

VUZIX®

Augmenting the world

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Corporate Presentation
June 2024



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Key Investment Highlights



Ideally positioned to become a leading supplier for the unfolding multi-\$Billion AI-driven smart wearables market:

- ✓ Industry's most competitive family of AR smart glasses
- ✓ Industry's best waveguide displays



Deep industry knowledge



Good profitability potential at scale



Strong IP position

- ✓ 375+ patents and patents pending



Dual Pillars of Growth

Vuzix' revenue growth will be driven by two core business sources centered around smart glasses technology

1. Core Smart Glasses Products and Services

2. OEM Products and Engineering Services



Wearable Smart Glasses Market Opportunity

Millions of units/Billions of dollars

Two Significant Market Opportunities

Vuzix is leading the charge in the enterprise sector and the broader OEM market opportunity

The Enterprise Market Opportunity

AR smart glasses: 1M-5M units/year
TAM@\$1000 ASP: \$1B-\$5B/year

Vuzix 20% share revenue potential:
\$200M-\$1B/year

The Broad Market Opportunity

AR smart glasses: 1B units/year
Waveguides & displays: \$120B/year

Vuzix 10% share revenue potential:
\$12B/year

- Enterprise:
 - Significant enterprise sales pipeline
 - Enterprise Smart Glasses Market projected to experience a 20x-50x increase in unit market size by 2028
- Broad Market:
 - Our optics component solutions are sought after for military applications and by Fortune 500 enterprise and consumer companies
 - AI software platforms will greatly increase the functionality and adoption of consumer smart glasses

Market Driver #1: Already High Mobile and Wearable Activity

1.6B

Smartphones sold annually

70%

Of adults wear sunglasses regularly

5B

Send and receive texts every day

72

Average number of texts received daily

125M

Use voice-enabled digital assist to access facts and information

302M

Monthly social media users in the US

300M

Smartwatches sold annually

167M

Adults in the US wear glasses

"These AR glasses are going to be like your phone. You will be able to wear it for a lot of the day and interact with it very frequently" – Mark Zuckerberg, CEO of Meta

46

Push notifications received by the average US smart phone user per day

144

The number of times/day US adults check their phone

Market Driver #2: Demand Validation for Initial HMD Products



Product Introductions by Apple and Meta show big tech moving into AR Wearables; they along with others big tech firms are releasing AI/AR ecosystem software

More money is also flowing into the sector in response to rising market demand

Apple's Vision Pro represents their first foray into HMDs, albeit with mixed but generally positive initial results

Meta's VR offerings are expanding: Luxottica and Meta are now offering AI driven audio smart glasses that carry the Ray-ban brand

Investment in video viewer makers by venture capital firms and big tech founded startups continues to be strong

Market Driver #3: Progression of AI-enabled AR is Coming

AI-enabled AR is now revolutionizing how we gather and interact with real-time information, setting the stage for unprecedented digital transformation



- Progression of AI-enabled AR is coming and fast
- AR +Ai allows the gathering of information in real time which brings endless opportunity for real world applications
- Apple and Meta know AI-enabled AR potential and the value behind it

Vuzix Has Many Competitive Advantages to Be a Leader



Vuzix is uniquely positioned to capitalize on this market evolution

Seasoned leadership team with unparalleled combination of experience and industry knowledge

Strong IP Portfolio with 375+ patents and patents pending and extensive technological know-how

Family of competitive SG products and full custom OEM and white label solutions

High-volume, low-cost waveguide manufacturing capabilities

Innovative and disruptive technology roadmap

Vuzix Z100

At the Forefront of a Game-Changing Solution

Vuzix Z100: A Game-Changing Solution

Ushers in the era of affordable and accessible AR



*Vuzix is here today to deliver impactful solutions to a diverse market of verticals with a practical leading AR design that's crafted with **optimal user experience** in mind*

Z100 is the first in a series of Vuzix AI-enabled AR glasses

- Pairs easily via Bluetooth (Apple or Android phones)
- Only 38g- A lightweight all day wearable interface
- 48 hours on a single charge
- Mono green display
- Vision correction ready
- No cable
- Works outside

Z100

Through the
Looking Glass

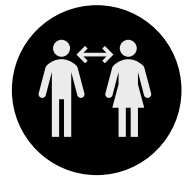


VUZIX

Z100: A New Era in Connectivity



Stay Informed, Always. Immediate notifications ensure you never miss what's important.



Prioritize Connections Over Distractions. Check in without checking out; focus on the task, not distracted your phone.



