UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K/A

(Amendment No. 1)

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2021

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _______ to _______

Commission file number 001-40447

NEXTPLAT CORP
(Exact name of registrant as specified in its charter)

Nevada	**65-0783722**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*
3250 Mary St., Suite 410 Coconut Grove, FL	**33133**
(Address of principal executive offices)	*(Zip Code)*

Registrant's telephone number, including area code: **(305) 560-5355**

ORBSAT CORP, 18851 N.E. 29th Ave., Suite 700, Aventura, FL 33180
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act: Common Stock, par value $0.0001

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐No ☒

Indicate by check whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☒	Smaller reporting company ☒
	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Exchange Act). Yes ☐No ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant as of the last business day of the registrants most recently completed second fiscal quarter (June 30, 2021), was $24,796,860 based on the price at which the common equity was last sold on the NASDAQ on that date.

The number of outstanding shares of the registrant's common stock, par value$0.0001 per share, as of March 28, 2022, was 9,293,096**.**

Documents Incorporated by Reference

None

EXPLANATORY NOTE

The purpose of this Amendment No. 1 to our Annual Report on Form 10-K for the fiscal year ended December 31, 2021, as filed with the Securities and Exchange Commission on March 31, 2022 (the "Original Form 10-K"), is to (a) remove extraneous text that was inadvertently included under financial Note 1 on page F-8 of the Original Form 10-K, and (b) to correct three references to the balance of unamortized notes payable for the year ended December 31, 2020. The balance of unamortized notes payable for the year ended December 31, 2020 was $209,323, not $331,171 or $329,683 (as reflected on page 47 and in Note 9 on page F-19 of the Original Form 10-K), as well as to make the following revisions to the text of the third paragraph of Note 9:

"On June 15, 2020, the change in conversion price from $0.50 to $1.00 per share, resulted in a difference in the carrying value of the balance of the note payable. Under ASC 470-50-40-13, if it is determined that the original and new debt instruments are substantially different, the new debt instrument shall be initially recorded at fair value, and that amount shall be used to determine the debt extinguishment gain or loss to be recognized and the effective rate of the new instrument. The original debt had a carrying value of $269,262 as of June 15, 2020, the fair value of the amended debt was $0 ~~($792,932 principle netted with the $792,392 note payable discount)~~ which resulted a gain from the extinguishment of debt $269,262~~. Further, as of June 30, 2020, the Company recorded a beneficial conversion feature of the amended note of $17,041, resulting in a balance of unamortized discount notes payable of $775,892 as of June 30, 2020. For the year ended December 31, 2020, the Company amortized the discount on the debt, to interest expense of $538,087, resulting in a balance of unamortized discount notes payable of $329,683~~."

This Amendment also includes the filing of new Exhibits 31.3, 31.4, and 32.2, certifications of our Chief Executive Officer and Chief Financial Officer, pursuant to Rule 13a-14(a) and (b) of the Securities Exchange Act of 1934, as amended.

This Amendment No. 1 does not reflect subsequent events occurring after the filing date of the Original Form 10-K and no other changes have been made to the Original Form 10-K other than those described above.

NEXTPLAT CORP
FKA ORBSAT CORP
ANNUAL REPORT ON FORM 10-K
Fiscal Year Ended December 31, 2021

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Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Cautionary Notice Regarding Forward Looking Statements

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 including those relating to our liquidity, our belief that we will not have sufficient cash and borrowing capacity to meet our working capital needs for the next 12 months without further financing, our expectations regarding acquisitions and new lines of business, gross profit, gross margins and capital expenditures. Additionally, words such as "expects," "anticipates," "intends," "believes," "will," "would," "plan," "vision" and similar words are used to identify forward-looking statements.

Some or all of the results anticipated by these forward-looking statements may not occur. Important factors, uncertainties and risks that may cause actual results to differ materially from these forward-looking statements include, but are not limited to, the Risk Factors which appear in our filings and reports made with the Securities and Exchange Commission (the "SEC"), our lack of working capital, the value of our securities, the impact of competition, the continuation or worsening of current economic conditions, technology and technological changes, a potential decrease in consumer spending and the condition of the domestic and global credit and capital markets. Additionally, these forward-looking statements are presented as of the date this Form 10-K is filed with the SEC. We do not intend to update any of these forward-looking statements.

This discussion should be read in conjunction with the other sections of this Report, including "Risk Factors," "Description of Business" and the Financial Statements attached hereto pursuant and the related exhibits. The various sections of this discussion contain a number of forward-looking statements, all of which are based on our current expectations and could be affected by the uncertainties and risk factors described throughout this Report.

The following discussion provides information which management believes is relevant to an assessment and understanding of our results of operations and financial condition. The discussion should be read along with our financial statements and notes thereto contained elsewhere in this annual report. The following discussion and analysis contains forward-looking statements, which involve risks and uncertainties. Our actual results may differ significantly from the results, expectations and plans discussed in these forward-looking statements.

Overview

We are a provider of satellite-based hardware, airtime and related services both in the United States and internationally. We sell equipment and airtime for use on all of the major satellite networks including Globalstar, Inmarsat, Iridium and Thuraya and operate a short-term rental service for customers who desire to use our equipment for a limited time period. Our acquisition of GTC in February 2015 expanded our global satellite-based infrastructure and business, which was first launched in December 2014 through the purchase of certain contracts.

March 2021 Financing

On March 5, 2021, the Company entered into a Note Purchase Agreement (the "March 2021 NPA") by and between the Company and one individual accredited investor (the "Lender"). Pursuant to the terms of the March 2021 NPA, the Company sold a convertible promissory note with a principal amount of $350,000 (the "March 2021 Note"). The March 2021 Note was a general, unsecured obligation of the Company and bears simple interest at a rate of 7% per annum and matures on the third anniversary of the date of issuance (the "Maturity Date"), to the extent that the March 2021 Note and the principal amount and any interest accrued thereunder have not been converted into shares of the Company's common stock. In the event that any amount due under the March 2021 Note was not paid as and when due, such amount will accrue interest at the rate of 12% per year, simple interest, non-compounding, until paid. The Company may not pre-pay or redeem the March 2021 Note other than as required by the Agreement. The Noteholder had an optional right of conversion such that a Noteholder may elect to convert his March 2021 Note, in whole or in part, outstanding as of such time, into the number of fully paid and non-assessable shares of the Company's common stock as determined by dividing the indebtedness under the March 2021 Note price equal to the lesser of (a) $7.50 per share, and (b) a 30% discount to the price of the common stock in the qualified transaction. Following an event of default, the conversion price shall be adjusted to be equal to the lower of: (i) the then applicable conversion price or (ii) the price per share of 85% of the lowest traded price for the Company's common stock during the 15 trading days preceding the relevant conversion. In addition, subject to the ownership limitations, if a qualified transaction is completed, without further action from the Noteholder, on the closing date of the qualified transaction, 50% of the principal amount of this March 2021 Note and all accrued and unpaid interest shall be converted into Company common stock at a conversion price equal to the 30% discount to the offering price in such qualified transaction, which price shall be proportionately adjusted for stock splits, stock dividends or similar events. A "Qualified Transaction" refers the completion of the public offering of the Company's securities stock with gross proceeds of at least $10,000,000 pursuant to which the Company's securities become registered pursuant to Section 12(b) of the Securities Exchange Act of 1934, as amended, or a merger with a company listed on the Nasdaq or Canadian stock exchanges, as amended. The Noteholder is granted registration rights and pre-emptive rights. In addition, the March 2021 NPA includes customary events of default, including, among others: (i) non-payment of amounts due thereunder, (ii) non-compliance with covenants thereunder, (iii) bankruptcy or insolvency. The Company's issuance of the March 2021 Note under the terms of the March 2021 NPA was made pursuant to an exemption from registration under the Securities Act of 1933, as amended (the "Securities Act") in reliance on Section 4(a)(2) of the Securities Act as a transaction by an issuer not involving a public offering. The investor in the March 2021 Note is an "accredited investor" as such term is defined in Rule 501(a) of Regulation D under the Securities Act. There were no discounts or brokerage fees associated with this offering. The Company used the offering proceeds for working capital and general corporate purposes.

Listing on the Nasdaq Capital Market

Our shares have been listed on the Nasdaq Capital Market since May 28, 2021. Our common stock and warrants have been trading on the Nasdaq Capital Market under the symbols "NXPL" and "NXPLW," respectively, since January 21, 2022. Prior to January 21, 2022, our common stock and warrants were traded on the Nasdaq Capital Market under the symbols "OSAT" and "OSATW," respectively.

Reverse Stock Split

We effected a reverse stock split of our common stock at a ratio of 1-for-5 as of 12:01 a.m. Eastern Time, on May 28, 2021. No fractional shares were issued in connection with the reverse stock split and all such fractional interests were rounded up to the nearest whole number of shares of common stock. The conversion or exercise prices of our issued and outstanding convertible securities, stock options and warrants will be adjusted accordingly. All information presented in this Annual Report on Form 10-K, unless otherwise indicated herein, assumes a 1-for-5 reverse stock split of our outstanding shares of common stock, and unless otherwise indicated, all such amounts and corresponding conversion price or exercise price data set forth herein have been adjusted to give effect to such assumed reverse stock split.

June Public Offering

On May 28, 2021, Company, entered into an Underwriting Agreement (the "Underwriting Agreement") with Maxim Group LLC (the "Underwriter"), pursuant to which the Company agreed to issue and sell to the Underwriter in an underwritten public offering (the "June Offering") 2,880,000 units consisting of one share of common stock and one warrant exercisable for one share of common stock at a public offering price of $5.00 per unit (after giving effect to a 1-for-5 reverse stock split, discussed above) for aggregate gross proceeds of approximately $14,400,000 before deducting underwriting discounts, commissions, and other offering expenses. The common stock and warrants were immediately separable and were issued separately. The common stock and warrants began trading on the Nasdaq Capital Market, on May 28, 2021, under the symbols "OSAT" and "OSATW," respectively. In addition, the Company granted the Underwriter a 45-day option to purchase an additional 432,000 shares of common stock and/or warrants to purchase up to an aggregate of 432,000 shares of common stock, in any combination thereof, at the public offering price per security, less the underwriting discounts and commissions, to cover over-allotments, if any. The June Offering closed on June 2, 2021.

In connection with closing of the June Offering, the Underwriter partially exercised its overallotment option and purchased an additional 432,000 warrants at $0.01 per warrant for additional gross proceeds to the Company of $4,320. On June 28, 2021, the Underwriter, upon the exercise in full of the balance of its over-allotment option, purchased 432,000 additional shares of the common stock for additional gross and net proceeds after deducting underwriting discounts of $2,160,000 and $1,983,225, respectively.

We have issued to the Underwriter warrants to purchase up to a total of 144,000 shares of common stock (5% of the shares of common stock included in the Units, excluding the over-allotment, if any) (the "Underwriter Warrants"). The Underwriter Warrants are exercisable at any time, and from time to time, in whole or in part, during the period commencing 180 days from the effective date of the registration statement and expire five years from the effective date of the offering, which period is in compliance with FINRA Rule 5110(e). The Underwriter Warrants are exercisable at a per share price equal to $5.50 per share, or 110% of the public offering price per unit in the offering. The Underwriter Warrants have been deemed compensation by FINRA and are therefore subject to a 180-day lock-up pursuant to Rule 5110(e)(1) of FINRA. The underwriter (or permitted assignees under Rule 5110(e)(2)) will not sell, transfer, assign, pledge, or hypothecate these warrants or the securities underlying these warrants, nor will they engage in any hedging, short sale, derivative, put, or call transaction that would result in the effective economic disposition of the warrants or the underlying securities for a period of 180 days from the effective date of the registration statement. In addition, the warrants provide for certain piggyback registration rights. The piggyback registration rights provided will not be greater than five years from the effective date of the registration statement in compliance with FINRA Rule 5110(g)(8). We will bear all fees and expenses attendant to registering the securities issuable on exercise of the Underwriter Warrants. The exercise price and number of shares issuable upon exercise of the Underwriter Warrants may be adjusted in certain circumstances including in the event of a stock dividend, extraordinary cash dividend or our recapitalization, reorganization, merger or consolidation. However, the warrant exercise price or underlying shares will not be adjusted for issuances of shares of common stock at a price below the warrant exercise price.

The June Offering of common stock and warrants, and the underwriter's exercise of the over-allotment option in connection therewith, resulted in total gross proceeds of approximately $16,560,000, before deducting underwriting discounts, commissions, and other offering expenses.

Distribution of Our Products Through Alibaba

On July 13, 2021, we announced that our Global Telesat Communications ("GTC") unit has entered into an agreement with Alibaba.com, the B2B (Business-to-Business) e-commerce website owned and operated by Alibaba Group Holding Limited, also known as Alibaba Group (NYSE: BABA; HKEX: 9988), a Chinese multinational technology company specializing in e-commerce, retail, internet, and technology. GTC is a Gold-level Supplier on Alibaba.com, the world's largest Business-to-Business (B2B) e-commerce website. Under the agreement, GTC significantly expanded its 24/7/365 e-commerce presence with the launch of its latest global storefront on Alibaba.com on which it offers a range of satellite IoT and connectivity products. These will include our specialized satellite tracking products, some of which operate using the Company's many ground station-based network processors, and can be used to track and monitor the location of cars, trucks, trailers, boats, containers, animals, and other remote assets. Although we currently have a limited range of products available through the Alibaba storefront due to supply chain constrictions, we plan to ultimately have up to 500 products and connectivity services available on Alibaba.com. The agreement will continue on a year-to-year basis.

January 2022 Private Placement of Common Stock

On December 31, 2021, after markets closed, a securities purchase agreement (the "Purchase Agreement") was circulated to, and signatures were received from, certain institutional and accredited investors (the "December Investors") in connection with the sale in a private placement by the Company of 2,229,950 shares of the Company's common stock (the "December Offering"). On January 2, 2022, the Company delivered to December Investors a fully executed Purchase Agreement, which was dated December 31, 2021. The purchase price for the common stock sold in the December Offering was $3.24 per share, the closing transaction price reported by Nasdaq on December 31, 2021.

The closing of the December Offering occurred on January 5, 2022. The Company received gross proceeds from the sale of the common stock in the December Offering of approximately $7.2 million. The Company intends to use the proceeds from the December Offering for general corporate purposes, including potential acquisitions and joint ventures. Approximately 73% of funds raised in the December Offering were secured from existing shareholders and from the members of the Company's senior management and Board of Directors.

In connection with the December Offering, the Company entered into a registration rights agreement with the December Investors (the "Registration Rights Agreement"), pursuant to which, among other things, the Company agreed to prepare and file with the SEC a registration statement to register for resale the shares of the Company's common stock sold in the Offering.

The shares of common stock offered and sold in the December Offering were sold in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated under the Securities Act and corresponding provisions of state securities or "blue sky" laws.

The terms of the transaction disclosed above, including the provisions of the Purchase Agreement and Registration Rights Agreement, were approved by the Board of Directors and because some of the securities were offered and sold to officers and directors of the Company, such terms were separately reviewed and approved by the Audit Committee of the Board of Directors.

January 2022 Name Change

On January 18, 2022, the Company filed a Certificate of Amendment of the Amended and Restated Articles of Incorporation of the Company with the Secretary of State of the State of Nevada in order to change the Company's corporate name from Orbsat Corp to NextPlat Corp. This name change was effective as of January 21, 2022. The name change was approved by the Company's stockholders at the 2021 annual meeting of stockholders held on December 16, 2021.

Critical Accounting Policies and Estimates

Our consolidated financial statements and accompanying notes are prepared in accordance with generally accepted accounting principles in the United States. Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. These estimates and assumptions are affected by management's applications of accounting policies. Critical accounting policies for our company include accounting for stock-based compensation.

Stock-Based Compensation

Stock-based compensation is accounted for based on the requirements of the Share-Based Payment Topic of ASC 718 which requires recognition in the consolidated financial statements of the cost of employee and director services received in exchange for an award of equity instruments over the period the employee or director is required to perform the services in exchange for the award (presumptively, the vesting period). The ASC also requires measurement of the cost of employee and director services received in exchange for an award based on the grant-date fair value of the award.

Pursuant to ASC Topic 718, for share-based payments to consultants and other third-parties, compensation expense is determined at the "measurement date." The expense is recognized over the vesting period of the award. Until the measurement date is reached, the total amount of compensation expense remains uncertain. The Company initially records compensation expense based on the fair value of the award at the reporting date. Further, ASC Topic 718, provides guidance about which changes to the terms or conditions of a share-based payment award require an entity to apply modification accounting in Topic 718, such as the repricing of share options, which would revalue those options and the accounting for the cancellation of an equity award whether a replacement award or other valuable consideration is issued in conjunction with the cancellation. If not, the cancellation is viewed as a replacement and not a modification, with a repurchase price of $0.

Use of Estimates

In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the statements of financial condition, and revenues and expenses for the years then ended. Actual results may differ significantly from those estimates. Significant estimates made by management include, but are not limited to, the assumptions used to calculate stock-based compensation, derivative liabilities and common stock issued for services.

Effect of Exchange Rate on Results

The Company's reporting currency is U.S. Dollars. The accounts of one of the Company's subsidiaries, GTC, is maintained using the appropriate local currency, Great British Pound, as the functional currency. All assets and liabilities are translated into U.S. Dollars at balance sheet date, shareholders' equity is translated at historical rates and revenue and expense accounts are translated at the average exchange rate for the year or the reporting period. The translation adjustments are reported as a separate component of stockholders' equity, captioned as accumulated other comprehensive (loss) gain. Transaction gains and losses arising from exchange rate fluctuations on transactions denominated in a currency other than the functional currency are included in the statements of operations.

The relevant translation rates are as follows: for the year ended December 31, 2021, closing rate at 1353372 US$: GBP, yearly average rate at 1.375083 US$: GBP for the year ended December 31, 2020, closing rate at 1.3665 US$: GBP, yearly average rate at 1.286618 US$: GBP

For the year ended December 31, 2021, GTC represents 68.8% of total company sales and as such, currency rate variances have an impact on results. The net effect on revenues were impacted by the differences in exchange rate from yearly average exchange of 1.286618 to 1.375083. Had the yearly average rate remained, sales would have been lower by $459,458. GTC comparable sales in GBP, its home currency, increased 34.0% or £984,146, from £2,890,408 to £3,874,554 for the year ended December 31, 2021, as compared to December 31, 2020.

For the year ended December 31, 2020, GTC represents 64.1% of total company sales and as such, currency rate variances have an impact on results. The net effect on revenues were impacted by the differences in exchange rate from yearly average exchange of 1.276933 to 1.286618. Had the yearly average rate remained, sales would have been lower by $35,347. GTC comparable sales in GBP, its home currency, decreased 8.0% or £251,733, from £3,142,634 to £2,890,901 for the year ended December 31, 2020, as compared to December 31, 2019.

Results of Operations

Net Revenue. For the years ended December 31, 2021, and 2020, revenues generated were approximately $7,739,910 and $5,689,796, an increase of $2,050,114 or

36.0%. Revenues were derived primarily from the sales of satellite phones, locator beacons, IoT GPS trackers, terminals, accessories and additional and recurring airtime plans. Comparable sales for Orbital Satcom Corp. increased 22.4% or $441,132, from $1,970,944 to $2,412,076. Comparable sales for GTC increased 43.3% or $1,608,982, from $3,718,851 to $5,327,833. The overall sales increase is attributable to increased sales through Amazon storefronts and product selections, which constituted 63.6% and 73.3% of our total sales for the years ended December 31, 2021, and 2020, respectively.

Approximately 63.6% of our products are sold on Amazon and are subject to Amazon's terms of service and various other Amazon seller policies that apply to third parties selling products on Amazon's marketplace. Amazon's terms of service provide, among other things, that it may terminate or suspend its agreement with any seller or any of its services being provided to a seller at any time and for any reason. In addition, if Amazon determines that any seller's actions or performance, including ours, may result in violations of its terms or policies, or create other risks to Amazon or to third parties, then Amazon may in its sole discretion withhold any payments owed for as long as Amazon determines any related risk to Amazon or to third parties persist. Further, if Amazon determines that any seller's, including our, accounts have been used to engage in deceptive, fraudulent or illegal activity, or that such accounts have repeatedly violated its policies, then Amazon may in its sole discretion permanently withhold any payments owed. In addition, Amazon in its sole discretion may suspend a seller account and product listings if Amazon determines that a seller has engaged in conduct that violates any of its policies. Any limitation or restriction on our ability to sell on Amazon's platform could have a material impact on our business, results of operations, financial condition and prospects. We also rely on services provided by Amazon's fulfillment platform which provides for expedited shipping to the consumer, an important aspect in the buying decision for consumers. Any inability to market our products for sale with delivery could have a material impact on our business, results of operations, financial condition and prospects. Failure to remain compliant with the fulfillment practices on Amazon's platform could have a material impact on our business, results of operations, financial condition and prospects.

Cost of Sales. During the years ended December 31, 2021, and 2020, cost of revenues increased to $5,880,187 compared to $4,464,476 for the year ended December 31, 2020, an increase of $1,415,711 or 31.7%. We expect our cost of revenues to increase during fiscal 2022 and beyond, as we expand our operations and begin generating additional revenues under our current business. However, we are unable at this time to estimate the amount of the expected increases. Gross profit margins during the year ended December 31, 2021, and 2020 were 24.0% and 21.5%, respectively. The increase in margin was attributable to new product lines with higher margins.

Operating Expenses. Total operating expenses for the year ended December 31, 2021 were $8,482,056, an increase of $5,222,856, or 160.3%, from total operating expenses for the year ended December 31, 2020, of $3,259,200.

Selling, general and administrative expenses were $1,369,936 and $694,361 for the years ended December 31, 2021 and 2020, respectively, representing an increase of $675,575 or 97.3%. The increase is primarily attributable to an increase in medical premiums of $38,441, due to additional employees, premiums related to D&O insurance of $143,575, and a general increase in variable expenses which fluctuate as sales increase.

Salaries, wages and payroll taxes were $1,838,531 and $769,391 for the year ended December 31, 2021 and 2020, respectively, representing an increase of $1,069,140, or 139.0%. The increase was attributable to an increase in officers, personnel and increased payroll to meet legal minimum in the UK.

Stock-based compensation for the year ended December 31, 2021 and 2020 were non-cash expenses. For the years ended December 31, 2021 and 2020, the Company recorded $3,758,424 and $904,900 for stock-based compensation, an increase of $2,853,524 or 315.3%. For the year ended December 31, 2021, the expense was for recruiting and retaining executive management as well as increasing the number of directors, which resulted in an amount of $2,481,071 for awards of restricted stock and $1,277,353 related to the grant of options. For the year ended December 31, 2020, the expense was for the issuance of 2,752,000 fully vested options to purchase shares of the Company's stock to management and a director with an average exercise price of $0.24 and the issuance of 30,000 shares of the Company's stock to consultants valued at $74,000.

