Safe Harbor Statement

Certain statements made or incorporated by reference in this presentation reflect management's estimates and beliefs and are intended to be, and are hereby identified as, "Forward-Looking Statements" for purposes of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements often include words such as "believe", "expect", "anticipate", "intend", "plan", "estimate" or similar expressions. These statements are based on certain assumptions that FARO has made in light of its experience in the industry as well as its perspective of historical trends, current conditions, expected future developments and other factors it believes are appropriate under the circumstances. Actual results may differ materially from the anticipated results because of certain risks and uncertainties. These risks and uncertainties are set forth in FARO's Annual Report on Form 10-K and other filings from time to time with the Securities and Exchange Commission.
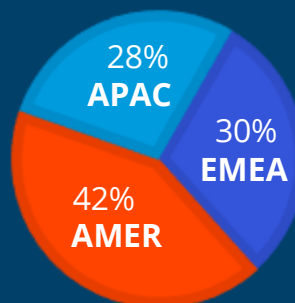
FARO® at-a-Glance

2020 Revenue
$304.4 M*

Gross Margin*
53%

- 28% APAC
- 30% EMEA
- 42% AMER

15,000 Customers

3D Hardware
Image Capture

3D Software
Image Process

Technology Differentiation

Hardware
Better Data Faster

Software
More Data Automated

Cloud
Information Everywhere

Markets

3D Metrology

Architecture, Engineering & Construction (AEC)

Public Safety Analytics

*Financial measures shown on an adjusted non-GAAP basis which exclude the effects of stock compensation expenses, acquisition related intangible amortization expenses and certain material non-recurring items

