



VISLINK TECHNOLOGIES, INC.

350 Clark Drive, Suite 125
Mt. Olive, NJ 07828
Phone: (908) 852-3700
Website: <https://www.vislink.com>
Email: support@vislink.com

Outstanding Shares

The number of shares outstanding for each class of security authorized:

Exact title and class of securities outstanding	Common Stock, par value \$0.00001	
Period End Date	December 31, 2025	December 31, 2024
Number of Shares Outstanding	2,479,618	2,467,618

Exact title and class of securities outstanding	Preferred Stock, par value \$0.00001	
Period End Date	December 31, 2025	December 31, 2024
Number of Shares Outstanding	0	0

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 Control⁵ of the Company has occurred during this reporting period:

Yes: No:

⁵ "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.

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FORWARD-LOOKING INFORMATION

This annual report (including the section regarding Management’s Discussion and Analysis of Financial Condition and Results of Operations) (this “Report” or this “Annual Report”) contains forward-looking statements regarding the business, financial condition, results of operations, and prospects of Vislink Technologies, Inc. Unless the context otherwise requires, references in this Report to “Vislink,” “VISL,” “the Company,” “we,” “us,” “our,” or similar terms 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 outlined in our annual report on Form 10-K, filed with the U.S. Securities and Exchange Commission (the “SEC”) on May 2, 2025 and submitted to OTC Markets Group, Inc. (“OTC”) on May 5, 2025, as amended on Form 10-K/A, filed with the SEC on May 9, 2025 and submitted to OTC on May 12, 2025. Actual results and outcomes may differ materially from those discussed or anticipated by the forward-looking statements. Assumptions relating to the foregoing involve judgments concerning, 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. Name and Address(es) of the Issuer and Its Predecessors (if any)

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

- Current name of issuer: Vislink Technologies, Inc.
- Predecessor name of issuer: xG Technology, Inc., date of name change: February 11, 2019
- Predecessor name of issuer: JTS Acquisitions, LLC, date of name change: March 21, 2003

Current State and Date of Incorporation or Registration: Delaware, August 26, 2002

Standing in this jurisdiction: (e.g., active, default, inactive): Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:

Not applicable

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

None

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

None

Address of the issuer's principal executive office:

350 Clark Drive, Suite 125, Mt. Olive, NJ 07828

Address of the issuer's principal place of business:

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

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

No: Yes: If yes, provide additional details below:

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Item 2. Security Information

Transfer Agent

Name: Continental Stock Transfer & Trust Company
Phone: (212) 509-4000
Email: cstmail@continentalstock.com
Address: 17 Battery Place, 8th Floor, New York, New York 10004.

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:	VISL	
Exact title and class of securities outstanding:	Common Stock	
CUSIP:	92836Y409	
Par or stated value:	\$0.00001 per share	
Total shares authorized:	100,000,000	as of date: December 31, 2025
Total shares outstanding:	2,479,618	as of date: December 31, 2025
Total number of shareholders of record:	21	as of date: December 31, 2025

Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.

Not applicable

Other Classes of Authorized or Outstanding Equity Securities That Do Not Have a Trading Symbol:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of the security:	Preferred Stock	
Par or stated value:	\$0.00001 per share	
Total shares authorized:	10,000,000	as of date: December 31, 2025
Total shares outstanding:	-0-	as of date: December 31, 2025
Total number of shareholders of record:	-0-	as of date: December 31, 2025

Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.

Not applicable

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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 information below for each class of the Company's equity securities, as applicable:

- 1) *For common equity, describe any dividend, voting, and preemption rights.*

The Company is authorized to issue up to 100,000,000 shares of Common Stock, \$0.00001 par value per share. Each share of common stock entitles the holder to one vote on matters presented to shareholders and the right to receive dividends when declared by the Board of Directors of Vislink Technologies, Inc. (the "Board"). Holders of Vislink Technologies Inc. (VISL) common stock do not have preemptive rights.

- 2) *For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.*

The Company is authorized to issue up to 10,000,000 shares of preferred stock. The Board has the authority to designate a new series of preferred stock with specific rights and preferences, including dividend rights, conversion rights, voting rights, redemption rights, liquidation preferences, and sinking fund provisions. As of December 31, 2025, no new series has been designated or issued.

- 3) *Describe any other material rights of common or preferred stockholders.*

Common Stock:

In the event of liquidation, dissolution, or winding up of the Company, common shareholders are entitled to share ratably in the assets remaining after the payment of liabilities and any preferential rights of preferred stockholders.

Preferred Stock:

As of December 31, 2025, the Company has not designated or issued any shares of preferred stock. Accordingly, there are no material rights currently attributable to preferred stockholders.

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

None.

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Item 3: Issuance History

Disclosure for all changes to outstanding shares in the past two completed fiscal years and any subsequent interim period.

A. Changes to Number of Outstanding Shares

Were there any changes to the number of outstanding shares within the past two completed fiscal years?

Yes No N/A

Shares Outstanding-Opening Balance

Date: 1/1/24
Common: 2,439,923
Preferred: -0-

Date of Transaction	Transaction Type	# Shares Issued (or cancelled)	Class of Securities	\$ Per Share at Issuance	Discount to Market? (Y/N)	Individual/Entity Issued To	Reason for Issuance or Nature of Services Provided	Restricted or Unrestricted as of this filing	Exemption or Registration Type?
1/3/24	New Issuance	2,605	Common	\$0.00001	No	Belinda Marino	RSU Exercised	Restricted	Reg D/4(a)(2)
1/3/24	New Issuance	308	Common	\$0.00001	No	William Friedlnader	RSU Exercised	Restricted	Reg D/4(a)(2)
3/7/24	New Issuance	105	Common	\$0.00001	No	Ian Butcher	RSU Exercised	Restricted	Reg D/4(a)(2)
3/7/24	New Issuance	46	Common	\$0.00001	No	Jeff Butters	RSU Exercised	Restricted	Reg D/4(a)(2)
3/7/24	New Issuance	64	Common	\$0.00001	No	Amin Choudhury	RSU Exercised	Restricted	Reg D/4(a)(2)
3/7/24	New Issuance	64	Common	\$0.00001	No	Simon Davey	RSU Exercised	Restricted	Reg D/4(a)(2)
3/7/24	New Issuance	46	Common	\$0.00001	No	Yilli Kurshumlija	RSU Exercised	Restricted	Reg D/4(a)(2)
3/7/24	New Issuance	64	Common	\$0.00001	No	Alan Lee	RSU Exercised	Restricted	Reg D/4(a)(2)
3/7/24	New Issuance	107	Common	\$0.00001	No	Alex Makarov	RSU Exercised	Restricted	Reg D/4(a)(2)
3/7/24	New Issuance	257	Common	\$0.00001	No	Ben Mann	RSU Exercised	Restricted	Reg D/4(a)(2)
3/7/24	New Issuance	193	Common	\$0.00001	No	David Smith	RSU Exercised	Restricted	Reg D/4(a)(2)
3/7/24	New Issuance	193	Common	\$0.00001	No	Rob Williamson	RSU Exercised	Restricted	Reg D/4(a)(2)
3/11/24	New Issuance	2,000	Common	\$0.00001	No	Brian Krolick	RSU Exercised	Restricted	Reg D/4(a)(2)
3/11/24	New Issuance	2,000	Common	\$0.00001	No	Susan Swenson	RSU Exercised	Restricted	Reg D/4(a)(2)
3/19/24	New Issuance	486	Common	\$0.00001	No	Charlotte Van Hertum	RSU Exercised	Restricted	Reg D/4(a)(2)
3/19/24	New Issuance	21	Common	\$0.00001	No	Jami Yarwood	RSU Exercised	Restricted	Reg D/4(a)(2)
3/31/24	New Issuance	2,000	Common	\$0.00001	No	Jude Panetta	RSU Exercised	Restricted	Reg D/4(a)(2)
3/31/24	New Issuance	2,000	Common	\$0.00001	No	Ralph Faison	RSU Exercised	Restricted	Reg D/4(a)(2)
3/31/24	New Issuance	2,000	Common	\$0.00001	No	Brian Krolicki	RSU Exercised	Restricted	Reg D/4(a)(2)
7/1/24	New Issuance	10,796	Common	\$0.00001	No	Paul Norridge	RSU Exercised	Restricted	Reg D/4(a)(2)
7/19/24	New Issuance	238	Common	\$0.00001	No	Ian Butcher	RSU Exercised	Restricted	Reg D/4(a)(2)
7/19/24	New Issuance	58	Common	\$0.00001	No	Jeff Butters	RSU Exercised	Restricted	Reg D/4(a)(2)
7/19/24	New Issuance	23	Common	\$0.00001	No	Amin Choudhury	RSU Exercised	Restricted	Reg D/4(a)(2)
7/19/24	New Issuance	23	Common	\$0.00001	No	Simon Davey	RSU Exercised	Restricted	Reg D/4(a)(2)
7/19/24	New Issuance	23	Common	\$0.00001	No	Alan Lee	RSU Exercised	Restricted	Reg D/4(a)(2)
7/19/24	New Issuance	58	Common	\$0.00001	No	Yilli Kurshumlija	RSU Exercised	Restricted	Reg D/4(a)(2)
7/19/24	New Issuance	235	Common	\$0.00001	No	Alex Makarov	RSU Exercised	Restricted	Reg D/4(a)(2)
7/19/24	New Issuance	94	Common	\$0.00001	No	Ben Mann	RSU Exercised	Restricted	Reg D/4(a)(2)
7/19/24	New Issuance	70	Common	\$0.00001	No	David Smith	RSU Exercised	Restricted	Reg D/4(a)(2)
7/19/24	New Issuance	70	Common	\$0.00001	No	Rob Williamson	RSU Exercised	Restricted	Reg D/4(a)(2)
8/6/24	New Issuance	12	Common	\$0.00001	No	Ian Butcher	RSU Exercised	Restricted	Reg D/4(a)(2)
8/6/24	New Issuance	3	Common	\$0.00001	No	Jeff Butters	RSU Exercised	Restricted	Reg D/4(a)(2)
8/6/24	New Issuance	2	Common	\$0.00001	No	Amin Choudhury	RSU Exercised	Restricted	Reg D/4(a)(2)
8/6/24	New Issuance	2	Common	\$0.00001	No	Simon Davey	RSU Exercised	Restricted	Reg D/4(a)(2)
8/6/24	New Issuance	2	Common	\$0.00001	No	Alan Lee	RSU Exercised	Restricted	Reg D/4(a)(2)
8/6/24	New Issuance	3	Common	\$0.00001	No	Yilli Kurshumlija	RSU Exercised	Restricted	Reg D/4(a)(2)
8/6/24	New Issuance	11	Common	\$0.00001	No	Alex Makarov	RSU Exercised	Restricted	Reg D/4(a)(2)
8/6/24	New Issuance	5	Common	\$0.00001	No	Ben Mann	RSU Exercised	Restricted	Reg D/4(a)(2)
8/6/24	New Issuance	4	Common	\$0.00001	No	David Smith	RSU Exercised	Restricted	Reg D/4(a)(2)
8/6/24	New Issuance	4	Common	\$0.00001	No	Rob Williamson	RSU Exercised	Restricted	Reg D/4(a)(2)
12/16/24	New Issuance	2,599	Common	\$0.00001	No	Sean Van	RSU Exercised	Restricted	Reg D/4(a)(2)
12/19/24	New Issuance	600	Common	\$0.00001	No	Liseth Aguillar	RSU Exercised	Restricted	Reg D/4(a)(2)
12/19/24	New Issuance	21	Common	\$0.00001	No	Yilli Kurshumlija	RSU Exercised	Restricted	Reg D/4(a)(2)

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Item 3: Issuance History (continued)

Date of Transaction	Transaction Type	# Shares Issued (or cancelled)	Class of Securities	\$ Per Share at Issuance	Discount to Market? (Y/N)	Individual/Entity Issued To	Reason for Issuance or Nature of Services Provided	Restricted or Unrestricted as of this filing	Exemption or Registration Type?
7/25/25	New Issuance	6,000	Common	\$0.00001	No	Susan Swenson	RSU Exercised	Restricted	Reg D/4(a)(2)
7/31/25	New Issuance	6,000	Common	\$0.00001	No	Brian Krolicki	RSU Exercised	Restricted	Reg D/4(a)(2)

Shares Outstanding-Ending Balance

Date:	<u>12/31/25</u>
Common:	<u>2,479,618</u>
Preferred:	<u>-0-</u>

B. Convertible Debt

The following is a complete list of the Company's Convertible Debt, including all promissory notes, convertible notes, convertible debentures, and any other debt instruments convertible into a class of the issuer's equity securities.

