

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
NIC code: 3674

Quarterly Report
For the Period Ending:
September 30, 2023
(the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:
5,718,914,810 as of September 30, 2023
5,587,666,363 as of December 31, 2022

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 Control¹ of the company has occurred over this reporting period:

Yes: ☐ No: ☒

¹ "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

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

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

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

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g., active, default, inactive):

The issuer was incorporated in the State of Nevada and its current standing is active.

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

None

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

None

The address(es) of the issuer's principal executive office:

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

The address(es) of the issuer's principal place of business:

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

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

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

2) Security Information

Transfer Agent

Name: 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:	September 30, 2023
Total shares outstanding:	5,718,914,810	as of:	September 30, 2023
Number of shares in the Public Float ²	4,851,736,636	as of:	September 30, 2023
Total number of shareholders of record:	363	as of:	September 30, 2023

All additional class(es) of publicly quoted or traded securities (if any):

None

Other classes of authorized or outstanding equity securities:

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). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of securities outstanding:	Preferred Series A		
CUSIP:	None		
Par or stated value:	\$0.001		
Total shares authorized:	2000	as of:	September 30, 2023
Total shares outstanding:	26.9806	as of:	September 30, 2023
Total number of shareholders of record:	8	as of:	September 30, 2023

² "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

Exact title and class of securities outstanding:	Preferred Series B		
CUSIP:	None		
Par or stated value:	\$0.001		
Total shares authorized:	100,000,000	as of:	September 30, 2023
Total shares outstanding:	87,300,000	as of:	September 30, 2023
Total number of shareholders of record:	4	as of:	September 30, 2023

Exact title and class of securities outstanding:	Preferred Series C		
CUSIP:	None		
Par or stated value:	\$0.001		
Total shares authorized:	150,000	as of:	September 30, 2023
Total shares outstanding:	150,000	as of:	September 30, 2023
Total number of shareholders of record:	2	as of:	September 30, 2023

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 Preferred Stock: Dividends on issued and outstanding shares of the Series A Preferred shall be payable quarterly in arrears if declared by the Board of Directors on a semi-annual basis. Dividends will be paid in Common Stock.

The holders of the Series A Preferred shall have the right to vote 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 A Preferred with respect to dividends or upon the liquidation, dissolution, or winding up of the Corporation, and (ii) any agreement or other corporate action which would adversely affect the powers, rights, or preferences of the holders of the Series A Preferred.

Series A Preferred conversion rights exchanges 1 share of Series A Preferred for 250 shares of the Company's common stock. The stated conversion price of \$.10 per shares is subject to certain anti-dilution provisions in the event the Company issues shares of its common stock or common stock equivalents below the stated conversion price.

Upon any liquidation, dissolution or winding up of the Corporation, 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 A Preferred 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 (the "Adjusted Face Value") 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 A Preferred immediately prior to such liquidation, dissolution or winding up, or (c) the liquidation preference of \$5,000.00 per share, and the holders of the Series A Preferred shall not be entitled to any further payment, such amount payable with respect to the Series A Preferred being sometimes referred to as the "Liquidation Payments".

Series B Convertible Preferred Stock. The Series B convertible preferred has voting rights of 200 votes per Series B Preferred share. The Series B Convertible Preferred Stock has the same Dividend and Liquidation rights as the Series A Preferred Stock. Designed as a "poison-pill" mechanism, 1 share of Series B Preferred is convertible into 200 shares of the Company's common stock. Series B dividend rights are explained in detail in page 38 of this report.

Series C Convertible Preferred Stock. The shares of the Series C Preferred are non-voting and convertible, at the option of the holder, into common shares 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: $(\$25.20/10DMA)/200$.

The holders of record of the Series C Preferred 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.

Liquidation rights for Series C is the same as Series A and B.

3. Describe any other material rights of Common or Preferred stockholders.

None

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

None

3) Issuance History

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

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

A) Changes to the Number of Outstanding Shares

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)

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>12/31/2020</u> Common: 4,481,275,578 Preferred: A: 26.9806 B: 100,000,000 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 (entities must have individual with voting / investment control disclosed).	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.
07/10/2023	New	5,000,000	Common	0.001	Yes	Catalyst Machineworks / Phillip Tucker	Acquisition Agreement	Restricted	4(a)(2)
07/10/2023	New	5,000,000	Common	0.001	Yes	Catalyst Machineworks / Neill Whiteley	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	New	-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	10,000,000	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 Agreement Terms	Restricted	4(a)(2)
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	Cancellation	-7,200,000	Series B	0.001	Yes	Returned Executive Mgmt Stock /	Outstanding Series B Share Reduction	Restricted	4(a)(2)

						David Downing			
12/27/2022	New	10,000,000	Common	0.001	Yes	Cameron Holt	Advisory Board Agreement Terms	Restricted	4(a)(2)
12/27/2022	New	20,000,000	Common	0.001	Yes	Michael N. Porter	Employment Agreement Terms	Restricted	4(a)(2)
12/27/2022	New	10,000,000	Common	0.001	Yes	Martin Moore	Advisory Board Agreement Terms	Restricted	4(a)(2)
12/27/2022	New	10,000,000	Common	0.001	Yes	Robert Bret Velicovich	Advisory Board Agreement Terms	Restricted	4(a)(2)
12/22/2022	New	20,000,000	Common	0.0025	Yes	Aaron Goodman	Stock Purchase Agreement	Restricted	4(a)(2)
12/06/2022	New	62,500,000	Common	0.0016	Yes	Roman Investments PR, LLC / Roman Vinfield	Debt Purchase Agreement	Unrestricted	4(a)(2)
11/22/2022	New	41,700,000	Common	0.012	Yes	Roman Investments PR, LLC / Roman Vinfield	Conversion of \$500,000 Promissory Note	Restricted	4(a)(2)
11/08/2022	New	15,000,000	Common	0.0025	Yes	Roman Investments PR, LLC / Roman Vinfield	Stock Purchase Agreement	Restricted	4(a)(2)
11/08/2022	New	15,000,000	Common	0.0025	Yes	Rosewood Theater, LLC / Michael Sinensky	Stock Purchase Agreement	Restricted	4(a)(2)
08/15/2022	New	200,000,000	Common	0.00125	No	RB Capital Partners, Inc. / Brett Rosen/ Deborah Braun	Debt Purchase Agreement	Unrestricted	4(a)(2)
07/15/2022	New	10,000,000	Common	0.05	No	Catalyst Machineworks / Phillip Tucker	Acquisition Agreement	Restricted	4(a)(2)
07/15/2022	New	10,000,000	Common	0.05	No	Catalyst Machineworks / Neill Whiteley	Acquisition Agreement	Restricted	4(a)(2)

05/05/2022 (06/14/2021 basis)	New	20,833,333	Common	0.0012	Yes	Matt Rivett	Stock Purchase Agreement	Restricted	4(a)(2)
5/04/2022	Cancellation	-700,000,000	Common	0.001	Yes	4 Certificates Cancelled For: (700,000,000) Critical Flow Capital, LLC / Brian Kraman	Shares Issued in Error from an unfulfilled financial transaction from 2014. The 700M restricted common stock shares required Management to complete complex process of legally fulfilling the consent and compliance process required by its transfer agent and the representatives of the prior shareholder to remove these shares from the Outstanding Share level.	Restricted	4(a)(2)
3/18/2022	New	2,000,000	Common	\$0.001	Yes	Anthony Gonzalez	Distributor Partnership Agreement Terms	Restricted	4(a)(2)
3/16/2022	New	5,882,353	Common	\$0.01	Yes	North Equities USA LTD Ernest Chuang	Consulting Agreement (Public Relations Services) Terms	Restricted	4(a)(2)
01/07/2022	New	20,833,333	Common	0.0012	Yes	Priyanka Saxena	Stock Purchase Agreement	Restricted	4(a)(2)
01/07/2022	New	20,833,333	Common	0.0012	Yes	William Ferrell	Stock Purchase Agreement	Restricted	4(a)(2)

