

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 24, 2023

Luna Innovations Incorporated
(Exact name of registrant as specified in its charter)

301 1st Street SW, Suite 200
Roanoke, VA 24011
(Address of principal executive offices, including zip code)

540-769-8400
(Registrant's telephone number, including area code)
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.001 par value per share	LUNA	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth Company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure.

As previously announced, on May 24, 2023, Luna Innovations Incorporated (the “*Company*”) will host an Investor Day. A webcast of the Investor Day will be available through the Events page of the Investors section of the Company’s website. The Investor Day will include a Company overview slide presentation, which includes a reaffirmation of its previously announced 2023 second quarter and full year financial guidance. A copy of this slide presentation is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

In accordance with General Instruction B.2. of Form 8-K, the information in this Item 7.01 and Exhibit 99.1 hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”), or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any of the Company’s filings under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, regardless of any incorporation language in such a filing, except as expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

<u>Exhibit</u>	<u>Description</u>
99.1	Company Presentation.
104	The cover page from Luna Innovation Incorporated’s Form 8-K filed on May 24, 2023, formatted in Inline XBRL.

Luna Investor Day

LUNA

May 24, 2023

Safe Harbor

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995

This presentation includes information that constitutes "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 the company's expectations regarding its technological and product capabilities, market growth and its market position, revenue growth, customer activity, engagement and prospects, customer problems, industry trends, recurring sales, margin, general product performance, the company's future financial performance, including guidance, and market recognition of key technologies and demand for its products, the company's overall growth potential, workforce, investment in innovation, capitalization and access to, and deployment of, capital, sales models and tools, operational planning and execution, quality processes, research and development, strategic position and corporate and leadership governance, focus, discipline, values, strength, philosophy and culture. 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 the company 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, customer relationships, failure of demand for the company's products and services to meet expectations, industry trends, failure to penetrate target markets or of those markets to grow and expand, technological, operational and strategic challenges, integration of acquisitions, challenges with workforce and innovation, global supply chain issues, geopolitical and economic factors and those risks and uncertainties set forth in the company's periodic reports and other filings with the Securities and Exchange Commission ("SEC"). Such filings are available on the SEC's website at sec.gov and on the company's website at www.lunainc.com.

The statements made in this presentation are based on information available to Luna as of the date of this presentation, May 9, 2023, and Luna undertakes no obligation to update any of the forward-looking statements after the date of this presentation, except as required by law.

Adjusted Financial Measures

In addition to U.S. GAAP financial information, this presentation includes Adjusted EBITDA and Adjusted EPS, which are non-GAAP financial measures.

These non-GAAP financial measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with U.S. GAAP. A reconciliation of Net Income to Adjusted EBITDA and Net Income to Adjusted EPS are included in the appendix to this presentation.

Agenda

Welcome	Allison Woody , Senior Director of Administration
Company overview and strategy	Scott Graeff , President & Chief Executive Officer
Luna opportunity and approach to growth	Brian Soller , Chief Technology Officer and Executive Vice President of Corporate Development
Human capital strategy	Eva Hartmann , Senior Vice President of Human Resources
Operations overview	Jackie Kline , Senior Vice President of Operations
Sales and marketing plan	Salvan Farooqui , Senior Vice President of Global Sales
Luna financial overview	Gene Nestro , Chief Financial Officer and Senior Vice President of Finance
Q&A	All
	Lunch

Why Luna, why now?

Scott Graeff

President &
Chief Executive Officer

Key takeaways from today's presentation

Completed goals set out in last 5-year plan to create a **pure-play fiber optics** company

Provide **mission-critical information** to our customers to maximize their processes and protect their assets

"One Luna" philosophy will drive profitable growth

Continue to invest in **scalable** platforms, processes and people

Aligned with macro trends in industries with vast market potential

FY 2022 statistics

\$112M
Revenue¹

\$12M
AEBITDA

43%
5-year CAGR



■ Comms Test
■ Sensing



1000s
Customers



700+
Patents



~350
Employees



5,000+
Global installations



12
Global locations



Dozens
Long-term contracts

WHO WE ARE

¹ Constant currency

Since 2017, Luna has transformed and is now well-positioned for growth



We are connected
by our shared
vision, mission,
and values

— WHO WE ARE

Vision
Enabling
the future
with fiber

Mission

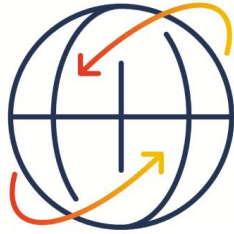
To enhance the safety,
security and connectivity
of people by leveraging
our expertise in fiber
optic-based technology
and the information
it provides

Values

Ownership
Integrity
Creativity
Enthusiasm
Results-oriented

“One Luna” is our operating philosophy and culture

One Luna



Which drives:

- Strategy – focus, invest where we’re strong, divest non-core assets
- Operating leverage – global footprint, driven by competency-based leadership
- Scalability
- Performance culture
- Customer approach
- Integration methodology

— WHO WE ARE

Problems we solve for our customers

- Global aging and safety of critical infrastructure (dams, bridges, buildings, pipelines)
- Keeping perimeters secure
- Protecting assets from fire
- Need for new materials to be lighter and safe
- Production of green energy
- Ensuring performance and operability of fiber components and short networks
- Reducing long design cycles for R&D
- Conventional technology doesn't always work for testing in R&D

— WHAT WE DO

Luna leverages its expertise in fiber optic-based technology to enhance safety, security and connectivity of people