Check this box to confirm the Company has no Convertible Debt issued or outstanding at any point during this period.

Item 4. Issuer's Business, Products, and Services

The purpose of this section is to provide a clear description of the issuer's current operations. Ensure that these descriptions are updated on the Company's Profile on www.OTCMarkets.com.

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Vislink Technologies, Inc. provides wireless video transmission and live streaming solutions for broadcast, defense, public safety, and enterprise markets. Its core business is designing and delivering high-performance video systems for live sports, news, entertainment, and tactical operations. Vislink's offerings include bonded cellular transmitters, AI-driven automated production tools, and airborne video downlink systems, with a growing focus on recurring revenue through service agreements and remote production platforms.

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

- Vislink Technologies, Inc.: publicly traded company (parent company)
- Subsidiaries:
 - Vislink, LLC
 - Vislink, LTD
 - Vislink Poway, LLC
 - Mobile Viewpoint Corporate B.V.

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Item 4. Issuer's Business, Products and Services (continued)

C. Describe the issuers' principal products or services.

- **Wireless Video Transmission Systems:** Vislink offers a range of wireless camera transmitters and receivers designed for live event broadcasting. Products such as the HCAM transmitter and Quantum receiver provide ultra-low latency and high-definition video capabilities, essential for live sports and news coverage.
- **Bonded Cellular Solutions:** Through the acquisition of Mobile Viewpoint, Vislink expanded its portfolio to include bonded cellular products like BaseLink and UltraLink. These devices enable reliable live streaming over cellular networks, facilitating remote production workflows.
- **AI-Driven Production Tools:** Vislink's IQ Sports Producer utilizes artificial intelligence to automate sports coverage, reducing the need for extensive production crews and enabling cost-effective broadcasting of sporting events.
- **Airborne Video Downlink Systems (AVDS):** The Company provides integrated airborne video systems, including transmitters, receivers, and antenna systems, used in public safety and defense applications for real-time video intelligence from aerial platforms.
- **Drone Video Solutions:** Vislink's DragonFly V transmitter and CLIQ micro-camera transmitter are designed for drone applications, offering lightweight and compact solutions for aerial video capture and transmission.
- **Point-to-Point Microwave Links:** Products like IPLink and LiveStream transmitters facilitate reliable point-to-point video transmission, essential for various broadcasting scenarios.
- **Cloud-Based Video Management:** The LinkMatrix platform allows users to remotely control and manage Vislink's video transmission solutions, supporting decentralized production workflows and enhancing operational efficiency.
- **Professional and Technical Services:** Vislink offers professional services, leveraging a team of experts with extensive experience in terrestrial microwave, satellite, fiber optic, surveillance, and wireless communications systems, to deliver tailored customer solutions.

Item 5. Issuer's Facilities

Leased Facilities	Purpose	Square Footage	Lease Terms
Colchester, UK	Manufacturing	6,964	8/1/25 to 7/31/30
Billerica, MA	Administrative Office	2,000	1/24/20 to 12/31/26
Mount Olive, NJ	Corporate Headquarters	7,979	11/1/21 to 5/31/27
Novena, Singapore	Administrative Office	150	8/2/25 to 8/31/27
Poway, CA	Administrative Office	7,155	1/24/25 to 1/31/26
Dubai	Administrative Office	646	7/3/25 to 7/2/26

Item 6. All Officers, Directors, and Control Persons of the Company

The following table sets forth the names, titles, and ownership of the Company's current officers, directors, and control persons as of December 31, 2025. Percentages are based on 2,479,485 total shares of Common Stock outstanding as of that date.

Name	Position/Company Affiliate	City/State	Class	Shares Beneficially Owned	% Ownership
Carleton M. Miller	President, Chief Executive Officer & Executive Director	Mt. Olive, NJ	Common Stock	156,275	6.30%

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Item 6. All Officers, Directors, and Control Persons of the Company (continued)

Name	Position/Company Affiliate	City/State	Class	Shares Beneficially Owned	% Ownership
Ralph E. Faison	Independent Director	Mt. Olive, NJ	Common Stock	7,423	0.30%
Jude T. Panetta	Independent Director	Mt. Olive, NJ	Common Stock	7,485	0.30%
William J. Bender, Lt Gen USAF (Ret)	Independent Director	Mt. Olive, NJ	n/a	n/a	n/a
Hale Capital Partners, L.P.	Beneficial Owner	New York, NY	Common Stock	416,303	16.80%
Joseph T. Lipowski	CTO & Product Management	Mt. Olive, NJ	n/a	n/a	n/a
Michel A. Bais	Managing Director, 5G/AI	Alkmaar, NL	n/a	n/a	n/a
Rajiv Kotecha	SVP, Global Sales & Support	Colchester, UK	n/a	n/a	n/a

Item 7. Legal/Disciplinary History

For each officer, director, and 5% beneficial owner listed in Item 6, disclose the following information within the past 10 years:

A. Criminal and Disciplinary History

1. Indictment, Conviction, or Criminal Proceeding:

Has any officer, director, or 5% beneficial owner been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations)? No

2. Court Order

Has any officer, director, or 5% beneficial owner been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities? No

3. SEC/CFTC/Regulator Finding:

Has any officer, director, or 5% beneficial owner been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated? No

4. Regulatory Disciplinary Action:

Has any officer, director, or 5% beneficial owner been named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above? No

5. Orders by Self-regulating bodies:

Has any officer, director, or 5% beneficial owner filed for bankruptcy, been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities? No

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Item 7. Legal/Disciplinary History (continued)

6. False Representations:

Has any officer, director, or 5% beneficial owner been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail? No

B. Material Pending Legal Proceedings

Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the company or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.: None

Item 8. Third-Party Service Providers

A. Securities Counsel

Firm: Darrow Everett LLP
Address: 450 Seventh Avenue, Suite 1802
City, State, Zip: New York, NY 10123
Email: corpnotice@darroweverett.com

B. Accountant or Auditor

Name: Phil Ilgenstein
Firm: Weaver and Tidwell, LLP
Address: 1601 South MoPac Expressway, Suite D250
City, State, Zip: Austin, TX 78746
Email: phil.ilgenstein@weaver.com

C. Investor Relations

Name: Carleton M. Miller
Firm: Vislink Technologies, Inc.
Address: 350 Clark Drive, Ste 125
City, State, Zip: Mt. Olive, NJ 07828
Email: investors@vislink.com

D. All other means of Investor Communications

Company Website: www.vislink.com
Social media/Other: [LinkedIn](#), [X](#), [Instagram](#), [Facebook](#), [YouTube](#)

E. Other Service Providers

Name: Patrick H. Cioffi
Firm: Patrick H. Cioffi, CPA, PA
Nature of Services: SEC and OTC reporting consulting
Address: 912 Southwest Jasper Avenue, Port St. Lucie, FL 34953
Phone: 772-349-1040
Email: phccpa333@gmail.com

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Item 9. Disclosure and Financial Information

- A. This Disclosure Statement was prepared by (name of individual)
Name: Patrick H. Cioffi
Title: CPA / Consultant
Relationship to Issuer: External reporting and disclosure consultant
- B. The following financial statements were prepared in accordance with:
 IFRS
 U.S. GAAP
- C. The following financial statements were prepared by (name of individual)
Name: Patrick H. Cioffi
Title: CPA / Consultant
Relationship to Issuer: External reporting and disclosure consultant
Describe the qualifications of the person or persons who prepared the financial statements:
Mr. Cioffi is a certified public accountant with experience in SEC and OTC reporting, including the preparation and review of quarterly and annual financial statements in accordance with U.S. GAAP.

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	(unaudited)	(audited)
ASSETS		
Current assets		
Cash and cash equivalents	\$ 4,159	\$ 5,501
Accounts receivable, net	3,369	5,958
Inventories, net	5,632	7,563
Investments held to maturity	—	995
Prepaid expenses and other current assets	989	1,302
Total current assets	14,149	21,319
Right-of-use assets, operating leases	569	297
Property and equipment, net	1,574	1,984
Intangible assets, net	2,006	2,578
Total assets	\$ 18,298	\$ 26,178
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 2,448	\$ 2,422
Accrued expenses	1,576	2,153
Notes payable	76	56
Operating lease obligations, current	322	459
Accrued restructuring costs	200	421
Customer deposits and deferred revenue	3,908	2,768
Total current liabilities	8,530	8,279
Operating lease obligations, net of current portion	372	291
Deferred tax liabilities	292	401
Total liabilities	9,194	8,971
Commitments and contingencies (See Note 18)		
Stockholders' equity		
Preferred stock, \$0.00001 par value per share: 10,000,000 shares authorized on December 31, 2025, and 2024, respectively	—	—
Common stock, \$0.00001 par value; 100,000,000 shares authorized as of December 31, 2025, and 2024, respectively: 2,479,618 and 2,467,618 were issued, and 2,479,485 and 2,467,485 were outstanding on December 31, 2025, and 2024, respectively	—	—
Additional paid-in capital	349,413	348,663
Accumulated other comprehensive loss	(1,072)	(1,452)
Treasury stock, at cost – 133 shares as of December 31, 2025, and 2024, respectively.	(277)	(277)
Accumulated deficit	(338,960)	(329,727)
Total stockholders' equity	9,104	17,207
Total liabilities and stockholders' equity	\$ 18,298	\$ 26,178

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

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

	For the Years Ended December 31,	
	2025	2024
	(unaudited)	(audited)
Revenue, net	\$ 18,486	\$ 27,729
Cost of revenue and operating expenses		
Cost of revenue:		
Cost of components and personnel	7,530	13,955
Inventory impairments and valuation write-downs	891	6,828
Total cost of revenue	8,421	20,783
Operating expenses:		
General and administrative expenses	14,240	21,596
Research and development	4,580	4,561
Restructuring costs	487	489
Impairment of right-of-use operating assets	—	168
Impairment of intangible assets	—	330
Gain on lease termination	(81)	—
Depreciation and amortization	1,101	1,310
Total operating expenses	20,327	28,454
Total cost of revenue and operating expenses	28,748	49,237
Loss from operations	(10,262)	(21,508)
Other income (expenses)		
Unrealized gain on investments in debt securities held to maturity	—	(25)
Realized loss of investments in debt securities	(46)	(24)
Other income	674	400
Dividend income	99	211
Interest income, net	194	300
Total other income	921	862
Net loss before income taxes	(9,341)	(20,646)
Income taxes		
Deferred tax benefits	108	145
Net loss attributable to common shareholders	\$ (9,233)	\$ (20,501)
Net loss per share attributable to Common Shareholders:		
Basic and diluted loss per share	\$ (3.73)	\$ (8.35)
Weighted average number of shares outstanding:		
Basic and diluted	2,473	2,456
Comprehensive loss:		
Net loss	\$ (9,233)	\$ (20,501)
Unrealized gain (loss) on currency translation adjustment	380	(425)
Comprehensive loss	\$ (8,853)	\$ (20,926)

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

VISLINK TECHNOLOGIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 (unaudited) AND 2024 (audited)
(IN THOUSANDS, EXCEPT SHARE DATA)

	Series A		Common Stock		Additional Paid In Capital	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Accumulated Deficit	Total
	Preferred Stock Shares	Amount	Shares	Amount					
Balance, December 31, 2023	—	\$ —	2,439,923	\$ —	\$ 347,507	\$ (1,027)	\$ (277)	\$ (309,226)	\$ 36,977
Net loss	—	—	—	—	—	—	—	(20,501)	(20,501)
Unrealized loss on currency translation adjustment	—	—	—	—	—	(425)	—	—	(425)
Issuance of common stock in connection with:									
Compensation awards for services previously accrued	—	—	8,000	—	160	—	—	—	160
Satisfaction with the conversion of restricted stock unit awards	—	—	19,695	—	—	—	—	—	—
Stock-based compensation	—	—	—	—	996	—	—	—	996
Balance, December 31, 2024	—	\$ —	2,467,618	\$ —	\$ 348,663	\$ (1,452)	\$ (277)	\$ (329,727)	\$ 17,207
Net loss	—	—	—	—	—	—	—	(9,233)	(9,233)
Unrealized gain on currency translation adjustment	—	—	—	—	—	380	—	—	380
Issuance of common stock in connection with:									
Satisfaction with the conversion of restricted stock unit awards	—	—	12,000	—	—	—	—	—	—
Stock-based compensation	—	—	—	—	750	—	—	—	750
Balance, December 31, 2025	—	\$ —	2,479,618	\$ —	\$ 349,413	\$ (1,072)	\$ (277)	\$ (338,960)	\$ 9,104

