



May 19, 2025

Honorable Judge Michael Gomez
129th Judicial District Court
Harris County, Texas

Cause No. 2024-48085, *Atlantic Wave Holdings, LLC and Secure Community, LLC vs. Cyberlux Corporation and Mark D. Schmidt, individually*; In the 129th Judicial District Court, Harris County, Texas

Dear Judge Gomez:

I write to provide a supplemental update to our letter to the Court dated May 15, 2025. Late in the day on May 15, 2025 Judgement Debtors filed their Q1 2025 financial disclosure, a copy of which I have attached. (*See Attached Exhibit 1*)

In their disclosure they state:

"In April 2025, the Company amended its line of credit increasing the limit under the agreement to \$12.3 million and extending the term through July 2025" *Page 46, Annual Report For the quarter ending March 31, 2025 (attached)*.
and:

"Payments received from customers under these specific purchase orders are required to be remitted to the lender." *Page 44, Note M, Annual Report For the quarter ending March 31, 2025 (attached)*.

A few weeks ago in April, after Judgement Debtors removed this matter for the second time, it appears Judgment Debtors again factored their receivable from Hunting Ingals Industries (HII) for an approximate additional \$5,000,000. This A/R has been at the center of the current collection litigation. Upon information and belief, Judgment Debtors will be receiving a payment in excess of \$20,000,000 from HII any day now as a result of a Settlement Agreement between Judgement Debtors and HII, signed on February 27, 2025. Also, their disclosure statement states they are paying a "default interest rate", which will further reduce the amount of the settlement payment.

It is not known how much of this additional loan Judgement Debtors have received as yet.

As the Court may recall, Judgment Creditors believed and were concerned Judgment Debtors would attempt to further remove assets from the reach of their Creditors. Specifically, Judgment Debtors had, during the collection's litigation, factored receivables in an attempt to place those funds out of reach of Judgement Creditors. We now learn they have done this once again.

For the reasons within our May 15, 2025 letter and the additional information provided herein, we respectfully ask that the Court enter the Order appointing Receiver to prevent Judgement Debtors from further dissipating assets.

Yours very truly,

/s/ Shawn M. Grady

State Bar No. 24076411

Unofficial Copy Office of Marilyn Burgess District Clerk

EXHIBIT A
Annual Report

Unofficial Copy Office of Marilyn Burgess District Clerk

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

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

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

Annual Report
For the quarter ending March 31, 2025 (the “Reporting Period”)

Outstanding Shares

The number of shares outstanding of our Common Stock was:

6,162,620,150 as of March 31, 2025 *(Current Reporting Period Date or More Recent Date)*

5,993,363,945 as of December 31, 2024 *(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.

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

Effective April 2, 2024, the Company effected a repurchase of 4,300,000 shares of its Series B Convertible Preferred Shares. See Item 2 – Issuance History, below.

On May 8, 2024, the Company issued 6,745 shares of its Common Stock to the former holders of its Series A Convertible Preferred Shares at a conversion rate of 250 shares of Common Stock per Series A share.

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:

1) 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:	7,000,000,000	as of date:	March 31, 2025
Total shares outstanding:	6,162,620,150	as of date:	March 31, 2025
Total number of shareholders of record:	382	as of date:	March 31, 2025

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, 2025
Total shares outstanding:	86,000,000	as of date:	March 31, 2025
Total number of shareholders of record:	5	as of date:	March 31, 2025

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, 2025
Total shares outstanding:	150,000	as of date:	March 31, 2025
Total number of shareholders of record:	2	as of date:	March 31, 2025

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: Effective November 27, 2024, the Company filed a Certificate of Withdrawal of the Certificate of Designation. Consequently, 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.

2) Issuance History

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

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

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

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

No: ☐

Yes: ☒ (If yes, you must complete the table below)

Shares Outstanding <u>Opening Balance:</u> Date 12/31/2022 Common: 5,787,666,363 Preferred: A: 26.9806* B: 70,500,000 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.
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	Restricted	4(a)(2)
1/17/2025	New	10,781,250	Common	\$0.0016	No	John W Dixon	Conversion of debt and accrued interest	Restricted	4(a)(2)
1/17/2025	New	26,744,186	Common	\$0.0043	No	Andras Forgacs	Conversion of debt and accrued interest	Restricted	4(a)(2)
12/09/2024	New	47,619,048	Common	\$0.0021	No	Christopher Whitehead	Conversion of debt and accrued interest	Restricted	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	Restricted	4(a)(2)
05/06/2024	New	4,545,454	Common	\$0.0011	Yes	Sidney H. Evans, Jr.	Stock Purchase Agreement	Restricted	4(a)(2)

05/06/2024	New	7,000,000	Common	\$0.001	Yes	Ronald Corlew	Loan and Stock Purchase Agreement	Restricted	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	Restricted	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	Restricted	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	Restricted	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	Restricted	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	Restricted	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)
10/13/2023	New	10,000,000	Common	0.001	Yes	Kasey Cooper	Advisory Board Agreement Terms	Restricted	4(a)(2)
07/10/2023	New	5,000,000	Common	0.05	Yes	Phillip Tucker	Catalyst Machineworks Acquisition Agreement	Restricted	4(a)(2)
07/10/2023	New	5,000,000	Common	0.05	Yes	Neill Whiteley	Catalyst Machineworks Acquisition Agreement	Restricted	4(a)(2)
07/07/2023	New	10,000,000	Common	0.001	Yes	Matt Jones	Advisory Board Agreement Terms	Restricted	4(a)(2)
06/21/2023	New	9,000,000	Series B	0.001	Yes	Mark D. Schmidt, President and CEO	Management Incentive and Voting Control / Hostile Takeover Protection	Restricted	4(a)(2)