Professional fees were $1,198,063 and $595,622 for the years ended December 31, 2021 and 2020, respectively, representing an increase of $602,441 or 101.1%. For the year ended December 31, 2021, the increase in professional fees were primarily for; legal and other fees related to the public company expenses of $358,781, director fees of $97,791, associated with the addition of four independent directors, and capital raising professional fees of $145,869. For the year ended December 31, 2020, the increase was primarily due to an increase in fees to consultants of $143,406 and fees for investor relations of $17,500, relating to equity raising services, offset by a decrease of; legal expenses of $26,770, accounting fees of $21,205 and a reduction of public company expense of $8,564.

Depreciation and amortization expenses were $317,102 and $294,926 for the years ended December 31, 2021 and 2020, respectively, representing an increase of $22,176, or 7.5%. The increase was attributable to increase in fixed assets.

We expect our expenses in each of these areas to continue to increase during fiscal 2022 and beyond as we expand our operations and begin generating additional revenues under our current business. However, we are unable at this time to estimate the amount of the expected increases.

Total Other (Income) Expense. Our total other expenses were $1,485,329 and $729,495 during the years ended December 31, 2021 and 2020, respectively, representing an increase of $755,834 or 103.6%. The increase was attributable to the Company's increase in interest expense of $445,276 due to convertible notes payable, exchange rate variances and gain on extinguishment of debt in 2020 of $269,261.

Net Loss before Income Taxes. We recorded net loss before income tax of $8,107,662 for the year ended December 31, 2021 as compared to a net loss of $2,763,375, for the year ended December 31, 2020. The increase is a result of the factors as described above.

Provision for Income Taxes and Income Tax Expense. For the years ended December 31, 2021 and 2020, the Company recorded income tax expense of $0 and $0, respectively.

Net Loss. We recorded net loss after income tax of $8,107,662 for the year ended December 31, 2021 as compared to a net loss of $2,763,375 for the year ended December 31, 2020. The increase is a result of the factors as described above.

Comprehensive Loss. We recorded a gain (loss) for foreign currency translation adjustments for the year ended December 31, 2021 and 2020 of $46,068 and $(40,680), respectively. The fluctuations of the increase/decrease are primarily attributable to exchange rate variances. Comprehensive loss for the year ended December 31, 2021 was $8,061,594 as compared to loss of $2,804,055 for the year ended December 31, 2020.

Liquidity and Capital Resources

Since inception we have incurred and continue to incur significant losses from operations. Historically, cash flow from operations has not been sufficient to further the growth of the Company's core business. The combined proceeds from the June Offering of $16,560,000 and December Offering of $7,225,038 provides sufficient cash resources for the Company to meet its operating needs. Furthermore, the available cash resources permit investment to expand existing business, investments in expanding our e-commerce platforms, and the development of digital asset initiatives. Should these initiatives and results from operations not prove successful, we will need to raise additional capital through debt facilities, and/or public or private equity or debt financings to continue operations. The Company can provide no assurance as to the successful conclusion of the financings.

Liquidity is the ability of a company to generate funds to support its current and future operations, satisfy its obligations, and otherwise operate on an ongoing basis. At December 31, 2021, we had a cash balance of $17,267,978 and working capital is $16,594,207. We reported a net increase in cash for the year ended December 31, 2021, as compared to December 31, 2020, of $16,539,216 primarily as a result of net cash proceeds received proceeds from the June Public Offering.

We believe that our existing working capital and our future cash flows from operating activities will provide sufficient cash to enable us to meet our operating needs for the next twelve months.

Recent Financing Activities

***December 2021* Offering**

On December 31, 2021, after markets closed, a securities purchase agreement (the "Purchase Agreement") was circulated to, and signatures were received from, certain institutional and accredited investors (the "December Investors") in connection with the sale in a private placement by the Company of 2,229,950 shares of the Company's common stock (the "December Offering"). On January 2, 2022, the Company delivered to December Investors a fully executed Purchase Agreement, which was dated December 31, 2021. The purchase price for the common stock sold in the December Offering was $3.24 per share, the closing transaction price reported by Nasdaq on December 31, 2021.

For the year ended December 31, 2021, the Company received gross proceeds of $1,400,000 of the $7,225,038, pursuant to the December Offering, see Note 19 Subsequent events. On January 5, 2022, the Company received an additional $5,825,038, resulting in the issuance of 2,229,950 shares of the Company's common stock, eliminating the stock subscription payable as well as, the closing of the offering.

Listing on the Nasdaq Capital Market

Our shares have been listed on the Nasdaq Capital Market since May 28, 2021. Our common stock and warrants have been trading on the Nasdaq Capital Market under the symbols "NXPL" and "NXPLW," respectively, since January 21, 2022. Prior to January 21, 2022, our common stock and warrants were traded on the Nasdaq Capital Market under the symbols "OSAT" and "OSATW," respectively.

Reverse Stock Split

We effected a reverse stock split of our common stock at a ratio of 1-for-5 as of 12:01 a.m. Eastern Time, on May 28, 2021. No fractional shares were issued in connection with the reverse stock split and all such fractional interests were rounded up to the nearest whole number of shares of common stock. The conversion or exercise prices of our issued and outstanding convertible securities, stock options and warrants will be adjusted accordingly. All information presented in this Annual Report on Form 10-K, unless otherwise indicated herein, assumes a 1-for-5 reverse stock split of our outstanding shares of common stock, and unless otherwise indicated, all such amounts and corresponding conversion price or exercise price data set forth herein have been adjusted to give effect to such assumed reverse stock split.

June Public Offering

On May 28, 2021, Company, entered into an Underwriting Agreement (the "Underwriting Agreement") with Maxim Group LLC (the "Underwriter"), pursuant to which the Company agreed to issue and sell to the Underwriter in an underwritten public offering (the "June Offering") 2,880,000 units consisting of one share of common stock and one warrant exercisable for one share of common stock at a public offering price of $5.00 per unit (after giving effect to a 1-for-5 reverse stock split, discussed above) for aggregate gross proceeds of approximately $14,400,000 before deducting underwriting discounts, commissions, and other offering expenses. The common stock and warrants were immediately separable and were issued separately. The common stock and warrants began trading on the Nasdaq Capital Market, on May 28, 2021, under the symbols "OSAT" and "OSATW," respectively. In addition, the Company granted the Underwriter a 45-day option to purchase an additional 432,000 shares of common stock and/or warrants to purchase up to an aggregate of 432,000 shares of common stock, in any combination thereof, at the public offering price per security, less the underwriting discounts and commissions, to cover over-allotments, if any. The June Offering closed on June 2, 2021.

In connection with closing of the June Offering, the Underwriter partially exercised its overallotment option and purchased an additional 432,000 warrants at $0.01 per warrant for additional gross proceeds to the Company of $4,320. On June 28, 2021, the Underwriter, upon the exercise in full of the balance of its over-allotment option, purchased 432,000 additional shares of the common stock for additional gross and net proceeds after deducting underwriting discounts of $2,160,000 and $1,983,225, respectively.

We have also agreed to issue to the Underwriter (or its permitted assignees) warrants to purchase up to a total of 144,000 shares of common stock (5% of the shares of common stock included in the Units, excluding the over-allotment, if any) (the "Underwriter Warrants"). The Underwriter Warrants are exercisable at any time, and from time to time, in whole or in part, during the period commencing 180 days from the effective date of the registration statement and expire five years from the effective date of the offering, which period is in compliance with FINRA Rule 5110(e). The Underwriter Warrants are exercisable at a per share price equal to $5.50 per share, or 110% of the public offering price per unit in the offering. The Underwriter Warrants have been deemed compensation by FINRA and are therefore subject to a 180-day lock-up pursuant to Rule 5110(e)(1) of FINRA. The underwriter (or permitted assignees under Rule 5110(e)(2)) will not sell, transfer, assign, pledge, or hypothecate these warrants or the securities underlying these warrants, nor will they engage in any hedging, short sale, derivative, put, or call transaction that would result in the effective economic disposition of the warrants or the underlying securities for a period of 180 days from the effective date of the registration statement. In addition, the warrants provide for certain piggyback registration rights. The piggyback registration rights provided will not be greater than five years from the effective date of the registration statement in compliance with FINRA Rule 5110(g)(8). We will bear all fees and expenses attendant to registering the securities issuable on exercise of the Underwriter Warrants. The exercise price and number of shares issuable upon exercise of the Underwriter Warrants may be adjusted in certain circumstances including in the event of a stock dividend, extraordinary cash dividend or our recapitalization, reorganization, merger or consolidation. However, the warrant exercise price or underlying shares will not be adjusted for issuances of shares of common stock at a price below the warrant exercise price.

The June Offering of common stock and warrants, and the underwriter's exercise of the over-allotment option in connection therewith, resulted in total gross proceeds of approximately $16,560,000 before deducting underwriting discounts, commissions, and other offering expenses.

March 2021 Financing

On March 5, 2021, the Company entered into a Note Purchase Agreement by and between the Company and one individual accredited investor where the Company sold a convertible promissory note with a principal amount of $350,000 (the "March 2021 Note"). The Noteholder had an optional right of conversion such that the Noteholder may elect to convert his Note, in whole or in part, outstanding as of such time, into the number of fully paid and non-assessable shares of the Company's common stock as determined by dividing the indebtedness under the March 2021 Note by a price equal to the lesser of (a) $1.50 per share, and (b) a 30% discount to the price of the common stock in the qualified transaction, subject to certain adjustments.

For the years ended December 31, 2021, and 2020, we amortized the discount on the debt to interest expense of $1,425,365 and $538,087, resulting in a balance of unamortized notes payable of $0 and $209,323, respectively.

For the year ended December 31, 2021, the Holders converted a total of $1,644,268 of the convertible debt to 1,345,468 shares of common shares.

December 2020 Financing

On December 1, 2020, the Company entered into a Note Purchase Agreement by and among the Company and certain lenders where the Company sold an aggregate principal amount of $244,000 of its convertible promissory notes (the "December 2020 Notes"). The December 2020 Note holders had an optional right of conversion such that a Noteholder may elect to convert his December 2020 Note, in whole or in part, outstanding as of such time, into the number of fully paid and non-assessable shares of the Company's common stock as determined by dividing the outstanding indebtedness by $0.25, subject to certain adjustments.

August 2020 Financing

On August 21, 2020, the Company entered into a Note Purchase Agreement by and among the Company and certain lenders where the Company sold an aggregate principal amount of $933,000 of its convertible promissory notes (the "August 2020 Notes"). The August 2020 Note holders had an optional right of conversion such that a Noteholder may elect to convert his August 2020 Note, in whole or in part, outstanding as of such time, into the number of fully paid and non-assessable shares of the Company's common stock as determined by dividing the outstanding indebtedness by $0.20, subject to certain adjustments.

Paycheck Protection Program Loan

On May 8, 2020, NextPlat Corp was approved for the US funded Payroll Protection Program, ("PPP") loan. The loan was for $20,832 and had a term of 2 years, of which the first 6 months was deferred at an interest rate of 1%. On May 23, 2021, BlueVine, the Company's SBA approved mortgage lender and originator, notified the Company, that the loan in the amount of $20,832, had been forgiven. As of December 31, 2021, the Company has recorded $20,832 as forgiveness of debt. For the year ended December 31, 2020, the Company recorded $15,624 as current portion of notes payable and $5,208 as notes payable long term.

COVID-19 UK Loan

On April 20, 2020, the Board of Directors the Company, approved for its wholly owned UK subsidiary, Global Telesat Communications LTD ("GTC"), to apply for a Coronavirus Interruption Loan, offered by the UK government, for an amount up to £250,000. On July 16, 2020 (the "Issue Date"), GTC, entered into a Coronavirus Interruption Loan Agreement ("Debenture") by and among the Company and HSBC UK Bank PLC (the "Lender") for an amount of £250,000, or USD $338,343 at an exchange rate of GBP:USD of 1.3533720. The Debenture bears interest beginning July 16, 2021, at a rate of 3.99% per annum over the Bank of England Base Rate (0.1% as of July 16, 2020), payable monthly on the outstanding principal amount of the Debenture. The Debenture has a term of 6 years from the date of drawdown, July 15, 2026, the "Maturity Date". The first repayment of £4,166.67 (exclusive of interest) will be made 13 month(s) after July 16, 2020. Voluntary prepayments are allowed with 5 business days' written notice and the amount of the prepayment is equal to 10% or more of the limit or, if less, the balance of the debenture. The Debenture is secured by all GTC's assets as well as a guarantee by the UK government, with the proceeds of the Debenture are to be used for general corporate and working capital purposes. The Debenture includes customary events of default, including, among others: (i) non-payment of amounts due thereunder, (ii) non-compliance with covenants thereunder, (iii) bankruptcy or insolvency (each, an "Event of Default"). Upon the occurrence of an Event of Default, the Debenture becomes payable upon demand. As of December 31, 2021, and 2020, the Company has recorded $56,391 and $41,831 as current portion of notes payable and $253,757 and $320,626 as notes payable long term, respectively.

Amazon Line of Credit

On October 9, 2019, Orbital Satcom Corp., entered into a short-term loan agreement for $29,000, with Amazon. The one-year term loan was paid monthly, had an interest rate of 9.72%, with late payment penalty interest of 11.72%. For the years ended December 31, 2021, and 2020, the Company recorded interest expense of $0 and $952, respectively. The short-term line of credit balance as of December 31, 2021, and 2020, was $0, respectively.

HSBC Over-advance

The Company's UK subsidiary, GTC had an over-advance line of credit with HSBC, for working capital needs. The over advanced was not renewed by the Company on December 31, 2021. The over-advance limit was £25,000 or $34,377 at an exchange rate of 1.375083, with interest at 5.50% over Bank of England's base rate or current rate of 6.25% variable. The advance was guaranteed by David Phipps, the Company's President and Chief Executive Officer of Global Operations. The Company has an American Express account for Orbital Satcom Corp. and an American Express account for GTC, both in the name of David Phipps who personally guarantees the balance owed.

Our current assets at December 31, 2021 increased 1,311.54% to $19,374,956, from $1,372,467 or an increase of $18,002,489, from December 31, 2020. The increases included cash of $16,539,216, net accounts receivable of $172,805, inventory of $658,274, unbilled revenue of $24,866, VAT receivable of $491,417, prepaid expenses current portion of $95,284, and other current assets of $20,627. Prepaid expenses primarily represent costs for the Coconut Grove, FL office, which is expected to be operational during April 2022.

Our current liabilities at December 31, 2021 increased to $2,780,749 from $1,516,525 for an increase of $1,264,224, or 83.36% from December 31, 2020. The increase is primarily related to the stock subscription payable of $1,400,000, applied towards the January 5, 2022, private placement of common stock, of approximately $7.2 million. See Note 19 - Subsequent Events.

Operating Activities

Net cash flows used in operating activities for the year ended December 31, 2021 amounted to $4,092,090 and were attributable to our net loss of $8,107,662 and gain from debt extinguishment of $20,832, offset by depreciation and amortization expense of $317,102, right of use of $32,963, amortization debt discount of convertible debt of $1,425,365, stock-based compensation related to the fair value of options granted of $1,277,353 and stock-based compensation related to issuance of restricted stock awards of $2,481,071. Changes in operating assets and liabilities were reflected by increases in accounts receivable of $172,805, unbilled revenue of $24,866, inventory of $658,274, prepaid and other current assets of $165,778, VAT receivable of $491,417, and lease liabilities of $32,936, and offset by increases in accounts payable and accrued expenses of $10,741, provision for income taxes of $37,824, and contract liabilities of $61.

Net cash flows used in operating activities for the year ended December 31, 2020 amounted to $836,980 and were attributable to; our net loss of $2,763,375, gain from debt extinguishment of $269,261, offset by; depreciation and amortization expense of $294,926, right of use of $28,073 stock-based compensation of $74,000, amortization debt discount of convertible debt of $956,554, and the fair value of options issued of $830,900. Changes in operating assets and liabilities were reflected by decreases in accounts receivable of $67,322, inventory of $4,876, prepaid and other current assets of $85,686, and offset by increases in accounts payable and accrued expenses of $111,616, provision for income taxes of $2,899, contract liabilities of $4,503, and lease liability of $28,158.

Investing Activities

Net cash flows used in investing activities were $229,307 and $34,903 for the years ended December 31, 2021 and 2020, respectively. For the year ended December 31, 2021, we purchased equipment, capitalized software and website development of $229,307. For the year ended December 31, 2020, we purchased equipment and websites upgrades of $34,903.

Financing Activities

Net cash flows provided by financing activities were $20,817,317 and $1,565,963 for the years ended December 31, 2021 and 2020, respectively. During the year ended December 31, 2021, we had proceeds from convertible notes payable of $350,000, the June Offering of $14,061,984, warrant exercise of $4,629,539, and over-allotments of common stock and warrants of $1,987,589, proceeds from options exercise of $5,000, which was offset by repayments from; notes payable for $121,848, coronavirus loan of $28,195 and repayments to related party payable of $66,752. During the year ended December 31, 2020, we had proceeds from related party for $50,989, convertible debt $1,177,000 and proceeds from notes payable of 362,457. For the year ended December 31, 2020, we had repayments of the Amazon line of credit of $24,483.

Off-balance Sheet Arrangements

We have not entered into any other financial guarantees or other commitments to guarantee the payment obligations of any third parties. We have not entered into any derivative contracts that are indexed to our shares and classified as stockholder's equity or that are not reflected in our consolidated financial statements. Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity or market risk support to such entity.

Item 15. Exhibits, Financial Statement Schedules.

(a) Documents filed as part of this report.

(1) Financial Statements. See Index to Consolidated Financial Statements, which appears on page F-1 hereof. The financial statements listed in the accompanying Index to Consolidated Financial Statements are filed herewith in response to this Item.

(2) Financial Statements Schedules. None.

(3) Exhibits

Exhibit No.	Description
3.1	Amended and Restated Articles of Incorporation (Incorporated by reference to Exhibit 3.2 to the Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 31, 2014).
3.2	Certificate of Amendment to Amended and Restated Articles of Incorporation (Incorporated by reference to Exhibit 3.3 to the Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 31, 2014).
3.3	Certificate of Amendment to Amended and Restated Articles of Incorporation (Incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on March 8, 2016).
3.4	Certificate of Change to the Amended and Restated Articles of Incorporation (incorporated by reference to Exhibit 3.7 to the Company's Current Report on Form 8-K filed with the SEC on May 28, 2021).
3.5	Certificate of Amendment of the Amended and Restated Articles of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on January 20, 2022).
3.6	Amended and Restated Bylaws (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed with the SEC on January 20, 2022).
4.1**	Description of NextPlat Corp's Securities Registered Under Section 12 of the Exchange Act.
4.2	Form of Common Stock Purchase Warrant (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-1/A filed with the SEC on April 7, 2021).
4.3	Form of Warrant Agent Agreement (incorporated by reference to Exhibit 4.2 to the Company's Registration Statement on Form S-1/A filed with the SEC on April 7, 2021).
4.4	Form of Underwriter's Warrant (incorporated by reference to Exhibit 4.3 to the Company's Registration Statement on Form S-1/A filed with the SEC on April 7, 2021).
10.1	Form 7% Convertible Promissory Note (Incorporated by reference from the Current Report on Form 8-K filed with the SEC on March 11, 2021).
10.2	Form Note Purchase Agreement (Incorporated by reference from the Current Report on Form 8-K filed with the SEC on March 11, 2021).
10.3+	David Phipps Employment Agreement (Incorporated by reference from the Current Report on Form 8-K filed with the SEC on March 11, 2021).
10.4+	Thomas Seifert Employment Agreement (Incorporated by reference from the Current Report on Form 8-K filed with the SEC on March 11, 2021).
10.5+	2020 Equity Incentive Plan (Incorporated by reference from the Current Report on Form 8-K filed with the SEC on December 31, 2020).
10.6	Form Note Purchase Agreement (Incorporated by reference from the Current Report on Form 8-K filed with the SEC on December 4, 2020).
10.7	Form 6% Convertible Promissory Note (Incorporated by reference from the Current Report on Form 8-K filed with the SEC on December 4, 2020).
10.8	Debenture by and among Global Telesat Communications LTD and HSBC UK BANK PLC, dated July 16, 2020 (Incorporated by reference from the Company's Current Report on Form 8-K filed on July 21, 2020).
10.9	Coronavirus Business Interruption Loan Agreement by and among Global Telesat Communications LTD and HSBC UK BANK PLC, dated July 16, 2020 (Incorporated by reference from the Company's Current Report on Form 8-K filed on July 21, 2020).

10.10	Note Purchase Agreement by and among the Company and the lenders set forth on the lender schedule to the Note Purchase Agreement dated August 21, 2020 (incorporated by reference from the Current Report on Form 8-K filed with the SEC on August 27, 2020).

Exhibit No.	Description
10.11	Form of Option Agreement (Incorporated by reference to Form 10-K, filed with the Securities and Exchange Commission on March 29, 2019)
10.12	Convertible Promissory Note by and between Orbital Tracking Corp. and Power Up Ltd., dated January 14, 2019. (Incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on January 17, 2019).
10.13	Form of Share Note Exchange Agreement by and between Orbital Tracking Corp and certain holders of the Company's preferred stock. (Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on May 6, 2019).
10.14	Form of 6% Promissory Note dated April 30, 2019, by and between Orbital Tracking Corp and certain holders of the Company's preferred stock. (Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on May 6, 2019).
10.15	Note Purchase Agreement by and among the Company and the lenders set forth on the lender schedule to the Note Purchase Agreement dated May 13, 2019. (Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on May 15, 2019).
10.16	Amendment to Note Purchase Agreement by and among the Company and the lenders set forth on the lender schedule to the Note Purchase Agreement dated May 13, 2019. (Incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on May 15, 2019).
10.17	Form 7% Convertible Promissory Note (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on March 11, 2021).
10.18	Form Note Purchase Agreement (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on March 11, 2021).
10.19+	David Phipps Employment Agreement (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the SEC on March 11, 2021).
10.20+	Thomas Seifert Employment Agreement (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed with the SEC on March 11, 2021).
10.21+	Form Fernandez Restricted Stock Agreement (incorporated by reference to Exhibit 10.19 to Amendment No.4 to the Company's registration statement on Form S-1 filed with the SEC on May 25, 2021, File No. 333-253027).
10.22+	Fernandez Employment Agreement, dated May 23, 2021 (incorporated by reference to Exhibit 10.20 to Amendment No.4 to the Company's Registration Statement on Form S-1 filed with the SEC on May 25, 2021, File No. 333-253027).
10.23+	Fernandez Employment Agreement, dated June 2, 2021 (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report filed with the SEC on August 17, 2021).
10.24+	Form of Director Offer Letter (incorporated by reference to Exhibit 10.17 to the Company's Registration Statement on Form S-1/A filed with the SEC on April 7, 2021).
10.25	Form of Maxim Lockup Agreement (incorporated by reference to Exhibit A to Underwriting Agreement filed as Exhibit 1.1 to the Company's Current Report on Form 8-K filed with the SEC on May 28, 2021).
10.26+	Hector Delgado Independent Director Agreement (incorporated by reference to Exhibit 10.21 to the Company's Current Report on Form 8-K filed with the SEC on June 7, 2021).
10.27+	Louis Cusimano Independent Director Agreement (incorporated by reference to Exhibit 10.22 to the Company's Current Report on Form 8-K filed with the SEC on June 7, 2021).
10.28+	John E. Miller Independent Director Agreement (incorporated by reference to Exhibit 10.23 to the Company's Current Report on Form 8-K filed with the SEC on June 7, 2021).
10.29+	Kendall W. Carpenter Independent Director Agreement (incorporated by reference to Exhibit 10.24 to the Company's Current Report on Form 8-K filed with the SEC on June 7, 2021).

