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RESEARCH

NextPlat Corp. NXPL- Buy-USD $12 PT

Action Summary – 16 July 2026

Analyst Theodore R. O'Neill – Raising our price target to $12 from $11 – Reiterate our Buy rating

NextPlat Corp is a global consumer products and services company providing healthcare and technology solutions through e-commerce and retail channels worldwide.

Executing on planned growth initiatives. On July 15, the company announced plans to acquire an independent pharmacy in a rural community near Pensacola. Expecting to close in 4Q26, the pharmacy generated $5.6M in revenue in 2025, with 19% GMs, was profitable and without debt. The proposed acquisition cost for the business and its inventory is $1.5M.

Immediate synergies. Once completed, the acquisition will expand and diversify the company's PharmcoRx retail footprint into a previously underserved rural market where it will serve as a growth platform for the introduction of its higher-margin contracted offerings and create immediate synergies.

Favorable demographics support growth. In the healthcare segment, an aging population offers a double benefit for NXPL: older people generally require more medication, and the number of large retail pharmacy chains is shrinking, creating opportunities to gain share and do so without having to sell low margin products like chips and soda.

Raising estimates and price target. Our 2027 estimates assume growth through acquisition, but this announcement increases our confidence in them. We are raising our 2027 revenue and EPS to $73M and $0.58, respectively from $72M and $0.57.

Attractive valuation. The shares sell at a discount to our discounted earnings driven price target and to their peers. On the healthcare side, the shares sell at a 76% discount to peer averages for Pharmacy/Pharmacy Benefit Managers. On the communication side, the shares are at a >95% discount to peer averages.

7/15 price: $6.61	**Market cap: $18MM**	**2027 Market Cap/Sales: 0.27x**	**2027 EV / Sales: 0.13x**
Shares outstanding: 2.71MM	**Insider ownership: 64%**	**3-mo. avg. trading volume: >50,000**	**Dividend/Yield: NA/NA**

GAAP estimates (EPS in $ – Revenue in $millions)

Period	EPS	Revenue	Op. Margin
FY24A	($6.51)	$66.1	(34.8%)
FY25A	($4.41)	$54.3	(17.0%)
1Q26A	($0.42)	$9.86	(11.2%)
2Q26E	($0.21)	$11.0	(4.9%)
3Q26E	$0.00	$13.0	0.2%
4Q26E	$0.07	$15.0	1.3%
FY26E	($0.55)	$48.86	(2.9%)
FY27E	$0.58	$73.0	2.3%

Note: Numbers may not add due to rounding. See our full model at the back of this report. EPS data has been updated to include the 4/13/26 1-for-10 reverse split.

Cash balance (in $millions)

2024A	$19.96
2025A	$13.71
2026E	$11.90
2027E	$13.34

Short and long-term debt (in $millions)

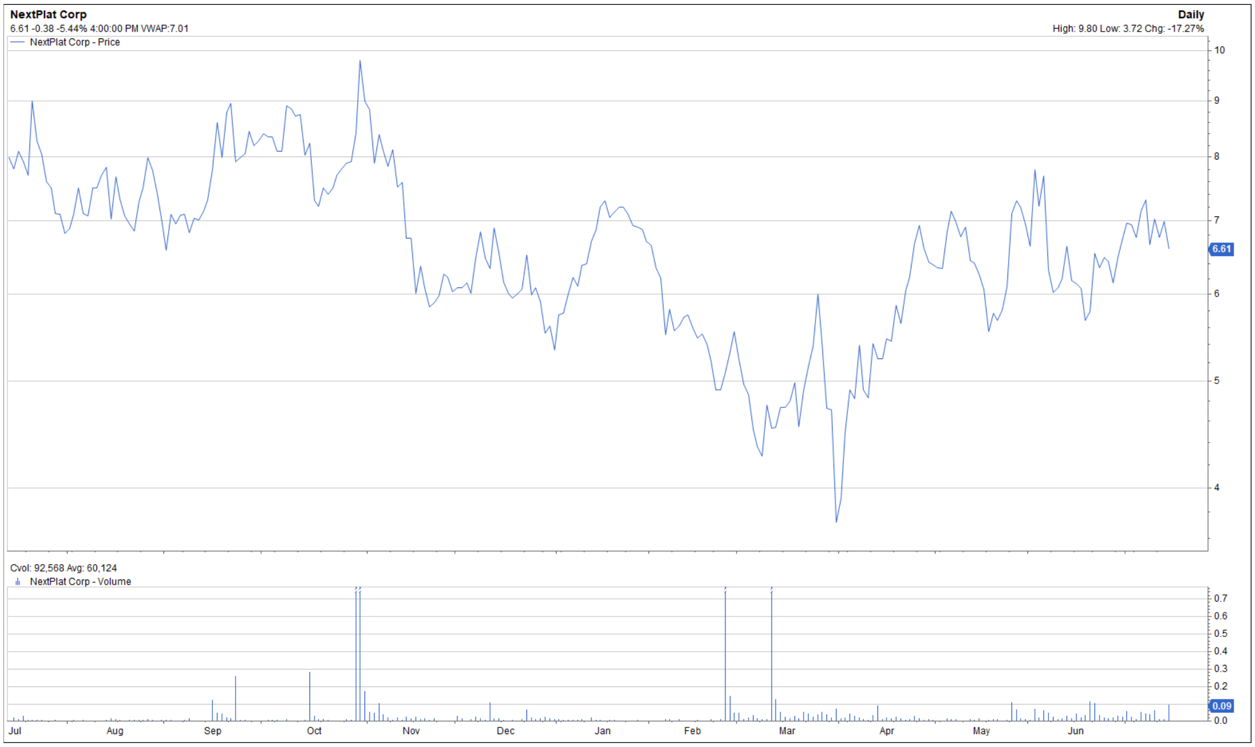
2024A	$1.46
2025E	$1.37
2026E	$1.35
2027E	$0.5

