



VISLINK TECHNOLOGIES, INC.

Trading Symbol: VISL

State of Incorporation: Delaware

Date of Incorporation: February 2, 2006

Quarterly Report

For the Period Ending March 31, 2025

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VISLINK TECHNOLOGIES, INC.
Quarterly Report
For the Period Ending March 31, 2025

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FORWARD-LOOKING INFORMATION

This quarterly report (including the section regarding Management’s Discussion and Analysis of Financial Condition and Results of Operations) (this “Report” or this “Quarterly Report”) contains forward-looking statements regarding the business, financial condition, results of operations, and prospects of Vislink Technologies, Inc. References to Vislink in this report, unless otherwise stated or the context otherwise requires, reference to “VISL,” “Vislink,” “the Company,” “we,” “us,” “our,” and similar references refer to Vislink Technologies, Inc., a Delaware corporation and its subsidiaries. Words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates,” and similar words and phrases are intended to identify forward-looking statements. However, this report does not include an all-inclusive list of words or phrases identifying forward-looking statements. Also, all information concerning future matters is forward-looking statements. Although forward-looking statements in this Report reflect our management’s good faith judgment, such information can only be based on facts and circumstances currently known by us. Forward-looking statements are inherently subject to risks and uncertainties, including those set forth in our Annual Report on Form 10-K, filed with the U.S. Securities and Exchange Commission and submitted to OTC Markets Group on May 2, 2025, and actual results and outcomes may differ materially from those discussed or anticipated by the forward-looking statements. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control, as well as the risk factors disclosed. We undertake no obligation to revise or update any forward-looking statements to reflect any event or circumstance that may arise after the date of this Report. We urge you to carefully review and consider all the disclosures made in this Report.

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Item 1. Exact name of the issuer and the address of its principal executive offices.

(a) The exact name of the issuer and its predecessor (if any).

- Name of the issuer: Vislink Technologies, Inc.
- State of Incorporation: Delaware
- SIC Code: 3669 (Communications Equipment, NEC)
- Trading Symbol: VISL

(b) The address of the issuer's principal executive offices.

- Address of Principal Executive Offices: 350 Clark Drive, Suite 125, Mt. Olive, NJ 07828
- Phone number: (908) 852-3700
- Corporate Website: <https://www.vislink.com>

Item 2. Shares outstanding

(a) The number of shares or total amount of the securities outstanding for each class of securities authorized.

Exact title and class of securities outstanding	Common Stock, par value \$0.00001		
Period End Date	March 31, 2025	December 31, 2024	December 31, 2023
Number of Shares Authorized	100,000,000	100,000,000	100,000,000
Number of Shares Outstanding	2,467,618	2,467,618	2,439,923
Freely Tradeable Shares (Public Float)	1,892,739	2,278,770	2,296,834
Number of Beneficial Owners Owning at Least 100 Shares	Greater than 50	Greater than 50	Greater than 50
Exact title and class of securities outstanding	Preferred Stock, par value \$0.00001		
Period End Date	March 31, 2025	December 31, 2024	December 31, 2023
Number of Shares Authorized	10,000,000	10,000,000	10,000,000
Number of Shares Outstanding	0	0	0
Freely Tradeable Shares (Public Float)	N/A	N/A	N/A
Number of Beneficial Owners Owning at Least 100 Shares	N/A	N/A	N/A

(b) List of securities offerings and shares issued for services in the quarter ended March 31, 2025.

None.

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Item 3. Interim Financial Statements

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VISLINK TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS EXCEPT SHARE AND PER SHARE DATA)

	<u>March 31, 2025</u>	<u>December 31, 2024</u>
	(unaudited)	
ASSETS		
Current assets		
Cash and cash equivalents	\$ 5,523	\$ 5,501
Accounts receivable, net	4,918	5,958
Inventories, net	7,215	7,563
Investments held to maturity	—	995
Prepaid expenses and other current assets	1,438	1,302
Total current assets	19,094	21,319
Right of use assets, operating leases	261	297
Property and equipment, net	1,851	1,984
Intangible assets, net	2,437	2,578
Total assets	<u>\$ 23,643</u>	<u>\$ 26,178</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 2,184	\$ 2,422
Accrued expenses	2,096	2,153
Notes payable	—	56
Operating lease obligations, current	395	459
Accrued restructuring costs	305	421
Customer deposits and deferred revenue	3,119	2,768
Total current liabilities	8,099	8,279
Operating lease obligations, net of current portion	236	291
Deferred tax liabilities	371	401
Total liabilities	8,706	8,971
Commitments and contingencies (See Note 11)		
Series A Preferred stock, \$0.00001 par value per share: -0- shares authorized, shares issued and outstanding on March 31, 2025 and December 31, 2024, respectively.	—	—
Stockholders' equity		
Preferred stock, \$0.00001 par value per share: 10,000,000 shares authorized on March 31, 2025 and December 31, 2024, respectively	—	—
Common stock, \$0.00001 par value; 100,000,000 shares authorized as of March 31, 2025 and December 31, 2024, respectively; 2,467,618 shares issued and 2,467,485 shares outstanding as of March 31, 2025 and December 31, 2024, respectively.	—	—
Additional paid-in capital	348,955	348,663
Accumulated other comprehensive loss	(1,309)	(1,452)
Treasury stock, at cost – 133 shares on March 31, 2025 and December 31, 2024, respectively.	(277)	(277)
Accumulated deficit	(332,432)	(329,727)
Total stockholders' equity	14,937	17,207
Total liabilities and stockholders' equity	<u>\$ 23,643</u>	<u>\$ 26,178</u>

