

2Q2021 EARNINGS PRESENTATION

AUGUST 9, 2021

VUZIX®

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Call Participants and Agenda

Participants

Paul Travers

President and CEO

Grant Russell

CFO and Executive Vice President

Ed McGregor

Director of Investor Relations

Agenda

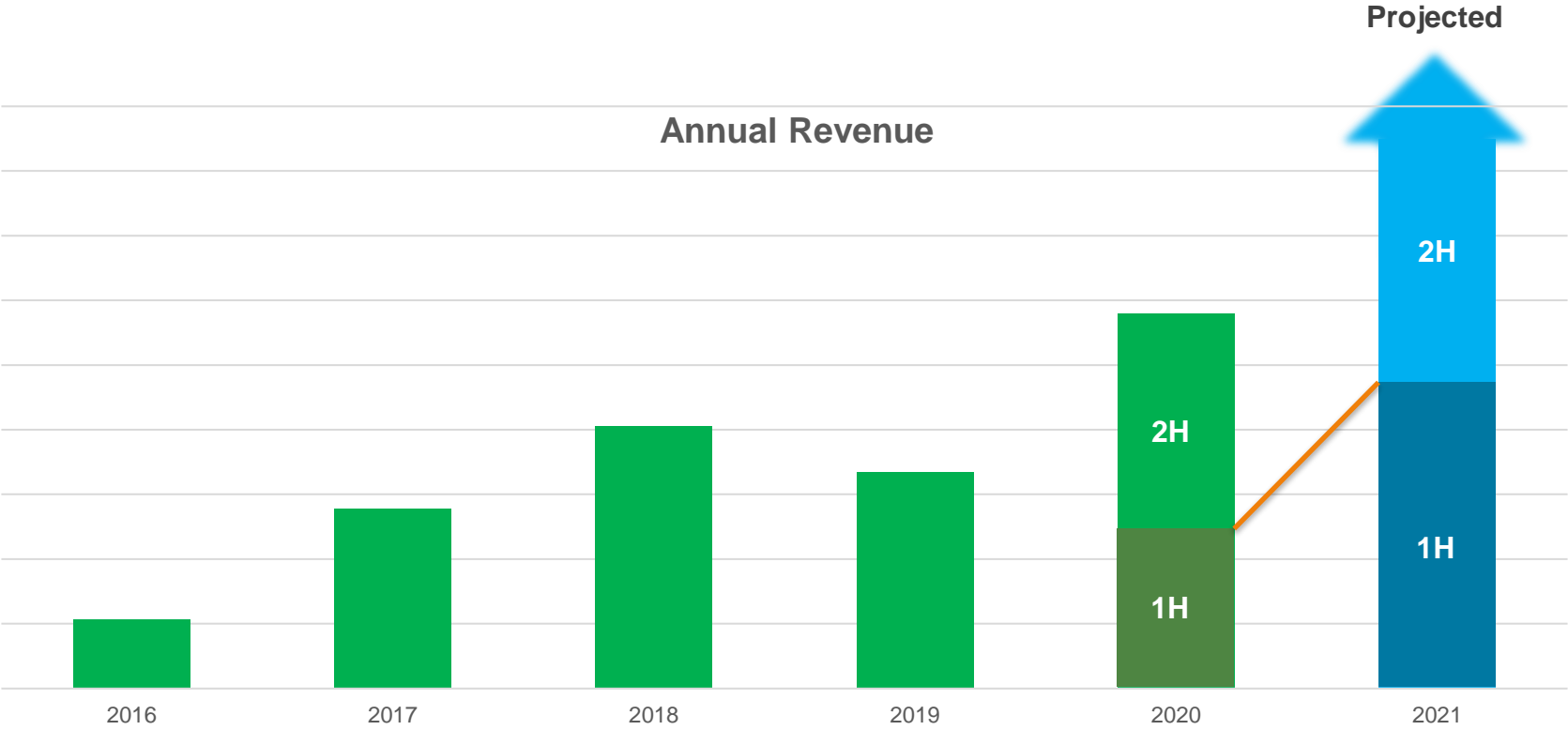
- Introduction
- 2Q2021 business review
- 2Q2021 financial review
- Q&A
- Closing remarks