06/21/2023	New	5,000,000	Series B	0.001	Yes	Larson J. Isely, EVP, CTO, and GM-UAS	Management Incentive and Voting Control / Hostile Takeover Protection	Restricted	4(a)(2)
05/22/2023	New	25,000,000	Common	0.001	Yes	Kreatx SHPK/ Enor Nakuçi Lejdi Koçi	Business Separation Agreement Terms	Restricted	4(a)(2)
05/18/2023	Return to Treasury	-20,000,000	Series B	0.001	Yes	Richard P. Brown	Affidavit of Lost Certificates / Returned to Treasury in 2010 but Transfer Agent never received.	Restricted	4(a)(2)
05/18/2023	New	10,000,000	Common	0.001	Yes	Igor Stanisavljev	Termination Agreement Terms	Restricted	4(a)(2)
05/18/2023	New	10,000,000	Common	0.001	Yes	Chris Damvakaris	Termination Agreement Terms	Restricted	4(a)(2)
05/11/2023	New	15,000,000	Common	0.001	Yes	Back Forty Strategies, LLC/ LTG Paul Ostrowski	Advisory Board Agreement Terms	Restricted	4(a)(2)
04/19/2023	New	10,000,000	Common	0.001	Yes	Julio Cordoba	Settlement Agreement	Restricted	4(a)(2)
04/05/2023	New	248,447	Common	0.001	Yes	Angela Gooding	Stock Purchase Agreement	Restricted	4(a)(2)
03/23/2023	New	12,000,000	Common	0.001	Yes	Jeremy Shrock	Teaming Agreement Terms	Restricted	4(a)(2)
03/23/2023	New	12,000,000	Common	0.001	Yes	Spencer Peterson	Teaming Agreement Terms	Restricted	4(a)(2)
03/23/2023	New	2,000,000	Common	0.001	Yes	Lukas Zuvac	Teaming Agreement Terms	Restricted	4(a)(2)
03/23/2023	New	5,000,000	Common	0.001	Yes	Troy Williams	Teaming Agreement Terms	Restricted	4(a)(2)
03/16/2023	New	5,000,000	Common	0.001	Yes	Rezart Spahia	Acquisition Representation	Restricted	4(a)(2)

							Agreement Terms		
01/20/2023	New	5,000,000	Common	0.001	Yes	Bernard Bell	Stock Purchase Agreement	Restricted	4(a)(2)
01/20/2023	New	30,000,000	Series B	0.001	Yes	Montague Capital Partners LLC/ Denis Kalenja	Stock Purchase Agreement	Restricted	4(a)(2)
01/19/2023	Return to Treasury	-7,200,000	Series B	0.001	Yes	Returned Executive Mgmt Stock / David Downing	Outstanding Series B Share Reduction	Restricted	4(a)(2)
Shares Outstanding on Date of This Report:									
<p><u>Ending Balance:</u></p> <p>Date <u>03/31/25</u> Common: 6,162,620,150</p> <p>Preferred: A: 0</p> <p>B: 86,000,000</p> <p>C: 150,000</p>									

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. Pursuant to a settlement agreement among the Company, Roman Investments PR, LLC, Rosewood Theater LLC, and related parties, on or about April 10, 2025, (a) Roman Investments PR, LLC returned 62,500,000 shares of Common Stock and (b) Rosewood Theater LLC returned 41,700,000 shares of Common Stock to the Company's Treasury in respect of convertible notes heretofore converted but as to which notices of conversion had not been provided. In connection with the same settlement, the Company has agreed to issue 240,000,000 restricted shares of Common Stock to Assure Global LLC, being a net incremental issuance of 135,800 shares of Common Stock.

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	1,491,671	11/08/2023	\$0.25 Conversion per share***	0	5,966,684	RB Capital Partners Brett Rosen Deborah Rosen	Loan
11/08/2021	1,500,000	1,751,918	11/22/2023	\$0.25 Conversion per share***	0	7,067,672	RB Capital Partners Brett Rosen Deborah Rosen	Loan
11/22/2021	1,500,000	0	11/22/2023	\$0.25 Conversion per share	6,618,740	0	RB Capital Partners Brett Rosen Deborah Rosen	Loan
05/23/2022	500,000	571,507	05/23/2024	\$0.25 Conversion per share***	0	2,286,028	RB Capital Partners Brett Rosen Deborah Rosen	Loan
07/12/2022	250,000	284,041	07/12/2024	\$0.10 Conversion per share***	0	1,136,164	RB Capital Partners Brett Rosen Deborah Rosen	Loan
09/29/2022	100,000	110,630	09/29/2025	\$0.0049 Conversion per share or 85% of 10 Day Moving Average	0	22,577,551	Bilal Maadarani	Loan
09/29/2022	100,000	110,466	09/29/2025	\$0.0032 Conversion per share or 85% of 10 Day Moving Average	0	34,520,625	Eris Cali	Loan
09/29/2022	100,000	110,164	09/29/2025	\$0.0036 Conversion per share or 85% of	0	30,601,111	Eris Cali	Loan

⁵ 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.

				10 Day Moving Average				
09/29/2022	100,000	0	09/29/2025	\$0.0036 Conversion per share or 85% of 10 Day Moving Average	0	0	Bilal Maadarani	Loan
01/22/2023	100,000	110,808	01/22/2027	\$0.0052 Conversion Price per share	0	21,309,230	Bassam Pharaon	Loan
04/06/2023	100,000	109,866	04/06/2026	\$0.0035 Conversion per share	0	31,390,285	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	109,414	05/22/2026	\$0.0026 Conversion per share or 85% of 10 Day Moving Average	0	32,670.647	Robert Miller	Loan
6/12/2023	100,000	0	6/12/2026	85% of 10 Day Moving Average	47,619,048	0	Christopher Whitehead	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	2,897	08/26/2024	\$0.0016 Conversion per share	0	1,810,625	Charles Yessaian	Loan
08/26/2023	2,500	2,895	08/26/2024	\$0.0016 Conversion per share	0	1,809,375	Ferdinand Irizarry	Loan
09/13/2023	2,000,000	2,092,753	09/13/2026	90% of 15 Day VWAP	0	632,802,494	Datron Holdings, Inc. Arthur Barter	Acquisition note

09/13/2023	2,000,000	2,154,589	09/13/2026	85% of 15 Day VWAP	0	689,823,890	Datron Holdings, Inc. Arthur Barter	Acquisition note
06/13/2024	100,000	102,450	06/13/2026	\$0.0019 Conversion per share	0	53,921,052	John W. Dixon FLP	Loan

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.*

** *Hayek Ventures, LLC assigned its shares upon conversion of the convertible note reflected above to Fly Rite LLC.*

*** *The outstanding convertible notes issued to RB Capital Partners, Inc. are the subject of current litigation. The parties are in settlement negotiations, and believe that they have an agreement in principle, which is being finalized. [The settlement contemplates outstanding notes being paid in cash.]*

3) 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 a Defense Industry technology solutions company comprised of three primary 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 its Business Units.