Risks/Valuation

- Risks include competition, state and federal government regulations and trade policies, healthcare expansion outside of Florida.
- Our $12 target is derived using a discounted future earnings model.

Company description: NextPlat Corp is a global consumer products and services company providing healthcare and technology solutions through e-commerce and retail channels worldwide. It operates through two reportable segments: Healthcare Operations and e-Commerce Operations. Through these segments, the Company provides pharmacy services, healthcare technology solutions, and data analytics services and satellite-enabled communication products and services with global online distribution capabilities. Its platforms serve consumers, enterprises, healthcare providers, government organizations, and other institutions across multiple geographic markets.

Figure 1 – NextPlat Corp. – One-Year Trading snapshot



Source: FactSet

Investment Thesis

Favorable demographics support both organic and inorganic growth. In the healthcare segment, the aging population offers a large benefit for NXPL. The number of traditional retail pharmacies is shrinking, driven primarily by closures at larger national chain operators such as CVS and Walgreens, creating opportunities to scale its business through the acquisition of smaller regional or community pharmacies. Through enhanced services and efficiencies, the Company believes it can improve these community pharmacies by making them more profitable than the typical chain stores.

Nationwide expansion. NextPlat is expanding beyond Florida through a nationwide fulfillment partnership that will significantly increase its addressable market.

Attractive valuation. The shares sell at a discount to our discounted earnings driven price target and to their peers. On the healthcare side, the shares sell at a 76% discount to peer averages for Pharmacy/Pharmacy Benefit Managers. On the communication side, the shares are at a >95% discount to peer averages.

Valuation Methodology

We believe NXPL is undervalued, and we support that belief with an absolute and relative valuation. To determine our price target, we use a discounted future earnings model. The following valuation techniques are being used:

1) The discounted value of all future earnings was used for our price target (see Figure 2)
2) Valuation relative to peers (see Figure 3)

Discounted Future Earnings – Basis for Price Target

Our 12-month price target of $12.00 is based on a discounted earnings model. For valuation purposes, we sum up all future earnings discounted at 10%, which we feel adequately addresses the risk. Our valuation model is shown in Figure 2 below. Note, this model understates future new products and growth through acquisitions and probably understates the tax benefits, but offsetting that, the earnings never have a down year. The implied share price is $11.50, which we round to $12.00.

Figure 2 – NextPlat Corp. – Price Target Calculation

Value of discounted future earnings		**$11.50**
Year	EPS	Discounted EPS
2026	(0.55)	(0.55)
2027	0.58	0.52
2028	0.72	0.57
2029	0.84	0.60
2030	1.02	0.65
2031	1.17	0.66
2032	1.30	0.66
2033	1.45	0.66
2034	1.55	0.63
2035	1.60	0.58
	Terminal Value:	6.53

Source: Litchfield Hills Research LLC

Valuation Relative to Peers

Figure 3 is a summary of our NXPL peer comparison. The shares sell at a discount to our discounted earnings driven price target and to their peers. On the healthcare side, the shares sell at a 76% discount to peer averages for Pharmacy/Pharmacy Benefit Managers. On the communication side, the shares are at a >95% discount to peer averages. There are no direct public comparables. Of the healthcare comparables, they are all much larger and, in most cases, have lower margins. CVS, for example, is also a convenience store and typically serves broader, more diverse markets, while NXPL focuses on niche, higher margin markets. On the communication side, obviously, Globalstar is a supplier, not a competitor, but as the satellite communication business grows, it increases demand for NXPL.

