



## Tokens.com to Acquire AI and Robotics Business

**TORONTO, ON, April 4, 2024** - [Tokens.com](#) Corp. ("Tokens.com" or the "Company") (TSX-V: COIN) (Frankfurt Stock Exchange: 76M) (OTCQB US: SMURF), a technology investment company, has entered into a share purchase agreement dated April 4, 2024 (the "Share Purchase Agreement") to acquire all of the issued and outstanding shares of [Simulacra Corporation](#) ("Simulacra" or the "Target"), a Nevada-based technology company. Simulacra owns and operates three subsidiaries focused on the integration of artificial intelligence ("AI") and high quality, humanoid robots that improve the human experience through connection, learning and play. It is expected that the transaction will close on or about April 16, 2024. All amounts herein are expressed in U.S. dollars, unless otherwise stated.

Since 1997, Simulacra has been producing realistic silicone humanoid figures. In the last four years, Simulacra has generated revenues of \$15.6 million (CAD\$21.1 million) and Gross Profit of \$12.1 million (CAD\$16.3 million). The transaction is expected to be revenue accretive to Tokens.com shareholders. More information on Simulacra can be found on their website [here](#) and an investor deck can be found [here](#).

Utilizing its intellectual property and design expertise, Simulacra is positioned to expand beyond its current sectors of entertainment and marketing into other markets that benefit from high quality, natural looking, humanoid robots, and personalized AI systems, such as healthcare (elderly care, mental health) and education. Through their customized AI and realistic robots, Simulacra is positioned to be a leader in the newly emerging AI companionship market.

"At Tokens.com, we have been at the forefront of Web3 and blockchain technologies over the last few years. Our move into AI and robotics is a natural extension of our scope. We are excited to enter this sector with industry

leaders in the AI / robotics space,” said Andrew Kiguel, CEO of Tokens.com.

On the completion of the transaction, Matt McMullen, the founder and CEO of Simulacra, will join Tokens.com as President and as a director. Mr. McMullen and Shrike Holdings Inc., another Simulacra shareholder, will also become new Insiders (as defined in policies of the TSX Venture Exchange (the “TSXV”)) of the Company.

“We are on the cusp of a very exciting time, as humans and technology create new ways of interacting and connecting through AI and robotics,” said Mr. McMullen. “As we explore this new frontier, we are eager to share these opportunities in the public markets. This transaction with Tokens.com will greatly accelerate our strategic growth and market penetration.”

“While other tech companies are building robots to replace human workers in warehouses, Simulacra’s robotics serve the more immediate use case for AI and robotics: human connection, learning and play,” said Mr. Kiguel. “While most AI tools available today are filtered for content and viewpoints, Simulacra’s AI technology enables humans and robots to foster genuine connection through unfiltered, human-like conversation. We see our robots used in homes, hospitals, and even in the c-suite. We even intend on using AI to assist in board governance.”

Subsequent to the completion of this transaction, Tokens.com will provide investors with exposure to: (a) blockchain, via its cryptocurrency inventory; (b) social media, Web3 gaming and the metaverse, via its 15.3% ownership interest in StoryFire; and (c) AI and Robotics, via its 100% ownership of Simulacra.

“At Tokens.com, we invest in technologies that disrupt the norm and define the future. We have broken ground in the past through investments in metaverse real estate and crypto assets such as crypto-punks and Shiba-Inu. Our goal is to continue to tap into growth via unconventional opportunities that would be overlooked by other technology companies,” said Kiguel.

## **Transaction Consideration and Other Details**

Tokens.com will issue 75 million common shares to Simulacra shareholders in consideration for the acquisition. This will equate to approximately 38% of outstanding common shares of Tokens.com on the completion of the transaction. The common shares issued to Simulacra shareholders will be escrowed for 12 months and then gradually released between months 12 to 24 following the closing date. Tokens.com will also grant an aggregate of 7,500,000 stock options in exchange for the cancellation of 567,101 stock

options of Simulacra.

In addition, Simulacra shareholders will have the opportunity to earn an additional 10 million Tokens.com shares if they achieve revenue targets of \$8 million within any 12 month period during the first 24 months following the completion of the transaction and an additional 10 million Tokens.com shares if they achieve revenues of \$10 million with any 12 month period between months 24 and 48 following the closing date.

Subsequent to the closing of the transaction, it is expected that Tokens.com will have a total of 195,995,592 common shares outstanding and 1,469,950 in-the-money options outstanding. The Company also has 1,902,540 deferred stock units (held 100% by directors on the board) and 9,777,289 warrants outstanding with an exercise price of CAD\$1.15 that expire in November 2024.

The transaction is subject to customary closing conditions, including approval from the TSXV. Each of Simulacra and its shareholders are arm's length parties to the Company. No broker, agent or finder's fee is payable in connection with the transaction.

## **Simulacra Subsidiaries**

### **(i) Realbotix**

[Realbotix](#) builds customized ultra-realistic robots that are AI-enabled. These robots look, talk, and move like humans. Invented for use in entertainment, companionship, healthcare, and education markets. For an example of Realbotix's products, please see the link [here](#) to meet Aria, one of Realbotix's active robots.

