

# Nextech AR Solutions Corp.

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## NexTech AR Solutions on the cusp of rapid growth as augmented reality goes mainstream

- NexTech is a first mover in the explosive augmented reality space with its ARitize technology
- Well capitalized with C\$3 million in cash at the end of March, which brought its highest-ever monthly revenue of \$1 million
- Currently pursuing four multibillion-dollar verticals in the AR industry in areas that it sees incredible revenue potential for ARitize

### What NexTech AR does:

NexTech AR Solutions Inc (CSE:NTAR) (OTCMKTS:NEXCF) is creating a buzz in the already hot augmented reality (AR) space with its proprietary ecommerce platform, ARitize.

ARitize is the first cross-platform, browser-based and web-enabled augmented reality ecommerce option. A monthly SaaS (Software as a Service) subscription platform, ARitize enables retailers to transform two-dimensional images into true 3D AR experiences.

Augmented reality or virtual reality (VR) applications are set to revolutionize the eCommerce space, a burgeoning US\$2.8 billion industry that is expected to nearly double its value in three years, according to company data.

The Toronto-based company is currently pursuing four potentially multi-billion dollar verticals in the AR industry in areas where it sees incredible revenue potential.

The company launched webAR for e-commerce early in 2019 and has been rapidly signing up customers onto its SaaS platform, with notable customer wins like Walther Arms, Wright Brothers, Mr Steak and Budweiser.

The technology allows companies to create 3D versions of their products and create 360-degree ads for Facebook and Google.

ARitize University is an app-based solution that allows companies and educational establishments to leverage all of their existing 2D assets such as YouTube videos, PDF documents, PowerPoint decks and images, and overlay immersive 3D-AR experiences on top of that content for an interactive training experience that drives productivity.

AR Hollywood Studios is a proprietary entertainment venue for which it is producing immersive content using AR as the primary display platform.

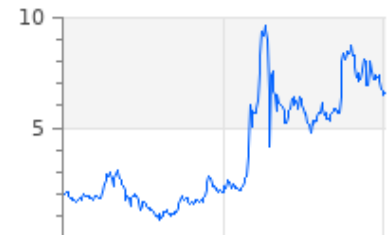
For brick and mortar stores, NexTech is also involved in what it calls v-commerce, which the company believes could transform the \$3.7 trillion retail sector.

The technology can create a virtual store in which customers can "try on" and buy products virtually in 3D. Its VRitize

**Price:** 6.55

**Market Cap:** \$486.76 m

### 1 Year Share Price Graph



November 2019 May 2020 November 20

### Share Information

**Code:** NTAR

**Listing:** CSE

**52 week High Low**  
10.08 0.78

**Sector:** Software & services

**Website:** www.nextechar.com

### Company Synopsis:

*NexTech AR Solutions Corp is developing a proprietary Augmented Reality (AR) advertising platform that uniquely engages consumers by connecting them to brands and retail locations through a fully immersive AR experience. With a focus on our two core technologies, augmented reality and holographic telepresence, NexTech AR offers innovative solutions that can be harnessed across a wide range of industries.*

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platform will include an app for both iOS and Android, which will work on VR headsets.

This would allow any store with a pair of VR goggles to create a virtual store for its customers.

Additionally, NexTech's Capture AR 3D app will allow users to create their own 3D images in less than two hours with just a smartphone and without requiring any technical knowledge, making AR dramatically more mainstream.

The company hasn't said how it will monetize the app, but if it charged 100,000 users \$9.95 per month, it could have a \$250 million annual revenue generator on its hands.

### **How is it doing:**

Since going public in October 2018, NexTech has made a number of acquisitions that are driving revenue, including a January 2019 deal to acquire the profit-generating AR Ecommerce LLC. The deal gives the technology company a revenue base of nearly US\$2.7 million in 2019.

NexTech recently acquired the remote video learning and training platform Jolokia, which puts the company in a potentially strong position if operating from home continues to become the new normal amid the coronavirus crisis.

NexTech has added Zoom Video Communications (NYSE:ZM) technology into the mix, using Jolokia to effectively extend the range of video conferences to 100,000 people at once. Going forward, the plan is to turbocharge the platform with AR and hologram technology.

The company saw \$1 million in booked revenue in March, it's highest monthly total ever and more than triple its revenue from March 2019.

### **Inflection points:**

- Jolokia acquisition and webAR ecommerce business offer strong revenue-generating potential. If working, shopping from home becomes more prominent.
- The stock has potentially high upside after a battle with a short-selling firm depressed value.
- With multiple billion-dollar shots on goal, the potential for massive revenue is there if things break right.

### **What the broker says:**

Starwood Research called NexTech a potential "unicorn farm" and tagged the firm with a \$20 price target in an analyst note published in early April.

"We believe NEXCF is under-valued based on its strong growth fundamentals," Starwood said. "The stock is now even better positioned for a potential upside to \$20 — as the company's AR business is perfectly aligned with the new coronavirus theme of remote working/AR-powered 'try it on' e-commerce, and training."

Starwood was also impressed with NexTech's ARitize 3D AR 360 ad network, calling it a potential game-changer for the \$200 billion online ad industry.

"The big idea here is that NEXCF's AR and VR applications for commerce and online advertising are a potential game-changer for these massive markets — because they help e-commerce businesses achieve the 'holy grail': increasing sales while reducing product returns," Starwood added.

### **What the boss says:**

NexTech is laying the foundation for rapid growth in 2020 and beyond, according to CEO Evan Gappelberg.

"Growth is going to come from a combination of our AR business, which is going to start to scale in 2020, but also our

eCommerce businesses," he told Proactive in an interview.

"Our AR enhanced eCommerce businesses are going to really ignite and take off. We're integrating all of our AR technology into eCommerce businesses, which combined creates a very, very powerful platform for NexTech."

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