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

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

	For the Years Ended	
	December 31,	
	2025	2024
	(unaudited)	(audited)
Cash flows used in operating activities		
Net loss	\$ (9,233)	\$ (20,501)
Adjustments to reconcile net loss to net cash used in operating activities		
Deferred tax benefits	(108)	(145)
Unrealized (gain) loss on the fair value of investment in bonds held to maturity	—	25
Realized loss on the redemption of bonds held to maturity	46	24
Accretion of bond discount	—	(17)
Stock-based compensation	750	996
Provision for bad debt	100	610
Recovery of bad debt	(281)	—
Inventory impairments and valuation write-downs	891	6,828
Amortization of right-of-use assets, operating assets	157	275
Depreciation and amortization	1,101	1,310
Restructuring costs	487	489
Gain on lease termination	(81)	—
Impairment of right-of-use operating assets	—	168
Impairment of intangible assets	—	330
Changes in assets and liabilities		
Accounts receivable	2,929	2,049
Inventory	1,373	(522)
Prepaid expenses and other current assets	692	452
Accounts payable	(45)	(810)
Accrued expenses and interest expense	(716)	665
Accrued directors' compensation	68	160
Accrued restructuring costs	(708)	(68)
Operating lease liabilities	(405)	(468)
Deferred revenue and customer deposits	1,022	1,308
Net cash used in operating activities	(1,961)	(6,842)
Cash flows provided in investing activities		
Cash used for investment in securities held to maturity	—	(949)
Proceeds for bond redemption	1,000	5,950
Cash used for property and equipment	(119)	(519)
Net cash provided in investing activities	881	4,482
Cash flows used in financing activities		
Principal payments made on notes payable	(351)	(454)
Net cash used in financing activities	(351)	(454)
Effect of exchange rate changes on cash	89	(167)
Net decrease in cash and cash equivalents	(1,342)	(2,981)
Cash and cash equivalents, beginning of period	5,501	8,482
Cash and cash equivalents, end of period	\$ 4,159	\$ 5,501

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

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

	For the Years Ended December 31,	
	2025 (unaudited)	2024 (audited)
Supplemental disclosure of cash flow information:		
Cash paid during the period for interest	\$ 10	\$ 16
Supplemental disclosure of non-cash information:		
Notes payable recognized on D & O Insurance policy (Note 15)	\$ 370	\$ 510
Common stock issued in connection with:		
Compensation awards previously accrued	\$ —	\$ 160
ROU assets and operating lease obligations recognized (Note 16):		
Operating lease assets recognized	\$ 430	\$ —
Less: non-cash changes to operating lease assets		
Amortization	157	275
Impairments		(168)
Loss on lease impairments	—	168
Gain on lease termination	(81)	—
	\$ 506	\$ 275
Operating lease liabilities recognized	\$ 430	\$ —
Less: non-cash changes to operating lease liabilities		
accretion	(405)	(468)
	\$ 25	\$ (468)

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

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

NOTE 1 — NATURE OF OPERATIONS

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. The Company provides RF and 5G solutions for live news, sports, entertainment, and other events for broadcast, surveillance, public safety, and defense markets, offering real-time video intelligence through a range of transmission products. The Company also provides professional and technical services, utilizing a staff of technology experts with extensive experience in terrestrial microwave, fiber-optic, surveillance, and wireless communications systems, to deliver a broad spectrum of customer solutions.

On February 10, 2025, the Company filed a Form 25 with the U.S. Securities and Exchange Commission to voluntarily delist its common stock from The Nasdaq Capital Market. Effective February 12, 2025, the Company's common stock began trading on the OTCQB® Venture Market operated by OTC Markets Group Inc. On May 12, 2025, the Company filed a Form 15 to terminate the registration of its common stock under Section 12(g) of the Securities Exchange Act of 1934 and to suspend its reporting obligations under Sections 13 and 15(d) of the Exchange Act. Accordingly, the Company is providing this annual report for the year ended December 31, 2025 pursuant to the OTCID Alternative Reporting Standard.

Live Broadcast

We deliver an extensive portfolio of solutions for live news, sports, and entertainment. Our offerings include video collection, transmission, management, and distribution via RF, cellular, IP (Internet Protocol), mesh, and bonded cellular/5G networks. We also provide AI (Artificial Intelligence)- enabled solutions that automate coverage of news and sports events. With over 50 years of experience in live video communications, we offer fully integrated, end-to-end solutions encompassing hardware components, hosted systems management platforms, related software licenses, and ancillary support services.

Our live broadcast solutions are deployed globally. Our equipment transmits a significant portion of outdoor wireless broadcast video content, with more than 200,000 systems installed worldwide. We work closely with many of the world's leading broadcasters, and our wireless cameras and ultracompact encoders are used for primary international sporting contests, award shows, racing events, and annual music and cultural events.

Military and Government

We have developed high-quality RF and 5G solutions to address the operational challenges of the surveillance, public safety, and defense markets, leveraging our expertise in real-time video delivery. Our solutions are designed to support interagency cooperation, utilizing IP-based platforms and web interfaces for secure video delivery. We provide comprehensive video, audio, and data communications solutions to law enforcement and the public safety community, including airborne, uncrewed systems, maritime, and tactical mobile command posts. These solutions may include:

- integrated suites of airborne downlink transmitters, receivers, and antenna systems
- data and video connectivity for airborne, marine, and ground assets
- UAV video distribution
- flexible support for RF and bonded cellular/5G networks
- terrestrial point-to-point links
- tactical mobile command solutions
- IP-based, high-end encryption, full-duplex, real-time connectivity at extended operating ranges
- high-throughput air/marine/ground-to-anywhere uplink and downlink systems
- secure live streaming platforms for use in mobile and fixed assets, and
- personal portable products

Our public safety and surveillance solutions are deployed worldwide, including throughout the U.S., Europe, and the Middle East, at local, regional, and federal levels for criminal investigation, crisis management, mobile command posts, and field operations. These solutions are designed to meet the demands of ground operations, command centers, and central receiving sites. Short-range and long-range solutions are available in both established infrastructure environments and exceptionally remote regions, making valuable video intelligence available regardless of location.

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

NOTE 1 — NATURE OF OPERATIONS (continued)

Connected Edge Solutions

We offer hardware and software solutions for acquiring, producing, contributing, and delivering video across private and public networks. Our connected edge solutions support the video transport model for ubiquitous IP networks and cloud-scale computing across 5G, Wi-Fi 6, mesh, and COFDM-enabled networks. These solutions include:

- live video encoding, stream adaptation, decoding, and production solutions
- remote production workflows
- wireless cameras
- AI-driven automated production, and
- the ability to contribute videos over:
 - bonded cellular (3G, 4G, 5G)
 - satellite
 - fiber, and
 - emerging networks, including Starlink

NOTE 2 — LIQUIDITY AND FINANCIAL CONDITION

Financial Position and Operating Results

For the fiscal year ending December 31, 2025, the Company incurred a net loss from operations of approximately \$10.3 million and used approximately \$2.0 million of cash in operating activities. As of December 31, 2025, the Company had working capital of approximately \$5.6 million, an accumulated deficit of \$339.0 million, and cash and cash equivalents totaling \$4.2 million.

Restructuring Initiatives

On November 12, 2024, the Board approved a restructuring plan to improve operational efficiency and reduce costs. The plan includes workforce reductions, facility closures, and consolidation of manufacturing operations. These ongoing initiatives are designed to reduce recurring cash outflows and eliminate underperforming product lines. Management believes that the successful implementation of these strategic initiatives is essential to strengthening the Company's financial position and supporting its long-term operating strategy.

Liquidity Assessment

The Company's ability to fund operations depends on various factors, including macroeconomic conditions, inflation, foreign exchange fluctuations, customer demand, market competition, and technological advancements. Based on its current operating plan and available working capital, and assuming successful implementation of the restructuring plan, management believes the Company has adequate liquidity to meet its obligations for at least twelve months from the date of these financial statements. However, achieving positive cash flow and realizing cost savings remains dependent on the successful execution of the restructuring plan and favorable business conditions.

Delisting from The Nasdaq Capital Market

On February 10, 2025, the Company filed Form 25 with the SEC to voluntarily delist its common stock from Nasdaq. Following the delisting, the Company filed Form 15 on May 12, 2025 to terminate the registration of its common stock and suspend its periodic reporting obligations under the Exchange Act. The Company's common stock began trading on the OTCQB tier of OTC on February 12, 2025. The transition from Nasdaq to OTC was undertaken to reduce compliance costs and enhance operational efficiencies.

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

NOTE 3 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”), as issued by the Financial Accounting Standards Board (“FASB”). The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

These financial statements reflect all adjustments considered necessary by management for a fair presentation of the Company’s financial position, results of operations, and cash flows for the periods presented. The consolidated financial statements as of and for the year ended December 31, 2025 are unaudited. The consolidated financial statements as of and for the year ended December 31, 2024, were audited by an independent registered public accounting firm.

Segment Reporting

The Company operates as a single reportable segment in accordance with Accounting Standards Codification (“ASC”) 280, Segment Reporting. Effective January 1, 2024, the Company adopted Accounting Standards Update No. 2023-07, Improvements to Reportable Segment Disclosures. The adoption did not result in material changes to the Company’s segment disclosures, as prior reporting periods were already presented on a single-segment basis.

The Chief Operating Decision Maker (“CODM”) is a committee comprised of the Chief Executive Officer and the Acting Chief Financial Officer. The CODM evaluates the Company’s performance and allocates resources based on consolidated financial information. Significant expense categories (including cost of components and personnel, selling, general, and administrative expenses, research and development expenses, and inventory valuation charges under ASC 330, Inventory) are regularly reviewed on a consolidated basis by the CODM. The review of such items is not allocated to separate business units.

Use of Estimates

The preparation of consolidated financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the reporting date, and the reported amounts of revenues and expenses during the reporting period.

Significant estimates reflected in the Company’s consolidated financial statements include the estimated useful lives of property, plant, and equipment; right-of-use assets; and intangible assets; the assessment of impairment for long-lived assets; the allowance for credit losses on accounts receivable; inventory obsolescence reserves; the valuation of deferred tax assets; warranty reserves; contingent consideration liabilities; and accruals for potential liabilities.

Actual results may differ from those estimates, and such differences could be material to the financial statements.

Risks and Uncertainties

The Company is subject to various risks and uncertainties that could materially impact its business, financial condition, or results of operations. These include geopolitical instability—such as the recent Iranian conflict, the ongoing Russia-Ukraine and Israel-Hamas conflicts—as well as macroeconomic factors, including inflationary pressures, foreign-currency volatility, global supply-chain disruptions, and changes in domestic regulatory or fiscal policy environments. These external conditions create challenges in forecasting demand, managing input costs, and maintaining consistent service levels.

In 2024, the Company initiated a restructuring program intended to optimize its operational footprint and reduce costs. While the majority of the initiative was executed during 2024, specific operational and financial effects continued into 2025. Management continues to monitor the restructuring's outcomes and assess any remaining impacts on performance and liquidity.

In February 2025, the Company voluntarily delisted its common stock from Nasdaq and began trading on the OTCQB marketplace. Management continues to monitor any potential ongoing impacts related to this transition in accordance with ASC 275-10-50-1, Risks and Uncertainties - Operations.

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

NOTE 3 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

Restructuring Costs

The Company accounts for restructuring costs in accordance with ASC 420, Exit or Disposal Cost Obligations. These costs may include employee termination benefits, facility closure expenses, contract termination fees, and other direct costs associated with restructuring activities.