SENSING

Luna sensing products **measure** physical parameters of materials and **monitor** health, usage, and security of assets



COMMS TEST

Luna comms test products **measure** and **control** light, enabling and analyzing next-generation optical communications, systems and instruments



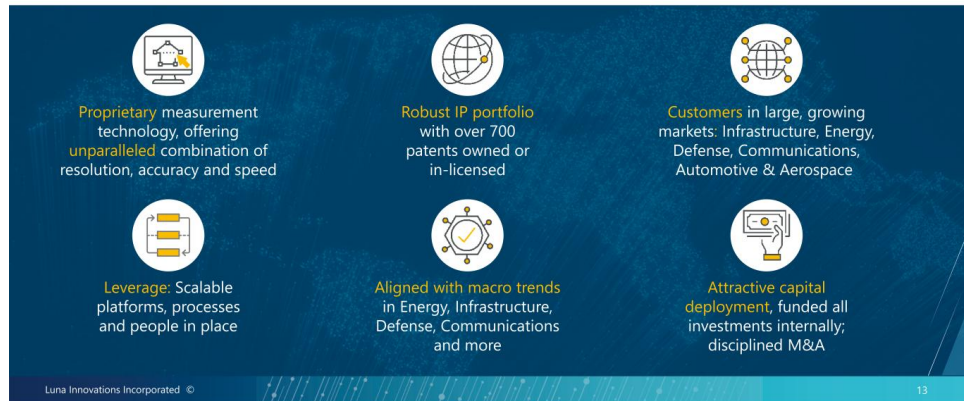
WHAT WE DO



Why Luna? Why now?

Why Luna? Our investment thesis

Enabling the future with fiber



The graphic features six circular icons arranged in a 2x3 grid. Each icon is white with a dark blue border and contains a white symbol. The symbols are: a scale of justice, a globe with a padlock, a globe with nodes, a balance scale, a globe with a checkmark, and a hand holding a tablet. The text is in white and yellow, with yellow used for key terms like 'unparalleled', 'robust', 'aligned', and 'attractive'.

- Proprietary measurement technology**, offering **unparalleled** combination of resolution, accuracy and speed
- Robust IP portfolio** with over 700 patents owned or in-licensed
- Customers** in large, growing markets: Infrastructure, Energy, Defense, Communications, Automotive & Aerospace
- Leverage:** Scalable platforms, processes and people in place
- Aligned with macro trends** in Energy, Infrastructure, Defense, Communications and more
- Attractive capital deployment**, funded all investments internally; disciplined M&A

Luna Innovations Incorporated © 13



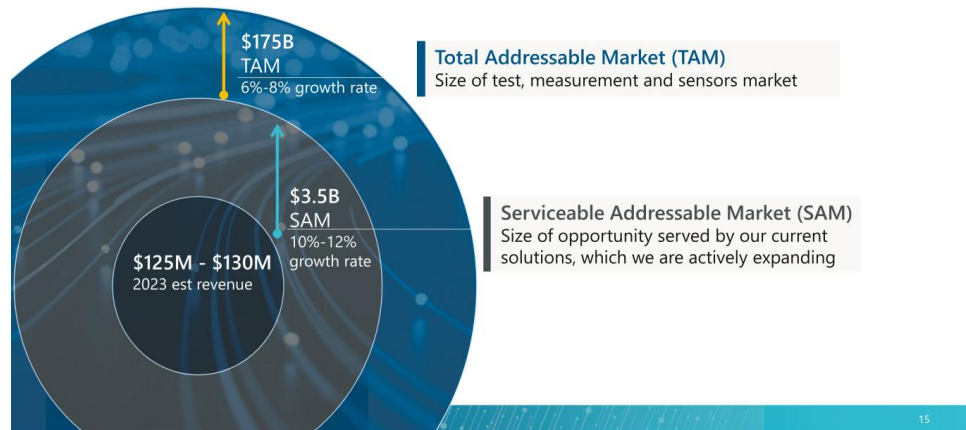
Why now?

- Achieved 5-year strategic plan creating pure play in fiber
 - Divestitures and acquisitions
 - Scalable platforms, processes and people
 - Significant international expansion
- Market is ready
 - Shifting away from conventional and toward Luna's fiber-based solutions
 - Aligned to current macro trends driving opportunities
- One Luna creates leverage and shareholder value
- Predictable revenue streams
 - Blanket orders
 - Recurring revenue

Luna Innovations Incorporated ©

14

Our growth plan enables us to exceed market growth rates



Luna has a well-planned roadmap to achieve 15% - 20% growth

Move into larger, higher-value opportunities in manufacturing, maintenance & monitoring



Our company goals for next 3 - 5 years will drive growth and shareholder value




Our purpose
*Utilize our unique position to
enable the future with fiber*

Luna Innovations Incorporated © 18

A team is in place that can execute aggressive growth plans





*Hire the best and brightest, get
out of their way, and let them
do what they do.*

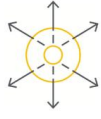
Scott Graeff

Why Luna, why now?