Exhibit No.	Description
10.30+	David Phipps Employment Agreement (incorporated by reference to Exhibit 10.25 to the Company's Current Report on Form 8-K filed with the SEC on June 7, 2021).
10.31+	Thomas Seifert Employment Agreement (incorporated by reference to Exhibit 10.26 to the Company's Current Report on Form 8-K filed with the SEC on June 7, 2021).
10.32+	Sarwar Uddin Employment Agreement (incorporated by reference to Exhibit 10.27 to the Company's Current Report on Form 8-K filed with the SEC on June 23, 2021).
10.33+	Theresa Carlise Employment Agreement (incorporated by reference to Exhibit 10.28 to the Company's Current Report on Form 8-K filed with the SEC on June 23, 2021).

10.34	Alibaba.com Supplemental Services Agreement (incorporated by reference to Exhibit 10.29 to the Company's Current Report on Form 8-K filed with the SEC on July 13, 2021).
10.35	Alibaba.com Transaction Services Agreement (incorporated by reference to Exhibit 10.30 to the Company's Current Report on Form 8-K filed with the SEC on July 13, 2021).
10.36	Alibaba.com Terms of Use (incorporated by reference to Exhibit 10.31 to the Company's Current Report on Form 8-K filed with the SEC on July 13, 2021).
10.37+	Amendment No. 1 Employment Agreement, dated August 7, 2021, by and between Orbsat Corp and Charles M. Fernandez (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on August 12, 2021).
10.38+	Amendment No. 1 Employment Agreement, dated August 7, 2021, by and between Orbsat Corp and David Phipps (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on August 12, 2021).
10.39+	Amendment No. 1 Employment Agreement, dated August 7, 2021, by and between Orbsat Corp and Sarwar Uddin (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the SEC on August 12, 2021).
10.40+	Amendment No. 1 Employment Agreement, dated August 7, 2021, by and between Orbsat Corp and Theresa Carlise (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed with the SEC on August 12, 2021).
10.41+	Employment Agreement, dated August 24, 2021, by and between Orbsat Corp and Douglas S. Ellenoff (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K/A filed with the SEC on January 27, 2022).
10.42+	Employment Agreement, dated August 24, 2021, by and between Orbsat Corp and Paul R. Thomson (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on August 30, 2021).
10.43+	Stock Option Agreement, dated August 24, 2021, by and between Orbsat Corp and Douglas Ellenoff (incorporated by reference to Exhibit 10.10 to the Company's Quarterly Report filed with the SEC on November 15, 2021).

Exhibit No.	Description
10.44+	Restricted Stock Award Agreement, dated August 24, 2021, by and between Orbsat Corp and Douglas Ellenoff (incorporated by reference to Exhibit 10.11 to the Company's Quarterly Report filed with the SEC on November 15, 2021).
10.45+	Stock Option Agreement, dated August 24, 2021, by and between Orbsat Corp and Paul R. Thomson (incorporated by reference to Exhibit 10.12 to the Company's Quarterly Report filed with the SEC on November 15, 2021).
10.46+	Restricted Stock Award Agreement, dated August 24, 2021, by and between Orbsat Corp and Paul R. Thomson (incorporated by reference to Exhibit 10.13 to the Company's Quarterly Report filed with the SEC on November 15, 2021).
10.47+	Amended and Restated 2020 Equity Incentive Plan (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K filed with the SEC on October 1, 2021).
10.48+	Amendment No. 1 Employment Agreement, dated October 8, 2021, by and between Orbsat Corp and Paul R. Thomson (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on October 8, 2021).
10.49+	Employment Agreement, dated October 8, 2021, by and between Orbsat Corp and Andrew Cohen (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on October 8, 2021).
10.50+**	Restricted Stock Award Agreement, dated October 8, 2021, by and between Orbsat Corp and Andrew Cohen.
10.51+**	Stock Option Agreement, dated October 8, 2021, by and between Orbsat Corp and Andrew Cohen.
10.52+	Amendment No. 2 Employment Agreement, dated October 8, 2021, by and between Orbsat Corp and Theresa Carlise (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the SEC on October 8, 2021).
10.53+	Director Services Agreement, dated January 11, 2022, between Orbsat Corp and Rodney Barreto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on January 11, 2022).
10.54	Form of Securities Purchase Agreement dated as of December 31, 2021, by and among Orbsat Corp and the Investors (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on January 5, 2022).
10.55	Form of Registration Rights Agreement dated as of December 31, 2021, by and among Orbsat Corp and the Investors (incorporated by reference to Exhibit A of Exhibit 10.54 to this Annual Report on Form 10-K).
10.56+	Orbsat Corp Amended and Restated 2020 Equity Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on December 22, 2021).
10.57+	Orbsat Corp 2021 Incentive Award Plan (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on December 22, 2021).
10.58+	Employment Agreement, dated October 8, 2021, by and between Orbsat Corp and Andrew Cohen. (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on October 8, 2021).
10.59+	Amendment No. 1 Employment Agreement, dated October 8, 2021, by and between Orbsat Corp and Paul R. Thomson (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on October 8, 2021).
10.60+	Amendment No. 2 Employment Agreement, dated October 8, 2021, by and between Orbsat Corp and Theresa Carlise. (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the SEC on October 8, 2021).

10.61+	Form of Indemnity Agreement by and between Orbsat Corp and Douglas Ellenoff entered into on November 18, 2021 (incorporated by reference to Exhibit B of Exhibit 10.1 to the Company's Current Report on Form 8-K/A filed with the SEC on January 27, 2022).
10.62+	Form of Registration Rights Agreement by and between Orbsat Corp and Douglas Ellenoff entered into on November 18, 2021 (incorporated by reference to Exhibit A of Exhibit 10.1 to the Company's Current Report on Form 8-K/A filed with the SEC on January 27, 2022).
10.63+**	Restricted Stock Award Agreement, dated December 18, 2021, by and between Orbsat Corp and Charles M. Fernandez (275,000 shares of restricted stock).
10.64+**	Restricted Stock Award Agreement, dated December 18, 2021, by and between Orbsat Corp and Charles M. Fernandez (101,000 shares of restricted stock).
10.65+**	Restricted Stock Award Agreement, dated December 18, 2021, by and between Orbsat Corp and David Phipps.
10.66+**	Form of Restricted Stock Award Agreement between the Company and each of Paul R Thomson (10,000 shares) and Theresa Carlise (15,000 shares), entered into in December 2021.
10.67+**	Form of Restricted Stock Award Agreement between the Company and each of Kendall Carpenter, Louis Cusimano, Hector Delgado and John E. Miller, entered into in December 2021.
10.68+**	Form of Stock Option Grant Notice and Agreement between Orbsat Corp and each of Charles M. Fernandez (75,000 shares), Paul R Thomson (10,000 shares) and Theresa Carlise (15,000 shares), entered into in December 2021.
10.69+**	Restricted Stock Award Agreement, dated December 20, 2021, by and between Orbsat Corp and Rodney Barreto.
21.1**	Subsidiaries of NextPlat Corp
23.1**	Consent of RBSM LLP
23.2*	Consent of RBSM LLP
31.1**	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2**	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.3*	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.4*	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of Principal Executive Officer and Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2*	Certification of Principal Executive Officer and Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.ins*	Inline XBRL Instance Document
101.sch*	Inline XBRL Taxonomy Schema Document
101.cal*	Inline XBRL Taxonomy Calculation Document
101.def*	Inline XBRL Taxonomy Linkbase Document
101.lab*	Inline XBRL Taxonomy Label Linkbase Document
101.pre*	Inline XBRL Taxonomy Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

(1) Schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule will be furnished supplementally to the Securities and Exchange Commission upon request; provided, however that the Company may request confidential treatment pursuant to Rule 24b-2 of the Exchange Act for any schedule or exhibit so furnished.

* Filed herewith.
** Filed with the Original Form 10-K on March 31, 2022.
+ Management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: April 4, 2022

NEXTPLAT CORP

By: */s/ Charles M. Fernandez*
Charles M. Fernandez

Title: Executive Chairman and Chief Executive Officer (Principal Executive Officer)

By: */s/ Paul R. Thomson*

Paul R Thomson
Title: Chief Financial Officer, (Principal Financial Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following person on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Charles M. Fernandez Charles M. Fernandez	Chief Executive Officer and Executive Chairman (Principal Executive Officer)	April 4, 2022
/s/ David Phipps David Phipps	President and Chief Executive Officer of Global Operations	April 4, 2022
/s/ Paul R Thomson Paul R Thomson	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	April 4, 2022
/s/ *Theresa Carlise* Theresa Carlise	Chief Accounting Officer, Secretary and Treasurer (Principal Accounting Officer)	April 4, 2022
/s/ Andrew S. Cohen Andrew S. Cohen	Senior Vice President of Operations	April 4, 2022
/s/ Douglas S. Ellenoff Douglas Ellenoff	Vice Chairman and Chief Business Development Strategist	April 4, 2022
/s/ Hector Delgado Hector Delgado	Director	April 4, 2022
/s/ *Kendall W. Carpenter* Kendall Carpenter	Director	April 4, 2022
/s/ Louis Cusimano Louis Cusimano	Director	April 4, 2022
/s/ John E. Miller John E. Miller	Director	April 4, 2022
/s/ Rodney Barreto Rodney Barreto	Director	April 4, 2022

NEXTPLAT CORP AND SUBSIDIARIES
FKA: ORBSAT CORP

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
NextPlat Corp and Subsidiaries
(formerly known as Orbsat Corp)

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of NextPlat Corp & Subsidiaries (formerly known as Orbsat Corp) (the "Company") as of December 31, 2021 and 2020, and the related consolidated statements of operations and comprehensive loss, stockholders' equity, and cash flows for each of the two years in the period ended December 31, 2021, and the related notes and schedules (collectively referred to as the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial positions of the Company as of December 31, 2021 and 2020, and the consolidated results of its operations and its cash flows for each of the two years in the period ended December 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements, and (2) involved our especially challenging, subjective, or complex judgments.

We did not identify any critical audit matters during the course of our audit for the year ended December 31, 2021.

/s/ RBSM LLP

We have served as the Company's auditor since 2014.

New York, NY
March 31, 2022

PCAOB ID Number 587

NEXTPLAT CORP AND SUBSIDIARIES
FKA: ORBSAT CORP
CONSOLIDATED BALANCE SHEETS

	December 31, 2021	December 31, 2020
ASSETS		
Current Assets		
Cash	$ 17,267,978	$ 728,762
Accounts receivable, net	349,836	177,031
Inventory	1,019,696	361,422
Unbilled revenue	100,422	75,556
VAT receivable	491,417	-
Prepaid expenses – current portion	97,068	1,784
Other current assets	48,539	27,912
Total Current Assets	19,374,956	1,372,467
Property and equipment, net	1,042,859	1,106,164
Right to use	22,643	55,606
Intangible Assets, net	75,000	100,000
Prepaid expenses – long term portion	49,867	-
Total Assets	$ 20,565,325	$ 2,634,237
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued expenses	$ 1,063,344	$ 1,052,603
Contract liabilities	36,765	36,704
Note payable – current portion	-	121,848
Note payable Coronavirus loans– current portion	56,391	41,831
Due to related party	35,308	102,060
Line of credit	-	-
Operating lease liabilities - current	19,763	30,125
Provision for income taxes	56,781	18,957
Stock subscription payable	1,400,000	-
Liabilities from discontinued operations	112,397	112,397
Total Current Liabilities	2,780,749	1,516,525
Long Term Liabilities:		
Convertible debt, net of discount, unamortized $0 and $1,084,944	-	209,323
Notes payable Coronavirus – long term	253,757	320,626
Operating lease liabilities – long term	-	22,574
Total Liabilities	3,034,506	2,069,048

Stockholders' Equity		
Preferred stock, $0.0001 par value; 3,333,333 shares authorized	-	-
Common stock, $0.0001 par value; 50,000,000 shares authorized, 7,053,146 shares issued and outstanding as of December 31, 2021, and 817,450 issued and outstanding at December 31, 2020, respectively	705	82
Additional paid-in capital	39,513,093	14,486,492
Accumulated deficit	(21,986,215)	(13,878,553)
Accumulated other comprehensive income (loss)	3,236	(42,832)
Total Stockholders' Equity	17,530,819	565,189
Total Liabilities and Stockholders' Equity	$ 20,565,325	$ 2,634,237

See accompanying notes to consolidated financial statements.

NEXTPLAT CORP AND SUBSIDIARIES
FKA: ORBSAT CORP
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

	For the Years Ended December 31, 2021	2020
Net sales	$ 7,739,910	$ 5,689,796
Cost of sales	5,880,187	4,464,476
Gross profit	1,859,723	1,225,320
Operating expenses:		
Selling, general and administrative	1,369,936	694,361
Salaries, wages and payroll taxes	1,838,531	769,391
Stock-based compensation	3,758,424	904,900
Professional fees	1,198,063	595,622
Depreciation and amortization	317,102	294,926
Total operating expenses	8,482,056	3,259,200
Loss from other expenses and income taxes	(6,622,333)	(2,033,880)
Other (income) expense:		
Interest earned	(6,876)	(115)
Interest expense	1,467,300	1,022,024
Foreign currency exchange rate variance	45,737	2,447
Gain on debt extinguishment	(20,832)	(269,261)
Other income	-	(32,165)
Other expenses	-	6,565
Total other expense	1,485,329	729,495
Loss before provision for income taxes	(8,107,662)	(2,763,375)
Provision for income taxes	-	-
Net loss	(8,107,662)	(2,763,375)
Comprehensive loss:		
Net loss	(8,107,662)	(2,763,375)
Foreign currency translation adjustments	46,068	(40,680)
Comprehensive loss	$ (8,061,594)	$ (2,804,055)
NET LOSS ATTRIBUTABLE TO COMMON STOCKHOLDERS		
Weighted number of common shares outstanding – basic & diluted	4,080,833	21,235
Basic and diluted net (loss) per share	$ (1.98)	$ (132.05)

See accompanying notes to consolidated financial statements.

NEXTPLAT CORP AND SUBSIDIARIES
FKA: ORBSAT CORP
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE TWO YEARS ENDED DECEMBER 31, 2021

	Common Stock $0.0001 Par Value		Additional Paid in	Accumulated
	Shares	Amount	Capital	Deficit

Balance, January 1, 2020	**25,690**	**$ 2**	**$ 11,757,037**	**$ (11,115,178)**
Issuance of common stock from convertible debt	699,800	70	687,664	-
Beneficial conversion feature of convertible debt	-	-	1,136,901	-
Issuance of common stock for options exercised	85,960	9	(9)	-
Stock-based compensation in connection with options granted	-	-	830,900	-
Stock-based compensation in connection with restricted stock awards	6,000	1	73,999	-
Comprehensive loss	-	-	-	-
Net loss	-	-	-	(2,763,375)
Balance, December 31, 2020	**817,450**	**$ 82**	**$ 14,486,492**	**$ (13,878,553)**
Issuance of common stock from convertible debt	1,345,468	135	1,644,132	-
Beneficial conversion feature of convertible debt	-	-	340,420	-
Issuance of common stock for options exercised	17,437	2	4,998	-
Issuance of common stock from exercise of warrant	925,908	92	4,629,448	-
Issuance of common stock related to offering	2,880,000	288	12,661,696	-
Issuance of common for over-allotment	432,000	43	1,983,226	-
Issuance of warrants for over-allotment	-	-	4,320	-
Stock-based compensation in connection with options granted	-	-	1,277,353	-
Stock-based compensation in connection with restricted stock awards	634,883	63	2,481,008	-
Comprehensive gain	-	-	-	-
Net loss	-	-	-	(8,107,662)
Balance, December 31, 2021	**7,053,146**	**$ 705**	**$ 39,513,093**	**$ (21,986,215)**

See accompanying notes to consolidated financial statements.

NEXTPLAT CORP AND SUBSIDIARIES
FKA: ORBSAT CORP
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE TWO YEARS ENDED DECEMBER 31, 2021

	Comprehensive Income (Loss)	Stockholders' Equity
Balance January 1, 2020	**$ (2,152)**	**$ 639,709**
Issuance of common stock from convertible debt	-	687,734
Beneficial conversion feature of convertible debt	-	1,136,901
Issuance of common stock for options exercised	-	-
Stock-based compensation in connection with options granted	-	830,900
Stock-based compensation in connection with restricted stock awards	-	74,000
Comprehensive loss	(40,680)	(40,680)
Net loss	-	(2,763,375)
Balance, December 31, 2020	**$ (42,832)**	**$ 565,189**
Issuance of common stock from convertible debt	-	1,644,267
Beneficial conversion feature of convertible debt	-	340,420
Issuance of common stock for options exercised	-	5,000
Issuance of common stock from exercise of warrant	-	4,629,540
Issuance of common stock related to June offering	-	12,661,984
Issuance of common for over-allotment	-	1,983,269
Issuance of warrants for over-allotment	-	4,320
Stock-based compensation in connection with options granted	-	1,277,353
Stock-based compensation in connection with restricted stock awards	-	2,481,071
Comprehensive gain	46,068	46,068
Net loss	-	(8,107,662)
Balance, December 31, 2021	**$ 3,236**	**$ 17,530,819**

See accompanying notes to consolidated financial statements

NEXTPLAT CORP AND SUBSIDIARIES
FKA: ORBSAT CORP
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Years Ended December 31,

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (8,107,662)	$ (2,763,375)
Adjustments to reconcile net loss to net cash (used in) operating activities:		
Depreciation expense	292,102	269,926
Amortization of intangible asset	25,000	25,000
Amortization of right of use asset	32,963	28,073
Amortization of debt discount, net	1,425,365	956,554
Stock-based compensation in connection with restricted stock awards	2,481,071	830,900
Stock-based compensation in connection with options granted	1,277,353	74,000
Gain on debt extinguishment	(20,832)	(269,261)
Changes in operating assets and liabilities:		
Accounts receivable	(172,805)	67,322
Inventory	(658,274)	4,876
Unbilled revenue	(24,866)	495
Prepaid expense	(145,151)	16,812
VAT receivable	(491,417)	-
Other current assets	(20,627)	68,874
Operating lease liabilities	(32,936)	(28,158)
Accounts payable and accrued liabilities	10,741	(111,616)
Provision for income taxes	37,824	(2,899)
Contract liabilities	61	(4,503)
Net cash used in operating activities	(4,092,090)	(836,980)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(229,307)	(34,903)
Net cash used in investing activities	(229,307)	(34,903)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from (repayments to) related party, net	(66,752)	50,989
Proceeds from (repayments to) note payable Coronavirus loans	(28,195)	362,457
Proceeds from exercise of options	5,000	-
Proceeds from common stock offering	12,661,984	-
Proceeds from common over-allotment	1,983,269	-
Proceeds from warrants over-allotment	4,320	-
Proceeds from exercise of warrant	4,629,539	-
Proceeds from December offering	1,400,000	-
Proceeds from (repayments to) convertible notes payable	350,000	1,177,000
(Repayments to) proceeds from line of credit	(121,848)	(24,483)
Net cash provided by financing activities	20,817,317	1,565,963
Effect of exchange rate on cash	43,296	(40,680)
Net increase in cash	16,539,216	653,400
Cash beginning of year	728,762	75,362
Cash end of year	$ 17,267,978	$ 728,762
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid during the period for		
Interest	$ 143,234	$ -
Income tax	$ 38,615	$ -
NON-CASH FINANCING AND INVESTING ACTIVITIES DURING THE YEAR		
Beneficial conversion feature on convertible debt	$ 340,420	$ 1,136,901
Issuance common stock from convertible debt	$ 1,644,267	$ 687,734

See accompanying notes to consolidated financial statements

NEXTPLAT CORP AND SUBSIDIARIES
FKA: ORBSAT CORP
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Description of Business

NextPlat Corp (the "Company") was formerly Orbsat Corp ("NextPlat"), a Nevada corporation. NextPlat currently generates its revenues from the provision of a comprehensive array of communication services and related equipment sales. In recent years the Company has successfully leveraged e-commerce solutions to establish a truly global reach. We intend to achieve our mission and further grow our business by pursuing the following strategies: increased product offerings, marketplace expansion, government sourced revenue, product innovation, future acquisitions and E-Commerce Platforms.

The Company was originally incorporated in 1997 in Florida. On April 21, 2010, the Company merged with and into a wholly-owned subsidiary for the purpose of changing its state of incorporation to Delaware, effecting a 2:1 forward split of its common stock, and changing its name to EClips Media Technologies, Inc. On April 25, 2011, the Company changed its name to Silver Horn Mining Ltd. pursuant to a merger with a wholly owned subsidiary.

Global Telesat Communications Limited ("GTC") was formed under the laws of England and Wales in 2008. On February 19, 2015, we entered into a share exchange agreement with GTC and all of the holders of the outstanding equity of GTC pursuant to which GTC became a wholly owned subsidiary of ours.

On March 28, 2014, we merged with a newly-formed wholly-owned subsidiary of ours solely for the purpose of changing our state of incorporation to Nevada from Delaware, effecting a 1:150 reverse split of our common stock, and changing our name to Great West Resources, Inc. in connection with the plans to enter into the business of potash mining and exploration. During late 2014, we abandoned our efforts to enter the potash business.

For accounting purposes, this transaction was accounted for as a reverse acquisition and has been treated as a recapitalization of the Company with GTC considered the accounting acquirer, and the financial statements of the accounting acquirer became the financial statements of the registrant. The completion of the Share Exchange resulted in a change of control. The Share Exchange was accounted for as a reverse acquisition and re-capitalization. The GTC shareholders obtained approximately 39% of voting control on the date of Share Exchange. GTC was the acquirer for financial reporting purposes and the Company was the acquired company. The consolidated financial statements after the acquisition include the balance sheets of both companies at historical cost, the historical results of GTC and the results of the Company from the acquisition date. All share and per share information in the accompanying consolidated financial statements and footnotes has been retroactively restated to reflect the recapitalization. See Note 12 – Stockholders' Equity.

Orbital Satcom Corp, a Nevada corporation was formed on November 14, 2014.

On January 22, 2015, we changed our name to "Orbital Tracking Corp" from "Great West Resources, Inc." pursuant to a merger with a newly formed wholly owned subsidiary.