- **Employee Termination Benefits:** Recognized when the Company has committed to a plan of termination, identified the employees to be terminated, and communicated the termination arrangement to those employees, pursuant to ASC 420-10-25-4.
- **Other Restructuring Costs:** Recognized when the liability is incurred, which generally occurs when the related goods or services are received, in accordance with ASC 420-10-25-15.
- **Asset Impairments:** Long-lived asset impairments resulting from facility closures are recognized in accordance with ASC 360, Property, Plant, and Equipment, specifically ASC 360-10-35.

Business Combinations and Asset Acquisitions

The Company accounts for business combinations using the acquisition method in accordance with ASC 805, Business Combinations. Identifiable assets acquired and liabilities assumed are recognized at fair value as of the acquisition date, with any excess of purchase consideration over net assets recognized as goodwill. Transaction costs are expensed as incurred.

The Company distinguishes between business combinations and asset acquisitions by applying the screen test under ASC 805-10-55 and the guidance in ASC 805-50. For asset acquisitions, costs are allocated to the acquired assets on a relative fair-value basis, and direct acquisition-related costs are capitalized.

No business combinations or asset acquisitions occurred during the years ended December 31, 2025, and 2024. However, intangible assets from prior acquisitions continue to be amortized and are discussed further in Note 12.

Revenue Recognition

The Company recognizes revenue in accordance with ASC 606, Revenue from Contracts with Customers. Revenue is recognized when control of the promised goods or services is transferred to the customer and in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services. All revenue is derived from contracts with customers.

The Company's revenue is generated from the sale of broadcast hardware, software licenses, installation and integration services, technical support contracts, and extended warranty arrangements. Based on the nature of the Company's solutions and typical contract terms, the Company's performance obligations fall into two primary categories: (i) the delivery of hardware and software; and (ii) the provision of post-delivery services, including installation, support, and extended warranties.

- Products and Software
Revenue from hardware shipments and from perpetual or term-based software licenses is recognized at a point in time when control transfers to the customer, typically upon shipment or delivery, depending on contract terms and customary business practices. The Company evaluates each contract to determine whether the customer obtains control over shipment or upon physical delivery and applies this policy consistently.
- Installation and Integration Services
Installation and integration services are generally short-duration activities that do not significantly modify or customize the underlying product. Historical analysis supports that these services are immaterial in value relative to the overall arrangement and are not distinct within the context of the contract. Accordingly, installation services are treated as part of the single performance obligation associated with product delivery. The Company defers recognition of any consideration attributable to installation services until the related performance obligation has been satisfied and the hardware and software have been transferred to the customer.
- Support and Extended Warranties
Support contracts and extended warranties represent stand-ready obligations to provide maintenance, technical support, and repair services over the contract term. These arrangements are considered distinct performance obligations because customers can benefit from the hardware without these services. Revenue is recognized on a straight-line basis over the contractual period, reflecting the pattern of service delivery.

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

NOTE 3 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

Revenue Recognition (continued)

- Determining the Transaction Price and Allocation

The Company determines the transaction price at contract inception, including fixed and variable consideration where applicable. Variable consideration is estimated using the most likely amount approach. It is included in the transaction price only to the extent that a significant reversal is unlikely to occur. When a contract contains multiple performance obligations, the Company allocates the transaction price based on relative standalone selling prices, established when observable, when available, or estimated using market-adjusted inputs.

- Contract Assessments

At contract inception, the Company identifies its performance obligations by evaluating all promised goods and services, whether explicitly stated or implied by customary business practices. The Company applies consistent judgment in assessing whether promises are distinct and constitute material rights.

- Backlog / Remaining Performance Obligations

The Company's remaining performance obligations ("backlog") represent the portion of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied as of the reporting date. The Company has elected the optional exemption under ASC 606-10-50-14 to omit disclosure of performance obligations in contracts with an original expected duration of one year or less. The majority of the Company's contracts qualify for this exemption; therefore, only contracts exceeding one year are included in the reported backlog.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. As of December 31, 2025, and 2024, cash equivalents consisted of unrestricted funds invested in a money market mutual fund.

Concentrations of Credit Risk

The Company has no off-balance-sheet concentrations of credit risk. Credit risk is the risk of financial loss resulting from a counterparty's failure to meet its contractual obligations. The Company's primary credit risk exposures arise from cash, cash equivalents, and accounts receivable.

To mitigate credit risk, the Company maintains its cash and cash equivalents with high-quality financial institutions. Cash deposits, while subject to concentration risk, represent the principal financial instruments through which the Company is exposed to potential credit loss. As of December 31, 2025, cash equivalents consisted of unrestricted funds held in a money market mutual fund.

In the United States, cash balances are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000 per depositor, per institution. In the United Kingdom, deposits are insured up to £120,000 by the Financial Services Compensation Scheme. In the Netherlands, deposits are insured up to €100,000 per depositor, per institution under the Dutch deposit guarantee scheme.

As of December 31, 2025, and 2024, the Company held approximately \$3.2 million and \$4.7 million, respectively, in cash balances that exceeded applicable insured limits. The Company did not incur any losses on these balances during the respective periods.

No individual customer accounted for more than 10% of consolidated revenues during the years ended December 31, 2025, and 2024. As of December 31, 2025, no individual customer accounted for more than 10% of consolidated net accounts receivable. As of December 31, 2024, one customer accounted for approximately \$1.2 million, or more than 10% of consolidated net accounts receivable.

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

NOTE 3 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

Accounts Receivable and Allowance for Credit Losses

The Company accounts for expected credit losses on accounts receivable in accordance with ASC 326, Financial Instruments—Credit Losses. Under the current expected credit loss (CECL) model, the Company estimates allowances for credit losses based on historical loss experience, current conditions, and reasonable and supportable forecasts of future economic conditions.

The allowance is determined using a combination of quantitative and qualitative factors, including receivable aging, historical write-off trends, macroeconomic indicators, and other relevant information that may affect credit risk. Receivables are written off when management determines they are uncollectible, and all collection efforts have been exhausted.

As of December 31, 2025, and 2024, the Company believes its allowance for credit losses is adequate to cover expected losses on outstanding receivables.

Inventories

Inventories are stated at the lower of cost or net realizable value, with cost determined using the first-in, first-out (FIFO) method. Net realizable value represents the estimated selling price in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation.

The Company periodically evaluates inventory for obsolescence and excess quantities. Inventory is written down to net realizable value when it is determined to be obsolete, slow-moving, or otherwise impaired. Adjustments to reduce inventory to net realizable value are recognized in cost of sales.

Property and Equipment

Property and equipment are stated at cost on the date of acquisition, net of accumulated depreciation. Depreciation is calculated using the straight-line method over the assets' estimated useful lives, which range from 3 to 14 years.

Expenditures on routine maintenance and repairs are charged to expenses as incurred. Significant improvements that extend the useful life or increase the asset's value are capitalized.

Intangible Assets

Patents and Licenses: Patents and licenses are recorded at cost and amortized on a straight-line basis over their estimated useful lives, which range from 18.5 to 20 years. Amortization expense related to patents and licenses was approximately \$-0- for each of the years ended December 31, 2025, and 2024.

Other Intangible Assets: Other intangible assets include trade names, developed technology, and customer relationships acquired in connection with the acquisitions of Integrated Microwave Technology, LLC (“IMT”), Vislink Technologies, Inc., Mobile Viewpoint Corporate B.V. (“MVP”), and the assets of Broadcast Microwave Services, LLC (“BMS”). The fair values of the acquired intangible assets were determined with the assistance of an independent third-party valuation firm using generally accepted valuation methodologies.

These intangible assets are amortized over their estimated useful lives, which range from 3 to 15 years. Amortization expense for other intangible assets totaled approximately \$0.8 million and \$1.3 million for the years ended December 31, 2025, and 2024, respectively.

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

NOTE 3 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

Leases

The Company determines whether an arrangement is a lease at the time of inception. Operating lease right-of-use (“ROU”) assets are recorded within “Right-of-use assets, operating leases” on the consolidated balance sheets. Corresponding lease liabilities are classified as “Operating lease obligations, current” and “Operating lease liabilities, net of current portion.”

ROU assets and lease liabilities are recognized at the commencement date of the lease, based on the present value of lease payments for leases with terms greater than twelve months. Lease expense is recognized on a straight-line basis over the lease term. The Company’s real estate lease contracts separate lease and non-lease components.

The present value of lease payments is determined using either the rate implicit in the lease or, if not readily determinable, the Company’s incremental borrowing rate (“IBR”). The IBR is defined as the rate of interest that the Company would pay to borrow, on a collateralized basis and over a similar term, an amount equal to the lease payments in a comparable economic environment. Because most leases do not provide an implicit rate, the Company estimates the IBR based on its historical borrowing rates for similar instruments.

As of December 31, 2025, the Company had no finance leases in its lease portfolio.

Warranty Reserve

The Company provides warranties on specific products and records a liability for estimated warranty obligations at the time of sale. The warranty reserve is based on historical claim experience, product failure rates, and estimated repair or replacement costs. The Company evaluates the adequacy of the warranty reserve regularly and adjusts the liability as necessary based on actual claim data and trends.

While the Company tests its products as part of its quality assurance programs, actual failure rates and service costs may differ from estimates. Revisions to the estimated warranty liability are recorded when required. Warranty expenses are included in the cost of sales, and the related liability is recorded within accrued expenses on the consolidated balance sheets.

The following table summarizes the activity in the warranty reserve:

	Warranty Reserve
December 31, 2023	\$ 133,000
Warranty reserve expense	420,000
Warranty claims settled, and true-up of accrual	(286,000)
December 31, 2024	\$ 267,000
Warranty reserve expense	—
Warranty claims settled, and true-up of accrual	(158,000)
December 31, 2025	\$ 109,000

Research and Development Expenses

The Company expenses research and development (“R&D”) costs as incurred. These costs are included in research and development expenses in the consolidated statements of operations and comprehensive loss.

R&D expenses primarily consist of salaries and employee benefits, including stock-based compensation and payroll taxes, for employees and contractors engaged in research, design, and product development activities. Additional costs include prototype development, facilities, supplies, and travel directly related to R&D efforts.

Advertising Costs

Advertising costs are expensed as incurred and are included in general and administrative expenses in the consolidated statements of operations. Advertising expenses totaled approximately \$0.6 million and \$0.8 million for the years ended December 31, 2025, and 2024, respectively.

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

NOTE 3 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

Shipping and Handling Costs

The Company invoices customers for shipping and handling charges and nets these amounts against the related costs, which are included in general and administrative expenses in the consolidated statements of operations. Shipping and handling costs incurred totaled approximately \$0.8 million and \$0.7 million for the years ended December 31, 2025, and 2024, respectively.

Sales Tax and Value-Added Taxes

The Company accounts for sales taxes and value-added taxes collected from customers on a net basis. Accordingly, such amounts are excluded from revenue and recorded as a liability until remitted to the applicable taxing authorities.

Stock-Based Compensation

The Company accounts for stock-based compensation in accordance with ASC 718, Compensation—Stock Compensation. Awards are measured at fair value on the grant date and recognized as compensation expense over the requisite service period for awards expected to vest. On April 1, 2025, the Company filed a Post-Effective Amendment to its registration statement on Form S-8 to deregister any remaining securities under the 2023 Omnibus Equity Incentive Plan (the “2023 Plan”). Following the delisting of the Company’s common stock from Nasdaq, shareholder approval is no longer required for the issuance of equity awards. No new equity-based awards were granted during the year ended December 31, 2025.

All previously granted awards remain outstanding and continue to be accounted for under ASC 718 over their remaining vesting periods. The Company’s stock-based compensation accounting policies remain unchanged from prior periods. Accordingly, disclosures related to award types, valuation methodologies, and recognition methods previously presented continue to apply. The Company has not granted any new equity awards since the deregistration of the 2023 Plan in April 2025. All previously issued awards continue to vest in accordance with their original terms.

Impairment, Abandonment, and Asset Sales

The Company evaluates long-lived assets, including property, plant, and equipment, as well as right-of-use (“ROU”) assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable, in accordance with ASC 360, Property, Plant, and Equipment. An impairment loss is recognized when the asset's carrying amount exceeds its estimated fair value. Fair value is determined as the greater of value-in-use (undiscounted future cash flows) or net realizable value.

Assets that have been abandoned are considered impaired and are written down to their estimated fair value, which may be zero if no future economic benefits are expected. Gains or losses on asset sales are recognized upon derecognition of the asset and are calculated as the difference between the asset’s net book value and the proceeds received. These amounts are recorded within other income (loss) in the consolidated statements of operations.

