



Luna Innovations Reports Q3 2025 Results Including Continued Bookings Growth and Margin Expansion

ROANOKE, VA – November 4, 2025 – Luna Innovations Incorporated (OTCMKTS: LUNA) (“Luna” or the “Company”), a global leader in advanced fiber-optic technology, today announced preliminary unaudited financial results for the third quarter ended September 30, 2025. The Company reported continued growth in bookings, revenue, and positive cash generation.

“Our third quarter performance reflects disciplined execution and sustained attractiveness of our core markets,” said Kevin Ilcisin, President and Chief Executive Officer of Luna. “Both our Optical Communications and Sensing businesses delivered growth while we continued to improve margins and strengthen liquidity.”

Financial Highlights for the Third Quarter Ended September 30, 2025

Based on preliminary estimates, the Company expects the following financial results for the third quarter ended September 30, 2025:

- Bookings: \$41.6 million, up 8% from \$38.6 million in Q3 2024.
- Revenue: \$37.1 million, up 24% year-over-year.
- Gross Profit: \$19.5 million, representing a 53% gross margin (versus 42% in Q3 2024).
- Operating Loss: \$4.0 million, compared to \$16.6 million in Q3 2024.
- Net Loss: \$7.5 million, versus \$15.3 million in the prior-year period.

“Demand for our optical test solutions remains robust as customers expand high-speed data infrastructure,” said Will Denman, SVP and GM of the Optical Communications Test business.

“We are pleased with the strong and increasing customer demand for our sensing solutions across energy, utilities, and infrastructure applications, supported by global deployments of our ATLAS Acoustic Sensing Platform,” added Darcy Dement, SVP and GM of the Sensing business.

Select Balance Sheet Information (Unaudited):

As of September 30, 2025

Cash and Cash Equivalents	\$10.1 million
Accounts Receivable, net	\$28.1 million
Accounts Payable & Accrued Liabilities	\$39.9 million
Total Debt	\$44.6 million
Series B Convertible Preferred Stock ¹	\$58.8 million
Total Liabilities	\$106.7 million
Stockholders' Equity	\$22.9 million

Operational Highlights

Margin Expansion: Continued manufacturing efficiency and favorable product mix supported strong gross margins.

Preliminary Unaudited Financial Information

This press release contains preliminary estimates of selected unaudited financial and other information for the Company's quarter ended September 30, 2025. The information contained herein reflects our preliminary estimates based on currently available information and is subject to change. Luna ceased to be listed on The Nasdaq Stock Market and is no longer a registrant under the Securities Exchange Act of 1934. The Company provides this information voluntarily to keep shareholders and stakeholders informed during its ongoing strategic review. These results have not been reviewed or audited by the Company's independent auditors and are subject to change.

Forward-Looking Statements

¹ Total aggregate liquidation preference of \$65.9 million as of September 30, 2025, inclusive of accrued and unpaid dividends; Series B preferred stock callable by the Company in connection with a change of control at a repurchase price equal to 150% of liquidation preference.

The statements in this release that are not historical facts constitute “forward-looking statements”. These statements include, but are not limited to, preliminary financial results and statements made regarding the Company’s expected and future financial and operational results. 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, or achievements of the Company may differ materially from the future results, performance, or achievements expressed or implied by these forward-looking statements because of a number of factors. 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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