01/07/2022	New	20,833,333	Common	0.0012	Yes	Salahuddin Siddiq	Stock Purchase Agreement	Restricted	4(a)(2)
01/07/2022	New	20,833,333	Common	0.0012	Yes	Clay DeNicola	Stock Purchase Agreement	Restricted	4(a)(2)
12/28/2021	New	50,000,000	Common	0.001	Yes	Aaron Goodman	Board of Directors Agreement Terms	Restricted	4(a)(2)
12/27/2021	New	2,000,000	Common	0.01	Yes	Brennan Smith	Consulting Agreement (Public Relations Services) Terms	Restricted	4(a)(2)
11/10/2021	New	125,000,000	Common	0.001	No	RB Capital Partners, Inc. / Brett Rosen/ Deborah Braun	Debt Purchase Agreement	Unrestricted	4(a)(2)
11/09/2021	New	27,637,500	Common	\$0.022	No	Rock Bay Partners Debt Settlement for Fulcrum Advisors, LLC / Alston Gardner	Debt Purchase Agreement	Unrestricted	4(a)(2)
11/03/2021	New	200,000,000	Common	0.001	Yes	Montague Capital Partners, LLC / Denis Kalenja	Debt Settlement	Unrestricted	4(a)(2)
10/25/2021	Cancellation	-210,000,000	Common	0.001	No	Returned Executive Mgmt Stock / Mark Schmidt	Outstanding Share Reduction	Restricted	4(a)(2)
10/25/2021	Cancellation	-210,000,000	Common	0.001	No	Returned Executive Mgmt Stock / David Downing	Outstanding Share Reduction	Restricted	4(a)(2)
10/21/2021	New	125,000,000	Common	0.001	No	RB Capital Partners, Inc. / Brett Rosen/ Deborah Braun	Debt Purchase Agreement	Unrestricted	4(a)(2)
10/15/2021	New	1,000,000	Common	0.01	Yes	Strike Group, LLC / Lane Coleman	Sales Representation Agreement Terms	Restricted	4(a)(2)
10/13/2021	New	1,851,852	Common	0.0012	Yes	Alvin Campbell	Stock Purchase Agreement	Restricted	4(a)(2)
10/08/2021	New	20,833,333	Common	0.0012	Yes	Priyanka Saxena	Stock Purchase Agreement	Restricted	4(a)(2)
10/08/2021	New	20,833,333	Common	0.0012	Yes	William Ferrell	Stock Purchase Agreement	Restricted	4(a)(2)

10/08/2021	New	20,833,333	Common	0.0012	Yes	Salahuddin Siddiq	Stock Purchase Agreement	Restricted	4(a)(2)
10/08/2021	New	20,833,333	Common	0.0012	Yes	Clay DeNicola	Stock Purchase Agreement	Restricted	4(a)(2)
10/08/2021	New	50,000,000	Common	0.01	Yes	Charles D Watts	Debt Settlement	Restricted	4(a)(2)
10/08/2021	New	1,000,000	Common	0.0012	Yes	Ronald Corlew	Services to the Company	Restricted	4(a)(2)
09/16/2021	New	70,000,000	Common	0.002	Yes	William L. Welter III Trust / William Welter	Debt Settlement Legal Fees	Restricted	4(a)(2)
09/02/2021	New	3,703,704	Common	0.0012	Yes	Ronald Childs	Stock Purchase Agreement	Restricted	4(a)(2)
08/23/2021	New	10,000,000	Common	0.001	Yes	Tyrone Everett	Debt Settlement	Restricted	4(a)(2)
08/23/2021	New	20,833,333	Common	0.0012	Yes	Priyanka Saxena	Stock Purchase Agreement	Restricted	4(a)(2)
08/23/2021	New	20,833,333	Common	0.0012	Yes	Priyanka Saxena	Stock Purchase Agreement	Restricted	4(a)(2)
08/23/2021	New	20,833,333	Common	0.0012	Yes	Sameer Jain & Deepika Sameer Jain JTWORKS	Stock Purchase Agreement	Restricted	4(a)(2)
08/23/2021	New	20,833,333	Common	0.0012	Yes	Matt Rivett	Stock Purchase Agreement	Restricted	4(a)(2)
08/23/2021	New	20,833,333	Common	0.0012	Yes	Matt Rivett	Stock Purchase Agreement	Restricted	4(a)(2)
08/04/2021	New	10,000,000	Common	\$0.001	Yes	Alvaro Zuluaga	Executive Management Incentive	Restricted	4(a)(2)
07/27/2021	New	10,000,000	Common	0.0012	Yes	Priyanka Saxena	Services to the Company	Restricted	4(a)(2)
07/21/2021	New	20,833,333	Common	0.0012	Yes	Salahuddin Siddiq	Stock Purchase Agreement	Restricted	4(a)(2)
07/21/2021	New	20,833,333	Common	0.0012	Yes	Clay DeNicola	Stock Purchase Agreement	Restricted	4(a)(2)
07/21/2021	New	20,833,333	Common	0.0012	Yes	David McClintock	Stock Purchase Agreement	Restricted	4(a)(2)
07/21/2021	New	20,833,333	Common	0.0012	Yes	William Ferrell	Stock Purchase Agreement	Restricted	4(a)(2)
07/21/2021	New	20,833,333	Common	0.0012	Yes	William Ferrell	Stock Purchase Agreement	Restricted	4(a)(2)
07/21/2021	New	20,833,333	Common	0.0012	Yes	Colin Udvig	Stock Purchase Agreement	Restricted	4(a)(2)
07/21/2021	New	20,833,333	Common	0.0012	Yes	Christopher Fulkerson	Stock Purchase Agreement	Restricted	4(a)(2)
7/21/2021	New	5,384,615	Common	0.01	Yes	Charles D. Watts	Debt Settlement Legal Fees	Restricted	4(a)(2)

7/21/2021	New	2,307,692	Common	0.0012	Yes	Robert E. Dawson Jr.	Stock Purchase Agreement	Restricted	4(a)(2)
7/21/2021	New	6,153,846	Common	0.0012	Yes	Charles Coote Jr.	Stock Purchase Agreement	Restricted	4(a)(2)
7/21/2021 (6/14/2021 basis)	New	5,384,615	Common	0.0012	Yes	Ronald Corlew	Stock Purchase Agreement	Restricted	4(a)(2)
7/21/2021 (6/14/2021 basis)	New	5,384,615	Common	0.0012	Yes	Wynn-Jones Revocable Trust / Robert Wynn	Stock Purchase Agreement	Restricted	4(a)(2)
7/14/2021	New	5,000,000	Common	0.01	Yes	Charles D. Watts, JR	Debt Settlement Legal Fees	Restricted	4(a)(2)
7/14/2021	New	10,000,000	Common	0.001	Yes	Executive Incentive Stock/ David D. Downing	Executive Management Incentive	Restricted	4(a)(2)
7/14/2021	New	10,000,000	Common	\$0.001	Yes	Executive Incentive Stock/ Mark D. Schmidt	Executive Management Incentive	Restricted	4(a)(2)
7/12/2021	New	20,000,000	Common	\$0.01	Yes	Ben Eberdt	Debt Settlement	Restricted	4(a)(2)
5/27/2021	New	200,000,000	Common	\$0.001	Yes	Debt Settlement David D. Downing Transfer to Secure Community, LLC / William Welter/ Cheri Nolan	Debt Settlement Secure for Technology Secure Community, LLC William Welter	Restricted	4(a)(2)
5/11/2021	New	400,000,000	Common	\$0.001	Yes	Executive Incentive Stock/ David D. Downing	Executive Management Incentive 200,000,000 Shares transferred to Mark Schmidt	Restricted	4(a)(2)