Figure 3 – NextPlat Corp. – Comp Tables

Pharmacy/Benefit Management

FactSet Ticker	Company Name	Closing Price	Market Cap $MM	EV $MM	2027 Consensus Price / Book
UNH-US	Unitedhealth Group Inc.	$425.19	386,134	444,277	3.23
CVS-US	CVS Health Corporation	$106.18	135,478	202,514	1.53
ELV-US	Elevance Health, Inc.	$426.79	92,683	116,390	1.70
CI-US	Cigna Group	$303.35	80,246	104,182	1.55
HUM-US	Humana Inc	$406.77	48,837	58,186	2.28
CNC-US	Centene	$68.72	33,934	29,264	1.21
OSCR-US	Oscar Health, Inc.	$31.07	9,367	5,874	3.50
	AVERAGE				2.36
NXPL-US	NextPlat Corp	$6.99	19	9	0.55
	NXPL-US Premium/(Discount) to peers:				**-76%**

Satellite Communication

FactSet Ticker	Company Name	Closing Price	Market Cap $MM	EV $MM	2027 Consensus Market Cap / Sales	2027 Consensus EV /Sales
SPCX-US	Space Exploration Technologies Corp.	$136.08	1,805,391	1,897,447	24.08	23.92
GSAT-US	Globalstar, Inc.	$80.15	10,322	10,985	30.52	30.93
VSAT-US	ViaSat, Inc.	$69.84	9,538	14,672	1.89	2.90
IRDM-US	Iridium Communications Inc.	$48.86	5,177	6,856	5.71	7.56
PACE42-AE	Space42 PLC	$0.47	2,217	5,568	2.90	1.98
	AVERAGE				10.25	10.84
NXPL-US	NextPlat Corp	$6.99	19	9	0.27	0.13
	NXPL-US Premium/(Discount) to peers:				**-97%**	**-99%**

Source: Litchfield Hills Research LLC and FactSet

Financial Estimates and Guidance

The company does not provide numerical financial guidance. Management has said that it expects "operational profitability in the latter half of 2026." Our model achieves breakeven in 3Q26 and is profitable in 2H26.

Figure 4 – NextPlat Corp. – Income Statement ($000)

December ending year	2025A					2026E					2027E				
	Q1A	Q2A	Q3A	Q4A	Year	Q1A	Q2E	Q3E	Q4E	Year	Q1E	Q2E	Q3E	Q4E	Year
Total Revenue	$14,525	$13,240	$13,752	$12,805	$54,322	$9,855	$11,000	$13,000	$15,000	$48,855	$16,000	$18,000	$18,500	$20,500	$73,000
YoY growth	*-17%*	*-22%*	*-11%*	*-21%*	*-18%*	*-32%*	*-17%*	*-5%*	*17%*	*-10%*	*62%*	*64%*	*42%*	*37%*	*49%*
Total cost of revenue	11,062	10,357	11,022	10,975	43,416	6,443	7,150	8,320	9,450	31,363	10,000	11,160	11,470	12,710	45,340
Gross profit	3,463	2,883	2,730	1,830	10,906	3,412	3,850	4,680	5,550	17,492	6,000	6,840	7,030	7,790	27,660
Gross profit %	24%	22%	20%	14%	20%	35%	35%	36%	37%	36%	38%	38%	38%	38%	38%
Operating expenses:															
Selling, general and administrative	1,432	1,473	1,510	1,628	6,043	2,006	1,980	2,210	2,550	8,746	2,720	3,060	3,145	3,485	12,410
Salaries, wages and payroll taxes	2,715	2,549	2,665	2,778	10,707	2,419	2,310	2,340	2,700	9,769	2,880	3,240	3,330	3,690	13,140
Professional fees	605	515	389	755	2,264	0	0	0	0	0	0	0	0	0	0
Depreciation and amortization	196	175	155	116	642	90	100	100	100	390	110	110	110	110	440
Impairment loss	0	0	0	250	250	0	0	0	0	0	0	0	0	0	0
Settlement loss	0	0	0	250	250	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses	4,948	4,712	4,719	5,777	20,156	4,515	4,390	4,650	5,350	18,905	5,710	6,410	6,585	7,285	25,990
Operating income	(1,485)	(1,829)	(1,989)	(3,947)	(9,250)	(1,103)	(540)	30	200	(1,413)	290	430	445	505	1,670
Operating income %	-10%	-14%	-14%	-31%	-17%	-11%	-5%	0%	1%	-3%	2%	2%	2%	2%	2%
Total other income/(expense)	151	71	(222)	(1,463)	(1,463)	(15)	(20)	(20)	(20)	(75)	(20)	(20)	(20)	(20)	(80)
Earnings before taxes	(1,334)	(1,758)	(2,211)	(5,410)	(10,713)	(1,118)	(560)	10	180	(1,488)	270	410	425	485	1,590
Tax expense/(benefit)	9	31	(26)	(14)	0	0	0	0	0	0	0	0	0	0	0
Net income incl. non-controlling interest	($1,343)	($1,789)	($2,185)	($5,396)	($10,713)	($1,118)	($560)	$10	$180	($1,488)	$270	$410	$425	$485	$1,590
Net income att. to common stockholders	($1,354)	($1,789)	($2,185)	($6,384)	($11,712)	($1,118)	($560)	$10	$180	($1,488)	$270	$410	$425	$485	$1,590
GAAP EPS	($0.52)	($0.69)	($0.84)	($2.39)	($4.41)	($0.42)	($0.21)	$0.00	$0.07	($0.55)	$0.10	$0.15	$0.16	$0.18	$0.58
Diluted Shares Outstanding	2,596	2,596	2,599	2,675	2,654	2,693	2,703	2,713	2,723	2,708	2,728	2,733	2,738	2,743	2,736

