

Vuzix Launches VUZIX Basics™ SaaS Subscription Platform of Applications and VUZIX Basics™ Video for Enterprise

ROCHESTER, NY, December 6, 2017 – <u>Vuzix® Corporation</u> (NASDAQ: <u>VUZI</u>), ("Vuzix" or, the "Company"), a leading supplier of Smart Glasses and Augmented Reality (AR) technologies and products for the consumer and enterprise markets, is pleased to announce the launch of VUZIX Basics™, a platform of applications for Vuzix' growing line of smart glasses. The first of these applications is VUZIX Basics™ Video, a remote support and telepresence software as a service (SaaS) subscription offering that is available now on the Vuzix M300 Smart Glasses.

VUZIX Basics™ is a platform of essential Out-of-the-Box applications optimized for use with the growing lineup of Vuzix smart glasses and head mounted Augmented Reality displays, including the Vuzix M300 industrial smart glasses and the upcoming Vuzix Blade™ product. These are standard applications, simple to get started, simple to use, that immediately provide the fundamental benefits of smart glasses to novice and expert users alike. Whether the user is seeking a simple standard solution to immediately deploy to their workforce, or they are seeking a fast, low cost proof of concept or pilot for smart glasses in their organization, VUZIX Basics is the solution.

Vuzix is proud to announce the release of the first application in the platform, VUZIX Basics Video, which provides remote telepresence capabilities, otherwise known as see-what-I-see video collaboration, enabling an operator, mechanic, field technician or consultant to communicate in a hands-free manner with a remote expert to drive "just in time" video support of a process or repair. VUZIX Basics Video enables clients to multiply their expert workforce, eliminate the high costs of travel, improve customer service levels and equipment uptime, and accelerate knowledge transfer and training. The launch of VUZIX Basics Video addresses an underserved portion of the enterprise space by providing an affordable and standard solution for expert collaboration to companies worldwide. Additionally, VUZIX Basics Video and the Vuzix M300 enables virtually any entity to launch low risk, small scale pilots or accelerate their larger rollouts. This integrated solution should seed hundreds of new pilots and proofs of concept for Vuzix M300s across a variety of market verticals and industries across the globe. Most importantly, VUZIX Basics Video will directly complement the more complex and enhanced software offerings from our VIP partners by allowing users to see the positive impact of smart glasses before committing the finances and resources towards a more sophisticated VIP solution optimized for their business. This should open up new paths to business opportunities and large-scale rollouts for Vuzix and our VIP partners as we move into 2018.

Starting Wednesday December 6th, Vuzix will celebrate this launch with a limited time offer of the VUZIX Basics™ Video / M300 2017 Package offer for \$1,999.00 (a 20% discount) through Dec 31st, or while supplies last, at the following link: https://www.vuzix.com/vuzix-basics. This package includes a 1 year VUZIX Basics™ Video license (both M300 smart glasses wearer and remote terminal), the M300 smart glasses kit, and a set of professional accessories for the M300 smart glasses. And although the Vuzix App Store will be



Press Release

the main vehicle for the purchase and distribution of VUZIX Basics applications starting in January 2018, this pre-packaged solution of hardware and software will enable immediate value out of the box without the need to purchase additional applications or build out backend infrastructure. It's as simple as: click, connect, collaborate.

"One of the most effective ways to introduce a new product and concept into industry is simply by getting the device into the hands, or on the head, of the users, demonstrating the use case and proving out the ROI in a matter of days" said Paul Boris, COO, Vuzix. "VUZIX Basics Video provides a simple and affordable out-of-the-box solution that levels the playing field across the enterprise and opens the door for small and large companies worldwide to develop and validate the benefits of AR smart glasses in real work environments across the entire value-chain".

"The launch of the VUZIX Basics platform of applications in combination with the new Vuzix App Store is a game changer for Vuzix as we seek to greatly expand the delivery of smart glasses while concurrently developing new lines of revenue generation," said Paul Travers, CEO and President, Vuzix. "Customers want something that they can unbox, plug-in and immediately demonstrate the value of the solution. Vuzix has answered the call and is ready to hit the ground running with this new solution offering."

About Vuzix Corporation

Vuzix is a leading supplier of Smart-Glasses and Augmented Reality (AR) technologies and products for the consumer and enterprise markets. The Company's products include personal display and wearable computing devices that offer users a portable high-quality viewing experience, provide solutions for mobility, wearable displays and virtual and augmented reality. Vuzix holds 59 patents and 42 additional patents pending and numerous IP licenses in the Video Eyewear field. The Company has won Consumer Electronics Show (or CES) awards for innovation for the years 2005 to 2018 and several wireless technology innovation awards among others. Founded in 1997, Vuzix is a public company (NASDAQ: VUZI) with offices in Rochester, NY, Oxford, UK and Tokyo, Japan.

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 relate to the VUZIX Basics™ platform and VUZIX Basics™ Video application, its features and market demand and among other things the Company's leadership in the Video Eyewear 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.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.



Press Release

Media and Investor Relations Contact:

Matt Margolis, Director of Corporate Communications and Investor Relations, Vuzix Corporation matt_margolis@vuzix.com Tel: (585) 359-5952

Andrew Haag, Managing Partner, IRTH Communications vuzi@irthcommunications.com Tel: (866) 976-4784

Vuzix Corporation, 25 Hendrix Road, Suite A, West Henrietta, NY 14586 USA, Investor Information – IR@vuzix.com www.vuzix.com

For further sales, and product information, please visit:

North America:

http://www.vuzix.com/contact/

Europe/UK:

https://www.vuzix.eu/contact/

Asia:

http://www.vuzix.jp/contact.html