Revolutionizing the way people see, hear, and communicate

Needham Growth Conference 2017
Investor Presentation
FORWARD LOOKING STATEMENTS

This presentation includes forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. These statements relate to our expected future financial and operating performance, growth in the markets in which our products are sold, our market share for our products, and our significant customers. We may use words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “could,” “seeks,” “estimates,” and variations of such words and similar expressions in identifying forward-looking statements.

In addition, any statements which refer to expectations, projections, our stock value multiple, the value of head-worn computing and or our products, or other characterizations of future events or circumstances are forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions which are difficult to predict. Actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements, whether as a result of new information, future events or otherwise. We refer you to the documents the Company files from time to time with Securities and Exchange Commission, and specifically the “Risk Factors” section of the Company’s Form 10-K for the period ended December 26, 2015. We do not undertake to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.
2016 HIGHLIGHTS

• Selected by a major U.S. Military prime contractor to supply eyepiece assemblies for the U.S. Army’s FWS-I program, the next generation of thermal weapon sights

• Launched a Solos Kickstarter campaign, reached financial goal within 24 hours

• Sold our Korean facility and land (ceased production in 2013) for $8.1 million as of June 10, 2016

Corporate Profile

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<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Headquarters</td>
<td>Westborough, MA</td>
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<tr>
<td>Stock Symbol</td>
<td>KOPN</td>
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<td>Exchange</td>
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<tr>
<td>Share Price (1)</td>
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<td>Market Capitalization</td>
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<tr>
<td>3 Months Avg. Volume</td>
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(1) As of Jan 06, 2017
RECENT HIGHLIGHTS

• Whisper Voice Chip was named a CES 2017® Innovation Awards Honoree in the Embedded Technologies category by the Consumer Technology Association (CTA)™.

• Demonstrated our Lightning™ OLED microdisplay at CES. It is 1”-diagonal, 2048 x 2048 resolution and operates up to 120 Hz with low power consumption, all of which are firsts for the VR industry.

• We entered into a strategic relationship with Goertek Inc., a leading innovative global technology company with 2015 revenues of approximately $2 billion and 30,000 employees. Headquartered in Weifang China, Goertek provides vertically integrated total solutions and services to globally-renowned companies such as Samsung, Sony, Microsoft, Huawei and Xiaomi.

• Announced the formation of a JV, Lenovo New Vision, a new subsidiary of LCIG, the global technology fund of Lenovo Group. Lenovo New Vision focuses on AR smart headsets for a broad range of enterprise applications. We provided a small capital investment, industrial design solutions, and know-how to utilize key our components to Lenovo New Vision, including the micro-displays, optics, software and Whisper® Voice Chip.

YOU PROBABLY HEARD...
WEARABLES WILL BE BIG

2016 Shipments
10.1 million VR units, 100K AR units

2020 Shipments
61 million VR units, 15 million AR units

5 YEAR CAGRS
2016-2020:
VR 100.7%
AR 196.4%

A Leader in All Wearable Headset and Components Markets

**Consumer**
- Lenovo New Vision
- Tier One Fitness Brand product launched at 2016 CES

**Military**
- Rockwell Collins
- Elbit
- Raytheon
- DRS
- BAE

**Enterprise**
- Fujitsu
- Google
- Vuzix
WHAT IS REQUIRED TO DEVELOP THE IDEAL INDUSTRIAL AND CONSUMER HMD?

THE MISSING PIECES - KOPIN FOCUS

- Reliable WiFi and BT connection
- Compact, low-power electronics
- Small, high-capacity battery
- Small display + optics allow stylish design
- Attractive design and system functionality – Critical SW & FW
- Reliable voice-control for hands-free use
- Applications SW
Vista™ Pupil-Scale Display

The world's smallest optical module for high-resolution near-eye applications.

Pupil-scale optics match the biometrics of the eye for heightened visual clarity.

