PROGRESSIVE CARE INC. AND SUBSIDIARIES
2017 QUARTERLY REPORT
CONSOLIDATED FINANCIAL STATEMENTS
THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016 (Unaudited)

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PROGRESSIVE CARE

Progressive Care Inc. and Subsidiaries
Consolidated Balance Sheets
(Unaudited)

		September 30, 2017		December 31, 2016
Assets				
Current Assets				
Cash	$	600,142	$	816,220
Accounts receivable – trade, net		959,625		876,601
Accounts receivable - other		1,000		1,243
Inventory, net		519,829		431,267
Prepaid expenses		84,211		114,016
Total Current Assets		2,164,807		2,239,347
Property and equipment, net		301,572		350,624
Other Assets				
Deposits		25,746		20,196
Total Other Assets		25,746		20,196
Total Assets	**$**	**2,492,125**	**$**	**2,610,167**
Liabilities and Stockholders' Equity				
Current Liabilities				
Accounts payable and accrued liabilities	$	1,475,756	$	1,615,545
Deferred rent liability		82,920		89,482
Notes payable, net of unamortized debt discount and debt issuance costs		324,074		252,317
Capital lease obligation – current portion		17,651		16,755
Unearned revenue		211,953		184,365
Derivative liability		3,920		58,204
Total Current Liabilities		2,116,274		2,216,668
Long-term Liabilities				
Capital lease obligation, net of current portion		102,116		115,096
Total Liabilities		2,218,390		2,331,764
Commitments and Contingencies				

Stockholders' Equity		
Preferred Stock, Series A par value $0.001; 51 shares authorized,		
issued and outstanding as of September 30, 2017 and December 31, 2016	-	-
Common stock, par value $0.0001; 500,000,000 shares authorized		
345,045,107 and 344,107,607 issued and outstanding		
as of September 30, 2017 and December 31, 2016, respectively	34,505	34,411
Additional paid-in capital	3,486,975	3,454,569
Accumulated Deficit	(3,247,745)	(3,210,577)
Total Stockholders' Equity	273,735	278,403
Total Liabilities and Stockholders' Equity	**$ 2,492,125**	**$ 2,610,167**

See notes to consolidated financial statements.

PROGRESSIVE CARE

Progressive Care Inc. and Subsidiaries

Consolidated Statements of Income

(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Sales, net	$ 5,087,079	$ 4,828,206	$ 15,107,806	$ 13,294,594
Cost of sales	3,899,765	3,453,970	11,081,725	9,817,000
Gross profit	1,187,314	1,374,236	4,026,081	3,477,594
Selling, general and administrative expenses				
Bad debt expense	4,843	4,260	22,245	59,533
Other selling, general and administrative expense	1,226,898	1,324,431	3,997,119	3,157,608
	1,231,741	1,328,691	4,019,364	3,217,141
(Loss) income from operations	(44,427)	45,545	6,717	260,453
Other Income (Expense)				
Change in fair value of derivative liability	3,920	(41,354)	54,284	(41,354)
Gain on sale of property and equipment	-	-	-	5,000
Gain on debt settlement	-	19,344	-	19,344
Interest income	40	46	167	52
Interest expense	(21,816)	(26,480)	(96,738)	(26,480)
Total other income (expense) - net	(17,856)	(48,444)	(42,287)	(43,438)
(Loss) income before provision for taxes	(62,283)	(2,899)	(35,570)	217,015
Provision for income tax	-	-	(1,598)	(2,150)
Net (loss) income	$ (62,283)	$ (2,899)	$ (37,168)	$ 214,865
Basic and diluted net (loss) income per common share	0.00	0.00	0.00	0.00
Weighted average number of common shares outstanding				
during the period - basic and diluted	345,045,107	341,107,607	344,993,596	343,684,597

See notes to consolidated financial statements.

Progressive Care Inc. and Subsidiaries

Consolidated Statements of Stockholders' Equity
Nine Months Ended September 30, 2017
(Unaudited)

	Preferred Series A $0.001 Par Value		Common Stock $0.0001 Par Value		Additional Paid-in	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Deficit	Equity
Balance December 31, 2016	**51**	**$ -**	**344,107,607**	**$ 34,411**	**$ 3,454,569**	**$ (3,210,577)**	**$ 278,403**
Issuance of common stock for consulting services			937,500	94	32,406		32,500
Net loss for the nine months ended September 30, 2017						(37,168)	(37,168)
Balance September 30, 2017	**51**	**$ -**	**345,045,107**	**$34,505**	**$ 3,486,975**	**$ (3,247,745)**	**$ 273,735**

See notes to consolidated financial statements.

PROGRESSIVE CARE

Progressive Care Inc. and Subsidiaries

Consolidated Statements of Cash Flows

(Unaudited)

	Nine Months Ended September 30, 2017	Nine Months Ended September 30, 2016
Cash Flows From Operating Activities:		
Net (Loss) Income	$ (37,168)	$ 214,865
Adjustments to reconcile net (loss) income to net cash		
(used in) provided by operating activities:		
Depreciation and amortization	67,418	17,505
Change in allowance for doubtful accounts	949	8,614
Issuance of shares for consulting	32,500	52,187
Amortization of debt issuance costs and debt discounts	68,989	20,983
(Gain) on sale of property and equipment	-	(5,000)
Change in fair value of derivative liability	(54,284)	41,354
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(83,733)	(153,667)
Inventory	(88,561)	61,936
Deposits	(5,550)	(6,140)
Prepaid expenses	57,709	(9,487)
Increase (decrease) in:		
Accounts payable and accrued liabilities	(139,788)	(28,150)
Unearned revenue	27,589	41,224
Deferred rent liability	(6,562)	(96)
Net Cash (Used in) Provided by Operating Activities	(160,492)	256,128
Cash Flows From Investing Activities:		
Proceeds from sale of property and equipment	-	5,000
Purchase of property and equipment	(18,366)	(132,326)
Net Cash Used in Investing Activities	(18,366)	(127,.326)
Cash Flows From Financing Activities:		
Proceeds from (Payments of) notes payable	(17,960)	250,000
Payments of capital lease obligation	(19,260)	-
Net Cash Used in Financing Activities	(37,220)	250,000
Net (decrease) increase in cash	(216,078)	378,802

Cash at beginning of period	816,220	289,677
Cash at end of period	**$ 600,142**	**$ 668,479**
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 36,473	$ 26,480
Cash paid for taxes	$ 1,598	$ 2,150
Supplemental disclosures of non-cash financing activities:		
Return of common stock against debt per agreement	$ -	$ (1,250)

See notes to consolidated financial statements.

Progressive Care, Inc. and Subsidiaries
Notes to the Unaudited Consolidated Financial Statements
Nine Months Ended September 30, 2017 and 2016

Note 1. Organization & Nature of Operations

Progressive Care, Inc. ("Progressive") was incorporated under the laws of the state of Delaware on October 31, 2006. PharmCo, LLC ("PharmCo"), headquartered in North Miami Beach, Florida, was formed on November 29, 2005 as a Florida Limited Liability Company and is a 100% owned subsidiary of Progressive. On October 21, 2010, Progressive acquired PharmCo and PharmCo 780, which is an inactive company.

Smart Medical Alliance Inc. ("Smart Medical"), a wholly owned subsidiary of Progressive, was incorporated on August 17, 2016 to provide management services to healthcare organizations. Smart Medical is headquartered in North Miami Beach, Florida and commenced operations on October 1, 2016.

Collectively, all of the previously named entities are known as the "Company".

PharmCo is a South Florida health services organization and provider of prescription pharmaceuticals specializing in health practice risk management, compounded medications, the sale of anti-retroviral medications and related medication therapy management, and the supply of prescription medications to long term care facilities. The Company is focused on developing the PharmCo brand and adding business elements that cater to specific under-served markets and demographics. This effort includes community and network based marketing strategies, the introduction of new locations, acquisitions and the strategic collaboration(s) with community, government and charitable organizations. In previous years, the Company was engaged in selling and renting durable medical equipment; however, as of December 31, 2015, the Company had discontinued billing third party payors for the sales and rental of durable medical equipment.

Note 2. Basis of Presentation

The Company's fiscal year end is December 31. The Company uses the accrual method of accounting. The accompanying unaudited interim consolidated financial statements have been prepared on the same basis as the annual consolidated financial statements. The December 31, 2016 balance sheet has been derived from audited consolidated financial statements.

Note 3. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Progressive and its wholly owned subsidiaries. All inter-company accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Such estimates and assumptions impact both assets and liabilities, including but not limited to: net realizable value of accounts receivable

and inventories, estimated useful lives and potential impairment of property and equipment, estimated fair value of derivative liabilities using the Monte Carlo simulation model, and estimates of current and deferred tax assets and liabilities.

