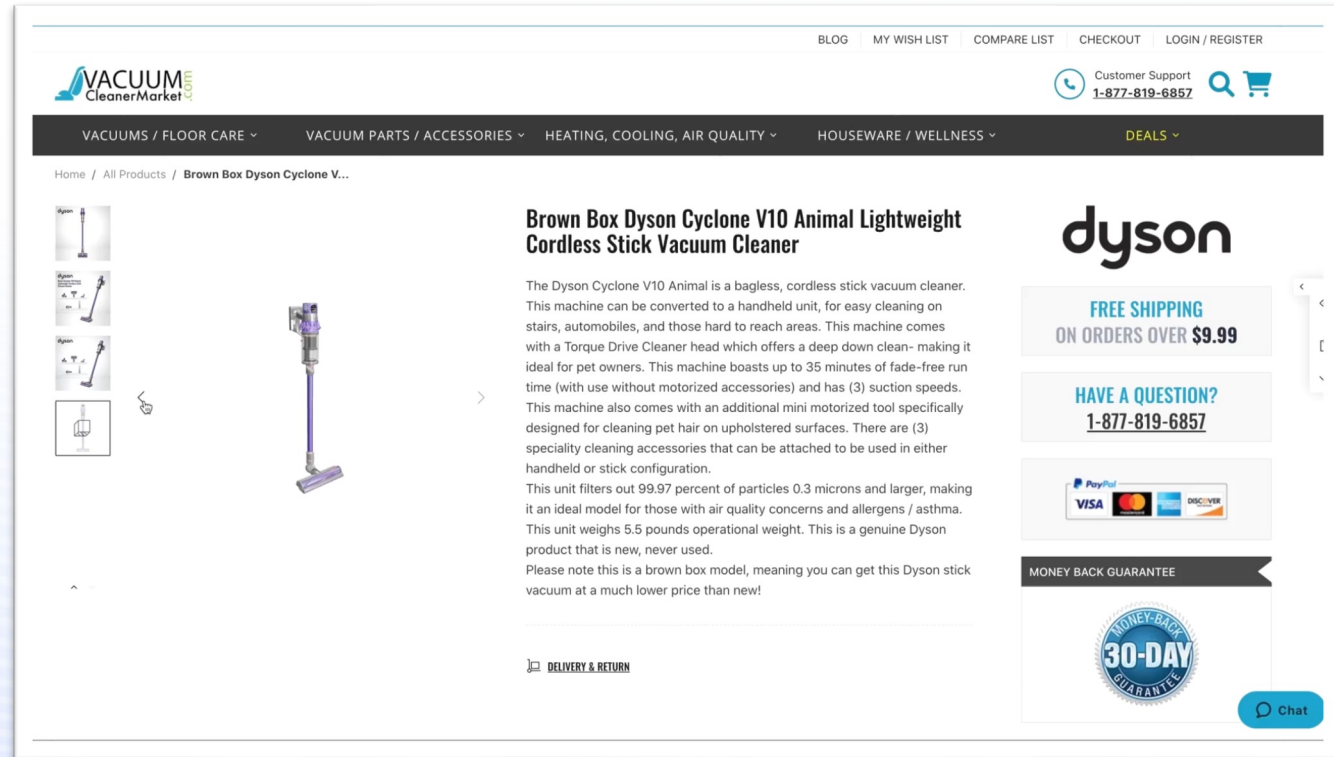


 [Watch Video](#)

Enhancements to E-commerce Sites



3D Carousel
Reduces Product
Photography costs by
90%!