Enhanced Functionality. Enjoy discreet mapping, sports & fitness app updates, and more.



Ultimate Convenience. Perfect for your active lifestyle - go anywhere with ease.





Global Communication. Real-time translations enable seamless conversations anywhere, anytime.

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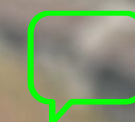


 8:30pm
Dinner with Amy

 Mollyburke
liked your photo

 0.4 mi
Liberty Street
3.73 Miles  125

Bonjour! Je voudrais un la
soupe s'il vous plaît.

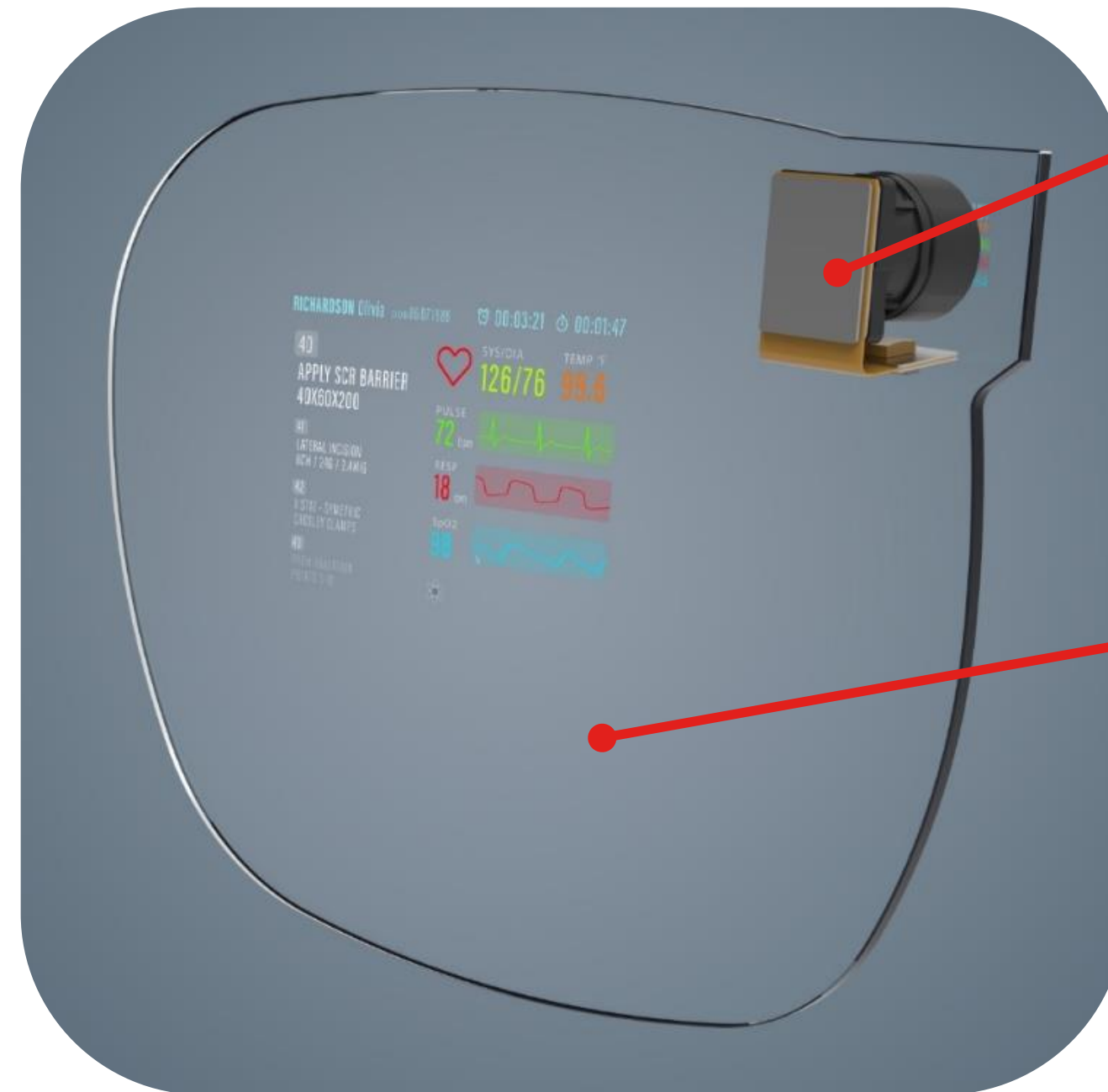


VUZIX

Waveguides and MicroLEDs – Key But Challenging

Waveguides and microLEDs are two of the most critical technologies needed to deliver the future of AR smart glasses BUT...