During 2025, the Company is pursuing additional global opportunities related to each of its business units, including new opportunities in Ukraine with NATO-member security assistance funding. As of March 31, 2025, Cyberlux's order backlog is approximately \$45 million with a robust order pipeline, across the three business units.

Unmanned Aircraft Solutions Business Unit

Cyberlux Unmanned Aircraft Solutions (UAS) is an innovative leader in advanced Group 1, Group 2, and Group 3 'vertical takeoff and landing' (VTOL) drones and fixed wing technology development, manufacturing, and sales. This business unit designs, manufactures, and distributes its products and airframe systems to leading 'first person viewing' (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 offers its customers best-in-class products and comprehensive services to satisfy the requirements of the global UAS military sector. The Cyberlux UAS team is widely

recognized as the authority in the industry, offering high-performance products with high-quality components and superior capability, in support of warfighters worldwide.

Unmanned Aircraft Solutions Significant Business Developments

The Cyberlux UAS team of aircraft engineers, fabricators, and test pilots has advanced the business unit from its position as a worldwide leader in the FPV aircraft industry to worldwide leader in the military sector, delivering UAS solutions under multiple Department of Defense and U.S. foreign military sales contracts. Cyberlux's investment in innovative and novel Defense Industry UAS products has created market-changing solutions favored by end-users. Driven by an initial \$79 million UAS contract award by US NAVY for the Ukrainian warfighter, the UAS business unit expanded rapidly in 2023 and 2024 and now has dedicated business unit management, engineering leadership, and a dedicated, world-class software development team to propel Cyberlux to the cutting edge of unmanned aircraft technology. In addition, Cyberlux UAS has scaled manufacturing capabilities that include in-house production of critical aircraft components, achieving improved supply chain resilience, as well as world-class control over product quality and delivery.

UAS has continued to evolve as a key component of the overall Cyberlux growth strategy, including strategic relationships such as the OKSI partnership announced in July 2024. Manufacturing ISO9000 processes perfected in the Datron manufacturing facility have been integrated into day-to-day UAS operations, enhancing overall product offerings. This progress has led to the introduction of NDAA-compliant platforms, aligning with the Company's goal of advancing towards Blue List Aircraft status. The UAS unit is currently engaged with multiple USSOCOM units to develop, test, and field specific UAS capabilities, including FPV and non-FPV platforms. We anticipate significant progress during 2025 on these initiatives within the U.S. Department of Defense.

With the introduction of the Cyberlux X Series platforms in the second quarter of 2024, the UAS business unit has expanded 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 are now available to U.S. allied partner nations as part of Cyberlux's global sales objectives and initiatives, with multiple proposals under consideration as of the first quarter of 2025.

UAS personnel continue to work closely with U.S. Special Operations partners to share unique knowledge regarding Counter-UAS, Offensive & Defensive tactics, Electronic Warfare, and UAS adaptations. Cyberlux UAS capabilities have been demonstrated during training exercises such as the Joint Forces Training Center at Camp Shelby and events like SOF TE 24-3 and TE 25-1 Artic Warrior. The Cyberlux Business Development team continues to drive technological integration on the X platform, which in turn drives 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 environment, and Automated Flight. In addition, the UAS team has begun development of next-generation munitions capability and expects significant progress over the next six months in 2025.

For the quarter ended March 31, 2025 and as announced at Special Operations Forces (SOF) Week, Cyberlux UAS completed the development of its new Group 1 rotary wing UAS specifically tailored for the U.S. Special Operations community. This cutting-edge platform is engineered to carry heavier payloads for longer durations, while maintaining optimal performance in dense electronic warfare (EW) environments. In addition, Cyberlux UAS and TrellisWare Technologies, Inc. formed a strategic partnership to integrate TrellisWare's new low-latency, anti-jam waveform for uncrewed systems into Cyberlux's latest heavy-lift Group 1 rotary-wing UAS platform. This partnership marks a significant step forward in enabling First Person View (FPV) operations in contested electromagnetic environments. Further, Cyberlux UAS advanced its efforts with OKSI (Optical Knowledge Systems, Inc.) under a new strategic partnership to enhance UAS operations in GPS- and radio frequency (RF)-denied environments. This collaboration integrates OKSI's cutting-edge OMNISCIENCE™ autonomy suite into Cyberlux's latest UAS platforms, delivering robust navigation and target acquisition capabilities without reliance on traditional GPS or RF communications.

UAS Cyberlux K8 Contract

As background, when originally demonstrated in Ukraine in July of 2022, the K8 was designed as a complementary product to the existing Ukrainian drone warfare doctrine. By May 2024, the war environment had changed significantly. In fact, Cyberlux superseded its original K8 drones with newer aircraft configurations. The Ukrainian conflict continues to drive the rapid evolution of the global UAS industry.

On August 29, 2023, Cyberlux Corporation's UAS Business Unit was awarded a contract of \$78.9 million from its prime vendor Huntington Ingalls Industries (HII) to deliver Cyberlux K8 Unmanned Aircraft Systems to the U.S. Government for deployment to the Ukrainian warfighter end-user. The Company produced a substantial number of the Cyberlux K8 systems under the terms of the contract during the fourth quarter of 2023.

On December 22, 2023, HII issued a Stop Work Order (SWO) requiring the Company to pause Cyberlux K8 production. 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 Cyberlux K8 deliveries. Because the Cyberlux subcontract with HII was a 'firm fixed price, fixed quantity' contract under commercial terms, the contract went through the procurement resolution process which will result in the delivery of all remaining related inventory and work-in-process.

On February 28, 2025, Cyberlux entered into a contract modification agreement to complete the contract previously terminated for convenience, and shipments thereunder have resumed.

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 its 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 life cycle costs.

Datron Military Communications Significant Business Developments

Datron has re-established its global distribution network reach, focusing on strengthening its international Foreign Military Sales (FMS) presence during 2024. The DMC team has expanded the international sales team, led by sales directors for the Middle East, Africa, Asia Pacific, and Latin America regions. DMC has 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. Furthermore, 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 Advance Lighting Systems, which further enhances the Cyberlux supply chain resilience while ensuring product quality and reliability.