Effective March 8, 2018, following the approval of a majority of our shareholders, we effected a reverse split of our common stock at a ratio of 1 for 150. On August 19, 2019, we effected a reverse split of our common stock at a ratio of 1 for 15. As a result of the reverse split, our common stock now has the CUSIP number: 68557F100. All share and per share information in the accompanying consolidated financial statements and footnotes has been retroactively restated to reflect these reverse splits.

Also, on August 19, 2019, we changed our name to "Orbsat Corp" from "Orbital Tracking Corp." pursuant to a merger with a newly formed wholly owned subsidiary.

On March 24, 2021, the Company's shareholders via majority shareholder consent authorized a stock split not to exceed 1-for-5 reverse stock split A definitive Information Statement relating to the shareholder consent was filed with the SEC on March 13, 2021. The Company's Board of Directors (the "Board") subsequently approved the 1-for-5 reverse stock split. The Company filed a Certificate of Change to its Amended and Restated Articles of Incorporation to effect a reverse stock split of its issued and outstanding common stock, at a ratio of 1-for-5. The effective time of the reverse stock split was 12:01 a.m. ET on May 28, 2021. The Company's common stock began trading on a split-adjusted basis commencing upon market open on May 28, 2021. The common stock has been assigned a new CUSIP number, 68557F 209. The warrants were assigned the CUSIP number, 68557F 118. No fractional shares of common stock were issued as a result of the reverse stock split. Stockholders of record who would otherwise be entitled to receive a fractional share received a whole share.

On December 16, 2021, at the Annual Meeting of Stockholders (the "Annual Meeting") of the Company the stockholders approved certificate of amendment to the Company's Amended and Restated Articles of Incorporation changing the Company's name to NextPlat Corp. The Name Change Amendment was filed on January 18, 2022, and the Company's name change from Orbsat Corp to NextPlat Corp was effective as of January 21, 2022.

Effective January 21, 2022, the trading symbol for the Company's common stock, par value $0.0001 per share (the "Common Stock") on the NASDAQ Capital Market will be "NXPL" and the trading symbol for the Company's Warrants (the "Warrants") on the NASDAQ Capital Market will be "NXPLW." The CUSIP number for our Common Stock (68557F209) and our Warrants (68557F118) remain unchanged. Prior to January 21, 2022, our common stock and warrants were traded on the Nasdaq Capital Market under the symbols "OSAT" and "OSATW," respectively

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Discontinued Operations

The Company's former operations were developing and manufacturing products and services, which reduce fuel costs, save power and energy and protect the environment. The products and services were made available for sale into markets in the public and private sectors. In December 2009, the Company discontinued these operations and disposed of certain of its subsidiaries, and prior periods have been restated in the Company's consolidated financial statements and related footnotes to conform to this presentation.

The remaining liabilities for discontinued operations are presented in the consolidated balance sheets under the caption "Liabilities from discontinued operation" and relates to the discontinued operations of developing and manufacturing of energy saving and fuel-efficient products and services. The carrying amounts of the major classes of these liabilities as of December 31, 2021, and 2020 are summarized as follows:

	December 31, 2021	December 31, 2020
Assets of discontinued operations	$ -	$ -
Liabilities		
Accounts payables and accrued expenses	$ (112,397)	$ (112,397)
Liabilities from discontinued operations	$ (112,397)	$ (112,397)

Basis of Presentation and Principles of Consolidation

The consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States of America ("US GAAP"). The consolidated financial statements of the Company include the Company and its wholly-owned subsidiaries, Orbital Satcom Corp, ("Orbital Satcom") and Global Telesat Communications Limited, ("GTC"). All material intercompany balances and transactions have been eliminated in consolidation.

Liquidity

As an early-stage growth company, NextPlat's ability to access capital is critical. On June 2, 2021, through an upsized underwritten public offering of 2,880,000 units at a price to the public of $5.00 per unit, the Company received gross proceeds of $14,404,666 (the "June Offering"). See Note 12, *Stockholders' Equity,* for more information regarding the June Offering.

In connection with closing of the June Offering, the Underwriter partially exercised its overallotment option and purchased an additional 432,000 warrants at $0.01 per warrant for additional gross proceeds to the Company of $4,320. On June 28, 2021, the Underwriter, upon the exercise in full of the balance of its over-allotment option, purchased 432,000 additional shares of the common stock for additional gross proceeds of $2,155,680 from the sale of the Shares.

As of the date of this report, the Company's existing cash resources and existing borrowing availability are sufficient to support planned operations for the next 12 months. As a result, management believes that the Company's existing financial resources are sufficient to continue operating activities for at least one year past the issuance date of the financial statements.

Use of Estimates

In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the statements of financial condition, and revenues and expenses for the years then ended. Actual results may differ significantly from those estimates. Significant estimates made by management include, but are not limited to, the assumptions used to calculate stock-based compensation, derivative liabilities and common stock issued for services.

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents. The Company places its cash with a high credit quality financial institution. The Company's account at this institution is insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000. All cash amounts in excess of $250,000, $17,017,978, are unsecured. To reduce its risk associated with the failure of such financial institution, the Company evaluates at least annually the rating of the financial institution in which it holds deposits.

Accounts Receivable and Allowance for Doubtful Accounts

The Company has a policy of reserving for questionable accounts based on its best estimate of the amount of probable credit losses in its existing accounts receivable. The Company periodically reviews its accounts receivable to determine whether an allowance is necessary based on an analysis of past due accounts and other factors that may indicate that the realization of an account may be in doubt. Account balances deemed to be uncollectible are offset against sales and relieved from accounts receivable, after all means of collection have been exhausted and the potential for recovery is considered remote. As of December 31, 2021, and 2020, there is an allowance for doubtful accounts of $0 and $15,596, respectively.

Inventories

Inventories are valued at the lower of cost or net realizable value, using the first-in first-out cost method. The Company assesses the valuation of its inventories and reduces the carrying value of those inventories that are obsolete or in excess of the Company's forecasted usage to their estimated net realizable value. The Company estimates the net realizable value of such inventories based on analysis and assumptions including, but not limited to, historical usage, expected future demand and market requirements. A change to the carrying value of inventories is recorded to cost of goods sold.

Prepaid Expenses

Prepaid expenses current and long term amounted to $97,068 and $49,867, respectively for the year ended December 31, 2021, as compared to $1,784 and $0 at for the year ended December 31, 2020. Prepaid expenses include prepayments in cash for accounting fees, prepayments in equity instruments, which are being amortized over the terms of their respective agreements, as well as cost associated with certain contract liabilities. The current portion consists of costs paid for future services which will occur within a year.

Foreign Currency Translation

The Company's reporting currency is U.S. Dollars. The accounts of one of the Company's subsidiaries, GTC, is maintained using the appropriate local currency, Great British Pound, as the functional currency. All assets and liabilities are translated into U.S. Dollars at balance sheet date, shareholders' equity is translated at historical rates and revenue and expense accounts are translated at the average exchange rate for the year or the reporting period. The translation adjustments are reported as a separate component of stockholders' equity, captioned as accumulated other comprehensive (loss) gain. Transaction gains and losses arising from exchange rate fluctuations on transactions denominated in a currency other than the functional currency are included in the statements of operations.

The relevant translation rates are as follows: for the year ended December 31, 2021, closing rate at 1.353372 US$: GBP, yearly average rate at 1.375083 US$: GBP, for the year ended December 31, 2020 closing rate at 1.3665 US$: GBP, yearly average rate at 1.286618 US$: GBP.

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition and Unearned Revenue

The Company recognizes revenue from satellite services when earned, as services are rendered or delivered to customers. Equipment sales revenue is recognized when the equipment is delivered to and accepted by the customer. Only equipment sales are subject to warranty. Historically, the Company has not incurred significant expenses for warranties. Equipment sales which have been prepaid, before the goods are shipped are recorded as contract liabilities and once shipped is recognized as revenue. The Company also records as contract liabilities, certain annual plans for airtime, which are paid in advance. Once airtime services are incurred, they are recognized as revenue. Unbilled revenue is recognized for airtime plans whereby the customer is invoiced for its data usage the following month after services are incurred.

The Company's customers generally purchase a combination of our products and services as part of a multiple element arrangement. The Company's assessment of which revenue recognition guidance is appropriate to account for each element in an arrangement can involve significant judgment. This assessment has a significant impact on the amount and timing of revenue recognition.

The Company recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration which we expect to receive in exchange for those goods or services. To determine revenue recognition for arrangements that the Company determines are within the scope of ASC 606, we perform the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) we satisfy a performance obligation. The five-step model is applied to contracts when it is probable that we will collect the consideration we are entitled to in exchange for the goods or services transferred to the customer. At contract inception, once the contract is determined to be within the scope of ASC 606, we assess the goods or services promised within each contract and determine those that are performance obligations and assess whether each promised good or service is distinct. We then recognize revenue in the amount of the transaction price that is allocated to the respective performance obligation when (or as) the performance obligation is satisfied.

In accordance with ASU No. 2016-12, *Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedient*, which is to (1) clarify the objective of the collectability criterion for applying paragraph 606-10-25-7; (2) permit an entity to exclude amounts collected from customers for all sales (and other similar) taxes from the transaction price; (3) specify that the measurement date for noncash consideration is contract inception; (4) provide a practical expedient that permits an entity to reflect the aggregate effect of all modifications that occur before the beginning of the earliest period presented when identifying the satisfied and unsatisfied performance obligations, determining the transaction price, and allocating the transaction price to the satisfied and unsatisfied performance obligations; (5) clarify that a completed contract for purposes of transition is a contract for which all (or substantially all) of the revenue was recognized under legacy GAAP before the date of initial application, and (6) clarify that an entity that retrospectively applies the guidance in Topic 606 to each prior reporting period is not required to disclose the effect of the accounting change for the period of adoption. The amendments of this ASU are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. There was no impact as a result of adopting this ASU on the financial statements and related disclosures. Based on the terms and conditions of the product arrangements, the Company believes that its products and services can be accounted for separately as its products and services have value to the Company's customers on a stand-alone basis. When a transaction involves more than one product or service, revenue is allocated to each deliverable based on its relative fair value; otherwise, revenue is recognized as products are delivered or as services are provided over the term of the customer contract.

Contract liabilities are shown separately in the consolidated balance sheets as current liabilities. At December 31, 2021, we had contract liabilities of approximately $36,765. At December 31, 2020, we had contract liabilities of approximately $36,704.

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cost of Product Sales and Services

Cost of sales consists primarily of materials, airtime and overhead costs incurred internally and amounts incurred to contract manufacturers to produce our products, airtime and other implementation costs incurred to install our products and train customer personnel, and customer service and third-party original equipment manufacturer costs to provide continuing support to our customers. There are certain costs which are deferred and recorded as prepaids, until such revenue is recognized. Refer to revenue recognition above as to what constitutes deferred revenue.

Shipping and handling costs are included as a component of costs of product sales in the Company's consolidated statements of operations because the Company includes in revenue the related costs that the Company bills its customers.

Intangible Assets

Intangible assets include customer contracts purchased and recorded based on the cost to acquire them. These assets are amortized over 10 years. Useful lives of intangible assets are periodically evaluated for reasonableness and the assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may no longer be recoverable.

Property and Equipment

Property and equipment are carried at historical cost less accumulated depreciation. Depreciation is based on the estimated service lives of the depreciable assets and is calculated using the straight-line method. Expenditures that increase the value or productive capacity of assets are capitalized. Fully depreciated assets are retained in the property and equipment, and accumulated depreciation accounts until they are removed from service. When property and equipment are retired, sold or otherwise disposed of, the asset's carrying amount and related accumulated depreciation are removed from the accounts and any gain or loss is included in operations. Repairs and maintenance are expensed as incurred.

The estimated useful lives of property and equipment are generally as follows:

	Years
Office furniture and fixtures	4
Computer equipment	4
Rental equipment	4
Appliques	10
Website development	2

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Depreciation expense for the years ended December 31, 2021, and 2020 was $292,102 and $269,926, respectively.

Impairment of Long-lived Assets

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be fully recoverable, or at least annually. The Company recognizes an impairment loss when the sum of expected undiscounted future cash flows is less than the carrying amount of the asset. The amount of impairment is measured as the difference between the asset's estimated fair value and its book value. The Company did not consider it necessary to record any impairment charges during the periods ended December 31, 2021 and December 31, 2020, respectively.

Accounting for Derivative Instruments

Derivatives are required to be recorded on the balance sheet at fair value. These derivatives, including embedded derivatives in the Company's structured borrowings, are separately valued and accounted for on the Company's balance sheet. Fair values for exchange traded securities and derivatives are based on quoted market prices. Where market prices are not readily available, fair values are determined using market-based pricing models incorporating readily observable market data and requiring judgment and estimates.

The Company did not identify any other assets or liabilities that are required to be presented on the consolidated balance sheets at fair value in accordance with the accounting guidance. The carrying amounts reported in the balance sheet for cash, accounts payable, and accrued expenses approximate their estimated fair market value based on the short-term maturity of the instruments.

Stock-based Compensation

Stock-based compensation is accounted for based on the requirements of the Share-Based Payment Topic of ASC 718 which requires recognition in the consolidated financial statements of the cost of employee and director services received in exchange for an award of equity instruments over the period the employee or director is required to perform the services in exchange for the award (presumptively, the vesting period). The ASC also requires measurement of the cost of employee and director services received in exchange for an award based on the grant-date fair value of the award.

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pursuant to ASC Topic 718, for share-based payments to consultants and other third-parties, compensation expense is determined at the "measurement date." The expense is recognized over the vesting period of the award. Until the measurement date is reached, the total amount of compensation expense remains uncertain. The Company initially records compensation expense based on the fair value of the award at the reporting date. Further, ASC Topic 718, provides guidance about which changes to the terms or conditions of a share-based payment award require an entity to apply modification accounting in Topic 718, such as the repricing of share options, which would revalue those options and the accounting for the cancellation of an equity award whether a replacement award or other valuable consideration is issued in conjunction with the cancellation. If not, the cancellation is viewed as a replacement and not a modification, with a repurchase price of $0.

Income Taxes

The Company accounts for income taxes pursuant to the provision of ASC 740-10, "Accounting for Income Taxes" ("ASC 740-10") which requires, among other things, an asset and liability approach to calculating deferred income taxes. The asset and liability approach require the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. A valuation allowance is provided to offset any net deferred tax assets for which management believes it is more likely than not that the net deferred asset will not be realized.

The Company follows the provision of ASC 740-10 related to Accounting for Uncertain Income Tax Positions. When tax returns are filed, there may be uncertainty about the merits of positions taken or the amount of the position that would be ultimately sustained. In accordance with the guidance of ASC 740-10, the benefit of a tax position is recognized in the financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are not offset or aggregated with other positions.

Tax positions that meet the more likely than not recognition threshold is measured at the largest amount of tax benefit that is more than 50 percent likely of being realized upon settlement with the applicable taxing authority. The portion of the benefit associated with tax positions taken that exceed the amount measured as described above should be reflected as a liability for uncertain tax benefits in the accompanying balance sheet along with any associated interest and penalties that would be payable to the taxing authorities upon examination.

The Company believes its tax positions are all more likely than not to be upheld upon examination. As such, the Company has not recorded a liability for uncertain tax benefits.

The Company has adopted ASC 740-10-25, "Definition of Settlement," which provides guidance on how an entity should determine whether a tax position is effectively settled for the purpose of recognizing previously unrecognized tax benefits and provides that a tax position can be effectively settled upon the completion and examination by a taxing authority without being legally extinguished. For tax positions considered effectively settled, an entity would recognize the full amount of tax benefit, even if the tax position is not considered more likely than not to be sustained based solely on the basis of its technical merits and the statute of limitations remains open. The federal and state income tax returns of the Company are subject to examination by the IRS and state taxing authorities, generally for three years after they are filed.

Leases

Effective January 1, 2019, the Company accounts for its leases under ASC 842, *Leases*. Under this guidance, arrangements meeting the definition of a lease are classified as operating or financing leases, and are recorded on the consolidated balance sheet as both a right of use asset and lease liability, calculated by discounting fixed lease payments over the lease term at the rate implicit in the lease or the Company's incremental borrowing rate. Lease liabilities are increased by interest and reduced by payments each period, and the right of use asset is amortized over the lease term. For operating leases, interest on the lease liability and the amortization of the right of use asset result in straight-line rent expense over the lease term. For finance leases, interest on the lease liability and the amortization of the right of use asset results in front-loaded expense over the lease term. Variable lease expenses are recorded when incurred.

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In calculating the right of use asset and lease liability, the Company has elected to combine lease and non-lease components. The Company excludes short-term leases having initial terms of 12 months or less from the new guidance as an accounting policy election and recognizes rent expense on a straight-line basis over the lease term.

At December 31, 2021 and 2020, the Company had aggregated current and long-term operating lease liabilities of $19,763 and $0, respectively, and right of use assets of $22,643 and $55,606, respectively.

Research and Development

The Company accounts for research and development costs in accordance with the Accounting Standards Codification subtopic 730-10, Research and Development ("ASC 730-10"). Under ASC 730-10, all research and development costs must be charged to expense as incurred. Accordingly, internal research and development costs are expensed as incurred. Third-party research and development costs are expensed when the contracted work has been performed or as milestone results have been achieved. Company-sponsored research and development costs related to both present and future products are expensed in the period incurred. For the years ended December 31, 2021 and 2020, there were no expenditures on research and development.

Accumulated Other Comprehensive Income (Loss)

Comprehensive income (loss) is comprised of net income (loss) and all changes to the statements of stockholders' equity. For the Company, comprehensive loss for the years ended December 31, 2021and 2020 included net loss and unrealized losses from foreign currency translation adjustments.

Earnings per Common Share

Net income (loss) per common share is calculated in accordance with ASC Topic 260: Earnings per Share ("ASC 260"). Basic income (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. The computation of diluted net loss per share does not include dilutive common stock equivalents in the weighted average shares outstanding as they would be anti-dilutive. In periods where the Company has a net loss, all dilutive securities are excluded.

The following are dilutive common stock equivalents during the year ended:

	December 31, 2021	December 31, 2020
Convertible notes payable [1]	-	1,245,468
Stock Options	929,892	600,009
Stock Warrants	2,530,092	800
Total	3,459,984	1,846,277

(1) 1,245,468 shares of our common stock issuable upon conversion of $1,294,268 of Convertible Notes Payable as of December 31, 2020, not accounting for4.99% beneficial ownership limitations.

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related Party Transactions

A party is considered to be related to the Company if the party directly or indirectly or through one or more intermediaries, controls, is controlled by, or is under common control with the Company. Related parties also include principal owners of the Company, its management, members of the immediate families of principal owners of the Company and its management and other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests. A party which can significantly influence the management or operating policies of the transacting parties or if it has an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests is also a related party, (see Note 17).

Recent Accounting Pronouncements

Accounting Pronouncements Recently Adopted

In May 2021, the FASB issued ASU 2021-04, *Earnings Per Share* (Topic 260), Debt—Modifications and Extinguishments (Subtopic 470-50), Compensation—Stock Compensation (Topic 718), and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40). ASU 2021-04 clarifies and reduces diversity in an issuer's accounting for modifications or exchanges of freestanding equity-classified written call options (for example, warrants) that remain equity classified after modification or exchange. The ASU provides guidance to clarify whether an issuer should account for a modification or an exchange of a freestanding equity-classified written call option that remains equity classified after modification or exchange as (1) an adjustment to equity and, if so, the related earnings per share effects, if any, or (2) an expense and, if so, the manner and pattern of recognition. ASU 2021-04 is effective for annual beginning after December 15, 2021, including interim periods within those fiscal years. Early adoption is permitted, including adoption in an interim period. The Company is currently evaluating the impact that this standard will have on its consolidated financial statements.

In October 2021, the FASB issued guidance which requires companies to apply Topic 606, Revenue from Contracts with Customers, to recognize and measure contract assets and contract liabilities from contracts with customers acquired in a business combination. Public entities must adopt the new guidance for fiscal years beginning after December 15, 2022 and interim periods within those fiscal years, with early adoption permitted. The Company is currently evaluating the impact and timing of adoption of this guidance

Any new accounting standards, not disclosed above, that have been issued or proposed by FASB that do not require adoption until a future date are not expected to have a material impact on the consolidated financial statements upon adoption.

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other accounting standards that have been issued or proposed by FASB that do not require adoption until a future date are not expected to have a material impact on the consolidated financial statements upon adoption. The Company does not discuss recent pronouncements that are not anticipated to have an impact on or are unrelated to its financial condition, results of operations, cash flows or disclosures.

NOTE 2 – INVENTORIES

At December 31, 2021 and 2020, inventories consisted of the following:

	December 31, 2021	December 31, 2020
Finished goods	$ 1,019,696	$ 361,422
Less reserve for obsolete inventory	-	-
Total	$ 1,019,696	$ 361,422

For the years ended December 31, 2021 and 2020, the Company did not make any change for reserve for obsolete inventory.

NOTE 3 – VAT RECEIVABLE

On January 1, 2021, VAT rules relating to imports and exports between the UK and EU changed as a result, of the UK's departure from the EU, ("BREXIT"). For the year ending December 31, 2021, the Company recorded a receivable in the amount of $491,417 for amounts available to reclaim against the tax liability from UK and EU countries. Subsequently to December 31, 2021, the Company has received a total of £70,756 or $95,759, using an exchange rate close of1.3533720 GBP:USD, in regard to this receivable.

NOTE 4 – PREPAID EXPENSES

Prepaid expenses current and long term amounted to $97,068 and $49,867, respectively for the year ended December 31, 2021, as compared to $1,784 and $0 at for the year ended December 31, 2020. Prepaid expenses include prepayments in cash for accounting fees, prepayments in equity instruments, which are being amortized over the terms of their respective agreements, as well as cost associated with certain contract liabilities. The current portion consists of costs paid for future services which will occur within a year.

NOTE 5 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

	December 31, 2021	December 31, 2020
Office furniture and fixtures	$ 16,969	$ 6,470
Computer equipment	67,458	33,361
Rental equipment	53,296	48,187
Appliques	2,160,096	2,160,096
Website development	247,541	69,149
Less accumulated depreciation	(1,502,501)	(1,211,099)
Total	$ 1,042,859	$ 1,106,164

Depreciation expense was $292,102 and $269,926 for the year ended December 31, 2021 and 2020, respectively.

NOTE 6 – INTANGIBLE ASSETS

On December 10, 2014, the Company entered the satellite voice and data equipment sales and service business through the purchase of certain contracts from Global Telesat Corp., ("GTC"). These contracts permit the Company to utilize the Globalstar, Inc. and Globalstar LLC (collectively, "Globalstar") mobile satellite voice and data network. The purchase price for the contracts of $250,000 was paid by the Company under an asset purchase agreement by and among the Company, its wholly-owned subsidiary Orbital Satcom, GTC and World Surveillance Group, Inc.

