

# Annual Report

For the period ending December 31, 2025 (the “Reporting Period”)

## **Outstanding Shares**

The number of shares outstanding of our Common Stock was:

66,431,137 as of December 31, 2025 (Current Reporting Period Date or More Recent Date)

51,423,730 as of December 31, 2024 (Most Recent Completed Fiscal Year End)

## **Shell Status**

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes:  No:

Indicate by check mark whether the company’s shell status has changed since the previous reporting period:

Yes:  No:

## **Change in Control**

Indicate by check mark whether a Change in Control<sup>5</sup> of the company has occurred during this reporting period:

Yes:  No:

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<sup>5</sup> “Change in Control” shall mean any events resulting in:

- (i) Any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company’s then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

**1) Name and address(es) of the issuer and its predecessors (if any)**

In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.

DLT Resolution Inc.

Current State and Date of Incorporation or Registration: Nevada, January 17, 2007

Standing in this jurisdiction: (e.g. active, default, inactive): Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:

Hemcare Health Inc.

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

None

List any company name change, stock split, dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

Address of the issuer's principal executive office:

5940 S Rainbow Blvd  
Ste 400-32132, Las Vegas, NV 89118  
United States

Address of the issuer's principal place of business:

*Check if principal executive office and principal place of business are the same address:*

\_\_\_\_\_

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No:  Yes:  If Yes, provide additional details below:

\_\_\_\_\_

**2) Security Information**

**Transfer Agent**

Name: Pacific Stock Transfer Company

Phone: 1-702-361-3033

Email: mtorres@pacificstocktransfer.com

Address: 6725 Via Austi Pkwy, Suite 300 Las Vegas, Nevada 89119

**Publicly Quoted or Traded Securities:**

*The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.*

Trading symbol:	<u>DLTI</u>
Exact title and class of securities outstanding:	<u>Common</u>
CUSIP:	<u>23342U102</u>
Par or stated value:	<u>0.001</u>
Total shares authorized:	<u>275,000,000</u> as of date: <u>March 23, 2026</u>
Total shares outstanding:	<u>66,431,137</u> as of date: <u>March 23, 2026</u>
Total number of shareholders of record:	<u>165</u> as of date: <u>March 23, 2026</u>

*Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.*

NA

**Other classes of authorized or outstanding equity securities that do not have a trading symbol:**

*The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.*

Exact title and class of the security:	<u>Series A convertible preferred stock</u>
Par or stated value:	<u>\$1.00</u>
Total shares authorized:	<u>5,000,000</u> as of date: <u>March 23, 2026</u>
Total shares outstanding:	<u>0</u> as of date: <u>March 23, 2026</u>
Total number of shareholders of record:	<u>0</u> as of date: <u>March 23, 2026</u>

Exact title and class of the security:	<u>Series B convertible preferred stock</u>
Par or stated value:	<u>\$1.00</u>
Total shares authorized:	<u>500,000</u> as of date: <u>March 23, 2026</u>
Total shares outstanding:	<u>0</u> as of date: <u>March 23, 2026</u>
Total number of shareholders of record:	<u>0</u> as of date: <u>March 23, 2026</u>

Exact title and class of the security:	<u>Series C convertible preferred stock</u>
Par or stated value:	<u>\$1.00</u>
Total shares authorized:	<u>500,000</u> as of date: <u>March 23, 2026</u>
Total shares outstanding:	<u>500,000</u> as of date: <u>March 23, 2026</u>
Total number of shareholders of record:	<u>0</u> as of date: <u>March 23, 2026</u>

*Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.*

NA

**Security Description:**

*The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:*

1. For common equity, describe any dividend, voting and preemption rights.

Regular Voting

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

The Series A Convertible Preferred Stock may be converted to common shares at the option of the holder at a rate of \$1 per share.

The Series B Convertible Preferred Stock may be converted to common shares at the option of the holder at a rate of \$0.20 per share.

The Series C Convertible Preferred Stock accrue interest at 5% per annum and may be converted to common shares at the option of the holder at a rate of the preceding 30-day average closing price.

3. Describe any other material rights of common or preferred stockholders.

None.

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

None.

**3) Issuance History**

*The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities in the past two completed fiscal years and any subsequent interim period.*

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

**A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.**

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No:  Yes:  (If yes, you must complete the table below)

Shares Outstanding <u>Opening Balance:</u>		*Right-click the rows below and select "Insert" to add rows as needed.							
Date <u>12/31/23</u> Common: <u>26,810,479</u>									
Preferred: <u>0</u>									
Date of	Transaction type (e.g., new issuance,	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount	Individual/ Entity Shares were issued to.	Reason for share issuance (e.g. for	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.

Transaction	cancellation, shares returned to treasury)				to market price at the time of issuance? (Yes/No)	***You must disclose the control person(s) for any entities listed.	cash or debt conversion) -OR- Nature of Services Provided		
1/5/2024	New	1,347,084	Common	\$ 0.0001	No	Brad Wells	Cash	Restricted	Rule 144
1/5/2024	New	166,667	Common	\$ 0.0001	No	Mark Racic	Cash	Restricted	Rule 144
1/5/2024	New	940,000	Common	\$ 0.0001	No	Bharat Patel	Cash	Restricted	Rule 144
1/5/2024	New	333,333	Common	\$ 0.0001	No	Gary Riser	Cash	Restricted	Rule 144
1/5/2024	New	166,667	Common	\$ 0.0001	No	Lutz Glasbrenner	Cash	Restricted	Rule 144
1/5/2024	New	166,667	Common	\$ 0.0001	No	Dean Kehmeier	Cash	Restricted	Rule 144
4/3/2024	New	83,333	Common	\$ 0.0100	No	Stanley Baron	Cash	Restricted	Rule 144
4/3/2024	New	125,000	Common	\$ 0.0100	No	Christopher Wilson	Cash	Restricted	Rule 144
4/3/2024	New	166,667	Common	\$ 0.0100	No	Robert Zeigler Trust / Robert Zeigler	Cash	Restricted	Rule 144
4/3/2024	New	50,000	Common	\$ 0.0100	No	Charles Magahan	Cash	Restricted	Rule 144
4/3/2024	New	166,667	Common	\$ 0.0100	No	Roger Seaver	Cash	Restricted	Rule 144
4/3/2024	New	166,667	Common	\$ 0.0100	No	K J Vaughn	Cash	Restricted	Rule 144
4/10/2024	New	5,000,000	Common	\$ 0.0100	No	Alkaneid Corp (Drew Reid)	CEO	Restricted	Rule 144
4/10/2024	New	2,500,000	Common	\$ 0.0100	No	Gilles Trahan	Consulting	Restricted	Rule 144
4/10/2024	New	1,504,660	Common	\$ 0.0100	No	Charles Brofman	Acquisition Purchase Price	Restricted	Rule 144
4/10/2024	New	500,000	Common	\$ 0.0100	No	Yupa Brofman	Acquisition Purchase Price	Restricted	Rule 144
4/10/2024	New	4,009,320	Common	\$ 0.0100	No	Abdul Matin Moosa	Acquisition Purchase Price	Restricted	Rule 144
8/30/2024	New	1,350,000	Common	\$ 0.0050	No	Tony Liao	Director Services	Restricted	Rule 144
8/30/2024	New	120,000	Common	\$ 0.0050	No	Babar Saeed	Cash	Restricted	Rule 144
8/30/2024	New	1,000,000	Common	\$ 0.0050	No	Mark Irwin	Consulting	Restricted	Rule 144
8/30/2024	New	4,000,000	Common	\$ 0.0050	No	Alkaneid Corp (Drew Reid)	CEO	Restricted	Rule 144
11/25/2024	New	1,100,000	Common	\$ 0.0045	No	Peanut Butter Capital Corporation (Shaun Power)	CFO	Restricted	Rule 144
11/25/2024	New	350,000	Common	\$ 0.0045	No	Chen Xi Liao	Director Services	Restricted	Rule 144
11/25/2024	New	1,100,000	Common	\$ 0.0045	No	Lino Fera	Director Services	Restricted	Rule 144
12/16/2024	New	375,000	Common	\$ 0.0110	No	Xue Yin	Cash	Restricted	Rule 144
12/16/2024	New	375,000	Common	\$ 0.0110	No	Ya Li Liu	Cash	Restricted	Rule 144

<u>12/16/2024</u>	<u>New</u>	<u>400,000</u>	<u>Common</u>	\$ 0.0110	<u>No</u>	<u>Abdulrahman Mosaad</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>12/16/2024</u>	<u>New</u>	<u>400,000</u>	<u>Common</u>	\$ 0.0110	<u>No</u>	<u>Mohammed Khairy</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>12/16/2024</u>	<u>New</u>	<u>217,833</u>	<u>Common</u>	\$ 0.0110	<u>No</u>	<u>Andrew Darbyson</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>12/16/2024</u>	<u>New</u>	<u>186,666</u>	<u>Common</u>	\$ 0.0110	<u>No</u>	<u>John Darbyson</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>12/24/2024</u>	<u>New</u>	<u>640,000</u>	<u>Common</u>	\$ 0.0080	<u>No</u>	<u>Tariq Razaq</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>12/24/2024</u>	<u>New</u>	<u>620,000</u>	<u>Common</u>	\$ 0.0080	<u>No</u>	<u>Hatem Kotby</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>12/24/2024</u>	<u>New</u>	<u>400,000</u>	<u>Common</u>	\$ 0.0080	<u>No</u>	<u>Mohammed Mohammed Abdelaal</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>12/24/2024</u>	<u>New</u>	<u>200,000</u>	<u>Common</u>	\$ 0.0080	<u>No</u>	<u>Monica Hanna</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>12/24/2024</u>	<u>New</u>	<u>200,000</u>	<u>Common</u>	\$ 0.0080	<u>No</u>	<u>Nour Eldeen Hamed</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>12/24/2024</u>	<u>New</u>	<u>200,000</u>	<u>Common</u>	\$ 0.0080	<u>No</u>	<u>Arhraf Hanna</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>1/7/2025</u>	<u>New</u>	<u>84,666</u>	<u>Common</u>	\$ 0.0100	<u>No</u>	<u>Ting Wang</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>1/7/2025</u>	<u>New</u>	<u>333,333</u>	<u>Common</u>	\$ 0.0100	<u>No</u>	<u>Matthew Keegan</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>1/23/2025</u>	<u>New</u>	<u>50,000</u>	<u>Common</u>	\$ 0.0060	<u>No</u>	<u>Leey Peng Apple Wong</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>1/23/2025</u>	<u>New</u>	<u>100,000</u>	<u>Common</u>	\$ 0.0060	<u>No</u>	<u>Chi Shing Allan Wong</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>1/23/2025</u>	<u>New</u>	<u>267,791</u>	<u>Common</u>	\$ 0.0060	<u>No</u>	<u>Gary Leeman</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>1/23/2025</u>	<u>New</u>	<u>267,791</u>	<u>Common</u>	\$ 0.0060	<u>No</u>	<u>Jason Dermatja</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>1/23/2025</u>	<u>New</u>	<u>368,133</u>	<u>Common</u>	\$ 0.0060	<u>No</u>	<u>Hui Ying Huang</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>1/23/2025</u>	<u>New</u>	<u>30,000</u>	<u>Common</u>	\$ 0.0060	<u>No</u>	<u>HuiHui Zhang</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/3/2025</u>	<u>New</u>	<u>50,000</u>	<u>Common</u>	\$ 0.0060	<u>No</u>	<u>Wei Ling Huang</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/3/2025</u>	<u>New</u>	<u>150,000</u>	<u>Common</u>	\$ 0.0060	<u>No</u>	<u>Terry Tri Quang On</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/3/2025</u>	<u>New</u>	<u>60,000</u>	<u>Common</u>	\$ 0.0060	<u>No</u>	<u>Diane Ching Yee Chan On</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/3/2025</u>	<u>New</u>	<u>120,000</u>	<u>Common</u>	\$ 0.0060	<u>No</u>	<u>Dahua Sun</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/3/2025</u>	<u>New</u>	<u>129,533</u>	<u>Common</u>	\$ 0.0060	<u>No</u>	<u>Elain Szeto</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/3/2025</u>	<u>New</u>	<u>333,333</u>	<u>Common</u>	\$ 0.0060	<u>No</u>	<u>David Coleman and Laurie Coleman</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/21/2025</u>	<u>New</u>	<u>968,889</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Xue Yin</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/21/2025</u>	<u>New</u>	<u>341,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Ting Wang</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/21/2025</u>	<u>New</u>	<u>500,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Manna Yassin</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/25/2025</u>	<u>New</u>	<u>273,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Chen Xi Liao</u>	<u>Director Services</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/25/2025</u>	<u>New</u>	<u>166,666</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Julian Bigra</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/25/2025</u>	<u>New</u>	<u>66,666</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Yhong Zhong Chen</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/25/2025</u>	<u>New</u>	<u>30,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Qian Zheng</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>

