

**FOR IMMEDIATE RELEASE**

**Cyberlux Corporation Reports First Quarter 2026 Results;  
 \$15 Million Order Backlog and \$35.5 Million Pipeline Position Company for  
 Return to Normalized Operations in Second Half of 2026**

**RESEARCH TRIANGLE PARK, N.C. — May 15, 2026** — Cyberlux Corporation (OTC: CYBL) (“Cyberlux” or the “Company”), an advanced defense technology company delivering unmanned aircraft systems, tactical communications, and integrated defense solutions, today published its Quarterly Disclosure Statement for the period ended March 31, 2026.

**First Quarter 2026 Highlights - Financial Summary**

(\$ in thousands, except shares and per share)	Q1 2026	Q1 2025
<b>Revenue</b>	\$1,776	\$5,092
<b>Cost of goods sold</b>	(\$1,797)	(\$3,661)
<b>Gross profit (loss)</b>	(\$21)	\$1,431
<b>Gross margin</b>	(1.2)%	28.1%
<b>Total operating expenses</b>	(\$4,388)	(\$3,158)
<b>Loss from operations</b>	(\$4,409)	(\$1,727)
<b>Interest expense</b>	(\$1,611)	(\$499)
<b>Net loss</b>	(\$6,017)	(\$2,070)
<b>Net cash used in operating activities</b>	(\$1,502)	(\$3,471)
<b>Cash and cash equivalents (period-end)</b>	\$165	\$1,591
<b>Total assets (period-end)</b>	\$44,183	\$32,578
<b>Order backlog (period-end)</b>	~\$15,000	~\$45,000
<b>Common shares outstanding (period-end)</b>	7,175,945,167	6,162,620,150

*All amounts are unaudited and are presented as of, or for the quarter ended, March 31, 2026 and March 31, 2025, respectively. Order backlog represents firm orders only and excludes the additional pipeline opportunities described elsewhere in this release.*

“The first quarter of 2026 was a transition quarter for Cyberlux,” said **Mark D. Schmidt, President and Chief Executive Officer**. “Revenue and operating results were constrained by the Texas turnover receivership, the Eastern District of Virginia Interpleader, and the timing of cash to fully restart deliveries against our backlog. We made decisive progress on each of these constraints during the quarter and immediately after: on May 11, 2026, the United States District Court for the Eastern District of Virginia terminated the Texas turnover receiver from the HII interpleader action; we shipped a Foreign Military Sales order through Datron three months ahead of schedule; and we entered the second quarter with approximately \$15 million in firm order backlog and an additional approximately \$35.5 million in pipeline. With the limited turnover receivership headed for full dissolution and the Interpleader matter headed for resolution, the Company’s three business units are positioned to capitalize on significant new opportunities, with a particular focus on the over \$500 billion in incremental Department of War budget planned for 2027. We believe Cyberlux is poised to return to normalized operations and begin a new phase of growth during the second half of 2026.”

## **Operational Highlights**

### **Unmanned Aircraft Solutions (UAS)**

Cyberlux UAS continues to advance its NDAA-aligned family-of-systems strategy across the 5” Weaver (Trainer), 7” Spider (Pouch-Portable), X4.10 Huntsman (Mid-Size), and X4.18 Tasmanian (Heavy Lift). Each platform is engineered for electronic warfare resilience and GPS-independent operation, with supply-chain transparency aligned with NDAA Section 848 and Section 889 requirements. During the first quarter of 2026, UAS made continued progress on Automatic Target Recognition, non-RF travel, AI anti-jam radio enhancements, and autonomous flight — in the integrations that together comprise the Cyberlux “Contested Environment Stack” in partnership with George Mason University. While the Cyberlux submission to the Department of War’s approximately \$1 billion Drone Dominance program was not selected, the Company continues to engage USARMY and USSOCOM command units on its FPV and non-FPV platforms, and plans to provide additional submissions for the next Drone Dominance phases and other Department of War (DoW) UAS programs. With more than \$75 billion in UAS budget planned for 2027, Cyberlux UAS is focused on capturing a significant share of that opportunity.