Included in the purchased assets are: (i) the rights and benefits granted to GTC under each of the Globalstar Contracts, subject to certain exclusions, (ii) account and online access to the Globalstar Cody Simplex activation system, (iii) GTC's existing customers who are serviced pursuant to the Globalstar Contracts (only as to their business directly and exclusively related to the Globalstar Contracts), and (iv) all of GTC's rights and benefits directly and exclusively related to the Globalstar Contracts.

Amortization of customer contracts are included in depreciation and amortization. For the year ended December 31, 2021, the Company amortized $25,000. Future amortization of intangible assets is as follows:

2022	$ 25,000
2023	25,000
2024	25,000
Total	$ 75,000

For the years ended December 31, 2021 and 2020, there were no additional expenditures on research and development

NOTE 7 - ACCOUNTS PAYABLE AND ACCRUED OTHER LIABILITIES

Accounts payable and accrued other liabilities consisted of the following:

	December 31, 2021	December 31, 2020
Accounts payable	$ 846,380	$ 747,476
Rental deposits	2,030	10,761
Customer deposits payable	59,733	53,570
Accrued wages & payroll liabilities	20,107	1,913
VAT liability & sales tax payable	6,203	50,453
Pre-merger accrued other liabilities	88,448	88,448
Accrued interest	138	99,982

Accrued other liabilities		40,305		-
Total	$	1,063,344	$	1,052,603

NOTE 8 – LINE OF CREDIT

On October 9, 2019, Orbital Satcom Corp., entered into a short-term loan agreement for $29,000, with Amazon. The one-year term loan was paid monthly, had an interest rate of 9.72%, with late payment penalty interest of 11.72%. For the years ended December 31, 2021, and 2020, the Company recorded interest expense of $0 and $952, respectively. The short-term line of credit balance as of December 31, 2021, and 2020, was $0, respectively.

NOTE 9– CONVERTIBLE NOTES PAYABLE

Convertible notes payable – long term

March 2021 Financing

On March 5, 2021, the Company entered into a Note Purchase Agreement (the "March 2021 NPA") by and between the Company and one individual accredited investor (the "Lender"). Pursuant to the terms of the March 2021 NPA, the Company sold a convertible promissory note with a principal amount of $350,000 (the "March 2021 Note"). The March 2021 Note is a general, unsecured obligation of the Company and bears simple interest at a rate of 7% per annum and matures on the third anniversary of the date of issuance (the "Maturity Date"), to the extent that the March 2021 Note and the principal amount and any interest accrued thereunder have not been converted into shares of the Company's common stock. In the event that any amount due under the March 2021 Note was not paid as and when due, such amount will accrue interest at the rate of 12% per year, simple interest, non-compounding, until paid. The Company may not pre-pay or redeem the March 2021 Note other than as required by the Agreement. The Noteholder had an optional right of conversion such that a Noteholder may elect to convert his March 2021 Note, in whole or in part, outstanding as of such time, into the number of fully paid and non-assessable shares of the Company's common stock as determined by dividing the indebtedness under the March 2021 Note price equal to the lesser of (a) $7.50 per share, and (b) a 30% discount to the price of the common stock in the qualified transaction. Following an event of default, the conversion price shall be adjusted to be equal to the lower of: (i) the then applicable conversion price or (ii) the price per share of 85% of the lowest traded price for the Company's common stock during the 15 trading days preceding the relevant conversion. In addition, subject to the ownership limitations, if a qualified transaction is completed, without further action from the Noteholder, on the closing date of the qualified transaction, 50% of the principal amount of this March 2021 Note and all accrued and unpaid interest shall be converted into Company common stock at a conversion price equal to the 30% discount to the offering price in such qualified transaction, which price shall be proportionately adjusted for stock splits, stock dividends or similar events. A "Qualified Transaction" refers the completion of the public offering of the Company's securities stock with gross proceeds of at least $10,000,000 pursuant to which the Company's securities become registered pursuant to Section 12(b) of the Securities Exchange Act of 1934, as amended, or a merger with a company listed on the Nasdaq or Canadian stock exchanges, as amended. The Noteholder is granted registration rights and pre-emptive rights. In addition, the March 2021 NPA includes customary events of default, including, among others: (i) non-payment of amounts due thereunder, (ii) non-compliance with covenants thereunder, (iii) bankruptcy or insolvency. The Company's issuance of the March 2021 Note under the terms of the March 2021 NPA was made pursuant to an exemption from registration under the Securities Act of 1933, as amended (the "Securities Act") in reliance on Section 4(a)(2) of the Securities Act as a transaction by an issuer not involving a public offering. The investor in the March 2021 Note is an "accredited investor" as such term is defined in Rule 501(a) of Regulation D under the Securities Act. There were no discounts or brokerage fees associated with this offering. The Company used the offering proceeds for working capital and general corporate purposes. In April 2021 the Noteholder waived contractual pre-emptive rights set forth in the March 2021 NPA. On May 27, 2021, the Lender converted $350,000 of the March 2021 Note into 100,000 shares of common stock.

December 2020 Financing

On December 1, 2020, the Company entered into a Note Purchase Agreement by and among the Company and certain lenders where the Company sold an aggregate principal amount of $244,000 of its convertible promissory notes (the "December 2020 Notes"). The December 2020 Note holders had an optional right of conversion such that a Noteholder may elect to convert his December 2020 Note, in whole or in part, outstanding as of such time, into the number of fully paid and non-assessable shares of the Company's common stock as determined by dividing the outstanding indebtedness by $0.25, subject to certain adjustments.

August 2020 Financing

On August 21, 2020, the Company entered into a Note Purchase Agreement by and among the Company and certain lenders where the Company sold an aggregate principal amount of $933,000 of its convertible promissory notes (the "August 2020 Notes"). The August 2020 Note holders had an optional right of conversion such that a Noteholder may elect to convert his August 2020 Note, in whole or in part, outstanding as of such time, into the number of fully paid and non-assessable shares of the Company's common stock as determined by dividing the outstanding indebtedness by $0.20, subject to certain adjustments.

NOTE 9– CONVERTIBLE NOTES PAYABLE (CONTINUED)

The balances of the Company's convertible note payable consist of the following:

	December 31, 2021	December 31, 2020
May 2019 Notes	$ -	$ 462,085
August 2020 Notes	-	588,182
December 2020 Notes	-	244,000
March 2021 Notes	-	-
	-	1,294,267
Debt Discount	-	(1,084,944)
Total	$ -	$ 209,323

For the years ended December 31, 2021 and 2020, we amortized the discount on the debt, to interest expense of $1,425,365 and $538,087, resulting in a balance of unamortized notes payable of $0 and $209,323, respectively.

For the year ended December 31, 2021, the Holders converted a total of $1,644,267 of the convertible debt to 1,345,468 shares of common shares.

On June 15, 2020, the change in conversion price from $0.50 to $1.00 per share, resulted in a difference in the carrying value of the balance of the note payable. Under ASC 470-50-40-13, if it is determined that the original and new debt instruments are substantially different, the new debt instrument shall be initially recorded at fair value, and that amount shall be used to determine the debt extinguishment gain or loss to be recognized and the effective rate of the new instrument. The original debt had a carrying value of $269,262 as of June 15, 2020, the fair value of the amended debt was $0, which resulted a gain from the extinguishment of debt $269,262.

For the year ended December 31, 2020, the Holders converted a total of $687,734 of the convertible debt to 699,800 shares of common shares, 26,823 of which were at the conversion rate of $0.50 per share and 672,978 of which were at the conversion rate of $1.00 per share. The balance of the convertible notes at December 31, 2020, net of unamortized discount of $1,084,944, is $209,323.

NOTE 10 STOCK SUBSCRIPTION PAYABLE

On December 31, 2021, after markets closed, a securities purchase agreement (the "Purchase Agreement") was circulated to, and signatures were received from, certain institutional and accredited investors (the "December Investors") in connection with the sale in a private placement by the Company of 2,229,950 shares of the Company's common stock (the "December Offering"). On January 2, 2022, the Company delivered to December Investors a fully executed Purchase Agreement, which was dated December 31, 2021. The purchase price for the common stock sold in the December Offering was $3.24 per share, the closing transaction price reported by Nasdaq on December 31, 2021.

For the year ended December 31, 2021, the Company received gross proceeds of $1,400,000 of the $7,225,038, pursuant to the December Offering, see Note 19 Subsequent events. On January 5, 2022, the Company received an additional $5,825,038, resulting in the issuance of 2,229,950 shares of the Company's common stock, eliminating the stock subscription payable as well as, the closing of the offering.

NOTE 11 CORONAVIRUS LOANS

On April 20, 2020, the Board of Directors the Company, approved for its wholly owned UK subsidiary, Global Telesat Communications LTD ("GTC"), to apply for a Coronavirus Interruption Loan, offered by the UK government, for an amount up to £250,000. On July 16, 2020 (the "Issue Date"), GTC, entered into a Coronavirus Interruption Loan Agreement ("Debenture") by and among the Company and HSBC UK Bank PLC (the "Lender") for an amount of £250,000, or USD $338,343 at an exchange rate of GBP:USD of 1.3533720. The Debenture bears interest beginning July 16, 2021, at a rate of 3.99% per annum over the Bank of England Base Rate (0.1% as of July 16, 2020), payable monthly on the outstanding principal amount of the Debenture. The Debenture has a term of 6 years from the date of drawdown, July 15, 2026, the "Maturity Date". The first repayment of £4,166.67 (exclusive of interest) will be made 13 month(s) after July 16, 2020. Voluntary prepayments are allowed with 5 business days' written notice and the amount of the prepayment is equal to 10% or more of the limit or, if less, the balance of the debenture. The Debenture is secured by all GTC's assets as well as a guarantee by the UK government, with the proceeds of the Debenture are to be used for general corporate and working capital purposes. The Debenture includes customary events of default, including, among others: (i) non-payment of amounts due thereunder, (ii) non-compliance with covenants thereunder, (iii) bankruptcy or insolvency (each, an "Event of Default"). Upon the occurrence of an Event of Default, the Debenture becomes payable upon demand. As of December 31, 2021, and 2020, the Company has recorded $56,391 and $41,831 as current portion of notes payable and $253,757 and $320,626 as notes payable long term, respectively.

On May 8, 2020, NextPlat Corp was approved for the US funded Payroll Protection Program, ("PPP") loan. The loan was for $20,832 and had a term of 2 years, of which the first 6 months are deferred at an interest rate of 1%. On May 23, 2021, BlueVine, the Company's SBA approved mortgage lender and originator, notified the Company, that the loan in the amount of $20,832, had been forgiven. As of December 31, 2021, the Company has recorded $20,832 as forgiveness of debt

NOTE 12 - STOCKHOLDERS' EQUITY

Capital Structure

On March 28, 2014, in connection with the Reincorporation (see Note 1), all share and per share values for all periods presented in the accompanying consolidated financial statements are retroactively restated for the effect of the Reincorporation.

On March 5, 2016, the Company shareholders voted in favor of an amendment to its Articles of Incorporation to increase the total number of shares of authorized capital stock to 800,000,000 shares consisting of (i) 750,000,000 shares of common stock and (ii) 50,000,000 shares of preferred stock from 220,000,000 shares consisting of (i) 200,000,000 shares of common stock and (ii) 20,000,000 shares of preferred stock.

Effective March 8, 2018, we conducted a reverse split of our common stock at a ratio of 1 for 150. All share and per share information in the accompanying consolidated financial statements and footnotes has been retroactively restated to reflect the reverse split.

On July 24, 2019, the Company filed a Certificate of Change (the "Certificate of Change") with the Nevada Secretary of State. The Certificate of Change provides for (i) a 1-for-15 reverse split (the "Reverse Split") of the Company's common stock, $0.0001 par value per share, and the Company's preferred stock, $0.0001 par value per share, (ii) a reduction in the number of authorized shares of common stock in direct proportion to the Reverse Split (i.e. from 750,000,000 shares to 50,000,000 shares), and (iii) a reduction in the number of authorized shares of preferred stock in direct proportion to the Reverse Split (i.e. from 50,000,000 shares to 3,333,333 shares). No fractional shares will be issued in connection with the Reverse Split. Stockholders who otherwise would be entitled to receive fractional shares of common stock or preferred stock, as the case may be, will have the number of post-Reverse Split shares to which they are entitled rounded up to the nearest whole number of shares. No stockholders will receive cash in lieu of fractional shares. The Reverse Split was approved by FINRA on August 19, 2019.

On May 28, 2021, the Company effected a reverse stock split of its common stock at a ratio of 1-for-5 (the "Reverse Split"). No fractional shares of common stock were issued as a result of the Reverse Split. Stockholders of record who were otherwise entitled to receive a fractional share received a whole share. The conversion or exercise prices of Company's issued and outstanding convertible securities, stock options and warrants will be adjusted accordingly. All information presented in this Annual Report on Form 10-K, assumes a 1-for-5 reverse stock split of Company's outstanding shares of common stock, and unless otherwise indicated, all such amounts and corresponding conversion price or exercise price data set forth in this Annual Report on Form 10K have been adjusted to give effect to such assumed reverse stock split.

Listing on the Nasdaq Capital Market

Our common stock and warrants have been trading on the Nasdaq Capital Market under the symbols "NXPL" and "NXPLW," respectively, since January 21, 2022. Prior to January 21, 2022, our common stock and warrants were traded on the Nasdaq Capital Market under the symbols "OSAT" and "OSATW," respectively.

The authorized capital of the Company consists of 50,000,000 shares of common stock, par value $0.0001 per share and 3,333,333 shares of preferred stock, par value

$0.0001 per share. As of December 31, 2021, and 2020, there were and 7,053,146 and 817,450 shares of common stock and 0 shares of preferred stock issued and outstanding, respectively.

Preferred Stock

As of December 31, 2021 and 2020, there were no preferred shares issued and outstanding.

NOTE 12 - STOCKHOLDERS' EQUITY (CONTINUED)

Warrants

As of December 31, 2021, there were 2,836,092 registered warrants authorized to purchase of common stock and 2,530,092 registered warrants issued and outstanding.

On June 2, 2021, the Company issued 2,880,000 warrants to purchase 2,880,000 shares of common stock in an offering, at an exercise price of $5.00 and a term of 5 years.

On June 10, 2021, the Company issued 1,000 shares of common stock in our June Offering, as described below, for the exercise of 1,000 warrants, at an exercise price of $5.00, for cash consideration of $5,000.

On June 28, 2021, the Company issued an additional 432,000 warrants to purchase 432,000 shares of common stock in June Offering, at an exercise price of $5.00 and a term of 5 years.

On July 6, 2021, the Company issued 78,500 shares of common stock, for the exercise of 78,500 warrants, at an exercise price of $5.00, for cash consideration of $392,500.

On July 8, 2021, the Company issued 425,000 shares of common stock, for the exercise of 425,000 warrants, at an exercise price of $5.00, for cash consideration of $2,125,000.

On July 12, 2021, the Company issued 2,000 shares of common stock, for the exercise of 2,000 warrants, at an exercise price of $5.00, for cash consideration of $10,000.

On July 13, 2021, the Company issued 59,853 shares of common stock, for the exercise of 59,853 warrants, at an exercise price of $5.00, for cash consideration of $299,265.

On July 14, 2021, the Company issued 278,555 shares of common stock, for the exercise of 278,555 warrants, at an exercise price of $5.00, for cash consideration of $1,392,775.

On July 15, 2021, the Company issued 5,000 shares of common stock in connection with the exercise of 5,000 options, for cash consideration of $5,000.

On July 19, 2021, the Company issued 1,000 shares of common stock, for the exercise of 1,000 warrants, at an exercise price of $5.00, for cash consideration of $5,000.

On July 30, 2021, the Company issued 80,000 shares of common stock, for the exercise of 80,000 warrants, at an exercise price of $5.00, for cash consideration of $400,000.

Underwriter Warrants

In addition to, but separate from, the registered warrants included in the units sold in the June Offering, the Company issued 144,000 warrants to Maxim Group LLC, the underwriter (the "Underwriter Warrants") in connection with the June Offering. The Underwriter Warrants expire five years from the effective date of the June Offering and are exercisable at a per share price equal to $5.50 per share, or 110% of the public offering price per unit in the June Offering.

As of December 31, 2021, there were 144,000 Underwriter Warrants issued and outstanding.

A summary of the status of the Company's total outstanding warrants and changes during the year ended December 31, 2021 is as follows:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)
Balance at January 1, 2020	800	$ 300.00	2.37
Granted	-	-	-
Exercised	-	-	-
Forfeited	-	-	-
Cancelled	-	-	-
Balance outstanding and exercisable at December 31, 2020	800	$ 300.00	1.37
Balance at January 1, 2021	800	$ 300.00	1.37
Granted	3,456,000	-	-
Exercised	(925,908)	-	-
Forfeited	-	-	-
Cancelled	(800)	-	-
Balance outstanding and exercisable at December 31, 2021	2,530,092	$ 5.00	4.42

As of December 31, 2021, and December 31, 2020, there were 2,530,092 and 800 warrants outstanding, respectively.

NEXTPLAT CORP AND SUBSIDIARIES
FKA: ORBSAT CORP
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

NOTE 12 - STOCKHOLDERS' EQUITY (CONTINUED)

Common Stock

For the year ended December 31, 2021

On January 12, 2021, the Company issued an aggregate of 30,000 shares of common stock upon the conversion of $30,000 of its convertible debt, at the conversion rate of $1.00 per share.

On February 23, 2021, the Company issued an aggregate of 80,289 shares of common stock upon the conversion of $80,289 of its convertible debt, at the conversion rate of $1.00 per share.

On February 23, 2021, the Company issued an aggregate of 120,000 shares of common stock upon the conversion of $150,000 of its convertible debt, at the conversion rate of $1.25 per share.

On February 23, 2021, the Company issued an aggregate of 1,000 shares of common stock for services in the amount of $14,200.

On March 1, 2021, the Company issued an aggregate of 149,532 shares of common stock upon the conversion of $149,532 of its convertible debt, at the conversion rate of $1.00 per share.

On March 1, 2021, the Company issued an aggregate of 38,616 shares of common stock upon the conversion of $48,270 of its convertible debt, at the conversion rate of $1.25 per share.

On March 24, 2021, the Company's shareholders via majority shareholder consent authorized a stock split not to exceed 1 for 5 reverse stock split. A definitive Information Statement relating to the shareholder consent was filed with the SEC on March 13, 2021. The Company's Board of Directors subsequently approved the 1-for-5 reverse stock split. The Company has filed a Certificate of Change to its Amended and Restated Articles of Incorporation to effect a reverse stock split of its issued and outstanding common stock, at a ratio of 1-for-5. The effective time of the reverse stock split will be 12:01 a.m. ET on May 28, 2021. The Company's common stock will begin trading on a split-adjusted basis commencing upon market open on May 28, 2021. The common stock will be assigned a new CUSIP number, 68557F 209. The warrants will be assigned the CUSIP number, 68557F 118. No fractional shares of common stock will be issued as a result of the reverse stock split. Stockholders of record who would otherwise be entitled to receive a fractional share will receive a whole share.

On May 20, 2021, Company issued an aggregate of 29,800 shares of common stock upon the conversion of $29,800 of its convertible debt, at a weighted average conversion rate of $1.00.

On May 27, 2021, Company issued an aggregate of 897,231 shares of common stock upon the conversion of $1,156,377 of its convertible debt, at a weighted average conversion rate of $1.29.

On May 28, 2021, Company entered into an Underwriting Agreement (the "Underwriting Agreement") with Maxim Group LLC(the "Underwriter"), pursuant to which the Company agreed to issue and sell to the Underwriter in an underwritten public offering 2,880,000 units consisting of one share of common stock and one warrant, exercisable for one share of common stock at a public offering price of $5.00 per unit, (after giving effect to a 1-for-5 reverse stock split, discussed above) for aggregate gross proceeds of approximately $14,400,000 before deducting underwriting discounts, commissions, and other offering expenses (the "June Offering"). The common stock and warrants were immediately separable and were issued separately. The common stock and warrants began trading on the Nasdaq Capital Market, on May 28, 2021, under the symbols "OSAT" and "OSATW," respectively. In addition, the Company In addition, the Company has granted the Underwriter a 45-day option to purchase an additional 432,000 shares of common stock and/or warrants to purchase up to an aggregate of 432,000 shares of common stock, in any combination thereof, at the public offering price per security, less the underwriting discounts and commissions, to cover over-allotments, if any. The June Offering closed on June 2, 2021.In connection with closing of the June Offering, the Underwriter partially exercised its overallotment option and purchased an additional 432,000 warrants at $0.01 per warrant for additional gross proceeds to the Company of $4,320. On June 28, 2021, the Underwriter, upon the exercise in full of the balance of its over-allotment option, purchased 432,000 additional gross and net proceeds after deducting underwriting discounts of $2,160,000 and $1,983,226, respectively.

NEXTPLAT CORP AND SUBSIDIARIES
FKA: ORBSAT CORP
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

NOTE 12 - STOCKHOLDERS' EQUITY (CONTINUED)

We have issued to the Underwriter warrants to purchase up to a total of 144,000 shares of common stock (5% of the shares of common stock included in the Units, excluding the over-allotment, if any) (the "Underwriter Warrants"). The Underwriter Warrants are exercisable at any time, and from time to time, in whole or in part, during the period commencing 180 days from the effective date of the registration statement and expire five years from the effective date of the offering, which period is in compliance with FINRA Rule 5110(e). The Underwriter Warrants are exercisable at a per share price equal to $ 5.50 per share, or 110% of the public offering price per unit in the offering. The Underwriter Warrants have been deemed compensation by FINRA and are therefore subject to a 180-day lock-up pursuant to Rule 5110(e)(1) of FINRA. The underwriter (or permitted assignees under Rule 5110(e)(2)) will not sell, transfer, assign, pledge, or hypothecate these warrants or the securities underlying these warrants, nor will they engage in any hedging, short sale, derivative, put, or call transaction that would result in the effective economic disposition of the warrants or the underlying securities for a period of 180 days from the effective date of the registration statement. In addition, the warrants provide for certain piggyback registration rights. The piggyback registration rights provided will not be greater than five years from the effective date of the registration statement in compliance with FINRA Rule 5110(g)(8). We will bear all fees and expenses attendant to registering the securities issuable on exercise of the Underwriter Warrants. The exercise price and number of shares issuable upon exercise of the Underwriter Warrants may be adjusted in certain circumstances including in the event of a stock dividend, extraordinary cash dividend or our recapitalization, reorganization, merger or consolidation. However, the warrant exercise price or underlying shares will not be adjusted for issuances of shares of common stock at a price below the warrant exercise price.

The June Offering of common stock and warrants, and the underwriter's exercise of the over-allotment option in connection therewith, resulted in total gross proceeds of approximately $16,560,000 before deducting underwriting discounts, commissions, and other offering expenses.

On June 10, 2021, the Company issued 1,000 shares of common stock, for the exercise of 1,000 warrants, at an exercise price of $5.00, for cash consideration of

$5,000.

On July 6, 2021, the Company issued 78,500 shares of common stock, for the exercise of 78,500 warrants, at an exercise price of $5.00, for cash consideration of $392,500.