In 2024, 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, 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 initiatives and key partnerships, expanding DMC’s technology roadmap and enhancing its ability to meet evolving customer needs.

The DMC team has successfully integrated its tactical communications products into a new, customer-driven Battle Management System (BMS), enhancing operational efficiency and situational awareness. Additionally, DMC has implemented key improvements to our HF data line, ensuring more reliable and faster data transmission. Moving forward, DMC is committed to delivering customer-driven requirements to develop next-generation radio systems that will serve the evolving needs of modern military operations.

Tactically, Datron’s bookings are continuing to rise globally with over \$36 million in order pipeline, of which most will ship during 2025. 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. We expect go/no go decisions during the third quarter of 2025.

For the quarter ended March 31, 2025, the Datron Military Communications team completed the development of a new series of MESH/MANET radio systems that significantly expand the Datron product portfolio by delivering 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 a datalink, such as ISR (intelligence, surveillance and reconnaissance) sensors, ground acoustic sensors and advanced communications capabilities.

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/operational customer solutions. As Cyberlux's global solutions action arm, Global Integration Services provides U.S. customers and global allied nations with subject matter expertise in 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.

In a broader context, GIS is engaging 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 on the end-user level and the multiple tiers of stakeholders within the Ministry of Defense. The GIS team is highly experienced at capturing comprehensive requirements and gaining first mover advantage in order 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 the GIS customer activity, Cyberlux's research and development for future products is highly targeted and driven by global requirements.

Global Integration Services Business Development

As announced on October 16, 2024, the GIS business unit is already playing a key role in delivering the next phase of Cyberlux growth, starting with a \$22.7 million contract through Canadian partners as the U.S. prime contractor to provide aircraft instrument landing systems (ILS) for F-16 aircraft support. During fourth quarter 2024, GIS fulfilled \$19.9 million of the \$22.7 million contract. GIS anticipates additional ILS orders during the third quarter of 2025.

Global Integration Services is specifically focused on delivering border security solutions to U.S. allied partner nations. With the strength of the Cyberlux relationships across the Europe, the Middle East and Africa, GIS is developing Foreign Military Sales (FMS) border security solutions for U.S. allied nations.

For the quarter ended March 31, 2025, the Global Integration Services team expanded the Foreign Military Sales (FMS) border security solutions programs to include three additional U.S. allies, for a total of seven partner nations under program development. With its focus on border security solutions for U.S. allied partners across the Middle East and Africa, GIS anticipates funding decisions to occur during the fourth quarter of 2025.

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. GIS expects to announce significant capability partnerships during 2025 in support of the integrated services mission.

Other Business Matters

The use of the Company's available capital to support growth has been important over the last several years, while cash flows from operations has 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.

SEC Reporting

The Company continues to aspire to resume SEC registration and be quoted or listed at a higher-level market. We have been unable to commit the steps, including an audit by a PCAOB registered firm, required to accomplish this goal because of funding limitations and insufficient infrastructure tools/personnel/availability. We have focused all available resources on fulfilling existing sales orders and growing our sales pipeline. We have used outsourced resources (such as Eisner Advisory LLC) and fractional financial professionals to help support our accounting and financial reporting needs. We expect to identify, and then commence the implementation, of the tasks required for us to be able to produce the items required for SEC registration as soon as practicable, subject to adequate resources being available to support such activities. We anticipate that in connection with an "uplisting," a restructuring of Cyberlux's capitalization would be required, and reflected in an amendment to our 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. Of course, there first needs to be sufficient operational cash flow to support this. The Company also wants to incentivize its employees and align them to the Company's interests through stock awards. The Company 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, however, 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. In addition, if there is a material development, or sufficient indicated shareholder interest on a particular matter, the Company may issue a press release, which then is also available through the OTCM website. The Company balances its compliance and non-disclosure obligations with its desire to provide information to all its shareholders. We carefully avoid providing information to any shareholder (other than insiders who need to know such information in order to perform their jobs) unless it is available to all shareholders. Therefore, shareholders are encouraged to review the FAQs on

the Company's website investor relations page periodically. If a shareholder has a specific question it would like the Company to address, it should send an email to IR_CYBL@cyberlux.com. The questions are reviewed on an ongoing basis, and when there is significant interest on a particular topic, or the Company otherwise finds a question to be pertinent, the FAQs are updated.

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

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

C. Describe the issuers' 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) to U.S. government agencies, including USSOCOM, USNAVY, USCENTCOM, USEUCOM, USAFRICOM, and USINDOPACOM and allied foreign nations. These transactions are often facilitated by relationships with various prime vendors such as HII and ADS, Inc, or through U.S. foreign military sales (FMS). 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.

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; and Advanced Kinetic Capabilities.

Datron Military Communications (DMC): Military-Grade voice and data radio communications, including the HH3100 multiband radio line products and the PRC7700 HF radio line products, and the Cyberlux Advanced Lighting Systems products.

Global Integration Services (GIS): Integrated defense technology solutions, with a focus on comprehensive border security solutions, to solve U.S. and foreign allied military customer requirements across various aspects of warfare, through product integration, global delivery, capability training, and 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.

4) 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 UAS division has its office and manufacturing facility located at 21631 Rhodes Road, Spring, TX 77388. This is a 21,450 square foot facility with a renewable three-year lease, which was renegotiated to expire November 30, 2025.

Company subsidiary Datron has its office and manufacturing facility at 995 Joshua Way, Vista CA 92081. This is a 47,174 square foot facility with a renewable five-year lease, expiring December 2026.

5) All Officers, Directors, and Control Persons 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 Director	Edinboro, PA	42,500	Common	Less than 1%
			1,000,000	Series B	1.16%
John W. Ringo	Secretary Director	Atlanta, GA	123,783	Common	Less than 1%

Aaron Goodman	Chief of Staff	Waccabuc, NY	70,000,000	Common	1.2%
	Director		2,500,000	Series B	2.91%
Larry J. Isely	Chief Operating Officer	Denton, TX	2,500,000	Series B	2.91%
Bill Maadarani	Chief Revenue Officer	Dearborn, MI	3,000,000	Series B	3.49%
Montague Capital Partners LLC (Denis Kalenja)	Strategic Consultant	Miami, FL	21,000,000	Series B	24.42%
			179,500,000	Common	3.019%
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.

