

NOTICE OF MATERIAL EVENT



CECORS, INC. (OTCMarkets: CEOS)

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UPDATE ON ONGOING CORPORATE OPERATIONS, LEGAL SETTLEMENTS AND OTHER LITIGATION MATTERS

February 18, 2026

18 February, 2026 CECORS, INC. (OTCMarkets: CEOS) (“CeCors” or the “Company”) is providing shareholders with an updated summary of (i) key settlements reached in connection with the Company’s former VetComm business; (ii) current legal matters that remain open; and (iii) current operations of the Company. This notice is intended to be factual and concise, while also providing context. In addition, the Company provides an update regarding the Company’s ongoing reporting and business focus.

1. Settlement and Disposition of VetComm (Settlement Agreement dated September 9, 2025; effective June 30, 2025)

On September 9, 2025, the Company entered into a Settlement Agreement and Mutual Release (the “VetComm Settlement Agreement”) with VetComm, ROI Ventures, and CeCors’ former CEO, Ms. Kate Monroe (f/k/a Katy Eatmon) (“Monroe”). The VetComm Settlement Agreement resolved disputes among the parties and provided for the disposition of the Company’s former ownership interest in VetComm.

The settlement was reached in connection with, among other matters: (i) litigation in the Eighth Judicial District Court, Clark County, Nevada (Case Nos. A-25-909700-B and A-25-910017-C); and (ii) related proceedings in California (including San Diego County Superior Court Case No. 25CU014170N).

Key commercial terms of the VetComm Settlement Agreement included the following:

- Disposition of ownership: CeCors transferred its ownership interest in VetComm to Monroe as part of the settlement framework.
- Settlement consideration and payment schedule: VetComm agreed to pay an aggregate amount of US\$5,250,000 in five installments over a 240-day period beginning at closing: (i) US\$1,750,000 at closing, (ii) US\$1,000,000 at 60 days, after closing, (iii) US\$1,000,000 at 120 days, after closing, (iv) US\$1,000,000 at 180 days, after closing, and (v) US\$500,000 at 240 days after closing.
- Security: CeCors is entitled to a first-priority security interest in substantially all VetComm assets (through UCC filings and related collateral documentation) to secure payment of the settlement consideration.
- Remedies on default: The VetComm Settlement Agreement provides customary secured-creditor remedies, including the ability to enforce against collateral for any unpaid balance (and, as applicable, contractual interest and fees on overdue amounts).
- Mutual releases and dismissals: The parties exchanged mutual releases of claims and agreed to dismiss related litigation in accordance with the VetComm Settlement Agreement.
- Return of certain CeCors securities: At closing, certain CeCors securities held by Monroe were returned to CeCors, including 20,000,000 restricted common shares and 637,500 preferred shares.

2. Payment Status and Event of Default Correspondence Under the VetComm Settlement Agreement

As disclosed above, the VetComm Settlement Agreement includes an installment payment schedule. To date the Company has received a total of \$2,750,000 in proceeds under the terms of the agreement. In January 2026, the Company delivered written notice asserting an Event of Default based on the non-payment of the US\$1,000,000 installment due 120 days after closing. As of the date of this notice, the Company has not received this payment, and the default has not been cured.

Separately, on January 21, 2026, VetComm and the other Monroe Parties delivered a notice asserting that CeCors is in default of certain covenants under the Settlement Agreement, including covenants relating to the preparation and filing of certain public company reports. CeCors responded disputing those assertions. The Company's legal counsel and VetComm's legal counsel are currently in discussion regarding these matters.

The Company is continuing to evaluate and preserve all rights and remedies available to it under the VetComm Settlement Agreement and the related security documents, including rights as a secured creditor.

3. Settlement With former CEO Michael Maher and Shiloh Venture Group, Inc. (Settlement Agreement dated January 29, 2026)

On January 29, 2026, the Company entered into a confidential settlement agreement and mutual release with Michael Maher and Shiloh Venture Group, Inc. (the "Maher Settlement Agreement"). The Maher Settlement Agreement resolved claims arising out of, among other

items, an employment agreement between Maher and CeCors and a consulting agreement by and among Maher, Shiloh Venture Group (together with Maher, the “Executive”) and CeCors.

Key terms include:

- Payment: CeCors agreed to pay US\$80,000 to the Executive no later than two (2) business days after the Effective Date, by wire transfer, to resolve claims asserted by Executive under both the employment agreement and the consulting agreement.
- Mutual releases / no admission: The parties exchanged broad releases of claims, with customary no-admission and related provisions.

Concurrently with settlement Mr. Maher resigned as an officer of CeCors.

4. Current Legal Matters (Substantially related to operations of former subsidiary VetComm)

The following legal matters remain open as of the date hereof. These matters are being handled with the involvement of the Company’s insurance carriers, and defense counsel has been appointed under reservation of rights in the matters described below. The Company’s legal counsel is Wilson Elser Moskowitz Edelman & Dicker LLP, 401 West A Street, Suite 1900, San Diego, CA 92101. Counsel presently is acting for the benefit of each of CeCors and former subsidiary VetComm, as well as certain named officers and directors of CeCors and VetComm under the Company’s previously obtained Employment Practices liability policies, which remain in effect following the Company’s divestiture of VetComm.

4.1 Rafer Brian Weigel & Angelica Marie Russell (San Diego County Superior Court Case No. 25CU014170N)

This matter involves claims asserted by Mr. Weigel and Ms. Russell against VetComm, CeCors and related parties in connection with litigation pending in San Diego County Superior Court. The allegations include, among other items, wrongful termination, retaliation, harassment (including sexual harassment), discrimination, and wage-and-hour related claims.