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

VISLINK TECHNOLOGIES, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND
OTHER COMPREHENSIVE LOSS
(IN THOUSANDS EXCEPT NET LOSS PER SHARE DATA)

	For the Three Months Ended March 31,	
	2025	2024
Revenue, net	\$ 4,607	\$ 8,598
Cost of revenue and operating expenses		
Cost of revenue:		
Cost of components and personnel	1,632	3,555
Inventory valuation write-downs	84	201
Total cost of revenue	1,716	3,756
Operating expenses:		
General and administrative expenses	4,373	5,294
Research and development	962	799
Restructuring costs	13	—
Depreciation and amortization	274	347
Total operating expenses	5,622	6,440
Total cost of revenue and operating expenses	7,338	10,196
Loss from operations	(2,731)	(1,598)
Other income (expenses)		
Unrealized gain on investments in debt securities held to maturity	—	63
Realized loss of investments in debt securities	(46)	—
Other income	12	375
Dividend income	24	66
Interest income (expense), net	7	91
Total other income (expenses)	(3)	595
Net loss before income taxes	(2,734)	(1,003)
Income taxes		
Deferred tax benefits	29	55
Net loss attributable to common shareholders	\$ (2,705)	\$ (948)
Net loss per share attributable to Common Shareholders:		
Basic and diluted loss per share	\$ (1.10)	\$ (0.39)
Weighted average number of shares outstanding:		
Basic and diluted	2,467	2,444
Comprehensive loss:		
Net loss	\$ (2,705)	\$ (948)
Unrealized gain (loss) on currency translation adjustment	143	(210)
Comprehensive loss	\$ (2,562)	\$ (1,158)

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

VISLINK TECHNOLOGIES, INC. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2025, AND 2024
(IN THOUSANDS, EXCEPT SHARE DATA)

Three months ended March 31, 2025 (Unaudited):

	Series A Preferred Stock		Common Stock		Additional Paid In Capital	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount	Capital	Income (Loss)	Stock	Deficit	Total
Balance, January 1, 2025	—	\$ —	2,467,618	\$ —	\$ 348,663	\$ (1,452)	\$ (277)	\$ (329,727)	\$17,207
Net loss	—	—	—	—	—	—	—	(2,705)	(2705)
Unrealized gain on currency translation	—	—	—	—	—	143	—	—	143
Stock-based compensation	—	—	—	—	292	—	—	—	292
Balance, March 31, 2025	—	\$ —	2,467,618	\$ —	\$ 348,955	\$ (1,309)	\$ (277)	\$ (332,432)	\$14,937

Three months ended March 31, 2024 (Unaudited):

	Series A Preferred Stock		Common Stock		Additional Paid In Capital	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount	Capital	Income (Loss)	Stock	Deficit	Total
Balance, January 1, 2024	—	\$ —	2,439,923	\$ —	\$ 347,507	\$ (1,027)	\$ (277)	\$ (309,226)	\$36,977
Net loss	—	—	—	—	—	—	—	(948)	(948)
Unrealized loss on currency translation	—	—	—	—	—	(210)	—	—	(210)
Issuance of common stock in connection with:									
Compensation awards for services previously	—	—	8,000	—	160	—	—	—	160
Satisfaction with the conversion of restricted stock unit awards	—	—	4,559	—	—	—	—	—	—
Stock-based compensation	—	—	—	—	464	—	—	—	464
Balance, March 31, 2024	—	\$ —	2,452,482	\$ —	\$ 348,131	\$ (1,237)	\$ (277)	\$ (310,174)	\$36,443

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

VISLINK TECHNOLOGIES, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS)

