



Luna Innovations Announces \$35M Debt Facility

June 28, 2022

Replaces Previous Debt Facilities

ROANOKE, Va.--(BUSINESS WIRE)--Jun. 28, 2022-- Luna Innovations Incorporated (NASDAQ: LUNA), a global leader in advanced fiber optic-based technology, today announced that it has entered into a new five-year debt facility for \$35 million. The debt is provided by PNC Bank, National Association (an affiliate of PNC Financial Services Group, Inc.) (NYSE: PNC)), one of the leading credit providers to middle market companies across the country. The new agreement includes a \$20 million term loan facility and a \$15 million revolving credit facility.

The new agreement provides the Company with a term loan of \$20 million, with an interest rate of SOFR plus 10 basis points, in addition to a margin ranging from 175-250 basis points based on a net leverage ratio. The agreement also provides the Company with a revolving line of credit of up to \$15 million, also with an interest rate of SOFR plus 10 basis points, in addition to a margin ranging from 175-250 basis points based on a net leverage ratio.

"We are pleased to again work with and extend our relationship with PNC," said Scott Graeff, President and Chief Executive Officer. "We appreciate that PNC continues to demonstrate their support and confidence in Luna. Access to this additional capital gives us the financial flexibility to invest in future growth opportunities."

About Luna

Luna Innovations Incorporated (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.

About PNC

The PNC Financial Services Group, Inc. (NYSE: PNC) is one of the largest diversified financial services institutions in the United States, organized around its customers and communities for strong relationships and local delivery of retail and business banking including a full range of lending products; specialized services for corporations and government entities, including corporate banking, real estate finance and asset-based lending; wealth management and asset management. For information about PNC, visit www.pnc.com.

Forward-Looking Statements

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 expectation to not draw against the revolving credit facility. 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, technological and scientific challenges and those risks and uncertainties set forth in Luna's Form 10-Q for the quarter ended March 31, 2022, and Luna's other periodic reports and filings with the Securities and Exchange Commission ("SEC"). Such filings are available on the SEC's website at www.sec.gov and on Luna's website at 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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