6) 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 v. 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 of 2023, and the Company is currently in full compliance with the terms of that settlement agreement. Nonetheless, Atlantic Wave has since filed a new lawsuit against Cyberlux in the same court, alleging breach of that settlement agreement. In response, Cyberlux has asserted multiple counterclaims, including first to breach, usury, and abuse of process, along with several affirmative defenses. Cyberlux believes that the claims brought by Atlantic Wave are without merit and is confident it will prevail on its counterclaims and in defending against the allegations. In addition, Atlantic Wave and Secure Community filed lawsuits in California and Texas in an attempt to enforce the settled judgement without proof of breach. These parties have also filed 19 garnishment actions against various business partners and prior business partners. The aggressiveness of these plaintiffs in seeking to enforce an order that was subsequently settled in another jurisdiction has not met with success. Recently, Cyberlux served Atlantic Wave and Secure Community with an action to enjoin these judicial filings and any further filings to enforce that settled matter particularly since Cyberlux is in compliance with the settlement agreement in question. We expect the injunctive action to be successful as well as the counterclaims, and that we will be able to resolve this dispute under the terms of that settlement agreement in the near future.

As set forth in Item 3 above, and discussed in Note G to the financial statements, Cyberlux issued convertible promissory notes to RB Capital Partners, Inc. ("RB Capital") with maturity dates through July 2024. As reflected above, in February 2024, RB Capital converted \$1,654,685, including accrued interest into 6,618,740 shares of Common Stock.

On August 14, 2024, RB Capital filed a complaint in the United States District Court for the Southern District of California seeking payment of the notes and attorneys' fees. Cyberlux moved to have the matter settled by arbitration. The court granted our motion to move the matter into arbitration for the converted note, but retained jurisdiction as to the other notes. The parties have entered into an agreement in principle, currently being reduced to a final, binding settlement agreement. Cyberlux will provide an update once this is finalized, but the agreement in principle provides for the cash repayment of the remaining outstanding notes.

A complaint was filed on November 7th, 2024, by Aerotek Inc., in Wake County, North Carolina Superior Court, against Datron World Communications, Inc., and Cyberlux Corporation, alleging breach of contract. An answer has yet to be filed in this matter, but plaintiff has demanded \$204,705.45, plus attorney fees. No further action has been taken in this matter and the parties are discussing an amicable resolution of the matter.

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.

7) 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/cyberluxcorporation/>
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: Legal Counsel
Address 1: 45 Rockefeller Plaza, 20th Floor
Address 2: New York, NY 10111
Phone: 516-801-1700
Email: jclarke@tjonghsia.com

Name: Edward W. Gray Jr., Partner
Firm: Thompson Coburn LLP
Nature of Services: Legal Counsel
Address 1: 1909 K Street N.W. Suite 600
Address 2: Washington, DC 20006-1167
Phone: 202-585-6910
Email: egray@thompsoncoburn.com

8) 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
March 31, 2025 and December 31, 2024 (Unaudited)

	March 31, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$1,590,551	\$4,952,219
Accounts receivable, net of allowance for doubtful accounts	4,141,366	4,925,887
Inventory	16,595,873	15,788,873
Other current assets	<u>702,000</u>	<u>1,177,000</u>
Total current assets	23,029,790	26,843,979
Other Assets:		
Property and equipment, net of accumulated depreciation	443,460	496,792
Right of use asset, net	1,075,076	1,118,490
Intangible assets, net of accumulated amortization	7,829,722	8,371,722
Other investment	200,000	200,000
Total Assets	<u>\$32,578,048</u>	<u>\$37,030,983</u>
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accounts payable	\$2,845,001	\$3,971,581
Accrued interest	3,110,122	2,781,198
Borrowings under line of credit	6,950,000	6,950,000
Notes payable, related parties	2,623,756	2,516,756
Notes payable, non-related parties	5,618,435	5,918,435
Datron acquisition notes payable, net of discount	3,854,167	3,791,667
Liability for common stock to be issued	10,000	10,000
Customer deposits	76,000	1,905,000
Accrued liabilities	<u>24,197,194</u>	<u>23,783,268</u>
Total current liabilities	49,284,675	51,627,905
Long-term liabilities:		
Lease liabilities and other	<u>1,204,059</u>	<u>1,413,143</u>
Total long-term liabilities	1,204,059	1,413,143
Commitments and contingencies		
Stockholders' deficit:		
Class A Preferred shares, 0 shares issued and outstanding as of March 31, 2025 and December 31, 2024	-	-
Class B Preferred shares, 86,000,000 shares issued and outstanding as of March 31, 2025 and December 31, 2024	147,000	147,000
Class C Preferred shares, 150,000 shares issued and outstanding as of March 31, 2025 and December 31, 2024	150	150
Common stock, \$0.001 par value, 7 billion shares authorized, 6,162,620,150 and 5,993,363,945 shares issued and outstanding As of March 31, 2025 and December 31, 2024, respectively.	7,819,275	7,650,019
Treasury stock	(1,181,000)	(1,181,000)
Additional paid-in capital	21,672,881	21,672,881
Accumulated deficit	<u>(46,368,992)</u>	<u>(44,299,115)</u>
Deficiency in stockholders' equity	<u>(17,910,686)</u>	<u>(16,010,065)</u>

Total liabilities and stockholders' deficit

\$32,578,048

\$ 37,030,983

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

Unofficial Copy Office of Marilyn Burgess District Clerk

Cyberlux Corporation and Subsidiary
Condensed Consolidated Statements of Operations
Quarters ended March 31, 2025 and 2024(Unaudited)