<u>2/25/2025</u>	<u>New</u>	<u>33,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Chengjie Zhu</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/25/2025</u>	<u>New</u>	<u>50,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Heidi Tsang</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/25/2025</u>	<u>New</u>	<u>100,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Stirling Wineck Enterprises Inc / Sterling Wineck</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/14/2025</u>	<u>New</u>	<u>166,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Kathleen Finnegan</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/14/2025</u>	<u>New</u>	<u>25,500</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Guang Cheng Zhi</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/14/2025</u>	<u>New</u>	<u>12,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Xiu Zhen Mao</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/14/2025</u>	<u>New</u>	<u>60,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Jaon Darbyon</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/14/2025</u>	<u>New</u>	<u>40,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Marcello Denuzzo</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/19/2025</u>	<u>New</u>	<u>60,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Qimei Ren</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/19/2025</u>	<u>New</u>	<u>98,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>HuiHui Zhang</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/19/2025</u>	<u>New</u>	<u>80,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Gui Ying Zhang</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/19/2025</u>	<u>New</u>	<u>98,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Xinping Zhang</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/19/2025</u>	<u>New</u>	<u>450,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Troy Darbyson</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/19/2025</u>	<u>New</u>	<u>119,443</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Kim Hock Ang and Joel Kai Xiang</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/24/2025</u>	<u>New</u>	<u>500,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Thiresin Rama</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/24/2025</u>	<u>New</u>	<u>310,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>See Yun Lam</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/27/2025</u>	<u>New</u>	<u>40,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Diane Ching Yee Chan On</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/27/2025</u>	<u>New</u>	<u>82,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Ann Xiang Yan He</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/27/2025</u>	<u>New</u>	<u>46,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Heidi Tsang</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/27/2025</u>	<u>New</u>	<u>150,510</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Dahua Sun</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/27/2025</u>	<u>New</u>	<u>95,037</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Yan Kui Ng</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/27/2025</u>	<u>New</u>	<u>250,329</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Hui Ying Huang</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/28/2025</u>	<u>New</u>	<u>100,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Chi Shing Allan Wong</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/28/2025</u>	<u>New</u>	<u>20,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Yan Fang Su</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/28/2025</u>	<u>New</u>	<u>50,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Hui Chang Li</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/28/2025</u>	<u>New</u>	<u>9,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Leey Peng Apple Wong</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/28/2025</u>	<u>New</u>	<u>10,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Terrance Kenny</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/28/2025</u>	<u>New</u>	<u>100,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Yong Zhong Chen</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>4/2/2025</u>	<u>New</u>	<u>80,454</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Kathleen Finnegan</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>4/2/2025</u>	<u>New</u>	<u>40,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Xiumei Xiang</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>4/2/2025</u>	<u>New</u>	<u>48,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Chengjie Zhu</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>

<u>4/2/2025</u>	<u>New</u>	<u>20,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Yue Li</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>4/2/2025</u>	<u>New</u>	<u>40,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Ka Wing Kwan</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>4/2/2025</u>	<u>New</u>	<u>33,333</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Motiwala Irfan</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>4/13/2025</u>	<u>New</u>	<u>(1,504,660)</u>	<u>Common</u>	\$ 0.0050	<u>No</u>	<u>Charles Brofman</u>	<u>Acquisition Recission</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>4/13/2025</u>	<u>New</u>	<u>(500,000)</u>	<u>Common</u>	\$ 0.0050	<u>No</u>	<u>Yupa Brofman</u>	<u>Acquisition Recission</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>4/13/2025</u>	<u>New</u>	<u>(4,009,320)</u>	<u>Common</u>	\$ 0.0050	<u>No</u>	<u>Abdul Matin Moosa</u>	<u>Acquisition Recission</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>5/19/2025</u>	<u>New</u>	<u>350,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Alkaneid Corp (Drew Reid)</u>	<u>CEO</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>5/19/2025</u>	<u>New</u>	<u>350,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Kurt Streams</u>	<u>Consulting</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>5/19/2025</u>	<u>New</u>	<u>350,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Lino Fera</u>	<u>Director Services</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>5/19/2025</u>	<u>New</u>	<u>900,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Mark Irwin</u>	<u>Consulting</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>5/19/2025</u>	<u>New</u>	<u>350,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Peanut Butter Capital Corporation (Shaun Power)</u>	<u>CFO</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>5/19/2025</u>	<u>New</u>	<u>350,000</u>	<u>Common</u>	\$ 0.0085	<u>No</u>	<u>Chen Xi Liao</u>	<u>Director Services</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>9/5/2025</u>	<u>New</u>	<u>350,000</u>	<u>Common</u>	\$ 0.0042	<u>No</u>	<u>Zauber Inc / Mark Anthony Forrester</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>9/5/2025</u>	<u>New</u>	<u>2,000,000</u>	<u>Common</u>	\$ 0.0042	<u>No</u>	<u>Mohammad Athar</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>9/5/2025</u>	<u>New</u>	<u>500,000</u>	<u>Common</u>	\$ 0.0042	<u>No</u>	<u>Parveen Athar</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>9/5/2025</u>	<u>New</u>	<u>500,000</u>	<u>Common</u>	\$ 0.0042	<u>No</u>	<u>Scott Medical Imaging LLC / Mohammad Saleh</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>9/5/2025</u>	<u>New</u>	<u>500,000</u>	<u>Common</u>	\$ 0.0042	<u>No</u>	<u>Mohammed Saleh</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>11/26/2025</u>	<u>New</u>	<u>400,000</u>	<u>Common</u>	\$ 0.0105	<u>No</u>	<u>CelebrateMercy / Tarek Elmssidi</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/6/2026</u>	<u>New</u>	<u>350,000</u>	<u>Common</u>	\$ 0.0162	<u>No</u>	<u>Sylvia Booth</u>	<u>Consulting Services</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>2/6/2026</u>	<u>New</u>	<u>215,005</u>	<u>Common</u>	\$ 0.0162	<u>No</u>	<u>Sylvia Booth</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/6/2026</u>	<u>New</u>	<u>1,139,568</u>	<u>Common</u>	\$ 0.0197	<u>No</u>	<u>Heather Clarke</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/6/2026</u>	<u>New</u>	<u>270,524</u>	<u>Common</u>	\$ 0.0217	<u>No</u>	<u>Laura Villanova</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/6/2026</u>	<u>New</u>	<u>454,545</u>	<u>Common</u>	\$ 0.0181	<u>No</u>	<u>David and Laura Coleman</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/18/2026</u>	<u>New</u>	<u>2,200,000</u>	<u>Common</u>	\$ 0.0215	<u>No</u>	<u>Jae Shim</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/18/2026</u>	<u>New</u>	<u>1,000,000</u>	<u>Common</u>	\$ 0.0188	<u>No</u>	<u>Lina Pavlovic</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/18/2026</u>	<u>New</u>	<u>1,085,733</u>	<u>Common</u>	\$ 0.0258	<u>No</u>	<u>Ilona Kopriva</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/18/2026</u>	<u>New</u>	<u>750,000</u>	<u>Common</u>	\$ 0.0095	<u>No</u>	<u>Julia Robinson</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
<u>3/18/2026</u>	<u>New</u>	<u>2,170,000</u>	<u>Common</u>	\$ 0.0220	<u>No</u>	<u>Lorenzo Perini</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>

Shares Outstanding on Date of This Report:

Ending Balance:  
Date March 30, 2026  
Common: 76,066,512  
Preferred: 0

**Example:** A company with a fiscal year end of December 31<sup>st</sup> 2024, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2023 through December 31, 2024 pursuant to the tabular format above.

Any additional material details, including footnotes to the table are below:

None

## B. Convertible Debt

The following is a complete list of the Company's Convertible Debt which includes all promissory notes, convertible notes, convertible debentures, or any other debt instruments convertible into a class of the issuer's equity securities. The table includes all issued or outstanding convertible debt at any time during the last complete fiscal year and any interim period between the last fiscal year end and the date of this Certification.

Check this box to confirm the Company had no Convertible Debt issued or outstanding at any point during this period.

Date of Note Issuance	Principal Amount at Issuance (\$)	Outstanding Balance (\$) (include accrued interest)	Maturity Date	Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares)	# Shares Converted to Date	# of Potential Shares to be Issued Upon Conversion <sup>6</sup>	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g., Loan, Services, etc.)

Total Outstanding Balance:

Total Shares:

Any additional material details, including footnotes to the table are below:

None

## 4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. Ensure that these descriptions are updated on the Company's Profile on [www.OTCMarkets.com](http://www.OTCMarkets.com).

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

DLT' wholly owned subsidiary DLT Telecom Inc, is a hosted, VOIP telecom provider across North America

B. List any subsidiaries, parent company, or affiliated companies.

DLT Telecom Inc  
DLTI International Inc

<sup>6</sup> The total number of shares that can be issued upon full conversion of the Outstanding Balance. The number should not factor any "blockers" or limitations on the percentage of outstanding shares that can be owned by the Noteholder at a particular time. For purposes of this calculation, please use the current market pricing (e.g. most recent closing price, bid, etc.) of the security if conversion is based on a variable market rate.

C. Describe the issuers' principal products or services.

DLT Resolution Corp. (OTC: DLT1) is a U.S. publicly traded acquisition company specializing in revitalizing and amplifying businesses in technology, finance, global trade, and telecom. DLT empowers small to mid-sized companies with seamless succession plans, transitioning ownership for publicly traded shares to enhance valuations and liquidity. The Company's wholly owned subsidiary DLT Telecom Inc, is a hosted, VOIP telecom provider across North America

**5) Issuer's Facilities**

*The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.*

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

The Company does not own or lease any properties.

**6) All Officers, Directors, and 5% Beneficial Owners of the Company**

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities. If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

*The goal of this section is to provide investors with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial owners.*

<b>Individual Name</b> (First, Last) or <b>Entity Name</b> (Include names of control person(s) if a corporate entity)	<b>Position/Company Affiliation</b> (ex: CEO, ≥ 5% beneficial owner)	<b>City and State</b> (Include Country if outside U.S.)	<b>Number of Shares Owned</b> (List common, preferred, warrants and options separately)	<b>Class of Shares Owned</b>	<b>Percentage of Class of Shares Owned</b> (undiluted)
Drew Reid (Alkaneid Corp)	CEO	Ontario, Canada	10,350,000	Common	13.61
Mind Tech Group Ltd (Carlton Bullard)	Shareholder	Nassau, Bahamas	3,955,000	Common	5.20
Shaun Power (Peanut Butter Capital Corp)	CFO	Ontario, Canada	1,450,000	Common	1.91
Scott Irwin	Board Member	Ontario, Canada	Nil	Nil	0.00
Chen Xi Liao	Board Member	Ontario, Canada	2,323,000	Common	3.05
Lino Fera	Board Member	Ontario, Canada	1,450,000	Common	1.91

Confirm that the information in this table matches your public company profile on [www.OTCMarkets.com](http://www.OTCMarkets.com). If any updates are needed to your public company profile, log in to [www.OTCIQ.com](http://www.OTCIQ.com) to update your company profile.

## 7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

None

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

None

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

None

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

None

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

None

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

## 8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Confirm that the information in this table matches your public company profile on [www.OTCMarkets.com](http://www.OTCMarkets.com). If any updates are needed to your public company profile, update your company profile.