As of December 31, 2025, the Company had not recognized any impairments or asset abandonments related to its restructuring initiatives; however, the recoverability of long-lived assets continues to be evaluated as the restructuring progresses.

Income Taxes

Under ASC 740, Income Taxes, as part of our consolidated financial statements, we must estimate our income tax provision (benefit) in each jurisdiction we operate. The Company uses the asset-and-liability method of accounting for income taxes. The recognition of deferred income tax assets and liabilities for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases falls under this method. Deferred income tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years these temporary differences are expected to be recovered or settled. The recognition of the effect on deferred tax assets and liabilities of a change in income tax rates occurs in the period that includes the enactment date. A valuation allowance is provided for those deferred tax assets for which management cannot conclude that it is more likely than not that they will be realized. The Company will file income tax returns in the U.S. federal jurisdiction and various state and foreign jurisdictions. The Company recognizes the impact of an uncertain tax position in its financial statements if, in management’s judgment, it is more likely than not sustainable upon audit based upon the position’s technical merits. It involves identifying potential uncertain tax positions, evaluating applicable tax laws, and assessing whether the liability for uncertain tax positions is necessary. The Company’s policy is to classify any tax-related interest expenses and penalties as general and administrative expenses.

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

NOTE 3 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

Fair Value of Financial Instruments and Fair Value Measurements

The Company applies ASC 820, Fair Value Measurement, which defines fair value as the price at which an asset or a liability could be sold or transferred in an orderly transaction between market participants at the measurement date. Fair value is based on market participant assumptions, not those of the reporting entity.

ASC 820 establishes a three-level hierarchy for inputs used in fair value measurements:

- Level 1: Quoted prices for identical assets or liabilities in active markets.
- Level 2: Observable inputs other than Level 1, such as quoted prices for similar assets or market-corroborated data.
- Level 3: Unobservable inputs based on the Company's own assumptions.

The Company's financial instruments include cash equivalents, investments, accounts receivable, prepaid and other current assets, accounts payable, accrued expenses, and short-term debt. These instruments are not regularly measured at fair value. However, their carrying amounts approximate fair value due to their short-term nature.

Foreign Currency and Other Comprehensive (Gains) Losses

The Company accounts for foreign currency transactions and translation in accordance with ASC 830, Foreign Currency Matters. Gains and losses from foreign currency transactions are recognized in earnings, except for translation adjustments related to certain long-term intercompany balances deemed to be part of the net investment in a foreign entity. Such adjustments are recorded in other comprehensive income.

The Company has two foreign subsidiaries, located in the United Kingdom and the Netherlands, whose functional currencies are the British Pound and the Euro, respectively. Assets and liabilities of these subsidiaries are translated into U.S. Dollars at the exchange rates in effect as of the balance sheet date. In contrast, income and expense items are translated at average exchange rates for the applicable reporting period. Translation adjustments are included in accumulated other comprehensive income (loss), a separate component of stockholders' equity.

Transaction gains and losses arising from changes in exchange rates between the transaction date and settlement or reporting date are included in general and administrative expenses in the consolidated statements of operations.

Loss Per Share

The Company computes loss per share in accordance with ASC 260, Earnings Per Share. Basic loss per share is calculated by dividing net loss attributable to common stockholders by the weighted-average number of common shares outstanding during the period, excluding the impact of common stock equivalents.

Diluted loss per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock. Diluted loss per share is calculated using the treasury stock method to reflect the potential dilutive effect of stock options, warrants, and other common stock equivalents outstanding during the period. However, for periods in which the Company reports a net loss, all such common stock equivalents are considered anti-dilutive and are excluded from the calculation. As a result, basic and diluted losses per share are the same for those periods.

Treasury Stock

The Company accounts for treasury stock under the cost method. Repurchases of common stock are recorded at cost and presented as a reduction of stockholders' equity. Upon reissuance, the difference between the repurchase cost and the reissuance price is recorded as additional paid-in capital, to the extent of any previous credits related to treasury stock. Any remaining excess of repurchase cost over reissuance proceeds is charged to accumulated deficit.

Investment in Debt Securities

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 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 December 31, 2025, the Company held no investments in debt securities.

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

NOTE 3 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

Recently Issued Accounting Pronouncements

Adopted:

During the year ended December 31, 2025, the Company adopted ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. This standard requires expanded disclosures on income tax rate reconciliation and income taxes paid by jurisdiction. The adoption resulted in enhanced income tax footnote disclosures but did not have a material impact on the Company’s consolidated financial statements.

No other new accounting pronouncements adopted or issued during the year are expected to have a material effect on the Company’s consolidated financial statements.

Not yet adopted:

The Company has evaluated recent accounting pronouncements and does not expect the adoption of any such standards to have a material impact on its consolidated financial statements, except as noted below.

In July 2025, the FASB issued ASU 2025-05, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets. This update provides a practical expedient permitting entities to assume that current economic conditions will remain unchanged over the life of trade receivables and contract assets arising under ASC 606, Revenue Recognition. In addition, non-public entities may elect to consider cash collections received after the balance sheet date but before the financial statements are issued when estimating expected credit losses.

ASU 2025-05 is effective for fiscal years beginning after December 15, 2025, and interim periods within those years. Early adoption is permitted. The Company is currently evaluating the impact of this guidance and whether it will elect the available expedients upon adoption.

In December 2025, the FASB issued Accounting Standards Update (ASU) 2025-11, Interim Reporting (Topic 270): Narrow Scope Improvements. This guidance clarifies that ASC 270, Interim Reporting, applies to all entities that prepare interim financial statements in accordance with U.S. GAAP and compiles a comprehensive list of required interim disclosures. The ASU also introduces a disclosure principle requiring entities to provide information in interim periods about events or changes that have a material effect on the entity since the end of the most recent annual reporting period. The amendments do not affect annual financial statement disclosures.

ASU 2025-11 is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, for public business entities, and after December 15, 2028, for all other entities. Early adoption is permitted. The guidance may be applied prospectively or retrospectively. Management is currently evaluating the impact of this guidance on future interim reporting disclosures.

NOTE 4 — LOSS PER SHARE

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

	For the Years Ended December 31,	
	2025	2024
Anti-dilutive potential common stock equivalents excluded from the calculation of loss per share:		
Stock options	109	72
Warrants	379	379
	488	451

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

NOTE 5 — FOREIGN CURRENCY AND OTHER COMPREHENSIVE (GAINS) LOSSES

The Company recognized foreign exchange transaction gains and losses, and changes in accumulated other comprehensive income related to foreign currency translation, as follows:

	For the Years Ended December 31,	
	2025	2024
Net foreign exchange transactions:		
(Gains) Losses	\$ 178,000	\$ 129,000
Accumulated comprehensive income:		
Unrealized (gains) losses on currency translation adjustment	\$ (380,000)	\$ 425,000

Amounts converted to U.S. dollars from British pounds and Euros were translated using the following weighted average and spot exchange rates:

	Weighted Average	Spot Rate
12/31/25:		
U.S. Dollars to British Pounds	\$1= £0.758443	\$1= £0.743218
U.S. Dollars to Euros	\$1= €0.884729	\$1= €0.851832
12/31/24:		
U.S. Dollars to British Pounds	\$1= £0.782501	\$1= £0.797773
U.S. Dollars to Euros	\$1= €0.924181	\$1= €0.962798

NOTE 6 — 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. A cash equivalent consists of unrestricted funds invested in a money market mutual fund. The money market mutual fund is a government fund that maintains a stable net asset value of \$1.00 per share and is classified as a Level 1 input under the fair value hierarchy in accordance with ASC 820. The following table presents the Company's cash and cash equivalents:

	For the Years Ended December 31,	
	2025	2024
Cash on hand	\$ 1,817,000	\$ 3,256,000
Federally insured money market mutual funds	2,342,000	2,245,000
Total cash and cash equivalents	\$ 4,159,000	\$ 5,501,000

NOTE 7 — 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 December 31, 2025, the Company has no investments in debt securities.

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

NOTE 8 — FAIR VALUE OF ASSETS AND LIABILITIES

ASC 820, “Fair Value Measurement and Disclosures,” establishes a three-level fair value hierarchy based on the observability of inputs. The Company measures certain assets at fair value on a non-recurring basis, primarily in connection with impairment evaluations of long-lived assets. As of December 31, 2025, and 2024, the Company did not hold any assets or liabilities that are measured at fair value on a regular basis.

The following tables present the Company’s non-recurring fair value measurements as of December 31, 2025, and 2024:

	Quoted Prices in Active Markets of Identical Assets/Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
December 31, 2025:				
Assets				
Non-recurring:				
Right-of-use assets, operating leases			569,000	569,000
Intangible assets			2,006,000	2,006,000
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 2,575,000</u>	<u>\$ 2,575,000</u>
December 31, 2024:				
Assets				
Federal Bonds Held to Maturity	\$ —	\$ 995,000	\$ —	\$ 995,000
Non-recurring:				
Right-of-use assets, operating leases			297,000	297,000
Intangible assets			2,578,000	2,578,000
	<u>\$ —</u>	<u>\$ 995,000</u>	<u>\$ 2,875,000</u>	<u>\$ 3,870,000</u>

NOTE 9 — ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

	For the Years Ended December 31,	
	2025	2024
Accounts receivable	\$ 3,691,000	\$ 6,582,000
Allowance for credit losses	(322,000)	(624,000)
Net accounts receivable	<u>\$ 3,369,000</u>	<u>\$ 5,958,000</u>

During the years ended December 31, 2025, and 2024, the Company incurred bad-debt expenses of \$133,000 and \$610,000, respectively. Additionally, for the years ended December 31, 2025, and 2024, we recorded bad-debt recoveries of \$281,000 and \$0, respectively.

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

NOTE 10 — INVENTORIES

Inventories are stated at the lower of cost or net realizable value, with cost determined using the first-in, first-out (FIFO) method, and are summarized as follows:

	For the Years Ended December 31,	
	2025	2024
Raw materials	\$ 7,783,000	\$ 10,660,000
Work-in-process	763,000	651,000
Finished goods	6,452,000	5,967,000
Sub-total inventories	14,998,000	17,278,000
Less reserve for slow-moving and excess inventory	(9,366,000)	(9,715,000)
Total inventories, net	\$ 5,632,000	\$ 7,563,000

Inventory valuation adjustments consist primarily of reserves for slow-moving, excess, or obsolete items. The Company recorded inventory valuation charges of \$731,000 and \$819,000 for the years ended December 31, 2025, and 2024, respectively.

The Company's restructuring activities, which began in 2024 and continued into 2025, included the closure of its Poway, California, manufacturing facility and the downsizing of its UK operations. In connection with these actions, specific product lines were discontinued, resulting in an inventory impairment charge of \$6,009,000 during the year ended December 31, 2024. No comparable impairment was recorded in 2025.

NOTE 11 — PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	Useful Life (Years)	For the Years Ended December 31,	
		2025	2024
Cost:			
Furniture and fixtures	3 – 10	\$ 224,000	\$ 174,000
Leasehold improvements (a)	3 - 14	484,000	470,000
Computers, software, and equipment	3 - 11	4,187,000	4,130,000
		4,895,000	4,774,000
Accumulated depreciation		(3,321,000)	(2,790,000)
Property and equipment, net		\$ 1,574,000	\$ 1,984,000

Depreciation of property and equipment amounted to \$529,000 and \$352,000 for the years ended December 31, 2025, and 2024, respectively. Additionally, the Company removed approximately \$-0- and \$128,000 of property and equipment for the years ended December 31, 2025, and 2024, respectively.

(a) The shorter economic life or remaining lease term.

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

NOTE 12 — INTANGIBLE ASSETS

The Company monitors operating results, events, and circumstances that may indicate potential impairment of intangible assets. Management concluded that no triggering events occurred during the years ended December 31, 2025, and 2024.