Making estimates requires management to exercise significant judgment. It is at least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the consolidated financial statements, which management considered in formulating its estimate, could change in the near term due to one or more future confirming events. Accordingly, actual results could differ significantly from estimates.

Cash

The Company minimizes credit risk associated with cash by periodically evaluating the credit quality of its primary financial institution. The balance at times may exceed federally insured limits.

Cash Equivalents: The Company considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents. As of September 30, 2017 and December 31, 2016, the Company does not have any cash equivalents.

Accounts Receivable and Allowance for Doubtful Accounts

Trade accounts receivable are stated at the invoiced amount. Trade accounts receivable primarily include amounts from third-party pharmacy benefit managers and insurance providers and are based on contracted prices. Trade accounts receivable are unsecured and require no collateral. The Company recorded an allowance for doubtful accounts for estimated differences between the expected and actual payment of accounts receivable. These reductions were made based upon reasonable and reliable estimates that were determined by reference to historical experience, contractual terms, and current conditions. Each quarter, the Company reevaluates its estimates to assess the adequacy of its allowance and adjusts the amounts as necessary. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

Risks and Uncertainties

The Company's operations are subject to intense competition, risk and uncertainties including financial, operational, regulatory and other risks including the potential risk of business failure.

Billing Concentrations

The Company’s primary receivables are from prescription medications billed to various insurance providers. Ultimately, the insured is responsible for payment should the insurance company not make payment to the Company. The Company generated reimbursements from four significant insurance providers for the nine months ended September 30, 2017 and 2016:

Progressive Care, Inc. and Subsidiaries
Notes to the Unaudited Consolidated Financial Statements
Nine Months Ended September 30, 2017 and 2016

Payors	Nine Months Ended September 30, 2017	Nine Months Ended September 30, 2016
A	14%	16%
B	12%	16%
C	10%	10%
D	7%	10%

Inventory

Inventory is valued on a lower of first-in, first-out (FIFO) cost or market basis. Inventory primarily consists of prescription medications, pharmacy supplies, and retail items. The Company provides a valuation allowance for obsolescence and slow moving items. As of September 30, 2017 and December 31, 2016, the Company recorded an allowance for obsolescence of $25,000.

Property and Equipment

Property and equipment, including improvements, is stated at cost, less accumulated depreciation. Expenditures for maintenance and repairs are charged to expense as incurred.

Depreciation is computed on a straight-line basis over estimated useful lives as follows:

Description	Estimated Useful Life
Leasehold improvements and fixtures	Lesser of estimated useful life or life of lease
Furniture and equipment	5 years
Computer equipment and software	3 years
Vehicles	3-5 years

Property and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. There were no impairment charges for the three and nine months ended September 30, 2017 and 2016.

Fair Value of Financial Instruments

The Company's financial instruments consisted of cash, accounts receivable, accounts payable, and notes payable. The carrying amounts of the Company's financial instruments generally approximate their fair values at September 30, 2017 and December 31, 2016, due to the short-term nature of these instruments. The carrying value of the capital lease obligation approximates fair value due to the implicit rate in the lease in relation to the Company's borrowing rate and the duration of the lease.

Progressive Care, Inc. and Subsidiaries
Notes to the Unaudited Consolidated Financial Statements
Nine Months Ended September 30, 2017 and 2016

Derivative Liabilities

GAAP requires bifurcation of embedded derivative instruments such as conversion features in convertible debt or equity instruments, and their measurement at fair value. In assessing the convertible debt instruments, management determines if the conversion feature requires bifurcation from the host instrument and recording of the bifurcated derivative instrument at fair value.

Once derivative liabilities are determined, they are adjusted to reflect fair value at the end of each reporting period. Any increase or decrease in the fair value is recorded in results of operations as an adjustment to fair value of derivatives. The fair value of these derivative instruments is determined using the Monte Carlo Simulation Model.

Revenue Recognition

The Company records revenue when all of the following have occurred: (1) pervasive evidence of an arrangement exists, (2) the asset is transferred to the customer without further obligation, (3) the sales price to the customer is fixed or determinable, and (4) collectability is reasonably assured.

The Company recognizes its pharmacy revenue when a customer picks up or is delivered their prescription or purchases merchandise at the store. The Company records unearned revenue for prescriptions that are filled but not yet delivered at period-end. Billings for most prescription orders are with third-party payers, including Medicare, Medicaid and insurance carriers. Customer returns are nominal.

Pharmacy revenues were in excess of 99% of total sales for all periods presented.

Cost of Sales

Cost of pharmacy sales is derived based upon vendor purchases relating to prescriptions sold and point-of-sale scanning information for non-prescription sales, and is adjusted based on periodic inventories. All other costs related to sales are expensed as incurred.

Vendor Concentrations

For the nine months ended September 30, 2017 and 2016, the Company had significant vendor concentrations and the purchases from these significant vendors are as follows:

Vendor	Nine Months Ended September 30, 2017	Nine Months Ended September 30, 2016
A	67%	77%
B	5%	-

Progressive Care, Inc. and Subsidiaries
Notes to the Unaudited Consolidated Financial Statements
Nine Months Ended September 30, 2017 and 2016

Selling, General and Administrative Expenses

Selling expenses primarily consist of store salaries, contract labor, occupancy costs, and expenses directly related to the store. Other general and administrative costs include advertising, insurance and depreciation and amortization.

Advertising

Costs incurred for producing and communicating advertising for the Company are charged to operations as incurred. Advertising expense was $52,487 and $62,796 for the nine months ended September 30, 2017 and 2016, respectively.

Stock-Based Payment Arrangements

Generally, all forms of stock-based payments, including warrants, are measured at their fair value on the awards' grant date typically using a Black-Scholes pricing model, based on the estimated number of awards that are ultimately expected to vest. The Company measures the cost of share-based payment transactions at the grant date based on the calculated fair value of the award, and recognizes this cost as an expense ratably over the recipient's requisite service period during which that award vests or becomes unrestricted. Stock-based compensation awards issued to non-employees for services rendered are recorded at either the fair value of the services rendered or the fair value of the stock-based payment, whichever is more readily determinable. The shares are subsequently re-measured at their fair value at each reporting date over the service period of the awards. The expense resulting from stock-based payments is recorded in other selling, general and administrative expenses in the consolidated statements of income.

Section 3(a)(10) Transaction

On August 22, 2014, the Company entered into an agreement with Tarpon Bay Partners LLC, for the purchase of $1,826,005 in past due debt which includes debts payable to AmerisourceBergen, TCA, individual note holders, related parties and assorted past due amounts for accounts payable from the Company for the purpose of executing a 3(a)(10) Transaction that would alleviate the Company's debt burden. Certain vendors agreed to the purchase of their debt by Tarpon Bay, including TCA. The settlement of such debt was approved by the Court and as of December 31, 2015, the 3(a)(10) Transaction successfully closed with 100% of all purchased debt paid in full and liabilities related to the debt and the transaction released.

In total, the Company issued 282,275,000 shares to Tarpon Bay as part of the 3(a) (10) Transaction. Of these shares 269,777,062 were liquidated resulting in $2,534,673 in gross proceeds. The proceeds were distributed as follows: $100,000 to Tarpon Bay as payment in full of its success fee note, $608,668 to Tarpon Bay for transaction fees, and $1,826,005 to creditors. The Company has satisfied the debt pursuant to the 3(a) (10) transaction.

On March 15, 2016, the Company processed the return and retirement of 12,497,938 shares which were unsold by Tarpon Bay at the conclusion of the 3(a) (10) transaction.

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Progressive and Smart Medical are taxed as C corporations. PharmCo is taxed as a partnership, wherein each member is responsible for the tax liability, if any, related to its proportionate share of PharmCo's taxable income. Accordingly, no provision for income taxes is reflected in the accompanying consolidated financial statements. Progressive has a 100% ownership interest in PharmCo; therefore, all of PharmCo's taxable income is included in Progressive Care's taxable income.

The provision for income taxes for the nine months ended September 30, 2017 and 2016 in the accompanying Consolidated Statements of Income represents the minimum state corporate tax payments. There was no current tax provision for the nine months ended September 30, 2017 and 2016 because taxable income was fully offset by prior year net operating loss carryforwards. Total available net operating losses to be carried forward to future taxable years was approximately $3,900,000 as of September 30, 2017. The Company's net deferred tax asset at September 30, 2017 and December 31, 2016 was attributable primarily to net operating loss carryforwards, and was fully offset by a 100% valuation allowance as it was not more likely than not that the tax benefits of the loss carryforwards would be realized. The change in the valuation allowance was approximately $29,000 and $0 for the nine months ended September 30, 2017 and 2016, respectively.