### Securities Counsel

Name: SD Mitchell & Associates, PLC  
Address 1: 829 Harcourt Rd  
Address 2: Grosse Pointe Park, MI 48230  
Phone: (248) 515-6035  
Email: sharondmac2013@gmail.com

### Accountant or Auditor

Name: Shaun Power  
Firm: BDFP & Associates LLP  
Address 1: 3365 Harvester Rd, Burlington ON L7N 3N2  
Address 2: \_\_\_\_\_  
Phone: (905) 634-4747  
Email: spower@bdfpca.com

### Investor Relations

Name: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

### *All other means of Investor Communication:*

X (Twitter): @DLT Resolution  
Discord: NA  
LinkedIn: NA  
Facebook: www.facebook.com/DLTResolutioninc  
[Other ] \_\_\_\_\_

### Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: Sarah Dobler  
Firm: BDFP & Associates LLP  
Nature of Services: Accounting and tax preparation  
Address 1: 3365 Harvester Rd, Burlington ON L7N 3N2  
Address 2: \_\_\_\_\_

Phone: (905) 634-4747  
Email: sdobler@bdfpca.com  
  
Name: Kurt Streams  
Firm: None  
Nature of Services: Accounting  
Address 1: PO Box 24  
Address 2: S. Wellfleet, MA 02663  
Phone: (475) 999-1289  
Email: kurtstreams@gmail.com

## 9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: Shaun Power  
Title: Chief Financial Officer  
Relationship to Issuer: Officer

B. The following financial statements were prepared in accordance with:

IFRS  
 U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: Shaun Power  
Title: CFO  
Relationship to Issuer: Officer  
Describe the qualifications of the person or persons who prepared the financial statements:<sup>7</sup> CA, CPA

Provide the following qualifying financial statements:

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity);
- Financial Notes

### **Financial Statement Requirements:**

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable." Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

### **Cautionary Note Regarding Forward Looking Statements**

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<sup>7</sup> The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

The information in this Annual Report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Such forward-looking statements involve risks and uncertainties, including statements regarding Madison’s capital needs, future cash flows, financial results, business strategy, business plans and objectives, current and future operations, intentions, expectations any statements concerning proposed new products, services or developments; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “may”, “will”, “likely”, “should”, “expect”, “plan”, “intend”, “anticipate”, “believe”, “estimate”, “predict”, “forecast”, “seek”, “target”, “potential” or “continue”, the negative of such terms or other comparable terminology. Actual events or results may differ materially. In evaluating these statements, you should consider various factors, including the risks outlined from time to time, in other reports Madison’s files with the OTC.

Such forward-looking statements in this Annual Report, as well as in our other periodic reports such as Quarterly Reports filed with the OTC, in our press releases, in our presentations, on our website and in other materials released to the public, are out of our control and subject to risks and uncertainties that could cause actual results to differ materially from the results expressed in or implied by the statements contained in this Annual Report. As a result, the identification and interpretation of data and other information and their use in developing and selecting assumptions from and among reasonable alternatives requires the exercise of judgment. To the extent that the assumed events do not occur, the outcome may vary substantially from anticipated or projected results, and accordingly, no opinion is expressed on the achievability of such forward-looking statements. No assurance can be given that any of the assumptions relating to such forward-looking statements are accurate.

Such forward-looking statements are made as of the date of the filing of this Annual Report with the OTC and DLT Resolution Inc. disclaims any obligation to publicly update such forward-looking statements, or disclose any difference between its actual results and those reflected in such forward-looking statements, as a result of new information, future events or otherwise. The Company’s management may, from time to time, make oral forward-looking statements. DLT Resolution Inc. strongly advises that the above paragraphs and the risk factors described in this Annual Report and in DLT Resolution Inc.’s other documents filed with the OTC should be read for a description of certain factors that could cause the actual results of DLT Resolution Inc. to materially differ from those in such oral forward-looking statements. DLT Resolution Inc. disclaims any intention or obligation to update or revise any such oral forward-looking statements whether as a result of new information, future events or otherwise. All forward-looking statements attributable to us are expressly qualified by these cautionary statements.

## **Item 1A. Risk Factors.**

*Our business involves significant risks, some of which are described below. You should carefully consider the risks and uncertainties described below, together with all of the other information in this Annual Report. The risks and uncertainties described below are not the only ones we face. Additional risk and uncertainties of which we are unaware or that we deem immaterial may also become important factors that adversely affect our business. The realization of any of these risks and uncertainties could have a material adverse effect on our reputation, business, financial condition, results of operations, growth and future prospects as well as our ability to accomplish our strategic objectives. In that event, the market price of our Common Stock could decline and you could lose part or all of your investment.*

### **Risks Related to Our Business**

***We have a history of losses, have not been profitable historically and may not achieve or maintain profitability in the future.***

We have a history of losses. Our ability to forecast our future operating results is subject to a number of uncertainties, including our ability to plan for and model future growth. We have encountered and will continue to encounter risks and uncertainties frequently experienced by growing companies in rapidly evolving industries. If our assumptions regarding these uncertainties, which we use to plan our business, are incorrect or change in reaction to changes in our markets, or if

we do not address these risks successfully, our operating and financial results could differ materially from expectations, our business could suffer and the trading price of our stock may decline.

We have incurred net losses of \$0.7 million and \$1.4 million for the years ended December 31, 2025 and 2024, respectively. As of December 31, 2025, we had accumulated deficit of \$9.6 million.

**We are not certain whether or when we will obtain a high enough volume of sales of our products and services to sustain or increase our growth or achieve or maintain profitability in the future. We expect our costs to increase in future periods, which could negatively affect our future operating results if our revenue does not increase. In particular, we may, among other things, expend substantial financial and other resources on:**

- **sales and marketing, including a significant expansion of our sales organization;**
- **continued expansion of our business into adjacent geographic markets;**
- **general administration expenses, including legal and accounting expenses related to being a public company.**

These investments may not result in increased revenue or growth in our business. If we are unable to increase our revenue at a rate sufficient to offset the expected increase in our costs, our business, financial position and results of operations will be harmed, and we may not be able to achieve or maintain profitability over the long term. Additionally, we may encounter unforeseen operating expenses, difficulties, complications, delays and other unknown factors that may result in losses in future periods. If our revenue growth does not meet our expectations in future periods, our financial performance may be harmed, and we may not be able to achieve or maintain profitability in the future.

***If we are unable to sell services to our customers and grow our customer retention rates, our future revenue and operating results may be harmed.***

Our future success depends, in part, on our ability to deploy our services to new customers. This may require increasingly sophisticated and costly sales efforts and may not result in any sales. In addition, the rate at which our customers purchase our services may depend on a number of factors, including the perceived need for telecommunication services as well as general economic conditions. If our efforts to sell our services to such customers are not successful, our business may suffer.

***Our business model is predicated, in part, on building a customer base that will generate a recurring stream of revenue. If such revenue stream does not develop as expected, or if our business model changes as the broadcasting industry evolves, our operating results may be adversely affected.***

Our business model is dependent, in part, on our ability to maintain and increase distribution to generate recurring revenues. Our customers may not utilize our telecommunication services at the same rate at which we intend them to do currently. If our customers are to reduce their utilization, our recurring revenue stream relative to our total revenues would be reduced and our operating results would be adversely affected.

***Fluctuating economic conditions make it difficult to predict revenue for a particular period, and a shortfall in revenue may harm our operating results.***

Our revenue depends significantly on general economic conditions. Economic weakness and customer financial difficulties may result in decreased revenue and earnings. Such factors could make it difficult to accurately forecast our sales and operating results and could negatively affect our ability to provide accurate forecasts of our costs and expenses. General economic weakness may also lead to longer collection cycles for payments due from our customers, an increase in customer bad debt, restructuring initiatives and associated expenses and impairment of investments.

Uncertainty about future economic conditions also makes it difficult to forecast operating results and to make decisions about future investments. Future or continued economic weakness for us or our customers, failure of our customers and

markets to recover from such weakness and customer financial difficulties could have a material adverse effect on demand, and consequently on our business, financial condition and results of operations.

***Our brand, reputation and ability to attract, retain, and serve our customers will be dependent in part upon the reliable performance of our products and infrastructure.***

Our brand, reputation and ability to attract, retain, and serve our customers will be dependent in part upon the reliable performance of, and the ability of our customers to access and use our television broadcast assets. We may in the future experience disruptions, outages and other performance problems due to a variety of factors, including infrastructure changes, equipment failure, human or software errors, capacity constraints, and fraud or cybersecurity attacks. In some instances, we may not be able to identify the cause or causes of these performance problems within an acceptable period of time.

Interruptions in our systems or the third-party systems on which we rely, whether due to system failures, computer viruses, physical or electronic break-ins, or other factors, could affect the security or availability of our television broadcast assets, network infrastructure, cloud infrastructure and website.

Problems with the reliability or security of our systems could harm our reputation. Damage to our reputation and the cost of remedying these problems could negatively affect our business, financial condition and operating results.

Any disruptions or other performance problems with our television broadcast assets could harm our reputation and business and may damage our customers' businesses. Interruptions in our service delivery might reduce our revenue, cause us to issue credits to customers, subject us to potential liability and cause customers not to renew any subscriptions that we may offer.

***We are dependent on the continued services and performance of Drew Reid and other key employees we intend to hire in the future, as well as on our ability to successfully hire, train, manage and retain qualified personnel.***

Our future performance depends on the continued services and contributions of Drew Reid, our President and Chief Executive Officer, to execute on our business plan and to identify and pursue new opportunities and product innovations. We do not maintain key man insurance for Mr. Reid. From time to time, there may be changes in our senior management team resulting from the termination or departure of executive officers and key employees. We currently intend for our senior management and key employees to be generally employed on an at-will basis, which means that they could terminate their employment with us at any time. The loss of the services of Mr. Reid, or any other future key employees, for any reason could significantly delay or prevent our development or the achievement of our strategic objectives and harm our business, financial condition and results of operations.

Our ability to successfully pursue our growth strategy will also depend on our ability to attract, motivate and retain personnel. We expect to face escalating compensation demands from new and prospective employees, as well as intense competition for these employees from numerous technology, software and other companies, especially in certain geographic areas in which we intend to operate, and we cannot ensure that we will be able to attract, motivate and/or retain additional qualified employees in the future. If we are unable to attract new employees or retain Mr. Reid, we may not be able to adequately develop, market and maintain new products or services at the same levels as our competitors and may, therefore, lose customers and market share. Our failure to attract and retain personnel could have an adverse effect on our ability to execute our business objectives and, as a result, our ability to compete could decrease, our operating results could suffer and our revenue could decrease. Even if we are able to identify and recruit a sufficient number of new hires, these new hires will require significant training before they achieve full productivity and they may not become productive as quickly as we would like, or at all.

***If we are unable to compete effectively with new entrants and other potential competitors, our sales and profitability could be adversely affected.***

The sales prices for our products and services may decline for a variety of reasons, including competitive pricing pressures, discounts, a change in our mix of products and services, anticipation of the introduction of new products or promotional programs. Competition continues to increase in the market segments in which we may participate, and we

expect competition to further increase in the future, thereby leading to increased pricing pressures. Larger competitors with more diverse product and service offerings may reduce the price of products that compete with theirs or may bundle them with other products and services. Additionally, currency fluctuations in certain countries and regions may negatively impact prices that partners and customers are willing to pay in those countries and regions. We cannot be certain that we will be successful in developing and introducing products with enhanced functionality on a timely basis, or that our product offerings, if introduced, will enable us to maintain our prices and gross profits at levels that will allow us to maintain positive gross margins and achieve profitability.

***We may acquire or invest in other companies or technologies in the future, which could divert management's attention, fail to meet our expectations, result in additional dilution to our stockholders, increase expenses, disrupt our operations or otherwise harm our operating results.***

We may in the future acquire or invest in, businesses, or other assets or technologies that we believe could complement or expand our business, enhance our capabilities or otherwise offer growth opportunities. We may not be able to fully realize the anticipated benefits of any future acquisitions or anticipated benefits may not transpire. The pursuit of potential acquisitions may divert the attention of management and cause us to incur various expenses related to identifying, investigating and pursuing suitable acquisitions, whether or not they are consummated.