On July 8, 2021, the Company issued 425,000 shares of common stock, for the exercise of 425,000 warrants, at an exercise price of $5.00, for cash consideration of $2,125,000.

On July 12, 2021, the Company issued 2,000 shares of common stock, for the exercise of 2,000 warrants, at an exercise price of $5.00, for cash consideration of $10,000.

On July 13, 2021, the Company issued 59,853 shares of common stock, for the exercise of 59,853 warrants, at an exercise price of $5.00, for cash consideration of $299,265.

On July 14, 2021, the Company issued 278,555 shares of common stock, for the exercise of 278,555 warrants, at an exercise price of $5.00, for cash consideration of $1,392,775.

On July 15, 2021, the Company issued 5,000 shares of common stock in connection with the exercise of 5,000 options, for cash consideration of $5,000.

On July 19, 2021, the Company issued 1,000 shares of common stock, for the exercise of 1,000 warrants, at an exercise price of $5.00, for cash consideration of $5,000.

On July 30, 2021, the Company issued 80,000 shares of common stock, for the exercise of 80,000 warrants, at an exercise price of $5.00, for cash consideration of $400,000.

On September 3, 2021, the Company issued 10,000 shares of common stock in connection with restricted stock awards, with a fair market value of $5.35 per share, from the date of the award.

On September 14, 2021, the Company issued 40,000 shares of common stock in connection with restricted stock awards, with a fair market value of $5.35 per share, from the date of the award.

On September 22, 2021, the Company issued a total of 12,437 common shares for the exercise of 14,200 options through a cashless exercise using 2,763 options for the $1.00 exercise price and in connection with a 1,000 restricted stock award.

NOTE 12 - STOCKHOLDERS' EQUITY (CONTINUED)

On October 21, 2021, the Company issued 10,000 shares of common stock in connection with restricted stock awards, with a fair market value of $4.75 per share, from the date of the award, for stock-based compensation of $47,500.

On December 21, 2021, the Company issued 563,500 shares of common stock in connection with restricted stock awards, with a fair market value of $3.74 per share, from the date of the award for stock-based compensation of $2,107,490.

On December 28, 2021, the Company awarded at total of 15,000 restricted stock awards, at a fair market value of $3.81, from the date of issuance. The Company issued 10,393 shares of common stock, withholding 4,607 of the award for the payment of taxes, this resulted in net stock-based compensation of $39,597.

For the year ended December 31, 2020

The Company issued a total of 791,760 shares of common stock during the year ended December 31, 2020, as described below:

On January 30, 2020, the Company issued an aggregate of 3,629 common stock upon the conversion of $1,815 of its convertible debt, at the conversion rate of $0.50 per share.

On January 31, 2020, the Company issued an aggregate of 3,629 common stock upon the conversion of $1,815 of its convertible debt, at the conversion rate of $0.50 per share.

On February 10, 2020, the Company issued an aggregate of 5,084 common stock upon the conversion of $2,542 of its convertible debt, at the conversion rate of $0.50 per share.

On February 11, 2020, the Company issued an aggregate of 4,716 common stock upon the conversion of $2,358 of its convertible debt, at the conversion rate of $0.50 per share.

On February 18, 2020, the Company issued an aggregate of 2,638 common stock upon the conversion of $1,319 of its convertible debt, at the conversion rate of $0.50 per share.

On February 19, 2020, the Company issued an aggregate of 894 common stock upon the conversion of $446 of its convertible debt, at the conversion rate of $0.50 per share.

On March 9, 2020, the Company issued an aggregate of 2,061 common stock upon the conversion of $1,031 of its convertible debt, at the conversion rate of $0.50 per share.

On April 17, 2020, the Company issued an aggregate of 1,409 common stock upon the conversion of $705 of its convertible debt, at the conversion rate of $0.50 per share.

On April 22, 2020, the Company issued an aggregate of 74 common stock upon the conversion of $37 of its convertible debt, at the conversion rate of $0.50 per share.

On June 22, 2020, the Company issued an aggregate of 2,687 common stock upon the conversion of $2,687 of its convertible debt, at the conversion rate of $1.00 per share.

On July 8, 2020, the Company issued an aggregate of 219 common stock upon the conversion of $219 of its convertible debt, at the conversion rate of $1.00 per share.

On July 16, 2020, the Company's Board of Directors approved, and the Company entered into a 12-month consulting agreement ("Consulting Agreement") with an unrelated third-party for capital raising advisory services and business growth and development services, with the term renewable upon mutual consent of the parties. Upon signing of the Consulting Agreement, the Company agreed to issue 4,000 restricted shares of its common stock to the consultant (the "Consulting Shares"), 1,000 additional restricted shares of common stock to be issued quarterly until the consultant may receive cash compensation for its services, which will be determined, upon completion of certain milestones, by the Company's CEO. On July 22, 2020, the Company issued 4,000 common stock valued at $50,200 and on November 13, 2020, the Company issued 1,000 common stock valued at $11,250.

On July 23, 2020, the Company issued an aggregate of 468 common stock upon the conversion of $468 of its convertible debt, at the conversion rate of $1.00 per share.

NOTE 12 - STOCKHOLDERS' EQUITY (CONTINUED)

On August 25, 2020, David Phipps exercised 80,000 options via a cashless exercise. Additionally, on August 25, 2020, Hector Delgado and two employees exercised 22,000 options through a cashless exercise. The Company withheld newly acquired shares pursuant to the exercise of the Option. The amount of common stock issued is calculated by using [Number of Options Exercising] *minus* [Exercise Price] * [Number of Options Exercising] *divided by* [Prior Close OSAT Market Price]. As a result of the exercise 85,960 shares of common stock were issued.

On August 25, 2020, the Company issued 1,000 common stock for consulting services valued at $12,550.

On August 26, 2020, the Company issued an aggregate of 117,200 common stock upon the conversion of $117,200 of its convertible debt, at the conversion rate of $1.00 per share.

On September 1, 2020, the Company issued an aggregate of 38,219 common stock upon the conversion of $38,219 of its convertible debt, at the conversion rate of $1.00 per share.

On September 2, 2020, the Company issued an aggregate of 4,351 common stock upon the conversion of $4,351 of its convertible debt, at the conversion rate of $1.00 per share.

On September 8, 2020, the Company issued an aggregate of 33,600 common stock upon the conversion of $33,600 of its convertible debt, at the conversion rate of $1.00 per share.

On September 10, 2020, the Company issued an aggregate of 114,457 common stock upon the conversion of $114,457 of its convertible debt, at the conversion rate of $1.00 per share.

On September 11, 2020, the Company issued an aggregate of 15,000 common stock upon the conversion of $15,000 of its convertible debt, at the conversion rate of $1.00 per share.

On September 14, 2020, the Company issued an aggregate of 66,294 common stock upon the conversion of $66,294 of its convertible debt, at the conversion rate of $1.00 per share.

On September 15, 2020, the Company issued an aggregate of 13,529 common stock upon the conversion of $13,529 of its convertible debt, at the conversion rate of $1.00 per share.

On September 16, 2020, the Company issued an aggregate of 30,275 common stock upon the conversion of $30,275 of its convertible debt, at the conversion rate of $1.00 per share.

On September 17, 2020, the Company issued an aggregate of 33,197 common stock upon the conversion of $33,197 of its convertible debt, at the conversion rate of $1.00 per share.

On September 21, 2020, the Company issued an aggregate of 5,780 common stock upon the conversion of $5,780 of its convertible debt, at the conversion rate of $1.00 per share.

On September 22, 2020, the Company issued an aggregate of 55,005 common stock upon the conversion of $55,005 of its convertible debt, at the conversion rate of $1.00 per share.

On September 30, 2020, the Company issued an aggregate of 43,240 common stock upon the conversion of $43,240 of its convertible debt, at the conversion rate of $1.00 per share.

On November 3, 2020, the Company issued an aggregate of 6,061 common stock upon the conversion of $6,061 of its convertible debt, at the conversion rate of $1.00 per share.

On November 5, 2020, the Company issued an aggregate of 25,848 common stock upon the conversion of $25,848 of its convertible debt, at the conversion rate of $1.00 per share.

On November 6, 2020, the Company issued an aggregate of 11,340 common stock upon the conversion of $11,340 of its convertible debt, at the conversion rate of $1.00 per share.

On November 11, 2020, the Company issued an aggregate of 20,000 common stock upon the conversion of $20,000 of its convertible debt, at the conversion rate of $1.00 per share.

On November 13, 2020, the Company issued an aggregate of 38,894 common stock upon the conversion of $38,894 of its convertible debt, at the conversion rate of $1.00 per share.

NEXTPLAT CORP AND SUBSIDIARIES
FKA: ORBSAT CORP
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

NOTE 12 - STOCKHOLDERS' EQUITY (CONTINUED)

Stock Options

Options Issued Outside of Equity Incentive Plan

On August 24, 2021, the Company issued to Douglas Ellenoff, Chief Business Development Strategist, 300,000 options which are fully vested, to purchase its common stock. The Company will issue an additional 150,000 options per year for the next three years which will be fully vested at the end of each year, as long as Mr. Ellenoff remains employed by the Company. During the next three years, Mr. Ellenoff will be eligible to receive an additional 250,000 per year on each of the first three anniversaries of the commencement of his employment if during each such year Mr. Ellenoff introduces the Company to twelve (12) or more potential Business Transactions (as defined in the Ellenoff Agreement and which transactions need not be consummated); provided that the Company's Chief Executive Officer may, in his sole discretion, waive the vesting requirement in any given year. Such options have an exercise price of $5.35 per share and will terminate 5 years after they vest.

Also on August 24, 2021, the Company granted 25,000 options to Paul R Thomson, its Executive Vice President and current Chief Financial Officer. The options were issued outside of the Company's 2020 Equity Incentive Plan and are not governed by the 2020 Plan. The options have an exercise price of $5.35 per share, vest immediately, and have a term of five years.

The 325,000 options granted were valued on the grant date at approximately $3.24 per option or a total of $1,053,064 using a Black-Scholes option pricing model with the following assumptions: stock price of $5.37 per share (based on the closing price of the Company's common stock of the date of grant), volatility of 75.25%, expected term of 5 years, and a risk-free interest rate of 0.28%.

On October 8, 2021, the Company granted 25,000 options to Andrew Cohen, its Senior Vice President of Operations. The options were issued outside of the Company's Equity Incentive Plans and are not governed by any Plans. The options have an exercise price of $5.35 per share, vest immediately, and have a term of five years.

The 25,000 options granted were valued on the grant date at approximately $2.90 per option or a total of $72,350 using a Black-Scholes option pricing model with the following assumptions: stock price of $4.75 per share (based on the closing price of the Company's common stock of the date of grant), volatility of 80%, expected term of 5 years, and a risk-free interest rate of 0.28%.

2018 Incentive Plan

On June 14, 2018, our Board of Directors approved the 2018 Incentive Plan (the "2018 Plan"). The purpose of the 2018 Plan is to provide a means for the Company to continue to attract, motivate and retain management, key employees, consultants and other independent contractors, and to provide these individuals with greater incentive for their service to the Company by linking their interests in the Company's success with those of the Company and its shareholders. An award may also be granted to any consultant, agent, advisor or independent contractor for bona fide services rendered to the Company or any Related Company (as defined in the 2018 Plan) that; are not in connection with the offer and sale of the Company's securities in a capital raising transaction, and do not directly or indirectly promote or maintain a market for the Company's securities. The 2018 Plan is administered by the Board its Compensation Committee and may grant Options designated as Incentive Stock Options or Nonqualified Stock Options. The 2018 Plan provides that up to a maximum of 13,333 shares of the Company's common stock (subject to adjustment) are available for issuance under the 2018 Plan. Subject to earlier termination in accordance with the terms of the 2018 Plan and the instrument evidencing the option, the maximum term of an incentive stock option shall not exceed ten years, and in the case of an incentive stock option granted to a Ten Percent Stockholder (as defined in the 2018 Plan), shall not exceed five years. Any portion of an option that is not vested and exercisable on the date of a plan participant's Termination of Service (as defined in the 2018 Plan) shall expire on such date. In the event of a Change in Control (as defined in the 2018 Plan); all outstanding awards, other than performance shares and performance units, shall become fully and immediately exercisable, and all applicable deferral and restriction limitations or forfeiture provisions shall lapse, immediately prior to the Change in Control and shall terminate at the effective time of the Change in Control; provided, however, that with respect to a Change in Control that is a Company Transaction (as defined in the 2018 Plan), such awards shall become fully and immediately exercisable, and all applicable deferral and restriction limitations or forfeiture provisions shall lapse, only if and to the extent such awards are not converted, assumed or replaced by the Successor Company (as defined in the 2018 Plan.

NEXTPLAT CORP AND SUBSIDIARIES
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

NOTE 12 - STOCKHOLDERS' EQUITY (CONTINUED)

Amended and Restated 2020 Equity Incentive Plan

On August 21, 2020, the Company's Board of Directors approved and adopted the Company's 2020 Equity Incentive Plan (the "2020 Plan") in order to provide a means for the Company to continue to attract, motivate and retain management, key employees, directors and consultants. On December 31, 2020, the Company's Board of Directors approved and adopted an amendment that increased the number of shares available for issuance under the 2020 Plan from 450,000 shares to 800,000 shares of the Company's common stock. On August 10, 2021, the Company's Board of Directors further amended the 2020 Plan and adopted and approved an Amended and Restated 2020 Equity Incentive Plan (the "A&R 2020 Plan"), in order to, among other things: (i) clarify that the exercise price of stock options will be set at "Fair Market Value," and (ii) make conforming revision to reflect the 1-for-5 reverse split that was effective on May 28, 2021. The A&R 2020 Plan was approved by the Company's stockholders on December 16, 2021, at the Company's 2021 Annual Meeting of Stockholders.

The A&R 2020 Plan provides for discretionary awards of, among others, stock options, stock awards, stock unit awards and stock appreciation rights to participants. Each award made under the A&R 2020 Plan will be evidenced by a written award agreement specifying the terms and conditions of the award as determined by the Committee in its sole discretion, consistent with the terms of the A&R 2020 Plan. All employees, directors, and consultants of the Company and its subsidiaries are eligible to receive awards under the A&R 2020 Plan.

The A&R 2020 Plan is administered by the "Committee" which is defined in the A&R 2020 Plan as the Compensation Committee of the Board or such other committee as may be designated by the Board from time to time to administer the Plan, or, if no such committee has been designated at the time of any grants, it shall mean the Board.

The number of shares of common stock that may be issued under the A&R 2020 Plan is 800,000. Shares issuable under the A&R 2020 Plan may be authorized but unissued shares or treasury shares. If there is a lapse, forfeiture, expiration, termination or cancellation of any award made under the A&R 2020 Plan for any reason, the shares subject to the award will again be available for issuance. Any shares subject to an award that are delivered to us by a participant, or withheld by us on behalf of a participant, as payment for an award or payment of withholding taxes due in connection with an award will not again be available for issuance, and all such shares will count toward the number of shares issued under the A&R 2020 Plan. The number of common shares issuable under the A&R 2020 Plan is subject to adjustment, in the event of any reorganization, recapitalization, stock split, stock distribution, merger, consolidation, split-up, spin-off, combination, subdivision, consolidation or exchange of shares, any change in the capital structure of the company or any similar corporate transaction. In each case, the Committee has the discretion to make adjustments it deems necessary to preserve the intended benefits under the A&R 2020 Plan. No award granted under the A&R 2020 Plan may be transferred, except by will, the laws of descent and distribution.

The maximum number of shares subject to Awards granted under the A&R 2020 Plan or otherwise during any one calendar year to any Director for service on the Board (other than to Mr. Phipps and the Company's CEO and President, if serving on the Board, to whom no annual limit is applicable), taken together with any cash fees paid by the Company to such Director during such calendar year for service on the Board, will not exceed $100,000 in total value (calculating the value of any such Awards based on the grant date fair value or such value as determined by the Board, at its discretion, of such Awards for financial reporting purposes).

The Committee may amend any award agreement at any time, provided that no amendment may adversely affect the right of any participant under any agreement in any material way without the written consent of the participant, unless such amendment is required by applicable law, regulation or stock exchange rule. The Board may terminate, suspend or amend the A&R 2020 Plan, in whole or in part, from time to time, without the approval of the shareholders, unless such approval is required by applicable law, regulation or stock exchange rule, and provided that no amendment may adversely affect the right of any participant under any outstanding award in any material way without the written consent of the participant, unless such amendment is required by applicable law, regulation or rule of any stock exchange on which the shares are listed. Notwithstanding the foregoing, neither the A&R 2020 Plan nor any outstanding award agreement can be amended in a way that results in the repricing of a stock option. Repricing is broadly defined to include reducing the exercise price of a stock option or cancelling a stock option in exchange for cash, other stock options with a lower exercise price or other stock awards. No awards may be granted under the A&R 2020 Plan on or after the tenth anniversary of the effective date of the A&R 2020 Plan.

The Company uses the Black-Scholes Model to calculate the fair value of its options. The valuation result generated by this pricing model is necessarily driven by the value of the underlying common stock incorporated into the model. Management determined the expected volatility was 462.15%, a risk-free rate of interest between 0.68-0.93%, and contractual lives of the options of ten years. In connection with the stock option grant, for the year ended December 31, 2020, the Company recorded a charge for the fair value of options granted of $830,900.

NOTE 12 - STOCKHOLDERS' EQUITY (CONTINUED)

2021 Equity Incentive Plan

The Company's Board of Directors approved and adopted the 2021 Incentive Award Plan ("2021 Plan"), subject to stockholder approval, on August 10, 2021. The 2021 Plan was approved by the Company's stockholders on December 16, 2021, at the Company's 2021 Annual Meeting of Stockholders.

The purpose of the 2021 Plan is to enhance the Company's ability to attract, retain and motivate persons who make (or are expected to make) important contributions to the Company and its subsidiaries by providing these individuals with equity ownership opportunities.

The number of shares initially available for issuance under awards granted pursuant to the 2021 Plan is768,819 shares of common stock. The number of shares initially available for issuance will be increased on January 1 of each calendar year beginning in 2022 and ending in 2031, by an amount equal to the lesser (A) an amount such that the resulting sum (the new "Overall Share Limit") is equal to 12% of the aggregate number of shares of Common Stock outstanding on the final day of the immediately preceding calendar year and (B) such smaller number of shares of Common Stock as is determined by the Board. Shares issued under the 2021 Plan may be authorized but unissued shares, shares purchased in the open market or treasury shares. If an award under the 2021 Plan expires, lapses or is terminated, exchanged for cash, surrendered to an exchange program, repurchased, cancelled without having been fully exercised or forfeited, any shares subject to such award will, as applicable, become or again be available for new grants under the 2021 Plan.

All employees, directors, and consultants of the Company and its subsidiaries are eligible to receive awards under the 2021 Plan. As of October 22, 2021, eighteen individuals are eligible to receive awards under the 2021 Plan.

The 2021 Plan is generally administered by the Board, which may delegate its duties and responsibilities to committees of Board and or officers of the Company (referred to collectively as the "plan administrator"). The plan administrator will have the authority to make all determinations and interpretations under, prescribe all forms for use with, and adopt rules for the administration of, the 2021 Plan, subject to its express terms and conditions. The plan administrator will also set the terms and conditions of all awards under the 2021 Plan, including any vesting and vesting acceleration conditions. The plan administrator may also institute and determine the terms and conditions of an "exchange program," which could provide for the surrender or cancellation, transfer, or reduction or increase of exercise price, of outstanding awards, subject to the limitations provided for in the Incentive Award Plan.

The 2021 Plan provides for the grant of stock options, including incentive stock options, or ISOs, and nonqualified stock options, or NSOs; restricted stock; dividend equivalents; restricted stock units, or RSUs; stock appreciation rights, or SARs; and other stock or cash-based awards. All awards under the 2021 Plan will be set forth in award agreements, which will detail the terms and conditions of the awards, including any applicable vesting and payment terms and post-termination exercise limitations.

Other Stock or Cash Based Awards may be granted to participants, including awards entitling participants to receive shares to be delivered in the future and including annual or other periodic or long-term cash bonus awards (whether based on specified performance criteria or otherwise), in each case subject to any conditions and limitations in the 2021 Plan. The plan administrator will determine the terms and conditions of other stock or cash-based awards.

Performance awards include any of the foregoing awards that are granted subject to vesting and/or payment based on the attainment of specified performance goals or other criteria the plan administrator may determine, which may or may not be objectively determinable. Performance criteria upon which performance goals are established by the plan administrator.

In connection with certain transactions and events affecting the Company's Common Stock, including a change in control (as defined in the 2021 Plan), or change in any applicable laws or accounting principles, the plan administrator has broad discretion to take action under the 2021 Plan to prevent the dilution or enlargement of intended benefits, facilitate such transaction or event, or give effect to such change in applicable laws or accounting principles. This includes cancelling awards in exchange for either an amount in cash or other property with a value equal to the amount that would have been obtained upon exercise or settlement of the vested portion of such award or realization of the participant's rights under the vested portion of such award, accelerating the vesting of awards, providing for the assumption or substitution of awards by a successor entity, adjusting the number and type of shares available, replacing awards with other rights or property and/or terminating awards under the 2021 Plan.

On December 16, 2021, the Company granted 100,000 options pursuant to its 2021 equity incentive plan, with an exercise price of $3.81 per share, of which half vest on day of grant with the second half vesting on the one-year anniversary of the date of grant. The options have a ten-year term and expire on December 16, 2031. The grants were awarded as follows: 75,000 to Charles Fernandez, 10,000 to Paul R. Thomson and 15,000 to Theresa Carlise.

The vested portion of the options granted, 50,000 options were valued on the grant date at approximately $3.04 per option or a total of $151,940 using a Black-Scholes option pricing model with the following assumptions: stock price of $3.81 per share (based on the closing price of the Company's common stock of the date of grant), volatility of 80%, expected term of 10 years, and a risk-free interest rate of 0.28%.

NOTE 12 - STOCKHOLDERS' EQUITY (CONTINUED)

For the years ended December 31, 2021 and 2020, the Company recorded total stock-based compensation of $3,758,424 and $904,900, respectively.

Stock options outstanding at December 31, 2021 and 2020, as disclosed in the below table, have approximately ($270,837) and $3,012,851 of intrinsic value, respectively.

A summary of the status of the Company's outstanding stock options and changes during the years ended December 31, 2021 and 2020, is as follows:

	Number of Options		Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)
Balance at January 1, 2020	7,809	$	87.45	5.16
Granted	698,400	$	1.20	9.92
Exercised	(106,200)	$	1.00	9.64
Forfeited	-	$	-	-
Cancelled	-	$	-	-
Balance outstanding at December 31, 2020	600,009	$	2.35	9.91
Options exercisable at December 31, 2020	600,009	$	2.35	9.91
Weighted average fair value of options granted during the period		$	1.20	9.92
Balance at January 1, 2021	600,009	$	2.35	9.91
Granted	400,000	$	2.22	5.32
Exercised	(19,200)	$	-	-
Forfeited	(917)	$	-	-
Cancelled	(50,000)	$	-	-
Balance outstanding at December 31, 2021	929,892	$	3.53	5.32
Options exercisable at December 31, 2021	929,892	$	3.53	5.32
Weighted average fair value of options granted during the period		$	2.22	5.32

Restricted Stock Awards

On February 23, 2021, the Company issued an aggregate of 1,000 shares of common stock for services in the amount of $14,200.