Brian Soller, PhD

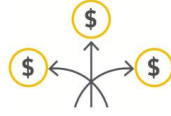
Chief Technology Officer and EVP,
Corporate Development

One Luna approach to growth and innovation



Expand

Deliver additional value across the customer's asset lifecycle by **Expanding** our scope and activities



Diversify

Leverage our technology and solutions into adjacent markets to **Displace** conventional thinking



Innovate

Develop **Disruptive** technologies by applying our broad domain knowledge and heritage

Luna leverages its expertise in fiber optic-based technology to enhance safety, security and connectivity of people



SENSING

Luna sensing products **measure** physical parameters of materials and **monitor** health, usage, and security of assets









COMMS TEST

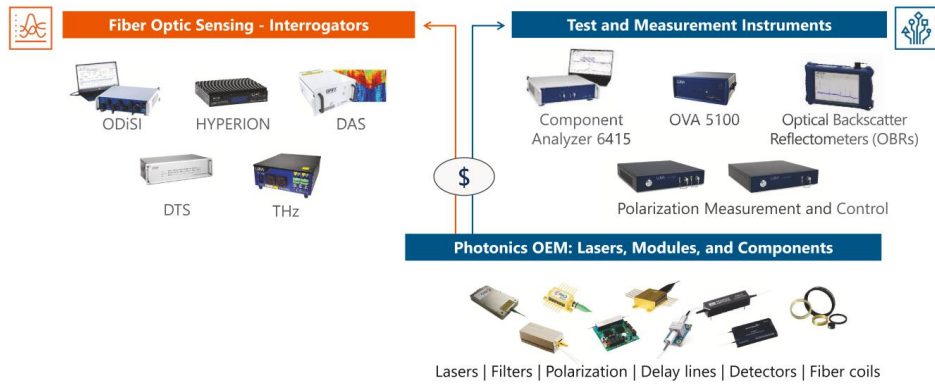
Luna comms test products **measure** and **control** light, enabling and analyzing next-generation optical communications, systems and instruments



We will drive growth through two market verticals

SENSING 	Fiber optic sensing  A <ul style="list-style-type: none">• Energy• Oil & gas• Infrastructure• Aerospace	Terahertz sensing  B <ul style="list-style-type: none">• Automotive EV• Industrial adhesives• Military / defense
COMMS TEST 	Photonics test & control  C <ul style="list-style-type: none">• Communications• Defense• Silicon photonics• Quantum computing	Enabling photonics components  D <ul style="list-style-type: none">• Medical• Defense• LiDAR• Space

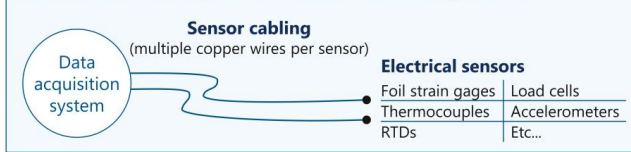
Luna is vertically integrated in many key components used to build instruments



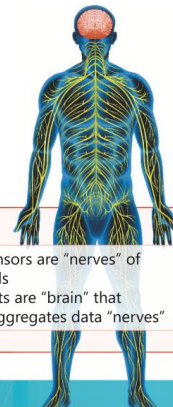
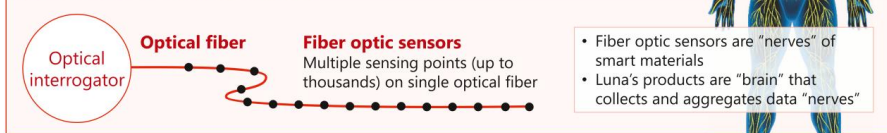


An analogy to explain sensing

Traditional data acquisition and measurement systems



Distributed fiber optic sensing



A closer look at SENSING solutions



SENSING



MEASURE

Physical property of material or structure

Instruments and sensors to make measurements of physical properties of materials that are unmeasurable using conventional technology

- **Application:** Research & development of new materials, quality control & verification of systems and structures
- **Who:** Researchers, designers, quality control, engineers

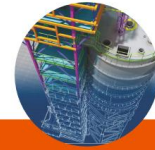


MONITOR

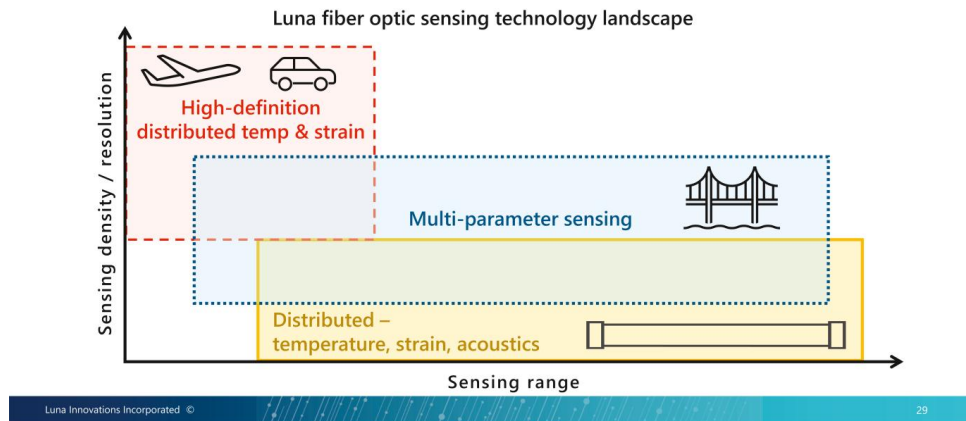
24 x 7 asset monitoring

Complete solutions to monitor health, usage, and security of critical assets

- **Application:** Permanently installed instrumentation, sensors and software
- **Who:** Asset owners, operators, state and federal agencies, power utility companies



Luna sensing capabilities provide a spectrum of measurements needed by our customers



