



Nextech AR Announces Plans For IPO Spin-Out Of 3D Design Studio Toggle3D, Targeting The \$11 Billion CAD Market Shift to 3D-Commerce

Toggle3D is Nextech's Second Spin-Out Following the Successful Debut of ARway

TORONTO, ON, Canada – December 14, 2022 - [Nextech AR Solutions Corp.](#) ("Nextech" or the "Company") (OTCQB: NEXCF) (CSE: NTAR) (FSE: N29) is pleased to announce today that it has determined to pursue a direct spinout of its [Toggle3D](#) design studio SaaS Software platform through a wholly-owned subsidiary of the Company ("Subco"). The transaction is currently anticipated to proceed by way of plan of arrangement (the "Arrangement") pursuant to which the [Toggle3D](#) and associated assets will be spun out into a new Subco, but will be subject to final tax and legal structuring considerations. Nextech shareholders will receive Toggle3D (Spinco) Shares distributed directly to the shareholders of Nextech on a *pro-rata* basis.

Visit the Toggle3D website - [click here](#)

On October 26th, 2022 Nextech successfully completed the spin-out of [ARway](#) (ARWY: CSE) (ARWYF:OTC) on the Canadian Securities Exchange ("CSE") which unlocked tremendous shareholder value in a very short amount of time. The Company believes that by spinning out [Toggle3D](#) it will unlock additional shareholder value. With the successful spin-out structure of ARway the Company plans to have similar terms and conditions for the spin-out of [Toggle3D](#). Further detail of this arrangement will be disclosed shortly.

Evan Gappelberg, CEO of Nextech AR commented, "The spin-out of ARway on October 26th has proven to be a tremendously successful way to unlock value for Nextech shareholders. Now we are announcing that we are going to do the same thing with Toggle 3D. We believe there is a tremendous amount of value currently trapped inside Nextech



and these spin-outs are aimed at unlocking that value by listing pure play technology companies. We believe that Toggle 3D is now commercially ready with a laser focused team, and will be well received by the market. Creating value for Nextech shareholders of which I am the single largest with 10.7mill shares has always been a major focus of mine. This Toggle3D spin-out and the possibility of additional future spin-outs are intended to unlock the value of the technology that we have been heavily investing in, incubating and building inside Nextech for the last 4-years.” He continued, “After 16 years of walking around with a smartphone in our pockets the next generation of devices is about to emerge in the form of Computer glasses. Once launched computer glasses will become the device of choice in 2023 and beyond causing everything 3D to go up in value practically overnight. We believe that a 3D spatially aware world is the next evolution of our computer driven world. We see it becoming a major focus of investors in 2023 when Apple Computer releases a pair of computer glasses which perfectly positions, Nextech, ARway and now Toggle3D.”

Further Details of the Arrangement

Further details about the proposed Arrangement will be provided in a disclosure document to be prepared and filed in connection therewith. Investors are cautioned that, except as disclosed in the disclosure document to be prepared in connection with the Arrangement, any information released or received with respect to the foregoing matters may not be accurate or complete and should not be relied upon.

About Toggle 3D:

[Launched in September](#), Toggle3D is an AR enhanced standalone web application which enables product designers, 3D artists, marketing professionals and eCommerce site owners to create, customize and publish high-quality 3D models and experiences without any technical or 3D design knowledge required. The Company believes that [Toggle3D](#) is the first platform of its kind, and this break-through SaaS product is a potential game changer for the manufacturing and design industry, as it provides a viable solution to convert large CAD files into lightweight 3D models at affordable prices and at scale. [According to BIS Research](#), the CAD market, quantified by the amount spent on the creation of CAD files, is projected to reach \$11 Billion dollars by 2023.

Since its Beta launch, [Toggle3D](#) has been successfully attracting and working with early adopters as the development of the platform continues. This early adopter group includes manufactures, production agencies, design agencies, industrial software companies and XR



startups. These users are looking for a 3D modeling creation workspace for use-cases such as prototyping, design decision-making, content population in XR scenes and marketing applications.

The user personas are business owners, graphic designers, 3D artists, product designers, marketing teams, and operations teams that are all either looking to replace their legacy platforms because they are no longer meeting their needs, are new to the 3D ecosystem, or are facing 3D creation bottlenecks and are looking for a more scalable solution.