...PRODUCING these technologies in high volume at low cost with the needed levels of flexibility, functionality and performance is EXTREMELY CHALLENGING



microLED Projectors

Small form factor
High brightness
High contrast
Low power
Low latency

Optical Waveguides

Transparent
Thin
Lightweight
Full color

Vuzix Is a Leader in Waveguide Technology and Fabrication

- Vuzix can design and fabricate a customized waveguide for a customer in just three months
- Vuzix has tripled its waveguide efficiency for higher brightness and more efficient battery usage
- Vuzix can make waveguides in form factors ranging from small to large
- High index substrates and polymers supporting single layer designs and much larger fields of view

MATERIALS

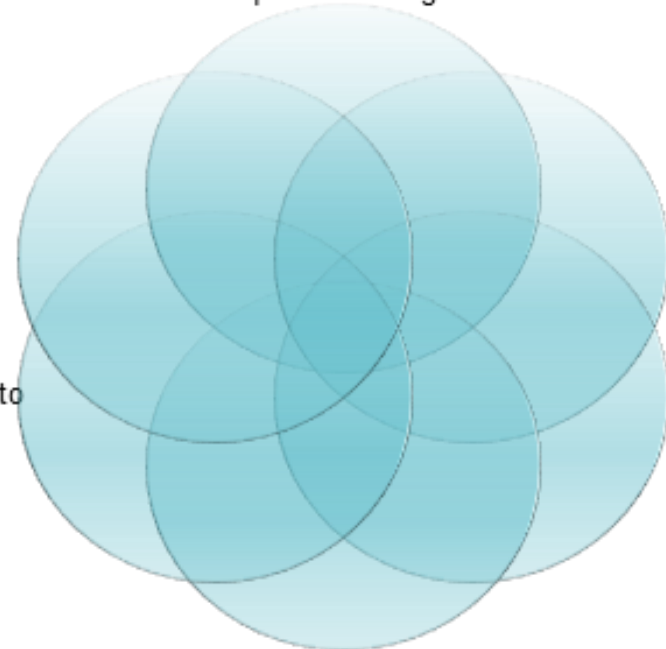
- Custom Materials
- High Index
- Low Shrinkage
- High Clarity
- Good Flow & Fill

PROCESS IP

- Full Process from Design to Finished Part In-house
- Anti-stiction Agents
- Adhesion Promoter
- Part Handling

DESIGN & LAYOUT

- From Concept to Waveguide
- Practical Experience
- Meeting Requirements
- Complex Modeling