### **Datron Military Communications (DMC)**

Datron World Communications, our wholly owned subsidiary, shipped orders to its Middle East and North Africa (MENA) partner nations under U.S. Government Foreign Military Sales contracts and to General Dynamics Mission Systems as part of its ongoing contracts as announced in 2025. During the first quarter of 2026, one significant order was completed three months ahead of schedule. Datron ended Q1 2026 with over \$21.1 million in order backlog and high-probability pipeline, most of which is expected to ship during the balance of 2026 and 2027. Datron is continuing to negotiate multi-year proposals for locally manufactured radios with four U.S. allied partner nations in the MENA territory, and is advancing a new series of high-speed tactical-edge radio systems available in body-worn, base-station, and OEM-board form factors — enabling integration into autonomous ground vehicles, UAS, and other advanced platforms requiring datalinks.

### **Global Integration Services (GIS)**

During the first quarter of 2026, GIS continued to focus on existing tactical requirements and Foreign Military Sales budgets, developing border-security and integrated-defense solutions for delivery to U.S. allied partner nations across South America, the Middle East, and Africa. GIS is duly licensed as a broker of U.S.-approved military assets, enabling integrated transactions involving large equipment platforms

and best-in-class integrated solutions. The unit's prior \$22.7 million prime contract delivering aircraft instrument landing systems for F-16 aircraft support in Ukraine continues to demonstrate the Company's capability to execute integrated defense technology programs beyond UAS and radios.

### **Strategic Relationships**

Cyberlux and George Mason University continued to make Phase 1 progress during the first quarter of 2026 under the memorandum of understanding announced in Q2 2025, focused on 5G systems, unmanned aerial systems, cybersecurity, and next-generation tactical communications. The Strategic Collaboration Agreement with Argus Industrial, LLC, entered into in Q3 2025, continued through the quarter and supports the Cyberlux contested-environment capability strategy by extending the munitions-payload pathway. Deployment of Palantir's Warp Speed Operating System across Cyberlux manufacturing operations remains paused, with re-engagement anticipated in the second half of 2026 as the Company returns to normalized operations.

### **Financial Commentary**

Revenue for the first quarter of 2026 was approximately \$1.8 million compared to approximately \$5.1 million in the first quarter of 2025. The year-over-year change reflects the completion of the \$65 million K8 contract during the second quarter of 2025 and the impact of the third quarter 2025 U.S. Government shutdown, the Texas turnover receivership, and the Interpleader matter on the Company's ability to ship against existing backlog during the first quarter of 2026. Cost of goods sold for the quarter was approximately \$1.8 million, resulting in a gross loss of approximately \$21,000 for the quarter compared to gross profit of approximately \$1.4 million (28.1% gross margin) in the prior-year quarter, reflecting the lower revenue base and the timing of fixed manufacturing costs in the absence of K8 shipments.

Total operating expenses for the quarter were approximately \$4.4 million compared to approximately \$3.2 million in the prior-year quarter, an increase of approximately \$1.2 million driven principally by higher general and administrative expenses associated with the Company's ongoing legal matters, including the Texas turnover receivership, the Atlantic Wave litigation, and the Interpleader action in the U.S. District Court for the Eastern District of Virginia (EDVA). Loss from operations was approximately \$4.4 million for the quarter compared to approximately \$1.7 million in the prior-year quarter. Interest expense for the quarter was approximately \$1.6 million compared to approximately \$0.5 million in the prior-year quarter, reflecting higher average borrowings associated with the Company's financing arrangements. Net loss for the quarter was approximately \$6.0 million compared to approximately \$2.1 million in the prior-year quarter.

Net cash used in operating activities decreased to approximately \$1.5 million in the first quarter of 2026 from approximately \$3.5 million in the first quarter of 2025, reflecting disciplined working-capital management during a period of constrained shipments. The Company's balance sheet at March 31, 2026 reflects approximately \$26.5 million of accounts receivable, compared to approximately \$4.1 million at March 31, 2025. Substantially all of this approximately \$22.4 million year-over-year increase reflects amounts invoiced under the K8 contract that remain uncollected pending settlement of the Interpleader action in the U.S. District Court for the Eastern District of Virginia. Total assets at March 31, 2026 were approximately \$44.2 million, compared to approximately \$32.6 million at March 31, 2025 — a year-over-year increase of approximately \$11.6 million reflecting the build-up of K8 receivables. As of March 31, 2026, the Company's firm order backlog was approximately \$15 million with an additional pipeline of approximately \$35.5 million across UAS, Datron, and GIS — firm orders that, when combined with the

additional order pipeline, represent a forward visibility of approximately \$50.5 million of contracted revenue available to support the Company's return to normalized operations.