FARO®

FARO® At-a-Glance

Manufacturing
USA & Germany

40-Years of Innovation
1,400 Employees

Intellectual Property
430 Active Patents

Strong Balance Sheet*
$185.6M Cash $0 Debt

*As of December 31, 2020

FARO®

Focus: Large & Growing Markets

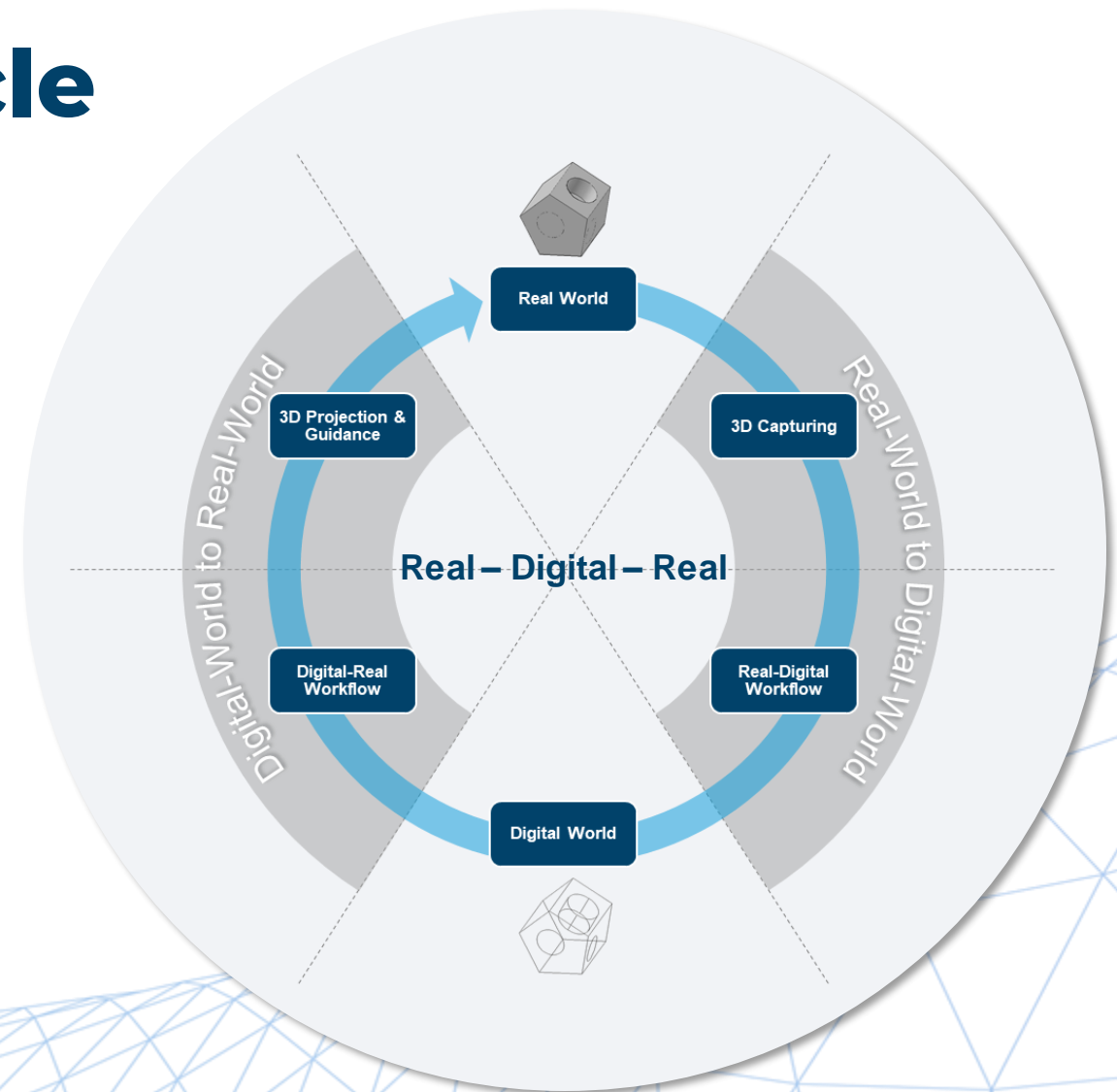| Market Size (TAM)	3D Metrology	Architecture, Engineering Construction (AEC)	Public Safety Analytics
	$4.2B	$1.1B	$6.0B
CAGR Through 2022	6%	6%	16%
2020 % of Revenue	65%	28%	7%

FARO

Real-Digital-Real Cycle

We enable our customers to capture, measure, manipulate, interact with and share data from our physical world in a virtual environment and then translate this information back into the physical domain.

FARO

3D Metrology: Key Products
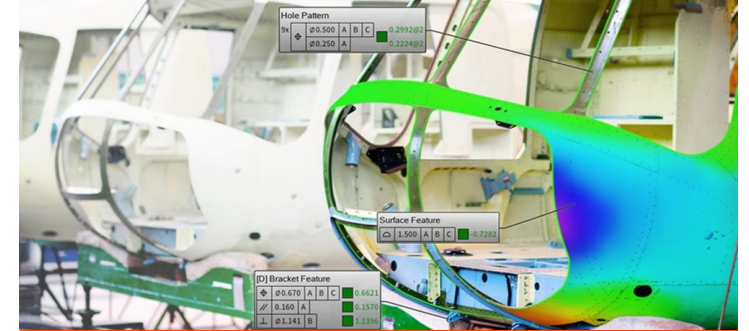
Quantum & Gage FaroArm® & ScanArm

- Portable coordinate measuring machine
- CAD-to-part analysis, machine calibration, reverse engineering

Vantage Laser Tracker

- High accuracy, portable large volume measurement up to 80 meters
- Large part inspection, assembly alignment, machine calibration

Software Suite
Design – Assemble – Inspect

- **Design:** Software tools for efficient scan to meshing workflows
- **Assemble:** Automated and accurate tool and assembly guidance
- **Inspect:** Smart 3D measurement tools with automation and CAD-to-part analysis with real-time reporting