METROLOGY

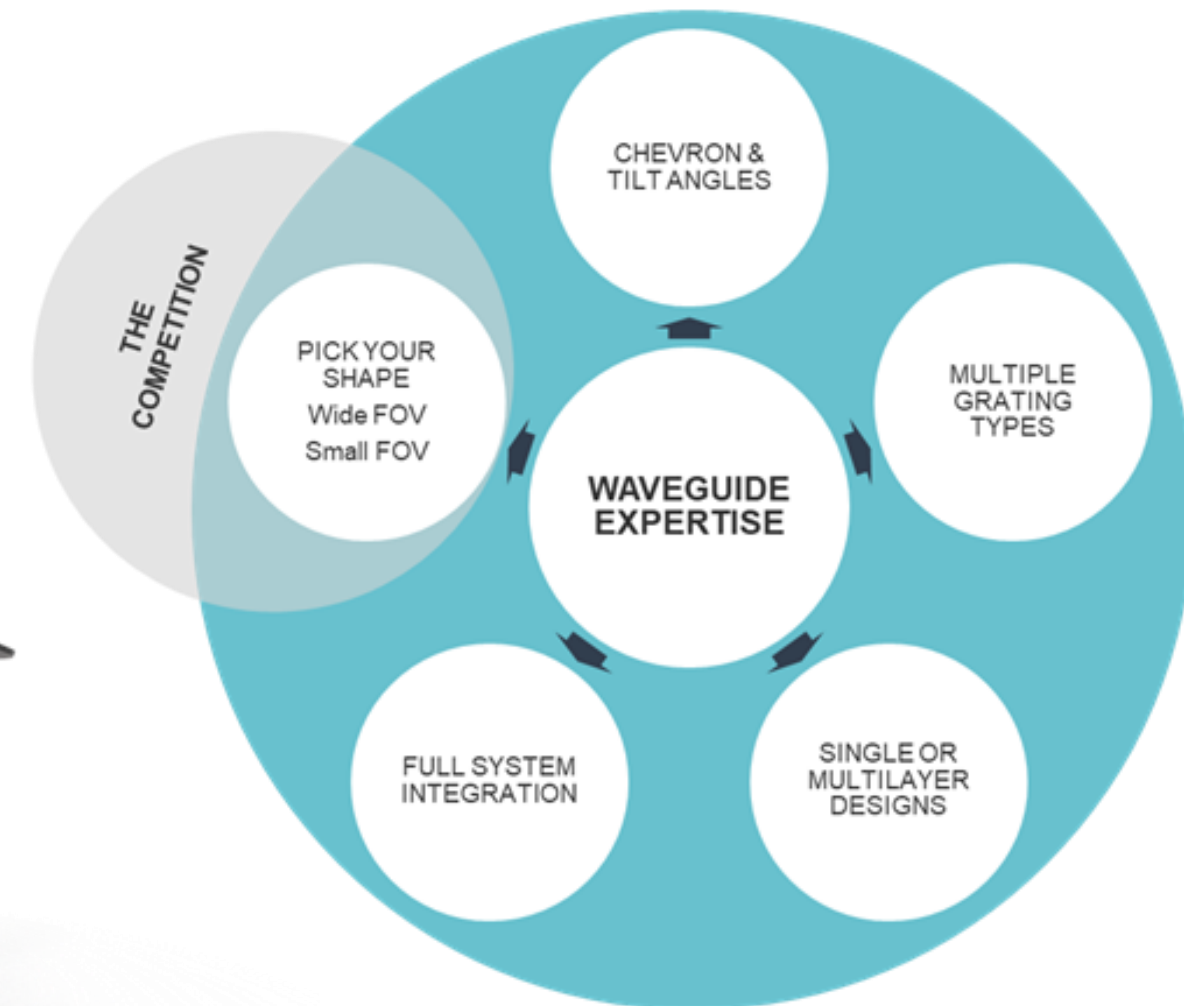
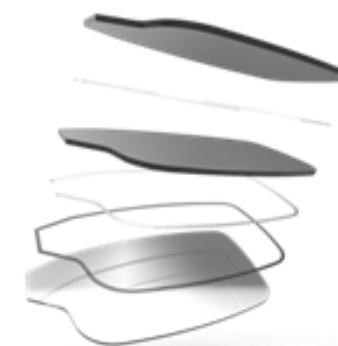
- Interferometer
- Autocollimator
- Atomic Force Microscope
- Scanning Electron Microscope
- Custom Image Analysis

REPLICATION

- Robotic Assistance
- Vision System Enabled
- Submicron Alignment
- Single and Sheet Replication
- High Throughput

MOLD CREATION

- In-house Etching
- High Repeatability
- Quick Turn Around
- Long Lifetime



Vuzix Incognito Virtually Eliminates Forward Eye Glow



Without Vuzix INCOGNITO™.



With Vuzix INCOGNITO™.

Introducing Incognito: a new advancement in see-through waveguide technology

Incognito allows Vuzix smart glasses users to be viewing information discreetly. The elimination of forward light through the technology of Incognito delivers privacy to the smart glass user.

Key Components

Grating Design:

Structures engineered to reduce forward light by 87%.

Tinted Covers:

Additional absorption of forward light emitted by the waveguide.

Optical Power:

Utilization of optical power in covers and waveguide to keep emitted light out of focus.

System Design:

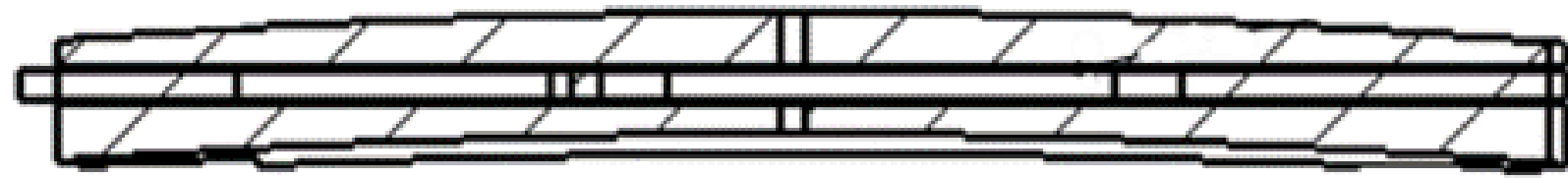
Implementation of design considerations to redirect forward light away from observers.