There are inherent risks in integrating and managing acquisitions. If we acquire additional businesses, we may not be able to assimilate or integrate the acquired personnel, operations, products, services and technologies successfully or effectively manage the combined business following the acquisition and our management may be distracted from operating our business. We also may not achieve the anticipated benefits from the acquired business due to a number of factors, including, without limitation:

- unanticipated costs or liabilities associated with the acquisition;
- incurrence of acquisition-related costs, which would be recognized as a current period expense;
- inability to generate sufficient revenue to offset acquisition or investment costs;
- inability to maintain relationships with customers and partners of the acquired business;
- difficulty of incorporating acquired technology and rights into our operations and of maintaining quality and security standards consistent with our intended brands;
- delays in customer purchases due to uncertainty related to any acquisition;
- the potential loss of key employees;
- use of resources that are needed in other parts of our business and diversion of management and employee resources;
- inability to recognize acquired deferred revenue in accordance with our revenue recognition policies; and
- use of substantial portions of our available cash and equity or the incurrence of debt to consummate the acquisition.

Acquisitions also increase the risk of unforeseen legal liability, including for potential shareholder suits or potential violations of applicable law or industry rules and regulations, arising from prior or ongoing acts or omissions by the acquired businesses that are not discovered by due diligence during the acquisition process or new regulatory restrictions at the federal, state, or local levels. Generally, if an acquired business fails to meet our expectations, our operating results, business and financial condition may suffer. Acquisitions could also result in dilutive issuances of equity securities or the incurrence of debt, which could adversely affect our business, results of operations and financial condition.

In addition, a significant portion of the purchase price of companies we may acquire may be allocated to goodwill and other intangible assets, which must be assessed for impairment at least annually. If our acquisitions do not ultimately yield expected returns, we may be required to take charges to our operating results based on our impairment assessment process, which could harm our results of operations.

***Because our services may collect and store viewer and related information, domestic and international privacy and cyber security concerns, and other laws and regulations, could result in additional costs and liabilities to us or inhibit sales of our products or services.***

We may be affected by cyber-attacks and other means of gaining unauthorized access to our products, services, systems, and data. For instance, cyber criminals or insiders may target us or third parties with which we have business relationships to obtain data, or in a manner that disrupts our operations or compromises our products or the systems into which our products are integrated. The evolution of technology systems introduces ever more complex security risks that are difficult to predict and defend against. An increasing number of companies, including those with significant online operations, have recently disclosed breaches of their security, some of which involved sophisticated tactics and techniques allegedly attributable to criminal enterprises or nation-state actors. While we take measures to protect the security of personal information, it is possible that our security controls over personal information and other practices we follow may not prevent the unauthorized access to, or the unintended release of, personal information. In addition, we do not know whether our current practices will be deemed sufficient under applicable laws or whether new regulatory requirements might make our current practices insufficient. If there is a breach of our computer systems and we know or suspect that certain personal information has been accessed, or used inappropriately, we may need to inform the affected individual and may be subject to significant fines and penalties. In the event of a breach, we could face government scrutiny or consumer class actions.

Cybersecurity incidents directed at us or third-parties with whom we have relationships can range from uncoordinated individual attempts to gain unauthorized access to information technology systems to sophisticated and targeted measures known as advanced persistent threats. Cybersecurity incidents are also constantly evolving, increasing the difficulty of detecting and successfully defending against them. In the ordinary course of our business, we and such third-parties expect to collect and store personal information, as well as our proprietary business information and intellectual property and that of our customers and employees. Additionally, we expect to rely on third parties and their security procedures for the secure storage, processing, maintenance, and transmission of information that is critical to our operations. Despite measures designed to prevent, detect, address, and mitigate cybersecurity incidents, such incidents may occur to us or our third-party providers and, depending on their nature and scope, could potentially result in the misappropriation, destruction, corruption or unavailability of critical data and confidential or proprietary information (our own or that of third parties, including personal information of our customers and employees) and the disruption of business operations. We expect to experience attempted routine cyber-attacks of our information technology networks, such as through phishing scams and ransomware. Although we do not expect any of these actual or attempted cyber-attacks to have a material adverse impact on our operations or financial condition, we cannot guarantee that any such incidents will not have such an impact in the future. For example, we may be at higher risk for interruptions, outages and breaches of: operational systems, including business, financial, accounting, product development, data processing or production processes owned by us or such third-parties; facility security systems, owned by us or such third-parties; in-product technology owned by us or such third-parties; any integrated software in our solutions; or customer or other data that we process or such third-parties process on our behalf. Such cyber incidents could materially disrupt operational systems; result in loss of intellectual property, trade secrets or other proprietary or competitively sensitive information; compromise certain information of customers, employees, suppliers, or others; jeopardize the security of any of our facilities or equipment; or affect the performance of in-product technology and any integrated software in our solutions.

A cyber incident could be caused by disasters, insiders (through inadvertence or with malicious intent) or malicious third parties (including nation-states or nation-state supported actors) using sophisticated, targeted methods to circumvent firewalls, encryption and other security defenses, including hacking, fraud, trickery or other forms of deception. The techniques used by cyber attackers change frequently and may be difficult to detect for long periods of time. Although we maintain information technology measures designed to protect us against intellectual property theft, data breaches and other cyber incidents, such measures will require updates and improvements, and we cannot guarantee that such measures will be adequate to detect, prevent or mitigate cyber incidents.

Any actual or alleged security breaches or alleged violations of federal or state laws or regulations relating to privacy and data security could result in mandated user notifications, litigation, government investigations, significant fines, and expenditures; divert management's attention from operations; deterring people from using our products or services; damage our brand and reputation; and materially adversely affect our business, results of operations, and financial condition. Defending against claims or litigation based on any security breach or incident, regardless of their merit, will be costly and may cause reputation harm. In addition, we may incur significant costs for remediation that may include liability for stolen assets or information, repair of system damage, and compensation to customers, employees, and business partners. The successful assertion of one or more large claims against us that exceed available insurance coverage, denial of coverage as to any specific claim, or any change or cessation in our insurance policies and coverages, including premium increases or the imposition of large deductible requirements, could have a material adverse effect on our business, results of operations, and financial condition.

***We may be subject to governmental regulation and other legal obligations, particularly related to privacy, data protection and information security, and our actual or perceived failure to comply with such obligations could harm our business.***

We may be subject to a number of domestic and international laws and regulations that apply to cloud services and the internet generally. These laws, rules and regulations address a range of issues, including data privacy and cyber security, breach notification and restrictions or technological requirements regarding the collection, processing, use, storage, protection, disclosure, retention or transfer of data. The regulatory framework for online services, data privacy and cyber security issues worldwide can vary substantially from jurisdiction to jurisdiction, is rapidly evolving and is likely to remain uncertain for the foreseeable future. Many federal, state, local and foreign government bodies and agencies have adopted or are considering adopting laws, rules and regulations regarding the collection, processing, use, storage and disclosure of information, web browsing and geolocation data collection, data analytics, facial recognition, cyber security and breach response and notification procedures. Furthermore, existing laws and regulations are constantly evolving, and new laws and regulations that apply to our business are being introduced at every level of government in the United States, as well as internationally. As we seek to develop our business, we are, and may increasingly become subject to various laws, regulations, and standards, and may be subject to contractual obligations relating to data privacy and security in the jurisdictions in which we operate. Any significant change to applicable laws, regulations or industry practices regarding the use or disclosure of personal information, or regarding the manner in which the express or implied consent of customers for the use and disclosure of personal information is obtained, could require us to modify our products and features, possibly in a material manner and subject to increased compliance costs, which may limit our ability to develop new products and features that make use of the personal information that our customers may voluntarily share. Any failure, or perceived failure, by us to comply with any federal or state privacy or security laws, regulations, industry self-regulatory principles, or codes of conduct, regulatory guidance, orders to which we may be subject, or other legal obligations relating to data privacy or security could adversely affect our reputation, brand and business, and may result in claims, liabilities, proceedings or actions against us by governmental entities, customers or others. Any such claims, proceedings or actions could hurt our reputation, brand and business, force us to incur significant expenses in defense of such proceedings or actions, distract our management, increase our costs of doing business, result in a loss of customers and result in the imposition of monetary penalties.

In the United States, there are numerous federal and state data privacy and security laws, rules, and regulations governing the collection, use, disclosure, retention, security, transfer, storage, and other processing of personal data, including federal and state data privacy laws, data breach notification laws, and consumer protection laws. For example, the Federal Trade Commission ("FTC") and many state attorneys general are interpreting federal and state consumer protection laws to impose standards for the online collection, use, dissemination, and security of data. Such standards require us to publish statements that describe how we handle personal data and choices individuals may have about the way we handle their personal data. If such information that we publish is considered untrue or inaccurate, we may be subject to government claims of unfair or deceptive trade practices, which could lead to significant liabilities and consequences. Moreover, according to the FTC, violating consumers' privacy rights or failing to take appropriate steps to keep consumers' personal data secure may constitute unfair acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act. State consumer protection laws provide similar causes of action for unfair or deceptive practices.

In March 2021, the Governor of Virginia signed into law the Virginia Consumer Data Protection Act (the "VCDPA"). The VCDPA creates consumer rights, similar to the CCPA, but also imposes security and assessment requirements for businesses. In addition, in July 2021, Colorado enacted the Colorado Privacy Act ("COCPA"), becoming the third comprehensive consumer privacy law to be passed in the United States (after the CCPA and VCDPA). The COCPA closely resembles the VCDPA, and both will be enforced by the respective states' Attorney General and district attorneys, although the two differ in many ways. We must comply with each if our operations fall within the scope of these newly enacted comprehensive mandates, which may increase our compliance costs and potential liability. Similar laws have been proposed in other states and at the federal level, reflecting a trend toward more stringent privacy legislation in the United States. This legislation may add additional complexity, variation in requirements, restrictions and potential legal risk, require additional investment in resources to compliance programs, could impact strategies and availability of previously useful data, and could result in increased compliance costs and/or changes in business practices and policies.

In addition, some laws may require us to notify governmental authorities and/or affected individuals of data breaches involving certain personal information or other unauthorized or inadvertent access to or disclosure of such information. We may need to notify governmental authorities and affected individuals with respect to such incidents. For example, laws in all 50 U.S. states may require businesses to provide notice to consumers whose personal information has been disclosed as a result of a data breach. These laws are not consistent, and compliance in the event of a widespread data breach may be difficult and costly. We also may be contractually required to notify consumers or other counterparties of a security breach. Regardless of our contractual protections, any actual or perceived security breach or breach of our contractual obligations could harm our reputation and brand, expose us to potential liability or require us to expend significant resources on data security and in responding to any such actual or perceived breach.

We strive to comply with all applicable laws, policies, legal obligations and industry codes of conduct relating to privacy and data protection to the extent possible. Because the interpretation and application of privacy and data protection laws are still uncertain, it is possible that these laws may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another or with our existing practices or the features of our products and may conflict with other rules or regulations, making enforcement, and thus compliance requirements, ambiguous, uncertain, and potentially inconsistent. Any failure or perceived failure by us to comply with our privacy policies, privacy-related obligations to customers or other third parties, or our privacy-related legal obligations, or any compromise of security that results in the unauthorized access to or unintended release of personally identifiable information or other customer data, may result in governmental enforcement actions, litigation, or public statements against us by consumer advocacy groups or others. Any of these events could cause us to incur significant costs in investigating and defending such claims and, if found liable, pay significant damages. Further, these proceedings and any subsequent adverse outcomes may cause our customers to lose trust in us, which could have an adverse effect on our reputation and business.

We may also be subject to claims of liability or responsibility for the actions of third parties with whom we interact or upon whom it relies in relation to various products or services, including but not limited to vendors and business partners. If so, in addition to the possibility of fines, lawsuits and other claims, we could be required to fundamentally change our business activities and practices or modify our products, which could have an adverse effect on our business. Any inability to adequately address privacy and/or data concerns, even if unfounded, or comply with applicable privacy or data protection laws, regulations and policies, could result in additional cost and liability to us, damage our reputation, inhibit sales and adversely affect our business.