The Company accounts for uncertainty in income taxes by recognizing a tax position in the consolidated financial statements only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the consolidated financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority. The Company records interest and penalties related to tax uncertainties, if any, as income tax expense. Based on management's evaluation, the Company does not believe it has any uncertain tax positions during the nine months ended September 30, 2017 and 2016.

Earnings (Loss) per Share

Basic earnings/loss per share ("EPS") is computed by dividing net income available to common stockholders by the weighted average number of common shares outstanding during the period, excluding the effects of any potentially dilutive securities. Diluted EPS gives effect to all dilutive potential of shares of common stock outstanding during the

period including stock warrants, using the treasury stock method (by using the average stock price for the period to determine the number of shares assumed to be purchased from the exercise of stock warrants), and convertible debt, using the if-converted method. Diluted EPS excludes all dilutive potential of shares of common stock if their effect is anti-dilutive.

The Company had 5,600,000 potential common stock equivalents outstanding at September 30, 2017 and December 31, 2016. The effect of including common stock equivalents in weighted average common shares outstanding for the three and nine months ended September 30, 2017 and 2016 is anti-dilutive, and therefore a separate computation of diluted earnings per share for 2017 and 2016 is not presented.

Recent Adopted Accounting Standards

In January 2015, the FASB issued ASU 2015-01, *Income Statement – Extraordinary and Unusual Items (Subtopic 225-20): Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items*. Extraordinary items are events and transactions that are distinguished by their unusual nature and by the infrequency of their occurrence. Eliminating the extraordinary classification simplifies income statement presentation by altogether removing the concept of extraordinary items from consideration. This guidance was adopted by the Company effective January 1, 2016 and it did not have any impact on the Company's consolidated financial position or consolidated results of operations.

In April 2015, the FASB issued ASU 2015-03, *Interest – Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs*. The update requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of the related debt liability instead of being presented as an asset. Debt disclosures will include the face amount of the debt liability and the effective interest rate. In August 2015, the FASB amended this guidance for debt issuance costs associated with line-of-credit arrangements to reflect that the SEC would not object to the deferral and presentation of debt issuance costs as an asset and subsequent amortization of debt issuance costs over the term of the line-of-credit arrangement, whether or not there are any outstanding borrowings on the line-of-credit arrangement. The update requires retrospective application and represents a change in accounting principle. This guidance was adopted by the Company effective January 1, 2016 and it was applied retrospectively for all prior periods. At September 30, 2017 and December 31, 2016, deferred financing costs totaling $15,637 and $84,625, respectively, are reflected as a reduction in the carrying value of the Company's current and long-term debt on the consolidated balance sheets. Prior to adoption of ASU 2015-03, the Company presented debt issuance costs in the consolidated balance sheet as a deferred charge.

In August 2014, the FASB issued ASU 2014-15, *Presentation of Financial Statements – Going Concern (Subtopic - 205-40)* ("ASU 2014-15"). This ASU requires management to evaluate whether it is probable that known conditions or events, considered in the aggregate, would raise substantial doubt about the entity's ability to continue as a going concern within one year after the date that the financial statements are issued. If such conditions or events are identified, the standard requires management's mitigation plans to alleviate the doubt or a statement of the substantial doubt about the entity's

ability to continue as a going concern to be disclosed in the financial statements. The amendments in ASU 2014-15 are effective for fiscal years, and interim periods within those years, beginning after December 15, 2016. This guidance was adopted by the Company effective January 1, 2017 and it did not have any impact on the Company's consolidated financial position or consolidated results of operations.

In March 2016, the FASB issued ASU 2016-09, *Compensation – Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting*, to simplify the accounting for share-based payment transactions including the income tax consequences, classification of awards as either equity or liabilities and classification on the statements of cash flows. Under the new guidance, all excess tax benefits and tax deficiencies (including tax benefits of dividends on share-based payment awards) should be recognized as income tax expense or benefit on the statements of income. Under current GAAP, excess tax benefits are recognized in additional paid-in capital while tax deficiencies are recognized either as an offset to accumulated excess tax benefits, if any, or on the statements of income. The new accounting guidance is effective for annual periods beginning after December 15, 2016 and interim periods therein. Certain provisions require retrospective/modified retrospective transition while others are to be applied prospectively. This guidance was adopted by the Company effective January 1, 2017 and it did not have any impact on the Company's consolidated financial position or consolidated results of operations.

In July 2015, the FASB issued ASU 2015-11, *Simplifying the Measurement of Inventory*, which requires entities to measure most inventory at the lower of cost and net realizable value, thereby simplifying the current guidance under which an entity must measure inventory at the lower of cost or market. The update is effective for fiscal years beginning after December 15, 2016, and interim periods therein. This guidance was adopted by the Company effective January 1, 2017 and it did not have any impact on the Company's consolidated financial position or consolidated results of operations.

Accounting Standards Issued but Not Yet Adopted

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, to provide a new comprehensive model for lease accounting. Under this guidance, lessees and lessors should apply a "right-of-use" model in accounting for all leases (including subleases) and eliminate the concept of operating leases and off-balance sheet leases. Recognition, measurement and presentation of expenses will depend on classification as a finance or operating lease. Similar modifications have been made to lessor accounting in-line with revenue recognition guidance. This guidance is effective for annual periods and interim periods within those annual periods beginning after December 15, 2018. The amendments also require certain quantitative and qualitative disclosures about leasing arrangements. Early adoption is permitted. The updated guidance requires a modified retrospective adoption. The Company is currently in the process of evaluating this new standard update.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)* ("ASU 2014-09"), which amends the existing accounting standards for revenue recognition. ASU 2014-09 is based on principles that govern the recognition of revenue at an amount an entity expects to be entitled when products are transferred to customers.

Progressive Care, Inc. and Subsidiaries
Notes to the Unaudited Consolidated Financial Statements
Nine Months Ended September 30, 2017 and 2016

Subsequently, the FASB has issued the following standards related to ASU 2014-09: ASU No. 2016-08, *Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations* ("ASU 2016-08"); ASU No. 2016-10, *Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing* ("ASU 2016-10"); ASU No. 2016-12, *Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients* ("ASU 2016-12"); and ASU No. 2016-20, *Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customers* ("ASU 2016-20"). The Company must adopt ASU 2016-08, ASU 2016-10, ASU 2016-12 and ASU 2016-20 with ASU 2014-09 (collectively, the "new revenue standards").

In August 2015, the FASB issued ASU No. 2015-14, *Revenue from Contracts with Customers - Deferral of the Effective Date* which approved a one-year deferral of ASU 2014-09 for annual reporting periods beginning after December 15, 2017 for public entities, and annual reporting periods beginning after December 15, 2018 for all other entities. The new revenue standards become effective for the Company in the first quarter of fiscal year 2019, but allow adoption one year earlier if the Company so chooses. The Company currently plans to adopt this accounting standard in the first quarter of fiscal year 2019. The guidance permits two methods of adoption: full retrospective in which the standard is applied to all the periods presented or modified retrospective where an entity must recognize the cumulative effect of initially applying the standard as an adjustment to the opening balance of retained earnings. The Company is currently evaluating the full impact of this new guidance on its consolidated financial statements, including selection of the transition method.

Note 4. Accounts Receivable

Accounts receivable consisted of the following at September 30, 2017 and December 31, 2016.

	September 30, 2017	December 31, 2016
Gross accounts receivable	$ 969,325	$ 885,352
Less: Allowance for doubtful accounts	(9,700)	(8,751)
Accounts receivable – net	$ 959,625	$ 876,601

For the nine months ended September 30, 2017 and 2016, the Company recognized bad debt expense in the amount of $22,245 and $59,533, respectively.

Note 5. Property and Equipment

Property and equipment consisted of the following at September 30, 2017 and December 31, 2016.

Progressive Care, Inc. and Subsidiaries
Notes to the Unaudited Consolidated Financial Statements
Nine Months Ended September 30, 2017 and 2016

		September 30, 2017		December 31, 2016
Leasehold improvements and fixtures	$	224,360	$	221,274
Furniture and equipment		220,492		217,756
Computer equipment and software		72,348		59,803
Vehicles		44,847		44,847
Website		53,188		53,188
Total		**615,235**		**596,868**
Less: accumulated depreciation and amortization		(313,663)		(246,244)
Property and equipment – net	**$**	**301,572**	**$**	**350,624**

Depreciation and amortization expense for the nine months ended September 30, 2017 and 2016 was $67,419 and $17,505, respectively.