Shares Outstanding on Date of This Report: Ending Balance: Date <u>09/30/23</u> Common: <u>5,718,914,810</u> Preferred: A: <u>26.9806</u> B: <u>87,300,000</u> C: <u>150,000</u>					
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For its Quarterly Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2021 through September 30, 2023 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

None.

B) Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities:

No: ☐

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

Date of Note Issuance	Outstanding Balance (\$) (including interest) at 12/31/2022	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g., Loan, Services, etc.)
10/22/2021	1,588,767	1,500,000	88,767	10/22/2023	\$0.25 Conversion per share	RB Capital Partners Brett Rosen Deborah Braun	Loan
11/08/2021	1,586,096	1,500,000	86,096	11/08/2023	\$0.25 Conversion per share	RB Capital Partners Brett Rosen Deborah Braun	Loan
11/22/2021	1,583,219	1,500,00	83,219	11/22/2023	\$0.25 Conversion per share	RB Capital Partners Brett Rosen Deborah Braun	Loan
05/03/2022	515,274	500,000	15,274	05/23/2024	\$0.25 Conversion per share	RB Capital Partners Brett Rosen Deborah Braun	Loan
07/12/2022	255,925	250,000	5,925	07/12/2024	\$0.25 Conversion per share	RB Capital Partners Brett Rosen Deborah Braun	Loan
Total;		5,250,000					

Use the space below to provide any additional details, including footnotes to the table above:

Cyberlux is currently engaged with RB Capital to renegotiate the outstanding indebtedness.

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations.

(Please 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")

Cyberlux Corporation (the "Company") was incorporated on May 17, 2000, under the laws of the State of Nevada. The Company had been focused on the development, manufacturing and marketing of long-term portable lighting products for commercial and industrial users. During the nine months ended September 30, 2023, the Company has refocused its operations to the provision of unmanned aircraft systems and advanced communications systems, including through the following transactions:

1. Cyberlux and Kreatx Shpk, FBD Shpk and Havas SAS entered into Agreements of Business Separation, effective as of June 30, 2023, terminating the business relationship of between the parties, in exchange for certain payment and equity terms. The operations of these businesses for the periods ended June 30, 2023, are presented as discontinued operations in the consolidated statement of operations. The Company recognized a loss on the disposition of these subsidiaries, as presented in the consolidated statement of operations.

2. On August 29, 2023, Cyberlux Corporation was awarded a contract of \$78.9 million to deliver Cyberlux K8 Unmanned Aircraft Systems as reflected by the United States Department of Defense ("DoD") in the February 24, 2023, USAI announcement. As of September 30, 2023, the Company has received advance payments for the purchase of such systems from the DoD in the amount of \$38,700,600. The completion of shipment of the systems is expected to occur by March 2024.

3. On September 8, 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 made to Datron World Communications, Inc. by Datron Holdings, Inc.

The 1st note 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 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 current assets of \$1.3 million and the remaining \$9.2 million was allocated to technology based intangible assets, which are to be

amortized over 5 years. The Company also recognized a deferred tax liability (included in other long-term liabilities on the accompanying balance sheet) of approximately \$2.2 million representing the basis difference in the intangible assets. The Company has not yet completed the purchase price allocation and valuation of the identifiable intangible assets as required by Accounting Standards Codification 805, but expects to have it completed for the December 31, 2023, reporting period.

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

Datron World Communications, Inc.

Catalyst Machineworks, LLC

CMTC Drone Solutions, LLC

During the quarter ended September 30, 2023, Cyberlux Corporation made the business decision to solely focus its operations on defense technology where classified projects are required, and Top-Secret clearances and corporate Sensitive Compartmented Information Facility (SCIF) clearances are required. Therefore, the Company determined that no foreign subsidiaries would be viable as part of Cyberlux's business going forward. As a result, Cyberlux declared its intention to not make further investments into the foreign subsidiaries (three entities that were acquired or agreed to be acquired in 2021 – and are now reported as discontinued operations in the statement of operations). Cyberlux and each of Kreatx Shpk, FBD Shpk and Havas SAS entered into Agreements of Business Separation, effective as of April 1, 2023 (in respect of Kreatx) and June 30, 2023 (in respect of each of FBD and Havas), terminating the business relationships with each such counterparty, in exchange, in each case, for certain payment and equity terms.

C. Describe the issuers' principal products or services.

The Company introduced products and solutions across multiple industries in 2021 and 2022 beyond the hardened multispectral illuminators Cyberlux had become known for.

The Company now has four defense technology business units including:

Unmanned Aircraft Solutions (UAS):

Military-Grade Hardware and Software Guidance System Platform with Enhanced Infrared Night Vision; Thermal Sensor technology; Eye-in-the-Sky Monitoring; LiDAR Mapping and Perception; UAS Guidance System Software; UAS Service Support Software; and Telecommunications, Data Analytics Application Solutions with ongoing technology and Strategic IP development.

Military Communications Technology (MCT):

Datron Military-Grade mission-critical voice, data, and video connectivity. Datron partners with governments, militaries, public safety organizations, security forces and commercial users worldwide to innovate and rapidly deploy high frequency (HF), very high frequency (VHF), multiband (MB) voice/data solutions. Datron World Communications has customers in over 80 countries who benefit from communications systems that reliably perform in demanding environments. Datron's military communication technology expands from short range (VHF/MB) to long range communications (HF).

Short Range Communications: Datron's VHF/MB short-range radios (7-50 km) provide secure voice and data exchanges to troops worldwide for communicating on the battlefield.

These radios offer highly encrypted voice and data communications which allow the users to communicate without interception by nonfriends foes.

Long Range Communications: Datron's long-range HF radios (50-100 km) offer secure communications in a ruggedized form-factor, providing a sophisticated feature-set, and utilizing a simplified user interface for ease of operation. Datron's HF radios are JITC certified, software defined radio (SDR) offering advanced capabilities to the end user.

Special Activities Solutions (SAS):

Global Training and Security capability for UAS and other Special Operations training, soldier support systems, including advanced infrared and white LED lighting systems.

Advanced Defense Solutions (ADS):

Advanced Intelligence, Surveillance and Reconnaissance (ISR) solutions, advanced UAS solutions, advanced cyber technology solutions addressing U.S. agencies, with ongoing Strategic IP development with legacy and future Strategic Partner technologies.

For Unmanned Aircraft Solutions, Military Communications Solutions, Special Activities Solutions and Advanced Defense Solutions, we sell as direct commercial sales, foreign military sale, and foreign military financing to global government customers. We fulfill ongoing contract requirements for various Non-U.S. Government and U.S. Government agencies including the U.S. Air Force, Air/Army National Guard, U.S. Special Operations Command (USSOCOM), U.S. Army and the Defense Logistics Agency. For some of our products, we sell and service directly to customers and through related distributors.