Summary of Intangible Assets

The following table presents the gross carrying amount, accumulated amortization, and net book value of the Company's finite-lived intangible assets by primary class as of December 31, 2025:

<u>Asset Class</u>	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>
Proprietary Technology	\$ 2,132,000	\$ (2,023,000)	\$ 109,000
Trade Names & Technology	2,251,000	(1,603,000)	648,000
Customer Relationships	5,591,000	(4,342,000)	1,249,000
Totals	<u>\$ 9,974,000</u>	<u>\$ (7,968,000)</u>	<u>\$ 2,006,000</u>

The following table presents the gross carrying amount, accumulated amortization, and net book value of the Company's finite-lived intangible assets by primary class as of December 31, 2024:

<u>Asset Class</u>	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>
Proprietary Technology	\$ 2,132,000	\$ (1,408,000)	\$ 724,000
Trade Names & Technology	2,251,000	(1,327,000)	924,000
Customer Relationships	5,591,000	(3,373,000)	2,218,000
Totals	<u>\$ 9,974,000</u>	<u>\$ (6,108,000)</u>	<u>\$ 3,866,000</u>

Note: As of December 31, 2025, and 2024, all capitalized patent and license costs have been fully amortized and are excluded from the table above.

Intangible Asset Narrative

- Proprietary Technology is generally amortized over 3 to 5 years.
- Patents and Licenses were amortized over 18.5 to 20 years. All such costs are now fully amortized.
- Trade Names, Technology, and Customer Relationships are amortized over 3 to 15 years. These assets were primarily acquired through business combinations, including IMT, MVP, and BMS.

Schedule for amortization of intangible assets:

	For the Years Ended	
	December 31,	
	2025	2024
Proprietary Technology	\$ 177,000	\$ 438,000
Trade Names and Technology	138,000	138,000
Customer Relationships	257,000	712,000
	<u>\$ 572,000</u>	<u>\$ 1,288,000</u>

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

NOTE 12 — INTANGIBLE ASSETS (continued)

Schedule of estimated amortization expenses for intangible assets for the:

Period ending December 31,	
2026	\$ 415,000
2027	289,000
2028	288,000
2029	288,000
2030	287,000
Thereafter	439,000
	<u>\$ 2,006,000</u>

The weighted average remaining life of the amortization of the Company's intangible assets is approximately 4.9 years as of December 31, 2025.

NOTE 13 — ACCRUED EXPENSES

Accrued expenses consist of the following:

	For the Years Ended December 31,	
	2025	2024
Compensation	\$ 429,000	\$ 459,000
Commissions	25,000	372,000
Warranty	111,000	268,000
Audit Fees	190,000	276,000
Accrued expenses other	821,000	653,000
	<u>\$ 1,576,000</u>	<u>\$ 2,028,000</u>

NOTE 14 — RESTRUCTURING COSTS

On November 12, 2024, the Company initiated restructuring actions to streamline operations, reduce costs, and consolidate certain global functions. These actions included the closure of the Poway, California, facility, the transfer of certain United Kingdom operations to the United States, and workforce reductions.

During the years ended December 31, 2025, and 2024, the Company recognized restructuring charges totaling approximately \$487,000 and \$489,000, respectively, primarily related to employee severance and other termination benefits associated with these initiatives, as well as lease termination fees. These costs were recognized in the periods incurred in accordance with the recognition and measurement guidance in ASC 420-10-25, Exit or Disposal Cost Obligations, when the related obligations were probable and reasonably estimable, and the recognition criteria were met.

During the year ended December 31, 2025, and 2024, the Company made cash payments of \$708,000 and \$68,000, respectively, against previously accrued restructuring liabilities.

The following table summarizes activity in the accrued restructuring liability for the years ended December 31, 2025, and 2024:

	For the Years Ended December 31,	
	2025	2024
Beginning balance	\$ 421,000	\$ -0-
Restructuring costs incurred	487,000	489,000
Cash payments	(708,000)	(68,000)
Ending balance	<u>\$ 200,000</u>	<u>\$ 421,000</u>

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

NOTE 15 — NOTES PAYABLE

The table below represents the Company's notes payable as of December 31, 2025, and 2024:

	Principal	
	December 31, 2025	December 31, 2024
On May 5, 2025, the Company renewed its Directors and Officers (D&O) insurance policy with an annual premium of approximately \$413,000, a reduction from the previous year's premium. A \$43,000 down payment was made at inception, and the remaining balance of approximately \$370,000 was financed through a third-party premium financing agreement. The arrangement included a nine-month term at an annual interest rate of 6.2%, resulting in monthly payments of approximately \$38,000, including principal and interest. The Company recognized interest expense of approximately \$10,000 and \$0 for the years ended December 31, 2025, and 2024, respectively.	\$ 76,000	\$ —
On April 23, 2024, the Company renewed its Directors and Officers (D&O) insurance policy with an annual premium of approximately \$788,000, reduced from the previous year's amount. A \$278,000 down payment was made at inception, and the remaining balance of approximately \$510,000 was financed through a third-party premium financing agreement. The arrangement included a nine-month term at an annual interest rate of 7.5%, resulting in monthly payments of approximately \$58,000, including principal and interest. The Company recorded interest expense of \$0 and \$14,000 for the years ending December 31, 2025, and 2024, respectively.	—	56,000
	\$ 76,000	\$ 56,000

NOTE 16 — LEASES

The Company leases office spaces, operational sites, storage facilities, and warehouse locations both domestically and internationally. As of December 31, 2025, these operating leases have terms ranging from one to six years. Some lease agreements include provisions for rent increases and concessions, leading to higher payments. Lease costs are recognized on a straight-line basis over the minimum lease term. The Company has opted for the short-term lease exemption under ASC 842, Leases, and therefore does not record right-of-use assets or lease liabilities for leases with terms of twelve months or less. Short-term lease costs are expensed evenly throughout the lease term.

No significant adjustments to straight-line rent expense were recognized during the reporting periods. Lease payments mainly represent fixed rental obligations and are included in cash flows from operating activities. Some leases include renewal options; however, the Company is not obliged to renew. Expenses related to short-term leases, taxes, and variable fees were immaterial. As of December 31, 2025, the Company reported right-of-use (ROU) assets of approximately \$0.6 million, net of \$1.0 million in accumulated amortization. Operating lease liabilities totaled approximately \$0.7 million, with \$0.3 million classified as current and \$0.4 million as non-current. The weighted-average remaining lease term was 3.0 years, and the weighted-average discount rate was 8.7%.

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

NOTE 16 — LEASES (continued)

New Lease Agreements:

Operating Lease – Waterside House

Upon signing the new lease, the Company concurrently surrendered the prior operating lease for the same premises by deed of surrender dated August 1, 2025. The right-of-use asset related to the former lease was fully impaired as of December 31, 2024. The remaining lease liability was settled in full as of July 31, 2025. In accordance with ASC 842-20-40-1, the Company recorded a gain of approximately \$81,000 upon extinguishing the lease obligation without an associated asset. This gain was included in income from continuing operations for the year ending December 31, 2025. The new lease is classified as an operating lease under ASC 842.

The lease requires fixed annual payments of \$86,000, increasing by \$3,000 each year, reaching \$98,000 in the fifth year. The total undiscounted lease payments over the term amounted to \$460,000. Rent is payable quarterly in advance. At lease commencement, the Company recognized a right-of-use asset and a corresponding lease liability of approximately \$374,000, measured using its incremental borrowing rate of 8.2%, applicable to lease terms of three to five years. The lease does not include renewal, purchase, or early termination options.

The lease is denominated in British pounds sterling. In accordance with ASC 830, the right-of-use asset, as a non-monetary asset, was initially measured using the spot exchange rate on the lease commencement date and is not subsequently remeasured. Amortization of the asset is recognized using the historical exchange rate at the start date. The lease liability, classified as a monetary obligation, is remeasured at each reporting date using the applicable spot exchange rate.

Operating Lease – Singapore Office

On August 2, 2025, the Company entered into a two-year operating lease for Office 821 at the Hiap Hoe Building, located at 18 Ah Hood Road in Zhongshan Park, Singapore. The lease is classified as an operating lease under ASC 842 and did not replace the Company's previous lease at 8 Burn Road, which remained valid through August 9, 2025. The new lease requires fixed monthly payments of approximately \$2,000, billed monthly in advance, totaling around \$48,000 over the lease term.

At lease commencement, the Company recognized a right-of-use asset and a corresponding lease liability of approximately \$56,000, measured using its incremental borrowing rate of 7.5% over the two-year term. The lease does not include any renewal, purchase, or early termination options.

The lease is denominated in Singapore dollars. In accordance with ASC 830, the right-of-use asset, being a non-monetary asset, was initially measured at the spot exchange rate on the lease commencement date and is not remeasured thereafter. Amortization of the asset is recognized using the historical exchange rate at the start of the lease. The lease liability, a monetary obligation, is re-measured at each reporting date using the current spot exchange rate.

Short-Term Lease – Dubai Office

Effective July 3, 2025, the Company entered into a one-year lease for Office 108 in the Makateb 2 Building, located in Dubai Production City, United Arab Emirates. The lease covers approximately 646 square feet of commercial office space and qualifies as a short-term lease under ASC 842-20. Since the lease term does not exceed 12 months and includes no renewal, purchase, or termination options that are reasonably certain to be exercised, it is not capitalized. Rent expense is recognized on a straight-line basis over the lease duration in accordance with the Company's short-term lease accounting policy.

The monthly rent is about \$1,389. The lease is expressed in UAE dirhams and is subject to remeasurement into foreign currency under ASC 830. The agreement does not involve any non-lease components that require separate accounting.

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

NOTE 16 — LEASES (continued)

Lease Cost Summary:

	For the Years Ended December 31,	
	2025	2024
Lease cost:		
Operating lease cost	\$ 321,000	\$ 566,000
Short-term lease cost	145,000	114,000
Total lease cost	<u>\$ 466,000</u>	<u>\$ 680,000</u>
Cash paid for lease liabilities		
Cash flows from operating leases	<u>\$ 479,000</u>	<u>\$ 533,000</u>
Right-of-use assets obtained in exchange for new operating lease liabilities	<u>\$ 430,000</u>	<u>\$ —</u>
Weighted-average remaining lease term—operating leases	<u>3.0 years</u>	<u>1.8 years</u>
Weighted-average discount rate – operating leases	<u>8.7%</u>	<u>9.4%</u>
Right-of-use-assets:		
Cost	\$1,565,000	\$ 2,333,000
Accumulated amortization	(996,000)	(2,036,000)
	<u>\$ 569,000</u>	<u>\$ 297,000</u>
Operating lease liability:		
Current portion	\$ 322,000	\$ 459,000
Non-current portion	372,000	291,000
	<u>\$ 694,000</u>	<u>\$ 750,000</u>

Maturities of Operating Lease Liabilities as of December 31, 2025:

Fiscal Year	Lease Payments
2026	\$ 367,000
2027	170,000
2028	94,000
2029	97,000
2030	57,000
thereafter	—
Total lease payments	<u>785,000</u>
Less: imputed interest	91,000
Present value of lease liabilities	<u>694,000</u>
Less: Current lease liabilities	322,000
Non-current lease liabilities	<u>\$ 372,000</u>

Right-of-use Operating Lease Locations and Terms:

Location	Square Footage	Lease End Date	Approximate Future Payments
Waterside House, Colchester, U.K.	6,964 sq. ft.	Jul 2030	\$ 357,000
Billerica, MA	2,000 sq. ft.	Dec 2026	\$ 103,000
Mount Olive, NJ	7,979 sq. ft.	May 2027	\$ 188,000
Novena, Singapore	150 sq. ft.	Aug 2027	\$ 46,000

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

NOTE 17 — PREFERRED SHARES

Preferred stock

As authorized by the Company's Certificate of Incorporation, the Board may issue preferred stock in one or more series, with such rights, preferences, and designations as the Board may determine. As of December 31, 2025, and 2024, no shares of preferred stock were authorized for issuance, issued, or outstanding.

The Company previously designated five series of preferred stock (Series A through Series E) under its blank check preferred stock authorization. Each series was fully redeemed, terminated, or eliminated before 2024, and all prior series designations were eliminated through filings with the Secretary of State of the State of Delaware. As a result, the related shares reverted to authorized but unissued and undesignated status in accordance with the Company's governing documents and applicable Delaware law.

Series A Preferred Stock (2022 issuance)

On November 9, 2022, the Company designated 47,500 shares of Series A Preferred Stock, par value 0.00001 per share (the "Series A Preferred Stock"), and declared a dividend of one one-thousandth of a share of Series A Preferred Stock for each outstanding share of common stock. The Series A Preferred Stock was authorized solely to facilitate a shareholder vote on a proposed reverse stock split and carried 1,000,000 votes per share, or 1,000 votes per one-thousandth share. These shares were entitled to vote exclusively on the reverse split proposal and had no economic rights, conversion rights, dividend rights, or liquidation preference.