### **Legal Matters Update**

**Federal court termination of the Texas turnover receiver in the EDVA interpleader:** On May 11, 2026, Judge Gibney, senior federal judge in the U.S. District Court for the Eastern District of Virginia, entered a Memorandum Order in HII Mission Technologies Corp. v. Cyberlux Corp., Case No. 3:25-cv-00483 (E.D. Va.), terminating Mr. Robert Berleth as an interpleader-defendant under Federal Rule of Civil Procedure 21. The Court held that "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." Cyberlux is pursuing the full dissolution of the Texas receivership and expects complete resolution during the second quarter of 2026.

**Interpleader settlement phase:** The Interpleader action in the U.S. District Court for the Eastern District of Virginia remains in the settlement phase before U.S. Magistrate Judge Mark R. Colombell. The Company's credit facility with Legalist SPV III of approximately \$13 million and a long-standing tax dispute of approximately \$1.1 million are expected to be resolved through this action.

**Atlantic Wave settlement and pending receivership dissolution:** Cyberlux and Atlantic Wave Holdings, LLC and Secure Community, LLC entered into a full settlement agreement on February 26, 2026. On March 13, 2026, the Texas trial court signed an Order on Nonsuit dismissing the Atlantic Wave collection claims. The Company is pursuing the full dissolution of the limited turnover receivership in Cause No. 2024-48085, 129th Judicial District Court of Harris County, Texas.

### **Subsequent Events**

Subsequent to March 31, 2026, Cyberlux secured the May 11, 2026 federal court Memorandum Order described above terminating the Texas turnover receiver from the Interpleader action, and continued its preparations for the full dissolution of the Texas turnover receivership. The Company also continued shipments under its existing Foreign Military Sales backlog, including Datron tactical communications orders to MENA partner nations.

### **Outlook**

With the federal court's termination of the Texas turnover receiver in the EDVA interpleader and the pending dissolution of the Texas receivership, Cyberlux is focused on returning to normalized operations and unlocking the value of its defense technology portfolio during the second half of 2026. The Company's priorities for the balance of 2026 include securing the termination of the Texas turnover receiver and the release of Cyberlux funds currently held by the court, completing the Interpleader settlement, converting the \$15 million firm order backlog and the \$35.5 million pipeline into shipments across UAS, Datron, and GIS, advancing NDAA-compliant UAS platform sales globally, re-engaging with Palantir Technologies on Warp Speed OS deployment, and pursuing additional contract awards including future Drone Dominance Gauntlet phases. The Company also aspires to resume SEC registration and uplist to a higher-level market as resources permit.

## **About Cyberlux Corporation**

Founded in 2000, Cyberlux Corporation is a defense technology solutions company composed of three business units: Unmanned Aircraft Solutions (UAS), Datron Military Communications (DMC), and Global Integration Services (GIS). Headquartered in Research Triangle Park, NC, with manufacturing and office operations in Vista, CA, Cyberlux delivers products and services to U.S. government agencies including USSOCOM, USNAVY, USCENTCOM, USEUCOM, USAFRICOM, and USINDOPACOM, as well as allied foreign nations through U.S. foreign military sales. For more information, visit [www.cyberlux.com](http://www.cyberlux.com).

## **Safe Harbor Statement**

*This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements regarding the Company's expectations for revenue growth, pipeline conversion, contract awards, receivership dissolution, cash flow improvements, interpleader resolution, product development, SEC registration, and uplisting plans. These statements are based on current expectations, estimates, and projections about the Company's business and the industry in which it operates, and are not guarantees of future performance. Actual results may differ materially from those expressed or implied in such statements due to a variety of factors, including: risks associated with pipeline conversion and contract award delays; litigation uncertainties and the timing of receivership dissolution; cash flow timing assumptions and working capital requirements; government spending levels and procurement priorities; the Company's ability to collect outstanding receivables; the Company's ability to secure additional financing on acceptable terms; competitive factors; and other risks described in the Company's OTC Markets disclosures. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.*

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