	<u>2025</u>	<u>2024</u>
Revenue	\$ 5,091,669	\$ 5,113,375
Cost of goods sold	<u>(3,660,516)</u>	<u>(3,290,387)</u>
Gross profit	1,431,153	1,822,988
Operating Expenses:		
Marketing and advertising	344,723	371,999
Depreciation and amortization	602,332	614,974
Research and development	157,000	315,001
General and administrative expenses	<u>2,053,797</u>	<u>4,717,881</u>
Total operating expenses	3,157,852	6,091,855
Loss from operations	<u>(1,726,699)</u>	<u>(4,196,867)</u>
Other income/(expense):		
Interest income and other	7,045	7,378
Other income, net	148,949	-
Interest expense	<u>(499,172)</u>	<u>(307,367)</u>
Subtotal	<u>(343,178)</u>	<u>(299,989)</u>
Net Loss before income taxes	<u>(2,069,877)</u>	<u>(4,496,856)</u>
Income tax provision	=	=
Net loss available to common stockholders	<u><u>\$ (2,069,877)</u></u>	<u><u>\$ (4,496,856)</u></u>
Loss per share		
Weighted-average common		
Shares outstanding - basic and diluted	<u>6,038,498,957</u>	<u>5,773,335,291</u>
Loss per share – basic and diluted	\$(0.00)	\$(0.001)

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

Cyberlux Corporation and Subsidiary
Condensed Consolidated Statement of Cash Flows
Quarters ended March 31, 2025 and 2024(Unaudited)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss available to common stockholders	\$ (2,069,877)	\$ (4,496,856)
Adjustments to reconcile net income (loss) to cash flow from operations		
Issuance of common stock in exchange for services or to debtholders	-	90,000
Noncash interest expense	62,500	62,500
Other non-cash items	(361,254)	-
Amortization and depreciation	602,332	615,537
Changes in assets and liabilities		
Accounts receivable	784,521	504,204
Inventories	(807,000)	(443,976)
Prepaid expenses	475,000	(2,440)
Right of use asset	43,414	42,000
Accounts payable	(1,126,580)	178,883
Accrued liabilities	413,936	420,350
Customer deposits	(1,829,000)	35,828
Lease liabilities and other	(210,084)	147,611
Accrued interest	551,424	175,836
Net cash provided by (used in) operating activities	(3,470,668)	(2,670,523)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Expenditures for fixed assets	(6,000)	-
Net cash used in investing activities	(6,000)	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds (payments) from borrowings	(25,000)	100,000
Net proceeds (payments) from notes payable, related parties	140,000	-
Net cash provided by (used in) financing activities	115,000	100,000
Net increase (decrease) in cash and cash equivalents	(3,361,668)	(2,570,523)
Cash and cash equivalents at beginning of period	<u>4,952,219</u>	<u>3,198,280</u>
Cash and cash equivalents at end of period	<u>\$1,590,551</u>	<u>\$627,757</u>
SUPPLEMENTAL DISCLOSURES:		
Interest paid	\$20,000	-
NON-CASH ACTIVITIES:		
Conversion of Debt and accrued interest for common stock	\$280,500	1,654,685
Conversion of accrued interest to notes payable – related parties	\$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, 2025 and 2024(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)
2024 Period										
Balance December 31, 2023	87,300,000	\$144,000	150,000	\$150	5,728,914,810	\$7,385,577	\$(1,176,700)	19,889,914	\$(39,999,351)	\$13,756,410)
Stock issued for services	3,000,000				90,000,000	90,000				90,000
Conversion of debt and accrued interest to shares					6,618,740	6,618		1,648,067		1,645,685
Net loss									(44,496,856)	(4,496,856)
Balance March 31, 2024	90,300,000	\$144,000	150,000	\$150	5,825,533,550	\$7,482,195	\$(1,181,000)	\$21,537,981	\$(44,496,207)	\$(16,508,581)

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.

During the quarters ended March 31, 2025 and 2024, the following significant transactions impacted the Company:

1. 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 is required to comply with DoD rules and regulations with respect to the fulfillment of such contract, and the DoD may amend, delay, or cancel the contract per the contractual terms. The completion of the contract for the Systems is subject to DoD acceptance of the product, including engineering and testing procedures.

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 shipments thereunder have resumed.

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, 2025, the Company incurred accumulated losses of approximately \$46,600,000. The Company’s current liabilities exceed its current assets by approximately \$26 million. The Company’s current liabilities were approximately \$49,500,000 as of March

31, 2025, 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 2025 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, 2025 and 2024, and as of December 31, 2024 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, 2025 and December 31, 2024.

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, 2025 and December 31, 2024, 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, 2025 and 2024 primarily relates to the products being built for the DoD as noted in Note A1 above.

Components of inventories as of March 31, 2025 and 2024 are as follows:

	March 2025	December 2024
Component parts	\$ 5,738,465	\$ 4,470,465
Work in progress and finished goods	12,262,408	12,730,408
	<u>18,000,873</u>	<u>17,200,873</u>
Less: allowance for obsolete inventory	<u>(1,405,000)</u>	<u>(1,412,000)</u>
	\$ <u>16,595,873</u>	\$ <u>15,788,873</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, 2025 and December 31, 2024, 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 \$345,000 and \$372,000 for the quarters ended March 31, 2025 and 2024, 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 \$157,000 and \$315,000 on research and product development for the quarters ended March 31, 2025 and 2024, 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, 2025 and December 31, 2024, 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, 2025 and 2024. 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, 2025 and 2024, the number of shares excluded from diluted net loss per share included approximately 1.6 billion shares of common shares which would be issued upon the conversion of notes payable and approximately 17.2 billion shares which would be issued upon the conversion of preferred stock based upon the conversion rates in effect on March 31, 2025 and 2024 – 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, 2025 and December 31, 2024 are as follows:

	<u>March 2025</u>	<u>December 2024</u>
Furniture and fixtures	\$ 932,599	\$ 932,599
Machinery and equipment	6,691,023	6,691,023
Leasehold improvements	618,989	618,989
Vehicles	218,000	218,000
Subtotal	<u>8,460,611</u>	<u>8,460,611</u>
Less: accumulated depreciation	<u>(8,017,151)</u>	<u>(7,963,819)</u>
	\$ <u>443,460</u>	\$ <u>496,792</u>

During the quarters ended March 31, 2025 and 2024, depreciation expense charged to operations was approximately \$53,000 and \$95,000, respectively.

NOTE E – INTANGIBLE ASSETS

Intangible assets at March 31, 2025 and December 31, 2024 are as follows:

	<u>March 2025</u>	<u>December 2024</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 depreciation	<u>(3,303,061)</u>	<u>(2,761,061)</u>
	\$ <u>7,829,722</u>	\$ <u>8,371,722</u>

During the quarters ended March 31, 2025 and 2024, amortization expense charged to operations was approximately \$542,000 and \$520,000, respectively. During 2023 and 2024, certain fully amortized patents and technology intangible assets were written off. Annual amortization expense of intangibles will approximate \$2,100,000 for each of the next 3.7 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 2025.