The costs of compliance with, and other burdens imposed by, the laws, rules, regulations and policies that are applicable to the businesses of our customers may limit the use and adoption of, and reduce the overall demand for, our products or services. Even the perception of privacy concerns, whether or not valid, may harm our reputation, inhibit adoption of our products or services by current and future customers, or adversely impact our ability to attract and retain workforce talent. Our failure to comply with applicable laws and regulations, or to protect such data, could result in enforcement action against us, including fines, imprisonment of our employees or directors and public censure, claims for damages by customers and other affected individuals, damage to our reputation and loss of goodwill (both in relation to existing customers and prospective customers), any of which could have a material adverse effect on our operations, financial performance and business.

***Periods of rapid growth and expansion could place a significant strain on our resources, including our future employees, which could negatively impact our operating results.***

We may experience periods of rapid growth and expansion, which may place a significant strain and demands on our management, our operational and financial resources, customer operations, research and development, sales and marketing, administrative, and other resources. To manage our possible future growth effectively, we will be required to continue to improve our management, operational and financial systems. Future growth would also require us to successfully hire, train, motivate and manage employees. In addition, our continued growth and the evolution of our business plan will require significant additional management, technical and administrative resources. If we are unable to manage our growth successfully, we may not be able to effectively manage the growth and evolution of our current business and our operating results could suffer.

***Our future performance may depend on the success of products and services we have not yet developed or acquired.***

Our success depends on the development, implementation and acceptance of our products and services. Commitments to develop new products and services must be made well in advance of any resulting sales, and technologies and standards may change during development, potentially rendering our products and services outdated or uncompetitive before their introduction. Our ability to develop products and services to meet evolving industry requirements and at prices acceptable to our customers will be significant factors in determining our competitiveness. We may expend considerable funds and other resources on the development of our products and services without any guarantee that these products will be successful. If we are not successful in bringing one or more products or types of services to market, whether because we fail to address marketplace demand, fail to develop viable technologies or otherwise, our revenues may decline and our results of operations could be seriously harmed.

***Our operating results may be harmed if we are required to collect taxes on our billings in jurisdictions where it has not historically done so.***

Taxing jurisdictions, including state, local and federal taxing authorities, have differing rules and regulations governing taxes, and these rules and regulations are subject to varying interpretations that may change over time. In particular, significant judgment is required in evaluating our tax positions and our provision for taxes. While we believe that we are in material compliance with our obligations under applicable taxing regimes, one or more states, localities or the federal government may seek to impose tax collection obligations on us. It is possible that we could face tax audits and that such audits could result in tax-related liabilities for which we have not accrued. A successful assertion that we should be collecting taxes in jurisdictions where it has not historically done so and do not accrue for taxes could result in substantial tax liabilities for past sales, discourage customers from purchasing from us or otherwise harm our business and operating results.

In addition, our tax obligations and effective tax rates could be adversely affected by changes in the relevant tax, accounting and other laws, regulations, principles and interpretations, including those relating to income tax nexus, jurisdictional mix of profits at varying statutory tax rates, by changes in foreign currency exchange rates, or by changes in the valuation of our deferred tax assets and liabilities. Although we believe our tax estimates are reasonable, the final determination of any tax audits or litigation could be materially different from our historical tax provisions and accruals, which could have a material adverse effect on our operating results or cash flows in the period or periods for which a determination is made.

***We expect to require additional capital to support the growth of our business, and this capital might not be available on acceptable terms, if at all.***

We intend to continue to make investments to support our business growth and expect to require additional funds to respond to business challenges, including the potential need to develop new business segments, services, features or enhance our products, improve our operating infrastructure or acquire complementary businesses and technologies. Accordingly, we expect to need to engage in equity or debt financings to secure additional funds. If we raise additional funds through future issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities that we issue could have rights, preferences and privileges superior to those of holders of our Common Stock. Any debt financing that we may secure in the future could involve restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us

to obtain additional capital and to pursue business opportunities, including potential acquisitions. We may not be able to obtain additional financing on terms favorable to it, if at all. If we are unable to obtain adequate financing or financing on terms satisfactory to it when we require it, our ability to continue to support our business growth and to respond to business challenges could be significantly impaired, and our business may be adversely affected.

***Without obtaining adequate capital funding or improving our financial performance, we may not be able to continue as a going concern.***

Our recurring losses from operations and negative cash flows raise substantial doubt about our ability to continue as a going concern without additional capital-raising activities. As a result, we have concluded that there is substantial doubt about our ability to continue as a going concern. Failure to secure additional funding may require us to modify, delay, or abandon some of our planned future expansion or development, or to otherwise enact operating cost reductions available to management, which could have a material adverse effect on our business, operating results, financial condition, and ability to achieve our intended business objectives.

***The requirements of being a public company may strain our resources and divert management's attention.***

As a public company, we are subject to the reporting requirements of the OTC and other applicable securities rules and regulations. The OTC requires, among other things, that we file annual and current reports with the OTC with respect to our business and operating results. Compliance with these rules and regulations increases our legal and financial compliance costs, makes some activities more difficult, time-consuming, or costly, and increases demand on our systems and resources.

As a result of disclosure of information in this Annual Report and in filings required of a public company, our business and financial condition is more visible, which we believe may result in threatened or actual litigation, including by competitors and other third parties. If such claims are successful, our business and operating results could be harmed, and even if the claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, could divert resources of our management and harm our business and operating results.

***As a result of being a public company, we are responsible for establishing and maintaining adequate internal control over financial reporting. We have identified material weaknesses in our internal control over financial reporting, and if we are unable to remediate the material weaknesses, or if we fail to develop and maintain effective disclosure controls and procedures and internal control over financial reporting, our ability to produce timely and accurate consolidated financial statements or comply with applicable laws and regulations could be impaired, which may adversely affect our business and the price of our Common Stock.***

We have identified material weaknesses in our internal control over financial reporting. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the annual or interim consolidated financial statements will not be prevented or detected on a timely basis.

We did not design and maintain an effective control environment commensurate with our financial reporting requirements. Specifically, we lacked a sufficient complement of personnel with an appropriate level of internal controls and accounting knowledge, training and experience commensurate with our financial reporting requirements. Additionally, the limited personnel resulted in our inability to consistently establish appropriate authorities and responsibilities in pursuit of our financial reporting objectives, as demonstrated by, among other things, insufficient segregation of duties in our finance and accounting functions. This material weakness contributed to the following additional material weaknesses:

- (1) inadequate segregation of duties consistent with control objectives;
- (2) insufficient written policies and procedures for accounting and financial reporting with respect to the requirements and application of U.S. generally accepted accounting principles ("GAAP") and disclosure requirements; and
- (3) ineffective controls over period end financial disclosure and reporting processes. The aforementioned material weaknesses were identified and communicated to management in connection with the preparation and audit of our financial statements as of December 31, 2023.

While we are undertaking efforts to remediate these material weaknesses, the material weaknesses will not be considered remediated until our remediation plan has been fully implemented, the applicable controls operate for a sufficient period of time, and we have concluded, through testing, that the newly implemented and enhanced controls are operating effectively. At this time, we cannot predict the success of such efforts or the outcome of our assessment of the remediation efforts. We can give no assurance that our efforts will remediate these material weaknesses in our internal control over financial reporting, or that additional material weaknesses will not be identified in the future.

The effectiveness of our internal control over financial reporting is subject to various inherent limitations, including cost limitations, judgments used in decision making, assumptions about the likelihood of future events, the possibility of human error and the risk of fraud. If we are unable to remediate the material weaknesses, our ability to record, process and report financial information accurately, and to prepare the consolidated financial statements within the time periods specified by the rules and regulations of the OTC, could be adversely affected which, in turn, may adversely affect our reputation and business and the trading price of our Common Stock. Our failure to design and maintain effective internal control over financial reporting could also result in errors in our consolidated financial statements that could result in a restatement of such financial statements and could cause us to fail to meet such time periods, any of which could diminish investor confidence in us and cause a decline in the price of our Common Stock. In addition, any such failures could result in litigation or regulatory actions by the OTC or other regulatory authorities, loss of investor confidence, our Common Stock no longer being quoted on the over-the-counter market, harm to our reputation and financial condition, or diversion of financial and management resources from the operation of our business.

***Our reported financial results may be adversely affected by changes in accounting principles generally accepted in the United States.***

GAAP is subject to interpretation by the Financial Accounting Standards Board (“FASB”), the SEC, and various bodies formed to promulgate and interpret appropriate accounting principles. A change in these principles or interpretations could have a significant effect on our reported results of operations and could affect the reporting of transactions already completed before the announcement of such change.

***We may be vulnerable to continued global economic uncertainty causing volatility in financial markets.***

Our business may be sensitive to changes in general economic conditions and the financial markets inside the United States and internationally, which have experienced extreme disruption in recent times, including, among other things, extreme volatility in security prices, severely diminished liquidity and credit availability, and declining valuations of investments. We believe these disruptions are likely to have an ongoing adverse effect on the world economy. A continued economic downturn and financial market disruptions could have a material adverse effect on our business, financial condition and results of operations. Any uncertainties relating to inflation, the conflict with the Republic of Iran, the foreign and domestic government sanctions imposed on Russia as a result of its invasion of Ukraine, or global supply chain disruptions may cause consumers, businesses, and governments to defer purchases in response to tighter credit, decreased cash availability and declining consumer confidence. Accordingly, demand for our products or services could decrease and differ materially from current expectations. Further, some of our customers may require substantial financing in order to fund their operations and subscribe or purchase products or services from us. The inability of these customers to obtain sufficient credit to finance purchases of our products or services and meet their payment obligations to us or possible insolvencies of our customers could result in decreased customer demand and could adversely impact our financial results.

## **Risks Related to Our Common Stock**

***The market price of our Common Stock is likely to be highly volatile given our status as a relatively unknown company with a small and thinly traded public float, and lack of profits, and you may lose some or all of your investment.***

The market for our Common Stock is characterized by significant price volatility when compared to the securities of larger, more established companies that have large public floats, and we expect that the price of our Common Stock will continue to be more volatile than the securities of such larger, more established companies for the indefinite future. The volatility in the price of our Common Stock is attributable to a number of factors. First, as noted above, our Common Stock is,

compared to the securities of such larger, more established companies, sporadically and thinly traded. The price of our Common Stock could, for example, decline precipitously in the event that a large number of shares of our Common Stock is sold on the market without commensurate demand. Secondly, we are a speculative or “risky” investment due to our lack of profits to date. As a consequence of this enhanced risk, more risk-adverse investors may, under the fear of losing all or most of their investment in the event of negative news or lack of progress, be more inclined to sell their shares of Common Stock on the market more quickly and at greater discounts than would be the case with the securities of a larger, more established company that has a large public float. Such volatility can also occur due to a variety of other factors, including the following:

- the inability to maintain the quotation of the Common Stock on the over-the-counter market;
- changes in applicable laws or regulations;
- risks relating to the uncertainty of our projected financial information; and
- risks related to the organic and inorganic growth of our business and the timing of expected business milestones.

In addition, the stock markets have experienced extreme price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies. These fluctuations have often been unrelated or disproportionate to the operating performance of those companies. Broad market and industry factors, as well as general economic, political, regulatory and market conditions, may negatively affect the market price of our Common Stock, regardless of our actual operating performance. Many of these factors are beyond our control and may decrease the market price of our Common Stock regardless of our operating performance.

***Volatility in the prices of our Common Stock could subject us to securities class action litigation.***

In the past, securities class action litigation has often been brought against a company following a decline in the market price of its securities or the completion of a merger. If we face such litigation, it could result in substantial costs and a diversion of management’s attention and resources, which could harm our business.