5) Issuer's Facilities

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

In responding to this item, please clearly describe the assets, properties, or facilities of the issuer; give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties, or facilities, clearly describe them as above and the terms of their leases.

We maintain our principal office at 800 Park Offices Drive, Suite 3209, Research Triangle Park, NC 27709. Our west coast tactical military communications company, Datron World Communications, Inc., has an office and manufacturing facility located at 995 Joshua Way, Suite A, Vista, CA 92081. We have an office in Miami where our east coast Special Activities group is located at 370 NE 75th Street 126, Miami, FL 33138. Our Catalyst Machineworks, LLC UAS subsidiary have offices and manufacturing facilities located in Texas.

6) Officers, Directors, and Control Persons

Using the table below, please provide information, as of the period end date of this report, regarding any officers, or directors of the company, individuals or entities controlling more than 5% of any class of the issuer's securities, or any person that performs a similar function, regardless of the number of shares they own. **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 in the note section.**

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 an investor 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 shareholders.

Name of Officer/Director or Control Person	Affiliation with Company (e.g., Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
Mark D. Schmidt	Officer President Chief Executive Officer Director Chairman	Durham, NC	230,642	Common	Less than 1%	Restricted Common
			47,000,000	Series B	53.8%	Poison-Pill Voting Control Protection
David D. Downing	Officer CFO Director	Marietta, OH	42,500	Common	Less than 1%	Restricted Common
			5,300,000	Series B	6.1%	Poison-Pill Voting Control Protection
John W. Ringo	Corporate Counsel Secretary Director	Atlanta, GA	123,783	Common	Less than 1%	Restricted Common
Larson J. Isely	Chief Technology Officer and General Manager of Unmanned Aircraft Systems	Durham, NC	5,000,000	Series B	5.7%	Poison-Pill Voting Control Protection
Aaron Goodman	Director	Waccabuc, NY	70,000,000	Common	1.253%	Restricted Common

Montague Capital Partners / Denis Kalenja	None.	Durham, NC	30,000,000	Series B	34.4%	Poison-Pill Voting Control Protection
Lon E. Bell	None	Altadena, CA	10.0000	Series A	37%	2004 H.C. Wainwright Capital Raise Each Share of Series A = 250 Shares of Common
Christina Crossman	None	Westmoreland, NY	4.0000	Series A	15%	2004 H.C. Wainwright Capital Raise Each Share of Series A = 250 Shares of Common
David W. Eckert	None	Rocky Mount, NC	1.0000	Series A	4%	2004 H.C. Wainwright Capital Raise Each Share of Series A = 250 Shares of Common
Neal M. Goldstein	None	Los Angeles, CA	5.0000	Series A	19%	2004 H.C. Wainwright Capital Raise Each Share of Series A = 250 Shares of Common
John G. Hule	None	West Berlin, NJ	2.5806	Series A	10%	2004 H.C. Wainwright Capital Raise Each Share of Series A = 250 Shares of Common
Charles O'Brien	None	Boston, MA	1.4000	Series A	5%	2004 H.C. Wainwright Capital Raise Each Share of Series A = 250 Shares of Common

Ward L. Snyder	None	Tucson, AZ	3.0000	Series A	11%	2004 H.C. Wainwright Capital Raise Each Share of Series A = 250 Shares of Common
UTEK Corporation	Clifford M. Gross Chief Executive Officer and Chairman	2109 E Palm Ave Tampa, FL	148,000	Series C	98.667%	2006 Technology Transfer Agreement Each Share of Series C = \$25.20 divided by the 10 day moving average closing price, then divided by 200 for 2010 200 to 1 reverse split
Rensselaer Polytechnic Institute	Tasha Sanford Office of Intellectual Property Optimization	Troy, NY	2,000	Series C	1.333%	2006 Technology Transfer Agreement Each Share of Series C = \$25.20 divided by the 10 day moving average closing price, then divided by 200 for 2010 200 to 1 reverse split
N/A	N/A	N/A	N/A	Options	N/A	No Options plans are in effect or outstanding
N/A	N/A	N/A	N/A	Warrants	N/A	No Warrant plans are in effect or outstanding

Name of Officer and Director	Position	Age
Mark D. Schmidt	President Chief Executive Officer Director Chairman	58
David D. Downing	Chief Financial Officer, Treasurer Director	73
John W. Ringo	Secretary Director Corporate Counsel	78
Aaron Goodman	Director	61

Directors are elected to serve until the next annual meeting of stockholders and until their successors are elected and qualified. Currently, there are four seats on our board of directors. Currently, our inside Directors are not compensated for their services, and officers are elected by the Board of Directors and serve until their successors are appointed by the Board of Directors.

MARK D. SCHMIDT, President, Chief Executive Officer, Director

Mr. Schmidt became our Chief Executive Officer on July 1, 2008. Mr. Schmidt has been our President, Chief Operating Officer and Director since May 2003. From December 1999 until December 2002, Mr. Schmidt was a founder and executive of Home Director, Inc., the IBM Home Networking Division spin-off company which also became a public company. Mr. Schmidt is a former IBM executive with over 25 years of marketing, business management and venture startup experience. Mr. Schmidt graduated Summa Cum Laude with a Bachelor of Science Degree in Engineering from North Carolina State University and earned an MBA Degree from the Fuqua School of Business at Duke University.

JOHN W. RINGO, Secretary, Director and Corporate Counsel

Mr. Ringo has been our Secretary, Corporate Counsel, and a Director since May 2000. Since 1990, Mr. Ringo has been in private practice in Marietta, GA specializing in corporate and securities law. He is a former Staff Attorney with the U. S. Securities and Exchange Commission, a member of the Bar of the Supreme Court of the United States, the Kentucky Bar Association, and the Georgia Bar Association. Mr. Ringo graduated from the University of Kentucky in Lexington, KY with a BA Degree in Journalism. Subsequently, he received a Juris Doctor Degree from the University of Kentucky College of Law.

DAVID D. DOWNING, Chief Financial Officer, Treasurer and Director

Mr. Downing has been our Chief Financial Officer and Treasurer since May 2000. He became a director in December 2008. Mr. Downing joined Marietta Industrial Enterprises, Inc., Marietta, Ohio in November 1991 as its Chief Financial Officer. He was elected to the Board of Directors of that Company in January 1994. He has been a Director of American Business Parks, Inc., Belpre, Ohio since January 1998 and served as a director of Agri-Cycle

Products, Inc. from May 1998 until April 2001. Mr. Downing graduated from Grove City College, Grove City, PA with a BA Degree in Accounting.

AARON GOODMAN, Director

Mr. Goodman has had a distinguished career in the Investment Banking, Hedge Fund and Private Equity industries, focusing on business growth through technology, M&A, and corporate strategy. He has held various C-level Executive positions as Chief Technology Officer, Chief Operating Officer, and Chief Administrative Officer for several of the largest international investment banks and institutional securities firms. As Senior Managing Director of Institutional Securities for Morgan Stanley, Mr. Goodman collaborated in the M&A due diligence process for acquisition and divestiture recommendations, including the integration of global technology for the acquisition of Saxon Mortgage, incorporating \$700 million in assets and 1,600 employees. Additionally, as head of technology for FirstKey, a startup funded by Cerberus Capital, Mr. Goodman was responsible for the technology and integration plans for the company's acquisitions.