On May 28, 2021, the Company awarded 600,000 shares of restricted common stock Charles M. Fernandez, Chairman and Chief Executive Officer, which will vest 1/3 at each of the three anniversaries of the grant date. This equity award was made outside of a shareholder approved stock or option plan pursuant to the Nasdaq "inducement grant" exception (Nasdaq Listing Rule 5635(c)(4)).

On August 24, 2021, in connection with Paul R. Thomson employment as Executive Vice President, and currently Chief Financial Officer, and as a material inducement to enter into the Thomson Agreement, Mr. Thomson received a restricted stock grant of 25,000 shares of Common Stock, 10,000 of which vest immediately, and the remaining 15,000 of which will vest at the rate of 5,000 shares at the end of each of the next three annual anniversaries of his employment. These equity awards to Mr. Thomson were issued outside of a shareholder approved stock or option plan pursuant to the Nasdaq "inducement grant" exception (Nasdaq Listing Rule 5635(c)(4)). On October 7, 2021, the Board of Directors of the Company (the "Board") appointed Paul R. Thomson, the Executive Vice President of the Company, to the additional position of Chief Financial Officer of the Company effective October 9, 2021.

Also on August 24, 2021, under the terms of the Ellenoff Agreement, Douglas Ellenoff, Chief Business Development Strategist, will receive, in lieu of cash compensation: (i) a restricted stock award of 100,000 shares of Common Stock of the Company, 40,000 of which were issued after the execution of the Ellenoff Agreement and vest immediately, and the remaining 60,000 of which will be issued and vest at the rate of 20,000 shares at the end of each of the next three annual anniversaries of his employment, provided that Mr. Ellenoff serves on the Board at any time during such year; These equity awards to Mr. Ellenoff were material to induce Mr. Ellenoff to enter into the Ellenoff Agreement and were issued outside of a shareholder approved stock or option plan pursuant to the Nasdaq "inducement grant" exception (Nasdaq Listing Rule 5635(c)(4)).

NOTE 12 - STOCKHOLDERS' EQUITY (CONTINUED)

On October 8, 2021, in connection with Andrew Cohen employment as Senior Vice President of Operations, and as a material inducement to enter into the Cohen Agreement, Mr. Cohen received a restricted stock grant of 25,000 shares of Common Stock, 10,000 of which vest immediately, and the remaining 15,000 of which will vest at the rate of 5,000 shares at the end of each of the next three annual anniversaries of his employment. These equity awards to Mr. Cohen were issued outside of a shareholder approved stock or option plan pursuant to the Nasdaq "inducement grant" exception (Nasdaq Listing Rule 5635(c)(4)).

On December 16, 2021, the following awards of unregistered restricted stock to the Company's directors and officers became effective;

Charles M. Fernandez, Executive Chairman and Chief Executive Officer- (1) Award of 101,000 shares of restricted common stock of the Company under the 2020 Plan. All shares fully vested and issued on the Effective Grant Date and (2) Award of 275,000 shares of restricted common stock of the Company under the 2021 Plan. Half of the shares fully vested and issued on the Effective Grant Date. The second half of the shares to be issued and to vest on the first anniversary of the Effective Grant Date.

David Phipps, Director and President of Orbsat; Chief Executive Officer of Global Operations - Award of 275,000 shares of restricted common stock of the Company under the 2021 Plan. All shares fully vested and issued on the Effective Grant Date.

Kendall Carpenter, Director - Award of 20,000 shares of restricted common stock of the Company under the 2021 Plan. Half of the shares fully vested and issued on the Effective Grant Date. The second half of the shares to be issued and to vest on the first anniversary of the Effective Grant Date.

Louis Cusimano, Director - Award of 20,000 shares of restricted common stock of the Company under the 2021 Plan. Half of the shares fully vested and issued on the Effective Grant Date. The second half of the shares to be issued and to vest on the first anniversary of the Effective Grant Date.

Hector Delgado, Director - Award of 20,000 shares of restricted common stock of the Company under the 2021 Plan. Half of the shares fully vested and issued on the Effective Grant Date. The second half of the shares to be issued and to vest on the first anniversary of the Effective Grant Date.

John Miller, Director - Award of 20,000 shares of restricted common stock of the Company under the 2021 Plan. Half of the shares fully vested and issued on the Effective Grant Date. The second half of the shares to be issued and to vest on the first anniversary of the Effective Grant Date.

Paul R. Thomson, Executive Vice President and Chief Financial Officer – Award of 10,000 shares of restricted common stock of the Company under the 2021 Plan. All shares fully vested and issued on the Effective Grant Date.

Theresa Carlise, Chief Accounting Officer, Treasurer and Secretary - Award of 15,000 shares of restricted common stock of the Company under the 2021 Plan. All shares fully vested and issued on the Effective Grant Date.

For the year ended December 31, 2021, the Company recorded total stock-based compensation for the awards and options granted of $3,758,424. For the year ended December 31, 2020, the Company recorded stock-based compensation of $904,900.

NOTE 13 – INCOME TAXES

The Company accounts for income taxes under ASC Topic 740: Income Taxes which requires the recognition of deferred tax assets and liabilities for both the expected impact of differences between the financial statements and the tax basis of assets and liabilities, and for the expected future tax benefit to be derived from tax losses and tax credit carry forwards. ASC Topic 740 additionally requires the establishment of a valuation allowance to reflect the likelihood of realization of deferred tax assets. The Company has a net federal and state operating loss carry forward for tax purposes totaling approximately $6.8 million at December 31, 2020, expiring through the year 2036, generally.

The tax reform bill that Congress voted to approve December 20, 2017, also known as the "Tax Cuts and Jobs Act", made sweeping modifications to the Internal Revenue Code, including a much lower corporate tax rate, changes to credits and deductions, and a move to a territorial system for corporations that have overseas earnings. The act replaced the prior-law graduated corporate tax rate, which taxed income over $10 million at 35%, with a flat rate of 21%. Due to the continuing loss position of the Company, such changes should not be material.

For U.S. purposes, the Company has not completed its evaluation of NOL utilization limitations under Internal Revenue Code, as amended (the "Code") Section 382, change of ownership rules. If the Company has had a change in ownership, the NOL's would be limited as to the amount that could be utilized each year, or possibly eliminated, based on the Code. The Company has also, not completed its review of NOL's pertaining to years the Company was known as "Silver Horn Mining Ltd." and "Great West Resources, Inc.", which may not be available due to IRC Section 382 and because of a change in business line that may eliminate NOL's associated with ""Silver Horn Mining Ltd." and "Great West Resources, Inc." The company has also not reviewed the impact relating to "Recent Events" for its IRC Section 382 possible NOL's limitation.

The components of earnings before income taxes for the years ended December 31, 2021 and 2020 were as follows:

	Year Ended December 31, 2021		Year Ended December 31, 2020	
Income (loss) before income taxes:				
Domestic	$	(8,187,662)	$	(2,826,902)
Foreign		80,000		63,527
	$	(8,107,662)	$	(2,763,375)

Income tax provision (benefit) consists of the following for the years ended December 31, 2021 and 2020:

	Year Ended December 31, 2021		Year Ended December 31, 2020	
Income tax provision (benefit):				
Current				
Federal	$	-	$	-
State		-		-
Foreign		15,000		3,563
Total current		15,000		3,563
Deferred:				
Federal		-		-
State		-		-
Foreign		-		-
Total deferred		-		-
Total income tax provision (benefit)	$	15,000	$	3,563

The Company's wholly owned subsidiary, GTC, is a United Kingdom ("UK") Limited Company and files tax returns in the UK. Its estimated tax liability for December 31, 2021 and 2020 is approximately $15,000 and $3,563, respectively.

NOTE 13 – INCOME TAXES (CONTINUED)

A reconciliation of the income tax provision (benefit) by applying the statutory United States federal income tax rate to income (loss) before income taxes is as follows:

	Year Ended December 31,			
	2021		2020	
	$	%	$	%
Federal income tax provision (benefit) at statutory rate	$ 1,736,000	21%	$ (580,000)	21%
State tax expense net of federal tax benefit	211,000	3%	36,000	(1)%
State tax expense federal impact	29,000	-	-	-
Non-deductible expenses	(320,000)	(4)%	57,000	(2)%
State rate change adjustment	(138,000)	(2)%	-	-
Foreign taxes at rate different than US Taxes	(2,000)	-	-	-
Other true-ups	188,000	2.0%	1,267,000	46%
Change in valuation allowance	(1,689,000)	(20.0)%	(776,000)	(28)%
Income tax provision (benefit)	$ 15,000	-	$ 4,000	-

Deferred tax assets and liabilities are provided for significant income and expense items recognized in different years for tax and financial reporting purposes. Temporary differences, which give rise to a net deferred tax asset is as follows:

	December 31, 2021	December 31, 2020
Deferred tax assets:		
Net operating loss carryforward	$ 2,455,000	$ 1,721,000
Property plant and equipment and intangibles asset	132,000	124,000
Stock-based compensation	1,133,000	186,000
Total deferred tax assets	$ 3,720,000	$ 2,031,000
Deferred tax liabilities:		
Book basis of property and equipment in excess of tax basis	$ -	$ -
Total deferred tax liabilities	$ -	$ -
Net deferred tax asset before valuation allowance	$ 3,720,000	$ 2,030,777
Less: valuation allowance	(3,720,000)	(2,030,777)
Net deferred tax asset	$ -	$ -

The net operating loss carryforward increased from $6,789,695 at December 31, 2020 to $10,159,749 at December 31, 2021. After consideration of all the evidence, both positive and negative, management has recorded a full valuation allowance at December 31, 2021 and 2020, due to the uncertainty of realizing the deferred income tax assets. Out of the $10,159,749 net operating loss carryforward, $2,872,841 will begin to expire in 2036 and $7,286,908 will have an indefinite life.

NOTE 13 – INCOME TAXES (CONTINUED)

The Internal Revenue Code includes a provision, referred to as Global Intangible Low-Taxed Income ("GILTI"), which provides for a 10.5% tax on certain income of controlled foreign corporations. We have elected to account for GILTI as a period cost if and when occurred, rather than recognizing deferred taxes for basis differences expected to reverse.

The Company is subject to taxation in the U.S. and various states and foreign jurisdictions. U.S. federal income tax returns for 2018 and after remain open to examination. We and our subsidiaries are also subject to income tax in multiple states and foreign jurisdictions. Generally, foreign income tax returns after 2017 remain open to examination. No income tax returns are currently under examination. As of December 31, 2021 and 2020, the Company does not have any unrecognized tax benefits, and continues to monitor its current and prior tax positions for any changes. The Company recognizes penalties and interest related to unrecognized tax benefits as income tax expense. For the years ended December 31, 2021 and 2020, there were no penalties or interest recorded in income tax expense.

NOTE 14 - COMMITMENTS AND CONTINGENCIES

COVID-19

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") a global pandemic prompting government-imposed quarantines, suspension of in-person attendance of academic programs, and cessation of certain travel and business closures. The United States has entered a recession as a result of the COVID-19 pandemic, which may prolong and exacerbate the negative impact on us. Although we expect the availability of vaccines and various treatments with respect to COVID-19 to have an overall positive impact on business conditions in the aggregate over time, the exact timing of these positive developments is uncertain. In December 2020, the United States began distributing two vaccines that, in addition to other vaccines under development, are expected to help to reduce the spread of the coronavirus that causes COVID-19 once they are widely distributed. If the vaccines prove less effective than currently understood by the scientific community and the United States Food and Drug Administration, or if there are problems with the acceptance, availability, timing or other difficulties with widely distributing the vaccines, the pandemic may last longer, and could continue to impact our business for longer, than we currently expect. In response to COVID-19, governmental authorities have implemented numerous measures to try to contain the virus, such as travel bans and restrictions, prohibitions on group events and gatherings, shutdowns of certain businesses, curfews, shelter in place orders and recommendations to practice social distancing. Although many governmental measures have had specific expiration dates, some of those measures have already been extended more than once, and there is considerable uncertainty regarding the duration of such measures and the implementation of any potential future measures, especially if cases increase again across the United States, with the potential for additional challenges resulting from the emergence of new variants of COVID-19, some of which may be more transmissible than the initial strain. Such measures have impacted, and may continue to affect, our workforce, operations, suppliers and customers. We reduced the size of our workforce following the onset of COVID-19 and may need to take additional actions to further reduce the size of our workforce in the future; such reductions incur costs, and we can provide no assurance that we will be able to rehire our workforce in the event our business experiences a subsequent recovery. We took steps to curtail our operating expenses and conserve cash. We may elect or need to take additional remedial measures in the future as the information available to us continues to develop, including with respect to our workforce, relationships with our third-party vendors, and our customers. There is no certainty that the remedial measures we have implemented to date, or any additional remedial steps we may take in the future, will be sufficient to mitigate the risks posed by COVID-19. Further, such measures could potentially materially adversely affect our business, financial condition and results of operations and create additional risks for us. Any escalation of COVID-19 cases across many of the markets we serve could have a negative impact on us. Specifically, we could be adversely impacted by limitations on our employees to perform their work due to illness caused by the pandemic or local, state, or federal orders requiring our stores to close or employees to remain at home; limitation of carriers to deliver our product to customers; product shortages; limitations on the ability of our customers to conduct their business and purchase our products and services; and limitations on the ability of our customers to pay us in a timely manner. These events could have a material, adverse effect on our results of operations, cash flows and liquidity.

NOTE 14 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

The ultimate magnitude of COVID-19, including the full extent of the material negative impact on our financial and operational results, will depend on future developments. The resumption of our normal business operations may be delayed or constrained by lingering effects of COVID-19 on our customers, suppliers and/or third-party service providers. Furthermore, the extent to which our mitigation efforts are successful, if at all, is not currently ascertainable. Due to the daily evolution of the COVID-19 pandemic and the responses to curb its spread, we cannot predict the full impact of the COVID-19 pandemic on our business and results of operations, but our business, financial condition, results of operations and cash flows have already been materially adversely impacted, and we anticipate they will continue to be adversely affected by the COVID-19 pandemic and its negative effects on global economic conditions. Any recovery from the COVID-19 pandemic and related economic impact may also be slowed or reversed by a variety of factors, such as any increase in COVID-19 infections. Even after the COVID-19 pandemic has subsided, we may continue to experience adverse impacts to our business as a result of its national and, to some extent, global economic impact, including the current recession and any recession that may occur in the future.

The success of our business depends on our global operations, including our supply chain and consumer demand, among other things. As a result of COVID-19, we have experienced shortages in inventory due to manufacturing issues, a reduction in the volume of sales in some parts of our business, such as rental sales and direct website sales, and a reduction in personnel due to lockdown related issues. Our results of operations for years ended December 31, 2021 and for the year ended December 31, 2020, reflect this impact; however, we expect that this trend may continue, and the full extent of the impact is unknown. In recent months, some governmental agencies in the US and Europe, where we produce the largest percentage of our sales, have lifted certain restrictions. However, if customer demand continues to be low, our future equipment sales, subscriber activations and sales margin will be impacted.

Employment Agreements

2021 Phipps Employment Agreement

On June 5, 2021, the Company to enter into a new three year employment agreement with Mr. Phipps the that was effective as of June 2, 2021, also referred to herein as the 2021 Phipps Employment Agreement). Under the terms of the 2021 Phipps Employment Agreement, Mr. Phipps will serve as the serve as President of the Company and Chief Executive Officer of Global Operations. The term will be automatically extended for additional one-year terms thereafter unless terminated by the Company or Mr. Phipps by written notice. Mr. Phipps' annual base compensation under the 2021 Phipps Employment Agreement is an aggregate of $ 350,000.The Company may increase (but not decrease) his compensation during its term. In addition, Mr. Phipps will be entitled to receive an annual cash bonus if the Company meets or exceeds criteria adopted by the Compensation Committee of the Board of Directors. Mr. Phipps is also entitled to participate in any other executive compensation plans adopted by the Board of Directors, and is eligible for such grants of awards under stock option or other equity incentive plans as the Compensation Committee of the Company may from time to time determine (the "Share Awards"). Share Awards will be subject to the applicable Plan terms and conditions, provided, however, that Share Awards will be subject to any additional terms and conditions as are provided therein or in any award certificate(s), which shall supersede any conflicting provisions governing Share Awards provided under the equity incentive plan. The Company is required to pay or to reimburse Mr. Phipps for all reasonable out-of-pocket expenses actually incurred or paid by Mr. Phipps in the course of his employment, consistent with the Company's policy. Mr. Phipps will be entitled to participate in such pension, profit sharing, group insurance, hospitalization, and group health and benefit plans and all other benefits and plans, including perquisites, if any, as the Company provides to its senior employees. The 2021 Phipps Agreement may be terminated based on death or disability of Mr. Phipps, for cause or without good reason, for cause or with good reason, and as a result of the change of control of the Company. The 2021 Phipps Agreement also contains certain provisions that are customary for agreements of this nature, including, without limitation, non-competition and non-solicitation covenants, indemnification provisions, etc. On August 7, 2021, the 2021 Phipps Agreement was amended in order to, among other things, (i) increase Mr. Phipps' compensation to include a car allowance of $1,000 a month and (ii) clarify Mr. Phipps position to be President of NextPlat Corp and the Chief Executive Officer of Global Operations.

NOTE 14 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Fernandez Employment Agreements

Fernandez May Employment Agreement

On May 23, 2021, the Company entered into a three (3) year Employment Agreement (the "May Agreement") with Mr. Fernandez to serve as Chairman of the Board. Such agreement includes provision for automatic one (1) year extensions. Under the terms of May Agreement, Mr. Fernandez's employment commenced on May 28, 2021. As compensation for services under the May Agreement, Mr. Fernandez was to receive, in monthly installments during the term, the sum of $12,000 per month. Mr. Fernandez was also be entitled to such cash bonus opportunity and equity compensation arrangements as the Compensation Committee may determine following the effectiveness of this registration statement. The May Agreement also provided for the Company to reimburse Mr. Fernandez for any and all premium payments made by him to obtain and continue in full force and effect throughout the entire period of employment for personal catastrophe and disability insurance coverages. Such insurance was to have premium limits not to exceed one hundred percent (100%) of Mr. Fernandez's Base Salary per annum. In addition, Mr. Fernandez was entitled to participate in such pension, profit sharing, group insurance, hospitalization, and group health and benefit plans and all other benefits and plans, including perquisites, if any, as the Company provides to its senior executives. Under the May Agreement, the Company was also obligated to reimburse Mr. Fernandez for up to $ 10,000 per year related to Mr. Fernandez's business and personal travel and/or that of his immediate family members, as well as up to $10,000 per year for professional fees incurred by Mr. Fernandez, whether in connection with Mr. Fernandez's association with the Company or otherwise. In connection to the June Offering, which is described above, the Company granted Mr. Fernandez an award of restricted stock with a grant date fair value equal to $3,000,000 determined at the per unit offering price of $5.00 per unit (the "RSA"), which RSA will vest 1/3 at each of the three anniversaries of the grant date. Notwithstanding the vesting schedule, full vesting will occur upon a Change in Control, as that term is defined in the RSA. The Company, at its sole expense, is obligated to register the reoffer and resale by Mr. Fernandez of the securities granted to Employee pursuant to the RSA.

Fernandez June Employment Agreement

On June 2, 2021, the Company entered into a new employment agreement (the "June Agreement") with Charles M. Fernandez, with an initial term of5 years effective on May 28, 2021. The June Agreement replaced "the May Agreement". Under the June Agreement, Mr. Fernandez will serve as the Chairman and Chief Executive Officer of the Company. The June Agreement will be automatically extended for additional one-year terms unless terminated by the Company or Mr. Fernandez by written notice. Mr. Fernandez's annual base compensation under the June Agreement is $ 350,000 per year. The Company may increase (but not decrease) his compensation during the June Agreement's term. In addition, Mr. Fernandez is entitled to receive an annual cash bonus if the Company meets or exceeds criteria adopted by the Compensation Committee of the Board. Mr. Fernandez is also entitled to participate in any other executive compensation plans adopted by the Board, and is eligible for such grants of Share Awards. Share Awards will be subject to the applicable Plan terms and conditions, provided, however, that Share Awards will be subject to any additional terms and conditions as are provided therein or in any award certificate(s), which will supersede any conflicting provisions governing Share Awards provided under the equity incentive plan. The Company is required to pay or to reimburse Mr. Fernandez for all reasonable out-of-pocket expenses actually incurred or paid by Mr. Fernandez in the course of his employment, consistent with the Company's policy.

Mr. Fernandez will also be entitled to participate in such pension, profit sharing, group insurance, hospitalization, and group health and benefit plans and all other benefits and plans, including perquisites, if any, as the Company provides to its senior employees. The June Agreement may be terminated based on death or disability of Mr. Fernandez, for cause or without good reason, for cause or with good reason, as a result of the change of control of the Company and at the option of Mr. Fernandez with or without cause. The June Agreement also contains certain provisions that are customary for agreements of this nature, including, without limitation, non-competition and non-solicitation covenants, indemnification provisions, etc.

NOTE 14 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

The Company will also reimburse Mr. Fernandez for any and all premium payments made by him to obtain and continue personal catastrophe and disability insurance coverages for himself, which policy will have policy limits not to exceed one hundred percent (100%) of his base salary per annum at any given time. In addition, the Company will pay for any and all travel-related expenses incurred by Mr. Fernandez and/or his immediate family members, not to exceed $10,000.00 per fiscal year, regardless of whether or not such expenses are incurred by Mr. Fernandez in connection with services or duties to be performed by him as an employee of the Company. The Company will also pay for any and all fees and costs incurred by Mr. Fernandez in connection with professional services provided to him, not to exceed $ 10,000 per year, including, without limitation, services provided to the Company by attorneys, accountants, financial planners and the like, regardless of whether or not such services are provided to Mr. Fernandez in connection with his employment with the Company.

In addition, the June Agreement (which repeats, but not duplicates, a grant of restricted stock made under the May Agreement), Mr. Fernandez received an award of restricted stock with a grant date fair value equal to $3,000,000 determined at the per unit offering price in the June Offering ($5 per Unit) (the "RSA"), which RSA will vest 1/3 at each of the three anniversaries of the grant date. The Grant Date for the RSA is May 28, 2021, as determined pursuant to the May Agreement. Notwithstanding the vesting schedule, full vesting will occur upon a Change in Control, as that term is defined in the Restricted Stock Agreement pursuant to which the RSA was made (the "May Restricted Stock Agreement"). The Company at its sole expense is obligated to register for reoffer and resale by Mr. Fernandez the securities granted to him pursuant to the May Restricted Stock Agreement.