Note 6. Notes Payable

Notes payable consist of the following:

		September 30, 2017		December 31, 2016
A. Convertible note payable - collateralized	$	280,000	$	280,000
B. Note payable – uncollateralized		25,000		25,000
Insurance premium financing		19,074		9,129
Subtotal		324,074		314,129
Less Unamortized debt discount		-		58,990
Less Unamortized debt issuance costs		-		2,822
Total	**$**	**324,074**	**$**	**252,317**

The corresponding notes payable above are more fully discussed below:

(A) Convertible Note Payable – collateralized

On July 22, 2016, Progressive entered a Securities Purchase Agreement (the “Purchase Agreement”) with Chicago Ventures Partners, L.P. (the “Investor”), a Utah limited partnership. The Investor agreed to purchase from the Company 10% convertible promissory notes in the aggregate principal amount of $2,205,000 (the “Notes”), including a 10% Original Issue Discount (“OID”) and $5,000 attorney’s fee. The Notes are convertible into shares of common stock ($0.0001 par value per share) in 1 year at the lesser of Market Price or $0.05 on the date of conversion. The Notes are to be delivered in eight (8) tranches each in the principal amount of $250,000 and mature on April 22, 2018 (the “Maturity Date”); however, the Investor may elect to extend the Maturity Date up to 30 days. The Notes accrue interest at the rate

of 10.9% per annum and the entire unpaid principal balance plus all accrued and unpaid interest are due on the Maturity Date. Progressive received the initial tranche of $280,000 at the closing of the transaction, which includes $30,000 of OID and legal costs. Progressive granted the Investor a security interest in all right, title, interest and claims of Progressive. PharmCo has agreed to guarantee Progressive's obligations under the Purchase Agreement, the Notes and the Security Agreement by entering into a Guaranty Agreement in favor of the Investor. Pursuant to the Guaranty Agreement, Progressive has agreed to pay to PharmCo 10% of all proceeds it received from the Investor, as consideration to secure Progressive's obligations, and an additional 50% of all proceeds from the Investor for PharmCo's ongoing business operations. Progressive intends to use the net proceeds for its general working capital and the general working capital of PharmCo to further both companies' ongoing growth and development.

In conjunction with the execution of the Purchase Agreement, Progressive executed a Membership Interest Pledge Agreement with the Investor whereby the Investor pledged a 60% membership interest in a company owned by the Investor as collateral and security for the performance by the Investor of all of its purchase obligations under the Purchase Agreement.

The Company has identified conversion features embedded within the convertible debt issued on July 22, 2016. The Company has determined that the conversion feature represents an embedded derivative. The conversion price is set at $0.05 per share unless the Market Capitalization of the Company falls below $3,000,000 at which time the Lender's Conversion Price for all Lender Conversions occurring after the first date of such occurrence shall equal the lower of the Lender Conversion Price (as defined in the Purchase Agreement) and the Market Price as of any applicable date of Conversion. Accordingly, the embedded conversion feature must be bifurcated from the debt host and accounted for as a derivative liability. At September 30, 2017 and December 31, 2016, the Company recorded a derivative liability in the amount of $3,920 and $58,204, respectively. For the nine months ended September 30, 2017, the Company recorded a Change in Fair Value of the Derivative Liability on the Consolidated Statement of Income in the amount of $54,284.

At inception, the fair value of the derivative instrument has been recorded as a liability on the Consolidated Balance Sheet with the corresponding amount recorded as a discount to the Note. Such discount will be accreted from the issuance date to the maturity date of the Note. The change in the fair value of the derivative liability will be recorded in other income or expenses in the consolidated statements of income at the end of each period, with the offset to the derivative liability on the consolidated balance sheets. The fair value of the embedded derivative liability was determined using the Monte Carlo Simulation model on the issuance date.

The first tranche of $280,000 was disbursed to the Company on July 25, 2016 and remains outstanding as of September 30, 2017 and December 31, 2016. Accrued interest on the $280,000 note payable at September 30, 2017 and December 31, 2016 was $4,162 and $12,886, respectively.

On August 8, 2017, the Company entered into an amendment of the promissory note and securities purchase agreement with Chicago Ventures Partners, L.P. The amended promissory note included changes to the monthly installment amounts payable to the Lender through the maturity date of the note, which was extended for an additional three months. The installment payments will be $220,500 due October 22, 2017, and $59,500 plus accrued but unpaid interest due November 22, 2017. The amended securities purchase agreement included a provision under which the Company agreed to change its stock transfer agent to an agent approved by the Lender. As consideration for the amended promissory note and securities purchase agreement, the Company agreed to prepay accrued interest on the note in the amount of $30,735 and a prepayment premium of $5,379.

Progressive Care, Inc. and Subsidiaries
Notes to the Unaudited Consolidated Financial Statements
Nine Months Ended September 30, 2017 and 2016

Debt Issuance Costs and Debt Discount:

Debt Issuance Costs consist of fees incurred through securing financing through Chicago Venture Partners on July 22, 2016. Debt Discount consists of the 10% Original Issue Discount upon issuance of the note. Debt issuance costs and debt discount are amortized to interest expense over the term of the related debt using the effective interest method. Total amortization expense for the nine months ended September 30, 2017 and 2016 was $61,812 and $0, respectively. The unamortized debt discount and debt issuance costs are recorded as offsets to the Note Payable with a total offset of $0 and $61,812 as of September 30, 2017 and December 31, 2016, respectively.

(B) Notes Payable – Uncollateralized

As of September 30, 2017 and December 31, 2016, the uncollateralized note payable represents a non-interest bearing loan that is due on demand from an investor.

Interest expense on these notes payable was $89,562 for the nine months ended September 30, 2017.

Note 7. Capital Lease Obligation

In July 2016, the Company entered a capital lease obligation to purchase pharmacy equipment with a cost of $163,224. The terms of the capital lease agreement require monthly payments of approximately $2,000 over 36 months with no stated interest rate and an incremental borrowing rate of 6%. The Company recorded a discount on the capital lease obligation in the amount of $26,181 and subsequently amortizes the discount over the lease term. The Company recorded amortization of the discount in the amount of $7,176 for the nine months ended September 30, 2017, which has been included in interest expense on the accompanying Consolidated Statement of Income. The unamortized discount was $15,637 and $22,812 at September 30, 2017 and December 31, 2016, respectively.

Minimum lease payments for years subsequent to September 30, 2017 are as follows:

Year		Amount
2018	$	25,680
2019		121,639
Subtotal		147,319
Less: interest costs		11,915
Less: unamortized debt discount		15,637
Total	$	119,767

Interest expense for the nine months ended September 30, 2017 was $7,176.

Depreciation expense for the nine months ended September 30, 2017 related to the asset under the capital lease was approximately $14,500, and is included in depreciation and amortization expense in the accompanying Consolidated Statement of Income.

Progressive Care, Inc. and Subsidiaries
Notes to the Unaudited Consolidated Financial Statements
Nine Months Ended September 30, 2017 and 2016

Note 8. Stockholders' Equity

Share-Based Compensation

On January 15, 2017, the Company issued 937,500 shares of its Common Stock to outside consultants as stock based compensation. The shares were issued in consideration of website design consulting services and investor and public relations services provided to the Company and initially valued at $32,500.

Common Stock

As of September 30, 2017 and December 31, 2016, the Company's issued and outstanding common shares total 345,045,107 and 344,107,607 shares, respectively. The Company's transfer agent is reporting 346,763,107 common shares outstanding as of September 30, 2017; however, this balance includes 1,718,000 common shares that were designated by the Company as treasury shares and therefore, eliminated.

Preferred Stock

On July 3, 2014, the Company's shareholders and board of directors authorized the creation of 51 shares of Series A Super-Voting Preferred Stock at par value of $0.001 per share. The series is a non-dividend producing instrument that ranks superior to the Company's common stock.

Each one (1) share of the Series A Preferred Stock shall have voting rights equal to (x) 0.019607 *multiplied by* the total issued and outstanding Common Stock and Preferred Stock eligible to vote at the time of the respective vote (the "**Numerator**"), *divided by* (y) 0.49, *minus* (z) the Numerator.

With respect to all matters upon which stockholders are entitled to vote or to which stockholders are entitled to give consent, the holders of the outstanding shares of Series A Preferred Stock shall vote together with the holders of Common Stock without regard to class, except as to those matters on which separate class voting is required by applicable law or the Certificate of Incorporation or By-laws.

On July 11, 2014, the board of directors approved the issuance of 51 shares of the Company's Series A Preferred Stock to a certain employee of the Company, which is equal to 50.99% of the total voting power of all issued and outstanding voting capital of the Company in satisfaction of $20,000 in past due debt. These issued shares of preferred stock are outstanding as of September 30, 2017 and December 31, 2016. As of September 30, 2017 and December 31, 2016, the individual is employed by the Company.

