



October 4, 2021

Nxt-ID shareholders:

A dark grey, starburst-shaped badge with the text 'URGENT: VOTE TODAY' in white, bold, sans-serif capital letters.

As CEO of NXT-ID, I believe firmly that our Company can make a real difference in this world and that our technologies, simply put, return dignity back to those who need special care, allowing for more independent living that is truly affordable and enable our loved ones to be more mobile. **We are not only devoted to healthcare, but to positively impacting individual lives in real ways.**

I'm also realistic about the challenges that we face. I think that this Company has experienced too much financial and operational instability and that, for too long, it has lacked a commitment to innovation. I also believe the Company has failed to conduct regular and transparent communications with its shareholders, leading to disconnection and distrust. That ends now.

As part of a completely new leadership team at NXT-ID, we're here to set the Company on a better path. Combined, we believe that we offer the right experience, expertise and focus on excellence to place our Company on a sound footing. With your support, we are striving to make real change.

Now that I have crossed my 100-day mark at the Company, I wanted to share my priorities moving into 2022.

### **PRIORITY 1: BUILD TRUST AND TRANSPARENCY**

**We are committed to regular communications with our customers, partners and investors.** We are working to transform our investor relations program so that you are aware of the progress we're making every step of the way. We want you to hear from us more often, and these letters to you are a starting point.

**We are overhauling our marketing communications channels to reflect our new commitment, brand and innovations as they come to market.** Just as we are committed to keeping our shareholders informed, we are also committed to keeping our customers and partners up-to-date, and to being more proactive in our direct-to-consumer outreach.

### **PRIORITY 2: ESTABLISH A SOLID FOUNDATION FOR INNOVATION**

**We're taking the time to build the right infrastructure to support future innovation and growth.** A solid foundation is vital to our success. This means making sure we have the basics right, and this is where I have been spending much of my time these first several months.

**We've been exploring NXT-ID's intellectual property portfolio to see what innovations we can leverage for new product development.** We want to position NXT-ID for true innovation in the personal emergency response systems (PERS) category and bring in the right product, technology, marketing and finance teams to support our ambitions.

To turn the Company around, we believe it will require patience and time.

### **PRIORITY 3: LAUNCH AND SHIP PRODUCTS**

**We are focused on bringing new products to market.** Not just any new products, but products that return NXT-ID to its innovative roots. In 2022, we hope to revitalize the development of regular new product launches to support the growing demand from individuals who we believe would use our products to age at home with freedom and dignity.

**We recently won a US General Services Administration contract.** This gives us the opportunity to better serve long-term partners like the Veterans Health Administration, as well as a number of new partners in federal, state and municipal organizations. I am personally excited to build scalable, reliable and accessible solutions for government, corporate and direct-to-consumer channels.



**URGENT:  
VOTE TODAY**

While we have much work ahead of us, I am pleased with our progress. Here are several recent financial developments that we wanted to highlight:

- Completed two equity fundraisers in the last 60 days, raising gross proceeds totaling approximately \$16.5 million, from a combination of existing and new institutional investors.
- This new financing will provide working capital to allow us to reduce payment liabilities, make selective staffing additions to support our sales and product development efforts, and launch new products with proper advertising support.
- Our most recent equity raise was significantly oversubscribed, which we believe indicates that our new business plan was well received by the new institutional investors we met with.
- Settled ongoing litigation with one of our former investors.

In closing, I wish to stress that we jeopardize our plans for the Company if we are delisted from Nasdaq. You already should have received a Definitive Proxy Statement on Schedule 14A regarding the special meeting of our shareholders, scheduled to be held on October 15, 2021 (“Special Meeting”), which was filed by the Company with the U.S. Securities Exchange Commission on September 17, 2021.