	Three Months Ended March 31,	
	2025	2024
Cash flows used in operating activities		
Net loss	\$ (2,705)	\$ (948)
Adjustments to reconcile net loss to net cash used in operating activities		
Deferred tax benefits	(29)	(55)
Unrealized (gain) loss on the fair value of investment in bonds held to maturity	—	(63)
Realized loss on the redemption of bonds held to maturity	46	—
Accretion of bond discount	—	(5)
Stock-based compensation	292	464
Provision for bad debt	8	21
Recovery of bad debt	—	(56)
Inventory valuation adjustments	84	201
Amortization of right of use assets, operating assets	36	90
Depreciation and amortization	274	347
Changes in assets and liabilities		
Accounts receivable	1,085	(281)
Inventory	387	(898)
Prepaid expenses and other current assets	(159)	(169)
Accounts payable	(258)	350
Accrued expenses and interest expense	(369)	(176)
Accrued directors' compensation	324	160
Operating lease liabilities	(119)	(127)
Deferred revenue and customer deposits	156	1,056
Net cash used in operating activities	(947)	(89)
Cash flows provided (used) in investing activities		
Cash used for investment in securities held to maturity	—	(949)
Proceeds for bond redemption	1,000	950
Cash used for property and equipment	—	(143)
Net cash provided (used) in investing activities	1,000	(142)
Cash flows used in financing activities		
Principal payments made on notes payable	(56)	—
Net used in financing activities	(56)	—
Effect of exchange rate changes on cash	27	(292)
Net increase (decrease) in cash and cash equivalents	24	(523)
Cash and cash equivalents, beginning of period	5,501	8,482
Cash and cash equivalents, end of period	\$ 5,525	\$ 7,959
Supplemental disclosure of cash flow information:		
Cash paid during the period for interest	\$ —	\$ 1
Supplemental disclosure of non-cash information:		
Common stock issued in connection with:		
Compensation awards previously accrued	\$ —	\$ 160
ROU assets and operating lease obligations recognized (Note 8):		
Operating lease assets recognized	\$ —	484
Less: non-cash changes to operating lease assets amortization	(36)	(90)
	\$ (36)	\$ 394
Operating lease liabilities recognized	\$ —	484
Less: non-cash changes to operating lease liabilities accretion	(119)	(127)
	\$ (119)	\$ 357

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

VISLINK TECHNOLOGIES, INC. AND SUBSIDIARIES
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Vislink Technologies, Inc., a Delaware corporation (“Vislink,” the “Company,” “we,” “us,” or “our”), is a global technology company that captures, transmits, and manages high-quality live video and related data from the point of action to the viewing screen. We deliver RF and 5G wireless solutions to broadcast, surveillance, and defense markets—supporting live coverage of news, sports, entertainment, and public safety events with real-time video intelligence. Our professional services team, composed of seasoned technology experts, brings decades of hands-on experience across terrestrial microwave, fiber optic, surveillance, and wireless communication systems, enabling us to provide comprehensive and tailored solutions to our customers.

On February 10, 2025, we filed a Form 25 with the SEC to voluntarily delist our common stock from The Nasdaq Capital Market. Effective February 12, 2025, our common stock began trading on the OTCQB® Venture Market (“OTCQB”), operated by OTC Markets Group Inc. (“OTC Markets”). On May 12, 2025, we filed a Form 15 with the SEC to terminate the registration of our common stock under Section 12(g) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and to suspend our reporting obligations under Sections 13 and 15(d) of the Exchange Act. These actions were taken to reduce compliance costs and enhance operational efficiency.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) and include all normal recurring adjustments considered necessary for a fair presentation of the financial position of Vislink Technologies, Inc. as of March 31, 2025, and the results of its operations and cash flows for the three months ended March 31, 2025 and 2024.

These interim financial statements should be read in conjunction with the audited consolidated financial statements and accompanying notes for the year ended December 31, 2024. The condensed consolidated balance sheet as of December 31, 2024, was derived from those audited financial statements. The results of operations for the interim period are not necessarily indicative of the results that may be expected for the full year ending December 31, 2025.

Principles of Consolidation

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”), as set forth by the Financial Accounting Standards Board (“FASB”) through the Accounting Standards Codification (“ASC”) and related Accounting Standards Updates (“ASUs”).

These unaudited consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

Segment Reporting

The Company operates as a single reporting segment under the guidance of ASC 280, Segment Reporting. Effective January 1, 2024, the Company adopted ASU 2023-07, which enhances the transparency and utility of segment reporting. The adoption did not result in material changes to the Company’s segment disclosures, as prior reporting periods already reflected the single-segment structure.

The Chief Operating Decision Maker (“CODM”), comprising the Chief Executive Officer and Chief Financial Officer, evaluates the Company’s performance and allocates resources based on consolidated financial results consistent with the single operating segment structure. Significant operating expenses, such as selling, general, and administrative expenses, are not allocated to any distinct business units but are reviewed on a consolidated basis by the CODM.