If Mr. Fernandez's employment is terminated for any reason at any time by the Company prior to the full vesting of the RSA without "Cause" (as that term is defined in the June Agreement), the RSA will vest and Mr. Fernandez will receive all right, title and interest in the balance of the securities granted to him in the RSA.

During the term of the June Agreement and so long as Mr. Fernandez is employed by the Company, he may nominate two directors to the Company's Board of Directors. The appointment of these directors to the Board is subject to approval by the Board of Directors.

On August 7, 2021, the June Agreement was amended in order to, among other things, increase Mr. Fernandez's compensation by (i) providing for medical plan coverage for Mr. Fernandez and his family at the expense of the Company, and (ii) providing for an auto allowance $1,000 per month.

Ellenoff Employment Agreement

On August 24, 2021, Douglas S. Ellenoff was appointed to the positions of Chief Business Development Strategist of the "Company" and Vice Chairman of the Board of Directors of the Company. The appointment was made on the approval and recommendation of the Nominating Committee of the Board. Mr. Ellenoff was not appointed to any committees of the Board.

In connection with Mr. Ellenoff's appointment to the position of Chief Business Development Strategist of the Company, Mr. Ellenoff and the Company entered into a three year Employment Agreement, dated August 24, 2021, which is also referred to herein as the "Ellenoff Agreement", Under the Ellenoff employment Agreement, which sets forth the terms of his employment, including with regard to compensation. Mr. Ellenoff will be nominated and renominated to serve on the Board during the term of the agreement. Under the terms of the Ellenoff Employment Agreement, Mr. Ellenoff will receive, in lieu of cash compensation: (i) a restricted stock award of 100,000 shares of Common Stock of the Company, 40,000 of which will be issued within 5 business days of the execution of the Ellenoff Employment Agreement and vest immediately, and the remaining 60,000 of which will be issued and vest at the rate of 20,000 shares at the end of each of the next three annual anniversaries of his employment, provided that Mr. Ellenoff serves on the Board at any time during such year; and (ii) options to purchase a total of 1,500,000 shares of the Corporation's Common Stock, 300,000 of which will issued within 5 business days of the execution of the Ellenoff Employment Agreement and vest immediately, 150,000 of which will vest on each of the next three annual anniversaries of the commencement of his employment, and the remaining 750,000 of which will vest at the rate of 250,000 per year on each of the first three anniversaries of the commencement of his employment if during each such year Mr. Ellenoff introduces the Company to twelve (12) or more potential Business Transactions (as defined in the Ellenoff Employment Agreement and which transactions need not be consummated); provided that the Company's Chief Executive Officer may, in his sole discretion, waive the vesting requirement in any given year. Such options have an exercise price of $5.35 per share and will terminate 5 years after they vest. These equity awards to Mr. Ellenoff were material to induce Mr. Ellenoff to enter into the Ellenoff Employment Agreement and were issued outside of a shareholder approved stock or option plan pursuant to the Nasdaq "inducement grant" exception (Nasdaq Listing Rule 5635(c)(4)).

NOTE 14 - COMMITMENTS AND CONTINGENCIES

Uddin Employment Agreement

On June 22, 2021, the Company appointed Sarwar Uddin as the Chief Financial Officer of the Company. Mr. Uddin replaced Thomas Seifert, whose employment by the Company terminated on the same date. The initial term of Mr. Uddin's agreement is one year commencing on June 22, 2021. The term of the employment agreement will be automatically extended for additional one-year terms unless terminated by the Company or Mr. Uddin by written notice. Mr. Uddin's annual base compensation is $240,000. The Company may increase (but not decrease) his compensation during its term. In addition, Mr. Uddin will be entitled to receive an annual cash bonus if the Company meets or exceeds criteria adopted by the Compensation Committee of the Board of Directors. Mr. Uddin is also entitled to participate in any other executive compensation plans adopted by the Board of Directors and is eligible for such grants of awards under stock option or other equity incentive plans as the Compensation Committee of the Company may from time to time determine (the "Share Awards"). The Company is required to pay or to reimburse Mr. Uddin for all reasonable out-of-pocket expenses actually incurred or paid by Mr. Uddin in the course of his employment, consistent with the Company's policy. Mr. Uddin shall be entitled to participate in such pension, profit sharing, group insurance, hospitalization, and group health and benefit plans and all other benefits and plans, including perquisites, if any, as the Company provides to its senior Employees. The employment agreement may be terminated based on death or disability of the executive, for cause or without good reason, for cause or with good reason, and as a result of the change of control of the Company. The employment agreement also contains certain provisions that are customary for agreements of this nature, including, without limitation, non-competition and non-solicitation covenants, indemnification provisions, etc. On August 7, 2021, on the approval and recommendation of the Compensation Committee of the Board of Directors of NextPlat Corp, the Company entered into an amendment to the current employment agreement to increase Mr. Uddin's compensation by providing for an allowance of $600 per month for the payment of medical plan coverage for Mr. Uddin and his family.

On October 4, 2021, Mr. Uddin, notified the Company of his resignation from all positions he held with the Company. Mr. Uddin's resignation was effective as of the close of business on October 8, 2021.

Carlise Employment Agreement

On June 22, 2021, the Company appointed Theresa Carlise, Controller, Treasurer and Secretary. The initial term of Ms. Carlise agreement was one year. The term of the employment agreement will be automatically extended for additional one-year terms unless terminated by the Company or Ms. Carlise by written notice. Ms. Carlise's annual base compensation is $180,000. The Carlise Agreement provides for medical plan coverage and an auto allowance. The Company may increase (but not decrease) her compensation during its term. In addition, Ms. Carlise will be entitled to receive an annual cash bonus if the Company meets or exceeds criteria adopted by the Compensation Committee of the Board of Directors. Ms. Carlise is also entitled to participate in any other executive compensation plans adopted by the Board of Directors and is eligible for such grants of awards under stock option or other equity incentive plans as the Compensation Committee of the Company may from time to time determine (the "Share Awards"). The Company is required to pay or to reimburse Ms. Carlise for all reasonable out-of-pocket expenses actually incurred or paid by Ms. Carlise in the course of her employment, consistent with the Company's policy. Ms. Carlise shall be entitled to participate in such pension, profit sharing, group insurance, hospitalization, and group health and benefit plans and all other benefits and plans, including perquisites, if any, as the Company provides to its senior Employees. The employment agreement may be terminated based on death or disability of the executive, for cause or without good reason, for cause or with good reason, and as a result of the change of control of the Company. The employment agreement also contains certain provisions that are customary for agreements of this nature, including, without limitation, non-competition and non-solicitation covenants, indemnification provisions, etc. On August 7, 2021, on the approval and recommendation of the Compensation Committee of the Board of Directors of NextPlat Corp, the Company entered into an amendment to the current employment agreement. The Amendment for Ms. Carlise amends her Employment Agreement in order to, among other things, change Ms. Carlise's title to "Chief Accounting Officer, Secretary and Treasurer. On October 8, 2021, on the approval and recommendation of the Compensation Committee, and following the subsequent approval of the Board, the Company entered into an amendment to the Company's current employment agreement with Theresa Carlise, the Company's Chief Accounting Officer, Treasurer and Secretary, to extend the initial term of her employment agreement from 1 year to 3 years (the "Carlise Amendment").

NOTE 14 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Thomson Employment Agreement

On August 24, 2021, Paul R. Thomson was appointed to the position of Executive Vice President of the Company. Mr. Thomson's appointment as Executive Vice President was effective on August 24, 2021, the date of that certain Employment Agreement between Mr. Thomson and the Company (the "Thomson Agreement"). The Thomson Agreement has an initial term of three (3) years and will be automatically extended for additional 1-year term unless terminated by the Company or Mr. Thomson by written notice. Mr. Thomson's annual base compensation is $250,000. The Company may increase (but not decrease) his compensation during its term. In addition, Mr. Thomson will be entitled to receive an annual cash bonus if the Company meets or exceeds criteria adopted by the Compensation Committee of the Board. Mr. Thomson is also entitled to participate in any other executive compensation plans adopted by the Board and is eligible for such grants of awards under stock option or other equity incentive plans as the Compensation Committee of the Company may from time to time determine (the "Share Awards").

In connection with Mr. Thomson's employment, and as a material inducement to enter into the Thomson Agreements, Mr. Thomson received (i) immediately vested options to purchase 25,000 shares of Common Stock at a per share price of $5.35, and having a term of 5 years; and (ii) a restricted stock grant of 25,000 shares of Common Stock, 10,000 of which vest immediately, and the remaining 15,000 of which will vest at the rate of 5,000 shares at the end of each of the next three annual anniversaries of his employment. These equity awards to Mr. Thomson were issued outside of a shareholder approved stock or option plan pursuant to the Nasdaq "inducement grant" exception (Nasdaq Listing Rule 5635(c)(4)). On October 7, 2021, the Board of Directors of the Company (the "Board") appointed Paul R. Thomson, the Executive Vice President of the Company, to the additional position of Chief Financial Officer of the Company effective October 9, 2021. As Chief Financial Officer, Mr. Thomson will also become the Company's principal financial officer, effective October 9, 2021. On October 8, 2021, on the approval and recommendation of the Compensation Committee of the Board (the "Compensation Committee"), and following subsequent approval of the Board, the Company entered into an amendment to the Company's current employment agreement with Mr. Thomson to reflect his new title of "Executive Vice President and Chief Financial Officer" effective October 9, 2021 (the "Thomson Amendment").

Cohen Employment Agreement

On October 7, 2021, the Board appointed Andrew Cohen as Senior Vice President of Operations of the Company, effective October 8, 2021. In connection with Mr. Cohen's appointment, the Company entered into an employment agreement, dated October 8, 2021 (the "Cohen Agreement"), that sets forth the terms of his employment.

The Cohen Agreement has an initial term of three (3) years and will be automatically extended for additional 1-year terms unless terminated by the Company or Mr. Cohen by written notice. Mr. Cohen's annual base compensation is $ 250,000. The Company may increase (but not decrease) his compensation during its term. In addition, Mr. Cohen will be entitled to receive an annual cash bonus if the Company meets or exceeds criteria adopted by the Compensation Committee of the Board. Mr. Cohen is also entitled to participate in any other executive compensation plans adopted by the Board and is eligible for such grants of awards under stock option or other equity incentive plans as the Compensation Committee may from time to time determine (the "Share Awards"). The Company is required to pay or to reimburse Mr. Cohen for all reasonable out-of-pocket expenses actually incurred or paid by Mr. Cohen in the course of his employment, consistent with the Company's policy. Mr. Cohen will be entitled to participate in such pension, profit sharing, group insurance, hospitalization, and group health and benefit plans and all other benefits and plans, including perquisites, if any, as the Company provides to its senior employees. The Cohen Agreement may be terminated based on, among other things, the death or disability of Mr. Cohen, for cause, for good reason, and as a result of the change of control of the Company. The Cohen Agreement also contains certain provisions that are customary for agreements of this nature, including, without limitation, non-competition and non-solicitation covenants.

In connection with Mr. Cohen's employment, and as a material inducement to enter into the Cohen Agreement, Mr. Cohen received (i) immediately vested options to purchase 25,000 shares of Common Stock at a per share price of $5.35, and having a term of 5 years; and (ii) a restricted stock grant of 25,000 shares of Common Stock, 10,000 of which vest immediately, and the remaining 15,000 of which will vest at the rate of 5,000 shares at the end of each of the next three annual anniversaries of his employment. These equity awards to Mr. Cohen were issued outside of a shareholder approved stock or option plan pursuant to the Nasdaq "inducement grant" exception (Nasdaq Listing Rule 5635(c)(4)).

NOTE 14 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Consulting Agreements

On July 16, 2020, the Company's Board of Directors approved, and the Company entered into a 12-month consulting agreement ("Consulting Agreement") with an unrelated third-party for capital raising advisory services and business growth and development services, with the term renewable upon mutual consent of the parties. Upon signing of the Consulting Agreement, the Company agreed to issue 20,000 restricted shares of its common stock to the consultant (the "Consulting Shares"),5,000 additional restricted shares of common stock to be issued quarterly until the consultant may receive cash compensation for his services, which will be determined, upon completion of certain milestones, by the Company's CEO.

Lease Agreements

On December 2, 2021, the Company entered into a 62-month lease for4,141 square feet of office space for $186,345 annually. The rent increases 3% annually. The space is not available for occupancy until the second quarter of 2022, at which time rent will commence, as well as adjusting the right of asset and the corresponding operating lease liability to include this lease.

Effective July 24, 2019, a three-year lease was signed for2,660 square feet for £25,536 annually, for our facilities in Poole, England, "UK lease", for £2,128 per month, or USD $2,926 per month at the yearly average conversion rate of1.375083. The Poole lease will expire July 2022 and we may seek to expand to a larger facility.

The UK lease does not require any contingent rental payments, impose any financial restrictions, or contain any residual value guarantees. Variable expenses generally represent the Company's share of the landlord's operating expenses. The Company does not have any leases classified as financing leases.

The rate implicit to the UK lease is not readily determinable, and we therefore use our incremental borrowing rate to determine the present value of the lease payments. The weighted average incremental borrowing rate used to determine the initial value of right of use (ROU) assets and lease liabilities during the year ended December 31, 2021 was 6.00%, derived from borrowing rate, as obtained from the Company's most recent lenders. Right of use assets for operating leases are periodically reduced by impairment losses. We use the long-lived assets impairment guidance in ASC Subtopic 360-10, Property, Plant, and Equipment – Overall, to determine whether an ROU asset is impaired, and if so, the amount of the impairment loss to recognize. As of December 31, 2021, we have not recognized any impairment losses for our ROU assets.

We monitor for events or changes in circumstances that require a reassessment of one of our leases. When a reassessment results in the remeasurement of a lease liability, a corresponding adjustment is made to the carrying amount of the corresponding ROU asset unless doing so would reduce the carrying amount of the ROU asset to an amount less than zero. In that case, the amount of the adjustment that would result in a negative ROU asset balance is recorded in profit or loss.

NOTE 14 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

At December 31, 2021, the Company had current and long-term operating lease liabilities of $19,763 and $0, respectively, and right of use assets of $22,643.

Future minimum lease payments under the UK lease are as follows:

Years Ending December 31,		**Minimum Lease Payment**
2022	$	22,643
2023		-
Total undiscounted future non-cancelable minimum lease payments		22,643
Less: Imputed interest		(2,880)
Present value of lease liabilities	$	19,763
Weighted average remaining term		0.58

Net rent expense for the years ended December 31, 2021 and 2020 were $35,112 and $32,607, respectively.

Litigation

On June 22, 2021, Thomas Seifert's employment as the Company's Chief Financial Officer was terminated for cause. Mr. Seifert asserts that the termination was not for cause and that he is owed all compensation payable under his employment agreement executed in June 2021. The Company's position is that Mr. Seifert is not owed any additional consideration or compensation relating to his prior service with the Company or arising under any employment agreement. The Company believes it has adequate defenses to any such claims. The Company has determined to initiate litigation against Mr. Seifert asserting a number of claims including, but not limited to, rescission of the employment agreement, fraud in the inducement in connection with the execution of the employment agreement, and breach of the fiduciary duties of good faith and loyalty. The Company does not expect to seek substantial monetary relief in the litigation.

From time to time, the Company may become involved in litigation relating to claims arising out of our operations in the normal course of business. The Company is not currently involved in any pending legal proceeding or litigation, and, to the best of our knowledge, no governmental authority is contemplating any proceeding to which the Company is a party or to which any of the Company's properties is subject, which would reasonably be likely to have a material adverse effect on the Company's business, financial condition and operating results.

<u>NOTE 17 – RELATED PARTY TRANSACTIONS</u>

As of December 31, 2021, the accounts payable due to related party includes $30,000 due to Charles Fernandez and accounts payable due to Theresa Carlise of $5,308. Total related party payments due as of December 31, 2021 and December 31, 2020 are $35,308 and $102,060, respectively. Those related party payables are non-interest bearing and due on demand.

The Company's UK subsidiary, GTC had an over-advance line of credit with HSBC, for working capital needs, which was not renewed by the Company on December 31, 2021. The over-advance limit was £25,000 or $33,834 at an exchange rate of 1.353372, with interest at 5.50% over Bank of England's base rate or current rate of 6.25% variable. The advance was guaranteed by David Phipps, the Company's President and Chief Executive Officer of Global Operations. The Company uses an American Express account for Orbital Satcom Corp and an American Express account for GTC, both in the name of David Phipps who personally guarantees the balance owed.

For the year ended December 31, 2021, the Company employs five individuals related to Mr. Phipps who earned gross wages totaling $188,384 and for the year ended December 31, 2020, three individuals were employed related to Mr. Phipps earning $85,722.

<u>NOTE 18 - CONCENTRATIONS</u>

Customers:

Amazon accounted for 63.6% and 73.3% of the Company's revenues during the years ended December 31, 2021 and 2020, respectively. No other customer accounted for 10% or more of the Company's revenues for either period.

Suppliers:

The following table sets forth information as to each supplier that accounted for 10% or more of the Company's purchases for the years ended December 31, 2021 and 2020.

	December 31, 2021			December 31, 2020		
Network Innovations	$	658,642	10.6%	$	912,056	17.5%
Garmin	$	1,102,230	17.7%	$	813,875	15.6%
Globalstar Europe	$	725,315	11.6%	$	540,463	10.3%
SatCom Global	$	973,652	15.6%	$	474,404	9.1%
Cygnus Telecom	$	800,008	12.8%	$	623,736	11.9%

Geographic:

The following table sets forth revenue as to each geographic location, for the years ended December 31, 2021 and 2020:

	Year Ended December 31, 2021			Year Ended December 31, 2020		
Europe	$	5,146,336	66.5%	$	3,658,612	64.3%
North America		1,776,288	22.9%		1,532,273	26.9%
South America		37,139	0.5%		34,915	0.6%
Asia & Pacific		695,770	9.0%		420,048	7.4%
Africa		84,377	1.1%		43,948	0.8%
	$	7,739,910		$	5,689,796	

<u>NOTE 19 – SUBSEQUENT EVENTS</u>

January 2022 Private Placement of Common Stock

On December 31, 2021, after markets closed, a securities purchase agreement (the "Purchase Agreement") was circulated to, and signatures were received from, certain institutional and accredited investors (the "December Investors") in connection with the sale in a private placement by the Company of 2,229,950 shares of the Company's common stock (the "December Offering"). On January 2, 2022, the Company delivered to December Investors a fully executed Purchase Agreement, which was dated December 31, 2021. The purchase price for the common stock sold in the December Offering was $3.24 per share, the closing transaction price reported by Nasdaq on December 31, 2021.

The closing of the December Offering occurred on January 5, 2022. The Company received gross proceeds from the sale of the common stock in the December Offering of approximately $7.2 million. The Company intends to use the proceeds from the December Offering for general corporate purposes, including potential acquisitions and joint ventures. Approximately 73% of funds raised in the December Offering were secured from existing shareholders and from the members of the Company's senior management and Board of Directors.

In connection with the December Offering, the Company entered into a registration rights agreement with the December Investors (the "Registration Rights Agreement"), pursuant to which, among other things, the Company agreed to prepare and file with the SEC a registration statement to register for resale the shares of the

Company’s common stock sold in the Offering.

The shares of common stock offered and sold in the December Offering were sold in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated under the Securities Act and corresponding provisions of state securities or “blue sky” laws.

The terms of the transaction disclosed above, including the provisions of the Purchase Agreement and Registration Rights Agreement, were approved by the Board of Directors; and because some of the securities were offered and sold to officers and directors of the Company, such terms were separately reviewed and approved by the Audit Committee of the Board of Directors.

January 2022 Name Change

On January 18, 2022, the Company filed a Certificate of Amendment of the Amended and Restated Articles of Incorporation of the Company with the Secretary of State of the State of Nevada in order to change the Company’s corporate name from Orbsat Corp to NextPlat Corp. This name change was effective as of January 21, 2022. The name change was approved by the Company’s stockholders at the 2021 annual meeting of stockholders held on December 16, 2021.

Appointment of Director; Compensatory Arrangements of Director

On January 7, 2022, the Board of Directors (the “Board”) of the Company appointed Rodney Barreto as a new director to the Board, effective January 20, 2022. No decision has been made with respect to the naming of Mr. Barreto to any regular committees of the Board.

In connection with Mr. Barreto’s appointment to the Board, the Company executed a Director Services Agreement (the “Director Agreement”) with Mr. Barreto on January 11, 2022. The Director Agreement has a two-year term (subject to the director’s nomination and election) and provides for a cash retainer of $48,000 per year, plus an equity award of 20,000 shares of restricted stock, half of which will be issued and vest on the day of grant, with the remaining half vesting and being issued on the first anniversary of the grant date. The Director Agreement also contains customary confidentiality and indemnification provisions and require the Company to maintain a specified amount of director and officer insurance. There are no arrangements or understandings between Mr. Barreto and any other person pursuant to which Mr. Barreto was selected as a director

Exhibit 23.2

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in this Annual Report on Form 10-K/A of NextPlat Corp and Subsidiaries (formerly known as Orbsat Corp) (the "Company") for the year ended December 31, 2021 of our report dated March 31, 2022 included in its Registration Statements on Form S-1 (No. 333-256583 and 333-253027) relating to the consolidated financial statements.

/s/ RBSM LLP

New York, NY
April 4, 2022

EXHIBIT 31.3

CERTIFICATION

I, Charles M. Fernandez, certify that:

1. I have reviewed this Amendment No. 1 to the annual report on Form 10-K/A for the year ended December 31, 2021 of NextPlat Corp.;

2. Based on my knowledge, this report 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 report; and

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.

Date: April 4, 2022

/s/ Charles M. Fernandez
Charles M. Fernandez
Executive Chairman and Chief Executive Officer
(principal executive officer)

EXHIBIT 31.4

CERTIFICATION

I, Paul R. Thomson, certify that:

1. I have reviewed this Amendment No. 1 to the annual report on Form 10-K/A for the year ended December 31, 2021 of NextPlat Corp.;

2. Based on my knowledge, this report 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 report; and

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.

Date: April 4, 2022

/s/ Paul R. Thomson

Paul R. Thomson
Chief Financial Officer
(principal financial officer)

EXHIBIT 32.2

CERTIFICATION PURSUANT TO18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Amendment No.1 to the Annual Report of NextPlat Corp (the "Company") on Form 10-K/A for the fiscal year ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Charles M. Fernandez, Executive Chairman and Chief Executive Officer of the Company, and Paul R. Thomson, Chief Financial Officer of the Company, each certifies, pursuant to 18 U.S.C. section 1350 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 4, 2022

By: */s/ Charles M. Fernandez*
Charles M. Fernandez
Executive Chairman and Chief Executive Officer
(principal executive officer)

Date: April 4, 2022

By: */s/Paul R. Thomson*
Paul R. Thomson
Chief Financial Officer
(principal financial officer)

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.