

June 30, 2025



# NextPlat Issues Interim CEO Update Shareholder Letter

COCONUT GROVE, Fla., June 30, 2025 /PRNewswire/ -- NextPlat Corp (NASDAQ: NXPL, NXPLW) ("NextPlat" or the "Company"), a global consumer products and services company providing healthcare and technology solutions through eCommerce and retail channels worldwide, today issued the following Interim CEO Update Shareholder Letter:



To Our Shareholders:

As interim CEO of NextPlat and on behalf of our Board of Directors and management team, I am writing to you to provide an update on our company and the actions being taken to drive the business forward.

In the month since the unexpected passing of our former CEO and Chairman, Charles M. Fernandez, our team has been closely reviewing our operations to build on the strong foundation he helped create. As part of this, I personally met with leaders across our subsidiaries and was truly impressed by the passion and dedication of our highly experienced employees. Based on the insights I gathered, I'm confident that with greater focus, improved coordination, and targeted investment, NextPlat is well-positioned to capitalize on the opportunities ahead and unlock significant value.

## **Where We Are Today**

Having completed my initial review, I believe that our healthcare division is particularly critical to our future success as it currently represents the largest part of our business and offers significant untapped opportunities to explore. I believe there are several areas that we need to address if we are to properly support the business and reach our long-term goals, foremost amongst them being:

- Continued operational process efficiency and cost reduction efforts to drive maximum ROI

- Ensuring that we have the necessary talent leading our units and that they are empowered to manage and drive growth
- Renewing a commitment to prudently invest in the business to help capitalize on growth opportunities, both organic and non-organic, while enhancing cashflow and long-term profitability

### **Where We Are Going – Pharmacy and Healthcare**

As we've previously communicated, the retail pharmacy sector continues to face unprecedented challenges driven by rising drug costs and made worse by reimbursement rates not keeping pace with those rising costs. Therefore, our focus must remain on executing the business of the Company efficiently and investing in alternative areas of healthcare that offer growth potential.

To that end, we've been working to streamline our current healthcare operations and expand our contracted 340B and long-term care (LTC) services, both of which present opportunities for profitable growth. We also intend to take several strategic steps within our healthcare business, including:

- Adding experienced healthcare leadership to the team to drive growth and enhance the daily management and profitability of the business
- Expanding into new, high growth/high margin healthcare services through joint ventures and partnerships
- Implementing a number of process and technology improvements designed to drive additional operational efficiencies, improve compliance, and attract a new customer demographic
- Make further investments into marketing and sales programs targeting 340B and LTC providers, including the exploration of obtaining licenses in nearby southeastern states where additional 340B opportunities exist
- Adding complementary services such as compounding, additional OTC products, and exploring opportunities such as opening in-house pharmacies
- Pursuing special accreditation to enable us to dispense specialty medications, potentially leading to broader patient access and increased prescription volume on high margin sales
- Begin targeting the non-insured (cash) sales market to diversify revenue streams and reduce dependence on insurance reimbursements
- Evaluate opportunities for nationwide licensing to enable e-Commerce mail-order sales
- Improving customer service responsiveness, access and support

### **Where We Are Going - E-Commerce**

Although e-Commerce represents a smaller part of NextPlat's overall business, I have spoken in the past about the vast global opportunity and potential we see in this business. Through leading e-Commerce marketplaces such as Amazon.com, Walmart, and Alibaba in China, as well as our own network of branded online storefronts, we have created a global presence supporting tens of thousands of customers in over 150 countries. This is something we intend to build on.

Recently, new tariffs, particularly between the U.S. and China, have delayed product launches like our Florida Sunshine vitamin brand, but we still see strong global opportunities

ahead. That is why we are focusing on growing our e-Commerce business through a series of initiatives including:

- Further scaling our global e-Commerce presence through small, opportunistic acquisitions that bring accretive sales, distribution and potentially, valuable contracts and customer lists
- Launching new international marketplaces, forming new distribution partnerships, and introducing new products and services to further expand our global customer base
- Advance our recently launched storefront design and product management service for hardware manufacturers and connectivity services providers, helping them to build, optimize, and grow their brands in the world's largest online marketplaces and reach new customers.
- Expanding our e-Commerce partnership with OPKO Health, Inc. (NASDAQ: OPK) ("OPKO") for sales into China of its health, nutrition, and dietary supplement products, adding unique animal care products later this year, all of which are not subject to any current tariffs
- Continuing to explore opportunities to launch our Florida Sunshine vitamin brand in the UK and EU, following a setback of this project as a result of Chinese tariffs.

### **For Our Shareholders**

As I indicated earlier in this update, the team at NextPlat shares a common belief in the long-term opportunities ahead of us and the ability to build upon the strong foundation created under Charlie's leadership. Our internal business review identified our strengths as well as areas that need immediate attention and improvement if we are to meet our growth and profitability objectives. That is why we are committed to addressing several areas and needs in the business, including:

- Accelerating ongoing efforts to maximize efficiencies across the organization with the bottom-line goal of generating positive operating results and ROI
- Investing in our operations and our people to profitably expand and grow the business
- Fill gaps in our team and empower our leaders to execute against their respective growth plans
- Implement the stock buyback program previously announced
- Continue to improve shareholder transparency and engagement including outreach to the broader investor community

### **A Thank You**

In conclusion, we must thank our partners, customers, employees, and investors for their continued support and wish to confirm our pledge that we intend to use recent developments as a catalyst for change and as an opportunity to advance Charlie's legacy. Although we have challenges ahead, Charlie created a strong and well-funded foundation for us to build on, and both I and our Board are committed to realizing and surpassing the potential he saw for NextPlat in the months and years ahead.

Sincerely,

David Phipps  
Interim Chief Executive Officer

## **About NextPlat Corp**

Nextplat is a global consumer products and services company providing healthcare and technology solutions through e-Commerce and retail channels worldwide. Through acquisitions, joint ventures and collaborations, the Company seeks to assist businesses in selling their goods online, domestically, and internationally, allowing customers and partners to optimize their e-Commerce presence and revenue. NextPlat currently operates an e-Commerce communications division offering voice, data, tracking, and IoT products and services worldwide as well as pharmacy and healthcare data management services in the United States through its subsidiary, Progressive Care.

## **Forward-Looking Statements**

Certain statements in this release constitute forward-looking statements. These statements include the capabilities and success of the Company's business and any of its products, services or solutions. The words "believe," "forecast," "project," "intend," "expect," "plan," "should," "would," and similar expressions and all statements, which are not historical facts, are intended to identify forward-looking statements. These forward-looking statements involve and are subject to known and unknown risks, uncertainties and other factors, including the Company's ability to launch additional e-commerce capabilities for consumer and healthcare products and its ability to grow and expand as intended, any of which could cause the Company to not achieve some or all of its goals or the Company's previously reported actual results, performance (finance or operating), including those expressed or implied by such forward-looking statements. More detailed information about the Company and the risk factors that may affect the realization of forward-looking statements is set forth in the Company's filings with the Securities and Exchange Commission (the "SEC"), copies of which may be obtained from the SEC's website at [www.sec.gov](http://www.sec.gov). The Company assumes no, and hereby disclaims any, obligation to update the forward-looking statements contained in this press release.

## **Media and Investor Contact for NextPlat Corp:**

Michael Glickman  
MWGCO, Inc.  
917-397-2272  
[mike@mwgco.net](mailto:mike@mwgco.net)

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