

Cyberlux Corporation
800 Park Offices Drive, Suite 3209
Research Triangle, NC 27709

984-363-6894
www.cyberlux.com
info@cyberlux.com

Quarterly Report
For the period ending March 31, 2026 (the “Reporting Period”)

Outstanding Shares

The number of shares outstanding of our Common Stock was:

7,175,945,167 as of March 31, 2026 *(Current Reporting Period Date or More Recent Date)*

6,915,528,500 as of December 31, 2025 *(Most Recently 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 Control⁴ of the company has occurred during this reporting period:

Yes: No:

⁴ “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 any names used by predecessor entities, along with the dates of the name changes.

The name of the issuer is Cyberlux Corporation (“Cyberlux,” “Company,” “we” or “us”).
The Company has no predecessor.

Current State and Date of Incorporation or Registration: State of Nevada, May 17, 2000.

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

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

None.

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:

The Company increased its authorized shares of Common Stock to 10,000,000,000.

Address of the issuer’s principal executive office:

800 Park Offices Drive, Suite 3209 Research Triangle, NC 27709

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:

On May 22, 2025, the 129th District Court of Harris County, Texas ordered the appointment of a limited turnover receiver to collect a Virginia debt. On or about June 11, 2025, \$3.1 million was transferred to the receiver. This amount exceeds the total owed under the June 21, 2023 Consent Judgment in Virginia. On June 30, 2025, the Court of Appeals for the First District of Texas at Houston granted a stay on the receiver’s authority for the pendency of a Motion for Expedited Appeal and Request for Emergency Temporary Stay. See Item 7 -- Legal/Disciplinary History – and Note K to the Financial Statements, below.

2) Security Information

Transfer Agent

Name: Standard Registrar and Transfer Company, Inc.
 Phone: 801-571-8844
 Email: amy@standardregistrar.com
 Address: 440 E 400 S Suite 200, Salt Lake City, UT 84111

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:	CYBL		
Exact title and class of securities outstanding:	Common		
CUSIP:	23247M205		
Par or stated value:	\$0.001		
Total shares authorized:	10,000,000,000	as of date:	March 31, 2026
Total shares outstanding:	7,175,945,167	as of date:	March 31, 2026
Total number of shareholders of record:	379	as of date:	March 31, 2026

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

None.

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:	Series B Convertible Preferred Stock		
Par or stated value:	\$0.001		
Total shares authorized:	99,000,000	as of date:	March 31, 2026
Total shares outstanding:	86,000,000	as of date:	March 31, 2026
Total number of shareholders of record:	5	as of date:	March 31, 2026

Exact title and class of the security:	Series C Convertible Preferred Stock		
Par or stated value:		\$0.001	
Total shares authorized:	150,000	as of date:	March 31, 2026
Total shares outstanding:	150,000	as of date:	March 31, 2026
Total number of shareholders of record:	2	as of date:	March 31, 2026

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

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.

No special rights attach to the Common Stock.

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

Series A Convertible Preferred Stock: The Company no longer has a Series A Preferred Stock.

Series B Convertible Preferred Stock (Series B).

Dividends. None declared by the Board of Directors. If the Board declared a dividend, it would be paid in Common Stock on a semi-annual basis.

Voting rights. The Certificate of Designation for the Series B originally provided for voting rights of 10 votes per Series B Preferred share. In 2010, the Board of Directors of the Company voted to amend the Certificate of Designations to provide for 200 votes per Series B share.

Conversion. The Certificate of Designation for the Series B originally provided that each Series B share was convertible into 10 shares of Common Stock, subject to certain anti-dilution adjustments. In 2010, the Board of Directors of the Company voted to amend the Certificate of Designation to provide for conversion of each share of Series B into 200 shares of the Company's Common Stock.

Liquidation. The Certificate of Designation for the Series B provides that upon any liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, and after payment of any senior liquidation preferences of any series of Preferred Stock and before any distribution or payment is made with respect to any Common Stock, holders of each Series B share shall be entitled to be paid an amount equal in the greater of (a) the face value denominated thereon subject to adjustment for stock splits, stock dividends, reorganizations, reclassification or other similar events plus, in the case of each share, an amount equal to all dividends accrued (at a rate of 12% per annum) or declared but unpaid thereon, computed to the date payment thereof is made available, or (b) such amount per Series B Preferred share

immediately prior to such liquidation, dissolution or winding up, or (c) the liquidation preference of \$1.00 per share, and the holders of the Series B shall not be entitled to any further payment.

Series C Convertible Preferred Stock (Series C).

Dividends. None declared by the Board of Directors. If determined by the Board, holders of record of the Series C shall be entitled to receive cumulative dividends at the rate of five percent per annum (5%), compounded quarterly, on the face value (\$25.00 per share) and would be paid in cash.

Voting rights. The Series C shares are non-voting.

Conversion The Series C shares are convertible, at the option of the holder, into shares of Common Stock one year from issuance. The number of Common Stock shares to be issued per Series C share is calculated by dividing \$25.20 by the 10 DMA (daily moving average), adjusted for the 200:1 reverse split effected in 2010. That formula computes as: $(\$25.20/10DMA)/200$.

Liquidation. Liquidation rights for the Series C are the same as for the Series B.

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 Opening Balance:

Date 12/31/2023 Common: 5,728,914,810

Preferred: A: 26.9806*

B: 87,300,000

C: 150,000

Right-click the rows below and select "Insert" to add rows as needed.

Date of Transaction	Transaction type (e.g., new issuance, cancellation shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to. ***You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g., for cash or debt conversion) - OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
01/15/2026	New	260,416,667	Common	0.007	Yes	RB Capital Partners, Inc. / Brett Rosen/ Deborah Rosen	Settlement of claim; conversion of debt and accrued interest	Unrestricted	4(a)(2)
12/23/2025	New	130,971,000	Common	0.001	Yes	John W. Dixon FLP	Conversion of debt and accrued interest	Unrestricted	4(a)(2)
10/31/2025	New	194,200,000	Common	0.0015	Yes	RB Capital Partners, Inc. / Brett Rosen/ Deborah Rosen	Settlement of claims; conversion of debt and accrued interest	Unrestricted	4(a)(2)
10/16/2025	New	290,357,500	Common	0.002	Yes	RB Capital Partners, Inc. / Brett Rosen/ Deborah Rosen	Settlement of claim; conversion of debt and accrued interest	Unrestricted	4(a)(2)
7/30/2025	New	23,144,000	Common	0.001	Yes	Dronepire, Inc. / Brett Velicovich	Settlement Agreement	Restricted	4(a)(2)
7/30/2025	New	121,788,000	Common	0.001	Yes	Rosewood Theater, LLC / Michael Sinensky	Settlement Agreement	Restricted	4(a)(2)
7/30/2025	New	106,647,850	Common	0.001	Yes	Roman Investments PR, LLC /	Settlement Agreement	Restricted	4(a)(2)

						Roman Vinfield			
7/15/2025	Return to Treasury	-30,000,000	Common	0.001	Yes	Aaron Goodman	Stock Loan Agreement	N/A	N/A
4/10/2025	Return to Treasury	-41,700,000	Common	0.012	Yes	Roman Investments PR, LLC / Roman Vinfield	Settlement Agreement	N/A	N/A
4/10/2025	Return to Treasury	-62,500,000	Common	0.012	Yes	Roman Investments PR, LLC / Roman Vinfield	Settlement Agreement	N/A	N/A
4/1/2025	New	10,000,000	Common	0.05	Yes	Phillip Tucker	Catalyst Machineworks Acquisition Agreement	Restricted	4(a)(2)
4/1/2025	New	10,000,000	Common	0.05	Yes	Neill Whiteley	Catalyst Machineworks Acquisition Agreement	Restricted	4(a)(2)
3/7/2025	New	21,153,846	Common	\$0.0013	No	Jeryl S Rawls Revocable Trust	Conversion of debt and accrued interest	Restricted	4(a)(2)
3/7/2025	New	48,076,923	Common	\$0.0013	No	Giorgios Bakatasias	Conversion of debt and accrued interest	Restricted	4(a)(2)
3/7/2025	New	62,500,000	Common	\$0.0010	No	Fly-Rite LLC	Conversion of debt and accrued interest	Unrestricted	4(a)(2)
1/17/2025	New	10,781,250	Common	\$0.0016	No	John W Dixon	Conversion of debt and accrued interest	Unrestricted	4(a)(2)
1/17/2025	New	26,744,186	Common	\$0.0043	No	Andras Forgacs	Conversion of debt and accrued interest	Unrestricted	4(a)(2)
12/09/2024	New	47,619,048	Common	\$0.0021	No	Christopher Whitehead	Conversion of debt and accrued interest	Unrestricted	4(a)(2)
05/08/2024	New	645	Common	\$0.001	Yes	John G. Hule	Conversion of Series A Preferred	Restricted	4(a)(2)

05/08/2024	New	750	Common	\$0.001	Yes	Ward I. Snyder	Conversion of Series A Preferred	Restricted	4(a)(2)
05/08/2024	New	350	Common	\$0.001	Yes	Charles O'Brien	Conversion of Series A Preferred	Restricted	4(a)(2)
05/08/2024	New	1,250	Common	\$0.001	Yes	Neal M. Goldstein	Conversion of Series A Preferred	Restricted	4(a)(2)
05/08/2024	New	250	Common	\$0.001	Yes	David W. Eckert	Conversion of Series A Preferred	Restricted	4(a)(2)
05/08/2024	New	1,000	Common	\$0.001	Yes	Christina Crossman	Conversion of Series A Preferred	Restricted	4(a)(2)
05/08/2024	New	2,500	Common	\$0.001	Yes	Lon E. Bell	Conversion of Series A Preferred	Restricted	4(a)(2)
05/06/2024	New	2,500,000	Common	\$0.001	Yes	Matthew Weaver	Employment Agreement	Restricted	701
05/06/2024	New	10,000,000	Common	\$0.001	Yes	Martin Moore	Employment Agreement	Restricted	701
05/06/2024	New	2,500,000	Common	\$0.001	Yes	Robert Ossman	Consulting Agreement	Restricted	701
05/06/2024	New	12,500,000	Common	\$0.001	Yes	Obie Castellano	Consulting Agreement	Restricted	701
05/06/2024	New	15,000,000	Common	\$0.001	Yes	Elgin Davidson	Employment Agreement	Restricted	701
05/06/2024	New	5,000,000	Common	\$0.001	Yes	Chris Barter	Employment Agreement	Restricted	701
05/06/2024	New	6,666,667	Common	\$0.00375	Yes	Wesley King	Stock Purchase Agreement	Restricted	4(a)(2)
05/06/2024	New	362,319	Common	\$0.0138	Yes	Wesley King	Stock Purchase Agreement	Restricted	4(a)(2)
05/06/2024	New	9,090,909	Common	\$0.0011	Yes	Vaughan Graves	Stock Purchase Agreement	Restricted	4(a)(2)
05/06/2024	New	1,000,000	Common	\$0.00250	Yes	Ken Lewis	Stock Purchase Agreement	Restricted	4(a)(2)

05/06/2024	New	3,703,704	Common	\$0.00135	Yes	Jack Moore	Stock Purchase Agreement	Restricted	4(a)(2)
05/06/2024	New	4,545,454	Common	\$0.0011	Yes	Sidney H. Evans, Jr.	Stock Purchase Agreement	Unrestricted	4(a)(2)
05/06/2024	New	7,000,000	Common	\$0.001	Yes	Ronald Corlew	Loan and Stock Purchase Agreement	Unrestricted	4(a)(2)
05/06/2024	New	2,272,727	Common	\$0.0011	Yes	Lola Green Keyes	Stock Purchase Agreement	Restricted	4(a)(2)
05/06/2024	New	10,000,000	Common	\$0.001	Yes	John Mullins	Stock Purchase Agreement	Unrestricted	4(a)(2)
05/06/2024	New	13,846,154	Common	\$0.001	Yes	Charles Coote, Jr.	Loan Agreement	Restricted	4(a)(2)
05/06/2024	New	4,550,000	Common	\$0.0011	Yes	Bernard C. Randolph, Jr.	Stock Purchase Agreement	Unrestricted	4(a)(2)
05/06/2024	New	1,666,667	Common	\$0.003	Yes	Ronald Childs	Stock Purchase Agreement	Restricted	4(a)(2)
05/06/2024	New	333,334	Common	\$0.003	Yes	Alvin Campbell	Stock Purchase Agreement	Restricted	4(a)(2)
05/06/2024	New	2,000,000	Common	\$0.005	Yes	Wayne Martin	Stock Purchase Agreement	Restricted	4(a)(2)
05/06/2024	New	1,000,000	Common	\$0.005	Yes	Robert E. Dawson, Jr.	Stock Purchase Agreement	Restricted	4(a)(2)
05/06/2024	New	1,666,667	Common	\$0.005	Yes	Lasheena Culberson	Stock Purchase Agreement	Restricted	4(a)(2)
05/06/2024	New	2,000,000	Common	\$0.005	Yes	Johnny May	Stock Purchase Agreement	Unrestricted	4(a)(2)
05/06/2024	New	1,000,000	Common	\$0.005	Yes	Albert Granger	Stock Purchase Agreement	Restricted	4(a)(2)
04/02/2024	Return to Treasury	-4,300,000	Series B	\$0.001	Yes	David D. Downing	Repurchase by Company	Restricted	4(a)(2)
03/26/2024	New	10,000,000	Common	\$0.001	Yes	JMH Consulting Group, Inc./ Ferdinand Irizarry	Consulting Agreement	Unrestricted	4(a)(2)
02/28/2024	New	3,000,000	Series B	\$0.001	Yes	Bill Maadarani	Management Incentive	Restricted	4(a)(2)