Source: Company reports and Litchfield Hills Research LLC

Figure 5 – NextPlat Corp. – Balance Sheet ($000)

December ending year	FY2027E	FY2026E	FY2025A	FY2024A
Balance sheet				
Current Assets				
Cash and S.T.I.	$13,342	$11,902	$13,709	$19,960
Accounts receivable	9,000	7,000	5,944	6,226
Inventories	5,000	4,000	3,396	4,881
Other assets	1,200	1,100	1,107	1,012
Total Current Assets	**28,542**	**24,002**	**24,156**	**32,079**
Net PP&E	2,300	2,400	2,505	3,407
Right-to-use asset	500	650	189	817
Other non-current	200	600	615	774
Total Assets	**$31,542**	**$27,652**	**$27,465**	**$37,077**
Current Liabilities				
Accounts payable and accrued	$12,000	$9,200	$8,265	$7,230
Notes payable and due related party	500	500	498	428
Lease obligations and other	200	200	158	409
Other current liabilities	200	200	205	143
Total current liabilities	**12,900**	**10,100**	**9,126**	**8,210**
Note payable	0	850	876	1,032
Lease liability - non-current	200	400	41	438
Total Liabilities	**13,100**	**11,350**	**10,043**	**9,680**
Stockholders' Equity				
Preferred stock	0	0	0	0
Common stock	3	3	3	3
Additional paid-in-capital	79,000	78,000	77,586	75,697
Retained earnings	(59,961)	(61,551)	(60,063)	(48,351)
Cum. trans. adj. and treasury stock	(600)	(150)	(104)	48
Total stockholders' equity	18,442	16,302	17,422	27,397
Total Liabilities and equity	**$31,542**	**$27,652**	**$27,465**	**$37,077**

Source: Company reports and Litchfield Hills Research LLC

Figure 6 – NextPlat Corp. – Cash Flow ($000)

	FY27E	FY26E	FY25A
Net Income	$1,590	($1,488)	($10,463)
Receivables	($2,000)	($1,056)	$282
Inventories	($1,000)	($604)	$1,485
Other assets	($100)	$7	($95)
Net PP&E	$100	$105	$902
Right-to-use asset	$150	($461)	$628
Other non-current	$400	$15	$159
Accounts payable and accrued	$2,800	$935	$1,035
Notes payable and due related party	$0	$2	$70
Lease obligations and other	$0	$42	($251)
Lease and finance obligations	$0	($5)	$62
Note payable	($850)	($26)	($156)
Lease liability - non-current	($200)	$359	($397)
Preferred stock	$0	$0	$0
Common stock	$0	$0	$0
Additional paid-in-capital	$1,000	$414	$1,889
Accumulated other comp. loss & other	($450)	($46)	($152)
Dividends and transition adjustments			($1,249)
Total Cash Flow	$1,440	($1,807)	($6,251)

Source: Litchfield Hills Research LLC

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