VISLINK TECHNOLOGIES, INC. AND SUBSIDIARIES
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

Preparing the unaudited condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities in the unaudited condensed consolidated financial statements. Significant accounting estimates reflected in the Company's unaudited condensed consolidated financial statements include the useful lives of property, plant, and equipment, the useful lives of right-of-use assets, the useful lives of intangible assets, impairment of long-lived assets, allowance for accounts receivable doubtful accounts, allowance for inventory obsolescence reserve, allowance for deferred tax assets, valuation of warranty reserves, contingent consideration liabilities, and the accrual of potential liabilities. These estimates also affect the reported revenues and expenses during the reporting periods. Actual results could differ from estimates, and any such differences may be material to our financial statements.

Risks and Uncertainties

The Company continues to monitor the impacts of global economic conditions, its ongoing restructuring efforts, and its recent transition to OTC Markets. While these changes are intended to improve long-term performance, they may pose short-term risks related to cash flow, customer relationships, and market access. Management is addressing these risks through active operational and financial oversight.

Significant Accounting Policies and Recently Issued Accounting Standards

There have been no material changes to the Company's significant accounting policies or their application since the year ended December 31, 2024.

The Company has also evaluated recently issued accounting pronouncements and does not expect any such standards to have a material impact on its current or future consolidated financial statements.

NOTE 2 — LIQUIDITY AND FINANCIAL CONDITION

For the three months ended March 31, 2025, the Company incurred a net loss of approximately \$2.5 million and used \$0.9 million of cash in operating activities. As of March 31, 2025, the Company had working capital of approximately \$11.0 million, including \$5.5 million in cash and cash equivalents.

On November 12, 2024, the Board of Directors approved a restructuring plan aimed at improving operating efficiency and reducing costs. In connection with this plan, the Company initiated workforce reductions, facility closures, and the consolidation of manufacturing operations. These actions are expected to reduce cash outflows and support the Company's goal of achieving positive cash flow.

The Company's ability to fund ongoing operations will depend on a number of factors, including general economic conditions, inflationary pressures, foreign exchange volatility, competitive dynamics, and the timing and success of strategic initiatives. Based on its current operating plan, the Company believes it has sufficient liquidity to fund operations for at least 12 months from the date these financial statements are issued.

NOTE 3 — LOSS PER SHARE

The following table illustrates the anti-dilutive potential common stock equivalents excluded from the calculation of loss per share (in thousands):

	Three Months Ended	
	March 31,	
	2025	2024
Anti-dilutive potential common stock equivalents excluded from the calculation of loss per share:		
Stock options	204	73
Warrants	379	455
	<u>583</u>	<u>528</u>

VISLINK TECHNOLOGIES, INC. AND SUBSIDIARIES
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4 — FOREIGN CURRENCY AND OTHER COMPREHENSIVE (GAINS) LOSSES

The Company recognized foreign exchange gains and losses and changes in accumulated other comprehensive income as follows (in thousands):

	Three months ended March 31,	
	2025	2024
Net foreign exchange transactions:		
Losses (Gains)	\$ 7,000	\$ 14,000
Accumulated comprehensive income:		
Unrealized (gains) losses on currency translation adjustment	\$ (143,000)	\$ 210,000

Amounts were converted from British Pounds to U.S. Dollars and Euros to British Pounds using the following exchange rates:

- As of March 31, 2025 – £1.293460 to \$1.00; €1.082040 to \$1.00
- The average exchange rate for the three months ended March 31, 2025 – £1.258969 to \$1.00; €1.051827 to \$1.00
- As of March 31, 2024 – £1.262210 to \$1.00; €1.078470 to \$1.00
- The average exchange rate for the three months ended March 31, 2024 – £1.268286 to \$1.00; €1.085995 to \$1.00

NOTE 5 — CASH AND CASH EQUIVALENTS

The Company considers all highly liquid investments with an original maturity of three months or less at the time of purchase to be cash equivalents. Cash equivalents consist of unrestricted funds invested in a money market mutual fund. The money market mutual fund is a government fund that maintains a stable \$1.00 net asset value and is considered a Level 1 input under ASC 820. The following table illustrates the Company's cash and cash equivalents:

	March 31, 2025	December 31, 2024
Cash on hand	\$ 3,253,000	\$ 3,256,000
Federally insured money market mutual funds	2,270,000	2,245,000
Total cash and cash equivalents	\$ 5,523,000	\$ 5,501,000

NOTE 6 — INVESTMENTS

The Company's investments in debt securities were previously classified as held-to-maturity based on management's positive intent and ability to hold such securities to maturity, in accordance with ASC Topic 320, Investments—Debt Securities. On February 12, 2025, the Company's remaining investment bond with a face value of \$1,000,000—was redeemed at maturity for its full face value. As of March 31, 2025, the Company holds no investments in debt securities.