02/15/2024	New	5,000,000	Common	\$0.001	Yes	Ed Gordon	Employment	Restricted	701
02/15/2024	New	10,000,000	Common	\$0.001	Yes	Roger Gillespie	Employment	Restricted	701
02/15/2024	New	5,000,000	Common	\$0.001	Yes	Tina Flores	Employment	Restricted	701
02/15/2024	New	10,000,000	Common	\$0.001	Yes	Lisa Courtemanche	Employment	Restricted	701
02/15/2024	New	10,000,000	Common	\$0.001	Yes	Benny Bajoyo	Employment	Restricted	701
02/15/2024	New	5,000,000	Common	\$0.001	Yes	Edward Rouzbehani	Employment	Restricted	701
02/15/2024	New	5,000,000	Common	\$0.001	Yes	Milo Pence	Employment	Restricted	701
02/15/2024	New	5,000,000	Common	\$0.001	Yes	Joseph Parent	Employment	Restricted	701
02/15/2024	New	5,000,000	Common	\$0.001	Yes	Stacy Mason	Employment	Unrestricted	701
02/15/2024	New	5,000,000	Common	\$0.001	Yes	Kevin Laughton	Employment	Restricted	701
02/15/2024	New	5,000,000	Common	\$0.001	Yes	Patrick Irwin	Employment	Restricted	701
02/15/2024	New	10,000,000	Common	\$0.001	Yes	Bruno Haineault	Employment	Restricted	701
02/14/2024	New	6,618,740	Common	\$0.25	Yes	RB Capital Partners Inc./ Brett Rosen, Deborah Rosen	Conversion of loan obligation	Restricted	4(a)(2)
Shares Outstanding on Date of This Report:									
<u>Ending Balance:</u>									
Date <u>03/31/26</u>	Common: 7,175,945,167								
	Preferred: A: 0								
	B: 86,000,000								
	C: 150,000								

Example: A company with a fiscal year end of December 31st 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:

Subsequent Events. Effective March 19, 2026, in settlement of certain claims related to those certain promissory notes issued to Bilal Maadarani on February 27, 2023 and March 21, 2023 each in principal amount of \$100,000.00, and subsequently transferred to Eris Cali effective November 11, 2024, the Company has agreed to issue 260,000,000 shares of Common Stock in full settlement of such notes, and any and all claims against the Company related thereto. These shares were issued in April 2026.

The Company has received notices from various note holders and preferred shareholders to convert their convertible securities to common stock. The Company is evaluating the requests and terms of the underlying agreements, and no such shares have been issued to date.

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 ⁵	Name of Noteholder You must disclose the control person(s) for any entities listed	Reason for Issuance (e.g., Loan, Services, etc.)
10/22/2021	1,500,000	1,524,829	11/08/2023	\$0.007 Conversion per share**	260,416,667	6,099,316	RB Capital Partners Brett Rosen Deborah Rosen	Loan
11/08/2021	1,500,000	1,826,918	11/22/2023	\$0.25 Conversion per share**	0	7,307,672	RB Capital Partners Brett Rosen Deborah Rosen	Loan

⁶ 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.

05/23/2022	500,000	0	05/23/2024	\$0.002 Conversion per share	290,357,500	0	RB Capital Partners Brett Rosen Deborah Rosen	Loan
07/12/2022	250,000	0	07/12/2024	\$0.0015 Conversion per share	194,200,000	0	RB Capital Partners Brett Rosen Deborah Rosen	Loan
09/29/2022	100,000	115,630	09/29/2025	\$0.0049 Conversion per share or 85% of 10 Day Moving Average	0	64,471,703	Bilal Maadarani	Loan
09/29/2022	100,000	115,466	09/29/2025	\$0.001 Conversion per share ***	0	130,000,000	Eris Cali	Loan
09/29/2022	100,000	115,164	09/29/2025	\$0.001 Conversion per share ***	0	130,000,000	Eris Cali	Loan
01/22/2023	100,000	115,808	01/22/2027	\$0.0052 Conversion Price per share	0	22,270,769	Bassam Pharaon	Loan
04/06/2023	100,000	114,866	04/06/2026	\$0.0035 Conversion per share	0	32,818,857	Matt Jones	Loan
05/09/2023	100,000	0	05/09/2024	\$0.0043 Conversion per share	26,744,186	0	Andras Forgacs	Loan
05/22/2023	100,000	114,414	05/22/2026	\$0.0026 Conversion per share or 85% of 10 Day Moving Average	0	63,493,699	Robert Miller	Loan
06/14/2023	25,000	0	06/14/2024	\$0.0013 Conversion per share	21,153,846	0	Jeryl S. Rawls Revocable Trust	Loan
06/15/2023	15,000	0	06/15/2024	\$0.0016 Conversion per share	10,781,250	0	John W. Dixon FLP	Loan

07/23/2023	50,000	0	07/23/2024	\$0.0013 Conversion per share	48,076,923	0	Giorgios Bakatsias	Loan
07/23/2023	125,000	0	07/23/2024	\$0.0013 Conversion per share	31,250,000	0	Fly Rite LLC Barbara Settle	Loan
07/23/2023	125,000	0	07/23/2024	\$0.0013 Conversion per share	31,250,000	0	Hayek Ventures, LLC** William G. Settle	Loan
08/26/2023	2,500	3,147	08/26/2024	\$0.0016 Conversion per share	0	1,966,875	Charles Yessaian	Loan
08/26/2023	2,500	3,145	08/26/2024	\$0.0016 Conversion per share	0	1,965,625	Ferdinand Irizarry	Loan
09/13/2023	2,000,000	2,152,753	09/13/2026	90% of 15 Day VWAP	0	1,017,339,621	Datron Holdings, Inc. Arthur Barter	Acquisitio n note
09/13/2023	2,000,000	2,254,589	09/13/2026	85% of 15 Day VWAP	0	1,128,139,286	Datron Holdings, Inc. Arthur Barter	Acquisitio n note
06/13/2024	100,000	0	06/13/2026	\$0.001 Conversion per share	130,971,000		John W. Dixon FLP	Loan
11/5/2025	300,000	309,600	11/3/2027	60% of lowest trading price during 10 trading days prior to conversion	0	258,000,000	RB Capital Partners Brett Rosen Deborah Rosen	Loan
11/18/2025	200,000	205,830	11/3/2027	60% of lowest trading price during 10 trading days prior to conversion	0	171,525,000	RB Capital Partners Brett Rosen Deborah Rosen	Loan
12/8/2025	300,000	307,430	11/3/2027	60% of lowest trading price during 10 trading days prior to conversion	0	256,191,667	RB Capital Partners Brett Rosen Deborah Rosen	Loan

1/9/2026	250,000	254,438	11/3/2027	60% of lowest trading price during 10 trading days prior to conversion	0	212,031,667	RB Capital Partners Brett Rosen Deborah Rosen	Loan
1/16/2026	150,000	152,432	11/3/2027	60% of lowest trading price during 10 trading days prior to conversion	0	127,026,667	RB Capital Partners Brett Rosen Deborah Rosen	Loan

Total Outstanding Balance: \$9,686,459

Total Shares: 3,624,849,108

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

** Interest accrued from date of funding, which, in some cases, post-date note issuance dates.*

*** The outstanding convertible notes issued to RB Capital Partners, Inc. are the subject of current litigation. Among other disputed matters are the loans required to be repaid in cash or converted into shares and, if so, the applicable conversion prices. There is only one note in principal amount of \$1,500,000 remaining outstanding with RB Capital Partners, Inc. as to which no agreement has yet been reached (as of March 31, 2026). Among other potential outcomes, are (i) monetary repayment of the loans with no shares issued, (ii) conversion of the shares at rates ranging from \$0.005 to \$0.25 per share or (iii) a combination of cash being paid and shares being issued. On January 15, 2026, the Company issued 260,416,667 common shares and the principal amount of this note was reduced by \$250,00.00.*

**** Effective March 19, 2026, in settlement of certain claims related to those certain promissory notes issued to Bilal Maadarani on February 27, 2023 and March 21, 2023 each in principal amount of \$100,000.00, and subsequently transferred to Eris Cali effective November 11, 2024, the Company has agreed to issue 260,000,000 shares of Common Stock in full settlement of such notes, and any and all claims against the Company related thereto. These shares were issued in April 2026.*

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.

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

Founded in 2000, Cyberlux Corporation is an integrated defense technology company delivering tactical unmanned aircraft systems, secure military communications, and mission-level integration services to U.S. and allied defense customers. The Company operates through three business units—Unmanned Aircraft Solutions (UAS), Datron Military Communications (DMC), and Global Integration Services (GIS). The Company generates revenues from the sale of products and services through these business units.

Under the Cyberlux corporate structure, UAS designs, manufactures, and delivers tactical unmanned aircraft platforms and related mission systems; Datron designs, manufactures,

and supports military-grade voice and data radio communications products through an established defense manufacturing and global customer base; and GIS converts customer requirements into complete mission solutions, including product integration, training, delivery, field service, sustainment, and Foreign Military Sales support. This structure allows Cyberlux to deliver aircraft, radios, communications architectures, training, sustainment, and integrated defense technology packages.

Since 2022, the Company has generated approximately \$105 million in combined revenue, completed the delivery of 2,000 K8 unmanned aircraft systems to the U.S. Department of War under the Ukraine Security Assistance Initiative program, completed a \$22.7 million GIS-led aircraft instrument landing systems contract for F-16 aircraft support, and operates through Datron's long-standing communications business, which has sold radio products and communications systems to government, military, and industrial customers in more than 100 countries. This operating history provides the basis for Cyberlux's current strategy: capitalize on greater opportunities in the military supply chain, adapt to changing tactical technology requirements, and pursue larger integrated programs as customer needs shift toward drones, secure datalinks, payloads, training, local sustainment, and field support.

With over \$500 billion in incremental Department of War (DoW) budget planned for 2027, including significant demand for unmanned systems, communications, counter-drone technology, autonomy, border security, and modernization programs, Cyberlux believes its demonstrated delivery record, defense manufacturing base, global communications customer reach, and integrated business-unit model provide the necessary foundation to capture and execute new DoW opportunities across the Company.

During the second half of 2025 and continuing through Q1 2026, Cyberlux's shipments of its order backlog were impacted by the combination of the U.S. Government shutdown that occurred during Q3 2025 and ongoing legal matters described elsewhere herein. The Company is continuing shipments as cash flow allows for the completion of orders. During the quarter ended March 31, 2026, Cyberlux shipped and recorded revenue of \$1.8 million for the quarter. As of March 31, 2026, the Cyberlux order backlog was approximately \$15 million with a robust order pipeline of an additional approximately \$35.5 million, across the three business units.

Strategic Relationships

In Q2 2025, Cyberlux announced a memorandum of understanding (MoU) with George Mason University. This collaboration is focused on advancing innovation across key technology areas including 5G systems, unmanned aerial systems, cybersecurity, and next-generation tactical communications. Under the MoU, Cyberlux provides real-world development priorities and product integration requirements while GMU contributes academic research and technical resources. Combined with TrellisWare, OKSI, and Argus, these relationships represent the partner foundation of the Cyberlux "Contested Environment Stack", covering anti-jam waveform, GPS/RF-denied autonomy, automatic target recognition, non-RF travel, payload delivery, and automated flight. During Q1 2026, Cyberlux and George Mason University continued to make Phase 1 progress in the technology development efforts under the MoU.

In Q3 2025, Cyberlux entered into a Strategic Collaboration Agreement with Argus Industrial, LLC. Argus develops, manufactures, and sells certain munitions and component hardware, including fuse assemblies for unmanned aircraft systems. Continuing through Q1 2026, the ongoing relationship supports the contested-environment capability strategy by

extending Cyberlux's munitions-payload pathway and complementing the Company's integrated UAS, Datron, and GIS offer architecture.

In Q2 2025, Cyberlux announced that it entered into a strategic relationship with Palantir Technologies to deploy Palantir's Warp Speed Operating System (Warp Speed OS) across the Company's manufacturing operations. This enterprise-wide integration was designed to position Cyberlux at the forefront of real-time, AI-enabled manufacturing and operational agility, with real-time visibility across the end-to-end production lifecycle, including resource planning and supply-chain orchestration. As of Q4 2025, the two companies have paused the deployment of Warp Speed until Cyberlux can return to normal operations without the cash-flow constraints of the legal matters the Company is now resolving. Cyberlux anticipates a second-half 2026 timeframe for Palantir re-engagement.

Integrated Operating Model

The Cyberlux operating model is designed as one integrated defense technology platform. UAS is the tactical innovation engine and battlefield pull-through mechanism; Datron is the resilient tactical-edge communications backbone, which also serves as the ISO-9000 quality defense manufacturing capability for the Company; and GIS is the customer-facing solution-integration and program-capture engine. Cross-business-unit packaging, including the Datron-UAS FMS bundle, allows Cyberlux to compete between pure-play drone startups and large defense primes by combining airframes, communications, training, integration, sustainment, and field support into export-ready offers.

In short, UAS builds and delivers the mission platforms, Datron connects the warfighter and the unmanned system through secure tactical communications, and GIS delivers the integrated mission package, including training, support, sustainment, and customer-specific program execution.

Unmanned Aircraft Solutions Business Unit

Cyberlux Unmanned Aircraft Solutions (UAS) is an innovative leader in advanced Group 1 and Group 2 platforms, with Group 3 vertical takeoff and landing (VTOL) drones and fixed-wing systems under development. The business unit designs, manufactures, and distributes its products and airframe systems to leading first-person view (FPV) and military UAS pilots on a global basis, with sales to both U.S. Government agencies and allied nations through U.S. Foreign Military Sales (FMS). Cyberlux UAS is recognized for high-performance platforms built to high quality standards, serving warfighters worldwide.

