



Nextech3D.ai Reports Preliminary 70% Gross Profit Margin in Q2, 2024 Revenue of \$1.2 Million

TORONTO, ON, Canada – July 30, 2024 - [Nextech3D.AI](#) (OTCQX: NEXCF) (CSE: NTAR) (FSE: EP2), a Certified 3D Model External Content Provider (ECP) for Amazon and a leading generative AI-powered 3D modeling technology company for major e-commerce entities, announces its preliminary unaudited financial and operating results for Q2 2024, ending June 30, 2024. These results indicate strong revenue growth of \$1.2 million, up from \$1 million in Q1 2024. The company is experiencing operational leverage, with a gross profit margin of 70% in Q2, compared to 50% in Q1 and 30% for the full year 2023. The company's strategic pivot to India in Q4 2023 and advancements in its AI technology are projected to boost its gross margin to 80% in 2024.

CEO Commentary

Nextech3D.AI CEO and founder Evan Gappelberg commented, "We are pleased with our Q2 preliminary results, especially our 70% gross margin, which marks a new high for our company. As a newly certified 3D modeling partner for Amazon, the largest e-commerce platform, we anticipate significant new business opportunities from this pivotal certification. Moving operations to India has positively impacted our production capacity and profits, with consistent profit margins of 70%, a 133% increase compared to our 30% margins in 2023."

He continued, "Our growth in 2024 is set to accelerate as we secure more enterprise deals and as Amazon promotes our 3D modeling services to their merchants. At the same time, we are developing crucial AI technology that will continue to drive our revenue and profits. We are witnessing a rapid convergence of AR and AI technology, which is beginning to drive the mass adoption of 3D modeling for e-commerce."



Amazon listings with 3D models have seen a **2X** improvement in purchase conversion on average according [to a 2022 report from Amazon themselves](#). This high ROI is driving more sellers to adopt 3D models and now as a **3D Model External Content Provider (ECP) for Amazon** the company is strategically positioned in a significant growth opportunity.

Nextech's patents in the 3D model generation from 2D and CAD images (2D to 3D, CAD to 3D) enables it to scale 3D model creation and now allows Amazon sellers to publish those 3D models to Amazon's stores all through one platform and one team. As an Amazon 3D model External Content Provider (ECP), Nextech3D.ai is now offering its 3D modeling solutions to Amazon's expansive marketplace that are currently selling products in Amazon stores.

Key Features of Nextech3D.ai's 3D-Platform Offering:

- **Seamless 3D Model Creation:** Bring your 2D and CAD files to our platform, and Nextech3d.ai will build accurate 3D models at scale.
- **AI-Driven 3D Texturing:** Enhance 3D models with realistic textures using text prompt or from an Image and apply textures to your 3D models.
- **2D Photo Renders from 3D Models:** Generate high-quality 2D images from 3D models for versatile use. Increased ROI from your 3D models, no more costly photoshoots.
- **Compliance and Publishing:** Provide your existing 3D models, and we ensure they meet Amazon's standards and publish them to your Amazon product pages.

Nextech3D.ai is excited to bring these innovative solutions to e-commerce brands and Amazon sellers, helping them leverage the power of 3D and AR to enhance their product listings on Amazon.

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About Nextech3D.ai Nextech3D.ai or the "Company," (OTCQX: NEXCF) (CSE: NTAR) (FSE: 1SS), is a versatile augmented reality and AI technology company that utilizes its proprietary artificial intelligence (AI) to craft immersive 3D experiences at scale for manufacturers with CAD files and for E-COMMERCE merchants. The Company's primary focus lies in creating high-quality 3D WebAR



photorealistic models for Amazon and various other online retailers with patented 2D-3D technology.

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