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Vuzix Ships High-Bandwidth Optical Interconnect Solution for AI Data Centers

Supports high-density, power-efficient optical routing to improve performance inside the data center

Evaluates up to 19,200 optical channels over an approximately 30 mm path

ROCHESTER, N.Y., Aug. 18, 2026 /PRNewswire/ -- Vuzix® Corporation (NASDAQ: VUZI), a leading supplier of AI-powered smart glasses, waveguides and augmented reality technologies, today announced that it has begun shipping its first Causeway™ waveguide bridge samples to select prospective customers and ecosystem partners, and is making a broader optical interconnect evaluation kit available for AI data center optical interconnect applications, including co-packaged optics (CPO) architectures.

Industry forecasts point to significant growth in this emerging market. TrendForce forecasts that the combined co-packaged optics and near-package optics market could grow from approximately $100 million in 2025 to more than $39 billion by 2030 as AI data center architectures increasingly adopt optical interconnect technologies.*

Data centers consumed approximately 4.4% of total U.S. electricity in 2023 and are projected to account for roughly 6.7% to 12% by 2028.** As the volume of data moving between GPUs, accelerators and switches continues to increase, the existing interconnects carrying that traffic consume a growing share of system power. Moving optical connectivity closer to compute and switching silicon is one approach the industry is exploring to reduce

the power, complexity and performance limits associated with existing high-speed electrical interconnects that primarily consist of copper. Optical interposers and related planar optical structures are being evaluated across the industry as a means of routing light more efficiently within dense compute packages, with the goal of increasing data rates, reducing energy consumption and heat generation compared to traditional electrical interconnect approaches.

Vuzix waveguide-based approaches aim to improve bandwidth density, reduce routing complexity, and lower interconnect energy per bit relative to conventional electrical links. Vuzix believes that a wide, parallel, moderate-rate-per-channel optical architecture is one credible path to supporting faster, more efficient and more scalable AI infrastructure.

Vuzix' technical foundation for this work includes patent-pending compact planar optical architectures, high-precision replication of nanoscale optical features, custom waveguide design capability, and U.S.-based development and volume manufacturing. Vuzix designs and manufactures diffractive waveguides on its nanoimprint lithography lines in Rochester, New York, including processes and materials developed for volume replication. These capabilities can be applicable to a range of optical interconnect components, including planar optical link structures, embedded optical routing layers and optical couplers.

The initial shipments consist of Vuzix-designed Causeway waveguide bridge samples, the core optical element of the Company's optical interconnect evaluation kit. The broader kit is designed to pair Vuzix' planar waveguide optical architecture with microLED emitter and photodetector test structures to support bench-level optical-path characterization, insertion-loss measurement, coupling and alignment studies, crosstalk evaluation, and packaging development.

In its current demonstration configuration, the architecture is designed to support evaluation of up to 19,200 parallel optical channels over an optical path length of approximately 30 mm. Because the same design and replication platform can be applied to other emitter types, Vuzix is also developing waveguide samples for VCSEL (vertical-cavity surface-emitting laser) sources.

"This is our first step in applying Vuzix' optical expertise, waveguide design experience, and manufacturing capabilities to AI data center optical interconnects," said Paul Travers, President and Chief Executive Officer of Vuzix. "For two decades, we have been building waveguides for wearable displays, where light management, compact form factors, precision replication and scalable manufacturing are core competencies. Those are the same disciplines that matter as optical interconnects move closer to compute and switching silicon. Early optical interconnect findings support scaling wide, parallel waveguide architectures toward multi-terabit aggregate bandwidth in practical package configurations. Causeway is the core optical bridge in our evaluation kit, and initial shipments allow qualified partners to begin testing and characterizing the optical path directly. As we expand access to the broader kit, we can support the integration, measurement and feedback loop needed to advance future custom designs."

Mr. Travers continued, "Advancing waveguide-enabled AI smart glasses for enterprise remains a core priority for Vuzix. At the same time, our expertise in waveguide optics gives us a credible path to evaluate an additional market opportunity in AI infrastructure, where more efficient optical connectivity may help reduce the growing energy demands of AI data

centers."

Qualified semiconductor, photonics, advanced packaging and optical interconnect ecosystem participants interested in requesting an evaluation sample, evaluation kit access, or a technical briefing may do so through the Company's CPO/NPO information page at https://www.vuzix.com/pages/cpo.

* TrendForce, "Optical Interconnects Become Critical to AI Factory Expansion; CPO/NPO Market Expected to Exceed US$39 Billion by 2030," June 15, 2026

** 2024 United States Data Center Energy Usage Report prepared by Lawrence Berkeley National Laboratory for the U.S. Department of Energy

About Vuzix Corporation

Vuzix designs and manufactures diffractive waveguides at its Rochester, New York facility using custom-assembled nanoimprint lithography lines and proprietary processes and materials for the volume replication of nanoscale optical structures. Vuzix waveguides are important enabling components for AI-enabled smart glasses and advanced optical display systems used across enterprise, medical, defense, security, consumer and OEM markets. Vuzix' business is organized around three core areas: Enterprise Smart Glasses, OEM customer programs, and Waveguide Design and Manufacturing. The Company's waveguide design and manufacturing capabilities support Vuzix smart glasses, partner OEM display programs, and the Company's emerging development work in optical interconnect components for AI data centers.

Founded in 1997, Vuzix holds more than 500 patents and patents pending, along with numerous IP licenses covering optics, head-mounted displays and augmented reality wearables, and has received more than 20 Consumer Electronics Show awards for innovation. The Company is publicly traded on NASDAQ under the symbol VUZI and maintains operations in Rochester, New York, and Kyoto and Okayama, Japan. For more information, visit the Vuzix website, X and Facebook pages.

Forward-Looking Statements Disclaimer

Certain statements contained in this news release are "forward-looking statements" within the meaning of the Securities Litigation Reform Act of 1995 and applicable Canadian securities laws**.** Forward-looking statements contained in this release include, among others, statements regarding the potential applicability of the Company's waveguide design and manufacturing capabilities to optical interconnect applications; the potential performance, bandwidth or scalability of waveguide-based optical interconnect architectures; the anticipated timing and value of potential partner feedback; and the Company's expectations regarding evaluation programs, and among other things the Company's leadership in the Smart Glasses and AR display industry. They are generally identified by words such as "believes," "may," "expects," "anticipates," "should" and similar expressions. Readers should not place undue reliance on such forward-looking statements, which are based upon the Company's beliefs and assumptions as of the date of this release. The Company's actual results could differ materially due to risk factors and other items described in more detail in the "Risk Factors" section of the Company's Annual Reports and MD&A filed with the United States Securities and Exchange Commission and applicable Canadian securities regulators

(copies of which may be obtained at www.sedar.com or www.sec.gov). Subsequent events and developments may cause these forward-looking statements to change. The Company specifically disclaims any obligation or intention to update or revise these forward-looking statements as a result of changed events or circumstances that occur after the date of this release, except as required by applicable law.

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