7) Legal/Disciplinary History

A. Identify whether any of the persons or entities listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses); or

None

2. 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, or banking activities; or

None

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

None

4. The entry 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

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 or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

8) Third Party Service Providers

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

Securities Counsel (must include Counsel preparing Attorney Letters)

Name: Carl P. Ranno
Firm: Law Office of Carl P. Ranno
Address: 2733 East Vista Drive
Phoenix, AZ 85032
Phone: 602-493-0369
Email: carlranno@cox.net

Legal Counsel

Name: Edward W. Gray Jr., Partner
Firm: Thompson Coburn LLP
Address: 1909 K Street N.W. Suite 600
Washington, DC 20006-1167
Phone: 202-585-6910
Email: egray@thompsoncoburn.com
Web: www.thompsoncoburn.com

Legal Counsel

Name: Jennifer E.D. Clarke, Esq.
Firm: Tjong & Hsia LLP
Address: 45 Rockefeller Plaza, 20th Floor
New York, NY 10111
Phone: 516-801-1700
Email: jclarke@tjonghsia.com
Web: www.tjonghsia.com

Name: Brian L. Blaylock
Firm: Snell & Wilmer
Address: 3883 Howard Hughes Parkway, Suite 1100
Las Vegas, NV 89169
Phone: 702-784-5355
Email: bblaylock@swlaw.com
Web: www.swlaw.com

Accountant or Auditor

Name: David D. Downing
Firm: Cyberlux Corporation
Address: 800 Park Offices Drive, Suite 3209
Research Triangle Park, NC 27709
Phone: 984-363-6894
Email: delta3@suddenlink.net

Accounting and Tax Advisors

Name: John R. Pennett, Partner
Firm: Eisner Advisory Group, LLC
Address: 111 Wood Avenue South
Iselin, NJ 08830-2700
Phone: 732-243-7000
Email: john.pennett@eisneramper.com
Web: www.eisneramper.com

Investor Relations

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

All other means of Investor Communication:

None

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.

None

9) Financial Statements

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

☐ IFRS

☒ U.S. GAAP

B. The following financial statements were prepared by (name of individual)³:

Name: David D. Downing

Title: Chief Financial Officer

Relationship to Issuer: Principal Financial and Accounting Officer

Describe the qualifications of the person or persons who prepared the financial statements: The financial statements are prepared by the CFO of the Company with consultation to our accounting advisors as requested.

Provide the following financial statements for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time), please provide reports for the two previous fiscal years and any subsequent interim periods.

(a) Audit letter, if audited;

(b) Balance Sheet;

(c) Statement of Income;

(d) Statement of Cash Flows;

(e) Statement of Retained Earnings (Statement of Changes in Stockholders' Equity);

(f) Financial Notes

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³ 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 Subsidiaries
Condensed Consolidated Balance Sheet
September 30, 2023 and December 31, 2022
(Unaudited)

	September 30, 2023	December 31, 2022
Assets		
Current assets:		
Cash & cash equivalents	\$ 16,893,524	\$ 953,105
Accounts receivable, net of allowance for doubtful accounts	1,140,100	4,937,107
Inventory	14,693,095	519,341
Other current assets	314,050	1,849,230
Total current assets	33,040,769	8,258,783
Property, plant and equipment, net of accumulated depreciation	587,890	863,668
Other Assets:		
Patents, net of accumulated amortization	372,809	8,265
Intangible assets, net of accumulated amortization	12,714,063	-
Investment in unconsolidated subsidiaries	200,001	3,156,293
Total Assets	<u>\$ 46,915,532</u>	<u>\$ 12,287,009</u>

Liabilities and Stockholders' Deficit

Current liabilities:		
Accounts payable	\$ 1,444,329	\$2,024,460
Accrued interest	2,327,146	1,974,478
Customer deposits	38,700,600	-
Accrued liabilities	3,861,986	1,637,750
Total current liabilities	46,334,061	5,636,688
Long-term liabilities:		
Notes payable, related parties	2,859,027	3,384,267
Notes payable, non-related parties	14,813,625	7,098,993
Deferred revenues	3,952,825	79,342
Total long-term liabilities	<u>21,625,477</u>	<u>10,562,602</u>

Stockholders' deficit:

Class A Preferred, 26.9806 and 26.9806 shares issued and outstanding as of September 30, 2023 and December 31, 2022, respectively	134,900	134,900
Class B Preferred, 100,000,000 and 100,000,000 shares issued 87,300,000 and 100,000,000 outstanding as of September 30, 2023 and December 31, 2022 respectively	100,000	100,000
Class C Preferred, 150,000 and 150,000 shares issued and outstanding as of September 30, 2023 and December 31, 2022 respectively	150	150
Common stock, \$0.001 par value, 7,000,000,000 shares authorized, 5,718,914,810 and 5,587,666,363 shares issued and outstanding as of September 30, 2023 and December 31, 2022 respectively	6,818,915	6,707,666
Treasury stock	(1,132,700)	(1,149,500)
Additional paid-in capital	19,085,335	18,596,383
Accumulated deficit	(46,070,606)	(28,301,880)
Deficiency in stockholders' equity	(21,178,907)	(4,047,181)
Total liabilities and stockholders' deficit	<u>\$ 46,915,532</u>	<u>\$ 12,287,009</u>

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

Cyberlux Corporation and Subsidiaries
Condensed Statements of Income
Three and Nine months ended September 30, 2023 and 2022
(Unaudited)

	Three Months Ended		Year to Date	
	Sept 30, 2023	Sept 30, 2022	Sept 30, 2023	Sept 30, 2022
Revenue	\$419,006	\$ 263,416	\$ 567,949	\$ 669,739
Cost of goods sold	(214,283)	(109,744)	(400,770)	(410,100)
Gross margin (loss)	204,723	153,672	167,179	259,639
Operating Expenses:				
Marketing and advertising	64,505	713	66,185	97,747
Depreciation and amortization	1,020,784	-	1,020,784	-
Research and development	44,241	1,775,874	65,090	2,230,706
General and administrative expenses	5,896,027	2,461,867	7,532,976	1,057,824
Total operating expenses	7,025,557	4,238,454	8,685,035	3,386,277
Income (loss) from operations	(6,820,833)	4,084,782	(8,517,855)	(3,126,638)
Other income/(expense):				
Interest income	110,137		110,137	-
Interest expense	(286,213)	(314,396)	(630,519)	(485,352)
Gain on stock returned to Treasury	-	-	-	700,000
Net income from discontinued operations	-	2,020,543	2,296,869	4,763,870
Loss on divestment of subsidiaries	(11,027,358)	-	(11,07,359)	-
Net income/(loss) available to common stockholders	<u>(18,006,268)</u>	<u>(2,378,635)</u>	<u>(17,768,727)</u>	<u>1,851,879</u>
Weighted average number of common shares outstanding, basic	<u>5,712,284,375</u>	<u>5,483,106,902</u>	<u>5,617,971,948</u>	<u>5,483,106,902</u>
Income (Loss) per share - basic	<u>(0.003)</u>	<u>0.001</u>	<u>(0.003)</u>	<u>0.001</u>