With your help, and your vote today before we commence the Special Meeting, we can regain compliance with Nasdaq requirements and continue to be listed on this major stock exchange. Otherwise, **WE WILL BE DELISTED AS SOON AS OCTOBER 18, 2021**, which would likely adversely affect the ease of trading and value of our common stock. **Remaining on Nasdaq is extremely important to:**

- Help us continue to support ease of trading for all shareholders
- Support our efforts to build, launch and market new products
- Better position us to achieve our goal of leading the healthcare communications market
- Keep us more visible to a broad range of investors and analysts
- Support our ability to attract and retain employees

Please vote “**FOR**” both reverse stock split proposals today. Shareholders of record as of September 16, 2021 are entitled to vote, even if you sold your shares after this date. If you have any questions or require help voting your shares, please visit our website to learn more – [www.voteFORnxt-id.com](http://www.voteFORnxt-id.com) – or contact our proxy solicitation firm at the telephone number and email below:

**Laurel Hill Advisory Group**  
**888-742-1305**  
[NXT-id@laurelhill.com](mailto:NXT-id@laurelhill.com)

Sincerely,

Chia-Lin Simmons  
Chief Executive Officer



Shareholders who have any questions or need assistance voting their shares should visit [www.voteFORnxt-id.com](http://www.voteFORnxt-id.com), or contact the company's proxy solicitor, Laurel Hill Advisory Group, LLC. at 888-742-1305.

### **Registered Holders**

If your shares are registered directly in your name with NXT-ID's transfer agent, VStock Transfer, LLC, you are considered the "stockholder of record" of those shares and the proxy statement for the Special Meeting is being sent directly to you by NXT-ID. Shareholders of record (that is, shareholders who hold their shares in their own name) can vote by mail, online, email, fax or in person at the Special Meeting by following the instructions provided on the proxy card.

- If you choose to submit your proxy by mail, simply mark, date and sign your proxy card and return it in the postage-paid envelope provided.
- If you choose to submit a proxy by internet, go to <http://www.vstocktransfer.com/proxy> to complete an electronic proxy card. Have your proxy card in hand when you access the website and follow the instructions to cast a vote. Your internet proxy must be received by 11:59 p.m. Eastern Time on October 14, 2021 to be counted.

### **Beneficial Owners of Shares Held in Street Name**

If your shares are held in "street name" (that is, in the name of a bank or broker or other holder of record), you will receive instructions from the holder of record that you must follow in order for your shares to be voted. Internet voting will also be offered to shareholders owning shares through most banks and brokers. If your shares are held with a brokerage firm or custodial bank, you are considered the "beneficial owner" of shares held in street name, and the proxy statement for the Special Meeting was mailed or emailed to you by your broker, bank or nominee, who is considered the stockholder of record of those shares. As a beneficial owner, you have the right to direct your broker, bank or nominee on how to vote the shares held in your account.

However, holders of shares held in "street name" may not vote these shares in person at the Special Meeting unless such holders request and obtain a legal proxy from such bank, broker or other holder of record.

### **Forward-Looking Statements**

This letter 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 letter, 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; the Company's ability to maintain its Nasdaq listing for its common stock; 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 SEC.

### **ADDITIONAL INFORMATION**

We have filed the Definitive Proxy Statement on Schedule 14A and proxy card (the "Proxy Statement") with the U.S. Securities and Exchange Commission ("SEC") on September 17, 2021 in connection with our solicitation of proxies for the Special Meeting. NXT-ID, INC. SHAREHOLDERS ARE STRONGLY ENCOURAGED TO READ THE PROXY STATEMENT (AND ANY AMENDMENTS AND SUPPLEMENTS THERETO) AND ACCOMPANYING PROXY CARD AS THEY CONTAIN IMPORTANT INFORMATION. Shareholders may obtain the Proxy Statement, any amendments or supplements to the Proxy Statement and other documents as and when filed by us with the SEC without charge from the SEC's website at [www.sec.gov](http://www.sec.gov). Investors and shareholders can also obtain, without charge, a copy of the Proxy Statement and other relevant filed documents from our website at <https://investors.nxt-id.com/financial-information/sec-filings>.

#### **>> Proxy Contact:**

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