***We cannot predict the extent to which an active public trading market for our Common Stock will develop or be sustained. If an active public trading market for our Common Stock does not develop or cannot be sustained, you may be unable to liquidate your investment in our securities.***

At present, there is minimal public trading in our Common Stock. We cannot predict the extent to which an active public market for our Common Stock will develop or be sustained due to a number of factors, including the fact that we are a small company that is relatively unknown to stock analysts, stock brokers, institutional investors, and others in the investment community that generate or influence sales volume, and that even if we came to the attention of such persons, they tend to be risk-averse and would be reluctant to follow an unproven company such as ours or purchase or recommend the purchase of our securities until such time as we became more seasoned and viable. As a consequence, there may be periods of several days or more when trading activity in our Common Stock is minimal or non-existent, as compared to a seasoned issuer which has a large and steady volume of trading activity that will generally support continuous sales without an adverse effect on market price. We cannot give you any assurance that an active public trading market for our securities will develop or be sustained. If such a market cannot be sustained, you may be unable to liquidate your investment in our securities.

***U.S. broker-dealers may be discouraged from effecting transactions in shares of our Common Stock because they may be considered penny stocks and thus be subject to the penny stock rules.***

The SEC has adopted a number of rules to regulate “penny stock” that restricts transactions involving stock which is deemed to be penny stock. Such rules include Rules 3a51-1, 15g-1, 15g-2, 15g-3, 15g-4, 15g-5, 15g-6, 15g-7, and 15g-9 under the Exchange Act. These rules may have the effect of reducing the liquidity of penny stocks. “Penny stocks” generally are equity securities with a price of less than \$5.00 per share (other than securities registered on certain national securities exchanges if current price and volume information with respect to transactions in such securities is

provided by the exchange or system). Our shares of Common Stock have in the past constituted, and may again in the future constitute, “penny stock” within the meaning of the rules. The additional sales practice and disclosure requirements imposed upon U.S. broker-dealers may discourage such broker-dealers from effecting transactions in shares of our Common Stock, which could severely limit the market liquidity of such shares of Common Stock and impede their sale in the secondary market.

A U.S. broker-dealer selling a penny stock to anyone other than an established customer or “accredited investor” (generally, an individual with a net worth in excess of \$1,000,000 or an annual income exceeding \$200,000, or \$300,000 together with his or her spouse) must make a special suitability determination for the purchaser and must receive the purchaser’s written consent to the transaction prior to sale, unless the broker-dealer or the transaction is otherwise exempt. In addition, the “penny stock” regulations require the U.S. broker-dealer to deliver, prior to any transaction involving a “penny stock”, a disclosure schedule prepared in accordance with SEC standards relating to the “penny stock” market, unless the broker-dealer or the transaction is otherwise exempt. A U.S. broker-dealer is also required to disclose commissions payable to the U.S. broker-dealer and the registered representative and current quotations for the securities. Finally, a U.S. broker-dealer is required to submit monthly statements disclosing recent price information with respect to the “penny stock” held in a customer’s account and information with respect to the limited market in “penny stocks”.

Stockholders should be aware that, according to the SEC, the market for “penny stocks” has suffered in recent years from patterns of fraud and abuse. Such patterns include: (i) control of the market for the security by one or a few broker-dealers that are often related to the promoter or issuer; (ii) manipulation of prices through prearranged matching of purchases and sales and false and misleading press releases; (iii) “boiler room” practices involving high-pressure sales tactics and unrealistic price projections by inexperienced salespersons; (iv) excessive and undisclosed bid-ask differentials and markups by selling broker-dealers; and (v) the wholesale dumping of the same securities by promoters and broker-dealers after prices have been manipulated to a desired level, resulting in investor losses. Our management is aware of the abuses that have occurred historically in the penny stock market. Although we do not expect to be in a position to dictate the behavior of the market or of broker-dealers who participate in the market, management will strive within the confines of practical limitations to prevent the described patterns from being established with respect to our securities.

***Because certain of our stockholders control a significant number of shares of our Common Stock, they may have effective control over actions requiring stockholder approval.***

As of the date of the filing of this Annual Report, members of our Board of Directors beneficially owns an aggregate of 15,573,000 shares of Common Stock, or about 20% of the current outstanding shares. Due to their voting power, new investors may not be able to effect a change in our business or management, and therefore, stockholders would have limited recourse as a result of decisions made by management.

***If securities or industry analysts do not publish research or reports about us, or publish negative reports, the price of our Common Stock and trading volume could decline.***

The trading market for our Common Stock will depend, in part, on the research and reports that securities or industry analysts publish about us. We do not have any control over these analysts. If our financial performance fails to meet analyst estimates or one or more of the analysts who cover us downgrade our Common Stock, change their opinion, or reduce the target stock price for our Common Stock, our Common Stock price would likely decline. If one or more of these analysts do not publish reports on us regularly or at all, we will not likely have visibility in the financial markets, which could cause our Common Stock price or trading volume to decline.

***Because we do not anticipate paying any cash dividends on our shares of Common Stock in the foreseeable future, capital appreciation, if any, would be your sole source of gain if you hold such shares.***

We currently anticipate that we will retain future earnings for the development, operation and expansion of our business and we do not anticipate declaring or paying any cash dividends on our Common Stock for the foreseeable future. As a result, capital appreciation, if any, of our Common Stock would be your sole source of gain on an investment in such shares for the foreseeable future.

***A large number of outstanding shares of our Common Stock is currently restricted from resale. The number of shares eligible for public sale upon the lapse of such restrictions and conversions of outstanding convertible notes and preferred stock could depress the market price of our Common Stock dilute the ownership interests of existing stockholders.***

Sales of our Common Stock as such restrictions are lifted may make it more difficult for us to sell our Common Stock and other equity securities in the future at a time and at a price that we deem appropriate. Such sales could also cause the trading price of our Common Stock to fall and dilute the ownership of our existing stockholders.

***We could issue “blank check” preferred stock without stockholder approval with the effect of diluting then current stockholder interests and impairing their voting rights; and provisions in our organizational documents could discourage a takeover that stockholders may consider favorable.***

Our articles of incorporation, as amended (“Articles of Incorporation”), authorizes the issuance of shares of “blank check” preferred stock with designations, rights and preferences as may be determined from time to time by our Board. Our Board is empowered, without stockholder approval, to issue a series of preferred stock with dividend, liquidation, conversion, voting or other rights which could dilute the interest of, or impair the voting power of, our common stockholders. The issuance of a series of preferred stock could be used as a method of discouraging, delaying, or preventing a change in control of the Company. For example, it would be possible for our Board of Directors to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to change control of the Company. Currently, shares of our Series C Preferred Stock are currently outstanding, with preferential rights over the Common Stock.

**DLT RESOLUTION, INC**  
**Consolidated Balance Sheets**  
**(Unaudited)**

	December 31, 2025	December 31, 2024
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 7,245	\$ 66,034
Accounts receivable	45	2,608
Prepaid expenses	2,393	—
Other receivables	40,843	38,535
<b>Total current assets</b>	50,525	107,177
Investment (See Note 4)	500,000	—
<b>Total assets</b>	\$ 550,525	\$ 107,177

## LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)

### Current liabilities

Accounts payable and accrued liabilities	\$ 447,017	\$ 340,968
Notes payable, related party (See Note 6)	—	33,981
<b>Total current liabilities and total liabilities</b>	<b>447,017</b>	<b>374,949</b>

### Stockholders' equity (deficit)

Series A convertible preferred stock, \$1.00 par value; 5,000,000 shares authorized; Nil issued and outstanding at December 31, 2025 and December 31, 2024	—	—
Series B convertible preferred stock, \$1.00 par value; 500,000 shares authorized; Nil issued and outstanding at December 31, 2025 and December 31, 2024	—	—
Series C convertible preferred stock, \$1.00 par value; 500,000 shares authorized; 500,000 and Nil issued and outstanding at December 31, 2025 and December 31, 2024 (See Note 7)	500,000	—
Common stock, \$0.001 par value; 275,000,000 shares authorized; 66,431,137 and 51,423,730 issued and outstanding at December 31, 2025 and December 31, 2024, respectively (See Note 7)	66,431	51,423
Common stock subscribed (See Note 7)	245,567	478,014
Additional paid-in capital	8,958,501	8,207,695
Accumulated other comprehensive income	(27,119)	(27,119)
Accumulated deficit	(9,639,372)	(8,977,785)
<b>Total stockholders' equity (deficit)</b>	<b>103,508</b>	<b>(267,772)</b>
<b>Total liabilities and stockholders' equity (deficit)</b>	<b>\$ 550,525</b>	<b>\$ 107,177</b>

See accompanying notes to consolidated unaudited financial statements.

**DLT RESOLUTION, INC.**  
**Unaudited Consolidated Statements of Operations and Comprehensive Loss**

	Year ended December 31,	
	2025	2024
<b>Revenue</b>	\$ 88,609	\$ 110,606
<b>Cost of revenue and operating expenses</b>		
Cost of revenue	49,457	68,236
Impairment expense (See Note 9)	43,600	173,756
General and administrative (See Note 9)	634,065	1,406,740
<b>Total operating expenses</b>	<u>727,122</u>	<u>1,648,732</u>
Loss from operations	(638,513)	(1,538,126)
<b>Other income (expense)</b>		
Other income (expense)	(450)	5,412
Foreign exchange (loss) gain	(13,028)	(101,782)
Loss on acquisition (See Note 7)	—	(52,296)
Interest income	108	5,115
Interest expense	(3,954)	(2,408)
<b>Total other expense</b>	<u>(17,324)</u>	<u>(145,959)</u>
<b>Net loss from continuing operations</b>	\$ (655,837)	\$ (1,684,085)
Net income from discontinued operations	\$ —	\$ 277,928
<b>Net loss</b>	<u>\$ (655,837)</u>	<u>\$ (1,406,157)</u>
<b>Other comprehensive income</b>		
Foreign translation adjustment	—	(92,569)
<b>Net loss and comprehensive loss</b>	<u>\$ (655,837)</u>	<u>\$ (1,498,726)</u>

<b>Loss from continuing operations per share, basic and diluted</b>	(0.01)	(0.04)
<b>Earnings from discontinued operations per share</b>	\$ 0.00	\$ 0.01
<b>Weighted average basic shares outstanding</b>	86,738,467	38,416,154
<b>Weighted average diluted shares outstanding</b>	86,738,467	38,416,154

See accompanying notes to consolidated unaudited financial statements.

**DLT RESOLUTION, INC**  
**Consolidated Statements of Changes in Stockholders' Equity (Deficit)**

	Series C Preferred Stock		Common Stock		Common Stock	Additional Paid-in	Other Comprehensive	Accumulated	Total
	Shares	Amount	Shares	Amount	Subscribed	Capital	Income	Deficit	
Balance, December 31, 2024	—	\$ —	51,423,730	\$ 51,423	\$ 478,014	\$ 8,207,695	\$ (27,119)	\$ (8,977,785)	\$ (267,772)
Sale of common stock subscriptions	—	—	—	—	(733,820)	—	—	—	(733,820)
Issuance of Common Stock for cash proceeds	—	—	11,243,407	11,244	501,373	722,576	—	—	1,235,193
Issuance of Common Stock for service	—	—	3,764,000	3,764	—	28,230	—	—	31,994
Issuance of Series C shares for investment (See Note 4)	500,000	500,000	—	—	—	—	—	—	500,000
Dividend payable on Series C Preferred Stock	—	—	—	—	—	—	—	(6,250)	(6,250)
Net loss	—	—	—	—	—	—	—	(655,837)	(655,837)
Balance, December 31, 2025	500,000	\$ 500,000	66,431,137	\$ 66,431	\$ 245,567	\$ 8,958,501	\$ (27,119)	\$ (9,639,872)	\$ 103,508
Balance, December 31, 2023	—	\$ —	26,810,478	\$ 26,810	\$ 325,122	\$ 7,065,388	\$ 9,990	\$ (7,479,059)	\$ (51,749)
Issuance of Common Stock for service	—	—	16,400,000	16,400	—	54,798	—	—	71,198
Sale of common stock subscriptions	—	—	—	—	1,222,214	—	—	—	1,222,214
Issuance of Common Stock for cash proceeds	—	—	8,213,251	8,213	(1,069,322)	1,087,509	—	—	26,400
Sale of DLT Resolution Corp.	—	—	—	—	—	—	(129,678)	—	(129,678)
Foreign currency translation adjustment	—	—	—	—	—	—	92,569	(92,569)	—
Net loss	—	—	—	—	—	—	—	(1,406,157)	(1,406,157)
Balance, December 31, 2024	—	\$ —	51,423,730	\$ 51,423	\$ 478,014	\$ 8,207,695	\$ (27,119)	\$ (8,977,785)	\$ (267,772)

See accompanying notes to consolidated unaudited financial statements.

