



## Luna Innovations to Delay Release of Fourth Quarter and Full Year 2023 Financial Results

March 12, 2024

ROANOKE, Va.--(BUSINESS WIRE)--Mar. 12, 2024-- [Luna Innovations Incorporated \(NASDAQ: LUNA\)](#) (the "Company"), a global leader in advanced fiber optic-based technology, today announced it will delay the release of its fourth quarter and fiscal year 2023 financial results and the subsequent conference call.

A Special Committee of the Company's Board of Directors is conducting an independent review, with the assistance of external legal and financial advisors, of certain transactions for which revenue was recognized in the second and third quarters of 2023 that did not qualify for revenue recognition under U.S. generally accepted accounting principles. The Special Committee is examining the circumstances surrounding these issues and is evaluating, among other things, the Company's disclosure controls and internal control over financial reporting and whether changes in accounting policies or other policies are necessary. The Company currently anticipates reporting material weaknesses in internal controls related to evaluating customer arrangements for proper revenue recognition and other controls and will be working to remediate these issues.

The Company also announced it has filed a Form 12b-25, Notification of Late Filing, with the U.S. Securities and Exchange Commission relating to the Company's Annual Report on its Form 10-K for the year ended December 31, 2023 (the "Annual Report"), as additional time is needed to complete tasks and steps necessary to prepare and finalize the annual financial statements and other disclosures required to be included in the Annual Report, as well as to complete the ongoing review of recognition of revenue referenced above. There can be no assurance as to how long the review will take or when the Company will be able to complete the preparation and filing of the Annual Report. In addition, the review is ongoing, and the Company has not yet determined the full extent of the impact on the second and third quarters of 2023 and whether and to what extent there may be an impact on financial statements for any other periods.

The Company is working diligently on this matter and will provide an update once more information is known.

### About Luna

Luna Innovations Incorporated ([www.lunainc.com](http://www.lunainc.com)) is a leader in optical technology, providing unique capabilities in high-performance, fiber optic-based, test products for the telecommunications industry and distributed fiber optic-based sensing for a multitude of industries. Luna's business model is designed to accelerate the process of bringing new and innovative technologies to market.

### Forward-Looking Statement

The statements in this release that are not historical facts constitute "forward-looking statements" made pursuant to the safe harbor provision of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties. These statements include Luna's expectations regarding the ongoing review being overseen by the Special Committee of the Board of Directors, the impacts of the results of the independent review, including the extent of any impact on the Company's reported historical financial statements, the expected timing of the Company's filing of its Annual Report on Form 10-K for the year ended December 31, 2023, and the determinations with respect to necessary changes in accounting or other policies resulting from the independent review. Management cautions the reader that these forward-looking statements are only predictions and are subject to a number of both known and unknown risks and uncertainties, and actual results, performance, and/or achievements of Luna may differ materially from the future results, performance, and/or achievements expressed or implied by these forward-looking statements as a result of a number of factors. These factors include, without limitation, the review being overseen by the Special Committee of the Board is still ongoing and the Special Committee will likely continue to discover additional information through the review, the determinations with respect to the degree of transactions and relevant financial reporting periods implicated thereby, the resulting effects on the Company's reported financial results and the delay in the Company's reporting of its financial results and filing of its Annual Report on Form 10-K with the SEC, as well as the other risks and uncertainties set forth in Luna's periodic reports and other filings with the Securities and Exchange Commission ("SEC"). Such filings are available on the SEC's website at [www.sec.gov](http://www.sec.gov) and on Luna's website at [www.lunainc.com](http://www.lunainc.com). The statements made in this release are based on information available to Luna as of the date of this release and Luna undertakes no obligation to update any of the forward-looking statements after the date of this release.

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