Impact- The combined effect of these measures results in the absence of any visible glow to most observers.

Any emitted light is redirected, reduced, and diffused. The front lens below defocuses redirected forward light from the waveguide, diffusing any remaining light, making it unreadable to observers.

First and Foremost: AR Glasses Must Have or Support Vision Correction Prescriptions

Vuzix Offers Prescription Integrated Rx Assembly



- Fully integrated
 - ✓ Thinnest vision correction Rx stack
 - ✓ Integrated assembly
 - ✓ Minimized reflections
 - ✓ Defocused forward light
 - ✓ Supports practically any prescription range
 - ✓ Supports bifocals



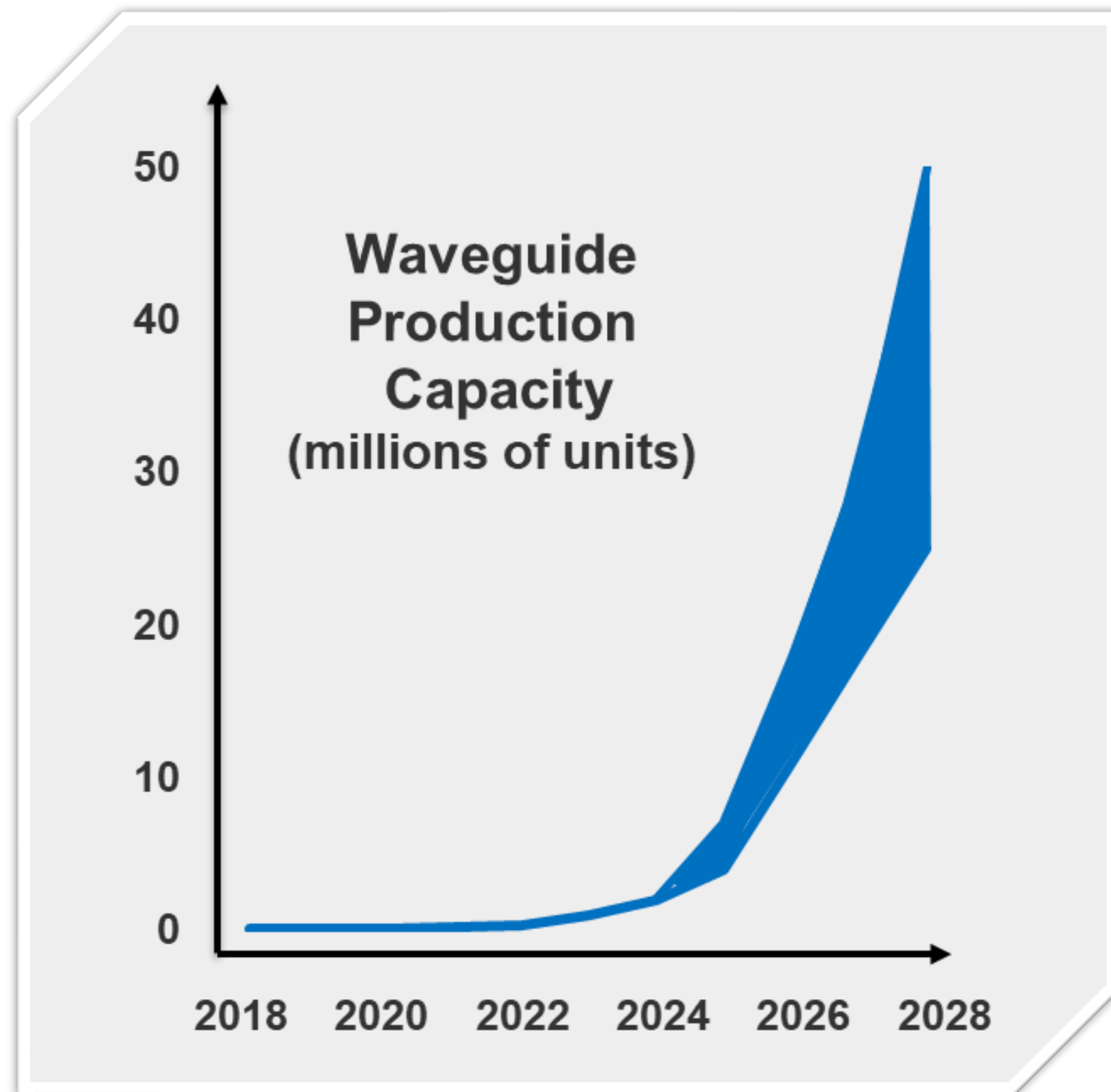
Waveguide Mega-Manufacturing Facility

FACILITY

- *Unique 13k sqft class facility with custom equipment and can expand up to ~39k sqft*
- Leading waveguide production while achieving high volumes at unmatched costs
- Direct support for Vuzix' enterprise AR products and expansive OEM opportunities