The Cyberlux UAS business unit is a field-proven, NDAA-aligned tactical UAS supplier that turns the original 'first mover' tactical K8 drone delivery record into a scalable family-of-systems strategy: mission-bundled pricing, contested-environment performance, FPV/C-UAS response packages, allied-nation opportunity capture, and AI-enabled attributable systems. The Cyberlux UAS platforms deliver industry-leading performance with the Weaver, Spider, Huntsman, and Tasmanian capabilities defining the mission packages that meet the needs of our customers, including USSOF, prime contractor partners, Foreign Military Sales (FMS) to allied nations, NATO, and allied border-security requirements. With over \$75 billion in incremental Department of War budget planned for 2027 for UAS contracting, Cyberlux UAS is focused on growing its share of the total addressable market.

Unmanned Aircraft Solutions Significant Business Developments

The Cyberlux UAS team of engineers, fabricators, and test pilots has advanced the business unit into a recognized leader in the military UAS sector, delivering solutions under multiple U.S. Government and FMS contracts. Driven by an initial \$78.9 million UAS contract awarded through prime contractor Huntington Ingalls Industries (HII) under the DoD's Ukraine Security Assistance Initiative, the UAS business unit expanded rapidly in 2023 and 2024. During Q2 2025, Cyberlux UAS completed the delivery of all 2,000 K8 systems to the U.S. Department of War, making Cyberlux one of the leading UAS manufacturers and the K8 one of the largest Group 1 UAS deliveries made to date by a U.S. manufacturer to the U.S. Government at the time.

UAS continues to evolve as a key component of the overall Cyberlux growth strategy, including the day-to-day UAS production operations integration within the existing ISO 9000 manufacturing processes, which were perfected over the past 25 years of production experience, now inherent in the Cyberlux/Datron manufacturing capabilities. This progress has led to the introduction of NDAA-compliant platforms and engagement with multiple USSOCOM units to develop, test, and field specific UAS capabilities, including FPV and non-FPV platforms. The UAS unit made significant progress on these initiatives during 2025 and expects continued with additional partnerships and technology advancements in 2026.

With the introduction of the Cyberlux X Series platforms, the UAS business unit extended the product line to include expanded capabilities, including electronic warfare resilience, multiple communication and waveform platform support, autonomous flight and targeting, increased logistics delivery capacity, increased range and operation time, and extreme weather tolerance. These capabilities meet the U.S. allied partner nation requirements and drive Cyberlux's global sales objectives and initiatives, with significant opportunities and proposals under consideration for 2026.

UAS personnel continue to work closely with U.S. Special Operations partners to share unique knowledge regarding UAS, counter-UAS, offensive and defensive tactics, electronic warfare, and UAS adaptations. Cyberlux UAS capabilities have been demonstrated during training exercises such as the Joint Forces Training Center and SOF Technical Experimentation events. The Cyberlux Business Development team continues to drive technological integration on the X platform, which incrementally increases the Company's innovative UAS capabilities to address the most difficult and challenging global adversarial environments. These integrations have enabled Automatic Target Recognition (ATR), Non-RF travel, AI anti-jam radio enhancements, GPS capability in GPS-denied environments, TAG GPS that works in GPS-denied environments, and Automated Flight. Additionally, Patent Number US 12,365,458 B2, issued to Cyberlux Corporation during Q2 2025, protects its munitions payload delivery system innovation. The UAS team is actively developing next-generation munitions capability through its strategic collaboration with Argus Industrial, with continued progress expected in 2026.

In addition, the Cyberlux UAS Business Unit is focused on delivering its Group 1 rotary-wing UAS specifically tailored for the U.S. Special Operations community, with platforms engineered to carry heavier payloads for longer durations while maintaining optimal performance in dense electronic warfare environments. Cyberlux UAS is integrating a low-latency, anti-jam waveform into its Group 1 rotary-wing UAS platforms, a significant step forward in enabling FPV operations in contested electromagnetic environments. Cyberlux UAS has also advanced its work on UAS operations in GPS- and RF-denied environments with an autonomy suite integration, delivering robust navigation and target acquisition

capabilities without reliance on traditional GPS or RF communications. The integration of these technologies comprises Cyberlux's "Contested Environment Stack".

Cyberlux UAS NDAA models for its family of UAS platforms:

- The 5" Weaver (Trainer) — A small, rugged drone and kit providing individual Soldiers and Marines with a personal UAS for automated tactical reconnaissance in training and on the battlefield. Capability: training-to-fielding bridge and personal-soldier UAS product.
- The 7" Spider — Ultra-compact, pouch-portable UAS for rapid-deploy tactical reconnaissance and kinetic missions, with operational range exceeding 10km. Capability: close-range tactical and attributable FPV product.
- The X4.10 Huntsman (Mid-Size) — Group 1 platform for quick deployment during mounted operations, supporting Intelligence, Surveillance, and Reconnaissance (ISR), payload delivery, and strike missions, with operational range exceeding 24km and a nominal payload capacity of 2.5lbs. Capability: mid-size modular tactical platform for Drone Dominance, MRD-style mission bundles, and FMS packages.
- The X4.18 Tasmanian (Heavy Lift) — Group 1 UAS with 8–10lb payload capacity, 30+ minutes flight time with payload and 60+ minutes without, supporting ISR with EO/IR sensors, payload delivery, and extended-endurance reconnaissance, with operational range exceeding 24km. Capability: heavy-payload, EW-resilient, GPS-independent Group 1 differentiator.

All platforms are available in both NDAA-compliant and non-NDAA configurations, with supply-chain transparency and component traceability aligned with NDAA Section 848 and Section 889 requirements. Key NDAA-compliant supply partners. Each platform is designed for electronic warfare resilience and GPS-independent operation.

UAS Tactical Strategy and Competitive Approach

Cyberlux is now offering the Weaver, Spider, Huntsman, and Tasmanian platforms on a global basis. Earlier this year, Cyberlux submitted its proposal under the U.S. Department of War's Drone Dominance program, a roughly \$1 billion initiative to mass-produce expendable attack and reconnaissance drones for U.S. forces. While not initially selected, Cyberlux will prepare additional submissions for future Drone Dominance phases and other DoW programs in the pipeline, but Cyberlux continues to be primarily focused on DoW command-level requirements and opportunities.

The Cyberlux UAS competitive differentiation is formed by six strategic elements: (1) mission-bundled good/better/best pricing across Weaver, Spider, Huntsman, and Tasmanian; (2) the Cyberlux Contested Environment Stack integration and capability; (3) an FPV / Counter-UAS response cell connecting Spider/Huntsman configurations to munitions payload IP, anti-jam links, and GIS training; (4) a focus on DoW command-level UAS opportunities where Cyberlux UAS capabilities match requirements, including our ISO manufacturing, NDAA models, supply-chain migration, competitive cost targets, and production volume; (5) allied-nation FMS capture using GIS and Datron pull-through; and (6) a service-based deployable field support for complete product support. These six strategic elements and the Cyberlux track record of delivering 2,000 sUAS platforms under the prior DoW contracts, with its defense-industry ISO 9000 manufacturing capabilities, establish the Cyberlux UAS competitive advantages.

Datron Military Communications Business Unit

Datron World Communications, a wholly owned subsidiary of Cyberlux, is a world leader in voice and data radio communications. Datron designs, manufactures, and distributes its radio products and communications systems to leading government, military, and industrial organizations in over 100 countries worldwide through a network of local sales and service representatives. Datron Military Communications (DMC) offers customers reliable equipment and comprehensive services to satisfy specific mission requirements. Datron is widely recognized as the "best value" supplier in the industry by offering high-performance products with low overall lifecycle costs. DMC is a resilient tactical-edge military communications manufacturer whose differentiation rests on U.S. origin, ISO-quality manufacturing, global reach, lifecycle value, and Cyberlux mission-bundle integration.

Datron Military Communications Significant Business Developments

Datron re-established its global distribution network reach during 2025, focusing on strengthening its international Foreign Military Sales presence. DMC expanded its international sales team, led by sales directors for the Middle East, Africa, Asia Pacific, and Latin America regions, and increased outreach and support for customers across all key geographic markets. As the only other U.S. manufacturer of military-grade radio communication equipment besides L3Harris, Datron is positioned as a premier U.S. manufacturer of defense technology, with ISO 9001 accreditation and rigorous commitment to maintaining high-quality standards across its operations. The Datron operations team has expanded its UAS manufacturing capabilities by internally producing important components for the UAS platforms and providing operational support for the Cyberlux Advanced Lighting Systems, further enhancing supply-chain resilience while ensuring product quality and reliability.

In 2024 and 2025, DMC successfully rolled out multiple cost-reduction initiatives across its flagship radio lines, increasing competitiveness and value for its global customers. These efforts have improved overall product affordability without compromising performance or reliability. DMC has secured significant new business in both Latin America and Asia-Pacific markets, including with the U.S. Navy, reinforcing its global footprint and confirming strong demand for its tactical communications solutions. In parallel, the Company has made strategic investments in next-generation product development through internal R&D and key partnerships, expanding DMC's technology roadmap and enhancing its ability to meet evolving customer needs. DMC has implemented key improvements to the HF data line, ensuring more reliable and faster data transmission.

During Q1 2026, Datron shipped orders to its MENA partner nations under U.S. Government FMS contracts, with one order being completed three months ahead of schedule. Datron ended Q1 2026 with over \$21.1 million in order backlog and high-probability pipeline. Most of the remaining backlog and pipeline, when converted, is expected to ship during the balance of 2026 and 2027. Datron is continuing to negotiate multi-year proposals for locally manufacturing radios with four U.S. allied partner nations in the Middle East and Africa.

For the quarter ended March 31, 2026, the DMC team continued with incremental development of a new series of radio systems that expand the Datron product portfolio with high-speed data at the tactical edge. These systems are available in body-worn, base-station, and OEM-board form factors, enabling seamless integration into autonomous ground vehicles, UAS capability, and other advanced platforms requiring datalinks, including ISR sensors, ground acoustic sensors, and advanced communications applications. Together these packages define the Datron Resilient Tactical Edge offerings.

Datron-UAS FMS Bundling

The Datron-UAS FMS bundling is an emerging differentiation of Cyberlux offerings that combines Datron tactical communications with Cyberlux unmanned aircraft systems into a single export-ready package for allied nation customers. The bundling logic is straightforward: both DMC and UAS business units are converging around the same operational problem—resilient tactical communications in contested environments. A baseline bundled package includes a selected Cyberlux UAS platform, an integrated Datron communications architecture, operator and maintainer training, spare parts/field service, and optional mission kits for ISR overwatch, payload delivery, or tactical reconnaissance, expanding capability and simplifying procurement for FMS customers.

Global Integration Services Business Unit

Cyberlux Global Integration Services (GIS) plays a key role in engaging foreign and U.S. customers at the ground level, understanding their global requirements, and providing comprehensive tactical and operational customer solutions. As Cyberlux’s global solutions action arm, GIS provides U.S. customers and global allied nations with subject-matter expertise across various aspects of military capabilities. Through this process, Cyberlux GIS develops specific defense technology solutions based on foreign military customer requirements, specializing in diverse aspects of warfare across a wide array of missions. Strategically, GIS is the program-capture engine that converts UAS platforms, Datron communications, partner technologies, and customer requirements into deployable, mission-ready capability packages.

GIS engages with foreign allies and U.S. domestic customers at the tactical-unit level, understanding their challenges and requirements in order to provide comprehensive tactical and operational solutions. The business unit focuses both at the end-user level and across the multiple tiers of stakeholders within U.S. allied nations’ Ministries of Defense. The GIS team is highly experienced at capturing comprehensive requirements and gaining first-mover advantage to deliver best-in-class solutions, regardless of the range of customer needs. Globally, GIS is concentrating on comprehensive border-security solutions, including product integration, global delivery, capability training, and field service and support. From GIS customer activity, Cyberlux’s research and development for future products is highly targeted and driven by global requirements.

Global Integration Services Business Development

Cyberlux’s GIS business unit mission is to transform defense platforms and strategic relationship partners’ technologies into complete solutions for U.S. allied nation requirements, including border security, UAS operations, operator training, military communications, field service and sustainment support.

The Cyberlux GIS business unit has been contributing to the Cyberlux business since 2024 and will be an important business unit for driving future Cyberlux growth. As exemplified by the \$23 million initial GIS contract where Cyberlux GIS was the U.S. prime contractor providing aircraft instrument landing systems (ILS) for F-16 aircraft support in Ukraine, GIS has demonstrated the Company’s ability to execute integrated defense technology programs beyond UAS and radios.

For the quarter ended March 31, 2026, the GIS business unit continued to focus on existing tactical requirements and FMS budgets, and is developing solutions, including border-security, for delivery to certain U.S. allied partners across South America, the Middle East and Africa.

Additionally, the GIS business unit is duly licensed to operate as a broker of any U.S.-approved military asset to aid foreign allied governments. This allows GIS to conduct substantial integrated solution transactions involving large equipment (such as tanks and airplanes) and best-in-class integrated solutions.

Other Business Matters

Receivership, Alleged Misconduct, and Business Impact

In May 2025, a Texas state court appointed a limited turnover receiver, Mr. Robert Berleth, in connection with collecting the domestication of a sister-state judgment against Cyberlux. Cyberlux believes that certain actions taken by the receiver have exceeded the authority granted to him under that order. The Company has made these assertions in multiple legal forums and is seeking appropriate relief.

The Company believes that these actions have, in a material manner, negatively impacted the Company's:

- Level of liquidity generally,
- Collection of monies due to it,
- Fulfillment of existing orders,
- Ability to obtain new orders from current and new customers,
- Ability to obtain new financing at attractive rates, and
- Ability to resolve other ongoing litigation.