Opening Remarks

- 2021 has been and will continue to be a transformative year for Vuzix
- 1H2021 product revenue rose 80% year-over-year on 53% unit growth with revenue growth from Vuzix' top 20 customers up 73%
- Ended 2Q with ~\$138M in cash
- Established a new software integration solutions business unit
- Evaluating potential strategic acquisitions with due diligence underway



Vuzix' Smart Glasses Revenue Continues to Grow Year-Over-Year



Steady Progress with Both Existing and New Blue Chip Customers

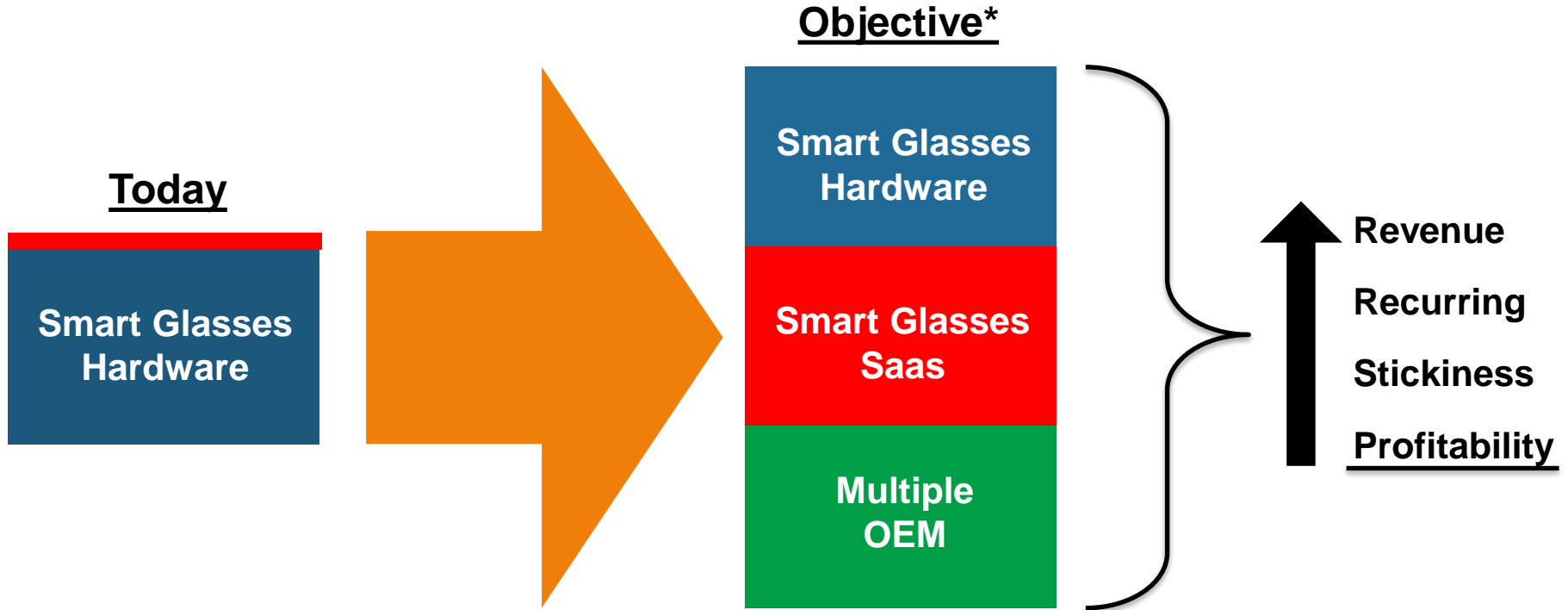
- Top 2% of customers have accounted for almost half of smart glasses sales over the last 18 months
- Deploying customers include Medtronic, USAA, Clorox, Johnson & Johnson, KDDI, Becton Dickinson and others
- Within logistics, retail stores, distribution centers, 3rd party logistics, warehousing and inventory management, customers are focused on deploying smart glasses