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 record 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 N.

NOTE F- ACCRUED EXPENSES

Current liabilities as of March 31, 2025 and December 31, 2024 are as follows:

	<u>March 2025</u>	<u>December 2024</u>
Accrued payroll, payroll taxes and other	\$2,039,410	\$ 1,942,410
Accrued vendors	18,272,711	17,941,784
Accrued income taxes	1,358,073	1,358,073
Commissions payable	<u>2,527,000</u>	<u>2,541,000</u>
Total	<u>\$24,197,194</u>	<u>\$ 23,783,268</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, 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, 2025 and 2024 was approximately \$499,000 and \$307,000, respectively, including amortization of debt discount related to the Datron acquisition notes payable of \$63,000 and \$62,000 in the quarters ended March 31, 2025 and 2024, respectively. Accrued interest related to such notes was approximately \$2,589,000 and \$2,514,000 at March 31, 2025 and December 31, 2024, respectively.

Non-affiliate loans

At December 31, 2024 and 2023, the notes payable to non-related parties consist of the following:

	<u>Balance outstanding - March 2025</u>	<u>Balance outstanding - December 2024</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	2,000,000	2,000,000	5%	September 2026	85% VWAP
Less: unamortized debt discount	<u>(145,833)</u>	<u>(208,333)</u>			
Carrying value	<u>\$3,854,167</u>	<u>\$3,791,667</u>			
Notes payable RB Capital	\$3,500,000	\$3,500,000	5%	July 2024	TBD
Others	<u>2,118,435</u>	<u>2,418,435</u>	5%	Various	\$895,000 is convertible at various terms
Total short-term debt	<u>\$5,618,435</u>	<u>\$5,918,435</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 is being accreted to interest expense over the term of the note and amounted to approximately \$63,000 and \$63,000 of interest expense during the quarters ended March 31, 2025 and March 31, 2024, respectively. The remaining debt discount of approximately \$146,000 will be accreted into interest expense over the next 0.7 years.

In February 2024, a portion (\$1,500,000) of the note payable due to RB Capital in the amount of \$1,654,685, including accrued interest, was converted into 6,618,740 shares of common stock. During 2023, \$250,000 of principal was repaid. 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. In March 2024, a family member of an officer of the Company provided a loan of \$100,000 to the Company, of which \$65,000 was repaid in 2024. Approximately \$132,000 of accrued interest was converted into notes payable during the first quarter of 2025 by two officers of the Company. There is no scheduled repayment terms for most of these notes.

Loans from Officers

Officer	Principal Due March 31, 2025	Interest Rate	Principal Due December 31, 2024
David Downing	\$1,297,606	10%	\$1,229,606
Mark Schmidt and family	598,133	10%	524,133
John Ringo	405,361	10%	405,361
All others	<u>322,656</u>	10%	<u>357,656</u>
Total	<u>\$2,623,756</u>		<u>\$2,516,756</u>

NOTE H - STOCKHOLDER'S EQUITY

Common stock

The Company has authorized 7,000,000,000 shares of common stock, with a par value of \$.001 per share. As of March 31, 2025 and December 31, 2024, the Company had 6,162,620,150 and 5,993,363,945 shares outstanding, respectively.

At March 31, 2025 and December 31, 2024, the Company had additional outstanding obligations to issue approximately 10 million common shares, in respect of agreements entered into from 2021 through March 2025. The Company has recorded a liability to recognize the obligation.

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, 2025 and December 31, 2024. 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, 2025 and

December 31, 2024, the liquidation preference of the Series B is approximately \$295 million and \$292.4 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, 2025 and December 31, 2024.

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 \$3.6 million, and \$3.6 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 March 31, 2025 and December 31, 2024, the Company had amounts due to related party noteholders and shareholders of approximately \$4,100,000 and \$4,000,000, respectively.

NOTE J – LEASES

The Company leases facilities under operating leases with expiration dates at December 31, 2026 and November 30, 2025. Combined monthly rent is approximately \$96,000 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, 2025 and December 31, 2024:

	<u>March 2025</u>	<u>December 2024</u>
Total undiscounted operating lease payments	\$1,560,000	\$1,847,756
Less: Imputed interest	<u>(355,941)</u>	<u>(434,343)</u>
Present value of operating lease liabilities	<u>\$1,204,059</u>	<u>\$1,413,143</u>
Weighted average remaining lease term in years	1.50	1.75
Discount rate	11.75%	11.75%

The Right of Use Asset at March 31, 2025 of approximately \$1,075,000 will be amortized over the 1.5 years remaining average lease terms. Rent expense was approximately \$300,000 and \$190,000 for the quarters ended March 31, 2025 and 2024, respectively.

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 v. 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 of 2023, and the Company is currently in full compliance with the terms of that settlement agreement. Nonetheless, Atlantic Wave has since filed a new lawsuit against Cyberlux in the same court, alleging breach of that settlement agreement. In response, Cyberlux has asserted multiple counterclaims, including first to breach, usury, and abuse of process, along with several affirmative defenses. Cyberlux believes that the claims brought by Atlantic

Wave are without merit and is confident it will prevail on its counterclaims and in defending against the allegations. In addition, Atlantic Wave and Secure Community filed lawsuits in California and Texas in an attempt to enforce the settled judgement without proof of breach. These parties have also filed 19 garnishment actions against various business partners and prior business partners. The aggressiveness of these plaintiffs in seeking to enforce an order that was subsequently settled in another jurisdiction has not met with success. Recently, Cyberlux served Atlantic Wave and Secure Community with an action to enjoin these judicial filings and any further filings to enforce that settled matter particularly since Cyberlux is in compliance with the settlement agreement in question. We expect the injunctive action to be successful as well as the counterclaims, and that we will be able to resolve this dispute under the terms of that settlement agreement in the near future.