Progressive Care, Inc. and Subsidiaries
Notes to the Unaudited Consolidated Financial Statements
Nine Months Ended September 30, 2017 and 2016

Note 9. Commitments and Contingencies

Legal Matters

The Company is subject to claims and lawsuits that arise primarily in the ordinary course of business. In the opinion of management, the disposition or ultimate resolution of currently known claims and lawsuits will not have a material adverse effect on the Company's consolidated financial position, results of operations or liquidity.

Lease Commitments

The Company leases its corporate office under a non-cancelable operating lease agreement expiring in December 2020. This lease is guaranteed by a shareholder and an unrelated individual. Additionally, the Company leases certain office space under a non-cancelable operating lease agreement which requires the Company to pay a monthly base rental plus its proportionate share of operating expenses. This office rental expires in October 2017; however, the Company can renew the lease under two one-year renewal options. Rent expense was $178,414 and $134,817 for the nine months ended September 30, 2017 and 2016, respectively.

The Company's corporate office and office space rentals are subject to scheduled rent increases throughout the terms of the related leases. As such, the Company records the related rent expense on a straight-line basis, resulting in a deferred rent liability of $82,920 and $89,482 as of September 30, 2017 and December 31, 2016, respectively.

At September 30, 2017, future minimum lease payments for currently occupied space are as follows:

Year		Amount
2018	$	187,054
2019		191,720
2020		201,119
2021		50,872
Total	**$**	**630,765**

Note 10. Related Party Transactions

During the nine months ended September 30, 2017 and 2016, the Company had a verbal consulting arrangement with Spark Financial Consulting ("Spark"), which is a consulting company owned by an employee and preferred stock controlling shareholder of the Company. Spark provides business development services including but not limited to recruiting, targeting and evaluation of potential mergers and acquisitions, finding third party contractors and assisting with related negotiations in exchange for a monthly fee of $12,000. Additionally, Spark may be entitled to additional fees for additional consulting services. During the nine months ended September 30, 2017 and 2016, the Company paid Spark $155,130 and $144,706 respectively. The Company had accrued balances payable to Spark on its Consolidated Balance Sheets as of September 30, 2017 and December 31, 2016 of $5,450 and $580, respectively.

The Company has an employment agreement (the "Agreement") with a certain pharmacist, Head of the Compounding Department, who is the first paternal cousin to the preferred stock controlling shareholder and employee of the Company. In consideration for duties performed including but not limited to marketing, patient consultation, formulary development, patient and physician education, training, recruitment, sales management, as well as pharmacist responsibilities, the Company has agreed to provide annual compensation of $240,000 plus tiered commission tied to monthly gross profits generated by the Compounding Department. During the nine months ended September 30, 2017, payments to the pharmacist were approximately $713,000, of which approximately $303,000 was attributable to 2016 accrued compensation. During the nine months ended September 30, 2016, the Company paid the pharmacist approximately $606,000, of which approximately $205,000 was attributable to 2015 accrued compensation.

Note 11. Subsequent Events

On October 1, 2017, the company amended the employment agreement with a certain pharmacist, Head of Compounding Department, who is the first paternal cousin to the preferred stock controlling shareholder and employee of the Company. In consideration for duties performed including but not limited to marketing, patient consultation, formulary development, patient and physician education, training, recruitment, sales management, as well as pharmacist responsibilities, the Company has agreed to provide monthly compensation of $25,000 or $15,000 per month plus 5% commission on monthly gross profits generated by the Compounding Department, whichever is greater.

Management has evaluated subsequent events and transactions for potential recognition or disclosure in the consolidated financial statements through November 14, 2017, the date the consolidated financial statements were available to be issued.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL INFORMATION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the attached unaudited consolidated financial statements and notes thereto. In addition to historical information, the following discussion contains forward-looking statements that involve risks, uncertainties and assumptions. Where possible, we have tried to identify these forward looking statements by using words such as "anticipate," "believe," "intends" or similar expressions. Our actual results may differ materially from those anticipated by the forward-looking statements due to important factors and risks including, but not limited to, those set forth under "Risk Related to our Business" beginning on page 10 of our Annual Report for the year ended December 31, 2016.

Overview

During the nine months ended September 30, 2017, the Company's focus was to continue the growth and development of its pharmacy services, specifically health practice risk management and Medication therapy management (MTM). The Company has increased its attention to key Pharmacy Benefit Manager ("PBM") performance metrics including adherence, brand to generic ratios, high risk medication, therapy gaps, safety, and retention. As a result of these efforts, PharmCo maintains a 5-Star Rating based on the ratings provided by various insurance carriers. Growth trends were due in large part to expanded marketing efforts, directed advertising, and word-of-mouth of PharmCo's performance rating and the ability of the pharmacy to improve the performance ratings of the physicians it serves. The Company provides services to nearly 12,000 patients of diverse demographics across South Florida.

During the third quarter, Direct and Indirect Remuneration ("DIR") Fees applied significant downward pressure on the Company's profitability. DIR Fees are PBM clawbacks of reimbursements based on factors that vary from plan to plan. These fees lack transparency and are extremely difficult to predict and accrue. DIR fees are often applied retroactively, which has caused the fees charged in the third quarter to be nearly 200% higher than those charged in the second quarter. Much of the fees charged during the third quarter were from a single insurance carrier. The Company has already shifted pharmacy policy to account for anticipated DIR clawbacks, and we expect to limit our exposure to DIR fees through the remainder of the year. Part of the mitigation policy includes our focus on performance as some PBMs may reduce or return DIR Fees based on the performance of the pharmacy within their network. As of May 2017, the Company's performance ranks in the 90th percentile based on a 6 month average between comparative rankings in all PBM networks.

Over the course of the third quarter, the Company has worked diligently on a strategy for a change in the market tier listing for the Company's common stock as well as evaluating numerous merger and acquisition opportunities. While we believe we have made progress on a number of these fronts, conversations are ongoing about suitable valuations, transaction structures, timelines, and rules and regulations as they apply to both Progressive Care and PharmCo, LLC. We are also exploring real estate opportunities that would accommodate the rapid growth of the pharmacy.

Through the last quarter of the year, we expect future growth to be driven by continued expansion into new market territories, concentrated efforts toward developing our compliance and adherence services provided to medical providers, and enhancement of technological opportunities that boost loyalty and customer satisfaction. We believe that our expanding breadth of services and our growing penetration with new customers will help us achieve sustainable revenue growth in the future. Additionally, profitability and cash flow will be positively impacted by the elimination of non-recurring expenses and reductions in PBM fees associated with maintained and improved adherence and compliance performance rating.

Third Quarter 2017 Key Highlights

- Revenue of $5.1 million, an increase of 5% or $259,000 from Q3 2016
- Total prescriptions dispensed of 163,000 for the nine months ended September 30, 2017, an increase of 3%

from the same period in 2016.

- Performance rating of 5 Stars, which ranks in the 90th percentile of all pharmacies in the 3 measurement categories.

Results of Operations

The following table summarizes our results of operations for the three months ended September 30, 2017 and 2016:

Three Months Ended						
	September 30, 2017		September 30, 2016			
	Dollars	% of Revenue	Dollars	% of Revenue	$ Change	% Change
Total revenues, net	$ 5,087,079	100%	$ 4,828,206	100%	$ 258,873	5%
Total cost of sales	3,899,765	77%	3,453,970	72%	445,795	13%
Total gross margin	1,187,314	23%	1,374,236	28%	(186,923)	14%
Operating expenses	1,231,741	24%	1,328,691	27%	(96,950)	7%
Operating (loss) income	(44,427)	-1%	45,545	1%	(89,972)	198%
Other income (expense)	(17,856)	0%	(48,444)	-1%	30,588	63%
(Loss) income Before Income Taxes	(62,283)	-1%	(2,899)	0%	(59,384)	2048%
Provision for income taxes	-	0%	-	0%	-	0%
Net (loss) income	$ (62,283)	-1%	$ (2,899)	0%	$ (59,384)	2048%

For the three months ended September 30, 2017, the Company increased overall revenue to approximately $5.1 million, which resulted from 5% organic revenue growth over the same period in 2016. Gross profit margins decreased from 28% in 2016 to 23% in 2017, a 14% decrease when compared to the same period in 2016. Operating income decreased by approximately $90,000 in 2017 as compared to 2016. Third quarter gross margin was negatively impacted by increased DIR fees that the Company records as a component of cost of goods sold in 2017. Third quarter operating income was negatively impacted by an incremental increase in DIR fees), and an increase in personnel associated with the continued growth and development of the Company.