VISLINK TECHNOLOGIES, INC. AND SUBSIDIARIES
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7 — INTANGIBLE ASSETS

The Company continuously monitors operating results, events, and circumstances that may indicate potential impairment of intangible assets. Management concluded that no triggering events occurred during the three months ended on March 31, 2025.

The following table illustrates finite intangible assets as of March 31, 2025:

	Proprietary Technology		Patents and Licenses		Trade Names & Technology		Customer Relationships		
	Cost	Accumulated Amortization	Cost	Accumulated Amortization	Cost	Accumulated Amortization	Cost	Accumulated Amortization	Net
Balance, January 1, 2025	\$ 2,132,000	\$ (1,846,000)	\$ 12,378,000	\$ (12,378,000)	\$ 2,251,000	\$ (1,465,000)	\$ 5,591,000	\$ (4,085,000)	\$ 2,578,000
Amortization	—	(44,000)	—	—	—	(34,000)	—	(63,000)	(141,000)
Balance, March 31, 2025	<u>\$ 2,132,000</u>	<u>\$ (1,890,000)</u>	<u>\$ 12,378,000</u>	<u>\$ (12,378,000)</u>	<u>\$ 2,251,000</u>	<u>\$ (1,499,000)</u>	<u>\$ 5,591,000</u>	<u>\$ (4,148,000)</u>	<u>\$ 2,437,000</u>

The Company's groups of intangible assets consist primarily of:

Proprietary Technology:

Generally, the Company amortizes proprietary technology over 3 to 5 years. Mobile Viewpoint ("MVP") uses wireless multiplex transmitters and artificial intelligence internally to produce and sell products and services to customers.

Patents and Licenses:

Patents and licenses filed by the Company are amortized for 18.5 to 20 years. The amortization of the costs associated with provisional patents and pending applications begins after successful review and filing.

As of March 31, 2025, all capitalized patent and license costs have been fully amortized. As a result, there is no remaining net book value associated with these intangible assets. Accordingly, they are excluded from the table of net capitalized intangible costs and the amortization expense schedule.

Trade Name, Technology, and Customer Relationships:

Other intangible assets are amortized for 3 to 15 years. The acquisitions of Integrated Microwave Technology ("IMT"), Vislink, MVP, and BMS assets contributed to the

The Company has recognized net capitalized intangible costs as follows:

	March 31, 2025	December 31, 2024
Proprietary Technology	\$ 245,000	\$ 289,000
Trade Names and Technology	751,000	784,000
Customer Relationships	1,441,000	1,505,000
	<u>\$ 2,437,000</u>	<u>\$ 2,578,000</u>

The Company has recognized the amortization of intangible assets as follows:

	Three Months Ended	
	March 31,	
	2025	2024
Proprietary Technology	\$ 44,000	\$ 148,000
Trade Names and Technology	34,000	34,000
Customer Relationships	63,000	105,000
	<u>\$ 141,000</u>	<u>\$ 287,000</u>

VISLINK TECHNOLOGIES, INC. AND SUBSIDIARIES
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7 — INTANGIBLE ASSETS (continued)

The weighted average remaining life of the amortization of the Company's intangible assets is approximately 5.0 years as of March 31, 2025. The following table represents the estimated amortization expense for total intangible assets for the succeeding five years:

Period ending March 31,	
2026	\$ 555,000
2027	362,000
2028	288,000
2029	288,000
2030	288,000
Thereafter	656,000
	<u>\$ 2,437,000</u>

NOTE 8 — LEASES

In addition to leasing office spaces, operational sites, and storage facilities, our company also rents warehouse facilities internationally and within the country. As of March 31, 2025, these operating leases feature a variety of terms and conditions, with lease lengths ranging from one to three years. Certain leases contain clauses for rent increases and concessions, which result in higher rental payments during the final years of the lease term. These agreements are recognized using the straight-line method over the lease's minimum duration.

During those periods, there were no significant adjustments to the straight-line rental expenses. Most costs accounted for in each period were reflected in the cash spent on operating activities, mainly covering payments for the basic rent of offices and warehouses. Additionally, we can renew certain leases at various intervals, though we are not obligated to. Expenses associated with short-term leases, taxes, and variable service fees were minimal.

As of March 31, 2025, the Company reported Right-of-Use (ROU) assets totaling approximately \$0.3 million on the balance sheet net of \$2.1 million in accumulated amortization. In addition, the Company recognized operating lease liabilities of approximately \$0.6 million, allocating \$0.4 million as current and \$0.2 million as non-current, as noted on the balance sheet. The weighted average lease term remaining as of March 31, 2025, was 1.6 years, with leases expiring between July 2025 and May 2027, and the weighted average discount rate was 9.4% as of March 31, 2025.