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

Cyberlux Corporation and Subsidiaries
Condensed Consolidated Statement of Cash Flow
Nine months ended September 30, 2023 and 2022 (Unaudited)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss) available to common stockholders	\$ (17,768,726)	\$ 1,851,879
Adjustments to reconcile net income (loss) to cash flows from operations		
Earnings of discontinued operations	2,296,869	-
Issuance of common stock in exchange for services	66,249	229,009
Issuance of common stock for incentive targets	-	305,770
Amortization and depreciation	949,445	19,764
Changes in assets and liabilities, net of impact from acquisition		
Accounts receivable	4,937,107	(2,555,344)
Inventories	(7,059,531)	(319,250)
Prepaid expenses and other assets	1,779,781	(281,477)
Long term notes receivable	-	-
Accounts payable	(1,415,109)	(558,582)
Accrued liabilities	(638,369)	327,013
Customer deposits	38,700,600	-
Other liabilities	(79,342)	17,159
Net cash (used in) operating activities	21,768,974	(963,859)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of property, plant & equipment, net	610,665	-
Investment in subsidiaries	(995,760)	(2,556,292)
Expenditures for patents	(19,674)	(8,265)
Investment in Datron, net of cash acquired	(5,689,977)	-
Net cash used in investing activities	(6,094,746)	(2,564,557)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from the sale of common stock for investment in subsidiaries	-	1,000,000
Net proceeds (payments) from borrowing on a long-term basis	249,392	742,440
Net proceeds (payments) from notes payable, related parties	-	236,500
Series B Stock issued from treasury	16,800	-
Preferred B stock returned to the treasury	-	(700,000)
Net cash provided by (used in) financing activities	266,192	1,278,940
Net increase/(decrease) in cash and cash equivalents	15,940,420	(2,249,476)
Cash and cash equivalents at beginning of period	953,105	3,530,317
Cash and cash equivalents at end of period	<u>16,893,525</u>	<u>1,280,841</u>
Supplemental disclosures:		
Interest Paid	-	-
Income taxes paid	-	-
NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Debt issued for acquisition of Datron	\$4,000,000	

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

Cyberlux Corporation and Subsidiaries
Statement of Changes In Stockholders Equity (Deficit)
For the Nine months ended September 30, 2023 (Unaudited)

	Class B Preferred			Class C Preferred		Common shares			Class A preferred		Additional		
	Issued Shares	Stock Amount	Outstanding Shares	Shares	Stock Amount	Issued Shares	Stock Amount	Outstanding Shares	Stock Amount	Treasury Stock	Paid-In Capital	Accumulated Deficit	Total
Balance December 31, 2022	100,000,000	\$ 100,000	70,500,000	150,000	\$ 150	6,707,666,363	\$ 6,707,666	5,587,666,363	\$ 134,900	\$ (1,149,500)	\$ 18,596,383	\$ (28,301,880)	\$ (4,047,180)
Stock issued for acquisitions													-
Series B Shares Re-issued for Working Capital			22,800,000							22,800			22,800
Stock Issued for Services						41,000,000	41,000	41,000,000					41,000
Net Income/ (Loss)												325,570	325,570
Balance March 31, 2023	100,000,000	100,000	93,300,000	150,000	150	6,748,666,363	6,748,666	5,628,666,363	134,900	(1,126,700)	18,596,383	(27,976,310)	(3,657,810)
Stock Issued for Services						15,248,447	15,249	15,248,447					15,249
Series B Shares Returned to treasury			(6,000,000)							(6,000)			(6,000)
Stock issued in settlement of debt						55,000,000	55,000	55,000,000					55,000
Net Income/ (Loss)												(86,392)	(86,392)
Balance June 30, 2023	100,000,000	100,000	87,300,000	150,000	150	6,818,914,810	6,818,915	5,698,914,810	134,900	(1,132,700)	18,596,383	(28,062,702)	(3,679,953)
Stock issued for acquisitions/dispositions						10,000,000	10,000	10,000,000			488,951		498,951
Stock Issued for Services						10,000,000	10,000	10,000,000					10,000
Net Income/ (Loss)												(18,007,905)	(18,007,905)
Balance September 30, 2023	<u>100,000,000</u>	<u>\$ 100,000</u>	<u>87,300,000</u>	<u>150,000</u>	<u>\$ 150</u>	<u>6,838,914,810</u>	<u>\$ 6,838,915</u>	<u>5,718,914,810</u>	<u>\$ 134,900</u>	<u>\$ (1,132,700)</u>	<u>\$ 19,085,334</u>	<u>\$ (46,070,607)</u>	<u>\$ (21,178,907)</u>

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

NOTE A-SUMMARY OF BUSINESS OPERATIONS

Business Operations

Cyberlux Corporation (the "Company") was incorporated on May 17, 2000, under the laws of the State of Nevada. The Company had been focused on the development, manufacturing and marketing of long-term portable lighting products for commercial and industrial users. While the Company has generated revenues from its sale of products, the Company has incurred expenses and sustained losses. Consequently, its operations have been subject to all risks inherent in the establishment of a new business enterprise.

During the nine months ended September 30, 2023, the Company has refocused its operations through the following transactions:

1. Cyberlux and Kreatx Shpk, FBD Shpk and Havas SAS entered into Agreements of Business Separation, effective as of June 30, 2023, terminating the business relationship between the parties, in exchange for certain payment and equity terms. The operations of these businesses for the periods ended June 30, 2023 are presented as discontinued operations in the consolidated statement of operations. The Company recognized a loss on the disposition of these subsidiaries, as presented in the consolidated statement of operations.
2. On August 29, 2023, Cyberlux Corporation was awarded a contract of \$78.9 million to deliver Cyberlux K8 Unmanned Aircraft Systems as confirmed by the United States Department of Defense ("DoD") in the February 24, 2023 USAI announcement. As of September 30, 2023, the Company has received advance payments for the purchase of such systems from the DoD of \$38,700,600. The completion of shipment of the systems is expected to occur by March 2024.
3. 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 made to Datron.

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

The 2nd note bears interest at 5% per annum and is due September 2026. The holder can elect to the 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 current assets of \$1.3 and the remaining \$9.2 million was allocated to technology based intangible assets, which are to be amortized over 5 years. The Company also recognized a deferred tax liability (included in other long-term liabilities on the accompanying balance sheet) of approximately \$2.2 million representing the basis difference in the intangible assets. The Company has not yet completed the purchase price allocation and valuation of the identifiable intangible assets as required by Accounting Standards Codification ("ASC") 805, but expects to have it completed for the December 31, 2023 reporting period.

Coronavirus (COVID-19):

The extent of the impact and effects of the recent outbreak of the coronavirus (COVID-19) on the operation and financial performance of our business will depend on future developments, including the duration and spread of the outbreak, related travel advisories and restrictions, the consequential potential of staff shortages, supply chain delays, and project development delays, all of which are highly uncertain and cannot be predicted. If demand for the Company's products or the Company's ability to advance research and

development and service customers are impacted for an extended period, especially as it relates to major customers, our financial condition and results of operations may be materially adversely affected.

NOTE B-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”). Certain information and note disclosures normally included in annual financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to SEC rules and regulations, although the Company believes that the disclosures made are adequate to make the information not misleading. 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 interim periods and may not include all disclosures required by accounting principles generally accepted in the United States (“GAAP”). The information as of September 30, 2023, and for the nine months ended September 30, 2023, and September 30, 2022, is unaudited, whereas the condensed consolidated balance sheet as of December 31, 2022, is derived from the Company’s audited consolidated financial statements as of that date. The results of operations for the interim periods presented are not necessarily indicative of results to be expected for any other interim period or for the year as a whole.

