

November 14, 2022



# NextPlat Announces Record Third Quarter 2022 Revenue, Sixth Consecutive Quarter of Record Revenue

***Strategic Investment into Progressive Care Expands NextPlat's Future Global E-Commerce Offerings into Healthcare Markets***

**COCONUT GROVE, FL / ACCESSWIRE / November 14, 2022** /NextPlat Corp (NASDAQ:NXPL)(NASDAQ:NXPLW) ("NextPlat" or the "Company"), a global e-commerce provider, today announced financial results for the third quarter ended September 30, 2022.

Financial highlights of the quarter ended September 30, 2022 included:

- The Company experienced continued demand for satellite-based connectivity solutions through its global e-commerce platforms, resulting in record third quarter net sales of \$2,630,826. Although supply chain issues had a significant impact on the Company's ability to fulfill customer orders during 2022, net consolidated sales growth of 60.2% was reported for the first nine months of the year versus 2021.
- Strong growth in European markets resulted in NextPlat's UK division, GTC, reporting record sales growth of 82% for the first nine months of 2022 versus 2021 in local currency terms, with growth impacted by lack of many popular product lines.
- Increased sales of high margin recurring airtime contracts and improved pricing controls through the Company's recently implemented global enterprise resource planning system ("ERP") resulted in third quarter gross margins increasing to 25.8% vs. 21.9% recorded in the third quarter.
- Operating expenses in the third quarter of 2022 were \$2,843,693, a 4.2% increase from the \$2,729,982 reported for the third quarter of 2021 driven by increases in depreciation, amortization and offset by a decrease in SG&A expenses.
- Net loss for the quarter ended September 30, 2022 was \$5,713,276 compared to a net loss of \$2,305,549 reported for the quarter ended September 30, 2021. The increased net loss for the third quarter of 2022 can be attributed to a non-recurring, non-cash loss of approximately \$3,454,436 related to [the Company's investment in Progressive Care Inc. \(OTCQB:RXMD\)](#) ("Progressive Care"), and stock based compensation of \$642,201.
- The Company ended the quarter with approximately \$12.5 million in cash. The decrease in cash, as compared to the previously reported cash balance for the second quarter of 2022, was largely due to the Company's \$7 million investment into Progressive Care as part of its plan to expand and diversify the scope of its global e-commerce offerings.

"As we continue to grow our existing communications division, we have taken a strategic step during the third quarter to expand and diversify our business into additional high growth sectors with our investment into Progressive Care Inc. This transaction enables us to

leverage our deep expertise in technology, e-commerce and healthcare, positioning NextPlat to capitalize on the digital transformation of the industry with new products and services for an increasingly digitally connected world. NextPlat intends to play a significant role in the future management, operations, and financing decisions of Progressive Care," said Charles M. Fernandez, Executive Chairman and CEO of NextPlat.

David Phipps, President of NextPlat and CEO of Global Operations, added, "In the third quarter of 2022, our global e-commerce platforms continued to deliver improved year-over-year sales, marking our sixth consecutive quarter of record revenue. This performance comes despite the continued unavailability of many of our most popular products due to supply chain disruptions and chip shortages, and significant currency fluctuations dragging down our growth in US\$ terms."

Operational and organizational highlights of the quarter ended September 30, 2022, and recent developments included:

- NextPlat completed a strategic \$7 million investment in Progressive Care Inc., a personalized healthcare services and technology company that provides prescription pharmaceuticals and contracted pharmacy services directly to consumers, long-term care facilities as well to 340B covered entities in underserved or vulnerable communities in 14 states. The Company intends to accelerate progressive's digital healthcare transformation and launch a new global e-commerce platform for healthcare products for domestic and international markets. In 2021, Progressive Care reported annual revenues of approximately \$40 million.
- Enterprise demand for satellite-based asset tracking and lone worker safety monitoring systems continued to grow during the third quarter highlighted by initial hardware and related airtime services deliveries completed to new European customers in the electric utility and rail transportation markets.
- In September, the Company appointed Ms. Cristina Fernandez to its Board of Directors as Chair of the Nominating Committee. Ms. Fernandez has extensive experience in achieving growth with new technologies, and motivating teams and customers in challenging business environments. She also has extensive international experience leading global and regional teams in the US, Latin America, and Asia.
- On November 2, 2022, the Company elected Mr. Robert Bedwell to serve as the Chief Compliance Officer. Mr. Bedwell, 64, previously served as the Director of Administrative Services of PharmCo, LLC ("PharmCoRx"), a wholly-owned subsidiary of Progressive Care Inc., a position he held since 2021. Previous to that, Mr. Bedwell served as the Controller of PharmCoRx, a position he held from 2017 to 2021. Prior to joining PharmCoRx, Mr. Bedwell was an audit partner and principal with several large regional and national public accounting firms from 1980 to 2017.
- On November 11, 2022, Progressive Care Inc.'s board of directors elected Mr. Fernandez to serve as Progressive Care's Chief Executive Officer.
- On November 14, 2022, Mr. Paul Thomson transitioned his role with the Company from Executive Vice President and Chief Financial Officer to his new role as Senior Vice President of Mergers, Acquisitions and Special Projects.
- On November 14, 2022, Ms. Cecile Munnik joined the Company as its new Chief Financial Officer filling the vacancy left by Mr. Thomson's transition to his new role. Ms. Munnik also currently serves as the Chief Financial Officer of Progressive Care Inc., a position she has held since October 2020. She has over fifteen years of accounting

and finance experience. She has served in finance and accounting leadership positions for companies and business units with annual revenues ranging from \$100M to \$3B, and demonstrated expertise in US GAAP, SEC Reporting, Sarbanes-Oxley, Public Accounting, Mergers & Acquisitions, Internal Controls/Process Efficiencies, ERPs, and Strategy Planning for private and public entities. until June 20, 2023, Ms. Munnik will devote 30% of her business time to the Company and will devote the remaining 70% to Progressive Care. Starting on July 1, 2023, Ms. Munnik will devote all of her business time to the Company.

Mr. Fernandez concluded, "Building upon the strength of our global e-commerce business, and our recently implemented ERP system, in early 2023, we expect to launch exciting new offerings through our Progressive Care investment and the deployment of our Web 3.0 platform, NextPlat Digital. Through these new offerings, both for physical goods and digital assets, we intend to further capitalize on the transformative impact of technology in healthcare and e-commerce while driving future growth."

### **About NextPlat Corp**

NextPlat is a global e-commerce platform company created to capitalize on multiple high-growth sectors and markets for physical and digital assets. The Company intends to collaborate with businesses, optimizing their ability to sell their goods online, domestically, and internationally, and enabling customers and partners to optimize their e-commerce presence and revenue. NextPlat currently operates an e-commerce communications services division through its Global Telesat Communications Ltd and Orbital Satcom Corp business units that offer voice, data, tracking, and IoT services to customers worldwide through multiple global storefronts.

### **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 physical and digital assets, transact business in crypto currencies 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.

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