Use of Vuzix-Supported Surgical Solutions Continues to Expand



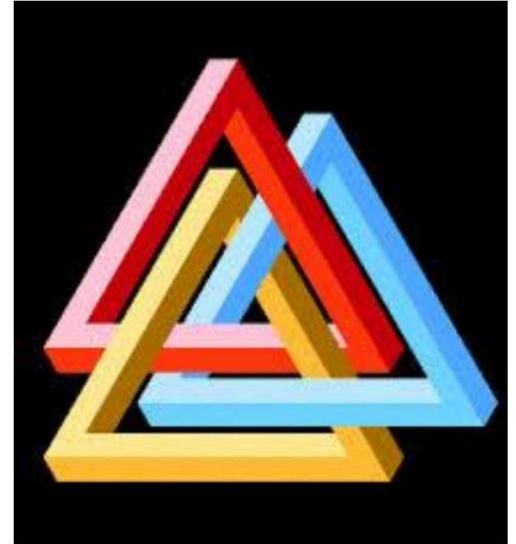
3 Segments Will Drive Vuzix' Long-Term Growth and Profitability



* Segment sizes are not to expected scale

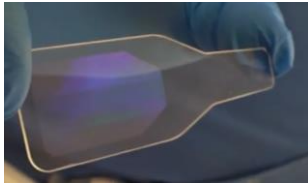
We Will Get There Using a 3-Prong Approach

- Invest in core business including smart glasses, software and customer service
- Pursue both organic and inorganic opportunities for enterprise business solutions to expand participation in the overall value chain
- Advance core technologies to enable Vuzix products, grow the OEM customer base and supply to the broader markets



Leverage, Expand and Monetize Core Technologies

Optics



Displays



Systems



- 210 patents and patents pending
- Control and ownership of key technologies will significantly enhance shareholder value
- Evaluating the acquisition of a disruptive nano electro optical technology

We Are Making Progress Against Our 2021 Goals

- Continuing to see follow-on orders from Vuzix' customer base and expect year-over-year revenue growth over the remainder of 2021
- Established an Integrated Solutions Business Unit and completing due diligence related to a potential SaaS-based acquisition in the medical space
- Planned introduction of next gen glasses and versions of core smart glasses products remains on track
- OEM program engagements are progressing; follow-on NRE programs and product supply agreements with initial production shipments expected this year
- YTD, IP portfolio of patents and patents pending has risen from 184 to 210

2Q2021 Operating Results

| | 2Q2021 | 2Q2020 | % Change |
|------------------------|------------|-----------|--------------|
| Revenue: Smart Glasses | \$2.83M | \$2.34M | +21% |
| Eng. Services | \$0.08M | \$0.70M | -80% |
| Total | \$2.92M | \$3.04M | -4% |
| Gross Profit | \$0.58M | \$0.80M | -27% |
| Gross Margin | 19.9% | 26.2% | -24% |
| Total Expenses | \$6.72M* | \$5.03M | +34%* |
| Operating (Loss) | \$(6.17)M* | \$(4.24)M | -46%* |
| EPS (Loss) | \$(0.10)* | \$(0.13) | +23%* |

* Excludes \$2.57M of non-cash Long Term Incentive Plan expenses

Balance Sheet Highlights

| | 6/30/2021 | 3/31/2021 | 12/31/2020 |
|--------------------|-----------|-----------|---------------|
| Cash | \$137.6M | \$132.7M | \$36.1M |
| Current Assets | \$151.0M | \$144.1M | \$45.1M |
| Working Capital | \$147.9M | \$140.5M | \$42.0M |
| Long-Term Debt | 0 | 0 | 0 |
| Preferred Stock | 0 | 0 | 4.96M shares* |
| Shareholder Equity | \$155.7M | \$146.9M | \$48.3M |

* Preferred conversion shares

Q&A