Low-Cost High-Volume Waveguide Production Capacity is Expanding



2018: Initial production capacity brought online to support the launch of the Vuzix internal products

2023: New expandable 12,000* ft² + 10K ft² facilities with production capacity of 1M+ units/year and at broad market price points

By 2028: Further annual production capacity expansions to 20M to 40M units, dependent on end market demand

* 30% leased with option to lease entire 40,000 ft² facility

The Waveguide Competitors have a Long Way to Go

Vuzix

Custom developed design through production

- ✓ Million units/year 2024 in house capacity
- ✓ 1/10 the cost to produce vs the competition
- ✓ Flexible to accommodate any design
- ✓ Fast turn designs (3 months)
- ✓ Supports large and small format imprinting

Competition

Semiconductor models

- ✓ Expensive semiconductor process equipment
- ✓ Low volume, High cost, Doesn't scale well

Prismatic model

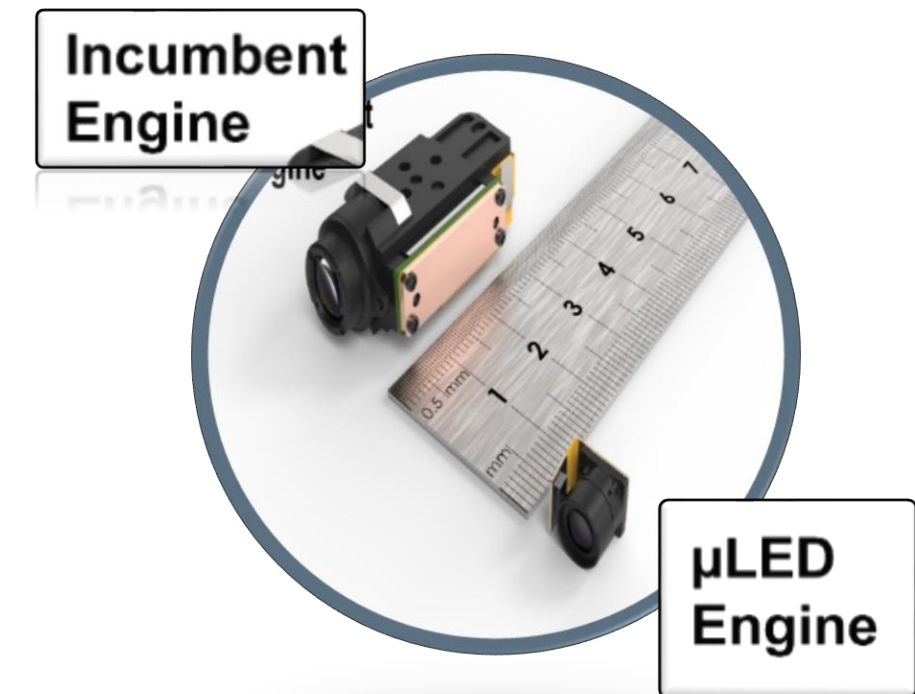
- ✓ Many steps to produce, Very expensive
- ✓ Not scalable

Holographic model

- ✓ Expensive and low volume equipment
- ✓ Expensive to produce

MicroLEDs (μ LEDs) Beat All Incumbent Projector Technologies

- An incumbent display engine is $\sim 4\text{cm}^2$ vs $\sim 0.3\text{cm}^2$ for a μ LED-based display engine



	LED-backlit LCD	Mini-LED	OLED	MicroLED
Display type	Backlit	Backlit	Emissive	Emissive
Contrast	Low to medium	Medium	High	High
Response time	Low (ms)	Low (ms)	High (μs)	Very High (ns)
Power efficiency	Medium	Medium-high	Medium	High
Only lit pixels draw power	No	No	Yes	Yes
Lifetime	Long	Long	Medium	Long
Sunlight visibility	Medium	Medium	Medium	High
Operating temperature	~ -20 to 80 C	~ -20 to 80 C	~ -30 to 70 C	~ -100 to 120 C
Need for encapsulation	No	No	Yes	No
Brightness	Medium	Medium	Low-Medium	High
Flexibility	Low	Low	High	Medium-high
Viewing angles	Low	Low	High	High
Tech maturity	High	Medium-High	Medium-High	Low

