

Cyberlux Leadership Forum - Question Submission and Answers

Market Expansion and Strategy

1. How does Cyberlux plan to enhance its market position in INDPACOM, and what are the expected timelines for securing additional contracts in this region?

For the last 18 months, Cyberlux has increased our focus on INDPACOM with new sales staff and regional marketing efforts. We believe that we are gaining traction, but foreign military sales typically take 1-2 years from initial engagement to contract and commencing delivery.

2. With the drone industry seeing increased investment, is Cyberlux seeking to acquire additional businesses, and is being acquired a consideration?

Yes. Cyberlux is open to making strategic acquisitions, and does not rule out the possibility that Cyberlux, itself, might be an acquisition target.

3. Does Cyberlux have plans to become a one-stop shop for the DoD, and are there any acquisitions in progress to achieve this goal?

Our Global Integration Services (GIS) division is developing 'Total Package Solutions'. GIS endeavors to solve for the needs and requirements of our global allies. Through our GIS division, we partner with best in class technology solutions providers for specific customer needs, starting with Cyberlux's core technology and products. Alliances, partnership arrangements, and strategic acquisitions are all part of Cyberlux's solution development.

4. Where do you see Cyberlux in five years, and what is the roadmap for achieving your goals?

We expect Cyberlux to become a global defense technology leader and help move the defense industry forward as a 'military industrial complex 2.0' company. Our thesis is that the US and our partner nations will be focused on 'peace through strength' for the next decade. Accordingly, the opportunities available to our UAS/DMC/GIS teams both within the US DoD and across our global allies are significant.

5. Are there affiliate companies in Ukraine positioned for the coming reconstruction? Are there plans to partner with local entities for growth?

We expect to be working and operating in the UKR market for years to come, and expect our GIS business to be active in the reconstruction effort as well. We are always reviewing the best possible partnership relationships to help drive growth.

Financial Stability and Revenue

1. Given the significant revenue increase from DoD contracts, how sustainable is this growth? Are there measures to diversify revenue sources?

The past 3 years have seen Cyberlux transform itself into a defense industry platform company. We are just starting to fully exploit this platform. We have, and continue to develop, a very diverse set of revenue streams within the global defense marketplace from our UAS, DMS and GIS business units.

2. How does Cyberlux plan to address cash flow issues, and when is stability expected?

Based on signed contracts, we have several years of operating capital in the pipeline. The most recent two quarters represent an initial snapshot in our anticipated growth trajectory. Of course, growth requires cash, but we believe that our growth plans will result in sustained cash flow as we continue to deliver on contracts.

3. What are the terms of Cyberlux's federal contracts? Why has the accounts receivable number remained unchanged, and how will this be resolved?

Different contracts have different terms -- typically, net 30. However, given specific circumstances, collections can take longer. We are not concerned with the quality of the AR balance, but recognize that if concerns develop, accountancy reserves may be required..

4. How does Cyberlux plan to manage outstanding debt and ensure sustainable financial growth?

We have specific plans for each of Cyberlux's debt obligations and expect to manage our debt accordingly as we continue to grow.

Corporate Governance and Shareholder Value

1. How will the company address the nearly 6 billion outstanding shares? Is a buyback program still planned?

The Board of Directors has approved a potential buyback, and we continue to look for opportunities to implement, but prioritize current operations and funding growth.

2. Are there any plans to reduce the share structure, and is the company committed to avoiding a reverse split after 2025?

Nothing has changed regarding any plans for a reverse split, and we will continue to make decisions regarding capitalization with the priority being the benefit of all shareholders.

3. How does Cyberlux plan to maintain OTC status, and what is the long-term plan for uplisting to NASDAQ?

We have implemented practices and procedures, including hiring EisnerAmper, to help us to maintain OTC status. Uplisting to NASDAQ remains a possible option which we will continue to evaluate based on the benefit to the company and its shareholders.

4. Will company gains always take priority over personal gain, and how will the company ensure responsible management as it grows?

Our company ethos is our dedication to our mission, 24x7. We seek to be very selective with the personnel joining us on this mission and we don't hesitate to make changes if our values don't align. We endeavor to lead by example. At this point in the growth of Cyberlux, our management team's compensation remains low compared to that of peer companies because the maximum cash flow should be available to fund growth, benefiting everyone involved in the long run.

Stock Market Position and Investor Relations

1. Why wasn't a PR released on major business outlets about the company's strong financial results? Will future communications prioritize visibility?

We make press release decisions on a case by case basis. We are mindful of stakeholders' desire for relevant, current information, but observe our confidentiality obligations, and are careful to avoid announcements that could be misconstrued as "promotion" of our stock. In keeping with our focus on shareholder value, we also consider the costs of issuing press releases in relation to the benefits to shareholders and other stakeholders of our doing so.

2. Will Cyberlux provide an updated Investor Relations Deck and use platforms like Accesswire to improve investor engagement?

We expect to refresh the IR information on an ongoing basis and will seek to ensure broad distribution. For now, we have provided a presentation as part of our Leadership Forum video presentation which encapsulates the company's strategic direction.