Sensing targeted industries / mega drivers

Infrastructure	Energy	Industrial
<ul style="list-style-type: none">• Critical infrastructure• Telecom & smart city• Perimeter security• Fire detection	<ul style="list-style-type: none">• Oil & gas• Wind• Power & utility• Clean energy	<ul style="list-style-type: none">• Process control• Composites manufacturing• EV & battery technology• Production/manufacturing

Drivers:

- Growth of conventional and green energy demand
 - 47% growth in energy demand over next 20 years
 - Offshore wind growing at 16% CAGR
- Light-weighting and green initiatives
 - Expansion of the use of composites in aerospace and automotive, and new materials in construction
- Global increase in demand for security solutions
 - International borders, high-value asset security
- Growing need for more advanced infrastructure monitoring
- Industry 4.0 need for advanced manufacturing solutions

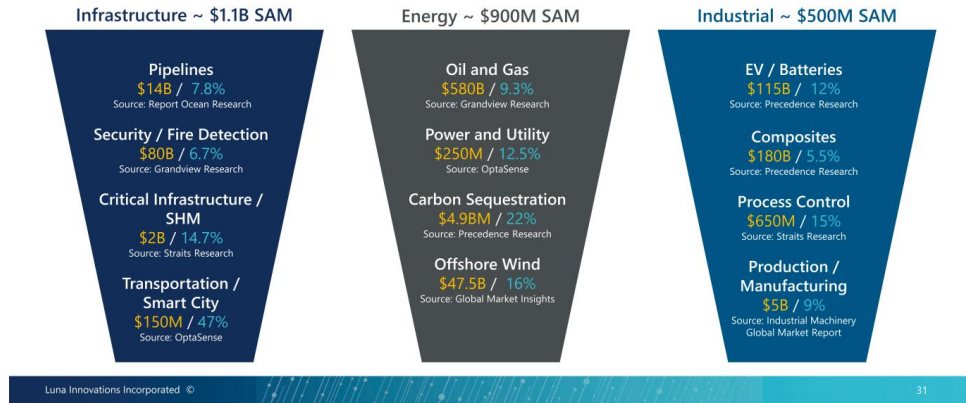
Luna Innovations Incorporated ©





Opportunity: Market outlook and key growth segments

(2022 estimated market size and forecasted CAGR)



Sensing three to five-year growth strategy

Expand, Diversify, and Innovate



Strategy focused on:

- Product roadmap and enhancements needed to hit growth milestones
- Developing additional partnerships
- Increasing recurring revenue

Fiber optic sensing global market is \$2.5B+ with CAGR greater than 12%



Comms test is a mix of instrument and OEM laser/ component sales



COMMS TEST



TEST AND MEASURE

Instrumentation and solutions to characterize and test photonic components & fiber networks

- **Applications:** Research and development of new designs, manufacturing test of optical components, field test of fiber networks
- **Who:** Optical component and silicon photonics manufacturers, network element manufacturers, military defense contractors, data center operators



PHOTONIC SYSTEMS

Technology building blocks integrated into photonic laser-based systems

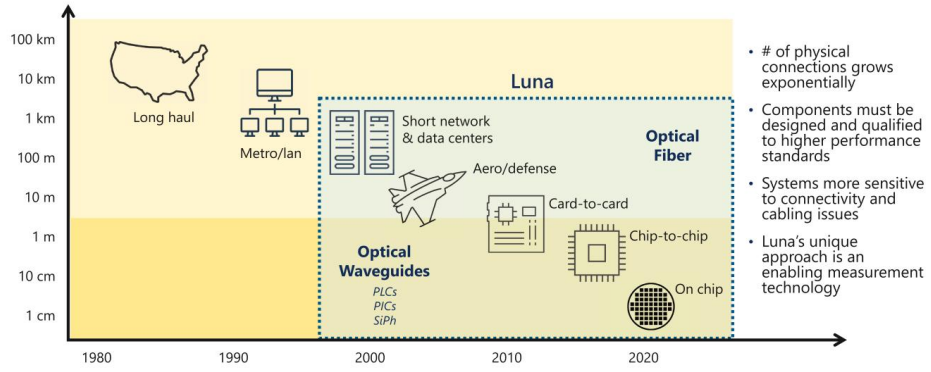
- **Applications:** Quantum computing, medical imaging and robotics, directed energy weapons, high-power laser systems, LiDAR systems, navigation and positioning fiber optic gyros, space and satellite communications
- **Who:** Military defense contractors, quantum computer developers, medical instrument manufacturers, LiDAR OEM developers





What is Comms Test?

Optical communications has evolved, signals go farther than copper



- # of physical connections grows exponentially
- Components must be designed and qualified to higher performance standards
- Systems more sensitive to connectivity and cabling issues
- Luna's unique approach is an enabling measurement technology

Comms test targeted industries / drivers



COMMS TEST

Communications	Defense	Medical	Quantum Tech
<ul style="list-style-type: none">• High-speed optical devices• Silicon photonics• Data center connectivity	<ul style="list-style-type: none">• Field test for aerospace networks• Directed energy	<ul style="list-style-type: none">• OCT imaging• Guided robotics	<ul style="list-style-type: none">• Precise control of light

Mega drivers:

- Silicon photonics expected to grow from 20% to 30% of optical transceiver market by 2027
- 5G deployments - subscribers expected to increase from 1B to 5B in 5 years
- Artificial Intelligence & Machine Learning
 - Data center AI networking market expected to grow from \$350M to \$6.5B in 2027
- Growing demand in Defense, Space, Medical & LiDAR applications
 - Directed energy CAGR of 19% 2022-2028, medical robotics growing 21.3% CAGR through 2030, LiDAR growing 21% through 2027

