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Tekcapital Plc
("Tekcapital", the "Company" or the "Group")
Innovative Eyewear Inc. Reports Q2 2025 Unaudited Financial Results
Revenue Surged 88% in Q2 2025 vs Q2 2024

Tekcapital Plc (AIM: TEK), the UK intellectual property investment group notes that Innovative Eyewear, Inc. ("Innovative Eyewear") (NASDAQ: LUCY; LUCYW), the manufacturer of smart eyewear under the Lucyd®, Lucyd Armor®, Reebok®, Eddie Bauer® and Nautica® brands, is pleased to announced its unaudited financial results for the three and six months ended June 30, 2025.

Net revenue for the quarter ended June 30, 2025 was 579,230, an increase of 88% from the quarter ended June 30, 2024. On a year-to-date basis, net revenue for the six months ended June 30, 2025 was 1,033,731, an increase of 49% from the comparable period in 2024. For both the quarter and year-to-date periods, this top-line revenue growth was primarily driven by growing consumer demand of the Company's recent new product launches - the Lucyd Armor® smart safety glasses (launched October 2024), and the Reebok® Powered by Lucyd collection (launched April 2025). The Lucyd Armor product line has been highly successful since its launch and represented nearly half of the Company's total units sold during the current quarter. Additionally, the recently launched Reebok® Powered by Lucyd frames boast the Company's best audio quality to-date, as a result of a strategic initiative begun in 2024 to produce the best sounding smartglasses on the market, with a new team of audio engineers. The 88% revenue growth far outpaced growth in Company's operating expenses for the quarter, which increased by approximately 6%.

Gross profit margin for the second quarter of 2025 was -2%, compared to 18% for the same period in the prior year. Gross profit margin for the six months ended June 30, 2025 was 20%, an increase of 11 percentage points from the prior year. This quarterly decrease of 20% was primarily due to significantly higher custom duties, tariffs, and importation costs. The Company is aggressively responding to the current tariff and international trade environment with a multi-pronged approach including diversification of its logistics network, expansion of ex-US sales, mild price increases on custom lenses and modification of its product fulfilment model. Actions taken by the Company are expected to mitigate the impacts of tariffs going forward.

During the second quarter of 2025, Innovative Eyewear announced several important milestones, including:

- Successful launch of the long-awaited [Reebok® Powered by Lucyd](#) sport smart eyewear collection, which has been very well-received by customers.
- Entry into a partnership with [Smartech Retail Group](#) to showcase the Company's smart eyewear at Smartech's new TM:RW flagship department store, now open in Times Square of New York City.
- Entry into a partnership with [EyeRecommend](#) to provide the Company's smart eyewear to more than 600 independent optometry stores across Canada.
- New handsfree functionality with custom Siri commands for the Company's Walkie feature.

Management believes that the success of the Lucyd Armor product line indicates that delivering smart eyewear for specific user niches can be a significant differentiator. With management's experience developing dozens of different styles and models of smart eyewear, the Company is uniquely positioned to address specific user needs in the sport, safety, and general optical categories.

Harrison Gross, CEO of Innovative Eyewear Inc., commented:

"I am very pleased by our performance and improved sales for the quarter, as we continue our upward trend of outperforming sales each quarter on a year-over-year basis, which we have done every quarter for the last 24 months. We are optimistic about the potential to mitigate the effect of tariffs on our gross margins in the future, as we build a

we are optimistic about the potential to mitigate the effect of tariffs on our gross margins in the future, as we build a more globally focused business with significant distribution outside of the USA. Our sales growth materially outpaced our increased operating expenses as our marketing efforts continue to yield improved returns. Looking ahead to the second half of 2025, we believe we are well positioned to build on our momentum and significantly grow both revenue and market share. I am particularly excited about the potential of our newly launched Reebok® product line, which expanded our portfolio to include smart glasses for active lifestyles, coupled with the continued significant traction of the Lucyd Armor smart safety glasses. Both product lines address vast subsets of the eyewear market which are underserved by smart eyewear providers."



Reebok Powered by Lucyd frames on sale at the TM:RW store in Times Square, New York
The screens play continuous Reebok X Lucyd marketing content.
Image courtesy Innovative Eyewear, Inc.

Overall, the company's bottom line net loss for the second quarter of 2025 was (2,106,094) or (0.66) per share, compared with (1,948,399) or (1.87) per share in the second quarter of 2024, representing an 8% greater loss that was mainly due to significantly higher tariffs. For the six months ended June 30, 2025, the Company had a net loss of (3,884,797) or (1.37) per share, or a 1% smaller loss than (3,919,710) or (4.37) per share in the prior year comparable period.

The Company ended the quarter with 8,912,645 of combined cash and cash equivalents and investments, compared with 7,524,171 combined cash and cash equivalents and investments as of December 31, 2024. This increase in funds was primarily attributable to warrant exercises and other equity transactions entered into during the current quarter.

About Innovative Eyewear Inc.

Innovative Eyewear is a developer and retailer of ChatGPT smart eyewear, under the Lucyd®, Lucyd Armor®, Nautica®, Eddie Bauer® and Reebok® brands. True to our mission to Upgrade Your Eyewear®, our Bluetooth smart glasses allow users to stay safely and ergonomically connected to their digital lives and are offered in hundreds of frame and lens combinations to meet the needs of the optical market. To learn more and explore our continuously evolving collection of smart eyewear, please visit www.lucyd.co.

About Tekcapital plc

Tekcapital creates value from investing in new, university-developed discoveries that can enhance people's lives. Tekcapital is quoted on the AIM market of the London Stock Exchange (AIM: symbol TEK) and is headquartered in the UK. For more information, please visit www.tekcapital.com.

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Tekcapital currently owns 259,455 shares of Innovative Eyewear, Inc. (NASDAQ: LUCY).

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Forward-Looking Statements

This press release contains certain forward-looking statements, including those relating to current and future sales and expenses. Forward-looking statements are based on the Company's current expectations and assumptions. The Private Securities Litigation Reform Act of 1995 provides a safe-harbor for forward-looking statements. These statements may be identified by the use of forward-looking expressions, including, but not limited to, "anticipate," "believe," "continue," "estimate," "expect," "future," "intend," "may," "outlook," "plan," "potential," "predict," "project," "should," "will," "would" and similar expressions that predict or indicate future events or trends or that are not statements of historical matters, but the absence of these words does not mean that a statement is not forward-looking. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise. Important factors that could cause actual results to differ materially from those in the forward-looking statements are set forth in the Company's filings with the Securities and Exchange Commission, including its annual report on Form 10-K under the caption "Risk Factors."

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