The following tables illustrate the Right-Of-Use operating lease data recorded for the three month ended March 31, 2025, and 2024:

	Three Months Ended March 31,	
	2025	2024
Lease cost:		
Operating lease cost	\$ 93,000	\$ 119,000
Short-term lease cost	93,000	74,000
Total lease cost	<u>\$ 186,000</u>	<u>\$ 193,000</u>
Cash paid for lease liabilities:		
Cash flows from operating leases	<u>\$ 144,000</u>	<u>\$ 151,000</u>
Right of use assets obtained in exchange for new operating lease liabilities	<u>\$ —</u>	<u>\$ 484,000</u>
Weighted-average remaining lease term—operating leases	1.6 years	2.2 years
Weighted-average discount rate—operating leases	9.4%	8.8%

VISLINK TECHNOLOGIES, INC. AND SUBSIDIARIES
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8 — LEASES (continued)

The following table illustrates the maturities of our operating lease liabilities as of March 31, 2025:

	Amount
2026	\$ 433,000
2027	224,000
2028	24,000
2029 and thereafter	—
Total lease payments	681,000
Less: imputed interest	50,000
Present value of lease liabilities	631,000
Less: Current lease liabilities	394,000
Non-current lease liabilities	<u>\$ 237,000</u>

The following table outlines the locations and lease termination dates for the Company's Right-of-Use Assets under operating leases for the years 2025 to 2027:

Location	Square Footage	Lease-End Date	Approximate Future Payments
Colchester, U.K. – Waterside House	13,223	Dec 2025	\$ 171,000
Billerica, MA	2,000	Dec 2026	173,000
Mount Olive, NJ	7,979	May 2027	275,000
Trivex, Singapore	950	Aug 2025	12,000

NOTE 9— STOCKHOLDERS' EQUITY

Preferred stock

On March 22, 2023, the Board of Directors approved a resolution to eliminate the Corporation's Certificate of Designation for its Series A Preferred Stock, which was filed with the Delaware Secretary of State on November 9, 2022. Upon filing, all shares previously designated as Series A Preferred Stock resumed the status of authorized but unissued shares of preferred stock. As of March 31, 2025, no shares of preferred stock were authorized, issued, or outstanding.

Common stock

During the three months ended March 31, 2025, the Company recognized approximately \$292,000 in stock-based compensation expense related to outstanding stock options. This amount was recorded in general and administrative expenses, with a corresponding increase to additional paid-in capital.

Common stock warrants

As of March 31, 2025, warrants to purchase 378,789 shares of common stock were outstanding and exercisable. The weighted average exercise price was \$65.00, with a weighted average remaining contractual life of 0.9 years. These warrants had no intrinsic value as of March 31, 2025.

VISLINK TECHNOLOGIES, INC. AND SUBSIDIARIES
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 10 — STOCK-BASED COMPENSATION

Plan Termination and Cessation of Equity-Based Awards:

On April 1, 2025, the Company filed a Post-Effective Amendment to its registration statement on Form S-8 (S-8 POS) with the Securities and Exchange Commission to deregister any remaining unissued securities previously available under its 2023 Omnibus Equity Incentive Plan (the “2023 Plan”). As a result, the Company has formally ceased offering or granting equity-based awards under the 2023 Plan and under all predecessor plans.

Following the delisting of the Company’s common stock from Nasdaq, the Company no longer requires stockholder approval prior to the issuance of equity awards, under a stockholder approval plan or otherwise.

Ongoing Accounting for Previously Granted Awards:

All equity-based awards granted prior to the plan terminations remain outstanding and continue to be accounted for in accordance with ASC 718, Compensation—Stock Compensation, over their respective remaining vesting periods. The Company did not grant any new equity-based awards during the three months ended March 31, 2025.

Summary of stock-based compensation for all equity award plans

Stock-based compensation expense recognized during the three months ended March 31, 2025, is presented below in accordance with ASC 718-10-50-2(f). These expenses are included within general and administrative expenses in the unaudited condensed consolidated statements of operations:

	Three months ended March 31,	
	2025	2024
Equity-based plans:		
Performance-based stock option inducement award	\$ —	\$ 12,000
Time-based restricted stock awards	292,000	452,000
	<u>\$ 292,000</u>	<u>\$ 464,000</u>

NOTE 11 — COMMITMENTS AND CONTINGENCIES

Pension:

The Company may make a matching contribution to its employees’ 401(k) plan. Furthermore, Vislink operates a Group Personal Plan through its UK subsidiary, investing funds with Royal London. Employees of the Company in the United Kingdom are entitled to participate in the Company’s employee benefit plan, to which varying amounts are contributed according to their status. Additionally, the Company operates a stakeholder pension plan in the United Kingdom.