Luna Innovations Incorporated ©



36



Opportunity: Market outlook & key growth segments

(2022 estimated market size and forecasted CAGR)

Optical Device Test ~ \$500M SAM

Photonics Integrated Circuits/SiPhi

\$1.16B / 27.4%

Source: Report Polaris Research

Fiber Optic Components

\$26.68B / 8.9%

Source: MarketsandMarkets Research

Specialty Fiber

\$1.6B / 11.9%

Source: 360 Market Research

Field Fiber Network Test ~ \$100M SAM

Mil/Aero

\$62.5M / 5.7%

Source: Data Bridge Research

Telecom/Datacenter

\$187.5 / 5.7%

Source: Data Bridge Research

Photonic Systems (OEMs) ~ \$500M SAM

Medical Optical Imaging Equipment

\$2.18B / 14.8%

Source: Emergen Research

High Energy Lasers

\$11.55B / 11.8%

Source: Maximize Market Research

Fiber Optic Sensors

\$3.95B / 10.9%

Source: BCC Research

LiDAR

\$3.12B / 25%

Source: GMI Research

Quantum Tech

\$4.7B / 21.47%

Source: GlobalNewsWire Research

Comms test three to five-year growth strategy

Expand, Diversify, and Innovate



Strategy focused on:

- Establishing Luna as standard for test
- Expanding out of R&D into production
- Growing key OEM accounts

Fiber optic comms test global market is \$1B+ with CAGR greater than 8%

Summary: Luna is ready to make the most of opportunities

- Large markets with growing secular demand
- Highly differentiated, market-leading technology
- Growing base of large, flagship customers
- Multiple “shots on goal” proving opportunity for enhanced growth
- Investing to support innovation and growth





Technology is the fuel that propels us forward, but it is our relentless pursuit of innovation that sets us apart.

Brian Soller



Enabling the
future with fiber

Why Luna, why now?

Eva Hartmann

Senior Vice President –
Human Resources

What we look like today – Luna is a global company

- Moving to next phase of growth and scale
- Future-minded
- One Luna operating philosophy and culture
- Solid HR infrastructure
- Top talent to build and sustain innovation and top-line growth
- ~350 employees



An abstract graphic on the left side of the slide, featuring a dark blue background with numerous bright blue dots connected by thin, glowing lines, creating a complex network or data visualization effect.

Human Capital goal

Deliver a competitive advantage that **drives** and **sustains** Luna's profitable growth over next 3 – 5 years.

Luna Innovations Incorporated © 44

Human capital strategy moving forward



- 1 Drive employee engagement and One Luna operating philosophy
- 2 Lead succession planning and leadership development processes
- 3 Acquire right talent to grow
- 4 Manage HR integration of acquisitions
- 5 Pursue HR operational excellence

Champion culture so employees feel included and engaged, and share common employee experience



1

Drive employee engagement and One Luna operating philosophy

- Celebrate our Employer Value Proposition (EVP)
- Recognize employee innovation, excellence and achievement
- Champion Luna values
- Focus on employee wellness
- Celebrating diversity
- ESPP - employees as shareholders

Build bench strength and ensure future performance and sustainability



2

Lead succession planning and leadership development

- Drive succession planning processes
 - Manage Individual Development Plans (IDPs) for key successor candidates
- Build One Luna alignment to drive growth
 - Launch Leadership Summit
 - Cascade vision, mission, values messages

Enable the business to grow and realize a competitive advantage through its people



3

Acquire the right talent to grow Luna

- Attract key talent to take Luna forward
 - Global recruiting
 - Build candidate pool
 - Leverage relationships with local universities
- Champion ongoing engagement and retention efforts
 - Exit interviews for continuous improvement
 - Perform “stay interviews”

Maximize potential of people and expertise gained through acquisition to realize accretive value of combined firm



4

Manage HR integration of acquisitions

- HR and business integration as One Luna
 - Technology, process, people and operating philosophy & culture
- Provide merger and acquisition support to maximize investment
 - Lead HR due diligence and integration processes

Ensure processes, programs and tools are implemented consistently, globally and efficiently



5


Pursue HR operational excellence

- Drive HR operational excellence and process improvement
 - Leverage global HRIS functionality
 - Drive employee development
 - Launch performance management process
- Manage compliance and risk
 - Incorporate compliance training to mitigate risk

Human Capital: What does success look like?



- ✓ High employee retention / low turnover
- ✓ Employer value proposition survey feedback
- ✓ Opportunities for growth and development
- ✓ Employee recognition programs
- ✓ Increase shareholder value



I love my job -- to realize potential, at the individual and the company level, in order to create a competitive advantage for Luna through its people.

Eva Hartmann



**Enabling the
future with fiber**

Why Luna, why now?

Jackie Kline

Senior Vice President - Operations

An abstract graphic on the left side of the slide, featuring a dark blue background with a complex network of glowing blue lines and dots, resembling a data network or a molecular structure. The lines are thin and connect various points, some of which are larger and brighter than others.

Operations goal

Achieve operational excellence through global, integrated ops footprint to support **scalability, standardization** and **continuous improvement**.