Virtual screen is 4x larger than fixed displays and sharp even in bright sunlight.
AUGMENTED & VIRTUAL REALITY DISPLAY MODULES

– Comprehensive line of modules for all HMD needs: Consumer & Enterprise applications

**Augmented Reality**
- Transmissive AMLCDs for AR
  - 0.20” – .88” diagonal
  - QVGA – QXGA
- Backlights: Super-high brightness to Compete with the Sun, low power for inside and outside use
- Optics: Compact designs -- everyone wants small and good looking device – even in enterprise use
- Driver ASICs: small size, low power

**Virtual Reality**
- 2k by 2K OLED (Lightning™) for VR
  - 1.0” diagonal
  - 2048 x 2048 resolution (4 million pixels)
  - 120 Hz with low power consumption,
  - Pantile™ optics (< 30 mm thick) allows much smaller and thinner mobile VR systems

AMLCD - Augmented Reality

OLED - Virtual Reality
Augmented Reality and Virtual Reality – Matching Display and Optics
To address the needs for future VR roadmaps

- Highest resolution for natural images
- Highest frame rate to reduce motion artifacts
- Smallest form factors
- OLED on Si = Lowest Power architecture
- Scalable foundry model
3X pixels versus existing Mobile VR OLEDs for natural, smooth images without the screen door effect.
120 Hz frame rate = No Motion Blur

120 Hz Frame Rate To Help Avoid Motion Artifacts That Can Cause Dizziness or Nausea

60 Hz VR = Motion Blur Artifacts
Immersive Audio Field

Discrete microphone and microspeakers are recessed with Solos frames.

Uses vocal separation for voice clarity amid background noise.

Off-ear design for ambient awareness; dynamic volume control for consistent levels.
VOICE INTERFACE:

- Kopin has developed the Whisper Chip™ that provides up to almost 2X improvement in human-to-machine (H2M) automatic speech recognition (ASR) rates.

As speech recognition accuracy goes from say 95% to 99%, all of us in the room will go from barely using it today to using it all the time. Most people underestimate the difference between 95% and 99% accuracy – 99% is a game changer...Andrew Ng Chief Scientist, Baidu
Long Life Power Cell

Solos uses a high-density lithium cell embedded in the frame.

Designed for 6 hours of run time.

Solos's energy source was exclusively developed with a leading Japanese battery partner.
A BETTER BATTERY

– Kopin has entered a partnership with Hitachi Maxell for the optimal HMD battery. Under the terms of the agreement, Kopin will exclusively market the batteries to OEM customers under the brand name SiMax™ for use in head-worn wearable products.
– The first SiMax battery measures just 46x10.5x5.5mm with 400 mAh capacity, 80-200% more energy density compared to today’s Li-Ion cells in the market.
MILITARY OPPORTUNITY

• F35 Strike Fighter Program
  – All the information pilots need to complete their missions – airspeed, heading, altitude, targeting information and warnings – is projected on the helmet’s visor, rather than on a traditional Heads-up Display.
  – Potential $100M revenue opportunity over the next 10 years
  – Currently in Low rate initial production until 2H of 2017

• U.S. Army FWS-1 Program
  – In 2016 selected by one of two prime contractors to provide the eyepiece assemblies for the next generation of thermal sights
  – Potential $100M revenue opportunity over the next 10 years
  – We will provide components for FWS Individual (FWS-I) and FWS Crew Served (FWS-CS)
  – FWS-I Deployment -LRIP Q3 2016 to 2017, Fielding commences in 2018
  – FWS-CS, FWS-S Development contract –Engineering and Development Contract Q3 2016, Prototype Testing into 2018, then Deployment
Customers/partners leverage our portfolio of key technologies developed over 30 year history

- LCOS displays (transmissive and reflective)
- OLED 2K x 2K display
- Optics
- Ergonomics
- Software
- Electronics
- Packaging
- Speech Enhancement

We understand the complete wearable headset system requirements

Demonstrate that the breadth of our knowledge and increase our critical component offerings enabling our partners to develop tailored solutions and reduce their time to market

Continue to enhance our IP portfolio on key technologies and concept system designs

At CES 2017 we demonstrated our latest technologies including our new Lightning OLED, Whisper Voice Chip, SiMax Battery, and Pantile lens