The table below represents the Company’s matching contributions as follows:

	Three Months Ended March 31,	
	2025	2024
Company matching contributions – Group Personal Pension Plan, U.K.	<u>\$ 35,000</u>	<u>\$ 33,000</u>

VISLINK TECHNOLOGIES, INC. AND SUBSIDIARIES
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 12 — CONCENTRATIONS

Customer concentration risk

During the three months ended March 31, 2025, one customer accounted for more than 10% of the Company's consolidated sales, totaling approximately \$541,000 (12%). During the three months ended March 31, 2024, no individual customer accounted for more than 10% of consolidated sales.

As of March 31, 2025, no individual customer accounted for more than 10% of the Company's total accounts receivable. Similarly, as of March 31, 2024, no customer represented more than 10% of total net accounts receivable

Vendor concentration risk

During the three months ended March 31, 2025, three vendors each accounted for more than 10% of the Company's consolidated inventory purchases, with amounts of approximately \$168,000 (16%), \$155,000 (15%), and \$119,000 (11%), respectively. For the three months ended March 31, 2024, no vendor exceeded 10% of total inventory purchases.

As of March 31, 2025, three vendors accounted for more than 10% of the Company's consolidated accounts payable, with balances of approximately \$728,000 (33%) and \$249,000 (11%) for each of the two others. As of March 31, 2024, no vendor represented more than 10% of total accounts payable.

NOTE 13 – REVENUE

The Company has one operating segment. The Chief Executive Officer and Chief Financial Officer serve as the chief operating decision makers ("CODM") and evaluate financial performance and allocate resources based on consolidated operating results. For the three months ended March 31, 2025 and 2024, information regarding significant expenses and operating results reviewed by the CODM can be found in our Unaudited Condensed Consolidated Statements of Operations and Other Comprehensive Loss.

The following tables present disaggregated revenue by primary geographical markets and revenue sources:

	Three Months Ended	
	March 31,	
	2025	2024
Primary geographical markets:		
North America	\$ 1,685,000	\$ 3,772,000
South America	21,000	16,000
Europe	1,373,000	2,377,000
Asia	1,304,000	705,000
Rest of World	224,000	1,728,000
	<u>\$ 4,607,000</u>	<u>\$ 8,598,000</u>
Primary revenue source:		
Equipment sales	\$ 3,928,000	\$ 7,364,000
Installation, integration, and repairs	366,000	883,000
Service level agreements	256,000	282,000
Warranties	57,000	69,000
	<u>\$ 4,607,000</u>	<u>\$ 8,598,000</u>
	As of March 31,	
	2025	2024
Long-Lived Assets:		
United States	\$ 2,252,000	\$ 3,269,000
Netherlands	1,000	27,000
United Kingdom	2,296,000	3,329,000
	<u>\$ 4,549,000</u>	<u>\$ 6,625,000</u>

VISLINK TECHNOLOGIES, INC. AND SUBSIDIARIES
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 — RESTRUCTURING COSTS

During the three months ended March 31, 2025, the Company incurred additional restructuring charges of approximately \$13,000, which were paid during the period and not included in the accrued restructuring liability. These charges were related to the Company's ongoing operational streamlining efforts.

Cash payments of \$116,000 were also applied against the restructuring liability accrued as of December 31, 2024. The activity in the accrued restructuring liability is summarized below:

Balance, January 1, 2025	\$ 421,000
Restructuring costs accrued	—
Cash payments	(116,000)
Balance, March 31, 2025	<u>\$ 305,000</u>

NOTE 15 — RECLASSIFICATION OF PRIOR PERIOD AMOUNTS

Certain amounts in the prior year's condensed consolidated statement of operations for the three months ended March 31, 2024, have been reclassified to conform to the presentation used for the year ended December 31, 2024, and the current interim period. Specifically, inventory valuation adjustments, which were previously presented as a separate line item within operating expenses, are now included within the subtotal "Cost of Revenue." These reclassifications did not impact previously reported total operating expenses, loss from operations, net loss, or loss per share.

NOTE 16 — SUBSEQUENT EVENTS

Under ASC 855-10, the Company has analyzed its operations subsequent to March 31, 2025, and has determined that it does not have any other material subsequent events to disclose in these unaudited condensed consolidated financial statements.

Vislink Technologies, Inc.
Quarterly Report
For The Period Ending March 31, 2025

Item 4. Management's Discussion and Analysis or Plan of Operation

Overview

Vislink Technologies, Inc., is a global technology business that collects, delivers, and manages high-quality, live video and associated data from the action scene to the viewing screen. We provide RF and 5G solutions for collecting live news, sports, and entertainment events for the broadcast, surveillance, and defense markets with real-time video intelligence using a range of transmission products. Our team also provides professional and technical services utilizing a staff of technology experts with decades of applied knowledge and real-world experience in terrestrial microwave, fiber optic, surveillance, and wireless communications systems, delivering a broad spectrum of customer solutions.