 [Watch Video](#)

Enhancements to E-commerce Sites



B2B-Virtual Staging + Product Photography

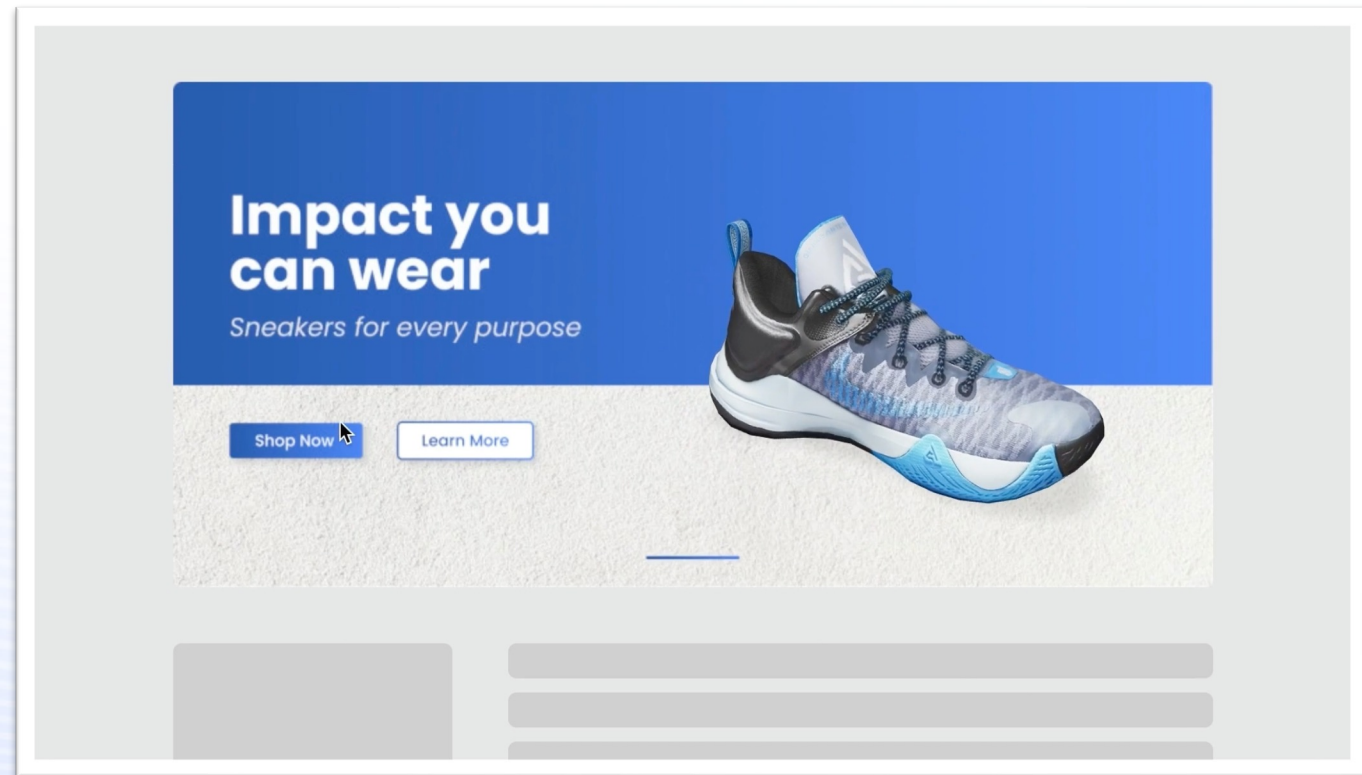


 [Watch Video](#)



ARitize Swirl

- ✓ **Higher** CTR
- ✓ **Lower** Returns
- ✓ Engaging, animated 3D AR display ads
- ✓ **Scalable** with ARitize 3D



 [Watch Video](#)

ARitize Swirl Examples – *Interactive!*



ARitize Swirl

[View 3D/AR Swirl](#)

[View 3D/AR Swirl](#)