Luna Innovations Incorporated © 55

Operations has accomplished much in the last 5 years

To scale to planned revenue growth, we will continue transforming to competency-based One Luna

From

- **Collection of acquired companies**
- Quality rigor being installed
- Complex footprint with multiple manufacturing locations
- **Ad-hoc approach to integration**

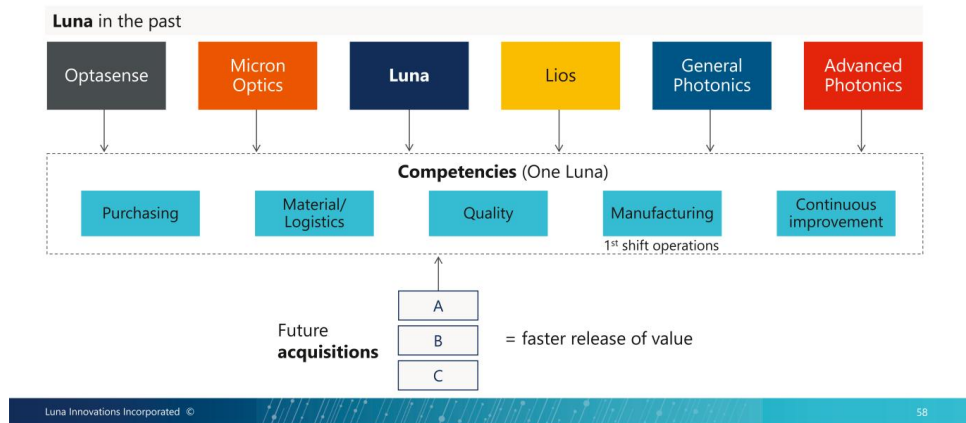
To:

- **Fully-integrated and scalable global operations**
- Simplified footprint allowing focused investment
- Robust capabilities and rigorous quality process system
- Continued implantation of platform-based products reducing costs and lead-times
- **Leveraging capabilities from all locations**

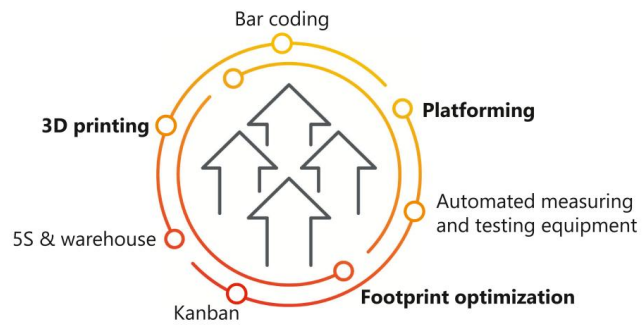
The “how” – operational tactics to achieve our goal



1 Scalability: Transform operations from vertical independent divisions to core competency-based functions



2 Drive a continuous improvement philosophy across all Luna operations – project driven



3

Focus on Quality processes



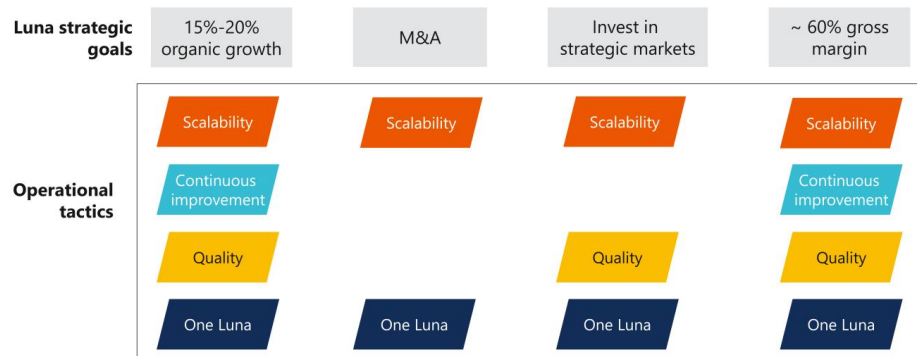
- ISO 9001 2015 for all Luna
- Install quality rigors
 - Design & process (DFEMA & PFEMA)
 - Consistency in processes gauge (R&R)
 - Implement safe launch to reduce escapes
- Empower employees (shut it down)

④ Strengthen & build upon “One Luna” by utilizing our operational expertise within all locations



- Align critical competencies of all manufacturing division and drive standards
- **Consolidate footprint to improve absorption**
- Establish succession plans through operations
- Leverage purchasing power
- Build to inventory plan
- **Leverage expertise across all locations and competencies to reduce cost and lower risk**

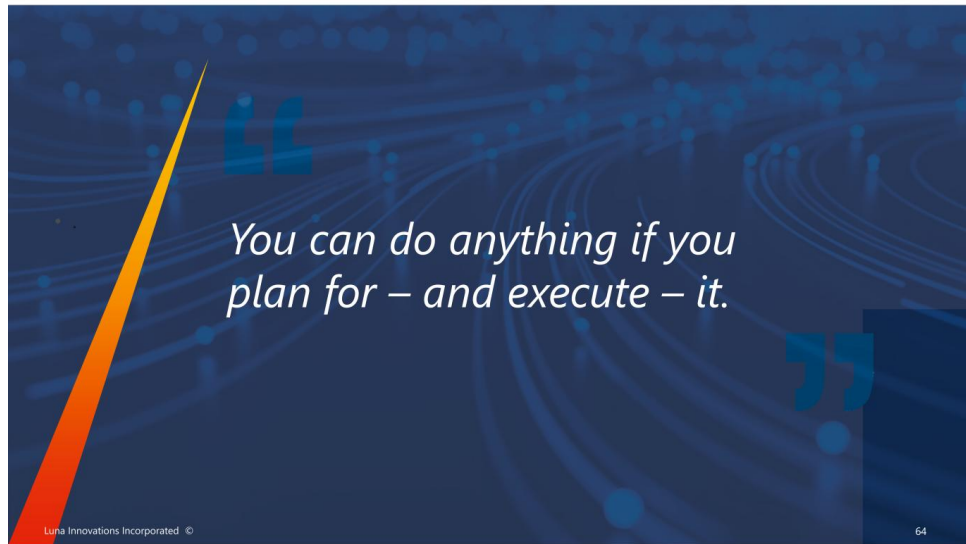
Operational tactics align to Luna strategic goals



Operations: What does success look like?