In further support of the Company's assertion that Mr. Robert Berleth, the Texas limited turnover receiver, abused his authority, Judge Gibney, senior federal judge in the federal interpleader case, entered a Memorandum Order **TERMINATING Robert W. Berleth as an interpleader-defendant** in HII Mission Technologies Corp. v. Cyberlux Corp., Case No. 3:25cv483 (E.D. Va.), under Fed. R. Civ. P. 21.

The judge stated in the order:

“The plain language of the Texas judgment collection receivership order explicitly cabins Berleth's authority to administer Cyberlux funds *‘to the extent required to satisfy the judgment’* in favor of Atlantic Wave. And Legalist satisfied that judgment in June 2025. Because Berleth's involvement in this suit is predicated on his authority as a receiver, and because the Texas parties satisfied the limited object of the receivership in June 2025, Berleth can have no further claim to the Disputed Funds held in this Court.”

“[T]he Court finds troubling Berleth's continued involvement. . . .”

The Company is pursuing all legal means to end the receiver as expeditiously as possible, and has scheduled court dates to effect the dissolution of the receivership, with the intention of pursuing more normalized operations once the receivership is dissolved. The Company expects complete resolution during Q2 2026.

Strategic Business Direction

The use of the Company's available capital to support growth has been important over the last several years, while cash flows from operations have been uneven. As discussed elsewhere herein, the Company is highly focused on growing its pipeline of projects while seeking to ensure product development and timely delivery on such contracts. The Company anticipates that as predictable cash flow improves, it will be able to use its capital resources

to build necessary infrastructure and shareholder value, under our integrated defense technology platform thesis and operating cadence.

SEC Reporting

The Company continues to aspire to resume SEC registration and be quoted or listed at a higher-level market. The Company has been unable to commit to the steps, including an audit by a PCAOB-registered firm, required to accomplish this goal because of funding limitations and insufficient infrastructure tools, personnel, and availability. The Company has focused all available resources on fulfilling existing sales orders and growing its sales pipeline. The Company has used outsourced resources (such as Eisner Advisory LLC) and fractional financial professionals to help support its accounting and financial reporting needs. The Company expects to identify, and then commence implementation of, the tasks required to produce the items required for SEC registration as soon as practicable, subject to adequate resources being available to support such activities. The Company anticipates that, in connection with an "uplisting," a restructuring of Cyberlux's capitalization would be required and reflected in an amendment to its Articles of Incorporation.

Stock Buy-Back Plan; Stock Incentive Plan

The Company has a stated intention to seek to establish a stock buy-back plan, subject to sufficient operational cash flow. The Company also wants to incentivize its employees and align them with the Company's interests through stock awards and anticipates implementing a stock option plan to incentivize employees as soon as practicable.

Insiders Purchasing Stock in the Open Market

Due to insider information rules, it is complex for officers and other insiders of the Company to buy or sell shares in the open market. Consequently, the Company has no plans that encourage purchases or sales of Company stock by insiders. As noted above, the Company itself hopes to be able to instigate a buy-back plan when its balance sheet and cash flow would support such a program.

Investor Communication

The Company's investor relations web page is updated frequently to address recent developments and provide transparency. If there is a material development, or sufficient indicated shareholder interest in a particular matter, the Company may issue a press release available through the OTCM website. The Company balances its compliance and non-disclosure obligations with its desire to provide information to all shareholders and carefully avoids providing information to any shareholder—other than insiders who need such information to perform their jobs—unless it is available to all shareholders. Shareholders are encouraged to review the FAQs on the Company's investor relations page periodically. Specific shareholder questions should be sent to IR_CYBL@cyberlux.com; questions are reviewed on an ongoing basis, and the FAQs are updated when there is significant interest on a particular topic or the Company otherwise finds a question to be pertinent.

Patent

On July 22, 2025, Cyberlux was issued Patent Number US 12,365,458 B2 for "Munitions Payload Delivery System with Bump Fire and Radio Command Triggers," which protects a critical advancement in the delivery mechanisms used in unmanned aerial systems, allowing for precision-triggered payload deployment through both onboard bump-fire mechanisms and remote radio-controlled commands.

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

Cyberlux operates through Cyberlux Corporation and its subsidiary Datron World Communications, Inc.

C. Describe the issuer's principal products or services.

The Company offers the products and services of its Unmanned Aircraft Solutions (UAS), Datron Military Communications (DMC), and Global Integration Services (GIS) business units to U.S. Government agencies—including USSOCOM, USNAVY, USCENTCOM, USEUCOM, USAFRICOM, and USINDOPACOM—and to allied foreign nations. Transactions are often facilitated through relationships with prime vendors such as HII and ADS, Inc. or through U.S. Foreign Military Sales. The majority of the Company's products are shipped by common carrier, with revenue recognized upon shipment, at which time control passes to the customer. Final 3 frames these offerings as one integrated defense technology platform—UAS platforms, Datron communications, and GIS integration—that can be packaged into mission-specific bundles and FMS-ready solutions for U.S. and allied customers.

The products and services include:

Unmanned Aircraft Solutions (UAS): Military-grade unmanned aircraft hardware and software; advanced guidance system and targeting platforms; enhanced Intelligence, Surveillance, and Reconnaissance (ISR) capability; Infrared Night Vision and Thermal Sensor technology; Eye-in-the-Sky monitoring; LiDAR mapping and perception attainment; advanced kinetic capabilities; FPV and attritable mission packages; Cyberlux Contested Environment Stack integrations covering anti-jam waveform, GPS/RF-denied autonomy, automatic target recognition, non-RF travel, payload delivery, and automated flight; and the NDAA platform family across Weaver, Spider, Huntsman, and Tasmanian.

Datron Military Communications (DMC): Military-grade voice and data radio communications, including the HH3100 multi-band radio line products and the PRC7700 HF radio line products; high-speed tactical-edge data systems available in body-worn, base-station, and OEM-board form factors; HF data and PRC7700 modernization; spares, depot repair, training, and lifecycle-cost programs; local manufacturing pathways for allied partner nations; and the Cyberlux Advanced Lighting Systems products.

Global Integration Services (GIS): Integrated defense technology solutions, with a focus on comprehensive border-security solutions, addressing U.S. and foreign allied military customer requirements across various aspects of warfare through product integration, global delivery, capability training, field service, and support. This extends to brokered capabilities including critical aspects of military capability training, munitions, heavy and light weapons, Soldier Systems, communications, battlefield technology integration, cyber, maritime operations, air operations, and unmanned aircraft systems operations and tactics training. GIS also packages Cyberlux UAS, Datron communications, training, sustainment, and partner-nation support into FMS-ready border-security and modernization programs consistent with the Final 3 allied-solution-packaging pillar.

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 maintains its principal headquarters office at 800 Park Offices Drive, Suite 3209, Research Triangle Park, NC 27709. This is a leased office suite for headquarters staff, renewed annually.

The Company's Datron and UAS divisions operate out of its office and manufacturing facility located at 995 Joshua Way, Vista CA 92081. This is a 47,174 square foot facility with a renewable five-year lease, expiring August 2026.

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.

Individual Name (First, Last) or Entity Name (Include names of control person(s) if a corporate entity)	Position/Company Affiliation (ex: CEO, 5% Control person)	City and State (Include Country if outside U.S.)	Number of Shares Owned (List common, preferred, warrants and options separately)	Class of Shares Owned	Percentage of Class of Shares Owned (undiluted)
Mark D. Schmidt	President	Durham, NC	230,642	Common	Less than 1%
	Chief Executive Officer Director Chairman		47,000,000	Series B	54.65%
David D. Downing	Chief Financial Officer	Edinboro, PA	42,500	Common	Less than 1%
	Director		1,000,000	Series B	1.16%
John W. Ringo	Secretary Director	Atlanta, GA	123,783	Common	Less than 1%
Larry J. Isely	Chief Operating Officer	Denton, TX	2,500,000	Series B	2.91%

Montague Capital Partners LLC (Denis Kalenja)		Miami, FL	21,000,000 Information not available	Series B Common	24.42% unknown%
Recovery Fund USA, LLC (Jamie Rand)		Lutz, FL	148,000	Series C	98.667%

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to 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.

A complaint was filed in August of 2022, in the Circuit Court for the city of Richmond, VA by Atlantic Wave Holdings, LLC, and Secure Community LLC (hereinafter “Atlantic Wave”) against Cyberlux Corporation and Mark D. Schmidt regarding a contractual dispute relating to licensed BrightEye lighting product intellectual property and business development performance. That litigation was settled in June 2023. Despite payments having been made, Atlantic Wave subsequently filed another lawsuit against Cyberlux in the same court, alleging breach of that settlement agreement which the Company disputes. In response, Cyberlux asserted multiple counterclaims, as outlined below. Cyberlux believes that the claims brought by Atlantic Wave are without merit. Atlantic Wave filed further lawsuits in California and Texas in an attempt to enforce the settled judgement, as outlined below, without proof of breach. Atlantic Wave also filed 19 garnishment actions against various business partners and prior business partners. Cyberlux served Atlantic Wave with an action to enjoin these judicial filings. In connection with its claims, Atlantic Wave sought to have, and succeeded in having, a turnover receiver appointed in Texas in respect of the Atlantic Wave claims. Amounts demanded by the receiver to satisfy the receivership have been paid. These parties also instituted garnishment proceedings and obtained orders from the Richmond City and Fairfax County Court’s Clerks Office against Company lenders and creditors. In the face of these Atlantic Wave filings and threatening actions, HII, instead of paying Cyberlux the amounts invoiced, filed an interpleader action in the US District Court for the Eastern District of Virginia, Richmond Division. Cyberlux’s not having yet received these receivables has, among other things, disrupted the Company’s cash flows.

During Q1 2026, there were six legal matters of consequence, two of which are now closed, one is on appeal, one is awaiting a judge assignment, and two have final hearings scheduled (one for May 18th and one for June 1st).

1. Fairfax Circuit Court – Garnishment Proceeding: *Atlantic Wave Holdings and Secure Community, LLC v. Cyberlux Corporation and HII Mission Technologies Corporation*, Fairfax Circuit Court, Case No. CL2025-3413

This case involves a garnishment action filed against Cyberlux and HII, the garnishor, in the Fairfax County Circuit Court in Virginia by Atlantic Wave, the judgment creditor and the garnishor, seeking to collect on an alleged outstanding debt that was based upon a judgment that was subject to a settlement agreement without establishing any breach of that settlement agreement. HII tendered the alleged amount into the Court, and the Court dismissed HII. On November 14, 2025, after a hearing on October 23, 2025, that included the full participation of the judgment creditor, Cyberlux, as well as the only intervenors that sought to be involved in the matter, the Texas receiver and Legalist SPV III, LP, another secured creditor, the Court issued an order awarding the judgment creditor the debt and all fees proven up during the

hearing in the amount of \$1,140,040.66 and directed that the balance of the garnished fund be paid to Cyberlux. This ruling by a Virginia court finally adjudicated the debt claimed by Atlantic Wave and also satisfied that debt. **This matter is now closed.**

2. Richmond Circuit Court – Breach of Contract Litigation: *Atlantic Wave Holdings and Secure Community, LLC v. Cyberlux Corporation, et al.*, Richmond Circuit Court, Case No. CL24003910-00

In a separate civil action before the Circuit Court for the City of Richmond, the plaintiffs allege that Cyberlux breached the terms of a settlement agreement between the parties. Cyberlux filed an Answer denying the allegations and asserting affirmative defenses. In addition, Cyberlux brought counterclaims against the plaintiffs, including breach of contract and violations of Virginia’s usury statutes. The court issued a consent order adopting the terms of a settlement agreement entered into by the Texas receiver, acting as Cyberlux, and Atlantic Wave. That “settlement” was for the full amount sought by Atlantic Wave giving no credit to matters raised in the Cyberlux answer. The resulting consent order is now under appeal. Cyberlux alleges that the Texas receiver fraudulently misrepresented his authority as a general receiver under Texas law, which he is not, before the court. This receiver was appointed for the limited purpose of post judgement collection of the Atlantic Wave debt. By the time that this “settlement” had been entered into, the underlying debt had been secured by a \$3.1 million payment to the receiver to secure collection of the debt in June of 2025 and the above-referenced garnishment collection in Fairfax County, Virginia that finally adjudicated the debt and fees at just over one million dollars. Thus, under the terms of the receiver’s order of appointment, these actions would clearly be defined as unauthorized harassment going well beyond the collection of the post judgement debt for which he was hired. **This matter is under appeal before the Virginia Court of Appeals.**

3. U.S. District Court for the Eastern District of Virginia, Richmond Division – Interpleader Action: *HII Mission Technologies Corporation v. Cyberlux Corporation, et al.*, USDC Richmond Division, Civil Action No. 3:25cv483

This is an interpleader action initiated by HII in the U.S. District Court for the Eastern District of Virginia, Richmond Division. HII seeks a judicial determination as to the rightful ownership of disputed funds to which multiple parties, including Cyberlux, have asserted claims. The case will resolve the competing claims and direct the disbursement of the funds to the prevailing parties. The matter has entered the settlement phase with the assigned US Magistrate Judge Mark R. Colombell, and the parties have had one settlement hearing on March 26, 2026. Among other items, the Company’s credit facility with Legalist SPV III of approximately \$13 million and a long-standing tax dispute in the amount of approximately \$1.1 million will be satisfied in this action. **This matter is scheduled for a final settlement conference and resolution on May 18, 2026.**

4. *Atlantic Wave Holdings, LLC and Secure Community, LLC v. Cyberlux Corporation and Mark D. Schmidt*, 129th Judicial District Court for Harris County, Texas, Cause No. [2024-48085](#). On May 22, 2025, this court issued an order appointing a post judgement receiver to collect the settled Atlantic Wave judgment.