KEY CUSTOMERS

AIRBUS   Ford   BMW   LOCKHEED MARTIN   PORSCHE   NASA   3M

FARO®

Architecture, Engineering & Construction: Key Products
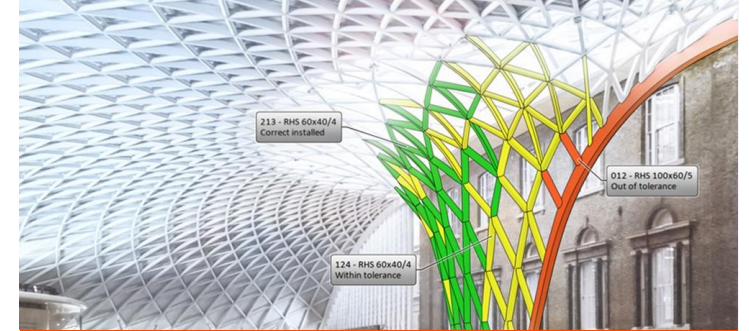
Focus Laser Scanner & Swift Solution

- Fast and accurate 3D measurements for digital reproduction
- Indoor and outdoor, color capability with HDR imaging, mobile scanning integration

Tracer Laser Projector

- 3D laser projection visualization of complex design contour information to site
- Easy set-up and transport for on-site construction workflows

Software Suite
Design – Build – Operate

- **Design:** Generate as-built CAD models from 3D scan data with automation and object detection tools
- **Build:** On-site, accurate validation of builds to design for better quality control
- **Operate:** Real-time online cloud access to 3D data for improved collaboration; data sync to workflow applications

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KEY CUSTOMERS

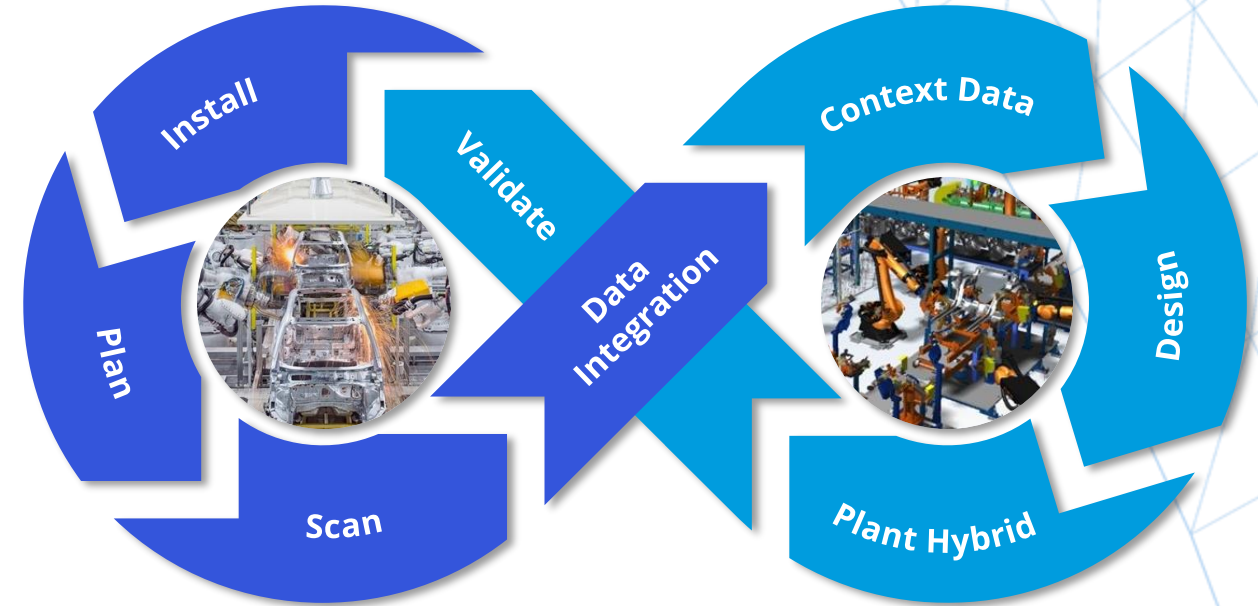Pepper Construction · VOLVO · SNC·LAVALIN · SKANSKA · Mortenson · PG&E · FRANKE

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FARO

What is a Digital 3D Twin?