Because redemption of the Series A Preferred Stock was contingent upon the voting behavior of the holders, and thus not solely within the Company's control, the shares were classified in mezzanine equity in accordance with guidance on redeemable securities. Redemption occurred in two stages: an automatic redemption for non-participating holders at the time of the shareholder meeting on January 11, 2023, and a subsequent redemption for remaining holders following the reverse split approval or Board action. Each share was redeemable for 0.00001 in cash per ten whole shares of common stock beneficially owned, contingent upon a written redemption request.

The Series A Preferred Stock was measured at its redemption value at each reporting date. As of December 31, 2023, and 2022, the redemption value was de minimis. As of December 31, 2024, no shares of Series A Preferred Stock were authorized, issued, or outstanding. On March 24, 2023, the Company filed a Certificate of Elimination with the Secretary of State of the State of Delaware to remove the designation of the Series A Preferred Stock, and the shares resumed the status of authorized but unissued and undesignated preferred stock.

Preferred stock activity post-2024

Between January 1, 2025, and the date of this OTCID filing, the Company did not authorize or designate any new series of preferred stock. There were no preferred stock issuances, redemptions, or other preferred stock obligations outstanding during this period.

NOTE 18 — STOCKHOLDERS' EQUITY

Common Stock

The Company is authorized to issue up to 100,000,000 shares of Common Stock, \$0.00001 par value per share. As of December 31, 2025, and 2024, the Company had 2,479,618 and 2,467,618 shares issued, and 2,479,485 and 2,467,485 shares of common stock outstanding, respectively.

Common Stock Activity

For the year ending December 31, 2025

- Issued 12,000 shares of common stock in satisfaction of the conversion of restricted stock unit awards and
- Recognized approximately \$750,000 of stock-based compensation costs associated with outstanding stock options in general and administrative expenses, offsetting additional capital investments.

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

NOTE 18 — STOCKHOLDERS' EQUITY (continued)

Common Stock Activity (continued)

For the year ending December 31, 2024

- Issued 8,000 shares of common stock to specific board members as part of a commitment agreement valued at \$160,000 (the common stock's value was determined on the agreement's original date).
- Issued 19,695 shares of common stock in satisfaction of the conversion of restricted stock unit awards and
- Recognized approximately \$996,000 of stock-based compensation costs associated with outstanding stock options in general and administrative expenses, offsetting additional capital investments.

Common Stock Warrants

During the year ended December 31, 2025, no warrants expired or were forfeited. As of December 31, 2025, warrants to purchase 378,789 shares of common stock were outstanding and exercisable. The weighted average exercise price was \$65.00 per share, and the weighted average remaining contractual life was 0.1 years. These warrants had no intrinsic value as of December 31, 2025.

The following tables set forth common stock purchase warrants outstanding as of December 31, 2025, and 2024:

	Number of Warrants (in shares)	Weighted Average Exercise Price
Outstanding and exercisable, December 31, 2023	456,080	\$ 65.10
Warrants expired and were forfeited.	(77,291)	(65.30)
Outstanding and exercisable, December 31, 2024	378,789	65.00
Warrants expired forfeited	-0-	-0-
Outstanding and exercisable, December 31, 2025	378,789	\$ 65.00

Common stock issuable upon exercise of warrants outstanding and exercisable						
For the Year Ending December 31, 2025				For the Year Ending December 31, 2024		
Range of Exercise Prices	Warrants Outstanding and Exercisable (in shares)	Weighted Average Remaining Contractual Life (years)	Weighted Average Exercise Price	Warrants Outstanding and Exercisable (in shares)	Weighted Average Remaining Exercisable Contractual Life (years)	Weighted Average Exercise Price
\$65.00	378,789	0.10 yrs	\$ 65.00	378,789	1.11 yrs	\$ 65.00
	378,789	0.10 yrs	\$ 65.00	378,789	1.11 yrs	\$ 65.00

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

NOTE 19 — STOCK-BASED COMPENSATION

Overview:

The Company utilizes stock-based compensation to attract, retain, and incentivize employees, officers, directors, and consultants. These awards are designed to align recipients' interests with those of shareholders and are issued under various equity incentive plans and inducement award arrangements.

Equity Incentive Plans:

The Company has administered multiple stock incentive plans, including the 2013, 2015, 2016, and 2017 plans, under which stock options may be granted with a vesting schedule of up to 3 years and an exercisable period of up to 10 years. Certain amendments, such as immediate vesting upon termination and the removal of award limits, have been implemented to maintain flexibility. In August 2023, the Company adopted the 2023 Plan, which superseded prior plans. The 2023 Plan allows for a broad range of equity awards and authorizes the issuance of 166,415 shares of common stock. It is administered by the Board and its Compensation and Governance Committee.

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 SEC to deregister any remaining unissued securities previously available under the 2023 Plan under the Securities Act of 1933, as amended (the "Securities Act"). As a result, any securities issued under the 2023 Plan are no longer registered under the Securities Act. Following the delisting of its common stock from Nasdaq, the Company no longer requires shareholder approval to issue equity awards under a stockholder approval plan or otherwise.

Ongoing Accounting for Previously Granted Awards:

All equity-based awards granted before the plan's termination remain outstanding and are accounted for under ASC 718, Compensation—Stock Compensation, over their remaining vesting periods. During the year ending December 31, 2025, the Company did not grant any new equity-based awards.

Inducement Awards:

Pursuant to Nasdaq Listing Rule 5635(c)(4), the Company issues stock options outside of its formal plans as inducement awards for new employees. These awards include time-vested and performance-based options and are subject to continued employment.

Restricted Stock Unit ("RSU") Awards:

RSUs are granted with either time-based or performance-based vesting. Time-based RSUs generally vest 25% to 33% after one year, with the remainder vesting in equal monthly installments over 24 to 36 months. Performance-based RSUs vest in three tranches based on achieving specified performance targets and continued service.

Summary of stock-based compensation for all equity award plans:

In line with ASC 718-10-50-2(f), the Company recorded stock-based compensation expense for awards granted earlier during the years ended December 31, 2025, and 2024, respectively. These costs are reported within general and administrative expenses in the consolidated statements of operations.

	For the Years Ended December 31,	
	2025	2024
Equity-based plans:		
Time-vested option inducement awards	\$ —	\$ 113,000
Time-based restricted stock awards	750,000	883,000
	\$ 750,000	\$ 996,000

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

NOTE 19 — STOCK-BASED COMPENSATION (continued)

Equity Award Activity for the year ended December 31, 2025:

- Equity incentive plan stock options—1,771 units are outstanding and exercisable on December 31, 2024; during the year ending December 31, 2025, 360 units were forfeited; and as of December 31, 2025, 1,411 units are outstanding and exercisable with a weighted average price of \$1,808.42. These awards have no intrinsic value on December 31, 2025.
- Time-vested inducement options—17,966 units are outstanding and exercisable on December 31, 2025, and 2024, with a weighted average price on December 31, 2025, of \$32.90, respectively. These awards have no intrinsic value on December 31, 2025.
- Performance-based inducement options—All 12,500 options outstanding at the prior year-end were forfeited during 2025. No units remained outstanding.
- Time-based RSUs—128,989 units were outstanding, and 56,563 units were exercisable on December 31, 2024; during the year ending December 31, 2025, 26,735 units were forfeited, and 33,511 units were vested; and as of December 31, 2025, 102,257 units were outstanding and 90,074 units were exercisable with a weighted average price of \$18.90 and \$20.50 respectively.
- Performance-based RSUs—109,807 units were outstanding on December 12, 2024; during the year ending December 31, 2025, 44,054 units were forfeited; and as of December 31, 2025, 65,753 units were outstanding with a weighted average price of \$17.46. These awards have no intrinsic value and no units exercisable on December 31, 2025.

Valuation and remaining expenses for the year ended December 31, 2025:

- Equity incentive plan stock options—no remaining expense and amortization period. The weighted average remaining contractual life is 1.5 years. Exercise price range: \$139.20 to \$1,944.00.
- Time-vested inducement options—no remaining expense and amortization period. The weighted average remaining contractual life is 4.1 years. Exercise price: \$34.20.
- Performance-based inducement options—no remaining expenses, amortization period, and contractual life.
- Time-based RSUs—remaining expense: \$549,700; average remaining amortization period: 0.2 years. The weighted-average remaining contractual lives of the outstanding and exercisable options are 0.3 and 0.2 years, respectively. Exercise price range: \$3.36-\$72.00.
- Performance-based RSUs—remaining expense: \$1,418,000; average remaining amortization period: 0.1 years. Exercise price range: \$3.36-\$21.00.

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

NOTE 20 — COMMITMENTS AND CONTINGENCIES

Pension Plans:

The Company maintains defined contribution pension arrangements for eligible employees in both the United States and the United Kingdom. In the United States, the Company may make discretionary matching contributions to employees' 401(k) retirement plan accounts. In the United Kingdom, the Company's subsidiary sponsors a Group Personal Pension Plan administered by Royal London and a Stakeholder Pension Plan. Participation is offered to eligible employees, with employer contributions varying based on employee classification and employment terms.

The following table summarizes the Company's matching contributions to the Group Personal Pension Plan for the periods presented:

	For the Years Ending December 31,	
	2025	2024
Company matching contributions - Group Personal Pension Plan	\$ 127,000	\$ 142,000

NOTE 21 — CONCENTRATIONS

Customer Concentration:

For the years ended December 31, 2025, and 2024, no individual customer accounted for 10% or more of consolidated net sales.

As of December 31, 2025, no individual customer accounted for 10% or more of consolidated net accounts receivable. As of December 31, 2024, one customer accounted for approximately \$1,180,000 of consolidated net accounts receivable, representing more than 10% of the consolidated balance.

Vendor Concentration:

For the year ended December 31, 2025, one vendor accounted for approximately \$926,000 (21%) of the Company's consolidated inventory purchases. For the year ended December 31, 2024, two vendors accounted for approximately \$2,974,000 (23%) and \$1,504,000 (12%) of consolidated inventory purchases, respectively.

As of December 31, 2025, one vendor accounted for approximately \$317,000 (13%) of consolidated accounts payable. As of December 31, 2024, three vendors accounted for approximately \$366,000 (15%), \$285,000 (12%), and \$249,000 (10%) of consolidated accounts payable, respectively.

NOTE 22 – REVENUE

Segment Information

The Company operates as a single operating segment, as defined under Accounting Standards Codification (ASC) 280, Segment Reporting. The Chief Executive Officer and the Acting Chief Financial Officer, acting together as the Chief Operating Decision Maker (CODM), assess financial performance and allocate resources based on the Company's consolidated operating results.

For the years ended December 31, 2025, and 2024, the CODM reviewed consolidated financial information, including significant expense categories such as cost of components and personnel, selling, general, and administrative expenses, research and development expenses, and inventory valuation charges in accordance with ASC 330, Inventory. This information is reflected in the Consolidated Statements of Operations and Other Comprehensive Loss.

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

NOTE 22 – REVENUE (continued)

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

	For the Years Ending December 31,	
	2025	2024
Primary geographical markets:		
North America	\$ 7,332,000	\$ 11,783,000
South America	324,000	21,000
Europe	5,896,000	7,835,000
Asia	2,965,000	3,513,000
Rest of World	1,969,000	4,577,000
	<u>\$ 18,486,000</u>	<u>\$ 27,729,000</u>
Primary revenue source:		
Equipment sales	\$ 15,577,000	\$ 23,471,000
Installation, integration, and repairs	1,269,000	2,634,000
Service level agreements	1,305,000	1,314,000
Warranties	335,000	310,000
	<u>\$ 18,486,000</u>	<u>\$ 27,729,000</u>
Long-Lived Assets:		
	As of December 31,	
	2025	2024
United States	\$ 1,749,000	\$ 2,420,000
Netherlands	—	2,000
United Kingdom	2,400,000	2,437,000
	<u>\$ 4,149,000</u>	<u>\$ 4,859,000</u>

NOTE 23 – OTHER INCOME

During the year ended December 31, 2025, the Company received approximately \$660,000 in cash under the Employee Retention Credit ("ERC"), a refundable payroll tax credit established by the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") and subsequent legislation, including the amount in other income on the Consolidated Statements of Operations and Other Comprehensive Loss. The credit pertains to qualified wages paid in prior periods impacted by the COVID-19 pandemic and was recorded as other income in the accompanying consolidated statement of operations. The Company has submitted an additional ERC claim; however, the timing and amount of any further refunds remain uncertain as of the date of these financial statements.