Nine Months Ended						
	September 30, 2017		September 30, 2016			
	Dollars	% of Revenue	Dollars	% of Revenue	$ Change	% Change
Total revenues, net	$ 15,107,806	100%	$ 13,294,594	100%	$ 1,813,212	14%
Total cost of sales	11,081,725	73%	9,817,000	74%	1,264,725	13%
Total gross margin	4,026,081	27%	3,477,594	26%	548,487	16%
Operating expenses	4,019,364	27%	3,217,141	24%	802,223	25%
Operating income	6,717	0%	260,453	2%	(253,736)	97%
Other income (expense)	(42,287)	0%	(43,438)	0%	1,151	2%
(Loss) Income Before Income Taxes	(35,570)	0%	217,015	2%	(252,585)	116%

Provision for income taxes	(1,598)	0%	(2,150)	0%	552	26%
Net (Loss) income	$ (37,168)	1%	$ 214,865	2%	$ (252,033)	117%

For the nine months ended September 30, 2017, the Company increased overall revenue to approximately $15.1 million, a 14% increase over the same period in 2016. Gross profit margins increased from 26% in 2016 to 27% in 2017, a 16% increase when compared to 2016. Operating income decreased by approximately $254,000 in 2017 as compared to 2016 as a result of an incremental increase of approximately $300,000 in DIR fees, costs totaling approximately $105,000 associated with the settlement of a non-recurring legal action, increased auditing and accounting fees (approximately $77,000) and an increase in personnel (approximately 18 positions) related to the continued growth and development of the Company.

Revenue

Our pharmacy revenues were as follows:

	Three Months Ended					
	September 30, 2017		September 30, 2016			
	Dollars	% of Revenue	Dollars	% of Revenue	$ Change	% Change
Pharmacy	$5,070,519	99%	$4,819,711	99%	$250,808	5%
Total Sales	$5,087,079	100%	$4,828,206	100%	$258,873	5%

	Nine Months Ended					
	September 30 2017		September 30, 2016			
	Dollars	% of Revenue	Dollars	% of Revenue	$ Change	% Change
Pharmacy	$14,954,125	99%	$13,272,702	99%	$1,681,423	13%
Total Sales	$15,107,806	100%	$13,294,594	100%	$1,813,212	14%

Pharmacy revenues continue to be over 99% of all revenue for the Company. Medication Therapy Management (MTM) and 340B sales continue to grow, but remain a small fraction of overall revenue. Total prescriptions dispensed increased from 55,000 for the second quarter 2017 to 56,000 for the third quarter 2017, a 2% increase. Total prescriptions dispensed was approximately 163,000 for the nine months ended September 30, 2017, an increase of 3% from the same period in 2016. Our increase in pharmacy revenue is the result of concentrated marketing efforts to doctor's offices, clinics, and long term care facilities as well as from manufacturer price increases.

Gross Margin

For the nine months ended September 30, 2017, gross profit margin increased to 27% compared to 26% for the nine months ended September 30, 2016. This increase is the result of increased sales volume and proportionally lower cost of goods sold due to volume purchasing opportunities.

Operating Expenses

Our operating expenses increased $802,223 or 25% for the nine months ended September 30, 2017 as compared to the nine months ended September 30, 2016. Operating Expenses as a percent of sales increased to 27%, a 25% increase as compared to the same period in 2016. The increase was mainly attributable to legal costs incurred for the settlement of an employment action brought by a former employee and higher labor and consulting expenses associated with the continued growth and development of the Company.

Cash Flows

The following table summarizes our cash flows for the six months ended June 30, 2017 and 2016.

	Nine Months Ended		Nine Months Ended	
	September 30, 2017		September 30, 2016	
Net change in cash from:				
Operating activities	$	(160,492)	$	256,128
Investing activities		(18,366)		(127,326)
Financing activities		(37,220)		250,000
Change in cash	$	(216,078)	$	378,802
Cash at end of Period	$	600,142	$	668,479

Net cash used in operating activities for the nine months ended September 30, 2017 was $160,492 due to decreased net income, an increase in accounts receivable – trade and a decrease in accounts payable and accrued liabilities. Cash flow provided by operations was approximately $256,000 from the same period in 2016.

Net cash used for investing activities was $18,366 for the nine months ended September 30, 2017 due to property and equipment purchases during the period.

Net cash used in financing activities was $37,220 for the nine months ended September 30, 2017 as compared to $250,000 provided by financing activities for the same period in 2016 as a result of payments of the notes payable and capital lease obligation.

Current and Future Financing Needs

We have an accumulated deficit of $3,247,745 through September 30, 2017. We have spent, and expect to continue to spend, additional amounts in connection with implementing our business strategy.

The Company believes that it has adequate capital to operate over the next 12 months. However, additional funding will be necessary to complete planned expansion initiatives. The actual amount of funds we will need to operate is subject to many factors, some of which are beyond our control. We have based our estimate on assumptions that may prove to be wrong. We may need to obtain additional funds sooner or in greater amounts than we currently anticipate. Potential

sources of financing include public or private sales of our shares or debt and other sources. We may seek to access the public or private equity markets when conditions are favorable due to our long-term capital requirements.

On July 22, 2016, the Company entered in to a securities purchase agreement with Chicago Venture Partners L.P. in the amount of $2,205,000 which includes $200,000 Original Interest Discount and $5,000 in debt issuance costs for the transaction. The Company has drawn down on $280,000 of the balance as of September 30, 2017. The notes are convertible into common shares (See Note 6 – Notes Payable). The remaining funds are available for draw down in tranches upon request of the Company.

CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures

Pursuant to Rule 13a-15(b) under the Securities Exchange Act of 1934 (“Exchange Act”), the Company carried out an evaluation, with the participation of the Company’s management, including the Company’s Chief Executive Officer (“CEO”), and Chief Financial Officer (“CFO”) of the effectiveness of the Company’s disclosure controls and procedures (as defined under Rule 13a-15(e) under the Exchange Act) as of the end of the period covered by this report. Based upon its current evaluation, the Company’s CEO and CFO have concluded that the Company’s current disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in the reports that the Company files or submits under the Exchange Act, is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to the Company’s management, including the Company’s CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There has been no change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that occurred during our fiscal quarter ended September 30, 2017 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

I, **Alan Jay Weisberg**, ***Chief Financial Officer of Progressive Care, Inc.***, certify the following:

1. ***Review***: I have reviewed the consolidated financial statements and MD&A (together, the "quarterly filings") of **Progressive Care, Inc.** (the "issuer") for the period ended **September 30, 2017**.

2. ***No misrepresentations***: Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.

3. ***Fair presentation***: Based on my knowledge, having exercised reasonable diligence, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

4. ***Responsibility***: The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, for the issuer.

5. ***Design***: Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the end of the period covered by the interim filings

   (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

      (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and

      (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

   (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

   5.1 ***Control framework***: The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is **Internal Control over Finance Reporting – Guidance for Smaller**

Public Companies published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

5.2 ***ICFR – material weakness relating to design:*** **N/A**

5.3 ***Limitation on scope of design:*** **N/A**

6. ***Reporting changes in ICFR***: The issuer has disclosed in its MD&A any change in the issuer's ICFR that occurred during the period beginning on **July 1, 2017** and ended on **September 30, 2017** that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: **November 14, 2017**

s/Alan Jay Weisberg
Alan Jay Weisberg
Chief Financial Officer

FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

I, **Shital Parikh Mars**, ***Chief Executive Officer of Progressive Care, Inc.***, certify the following:

1. ***Review***: I have reviewed the consolidated financial statements and MD&A (together, the "quarterly filings") of **Progressive Care, Inc.** (the "issuer") for the period ended **September 30, 2017**.

2. ***No misrepresentations***: Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.

3. ***Fair presentation***: Based on my knowledge, having exercised reasonable diligence, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

4. ***Responsibility***: The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, for the issuer.