**DLT RESOLUTION, INC**  
**Unaudited Consolidated Statements of Cash Flows**

	<b>Year Ended December 31, 2025</b>	<b>Year Ended December 31, 2024</b>
	<u>                    </u>	<u>                    </u>
<b>Cash flows from operating activities</b>		
Net loss from continuing operations	\$ (655,837)	\$ (1,684,085)
<b>Adjustments to reconcile net loss to net cash used in operating activities</b>		
Other income	—	(5,412)
Bad debt expense	72	849
Issuance of shares of common stock for services	31,994	71,198
Loss on acquisition, net of cash acquired (See Note 7)	—	52,324
<b>Changes in operating assets and liabilities</b>		
Accounts receivable	183	212,021
Accounts payable and accrued liabilities	99,798	180,069
Notes payables, related party	(33,981)	2,408
Net cash used in operating activities	<u>(560,163)</u>	<u>(1,170,629)</u>
Net cash used in discontinued operating activities	—	(12,678)
<b>Net cash used in investing activities</b>	—	—
<b>Cash flows from financing activities</b>		
Repayments of notes payable	—	—
Proceeds from sales of common stock	501,374	1,248,615
Net cash provided by financing activities	<u>501,374</u>	<u>1,248,615</u>

Net change in cash	(58,789)	65,307
Effect of exchange rate on cash	—	—
Cash at beginning of period	66,034	727
Cash at end of period	<u>\$ 7,245</u>	<u>\$ 66,034</u>

**Supplemental cash flow information**

Cash paid for interest	<u>\$ —</u>	<u>\$ —</u>
Cash paid for income taxes	<u>\$ —</u>	<u>\$ —</u>

See accompanying notes to consolidated unaudited financial statements.

**DLT RESOLUTION, INC.**  
**Notes to Unaudited Consolidated Financial Statements**  
**December 31, 2025**

**Note 1 – Organization and Description of Business**

The Company was organized on January 17, 2007 (Date of Inception) under the laws of the State of Nevada, as DBL Senior Care, Inc. and subsequently changed its name to DLT Resolution Inc. on December 4, 2017.

DLT Resolution Inc. (“DLT, the “Company”, “we”, and “our”) operates in three high-tech industry including telecommunications and data services which includes Image Capture, Data Collection, Data Phone Center Services, and Payment Processing. The Company offers secure data management, Information Technology (IT) and other telecommunications services in Canada and the United States. The Company operates a Health Information Exchange providing the ability to request and retrieve medical information and records while meeting all of today’s Security & Compliance demands for HIPAA, PIPEDA and PHIPA.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has suffered recurring losses from operations and has a significant accumulated deficit. In addition, the Company continues to experience negative cash flow from operations. These factors raise substantial doubt about the Company’s ability to continue as a going concern for one year after the date these financial statements are issued. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Management’s plans in regard to this matter include raising additional equity financing and borrowing funds under a private credit facility and/or other credit sources. There can be no assurance that additional financing will be available when needed or on acceptable terms. If the Company is not able to secure adequate additional funding, the Company may be forced to make reductions in spending, extend payment terms with suppliers, and/or suspend or curtail commercialization activities. Any of these actions could materially harm the Company’s business, results of operations, financial condition and future prospects.

**Note 2 – Summary of Significant Accounting Policies**

Estimates

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

Cash includes deposits in the bank accounts of DLT Resolution Inc. and its subsidiaries with accounts denominated in Canadian dollars and U.S. dollars. Cash payments and receipts are routed through the Company’s subsidiaries and certain related parties. As of December 31, 2025 and December 31, 2024, our cash held in banks was \$7,245 and \$66,034, respectively.

Accounts Receivable

Accounts receivable balances are established for amounts owed to the Company from its customers from the sales of services and products. The Company closely monitors the collectability of outstanding accounts receivable and provides an allowance for doubtful accounts based on estimated collections of outstanding amounts.

#### Revenue Recognition

The Company follows ASC 606 of the FASB Accounting Standards Codification for revenue recognition. The Company recognizes revenue upon the transfer of promised services to customers in amounts that reflect the consideration to which the Company expects to be entitled the transfer of services. The Company considers revenue earned when all the following criteria are met: (i) the contract with the customer has been identified, (ii) the performance obligations have been identified, (iii) the transaction price has been determined, (iv) the transaction price has been allocated to the performance obligations, and (v) the performance obligations have been satisfied. The Company primarily generates revenue through the sale of products through its website and at industry tradeshows.

#### Income taxes

Income taxes are provided for using the liability method of accounting in accordance with FASB ASC Topic 740 (Formally SFAS No. 109 "Accounting for Income Taxes"). A deferred tax asset or liability is recorded for all temporary differences between financial and tax reporting. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax basis. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effect of changes in tax laws and rates on the date of enactment.

At December 31, 2025 and December 31, 2024, there were no uncertain tax positions that require accrual.

#### Earnings (Loss) Per Share

Earnings (Loss) per share is calculated in accordance with FASB ASC topic 260. Basic earnings (loss) per share is computed by dividing net income, or loss, by the weighted average number of shares of common stock outstanding for the period. Diluted earnings (loss) per share is computed by dividing net income, or loss, by the weighted average number of shares of common stock outstanding for the period, assuming conversion or exercise of all potentially dilutive securities outstanding during each reporting period presented. Potentially dilutive securities are not presented or used in the computation of diluted loss per share on the statement of operations for periods when the Company incurs net losses, as their effect would be anti-dilutive.

#### Principles of Consolidation

The consolidated financial statements represent the results of DLT Resolution, Inc. and its subsidiaries, DLT Telecom Inc. and DLT International Inc., as continuing operations and DLT Resolution Corp., its subsidiary, as discontinued operations. All intercompany transactions and balances have been eliminated.

#### Foreign Currency Translation

The functional currency of the Company's subsidiaries in Canada is the Canadian Dollar. The subsidiaries' assets and liabilities have been translated to U.S. dollars using exchange rates of 0.73 and 0.69 in effect at the balance sheet dates of December 31, 2025 and December 31, 2024, respectively. Statements of operations amounts have been translated using the quarterly weighted average exchange rates of 0.72 and 0.73 for the years ended December 31, 2025 and 2024, respectively. Resulting gains or losses from translating foreign currency financial statements are recorded as other

comprehensive income (loss). Foreign currency transaction gains and losses resulting from exchange rate fluctuations on transactions denominated in a currency other than the local currency are included in accumulated other income (expense).

### Fair Value of Financial Instruments

Fair value of certain of the Company's financial instruments including cash, accounts receivable, other receivable, accounts payable and accrued liabilities, notes payable to related parties, notes payable, approximate cost because of their short maturities or bear floating rate of interest. The Company measures and reports fair value in accordance with ASC 820, "Fair Value Measurements and Disclosure" defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles and expands disclosures about fair value investments. Fair value, as defined in ASC 820, is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset should reflect its highest and best use by market participants, principal (or most advantageous) markets, and an in-use or an in-exchange valuation premise. The fair value of a liability should reflect the risk of nonperformance, which includes, among other things, the Company's credit risk.

Valuation techniques are generally classified into three categories: the market approach; the income approach; and the cost approach. The selection and application of one or more of the techniques may require significant judgment and are primarily dependent upon the characteristics of the asset or liability, and the quality and availability of inputs. Valuation techniques used to measure fair value under ASC 820 must maximize the use of observable inputs and minimize the use of unobservable inputs. ASC 820 also provides fair value hierarchy for inputs and resulting measurement as follows:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2: Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data for substantially the full term of the assets or liabilities; and

Level 3: Unobservable inputs for the asset or liability that are supported by little or no market activity, and that are significant to the fair values.

Fair value measurements are required to be disclosed by the Level within the fair value hierarchy in which the fair value measurements in their entirety fall. Fair value measurements using significant unobservable inputs (in Level 3 measurements) are subject to expanded disclosure requirements including a reconciliation of the beginning and ending balances, separately presenting changes during the period attributable to the following: (i) total gains or losses for the period (realized and unrealized), segregating those gains or losses included in earnings, and a description of where those gains or losses included in earnings are reported in the statement of income.

### Business Combinations

We allocate the fair value of purchase consideration to the tangible assets acquired, liabilities assumed and intangible assets acquired based on their estimated fair values as of the acquisition date. The excess of the fair value of purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill to reporting units based on the expected benefit from the business combination. Allocation of purchase consideration to identifiable assets and liabilities affects the amortization expense, as acquired finite-lived intangible assets are amortized over the useful life,

whereas any indefinite-lived intangible assets, including goodwill, are not amortized. During the measurement period, which is not to exceed one year from the acquisition date, we record adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill. Upon the conclusion of the measurement period, any subsequent adjustments are recorded to earnings. Acquisition-related expenses are recognized separately from business combinations and are expensed as incurred.

#### Recent Accounting Pronouncements

##### ***Accounting guidance recently adopted***

In November 2023, the Financial Accounting Standards Board (“FASB”) issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures (“ASU 2023-07”) to improve the disclosures regarding a public entity’s reportable segments and address requests from investors for additional, more detailed information about a reportable segment’s expenses. The Company is required to adopt the guidance in the fourth quarter of fiscal 2025, though early adoption is permitted. The Company adopted quarterly requirements of this guidance beginning in the first quarter of 2025 and the adoption has no material impact on the unaudited condensed interim consolidated financial statements.

##### ***New accounting guidance not yet adopted***

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvement to Income Tax Disclosures (“ASU 2023-09”) to provide disaggregated income tax disclosures on rate reconciliation and income taxes paid. The Company is required to adopt the guidance in the fourth quarter of fiscal 2026, though early adoption is permitted. The Company is currently evaluating the impact of this amendment on its consolidated financial statements.

In January 2025, the FASB issued a clarification by ASU 2025-01 Income Statement - Expense Disaggregation Disclosures (Topic 220): A new guidance related to expense disaggregation disclosures. This guidance requires additional disclosure of certain amounts included in the expense captions presented in the Statement of Income as well as disclosures about selling expenses. The new guidance will be effective for us beginning in 2027 on an annual basis and in the first quarter of 2028 on a quarterly basis and may be applied on either a prospective or retrospective basis. Early adoption of the guidance is permitted. The Company is currently evaluating the effect this new guidance will have on our disclosures.

The Company continues to evaluate the impact of the new accounting pronouncement, including enhanced disclosure requirements, on our business processes, controls and systems.

#### **Note 3 – Discontinued Operations**

In April 2024, the Company sold its 100% ownership interest in DLT Resolution Corp. to a third party for nominal consideration. As a result of the disposal, DLT Resolution Corp. met the criteria for presentation as a discontinued operation under ASC 205-20, Discontinued Operations. Accordingly, the results of operations of DLT Resolution Corp. have been reported as discontinued operations for all periods presented. The Company no longer retains any assets or liabilities associated with the disposed entity following the sale.

The Company recognized a gain on disposal of \$277,928 during the year ended December 31, 2024. The gain represents the difference between the carrying amount of the net assets of DLT at the date of sale and the nominal consideration received. No contingent consideration, indemnification obligations, or continuing involvement existed following the disposal. The following table summarizes the assets and liabilities of the discontinued operation as of December 31, 2025 and 2024, and the results of operations for the years then ended:

### Assets and Liabilities of Discontinued Operation

	2025	2024
<b>Assets:</b>		
Cash	\$ —	\$ —
Accounts receivable	—	—
Intangible assets	—	—
<b>Total assets</b>	<b>—</b>	<b>—</b>
<b>Liabilities:</b>		
Bank overdraft	—	—
Accounts payable and accrued liabilities	—	—
Notes payable	—	—
<b>Total liabilities</b>	<b>—</b>	<b>—</b>
Revenues	—	—
Cost of revenue	—	—
General and administrative expense	—	—
Other expense	—	—
Gain on sales of subsidiaries	—	277,928
<b>Net income from discontinued operations</b>	<b>\$ —</b>	<b>\$ 277,928</b>

#### Note 4 – Investment

On September 24, 2025, the Company entered into a Share Exchange Agreement with Open Clear Capital Inc. (“OCC”), a Wyoming corporation. Under the terms of the agreement, the Company acquired 800,000 shares of OCC common stock, representing approximately 8.7% of OCC’s outstanding common shares, as well as a warrant to purchase 400,000 additional OCC common shares at an exercise price of \$1.50 per share.