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 subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

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 military communications, UAS and Special Activities products and services to the 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.

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.

Foreign Currency Translation

The Company translates the foreign currency financial statements in accordance with the requirements of ASC 830, "Foreign Currency Matters." Assets and liabilities are translated at current exchange rates, and related revenue and expenses are translated at average exchange rates in effect during the period. Resulting translation adjustments are recorded as a separate component in stockholders' equity. Foreign currency translation gains and losses are included in the consolidated statement of operations, within general and administrative expenses.

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.

Accounts Receivable

Our policy is to provide an allowance when an account becomes greater than 90 days past due. An account is charged off when it is determined by Management to be uncollectible.

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 products available for sale to distributors and customers as well as raw materials. The Work in progress primarily relates to the products being built for the DoD as noted in Note A2 above.

Components of inventories as of September 30, 2023 and December 31, 2022 are as follows:

	2023		2022	
Component parts	\$	4,036,620	\$	62,093
Work in progress		11,622,798		0
Finished goods		459,302		457,248
Less: allowance for obsolete inventory		(1,425,626)		0
	\$	14,693,0985	\$	519,341

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	5 years
Manufacturing equipment	3 years

Advertising costs

The Company expenses all costs of marketing and advertising as incurred. Marketing and advertising costs totaled \$66,185 and \$97,747 for the period ended September 30, 2023 and 2022, 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 \$65,000 and \$2,231,000 on research and product development for the nine months ended September 30, 2023 and 2022, respectively.

Reclassification

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

Fair Values

ASC 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, Fair Value Measurements and Disclosures ("ASC Topic 820"). ASC Topic 820 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.

The quantitative information with respect to valuation methodology and significant unobservable inputs used for the Company's convertible debt that are categorized within Level 3 of the fair value hierarchy included stock price, volatility, financing discount to market price, expected financing date and term remaining.

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 investments may be more than the FDIC insurance limit. The Company periodically reviews its trade receivables in determining its allowance for doubtful accounts. At September 30, 2023 and 2022, allowance for doubtful receivable was \$23,179 and \$-0-, respectively.

Segment reporting

The Company follows ASC 280 "Segment Reporting". The Company operates as a single segment and will evaluate additional segment disclosure requirements as it expands its operations.

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.

As of December 31, 2022, the Company has available for federal income tax purposes a net operating loss carry forward of approximately \$28,000,000, expiring at different stages through the year 2042, that may be used to offset future taxable income. Due to significant changes in the Company's ownership, the future use of its existing net operating losses may be limited.

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, “Income Taxes”. This guidance 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 December 31, 2022 and 2021, 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 years ended December 31, 2022 and 2021. 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.

Patents

The patents were principally acquired as part of acquisitions more than 10 years ago and have an estimated useful life of 7 years. Accordingly, the Company recorded an amortization charge of \$24,570 and \$0 for the nine months ended September 30, 2023 and 2022, respectively. Annual amortization expense of approximately \$67,000 is expected for the next 5 years.

Description	Cost		Accumulated amortization and impairments		Net carrying value at September 30, 2023	
Development costs	\$	293,750	\$	293,750	\$	-0-
Patents		3,698,362		3,681,224		17,138
Patents		469,783		114,112		355,671
Total	\$	4,461,894	\$	4,089,085	\$	372,809

Comprehensive Income (Loss)

The Company follows ASC 220 "Comprehensive Income". ASC 220 establishes standards for the reporting and displaying of comprehensive income and its components. Comprehensive income is defined as the change in equity of a business during a period from transactions and other events and circumstances from non-owners’ sources. It includes all changes in equity during a period except those resulting from investments by owners and distributions to owners. ASC 220 requires other comprehensive income (loss) to include foreign currency translation adjustments and unrealized gains and losses on available for sale securities.

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 nine months ended September 30, 2022 the diluted shares outstanding was approximately 23.0 billion shares (which includes the effect of the potentially dilutive shares issuable upon conversion of the preferred shares and note payable) and the earnings per share was \$0.00 per share.

For both the nine months ended September 30, 2023, there are preferred shares which could convert into approximately 17.5 billion shares of common stock. The shares issuable upon conversion of the preferred stock are not included in the denominator since their inclusion would be anti-dilutive.

For the nine months ended September 30, 2023, the number of shares excluded from diluted net loss per share included approximately 270 million shares of common shares which would be issued upon the conversion of notes payable. The shares issuable upon conversion of notes payable are not included in the denominator since their inclusion would be anti-dilutive.

NOTE C - PROPERTY, PLANT, AND EQUIPMENT

Property, plant and equipment at September 30, 2023 and December 31, 2022 are as follows:

	2023			2022	
Furniture and fixtures	\$	24,812		\$	81,809
Office and computer equipment		24,266			82,416
Leasehold improvements		21,558			21,558
Manufacturing equipment		125,737			43,100
Land and Buildings		484,141			727,416
Less: accumulated depreciation		(92,631)			(92,631)
	\$	587,890		\$	863,668

During the period ended September 30, 2023 and 2022, depreciation expense charged to operations was \$57,571 and \$19,764, respectively.

NOTE D- CURRENT LIABILITIES

Current liabilities as of September 30, 2023 and December 31, 2022 are as follows:

		2023			2022	
Accounts payable		\$	1,444,329		\$	2,024,460
Accrued interest			2,327,146			1,974,478
Accrued payroll, payroll taxes and other			1,232,362			1,637,750
Customer deposits			38,700,600			0
Commissions payable			2,629,624			0
Total		\$	46,334,061		\$	5,636,688

NOTE E - STOCKHOLDER'S EQUITY

Series A - Convertible Preferred stock

The Company has also authorized 100,000,000 shares of Preferred Stock, with a par value of \$.001 per share.

On December 31, 2003, the Company filed a Certificate of Designation creating a Series A Convertible Preferred Stock classification for 200 shares.

The Series A Preferred stated conversion price of \$.10 per shares is subject to certain anti-dilution provisions in the event the Company issues shares of its common stock or common stock equivalents below the stated conversion price. Changes to the conversion price are charged to operations and included in unrealized gain (loss) relating to adjustment of derivative and warrant liability to fair value of underlying securities.

In the year ended December 31, 2008, one of the Series A Preferred shareholders exercised the conversion right and exchanged 2 shares of Series A Preferred for 100,000 shares of the Company's common stock.

The holders of the Series A Preferred shall have the right to vote, separately as a single class, at a meeting of the holders of the Series A Preferred or by such holders' written consent or at any annual or special meeting of the stockholders of the Corporation 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 A Preferred with respect to dividends or upon the liquidation, dissolution, or winding up of the Corporation, and (ii) any agreement or other corporate action which would adversely affect the powers, rights, or preferences of the holders of the Series A Preferred.

The holders of record of the Series A Preferred shall be entitled to receive cumulative dividends at the rate of twelve percent per annum (12%) on the face value (\$5,000 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 A Preferred 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 A Preferred shall have been declared and paid. These dividends are not recorded until declared by the Company. As of September 30, 2023, no dividends were declared, and \$0 was accumulated.

Upon any liquidation, dissolution or winding up of the Corporation, 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 A Preferred shall be entitled to be paid an amount equal to the greater of (a) the face value denominated thereon subject to adjustment for stock splits, stock dividends, reorganizations, reclassification or other similar events (the "Adjusted Face Value") 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 A Preferred immediately prior to such liquidation, dissolution or winding up, or (c) the liquidation preference of \$5,000.00 per share, and the holders of the Series A Preferred shall not be entitled to any further payment, such amount payable with respect to the Series A Preferred being sometimes referred to as the "Liquidation Payments."

