



## Energy Focus Awarded Exclusive Contract Valued at Up To \$4.8 Million from U.S. Navy

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*Also Awarded a GSA Schedule Contract to Allow Direct Sales to Federal Government Agencies and Buildings*

SOLON, Ohio, Sept. 15, 2020 (GLOBE NEWSWIRE) -- Energy Focus, Inc. (NASDAQ: EFOI), a leader in sustainable LED lighting and lighting control technologies for mission-critical facilities, has been awarded a new indefinite-delivery, indefinite-quantity ("IDIQ") contract, worth up to \$4.8 million, to supply Energy Focus LED lighting products to the U.S. Navy.

This five-year IDIQ contract calls for Energy Focus to exclusively supply its Navy-qualified large LED Globe Lights designed for demanding exterior shipboard use. These lights use approximately 80% less energy than legacy incandescent counterparts, while meeting the required illumination levels for general illumination, combat, and refueling operations on most surface fleet vessels.

In addition, Energy Focus has been awarded a General Services Administration (GSA) Schedule Contract which allows it to provide access to and serve all government agencies in a more timely and efficient manner. GSA Schedules, also known as Federal Supply Schedules, are long-term governmentwide contracts with commercial companies. The contract enables federal as well as state and local agencies to find, review and purchase Energy Focus' Buy American Act (BAA) and Trade-Agreement Act (TAA) products through the GSA Advantage!® online shopping portal. Customers can now use Energy Focus GSA contract number (47QSWA20D009V) for online ordering. As a Schedule Contractor, Energy Focus will also gain access to GSA-specific Requests for Proposals (RFPs) and Requests for Quotes (RFQs).

"We are extremely proud to continue to be the preferred LED lighting partner with the [U.S. Navy](#) by successfully developing and providing advanced and proven products for the Navy's mission-critical applications," said James Tu, Chairman & CEO of Energy Focus. "And we are equally thrilled to be awarded the GSA Schedule Contract after passing GSA's extensive and rigorous application and qualification process. We look forward to reaching out and serving many more government and military agencies and buildings with our growing portfolio of breakthrough LED, lighting control and human-centric lighting (HCL) products that optimize not only energy efficiency and environmental sustainability, but also the health and wellbeing of millions of government personnel serving our country."

### **About Energy Focus:**

Energy Focus is an industry-leading innovator of sustainable LED lighting and lighting control technologies. As the creator of the first flicker-free LED products on the U.S. market, Energy Focus products provide extensive energy and maintenance savings, and aesthetics, safety, health, and sustainability benefits over conventional lighting. Our patent-pending EnFocus™ lighting control platform enables existing and new buildings to provide quality, convenient and affordable dimmable and color tunable Human-Centric Lighting (HCL). Our customers include U.S. and foreign navies, U.S. federal, state and local governments, healthcare, and educational institutions, as well as Fortune 500 companies.

Since 2007, Energy Focus has installed approximately 900,000 lighting products across U.S. Navy fleet, including TLEDs, waterline security lights, explosion-proof globes, and berth lights, saving more than five million gallons of fuel and 300,000 man-hours in lighting maintenance annually. Energy Focus is headquartered in Solon, Ohio. For more information, visit our website at [www.energyfocus.com](http://www.energyfocus.com).

### **Forward-Looking Statements**

Forward-looking statements in this release and the presentations and information linked to in this release are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Generally, these statements can be identified by the use of words such as "believes," "estimates," "anticipates," "expects," "seeks," "projects," "intends," "plans," "may," "will," "should," "could," "would" and similar expressions intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These forward-looking statements include all matters that are not historical facts and include statements regarding our current expectations concerning, among other things, the performance and efficiency of our EnFocus™ LED lighting Control Platform compared to other products and future development of our EnFocus™ LED Lighting Control Platform as well as the impact of our products on efficiency and employee well-being. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Although we base these forward-looking statements on assumptions that we believe are reasonable when made, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and industry developments may differ materially from statements made in or suggested by the forward-looking statements contained in this release and the presentations and information linked to in this release. We believe that important factors that could cause our actual results to differ materially from forward-looking statements include, but are not limited to: (i) disruptions in the U.S. and global economy and business interruptions resulting from the recent coronavirus ("COVID-19") health pandemic outbreak and related stay-at-home orders, quarantine policies and restrictions on travel, trade and business operations; (ii) our need for additional financing in the near term to continue our operations; (iii) our liquidity and refinancing demands; (iv) our ability to obtain refinancing or extend maturing debt; (v) our ability to continue as a going concern for a reasonable period of time; (vi) our ability to implement plans to increase sales and control expenses; (vii) our reliance on a limited number of customers for a significant portion of our revenue, and our ability to maintain or grow such sales levels; (viii) our ability to increase sales by adding new customers to reduce the reliance of our sales on a smaller group of customers, and the long sales-cycle that our product requires; (ix) our ability to increase demand in our targeted markets and to manage sales cycles that are difficult to predict and may span several quarters; (x) the timing of large customer orders, significant expenses and fluctuations between demand and capacity as we invest in growth opportunities; (xi) our ability to compete effectively against companies with lower cost structures or greater resources, or more rapid development efforts, and new competitors in our target markets; (xii) our ability to successfully scale our network of sales representatives, agents, and distributors to match the sales reach of larger, established competitors; (xiii) market acceptance of LED lighting technologies and products; (xiv) our ability to attract and retain qualified personnel, and to do so in a timely manner; (xv) the impact of any type of legal

inquiry, claim, or dispute; (xvi) general economic conditions in the United States and in other markets in which we operate or secure products; (xvii) our dependence on military maritime customers and on the levels of government funding available to such customers, as well as the funding resources of our other customers in the public sector and commercial markets; (xviii) the possible impact on our military maritime customers and their ability to honor the timing for existing orders or place future orders due to COVID-19 breakouts amongst personnel that might impact the use of ships in service; (xix) business interruptions resulting from geopolitical actions, including war and terrorism, natural disasters, including earthquakes, typhoons, floods and fires or from health epidemics or pandemics or other contagious outbreaks; (xx) our reliance on a limited number of third-party suppliers, our ability to obtain critical components and finished products from such suppliers on acceptable terms, and the impact of our fluctuating demand on the stability of such suppliers; (xxi) our ability to timely and efficiently transport products from our third-party suppliers to our facility by ocean marine channels; (xxii) our ability to respond to new lighting technologies and market trends, and fulfill our warranty obligations with safe and reliable products; (xxiii) any delays we may encounter in making new products available or fulfilling customer specifications; (xxiv) any flaws or defects in our products or in the manner in which they are used or installed; (xxv) our ability to protect our intellectual property rights and other confidential information, and manage infringement claims by others; (xxvi) our compliance with government contracting laws and regulations, through both direct and indirect sale channels, as well as other laws, such as those relating to the environment and health and safety; (xxvii) risks inherent in international markets, such as economic and political uncertainty, changing regulatory and tax requirements and currency fluctuations, including tariffs and other potential barriers to international trade; and (xxviii) our ability to remediate a significant deficiency, maintain effective internal controls and otherwise comply with our obligations as a public company and under Nasdaq listing standards. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update forward-looking statements, except as required by law.

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