In exchange, the Company issued 500,000 shares of its Series C Preferred Stock to OCC (see Note 7). The Company determined the fair value of the consideration transferred to be \$500,000, which was used as the basis for initially recognizing the investment in OCC’s common shares and warrant.

The investment does not provide the Company with significant influence over OCC, and therefore it is accounted for under ASC 321, Equity Securities. As of December 31, 2025, the Company continues to hold the OCC common shares and warrant. The investment is carried at \$500,000, representing its initial cost, as no impairment indicators have been identified.

## Note 5 – Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities as of December 31, 2025 and 2024 are summarized below

	December 31, 2025	December 31, 2024
Accounts payable	\$ 59,636	\$ 96,836
Accrued expenses	381,131	244,132
Accrued dividend	6,250	—
Total	\$ 447,017	\$ 340,968

## Note 6 – Notes Payable

We issued note payable as settlement for consulting services. The note carries interest of 9% compounded annually, is due on demand and has an outstanding balance of \$Nil and \$27,734 as of December 31, 2025 and December 31, 2024, respectively.

We issued a \$10,000 note payable in 2017 that carries interest of 3% compounded annually, is due on demand and has an outstanding balance of \$Nil and \$6,247 as of December 31, 2024 and December 31, 2023, respectively.

## Note 7 – Stockholders' Equity

### Series A Convertible Preferred Stock

The Company is authorized to issue up to 5,000,000 shares of Series A Convertible Preferred Stock. The Series A Convertible Preferred Stock can be converted to common shares at the option of the holder at a rate of \$1 per share.

The Company had no shares of Series A convertible preferred stock issued and outstanding as of December 31, 2025 and December 31, 2024.

### Series B Convertible Preferred Stock

The Company is authorized to issue up to 500,000 shares of Series B Convertible Preferred Stock. As of December 31, 2025 and December 31, 2024, the Company had no issued and outstanding shares of Series B Convertible Preferred Stock.

### Series C Convertible Preferred Stock

The Company is authorized to issue up to 500,000 shares, par value \$1.00 per share, of Series C Convertible Preferred Stock. Pursuant to a September 24, 2025 Share Exchange Agreement (See Note 4), the Company issued 500,000 shares. The \$500,000 carrying value of the Series C shares accrue interest at 5% per annum and are convertible at the holder's

option into the Company's Common Stock at a price equal to the 30-day average closing price at the time of conversion. As of December 31, 2025, the 500,000 Series C shares are outstanding.

### Common Stock

Activity in shares of the Company's Common Stock consisted of the following for the year ended December 31, 2025:

	<u>2025</u>
Opening balance, January 1, 2024	51,423,730
Shares issued for cash	11,243,407
Shares issued for services	3,764,000
Shares issued for acquisitions	17,435,381
Shares cancelled or rescinded	(17,435,381)
Ending balance, December 31, 2025	<u>66,431,137</u>

During the year ended December 31, 2025, the Company issued 11,243,407 shares of its restricted common stock for cash proceeds of \$1,235,192.

On March 11, 2024, the Company entered into a Share Purchase Agreement with Global Motor Trade LLC, Global Motor Trade International LLC, SJ Auto Trade LLC, WEC International LLC. and the beneficial owners of each entity, collectively referred to as GMTI. The Company paid the purchase price by issuing 6,013,980 shares of Company Common Stock. On April 14, 2025, the Company entered into a Termination and Rescission Agreement with GMTI to terminate and rescind the Share Purchase Agreement, pursuant to which GMTI agreed to return all 6,013,980 shares that are subject to a stop transfer order that renders the shares non-tradable and are not included in the Company's issued and outstanding common share count. As of March, 2026, GMTI is in process of returning the share certificates to the Company's stock transfer agent at which time the shares will be removed from their outstanding share count records.

In April 2024, the Company issued 5,000,000 shares of restricted Common Stock to its Chief Executive Officer and 2,500,000 shares of restricted Common Stock to a consultant, who is a shareholder, for their services that were valued at \$37,500 based on the closing price of the Company's Common Stock on the date that the shares were granted.

On May 3, 2024, the Company entered into an unwinding agreement of its previously announced share exchange transactions (the "Share Exchanges") with certain shareholders of Toronto-based Ciscom Corp. (CSE: CISC) ("Ciscom"). In the original share exchange agreements, on February 14, 2024, the Company acquired 19.9% of the issued and outstanding capital of Ciscom Corp. ("Ciscom"), an Ontario Canada based holding company, in exchange for 10,261,214 newly issued shares of Company Common Stock. On March 2, 2024, the Company issued 11,421,401 shares of Common Stock to acquire an additional 22.15% of Ciscom and became its largest shareholder. Following a series of discussions with Ciscom's principal regulator, the Ontario Securities Commission, relating to applicable Canadian securities law requirements in connection with the Share Exchanges, DLT elected to unwind in full the Share Exchanges with the Concerned Shareholders, with the effect that, as May 3, 2024, and subject to the new share exchanges set out below, DLT no longer owns any shares of Ciscom. An early warning "exit report" and updated insider reporting was filed by DLT in accordance with the requirements of Canadian securities laws. As consideration for the unwinding of the Share Exchanges, DLT will issue 2,500 common shares of DLT (being an aggregate of up to 290,000 DLT common shares) to each of the participating

shareholders who do not enter into new agreements with DLT, pursuant to applicable US and Canadian prospectus exemptions, which shares shall be subject to the standard trade restrictions under the provisions of Regulation S of the U.S. Securities Act of 1933. The Company recognized \$3,045 in expense and liability for the 290,000 shares based on the \$0.0105 closing share price of the Company's Common Stock on May 3, 2024 and will extinguish the liability upon issuance of the 290,000 shares.

In August 2024, the Company issued 4,000,000 shares of restricted Common Stock to its Chief Executive Officer and 1,350,000 shares of restricted Common Stock to a board member, and 1,000,000 to a consultant for their services that were valued at \$22,224 based on the closing price of the Company's Common Stock on the date that the shares were granted.

In November 2024, the Company issued a total of 2,550,000 shares of restricted Common Stock to three board members that were valued at \$11,475 based on the closing price of the Company's Common Stock on the date that the shares were granted.

In 2024, the Company received services from a third party and committed to issuing 432,000 shares of restricted Common Stock as compensation for the services. The shares have not been issued as of the date of the filing and the Company recognizes a \$4,320 liability for the value of the shares to be issued based on the closing price of the Company's Common Stock as of December 31, 2024.

In May 2025, the Company issued a total of 1,400,000 shares of restricted Common Stock to four board members that were valued at \$11,900 and 1,250,000 shares of restricted Common Stock to two consultants that were valued at \$10,625 based on the closing price of the Company's Common Stock on the date that the shares were granted.

#### **Note 8 – Acquisition of DLT International Inc.**

On January 1, 2024, the Company completed the purchase of DLT International Inc., a Canadian corporation that was wholly owned by the Company's CEO. Under the terms of the agreement, the Company acquired all DLT International assets and assumed its liabilities for a nominal purchase price. The Company accounted for this business combination by applying the acquisition method, and accordingly, the purchase price was allocated to the assets and liabilities assumed based upon their fair values at the acquisition date. The results of DLT International Inc.'s operations have been included in the condensed consolidated unaudited financial statements since the acquisition date.

The following table summarizes the purchase price and fair values of the assets acquired and liabilities assumed at the date of acquisition:

	<b>At January 1, 2024</b>	
Cash Consideration	\$	1
Total purchase price	\$	1

	<b>At January 1, 2024</b>	
Cash	\$	27
Accounts receivable		60,105
Total identifiable assets acquired		60,132

Accounts payable and accrued liabilities		(112,428)
Total identifiable liabilities acquired		(112,428)
Net liabilities acquired	\$	(52,296)

In the year ended December 31, 2024, the Company recognized a \$52,296 loss from the acquisition.

#### **Note 9 – General and Administrative Expense**

General and administrative expenses consisted of the following for the years ended December 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Insurance	\$ 61,688	\$ —
Consulting	42,056	691,945
Accounting and auditing	104,325	229,714
Personnel	232,598	53,340
Director fees	46,815	129,900
Legal fees	5,624	71,628
Travel	26,643	97,716
Other	114,317	132,408

Total

634,065	1,406,740
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During the years ended December 31, 2025 and 2024, in connection with a planned acquisition of GMTI, the Company advanced \$43,600 and \$173,756 to GMTI, which the Company later determined to be uncollectible and recognized as impairment expense.

**Note 9 – Income Taxes**

We did not provide any current or deferred U.S. federal income tax provision or benefit for any of the periods presented because we have experienced operating losses since inception. Pursuant to FASB ASC Topic 740, when it is more likely than not that a tax asset cannot be realized through future income, the Company must provide an allowance for this future tax benefit. We provided a full valuation allowance on the net deferred tax asset, consisting of net operating loss carry-forwards, because management has determined that it is more likely than not that we will not earn income sufficient to realize the deferred tax assets during the carry-forward period. The Company records estimated losses from interest and penalties arising from taxes remitted late as well as unrecognized tax benefits as they are incurred as general and administrative expenses. The Company did not have accrued interest or penalties related to income taxes as of December 31, 2025 or 2024. The Company has not filed its 2023 and 2022 tax returns as of the date of this filing.

The sources and tax effects of the temporary differences for the periods presented are as follows (rounded to the nearest thousand):

	<b>December 31, 2025</b>	<b>December 31 , 2024</b>
Net operating loss carry forward	\$ 6,513,000	\$ 5,857,000
Applicable Canadian Federal and Provincial tax rates	26.5%	26.5%
Deferred tax asset related to net operating losses	\$ 1,726,000	\$ 1,552,000
Valuation allowance	(1,726,000)	(1,552,000)
<b>Net deferred tax asset</b>	<b>\$ —</b>	<b>\$ —</b>

The Company did not pay any income taxes during the years ended December 31, 2025 and 2024, or since inception.

The net federal operating loss carry forward will begin to expire in 2026. This carryforward may be limited upon the consummation of a business combination under IRC Section 381. Tax years commencing at inception remain open for examination by the IRS, where applicable.

**Note 10 – Related Party Transactions**

As of December 31, 2025 and December 31, 2024, the Company had outstanding amounts payable to related parties of \$2,377 and \$82,846. The obligations are unsecured, due on demand and payable in Canadian dollars.

Included in amounts payable to related parties is a note payable to a related party as settlement for consulting services. The note carries interest of 9% compounded annually, is due on demand and has an outstanding balance of \$Nil and \$27,734 as of December 31, 2025 and December 31, 2024, respectively.

As of December 31, 2025 and December 31, 2024, the Company had outstanding amounts receivable from related parties of \$40,843 and \$36,792. The obligations are unsecured, due on demand and payable in Canadian dollars.

#### **Note 10 – Subsequent Events**

From January 1, 2026 to the filing date of the Annual Report, the Company issued 9,635,375 shares of Common Stock in satisfaction of stock subscriptions sold.

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### **10) Issuer Certification**

*Principal Executive Officer:*

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Drew Reid certify that:

1. I have reviewed this Disclosure Statement for DLT Resolution Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

March 30, 2026 [Date]

/s/ Drew Reid [CEO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

*Principal Financial Officer:*

I, Shaun Power certify that:

1. I have reviewed this Disclosure Statement for DLT Resolution Inc.;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

March 30, 2026 [Date]

/s/ Shaun Power [CFO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")