3. **How is the company addressing misinformation and fake news impacting its share price?**

As longer-term shareholders have probably come to understand, there have been apparent efforts over the last year to manipulate shareholder sentiment with misinformation posted by third parties over whom we have no control. We have taken certain steps since the CE has been removed and will continue to evaluate the benefit to let such disinformation 'die of lack of oxygen' vs. seeking SEC involvement for stock manipulation. For example, recent posts regarding the Company's use of funds is pure conjecture, grossly negligent, and under continued scrutiny by us and our counsel. We consider this an unfortunate distraction by a group with questionable ulterior motives. EisnerAmper's audits ensure that our financial statements accurately reflect the company's financial position.

Innovation and Technology

1. **Can you provide updates on Cyberlux's fixed-wing UAV development, including timelines, goals, and challenges?**

This is a highly proprietary and confidential area. Nonetheless, there are charts we shared during the Leadership Forum.

2. **What progress has been made in AI innovation and drone swarm technology? Are there plans to pursue miniature air or water drones?**

Along with our core efforts, we have announced a partnership with OKSI and we are pursuing a full AI/ML capability.

3. **Does Cyberlux have plans to add anti-drone technologies to its portfolio for both revenue growth and self-defense measures?**

Under our GIS business unit, we have partnership arrangements currently providing this capability. From a strategic standpoint, this is an area of significant interest to Cyberlux.

4. How is Cyberlux leveraging Datron's capabilities to expand its product line and manufacturing capacity?

As long time DoD contracting compliant business, including an ISO9000 compliant manufacturing facility, which Datron has operated over the past 25 years, we are endeavoring to fully leverage Datron's systems, processes and business practices for the benefit of all Cyberlux business units.

Operational Insights

1. What is the company's current annual manufacturing capacity, and what are the targets? Can production be scaled using Datron's facilities?

We believe that it would be possible to scale production by as much as 3-5X current output. Capacity is not an issue -- our existing facilities are one of our competitive advantages.

2. Are there supply chain or manufacturing delays affecting order fulfillment, and how is Cyberlux addressing them?

Supply chain issues are part of any manufacturing business. Our procurement team is integrated with our key supplies to minimize impacts as they occur.

3. How many employees does Cyberlux currently have, and are there plans for hiring? What does a typical day look like for an employee?

Cyberlux currently has almost 100 employees and we flex up as needed depending on the contract and personnel requirements. A typical day depends on the role of the employee, but we are engaged with customers around the globe, utilizing our many skills and experiences.

Lessons and Battlefield Applications

1. What lessons has Cyberlux learned from operations in Ukraine? What went right, and what needs improvement?

Unfortunately, this is a highly confidential area where no information can be shared, but the opportunity and experience have been remarkable and helped

shape the company's future.

2. How is the company applying these lessons to enhance its offerings and stay competitive in the battlefield technology space?

Again, specifics are confidential, but in general, we are taking lessons learned and reapplying them on a global basis.

Corporate Transparency and Communication

1. Will Cyberlux prioritize transparency by providing regular updates to long-term investors?

We have posted our communication process and practice on the website and we will adhere to it. In general, we communicate news and achievements in our quarterly and annual filings, with intermittent material news releases. Recognizing that generally, the defense industry does not move quickly, we believe that outlook and expectations should generally be adequately conveyed on a quarterly basis.

2. How will Cyberlux improve visibility with brokerage platforms to ensure investors receive updates?

We believe that the best way to ensure visibility with brokerage platforms is to continue to post our results regularly, and to continue to focus on our business.

Future Opportunities and Vision

1. What untapped potential exists for Datron Communications, and how will Cyberlux leverage it?

Our communication products have global reach and almost unlimited potential as the one of only two 'made in America' U.S. military communications manufacturers. As we work on next generation communication capabilities, our access to global markets represents a significant opportunity.

2. Is Cyberlux planning to develop hardware patents and software for royalty and subscription revenue streams?

We have always been focused on IP as a corporate directive, including patent filings. Software is also a core part of the company's ongoing solution development.

3. Are there plans to partner with investment banks and analysts to attract institutional investors?

Yes.

Community and Shareholder Engagement

1. Are there plans for in-person shareholder meetings to improve engagement and transparency?

We continue to evaluate options for shareholder meetings, including logistics and security. We anticipate having more on this soon.

2. What would you say is Cyberlux's competitive advantage in the marketplace?

Our access to global defense markets, and the speed and agility of our product and technology development and integration.

3. (Fun Question) Once the company achieves key financial milestones, how does the leadership plan to celebrate?

For our team, achieving key milestones is an expected, ongoing flow of business, so there is never just a goal line but instead ongoing mile markers as we pursue our mission. Our team does enjoy spending time together and we do find ways to celebrate and renew, usually including time with family and friends.

Miscellaneous and Ideas

1. Are there buyout offers under consideration that make sense for Cyberlux's growth?

As noted above, we do not rule out the possibility that Cyberlux might be or become an acquisition target.

2. What is the status of your license to "broker" material and equipment sales? Can you share progress or specific examples?

We are fully licensed by the U.S. Government to broker any products to our global partner nations.

3. Are any components in Cyberlux drones sourced from China, and are there plans to shift sourcing to the U.S. or allied countries?

In general, we have moved to an NDAA compliant supply chain.

4. Will Cyberlux explore creating a “mother ship” drone capable of deploying smaller UAVs for battlefield operations?

We like this concept.

This Q&A organized the questions into key categories for clarity and efficiency during the forum, addressing major topics without significant repetition.