5. ***Design***: Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the end of the period covered by the interim filings

   (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

      (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and

      (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

   (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

   5.1 ***Control framework***: The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is **Internal Control over Finance Reporting – Guidance for Smaller**

Public Companies published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

5.2 ***ICFR – material weakness relating to design:*** **N/A**

5.3 ***Limitation on scope of design:*** **N/A**

6. ***Reporting changes in ICFR***: The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on **July 1, 2017** and ended on **September 30, 2017** that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: **November 14, 2017**

s/Shital Parikh Mars
Shital Parikh Mars
Chief Executive Officer

SUPPLEMENTAL INFORMATION

QUARTERLY DISCLOSURE STATEMENT

QUARTER ENDED SEPTEMBER 30, 2017

Progressive Care, Inc.
901 N Miami Beach Blvd., Ste 1-2
North Miami Beach, FL 33162
Ph: 305-919-7399 Fax: 305-919-7424
investors@progressivecareus.com

PROGRESSIVE CARE

OTC Pink Basic Disclosure Guidelines

1) Name of the issuer and its predecessors (if any)

Progressive Care, Inc.
Formerly Progressive Training, Inc. through 11/17/2010

2) Address of the issuer's principal executive offices

Company Headquarters
Address 1: 901 N Miami Beach Blvd.
Address 2: Ste 1-2
Address 3: North Miami Beach, FL 33162
Phone: 305-919-7399
Email: investors@progressivecareus.com
Website(s): www.prgressivecareus.com

IR Contact Address 1: 901 N Miami Beach Blvd
Address 2: Ste 1-2
Address 3: North Miami Beach, FL 33162
Phone: 305-919-7399
Email: investors@progressivecareus.com
Website(s): www.prgressivecareus.com

3) Security Information

Trading Symbol: RXMD
Exact title and class of securities outstanding: Common Stock Class 1
CUSIP: 60741C101
Par or Stated Value: $0.0001
Total shares authorized: 500,000,000 as of: November 14, 2017
Total shares outstanding: 349,417,539* as of: November 14, 2017

*As of November 14, 2017 the number of shares of common stock issued and outstanding stands at 349,417,539. This amount is net of 1,718,000 shares of common stock, which is the number of shares beneficially owned by Progressive Care through PharmCo, LLC. Total number of shares of common stock issued and outstanding per the transfer agent is 351,135,539 as of November 14, 2017.

Additional class of securities (if necessary):
Trading Symbol: N/A
Exact title and class of securities outstanding: Series A Preferred Stock CUSIP:
N/A
Par or Stated Value: $0.00001
Total shares authorized: 10,000,000 as of: November 14, 2017
Total shares outstanding: 51 as of: November 14, 2017

Transfer Agent
Name: Cleartrust, LLC Stock Transfer
Address 1: 16540 Pointe Village Drive
Address 2: Suite 210
Address 3: Lutz, FL 33558
Phone: 813-235-4490
Is the Transfer Agent registered under the Exchange Act?* Yes: ☒ No: ☐

*To be included in the OTC Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

List any restrictions on the transfer of security:

None

Describe any trading suspension orders issued by the SEC in the past 12 months.

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

4) Issuance History

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of equity securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities. The list shall indicate:

During the Year Ended December 31, 2015 the company issued 273,913,000 shares of common stock to Tarpon Bay as part of the 3(a) (10) transaction. Of these shares 261,415,062 were liquidated resulting in $2,514,251.36 in gross proceeds. The proceeds were distributed as follows: $95,577.81 to Tarpon Bay as payment in full of its success fee note,

$604,668.39 to Tarpon Bay for transaction fees, and $1,826,005.16 to creditors which pays the creditors in full. Tarpon Bay was issued an additional 12,487,938 shares in the final tranche which were not needed to satisfy the creditors' debt. These shares were transferred back to the Company and retired during the first quarter 2016.

The tranches were issued as follows:

On January 9, 2015, the Company issued 5,450,000 shares to Tarpon in consideration of the fourth tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction.

On January 29, 2015, the Company issued 6,581,000 shares to Tarpon in consideration of the fifth tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction

On February 18, 2015, the Company issued 3,197,000 shares to Tarpon in consideration of the sixth tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction.

On March 2, 2015, the Company issued 3,997,000 shares to Tarpon in consideration of the seventh tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction

On March 11, 2015, the Company issued 5,000,000 shares to Tarpon in consideration of the eighth tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction.

On March 31, 2015, the Company issued 5,376,00 shares to Tarpon in consideration of the ninth tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction.

On April 16, 2015, the Company issued 6,423,000 shares to Tarpon in consideration of the tenth tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction

On April 30, 2015, the Company issued 6,615,000 shares to Tarpon in consideration of the eleventh tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction

On May 20, 2015, the Company issued 8,362,000 shares to Tarpon in consideration of the125 twelfth tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction

On June 10, 2015, the Company issued 8,336,000 shares to Tarpon in consideration of the thirteenth tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction

On June 26, 2015, the Company issued 9,001,000 shares to Tarpon in consideration of the fourteenth tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction

On July 1, 2015, the Company issued 9,447,000 shares to Tarpon in consideration of the fifteenth tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction

On July 7, 2015, the Company issued 10,000,000 shares of its common stock to an outside consultant in consideration of $147,000 in outside services/stock based compensation

On July 8, 2015, the Company issued 10,000,000 shares to Tarpon in consideration of the sixteenth tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction

On July 15, 2015, the Company issued 8,058,000 shares to Tarpon in consideration of the seventeenth tranche of

shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction

On July 24, 2015, the Company issued 12,997,000 shares to Tarpon in consideration of the eighteenth tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction

On August 5, 2015, the Company issued 10,345,000 shares to Tarpon in consideration of the nineteenth tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction

On August 18, 2015, the Company issued 17,564,000 shares to Tarpon in consideration of the twentieth tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction

On August 20, 2015 the Company issued 6,083,985 shares of its common stock to an outside debtor in consideration of $150,000 loan to the Company and $17,310 in accrued interest for a total consideration of $167,310.

On August 27, 2015, the Company issued 12,584,000 shares to Tarpon in consideration of the twenty first tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction

On September 9, 2015, the Company issued 13,717,000 shares to Tarpon in consideration of the twenty second tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction

On September 25, 2015, the Company issued 18,220,000 shares to Tarpon in consideration of the twenty third tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction

On October 14, 2015, the Company issued 17,783,000 shares to Tarpon in consideration of the twenty fourth tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction

On October 25, 2015, the Company issued 22,504,000 shares to Tarpon in consideration of the twenty fifth tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction

On November 10, 2015, the Company issued 21,912,000 shares to Tarpon in consideration of the twenty sixth tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction

On November 24, 2015, the Company issued 10,000,000 shares of its common stock to an outside consultant in consideration of $175,000 in consulting services/stock based compensation.

On November 25, 2015, the Company issued 25,000,000 shares to Tarpon in consideration of the twenty seventh tranche of shares per the September 3, 2015 court approved Settlement Agreement – 3(a)(10) Transaction. From this tranche 12,502,062 shares of common stock were sold for total proceeds of $169,024.75. The proceeds were used to satisfy the final $126,768.43 owed to the creditors and $42,256.19 satisfied Tarpon's final transaction fee. The remaining unsold shares totaling $12,497,938 were returned to the Company and were retired.

In total, as of December 31, 2015, the company issued 282,275,000 shares to Tarpon Bay as part of the 3(a) (10) transaction. Of these shares 269,777,062 were liquidated resulting in $2,534,673.55 in gross proceeds. The proceeds were distributed as follows: $100,000 to Tarpon Bay as payment in full of its success fee note, $608,668.39 to Tarpon Bay for transaction fees, and $1,826,005.16 to creditors. The Company has satisfied the debt pursuant to the 3(a) (10) transaction. Tarpon Bay had a balance of 12,487,938 shares in the final tranche which were not needed to satisfy the creditors' debt. These shares were transferred back to the Company and retired on March 24, 2016.

On June 15, 2015, the Company engaged MIDAM Ventures, LLC to provided IR/PR consulting services. Under the terms of this agreement, the Company issued 20,000,000 shares of common stock, 10,000 shares on July 7, 2015 and 10,000,000 shares on November 24, 2015.

On November 28, 2011, the Company entered a $150,000 3-year 8% convertible note with an investor. Under the terms of the note, the investor has the option to convert their note into shares of the Company's common stock at an exercise price of $0.40 per share. In connection with this note, the Company paid debt issue costs of $18,000 and issued 15,000, 3-year warrants exercisable at $0.40 per share, having a fair market value of $4,895, as calculated using the Black Scholes valuation method. The warrants vested on the date of issuance and expired November 27, 2014. On July 27, 2015, the Investor and the Company reached an agreement to amend the Note holder's original 8% Convertible Note signed on November 28, 2011. Amendment 1 to the original Convertible Note, dated July 27, 2015, the Note holder agreed to change the conversion price to $0.0275 per share to satisfy the outstanding principal and accrued interest as of the date of the Amendment. On July 30, 2015, the Company authorized the issuance of 6,083,983 shares of its common stock to the Note holder for full consideration in satisfaction of the Note.

On December 1, 2015, the Company issued a bonus of 10,977,716 shares of common stock to the Company's employees and executive management valued at $87,821.