- A digital 3D-geometric representation of the plant
- An accurate layout representation of the plant – both 2D & 3D
- Continuously updated with plant changes
- Easy to use for early conceptual design work
- The source for plant data into engineering tools (PLM)
- Easy to use & access the "physical" plant engineering design, reaching all relevant stakeholders

Install · Validate · Context Data · Plan · Data Integration · Scan · Design · Plant Hybrid

Engineering (PLM)

Digital 3D Twin

Physical Plant

FARO

Public Safety Analytics: Key Products
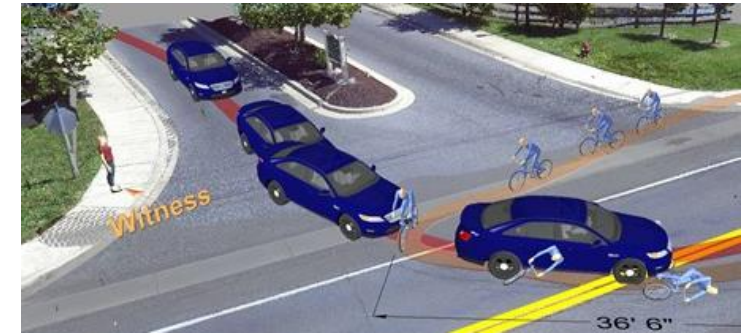

Focus Laser Scanner

- Fast and accurate 3D measurements for digital reproduction and scene analysis

- Indoor and outdoor, color capability with on-site registration and HDR imaging

ScanPlan™ & Freestyle 2 Handheld Scanners

- Photorealistic and high accuracy, portable handheld reality capture

- Quickly document 2D floor plans or 3D scans of hard to access areas and small pieces of evidence

Crash, Crime & Fire Investigation Software

- 2D and 3D diagramming of crash, crime and fire scenes

- Create 3D animations of objects traveling through a 3D point cloud

- Perform bullet trajectory, blood spatter and crash analysis for court-room presentations