Additionally, the Company has been pursuing tax rebates related to research and development expenditures incurred by its U.K. subsidiary. During the year ended December 31, 2024, the Company recognized \$378,000 in such rebates as other income. No tax rebates have been recognized for the year ending December 31, 2025.

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

NOTE 24 — INCOME TAXES

The provision (benefit) for income taxes consists of the following:

	For the Years Ended December 31,	
	2025	2024
Current tax provision		
Federal	\$ —	\$ —
State	15,000	—
	<u>15,000</u>	<u>—</u>
Deferred tax provision (benefit)		
Federal	(790,100)	(1,480,500)
State	(95,600)	2,700
Foreign	(1,173,000)	(3,066,000)
Change in the valuation allowance.	2,124,100	4,398,800
Total deferred tax provision (benefit)	<u>65,400</u>	<u>(145,000)</u>
Income tax benefit	<u>\$ 80,400</u>	<u>\$ (145,000)</u>

A reconciliation of the statutory tax rate to the effective tax rate is as follows:

	For the Years Ended December 31,	
	2025	2024
Statutory federal income tax rate	21.00%	21.00%
State and local taxes, net of federal benefit	0.86	(0.03)
Permanent differences	0.76	0.34
Equity compensation	(1.69)	(0.90)
Provision to return	(8.55)	0.10
Foreign Rate Differential	1.47	1.67
Change rate	(0.21)	(1.95)
Valuation allowance	(14.50)	(19.55)
Effective tax rate	<u>(0.86)%</u>	<u>0.68%</u>

Under the provisions of ASC 740, the Company may recognize the benefits of uncertain tax positions when it is more likely than not that the merits of the position(s) will be sustained upon audit by the relevant tax authorities. No uncertain tax positions were taken or expected on a tax return that would be determined to be an unrecognized tax benefit recorded on the Company's financial statements for the years ended December 31, 2025, or 2024. The Company does not expect its unrecognized tax benefit position to change during the next twelve months.

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

NOTE 24 — INCOME TAXES (continued)

Deferred income taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial accounting purposes and the amounts used for income tax reporting. Significant components of the Company's deferred tax assets are as follows:

	For the Years Ended December 31,	
	2025	2024
Deferred Tax Assets		
Federal R&D credit	\$ 3,007,000	\$ 3,007,000
Inventory	712,000	617,000
Allowance for bad debt	(16,000)	26,000
Compensation related	21,000	30,000
Pension	79,000	76,000
Other accruals	47,000	48,000
State net operating losses	7,328,000	7,233,000
Federal net operating losses	53,970,000	51,640,000
Interest disallowance	1,023,000	1,093,000
Stock options	6,663,000	6,677,000
Other	378,000	558,000
Valuation Allowance	(72,969,000)	(70,851,000)
Total Deferred Tax Assets	243,000	154,000
Deferred Tax Liabilities		
Property and Equipment	(295,000)	(186,000)
Intangibles	(390,000)	(344,000)
Prepaid Expenses	(23,000)	(25,000)
Total Deferred Tax Liabilities	(708,000)	(555,000)
Net Deferred Tax Liability	\$ (466,000)	\$ (401,000)

As of December 31, 2025, the Company has federal net operating losses (“NOL”) of approximately \$156.6 million that will expire beginning in 2027. The Company has federal NOLs of approximately \$42.5 million that may be carried forward indefinitely. The Company also has state NOL carryforwards of \$163.2 million, which will expire beginning in 2027. In addition, the Company has foreign NOL carryforwards of approximately \$49.4 million that generally do not expire unless certain conditions are met. The Company also has approximately \$3.0 million in research and development credits, which will begin to expire in 2027. The years that remain open for review by taxing authorities are 2021 to 2025 for Federal, Foreign, and State Income Tax returns. Finally, federal and state NOLs, as well as various income tax credits, are subject to annual limitations under Sections 382 and 383 of the Internal Revenue Code, as well as state provisions, and may not be fully realized.

Realizing the NOL carryforwards and other temporary deferred tax differences is contingent on future taxable earnings. The Company's deferred tax assets were reviewed for expected utilization using a “more likely than not” approach by assessing the available positive and negative evidence surrounding their recoverability. Accordingly, a valuation allowance has been recorded against the Company's deferred tax assets, as it was determined, based on past and present losses, that it was “more likely than not” that the Company's deferred tax assets would not be realized. The valuation allowance was increased to the full carrying amount of the Company's deferred tax assets. In future years, if management determines that the deferred tax assets are “more likely than not” to be realized, the tax benefits from reversing the valuation allowance will be recognized. The Company will continue to assess and evaluate strategies that enable the deferred tax asset, or portion thereof, to be utilized. It will reduce the valuation allowance appropriately when it is determined that the “more likely than not” criteria are satisfied.

The net operating loss carryovers may be subject to annual limitations under Internal Revenue Code Section 382, and similar state provisions may apply if there is a change in ownership of more than 50%, as determined under the applicable income tax regulations. The limitation amount would be determined based on the Company's value immediately before the ownership change, and subsequent ownership changes could further impact the annual limitation amount. An ownership change under Section 382 may have occurred in the past or may occur in the future, potentially significantly limiting the availability of NOLs for utilization. The Company plans to perform a Section 382 analysis in the future.

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

NOTE 24 — INCOME TAXES (continued)

Effective for tax years beginning after December 31, 2017, the Tax Act includes a participation exemption system of taxation, which generally provides for a 100% dividends-received deduction on certain qualifying dividend distributions received by U.S. C-corporation shareholders from their 10% or more-owned foreign subsidiaries. As a result of this new participation exemption system, it is generally anticipated that the Company will not be subject to additional U.S. federal income taxation on its future receipt of actual dividend income (rather than deemed inclusion amounts under specific anti-deferral rules) from its foreign subsidiary.

For tax years beginning after December 31, 2017, the Tax Act introduced a new limitation on the deductibility of interest expense. Current-year interest deductions are limited (among other restrictions) to 30% of adjusted taxable income, with various modifications and exceptions. The Company does incur interest expenses and evaluates each year the impact, if any, of the new limitation.

The Company has not provided for deferred taxes and foreign withholding taxes on the excess of the financial reporting basis over the tax basis of its investments in foreign subsidiaries that are nearly permanent in nature. In general, it is the Company's practice and intention to reinvest the earnings of its foreign subsidiaries in those operations. Generally, our foreign subsidiary's earnings are subject to U.S. taxation under specific U.S. tax law provisions, such as the recently enacted territorial transition tax under section 965, and under certain other circumstances. Due to the complexities of the provisions introduced by the Tax Act and the assumptions that would have to be made, it is not practicable to estimate the amount of tax provision required to account for these foreign undistributed earnings. The Company will account for any additional expense or deduction in the year it is claimed. The Company will continue to review each year whether this treatment is appropriate.

The Company did not identify any material uncertain tax positions and is not under any income tax examinations.

NOTE 25 — RECLASSIFICATION OF PRIOR PERIOD AMOUNTS

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's presentation. These reclassifications are described below.

In the balance sheet, specific components previously included in "Accrued Expenses – Other" have been disaggregated into separate line items, including "Audit Fees," to enhance transparency and consistency in disclosure. In the statement of cash flows, the change in accrued restructuring costs for the year ended December 31, 2024, has been reclassified from "Change in Accrued Expenses" to a separate line item, "Change in Accrued Restructuring Costs," to conform to the current year's presentation. These reclassifications had no impact on total accrued expenses, net cash used in operating activities, net loss, total liabilities, or stockholders' equity for any period presented.

This presentation aligns with ASC 210-10-45, which requires liabilities to be presented or disclosed when necessary for a fair understanding of the entity's financial position. It reflects consistency with the entity's internal materiality threshold and financial statement classification policies.

NOTE 26 — SUBSEQUENT EVENTS

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

Vislink Technologies, Inc.
Annual Report
For The Period Ending December 31, 2025

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. The Company provides RF and 5G solutions for live news, sports, entertainment, surveillance, public safety, and defense markets through a range of transmission products that support real-time video intelligence. The Company also provides professional and technical services through personnel with extensive experience in terrestrial microwave, fiber-optic, surveillance, and wireless communications systems, enabling it to deliver a broad spectrum of customer solutions.

Corporate Transition and Capital Markets

On February 10, 2025, the Company filed Form 25 with the SEC to voluntarily delist its common stock from Nasdaq. Effective February 12, 2025, the Company's common stock began trading on the OTCQB operated by OTC. On May 12, 2025, the Company filed Form 15 with the SEC to terminate the registration of its common stock under Section 12(g) of the Exchange Act and suspend its reporting obligations under Sections 13 and 15(d) of the Exchange Act. Management undertook this transition to reduce public company compliance costs and improve operating efficiency while preserving access to the public market.

Liquidity and Financial Position

As of December 31, 2025, the Company had cash and cash equivalents of approximately \$4.2 million, total current assets of approximately \$14.1 million, total current liabilities of approximately \$8.5 million, and working capital of approximately \$5.6 million. Total stockholders' equity was approximately \$9.1 million at year's end. Net cash used in operating activities for the year ended December 31, 2025, was approximately \$2.0 million, compared with approximately \$6.8 million in the prior year. Management believes the year-over-year reduction in operating cash usage reflects the effect of cost containment actions, lower working capital outflows, and the absence of several larger non-recurring charges recognized in 2024.

Operating Results

For the year ended December 31, 2025, the Company reported net revenue of approximately \$18.5 million, compared with approximately \$27.7 million for 2024. The Company reported a net loss attributable to common shareholders of approximately \$9.2 million for 2025, compared with approximately \$20.5 million in 2024. Loss from operations improved to approximately \$10.3 million in 2025 from approximately \$21.5 million in 2024. The year-over-year improvement was driven primarily by lower inventory impairment and valuation write-downs, reduced general and administrative expense, and the absence in 2025 of certain impairment charges recognized in 2024, partially offset by lower revenue volume.

Restructuring and Operational Realignment

On November 12, 2024, the Board approved restructuring actions intended to streamline operations, reduce costs, and consolidate certain global functions. These actions included the closure of the Poway, California, facility, the transfer of certain United Kingdom operations to the United States, and workforce reductions. During the year ended December 31, 2025, the Company recognized restructuring costs of approximately \$487,000 and made cash payments of approximately \$708,000 against previously accrued restructuring liabilities. As of December 31, 2025, accrued restructuring costs were approximately \$200,000. Management believes these actions have simplified the Company's operating footprint and reduced recurring cash requirements, although the full benefit of the restructuring remains contingent on execution and future revenue performance.

Forward Outlook

Management remains focused on preserving liquidity, supporting core product lines, and improving the efficiency of the Company's operating platform. The Company continues to evaluate its cost structure, third-party service spends, and product mix to align resources with customer demand and its leaner operating model. Management also continues to assess opportunities to strengthen commercial execution, expand customer relationships, and pursue selective strategic initiatives that can support more stable revenue conversion over time.

Going Concern and Risk Oversight

Management has evaluated the Company's ability to continue as a going concern and based on current liquidity, working capital, and the Company's operating plan, believes that Vislink has sufficient resources to fund operations for at least twelve months from the date of the financial statements. This assessment assumes continued execution of management's operating plan and restructuring initiatives. The Company remains subject to risks and uncertainties, including macroeconomic conditions, inflationary pressures, foreign exchange fluctuations, customer procurement timing, competitive market conditions, and the pace at which anticipated cost savings and commercial initiatives translate into improved operating results.

Vislink Technologies, Inc.
Annual Report
For The Period Ending December 31, 2025

Item 10. Issuer Certification

Certification of Chief Executive Officer

I, Carleton M. Miller, certify that:

1. I have reviewed this annual 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: March 31, 2026

/s/ Carleton M. Miller

Carleton M. "Mickey" Miller
Chief Executive Officer

Certification of Acting Chief Financial Officer

I, Paul A. Norridge, certify that:

1. I have reviewed this annual 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: March 31, 2026

/s/ Paul A. Norridge

Paul Norridge
Acting Chief Financial Officer