Never Summer
MEN'S 2022 HARPOON SNOWBOARD

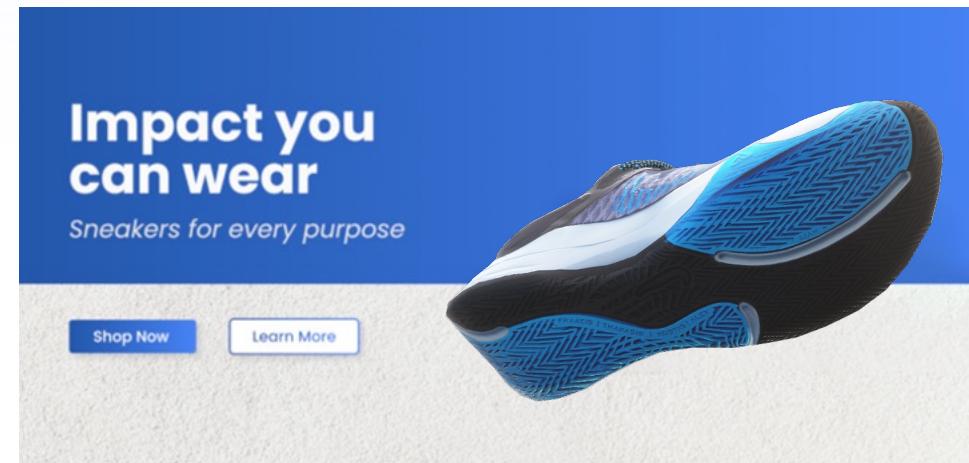
SHOP NOW



Quality Furniture
GUARANTEED

Shop Now

[View 3D/AR Swirl](#)



Impact you can wear
Sneakers for every purpose

Shop Now **Learn More**

[View 3D/AR Swirl](#)