Introducing Toggle3D Video - [click here to watch](#)
Design Studio Demo - [click here to watch](#)
Toggle3D Video - [click here to watch](#)

Product Development Updates:

- **Material Creation Template Powered by Machine Learning (ML):** Toggle will be releasing a new template in the platform for material creation powered by ML. This has been a feature heavily requested by many early adopters and something that is currently a long process in any of the legacy systems. Recreating a material from scratch today can take anywhere from 120-240 minutes depending on its complexity and the artist's experience. Now imagine if you have 5X or even 10X materials on a simple object it could take days to finish. In Toggle3D, we have developed a break-through PBR material creation flow that reduces the time from hours or days to minutes. From start to finish it lets anyone transform a 2D reference image into a high-quality realistic PBR material with no technical experience necessary from the user. **This is possible due to the generation and training of advanced learning algorithms that have been brewing in Nextech AR's research and development hub for some time now.**
- **Supports NEW File Formats & Expanding CAD Conversion Capabilities:** Toggle3D will be able to welcome new file format imports and will introduce improvements to its CAD file management. With the goal of simplifying this process, we are employing logic that allows parts from CAD conversions to be automatically named, grouped and filtered in a way that decreases the file organization flow effort by more than 200%!.
- **Advanced Editing Features:**
We have introduced three **NEW** tools:



- **A Lighting Environment:** This is a pre-set **lighting library** that allows users to change between environments to see how materials would look in different settings.
 - **Advanced Material Property Editing:** Users can adjust the roughness, glossiness, transparency, and intensity of a material finish to best match their desired output. This can be done on any materials in the **preset library**, or any materials created in the new template
 - **Adjustment of UV Settings:** This allows a user to change the way a texture looks on the model regarding size, rotation and position of the pattern.
- **NEW Branding Underway:** Toggle 3D has a new logo and is undergoing a UX/UI lift that streamlines the user workflow.

Top Three Competitive Advantages of Toggle 3D Versus 3D Legacy Software Generating \$11 Billion In Revenue

1. NO Learning Curve:

What makes Toggle3D different from the legacy 3D design software is its ease-of-use and democratization of 3D design. The goal is for anyone with no prior technical or 3D design experience to be able to hop into the platform and create a high-quality 3D visual in minutes. This is unlike legacy 3D modeling systems, that require months to truly feel comfortable with. Users would first be required to learn and understand the industry lingo, learn what the tools do and then learn how to use them in the legacy software. Meanwhile, we have streamlined this process in Toggle3D by “humanizing” 3D design terminology, creating templates to guide creation and simplifying the tools using machine learning to transfer the complexity out of the user experience into the backend platform, and instead allow more room for creativity.

2. Web-based:

Toggle3D is a web-based design studio which means the user can access everything on the browser and start designing instantly. No desktop downloads involved, no updates to keep track of, and no system requirements to worry about. All the templates are organized into project panels that a user can access anywhere and seamlessly navigate between. This is different from how legacy software were built back in the day with the software package being broken out into multiple desktop apps that would require the user to understand system compatibility, download, sync, and learn independently.

3. Collaboration:



Toggle3D will allow advanced, in-app collaboration. These new sets of features will allow multiple users to work at the same time and on the same project resulting in quick feedback and decision making cross-department, and team. These tools will allow businesses to adopt 3D organization-wide and unlock the power of group iteration. Users could set up workflows, permissions, and version history to keep up with real-time design changes. These advanced collaboration cycles are harder to set up in desktop apps and may sometimes slowdown or isolate the design workflow.

Forward-looking Statements

This press release contains forward-looking information and may also contain statements that may constitute "forward-looking statements" within the meaning of applicable Canadian securities legislation (collectively, "forward-looking information"). Such forward-looking information is not representative of historical facts or information or current condition, but instead represent the beliefs and expectations regarding future events about the business and the industry and markets in which the Company operates, as well as plans or objectives of management, many of which, by their nature, are inherently uncertain. Generally, such forward-looking information can be identified by the use of terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved". Forward-looking information contained herein may include but is not limited to, references to the potential Arrangement, including the anticipated timing and structure thereof. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to, general market conditions, availability of financing, regulatory, court and shareholder approvals and the results of the Company's operations. Forward-looking information is not a guarantee of future performance and involve risks, uncertainties and assumptions which are difficult to predict and readers are cautioned that the Arrangement may not be completed on terms as presently proposed or at all. Accordingly, readers should not place undue reliance on forward-looking information, which are qualified in their entirety by this cautionary statement. The Company does not undertake any obligation to release publicly any revisions for updating any voluntary forward-looking information, except as required by applicable securities law.