- Incumbent display engines consume up to 100x the power of a μ LED solution, depending on the content displayed

Source: OLED-info.com

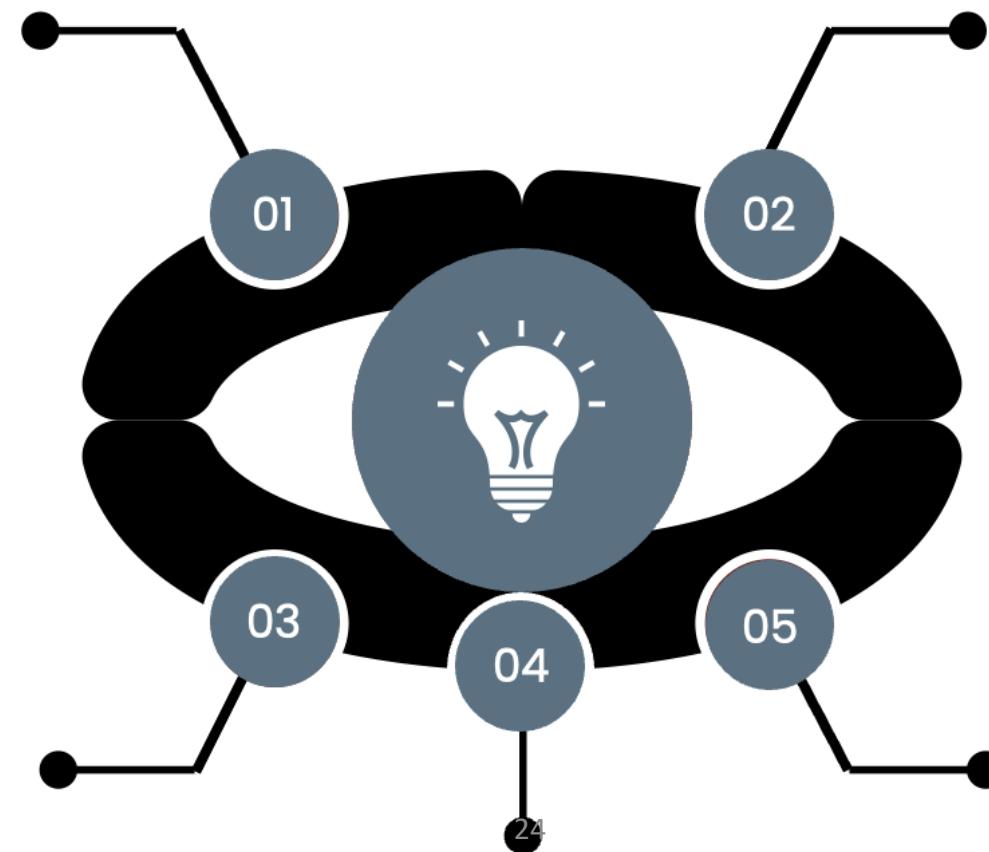
AR/AI Smart Glasses

Essential Enterprise Productivity Tools

Five Key Market Segments for Enterprise AR/AI Smart Glasses

Warehousing – brick and mortar, online retails, logistics hubs, repairs & maintenance, Barcode Scanning, Order Picking & Fulfillment

Manufacturing – Complex manufacturing, workflows instructions, inline quality insurance, part count and tracking, training, Quality Assurance, Video/Step Confirmation



Healthcare – tele-medicine, surgery, patient care, nursing, ambulatory services, remote collaboration, Procedure Assistance, Pharmaceuticals

Field Service – work instructions, tribal knowledge transfer, remote support, training, collaboration, security & 1st responders, police and emergency personal

AI/ Edge Compute – AI and Edge cloud driven applications crop monitoring and optimization, education, assistive technology hearing impaired and visual impaired, diagnostics, consumers applications, optimized “guides”.