On June 11, 2025, funds sufficient to satisfy that which the receiver claimed to be due pursuant to the Virginia consent judgment from which the trial court action arose were paid to the court-appointed receiver. The court-appointed receiver filed a Final Report, Final

Accounting, Verified Motion for Disbursement of Funds & Motion to Terminate Receivership. The trial court did not correct several errors in its Order Appointing Receiver, including the judgment amount, and would not stay the Order Appointing Receiver until the receiver's unsubstantiated and undocumented fees and expenses were determined. Cyberlux filed a direct appeal and petition for writ of mandamus on June 20, 2025, along with an emergency motion for a stay. While the petition for writ of mandamus was denied and the appellate process continues, on November 4, 2025, the Court of Appeals for the First District of Texas issued an order abating the appeal and granting the parties until December 24, 2025 to mediate the matter. The parties engaged in mediation and failed.

The parties continued to negotiate to settle the underlying matter. Subsequently, the parties entered into a full settlement agreement on February 26, 2026, resolving all matters at the trial court and in Texas litigation. The parties filed a Joint Notice of Settlement and Joint Motion for Release of Funds, for Satisfaction of Judgment, and to Dissolve Receivership on February 26, 2026, which is pending in the trial court.

On March 13, 2026, the presiding judge entered an "Order on Nonsuit" **to dismiss the case as satisfied**, but the court allowed for an additional hearing to adjudicate the receiver's fees and expenses.

On March 18, 2026, Cyberlux filed a motion for the "Emergency Evidentiary Hearing on Motion for Adjudication of the Receiver's Fees and Expenses and Return of Receivership Assets" to expedite the process of terminating the receivership.

The final hearing for the adjudication of the Receiver's fees and expenses and the return of receivership assets and to terminate the receiver is now scheduled for June 1, 2026.

5. *Middle District of North Carolina — Contract Dispute: Phillip Rick Tucker, a/k/a Rick Tucker, and Neill Whiteley, Individually v. Cyberlux Corporation, Middle District of North Carolina, Civil Action No. 1:25-cv-00742.*

This action is a contract dispute brought by two former employees and the former owners of Catalyst Machineworks, LLC. Plaintiffs allege breach of contract, asserting that Cyberlux failed to pay wages, bonuses, and failed to transfer shares pursuant to Plaintiffs' employment agreements. Plaintiffs initially filed this action in Texas (Southern District of Texas, Houston Division, Civil Action No. 1:25-cv-02770). Cyberlux moved to transfer venue. That motion was granted and the lawsuit was moved to North Carolina. No counsel have appeared for Plaintiffs in the North Carolina action. Cyberlux intends to vigorously defend this action.

This case has been inactive since November 5, 2025 under Standing Order 30, pending the assignment of a judge to the case.

6. *San Diego Superior Court — Application to Enforce Out of State Judgment: Atlantic Wave Holdings, LLC and Secure Community, LLC v. Cyberlux Corporation, San Diego Superior Court, Case No. 37-2024-00010206-CU-EN-NC.*

Atlantic Wave and Secure Community have also filed a sister-state application, which was removed to the U.S. District Court for the Southern District of California, U.S. District Court, Southern District of California, No. 3-24-cv-00482-RBM-VET. The District Court

then remanded the matter to the San Diego Superior Court, Case No. 37-2024-00010206-CU-EN-NC. Now that the Fairfax, Virginia Circuit Court Garnishment case is closed, **this matter is also closed.**

Other legal matters:

U.S. District Court, Southern District of California — Contract Dispute: RB Capital Partners, LLC v. Cyberlux Corporation, U.S. District Court, Southern District of California, Case No. 3-24-cv-01434-AJB-DTF.

Cyberlux and RB Capital Partners, LLC reached an agreement on the debt owed, pursuant to additional financing of \$1.5 million. On April 30, 2026, RB Capital Partners filed an application for default judgement for the debt amount agreed to by the parties. Cyberlux did not contest the judgement because of the existing agreement with RB Capital.

The Company is subject to other legal proceedings and claims, which arise in the ordinary course of its business. Although occasional adverse decisions or settlements may occur, the Company believes that the final disposition of such matters should not have a material adverse effect on its consolidated financial position, results of operations or liquidity.

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. If any updates are needed to your public company profile, update your company profile.

Securities Counsel

Name:	Carl P. Ranno
Firm:	Law Office of Carl P. Ranno
Address 1:	2733 East Vista Drive
Address 2:	Phoenix, AZ 85032
Phone:	602.493.0369
Email:	carlranno@cox.net

Accountant or Auditor

Name:	John Pennett, Partner – Accounting consultant
Firm:	Eisner Advisory Group LLC
Address 1:	733 Third Avenue
Address 2:	New York, NY 10017
Phone:	732-243-7140
Email:	john.pennett@eisneramper.com

Investor Relations

Name: Brennan Smith
Firm: Flying V Group, Inc.
Address 1: 34 Executive Park, #260
Address 2: Irvine, CA 92614
Phone: 949-940-8884
Email: bsmith@flyingvgroup.com

All other means of Investor Communication:

X (Twitter): <https://x.com/CyberluxC>
Discord: None
LinkedIn <https://www.linkedin.com/company/cyberlux-corporation/>
Facebook: None
Other: <https://cyberlux.com/about/#faq>

Other Service Providers

Provide the name of any other service provider(s) **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: Jennifer E.D. Clarke, Esq.
Firm: Tjong & Hsia LLP
Nature of Services: Corporate Legal Counsel
Address 1: 45 Rockefeller Plaza, 20th Floor
Address 2: New York, NY 10111
Phone: 516-801-1700
Email: jclarke@tjonghsia.com

Name: Todd Rowden, Partner
Firm: Taft, Stettinius & Hollister LLP
Nature of Services: Legal Counsel
Address 1: 111 E. Wacker Drive, Suite 2600
Address 2: Chicago, Illinois 60601-4208
Phone: 312-527-4000
Email: TRowden@taftlaw.com

Name: Evan Moeller, Partner
Firm: Adams & Reese LLP
Nature of Services: Legal Counsel
Address 1: 1221 McKinney Street, Suite 4400
Address 2: Houston, TX 77010
Phone: 713-308-0153
Email: Evan.Moeller@arlaw.com

9) Disclosure & Financial Information

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

Name: Mark Schmidt
Title: President and CEO
Relationship to Issuer: President and CEO

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: David D. Downing
Title: Chief Financial Officer
Relationship to Issuer: Principal Financial Accounting Officer

Describe the qualifications of the person or persons who prepared the financial statements⁶:

The financial statements are prepared by the CFO of the Company with consultation to our accounting advisors as requested.

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.

⁶ 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.

Cyberlux Corporation and Subsidiary
Condensed Consolidated Balance Sheet (Unaudited)
March 31, 2026 and December 31, 2025

	March 31, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	\$165,476	\$326,958
Accounts receivable, net of allowance for doubtful accounts	26,506,622	26,423,622
Inventory	10,148,873	10,368,873
Other current assets	<u>833,250</u>	<u>609,250</u>
Total current assets	37,654,221	37,728,703
Other Assets:		
Property and equipment, net of accumulated depreciation	281,269	322,269
Right of use asset, net	325,000	503,368
Intangible assets, net of accumulated amortization	5,722,722	6,248,722
Other investment	200,000	200,000
Total Assets	\$44,183,212	\$45,003,062
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accounts payable	\$19,427,156	\$18,991,875
Accrued interest	6,663,548	5,888,421
Borrowings under line of credit	10,050,100	10,050,100
Notes payable, related parties	2,954,135	2,590,256
Notes payable, non-related parties	4,868,435	5,611,604
Datron acquisition notes payable, net of discount	4,000,000	4,000,000
Short term borrowings	2,309,791	969,081
Customer deposits	240,000	62,000
Accrued liabilities	<u>18,923,955</u>	<u>15,983,037</u>
Total current liabilities	69,437,120	64,146,374
Long-term liabilities:		
Lease liabilities and other	<u>494,000</u>	<u>848,011</u>
Total liabilities	69,931,120	64,994,385
Commitments and contingencies		
Stockholders' deficit:		
Class A Preferred shares, 0 shares issued and outstanding as of March 31, 2026 and December 31, 2025	-	-
Class B Preferred shares, 86,000,000 shares issued and outstanding as of March 31, 2026 and December 31, 2025	147,000	147,000
Class C Preferred shares, 150,000 shares issued and outstanding as of March 31, 2026 and December 31, 2025	150	150
Common stock, \$0.001 par value, 7 billion shares authorized, 7,175,945,167 and 6,915,528,500 shares issued and outstanding As of March 31, 2026 and December 31, 2025, respectively.	8,936,791	8,676,374
Treasury stock	(1,285,000)	(1,285,000)
Additional paid-in capital	22,062,622	22,062,622
Accumulated deficit	<u>(55,609,271)</u>	<u>(49,592,269)</u>
Deficiency in stockholders' equity	(25,747,908)	(19,991,323)
Total liabilities and stockholders' deficit	\$44,183,212	\$ 45,003,062

The accompanying notes are an integral part of these financial statements.

Cyberlux Corporation and Subsidiary
Condensed Consolidated Statements of Operations (Unaudited)
Quarters ended March 31, 2026 and 2025

	2026	2025
Revenue	\$ 1,776,002	\$ 5,091,669
Cost of goods sold	(1,797,002)	(3,660,516)
Gross profit (loss)	(21,000)	1,431,153
Operating Expenses:		
Marketing and advertising	117,971	344,723
Depreciation and amortization	570,000	602,332
Research and development	258,020	157,000
General and administrative expenses	3,441,609	2,053,797
Total operating expenses	4,387,600	3,157,852
Loss from operations	(4,408,600)	(1,726,699)
Other income/(expense):		
Interest income and other	2,790	7,045
Other income, net	-	148,949
Interest expense	(1,611,192)	(499,172)
Subtotal	(1,608,402)	(343,178)
Net loss available to common stockholders	<u><u>\$(6,017,002)</u></u>	<u><u>\$(2,069,877)</u></u>
Loss per share		
Weighted-average common		
Shares outstanding - basic and diluted	7,176,161,667	6,038,498,957
Loss per share – basic and diluted	\$(0.00)	\$(0.00)

The accompanying notes are an integral part of these financial statements.

Cyberlux Corporation and Subsidiary
Condensed Consolidated Statement of Cash Flows (Unaudited)
Quarters ended March 31, 2026 and 2025

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss available to common stockholders	\$ (6,017,002)	\$ (2,069,877)
Adjustments to reconcile net income (loss) to cash flow from operations		
Noncash interest expense	260,417-	62,500
Other non-cash items	-	(361,254)
Amortization and depreciation	567,000	602,332
Changes in assets and liabilities		
Accounts receivable	(83,000)	784,521
Inventories	220,000	(807,000)
Prepaid expenses	(224,000)	475,000
Right of use asset	78,368	43,414
Accounts payable	435,281	(1,126,580)
Accrued liabilities	2,389,628	413,936
Customer deposits	178,000	(1,829,000)
Lease liabilities and other	(254,011)	(210,084)
Accrued interest	947,127	551,424
Net cash (used in) operating activities	(1,502,192)	(3,470,668)
 CASH FLOWS FROM INVESTING ACTIVITIES:		
Expenditures for fixed assets	-	<u>(6,000)</u>
Net cash used in investing activities	-	<u>(6,000)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds (payments) from borrowings	1,340,710	(25,000)
Net proceeds (payments) from notes payable, related parties	-	140,000
Net cash provided by (used in) financing activities	1,340,710	115,000
 Net (decrease) in cash and cash equivalents	 (161,482)	 (3,361,668)
Cash and cash equivalents at beginning of period	<u>326,958</u>	<u>4,952,219</u>
Cash and cash equivalents at end of period	<u>\$165,476</u>	<u>\$1,590,551</u>
 SUPPLEMENTAL DISCLOSURES:		
Interest paid	\$-	\$20,000
NON-CASH ACTIVITIES:		
Conversion of Debt and accrued interest for common stock	\$290,000	\$280,500
Conversion of accrued interest to notes payable – related parties	\$172,000	\$132,000

The accompanying notes are an integral part of these financial statements.

Cyberlux Corporation and Subsidiary

Condensed Consolidated Statement of Changes in Stockholders' Equity (Deficit)

Quarters ended March 31, 2026 and 2025 (Unaudited)

	Class B Preferred		Class C Preferred		Common Shares		Treasury Stock	Additional Paid in Capital	Accumulated Deficit	Total
	Outstanding Shares	Amount	Outstanding Shares	Amount	Outstanding Shares	Amount				
2025 period										
Balance December 31, 2024	86,000,000	\$147,000	150,000	\$150	5,993,363,945	\$7,650,019	\$(1,181,000)	\$21,672,881	\$(44,299,115)	\$(16,010,065)
Stock issued for conversion of debt and accrued interest					169,256,295	169,256				169,256
Net income									(2,069,877)	(2,069,877)
Balance March 31, 2025	86,000,000	\$147,000	150,000	\$150	6,162,620,240	\$7,819,275	\$(1,181,000)	\$19,889,914	\$(46,368,992)	\$(18,010,686)
2026 Period										
Balance December 31, 2025	86,000,000	\$147,000	150,000	\$150	6,915,528,500	\$8,676,374	\$(1,285,200)	22,062,622	\$(49,592,269)	\$19,991,323
Conversion of debt and accrued interest to shares					260,416,667	260,417				260,417
Net loss									(6,017,002)	(6,017,002)
Balance March 31, 2026	86,000,000	\$147,000	150,000	\$150	7,175,945,167	\$8,936,791	\$(1,285,200)	\$22,062,622	\$(66,609,271)	\$(25,747,908)

The accompanying notes are an integral part of these financial statements.