On May 27, 2016, the Company issued 1,125,000 shares of its Common Stock to an outside consultant as stock based compensation. The shares were issued in consideration of IR/PR consulting services to be provided to the Company.

On May 27, 2016, the Company issued 437,500 shares of its Common Stock to an outside consultant as stock based compensation. The shares were issued in consideration of Website Design consulting services to be provided to the Company.

On October 27, 2016, the Company issued 3,000,000 shares of its Common Stock to an outside consultant as stock based compensation. The shares were issued in consideration of investor and public relations (IR/PR) services provided to the Company.

On January 15, 2017, the Company issued 937,500 shares of its Common Stock to outside consultants as stock based compensation. The shares were issued in consideration of website development and investor and public relations services provided to the Company.

5) Financial Statements

Provide the financial statements described below for the most recent fiscal year end or quarter end to maintain qualification for the OTC Pink Current Information tier. For the initial disclosure statement (qualifying for Current Information for the first time) please provide reports for the two previous fiscal years and any interim periods.

A. Balance sheet;
B. Statement of income;
C. Statement of cash flows;

D. Financial notes; and
E. Audit letter, if audited

The financial statements requested pursuant to this item shall be prepared in accordance with US GAAP by persons with sufficient financial skills.

You may either (i) attach/append the financial statements to this disclosure statement or (ii) post such financial statements through the OTC Disclosure & News Service as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial reports separately as described in part (ii) above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to otciq.com in the field below.

Information contained in a Financial Report is considered current until the due date for the subsequent Financial Report. To remain in the OTC Pink Current Information tier, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of its fiscal quarter-end date.

6) Describe the Issuer's Business, Products and Services

Describe the issuer's business so a potential investor can clearly understand the company. In answering this item, please include the following:

A. a description of the issuer's business operations;

The Company through its subsidiaries Smart Medical Alliance, Inc. and PharmCo, LLC, is a South Florida health services organization and provider of prescription pharmaceuticals, compounded medications, the sale of anti-retroviral medications, medication therapy management (MTM), and the supply of prescription medications to long term care facilities, administration and practice management, utilization management, quality assurance, EHR Implementation, billing and coding, health practice risk management. The Company is focused on developing the PharmCo brand and adding business elements that cater to specific under-served markets and demographics. This effort includes community and network based marketing strategies, the introduction of new locations, acquisitions and the strategic collaboration(s) with community, government and charitable organizations.

B. Date and State (or Jurisdiction) of Incorporation:

10/31/2006 Delaware

C. the issuer's primary and secondary SIC Codes;

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D. the issuer's fiscal year end date; December 31

E. principal products or services, and their markets;

PharmCo provides prescription pharmaceuticals, specializing in health practice risk management, compounded medications, the sale of anti-retroviral medications and related medication therapy management, and the supply of prescription medications to long term care facilities. The Company also provides 340B services to community organizations, patient health risk reviews, free same-day delivery and serves as a case management access point.

As a specialty pharmacy catering to the needs of patients in need of anti-retroviral medications, and to increase the quality and credibility of the services we provide to these patients, the Company has added a staff that is well trained in acute illnesses. Further, the Company provides confidential prescription packaging that suits the individual patient's needs and lifestyle.

PharmCo's compounding department specializes in formularies such as non-narcotic topical pain creams, wound care creams, scar gels and hormone replacement therapies. The Company also offers EnovaRx, which are FDA approved manufactured pain creams that are readily available with a prescription. In addition to these medications, PharmCo prepares psoriasis creams, wellness vitamins, weight loss formulations and holistic capsules which are 100% Kosher and Halal certified. Compounded medications require strict compliance procedures and are highly labor intensive. As such, these medications can carry significantly higher gross margins than traditional mass manufactured prescriptions. The Company believes that diversifying into this area of the pharmaceutical industry will be greatly beneficial to both its short term financial position as well as its long term viability in the market.

For its long term care customers, PharmCo provides purchasing, repackaging and dispensing of both prescription and non-prescription pharmaceutical products. PharmCo utilizes a unit-of-dose packaging system as opposed to the traditional vials used for its retail customers. This method of distribution improves control and patient compliance with recommended drug therapy by increasing the timeliness and accuracy of medication dispensing. PharmCo also provides computerized maintenance of patient prescription histories, third party billing and consultant pharmacist services. Its consulting services consist primarily of evaluation of monthly patient drug therapy and monitoring the institution's drug distribution system.

PharmCo currently delivers prescriptions to South Florida's diverse population as its customers reside in Miami-Dade, Broward, and Palm Beach Counties. PharmCo currently ships compounded medications to Florida and Texas residents. The Company including its subsidiary PharmCo are located in the city of North Miami Beach. The Company currently offers services in variety of languages in addition to English, including Spanish, French, Creole, Portuguese, and Russian.

Smart Medical Alliance (SMA) provides administration and data information management services to healthcare providers across South Florida. SMA also provides billing and coding, staffing, audit, data analysis, training, and record keeping solutions. By assisting healthcare providers with management functions and coordinating those improvements with pharmacies, SMA can improve the quality of care they provide as well as improve the ratings they receive from insurance carriers.

7) Describe the Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

Progressive Care's office is located at the PharmCo, LLC location at 901 N Miami Beach Blvd, Ste 1-2, North Miami Beach, FL 33162. We currently rent approximately 5,100 square feet of retail and pharmacy space in North Miami, FL for a monthly rent of approximately $13,100. The lease expires in December 2020.

8) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant shareholders.

A. Names of Officers, Directors, and Control Persons. In responding to this item, please provide the names of each of the issuer's executive officers, directors, general partners and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities), as of the date of this information statement.

As of November 14, 2017:

Alan Jay Weisberg
CFO
Common Shares Beneficially Owned: 1,127,091 – 0.33%

Shital Parikh Mars
CEO
Common Shares Beneficially Owned: 2,000,000 – 0.59%

Armen Karapetyan
Control Person
Common Shares Beneficially Owned: 21,532,016 Shares– 6.31%
Preferred Shares Beneficially Owned: 51 – 100%

B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

   None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

   None

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.

   On September 28, 2012, Armen Karapetyan agreed to an offer of settlement from FINRA, an SRO, without admission of any wrongdoing to voluntarily forfeit his securities licensure and accept permanent bar from engaging in securities activities at a broker dealer. This agreement was made after allegations of violations of various securities rules and laws. However, FINRA did agree that no willful violations occurred.

C. <u>Beneficial Shareholders</u>. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

Armen Karapetyan
901 N Miami Beach Blvd. Ste 1-2
North Miami Beach, FL 33162
Series A Preferred Stock
Shares Beneficially Owned: 51 – 100%

Each one (1) share of the Series A Preferred Stock shall have voting rights equal to (x) 0.019607 *multiplied by* the total issued and outstanding Common Stock and Preferred Stock eligible to vote at the time of the respective vote (the "**Numerator**"), *divided by* (y) 0.49, *minus* (z) the Numerator. For the avoidance of doubt, if the total issued and outstanding Common Stock eligible to vote at the time of the respective vote is 5,000,000, the voting rights of one share of the Series A Preferred Stock shall be equal to 102,036 (0.019607 x 5,000,000) / 0.49) – (0.019607 x 5,000,000) = 102,036).

With respect to all matters upon which stockholders are entitled to vote or to which stockholders are entitled to give consent, the holders of the outstanding shares of Series A Preferred Stock shall vote together with the holders of Common Stock without regard to class, except as to those matters on which separate class voting is required by applicable law or the Certificate of Incorporation or By-laws.

9) Third Party Providers

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

Legal Counsel
Name: Joseph Lucosky
Firm: Lucosky Brookman, LLP
Address 1: 101 Wood Avenue South, 5th Floor
Address 2: Woodbridge, New Jersey 08830
Phone: (732) 395-4400
Email: jlucosky@lucbro.com

Name: Jeffrey Klein
Firm: Jeffrey G. Klein, P.A.
Address 1: 301 Yamato Blvd. Suite 1240
Address 2: Boca Raton, Florida 33431
Phone: (561)-952-1126
Email: jklein@jkleinlegal.com

10) Issuer Certification

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles, but having the same responsibilities).

The certifications shall follow the format below:

I, Shital Parikh Mars certify that:

1. I have reviewed this Quarterly Disclosure Statement of Progressive Care, Inc.;

2. Based on my knowledge, this disclosure statement 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 disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

November 14, 2017

/s/ Shital Parikh Mars CEO

I, Alan Jay Weisberg certify that:

1. I have reviewed this Quarterly Disclosure Statement of Progressive Care, Inc.;

2. Based on my knowledge, this disclosure statement 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 disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

November 14, 2017

/s/ Alan Jay Weisberg CFO