Note: AI / Edge Compute will eventually overlap a large portion warehousing, manufacturing, field service and healthcare verticals

Many Benefits to Enterprise Users



- **INCREASES PRODUCTIVITY**
- **REDUCES WORKER ERRORS**
- **IMPROVES WORKER SAFETY**
- **IDEALLY SUITED TO DRIVE AND DELIVER AI**
- **ELIMINATES TRAVEL COSTS**
- **LOWERS CARBON FOOTPRINT**
- **IMPROVES LEARNING**
- **PROTECTS WORKER HEALTH**

Vuzix ' Industry-Leading AR Smart Glasses Product Line-Up



The MOST versatile and broadest product family in the industry:

- ✓ **A complete product line – not a one-trick pony with a single device offering**
- ✓ **Built out exclusive to Vuzix technology**
- ✓ **Competitively Positioned within the Smart Glasses Industry**

VUZIX HAS A LINE OF SMART GLASSES SOLUTIONS FOR TODAY AND TOMORROW



Moviynt

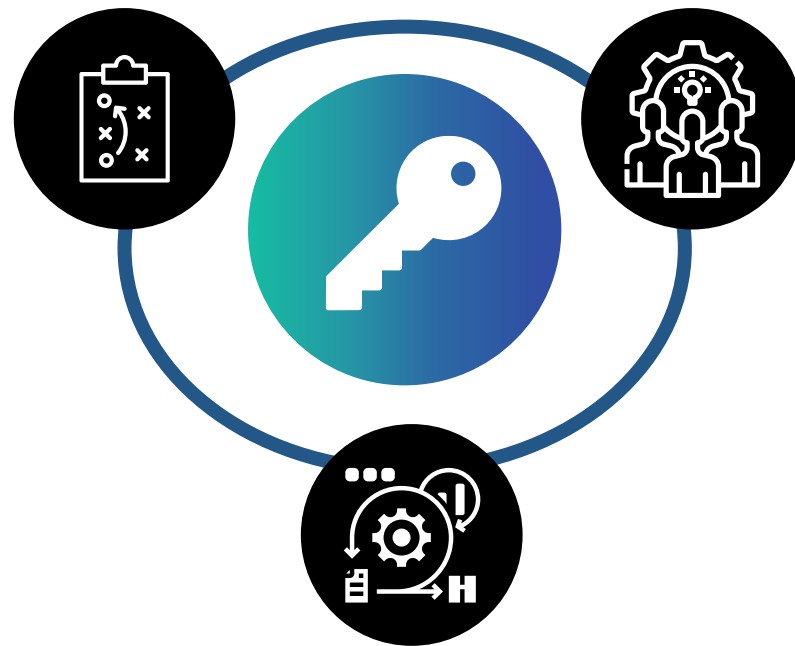
A Vuzix Company

Vuzix' SaaS-Based Logistic Software Platform

Pioneering the next digital transformation – which is here now

SAP Certified ERP
SaaS logistics
solution provider

Leverages AI and
machine learning
to drive efficiency



Supports digital transformation with
native device feature integration

- Moviynt, a SaaS SAP solution provider, was acquired by Vuzix in November 2022
- Real-time dashboard analytics by warehouse worker and shift management, error management and more
- Solution is operational in multiple warehouses with a major global aerospace customer
- Moviynt's logistics mobility software platform (Mobilium®) eliminates traditional middleware, is device agnostic (smart glasses and handhelds) and can ultimately support multiple ERP systems including IBM and Oracle

Discover more at <https://moviynt.com/>

Near-Term Catalysts



Defense and commercial OEM production contracts and volume orders & Enterprise SG Rollouts



Waveguide manufacturing programs with world class offerings

- High volume
- Worlds best pricing
- Small and large format
 - Incognito
 - Prescriptions



FORTUNE 500 partnerships for OEM design and waveguide technologies



Potential Customer and partner equity investments in Vuzix



Thank you

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<https://www.vuzix.com>

Appendix – Vuzix at a Glance

Vuzix is a global leader in wearable computing, augmented reality (AR) Smart Glasses, optics and display engines for the enterprise, defense, and broader consumer markets

SMART GLASSES FOOTPRINT FOR MULTI BILLION MARKET

2,500+ Enterprise Customers
>50% of Fortune 100
200+ Channel Partners

LEADERSHIP PATENT POSITION

375+ Patents and Patents Pending

CES (CONSUMER ELECTRICS SHOW)

Awards for innovation for the years 2005 to 2024 and several wireless technology innovation awards among others.

HISTORY

Founded in 1997
IPO in 2009
NASDAQ in 2015

EMPLOYEES

~90 (>80% HQ-based)

HEADQUARTERS

West Henrietta, NY
(Suburb of Rochester)

MANAGEMENT

Paul Travers – President & CEO
Grant Russell – EVP & CFO
Pete Jameson – COO

FINANCIAL STATS

Stock price: \$1.37 (6/17/24)
Market cap: \$89M (6/17/24)
Cash: \$17M (3/31/2024)
No debt

OWNERSHIP

~ 7% CEO+COO
~36% Institutional