KEY CUSTOMERS

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FARO

Increased Software Focus

SCENE

WebShare

WebShare
Enterprise

CAM2

BuildIT
Metrology

BuildIT
Projector

RevEng

RPM

BuildIT
Construction

As-Built
for AutoCAD Software

As-Built
for Autodesk Revit

As-Built
Modeler

Zone 2D

Zone 3D

Zone 3D Advanced

FARO CLOUD ENVIRONMENT

Cloud data availability and processing

Single sign-on and common user interface

Market-driven workflow applications

Real-time customer service tools

2020	2021	2022

Convert multi-platform software products into cloud environment

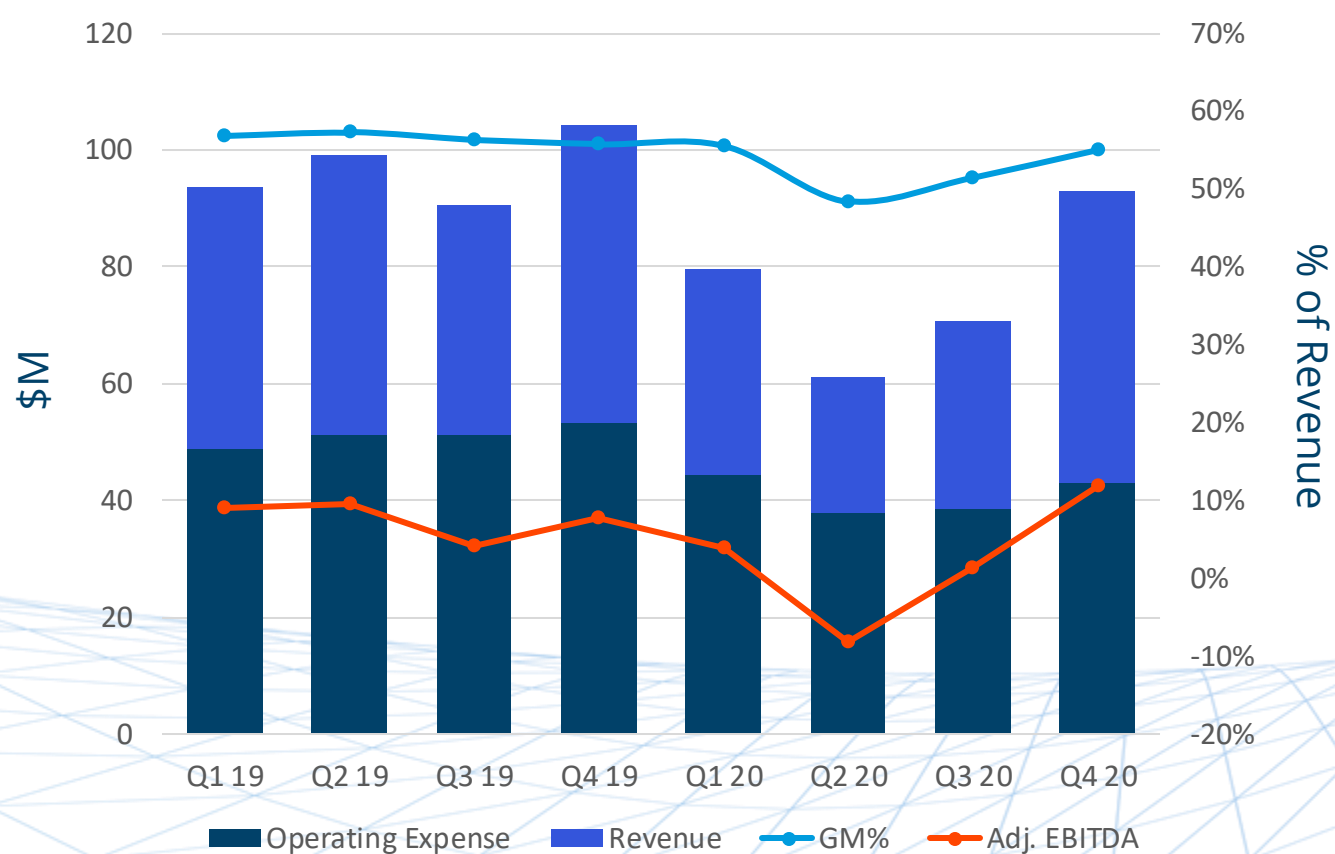Transition perpetual license to SaaS

FARO

Why We Win

Our Commitment to Improving Customer's Time to Decision

- ✓ **Better Data, Faster**
  - High Accuracy LIDAR Technology
  - Integrated Workflows
- ✓ **More Data, Automated**
  - Localization and Mapping
  - Improved ROI with Lower TCO
- ✓ **Information Everywhere**
  - Advanced Analysis Algorithms
  - Augmented Reality and Automation

CUSTOMER INTIMACY

- World Class Customer Support
- Technologically Advanced 3D Instruments
- Market Leading Position
- Software Enabled Customer Workflows
- Agility Enables Time to Market

FARO

Scalable Financial Model

	Success Model
Gross Margin	55 – 60%
Op Expense %	40 – 43%
Adj. EBITDA	20%

- Improving demand conditions
- $40M in annual operating expense savings
- Scalable model expected to realize Success Model with normalized market conditions

Note: All financial metrics presented on a non-GAAP basis

FARO®

Q&A

FARO