- ✓ ~ 60% gross margin
- ✓ Ship to schedule above 98%
- ✓ Quality - returns less than 1%
- ✓ Revenue matching booking rates
- ✓ Safety – zero recordables
- ✓ Continuous shareholder value creation





**Enabling the
future with fiber**

Why Luna, why now?

Salvan Farooqui

Senior Vice President of Global Sales

We've been preparing sales for this moment

Reorganized from siloed and non-integrated to focused and integrated

- Fine-tuned sales model
- Introduced uniform sales tools
- Focusing on One Luna operating philosophy
- Working in sync with Marketing to support Sales
- Foundation in place, but will continue to align sales in response to acquisitions and market opportunities



Luna Innovation Incorporated

67

An abstract graphic on the left side of the slide, featuring a dark blue background with numerous bright blue dots connected by thin, glowing lines, creating a network or data flow visualization.

Sales goal

Increase sales **15% - 20%** annually by leveraging our ability to **provide total solutions** to our customers via One Luna.

Luna Innovations Incorporated © 68

Current Luna global sales organization

Two sales teams focused on key core competencies and supporting revenue goals

Product Sales

Sales professionals focused on product sales

- Follows classical instrumentation sales model
- Technically capable of positioning products to close
- Instruments, Lasers & Modules that include Comms Test & Sensing

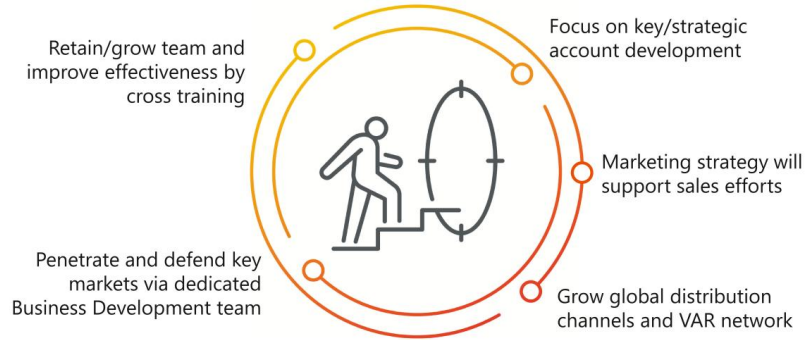
Systems Solutions

Team focused on large, field-deployable monitoring solutions

- Drives business by strategically aligning with key segments
- High customization + services
- High potential for recurring revenue for services and system upgrades

Sales growth strategy for next 3 – 5 years

How we get there



Sales: What does success look like?



- ✓ Meet sales targets to double revenue in 4 – 5 years
 - Cross sell Luna capabilities
 - Aggressively expand sales funnel through sales and marketing efforts
- ✓ Consistently add and retain sales talent
- ✓ Leverage customer successes to drive incremental sales
- ✓ Increase shareholder value

I drive the top line to provide year-over-year growth.

Salvan Farooqui

Luna Innovations Incorporated ©

72



Enabling the
future with fiber

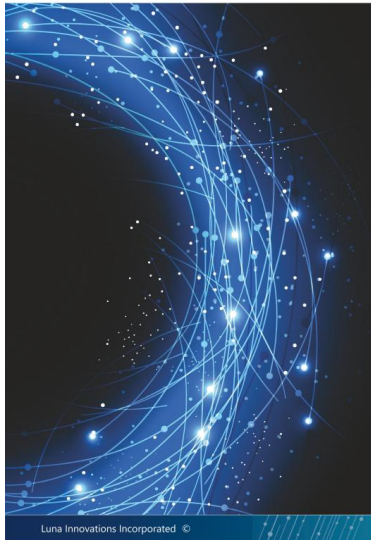
Why Luna, why now?

Gene Nastro
Chief Financial Officer



Our financial execution has supported Luna's transformation

- ✓ Sustained organic top-line growth, enhanced by acquisitions
- ✓ Demonstrated ability to prudently manage expenses and drive margin
- ✓ History of accretive acquisitions and value-creating divestitures
- ✓ New, modern systems allow scalability

An abstract graphic on the left side of the slide, featuring a dark blue background with numerous bright blue dots connected by thin, glowing lines, creating a network or data flow visualization.

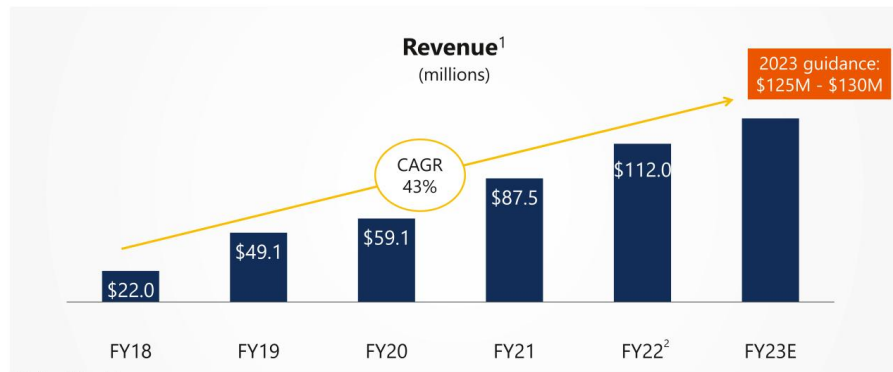
Our financial priorities will support **long-term growth** and **profitability**.