On February 10, 2025, the Company filed a Form 25 with the SEC to voluntarily delist our common stock from The Nasdaq Capital Market. Effective February 12, 2025, the Company's common stock began trading on the OTCQB of OTC Markets. On May 12, 2025, the Company filed a Form 15 with the SEC to terminate the registration of the Company's common stock under Section 12(g) of the Exchange Act and suspend the duty to file reports under Section 13 and 15(d) of the Exchange Act. The decisions to transition trading from Nasdaq to OTC Markets, and to remove the registration of common stock from the Exchange Act, were made to reduce costs and improve operational efficiencies.

On February 12, 2025, Hale Capital Partners, LP ("Hale Capital") filed a Schedule 13D with the SEC, reporting its acquisition of approximately 12% of the Company's outstanding common stock. Between that date, and the date of this filing, Hale Capital filed amendments to the Schedule 13D and various reports on Form 4 under Section 16 of the Exchange Act, disclosing increases in Hale Capital's holdings of the Company's common stock. As of the date of this filing, Hale Capital has publicly disclosed beneficial ownership of 396,003 shares, representing approximately 16.05% of the Company's outstanding common stock.

Liquidity and Financial Position

As of March 31, 2025, Vislink had approximately \$5.5 million in cash and maintained a working capital balance of \$11.0 million. Net cash used in operating activities during the quarter was \$0.9 million. While the Company incurred a net loss of approximately \$2.7 million, restructuring actions initiated in Q4 2024 have begun to materially lower ongoing cash burn.

Restructuring and Strategic Shift

In November 2024, the Board of Directors approved a restructuring plan to realign the Company's cost structure with revenue levels. As part of this plan, Vislink closed its Poway, California, facility and transitioned U.K. manufacturing operations to its Mount Olive, New Jersey, site. These actions are expected to reduce duplicative fixed costs, streamline production, and simplify the corporate footprint.

During the three months ended March 31, 2025, the Company incurred additional restructuring charges of approximately \$13,000, which were paid in cash and not included in the previously accrued restructuring liability. Cash payments of \$116,000 were also applied against the liability accrued as of December 31, 2024, resulting in a remaining accrued restructuring liability of \$305,000 as of March 31, 2025.

Forward Outlook

Management is focused on preserving liquidity while supporting high-potential product lines and exploring strategic partnerships. The Company continues to evaluate its cost structure, including third-party service providers, to align with a leaner operational model. The transition to OTC Markets is intended to reduce compliance costs and improve operational flexibility, allowing Vislink to prioritize product execution, customer engagement, and selective investments.

Going Concern and Strategic Risk Oversight

Management has evaluated the Company's ability to continue as a going concern and determined that, based on current liquidity levels and operating plans, Vislink expects to fund its operations for at least 12 months following the date of this disclosure. Nonetheless, we continue to face macroeconomic risks, inflationary pressures, and uncertainty in customer procurement cycles, which we monitor through ongoing strategic reviews as we move through 2025.

Vislink Technologies, Inc.
Quarterly Report
For The Period Ending March 31, 2025

Item 5. Legal Proceedings

From time to time, the Company may become subject to other legal proceedings, claims and litigation arising in the ordinary course of business. Such proceedings can be expensive, lengthy and disruptive to normal business operations. Moreover, the results of complex legal proceedings are difficult to predict, and our view of these matters may change in the future as the litigation and events related thereto unfold. An unfavorable outcome in any legal matter, if material, could have a material adverse effect on our operations, financial position, liquidity and results of operations. As of the date of this report, the Company is not party to any material legal proceedings, nor is management aware of any threatened litigation or regulatory investigations likely to result in a material adverse impact.

Item 6. Defaults Upon Senior Securities.

None.

Item 7. Other Information.

None.

Item 8. Exhibits.

None.

Vislink Technologies, Inc.
Quarterly Report
For The Period Ending March 31, 2025

Item 9. Certification of Chief Executive Officer and Chief Financial Officer

Certification of Chief Executive Officer

I, Carleton M. Miller, certify that:

1. I have reviewed this quarterly disclosure statement of Vislink Technologies, Inc.
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.
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.

Date: May 15, 2025

/s/ Carleton M. Miller

Carleton M. "Mickey" Miller
Chief Executive Officer

Certification of Chief Financial Officer

I, Michael C. Bond, certify that:

1. I have reviewed this quarterly disclosure statement of Vislink Technologies, Inc.
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.
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.

Date: May 15, 2025

/s/ Michael C. Bond

Michael C. Bond
Chief Financial Officer