



Nxt-ID, Inc. Releases Preliminary Results for the Year Ended December 31, 2018 and Update on Proposed Spin-off

March 14, 2019

SEBASTIAN, Florida, March 14, 2019 /PRNewswire/ -- **Nxt-ID, Inc.** (NASDAQ: [NXTD](#)) (the "Company"), a provider of healthcare devices and services as well as payment credential management and authentication platform services, announces selected unaudited, preliminary results for year ended December 31, 2018.

Highlights:

- Revenue from continuing operations for year ended December 31, 2018 was approximately \$17.1 million compared to approximately \$16.0 million for the same period in 2017.
- Year over year revenue growth was approximately 7%.
- Gross profit from continuing operations for year ended December 31, 2018 was approximately \$12.3 million compared to approximately \$11.0 million for the same period in 2017.
- Year over year gross profit growth was approximately 12%.
- Operating expenses from continuing operations were approximately \$11.7 million for year ended December 31, 2018 compared to approximately \$13.1 million for the same period in 2017.
- Operating income from continuing operations for year ended December 31, 2018 was approximately \$0.6 million compared to an operating loss of approximately \$(2.2) million for the same period in 2017.

"Our preliminary results for 2018 show continued steady growth in revenue and profitability with a reduction in operating expenses of over 10%," said Gino Pereira, Chief Executive Officer of Nxt-ID. "We are excited about our prospects in 2019 as we build on our existing strong base with the introduction of new products and markets during this year."

Update on Proposed Spin-off

"The closing date of the refinanced debt facility is now expected to be at the end of March or early April 2019. Completion of the refinancing will enable us to take the next step in moving forward with the planned spin-off of our Payments Division, which we believe will increase overall value for our shareholders," said Gino Pereira, Chief Executive Officer of Nxt-ID.

Subject to closing, the refinancing would remove a key covenant of the existing debt facility and enable the Company to proceed with the proposed spin-off of its Payment Division, which include its Fit Pay, Inc. subsidiary and other assets.

Immediately following the spin-off transaction, Nxt-ID shareholders, who own shares of Nxt-ID on the to-be-announced record date will own shares of both companies. Subsequent to the record date, but prior to the date of the distribution, which will be established by the Board, NXTD shares will trade ex-distribution.

Preliminary Results

The results provided in this press release are unaudited, preliminary and subject to completion of Nxt-ID's financial statements for the year ended December 31, 2018 in conjunction with the Company's Form 10-K filing for the same period, and therefore they are subject to change. Nxt-ID intends to report final results for the year ended December 31, 2018 on or about April 1, 2019, after market close.

About NXT- ID, Inc.

[NXT-ID, Inc.](#) (NASDAQ: NXTD) provides a comprehensive platform of technology products and services that enable the Internet of Things (IoT). With extensive experience in access control, biometric and behavior-metric identity verification, security and privacy, encryption and data protection, payments, miniaturization and sensor technologies, NXT-ID develops and markets groundbreaking solutions for payment and IoT applications. Its industry-leading technology products and solutions include MobileBio®, a suite of biometric solutions that secure consumers' mobile platforms, the Wocket™, a next-generation smart wallet and the Flye, a digital credit card developed in collaboration with WorldVentures.

NXT-ID includes mobile and IoT-related subsidiaries: [LogicMark, LLC](#), a manufacturer and distributor of non-monitored and monitored personal emergency response systems ("PERS") sold through dealers/distributors and the United States Department of Veterans Affairs and [Fit Pay, Inc.](#), a proprietary technology platform that delivers end-to-end solutions to device manufacturers for contactless payment capabilities, credential management, authentication and other secure services within the IoT ecosystem. Learn more about NXT-ID at www.nxt-id.com. FitPay and the FitPay Payment Platform are the sole property of Fit Pay, Inc. For NXT-ID Inc. corporate information contact: info@nxt-id.com

Forward-Looking Statements for Nxt-ID: This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements reflect management's current expectations, as of the date of this press release, and involve certain risks and uncertainties. Forward-looking statements include statements herein with respect to the successful execution of the Company's business strategy. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors. Such risks and uncertainties include, among other things, our ability to establish and maintain the proprietary nature of our technology through the patent process, as well as our ability to possibly license from others patents and patent applications necessary to develop products; the availability of financing; the Company's ability to implement its long range business plan for various applications of its technology; the Company's

ability to enter into agreements with any necessary marketing and/or distribution partners; the impact of competition, the obtaining and maintenance of any necessary regulatory clearances applicable to applications of the Company's technology; and management of growth and other risks and uncertainties that may be detailed from time to time in the Company's reports filed with the Securities and Exchange Commission.

There are a number of important factors that could cause the Company's actual results to differ materially from those indicated by such forward-looking statements, including whether the planned spin-off of the payments business is completed, as expected or at all, and the timing of any such spin-off; whether the conditions to the spin-off can be satisfied; whether the operational, marketing and strategic benefits of the spin-off can be achieved; whether the costs and expenses of the spin-off can be controlled within expectations; and general market and economic conditions. The foregoing sets forth many, but not all, of the factors that could cause actual results to differ from our expectations in any forward-looking statement. Investors should consider this cautionary statement, as well as the risk factors identified in our periodic reports filed with the SEC, when evaluating our forward-looking statements.

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