Priorities ensure the Finance organization is structured to support continued:

- Organic growth
- Acquisitions activity, including robust due diligence and integration
- Access to capital

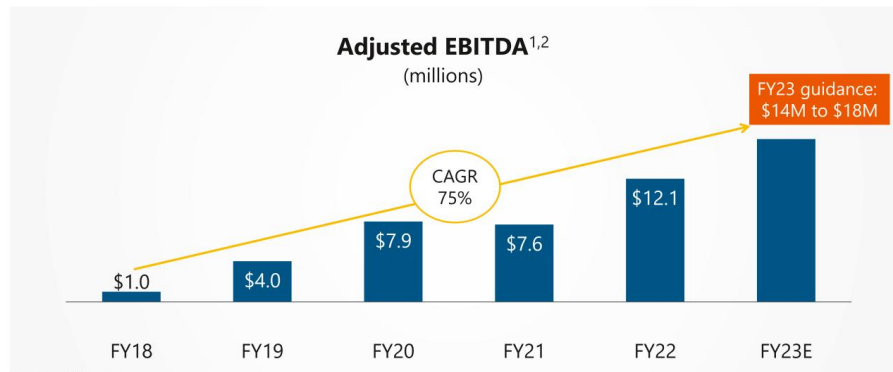
Luna Innovations Incorporated © 76

Revenue has been driven by strong organic growth, supplemented by efficient M&A



¹Results exclude Luna Labs
²Constant currency

We have delivered solid AEBITDA, while internally funding many initiatives



¹Results exclude Luna Labs

²Adj EBITDA is a non-GAAP measure. Reconciliation of comparable GAAP measures to non-GAAP measures are included in the appendix of the Q1 22 presentation found on our website

Luna will continue to deploy capital prudently

Balance sheet on March 31, 2023

Total assets	\$152.1M
Cash and cash equivalents	\$3.6M
Working capital	\$57.3M
Total debt outstanding	\$25.2M
Term debt	\$18.5M
Draw on revolver	\$6.7M

All investments over past five years – (business and M&A) – were funded using balance sheet through cash and bank debt

Future – will deploy capital to generate long-term sustainable growth

- Increasing organic sales
- Reinvesting in our business
- Identifying inorganic opportunities

Financial objectives for next 5 years



Revenue growth **15% - 20%**
Double revenue in 4 – 5 years

Gross margin **60%**

Profitability **~20% AEBITDA**

= increasing shareholder value

Reaffirming 2023 Guidance




Full-year
total revenue
\$125M to \$130M



Full-year
adjusted EBITDA
\$14M to \$18M



Top-line revenue
guidance for Q2
\$29M to \$31M



As a CFO I believe our company's success is not just measured by our financial performance, but by the impact we have on our stakeholders and the world around us.

Gene Nestro



Scott Graeff

President & Chief Executive Officer

Key takeaways from today's presentation

Completed goals set out in last 5-year plan to create a **pure-play fiber optics** company

Provide **mission-critical information** to our customers to maximize their processes and protect their assets

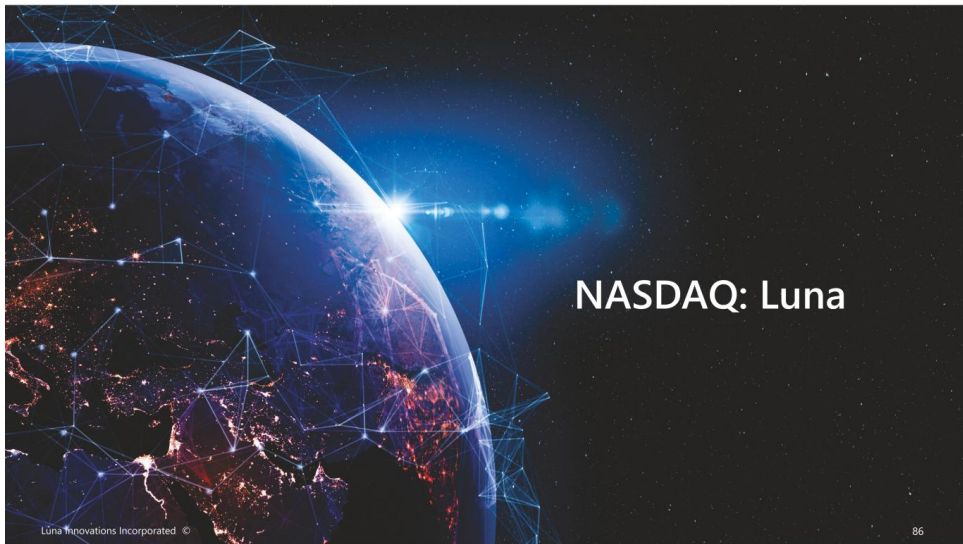
"One Luna" philosophy will drive profitable growth

Continue to invest in **scalable** platforms, processes and people

Aligned with macro trends in industries with vast market potential



Questions



NASDAQ: Luna