WINTER COLLECTION
Timeless, Unique, Elegant

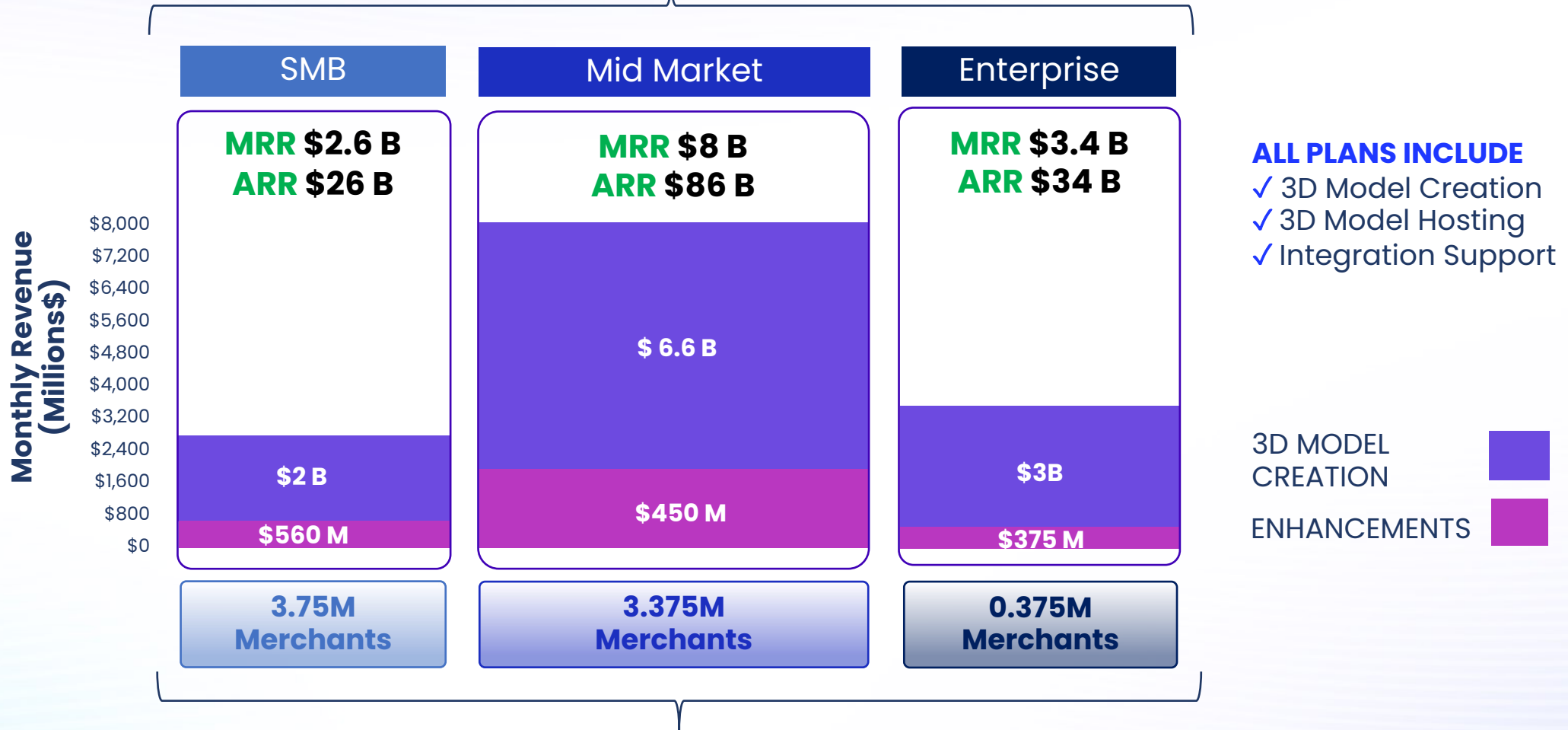
ADD TO CART **LEARN MORE**

Enhancements to E-commerce Sites



ARitize 3D TAM

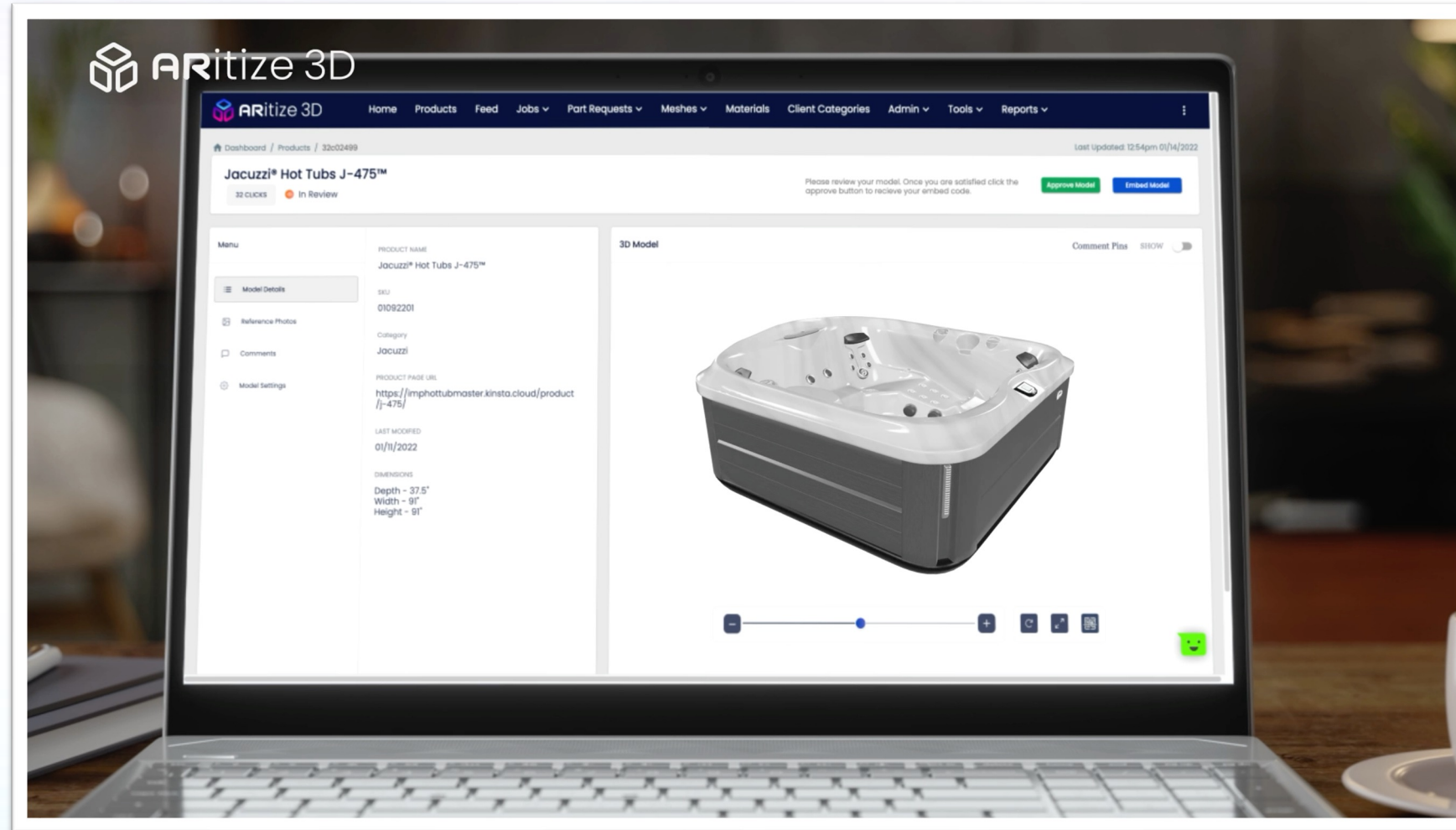
TAM: **MRR \$ 14 B**
ARR \$ 147 B



7.5M Merchants with 400 M Product SKUs

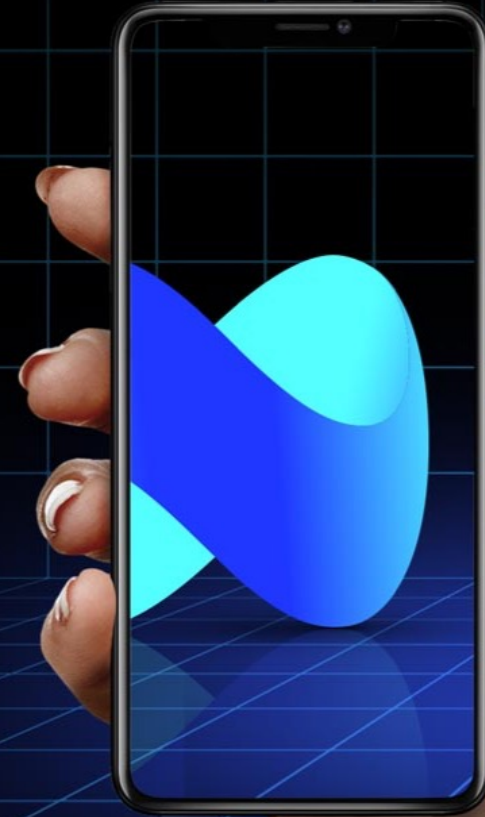
The 3D AR MODEL Journey

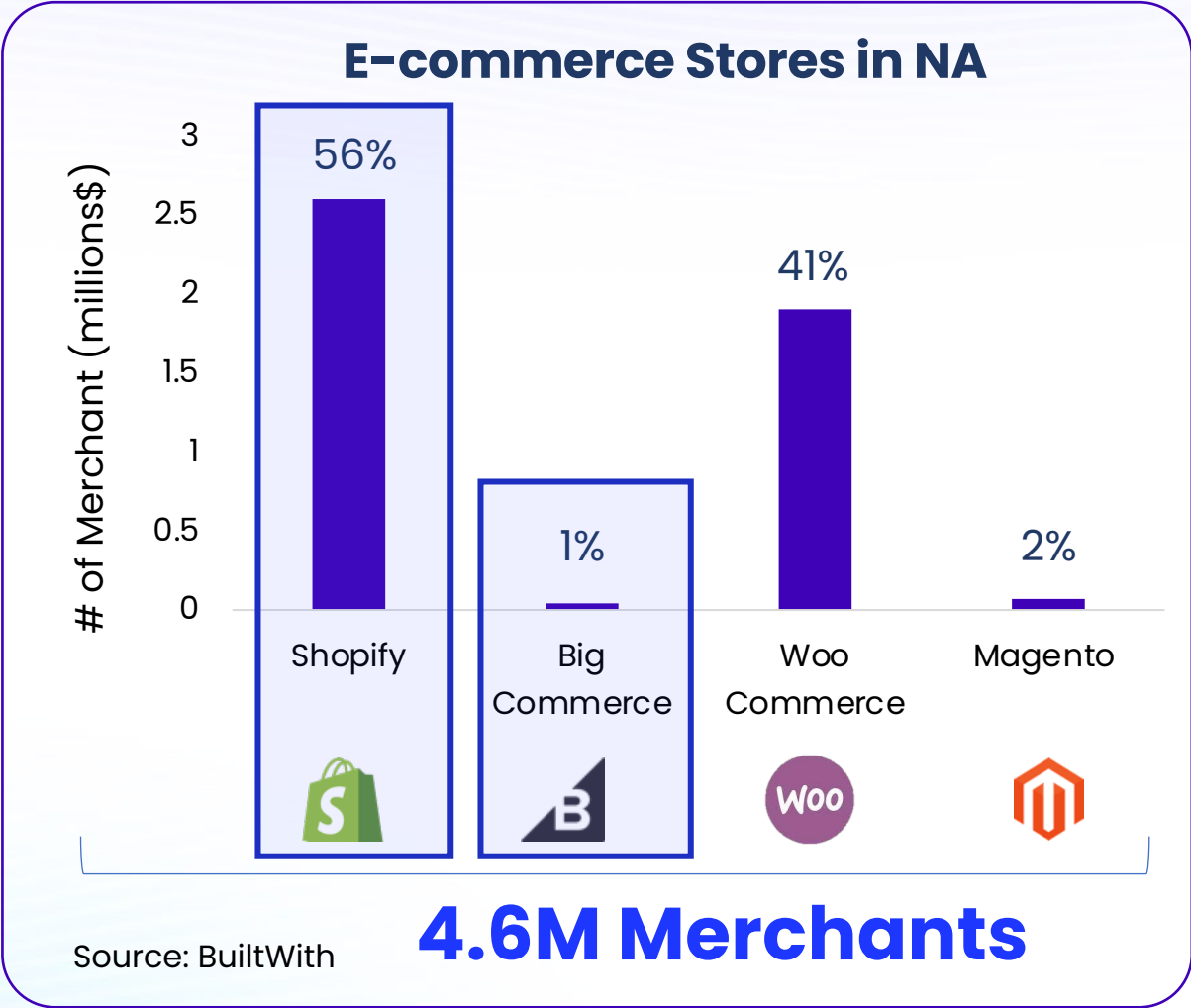
One 3D AR MODEL = Endless Uses



 [Watch Video](#)

SaaS Third Party Integration





“The **Future** of E-commerce is **3D**”

Shopify⁸

Q1 & Q2 2022

Nextech has **integrated** its ARitize 3D solution directly with **Shopify** and **Big Commerce** through self-service apps available to all merchants

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

Third Party Integration Timeline

Integration with third party ecommerce platforms gets Nextech's 3D + AR Model creation solution in front of **millions** of merchants **globally**



LAUNCHED



LAUNCHED



Q2 – 2022



Q2 – 2022


Nextech's Total Addressable Market



ARitize 3D
\$147
Billion



ARitize CAD
\$9.7
Billion



3D AR
Modeling
TAM
\$157
BILLION

Thank you

Contact Us

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