As set forth in Note G above, Cyberlux issued convertible promissory notes to RB Capital Partners, Inc. ("RB Capital") with maturity dates through July 2024. As reflected above, RB Capital converted \$1,654,685, including accrued interest into 6,618,740 shares of Common Stock. On August 14, 2024, RB Capital filed a complaint in the United States District Court for the Southern District of California seeking payment of the notes and attorneys' fees. Cyberlux moved to have the matter settled by arbitration. The court granted our motion to move the matter into arbitration for the converted note, but retained jurisdiction as to the other notes. The parties have entered an agreement in principle, currently being reduced to a final, binding settlement agreement. Cyberlux will provide an update once this is finalized, but the agreement in principle provides for the cash repayment of the remaining outstanding notes.

A complaint was filed on November 7th, 2024, by Aerotek Inc., in Wake County, North Carolina Superior Court, against Datron World Communications, Inc., and Cyberlux Corporation, alleging breach of contract. An answer has yet to be filed in this matter, but plaintiff has demanded \$204,705.45 plus attorney fees.

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 M – LINE 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. During the year ended December 31, 2024, the Company borrowed \$6.95 million against this facility. Interest accrued at March 31, 2025 was approximately \$521,000. Interest expense for the quarter ended March 31, 2025 and 2024 was approximately \$253,000 and \$0, respectively. 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 (see "Note O - Subsequent Events" for additional information).

NOTE N – INCOME TAXES

The Company had no significant current income taxes due in the three months ended March 31, 2025 and 2024 because of the losses generated in each period.

At December 31, 2024, 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, 2024, 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, 2024.

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, 2025 or December 31, 2024. 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, 2025 or December 31, 2024. No tax related interest or penalties were incurred during the three months ended March 31, 2025 or 2024.

NOTE O - 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.

Pursuant to a settlement agreement among Cyberlux, Roman Investments PR, LLC, Rosewood Theater LLC, and related parties, on or about April 10, 2025, (a) Roman Investments PR, LLC returned 62,500,000 shares and (b) Rosewood Theater LLC returned 41,700,000 shares of Common Stock to the Company's Treasury in respect of convertible notes heretofore converted but as to which notices of conversion had not been provided and (c) the Company agreed to pay the outstanding principal and interest, and settled other related party claims for approximately \$2.5 million. In connection with the same settlement, the Company has agreed to issue 240,000,000 restricted shares to Assure Global LLC, reflecting a net incremental issuance of 135,800 shares of Common Stock.

Effective March 31, 2025, the line of credit (discussed in Note M, above) matured, and default interest was imposed. In April 2025, the Company amended the agreement to, among other items, extend the term through July 28, 2025, but the Company is incurring default interest through the term of such amendment.

In April 2025, the Company amended its line of credit increasing the limit under the agreement to \$12.3 million and extending the term through July 2025.

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.

5/15/2025

/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.

5/15/2025

/s/ David Downing

Automated Certificate of eService

This automated certificate of service was created by the eFiling system. The filer served this document via email generated by the eFiling system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Shawn Grady on behalf of Shawn Grady

Bar No. 24076411

shawn@gradycollectionlaw.com

Envelope ID: 100997993

Filing Code Description: Notice

Filing Description: Finalized Letter to Court Requesting Court Enter Order

Appointing Receiver and Exhibit 1

Status as of 5/19/2025 4:20 PM CST

Case Contacts

Name	BarNumber	Email	TimestampSubmitted	Status
David A.Walton		dwalton@bellnunnally.com	5/19/2025 1:15:20 PM	SENT
LaDonna Arey		LArey@bellnunnally.com	5/19/2025 1:15:20 PM	SENT
Sandra Meiners		smeiners@thompsoncoburn.com	5/19/2025 1:15:20 PM	SENT
Travis Vargo		tvargo@vargolawfirm.com	5/19/2025 1:15:20 PM	SENT
Roxanna Lock		rlock@thompsoncoburn.com	5/19/2025 1:15:20 PM	SENT
Shawn Grady		shawn@gradycollectionlaw.com	5/19/2025 1:15:20 PM	SENT
Jeff Brown		jbrown@thompsoncoburn.com	5/19/2025 1:15:20 PM	SENT
Bernadette Martin		bernadette@gradycollectionlaw.com	5/19/2025 1:15:20 PM	SENT
Records Department		Records@bellnunnally.com	5/19/2025 1:15:20 PM	SENT
Hannah Petrea		hpetrea@bellnunnally.com	5/19/2025 1:15:20 PM	SENT
Michael Poynter		mpoynter@vargolawfirm.com	5/19/2025 1:15:20 PM	SENT
Laurie DeBardeleben		ldebardeleben@thompsoncoburn.com	5/19/2025 1:15:20 PM	SENT
Micah Jackson		mjackson@berlethlaw.com	5/19/2025 1:15:20 PM	SENT
Sheli Davis		sdavis@berlethlaw.com	5/19/2025 1:15:20 PM	SENT
Katharine Clark		kclark@thompsoncoburn.com	5/19/2025 1:15:20 PM	SENT
Lena Brasher		lbrasher@thompsoncoburn.com	5/19/2025 1:15:20 PM	SENT
Frankie Huff		fhuff@thompsoncoburn.com	5/19/2025 1:15:20 PM	SENT
Alex Pennetti		apennetti@thompsoncoburn.com	5/19/2025 1:15:20 PM	SENT
Edward W.Gray, Jr.		EGray@thompsoncoburn.com	5/19/2025 1:15:20 PM	SENT
Tristian Harris		tharris@berlethlaw.com	5/19/2025 1:15:20 PM	SENT
Corinne Martin		cmartin@berlethlaw.com	5/19/2025 1:15:20 PM	SENT
Hannah Fischer		hfischer@thompsoncoburn.com	5/19/2025 1:15:20 PM	SENT

Automated Certificate of eService

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Shawn Grady on behalf of Shawn Grady

Bar No. 24076411

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Case Contacts

Hannah Fischer		hfischer@thompsoncoburn.com	5/19/2025 1:15:20 PM	SENT
Jocelin A. Tapia		jtapia@thompsoncoburn.com	5/19/2025 1:15:20 PM	SENT
Greg Nieman		gnieman@bellnunnally.com	5/19/2025 1:15:20 PM	SENT
Jemisha Gandhi		jgandhi@bellnunnally.com	5/19/2025 1:15:20 PM	SENT
David M. Keithly		dkeithly@mortensonntaggart.com	5/19/2025 1:15:20 PM	SENT