Financial Notes

NOTE A- SUMMARY OF BUSINESS OPERATIONS

Business Operations

Cyberlux Corporation (the “Company” or “Cyberlux”) was incorporated on May 17, 2000, under the laws of the State of Nevada. The Company was focused on the development, manufacturing, and marketing of long-term portable lighting products for government, commercial and industrial users. Starting in July 2022, the Company began expanding its defense industry product offerings. While the Company has generated revenues from its sale of products, the Company has incurred sustained losses in most periods since inception. Consequently, its operations have been subject to all risks inherent in the establishment of a new business enterprise.

Major Customer

On August 29, 2023, Cyberlux was awarded a contract of \$78.9 million to deliver *Cyberlux K8 Unmanned Aircraft Systems* (the “Systems”) as confirmed by the United States Department of Defense (“DoD”) in the February 24, 2023, USAI announcement.

The Company received approximately \$39 million in advance payments from the DoD upon signing of the contract during 2023. During the year ended December 31, 2023, the Company shipped approximately \$15 million under such contract. As of December 31, 2023, the Company had remaining advance payments for the purchase of such systems from the DoD of approximately \$23,145,000 included on the consolidated balance sheet as customer deposits and deferred revenue. In the second and third quarters of 2024, the Company recognized approximately \$54 and \$4 million, respectively, of revenue pursuant to this contract.

On May 17, 2024, Cyberlux was informed by HII, under strict Non-Disclosure Agreement (NDA) requirements, that the U.S. government was ‘terminating for convenience’ their contract with HII for the K8 drone. Because the Cyberlux subcontract with HII is a ‘firm fixed price, fixed quantity’ contract under commercial terms, the contract went through the procurement resolution process. In light of these developments, in December 2024 the Company has reversed a portion of the revenue (and related costs of goods sold) recognized in the second and third quarter of 2024.

On February 28, 2025, Cyberlux entered into a contract modification agreement to complete the contract previously terminated for convenience, and the remaining units were shipped in the second quarter of 2025. Payment of invoices from HII have been made subject to the Interpleader actions – See Note K.

NOTE B - GOING CONCERN MATTERS

The accompanying statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. As shown in the accompanying consolidated financial statements, as of March 31, 2026, the Company incurred accumulated losses of approximately \$56,600,000. The Company’s current liabilities exceed its current assets by approximately \$32 million. The Company’s current liabilities were approximately \$69,400,000 as of March 31, 2026, including amounts at issue in claims by several vendors who have instituted lawsuits or other collection efforts. Resolution and collection of amounts potentially due under the DoD contract has caused liquidity issues to the Company. While these factors, among others, may indicate that the Company would

be unable to continue as a going concern, management is confident that business performance in 2026 will ensure the Company is an ongoing growth business for the foreseeable future.

The Company is actively pursuing additional business growth through acquisitions, organic growth, and development of new customers and products that are expected to increase the associated cash flow from operations. Obtaining additional financing to support the successful development of the Company's contemplated operations, and its transition ultimately to the attainment of profitable operations, are necessary for the Company to continue business. However, no assurance can be given that management's actions will result in profitable operations or the resolution of its liquidity problems. If the Company is unable to raise additional funds, it will need to do one or more of the following:

- Delay research and development projects;
- License third parties to develop and commercialize products or technologies that it would otherwise seek to develop and commercialize itself;
- Seek strategic alliances or business combinations;
- Attempt to sell the Company;
- Cease operations; or
- Declare bankruptcy.

The Company may continue to raise additional funding from its current investors. In addition, the Company will continue to seek funds through debt or equity financings, marketing and distribution arrangements and other collaborations, strategic alliances and licensing arrangements, or other sources of financing. However, there can be no assurances that such financing or other strategic transactions will be available on acceptable terms, or at all.

NOTE C- SUMMARY OF ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the accompanying consolidated financial statements follows:

Basis of presentation

The unaudited condensed consolidated financial statements contained herein have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). Accordingly, the condensed consolidated financial statements reflect all normal recurring adjustments, which are, in the opinion of management, necessary for a fair presentation of the results of operations and may not include all disclosures required by accounting principles generally accepted in the United States ("GAAP"). The information as of and for the quarters ended March 31, 2026 and 2025, and as of December 31, 2025 is unaudited.

Segment reporting

The Company follows ASC 280 "*Segment Reporting*". The Company operates as a single segment – industrial products.

Principles of consolidation

The accompanying consolidated financial statements and related notes to the consolidated financial statements include the accounts of the Company and its wholly owned subsidiary. All significant intercompany balances and transactions have been eliminated in consolidation.

Use of estimates

In preparing the Company's financial statements in conformity with GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

The Company considers all highly liquid debt instruments purchased with a maturity date of six months or less to be cash equivalents.

Accounts receivable

Accounts receivable balances are predominantly comprised of amounts currently due from customers. Accounts receivable are presented on our consolidated balance sheets net of the allowance for credit losses. The Company uses judgment in estimating this allowance and considers historical collections, current credit status, or contractual provisions, following the provisions of Accounting Standards Update ("ASU") No. 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. No allowance for credit losses was required at March 31, 2026 and December 31, 2025.

Concentrations of Credit Risk

Financial instruments and related items which potentially subject the Company to concentrations of credit risk consist primarily of cash, cash equivalents and trade receivables. The Company places its cash and temporary cash investments with credit quality institutions. At times, such holdings may be more than the FDIC insurance limit. At March 31, 2026 and December 31, 2025, the Company did not have a significant allowance for doubtful receivables.

Inventories

Inventories are stated at the lower of cost or market determined by the average cost method. The Company provides inventory allowances based on estimates of obsolete inventories. Inventories consist of finished products available for sale to distributors and customers as well as raw materials. The work in progress inventory at March 31, 2026 and December 31, 2025 primarily relates to the products being built for the DoD as noted in Note A1 above.

Components of inventories as of March 31, 2026 and 2025 are as follows:

	March 2026	December 2025
Component parts	\$ 4,719,465	\$ 4,391,465
Work in progress and finished goods	6,149,408	6,711,408
	<u>10,868,873</u>	<u>11,102,873</u>
Less: allowance for obsolete inventory	<u>(720,000)</u>	<u>(734,000)</u>
	\$ <u>10,148,873</u>	\$ <u>10,368,873</u>

Property and Equipment

Property and equipment are stated at cost. When retired or otherwise disposed, the related carrying value and accumulated depreciation are removed from the respective accounts and the net difference less any amount realized from disposition, is reflected in earnings. For financial statement purposes, property and

equipment are recorded at cost and depreciated using the straight-line method over their estimated useful lives as follows:

Furniture and fixtures	7 years
Office equipment	3 to 5 years
Leasehold improvements	Lessor of 5 years of life of lease
Tooling	3 years
Manufacturing equipment	3 years

Intangible assets

Patents are amortized on a straight-line basis over an estimated useful life of 7 years. Technology related assets are amortized on a straight-line basis over an estimated useful life of 5 years.

The Company evaluates all long-lived assets for impairment. Long-lived assets are evaluated for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If the carrying amount is not fully recoverable, an impairment loss is recognized to reduce the carrying amount to fair value and is charged to expense in the period of impairment. As of March 31, 2026 and December 31, 2025, management has determined that these assets are not impaired.

Revenue recognition

The Company recognizes revenue under Financial Accounting Standards Board's Accounting Standards Codification ("ASC") Topic 606, "*Revenue from Contracts with Customers*" ("ASC 606"). The Company determines revenue recognition through the following steps:

- Step 1: Identify the contract with the customer;
- Step 2: Identify the performance obligations in the contract;
- Step 3: Determine the transaction price;
- Step 4: Allocate the transaction price to the performance obligations in the contract; and
- Step 5: Recognize revenue when the company satisfies a performance obligation.

The Company records sales of its products and services to the commercial and U.S. government agencies and foreign nation ministries of defense when the products and services are billed against the associated contracts when performance obligations with customers are satisfied. The Company's performance obligation is a promise to transfer a distinct good to the customer and each distinct good represents a single performance obligation. Such performance obligations are satisfied at a point in time and revenues are recognized when all rights and rewards of ownership are transferred. The majority of the Company's products are shipped by common carrier resulting in recognition of revenues upon shipment at which time, control passes to the customer. Revenue is measured at the amount of consideration the Company expects to receive in exchange for the transferring of products. Customers may be entitled to cash discounts, typically denoted at the time of invoicing and shipping. Such amounts are considered to be variable consideration under ASC 606. An estimate for cash discounts is included in the transaction price as a component of sales and is estimated based on the satisfaction of outstanding receivables and historical performance. The Company does not have any material financing terms as payment is received shortly after the transfer of control of the products to the customer within a period of 30-60 days.

Deferred revenue arises from amounts received in advance of the culmination of the earnings process and is recognized as revenue in future periods as performance obligations are satisfied. Deferred revenue expected to be recognized within the next twelve months is classified as a current liability.

Advertising costs

The Company expenses all costs of marketing and advertising as incurred. Marketing and advertising costs totaled approximately \$118,000 and \$345,000 for the quarters ended March 31, 2026 and 2025, respectively.

Research and Development

The Company accounts for research and development costs in accordance with the ASC 730 “*Research and Development*”. Under ASC 730, all research and development costs must be charged to expense as incurred. Accordingly, internal research and development costs are expensed as incurred. Third-party research and developments costs are expensed when the contracted work has been performed or as milestone results have been achieved. Company-sponsored research and development costs related to both present and future products are expensed in the period incurred. The Company expenditures were approximately \$258,000 and \$157,000 on research and product development for the quarters ended March 31, 2026 and 2025, respectively.

Fair Values

ASC 820 “*Fair Value Measurements and Disclosures*” (“ASC Topic 820”) defines fair value, establishes a framework for measuring fair value, and enhances fair value measurement disclosure. The Company considers its cash and cash equivalents, accounts receivable, and accounts payable to meet the definition of financial instruments, and the carrying amounts of such instruments approximated their fair values due to the short maturities of these instruments. The Company believes the fair value of notes payable approximate its amortized cost.

The Company measures fair value as required by the ASC Topic 820, which defines fair value, establishes a framework, and gives guidance regarding the methods used for measuring fair value, and expands disclosures about fair value measurements. ASC Topic 820 clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.

As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, there exists a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access as of the measurement date.

Level 2 - Inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data.

Level 3 - Unobservable inputs for the asset or liability only used when there is little, if any, market activity for the asset or liability at the measurement date.

Share-based compensation

The Company has granted common shares to employees, non-employee consultants and non-employee members of our Board of Directors. The Company has also granted Class B Preferred shares to an officer

of the Company. The Company measures the compensation cost associated with all share-based payments based on the grant date fair values of the underlying stock.

Income taxes

The Company follows ASC 740 “*Income Taxes*” for recording the provision for income taxes. Deferred tax assets and liabilities are computed based upon the difference between the financial statement and income tax basis of assets and liabilities using the enacted marginal tax rate applicable when the related asset or liability is expected to be realized or settled. Deferred income tax expenses or benefits are based on the changes in the asset or liability during each period. If available evidence suggests that it is more likely than not that some portion or all of the deferred tax assets will not be realized, a valuation allowance is required to reduce the deferred tax assets to the amount that is more likely than not to be realized. Future changes in such valuation allowance are included in the provision for deferred income taxes in the period of change. Deferred income taxes may arise from temporary differences resulting from income and expense items reported for financial accounting and tax purposes in different periods.

Valuation allowances are recognized to reduce deferred tax assets to the amount that will more likely than not be realized. In assessing the need for a valuation allowance, management considers all available evidence for each jurisdiction including past operating results, estimates of future taxable income and the feasibility of ongoing tax planning strategies. When the Company changes its determination as to the amount of deferred tax assets that can be realized, the valuation allowance is adjusted with a corresponding impact to income tax expense in the period in which such determination is made. The Company has reserved its deferred tax assets in all periods presented.

The Company also accounts for uncertain tax positions in accordance with ASC Topic 740, which prescribes a more-likely-than-not threshold for financial statement recognition and measurement of a tax position taken in the Company’s income tax returns. As of March 31, 2026 and December 31, 2025, the Company had no uncertain tax positions which affected its financial position and its results of operations or its cash flows and will continue to evaluate for uncertain tax positions in the future. There are no interest costs or penalties provided for in the Company’s consolidated financial statements for the quarters ended March 31, 2026 and 2025. If at any time the Company should record interest and penalties in connection with income taxes, the interest and the penalties will be expensed within the general and administrative expenses category in the accompanying consolidated statement of operations.

Net income (loss) per share

Basic net income (loss) per share is computed by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding during the period. Diluted net loss per share is computed by dividing net loss by the sum of the weighted average number of common shares outstanding, including common stock equivalents, during the period. For periods in which the Company reports a net loss, diluted net loss per share is the same as basic net loss per share.

For the quarters ended March 31, 2026 and 2025, the number of shares excluded from diluted net loss per share included approximately 3.6 billion common shares which would be issued upon the conversion of notes payable and approximately 17 billion shares which would be issued upon the conversion of preferred stock based upon the conversion rates in effect on March 31, 2026 and 2025 – see Note H. The shares issuable upon conversion of notes payable and preferred stock are not included in the denominator since their inclusion would be anti-dilutive.

Reclassification

Certain reclassifications have been made in prior year's financial statements to conform to classifications used in the current year.