- Defense status: Defense has been accepted by the insurer under a Reservation of Rights and counsel has been appointed.
- Procedural update: A Settlement Conference is set for June 26, 2026 at 1:30 p.m. (local time).

4.2 Sarah Smith (San Diego County Superior Court Case No. 25CU043943C)

This matter includes allegations of retaliation under California Labor Code § 1102.5 and various wage-and-hour related claims, among other causes of action. The complaint by Smith, who performed work for VetComm, seeks compensatory damages and other relief, including statutory penalties and attorneys’ fees.

- Defense status: Defense has been accepted by the insurer under a Reservation of Rights and counsel has been appointed.

4.3 Margaret Wilcsek & Lauren Wilcsek (San Diego County Superior Court Case No. 25CU053784N)

This matter includes allegations by two plaintiffs who performed work for VetComm, relating to discrimination and retaliation, including alleged age discrimination under California FEHA, retaliation for alleged whistleblowing activity, and alleged misclassification and wage-and-hour issues, intentional infliction of emotional distress, invasion of privacy and defamation.

- Defense status: Defense has been accepted by the insurer under a Reservation of Rights and counsel has been appointed.
- Current status: The Company is currently preparing its response to the Complaint.
- Procedural update: A Case Management Conference is scheduled for March 13, 2026 at which time trial dates and related milestones will be set.

4.4 Rick Kowarick, former COO of VetComm

The Company has received a prelitigation claim from the former COO of VetComm who is a named defendant in the litigation VetComm US v. Weigel, et al., Case No. 25CU014170N. The demand seeks to resolve potential employment-related claims; the matter is being handled by counsel.

The Company is not yet able to determine any potential losses in respect of the aforementioned legal matters.

5. Corporate Operations and Reporting Update

Since the aforementioned divestiture of former subsidiary VetComm, the Company has been actively focused on:

(i) Addressing ongoing legal matters and resolving and retiring certain advances, loans, fees and other debt incurred as part of the VetComm litigation. Key components of settled obligations include:

- Settlement of invoices for legal fees and litigation related services in excess of US\$800,000;
- Settlement of operating advances and financing obtained during litigation period;
- Settlement of a portion of previously accrued and unpaid management compensation to Company officers for services rendered in prior fiscal periods;
- Payments to third-party advisors and consultants for strategic, administrative, and operational support services provided during the litigation and transition period.
- Payments under the terms of settlement agreements totaling \$80,000.

The Company continues to incur legal fees and associated costs as it addresses certain ongoing legal matters.

(ii) a return to the Company's core expertise through a strategic partnership with a U.S.-based cognitive performance company to develop and launch a differentiated functional coffee product. The collaboration pairs the Company's premium soluble coffee—sourced from

Rainforest Alliance Certified Costa Rican Arabica beans—with its strategic partner’s proprietary Crystallized Lion’s Mane functional mushroom extract, with the objective of delivering a clean, great-tasting premium coffee experience with enhanced cognitive-supporting benefits. Importantly, the partner’s proprietary Crystallized Lion’s Mane was developed to address common formulation and consumer-experience limitations in the broader functional mushroom category—including unpleasant taste and aroma, incomplete solubility that can leave significant residual sediment, and molecular and formulation constraints that can limit meaningful functional inclusion and performance in beverage applications—which management believes supports a differentiated product profile and potentially more defensible positioning than conventional functional mushroom centered products.

The Company has committed approximately \$563,000 to date to accelerate product development, inventory purchases, and readiness for broad commercialization. Management views this collaboration as an opportunity to enter an attractive, fast-growing consumer category with a differentiated product with potential defensibility, supported by a brand partner with an established CPG growth track record that management believes is well positioned to drive efficient market entry and growth.

The parties remain engaged in discussions to finalize a structure that is advantageous economically and strategically for both parties and aligned with the best interests of shareholders. The Company intends to provide further detail regarding progress and timing as appropriate.

(iii) Termination of certain previously announced projects including (a) in-development APP, “PsyKey Live”, originally intended to provide counselling on demand at any time and location with registered psychologists in every area of mental wellness, allowing individuals to take control of their mental health and (b) a strategic partnership with MycoVita Canada Inc. operating in mycology-based markets. The purpose of the partnership entered into in 2021 was the research, development, and commercialization of Mycology based formulations, products, and therapeutics, as well as the development of innovative sustainable food production strategies. Upon acquisition of VetComm in 2023 the project was suspended to focus on other corporate operational initiatives. During fiscal 2025 the partnership has been terminated and jointly held subsidiary Fungi Co. Ltd. is in the process of being wound down. The Company has taken these steps to streamline costs and operations as it moves to fully develop the aforementioned strategic partnership.

(iv) Reporting status. The Company is currently preparing interim financial reports for each of the completed quarters during the fiscal year ended December 31, 2025. Although the Company has been downgraded to the OTCMarkets Pink Limited tier and may satisfy continued quotation requirements through standalone annual reporting filed within 16 months of the previous year end (December 31, 2024), the Company intends to complete its interim reporting and return to a higher tier market (OTCID).

The Company has recently updated its corporate office location, telephone contact and email contact and looks forward to providing additional updates as more information becomes available. The Company thanks its Shareholders for their continued support.

For further information:
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Cautionary Note Regarding Forward-Looking Statements

Certain statements in this notice may be considered “forward-looking statements” within the meaning of applicable securities laws. Forward-looking statements are based on current expectations and assumptions and are subject to risks and uncertainties that could cause actual results to differ materially. The Company undertakes no obligation to update forward-looking statements except as required by law.