### **(ii) Anthropomorphic Figure Dynamics ("AFD")**

AFD is a unique division that caters to government and healthcare projects that require highly realistic humanoids. This would include previous contracts with the US military and John Hopkins hospital.

### **(iii) Abyss Creations**

Abyss Creations builds companionship-based humanoid figures that have the ability to be integrated with AI features. Abyss is the creator of award-winning, realistic humanoid dolls.

## **Completion of Strategic Review**

Subsequent to the completion of this transaction, Tokens.com will have completed its strategic review (which was announced in November 2023). Highlights of the changes made since announcing the strategic review include: (1) the disposition of non-profitable, early stage businesses in a manner that still provides shareholders with upside exposure to Web3 and metaverse growth; (2) a successful move to the TSXV to enhance liquidity and profile; (3) the contemplated expansion of the business into AI and Robotics, including the proposed revenue accretive acquisition of Simulacra and its subsidiaries; and (4) the listing for sale of the Company's domain name, Tokens.com and certain other intellectual property, with a view to rebranding the organization in a manner that captures our evolving profile and business interests.

### **Humanoid Robotics Market**

Simulacra is focused on the convergence of AI Software and Hardware to enable humanoid robotics. The robotics sector is estimated to exceed \$24 trillion in revenue annually according to ARK Investment management. Goldman Sachs predicts the humanoid robot market is anticipated to be USD \$13.8 billion by 2028 and US \$38 billion by 2035. The growing use of technology in education is fueling the deployment of humanoid robots in schools and driving the market's growth for the education and entertainment application segment. By blending entertainment and functionality, humanoid robots are revolutionizing how we interact and engage with technology in various sectors.

### **Artificial Intelligence Market**

According to MarketsandMarkets, the global AI market was valued at \$150.2 billion in 2023 and is expected to grow at a CAGR of 36.8% from 2023 to 2030. AI is revolutionizing multiple industries, emerging as a key driver for the advancement of technologies such as big data analytics, robotics and the Internet of Things. The rise of AI tools highlight the sector's mainstream appeal. With its current trajectory, the AI industry is poised to be a powerful tool for technological innovation, propelling advancements in the near future.

### **Conference Call**

A call will be held on April 8, 2024 at 4:00 p.m. EST with Andrew Kiguel and Matthew McMullen to discuss the transaction and to answer questions from investors and other interested parties.

Webinar information:

Date: April 8, 2024

Time: 4:00 pm ET

Zoom Registration:

[https://us06web.zoom.us/webinar/register/WN\\_Zg7g9iTPTja6PyiJ7ZvOcg](https://us06web.zoom.us/webinar/register/WN_Zg7g9iTPTja6PyiJ7ZvOcg)

To join the webinar, register using the link provided above. Upon registration a Zoom link will be emailed to the registered email address. The webinar will be available via computer, tablet, and smartphone devices. In addition, a dial-in phone number will be provided in the email upon registration. Callers dialing in using a telephone will automatically be placed in a listen only mode. The question period will not be available to dial-in callers.

## **About Tokens.com**

Tokens.com is a technology investment company that focuses on disruptive businesses that are defining the future. The Company's assets provide shareholders with exposure to AI, Blockchain, Robotics and Web3. Tokens.com also owns an inventory of cryptocurrencies and a collection of top ranked crypto related domain names.

Visit [Tokens.com](https://tokens.com) to learn more.

Keep up-to-date on Tokens.com developments and join our online communities on [Twitter](#), [LinkedIn](#), [Facebook](#), [Instagram](#) and [YouTube](#).

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## **Forward-Looking Statements**

This news release includes certain forward-looking statements as well as management's objectives, strategies, beliefs and intentions. Forward looking statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. Forward-looking statements in this news release include statements relating to the expected closing date of the transaction and the

projected impact of the acquisition on the Company's business, financial conditions and results.

Forward-looking statements are based on the current opinions and expectations of management. All forward-looking information is inherently uncertain and subject to a variety of assumptions, risks and uncertainties, including the speculative nature of cryptocurrencies, as described in more detail in our securities filings available at [www.sedarplus.ca](http://www.sedarplus.ca). Actual events or results may differ materially from those projected in the forward-looking statements and we caution against placing undue reliance thereon. Important factors that could cause actual results and financial conditions to differ materially from those indicated in the forward-looking statements include, among others: (a) the risk that the closing conditions for completion of the transaction, including TSXV approval, are not satisfied; (b) risks relating to general economic, market and business conditions; and (c) unforeseen delays in the timelines for any of the transactions or events described in this press release.

We assume no obligation to revise or update these forward-looking statements except as required by applicable law.

This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933 (the "US Securities Act") or any states securities laws and may not be offered or sold within the United states or to US Persons (as defined in Regulation S under the US Securities Act) unless registered under the US Securities Act and applicable state securities laws or an exemption from such registration is available.

Neither TSXV nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.