NOTE D - PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment at March 31, 2026 and December 31, 2025 are as follows:

	<u>March 2026</u>	<u>December 2025</u>
Furniture and fixtures	\$ 932,599	\$ 932,599
Machinery and equipment	6,698,023	6,698,023
Leasehold improvements	618,989	618,989
Vehicles	218,000	218,000
Subtotal	<u>8,467,611</u>	<u>8,467,611</u>
Less: accumulated depreciation	<u>(8,186,342)</u>	<u>(8,145,342)</u>
	\$ <u>281,269</u>	\$ <u>322,269</u>

During the quarters ended March 31, 2026 and 2025, depreciation expense charged to operations was approximately \$41,000 and \$53,000, respectively.

NOTE E – INTANGIBLE ASSETS

Intangible assets at March 31, 2026 and December 31, 2025 are as follows:

	<u>March 2026</u>	<u>December 2025</u>
Patents	\$ 469,783	\$ 469,783
Technology	<u>10,663,000</u>	<u>10,663,000</u>
Total	11,132,783	11,132,783
Less: accumulated amortization	<u>(5,410,061)</u>	<u>(4,884,061)</u>
	\$ <u>5,722,722</u>	\$ <u>6,248,722</u>

During the quarters ended March 31, 2026 and 2025, amortization expense charged to operations was approximately \$526,000 and \$542,000, respectively. Annual amortization expense of intangibles will approximate \$2,100,000 for each of the next 2.7 years.

Acquisition of Datron

On September 16, 2023, the Company acquired 100% of the outstanding stock of Datron World Communications, Inc. ("Datron"), a provider of communications solutions to government, militaries, and industrial users globally. The purchase price consisted of the payment of \$3.0 million at closing, issuance of a \$2.0 million note payable (1st note), the issuance of a \$2.0 million note payable (2nd note) and the cancellation of a \$3.5 million advance previously made to Datron.

The 1st note payable bears interest at 3% per annum and is due September 2026. The holder can elect to convert the note into shares of Common Stock at 90% of the VWAP after September 2024.

The 2nd note payable bears interest at 5% per annum and is due September 2026. The holder can elect to convert the note into shares of Common Stock at 85% of the VWAP after September 2024.

The acquisition was accounted for as an acquisition of a business, and the purchase price of approximately \$10.5 million was allocated to net operating assets of \$0.1 million and the remaining \$10.4 million was allocated to technology based intangible assets, which will be amortized over 5 years. The Company has not yet completed the purchase price allocation and valuation of the identifiable intangible assets as required by ASC 805, but expects to have it completed during 2026.

Datron had significant deferred tax assets as a result of net operating loss carryforwards and certain timing assets which exceeded the deferred tax liability which would have been recorded as a result of the basis difference in the intangible assets resulting from the acquisition. No net deferred tax assets or liabilities were recognized from the acquisition – See Note M.

NOTE F- ACCRUED EXPENSES

Current liabilities as of March 31, 2026 and December 31, 2025 are as follows:

	<u>March 2026</u>	<u>December 2025</u>
Accrued payroll, payroll taxes and other	\$3,655,946	\$ 3,646,948
Accrued vendors	11,146,955	8,174,037
Accrued income taxes	1,443,051	1,543,049
Commissions payable	<u>2,678,003</u>	<u>2,619,003</u>
Total	<u>\$18,923,955</u>	\$ <u>\$15,983,037</u>

NOTE G – NOTES PAYABLE

The Company has borrowed money from affiliates and non-affiliates over the past few years. The Company has also settled certain obligations through the issuance of promissory notes and settled certain past due notes payable through cash payments or equity issuances. During the quarter ended March 31, 2026, the Company issued 260,416,667 shares of Common Stock to a debt holder as described below. During the quarter ended March 31, 2025, notes payable and accrued interest aggregating \$284,750 were converted into 169,256,205 shares of Common Stock.

Interest expense for the quarters ended March 31, 2026 and 2025 was approximately \$420,000 and \$499,000, respectively, including amortization of debt discount related to the Datron acquisition notes payable of \$63,000 in the quarter ended March 31, 2025. Accrued interest related to such notes was approximately \$3,100,000 and \$3,000,000 at March 31, 2026 and December 31, 2025, respectively.

Non-affiliate loans

At March 31, 2026 and December 31, 2025, the notes payable to non-related parties consist of the following:

	<u>Balance outstanding - March 2026</u>	<u>Balance outstanding - December 2025</u>	<u>Interest rate</u>	<u>Due date</u>	<u>Conversion terms</u>
Datron acquisition -note 1	\$2,000,000	\$2,000,000	3%	September 2026	90% VWAP
Datron acquisition -note 2	<u>2,000,000</u>	<u>2,000,000</u>	5%	September 2026	85% VWAP
Total	<u>\$4,000,000</u>	<u>\$4,000,000</u>			

Notes payable RB Capital	\$2,750,000	\$3,000,000	5%	July 2024	TBD
Others	<u>2,118,435</u>	<u>2,611,604</u>	5%	Various	\$740,000 is convertible at various terms
Total short-term debt	<u>\$4,868,435</u>	<u>\$5,611,604</u>			

In September 2023, the Company recognized a debt discount of approximately \$500,000 representing the discount provided on the Datron acquisition notes. Such discount was being accreted to interest expense over the term of the note and amounted to approximately \$63,000 of interest expense during the quarters ended March 31, 2025. The debt discount was fully amortized as of December 31, 2025.

In 2021 and 2022 the Company borrowed an aggregate of \$5,250,000 from RB Capital pursuant to a series of convertible debt agreements. A portion of such notes were repaid or converted into common stock over the years. During the year ended December 31, 2025, a portion (\$750,000) of the notes payable due to RB Capital in the amount of \$824,298, including accrued interest, was converted into 484,557,575 shares of Common Stock. A further \$250,000 of principal was converted into 260,416,667 shares of Common Stock in the first quarter of 2026 such that \$2,750,000 remains outstanding at March 31, 2026. See litigation section of Note K for further discussion.

Related party loans

From time to time, the Company's principal officers have advanced funds (and received periodic repayments) to the Company for working capital purposes in the form of unsecured promissory notes, accruing interest at 10% per annum, summarized as follows. Approximately \$172,000 and \$132,000 of accrued interest was converted into notes payable during the first quarter of 2026 and 2025 by two officers of the Company, respectively. There is no scheduled repayment terms for most of these notes.

Loans from Officers

Officer	Principal Due March 31, 2026	Interest Rate	Principal Due December 31, 2025
David Downing	\$1,417,606	10%	\$1,297,606
Mark Schmidt and family	808,512	10%	564,633
John Ringo	405,361	10%	405,361
All others	<u>322,656</u>	10%	<u>322,656</u>
Total	<u>\$2,954,135</u>		<u>\$2,590,256</u>

NOTE H - STOCKHOLDER'S EQUITY

Common stock

The Company has authorized 10,000,000,000 shares of Common Stock, with a par value of \$.001 per share. As of March 31, 2026 and December 31, 2025, the Company had 7,175,945,167 and 6,915,528,500 shares outstanding, respectively.

Among other provisions of the Certificates of Designation of the Series B and C, the Company is required to reserve a sufficient number of shares of Common Stock of the Company for the conversion of all shares of preferred stock. The Company is not currently observing this requirement.

Series B - Convertible Preferred stock

There are 99,000,000 shares of Series B Preferred authorized, and 86,000,000 shares of Series B issued and outstanding as of March 31, 2026 and December 31, 2025. The conversion ratio is 200:1.

The holders of the Series B shall have the right to vote, separately as a single class, at a meeting of the holders of the Series B or by such holders' written consent or at any annual or special meeting of the stockholders of the Company on any of the following matters: (i) the creation, authorization, or issuance of any class or series of shares ranking on a parity with or senior to the Series B with respect to dividends or upon the liquidation, dissolution, or winding up of the Company, and (ii) any agreement or other corporate action which would adversely affect the powers, rights, or preferences of the holders of the Series B.

The holders of record of the Series B shall be entitled to receive cumulative dividends at the rate of twelve percent per annum (12%) on the face value (\$1.00 per share) when, if and as declared by the Board of Directors, if ever. All dividends, when paid, shall be payable in cash, or at the option of the Company, in shares of the Company's common stock. Dividends on shares of Series B that have not been redeemed shall be payable quarterly in arrears, when, if and as declared by the Board of Directors, if ever, on a semi-annual basis. No dividend or distribution other than a dividend or distribution paid in common stock or in any other junior stock shall be declared or paid or set aside for payment on the common stock or on any other junior stock unless full cumulative dividends on all outstanding shares of the Series B shall have been declared and paid. These dividends are not recorded until declared by the Company. As of March 31, 2026 and December 31, 2025, the liquidation preference of the Series B is approximately \$306 million and \$304 million, respectively, including dividends in arrears.

Upon any liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, and after payment of any senior liquidation preferences of any series of Preferred Stock, and before any distribution or payment is made with respect to any common stock, holders of each share of the Series B shall be entitled to be paid an amount equal in the greater of (a) the face value denominated thereon subject to adjustment for stock splits, stock dividends, reorganizations, reclassification or other similar events plus, in the case of each share, an amount equal to all dividends accrued or declared but unpaid thereon, computed to the date payment thereof is made available, or (b) such amount per share of the Series B immediately prior to such liquidation, dissolution or winding up, or (c) the liquidation preference of \$1.00 per share, and the holders of the Series B shall not be entitled to any further payment.

Series C - Convertible Preferred stock

On November 13, 2006, the Company filed a Certificate of Designation creating a Series C Convertible Preferred Stock classification for 100,000 shares. This was subsequently amended on January 11, 2007 to allow the issuance of 150,000 shares.

The shares of the Series C are non-voting and convertible, at the option of the holder, into common shares after one year from issuance. The number of common shares to be issued per Series C share is calculated by dividing \$25.20 by the 10 DMA (daily moving average), adjusted for the 200:1 reverse split effected in 2010. That formula computes as: $(\$25.20/10DMA)/200$. Neither of the Series C shareholders have exercised their conversion right and there are 150,000 Series C shares issued and outstanding on March 31, 2026 and December 31, 2025.

The holders of record of the Series C shall be entitled to receive cumulative dividends at the rate of five percent per annum (5%), compounded quarterly, on the face value (\$25.00 per share) when, if and as

declared by the Board of Directors, if ever. All dividends, when paid, shall be payable in cash, or at the option of the Company, in shares of the Company's common stock. Dividends on shares of the Series C that have not been redeemed shall be payable quarterly in arrears, when, if and as declared by the Board of Directors, if ever, at the time of conversion. These dividends are not recorded until declared by the Company. As of December 31, 2023, no dividends have been declared. As of March 31, 2025 and December 31, 2024, the liquidation preference of the Series C is approximately \$4.3 million, and \$4.2 million, respectively, including dividends in arrears.

NOTE I - RELATED PARTY TRANSACTIONS

The Company has borrowed money from related parties from time to time – See Note G. At both March 31, 2026 and December 31, 2025, the Company had amounts due to related party noteholders and shareholders of approximately \$4,000,000.

NOTE J – LEASES

The Company has recently consolidated its lease facilities, such that the principal operating business lease is housed under an operating lease with expiration date in August 2026. The headquarters office is housed under an annual operating lease. Combined monthly rent is currently approximately \$70,000 for such facilities.

Operating leases are presented in the Company's consolidated balance sheets as right-of-use assets from leases, current lease liabilities and long-term lease liabilities. The assets and liabilities from Company leases are recognized at the lease commencement date based on the present value of remaining lease payments over the lease term using the Company's incremental borrowing rates. Short-term leases, which have an initial term of 12 months or less, are not recorded on the balance sheet. As the Company's operating leases do not provide implicit rates, the Company has utilized its incremental borrowing rate, determined based on the long-term borrowing costs of companies with similar credit profiles, to record its lease obligations. For operating leases, the Company recognizes the minimum rental expense on a straight-line basis based on the fixed components of a lease arrangement. The Company will amortize this expense over the term of the lease beginning with the lease commencement date.

The following table presents information about the amount and timing of liabilities arising from the Company's operating leases as of March 31, 2026 and December 31, 2025:

	<u>March 2026</u>	<u>December 2025</u>
Total undiscounted operating lease payments	\$360,000	\$560,050
Less: Imputed interest	<u>(84,989)</u>	<u>(28,989)</u>
Present value of operating lease liabilities	<u>\$275,011</u>	<u>\$531,011</u>
Weighted average remaining lease term in years	0.50	0.75
Discount rate	11.75%	11.75%

The Right of Use Asset at March 31, 2026 of approximately \$325,000 will be amortized over the 0.5 years remaining average lease terms. Rent expense was approximately \$300,000 for each of the quarters ended March 31, 2026 and 2025.

NOTE K - COMMITMENTS AND CONTINGENCIES

Consulting Agreements

The Company has consulting agreements with outside contractors, certain of whom are also Company stockholders. The Agreements are generally for a term of 12 months from inception and renewable automatically from year to year unless either the Company or Consultant terminates such engagement by written notice.

Litigation

A complaint was filed in August of 2022, in the Circuit Court for the city of Richmond, VA by Atlantic Wave Holdings, LLC, and Secure Community LLC (hereinafter “Atlantic Wave”) against Cyberlux Corporation and Mark D. Schmidt regarding a contractual dispute relating to licensed BrightEye lighting product intellectual property and business development performance. That litigation was settled in June 2023. Despite payments having been made, Atlantic Wave subsequently filed another lawsuit against Cyberlux in the same court, alleging breach of that settlement agreement which the Company disputes. In response, Cyberlux asserted multiple counterclaims, as outlined below. Cyberlux believes that the claims brought by Atlantic Wave are without merit. Atlantic Wave filed further lawsuits in California and Texas in an attempt to enforce the settled judgement, as outlined below, without proof of breach. Atlantic Wave also filed 19 garnishment actions against various business partners and prior business partners. Cyberlux served Atlantic Wave with an action to enjoin these judicial filings. In connection with its claims, Atlantic Wave sought to have, and succeeded in having, a turnover receiver appointed in Texas in respect of the Atlantic Wave claims. Amounts demanded by the receiver to satisfy the receivership have been paid. These parties also instituted garnishment proceedings and obtained orders from the Richmond City and Fairfax County Court’s Clerks Office against Company lenders and creditors. In the face of these Atlantic Wave filings and threatening actions, HII, instead of paying Cyberlux the amounts invoiced, filed an interpleader action in the US District Court for the Eastern District of Virginia, Richmond Division. Cyberlux’s not having yet received these receivables has, among other things, disrupted the Company’s cash flows.