Because the Series A Shares include a redemption feature that is outside of the control of the Company, and the stated conversion price is subject to reset, the Company has classified the Series A Shares outside of stockholders' equity. The fair value at date of issuance was recorded outside of stockholders' equity in the accompanying balance sheet. Dividends on the Series A Shares are reflected as a reduction of net income (loss) attributable to common stockholders. In connection with the issuance of the Series A Preferred and related warrants, the holders were granted certain registration rights in which the Company agreed to timely file a registration statement to register the common shares and the shares underlying the warrants, obtain effectiveness of the registration statement by the SEC within ninety-five (95) days of December 31, 2003, and maintain the effectiveness of this registration statement for a preset time thereafter. The registration rights agreement provided that, in the event the Company fails to timely perform under the registration

rights agreement, the Company agrees to pay the holders of the Series A Preferred liquidated damage in an amount equal to 1.5% of the aggregate amount invested by the holders for each 30-day period or pro rata for any portion thereof following the date by which the registration statement should have been effective. The initial registration statement was filed and declared effective by the SEC within the allowed time; however, the Company has not maintained the effectiveness of the registration statement to date. Accordingly, the Company issued 203,867 shares of common stock as liquidated damages on December 10, 2004. The Company has not been required to pay any further liquidated damages in connection with the filing or on-going effectiveness of the registration statement.

Series B - Convertible Preferred stock

On February 19, 2004, the Company filed a Certificate of Designation creating a Series B Convertible Preferred Stock classification for 800,000 shares and 2,850,000 in 2007.

In January 2009, April 2009, and December 2009, the Company issued 1,000,000, 3,850,000 and 16,500,000 shares, respectively of its Series B Preferred as a decision by the Board of Directors in order to retain superior voting rights. In connection with the transaction, the Company recorded a beneficial conversion discount of \$800,000 - preferred dividend relating to the issuance of the convertible preferred stock in 2004. In April 2010 and October 2010, the Company issued 25,000,000 and 50,000,000 shares respectively of its Series B Preferred. In May 2021, Director Downing converted 3,000,000 shares of Series B Preferred to Common Stock to fund acquisitions and management incentive plans. Subsequently, common stock converted from 2,000,000 shares of Series B were returned to the Treasury. In December 2021, by approved motion of the Board of Directors, 3,000,000 shares of Series B were issued to Director Downing. There are 100,000,000 shares of Series B Preferred authorized, and 87,300,000 shares of Series B Preferred shares issued and outstanding as of September 30, 2023, with the balance of 6,700,000 Series B Preferred shares in the Treasury from shares returned by Director Ringo and Director Downing for future development as a Defense Technology company.

The holders of the Series B Preferred shall have the right to vote, separately as a single class, at a meeting of the holders of the Series B Preferred or by such holders' written consent or at any annual or special meeting of the stockholders of the Corporation 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 Preferred with respect to dividends or upon the liquidation, dissolution, or winding up of the Corporation, and (ii) any agreement or other corporate action which would adversely affect the powers, rights, or preferences of the holders of the Series B Preferred.

The holders of record of the Series B Preferred 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 Preferred 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 Preferred shall have been declared and paid. These dividends are not recorded until declared by the Company. As of September 30, 2023, no dividends have been declared and \$1,704,000 in dividends were accumulated.

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

Preferred 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 (the "Adjusted Face Value") 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 Preferred 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 Preferred shall not be entitled to any further payment, such amount payable with respect to the Series B Preferred being sometimes referred to as the "Liquidation Payments."

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 150,000 shares.

In December 2006, the Company issued 100,000 shares of its Series C Preferred stock in conjunction with the acquisition of SPE Technologies, Inc. The shares of the Series C Preferred are non-voting and convertible, at the option of the holder, into common shares 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: $(\$25.20/10\text{DMA})/200$. None of the Series C Preferred shareholders have exercised their conversion right and there are 150,000 shares of Series C Preferred shares issued and outstanding on September 30, 2023.

The holders of record of the Series C Preferred 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 Preferred 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 September 30, 2023, no dividends have been declared and \$-0- in dividends were accumulated.

Common stock

The Company has authorized 7,000,000,000 shares of common stock, with a par value of \$.001 per share. On July 28, 2010, the Board of Directors approved a motion to authorize a reverse split of the outstanding stock of 200:1. As of September 30, 2023 and December 31, 2022, the Company has 5,718,914,810 and had 5,587,666,363 shares outstanding, respectively.

NOTE F - RELATED PARTY TRANSACTIONS

From time to time, the Company's principal officers have advanced funds to the Company for working capital purposes in the form of unsecured promissory notes, accruing interest at 8% to 12% per annum.

Loans from Officers			
Officer	Principal Due	Interest Rate	Accrued Interest at 09/30/23
David Downing	\$1,133,606	10%	\$319,573
Mark Schmidt	679,599	10%	245,657

John Ringo	405,361	10%	304,104
All others	640,461	10%	543,494
Total	\$2,859,027		\$1,412,828

NOTE G - 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

The Parties involved in the Atlantic Wave Holdings, LLC and Secure Community LLC v. Cyberlux Corporation and Mark D. Schmidt have reached a settlement of the litigation.

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 H - 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 September 30, 2023, the Company incurred accumulated losses of approximately \$46,000,000. The Company's current liabilities exceeded its current assets by approximately \$13,000,000 as of September 30, 2023. The Company has undergone significant transformation in the past few months refocusing its business, disposing certain businesses, acquiring Datron Worldwide Communications, and receiving a significant sales order from the DoD. While these factors among others may indicate that the Company will be unable to continue as a going concern, Management is confident that business performance in 2023 – 2024 will ensure the Company is an ongoing growth business for the foreseeable future.

The Company is actively pursuing additional business growth across four distinct business units through acquisitions, organic growth and new customers and products that will 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 operations. The Company may raise additional funding from its current set of investors. In addition, we are seeking to engage a financial advisor to pursue additional capital funding or other strategic transactions and 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. 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 continues to raise additional capital through the issuance of convertible notes payable. The Company is in discussions with investment bankers to raise additional capital in the public or private markets. There is no assurance that such financing can be completed. However, no assurance can be given that Management's actions will result in profitable operations or the resolution of its liquidity problems.

NOTE I – NOTE PAYABLES, NONRELATED PARTIES

At September 30, 2023 and December 31, 2022, the notes payable to non-related parties consist of the following:

	Balance outstanding at September 30, 2023	Balance outstanding at December 31, 2022	Interest rate	Conversion terms
Datron acquisition note 1	\$2,000,000	\$0	3%	90% VWAP
Datron acquisition note 2	2,000,000	0	5%	85% VWAP
Note payable RB Capital	5,250,000	5,250,000	5%	\$0.25 per share
Others	5,563,625	1,848,993	5%	\$1,140,000 is convertible at \$0.0045 per share
Total	\$14,813,625	\$7,098,993		

NOTE J - SUBSEQUENT EVENTS

Given the defense technology markets we are now serving, Management had determined that it is prudent, and in some cases required, to limit the details of "subsequent events". For the consolidated financial statements as at and for the nine months ended September 30, 2023, we have 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.

10) Issuer Certification

Principal Executive Officer:

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.

11/20/2023

/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.

11/20/2023

/s/ David Downing