During Q1 2026, there were six legal matters of consequence, two of which are now closed, one is on appeal, one is awaiting a judge assignment, and two have final hearings scheduled (one for May 18th and one for June 1st).

1. Fairfax Circuit Court – Garnishment Proceeding: *Atlantic Wave Holdings and Secure Community, LLC v. Cyberlux Corporation and HII Mission Technologies Corporation*, Fairfax Circuit Court, Case No. CL2025-3413

This case involves a garnishment action filed against Cyberlux and HII, the garnishor, in the Fairfax County Circuit Court in Virginia by Atlantic Wave, the judgment creditor and the garnishor, seeking to collect on an alleged outstanding debt that was based upon a judgment that was subject to a settlement agreement without establishing any breach of that settlement agreement. HII tendered the alleged amount into the Court, and the Court dismissed HII. On November 14, 2025, after a hearing on October 23, 2025, that included the full participation of the judgment creditor, Cyberlux, as well as the only intervenors that sought to be involved in the matter, the Texas receiver and Legalist SPV III, LP, another secured creditor, the Court issued an order awarding the judgment creditor the debt and all fees proven up during the hearing in the amount of \$1,140,040.66 and directed that the balance of the garnished fund be paid to Cyberlux. This ruling by a Virginia court finally adjudicated the debt claimed by Atlantic Wave and also satisfied that debt. **This matter is now closed.**

3. Richmond Circuit Court – Breach of Contract Litigation: *Atlantic Wave Holdings and Secure Community, LLC v. Cyberlux Corporation*, et al., Richmond Circuit Court, Case No. CL24003910-00

In a separate civil action before the Circuit Court for the City of Richmond, the plaintiffs allege that Cyberlux breached the terms of a settlement agreement between the parties. Cyberlux filed an Answer denying the allegations and asserting affirmative defenses. In addition, Cyberlux brought counterclaims against the plaintiffs, including breach of contract and violations of Virginia’s usury statutes. The court issued a consent order adopting the terms of a settlement agreement entered into by the Texas receiver, acting as Cyberlux, and Atlantic Wave. That “settlement” was for the full amount sought by Atlantic Wave giving no credit to matters raised in the Cyberlux answer. The resulting consent order is now under appeal. Cyberlux alleges that the Texas receiver fraudulently misrepresented his authority as a general receiver under Texas law, which he is not, before the court. This receiver was appointed for the limited purpose of post judgement collection of the Atlantic Wave debt. By the time that this “settlement” had been entered into, the underlying debt had been secured by a \$3.1 million payment to the receiver to secure collection of the debt in June of 2025 and the above-referenced garnishment collection in Fairfax County, Virginia that finally adjudicated the debt and fees at just over one million dollars. Thus, under the terms of the receiver’s order of appointment, these actions would clearly be defined as unauthorized harassment going well beyond the collection of the post judgement debt for which he was hired. **This matter is under appeal before the Virginia Court of Appeals.**

4. U.S. District Court for the Eastern District of Virginia, Richmond Division – Interpleader Action: *HII Mission Technologies Corporation v. Cyberlux Corporation*, et al., USDC Richmond Division, Civil Action No. 3:25cv483

This is an interpleader action initiated by HII in the U.S. District Court for the Eastern District of Virginia, Richmond Division. HII seeks a judicial determination as to the rightful ownership of disputed funds to which multiple parties, including Cyberlux, have asserted claims. The case will resolve the competing claims and direct the disbursement of the funds to the prevailing parties. The matter has entered the settlement phase with the assigned US Magistrate Judge Mark R. Colombell, and the parties have had one settlement hearing on March 26, 2026. Among other items, the Company’s credit facility with Legalist SPV III of approximately \$13 million and a long-standing tax dispute in the amount of approximately \$1.1 million will be satisfied in this action. **This matter is scheduled for a final settlement conference and resolution on May 18, 2026.**

4. *Atlantic Wave Holdings, LLC and Secure Community, LLC v. Cyberlux Corporation and Mark D. Schmidt*, 129th Judicial District Court for Harris County, Texas, Cause No. [2024-48085](#). On May 22, 2025, this court issued an order appointing a post judgement receiver to collect the settled Atlantic Wave judgment.

On June 11, 2025, funds sufficient to satisfy that which the receiver claimed to be due pursuant to the Virginia consent judgment from which the trial court action arose were paid to the court-appointed receiver. The court-appointed receiver filed a Final Report, Final Accounting, Verified Motion for Disbursement of Funds & Motion to Terminate Receivership. The trial court did not correct several errors in its Order Appointing Receiver, including the judgment amount, and would not stay the Order Appointing Receiver until the receiver’s unsubstantiated and undocumented fees and expenses were determined. Cyberlux filed a direct appeal and petition for writ of mandamus on June 20, 2025, along with an emergency motion for a stay. While the petition for writ of mandamus was denied and the appellate process continues, on November 4, 2025, the Court of Appeals for the First District of Texas issued an order abating the appeal and granting the parties until December 24, 2025 to mediate the matter. The parties engaged in mediation and failed.

The parties continued to negotiate to settle the underlying matter. Subsequently, the parties entered into a full settlement agreement on February 26, 2026, resolving all matters at the trial court and in Texas litigation. The parties filed a Joint Notice of Settlement and Joint Motion for Release of Funds, for Satisfaction of Judgment, and to Dissolve Receivership on February 26, 2026, which is pending in the trial court.

On March 13, 2026, the presiding judge entered an “Order on Nonsuit” **to dismiss the case as satisfied**, but the court allowed for an additional hearing to adjudicate the receiver’s fees and expenses.

On March 18, 2026, Cyberlux filed a motion for the “Emergency Evidentiary Hearing on Motion for Adjudication of the Receiver’s Fees and Expenses and Return of Receivership Assets” to expedite the process of terminating the receivership.

The final hearing for the adjudication of the Receiver’s fees and expenses and the return of receivership assets and to terminate the receiver is now scheduled for June 1, 2026.

5. *Middle District of North Carolina — Contract Dispute: Phillip Rick Tucker, a/k/a Rick Tucker, and Neill Whiteley, Individually v. Cyberlux Corporation, Middle District of North Carolina, Civil Action No. 1:25-cv-00742.*

This action is a contract dispute brought by two former employees and the former owners of Catalyst Machineworks, LLC. Plaintiffs allege breach of contract, asserting that Cyberlux failed to pay wages, bonuses, and failed to transfer shares pursuant to Plaintiffs’ employment agreements. Plaintiffs initially filed this action in Texas (Southern District of Texas, Houston Division, Civil Action No. 1:25-cv-02770). Cyberlux moved to transfer venue. That motion was granted and the lawsuit was moved to North Carolina. No counsel have appeared for Plaintiffs in the North Carolina action. Cyberlux intends to vigorously defend this action.

This case has been inactive since November 5, 2025 under Standing Order 30, pending the assignment of a judge to the case.

6. *San Diego Superior Court — Application to Enforce Out of State Judgment: Atlantic Wave Holdings, LLC and Secure Community, LLC v. Cyberlux Corporation, San Diego Superior Court, Case No. 37-2024-00010206-CU-EN-NC.*

Atlantic Wave and Secure Community have also filed a sister-state application, which was removed to the U.S. District Court for the Southern District of California, U.S. District Court, Southern District of California, No. 3-24-cv-00482-RBM-VET. The District Court then remanded the matter to the San Diego Superior Court, Case No. 37-2024-00010206-CU-EN-NC. Now that the Fairfax, Virginia Circuit Court Garnishment case is closed, **this matter is also closed.**

Other legal matters:

U.S. District Court, Southern District of California — Contract Dispute: RB Capital Partners, LLC v. Cyberlux Corporation, U.S. District Court, Southern District of California, Case No. 3-24-cv-01434-AJB-DTF.

Cyberlux and RB Capital Partners, LLC reached an agreement on the debt owed, pursuant to additional financing of \$1.5 million. On April 30, 2026, RB Capital Partners filed an application for default judgement

for the debt amount agreed to by the parties. Cyberlux did not contest the judgement because of the existing agreement with RB Capital.

The Company is subject to other legal proceedings and claims, which arise in the ordinary course of its business. Although occasional adverse decisions or settlements may occur, the Company believes that the final disposition of such matters should not have a material adverse effect on its consolidated financial position, results of operations or liquidity.

NOTE L – LINES OF CREDIT

In March 2024, as amended in April 2024, the Company amended its one-year purchase order financing arrangement providing up to \$7 million of financing subject to specific purchase orders from government customers. The advances under this agreement bear interest at the US prime rate plus 0.0164% and are collateralized by the accounts receivable, inventory and other assets related to the specific purchase orders. Payments received from customers under these specific purchase orders are required to be remitted to the lender. As of both March 31, 2026 and December 31, 2025, the Company borrowed approximately \$10.0 million against this facility. The line of credit matured in March 2025 and the Company was in default under the agreement as of March 31, 2025 which triggered default interest. In April 2025, the Company amended the agreement to, among other items, extend the term. At March 31, 2026 and December 31, 2024, the accrued interest related to this facility amounted to approximately \$3,600,000 and \$2,800,000.

In 2025, the Company entered into a secured convertible promissory note with RB Capital to provide up to \$1,500,000 of funding under certain conditions. The promissory note is secured by substantially all assets of the Company, bears interest at 8% per annum and matures November 3, 2027. The borrowings against this promissory note are convertible into common stock at the lowest price of the common stock during the immediate 10 days prior to the conversion date multiplied by 0.60. Advances drawn by the Company amounted to \$1,200,000 and \$800,000 at March 31, 2026 and December 31, 2025, respectively.

Commencing in the second half of 2025, the Company entered into several merchant cash advance (“MCA”) agreements typically requiring the repayment over 16 to 20 weeks as the underlying accounts receivable invoice is collected, of which approximately \$1,000,000 and \$170,000 was outstanding on March 31, 2026 and December 31, 2025, respectively. The lender has a security interest in broad assets of the Company.

Interest expense under these facilities for the quarter ended March 31, 2026 and 2025 was approximately \$1,200,000 and \$253,000, respectively.

NOTE M – INCOME TAXES

The Company had no significant current income taxes due in the three months ended March 31, 2026 and 2025 because of the losses generated in each period.

At December 31, 2025, the Company had Federal net operating loss (NOL) carryforwards of approximately \$26 million. The federal NOL carryforwards began to expire in 2024. Of the total Federal net operating losses, the amounts incurred after 2017 of approximately \$18 million will carry forward indefinitely. Sections 382 and 383 of the Internal Revenue Code, and similar state regulations, contain provisions that may limit the NOL carryforwards available to be used to offset income in any given year upon the occurrence of certain events, including changes in the ownership interests of significant stockholders. In the event of a cumulative change in ownership in excess of 50% over a three-year period, the amount of the NOL carryforwards that the Company may utilize in any year may be limited. Although the Company has

not undertaken a formal analysis, an ownership change may have occurred prior to December 31, 2025, which would reduce the NOL available for use in future periods.

Deferred tax assets resulting from the net operating losses and certain temporary differences were partially offset by a deferred tax liability resulting from a basis difference in the intangible assets of Datron. In accordance with ASC 740, the Company recorded a valuation allowance to fully offset the gross deferred tax asset because it is not "more likely than not" that the Company will realize future benefits associated with these deferred tax assets at December 31, 2025.

Management has evaluated and concluded that there were no material uncertain tax positions requiring recognition in the Company's financial statements as of March 31, 2026 or December 31, 2025. The Company does not expect any significant changes in its unrecognized tax benefits within twelve months of the reporting date. No tax audits were commenced or were in process for the taxable periods that ended March 31, 2026 or December 31, 2025. No tax related interest or penalties were incurred during the three months ended March 31, 2026 or 2025.

NOTE N - SUBSEQUENT EVENTS

The Company has evaluated subsequent events through the date the consolidated financial statements were available to be issued and determined that there have been no events that have occurred that would require adjustments to our disclosures in the consolidated financial statements, except as noted below.

Effective March 19, 2026, in settlement of certain claims related to those certain promissory notes issued to Bilal Maadarani on February 27, 2023 and March 21, 2023 each in principal amount of \$100,000.00, and subsequently transferred to Eris Cali effective November 11, 2024, the Company has agreed to issue 260,000,000 shares of Common Stock in full settlement of such notes, and any and all claims against the Company related thereto. These shares were issued in April 2026.

The Company has received notices from various note holders and preferred shareholders to convert their shares to common stock. The Company is evaluating the requests and terms of the underlying agreements, and no such shares have been issued to date.

Subsequent to quarter end, the Company has entered into three additional MCA's aggregating approximately \$674,000 in repayment obligations.

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, Mark D. Schmidt, certify that:

1. I have reviewed this Disclosure Statement for Cyberlux Corporation;
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.

5/15/2026

/s/ Mark D. Schmidt

Principal Financial Officer:

I, David D. Downing certify that:

1. I have reviewed this Disclosure Statement for Cyberlux Corporation;
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.

5/15/2026

/s/ David Downing